

LUX IM – ALLIANCEBERNSTEIN US GROWTH (“Sub-fund”)

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

Section	Disclosure
No sustainable investment objective	The Sub-fund promotes environmental or social characteristics, but does not have as its objective sustainable investment.
Environmental or social characteristics of the financial product	<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 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.
Investment strategy	<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: 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> <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>
Proportion of investments	<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> <div style="text-align: center;"> </div> <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. # 2 Other 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>
Monitoring of environmental or social characteristics	<p>In order to attain the promoted environmental and social characteristics, the eligibility of target issuers is assessed based on the following binding elements:</p> <ul style="list-style-type: none"> ▪ ESG integration and engagement (evidenced ESG research, minimum ESG score and/or engagements) ▪ Adherence to good governance practices according to the Investment Manager’s Good Governance Policy ▪ Exclusions of target issuers that are involved in severe controversies and specific activities, e.g. controversial and nuclear weapons; conventional weapons; adult entertainment; coal; tobacco; gambling; oil sands and oil shale; cannabis and private prisons) ▪ PAI consideration

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Methodologies for environmental or social characteristics	<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 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.</p>
Data sources and processing	<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>
Limitations to methodologies and data	<p>Considering the above detailed investment methodology as well as the data sources, the limitations to the attainment of the promoted environmental and social characteristics, are deemed non-material.</p>
Due Diligence	<p>In order to qualify for initial investment, the target 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>
Engagement Policies	<p>The Investment Manager fulfils this duty by engaging with the companies in which they invest. These stewardship activities give the Investment Manager the opportunity to guide companies in which they invest toward better ESG practices.</p>
Designated reference benchmark	<p>No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-fund.</p>