

Press Release

Fidelity Launches Paris-Aware Government Bond Index Tracking Solactive Index

27 March 2023

FRANKFURT AM MAIN – Environmental, Social, and Governance (ESG) investing has gained significant traction in recent years as investors increasingly consider aligning their investment decisions with their ethical and social values. This trend has led to a growing number of investment products that take into account ESG factors in their strategies. In the light of this movement, Fidelity International launched a Paris-aware global government bond ETF, expanding its climate fixed income range, after two other ETF launches tracking Solactive's indices last year. The Fidelity Global Government Bond Climate Aware UCITS ETF (FGGB) tracks the Solactive Paris Aware Global Government USD index, which offers exposure to the performance of global local currency bonds of investment grade countries.

The index aims to demonstrate a carbon intensity level that is 14% lower than the investible universe, while also targeting a yearly decarbonization goal of 7%. The weighting of the index is influenced by the decarbonization objectives, as well as other factors such as bond issuance levels, yield levels, and foreign exchange rates.

Solactive Paris Aligned Global Corporate USD Index

In November 2022, Fidelity launched two other climate-focused solutions benchmarked against Solactive indices. The **Fidelity Sustainable Global High Yield Bond Paris-Aligned Multifactor UCITS ETF**, tracking the **Solactive Paris Aligned Global Corporate High Yield USD index**, and the **Fidelity Sustainable Global Corporate Bond Paris-Aligned Multifactor UCITS ETF** tracks the **Solactive Paris Aligned Global Corporate USD**.

Solactive uses an index methodology for their Paris-Aligned Benchmarks (PAB) having stricter criteria than the regulation requires. The German index provider makes sure that the gross carbon emissions are reduced by 50% at inception and by at least 7% Year-Over-Year, according to the Paris recommendation. Companies that do not meet specific ESG requisites are excluded, for example, those having substantial involvement with controversial weapons, hard coal, fossil fuel production or tobacco.

Solactive is pioneering and leading the PAB/ESG fixed-income index space. Being the first index provider offering a corporate bond PAB solution, Solactive offers by now a broad range of PAB indices in hard currencies for the IG and HY space, as well as Global Corporate PAB indices in IG and HY. It offers also CTB and customized solutions, in addition to the sovereign bond Paris Aware index suite.

Timo Pfeiffer, Chief Markets Officer at Solactive, said: "Climate change is one of the biggest challenges of our time, which translates into a surge in demand for climate investment strategies. As part of the overall path to

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a greener planet, Solactive is committed to increasingly develop more sustainable investment solutions and we are pleased that Fidelity is committed to the same goal and chose Solactive as the index provider for this new product. We have been successfully doing that in the active investments space for years and we have been moving towards the next stage of evolution in the fixed-income space."

Nick King, Head of ETFs at Fidelity International, commented: *"Sustainable investing is a key priority for many of our clients and often they are focused on managing climate change through their investment allocations. This new ETF provides investors with a highly diversified global government bond exposure aligned to climate objectives. This expands our existing range of climate focused fixed income ETFs, providing innovative, cost-effective building blocks for asset allocation."*

For more information, please visit:

<http://www.solactive.com>

Note to editors

About Solactive

Solactive is a leading provider of indexing, benchmarking, and calculation solutions for the global investment and trading community. Headquartered in Frankfurt and with offices in Hong Kong, Toronto, Berlin, and Dresden, we innovate and disrupt the status quo as the partner of choice for our clients.

The unique blend of our 250 staff's expertise in data, data science, financial markets, and technology enables our clients' continued success through the delivery of a superior experience, unique customization capabilities, and the best value for money available in the industry. With more than 20,000 indices calculated daily, we offer a full suite of solutions, including market-leading ESG and thematic indices.

As at January 2022, Solactive served approximately 500 clients across the world, with approximately US\$250 billion invested in products linked to our indices. Solactive is registered with ESMA as a benchmark administrator and is supervised by the BaFin.

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