
Fidelity extends ESG lineup

By Editorial Staff *Thu, Jul 5, 2018*

Fidelity also became a signatory of the United Nations-supported Principles for Responsible Investment (PRI) and created an ESG Office in its Asset Management division.

Fidelity Investments has added a Fidelity Sustainability Bond Index Fund to its lineup of sustainability-focused index funds. Alongside the existing U.S. Sustainability Index Fund and International Sustainability Index Fund, Fidelity now offers environmental, social and governance (ESG) index mutual funds in every major asset class.

The new sustainability bond index fund is available directly to individual investors, third-party financial advisors and workplace retirement plans. The share classes are offered at total net expense ratios of 20 basis points a year for the Investor Class, 13 basis points for the Premium Class and 10 basis points for the Institutional Class.

In addition to those three sustainability index funds, Fidelity's ESG investment offerings include an actively managed mutual fund (Fidelity Select Environment & Alternative Energy Portfolio) and Fidelity's FundsNetwork program, which provides access to more than 100 ESG funds.

Of the more than \$285 billion invested in ESG mutual funds and ETFs¹ in the US, approximately \$25 billion are under administration on Fidelity's platform. Eighty-six percent of Millennials express interest in sustainable investing and 90% say they would choose a sustainable investment as a 401(k) plan option, Fidelity said in a release.

In addition to launching the Fidelity U.S. Sustainability Index Fund and Fidelity International Sustainability Index Fund in 2017, Fidelity also became a signatory of the United Nations-supported Principles for Responsible Investment (PRI) and created an ESG Office in its Asset Management division to further the integration of ESG considerations into investing practices.

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