



March 2023

Principal Adverse Impact Statement

Statement on principal adverse impacts of investment advice on sustainability factors

Summary and scope

Pursuant to Article 4(5) of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (“**SFDR**”), as further described in Article 11 of the Commission Delegated Regulation (EU) 2022/1288 (“**SFDR Delegated Regulation**”), this statement provides information on how Fidelity International considers principal adverse impacts of investment advice on sustainability factors.

Under SFDR, some of the entities of Fidelity International in Continental Europe and the United Kingdom are required to publish entity and product-specific disclosures as soon as they meet the definition of Financial Market Participant or Financial Advisers. The purpose of this document is to publish some of these required disclosures for the following entities providing investment advisory services:

- FIL (Luxembourg) S.A. (LEI 2221001FAMMFQUAGXQ13); and
- FIL Pensions Management (LEI: 213800SWMABMN8UKVY18); and
- FIL Gestion (LEI: 96950051B8PCYINJT692) (together “**Fidelity in-scope entities**”).

For Fidelity entities which are defined as Financial Market Participants according to SFDR, please refer to the Statement available on our websites on principal adverse impacts of investment decisions on sustainability factors.

The statement outlines how FIL Limited and its subsidiaries (herein referred to as “**FIL**” or “**Organisation**”) consider and approach principal adverse sustainability impacts (“**PAI**” or “**PASI**”) of investment advice on behalf of the mandates for which FIL acts as the appointed investment advisor.

Description of principal adverse impacts

SFDR describes principal adverse impact as the negative, material or likely to be material effects on sustainability factors caused, compounded by or directly linked to investments, with sustainability factors referring to environmental, social and employee matters, respects for human rights, anti-corruption and anti-bribery matters.

The SFDR Delegated Regulation defines 18 mandatory principal adverse impact indicators and a number of additional voluntary indicators that financial advisers can report on, when considering principal adverse impacts of investment advice on sustainability factors. These indicators can be used, in whole or in part, to measure the principal adverse impacts of investment advice on sustainability factors.

Consideration of principal adverse impacts in investment advice

Fidelity in-scope entities do not consider principal adverse impacts of their investment advice on sustainability factors.

This is mainly due to the lack of data reported by the financial products which prevents Fidelity having a consistent approach on the ranking and selection of the financial products as part of our investment advice. However, we will monitor the availability of such data, and in particular the European ESG Template (“**EET**”) where PAIs will be included at financial product level as from 30 April 2023, to potentially consider principal adverse impacts of our investment advice on sustainability factors in the future.

Whereas, the provision of investment advice may vary due to terms defined on a mandate by mandate basis. This statement specifically refers to mandates in which the provision of investment advice includes the recommendation of either funds or securities.

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