

FSBD

Fidelity Sustainable Core Plus Bond ETF

Fund Description

FSBD is an actively managed fund that invests in a broad array of global debt securities that exhibit positive environmental, social, and governance characteristics.

FactSet Analyst Report

FSBD is a core bond fund that utilizes a combination of traditional credit analysis and ESG screening. The fund actively selects global fixed income securities of varying maturities and credit qualities, with up to 20% of its net assets allocated to high-yield bonds. Using a data-driven framework, each eligible bonds ESG trait is assessed based on three main factors: 1) the sustainability practices of the securitys issuer, 2) ESG factors related to the securitys underlying pool of assets, and 3) any third-party designation as a green, sustainable or sustainability-linked bond. An exclusionary screen is also applied to remove issuers engaged in controversial industries. In addition, the issuers alignment with the United Nations Sustainable Development Goals is also considered. Constituents are further screened based on credit quality, currency, economic risks, security-specific features, current and potential future valuation, as well as trading opportunities.

