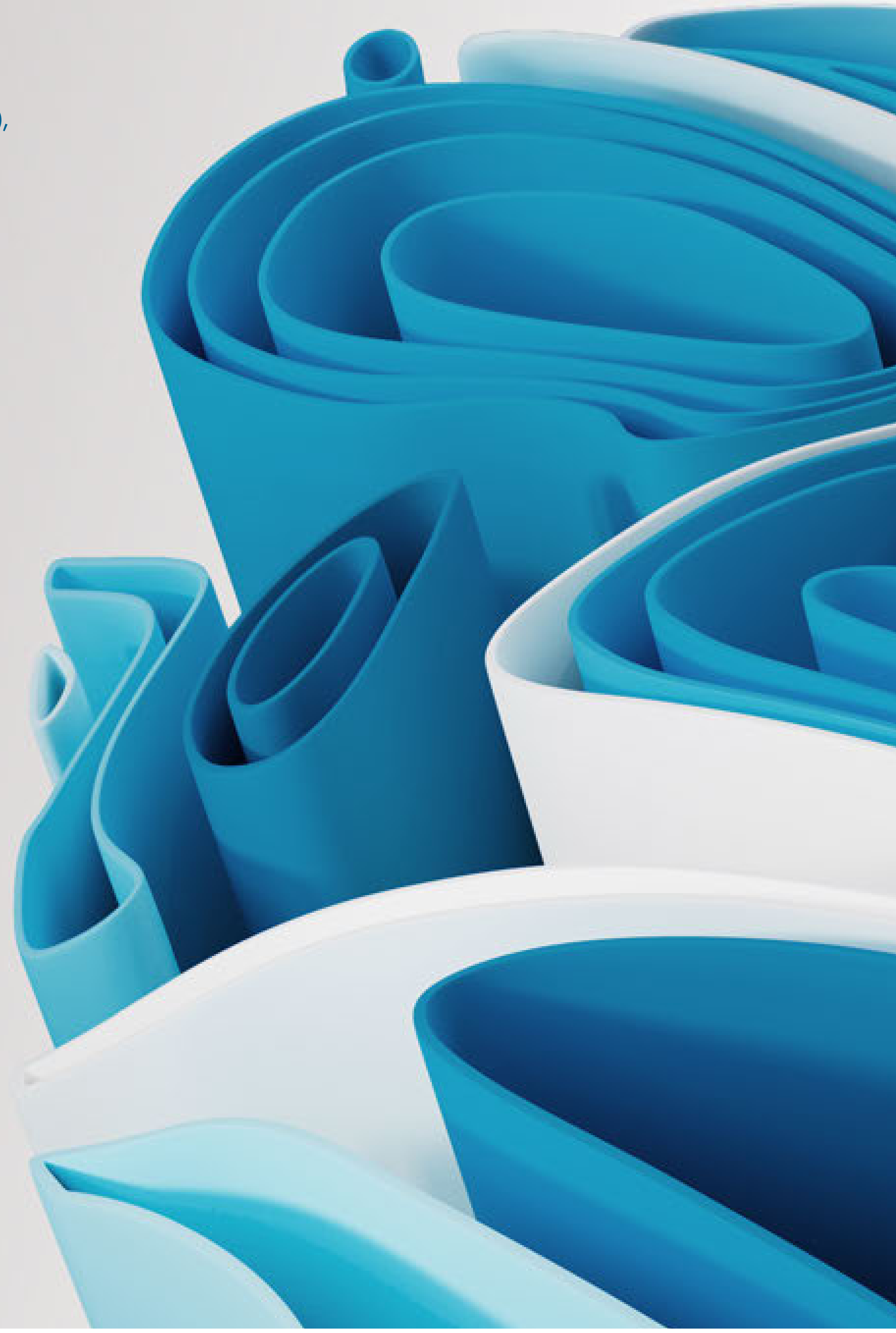
Year end 2025

Climate and Nature report

This report is intended to be aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and the UK FCA's Sustainability Disclosure Requirements (SDR), and France's Article 29 of Energy and Climate Law n°2019-1147 for entity reporting.

It also includes partial voluntary alignment to Taskforce on Nature-related Financial Disclosures (TNFD) and the Monetary Authority of Singapore Transition Planning Guidelines.



Fidelity INTERNATIONAL

Explanatory information for retail investors

We encourage retail investors to first refer to our educational materials, which are available on our **website**, to support understanding of the topics and subject matter within this report.

Contents

The report is designed to support clients, regulators and other stakeholders in understanding our approach to climate and nature. It has been prepared with reference to regulatory and voluntary frameworks, including the Task Force on Climate-related Financial Disclosures (TCFD), France's Article 29 of Energy and Climate Law n°2019-1147, the UK FCA's TCFD and Sustainability Disclosure Requirements (SDR). It also includes partial voluntary alignment with the Taskforce on Nature-related Financial Disclosures (TNFD) and the Monetary Authority of Singapore (MAS) Transition Planning Guidelines. This report also supports our preparation for reporting aligned with International Sustainability Standards Board (ISSB) standards, which are being adopted in relevant jurisdictions.

Why the report focuses primarily on investments[1]

Our group	Tonnes Greenhouse Gas	% of our GHG emissions
Investment - financed GHG emissions	204,180,000	99.99%
Business Operations 'Operational' GHG emissions	10,603	0.01%

Climate and nature-related risks and opportunities are most significant in relation to our investment activities, when compared with our own business operations. This reflects the scale of financed emissions associated with client portfolios. Additionally, 37.5% of our investments are in sectors with high potential nature-related risk. As a result, this report focuses primarily on our investment activities, while also covering our operational GHG (Green-House Gas) emissions where material to us and in our control. For further information, see **Corporate Sustainability**.

TCFD considers financially material risks and opportunities, whilst the TNFD considers double materiality, including dependencies, impacts, risks and opportunities. We do not fully align with TNFD disclosures due to this extra dimension of 'impact' materiality. The detailed alignment to **TNFD is here**.

[1] Investment related emissions are our Scope 3 category 15 emissions covering our the Scope 1, 2 and 3 for our corporate debt and equity holdings. The Operational emissions cover our 'operational control GHG emissions; for further information, see our **Corporate sustainability** and **methodology** sections.

Foreword

Questions of energy supply, and who controls it, have returned to the forefront of economic and political decision-making. History suggests these moments matter. The policy and investment responses to the oil shocks of the 1970s helped shape the energy systems, industrial competitiveness and geopolitical landscape for decades. Similar dynamics may be unfolding again as countries seek to strengthen energy security, economic resilience and future competitiveness in an increasingly uncertain world.

"The transition is increasingly being shaped by economic resilience, industrial competitiveness and energy security."

While climate objectives remain an important driver, broader considerations such as energy security, infrastructure resilience and industrial competitiveness are playing an increasingly prominent role in shaping transition pathways. These developments are changing how governments, companies and investors view risk, allocate resources, and develop their climate and energy transition plans, carrying important implications for the resilience and competitiveness of issuers. Investors need to understand how different companies, sectors and regions are adapting to structural changes in energy systems, resource availability, technology and regulation.

During the year, we enhanced the tools, data and frameworks available to portfolio managers and analysts to support sustainability related analysis within investment decision-making. We also evolved our stewardship disclosures on company and thematic engagement on topics such as climate, water and deforestation. Alongside this, we continued to engage with policymakers, regulators and industry bodies on the development of practical and decision-useful reporting frameworks, and systemic issues such as methane emissions, transition frameworks and decision-useful sustainability reporting.

We published our first standalone Climate Transition Plan, reflecting on the drivers of progress to date and the factors likely to influence future delivery. Our long-term targets set in 2020 remain unchanged, and within our business operations we introduced additional interim targets for 2025-27 to support further emissions reductions. We also published our inaugural report partially aligned to the Taskforce on Nature-related Financial Disclosures (TNFD), fulfilling our commitment as an early adopter. Together, these publications aim to improve the consistency, accessibility and usefulness of our reporting within an increasingly complex landscape of sustainability frameworks and regulations.

The transition to a lower-carbon and more nature-aware economy is unlikely to be linear or uniform. Markets, technologies, regulation and geopolitical priorities will continue to evolve. The policy and investment decisions made today may shape economies and markets for decades to come, just as they did following the oil shocks of the 1970s. Maintaining a long-term perspective grounded in fundamental research, disciplined sustainability integration and constructive stewardship remains essential to helping clients navigate this evolving landscape and meet their investment objectives.

Niamh Brodie-Machura

Chief Investment Officer, Equities

Jenn-Hui Tan

Chief Sustainability Officer

About Fidelity International

Fidelity International (also "Fidelity") is defined as FIL Limited and its subsidiary entities.

Fidelity International is a privately owned global investment and retirement savings business with operations in more than 30 locations, serving more than 2.8 million customers. Established in 1969 as the international business of Fidelity Investments in the US, Fidelity International became an independent organisation in 1980. Today, Fidelity International is owned mainly by senior management and founding family interests, with charitable organisations holding the remaining ownership stake. Our clients include central banks, sovereign wealth funds, corporates, financial institutions, insurers, wealth managers, and private individuals.

Our purpose at Fidelity International is to help build better financial futures for our clients. We take a long-term approach to investing and providing investment guidance and solutions across markets and client segments.

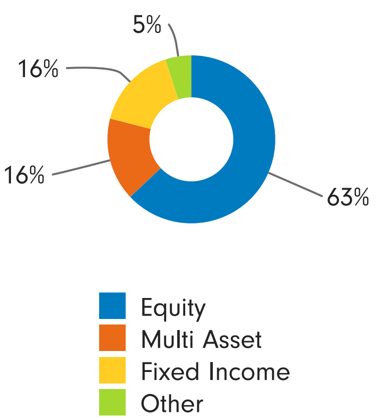
During 2025, Fidelity International operated through the ISS and GPS structure described below. Fidelity International operated two principal activities:

1. **Investment Solutions and Services (ISS):** the asset management business which provides wholesale, institutional and other professional investing solutions through funds and segregated mandates.
2. **Global Platform Solutions (GPS):** the asset owner and asset administrator business which includes workplace investing, personal investing and advisory services.

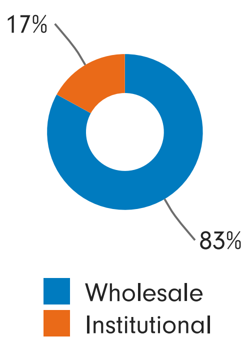
Since year-end, we have transitioned our structure to four pillars consisting of Asset Management, Distribution, FIL Platforms and Group Functions, with GPS positioned within Distribution.

As at 31 December 2025, Fidelity International's assets under management (AUM) were US$507bn. Fidelity is primarily an active manager, with approximately 11% in passive strategies. Under the Fidelity Sustainable Investing Framework (FSIF), ESG Tilt and ESG Target products represented 39.5% of our AUM. For more information on our FSIF, refer to our **Sustainable Investing Principles** (SI Principles). The charts on this page show the AUM breakdown by asset class, client type and geography.

By asset class



By client type



Wholesale, GPS and others	US$423bn
Europe incl. UK	70%
Asia Pacific and Japan	25%
Middle East, South America and other	5%
Institutional assets	**US$84bn**
Europe incl. UK	36%
Asia Pacific and Japan	38%
North America, Middle East, South Africa and other	26%

Source: Fidelity International, 2025.

A global approach

This Climate and Nature Report sets out how we identify, assess and manage climate and nature-related risks and opportunities across our investments and our own business operations. It is intended to provide a clear, decision-useful view of how these factors are integrated into our investment processes, stewardship activities, product solutions and corporate sustainability approach, alongside our progress against targets and commitments. Materiality helps determine which climate and nature-related issues we include, based on their relevance to client investment decisions or our business as an asset manager.

This is a companion report to our:

- **Sustainable Investing Principles,** which sets out our approach to sustainable investing and stewardship activities; and
- **Sustainability & Stewardship Report**, which reports annually on activities under the UK Stewardship Code and our progress on sustainability at Fidelity International.

Scope of the report

A **blue** and **green** colour-coding system is used throughout the report to support intuitive navigation between **Investments** we manage for our clients and our own **Business Operations.**

<table>
<tr><th colspan="2">Investments</th></tr>
<tr><th>In scope</th><th>Out of scope</th></tr>
<tr><td>This report covers our approach to climate and nature-related dependencies, impacts, risks and opportunities for client investments where Fidelity International has discretionary investment management authority. This includes relevant asset classes and regions across our asset management business.

For certain metrics disclosures, including financed greenhouse gas (GHG) emissions, the scope may also include assets that are sub-advised or delegated to third-party investment managers. In these cases, the report includes emissions data relating to those assets, but does not describe the third-party managers' underlying investment approaches or stewardship activities.

The exceptions are set out in the adjacent 'Out of scope' column.</td><td>This report excludes:
1. Entities and businesses
▪ Asset owner business: FIL Life, which has its own UK Life report, and FIL Life Ireland.
▪ Fidelity Canada: products and mandates managed by Fidelity Canada or by a third party. A sustainability report is prepared by Fidelity Canada and is available on its website.
▪ Small or immaterial businesses: Businesses that do not invest on behalf of clients.
2. Mandates, delegation and methodology boundaries
▪ External sub-advisors: External sub-advisors appointed to manage Fidelity International products, such as FIAM, FMR and Geode, follow their own investment management, responsible investment and stewardship policies. Their underlying processes are outside the scope of this report, but investment emissions are included in our metrics where relevant. Fidelity International does not make extensive use of external sub-advisor delegations, they are strategic in nature and used to offer specific strategies.
▪ Advisory mandates: Mandates where Fidelity International advises clients on asset allocation but does not have discretionary investment management authority.
3. Data availability for certain metrics
• Investment metrics exclusions: The investment metrics section does not include data from FIL Fund Management (China) Company Limited, exchange-traded products linked to cryptocurrency or commodities, or real estate portfolio assets.</td></tr>
</table>

<table>
<tr><th colspan="2">Business Operations</th></tr>
<tr><th>In scope</th><th>Out of scope</th></tr>
<tr><td>This report covers our approach to climate and nature-related impacts, risks and opportunities where material to our own business operations across all of Fidelity International's office locations.</td><td>This report excludes the business operations of Fidelity Canada. A sustainability report is prepared by Fidelity Canada and is available on its website.</td></tr>
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Strategy overview

Investments

Strategy overview

Integration
Identify and assess material climate- and nature-related risks and opportunities in investment analysis and stewardship through both proprietary and third-party tools.

Stewardship
Active ownership can strengthen investment insight and encourage improved issuer practices on material climate and nature risks to help improve companies' disclosure and transition plans including through voting where appropriate.

Solutions
Offer solutions designed to support clients' financial and where relevant, their climate or nature-related goals.

Targets

2030 investment emissions target
By 2030, a 50% reduction of Scope 1 and 2 carbon intensity of our corporate debt and equity investments, consistent with our ambition to support real economy transition to Net Zero emissions by 2050.[1]

1. Integration
To maintain our proprietary ESG and climate ratings for our investment research universe, and conduct Quarterly Sustainability Reviews for ESG products.

2. Stewardship Targets - to engage with
a) Issuers representing 70% of our Scope 1 and 2 financed emissions.
b) A certain number of companies each year through our nature-related thematic engagement programme.[2] In 2026 we target ≥25.

3. Solutions
To offer climate and nature related solutions for clients, including custom or tailored solutions.

Progress to date

The carbon intensity of investments fell by 69% between 2019-2025.[1]

Integration – we developed:[4]
a) Over 3,000 fundamental proprietary issuer ESG ratings maintained by our investment research team.
b) Proprietary Climate ratings covering >90% of key indexes.
c) 62 Quarterly Sustainability Reviews covering 242 portfolios.
d) Developed nature exposure assessments for our AUM. aligned to the TNFD LEAP approach (2022-25).[5]

2. Stewardship:
a) We engaged with issuers representing 64% of our Financed emissions.[6]
b) Last year, we set a target to engage with 45 companies within our nature thematic engagement, and engaged with 38 companies throughout the year.[7]

3. Solutions – we created solutions:
We manage 54 portfolios in our ESG Target range, including strategies based on ocean or blue transition, climate solutions, and mandates with custom climate approaches.

Business Operations

Demonstrate commitment through action
To manage climate and nature-related risks across our own operations to reduce our environmental impacts, drive resource efficiencies, strengthen resilience and to demonstrate commitment to our sustainable investing principles.

1. Achieve net zero operational emissions[3] by 2030

2. Interim climate and energy targets
- Our interim targets for 2024-27 are to achieve:
- 15% absolute emission reduction.
- 15% absolute reduction in energy consumption.
- 100% renewable electricity consumption in all feasible locations.
- Maintain business travel GHG emissions intensity per employee at 2024 levels.

1. A 75.1% reduction of operational emissions 2019-25

2. First year progress versus our Interim targets 2024-27:
- A 22% reduction of operational emissions.
- A +2% increase energy consumption.
- A +1% increase in renewable energy consumption to 98%.
- A 20% reduction in business travel intensity per employee.

1 This target was set in 2020, compared with year end 2019 emissions. Its scope covers corporate debt and equity holdings and relates to our 'carbon footprint' indicator.
2 Our commitment is subject to company access, holding size and resourcing.
3 See our Corporate sustainability section for information on categories of GHG covered.
4 As at year end 2025. A quarterly sustainability review (QSR) may cover a number of products managed by or co-managed by portfolio manager(s). Scope is for public listed equities and corporate debt holdings.
5 Scope is for public listed issuers corporate debt and equity, with available data. See our Progress on nature slide.
6 We have engaged with issuers representing 64% of our Scope 1-2 financed emissions as of 31/12/25 at least once over the period 1/1/23 to 31/12/25.
7 Our thematic engagement programme represents a subset of broader engagement activity. In 2025, we conducted 120 engagement interactions on nature-related issues overall. Within our nature-related thematic engagement programme, we engaged 38 issuers, each with at least one engagement interaction.

As part of our approach to managing material climate and nature-related risks and opportunities, we have established targets and commitments, and monitor progress against them.

Progress towards climate targets

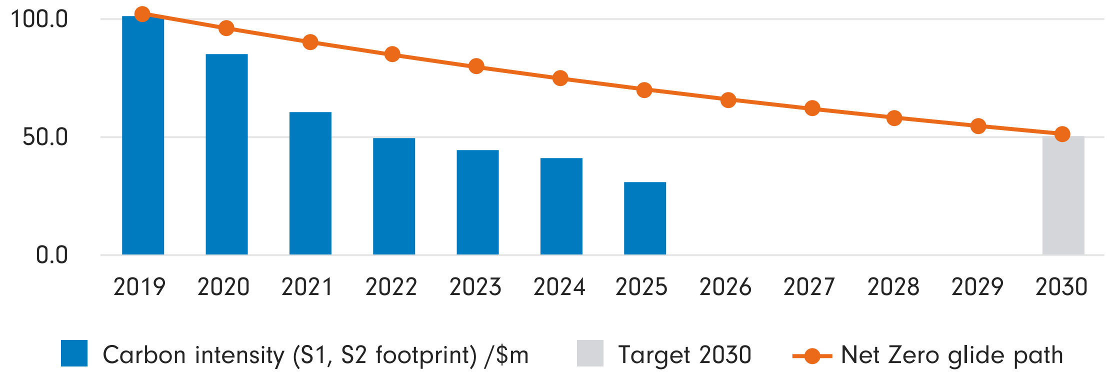
Investments

Target

- A 50% reduction of Scope 1 and 2 carbon intensity (S1, S2 footprint) of our corporate debt and equity investments from 2019-2030, consistent with our ambition to support economies to transition to net zero emissions by 2050.

Progress:

- Since 2019, the Scope 1 and 2 carbon intensity of our equity and corporate debt investments has fallen by 69%.
- Real estate has made an assessment based upon CRREM misalignment year for 86% of floor area of properties in real estate funds* (December 2025



Scope: Asset Manager - Equities and Corporate debt holdings held across asset classes (Equities, Fixed Income, Multi-Asset and Passive) - consisting of AUM $495bn as of end 2025.

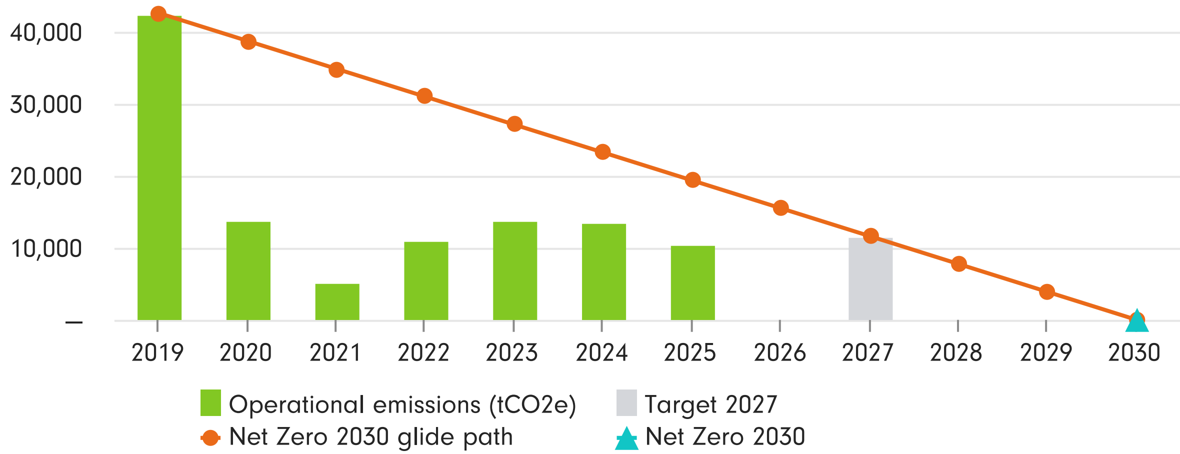
Business Operations

Target:

- Net Zero operational emissions by 2030, with interim targets for 2027 to reduce emissions and energy consumption by 15%, reach 100% renewable energy consumption and maintain flight travel GHG emission intensity/employee at a 2024 level.

Progress:

- Since 2019, operational emissions have been cut by 75%,** supported by a 68% reduction of business travel emissions, a 49% decrease in our energy consumption, and an increase of our renewable electricity supply to 98%.



Scope: Fidelity's business operations (operational control GHG emissions).

[i]* GRESB's CRREM is an industry approach to assessing real estate transition risks.**Market based emissions. These numbers have been restated please refer to section updated data methodology.

Progress on our Nature roadmap and commitments

As signatories to the Finance for Biodiversity pledge and the Finance for Sector Deforestation Action (FSDA) we committed to support the management of nature-related risks. Since 2021, we have made significant progress, yet deforestation and nature remain complex and require significant engagement of stakeholders and further work.

2021

- COP26: signatory to the Financial Sector Commitment Letter on Eliminating Commodity-Driven Deforestation.*
- Finance for Biodiversity pledge signatory & foundation member.
- Integration of biodiversity into ESG ratings.

2022

- Expanded palm oil thematic engagement to key forest-risk commodities to create a deforestation engagement programme.

2023

- Joined Nature Action 100.
- Co-sponsored eco-acoustics study.
- Fidelity publishes its Nature roadmap, including our initial impact and dependency analysis.

2024

- TNFD Early Adopter.
- Launched water thematic engagements.
- Joined the Investor Policy Dialogue on Deforestation (IPDD).

2025

- Published our inaugural TNFD** report, including our first public engagement target.

For further information on our activities undertaken and progress towards meeting the Finance for Biodiversity and FSDA pledges, refer to our **Sustainability and Stewardship** report.

* Later renamed to the Finance Sector Deforestation Action (FSDA). **Partially aligned to TNFD.

Climate and nature strategy and metrics

Our approach to climate and nature risks and opportunities

We provide asset management services through our Investment Solutions and Services (ISS) business, which offers wholesale, institutional and other professional investing solutions through funds and segregated mandates. Our investment capabilities span actively managed listed equity and fixed income, alongside multi-asset, alternatives and real estate strategies. We believe that integrating sustainability risks and opportunities into investment considerations, exercising effective stewardship and offering a range of sustainable investing solutions can help our clients meet their financial and sustainability objectives. Further information on our approach is available in our **Sustainable Investing Principles**.

We consider certain system-wide sustainability themes to be financially material due to the risks and opportunities they may create for client portfolios, our business operations, and the economies and societies in which we and our investee companies operate. Climate change and nature loss are two of our four key systemic sustainability themes, as they can materially affect our business operations and investments across different asset classes, sectors and geographies. Consistent with the Task Force on Climate-related Disclosures Framework (TCFD), we assess climate-related risks and opportunities over different time horizons and consider these where material or relevant in investment decisions, stewardship and product development. In line with our partial voluntary alignment with the TNFD framework, we recognise material nature-related dependencies, impacts, risks and opportunities across operations and value chains. While it is not possible to fully capture all nature-related dimensions in our analysis, it does support the identification of potential exposures across investments and informs stewardship priorities, including those relating to deforestation and water.

Our annual scenario modelling process[2] aims to identify the material risks facing our business over the next twelve months and forms part of our Capital Assessment. It is reviewed and approved by relevant governance forums annually. Our business's most material short-term risks are market, geopolitical or economic related events such as 'stagflation' or regional conflicts, typically represented as sharp falls in market levels which directly impact our profitability through our investments, or our operations and employees.

The table below sets out our view of the most relevant climate and nature-related risks and opportunities, and how these may impact our business across time horizons. Short term is 0-3 years, medium term is between 3 and 10 years, whilst long term is >10 years. It is followed by illustrative examples of the potential materiality of climate and nature for our investments, including climate scenario analysis outputs and nature impact and dependency analysis. We then summarise our summary to manage climate and nature-related risks and opportunities in our investments and business operations.

TCFD considers financially material risks and opportunities, whilst the TNFD considers double materiality, including dependencies, impacts, risks and opportunities. We do not fully align with TNFD disclosures due to this extra dimension of 'impact' materiality. The detailed alignment to **TNFD is located here**.

[2] This considers our business and value chain (including investments)

Climate and nature-related risks and opportunities summary:

Type	Time horizon	Description and potential financial effect	Actions to manage risks and respond to opportunities
Transition	All time frames	**Reputational – regulatory compliance risk (external)** Increasing volume and complexity of sustainability-related regulation and disclosure requirements may lead to higher compliance costs, non-compliance clients feeling misinformed or legal action relating to sustainability credentials. A reputational event may impact client confidence or stakeholder trust, impacting demand for services provided. **Potential financial effects include higher costs, regulatory fines, reduced client flows and lower revenue.**	Regulatory horizon scanning, and integration of climate and nature-related regulatory requirements into compliance frameworks, risk management processes, and developing a sustainability reporting model. This includes preparation for reporting requirements that are expected to align with, or draw on, International Sustainability Standards Board (ISSB) standards.
	Short to medium-term risk or opportunity	**Fund strategy and shifting client preferences (external)** Changes in client demand for investment strategies with sustainability, climate or nature-related characteristics may affect revenues. Failure to meet stated product objectives, targets or client expectations may reduce client confidence and affect asset flows. **Potential financial effects include growth or decline in revenue, depending on client demand and product performance.**	Development and enhancement of investment strategies and product frameworks with relevant climate or nature-related characteristics, subject to product governance and evolving client demand, market practice and regulatory expectations. First and second line monitoring and remediation processes, supported by ESG-related reputational risk assessment and scenario analysis where relevant.
	Short-term opportunity	**Resource efficiency, including energy use and sourcing (internal)** We have opportunities to improve energy efficiency, reduce water use and waste, and increase renewable electricity sourcing where feasible. **Potentially lower costs.**	We continue to implement initiatives to improve energy efficiency, increase purchased renewable electricity and manage business travel emissions intensity in support of our operational net zero target.
Physical	Medium to long-term risk	**Disruption from climate and nature-related risks to Operations and Investments (external)** Physical climate and nature-related events, including extreme weather, water stress and supply-chain disruption, may affect our business operations, service delivery or severely disrupt the issuers we invest in. **Potential financial effects include higher operating costs and business disruption, and changes in the value of investments.**	Physical climate and nature-related risks are considered through business scenario analysis, investment strategy, as well as our own business continuity management, the Operational Resilience Framework, and Health, Safety and Sustainability (HSS) processes. Location strategy and operating models may be adapted where required to manage material risks. We monitor the developments of our third party data providers to assess improvements in identifying physical risks in our investments.
Both	All time frames	**Investment and reputational risk from controversial exposures (external)** Exposure to an issuer associated with sustainability-related controversies, including climate or nature-related practices, or one which experiences material losses from physical risks, leading to a loss of client trust and, in some cases, legal or regulatory action. **Potential financial effects include higher costs, regulatory fines, reduced client flows and lower revenue.**	We use investment monitoring processes, an exclusions framework and a reputational risk management framework to help identify and assess potentially controversial exposures and determine appropriate actions.

Estimating climate-related risks and opportunities

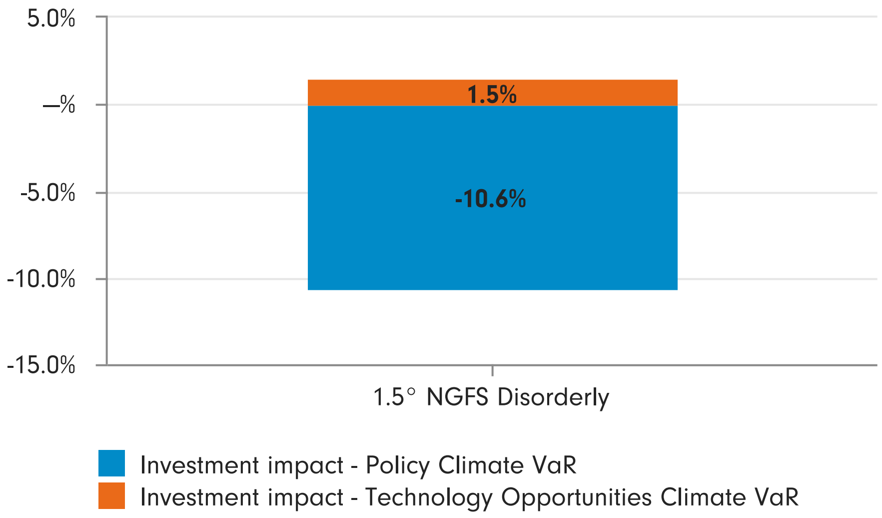
Climate scenario analysis helps illustrate how different transition pathways could affect investment values over the long term. While not forecasts, these scenarios highlight the trade-off between shorter-term transition risks and longer-term physical risks associated with climate change.[i,ii] Climate-related risks have the potential to be material to investment values, with delayed global policy action increasing the potential future economic and investment impacts.

Understanding scenarios:

- 1.5°C or a 2°C Disorderly Transition scenanrios: represents a future of delayed climate action followed by rapid policy and economic adjustment, resulting in higher short-term transition risks. The value of many thermal coal mining and power generation equities may be materially negatively affected under these scenarios.
- Current policies (>3°C hot house world): Limited if any further climate policy action, resulting in higher levels of warming than today, and increased long-term physical risks and no further transition or policy risks. We do not include the model's outputs for investments' physical risks as it has a number of translation limitations. As a result we illustrate the potential materiality with reference to global GDP.

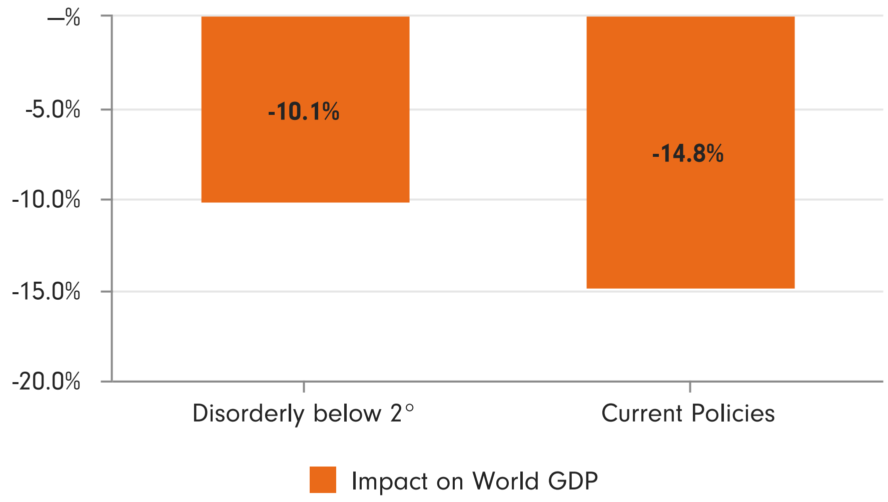
Transition risks and opportunities - Investments

Under a disorderly 1.5°C transition scenario, transition risks could reduce investment values by around 10%, partially offset by climate-related technology opportunities.[iii]



Physical risks and their impacts on global GDP

The NGFS phase V physical risk release: Higher levels of warming are associated with larger potential impacts on global economic activity, which could in turn affect investment values.[iv]



Source MSCI, NGFS and Fidelity International. A summary of limitations and methodology are covered in the appendix.

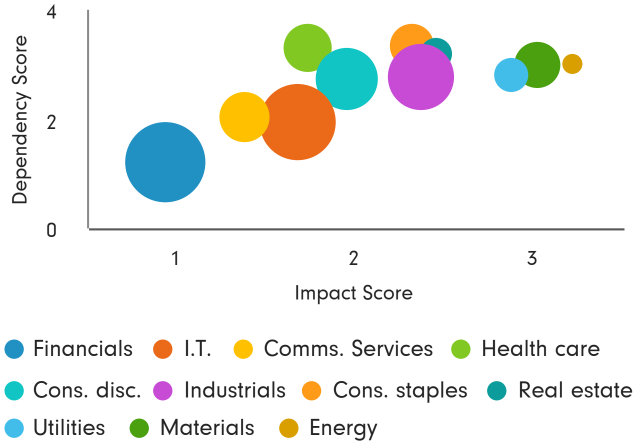
[i]The NGFS is a collection of central banks which produce standards sets of climate scenarios. [ii]Climate Value at Risk (CVaR) is a modelled estimate not a prediction of future investment performance. It is expressed in present value terms, of how climate-related risks and opportunities may affect the value of investments under different climate scenarios by 2050. It combines assumptions on climate pathways, economic impacts and company-level data. Different models and scenarios may have varying results. [iii]We have chosen this scenario because a globally co-ordinated 'Orderly transition' is currently unlikely. $494bn of public listed equities and corporate debt AUM modelled. [iv]Relative to baseline GDP.

Nature-related exposure analysis

1. In 2025, 37.5% of analysed investments[i] were in sectors with high potential nature-risk.[ii]

At the sector level, energy, materials and utilities exhibit significant potential direct impacts on nature, as well as high dependencies.[iii] For example, the energy sector has substantial potential impacts through land use change, pollution and direct exploitation, and significant potential dependencies like water supply, soil and sediment retention, and flood control.

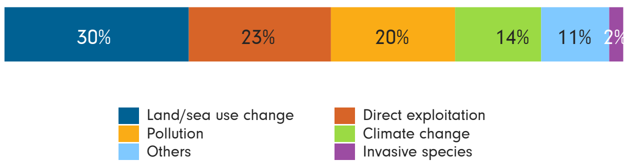
Sector-level Impact and Dependencies[iii, iv]



2. Land/sea use change drives impact; dependencies concentrated in regulating services.

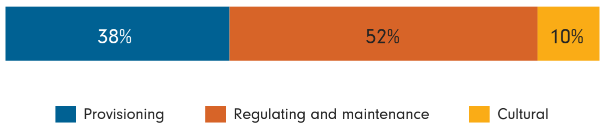
In 2025, 30% of our investments' potential direct impact on nature was driven by land and sea use change, followed by direct resource exploitation and pollution.

Breakdown of Fidelity's 2025 Impact Score[iii]



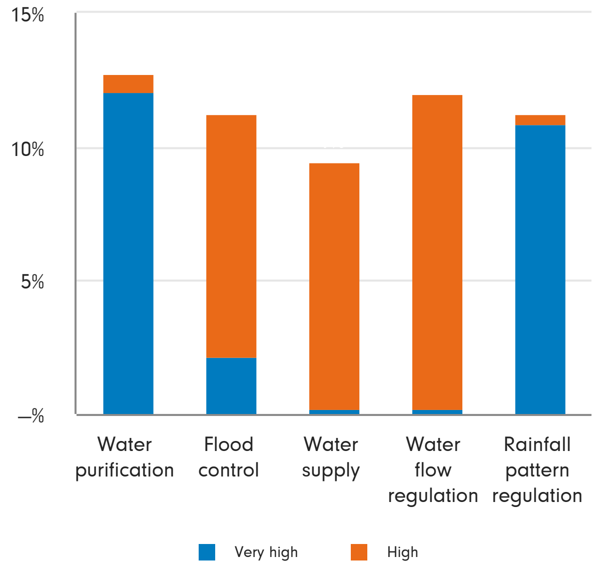
The breakdown of our nature dependency score shows that over half of our investments' potential direct dependency on nature is attributable to regulating and maintenance services.

Breakdown of Fidelity's 2025 Dependency Score[iii]



3. Water is identified as a key pressure and ecosystem service for our investments.[i]

Water stands out as a key potential impact and dependency across our AUM. For example, with a significant proportion of our investments exposed to high or very high potential reliance on water-related ecosystem services, including water flow regulation, water purification and water supply.



Our initial nature-related analysis conducted in 2023 informed the introduction of water as a dedicated engagement theme. The results of the 2025 analysis further reinforce the prioritisation of deforestation and water as key issues for nature-related stewardship. Insights from this work will help us develop a more granular understanding of sub-industry specific nature-related risks, particularly those driving the greatest potential contribution to nature loss and those that may be most financially material. Refer to the Appendix for further details on our methodology and limitations.

i.This analysis was conducted on our equity and corporate debt holdings as of year-end 2025.
ii. As categorised by TNFD. TNFD lists priority sectors with significant potential nature-related impacts and dependencies.
iii. The ENCORE dataset is used to inform the impact and dependency scores, which range from 0-5, with 5 representing Very High potential impact/dependency. Under this enhanced methodology, the raw pressure or ecosystem service ENCORE ratings are aggregated using a weighted methodology, where the weightings reflect differences in the relative importance of impact drivers and ecosystem services. See Appendix for further details.
iv. Bubble size represents our holding size

Our investment approach

This section covers our approach for listed equities (63% of AUM) and fixed income (16% of AUM, primarily corporate debt). Further information about **Multi-Asset** and **Real Estate** are included later in the report.

Climate and nature as systemic sustainability themes

We consider climate and nature to be two of our four system-wide sustainability themes that are financially material due to the risks and opportunities they may create for client portfolios, our business operations, and the economies and societies in which we and our investee companies operate. This section sets out our strategy for maximising these material opportunities and managing material risks for investments we make on behalf of our clients.

Our three levers

Our Sustainable Investing Principles (**SI Principles**) set out our purpose, beliefs, guiding principles, and approach to sustainable investing activities. Our approach and this document are normally reviewed annually and updated as required. Our approach to sustainable investing is based on three levers: integration, stewardship and solutions. For climate and nature, this includes:

1. **Integration**: We aim to identify and assess material climate and nature-related risks and opportunities and integrate these into investment decisions and stewardship activities.
2. **Stewardship**: We engage with issuers, industry bodies and policymakers on priority sustainability-related issues, including climate and nature, to support improvements in practices and the functioning and resilience of financial markets.
3. **Solutions**: We offer a range of investment strategies designed to support clients' financial and sustainability objectives. This includes products developed under the Fidelity Sustainable Investing Framework.

Below, we provide further insight into how the three levers of our approach relate to climate and nature, including selected case studies and examples.

1. Integration

Fidelity aims to integrate financially material climate and nature-related factors into our investment decision-making, using proprietary and third-party tools and datasets to complement fundamental investment analysis for active equities and corporate debt.

A summary of how these tools and datasets relate to climate and nature-related issues is set out below. For more information on the underlying tools, please refer to our SI Principles or additional disclosures available **here**. These tools also support our Fidelity Sustainable Investing Framework and associated fund building blocks (see **Solutions**), while helping our fundamental and sustainability analysts prioritise engagements (see **Stewardship**).

ESG Ratings	Fidelity's ESG Ratings assess how an issuer's performance on material sustainability issues may support or impair long-term value. Climate change, nature loss and associated impacts are considered under the environment pillar of our ESG Ratings, where material for issuer performance. Relevant factors may include greenhouse gas emissions, nature loss and resource use. They can contribute to investment decisions, inform engagement activities, and are used as criteria for our product framework.[3]
Climate Ratings	Our Climate Rating assesses an issuer's alignment with the objectives of the Paris Agreement and provides a view of transition risk based on emissions disclosure, targets and climate governance. The rating is primarily based on quantitative data and may be supplemented by qualitative insights from corporate engagements where relevant.
SDG Assessment	**Our SDG[3]Tool complements ESG Ratings by assessing an issuer's revenue alignment to environmental and social outcomes, based on its products and services.** This supports the identification of companies addressing climate change (i.e. SDG 7) and nature-related impacts, including land and sea use change (i.e. SDGs 14 and 15) and resource use (i.e. SDG 12).
Quarterly Sustainability Review	The Quarterly Sustainability Review (QSR) is a component of the Quarterly Fund Review (QFR) which covers performance, risk management, liquidity, and other relevant considerations. The QSR is a quantitative and qualitative exploration of a product's sustainability profile, and may include aspects such as ESG ratings, climate ratings, engagement activity, climate characteristics, and may consider climate and nature-related controversies. As at end-2025, funds in scope of the QSR process represented 39.5% of our total AUM.[4]
Scenario Analysis	Our Climate Scenario dashboard provides issuer and portfolio-level exposure to physical and transition risks under a range of climate scenarios for in-scope strategies.[5]
Principal Adverse Impact Dashboard	Our PAI dashboard provides issuer and fund level reports, showing performance relative to the benchmark on selected Principal Adverse Impact metrics. This includes information on carbon emissions, carbon intensity, carbon footprint, exposure to companies active in the fossil fuel sector, use of renewable energy, hazardous waste and radioactive waste ratio, activities negatively affecting biodiversity-sensitive areas, and emissions to water.

[3] For further information see our approach to **Solutions**, and **thematic engagements** which can feed into our exclusion process for certain products. Our Sustainable Development Goals alignment model - which measures the extent to which an issuer's activities are aligned with the objectives of the **United Nations Sustainable Development Goals(SDGs)**.

[4] Limitations: The in-depth nature of our approach means that our ratings and tools do not provide the same breadth of coverage as a large third-party ESG data provider across listed issuers.

[5] There are a number of limitations with the MSCI CVaR model which are covered in the methodology section, including the possible under-estimation of physical risks, and the true sensitivity to issuers or sectors either directly or through their supply chain, or whether issuers have adaptation plans which may mitigate the risks or indeed whether they are able to adapt to such risks.

Investment decisions

Our engagement activities continue to rely heavily on our integrated fundamental research process and our actively managed AUM. We reflect our analysis of material sustainability considerations and the outcomes of our engagements in our fundamental research and proprietary ESG Ratings. We believe this helps to inform investment decisions and outcomes.

Fidelity's analysts and portfolio managers engage regularly with issuers across the investment universe, with approximately 18,000 meetings held each year. These interactions support continuous monitoring of investee companies' operational and financial performance, as well as their corporate governance and material environmental and social practices, and help inform investment decisions and stewardship priorities.[6]

2. Stewardship

This lever describes our approach to assessing and influencing corporate practices, and engaging with industry bodies and policymakers to mitigate climate and nature-related risks at our investee companies, and support the effective functioning and resilience of financial markets.

We believe that active ownership supports value creation for investors over the long term, by enriching our research and decision-making processes, and encouraging improved corporate practices among the issuers we invest in. As one of our three core levers, stewardship is critical to discharging our fiduciary responsibilities in managing climate and nature-related risks and opportunities, and in turn the investment outcomes we are able to deliver to our clients. It aims to support long-term investment outcomes, manage sustainability-related risks and opportunities, and reinforce our investment convictions, through active engagement and voting on such material issues.

Stewardship approach to identifying and managing risks

The integration lever supports the identification of climate and nature-related risks through tools and processes, helping prioritise engagement resources on the most material issues. Our approach to effective stewardship combines the following:

1. **Company engagements and voting** targeting material company specific issues. Engagements and voting activity can be related to issuer exposure, or performance on, a climate or nature-related issue.
2. **Thematic engagements** on climate and nature-related issues seek to mitigate adverse impacts through planned and targeted engagement with issuers, industry bodies and regulators. Company engagements are based on a pre-defined set of milestones and objectives.
3. **System-wide stewardship** includes engagements with industry bodies, regulators, and participation in external initiatives with the aim of supporting efficient and resilient financial markets. This includes climate and nature-related disclosure frameworks, taxonomies and product classification regimes.

Fidelity's analysts and portfolio managers engage regularly with issuers across the investment universe, with approximately 18,000 meetings held each year.

Scope

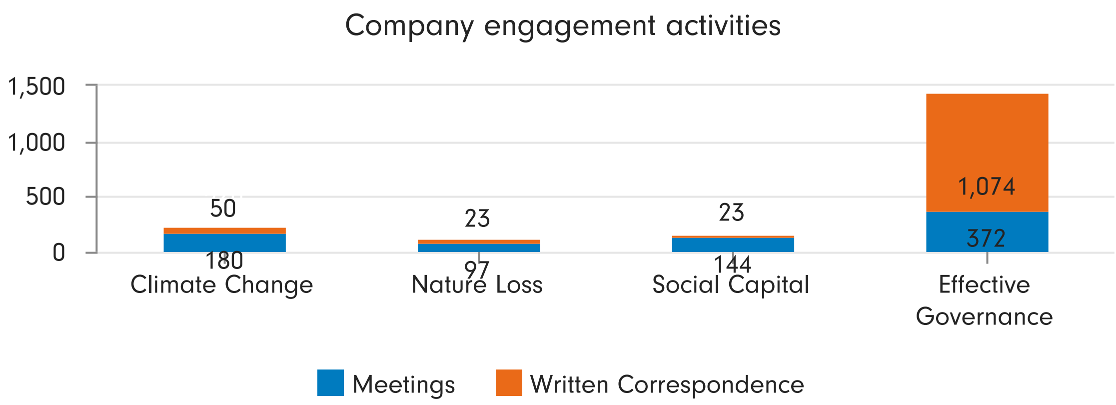
Stewardship is integrated into our actively managed investment process for directly held equity and corporate debt holdings.[7] Where investment management responsibility is sub-delegated to third-parties, stewardship and responsible investment practices are governed by the policies of the relevant investment manager.

[6] For further information on how engagement can feed into exclusions see our approach to thermal coal thematic engagement and exclusion sections.
[7] Multi Asset products may hold funds, where the look through equity and corporate debt holdings are not directly captured in this section - see the SI Principles for the approach followed.

Stewardship highlights

Company engagements

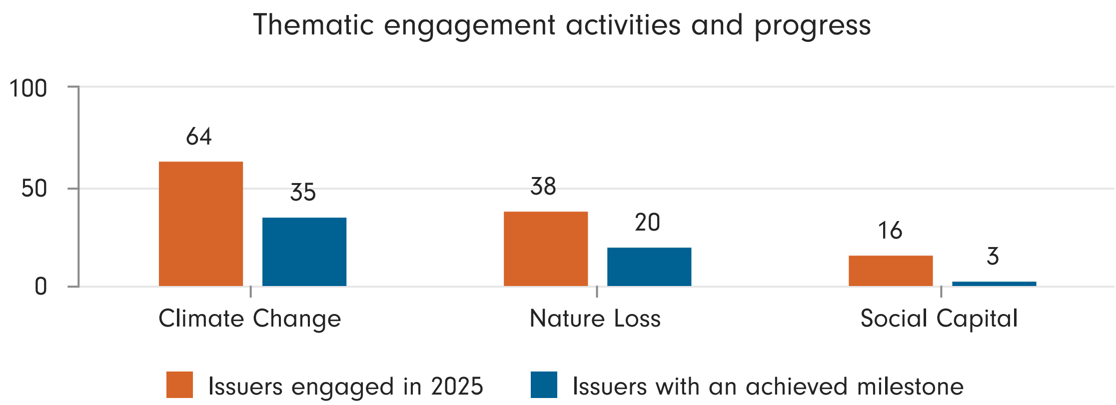
In 2025, 180 in person or remote engagement meetings discussed climate change, while 97 discussed nature loss. Engagements through written communication addressed climate change in 50 instances, compared with 23 instances for nature loss.*



Thematic engagements[ii]

In 2025, we engaged with 64 issuers as part of our climate change thematic engagement programme and 38 issuers on nature loss.

Since our milestone tracking began in 2022, 35 issuers in our climate change engagements (55%) have achieved at least one milestone (66 milestones in total). For nature loss, 20 issuers (53%) have achieved at least one milestone (29 milestones in total). We do not claim causality as other factors may have contributed to these actions.



Our aim is to ensure 70% of our Financed Carbon Emissions (FCE) in material sectors are aligning with net zero or subject to engagement or stewardship actions. Since 2023, we have engaged with issuers representing 64% of our financed emissions.***

Where investment management responsibility is sub-delegated to third parties, stewardship and responsible investment practices are governed by the policies of the relevant investment manager.

The team looks for measurable improvement as a result of engagements. Unsuccessful engagement can lead to a change in strategy/product ESG rating and/or divestment where appropriate.

* ESG engagement activities may cover more than one of the four systemic areas of focus. Further details are available in our **Sustainability & Stewardship Report**.

** Milestones relate to issuers in our 2025 engagement universe only. Our engagement universe evolves over time due to portfolio changes or other reasons, meaning issuers we previously engaged with may have achieved milestones after leaving the universe, which are not shown here. Data and classifications are subject to change or future revision. We do not claim additionally; milestones represent achievements by companies.

*** We have engaged with issuers representing 64% of our Scope 1-2 financed emissions as of 31/12/25 at least once over the period 1/1/23 to 31/12/25.

1. Company engagements

Voting

Fidelity exercises voting rights delegated to us by our clients as a core part of its stewardship responsibilities and approach. Voting decisions are coordinated by the Sustainability team in partnership with investment teams and supported by a dedicated proxy voting function responsible for research support and operational execution. Voting activity is undertaken in accordance with our **Voting Principles and Guidelines**, informed by engagement insights and investment analysis. Further detail is found in our **Sustainable Investing Principles**.

Year in review

We voted at 4,221 shareholder meetings in 2025 for issuers within the scope of our discretionary managed AUM.[8] Climate and nature are specific topics integrated into our voting approach. In 2025, we voted against directors at 44 meetings as a result of concerns regarding progress on climate-related engagements, and at 3 meetings on concerns relating to deforestation. We voted in favour of 32.5% of environmental shareholder proposals. We analyse shareholder proposals on a case-by-case basis and our decisions are based on the materiality and merits of the individual resolution.[9]

Our voting approach and scope is explained in our **Sustainable Investing Principles and Voting Guidelines.** Further information on our 2025 voting activities, including our regional voting and votes for and against management, is available in our annual **Sustainability & Stewardship report**. Our voting records are also available on our **website**. Below is an example of our engagement and voting activity.

Case study

Dyno Nobel					
Country:	Australia	**Sector:**	Materials	Escalation:	☑
Topic:	Climate Change	**Attendees:**	Board; Letter/Vote	Asset Class:	Equity

Objective: Encourage Dyno Nobel to expand its net zero targets to incorporate scope 3 emissions.

Background: Fidelity International has been engaging with Dyno Nobel as part of our ongoing climate stewardship with high-emitting companies. Given the material emissions profile of explosives value chains, we focused on strengthening the credibility of Dyno Nobel's transition approach, particularly where stated net zero ambition did not extend to value-chain (scope 3) emissions. We viewed scope 3 coverage as increasingly expected by investors and increasingly common among peers, and as essential for decision-useful transition planning.

Engagement action: In February 2023, Dyno Nobel put its 2022 Climate Change Report to a Say on Climate vote at the 2023 AGM. Fidelity escalated and abstained from the resolution due to two critical concerns. Dyno Nobel's climate targets were not aligned with a less than 2°C world; and their net zero ambition did not cover Scope 3 emissions and was framed as an ambition rather than a target supported by measurable action.

We communicated that Say on Climate votes held every three years should have higher ambition, and that credible transition planning for this sector requires explicit Scope 3 coverage. We reinforced these expectations through continued dialogue and escalation measures, including written correspondence to the board. In 2024, while we did not vote against a resolution, we sent a letter outlining our key asks and peer comparisons; the board responded. Across engagements, we emphasised moving from high-level ambition to measurable Scope 3 targets and demonstrating how procurement and commercial choices would drive real-world emissions reductions.

Outcome: As part of their 2025 Annual Results, Dyno Nobel announced two scope 3 GHG targets at the business unit level, marking a significant step forward in value-chain emissions management and integrating Scope 3 considerations into purchasing and customer-related decisions. For their Asia Pacific division DNAP, Dyno Nobel announced a 25% reduction in upstream Scope 3 per tonne of ammonium nitrate purchased by 2030 (2020 baseline), covering ~75% of DNAP's Scope 3 and expected to equate to a ~25% reduction in DNAP's total scope 3. While for their Americas division DNA, Dyno Nobel announced a 40% reduction in downstream Scope 3 per tonne of bulk product sold by 2030 (2020 baseline), covering ~25% of DNA's scope 3 and expected to deliver a 40% absolute reduction in downstream Scope 3 and a ~17% absolute reduction versus DNA's total Scope 3. In 2025 we engaged with the chair, congratulating them on the announced emissions reduction targets and the chair shared with us the process to get the board comfortable with the new commitments and how they are implementing actions across their supply chains to deliver the reductions, though noting the complexity and hurdles to overcome in the coming years.

We believe escalation, including the 2023 abstention and subsequent board letter, was a key catalyst for this progress. Following these announcements, we consider the milestone (incorporating Scope 3 into net zero targets) achieved.

[8] We do not vote on AUM which we delegate or for third party funds, or where regulation prevents us, or where for procedural reasons we cannot.
[9] Shareholder resolutions, not including management-related items.

2. Thematic engagements

We see thematic engagement as an important part of our stewardship approach to managing climate-related risks, our aggregated emissions and related targets. For Climate Change and Nature Loss, we focus on seven sub-themes, selecting engagement candidates prioritised by the ranked contribution to our financed emissions or, for nature, based upon our assessment of where we see the greatest related risk. We finalise our engagement list by incorporating an assessment of where our influence is likely to be greatest.

The following table outlines the focus of each sub-theme, alongside issuer expectations for these engagements:

Sub-theme	Focus	Issuer expectations
Top emitters[10]	Top contributing issuers to our financed emissions in material sectors. We aim to engage with issuers representing the top 70% of Scope 1 and 2 emissions in material sectors, and the top 25 contributors to our Scope 1-3 emissions.[10]	To have science-based GHG emissions targets, along with robust governance and transition plans to achieve those targets. We encourage issuers to position for resilience in the transition to a low carbon economy, and to support the provision of climate solutions, where appropriate.
Thermal coal[11]	Issuers with material exposure to thermal coal power generation and mining assets.	To support the transition to a lower carbon economy by phasing out thermal coal assets as part of efforts to decarbonise and avoiding stranded asset risks.
Steel methane initiative[12]	The abatement of methane across the steel value chain, spanning on Australian metallurgical coal miners, global steel producers, regulators, technology innovators and funding providers.	To measure and verify methane emissions from the extraction of metallurgical coal, as well as develop site-level methane abatement strategies, in-line with guidance from the UN Environmental Programme (UNEP)'s Steel Methane Programme (SMP).[12]
Deforestation	Issuers with material exposure to direct or indirect agricultural commodity-driven deforestation risks (palm oil, soy, beef and leather, and pulp and paper).	To assess and publicly disclose deforestation risk exposure and establish a risk mitigation plan. This should be underpinned by a time bound deforestation free commitment, implemented through supply chain traceability and engagement. Issuers should regularly monitor and report on progress against commitments and establish board oversight of forest-related issues.
Water risk	Issuers with potential material impacts on water quality or quantity, or are highly dependent on freshwater resources (as identified through ENCORE analysis complimented by our bottom-up due diligence)	To responsibly steward water resources across their operations and supply chains, addressing both water quality and water quantity risks where relevant, to support long-term resilience.
Collaborative **(Climate and Nature)**	In addition to bilateral engagement, we participate in collaborative initiatives where collective action may be more effective in addressing climate or nature risks. For example, with the world's largest emitters with Climate Action 100+ and Asia Investor Group on Climate Change (AIGCC), or on nature loss with Nature Action 100.	To engage constructively to improve climate governance, and climate-related disclosures and targets. For nature, issuers are expected to assess and understand their nature dependences, impacts, risks and opportunities, commit to minimising nature loss, and conserve or restore ecosystems. Commitments should be supported by targets, implementation plans, governance and collaboration with relevant stakeholders.

[10] Our aim is to ensure 70% of our Scope 1 and 2 financed emissions in material sectors are aligning with net zero or subject to engagement or stewardship actions, as assessed by our Climate Ratings. This approach is aligned with the IIGCC's Net Zero Investment Framework (NZIF) 2.0. In addition, we also engage with issuers representing the top 25 of financed carbon emissions across Scope 1, 2 and 3. Sectors are categorised as material in-line with the IIGCC Net Zero Investment Framework (NZIF) 2.0, covering NACE codes A-H and J-L. "NACE" refers to the statistical classification of economic activities in the European Union.
[11] For example, progress in our thermal coal engagements directly influences the composition of our thermal coal transition lists, which in turn determine eligibility for investment across our ESG Tilt and ESG Target product ranges. Where evidence from engagement leads us to conclude an issuer on these lists is not on a credible transition pathway, we can escalate our engagement by withdrawing the company's eligibility for investment for these funds.
[12]These asks seek to align with the UN Environmental Programme's International Methane Emissions Observatory Steel Methane Programme sector specific guidance.

Year in review

In 2025, we continued to refine our climate stewardship approach, taking insights from leading global best practices and frameworks. A key priority for the year was embedding our internal monitoring application, which has enabled us to improve the consistency, transparency and quality of how we track and report progress against our climate thematic engagement objectives and milestones.

Our thematic engagements, led by the Sustainability team, aim to improve the disclosures, policies, practices and, ultimately, performance of companies in managing material risks and opportunities. They may be undertaken in collaboration with other stakeholders where appropriate. For each engagement, we record and track progress against a series of milestones in our internal research system. For more information on our approach to thematic engagements and milestone tracking, please refer to our **Sustainable Investing Principles**.

Climate

As our largest thematic engagement programme, our climate stewardship work encompasses several hundred climate-specific milestones across our global issuer universe. Each issuer typically has three to five climate milestones, tailored to the materiality of the issuer's sector and emissions profile. These milestones are closely aligned with our Climate Ratings criteria, and the majority are standardised to help analysts determine the most appropriate and meaningful areas of focus, for example, improving GHG emissions or physical risk disclosures, setting GHG emissions reduction targets or defining accountability for climate strategies. However, milestones may also be sector or company-specific to account for differing circumstances.

For sectors with significant transition risks, we have also developed sector-specific milestones. These reflect recognised best practices, external guidance and insights drawn from our own engagements; for example, by addressing methane abatement in the oil and gas sector.

We assess progress using our stage 1–4 milestone framework and evaluate the robustness of our stewardship through both engagement rigour and issuer outcomes. Engagement rigour includes the proportion of financed emissions under engagement, the quality and relevance of the milestones set, and the depth of our dialogue as evidenced through engagement records. It also considers whether appropriate escalation is undertaken where progress remains stalled without reasonable justification. Company progress is assessed by a number of factors, including whether milestones have advanced or reached completion. In 2025, we escalated our concerns by voting against 44 director-related items at shareholder meetings due to insufficient progress on climate matters (2024:66).

Nature loss

Our nature-related thematic engagement programme focuses on deforestation, water and collaborative nature initiatives. These priorities were informed by our initial deforestation and ENCORE impact and dependency assessments in 2023, and further reinforced by the results of our **2025 nature-related analysis**. This analysis highlights land use change as the largest driver of impact on nature, as well as water which is a key impact and dependency for our holdings.

Last year, we set a target to engage with 45 companies within our nature thematic engagement, and engaged with 38 companies throughout the year. We deprioritised some prospective engagements due to reduced holdings, and in several cases engagement progress was constrained by limited corporate access. In 2026, we are concentrating our engagement on 25 companies across our nature-related thematic engagement where materiality, influence and impact potential are deemed the greatest, focusing on our material holdings and key impact drivers of nature loss. Our commitment is subject to company access, holding size and resourcing.

3. System-wide stewardship

Case studies

1. PRI Australian Federal Working Group for the Collaborative Sovereign Engagement on Climate Change

We are co-leads for this investor-led engagement initiative coordinated by the PRI. As of March 2025, the PRI's Collaborative Sovereign Engagement had approximately US$17 trillion in assets under management. The initiative aims to support governments to meet Paris Agreement commitments. Australia was selected by members as the pilot market due to several factors, including a conducive political environment, emissions intensity of the economy, historic performance on climate change and portfolio exposure and risk.

In 2025, we undertook various collective engagements with Australian Federal Government representatives, including the Department of Climate Change, Energy and the Environment and Water and the Australian Climate Change Authority. We engaged in person with policymakers as part of various investor roadshows in both Canberra and Brisbane, Queensland. These engagements focused on encouraging credible NDCs and sector pathways, which may provide greater clarity on how Australia could meet its Paris Agreement commitments and the potential implications for different industries. Engagements also included discussions on sovereign disclosure to support sovereign investors in Australia.

Outcome: In September 2025, the Australian government published a comprehensive Nationally Determined Contribution and detailed sector plans. An independent review conducted by the PRI on the Collaborative Sovereign Engagement on Climate Change Australian pilot found that the engagement has continued to reinforce a positive direction of travel in relation to climate policy and has contributed to a more effective and orderly market transition. While some challenges remain, the review found that the programme continues to inform public policy.

2. Steel Methane Investor Initiative[13]

Background: Sparked by interest from an asset owner, Fidelity International and three other investors launched the Steel Methane Investor Initiative in January 2025 as a pilot systems stewardship programme. The Initiative is led by Fidelity and leverages our global research on metallurgical coal mine methane-related companies and our expertise across different engagement types: systems, corporate and collaborative. Throughout the year, the Initiative conducted over 39 engagements across civil society, policymakers, corporates and other stakeholder types globally.

We report annually on our engagements in our Sustainability & Stewardship report.

[13] Seek to align with the UN Environmental Programme's International Methane Emissions Observatory Steel Methane Programme sector specific guidance.

Sustainable product and transition finance engagements

In 2025, we undertook a range of system-level engagements relating to sustainable investment products and transition frameworks. These included several engagements with the EU Commission on changes to SFDR and how these might support sustainable investing, as well on the Corporate Sustainability Reporting Directive which has the potential to support us by requiring companies to provide details on climate risks and impacts. In addition to European engagements, we engaged with the Australian Treasury on the introduction of domestic product labels for sustainable funds.
In the UK, we also participated in the Transition Finance Council which sought to create investment guidelines and sector transition roadmaps that support company and system-wide transition.

3. Solutions

This section provides an overview of our approach to developing and overseeing products and strategies with climate or nature-related characteristics, which are consistent with client objectives and product design. We are committed to supporting our clients to achieve their investment and sustainability-related preferences.

An overview of our Sustainable Investing Framework (FSIF)

Our product framework, the Fidelity Sustainable Investing Framework (FSIF), is a modular, consistent and transparent structure for the design, classification and oversight of sustainable investment products across asset classes.

Through the FSIF, we can offer clients sustainability products which meet their climate and nature-related preferences by:

1. Launching new products with explicit climate and/or nature-related objectives or characteristics;
2. Reclassifying existing funds to strengthen sustainability integration; and
3. Upgrading the framework to embed evolving climate metrics and standards.

In July 2024, we rolled out our updated FSIF, which is structured around three main product categories designed to meet clients' varying degrees of sustainability and climate-related preferences. FSIF has three product categories:[14]

Over time, the FSIF has supported the application of exclusions aligned with client expectations and provided the framework and tools to support products with climate-related characteristics or commitments, such as emissions profile and Implied Temperature Rise (ITR).

The AUM of our ESG 'Tilt' and 'Target' product range as of end 2025 was 39.5% of our AUM.

Source: Fidelity International, 2026. This represents a summarised exclusion approach., for full details please see Fidelity's Exclusion Framework .

FSIF can contribute to our climate approach and objectives in the following ways:

1. Exclusions

Exclusions can limit exposure to high-emitting sectors and, in some cases, activities contributing to nature loss. This can reduce firm-wide exposure to these sectors and may influence our carbon footprint and exposure to nature-related impactful sectors.[15] Our FSIF framework applies different exclusions across product categories, with transitioning issuers remaining eligible for investment in specific circumstances. Our thematic engagements may inform our transition lists for thermal coal. Further details are available in our **Exclusion Framework.**

[14] Figure is for illustrative purposes only.
[15] Such as thermal coal, Arctic oil and gas, oil sands

2. Constraining carbon profile or exposure to biodiversity risk

A number of products in our range have explicit climate-related targets. These may include alignment with the objectives of the Paris Agreement, or a target to achieve lower emissions than the fund's investment universe or benchmark. Our FSIF framework and underlying tools also include datasets on exposure to selected biodiversity risks, which are integrated into certain products that consider Principal Adverse Impacts.

3. Thematic or Impact focus

Within our ESG Target range, we offer products with investment objectives that include investing in issuers contributing to climate change mitigation, addressing biodiversity loss, or achieving measurable outcomes against climate or nature-related metrics.

Our **SDG Tool** aims to assess an issuer's positive contribution to environmental and social outcomes by estimating the percentage of revenue contributing to 'investable' SDG targets and indicators identified by our tool.

SDG Assessment

Case Studies: Partnering with clients

We service institutional clients both via "off-the-shelf" investments within our Fidelity fund ranges (covered above) and through segregated sub-advisory mandates.

Under the latter, Fidelity offers a broad range of climate-focused client solutions, built on a modular approach that leverages a comprehensive toolbox of analytics, data and investment capabilities.

Thanks to this modular approach, we are able to customise solutions to specific asset owners' sustainability and climate-related preferences, as illustrated by the below case studies:

Investment Universe Building Blocks The foundation of the portfolio	**Portfolio Decarbonisation** Aim to reduce portfolio emissions based on a 'glide path' to net zero	**Science-Based Targets** Aim to increase the proportion of issuers with SBTi-approved targets over time	**Temperature Targeting** Aim to achieve a specific level or gradual improvement portfolio Implied Temperature Rise	**Revenue Alignment** Aim to increase the proportion of issuer revenue aligned with climate goals	**Climate Rating** Tool to assess issuer progress on climate-related risk management

Transition Risks Managing the transition to net zero	**Exclusions** Managing exposure to at risk sectors	**Carbon Pricing** Value at Risk (VaR) from carbon pricing schemes	**Green Technology** Opportunity value of future green technologies

Physical Risks Impact to underlying holdings from physical world changes	**Physical Risk Impact** Value at Risk (VaR) from acute and chronic physical risks	**Physical Risk Management** Risk management policies of companies to address physical risks	**Asset Geolocation** Geolocation of key assets of underlying holdings

For further examples of custom client solutions, refer to our Transition plan.

2025 update

In 2025, our range of investment solutions continued to evolve. Within our ESG Target range, we launched a global equity Paris-Aligned Benchmark ETF, complementing our existing range of Paris-Aligned Benchmark fixed income strategies. This EU SFDR Article 9 fund launch was driven by demand from one of our clients and combines the strengths of our global equity research, sustainable investing and ETF platform. It is aligned with the EU Paris-Aligned Benchmark emissions requirements.

Summary of our three levers

Overall, the following developments across Integration, Stewardship and Solutions support progress towards addressing climate and nature-related risks and opportunities, as well as our climate target and nature-related commitments. They also respond to asset owners' and broader investors' climate-related preferences by expanding our capabilities to support their preferences.

The following climate and nature-related updates to our three levers were delivered in 2025:

Integration:

1. An enhanced proprietary Climate Rating based on quantitative information whilst retaining analyst-led qualitative overrides.
2. Developed dashboards covering:
    a. ESG data with EU PAIs for investment and client-facing teams
    b. A UK Sustainability Disclosure Requirements (SDR) fund dashboard to support relevant funds achieving their objectives
3. Developed a labelled debt model to evaluate and classify labelled debt instruments such as green bonds, based on their credentials.

Stewardship:

1. Updated our stewardship tracking capabilities against pre-determined engagement milestones and related governance processes, feeding into our internal research platform.
2. Updated our **Voting Principles and Guidelines** to reflect our current practices, which are also incorporated into our revised **Sustainable Investing Principles**.

Solutions:

1. Enhanced our internal approach to fund naming conventions in response to the **ESMA Guidelines on funds' names using ESG or sustainability-related terms**, which came into effect for existing funds on 21 May 2025.
2. In 2025, we achieved SDR sustainability labels for six of our UK (OEIC) range, comprising three 'Sustainability Focus' equity funds and three 'Sustainability Mixed Goals' multi-asset funds. We also received approvals for four ESG-promoted (unlabelled) funds, including three active equity strategies and one passive equity strategy.

Reporting:

We published our first standalone Climate Transition plan, reflecting on the drivers of progress to date, and our dependencies going forwards. Our long-term targets remain unchanged and, within our business operations, we introduced additional interim targets to support further reduction of emissions 2025-2027. We also published our inaugural report aligned to the Taskforce on Nature-related Financial Disclosures (TNFD), fulfilling our commitment as an early adopter, as well as our first **Climate Transition plan.** Together, these publications help improve the consistency and accessibility of our reporting in an increasingly complex landscape of sustainability frameworks and regulations.

During 2026 we plan to consolidate our key documents and reports and will update on progress in 2027.

Financed emissions

Investment-related GHG emissions relating to public listed instruments (corporate debt, equity and sovereign holdings).

Metric	2019	2023	2024	2025	2024-25	2019-25
Assets Under Management modelled for GHG emissions, US$'000	$288,067	$390,300	$417,526	$494,994	19%	72%
Corporate debt and equity						
Financed Emissions (Scope 1 & 2), mn tCO_{2e}	27.0	17.6	17.3	15.6	-10%	-42%
Financed Emissions (Scope 3), mn tCO_{2e}		167.7	171.5	181.7	6%	
Carbon Footprint (Scope 1 & 2), mn tCO_{2e} / US$ mn invested	**102.3**	**45.0**	**41.5**	**31.4**	**-24%**	**-69%**
WACI (Scope 1 & 2), tCO_{2e} / US$ mn revenues	192.5	97.9	87.2	81.4	-7%	-58%
Corporate investments as a % of total Assets Under Management		92%	90%	90%		
Data coverage of corporate investments	91%	92%	94%	95%		4%
Sovereigns						
Financed Emissions (Scope 1), mn tCO_{2e}		5.3	7.5	7.0	-7%	
Carbon Footprint (Scope 1), mn tCO_{2e} / US$ mn invested		13.5	18.0	14.1	-22%	
Sovereign investments as a % of total Assets Under Management		6%	8%	7%		
Data coverage of sovereign investments		100%	100%	93%		
Other Exposure						
Investments in other instruments as a % of total Assets Under Management		2%	2%	2%		
Data coverage of investments in other instruments		—%	—%	—%		

Summary:

Since 2019, our Scope 1 and 2 carbon footprint has declined by 69%, compared with our target of a 50% reduction between 2019-2030.

Our analysis indicates that the main drivers were reduced exposure to carbon-intensive sectors and allocation towards lower-intensity holdings. Issuer-led decarbonisation was a smaller driver (see our **Climate Transition Plan**).

Financed emissions and WACI Scope 1 and 2 have also declined by 42% and 58%, respectively.

Data coverage of corporates may not be 100% due to data availability. 'Other' represents cash-like instruments for which no emissions methodology exists.

Further information on metrics and methodology is provided in **A2**.

In this report, we restated the 2024 financed emissions and carbon footprint metric due to incorrect historical data for two issuers. See our **restatement section** for further information. The following pages provide a breakdown of our corporate holdings emissions, alongside with the analysis on the drivers of our carbon footprint.

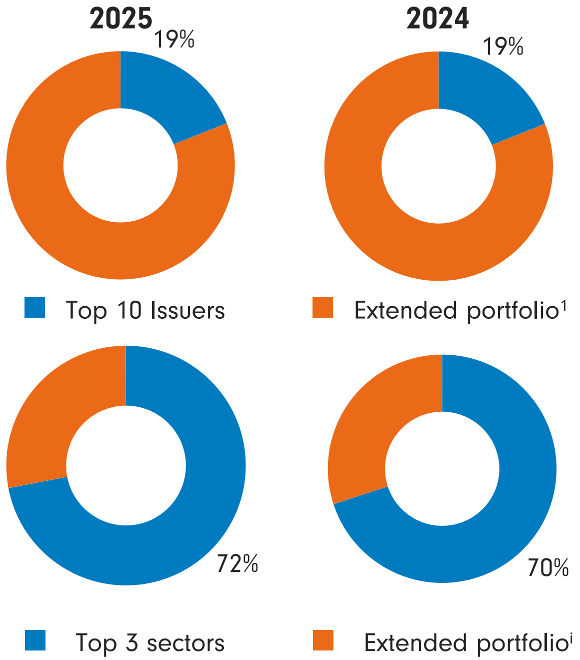
As of year-end 2025. Where Fidelity has discretionary investment management authority, related AUM and emissions are included in the metrics table. Further information is provided in the data methodology section. This data has not been verified or assured and may rely upon estimation of GHG data by our data provider.

Carbon Analysis 2024-2025: key findings

As part of our **Transition plan**, we developed a carbon attribution model to identify the key drivers of changes in our carbon footprint. The key 2024-25 takeaways are:

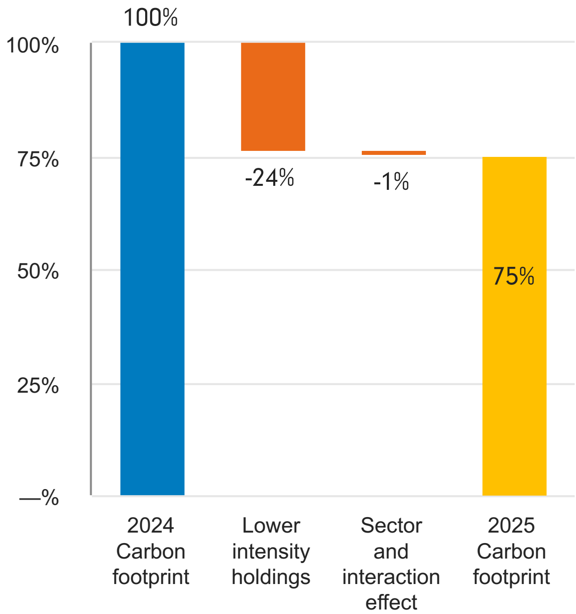
1. Emissions remain concentrated in a small number of sectors and issuers

The charts below show the proportion of our total carbon footprint attributable to the top 10 issuers and top 3 sectors



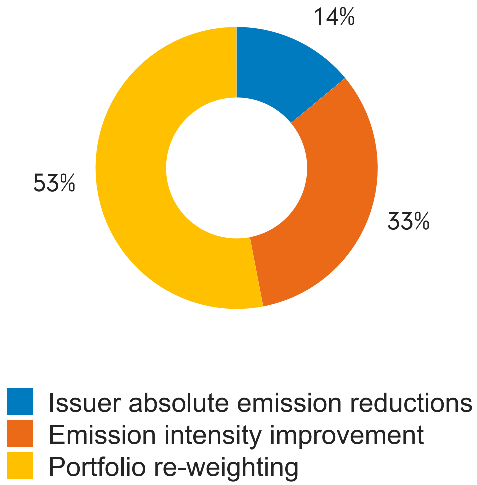
2. The primary driver of the year's change was overall lower carbon intensity

While our sector allocation remained broadly consistent between 2024 and 2025, most of the emissions reductions was driven by a reduction in overall emissions intensity of our portfolio.[ii]



3. Absolute emission reductions contributed less than changes in portfolio weights and intensity improvements

The change in overall emissions intensity was mainly driven by portfolio re-weighting[iii] (33%) and emission intensity improvement (53%)[iv] with a smaller contribution from issuer decarbonisation (14%).



While our progress is encouraging, the attribution analysis indicates that portfolio re-weighting and intensity improvement have been the main drivers of reduction to date, rather than underlying issuer decarbonisation. As a result, future progress may change if portfolio composition, market conditions or investment fundamentals change.

Carbon attribution helps us understand the drivers of change and inform future portfolio analysis. Further methodology details are provided in our **Transition plan**.

i.The rest of the portfolio outside the top 10 issuers.
ii. Emissions intensity was lower for holdings within sectors rather than sector reallocation.
iii. Larger positions in holdings with lower emissions intensity and smaller positions in holdings with higher emissions intensity.
iv. In Chart 3, issuer emissions intensity improvement can be driven by a rising denominator relative to emissions (CO_{2e}/EVIC) related to market capitalisation rising or increased debt.

Asset class trends in financed emissions

		2022	2023	2024	2025	2024 - 2025
Equities						
Financed Emissions (Scope 1 & 2)	mn t CO_{2e}	12.6	12.7	12.3	12.1	-2%
Financed Emissions (Scope 3)	mn t CO_{2e}	102.6	139.5	131.8	143.9	9%
Carbon Footprint (Scope 1 & 2)	mn t CO_{2e} /US$ mn invested	35.1	32.5	29.6	24.4	-17%
WACI (Scope 1 & 2)	mn t CO_{2e} /US$ mn revenues	88.0	73.0	66.6	65.2	-2%
Equity investments as a % of total corporate investments		70%	73%	71%	72%	2%
Data coverage of equity investments		97%	96%	99%	98%	-1%
Corporate Debt						
Financed Emissions (Scope 1 & 2)	mn t CO_{2e}	5.4	4.9	4.9	3.5	-29%
Financed Emissions (Scope 3)	mn t CO_{2e}	23.4	28.2	39.7	37.8	-5%
Carbon Footprint (Scope 1 & 2)	mn t CO_{2e} /US$ mn invested	15.1	12.5	11.9	7.0	-41%
WACI (Scope 1 & 2)	mn t CO_{2e} /US$ mn revenues	35.7	24.9	20.6	16.2	-21%
Corporate debt investments as a % of total corporate investments		20%	18%	20%	18%	-9%
Data coverage of Corporate Debt investments		82%	81%	76%	82%	8%

Equities and corporate debt holdings represent 72% and 18% of the $495bn of AUM modelled respectively.

The carbon footprint decreased significantly for both asset classes, by 17% for equities and by 60% for corporate debt.

In corporate debt, year on year movements were significantly affected by a small number of outlier carbon intensive issuers. Fixed income continues to show similar long-term trends to the overall firmwide portfolio.

In this report, we restate the 2024 financed emissions and carbon footprint metric due to incorrect historical data for two issuers. See our restatement section for further information. Sovereigns and cash are not classified within corporate investments.

A further breakdown of our corporate holdings emissions is provided, along with analysis on the drivers of our carbon footprint on the following pages.

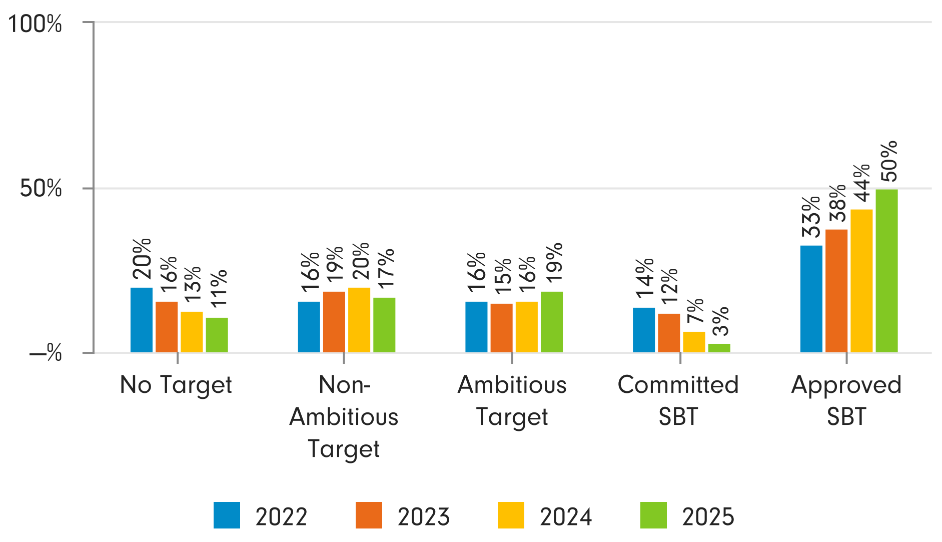
Forward-looking climate alignment summary

The implied temperature rise for our equities and corporate debt holdings is **2.5˚C**[i]

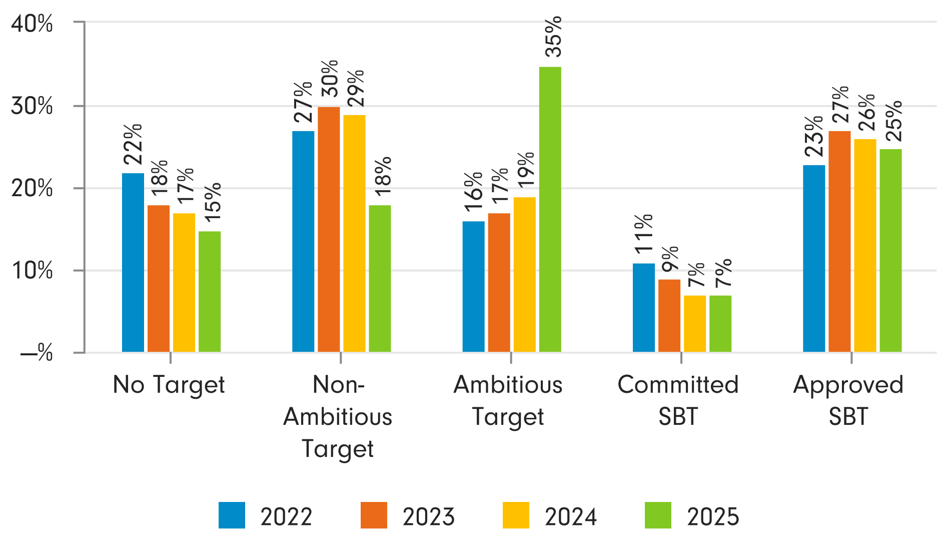
Equities: In 2025, the percentage of the companies we invested in that have, or are committed to, science-based targets improved from 33% in 2022 to 53% of the portfolio, driven by wider market adoption. Those with no, or limited, targets fell from 36% in 2022 to 28% in 2025.

Corporate debt: In 2025, the percentage of companies we invested in that have, or are committed to, science-based targets represented 32% in 2025 versus 34% in 2022. Whilst those with no, or limited, targets were 33% in 2025 versus 49% in 2022.

Equities



Corporate debt



[i] Scope is equity and corporate debt holdings, representing 87.2% coverage of our AUM. Source: Fidelity, ISS temperature alignment is by 2050.

Multi-Asset and associated solutions

Multi-Asset comprise of 16% of our total AUM. This section explains our approach to this asset class which may invest across a range of asset classes, such as equities, fixed income, real estate, credit and cash. GGiven the nature of multi asset investing, we use an adapted version of our approach to listed equities and corporate debt set out above, which also encompasses products managed externally by third parties.

These portfolios are generally more diversified and aim to support a range of client objectives, including growth, income and consistent returns. The team integrates climate-related risks and objectives based on client preferences and mandate requirements.

We use a range of tools to help identify and manage climate-related risks and opportunities when building tailored client solutions. These include:

1. Integration

- ESG ratings
- Climate-related metrics, such as carbon emissions
- Fidelity's Sustainable Development Goals (SDG) alignment model, which assesses the extent to which an issuer's activities are aligned with the **United Nations Sustainable Development Goals**.
- Climate-aware Capital Market Assumptions, which are used to integrate climate-related considerations into the asset classes invested in.
- Multi-Asset Manager ratings for strategies or funds. These ratings assess a manager's investment policy, ESG research within the investment process, quantitative ESG profile, engagement record with corporates, and broader contribution to a sustainable economy.

2. Stewardship

The team builds client portfolios by combining individual strategies to meet financial and non-financial objectives. As a result, engagement typically occurs with the managers of investment strategies or funds, rather than directly with company management.

Engagement helps us understand how managers consider climate-related risks and opportunities and forms part of our manager ratings and ongoing due diligence of external strategies. We assess not only portfolio outcomes, such as what a strategy invests in, but also the quality and detail of the manager's decision-making process.

3. Solutions

The tools identified above provide options for integrating climate-related risks and opportunities into tailored solutions. These may include climate-focused funds investing in strategies that meet specific criteria, such as companies with products or services that help mitigate climate change, or strategies with carbon emissions reduction targets.

Systematic funds are another example of solutions that may aim to deliver financial returns while generating measurable positive outcomes. This might include targeting a 50% reduction in portfolio carbon emissions by 2030 (from a 2020 baseline) and net zero portfolio carbon emissions by 2050.

Real Estate

Category 'Other' represents 5% of our AUM. Within this category is Real Estate. The underlying nature of the asset class - the direct investment in and ownership and operation of real estate assets - necessitates its own approach to climate.

Fidelity's approach to sustainable investing in direct Real Estate investments is outlined in our **Sustainable Investing Principles.**

We're committed to decarbonisation across all our Real Estate products. We aim to reduce the carbon emissions of our portfolio in two phases, as set out below, with our Climate Impact Funds following an accelerated pathway to net zero carbon.

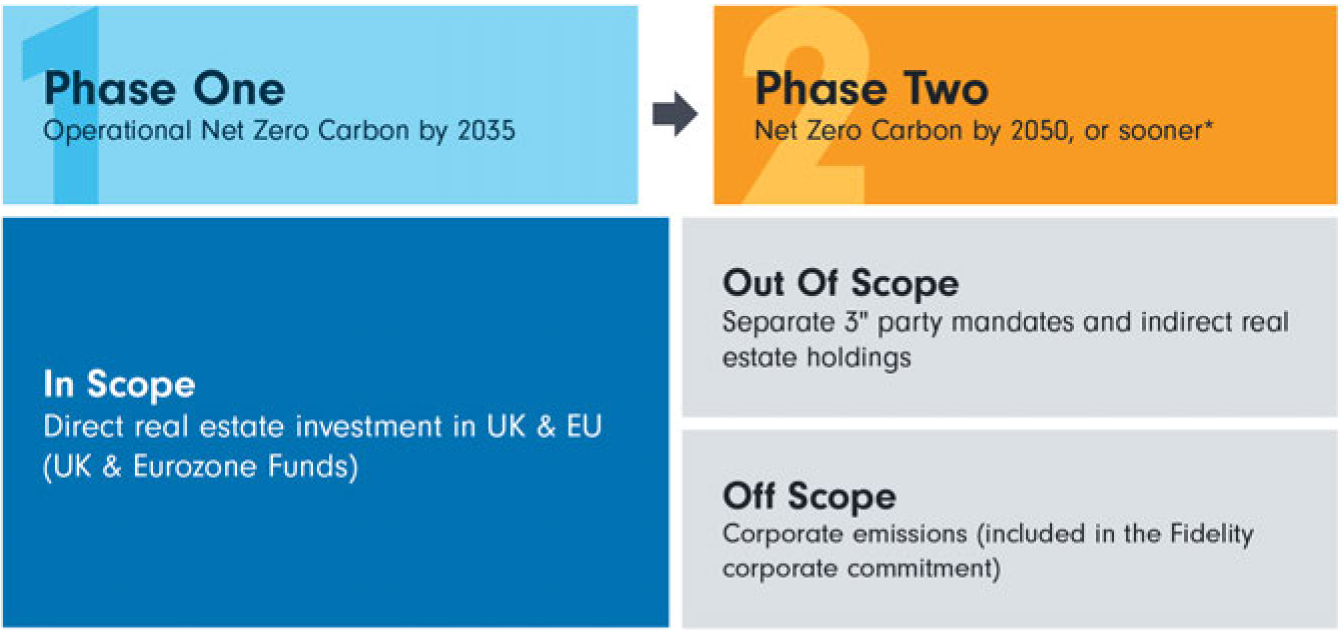
1. Phase One

A commitment to be net zero carbon by 2035 for the operational emissions for our real estate investments, covering Scopes 1 and 2 where we, as landlord, buy energy for the building.

We define operational net zero carbon as the point at which a building's annual operational energy-related carbon emissions are reduced to zero or below. A net zero carbon building is designed to be highly energy efficient and powered entirely by renewable energy sources, whether generated on-site or procured off-site. Our Phase One commitment is to be operational net zero carbon by 2035 for Scopes 1 and 2, where we are in control of consumption.

2. Phase Two

A commitment to be net zero carbon by 2050, and to incorporate all emissions created through the use of our real estate assets in our products. This covers operational emissions by tenants at the building and will require greater partnership with occupiers of our property assets in the future.



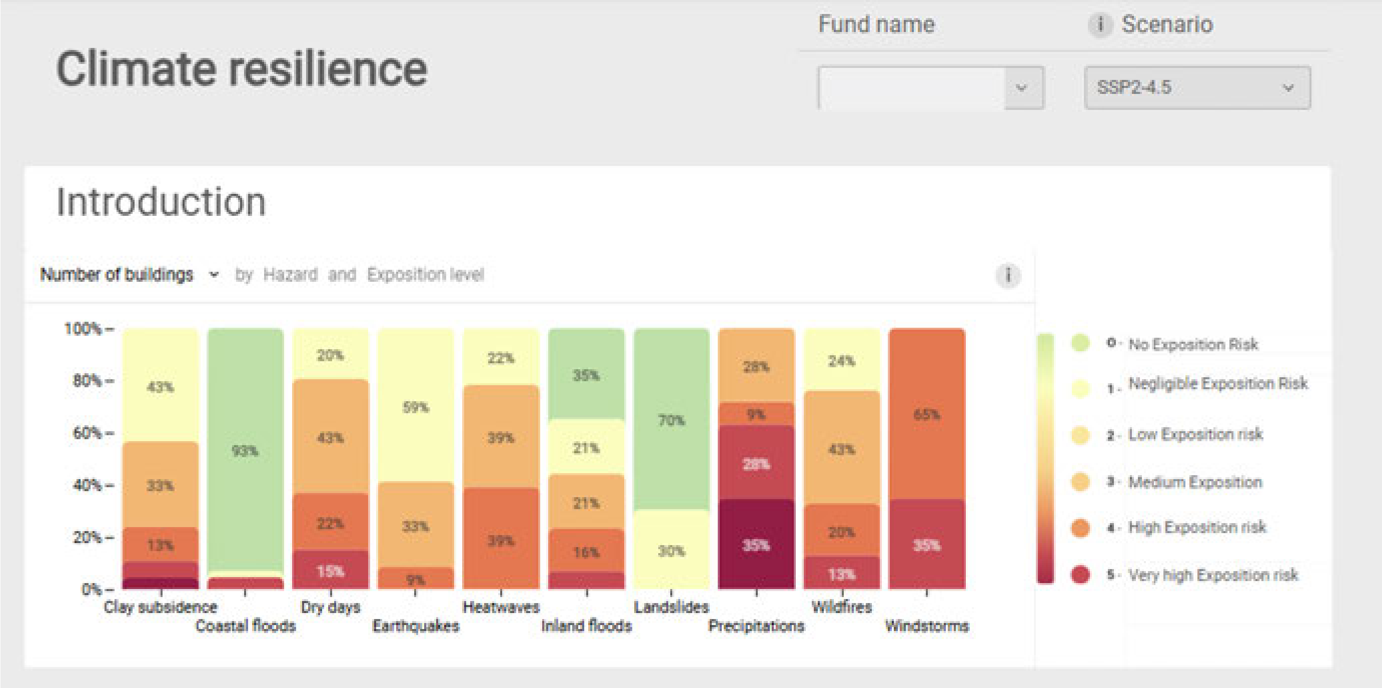
*Phase Two includes tenant purchased energy emissions, and landlord purchased goods and services.

1. Integration

Both investors and tenants make long-term commitments to real estate assets. As such, it is important that we embed the management of climate-related risks and opportunities into our daily operations and throughout the property ownership lifecycle.

During acquisition, our due diligence process incorporates industry-standard tools to identify and assess potential physical climate risks. We also engage experienced sustainability consultants to identify both risks and opportunities to enhance asset performance in relation to climate resilience and sustainability.

To ensure ongoing oversight, we monitor climate-related physical risks across our portfolio using an ESG data platform. This data is reviewed annually or more regularly, enabling us to detect emerging risks and adapt our risk management strategies accordingly, supporting the long-term resilience of our assets. Below, we provide an example of a heat map we use to support our analysis at portfolio level. This example is based on a more than 2°C temperature rise by 2100 scenario.[16]



Source: Fidelity International, May 2026

We will continue to evolve the analysis over time, recognising the challenges of uncertainty and methodology differences, to ensure we are capturing these risks in a proportionate and decision-useful way, including the potential vulnerability of assets to changes in weather patterns.

We leverage the Carbon Risk Real Estate Monitor (CRREM) tool to evaluate misalignment risk and identify pathways for improving our properties. In our view, retrofitting existing real estate assets can be an effective way to reduce the carbon emissions of our built environment. It can also reduce transition risk, and, where appropriate, include adaptation investment to mitigate physical impacts.

To measure our progress and benchmark performance, we participate in the Global Real Estate Sustainability Benchmark (GRESB). We submit management, performance and activity data for relevant real estate products each year. The results inform our sustainability strategy and help us target areas for continued improvement.

2. Stewardship

The role of stewardship is different for Real Estate compared to investments in public markets. This is because we tend to have more operational control of Real Estate assets where we own the buildings directly.

In some cases, tenants or suppliers control certain operational decisions, such as the purchase of energy. In these situations, we may choose to engage with them to help support our sustainability objectives.

[16] The Shared Socioeconomic Pathway scenarios describe different possible future socioeconomic conditions and their resulting greenhouse gas emissions and concentrations. The SSP2-4.5 scenario describes a world with moderate challenges to both adaptation and mitigation and corresponds to a mid-century increment of 2.0°C.

As the asset owner, we may be able to decide if and when we undertake asset enhancements, for example, to improve energy efficiency, or improve disclosure of material climate-related information.

3. Solutions

Specific climate-related targets and investment objectives are integrated in certain funds. For example, since 2023 we have launched two Real Estate climate impact funds. These were our first Real Estate funds to disclose under the EU SFDR as an Article 9 product. The funds make direct property investments and undertake renovations aimed at supporting climate change mitigation and the transition to net zero carbon. As part of these strategies, we have developed a climate impact framework, which can also be applied to bespoke solutions for clients.

Metrics

The emissions relating to real estate investments are not currently available for this report. We will continue to work on improving data and coverage for our products.

Corporate sustainability

As we set expectations for our investee companies to manage sustainability risks, we believe it is important for us to uphold the same standards within our own corporation. We therefore seek to manage sustainability risks and opportunities relating to our business operations, incorporating them into our governance, strategy, risk management and metrics. We do this by considering the long-term impact of ESG issues on our firm and our stakeholders, as well as our ESG impact on the environment and communities in which we operate.

Introduction to our strategy and targets for business operations emissions

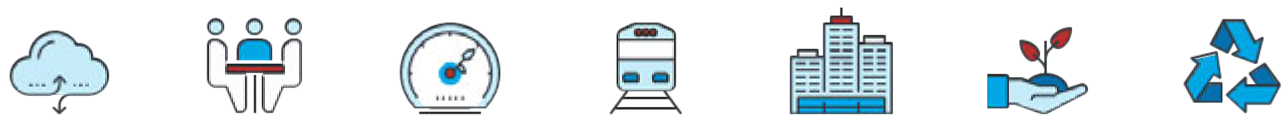
In 2019, Fidelity set a target to achieve Net Zero greenhouse gas (GHG) emissions across our business operations by 2030, with interim 2019-24 targets. In 2025, a new set of interim targets was set for 2027 covering our total operational emissions as well as key drivers of progress:

- A further 15% absolute reduction of greenhouse gas (GHG) emissions across our business operations,
- A further 15% absolute reduction in energy consumption
- Reaching 100% renewable electricity consumption in all locations where feasibly possible
- Maintaining business travel GHG emissions intensity per employee at 2024 levels
- Maintaining our ISO14001 certification covering over 90% of employees.

Target indicator	**2019**	**2024**	**2025**	**Change 2024 to 2025**	**2027 target**
Total operational GHG emissions (tCO_{2e})	42,600	13,614	**10,603**	-22 %	11,572
Energy consumption (MWh of electricity and natural gas)	37,802	18,559	**19,009**	2 %	15,775
Business travel GHG emissions intensity per employee (tCO_{2e}/pp)	3.49	1.21	**0.97**	-20 %	1.21
Renewable electricity consumption in all locations	3 %	97 %	**98 %**	1 %	100%
Employees covered by ISO14001 certification (Environmental Management System)	— %	85 %	**87 %**	2 %	>90%

To achieve these targets, we continue to take action across our global operations and are guided by our seven net zero principles, which prioritise avoiding, reducing and substituting emissions-generating activity before neutralising residual emissions with carbon offset credits.

Fidelity's Key Net Zero Principles



Measurement & Disclosure: Verified emissions tracking and reporting.

Governance: Sustainability committee driving actions.

Journey to Net Zero: Achieve Net Zero by 2030 with interim reductions.

Business Travel: Implement purposeful travel & greener policies.

Corporate Offices: Reduce energy; increase renewable use.

Carbon Credits: Strategy to neutralise residual emissions.

Value Chain Emissions: Report and engage.

Emissions metrics

Our **operational emissions** and the net zero target include the following scopes and categories of emissions, as defined by the GHG Protocol Corporate Reporting Standard (2015 revised edition):

- Scope 1: direct GHG emissions, including combustion of gas and liquid fuel, as well as fugitive emissions from office cooling
- Scope 2: indirect emissions from electricity purchased for offices we control
- Scope 3: indirect emissions from waste disposal from our offices (Category 5), as well as employee business travel (Category 6).

These are the significant categories of emissions over which we have direct control.

Since 2024, we have also begun estimating and reporting other categories of **Scope 3 value chain emissions**, including:

- Category 1: Purchased goods & services
- Category 2: Capital goods
- Category 7: Employee commuting, including home working.

These are other significant categories of emissions over which we have less control.

Full details of our GHG emissions calculation methodology are provided in the Appendix, including the improvements made in our method and the consequent **restatement of historical emissions**. Prior to annual reporting, our environmental sustainability data, including GHG emissions calculations, are independently verified by the British Standards Institute (BSI). The BSI verification statement is also provided in the Appendix.

Progress towards Net Zero

As shown in the table below, our total operational GHG emissions decreased by 75% between 2019 and 2025, and by 22% between 2024 and 2025. We have surpassed our original interim target to reduce operational emissions by 25% by 2024 and have also exceeded our new interim target, set in 2025, to achieve a further 15% reduction by 2027. This progress supports our pathway towards our 2030 net zero target.

Operational GHG emissions, restated basis

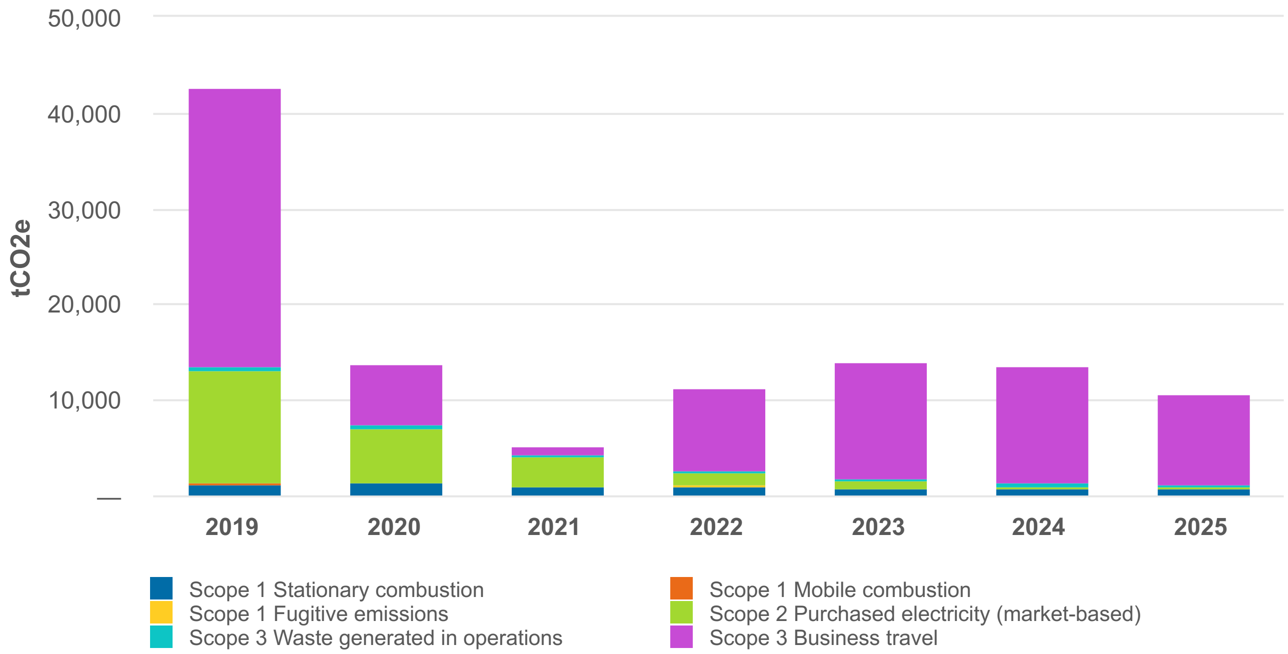
Scope and Category of GHG Emissions (tCO2e)	2019	2024	2025	Change 2024-25	Change 2019-25
Scope 1	**1,494**	**872**	**938**	**8%**	**-37%**
Stationary combustion	1,359	834	841	1%	-38%
Mobile combustion	114	24	20	-17%	-83%
Fugitive emissions	21	14	77	452%	261%
Scope 2					
Purchased electricity (market-based)	11,633	248	175	-30%	-98%
Purchased electricity (location-based)	12,076	5,836	5,692	-2%	-53%
Scope 3					
Waste generated in operations	528	288	199	-31%	-62%
Business travel	28,946	12,207	9,292	-24%	-68%
Total Operational GHG emissions	**42,600**	**13,614**	**10,603**	**-22%**	**-75%**

Reduction since 2019

The figure below clearly shows that the largest contribution to the reduction in our operational GHG emissions since 2019 has come from lower business travel emissions. This reduction has continued even after business travel partially rebounded following the Covid-19 pandemic.

Electricity consumption has decreased by more than 50%, and increased use of renewable electricity has contributed to a 98% reduction in Scope 2 emissions under the market-based method, reflecting our energy purchasing choices. Direct Scope 1 emissions have decreased by 37%, mainly driven by reduced use of natural gas in stationary combustion equipment, such as heating boilers.

Operational GHG emissions from 2019 to 2025



Reduction since 2024

Between 2024 and 2025, GHG emissions from business travel decreased by 24%, predominantly driven by a significant reduction in airlines' average emissions per passenger-kilometer.

Market-based Scope 2 emissions now represent only a small proportion of overall operational emissions, as 98% of our purchased electricity comes from renewable generation. Although total electricity consumption increased slightly in the past year, Scope 2 emissions decreased by a further 30% due to increasing renewable electricity consumption.

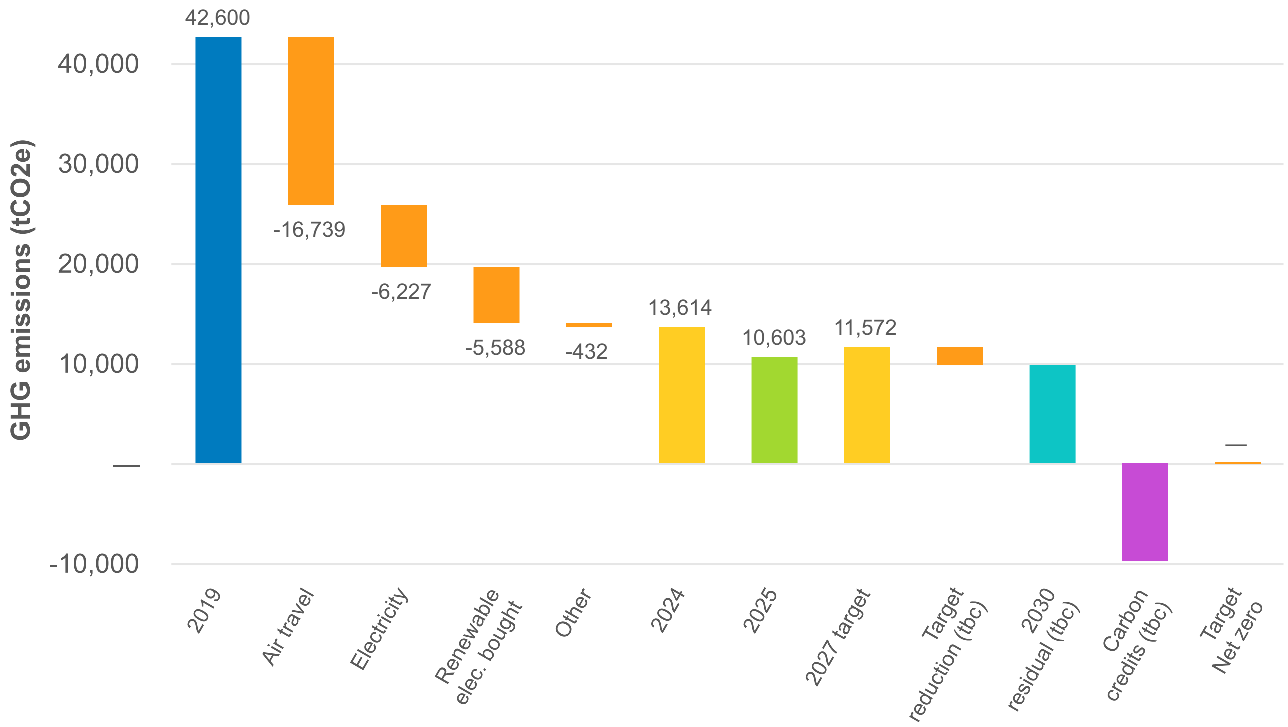
Scope 1 emissions increased by 8%, driven by a small increase in natural gas consumption and a spike in fugitive emissions from refrigerant gas at some offices. Fugitive emissions are inherently variable, as refrigerant gas is topped up only when leaks are identified.

Strategy and governance for operational GHG emissions

We manage our GHG emissions through our ISO14001-certified Environmental Management System, which now covers 87% of employees. We also have an internal sustainability working group for business operations. This group meets several times a year and includes functional leads responsible for identifying, assessing, prioritising and implementing actions to support our sustainability targets, including energy and GHG emissions targets.

While we have made significant progress towards our 2030 operational net zero target, we expect some residual emissions to remain from 2030, estimated to be in the order of 10,000 tCO_{2e} (indicated by the turquoise column below). In 2026, we will develop our strategy for mitigating these residual emissions, including the potential use of carbon credits to neutralise them (indicated by the pink column below).

Our Net Zero 2030 pathway



Managing our wider value chain emissions

We continue to assess and manage value chain emissions in other Scope 3 categories that sit outside of our operational emissions boundary and our 2030 operational net zero target. We are focusing on improving our data foundations and calculation methodologies for these emissions.

Wider Scope 3 value chain GHG emissions

Scope and Category of GHG Emissions (tCO2e)	2024	2025	Change 2024 to 2025
Scope 3			
Category 1: purchased goods & services	53,497	52,243	-2%
Category 2: capital goods	1,199	1,315	10%
Category 7: employee commuting & homeworking	11,214	9,585	-15%

Scope 3 Categories 1 and 2 are calculated using spend data and emission factors, while Category 7 is estimated using employee attendance data and typical commuting patterns.

We are also evaluating options to reduce these emissions over time, including through engagement with employees and suppliers.

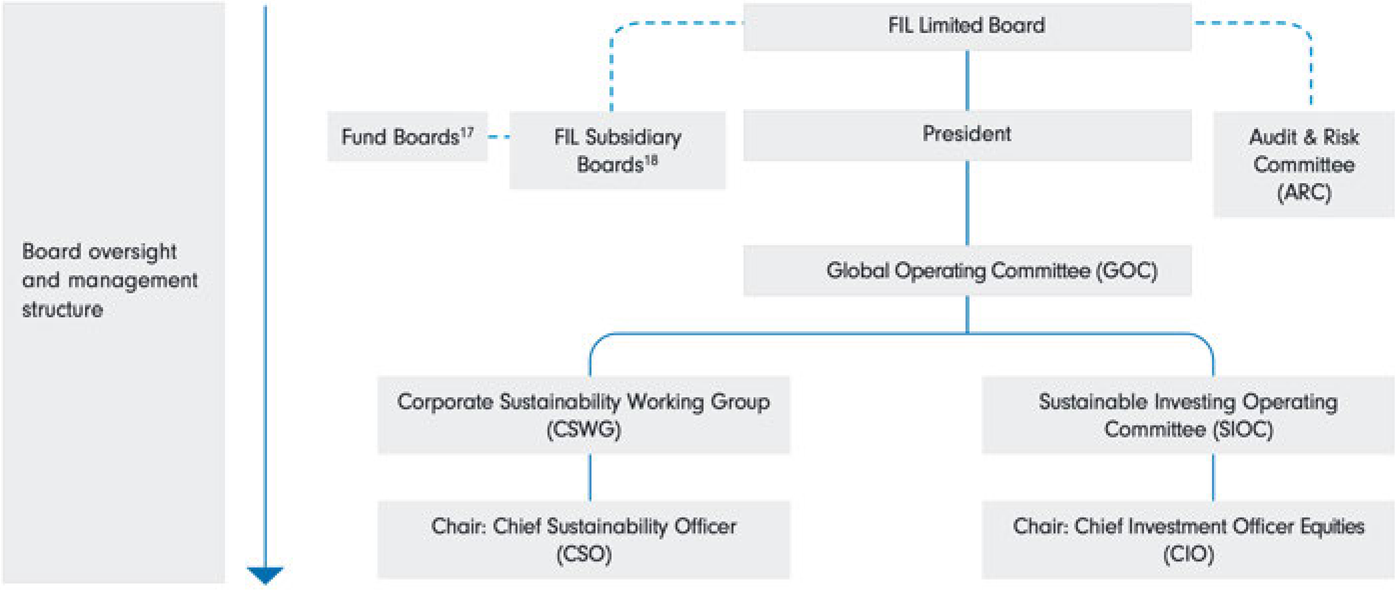
Managing nature-related dependencies

In prior reporting periods (2019-24), we set targets for the reduction of water usage, paper use, waste reduction and recycling, which are related to natural resource consumption, and have achieved reductions in our dependency and impact. Nature is not expected to materially impact our business operations, or supply chain.

We recognise that the investments we manage on behalf of clients are the priority in our value chain.

Governance

Governance overview



FIL Limited Board

The FIL Limited Board (the Board) is the most senior governance body within the Fidelity International Group.[19] It is responsible for setting the company's overall strategy, for approving major initiatives or expenditures, the risk appetite, and for oversight of the Group's overall risk profile. This includes oversight of material ESG risks and, as part of those, climate and nature-related risks and opportunities.[20] The FIL Board also oversees appropriate governance, internal controls and compliance with applicable laws, regulations and internal policies.

The Board is informed on the Group's risk profile, including ESG, climate and nature-related risks, through the quarterly risk report delivered by the Chief Risk Officer. The Board is supported by the ARC, chaired by a non-executive director, which provides delegated oversight of risk and control matters, including financial reporting processes and the effectiveness of the Enterprise Risk Management Framework[21]. Material issues may also be escalated from subsidiary boards and management committees where required.

FIL Limited Board composition

The Board's composition is ultimately a matter for shareholders, but nominations are governed by its charter, debated by a nomination forum and subject to Fidelity's own Diversity and Inclusion policy.

The Board draws on senior management and subject-matter expertise to support oversight of climate and nature-related risks and opportunities. Skills and knowledge are developed through

TCFD considers financially material risks and opportunities, whilst the TNFD considers double materiality, including dependencies, impacts, risks and opportunities. We do not fully align with TNFD disclosures due to this extra dimension of 'impact' materiality. The detailed alignment to TNFD is here.

[17] Where applicable - for example in Luxembourg
[18] FIL responsible entities and local subsidiaries can delegate investment management activities to other entities within FIL Limited who are responsible for our investment management activities.
[19] Fidelity International is the brand name for FIL Limited.
[20] The TNFD framework considers double materiality, i.e. impacts on the environment. Whilst we consider dependencies, we do not currently directly consider these impacts in our Governance. This also includes our ESG commitments on environmental, biodiversity and climate.
[21] See Risk management for further information.

management reporting, Board and committee briefings, and access to specialist sustainability, risk, legal, compliance and investment expertise.

Subsidiary boards, responsible entities and fund boards, where applicable, retain responsibility for meeting relevant local regulatory obligations. They may receive briefings or reporting on sustainability-related matters, including climate-related risks, product-level requirements and any material deviations from the Group approach. Where local governance arrangements differ from the Group approach, these are described in the relevant entity, product or regulatory disclosures.

Management level responsibilities

Fidelity's President, who reports to the Board, is responsible for implementing and executing the strategy, including the sustainability strategy, and for managing the company and its risks on a day-to-day basis. He is supported by the Global Operating Committee (GOC).

Responsibilities for the management of sustainability matters in line with strategy are delegated to senior management in relevant functions and to governance forums, including the Sustainable Investing Operating Committee (SIOC) chaired by the Chief Investment Officer (CIO) for Equities, and the Corporate Sustainability Working Group (CSWG) chaired by the Chief Sustainability Officer (CSO). SIOC oversees our sustainable investing approach and related entity reporting, and monitors progress against the firm's climate-related targets using relevant KPIs[22], as well as updates on our engagements undertaken[23], and wider actions taken and changes implemented where relevant, as set out in the Strategy and Metrics section. CSWG provides cross-functional input on corporate sustainability matters, including initiatives, commitments, policy updates and technical expertise.

Product Governance

SIOC oversees the governance of our sustainable investment products, including updates to the Sustainable Investing Principles and related frameworks, tools, exclusions, resources and procedures. It also supports alignment with relevant regulatory requirements, including EU SFDR and UK SDR. It is supported by specialist working groups, which provide technical expertise[24] and recommendations, but decision-making authority remains with SIOC.

In relation to climate and nature:

- **Exclusion Advisory Group (EAG)** reviews Fidelity's Exclusion Framework and exclusion lists on a regular basis and recommends updates to SIOC where appropriate, taking into account regulatory developments, client expectations and investment considerations. The Framework has activity-based exclusion categories such as thermal coal extraction/mining and power generation, Arctic oil and gas, and oil sands; and a norms-based exclusion category that excludes issuers which Fidelity assesses as failing to behave responsibly in the area of environment as aligned with international norms.
- **Sustainable Product and Mandate Solutions Working Group (SPMS)** provides recommendations on product design and the refinement of our proprietary tools, such as the Climate rating and SDG model, to support regulatory alignment and client expectations.

TCFD considers financially material risks and opportunities, whilst the TNFD considers double materiality, including dependencies, impacts, risks and opportunities. We do not fully align with TNFD disclosures due to this extra dimension of 'impact' materiality. The detailed alignment to **TNFD is here**.

[22] SIOC is updated on progress towards our investment related climate targets on a quarterly basis.
[23] SIOC monitors our engagements including those related to governance, climate, nature and social topics.
[24] Technical expertise drawn from investment, sustainability, risk, legal, compliance and product teams to inform decisions relating to ESG integration into investment policy, strategy and sustainable investment product governance.

- **Sustainable Investments and Thematic Working Group (SITWG)** oversees the integrity and evolution of sustainable investment models and thematic universes for EU SFDR and UK SDR products. This includes reviewing issuer-level contributions to SDG indicators and climate and nature-related targets.

Further detailed information is available in the Governance section of our **Sustainable Investing Principles.**

Remuneration

Approaches vary across asset classes and teams, but ESG is integrated into investment analysis, and where relevant may form part of investment professionals objectives and assessment. Our remuneration approach is designed to be consistent with the integration of sustainability risks, including through investment performance, client objectives, research quality, portfolio requirements and sustainability-related objectives where relevant.

- Investment professionals are remunerated based in part on investment performance and the extent to which client objectives are met.
- Investment analysts are remunerated based on the quality of their recommendations and research notes, including the assessment of ESG factors where material.
- Portfolio managers' remuneration may be linked to ESG considerations where portfolios have specific ESG restrictions or requirements.
- The Sustainable Investing Team is remunerated based on the development and implementation of the firm's ESG policies and sustainable investing approach.
- Relevant employees responsible for sustainability initiatives across our business operations are remunerated as part of the year-end appraisal process, including sustainability project outcomes and corporate environmental goal and metrics.

Incentive structures are designed to support client outcomes, including risk management and product performance. Investment professionals do not have remuneration structures directly linked to wider Group climate targets. Fidelity's approach supports the implementation of business strategies and internal behaviours relating to climate-related risks through governance, performance assessment and accountability mechanisms, rather than through direct linkage to Group climate targets.

Further information is available in the **Fidelity Remuneration Policy** and the **EU SFDR entity disclosure** under Article 5 remuneration disclosure.

Risk management

Enterprise risk management approach

We recognise that managing environmental risks, including climate and nature-related risks, is critical to business success and organisational resilience. These risks and opportunities are incorporated into our strategic planning activities and risk management processes to support their identification, assessment and management.

Risk management is defined globally by the Enterprise Risk Management (ERM) framework. The ERM framework supports the effective identification of risks (including ESG risks), as well as potential events and trends that may significantly affect our ability to achieve our strategic goals or maintain our operations.

The ERM Policy sets out the guiding principles and global minimum control requirements for the management of risks across Fidelity. It defines the roles and responsibilities of key stakeholders and sets out escalation pathways.

Fidelity's enterprise risk taxonomy includes ESG risks, covering climate-related risks, broader environmental risks, including nature-related risks, social risks and governance risks. The taxonomy is updated annually and supports a consistent approach to the classification, identification and definition of relevant risks.

Environment-related risk is defined as 'an environmental or climate-related factor or condition that can cause harm to the organisation, or assets managed on behalf of clients'. This includes climate-related physical and transition risks, as well as broader environmental risks such as air pollution, water risk and deforestation.

As part of the risk management cycle, ESG and climate-related risks are considered through the annual ESG risk assessment process. Using ESG-specific scenario-based assessments, we identify and assess ESG risks and opportunities to understand how adverse ESG risks could affect the organisation, assess their materiality and consider actions to further mitigate risks. See the **risks and opportunities summary** for an overview.

Risk appetite statement:

The FIL Limited Board is ultimately responsible for setting the organisation's risk appetite, limits and tolerances, and reviews them at least annually, or earlier where required by material changes in the risk profile. Where required by local regulations, FIL subsidiary boards adopt a risk strategy, including risk appetite statements, limits and tolerances, in alignment with FIL's risk appetite.

Our risk appetite in respect of sustainability-related risks focuses on:

- Adherence to public sustainability commitments, including external frameworks, corporate targets (including climate targets), recognising the associated reputational risks;
- Compliance with evolving ESG regulatory and legal requirements across multiple regional jurisdictions; and
- The accuracy and completeness of sustainability-related disclosures, recognising data quality and availability challenges.

TCFD considers financially material risks and opportunities, whilst the TNFD considers double materiality, including dependencies, impacts, risks and opportunities. We do not fully align with TNFD disclosures due to this extra dimension of 'impact' materiality. The detailed alignment to **TNFD is here**.

Each risk appetite statement is supported by metrics and thresholds to enable monitoring of risk exposure. Performance against risk appetite is reviewed through governance processes, including oversight by the Audit and Risk Committee, the FIL Limited Board and relevant subsidiary boards.

Business Operations

Identifying and managing risk in business operations

We have implemented a Health, Safety and Sustainability (HSS) management system which includes an annual identification and assessment of environmental impacts at corporate level, including both climate and nature impacts. We aim to manage these climate-related risks to our business across our operations and value chain, whether they are positive or negative. Risks are evaluated for materiality considering impact, likelihood, regulation and stakeholder expectations, and controls are applied. Residual risks are then monitored against the firm's risk appetite through established governance, procurement and supply-chain processes.

Across our business operations, our Kingswood campus in Surrey, England has been identified as a priority site with regards to nature. Following the appointment of an ecologist as reported in 2024, in June 2025, it was awarded the Wildlife Trusts Biodiversity Benchmark. This recognises our commitment to protecting and enhancing biodiversity across our grounds, including the ancient woodland under our care.

We believe that in the short to medium term our approach is resilient across a number of climate scenarios including 'current policies' and a 'disorderly transition', and would not be expected to make a material impact on the financial performance of the business. Whilst nature scenarios are still in development, we consider dependencies and impacts from nature to our business operations not likely to be material either.

Ongoing performance is monitored and reported to senior management, with the framework regularly reviewed and continuously improved in line with ISO 14001:2015.

Investments

Managing risk in investments

Identifying, assessing and managing material climate and nature-related risks:

These risks are overseen through the Lines of Defence approach:

	1st Line of Defence	2nd Line of Defence	3rd Line of Defence
Functions	Business Management and Employees	Oversight and specialist functions such as Risk, Compliance and Legal	Internal Audit
Role	Responsible for day-to-day operations and owning all risks emerging from their respective business and/or processes and being accountable for managing, monitoring and mitigating these risks on an ongoing basis.	Design and set out control frameworks and associated requirements in policies and standards. Provide advice and perform independent oversight of performance and risk management.	Provides independent and objective assurance on the adequacy of the design and effectiveness of internal controls, the enterprise risk management framework and governance processes.

In the first line, as per the **Strategy** section, climate and nature-related risks and opportunities are identified and managed through our investment and sustainable investing processes, including Integration, Stewardship and Solutions. Investment teams are responsible for identifying, assessing and managing relevant risks through fundamental research and portfolio analysis, supported by proprietary tools such as ESG Ratings, Climate Ratings, the SDG Tool, the Quarterly Sustainability Review (QSR) process and issuer engagement.

Climate scenario analysis indicates that climate-related risks and opportunities have the potential to be material to investment outcomes under a range of transition and physical risk pathways. As a diversified asset manager, our exposure is primarily indirect through the performance of client portfolios, client demand and resulting assets under management. While different climate scenarios may affect sectors and asset classes differently, our investment approach is designed to identify and manage these risks and opportunities through integration, stewardship and investment solutions, helping to support the resilience of portfolios and the business over the long term.[25]

This is supported by regulatory horizon scanning, designed to identify and respond to evolving sustainability-related regulations, including climate and nature-related requirements. A formal governance framework, described in the Governance section, aims to provide oversight of fund-level and broader climate and nature-related risks.

For private assets and illiquid funds, including real estate, ESG and climate risk oversight is tailored to the asset class and available data. For example, real estate funds use metrics such as net zero alignment, energy efficiency measures and sustainable building certifications, including EPC and BREEAM.

In the second line, the Investment Risk team provides independent oversight of ESG-related investment risks, including climate and nature-related risks. Oversight is supported by dedicated reports and key risk indicator dashboards containing selected environmental, social and governance metrics for individual constituent components. Metrics are assessed regularly against thresholds tailored to different fund types. Results and exceptions are shared with senior management and escalated through established escalation channels where required. ESG-related investment risk matters are considered by Investment Risk Committees.

A Sustainable Investing management information dashboard also provides regular updates to governance forums, including SIOC, senior management, the FIL Limited Board and relevant subsidiary boards. Metrics include voting, issuer engagement, sustainability training, sustainable fund highlights and AUM, client activities and highlights, ESG risk events and performance against external climate-related commitments.

In the third line, the Internal Audit team provides independent assurance on the adequacy and effectiveness of internal controls, risk management and governance processes.

[25] Generally accepted and standard nature-related scenario analysis is not yet widely accepted or available.

Appendices

A1 - Disclosure framework, regulatory mapping and local supplements

Regulatory summary

Purpose of this Appendix

This Appendix explains how Fidelity International's Climate and Nature Report maps to selected climate and sustainability-related disclosure frameworks and regulatory requirements. The main body of the report provides a consolidated overview of our approach to climate and nature-related governance, strategy, risk management, metrics and targets. This Appendix provides supplementary mapping to specific disclosure requirements.

This Appendix includes mapping for:

- The Task Force on Climate-related Financial Disclosures (TCFD)
- The Taskforce on Nature-related Financial Disclosures (TNFD), on a partially aligned voluntary basis
- UK Sustainability Disclosure Requirements (SDR) entity reporting
- Article 29 of France's Loi Énergie-Climat.

Separate entity-level reports are prepared for UK entities in scope of UK TCFD requirements. These entity reports should be read alongside this Climate and Nature report where relevant.

The report reflects selected local requirements in Taiwan, Hong Kong and Singapore, either through this report or through local reporting where required. It considers the Monetary Authority of Singapore (MAS) Transition Plan Guidelines on a partially aligned voluntary basis.

Disclosure framework and regulatory scope

The following frameworks and requirements are reflected in this report, mapped in this Appendix, or addressed through separate local or entity-level reporting where required:

Category	Requirement or framework	How addressed
Framework mapping	TCFD recommendations	Mapped in this Appendix.
Framework mapping	TNFD recommendations	Mapped in this Appendix on a partially aligned voluntary basis.
Regulatory mapping	UK SDR entity reporting	Mapped in this Appendix.
Regulatory mapping	France's Article 29 of the Loi Énergie-Climat	Mapped in this Appendix.
Entity-level reporting	UK TCFD requirements	Separate entity-level reports are prepared for UK entities in scope.
Local requirements	Taiwan climate risk requirements	Addressed through a local Taiwan Climate Report and reflected where relevant in this report.
Local requirements	Hong Kong SFC climate-related risk requirements	Reflected in this report.
Local requirements	Singapore MAS Environmental Risk Management Guidelines	Reflected in this report.
Voluntary transition plan guidance	MAS Transition Plan Guidelines	Considered on a partially aligned voluntary basis.

Review and scoping exercise to determine the FIL group for this report

For the purposes of this report, we assessed legal entities across the FIL Limited hierarchy to determine the relevant reporting scope. Supported by internal functions and tools, entities were categorised into the following groups:

- Corporate assets: legal entities associated with our corporate real estate and employees. These are captured within our business operations data.
- Client investments: legal entities with asset management responsibilities, defined by discretionary investment management authority. These are captured within our investments data.
- Other: legal entities outside the two categories above, due to immateriality, data limitations or being otherwise outside the scope of this report.

This scoping assessment is expected to evolve as our sustainability reporting capabilities mature and as we prepare for future regulatory requirements, including reporting aligned with International Sustainability Standards Board (ISSB) standards and the EU Corporate Sustainability Reporting Directive (CSRD), where relevant.

Detailed TCFD and TNFD summary

TCFD considers financially material risks and opportunities, whilst the TNFD considers double materiality, including dependencies, impacts, risks and opportunities. We do not fully align with TNFD disclosures due to this extra dimension of 'impact' materiality. The following table cross-references the TCFD, TNFD guidance to the relevant parts of this report:

TCFD Disclosure (Climate Focus)	TNFD Disclosure (Nature Focus)	Disclosure	Comply or Explain
Governance			
Board oversight and integration of climate-related issues	Board oversight of nature-related dependencies, impacts, risks and opportunities	FIL Board	**TCFD:** Met **TNFD:** Partially met. TCFD considers financially material risks and opportunities, whilst the TNFD considers double materiality, including dependencies, impacts, risks and opportunities. We do not fully align with TNFD disclosures due to this extra dimension of 'impact' materiality.
Board oversight of climate-related targets and performance	Board oversight of nature-related objectives, commitments and performance monitoring	Monitoring - SIOC	This overall report is not assured or subject to external verification. **TCFD:** Met. Our business operations emissions are independently verified by the British Standards Institute (BSI). The BSI verification statement is also provided in the Appendix. **TNFD:** Partially met. Our nature-related target relates to engagement, and SIOC receives reporting on the wider stewardship and engagement statistics.
Management governance and oversight of climate-related issues	Management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities	Management	**TCFD:** Met **TNFD:** Met. SIOC oversees stewardship and engagements including our thematic engagements, our engagement policy and voting principles and guidelines. Our nature-related investor expectations can include human rights considerations.
	Stakeholder and human rights oversight related to nature	N/A	**TNFD:** Not met - We do not have a Human rights policy.
Strategy			
Climate-related risks and opportunities over the short, medium and long term	Nature-related dependencies, impacts, risks and opportunities	Risks and Opportunities	**TCFD:** Met. **TNFD:** Partially met - Not expected to directly or materially affect our business operations or supply chain. It is currently not possible to identify and report specific material priority or sensitive locations, geographical splits or impact pathways for our issuers as this information is not disclosed or widely available.

Impact of climate-related risks and opportunities on strategy and financial planning	Impact of nature-related dependencies, impacts, risks and opportunities on business model, strategy and value chain	Nature analysis Nature methodology Strategy Resources (financial impacts and investments) Thematic engagements covering climate, water and deforestation, and collaborative engagements Engagement milestones on progress and possible divestments (TNFD)	**TCFD and TNFD: P**artially met - Fidelity is a privately owned business so does not publicly report financial information or results. We have disclosed certain expenditures and budgets relating to sustainability and data programmes: Resources. Whilst difficult to estimate accurately or quantify, future climate and nature-related risks may impact the values of broader markets in the medium to long term. This alongside a number of other economic, political or reputational factors could impact the value of our AUM and in turn FIL's revenues in future years. **TNFD:** Met: Many targets under the Kunming-Montreal Global Biodiversity Framework (GBF) are primarily directed at national governments, which limits the extent to which investors can act directly against these objectives. Nonetheless, we believe that as investors, we can contribute to addressing nature loss through our three levers of integration, stewardship, and solutions, as detailed throughout this report. For example, relevant to GBF Target 14, we integrate nature-related considerations into our investment processes where material. In relation to Target 15, where material, we engage with companies to encourage improved assessment, disclosure, and mitigation of nature-related impacts, and participate in system-level stewardship by engaging with regulators, industry bodies, and policy initiatives on nature-related issues and disclosure frameworks. We focus on regulatory and policy developments that affect Fidelity as a financial services provider and on policy relating to system-level risks critical to long-term investment returns. We continue to monitor the development of methodologies.
Climate-related scenario analysis	Nature-related scenario analysis and resilience assessment	Climate scenario analysis CVAR methodology	**TCFD:** Partially met - whilst we consider climate scenario analysis as informing that climate is a material potential risk, due to limitations on cost and availability and decision usefulness we do not show the breakdown by sector or geography. Climate scenarios are not used for financial planning. Note we have identified a number of limitations with the CVAR model. **TNFD:** Partially met - Fidelity ESG ratings incorporate Nature related assessments (double materiality). Dependencies and Impacts are assessed using the TNFD Priority sectors and ENCORE tool. We use this analysis to help inform the prioritisation of issues and sub-industries for our nature-related stewardship. Our current approach is limited by lack of issuer-specific impact and dependency exposures and geospatial data. Formal resilience assessment has not yet been undertaken due to the limited maturity of nature-related scenario methodologies; however, we are monitoring developments and evaluating emerging approaches.
	Disclosure of priority locations and areas with material nature-related exposure		**TNFD:** Partially met**:** For our business operations we disclose a campus for which we care for biodiversity and ancient woodland. Investments - it is not currently possible to disclose priority locations or areas/geographies.

Risk Management			
Identification and assessment process of climate-related risks	Identification, assessment and prioritisation of nature-related dependencies, impacts, risks and opportunities	**Our three investment levers:** Integration. Stewardship, Solutions Thematic engagements Exclusions framework	**TCFD:** Met. We use our three levers to identify and manage our material climate related risks, including our thematic engagements with issuers representing our largest contributors to financed emissions, and through exclusions for certain products. Portfolio managers may also decide to sell an investment due to risk(s) not being priced in. **TNFD:** Partially met - Business operations: Whilst we have set targets reducing our dependency and impacts (water, waste and natural resources), we do not expect nature to directly or materially impact our business operations. We do not disclose the thresholds for our Enterprise scenario risk assessments.
Processes for managing climate-related risks	Processes for monitoring and managing nature-related dependencies, impacts, risks and opportunities		**TCFD:** Met **TNFD:** Met - Our Environmental Management system considers both climate and nature related aspects - Resources. For investments, our integration tools and stewardship processes (ESG ratings, portfolio dashboards and thematic engagements) seek to manage nature-related risks.
Integration of climate-related risks into overall risk management	Integration of nature-related risks into overall risk management and decision-making	Integration **and** Stewardship, Risk Management Thematic **and** System-wide **engagement**	**TCFD:** Met **TNFD:** Partially Met: At the firm wide level, we also conduct an annual risk scenario analysis process which considers possible sustainability related factors and the possible resulting financial impacts to our business.
Assessment and management of climate risks at product, portfolio and investment strategy level	Assessment and management of nature-related risks, impacts and dependencies across investment portfolios and stewardship activities		**TCFD:** Met **TNFD:** Met
Metrics and Targets			
Metrics used to assess climate-related risks and opportunities	Metrics used to assess nature-related dependencies, impacts, risks and opportunities	Our strategy, Climate targets Nature commitments and progress **and** Climate Metrics Nature metric methodology Financed emissions - Publicly listed AUM **and** Financed emissions - Asset classes Financed emissions analysis 2024-2025	**TCFD:** Met - financed emissions are disclosed for our publicly listed equities and fixed income (corporate debt and sovereigns) which represent our main asset classes (Equities, Fixed income and look through holdings for our Multi-Asset funds). **TNFD:** Partial Met - at this stage not all metrics are available under TNFD annex 1,2,4. As methodology is evolving, we cannot provide historical comparisons for our Encore nature-related analysis. Business operations does not disclose nature-related metrics for nature.
GHG emissions and climate-related metrics	Nature-related dependency, impact and exposure metrics		**TCFD:** Met **TNFD:** Partially met - We are dependent upon companies to begin disclosing metrics first under TNFD. In terms of location specific disclosure, the report is not aligned. The methodology for our nature-related ENCORE mapping has evolved, and the underlying ENCORE dataset has also evolved and represents a snapshot. As a result we are unable to provide historical data comparisons this year.
Climate-related targets and performance	Nature-related targets, commitments and performance		**TCFD:** Met **TNFD:** Partially met - Progress towards our nature-related initiatives and commitments is available here and in our Sustainability & Stewardship report. In 2025 we engaged with 38 issuers within our nature-related thematic engagement programme. In 2026 we aim to engage with at least 25 companies through our nature-related thematic engagement programme (access permitting). Our targets are reviewed annually. We will continue to monitor target setting methodology for financial institutions.

UK legal subsidiary disclosures

Fidelity confirms that it has made climate-related financial disclosures for the year ended 31 December 2025 that it believes are consistent with TCFD Recommendations and Recommended Disclosures, and as required by the UK Financial Conduct Authority (FCA) ESG Sourcebook, including SDR Entity reporting where applicable.

The table below sets out the UK subsidiaries of FIL that are required to produce a TCFD climate report and/or an SDR Entity report, together with the basis for inclusion or exclusion.

Entity	Reporting status	Basis for status
FIL Limited	Consolidated reporting at FIL Limited group level. FIL Limited is not required to produce a separate climate report under applicable UK regulations.	Consolidated reporting at the group level entity. Represents the group-level report on which UK and other regulated subsidiaries may rely, where permitted under applicable rules.
FIL Investments International (FII)	In scope	(1) FII conducts 'TCFD in-scope business', i.e. 'portfolio management' and; (2) AuM exceeds the relevant £5bn reporting threshold.
FIL Investment Services (UK) Limited (FISL)	In scope	(1) FISL conducts 'TCFD and SDR in-scope business', i.e. a UK UCITS and AIF Management Company, and; (2) AuM exceeds the relevant £5bn reporting threshold.
FIL Pensions Management (FPM)	In scope	(1) FPM conducts 'TCFD in-scope business', i.e. 'portfolio management', and; (2) AuM exceeds the relevant £5bn reporting threshold.
FIL Investment Advisors (UK) Limited (FIA UK)	In scope	(1) FIA UK conducts 'TCFD in-scope business', i.e. 'portfolio management' and; (2) AuM exceeds the relevant £5bn reporting threshold.
FIL Investment Management Limited (FIML)	In scope	Not FCA regulated, but reporting is required under the 'Mandatory Climate-related financial disclosures' as per the UK Department for Business, Energy and Industrial Strategy regulation.

The relevant entity-level reports are included on the following pages of this section.

Sub-delegation

Fidelity does not make use of extensive external investment management delegations. Rather, these are strategic in nature to offer particular strategies. No current actively managed investment management delegations are related to an ESG strategy. They have been selected for other investment reasons. Further details of delegations are included on the following pages.

FIL Investments International (FII)

Introduction

This FII entity-level climate report aligns with applicable UK regulatory requirements and Fidelity's overarching approach, as documented in the FIL Limited Climate and Nature report (the main report). For the purposes of this report, "Fidelity" and "the Group" refer to FIL Limited and its subsidiaries.

FII is part of the Group and provides portfolio management services to other Group companies and global institutional investors. FII's approach to climate matters is aligned with the Group approach, except for any material deviations described below. This report should be read in conjunction with the content in the group report sections (above): Strategy and Metrics, Governance and Risk Management. FII product-level reporting is available to eligible institutional clients on an on-demand basis. If required, please get in touch with your usual Fidelity contact.

Alignment of FII to the Group approach

The FII Board relies on Group governance structures and committees, as described in the main report, to support oversight of climate-related risks and opportunities. FII may appoint Group sub-advisors to manage selected client mandates, in whole or in part, under the Group approach. Where FII appoints non-associated companies as sub-advisors for certain client mandates, climate-related matters may be managed outside the Group approach, as described below.

Material deviations from the Group approach

Fidelity Institutional Asset Management (FIAM)

FII has appointed Fidelity Institutional Asset Management LLC (FIAM), a non-associated company, as sub-advisor for certain mandates. Further details are available to applicable clients requesting an on-demand report. None of the mandates sub-advised to FIAM are considered ESG-focused.

The following is based on information provided by FIAM:

Governance	Partially aligned. See material deviations below.
Strategy	Partially aligned. See material deviations below.
Risk Management	Partially aligned. See detail below.
Metrics & Targets	Partially aligned. See material deviations below.

FIAM's Governance, Strategy and Risk Management

FIAM's senior management oversees sustainable investing-related research and investment processes, and provides periodic updates to relevant fund boards. FIAM's portfolio management teams are supported by research to assess investment-related risks and opportunities, including climate-related factors where considered financially material. This research may inform investment analysis and enables portfolio management teams to assess relevant issuers risks and manage portfolio exposure to sustainable investment risks. FIAM also undertakes stewardship activities with portfolio companies to support long-term shareholder value creation.

Metrics and Targets

Assets Under Management (AUM) and calculated emissions for mandates sub-advised to FIAM are included in the main report within investment-related emissions (Scope 3, category 15).

Compliance statement

I confirm that the disclosures set out in this report and, as relied upon, the main report, comply with the requirements set out in the UK FCA ESG Sourcebook chapter 2.

Niamh Brodie-Machura, CIO, Equities

FIL Pensions Management (FPM)

Introduction

This FPM entity-level climate report aligns with applicable UK regulatory requirements and with Fidelity's overarching approach, as documented in the FIL Limited Climate and Nature report (the main report). For the purposes of this report, "Fidelity" and "the Group" refer to FIL Limited and its subsidiaries.

FPM is part of the Group and provides portfolio management services to predominantly UK-based institutional investors. FPM's approach to climate matters is aligned with the Group approach, except for any material deviations described below. This report should be read in conjunction with the main report (**please see here**). FPM product-level reporting is available to eligible institutional clients on an on-demand basis. If required, please get in touch with your usual Fidelity contact.

Alignment of FPM to the Group approach

The FPM Board relies on Group governance structures and committees, as described in the main report, to support oversight of climate-related risks and opportunities. FPM appoints Group sub-advisors to manage selected client mandates under the Group approach. Where FPM makes available the services of and appoints non-associated companies as sub-advisors for certain client mandates, climate-related matters may be managed outside the Group approach (see below).

Material deviations from the Group approach

Fidelity Institutional Asset Management (FIAM)

FPM has appointed Fidelity Institutional Asset Management LLC (FIAM), a non-associated company, as sub-advisor for certain client mandates. None of the client mandates sub-advised to FIAM are considered ESG-focused. FIAM delegates certain investment management activities to Fidelity Management & Research (FMR). The following is based on information provided by FIAM:

Governance	Partially aligned. See material deviations below.
Strategy	Partially aligned. See material deviations below.
Risk Management	Partially aligned. See detail below.
Metrics & Targets	Partially aligned. See material deviations below.

FIAM's Governance, Strategy and Risk Management

FIAM's senior management oversees sustainable investing-related research and investment processes, and provides periodic updates to relevant fund boards. FIAM's portfolio management teams are supported by research to assess investment-related risks and opportunities, including climate-related factors where considered financially material. This research may inform investment analysis and enables portfolio management teams to assess relevant issuers risks and manage portfolio exposure to sustainable investment risks. FIAM also undertakes stewardship activities with portfolio companies to support long-term shareholder value creation.

Metrics and Targets

Assets Under Management (AUM) and calculated emissions for mandates sub-advised to FIAM are included in the main report within investment-related emissions (Scope 3, category 15).

Compliance statement

I confirm that the disclosures set out in this report and as relied upon, the main report, comply with the requirements set out in the FCA ESG Sourcebook chapter 2.

Dennis Pellerito, Head of UK Wholesale

FIL Investment Advisors (UK) Limited (FIA UK)

Introduction

This FIA UK entity-level climate report aligns with applicable UK regulatory requirements and with Fidelity's overarching approach, as documented in the FIL Limited Climate and Nature report (the main report). For the purposes of this report, "Fidelity" and "the Group" refer to FIL Limited and its subsidiaries.

FIA UK is part of the Group and provides portfolio management services to certain institutional investors where clients are of United States origin. FIA UK's approach to climate matters is aligned with the Group approach. This report should be read in conjunction with the main report (please see here). FIA UK product-level reporting is available to eligible institutional clients on an on-demand basis. If required, please get in touch with your usual Fidelity contact.

Alignment of FIA UK to the Group approach

The FIA UK Board relies on Group governance structures and committees, as described in the main report, to support oversight of climate-related risks and opportunities. FIA UK does not appoint delegates outside of the Group and therefore there are no material deviations to the Group approach to climate matters.

Material deviations from the Group approach

N/A

Compliance statement

I confirm that the disclosures set out in this report and as relied upon, the main report, comply with the requirements set out in the UK FCA ESG Sourcebook chapter 2.

Niamh Brodie-Machura, CIO, Equities

FIL Investment Services (UK) Limited (FISL)

Introduction

This FISL entity-level climate report aligns with applicable UK regulatory requirements (for both TCFD and SDR entity reporting) and with Fidelity's overarching approach, as documented in the FIL Limited Climate and Nature report (the main report). For the purposes of this report, "Fidelity" and "the Group" refer to FIL Limited and its subsidiaries.

FISL is part of the Group and is responsible for the management of Fidelity's range of UK funds and acts as the Investment Manager of investment companies. FISL's approach to climate matters is aligned with the Group approach, except for any material deviations described below. This report should be read in conjunction with the main report (**please see here**) and the available **product reporting**, which captures information for individual funds and investment companies.

Alignment of FISL to the Group approach

The FISL Board relies on Group governance structures and committees, as described in the main report, to support oversight of climate-related risks and opportunities. FISL appoints Group sub-advisors to manage selected funds under the Group approach. Where FISL appoints non-associated companies as sub-advisors for certain funds, climate-related matters may be managed outside the Group approach, as described below.

Material deviations from the Group approach

Fidelity Institutional Asset Management (FIAM)

FISL has appointed Fidelity Institutional Asset Management LLC (FIAM), a non-associated company, as sub-advisor for certain funds. These funds are identified in the relevant TCFD product reports. None of the funds sub-advised to FIAM are considered ESG-focused.

The following is based on information provided by FIAM:

Governance	Partially aligned. See material deviations below.
Strategy	Partially aligned. See material deviations below.
Risk Management	Partially aligned. See detail below.
Metrics & Targets	Partially aligned. See material deviations below.

FIAM's Governance, Strategy and Risk Management

FIAM's senior management oversees sustainable investing-related research and investment processes, and provides periodic updates to relevant fund boards. FIAM's portfolio management teams are supported by research to assess investment-related risks and opportunities, including climate-related factors where considered financially material. This research may inform investment analysis and enables portfolio management teams to assess relevant issuers risks and manage portfolio exposure to sustainable investment risks. FIAM also undertakes stewardship activities with portfolio companies to support long-term shareholder value creation.

FIAM's Metrics and Targets

Assets Under Management (AUM) and calculated emissions for mandates sub-advised to FIAM are included in the main report within investment-related emissions (Scope 3, category 15).

Geode Capital Management LLC

FISL has appointed Geode Capital Management LLC (Geode), a non-associated company, as sub-advisor for certain funds. These funds are identified in the relevant TCFD product reports. Where Geode manages assets held by a fund, there are deviations from the Group approach.

The following is based on information provided by Geode:

Governance	Partially aligned. See material deviations below.
Strategy	Partially aligned. See material deviations below.
Risk Management	Not aligned. See material deviations below.
Metrics & Targets	Not aligned. See material deviations below.

Geode's Governance, Strategy and Risk Management

Geode is primarily a sub-advisor for passive equity portfolios that track an index. ESG considerations are not part of the investment process. Any relevant ESG considerations within a portfolio are either driven by the methodology of the index being tracked or directed by the client's investment guidelines explicitly. Geode investment decisions do not exclude or include securities based on its views of ESG factors.

Geode selectively engages with issuers where direct communication will better inform the voting decision. Since the majority of the funds and accounts managed by Geode are passive, Geode's engagements seek to build an understanding of the portfolio companies' long-term strategy in conjunction with their corporate governance practices. Engagements may be focused on specific-voting matters or have a broader and long-range focus. Any proposals concerning ESG matters are addressed by, and voted in accordance with, Geode's proxy voting policies, which it makes publicly available.

Geode's Metrics and Targets

Geode does not report ESG-related metrics or set ESG targets for these mandates. Products managed by FISL are included in the aggregate figures reported in the main report, including where those products are sub-advised to Geode.

Compliance statement

I confirm that the disclosures set out in this report and, as relied upon, the main report, comply with the requirements set out in the UK FCA ESG Sourcebook chapter 2 and 5 covering TCFD and SDR Entity reporting.

D. Pellerito

Dennis Pellerito, Head of UK Wholesale

Entity Sustainability Disclosure Requirements (SDR)

This section maps SDR entity level reporting requirements under the FCA ESG Sourcebook, chapter 5 to locations contained in this report. This is relevant to FISL and forms part of the manager's overall sustainability entity report with respect to climate-related disclosures.

Sustainability Disclosure Requirement Entity Report	Content of a sustainability entity report		Location / or comments
ESG 5.6.1 R	In addition to the requirements at ESG 5.4.5R, a manager must, in relation to the overall assets it manages within its sustainability in-scope business:	1. Set out the following information relating to: (a) the manager's approach to governance, with respect to managing sustainability risks and opportunities; (b) the actual and potential impacts of any material sustainability-related risks and opportunities on the manager's businesses, strategy and financial planning; (c) how the manager identifies, assesses and manages sustainability-related risks; and (d) the metrics and targets used by the manager to assess and manage relevant material sustainability-related risks; 2. Explain, either in its sustainability entity report or in a cross-referenced public product-level sustainability report, where its approach to a particular investment strategy, asset class or product is materially different to its overall entity-level approach to governance, strategy, risk management or targets and metrics; and 3. Where relevant, briefly explain in its sustainability entity report how the manager's strategy has influenced the decision-making and process by which it delegates functions, selects delegates, and relies on services, strategies or products offered or	1. Governance of sustainability risks and opportunities ▪ Sustainability risks and opportunities on strategy and planning and resources ▪ Identification, assessment and management of sustainability risks ▪ Metrics, targets used to mange sustainability risks and emissions and stewardship 2. Explain differences to entity approach, Stewardship scope 3. Explain how this has influenced delegation, services or offerings by third parties (inc delegates)
5.6.4 (R)	Where a manager uses either a sustainability label or one or more of the terms in ESG 4.3.2R(2) in accordance with ESG 4.3.2R(1) in relation to a sustainability product, it must, to the extent relevant to the particular product, include the following information in a clear and accessible way in a sustainability entity report:	1. A description of the resources, governance and organisational arrangements the manager has in place, commensurate with the achievement of the product's sustainability objective and/or the manager's investment policy and strategy for the product; and	Product governance Sustainable Investing Resources Integration tools and processes Solutions: FSIF framework Further detail is available in our Sustainable Investing Principles.
		2. A description of the processes in place to ensure that there is a high standard of diligence in the selection of any data or other information used (including when third-party ESG data or ratings providers are used) to inform investment decisions for the sustainability product.	Data providers - investment GHG emissions, CVAR, Nature, Business Operations GHG emissions

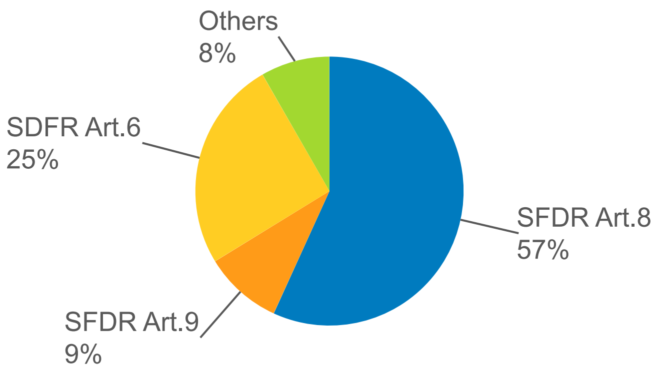
Approach to relevant sustainability-related disclosures contained in other reports at an entity-level			
ESG 5.6.5 R		1. If a manager is a member of a group, it may rely on disclosures consistent with those of the group or a member of its group when producing its sustainability entity report, but only to the extent that those group disclosures are relevant to the manager and cover the assets the manager manages as part of its sustainability in-scope business. 2. If a manager relies on such group disclosures, it must ensure that its sustainability entity report: (a) includes cross-references, including hyperlinks, to any disclosures contained within the group or group member's report that relate to assets managed by the manager in relation to its sustainability in-scope business on which the manager is relying to meet its disclosure obligations under this section; and (b) sets out the rationale for relying on the disclosure made by its group or a member of its group and why the disclosure is relevant to the assets managed by the manager in relation to its sustainability in-scope business.	**Please see here.**
ESG 5.6.6 R		A manager must also ensure that any material deviations between its approach to governance, strategy, risk management or targets and metrics disclosed under ESG 5.6.1R(1) and the disclosures contained within the group report are clearly explained, either in its sustainability entity report or in the report made by its group or a member of its group.	**Please see here.**
ESG 5.6.7 R		1. If a manager or a member of its group produces a document, other than its annual financial report, which includes disclosures relating to sustainability characteristics, the manager may cross-refer to these disclosures in its sustainability entity report where this information is relevant to clients or a person who is an investor in an unauthorised UK AIF managed by a full-scope UK AIFM or a small authorised UK AIFM, including hyperlinks to where the relevant disclosures are available. 2. Where a manager cross-refers to disclosures made by a member of its group in accordance with ESG 5.6.7R(1), it must explain in its sustainability entity report the rationale for relying on the disclosures in the supplementary document and how such disclosures are relevant to the clients or a person who is an investor in an unauthorised AIF which is a UK AIF managed by a full-scope UK AIFM or a small authorised UK AIFM of the manager's sustainability in-scope business.	**Please see here.**
Compliance statement			
ESG 5.6.8 R		ESG 2.2.7R applies in relation to the preparation of a compliance statement for the purposes of a sustainability entity report as if the reference to a manager's TCFD entity report has been substituted by the reference to a manager's sustainability entity report.	Compliance **statement includes TCFD and SDR Entity reporting.**

France - regulatory disclosures

This section supplements the content of the core report by providing a closer look at Fidelity's entity FIL Gestion and by responding to entity-specific requirements of Article 29 Loi Énergie-Climat.

FIL Gestion is the French entity of Fidelity International with almost €5bn AUM as at December 2025.[26] 92% of FIL Gestion's assets are in scope of SFDR requirements as shown below.

AUM by SFDR classification

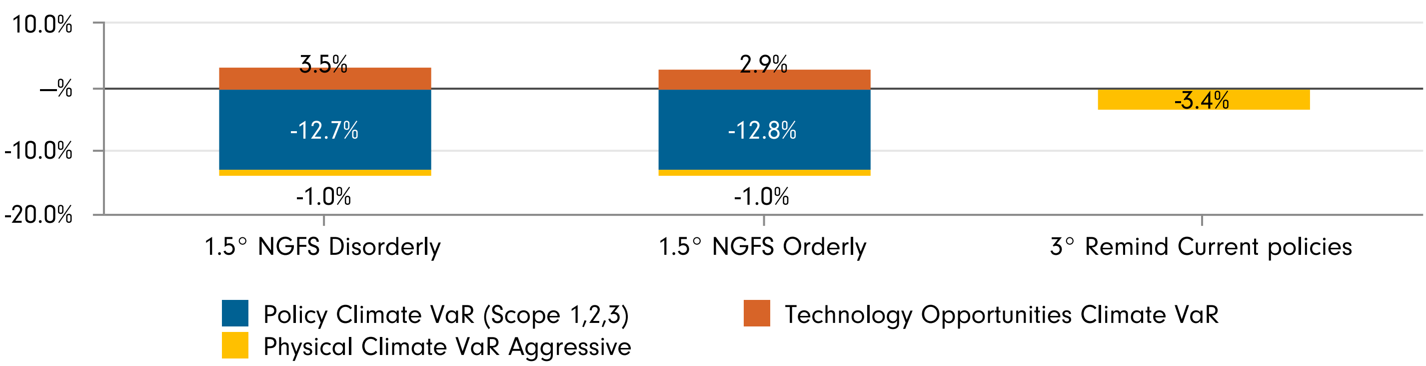


Note: certain products are not subject to SFDR and are classified as "Others".

Fund labels

FIL Gestion holds one fund within in its sustainable range that has obtained the two labels listed below, this is the Fidelity Funds - Sustainable Eurozone Equity Fund. The feeder fund (FCPE) of the Fidelity Funds - Sustainable Eurozone Equity Fund has also obtained the ISR label.

Climate Value at Risk (CVaR)



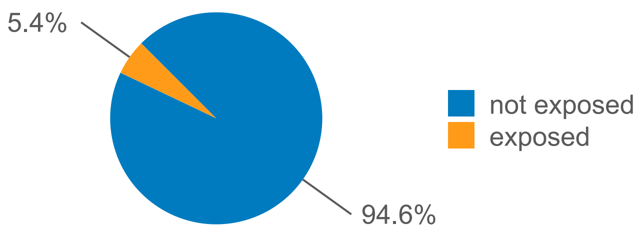
26 Fidelity International does not offer any product whose underlying investments are entirely carried out in France.

Please refer to [CVAR methodology] for an overview of the scenarios, data sources and the limitations of this model especially in respect of physical climate risks which are likely to result in these being under-represented. Note that the percentage impacts are an estimate and not a prediction of the future, and are based upon a third party model, and may or may not be representative of the future.

Implied Temperature Rise (ITR)

FIL Gestion's fund portfolio is associated with a potential temperature increase of 2.1°C by 2050.
Source: ISS, portfolio coverage 87.4%.

AUM of FIL Gestion exposed to fossil fuels sector



Source: MSCI, portfolio coverage 85.1%

European Union Taxonomy

Environmental objective	KPI	% of portfolio eligible for objective	% of portfolio aligned with objective
Climate change mitigation	Turnover	15.74 %	5.68 %
	Capex	19.90 %	7.36 %
	Opex	10.49 %	6.15 %
Climate change adaptation	Turnover	2.81 %	0.17 %
	Capex	0.12 %	0.10 %
	Opex	0.13 %	0.12 %
Sustainable use and protection of Water and Marine Resources	Turnover	0.03 %	0.01 %
	Capex	0.02 %	0.01 %
	Opex	0.00 %	0.00 %
Transition to a circular economy	Turnover	8.18 %	0.55 %
	Capex	2.87 %	0.29 %
	Opex	3.92 %	0.02 %
Pollution prevention and control	Turnover	4.73 %	0.00 %
	Capex	1.24 %	0.00 %
	Opex	0.64 %	0.00 %
Protection and restoration of biodiversity and ecosystems	Turnover	0.03 %	0.00 %
	Capex	0.00 %	0.00 %
	Opex	0.01 %	0.00 %

Source: Fidelity International, Clarity AI

Taxonomy data as at 1/6/2026 (historical taxonomy data is not available) calculated using investment holdings as at year end 2025.

The figures shown are fund-level aggregates based on issuer-level EU Taxonomy data from Clarity AI, covering the environmental objectives and the turnover, CapEx and OpEx KPIs. Values shown as 0.00% may reflect reported or assessed zero eligibility and/or alignment, or limited availability of Taxonomy data for relevant holdings. EU Taxonomy disclosure remains uneven, particularly for non-EU issuers and newer non-climate objectives such as water and biodiversity.

European Union Taxonomy methodology

Data source changes:

Until 2024, we reported using Moody's EU Taxonomy data solution as part of its rules-based Taxonomy assessment framework. Following changes to Moody's ESG product offering and the discontinuation of its EU Taxonomy dataset, we undertook a comprehensive due diligence review of alternative providers. This assessment evaluated factors including data coverage, methodological robustness, transparency and scalability. Following this review, Clarity AI was selected as our data provider for EU Taxonomy data and analytics.

Clarity AI's EU Taxonomy methodology applies a structured five-step assessment process to determine Taxonomy eligibility and alignment at the company level. This methodology includes: i) revenue segmentation, ii) assessment of 'Substantial Contribution' to an environmental objective, iii) 'Do No Significant Harm' (DNSH) assessment, iv) 'Minimum Social Safeguards' (MSS) assessment, and v) final alignment determination.

Clarity AI prioritises company-reported EU Taxonomy disclosures where available and supplements these with assessments derived from publicly available information where disclosures are incomplete or unavailable. We apply additional proprietary logic to Clarity AI's outputs for its final EU Taxonomy alignment determination.

Calculation notes:

- It is calculated using market values for AUM.

Article 29 of Energy and Climate Law n°2019-1147 alignment

The following table cross-references the article requirements to the relevant parts of this report or other documents.

Art.29LEC Pillar	Requirements	Reference in this report	Comply or explain
General disclosures	General ESG approach of the entity	About Fidelity, Scope, Methodology climate, Methodology nature, Target timelines	Met
	Communication about ESG criteria in investment policy and strategy	Investment strategy, Global Policies	Met - also refer to Sustainable Investing Principles for further information.
	SFDR Art.8 and Art.9 products	Products	Met
	ESG criteria in decision-making process	Investment strategy	Met
	List of initiatives, codes and memberships		Met - refer to FIL's ESG initiatives and memberships
Resources	Financial, human and technical resources	Resources	Met
	Strengthen internal capabilities	Resources	Met
Governance	Knowledge, skills and experience of governance bodies	Governance	Met
	Remuneration policy	Governance	Met - also refer to politique de remuneration FIL Gestion
	Integration of ESG factors into internal rules of board	Governance	Met
Engagement	Scope of engagement strategy	Stewardship scope	Met
	Engagement policy	Stewardship	Met - also refer to Sustainable Investing Principles which include our engagement policy
	Voting policy	Stewardship	Met - also refer to Voting Principles and guidelines
	Engagement strategy implementation/ outcome	Stewardship, System level and Engagement statistics	Met
	Voting policy implementation/ outcome	Voting statistics	Met
	Engagement related Investment decisions/ escalation	Thematic engagement and Solutions	Met - also refer to Exclusion Framework
EU taxonomy and fossil fuels	EU Taxonomy eligibility and alignment	EU Taxonomy	Met - on FIL Gestion entity level
	Share of assets in fossil fuels sectors	Fossil Fuels	Met - on FIL Gestion entity level

Climate	Paris agreement aligned climate strategy	**Strategy**	Met
	Quantitative targets	**Targets**	Met
	Methodologies used	**Climate methodologies**	Met - the share of estimated emissions as a percentage of Scope 1 and 2 and 3, nor a breakdown of the regional or sectoral emissions are not readily available. Our calculations do not rely on the use of negative emissions nor avoided emissions or their technologies.
	Progress and results	**Targets**	Met
	Policies for a gradual exit from coal and unconventional hydrocarbons		Met - our **exclusion approach** covers a range of fossil fuels including thermal coal, arctic oil and gas and oil sands- which apply to a number of our products. Our stewardship thematic engagement with high emitters also informs our exclusion list.
	Any actions taken to monitor results and changes implemented	See **Governance** - reporting of FIL's progress towards climate targets to SIOC.	Met - our proprietary research and tools feed directly into our stewardship prioritisation. For example we monitor our highest emitters which may also have weaker climate ratings. When choosing to engage with priorities here, we set milestones and track progress. In certain cases we may choose to vote against management where sufficient materials risks are have not been addressed. For further information **see here** and our **Voting Principles and Guidelines**.
	Actions taken, changes and frequency of the assessment	refer to engagement related decision making, **thematic engagements**	Met - our framework and policy documents are usually reviewed and updated annually for example to reflect changing regulatory standards, policy revisions, following internal audits, client feedback, or after external reviews of our policies and frameworks.
Nature	Biodiversity strategy/long-term objectives	**Biodiversity commitments and progress**	Met
	Compliance with objectives of Convention on Biological Diversity		We do not currently apply a quantitative measure of compliance with the objectives of the Convention on Biological Diversity (CBD), due to lack of a widely accepted or decision-useful methodology that enables robust, portfolio-level assessment. Many targets under the Kunming-Montreal Global Biodiversity Framework (GBF) are primarily directed at national governments, which limits the extent to which investors can act directly against these objectives. Nonetheless, we believe that as investors, we can contribute to addressing nature loss through our three levers of integration, stewardship, and solutions, as detailed throughout this report. For example, relevant to GBF Target 14, we integrate nature-related considerations into and investment processes where material. In relation to Target 15, where material, we engage with companies to encourage improved assessment, disclosure, and mitigation of nature-related impacts, and participate in system-level stewardship by engaging with regulators, industry bodies, and policy initiatives on nature-related issues and disclosure frameworks. We focus on regulatory and policy developments that affect Fidelity as a financial services provider and on policy relating to system-level risks critical to long-term investment returns. We continue to monitor the development of methodologies.

Nature	Analysis of pressures and impacts on biodiversity	**Nature-related analysis**	Met - we have leveraged the TNFD priority sectors and ENCORE dataset on nature-related impacts and dependencies to assess our exposure to potential nature-related risks. Results from the 2025 nature materiality analysis are discussed here. Fidelity takes a stewardship-driven approach to addressing nature loss and the results of our nature materiality analysis help us identify key topics, such as deforestation and water, and sub-industries to prioritise within our nature thematic engagement programme. Fidelity's top-down thematic strategy is structured around the direct drivers of nature loss as identified by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES). For progress on how we address this, please refer to progress against our thematic engagement milestones **here**.
	Biodiversity footprint indicators used	**Nature-related analysis**	At present, we do not systematically use a single, portfolio-wide biodiversity footprint indicator for public reporting or investment decision-making. We have reviewed a range of biodiversity footprinting and geospatial datasets in recent years. While these tools continue to evolve, we find that they face limitations that prevent effective integration into our investment processes. We continue to monitor developments and engage with third-party data providers on nature-related datasets, including geospatial data offerings, sharing feedback to support improvements in data quality, methodological transparency and usability for financial institutions. A geographical/**locational breakdown** of our analysis is not readily available. In the interim, our nature-related analysis draws on established frameworks and datasets, including TNFD, ENCORE impacts and dependencies, and Forest 500 deforestation risk assessments. Insights from this analysis inform the prioritisation of priority topics and sub-industries within our nature stewardship programme.
ESG Risk Management	ESG criteria in risk management	**Risk management**	Met
	Identification, assessment, priortisation and management of ESG risks	**Investment strategy**	A geographical breakdown of the risk exposure is not readily available. A **breakdown** of CVAR transition risks is available for our AUM and a representation of physical risk impacts to GDP. CVaR at FIL Gestion entity level can be found **here**
	Main ESG risks taken into account and analysed	**Risks and Opportunities**	Met
	Frequency of review of the risk management framework	**Risk management**	Met
	Action plan aimed at reducing exposure to main ESG risks	**Investment strategy**	Met
	Quantitative estimate of financial impact of main ESG risks	**Climate Value at Risk**	Met - CVaR at FIL Gestion entity level can be found **here**
	Methodology developments and results	**Summary**	Met

A2 - Climate

This Appendix summarises the climate-related methodologies, metrics, data sources and limitations used in this report. It covers investment-related climate metrics, including financed emissions, carbon footprint, Weighted Average Carbon Intensity (WACI), portfolio alignment and Climate Value at Risk (CVaR), as well as operational GHG emissions for Fidelity's business operations.

Explanatory information for retail investors

We encourage retail investors to first refer to the educational materials available on our **website** to support understanding of the topics and subject matter contained within this report.

Investments - Climate methodology

Climate-related metrics

We use a number of climate-related metrics that are commonly applied in the asset management industry and support reporting across relevant disclosure frameworks and regulations. We review our metrics annually (for reporting) and update our methodology as required.

Investment value

Investment value represents the market value of equity holdings and the face value of debt instruments. Prior to 2024, debt was measured using market value. Enterprise Value including cash (EVIC) is used where relevant, in line with the Partnership for Carbon Accounting in Financials (PCAF).

Financed emissions ('Total carbon emissions')

Financed emissions represent the portfolio's proportionate share of issuer emissions, calculated using an ownership-based approach. For corporate issuers, this uses EVIC, aligned to PCAF. Emissions are disclosed separately for Scope 1, Scope 2, and Scope 3, reflecting differences in data availability and quality.

Carbon footprint (emissions intensity)

Portfolio carbon footprint is calculated as Scope 1 and 2 financed emissions divided by total portfolio value. Coverage levels influence results, as portfolios with lower emissions data coverage may understate intensity.

Scope 3 emissions rely more heavily on estimation and have increased over time as disclosure has improved. Historical data has not been restated.

Weighted Average Carbon Intensity (WACI): WACI measures portfolio exposure to carbon-intensive issuers by weighting issuer emissions intensity (Scope 1 and 2 per $m of revenue) by portfolio allocation. It is applicable to listed equity and corporate debt and enables comparison across portfolios.

Sovereign emissions: Sovereign financed emissions are based on Scope 1 production emissions, allocated according to a country's GDP. Sovereign metrics are disclosed separately as they are not directly comparable with corporate emissions.

Portfolio alignment (climate targets): Portfolio alignment is assessed using third-party data (ISS) and reflects the proportion of issuers with emissions reduction targets. Targets are classified by ambition, including Science Based Targets (SBTi), and provide a forward-looking indicator of transition alignment.

Implied Temperature Rise: Estimates portfolio alignment to global warming outcomes, expressed in degrees Celsius, based on climate pathways. It is a forward-looking indicator that relies on ISS model assumptions and should be interpreted with caution.

Coverage: Metrics are based on available data and reflect the proportion of portfolio holdings with emissions information.

Our climate target approach is a point in time approach whilst seeking to make progress towards 2030.

Data source

ISS is our primary data provider for investment-related emissions data covering public equities, corporate debt and sovereigns, including Weighted Average Carbon Intensity (WACI), company climate targets and Implied Temperature Rise.

Data limitations

A key challenge we face is data availability. We report on public market investments across equities, corporate, and sovereign debt holdings. Not all companies report a complete carbon emissions data set, with larger gaps seen for Scope 3 emissions, and across private assets. Given gaps in reported data, the carbon emissions in this report include estimates from our data providers. Different data providers use different models and methodologies to estimate emissions, which can introduce the potential for model and estimation error, and timing differences, into carbon emissions data used in this report for investments held. The availability of accurate and reliable, or even estimated data, across all investments is sometimes assumed as a given, while it is not. Lastly, we cannot attribute emissions to cash or cryptocurrency or physical commodity ETFs as no methodology exists. We will continue to monitor any industry developments on these topics.

Calculating emissions

Approach to restatement

We have also sought to improve calculation of our data through time, evolving our processes which can in certain cases affect the comparability of numbers. From 2019-23 we have not sought to restate emissions, rather explain where changes have been effected. In 2024 we implemented a new calculation process, improving our alignment to PCAF[27] for the face value of debt, and in 2023 we added Sovereign emissions to our disclosures.

Restatement of 2024 financed emissions and carbon footprint:
This year's report restates the value of our 2024 carbon footprint, financed emissions at the aggregate and corporate debt breakdowns. This was caused by incorrect data for Enterprise Value Including Cash (EVIC) for two corporate debt issuers which have now been excluded from the restated calculations.

[27] Partnership for Carbon Accounting in Financials

The following table represents the restatements made:

	2023	2024 Reported	Restated 2024	2025
Equities and Corporate debt				
Financed emissions (S1+2)	17.6	19.7	**17.3**	15.6
Financed emissions (S3)	167.7	172.0	**171.5**	181.7
Carbon Footprint (S1+2)	45.0	47.2	**41.5**	31.4
Data coverage of corporate	92.0 %	94.0 %	**93.5 %**	95.0 %
Corporate debt				
Financed emissions (S1+2)	4.9	7.4	**4.9**	3.5
Financed emissions (S3)	28.2	40.2	**39.7**	37.8
Carbon Footprint (S1+2)	12.5	17.7	**11.9**	7.0
Data coverage of debt	81.0 %	76.0 %	**75.6 %**	82.0 %

The main impact is to on the "Carbon Footprint (S1+2)" indicator. The restatement of 2024 data has resulted in a more consistent trajectory during the period shown.

Methodology:

The following pages summarise our calculation formula, usage and key limitations for the investment-related climate metrics used in this report.

Carbon metrics for public market investments

Metric Methodology [28]

Metric Methodology		
Total Carbon Emission The GHG emissions of a portfolio.	**Methodology/ formula**	$MtCO_{2e} = \sum_{n}^{i}\left(\frac{Investment\ value\ i}{EVICi}\ X\ GHG\ Emissions\ of\ Corporate\ i\ (tCO2e)\right)$ [29]
	Usage	Calculates the absolute GHG emissions financed by a portfolio using a proportional approach. This metric is related to our climate transition risk in our debt and equity holdings.
	Limitations	Cannot be easily compared or benchmarked against due to the link to the size of the portfolio. Scope 3 has lower data quality driven by the need to estimate, and when holding many companies across sectors, there will be double counting across supply chains as outlined by the GHG protocol.

Carbon Footprint Measures a portfolio's emissions intensity divided by the value of the portfolio.	**Methodology/ formula**	$tCO2e/\$m\ invested = \dfrac{\sum_{n}^{i}\left(\frac{Investment\ value\ i}{EVICi}\ X\ GHG\ Emissions\ of\ Corporate\ i\ (tCO2e)\right)}{Sum\ of\ Portfolio\ Value\ \$m}$
	Usage	Enables the comparison of portfolios of differing sizes irrespective of assets under management (AUM). **We use this to track our climate target for investments.**
	Limitations	Sensitive to rising or falling portfolio values.
Weighted Average Carbon Intensity (WACI) Measures the exposure to carbon-intensive companies. Coverage treatment: Issuers with no available carbon data remain included in total portfolio value; portfolio weights are not rebased to covered issuers.	**Methodology/ formula**	$tCO2e\ per\ \$m\ of\ revenue = \sum_{n}^{i}\left(\frac{Corporate's\ GHG\ emissions(tCO2e)}{Sales\ i\ \$}\ X\ \frac{Investment\ Value\ i}{Portfolio\ Value}\right)$
	Usage	Useful to compare portfolios.
	Limitations	Limited to publicly listed equities and corporate debt.

[28] Calculations aligned to PCAF from 2024.
[29] 'Investment value' in this table includes face value of corporate debt (previously market value for years 2019-23).

Carbon Footprint Measures a portfolio's emissions intensity divided by the value of the portfolio.	**Methodology/ formula**	tCO2e/\$m invested = $$\frac{\sum_{n}^{i}\left(\frac{Investment\ value\ i}{EVICi}\ X\ GHG\ Emissions\ of\ Corporate\ i\ (tCO2e)\right)}{Sum\ of\ Portfolio\ Value\ \$m}$$
Sovereign Carbon Emission Sovereign emissions divided by the Purchasing Power Parity-adjusted Gross Domestic Product.	**Methodology/ formula**	$$MtCO_{2e} = \sum_{n}^{i} \frac{Outstanding\ loan\ x\ Country\ emissions(tCO2e)\ i}{PPP\ Adjusted\ Gross\ Domestic\ Product\ i}$$
	Usage	Calculates the absolute GHG emissions financed by a portfolio using a proportional approach.
	Limitations	Sovereign portfolios invest in the debt of countries, and so have large absolute emissions and cannot be compared easily with equity or corporate debt. Purchasing Power Parity adjusted for GDP is not a perfect proxy for 'fair share' normalising for the size of a country's economy. The value will increase as the size of the portfolio increases.
Portfolio Alignment / Climate Targets Proportion of an investment portfolio that is invested in companies with climate targets.	**Methodology/ formula**	External data provider which leverages data provided by the Science Based Targets Initiative and it's assessments.
	Usage	Useful as an indicator to track alignment over time for a portfolio using a forward- looking indicator of underlying companies setting climate targets. Portfolios with a higher share of assets in issuers with science-based targets may indicate stronger forward looking alignment, subject to our provider's data quality, and assessment of target credibility.
	Limitations	Climate targets can vary in scope and alignment to Paris goals, and can be challenging to independently evaluate.
Implied Temperature Rise It is a forward-looking indicator of alignment to a future global warming temperature (in °C).	**Methodology/ formula**	External data provider which leverages the climate scenarios of the International Energy Agency (IEA) - the Sustainable Development scenarios (SDS).
	Usage	The Implied Temperature Rise metric provides an indication of how companies and investment portfolios align to global climate targets. This can be used as an additional indicator of transition risk over time.
	Limitations	The model should be used cautiously given the challenges of data quality, target-setting quality and complex modelling.

Investments - an overview of Climate Value at Risk (CVaR)

Climate-related risks and opportunities may affect the value of investments. Scenario analysis can be used to assess potential impacts under different transition pathways, in line with TCFD recommendations. This analysis is available for listed equities and corporate debt.

We use MSCI's Climate Value at Risk (CVaR) model[30], which estimates the potential impact of climate change on investment values under different scenarios, in present value terms.[31] CVaR combines climate, economic and company-level data to provide a forward-looking assessment of climate risk exposure over the long term.

An overview of scenarios

We analyse three scenarios using the REMIND model and for Orderly and Disorderly also the Network for Greening the Financial System (NGFS) scenarios:

- Orderly transition: early and gradual emissions reductions to limit warming, resulting in lower transition disruption.
- Disorderly transition: delayed action followed by rapid adjustment, leading to higher short-term transition risks.
- Current policies: limited additional policy action, resulting in higher warming and increased long-term physical risks.

These scenarios are not forecasts, but illustrate a range of possible outcomes and associated risks.

Methodology

The analysis represents a point-in-time assessment of portfolio exposure, based on current holdings. Results are expressed as a proportion of current market value and reflect modelled potential impacts over a long-term horizon to the end of the century.

The model uses a number of MSCI models covering data such as issuer emissions data and building on the climate scenarios it incorporates assumptions on climate pathways, economic impacts, technology development and physical risk. It does not account for potential changes in company behaviour or future management actions.

Further information on the model and its assumptions can be found on **MSCI's website**.

Limitations summary[32]

Scenario analysis is subject to data and modelling limitations. Scenarios may not accurately capture global pathways, especially on physical risk and the discounting back to present day values. Coverage is currently limited to listed equities and corporate debt. Results are sensitive to assumptions, including emissions estimates (particularly Scope 3), technology development and scenario design.

Long-term modelling increases uncertainty. Simplified assumptions may not fully capture non-linear climate impacts or tipping points. Physical risk is difficult to quantify in such models. As a result, risks may be under-estimated. Certain risks, including natural capital and land-use impacts, are less well represented in current models.

Data source

MSCI is our model and data provider for Climate Value at Risk.

[30] The model is widely used/available with in the investment industry.
[31] We do not provide this analysis split by periods of time, due to the number of limitations such as decision usefulness and reasonable expense.
[32] The model is subject to a number of limitations, which may not be fully detailed here. Results should be used with caution.

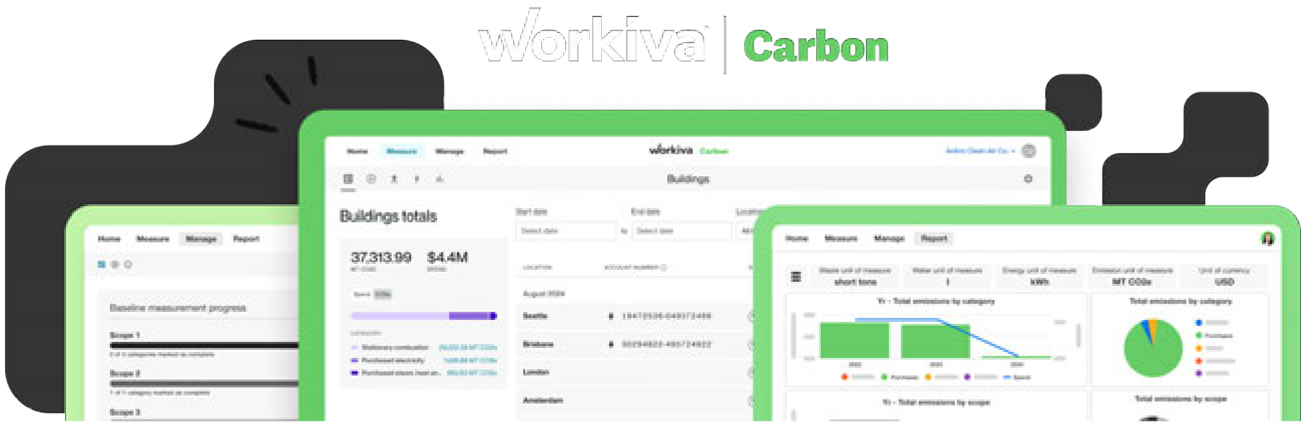
Corporate Sustainability - climate emissions methodology

Our operational emissions have been calculated in line with the [GHG Protocol Corporate Accounting and Reporting Standard (GHG Protocol)](), the global standard for voluntary and regulatory GHG reporting. This includes dual reporting of Scope 2 emissions using both the market-based approach (which reflects our choices of renewable electricity suppliers) and location-based approach (which uses average grid emissions intensities).

Improving our data foundations

In 2025, we improved our operational emissions data foundations by adopting the Workiva software platform for calculating our GHG emissions. This has improved the efficiency of our data collection, as we upload our business 'activity data' (e.g. kWhs of electricity consumption, cubic metres of natural gas). The required unit conversions (the coefficients used to calculate GHG emissions) are applied from a large international database.

This new methodology resulted in changes to our historical baseline emissions for 2019 and 2024. We have restated these figures to allow a like-for-like comparison of emissions for 2025 and beyond.



The GHG Protocol specifies that restatement of GHG emissions may be required when any of the following cases lead to a significant[33] impact on reported figures;

- Structural changes (e.g. mergers, acquisitions, divestments, out-sourcing).
- Changes in calculation methodology
- Discovery of errors.

Re-statement of GHG emissions is common and often reflects improvements in calculation accuracy, which can help track progress more effectively.

The most significant changes to our baseline emissions relate to:

- Scope 2 emissions from purchased electricity - as a result of a larger database of grid-average emissions factors for different countries.
- Scope 3 Category 5 (emissions from waste generated in operations) - as a result of differences in the categorisation of waste materials and the corresponding emissions factors.
- Scope 3 Category 6 (emissions from business travel) - as a result of different emissions factors for air travel.

[33] Organisations must define their policy for what they consider to be a significant impact on GHG emissions. Fidelity has adopted a common significance threshold of a 5% change in the emissions reported for a single Scope/Category.

Our 2025 sustainability data and GHG emissions calculations, using the new methodology, were verified by BSI in March 2026. Their verification statement is included below.

Third-party verification statement

The sustainability activities reported by FIL Limited have been independently verified by BSI over the course of a 7-day verification.

The scope of this verification has been:

a) Verification of GHG emissions data (as listed) in line with the guidance set out in ISO14016:2020, to a limited level of assurance and a materiality level of 5%.

b) Verification of energy consumption data (as listed) in line with the guidance set out in ISO14016:2020, to a limited level of assurance and a materiality level of 5%.

Verification has been achieved through mechanisms that included:

a) Evaluation of the monitoring and control systems through interviewing employees, observation, and inquiry; and

b) Verification of data through sampling recalculation, retracing, cross-checking, and reconciliation.

Note: BSI Assurance UK Ltd is independent to and has no financial interest in FIL Investment Management Limited. This 3rd party Verification Opinion has been prepared for FIL Investment Management Limited only for the purposes of verifying its statement relating to its organizational GHG emissions and energy consumption information. It was not prepared for any other purpose. In making this Statement, BSI Assurance UK Ltd has assumed that all information provided to it by FIL Investment Management Limited is true, accurate, and complete. BSI Assurance UK Ltd accepts no liability to any third party who places reliance on this statement.

A3 - Nature

This Appendix summarises the methodologies, data sources and limitations of the nature-related materiality analysis presented in this report.

Investments - Nature Methodology overview

Our first assessment of our AUM's potential impacts and dependencies on nature was conducted in 2023. We look to improve our process if new innovation or data allows, in order to better assess our clients' investments exposures. In 2025, we have leveraged two key datasets to assess our potential nature-related exposures. The results of this analysis are used to identify priority sub-industries and themes for nature-related engagement, to deepen our understanding of implications for our investments, and support risk mitigation.

Portfolio exposure to TNFD Priority Sectors

The Taskforce for Nature-related Financial Disclosures (TNFD) recommends financial institutions assess and disclose their exposure to sectors with a high potential for material nature related dependencies and impacts. TNFD identifies a set of priority sectors[34], informed by scientific literature and inputs from its knowledge partners, that are more likely to have significant impacts and dependencies on nature, including sectors such as Food Products, Chemicals, and Metals & Mining. We have mapped our equity and corporate debt holdings against these TNFD priority sectors to better understand potential portfolio level nature-risk exposure from a sectoral perspective.

Results from this analysis are presented in the Nature-related analysis.

ENCORE Impact and dependency assessment

We use the Exploring Natural Capital Opportunities, Risks and Exposure tool (ENCORE)[35] to assess our potential impact and dependencies. We began heat-mapping our investments[36] against ENCORE pressures and ecosystem services in 2023 to understand our investment's exposure to potential nature-related risks. Whilst the ENCORE tool uses International Standard Industrial Classification (ISIC), we have mapped to the Global Industry Classification Standard (GICS) to analyse our portfolios.

Our initial nature-related analysis conducted in 2023 highlighted that our investments have both high potential impacts as well as dependencies on water. This result informed the introduction of water risk as a dedicated nature engagement theme. In 2025, we have further enhanced our methodology, leveraging this dataset to create sub-industry level impact and dependency scores which help

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[34] TNFD

[35] ENCORE: The ENCORE dataset evaluates economic activities to determine its potential impact and dependency on nature. As the data is not issuer-specific, it serves as a proxy for estimating potential impacts and dependencies based on sub-industry classification. For clarity this data is not from clients or suppliers. We use the updated 2024 ENCORE knowledge base for our analysis.

[36] We carry out the nature analysis on our equity and corporate debt holdings

highlight the potential risks which are most material. We continue to assess our potential impacts and dependencies annually.

In order to create the impact and dependency scores, qualitative ENCORE ratings are mapped onto a five point scale, with 5 reflecting the highest impact or dependency. For example a 'Very High' rating was assigned a score of 5 and a 'Very Low' rating a score of 1. These numerical scores are then aggregated to impact driver and ecosystem service category levels.

- Pressures are mapped to Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)[37] impact drivers: land and sea use change, direct exploitation, pollution, climate change, invasive species, and others.
- Ecosystem services are categorised into provisioning, regulating and maintenance, and cultural services.

For each impact driver and ecosystem service category, the roll up score reflects the highest score observed among the underlying pressures or ecosystem services, applying a conservative lens and capturing the most material potential impact or dependency at the sub industry level.

Finally, the impact drivers and ecosystem categories are aggregated using weights to produce the final impact and dependency scores. The weightings reflect differences in the relative importance of impact drivers and ecosystem services. For example, ecosystem-use change is the largest driver of nature loss contributing to approximately 30%[38] of nature loss globally, and has therefore been weighted accordingly. The weightings are informed by scientific literature where available, but involve some methodological judgment. An illustrative example of the scoring methodology is presented below.

Illustrative example of our scoring methodology: Land and sea use change for Agricultural Products and Services sub-industry

Pressure	ENCORE rating	Numerical pressure score
Area of land use	Very High	5
Area of freshwater use	High	4
Area of seabed use	High	4

Pressures are mapped to IPBES Impact Drivers

Highest underlying pressure score is applied

Impact Driver	Impact driver score	Impact driver weighting
Land and sea use change	5	30%

Impact driver-level scores are aggregated using weights to produce the final impact scores

Sub-industry level Impact Score

Overall, the ENCORE analysis helps us understand our potential exposure to specific impact pressures and ecosystem service dependencies, providing granularity to the sub-industry level, helping us prioritise themes and sub-industries for our stewardship activities.

Results from this analysis are presented in the **Strategy & Metrics sections.**

Limitations of our ENCORE analysis

Our approach has some limitations:

- Considers only direct pressures and ecosystem services, not indirectly across supply chains. This is important as for sectors like consumer staples, much of the impact and dependence on nature stems from their supply chain. We will aim to address this limitation in future updates.

[37] IPBES (2019): Global assessment report on biodiversity and ecosystem services
[38] IPBES (2019): Global assessment report on biodiversity and ecosystem services

- Mapping sub-industries to economic activities may not suit specific issuers. Detailed analysis is limited by data and capacity constraints.
- It is not issuer or location-specific; location-specific information is required to better understand actual pressures and dependencies.
- The scoring methodology aggregates pressures and ecosystem services into impact driver and ecosystem categories by assigning the highest underlying score. While conservative, this approach limits granularity by treating sub-industries with multiple high pressures/ecosystem services equivalently to those with a single high pressure/ecosystem service.
- Impact and dependency score weightings are informed by scientific literature where available, but involve some methodological judgment, which remains a limitation of this analysis.
- Only considers current technology; not a forward-looking assessment.
- It cannot translate the outputs into a financial materiality assessment, or assess the likelihood of consequences materialising.

Locational information

We have reviewed a range of geospatial datasets in recent years. While these tools continue to evolve, we have found they currently face limitations which prevent effective integration into investment processes. We continue to monitor developments and engage with third-party data providers on nature-related datasets, including geospatial data offerings, sharing feedback to support improvements in data quality, methodological transparency and usability for financial institutions.

Data sources

- TNFD for priority sector exposure analysis
- ENCORE for Nature dependencies and impacts.

A4 - Policies and resources

Policies

Our approach to climate and nature is embedded into our global sustainability related policies. These policies provide guardrails that assist management in overseeing Fidelity's sustainability-related impacts, risks and opportunities.

Investments

1. **Sustainable Investing Principles** - sets out the guiding principles and approach for our sustainable investing and stewardship activities across asset classes and geographies.
2. **Voting Principles and Guidelines** - sets out how we use our voting rights to engage with companies and support long-term value for our clients.
3. **Exclusion Framework** - sets out the activities and sectors we exclude from our investments, as part of our Sustainable Investing Principles.
4. **Investment Risk Management Policy** - describes how we identify, assess, and oversee investment risks, including ESG risks. These could result in material adverse impacts on the value of a fund or client mandate. (Policy summary available on request.)

Business Operations

1. **Health, Safety and Sustainability Policy** - sets out our business operational climate and nature commitments and how we monitor and track our progress towards targets.
2. **Global Procurement Policy** - includes our commitment to taking responsibility for societal and environmental issues in our corporate and vendor supply chains. (Policy summary available on request.)
3. **Supplier Code of Conduct** adds to the procurement policy and sets out what we expect of suppliers in their wider business conduct. This includes the management of environmental and climate issues.
4. **Enterprise Risk Management (ERM) Policy** - The ERM Policy sets out the guiding principles and global minimum controls for the management of operational, strategic, investment, financial and environmental, social and governance (ESG) risks, and defines roles and responsibilities of key stakeholders and governance and how matters are escalated to the Boards.

Resources to support sustainability

Fidelity has established a dedicated Sustainability function to support sustainable investing, stewardship, product development and related reporting. Our Sustainability function is led by the Chief Sustainability Officer, supported by senior leads for Stewardship and Sustainable Investing Strategy & Reporting. It comprises approximately 30 sustainability and stewardship professionals, bringing expertise across governance, sector research, policy, climate, nature, reporting, stewardship and engagement.[39] Team members have, on average, over eight years' experience in sustainability or stewardship and more than twelve years of industry experience, with some individuals having over 18 years' experience in similar roles.[40]

Based in locations across Europe and the Asia Pacific region, the scope of the team's work covers a broad range of activities related to ESG integration and operation, engagement, policy, product development and sales and marketing, as well as proxy voting. The team works closely with the Investment Manager's broader investment team including through supporting analysts to produce ESG research and to conduct company-specific engagements, driving thematic engagement outcomes with input from sector analysts and supporting portfolio managers to integrate ESG in their investment process (including through the delivery of proprietary tools, training and frameworks).

The team also supports client engagement, product framework development and implementation, and corporate sustainability reporting, working closely with functions including Compliance, Risk and Legal. It is responsible for tracking progress against Fidelity's corporate sustainability aims as well as progress in relation to sustainable investing and engagement objectives.

Further information on stewardship-related resources and how these are deployed is available in our **Sustainable Investing Principles** and our annual **Sustainability & Stewardship Report**.

Fidelity also maintains a dedicated Health, Safety and Sustainability (HSS) team within its Corporate Property Services function. The HSS team, comprising four full-time employees (FTEs) across regions, provides support to the business in managing climate and nature related impacts, risks and opportunities across its operations and is responsible for the implementation and oversight of the firm's environmental management system.[41] The team is further supported on an ongoing basis by external subject matter experts.

In addition to the two dedicated teams, several core functions, such as distribution, product, compliance, technology and procurement benefit from domain specialists who help embed sustainability considerations into the organisation's business as usual activities.

Training and development

To support effective sustainable investing and stewardship activities, we have established a training and development programme designed to embed sustainability knowledge and expertise across the business. Training is delivered through a combination of internal and external resources and is tailored where appropriate to reflect the requirements of different teams, jurisdictions and regulatory frameworks.

Training is updated periodically to reflect evolving market, product and regulatory developments. During the year, we conducted voluntary employee sustainability training sessions, focussing on key sustainable investing topics[42], often led by our specialist in-house Sustainability team. Topics in 2025 included the regulatory landscape, how Fidelity integrates ESG factors, and stewardship and voting trends.

[39] Sustainability FTI represent circa 6% of the total investment functions of approx 470 investment professionals (portfolio managers, analysts, traders, divisional managers, portfolio engineers and economists), research support and sustainable investing analysts
[40] Source: Fidelity International as at 31st December 2025.
[41] Our Environmental Management System considers both climate and nature-related aspects
[42] Sessions address sustainability topics for our global distribution teams.

The Sustainability team also aims to improve its specialist knowledge on an ongoing basis to support stewardship and sustainable investing activities more directly. This includes self-directed learning from sources such as webinars, sell-side research and conferences.

Furthermore, the HSS team organises information, training and awareness sessions on a regular basis for targeted employee groups to promote a culture where every employee can contribute towards Fidelity's goal to create a safe and healthy work environment and to reduce our environmental impacts.

Financial resources

As a private company, Fidelity does not disclose detailed financial figures beyond what is disclosed in its annual accounts. We continue to dedicate resources on integrating sustainability considerations into research, investment process, product design and our own business operations. For example, in 2025, the cost of managing sustainability-related technological and operational transformation within investment management, as well as external ESG market data amounted to circa US$8 million. Within our own operation, we spent US$180k on licenses and certifications for environmental data integration and systematic management.

As a result of our integration efforts, a substantial share of ESG-related expenditure is embedded within broader business-as-usual functional and divisional budgets and therefore not tracked as standalone cost items.

Data providers

We regularly conduct reviews of ESG data sources to ensure continued suitability, and assess the attainment of sustainability objectives for our EU SFDR, UK SDR and ESG promoted (unlabelled) products. In addition, we continuously review third-party data providers' capabilities. Where there are data gaps we aim to introduce additional proprietary tools to help bridge these, and provide alternative insights into a company's performance on sustainability issues.

Third-party data providers are subject to vendor selection criteria. Each service provider is considered carefully before the decision is taken to onboard them. When selecting and onboarding any new provider, we conduct an evaluation of its capabilities, resourcing, costs and controls. An ongoing assessment of the quality of externally provided ESG data is conducted using statistics, aiming to check data points for completeness and accuracy.

Where we consider that the data from investee companies, or third-party ESG data providers, may be outdated or inaccurate, we may work with the data provider to improve the data accuracy.

Cautionary statement

This report, and its information, should be treated with special caution, as it requires a significant amount of data, methodologies, assumptions, judgements and estimations to be made at a given point in time.

The understanding of nature, climate change effects, data, metrics and methodologies and their impacts continues to evolve. There are no clear market standards and these standards, as well as regulations, are evolving. This may lead to large scale revisions of reported data and or targets and make them incomparable to previous reports on a like-for-like basis.

Judgements are made on, but not limited to, finance carbon emissions, business operations emissions, heat mapping exercises for nature impacts and dependencies, and scenario analysis. Our statements on materiality rely upon a greater number of assumptions and estimates than those in financial reporting. This applies to both climate and nature, though it is especially true for nature. The quality of data relied upon to produce climate and nature-related information is not of comparable quality to that of financial reporting, and we may make judgements to remove certain issuers with sub-quality data from our calculations following quality checks. For nature we lack locational and ecosystem related data, as well as the specificity of this information to form a materiality judgement. Where a judgement has been exercised, the estimates, or assumptions, used may subsequently turn out to be incorrect. The longer time horizon of certain information make the assessment of materiality inherently uncertain.

A significant amount of forward-looking statements are included in this report or are implied for which the outcomes are uncertain and may be subject to change. These include but are not limited to:

- the government policies being implemented in a timely manner in accordance with climate and or nature treaties, for example the Paris Agreement
- climate change, nature and a transition to a low-carbon and nature resilient economy (including the risk that the Group may not achieve its targets)
- issuers in which we invest into on behalf of our clients may not achieve their climate targets, or set targets relating to climate and/or nature
- the climate scenario analysis and the model being used
- the current development of nature related scenarios and our ability to implement these in the future
- the environmental, social, geopolitical and economic risks
- the Group's commitment to continue to deliver good customer outcomes
- the Group's ability with government and other stakeholders to manage and mitigate the risks, opportunities, dependencies and impacts of nature loss, and climate change effectively

- the Group's climate transition plan, and nature roadmap.

Such forward-looking statements and other financial and/or statistical data involve risk and uncertainty, because they relate to future events and circumstances that are beyond the Group's control. Therefore, they should not be regarded as complete and comprehensive.

In order to produce this report, we relied upon external data providers, their climate, nature and financial related sources, methodologies, and modelling (specifically including scenario modelling, the ENCORE dataset, and nature related PAIs). Each of these are subject to ongoing modifications beyond our control. These models can be highly sensitive to and affected by the assumptions and a wide range of factors including process followed and the quality of the data being used. As such, these will affect the accuracy and may heavily influence the outputs.

As the worldwide understanding of climate and nature effects, data, metrics and methodologies and its risk and opportunities, dependencies and impacts continues to evolve, the Group's materiality assessment and climate transition plan will continue to evolve, as does the ability to analyse and report information on climate and nature. As a result, we expect that certain climate disclosures made in this report are likely to be amended, updated, recalculated, or restated in the future.

Given the limitations mentioned above, the outcomes may be materially different to our forward-looking statements and targets.

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