

LUX IM – ALLIANCEBERNSTEIN US GROWTH

Sustainability-related disclosures required for Article 8 financial products under the Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector

Preamble

LUX IM –ALLIANCEBERNSTEIN US GROWTH (“the Sub-fund”) promotes the following environmental and/or social characteristics (“E/S Characteristics”):

- ESG Integration: When making investment decisions, including the ongoing assessment and monitoring of the Sub-fund’s holdings, the Investment Manager uses fundamental research to assess target issuers. As an example, the Investment Manager may research carbon emissions of a company or issuer. Fundamental research includes the consideration of ESG Factors, meaning the Investment Manager will assess ESG Factors for a target issuer at every stage of the investment decision-making process. This includes ESG scoring of equity securities.
- Engagement: The Investment Manager encourages issuers to undertake actions that may promote better outcomes for environmental and social objectives as well as benefits to financial outcomes of the issuer and/or the Sub-fund. As an example, the Investment Manager may engage with issuer management on topics linked to diversity and inclusion.
- Exclusions: The Sub-fund excludes investments in certain sectors.

The Sub-fund does not invest in issuers that qualify as sustainable investment in accordance with Article 2 (17) of Regulation (EU) 2019/2088 (“SFDR”).

The Sub-fund is not considering the EU criteria for environmentally sustainable economic activities as defined under the EU Taxonomy Regulation to determine the attainment of the sustainable environmental or social characteristics that it promotes.

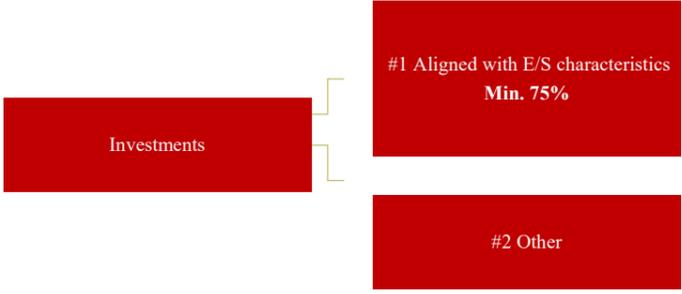
At least 75% of the financial product’s assets are planned to be ESG aligned.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-fund.

Sustainable Finance Disclosure Regulation Level 2 – Website Disclosure

Section	Regulatory Requirements	Disclosure
Summary Article 25 – SFDR II	<p>In the website section ‘Summary’ referred to in Article 24, point (a), financial market participants shall summarise all the information contained in the different sections referred to in that Article about the financial products that promote environmental or social characteristics. The summary section shall have a maximum length of two sides of A4-sized paper when printed.</p>	<p>Please refer to the standardized 2 pager summary https://www.bgfml.lu/site/en/home/sustainable.html</p>
	<p>The website section ‘Summary’ referred to in Article 24, point (a), shall be provided in at least the following languages:</p> <p>(a) one of the official languages of the home Member State and, where different and where the financial product is made available in more than one Member State, in an additional language customary in the sphere of international finance;</p> <p>(b) where the financial product is made available in a host Member State, one of the official languages of that host Member State.</p>	
No sustainable investment objective Article 26 – SFDR L2	<p>In the website section ‘No sustainable investment objective’ referred to in Article 24, point (b), financial market participants shall insert the following statement: “This financial product promotes environmental or social characteristics but does not have as its objective sustainable investment.”</p>	<p>This financial product promotes environmental or social characteristics but does not have as its objective sustainable investment.</p>
	<p>Where the financial product commits to making one or more sustainable investments, financial market participants shall in the website section ‘No sustainable investment objective’ referred to in Article 24, point (b), explain how the sustainable investment does not significantly harm any of the sustainable investment objectives, including all of the following:</p>	
	<ul style="list-style-type: none"> ▪ how the indicators for adverse impacts in Table 1 of Annex I, and any relevant indicators in Tables 2 and 3 of that Annex I, are taken into account; ▪ whether the sustainable investment is aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. 	
Environmental or social characteristics of the financial product Article 27 – SFDR L2	<p>In the website section ‘Environmental or social characteristics of the financial product’ referred to in Article 24, point (c), financial market participants shall describe the environmental or social characteristics that the financial products promotes.</p>	<p>The Sub-fund promotes the following environmental and/or social characteristics (“E/S Characteristics”):</p> <ul style="list-style-type: none"> - ESG Integration: When making investment decisions, including the ongoing assessment and monitoring of the Sub-fund’s holdings, the Investment Manager uses fundamental research to assess target issuers. As an example, the Investment Manager may research carbon emissions of a company or issuer. Fundamental research includes the consideration of ESG Factors, meaning the Investment Manager will assess ESG Factors for a target issuer at every stage of the investment decision-making process. This includes ESG scoring of equity securities. - Engagement: The Investment Manager encourages issuers to undertake actions that may promote better outcomes for environmental and social objectives as

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		<p>well as benefits to financial outcomes of the issuer and/or the Sub-fund. As an example, the Investment Manager may engage with issuer management on topics linked to diversity and inclusion.</p> <p>- Exclusions: The Sub-fund excludes investments in certain sectors.</p>
<p>Investment strategy</p> <p>Article 28 – SFDR L2</p>	<p>In the website section ‘Investment strategy’ referred to in Article 24, point (d), financial market participants shall describe all of the following:</p> <ul style="list-style-type: none"> ▪ the investment strategy used to meet the environmental or social characteristics promoted by the financial product; ▪ the policy to assess good governance practices of the investee companies, including with respect to sound management structures, employee relations, remuneration of staff and tax compliance. 	<p>The objective of the Sub-fund is to provide capital growth with attractive risk-adjusted returns over the long term through an exposure to US mid-to-large-capitalisation companies.</p> <p>The portfolio construction process will follow a disciplined and fundamental bottom-up investment research approach, leading to a high-conviction portfolio of expected long-term growth securities. In doing so, the Investment Manager will typically seek to identify companies exhibiting a high potential of persistent growth and attractive long term fundamental performance.</p> <p>Target investments are subject to the following exclusions, in order to assess their eligibility for investment by the Sub-fund and thus to measure the attainment of the pursued environmental and social characteristics.</p> <p>Exclusion of target issuers that:</p> <ul style="list-style-type: none"> ▪ are involved in severe controversies, including the ones related to the infringement of one or more of the ten principles of the United Nations Global Compact and/or of the OECD Guidelines; ▪ are involved in specific activities (according to specific thresholds applied to the revenues deriving from such activities). <p>The Investment Manager has developed a proprietary Good Governance Policy using a combination of external and internal data sources along with assessments or scoring based on specific governance criteria, including sound management structures, employee relations, remuneration of staff and tax compliance. The specific governance indicators include UN Global Compact principles and controversies related to the governance criteria. The foregoing Good Governance Policy is subject to, and dependent on, available data.</p>
<p>Proportion of investments</p> <p>Article 29 – SFDR L2</p>	<p>In the website section ‘Proportion of investments’ referred to in Article 24, point (e), financial market participants shall insert the information referred to in Article 14 and shall distinguish between direct exposures in investee entities and all other types of exposures to those entities.</p>	<p>The Sub-fund will invest at least 75% of its net assets to investments that are aligned to the promoted environmental and social characteristics. All numbers are shown based on normal market conditions and based on the average holdings of each month end for the fiscal year. The Sub-fund will publish information regarding the percentage of net assets that promote E/S Characteristics in the annual report of the SICAV.</p>

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		 <p>#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.</p> <p># 2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.</p>
<p>Monitoring of environmental or social characteristics</p> <p>Article 30 – SFDR L2</p>	<p>In the website section ‘Monitoring of environmental or social characteristics’ referred to in Article 24, point (f), financial market participants shall describe how the environmental or social characteristics promoted by the financial product and the sustainability indicators used to measure the attainment of each of those environmental or social characteristics promoted by the financial product are monitored throughout the lifecycle of the financial product and the related internal or external control mechanisms.</p>	<p>The Sub-fund promotes E/S Characteristics by holding securities that the Investment Manager believes promote E/S Characteristics. A security may be deemed to promote one or more E/S Characteristics if the following binding elements are satisfied:</p> <ul style="list-style-type: none"> - Documented ESG integration via evidenced ESG research, a minimum ESG score and/or Engagements; - The issuer of the security follows good governance practices according to the Investment Manager’s Good Governance Policy; and - The Sub-fund’s investment exclusions are met. <p>Target investments are subject to the following exclusions, in order to assess their eligibility for investment by the Sub-fund and thus to measure the attainment of the pursued environmental and social characteristics.</p> <p>Exclusion of target issuers that:</p> <ul style="list-style-type: none"> ▪ are involved in severe controversies, including the ones related to the infringement of one or more of the ten principles of the United Nations Global Compact and/or of the OECD Guidelines; ▪ are involved in specific activities (according to specific thresholds applied to the revenues deriving from such activities): <ul style="list-style-type: none"> o controversial and nuclear weapons; o conventional weapons; o adult entertainment; o coal; o oil sands and oil shale; o tobacco; o gambling; o Cannabis;

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		<ul style="list-style-type: none"> o Private Prisons. <p>PAI consideration</p> <p>The Sub-fund considers the following principal adverse impacts (“PAIs”) indicators:</p> <ul style="list-style-type: none"> • PAI indicator number 10: Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises. • PAI indicator number 14: Exposure to controversial weapons. The Sub-fund excludes controversial weapons.
<p>Methodologies for environmental or social characteristics</p> <p>Article 31 – SFDR L2</p>	<p>In the website section ‘Methodologies for environmental or social characteristics’ referred to in Article 24, point (g), financial market participants shall describe the methodologies to measure how the social or environmental characteristics promoted by the financial product are met.</p>	<p>In order to attain the promoted environmental and social characteristics, the eligibility of target issuers is assessed based on the above-described binding elements.</p> <p>The Investment Manager measures the attainment of E/S Characteristics promoted by the Portfolio through various quantitative and qualitative methodologies including the measurement of documented ESG research, documented ESG engagement, and compliance with relevant investment exclusions and minimum scoring thresholds, subject to satisfactory data and data sourcing.</p> <p>The Investment Manager uses compliance systems to assist the monitoring of the aforementioned information used in the investment process. These systems monitor the Portfolio on both a pre-trade and post-trade basis, and are administered either by the Portfolio Management Group with oversight by others, or by departments independent of portfolio management, such as Investment Manger’s Client Guidelines Management Group.</p>
<p>Data sources and processing</p> <p>Article 32 – SFDR L2</p>	<p>In the website section ‘Data sources and processing’ referred to in Article 24, point (h), financial market participants shall describe all of the following:</p> <ul style="list-style-type: none"> ▪ the data sources used to attain each of the environmental or social characteristics promoted by the financial product; ▪ the measures taken to ensure data quality; ▪ how data are processed; ▪ the proportion of data that are estimated. 	<p>Several data sources are used by the Investment Manager to measure relevant indicators relating to the promotion of E/S Characteristics. The majority of the data sources used are internally sourced, based on fundamental research, and supported by external data, as well from direct due diligence and engagement with individual issuers.</p> <p>In conducting ESG analysis, the Investment Manager places most weight on its analysts’ own proprietary analysis of ESG issues and resulting conclusions. External third-party ESG data is available via Investment Manager’s proprietary screening tools and used as a reference by analysts, but it is rarely the sole basis for an investment decision.</p> <p>Investment teams have access to a range of data services that enable them to supplement their understanding of the ESG characteristics of an issuer or a sector. In order to enhance third-party data, the Investment Manager conducts additional research and seek to identify opportunities to enhance data quality when we see gaps in coverage or when some data is outdated. The Responsible Investing Team continually evaluates its current and new providers to assess whether the Investment Manager is providing Investment Teams with the best possible data and</p>

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		<p>information. Some of these data sets are used to implement investment exclusions and assist in the consideration of relevant PAIs where considered.</p> <p>To augment third-party data and tool sets, the Investment Manager has developed proprietary research and collaboration tools to strengthen ESG and climate research and systematize integration across the firm. The Investment Manager has also created an Alternative Data Dashboard.</p> <p>Depending on the source of information used, data is processed on a regular basis. Data is sourced in several ways, some of which are automated data feeds received daily or monthly. Some data points are coded on a pre-trade and/or post-trade basis and are accessible to control functions in order to ensure compliance with investment guidelines.</p>
<p>Limitations to methodologies and data</p> <p>Article 33 – SFDR L2</p>	<p>In the website section ‘Limitations to methodologies and data’ referred to in Article 24, point (i), financial market participants shall describe all of the following:</p> <ul style="list-style-type: none"> any limitations to the methodologies referred to in Article 24, point (g), and to the data sources referred to in Article 24, point (h); 	<p>Proprietary Data: The Investment Manager does not outsource any aspect of its ESG research, integration, engagement, or stewardship activities, meaning that proprietary data and analysis is often the basis for research conclusions. This data and analysis may differ from that provided by third parties. For this reason, several of Investment Manager’s proprietary tools, are used to serve as a “check and balance”.</p> <p>The Investment Manager’s compliance Team periodically reviews internal ESG research and engagement records for quality and quantity.</p> <p>Third Party Data: The Investment Manager sources data from third-party providers to support its research teams in their analysis. Vendor coverage and methodology frequently changes and there may be significant differences in methodology between providers, resulting in different outcomes for similar datapoints.</p> <p>Responsible Investing Team continually evaluates its current and new. Agreements with third-party sources are reviewed every three years, and AB’s active working relationships with these organisations provide ongoing feedback on the quality and accuracy of data that is received.</p> <p>Where the Investment Manager expectations have not been met by third-party data providers, the Investment Manager provides timely and actionable feedback and requests to fully understand the relevant methodologies and proposes solutions to improve or augment those methodologies. Market Data Team also acts as an escalation point for users when vendor issues are encountered.</p> <p>Estimated Data: The Investment Manager conducts rigorous evaluations of data vendors when identifying third-party data sets to support analysis. However, there are occasions where third party data coverage is limited and inadequate for the specific use case across the investible universe and associated benchmarks. On such occasions of inadequate data coverage, the Investment Manager may use estimated data to support meaningful analysis at portfolio and benchmark levels. The Investment Manager may employ one of several statistical methods to fill gaps as best as possible.</p>

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	<ul style="list-style-type: none"> how such limitations do not affect how the environmental or social characteristics promoted by the financial product are met. 	<p>The Investment Manager’s frameworks for identifying securities that are deemed to promote E/S Characteristics use both proprietary and third-party data. Where there are limitations to methodologies or data, the Investment Manager may use alternative data sources, conduct further research, or engage with the issuer in question to ensure that it meets the standards of the investment framework. ESG research conclusions will have documented and demonstrable alternative data and/or research to ensure the issuer satisfies the requirements of the framework. Where there are limitations in data, and subsequent analysis fails to clarify that an issuer follows good governance practices, then the issuer in question will not be eligible for investment until this limitation is satisfactorily met.</p> <p>Based on the details above, there is no material effect on the attainment of the environmental or social characteristics promoted by the Sub-fund identified.</p>
<p>Due Diligence Article 34 – SFDR L2</p>	<p>In the website section ‘Due diligence’ referred to in Article 24, point (j), financial market participants shall describe the due diligence carried out on the underlying assets of the financial product, including the internal and external controls on that due diligence.</p>	<p>In order to qualify for initial investment, the investments must comply with the binding elements applied by the Sub-fund. This compliance has to be ensured by the Investment Manager through pre-trade compliance mechanism in place.</p>
<p>Engagement policies Article 35 – SFDR L2</p>	<p>In the website section ‘Engagement policies’ referred to in Article 24, point (k), financial market participants shall describe the engagement policies implemented where engagement is part of the environmental or social investment strategy, including any management procedures applicable to sustainability-related controversies in investee companies.</p>	<p>As part of the investment process for this Portfolio, the Investment Manager engages with issues on a variety of topics for both gaining insights on the issuer and encouraging action that the Investment Manager believes will benefit its clients as shareholders.</p> <p>With respect to engagement on ESG issues, the Investment Manager encourages issuers to undertake actions that may promote better outcomes for environmental, social, and governance objectives as well as benefits to the financial outcomes of the issuer and/or the Portfolio.</p> <p>Engagements are undertaken for two reasons: to generate research insights (e.g., to learn more about an issuer’s corporate strategies and competitive positioning) or for action (e.g., to encourage issuers to better address material risks or take advantage of opportunities, in clients’ best interests). This active engagement helps promote environmental and social advancement, creates long-term issuer value, and maintains the investment alignment to environmental and social characteristics.</p>
<p>Designated reference benchmark – Optional Article 36 – SFDR L2</p>	<p>In the website section ‘Designated reference benchmark’ referred to in Article 24, point (l), financial market participants shall describe whether an index has been designated as a reference benchmark to meet the environmental or social characteristics promoted by the financial product, and how that index is aligned with the environmental or social characteristics promoted by the financial product, including the input data, the methodologies used to select those data, the rebalancing methodologies and how the index is calculated.</p>	<p>No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-fund.</p>