

# Reopening of the Fidelity Quality Income Indices Consultation on Additional Business Activity and Controversies Exclusions and Enhancing Sustainability Criteria

**AMSTERDAM, APRIL 21, 2023:** S&P DJI Netherlands B.V., a wholly owned subsidiary of S&P Dow Jones Indices LLC, (“S&P Dow Jones Indices” or “S&P DJI”) is the benchmark administrator for the Fidelity Global Quality Income Index, Fidelity Emerging Markets Quality Income Index, Fidelity Europe Quality Income Index and Fidelity U.S. Quality Income Index (collectively, “the indices”). The indices are owned by Fidelity Product Services LLC, doing business as Fidelity Investments (“FPS” or “Fidelity”). S&P DJI is reopening this [consultation](#) in order to provide additional impact analysis and seek additional feedback from market participants.

## IMPACT ANALYSIS

The hypothetical impact analysis and statistics apply the proposed consultation rules to the February 2023 index annual reconstitution data, using an observation date of February 20, 2023, and a rebalancing effective date of February 20, 2023. The analysis was performed on March 4, 2023. The table below shows the indices impacted by a given proposed change. The full hypothetical impact analysis can be found [here](#).

Index	Business Activity/Controversy Rating Exclusions	Data Availability Exclusions
Fidelity U.S. Quality Income Index	x	x
Fidelity Global Quality Income Index	x	x
Fidelity Europe Quality Income Index	x	
Fidelity Emerging Markets Quality Income Index	x	x

\* Data Equates to Missing Business Activities, Controversy Rating, ESG Risk Rating, and Global Standards Screening Data

## IMPLEMENTATION TIMING

S&P DJI is proposing to implement the proposed changes, if adopted, effective prior to the open on **Wednesday, April 26, 2023**.

## QUESTIONS

Please answer the following questions and provide S&P DJI with the reasoning behind your answers:

1. Do you agree with the proposal to add the following business activity exclusions to the methodology of the indices? (Check all that apply)
  - Adult Entertainment
  - Alcohol
  - Pesticides

- Cannabis
  - Gambling
  - Palm Oil
2. Do you agree with the proposal to incorporate the Controversy Rating Criteria into the annual reconstitution process and non-annual monthly rebalance?
  3. Do you agree with the proposal for the treatment of Missing Business Activities, Controversy Rating, ESG Risk Rating, and Global Standards Screening Data?
  4. Do you agree with the proposal to incorporate ESG Risk Ratings Exposure Criteria into the annual reconstitution process?
  5. Do you agree with the proposal to incorporate Sustainable Exposure Criteria into the annual reconstitution process?
  6. Should any of the proposed changes be adopted, do you agree with S&P DJI's proposal to implement the changes effective prior to the open on Wednesday, April 26, 2023?
  7. Do you have any other comments or feedback regarding the proposed changes outlined above?

Your participation in this consultation is important as we gather information from various market participants in order to properly evaluate your views and preferences. Please respond to this survey by 2:00 pm CET on **April 24, 2023**. After this date, S&P DJI will no longer accept survey responses. Prior to the Index Committee's final review, S&P DJI may request clarifications from respondents as part of that review.

To participate in this consultation, please visit the online survey available [here](#).

For further information about this consultation, please contact S&P Dow Jones Indices at [SPDJ\\_Index\\_Governance@spglobal.com](mailto:SPDJ_Index_Governance@spglobal.com).

*Please be advised that all comments from this consultation will be reviewed and considered before a final decision is made; however, S&P DJI makes no guarantees or is under any obligation to comply with any of the responses. The survey may result in no changes or outcome of any kind. If S&P DJI decides to change the index methodology, an announcement will be posted on our website.*

Thank you for taking the time to complete this survey.

For more information about S&P Dow Jones Indices, please visit [www.spglobal.com/spdji](http://www.spglobal.com/spdji).

## ABOUT S&P DOW JONES INDICES

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500<sup>®</sup> and the Dow Jones Industrial Average<sup>®</sup>. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has been innovating and developing indices across the spectrum of asset classes helping to define the way investors measure and trade the markets.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies and governments to make decisions with confidence. For more information, visit [www.spglobal.com/spdji](http://www.spglobal.com/spdji).

## FOR MORE INFORMATION:

### CONSULTATION

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