

Financial Administration Services Limited ("FASL"): Investment Pathways Sustainable Investment ("SI") Policy Limited

The Sustainable Investing Policy provides important information on how environmental, social and governance ("ESG") issues are addressed on the Fidelity UK Personal Investing Platform ("PI Platform"). More specifically, it explains how ESG is incorporated into the investment management approach of our Investment Pathways funds: a range of funds designed to address the needs of our customers in the decumulation phase when entering retirement.

Our approach to sustainable investing

Fidelity Personal Investing is an open architecture platform that offers a range of services and investment choices for our customers. Investment Pathways is one such investment solution which we provide to customers entering retirement.

We believe that an investment process that integrates ESG factors ("sustainable investing"), is likely to lead to improved risk-adjusted returns over the longer term. Subsequently, this is likely to lead to better retirement outcomes for our investors. These factors should, therefore, be considered within any investment solution we offer.

The managed solutions that we offer customers use a combination of investments managed by both Fidelity and third-party fund managers. We believe in being clear and transparent with our customers, so we can support them in making their own informed decisions to achieve their investment goals. We therefore require the provider of our Investment Pathways solutions, which is FIL Investment Services (UK) Limited ("FISL"), to clearly articulate how it considers ESG factors during the investment process. We will evaluate and monitor their progress through the Workplace Investing Investment Oversight Group (WIOG).

Implementing our sustainable investment approach for Investment Pathways – The sustainable investing integration process

We will integrate financially material sustainability factors into our investment solutions, recognising that the right approach will differ across different investment strategies. We view sustainability as an evolving journey and will look to enhance the sustainability characteristics of our solutions over time.

Our solutions use a combination of investments managed by both Fidelity and third-party fund managers. When constructing solutions, we will review on an ongoing basis, the sustainable

investing policies of the managers we use and their sustainable investment processes through the WIOG.

Where Fidelity acts as an execution-only platform and funds have been added on request, customers should ensure that these funds align with their own beliefs and principles. Fidelity believes in offering choice to cater for the needs of its customers and recognises ESG can have a variety of meanings to different people. These may not always align with Fidelity's own ESG approach and as such, Fidelity will expect these funds to be monitored and reviewed from an ESG perspective by its customers.

We are planning to further develop our tools, and provide educational and insightful content to support customers so they can make their own decisions relating to sustainable investing.

Stewardship and voting

Within the WIOG, we will monitor the engagement, voting activities and processes of the funds used within the investment solutions offered as part of Investment Pathways. We will review engagement and voting activities both quantitatively and qualitatively on an annual basis. We will also meet with fund managers to understand how they have exercised their voting rights and what key issues these managers have engaged in. Our goal is to understand where engagement has resulted in a positive outcome for our customers and where engagement has failed.

Climate

We expect risks linked to climate change in the sectors we invest in to be considered carefully by the managers of funds on the PI Platform. Fund managers are expected to incorporate the management of climate change risk into their investment processes and we will review the funds they manage accordingly. Consequently, we will challenge fund managers when we believe the processes they use are inadequate or limited when considering climate change risk.