



**Fidelity Clean Energy ESG Tilted Index**  
**Fidelity Electric Vehicles and Future  
Transportation ESG Tilted Index**  
**Fidelity Cloud Computing ESG Tilted Index**  
**Fidelity Digital Health ESG Tilted Index**  
**Fidelity Metaverse ESG Tilted Index**

Index Methodology Document

**V1.3**

January 2023

## Change History

Version	Editor	Date	Comments
V1.0	Gareth Parker	13/04/2022	Public document
V1.1	Gareth Parker	01/08/2022	Adjustment to capping rule to clarify UCITS compliance.
V1.2	Gareth Parker	17/10/2022	Change to Alcohol thresholds.
V1.3	Gareth Parker	31/01/2023	Addition of a Sustainable Investment component to the constituent weighting process. New rule to exclude certain companies from eligibility due to adverse impacts, and to adjust the indexes' constituent weighting processes accordingly.

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# Section 1: Introduction

## Index Definitions

**Fidelity Clean Energy ESG Tilted Index** is designed to reflect the performance of a global universe of companies that distribute, produce or provide technology or equipment to support the production of energy from solar, wind, hydrogen and other renewable sources.

**Fidelity Electric Vehicles and Future Transportation ESG Tilted Index** is designed to reflect the performance of a global universe of companies engaged in the production of electric and or autonomous vehicles and their components, technology, or energy systems or engaged in other initiatives that aim to change the future of transportation.

**Fidelity Cloud Computing ESG Tilted Index** is designed to reflect the performance of a global universe of companies that provide products or services enabling the increased adoption of cloud computing, characterized by the delivery of computing services over the internet.

**Fidelity Digital Health ESG Tilted Index** is designed to reflect the performance of a global universe of companies providing healthcare records management, connected healthcare devices, surgical robotics, telemedicine, and other technology-enabled health care products and services.

**Fidelity Metaverse ESG Tilted Index** “Metaverse” is a term used to describe a future state of the internet characterized by a network of both augmented reality and virtual worlds that can be experienced persistently and in a shared environment by large numbers of users. The Fidelity Metaverse Index is designed to reflect the performance of a global universe of companies that develop, manufacture, distribute, sell products or services related to establishing and enabling the Metaverse.

## Index Methodology Summary

This summary is a general guide to the overall methodology used to create and administer the index family; minor methodological differences between the indexes are detailed within this document.

Investment Universe	Global stocks that are traded on 1) a developed stock exchange or 2) an emerging market exchange if a stock is in the top 70% percentile of market cap
Index Construction	<ol style="list-style-type: none"> <li>1. Stocks with high revenue related to business activities</li> <li>2. Remove stocks which have either high ESG controversy and/or low-quality profiles.</li> <li>3. Calculate thematic relevancy score for each company based on a combination of total and percent revenues tied to relevant business activities and natural language processing (NLP) scores.</li> <li>4. Select approximately top 50 stocks based on composite score (50/50) of thematic relevancy scores and ESG risk ratings.</li> <li>5. Weight stocks by adjusted market cap and target a cap for individual stocks at 4.5%.</li> <li>6. Measure portfolio weight that is allocated to undesirable ESG ratings (high risk, severe risk, or unrated); If the total weight attributed to undesirable ESG ratings is &gt;50%, scale up the desirable stocks to 50%. Scaling does not occur if there are no desirable ESG rated constituents in the final selection.</li> <li>7. If the total weight attribute to Sustainable Investments is below the threshold, scale up Sustainable Investments so that their weight meets the threshold. Scaling does not occur if there are no SI constituents in the final selection.</li> <li>8. Once the weights of the desirable ESG stocks are redistributed, if necessary, cap the constituent weights so that no single constituent represents more than 17.5% of the index.</li> </ol>
Rebalancing	Indexes are rebalanced quarterly

## Section 2: Investment Universe

### Global Investment Universes

Constructing the global indices begins with selecting global stocks that are traded on either 1) a developed market exchange or 2) an emerging market exchange if a stock is in the top 70% percentile of market cap; all stocks are subject to certain liquidity and investability requirements.

### Securities Excluded:

1. Remove any stocks whose security type is not set to common stock
2. Remove any remaining securities that are:
  - a. Limited Partnerships
  - b. BDCs
  - c. Closed End Funds
  - d. UITs
  - e. Mutual Funds
3. Exclude securities whose primary exchange is listed as China

### Data Availability Screens:

1. Include only stocks with prices, market caps, and trading volumes greater than zero

### Liquidity / Investability Screens:

1. Exclude all stocks with market capitalization of less than USD \$250 million
2. Exclude all stocks with 6 month average daily trading volume of less than \$1.25 million
3. Exclude all stocks unable to allocate 2% weight based on \$25 million portfolio flow
4. Exclude all stocks with less than 15% free float market cap

### Sanctions

1. Moorgate Benchmarks will exclude, as necessary, any security currently under sanction/with broad based government-imposed trading restrictions. These securities will be evaluated on a case-by-case basis by the Index Committee which is solely responsible for determining whether a particular security will be excluded.

## Section 3: Security Thematic Ranking

### Thematic Relevancy Score

The thematic relevancy score is an independently calculated score created by Fidelity Investments used to assess a company's relevance to a specific theme.

Thematic relevancy scores are based on 3 key components:

- 1) Total revenue: company total dollar revenue tied to relevant business activities\*
- 2) Percent of revenue: percent of total company revenue tied to relevant business activities
- 3) NLP score described below

### NLP Score

Natural language processing, or NLP, is a subfield of artificial intelligence which enables computers to process and analyze large amounts of natural language data. Different data sets can be used for this type of analysis and can be beneficial to identifying relevant companies for thematic investing.

Relevant keywords indicative of index themes are identified and searched across documents (e.g. earnings call transcripts) using a natural language processing algorithm. The output of this process are company level scores – generally companies with more keyword hits will receive higher scores than those with less.



## Thematic Quality Screen

Before determining any thematic relevancy score, Fidelity's thematic quality screen is used to remove any companies which pose significant risk to the theme. The criteria are listed below:

Index	The screen will act to remove any stocks which don't pass at least 2 of the following criteria:
<b>Fidelity Clean Energy ESG Tilted Index</b>	<ol style="list-style-type: none"> <li>1) Stock has a max of trailing or next 12-month revenues greater than \$500mm</li> <li>2) 2 or more sell-side analysts currently cover the stock</li> <li>3) Stock has a positive gross margin</li> <li>4) Stock has an improving year over year operating cash flow*</li> </ol>
<b>Fidelity Electric Vehicle and Future Transportation ESG Tilted Index</b>	<p>Future Transportation Technologies</p> <ol style="list-style-type: none"> <li>1) Stock has a max of trailing or next 12-month revenues greater than \$100mm</li> <li>2) 2 or more sell-side analysts currently cover the stock</li> <li>3) Stock has positive EBIT margin</li> </ol> <p>Future Transportation Enablers</p> <ol style="list-style-type: none"> <li>1) Stock has a max of trailing or next 12-month revenues greater than \$100mm</li> <li>2) 2 or more sell-side analysts currently cover the stock</li> <li>3) Stock has an improving year over year operating cash flow*</li> <li>4) Sales growth greater than 10% over either of the last 2 years</li> </ol>
<b>Fidelity Cloud Computing ESG Tilted Index</b>	<ol style="list-style-type: none"> <li>1) Stock has a max of trailing or next 12-month revenues greater than \$100mm</li> <li>2) 2 or more sell-side analysts currently cover the stock</li> <li>3) Stock has an improving year over year operating cash flow*</li> <li>4) Sales growth greater than 10% over either of the last 2 years</li> </ol>
<b>Fidelity Digital Health ESG Tilted Index</b>	<ol style="list-style-type: none"> <li>1) Stock has a max of trailing or next 12-month revenues greater than \$100mm</li> <li>2) 2 or more sell-side analysts currently cover the stock</li> <li>3) Stock has an improving year over year operating cash flow*</li> <li>4) Stock has positive gross margin</li> </ol>
<b>Fidelity Metaverse ESG Tilted Index</b>	<ol style="list-style-type: none"> <li>1) Stock has a max of trailing or next 12-month revenues greater than \$100mm</li> <li>2) 2 or more sell-side analysts currently cover the stock</li> <li>3) Stock has an improving year over year operating cash flow*</li> <li>4) Sales growth greater than 10% over either of the last 2 years</li> </ol>

\*Stock can have deteriorating OCF as long as it remains positive and doesn't drop by 20% or more

## Ranking

Using the index universe, as defined in section 2, stocks are first selected for initial inclusion in their index only if they generate at least 50% in combined revenue from relevant business activities

Index	Relevant Business Activities
<b>Fidelity Clean Energy ESG Tilted Index</b>	<ul style="list-style-type: none"> <li>● Clean Energy Distributors</li> <li>● Clean Energy Equipment Manufacturers</li> <li>● Clean Energy Technology Providers</li> </ul>
<b>Fidelity Electric Vehicle and Future Transportation ESG Tilted Index</b>	<ul style="list-style-type: none"> <li>● Future Transportation Technologies</li> <li>● Future Transportation Enablers</li> </ul> <p><i>Future Transportation Technologies use an equally weighted composite of the above 3 components, while Future Transportation Enablers use just the NLP score for ranking.</i></p>
<b>Fidelity Cloud Computing ESG Tilted Index</b>	<ul style="list-style-type: none"> <li>● Cloud Infrastructure</li> <li>● Cloud Platforms</li> <li>● Cloud Software Providers</li> </ul>
<b>Fidelity Digital Health ESG Tilted Index</b>	<ul style="list-style-type: none"> <li>● Digital Health Products and Services</li> <li>● Connected Medical Devices</li> </ul>
<b>Fidelity Metaverse ESG Tilted Index</b>	<ul style="list-style-type: none"> <li>● Computing Hardware / Components</li> <li>● Digital Infrastructure</li> <li>● Design and Engineering Software</li> <li>● Gaming Technology and Software</li> <li>● Web Development and Content Services</li> <li>● Smart Phone and Wearable Technology</li> </ul>

The percent revenue floor constraint is relaxed in succession in increments of 10%: 40%, 30%, and 20%. Each time the floor is lowered, the additional stocks identified are ranked by relevancy with scores that start by adding 1 to the largest rank from the prior group. No stock with less than 20% associated revenue will receive a thematic relevancy score. Stocks with higher percentages of associated revenues will be prioritized.

## Sustainable Investment (SI) Components

SI Definition Components	Data Points	SI Requirements
Economic Activities Contributing to an Environmental or Social Objective	Business Activity % Revenue	Aggregate of >= 50% revenue tied to sustainable activities
Constituent companies do no significant harm to environmental/social objectives	Adverse Impact Indicator Screen*	Not flagged as an Adverse Impact Indicator
	Product Involvement Screen*	Not flagged in Business Activities Table p.13-14
Constituent companies follow good governance practices	ESG Risk Rating*	Not "High" or "Severe" rated
	Controversies*	Not "Severe" rated

\*Source: Sustainalytics

Stocks that fail the requirements of the table above are excluded from eligibility as a sustainable investment.

The Sustainable Investment (SI) exposures are independently calculated and created by FMR. Constituents are classified as SI if they have significant revenue tied to sustainable economic activities, do no significant harm to environmental/social objectives, and follow good governance practices. Economic activities are considered sustainable if they contribute to an Environmental or Social Objective.

Constituents are classified as Environmental Sustainable Investments (ESI) if they have significant revenue tied to sustainable environmental economic activities, do no significant harm to environmental objectives, and follow good governance practices. Constituents are classified as Social Sustainable Investments (SSI) if they have significant revenue tied to sustainable social economic activities, do no significant harm to social objectives, and follow good governance practices.

### Adverse Impact Indicator Screen

Entities in the worst decile based on the below Adverse Impact Indicators are excluded from eligibility as a sustainable investment.

Adverse Impact Indicator	
<b>Greenhouse gas emissions</b>	Carbon Footprint
	GHG Intensity of investee companies
	Exposure to companies active in the fossil fuel sector
	Share of non-renewable energy consumption
<b>Biodiversity</b>	Activities negatively affecting biodiversity-sensitive areas
<b>Water</b>	Emissions to water
<b>Waste</b>	Hazardous waste ratio
<b>Social and employee matters</b>	Violations of UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises

	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
	Unadjusted gender pay gap
	Board Gender Diversity
	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

## Exclusions Based on Business Activities

As of each Observation Date, companies with the following business activities are excluded from the Selection Universe. The specific proxy and level of involvement threshold used to determine exclusion for each category are outlined below:

Category of Involvement	Category of involvement Description	Involvement Proxy	Level of involvement Threshold
<b>Controversial Weapons</b>	Tailor-made and essential: The company is involved in the core weapon system, or components/services of the core weapon system that are considered tailor-made and essential for the lethal use of the weapon.	N/A <sup>1</sup>	>0%
<b>Military Contracting</b>	Weapons: The company manufactures military weapon systems and/or integral, tailor-made components or these weapons.	Revenue	≥5%
	Weapon-related products and/or services: The company provides tailor-made products and/or services that support military weapons.		
<b>Small Arms</b>	Civilian customers (Assault weapons): The company manufactures and sells assault weapons to civilian customers.	Revenue	>0%
	Retail/distribution (Assault weapons): The company is involved in the retail and/or distribution of assault weapons.		≥5%
<b>Thermal Coal</b>	Extraction: The company extracts thermal coal.	Revenue	≥5%
	Power Generation: The company generates electricity from thermal coal.		
<b>Arctic Oil &amp; Gas Exploration Extraction</b>	The company is involved in oil and gas exploration in Arctic regions.	Revenue	≥5%
<b>Oil Sands Extraction</b>	The company extracts oil sands.	Revenue	≥5%
<b>Tobacco Products</b>	Retail: The company derives its revenues from the distribution and/or retail sale of tobacco products.	Revenue	≥5%
	Related Products/Services: The company supplies tobacco-related products/services.		≥5%
	Production: The company manufactures tobacco products.		>0%
<b>Adult Entertainment</b>	The company is involved in the production of Adult Entertainment.	Revenue	≥5%
	The company is involved in the distribution of Adult Entertainment.		≥5%

<sup>1</sup> Revenue data is not relevant since the level of involvement is binary for this category.

<b>Alcohol</b>	The company is involved in the production of alcoholic beverages.	Revenue	≥10%
	The company is involved in the retail of alcoholic beverages.		≥10%
	The company supplies alcoholic beverage related products/services.		≥10%
<b>Pesticides</b>	The company is involved in the production of pesticides.	Revenue	≥5%
	The company is involved in the retail of pesticides.		≥5%
<b>Cannabis</b>	The company is involved in the production of cannabis for recreational use.	Revenue	≥5%
	The company is involved in the retail of cannabis for recreational use.		≥5%
	The company is involved in the production of cannabis for medicinal use.		≥5%
	The company is involved in the retail of cannabis for medicinal use.		≥5%
<b>Gambling</b>	The company derives revenue from gambling operations.	Revenue	≥5%
	The company supplies specialized gambling equipment.		≥5%
	The company supplies gambling supporting products/services.		≥5%
<b>Palm Oil</b>	The company is involved in the production and/or distribution of Palm Oil.	Revenue	≥5%

**ESG Controversy Screen**

In addition, as of each Observation Date, companies identified as having controversy scores of 5 are excluded from the Selection Universe.

**Exclusions Based on Global Norms**

In addition, as of each Observation Date, companies identified to be non-compliant with the United Nations Global Compact (UNGC) Principles, UN Guiding Principles on Business and Human Rights, or OECD Rules for Multinational Enterprises are excluded from the Selection Universe.

**Data Privacy and Security Exclusions [Digital Health, Cloud Computing and Metaverse only]**

In addition, as of each Observation Date, companies belonging to the worst 5<sup>th</sup> percentile based on the Data Privacy and Security risk score are excluded from the Selection Universe.

**Product Governance Exclusions [Digital Health & Metaverse only]**

In addition, as of each Observation Date, companies belonging to the worst 5<sup>th</sup> percentile based on the Product Governance risk score are excluded from the Selection Universe.

**Treatment of Missing Data for Business Activities, Controversy and Global Norms**

Companies without exclusions data coverage available (either Business activities, controversy, UNGC Principles, UN Guiding Principles on Business and Human Rights, or OECD Rules for Multinational Enterprises compliance) will not be excluded.

## Section 4: Index Construction

### Fidelity Clean Energy ESG Tilted Index

1. Once initial screens are applied, the securities are ranked by their thematic score and an ESG rating score (50/50% weighting).
2. Securities are selected for the index by ranking order, subject to the turnover stock buffer process detailed below, resulting in approximately 50 securities being selected.
3. Each stock is first weighted based on its adjusted market capitalization using a cube root of market capitalization.
4. If applicable, stocks with less than 50% associated revenue are capped at a target of 2% and the portfolio weights are then redistributed.
5. Additional liquidity constraints are then applied and the remaining portfolio weights are renormalized.
6. A 4.5% weight cap on individual stocks is applied and the remaining portfolio weight are redistributed.
7. Measure portfolio weight that is allocated to undesirable ESG ratings (high risk, severe risk, or unrated)  
If the total weight attributed to undesirable ESG ratings is >50%, scale up the desirable stocks to 50%.  
Scaling does not occur if there are no desirable ESG rated constituents in the final selection.
8. If the total weight attributed to ESI is below 20%, scale up the ESI constituents to 20% and scale down the remaining portfolio. Scaling does not occur if there are no ESI constituents in the final selection.
9. If the total weight attributed to SI is below 25%, scale up SI constituents to 25% and scale down the remaining portfolio. Scaling does not occur if there are no SI constituents in the final selection.
10. Once the weights of the desirable ESG stocks are redistributed, if necessary, cap the constituent weights so that no single constituent represents more than 17.5% of the index.

### Buffering

To reduce turnover in the index, a +/- 10 stock buffer is applied around the 50 stock cutoff based on the above categorization/targeted security count. All stocks with a relevancy score rank between 1-40 are included in the new index. The remaining holdings are comprised of any existing constituent with a rank inside the top 60 stocks. Additionally, the liquidity screen of 2% weight based on \$25 million flow is relaxed to 1% if the security is an existing constituent at rebalance.

## Fidelity Electric Vehicles and Future Transportation ESG Tilted Index

1. Once initial screens are applied, the securities are ranked by their thematic score and an ESG rating score (50/50% weighting).
2. Securities are selected for the index by ranking order, distributed with the targeted breakdown detailed in the table below, and subject to the turnover stock buffer process detailed below, resulting in approximately 50 securities being selected.

	Business Activities <i>(with examples)</i>	Targeted Index Composition
Future Transportation Technology	Core Future Transportation <ul style="list-style-type: none"> <li>• <i>Electric Vehicle Manufacturers</i></li> <li>• <i>Lithium Battery, Fuel Cell Providers &amp; EV Charging Stations</i></li> <li>• <i>Ride Sharing Apps</i></li> </ul>	~25 securities
Future Transportation Enablers	Enabling Semi-Conductors <ul style="list-style-type: none"> <li>• <i>Power Devices</i></li> <li>• <i>Application Processors</i></li> <li>• <i>Analog Circuits</i></li> </ul>	~15 securities with index exposure capped at 30% of total index
	Enabling Components & Software <ul style="list-style-type: none"> <li>• <i>Lidar / Sensors</i></li> <li>• <i>GPS</i></li> <li>• <i>Autonomous Software/Electronics</i></li> </ul>	~10 securities

3. Each stock is first weighted based on its adjusted market capitalization using a cube root of market capitalization.
4. If applicable, stocks with less than 50% associated revenue are capped at a target of 2% and the portfolio weights are then redistributed.
5. If applicable, aggregated index weight of the “Enabling Semi-Conductors” subtheme is capped at 30% and remaining weights are scaled up to reach a sum of 100%.
6. Additional liquidity constraints are then applied and the remaining portfolio weights are renormalized.
7. A 4.5% weight cap on individual stocks is applied and the remaining portfolio weights are redistributed to create the final portfolio.
8. Measure portfolio weight that is allocated to undesirable ESG ratings (high risk, severe risk, or unrated). If the total weight attributed to undesirable ESG ratings is >50%, scale up the desirable stocks to 50%. Scaling does not occur if there are no desirable ESG rated constituents in the final selection.
9. If the total weight attributed to ESI is below 15%, scale up the ESI constituents to 15%. Scaling does not occur if there are no ESI constituents in the final selection.
10. If the total weight attributed to SI is below 15%, scale up SI constituents to 15% and scale down the remaining portfolio. Scaling does not occur if there are no SI constituents in the final selection.
11. Once the weights of the desirable ESG stocks are redistributed, if necessary, cap the constituent weights so that no single constituent represents more than 17.5% of the index.

### Buffering

To reduce turnover in the index, a +/- 10 stock buffer is applied around the 50 stock cutoff based on the above categorization/targeted security count. All stocks with a relevancy score rank between 1-40 are included in the new index. The remaining holdings are comprised of any existing constituent with a rank inside the top 60 stocks. For

this index, the above thresholds will be applied to the business categories and targeted name counts on a prorated basis (+5, +3, +2 stocks for the respective buckets in the table above). Additionally, the liquidity screen of 2% weight based on \$25 million flow is relaxed to 1% if the security is an existing constituent at rebalance.



## Fidelity Cloud Computing ESG Tilted Index

1. Once initial screens are applied, the securities are ranked by their thematic score and an ESG rating score (50/50% weighting).
2. Securities are selected for the index by ranking order, subject to the turnover stock buffer process detailed below, resulting in approximately 50 securities being selected.
3. Each stock is first weighted based on its adjusted market capitalization using a cube root of market capitalization.
4. If applicable, stocks with less than 50% associated revenue are capped at a target of 2% and the portfolio weights are then redistributed.
5. Additional liquidity constraints are then applied and the remaining portfolio weights are renormalized.
6. A 4.5% weight cap on individual stocks is applied and the remaining portfolio weight are redistributed to create the final portfolio.
7. Measure portfolio weight that is allocated to undesirable ESG ratings (high risk, severe risk, or unrated). If the total weight attributed to undesirable ESG ratings is >50%, scale up the desirable stocks to 50%. Scaling does not occur if there are no desirable ESG rated constituents in the final selection.
8. Once the weights of the desirable ESG stocks are redistributed, if necessary, cap the constituent weights so that no single constituent represents more than 17.5% of the index.

### Buffering

To reduce turnover in the index, a +/- 10 stock buffer is applied around the 50 stock cutoff based on the above categorization/targeted security count. All stocks with a relevancy score rank between 1-40 are included in the new index. The remaining holdings are comprised of any existing constituent with a rank inside the top 60 stocks. Additionally, the liquidity screen of 2% weight based on \$25 million flow is relaxed to 1% if the security is an existing constituent at rebalance.

## Fidelity Digital Health ESG Tilted Index

1. Once initial screens are applied, the securities are ranked by their thematic score and an ESG rating score (50/50% weighting).
2. Securities are selected for the index by ranking order, distributed with the targeted breakdown detailed in the table below, and subject to the turnover stock buffer process detailed below, resulting in approximately 50 securities being selected.

Business Activities <i>(with examples)</i>	Targeted Index Composition
<b>Digital Healthcare Products and Services</b> <ul style="list-style-type: none"> <li>• <i>Healthcare Software Products</i></li> <li>• <i>Internet Pharmacies</i></li> <li>• <i>Telehealth Services</i></li> <li>• <i>Robotic Surgery Products</i></li> <li>• <i>Business Management Solutions</i></li> </ul>	~35 securities
<b>Connected Medical Devices</b> <ul style="list-style-type: none"> <li>• <i>Infusion Therapy Devices</i></li> <li>• <i>Neurology Devices</i></li> <li>• <i>Oncology Devices</i></li> <li>• <i>Respiratory Devices</i></li> <li>• <i>Cardiology Medical Devices</i></li> </ul>	~15 securities

3. Each stock is first weighted based on its adjusted market capitalization using a cube root of market capitalization.
4. If applicable, stocks with less than 50% associated revenue are capped at a target of 2% and the portfolio weights are then redistributed.
5. Additional liquidity constraints are then applied and the remaining portfolio weights are renormalized.
6. A 4.5% weight cap on individual stocks is applied and the remaining portfolio weights are redistributed.
7. Measure portfolio weight that is allocated to undesirable ESG ratings (high risk, severe risk, or unrated). If the total weight attributed to undesirable ESG ratings is >50%, scale up the desirable stocks to 50%. Scaling does not occur if there are no desirable ESG rated constituents in the final selection.
8. If the total weight attributed to SSI is below 30%, scale up the SSI constituents to 30%. Scaling does not occur if there are no SSI constituents in the final selection.
9. If the total weight attributed to SI is below 30%, scale up SI constituents to 30%. Scaling does not occur if there are no SI constituents in the final selection.
10. Once the weights of the desirable ESG stocks are redistributed, if necessary, cap the constituent weights so that no single constituent represents more than 17.5% of the index.

### Buffering

To reduce turnover in the index, a +/- 10 stock buffer is applied around the 50 stock cutoff based on the above categorization/targeted security count. All stocks with a relevancy score rank between 1-40 are included in the new index. The remaining holdings are comprised of any existing constituent with a rank inside the top 60 stocks. For this index, the above thresholds will be applied to the business categories and targeted name counts on a prorated basis (+-7, +-3 stocks for the respective buckets in the table). Additionally, the liquidity screen of 2% weight based on \$25 million flow is relaxed to 1% if the security is an existing constituent at rebalance.

## Fidelity Metaverse ESG Tilted Index

1. Once initial screens are applied, the securities are ranked by their thematic score and an ESG rating score (50/50% weighting).
2. Securities are selected for the index by ranking order, subject to the turnover stock buffer process detailed below, resulting in approximately 50 securities being selected.
3. Each stock is first weighted based on its adjusted market capitalization using a cube root of market capitalization.
4. If applicable, stocks with less than 50% associated revenue are capped at a target of 2% and the portfolio weights are then redistributed.
5. Additional liquidity constraints are then applied and the remaining portfolio weights are renormalized.
6. A 4.5% weight cap on individual stocks is applied and the remaining portfolio weight are redistributed.
7. Measure portfolio weight that is allocated to undesirable ESG ratings (high risk, severe risk, or unrated). If the total weight attributed to undesirable ESG ratings is >50%, scale up the desirable stocks to 50%. Scaling does not occur if there are no desirable ESG rated constituents in the final selection.
8. If the total weight attributed to SI is below 4%, scale up SI constituents to 4% and scale down the remaining portfolio. Scaling does not occur if there are no SI constituents in the final selection.
9. Once the weights of the desirable ESG stocks are redistributed, if necessary, cap the constituent weights so that no single constituent represents more than 17.5% of the index.

### Buffering

To reduce turnover in the index, a +/- 10 stock buffer is applied around the 50 stock cutoff based on the above categorization/targeted security count. All stocks with a relevancy score rank between 1-40 are included in the new index. The remaining holdings are comprised of any existing constituent with a rank inside the top 60 stocks. Additionally, the liquidity screen of 2% weight based on \$25 million flow is relaxed to 1% if the security is an existing constituent at rebalance.

## Section 5: Index Maintenance

### Frequency of Rebalance

The Fidelity thematic indices are rebalanced quarterly on the 3rd Friday of March, June, September, and December.

Proformas will be generated starting 8 U.S. business days prior to the rebalance date, based on data from 10 U.S. business days prior to the scheduled rebalance.

Rebalance Schedule Details	
Revenue and NLP Data Captured	10 days prior to the rebalance date
Pro Forma Begins	8 days prior to the rebalance date
Rebalance Effective Date	Third Friday of the rebalance month effective at next day market open

### Ongoing Maintenance

#### Corporate Actions and Events

The constituents of the Fidelity Investments Index Family are proactively maintained to reflect changes that may result from corporate actions.

Constituents removed from the indices will not be replaced between reviews.

The index is reviewed on an ongoing basis to account for corporate events such as mergers, takeovers, delistings, group changes, suspensions, spin-offs/demergers or bankruptcies. Changes to index composition and related weight adjustments are made as soon as they are effective. Corporate actions will be treated as follows:

STOCK EVENT TYPE	MOORGATE CORPORATE ACTION TREATMENT	DIVISOR CHANGE
Stock Forward/Reverse Split	Market capital neutral treatment, share change offset by price adjustment	No
Investible Weight Factor (IWF) Change	IWF increase/decrease has no impact on index shares as the AWF will adjust to offset the IWF change.	No
Share Issuance	Shares outstanding increase/decrease has no impact on index shares as the AWF will adjust to offset the shares outstanding change.	No
Standard rights treatment (market cap neutral) - default	If the rights are in the money, the spot price of the underlying security will be adjusted on ex-date-1 and the shares outstanding will be increased with respect to rights offering ratio.	No
Special cash dividend (standard treatment)	Price adjustment will be applied on ex-date -1	Yes
Delisting (due to bankruptcy or cancellation of listing)	The delisted security will be deleted from the index (at either the last traded price of a zero price).	Yes
Spin-off	Our standard practice is that we follow a zero price spin off treatment. No Price adjustment applied to the parent, the spunoff company is added to the index at price of zero and at the terms of	No

	the spinoff so it is market cap neutral on the Ex-date (no divisor change).	
M&A (Cash acquisition)	The acquired company is deleted from the index.	Yes
M&A (Stock acquisition, cash and/or stock acquisition)	The acquired company is deleted from the index. The shares outstanding and IWF of the acquirer will be adjusted with respect to the stock terms of the acquisition.	No*
New Issues	Review new issues on a quarterly basis; those that pass the liquidity screens and market capitalization requirements will be added to the index. Proformas are requested to accommodate any new issue adds	Yes
Sanctions	Moorgate reviews sanctions on a case-by-case basis. The sanctioned company will be removed as necessary from the index with approval from the Fidelity Product Services LLC Index Committee	Yes

### Deletion policy

If, at any time other than an Index Reconstitution, the Moorgate Benchmarks Index Committee determines that an Index Security has or will undergo a fundamental alteration that would make it ineligible for Index inclusion, the Index Security is removed as soon as practicable after it no longer qualifies.

### Index Consultations

To account for the evolution of themes, The Index Committee may send out periodic consultations to key internal and external stakeholders. Feedback from these consultations may result in definitional changes to business activities associated with the theme or keyword updates for the NLP process.

## Section 6: Index Calculations

### Index History

Index history will be calculated for daily values and month end holdings going back to 12/31/2017. Base value will be 100.00 starting as of 12/31/2017. The short backtest period from 12/31/2017 up to launch date reflects limitations in the availability of history for the relevant data inputs. The definition of the index and the identification of keywords therefore introduced unavoidable hindsight bias for the backtest performance.

Index	Launch Date
Fidelity Clean Energy ESG Tilted Index	July 1, 2022
Fidelity Electric Vehicle and Future ESG Tilted Index	July 1, 2022
Fidelity Cloud Computing ESG Tilted Index	July 1, 2022
Fidelity Digital Health ESG Tilted Index	July 1, 2022
Fidelity Metaverse ESG Tilted Index	July 1, 2022

### Data Calculation

Following data calculations will be generated

#### Fidelity Clean Energy ESG Tilted Index

##### a. Price Return

- i. Index Name = Fidelity Clean Energy ESG Tilted Index PR
- ii. Calculated as of End of Day = NYSE Trading hours (i.e., 9:30-4 EST)
- iii. Desired Ticker (8 character max) = FIDGLECP
  - BBG Description = Fidelity Clean Energy Index is designed to reflect the performance of companies globally that distribute, produce or provide technology or equipment to support the production of energy from solar, wind, hydrogen and other renewable sources.

##### b. Total Return

- i. Index Name = Fidelity Clean Energy ESG Tilted Index TR
- ii. Calculated as of EOD
- iii. Desired Ticker (8 character max.) = FIDGLECT
  - BBG Description = Fidelity Clean Energy Index is designed to reflect the performance of companies globally that distribute, produce or provide technology or equipment to support the production of energy from solar, wind, hydrogen and other renewable sources.

##### c. Net Return

- i. Index Name = Fidelity Clean Energy ESG Tilted Index NR
- ii. Calculated as of EOD
- iii. Desired Ticker (8 character max.) = FIDGLECN
  - BBG Description = Fidelity Clean Energy Index is designed to reflect the performance of companies globally that distribute, produce or provide technology or equipment to support the production of energy from solar, wind, hydrogen and other renewable sources.

Fidelity Electric Vehicles and Future Transportation ESG Tilted Index

- a. Price Return
  - i. Index Name = Fidelity Electric Vehicles and Future Transportation ESG Tilted Index PR
  - ii. Calculated as of End of Day = NYSE Trading hours (i.e., 9:30-4 EST)
  - iii. Desired Ticker (8 character max.) = FIDGLEEP
    - BBG Description = Fidelity Future Transportation Index is designed to reflect the performance of companies globally engaged in the production of electric & autonomous vehicles and/or their components or engaged in other initiatives that aim to change the future of transportation.
  
- b. Total Return
  - i. Index Name = Fidelity Electric Vehicles and Future Transportation ESG Tilted Index TR
  - ii. Calculated as of EOD
  - iii. Desired Ticker (8 character max.) = FIDGLEET
    - BBG Description = Fidelity Future Transportation Index is designed to reflect the performance of companies globally engaged in the production of electric & autonomous vehicles and/or their components or engaged in other initiatives that aim to change the future of transportation.
  
- c. Net Return
  - i. Index Name = Fidelity Electric Vehicles and Future Transportation ESG Tilted Index NR
  - ii. Calculated as of EOD
  - iii. Desired Ticker (8 character max.) = FIDGLEEN
    - BBG Description = Fidelity Future Transportation Index is designed to reflect the performance of companies globally engaged in the production of electric & autonomous vehicles and/or their components or engaged in other initiatives that aim to change the future of transportation.

#### Fidelity Cloud Computing ESG Tilted Index

- a. Price Return
  - i. Index Name = Fidelity Cloud Computing Index ESG Tilted PR
  - ii. Calculated as of End of Day = NYSE Trading hours (i.e., 9:30-4 EST)
  - iii. Desired Ticker (8 character max.) = FIDGLSCP
    - BBG Description = Fidelity Cloud Computing Index is designed to reflect the performance of companies globally positioned to benefit from the increased adoption of cloud computing technology.
  
- b. Total Return
  - i. Index Name = Fidelity Cloud Computing ESG Tilted Index TR
  - ii. Calculated as of EOD
  - iii. Desired Ticker (8 character max.) = FIDGLSCT
    - BBG Description = Fidelity Cloud Computing Index is designed to reflect the performance of companies globally positioned to benefit from the increased adoption of cloud computing technology.
  
- c. Net Return
  - i. Index Name = Fidelity Cloud Computing ESG Tilted Index NR
  - ii. Calculated as of EOD
  - iii. Desired Ticker (8 character max.) = FIDGLSCN

- BBG Description = Fidelity Cloud Computing Index is designed to reflect the performance of companies globally positioned to benefit from the increased adoption of cloud computing technology.

#### Fidelity Digital Health ESG Tilted Index

- a. Price Return
  - i. Index Name = Fidelity Digital Health ESG Tilted Index PR
  - ii. Calculated as of End of Day = NYSE Trading hours (i.e., 9:30-4 EST)
  - iii. Desired Ticker (8 character max.) = FIDGLEHP
    - BBG Description = Fidelity Digital Health & Telemedicine Index is designed to reflect the performance of companies globally engaged in the automation of healthcare, connected healthcare devices, robotic surgeries, and telemedicine.
  
- b. Total Return
  - i. Index Name = Fidelity Digital Health ESG Tilted Index TR
  - ii. Calculated as of EOD
  - iii. Desired Ticker (8 character max.) = FIDGLEHT
    - BBG Description = Fidelity Digital Health & Telemedicine Index is designed to reflect the performance of companies globally engaged in the automation of healthcare, connected healthcare devices, robotic surgeries, and telemedicine.
  
- c. Net Return
  - i. Index Name = Fidelity Digital Health ESG Tilted Index NR
  - ii. Calculated as of EOD
  - iii. Desired Ticker (8 character max.) = FIDGLEHN
    - BBG Description = Fidelity Digital Health & Telemedicine Index is designed to reflect the performance of companies globally engaged in the automation of healthcare, connected healthcare devices, robotic surgeries, and telemedicine.

#### Fidelity Metaverse ESG Tilted Index

- a. Price Return
  - i. Index Name = Fidelity Metaverse ESG Tilted Index PR
  - ii. Calculated as of End of Day = NYSE Trading hours (i.e., 9:30-4 EST)
  - iii. Desired Ticker (8 character max.) = FIDGLMEP
    - BBG Description = The Fidelity Metaverse Index is designed to reflect the performance of a global universe of companies that develop, manufacture, distribute, sell products or services related to establishing and enabling the Metaverse.
  
- b. Total Return
  - i. Index Name = Fidelity Metaverse ESG Tilted Index TR
  - ii. Calculated as of EOD
  - iii. Desired Ticker (8 character max.) = FIDGLMET
    - BBG Description = The Fidelity Metaverse Index is designed to reflect the performance of a global universe of companies that develop, manufacture, distribute, sell products or services related to establishing and enabling the Metaverse.
  
- c. Net Return
  - i. Index Name = Fidelity Metaverse ESG Tilted Index NR



- ii. Calculated as of EOD
  - iii. Desired Ticker (8 character max.) = FIDGLMEN
- BBG Description = The Fidelity Metaverse Index is designed to reflect the performance of a global universe of companies that develop, manufacture, distribute, sell products or services related to establishing and enabling the Metaverse.

## **Data Distribution**

The index is published via various data vendors.

## **Index Holiday Schedule**

The index will be calculated each day on which the New York Stock Exchange (NYSE) is open for general business.

# Section 7: Index Governance

## Index Policy

### General

The indices are designed to be compliant with both the IOSCO Principles for Financial Benchmarks<sup>2</sup> and the UK & EU Benchmarks Regulations<sup>3</sup>.

### Fidelity Product Services, LLC (“FPS”)

FPS is the index provider and owner of the Fidelity Investments Index Family. FPS may propose or advise on potential rules changes, new indices, or the cessation of existing indices. It cannot require changes to constituents or weightings, rules or any other aspect of the indices and has no involvement in the day-to-day management of the indices.

FPS contributes research and resources who contribute the thematic scores, ESG ratings, and composite score data used to determine eligibility and constituent weightings, and may propose changes to the indices' eligible universes. Those resources providing thematic scores and ESG ratings do not propose any rule changes to the indexes and conduct their analyses independently of any considerations regarding index eligibility.

Where conflicts of interest may exist, these are noted in the Moorgate Benchmarks Conflicts of Interest Register and carefully managed.

### Moorgate Benchmarks GmbH

Moorgate Benchmarks GmbH is calculator and administrator of the index family, responsible for the calculation and management of the indexes, management of these rules and for their continuing fitness for purpose. Moorgate Benchmarks GmbH is regulated by BaFin as a registered benchmark administrator under the EU benchmarks regulation, and by the Financial Conduct Authority as a registered benchmark administrator under the UK benchmarks regulation.

### Moorgate Benchmarks Index Management Committee

The Moorgate Benchmarks Index Management Committee is responsible for the day to day management of the indices, and for the implementation of these rules. It is therefore responsible for determining constituent eligibility, according to the transparent and objective eligibility criteria defined below.

It is also responsible, in the event of the rules not providing a clear process for the management of any situation, for determining the process to be followed.

The committee is composed of a chairman appointed by Moorgate, and a minimum of two additional members selected either from Moorgate staff or external index experts.

The Index Management Committee convenes on a quarterly basis, in the second week of March, June, September and December.

### Index Methodology Changes

Members of Fidelity Product Services, Moorgate Benchmarks Index Management Committee and stakeholders may at any time recommend changes to these Rules (including the Index construction criteria) by submitting any proposed changes for consideration and approval in advance of the Moorgate Benchmarks Index Management Committee's next meeting.

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<sup>2</sup> A statement of compliance with the Principles can be found at [www.moorgatebenchmarks.com](http://www.moorgatebenchmarks.com)

<sup>3</sup> Information and documentation published in compliance with the benchmarks regulations can be found at [www.moorgatebenchmarks.com](http://www.moorgatebenchmarks.com).

Proposed changes that the administrator deems material will be publicly consulted on, according to the policy detailed within the Moorgate Benchmarks Cessation or Material Change Policy, available from [www.moorgatebenchmarks.com](http://www.moorgatebenchmarks.com).

Following approval by the Index Management Committee, such changes shall be implemented by way of an update to these rules, which shall be published on [www.moorgatebenchmarks.com](http://www.moorgatebenchmarks.com).

Except in exceptional circumstances, new rules and rules adjustments will become effective after the following review.

**Announcements:** Announcements regarding changes to any of the indexes will be made publicly available prior to the effective date of the change.

**Market Disruption:** In situations where calculation of an index may not be possible under certain circumstances, including market disruptions, systems failures, weather conditions, acts of terrorism or any other event that is beyond the reasonable control of the Index Sponsor and/or Index Calculation Agent, the Index Calculation Agent will calculate the closing price of the indexes based on:

- (1) The closing prices published by the exchange, or
- (2) If no closing price is available, the last published price for each underlying index

If an exchange fails to open due to unforeseen circumstances, the Index Calculation Agent will treat the closures as a standard market holiday. The index will use the prior day's closing prices and shift any corporate actions to the following business day. If all exchanges fail to open or in other extreme circumstances, the Index Calculation Agent may determine not to publish the indexes for that day.

## Exceptions and amendments to these Rules

### Exceptions

Moorgate Benchmarks shall apply the method described above for the composition and calculation of the indices. However, it cannot be excluded that the market environment, supervisory, legal, financial or tax reasons may require unforeseen changes to be made to the Fidelity Thematic ESG Tilted Index Family. Where possible, such changes will be made in conjunction with the Moorgate Benchmarks Index Management Committee, and in all instances, reported to that committee.

Wherever exceptions are required, Moorgate Benchmarks will endeavour to ensure a calculation method is applied that is consistent with the method described in this document.

### Amendments

Moorgate Benchmarks Limited and Fidelity Product Services, LLC notify users of the benchmarks that whilst it is the policy of Moorgate Benchmarks Limited as administrator to consult fully on any material change to a benchmark, it is possible that circumstances, particularly external events beyond the control of Moorgate Benchmarks and Fidelity Product Services, LLC may necessitate immediate changes to, or the cessation of, a benchmark and therefore, any financial contracts or other financial instruments that reference the benchmarks, or any market participants that use the benchmarks in valuations should plan to be able to manage the possibility of changes to, or cessation of, the benchmarks. Please consult the Moorgate Benchmarks Cessation or Material Change Policy for further details.

The Moorgate Benchmarks Index Management Committee may prescribe changes to the selection criteria and other rules governing the indices and the method applied to calculate the indices, which they deem to be necessary and desirable in order to prevent material errors or to remedy, correct or supplement the rules currently described in these Rules.

Moorgate Benchmarks shall ensure that any amendments to the methodology are updated and published as soon as possible after any changes to the indices are implemented, and shall notify all persons who have licensed the use of the indices as far in advance of such implementation as reasonably practicable.

## Legal

Fidelity Product Services or any successor thereto (the “Index Provider”) owns intellectual property rights in the Fidelity Investments Index Family and its methodology (excluding methodological elements not developed specifically for the creation of the Fidelity Product Service Indices). Any use or publication of such intellectual property, as well as of the Fidelity Investments trademark or any other Fidelity Product Service related methodologies, provisions or values must be with the prior written consent of the Index Provider.

The Index Provider is acting solely in its capacity as the provider of the Index and does not undertake any administration duties in relation to the Index. Notwithstanding the foregoing, the Index Provider may, where permitted by the administrator, undertake certain tasks such as sourcing and making available data. The Index Provider assumes no obligation, duty or liability to any person in relation to the Index save as provided in any written agreement with such person.

The Indices are the property of FPS, a Fidelity Investments company. Neither the Indices nor any information related to the Indices presented in this document is investment advice nor a recommendation to buy or sell any security, strategy or investment product. FPS is not an investment adviser, broker-dealer, or issuer of securities and it does not have any fiduciary responsibility in respect of the Indices, licensee(s) of the Indices, or any product that may utilize the Indices.

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### Licensing

Licenses to use the indices as the underlying value for investment products and derivative instruments may be issued to stock exchanges, banks, financial services providers and investment houses by the Index Provider, Fidelity Product Services.

# Appendix

## Data Sources

FactSet, Sustainalytics, Company Documents