

3/ Pre-contractual disclosure template (Article 8 SFDR)

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name:**  
SSP / M – (ABE) US Equity

**Legal entity identifier:**  
213800DZMWS4N6A8QG55

## Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

**Yes**   **x No**

It will make a minimum of **sustainable investments with an environmental objective**: \_\_\_%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It will make a minimum of **sustainable investments with a social objective**: \_\_\_%

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promotes E/S characteristics, but **will not make sustainable investments**



### What environmental and/or social characteristics are promoted by this financial product?

The environmental and/or social characteristics (“**E/S Characteristics**”) promoted by the Sub-Fund include:

- 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 part of the AB Stewardship Approach, 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.
- Exclusions listed out in the Prospectus. The Sub-Fund excludes investments in certain sectors as further outlined in the Prospectus.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Principal adverse impact** are the most significant negative impacts of investment decision on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The Investment Manager measures the attainment of E/S Characteristics promoted through various quantitative and qualitative methodologies including the measurement of documented ESG research, engagement, and relevant investment exclusions, subject to satisfactory data and data sourcing.

This includes, but is not limited to, reviewing, monitoring, and/or measuring the various ESG factors or topics that are considered as part of the various quantitative and qualitative methodologies.

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

Not applicable.

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

Not applicable.

*The EU Taxonomy sets out a ‘do not significant harm’ principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The ‘do not significant harm’ principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### Does this financial product consider principal adverse impacts on sustainability factors?

Yes

The Sub-Fund considers the principal adverse impacts (PAIs) through the following:

- Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises (#10)
- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (#11)
- Exposure to controversial weapons (#14)

For PAIs 10 and 11, the Investment Manager monitors for breaches of the UN Global Compact principles for securities held by a portfolio and for any breach, the Investment Manager will undertake additional research to clarify the breach and make a determination whether the security should remain in the Sub-Fund's investible universe.

For PAI 14, the Sub-Fund excludes controversial weapons.

The specific PAI indicators that are taken into consideration may evolve over time. Additional information on PAIs will be published in the Company's annual report, as required by SFDR Article 11(2).

No



### What investment strategy does this financial product follow?

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

As outlined in the relevant investment policy, the Sub-Fund is actively managed and the Investment Manager uses the AB Stewardship Approach when seeking to achieve the investment objective. Through the AB Stewardship Approach, fundamental research includes a robust ESG integration process, whereby the Investment Manager assesses and incorporates ESG factors in all phases of the investment process.

This Sub-Fund follows AllianceBernstein's Stewardship approach and, when making investment decisions, AllianceBernstein investment teams are expected to consider the impact of material ESG or sustainability factors on those decisions. This assessment involves integrating material ESG issues at applicable steps of the research and investment process and monitoring that material ESG risks and opportunities are appropriately identified, assessed, and incorporated in decisions. AllianceBernstein's Stewardship Statement describes in more detail the process by which AllianceBernstein integrates material ESG factors into applicable steps of its investment decision-making process.

More information on the AB Stewardship Approach can be found at <https://www.alliancebernstein.com/content/dam/corporate/corporate-pdfs/ab-global-stewardship-statement-and-report.pdf>

More information on the Sub-Fund's investment objective and investment strategy can be found in the Sub-Fund's investment policy in the Prospectus.

#### ● **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

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:

- Documented ESG integration via evidenced ESG research and engagements.
- The issuer of the security follows good governance practices according to the Investment Manager's good

governance policy (the “Good Governance Policy”); and

- The Sub-Fund’s investment exclusions are met.
- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

Not applicable.

- **What is the policy to assess good governance practices of the investee companies?**

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.

**Good governance practices** include sound management structures, employees’ relations, remuneration of staff and tax compliance.



**What is the asset allocation planned for this financial product?**

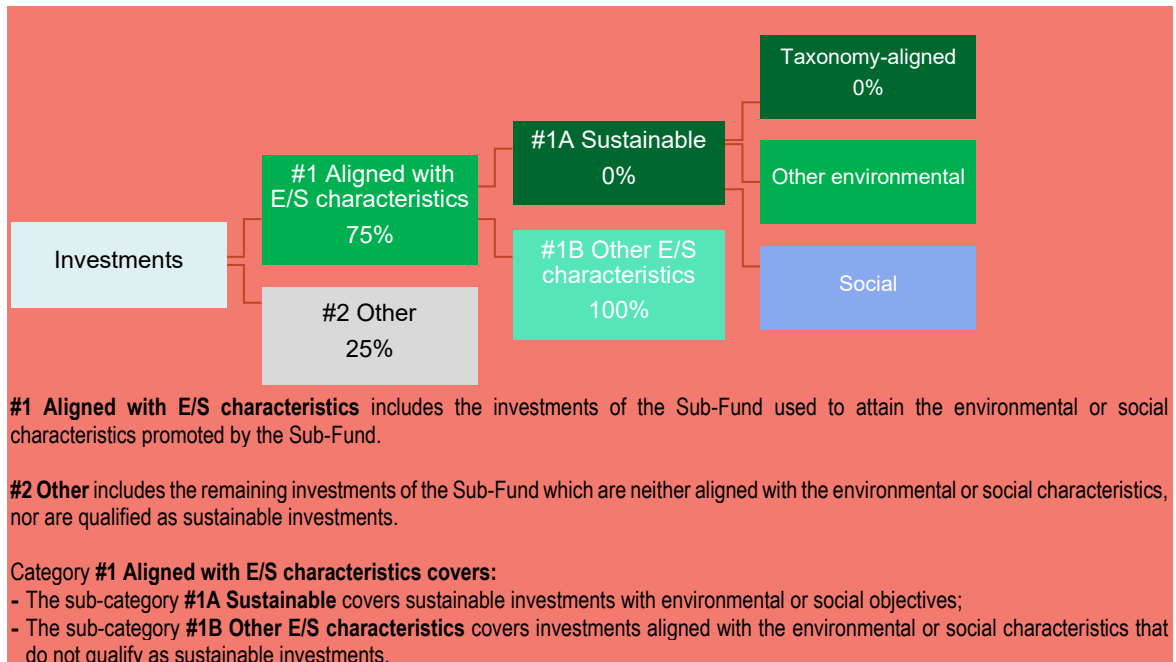
A minimum of 75% of the investments of the Sub-Fund are used to meet the environmental or social characteristics promoted by the Sub-Fund. All numbers are shown based on normal market conditions and are based on the average holdings of each month end for the fiscal year. The Sub-Fund will publish information regarding the percentage of net assets that promote E/S Characteristics in the Company’s annual report.

The allocation of pocket #2 Other will be made up to a maximum of 25%.

**Asset allocation** describes the share of investments in specific assets.

**Taxonomy-aligned activities** are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

The Sub-Fund may use derivatives for hedging, efficient portfolio management, and other investment purposes. For derivatives used for other investment purposes; exposure may be to securities that are deemed to promote E/S characteristics.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Not applicable.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

Yes

In fossil gas

In nuclear energy

No

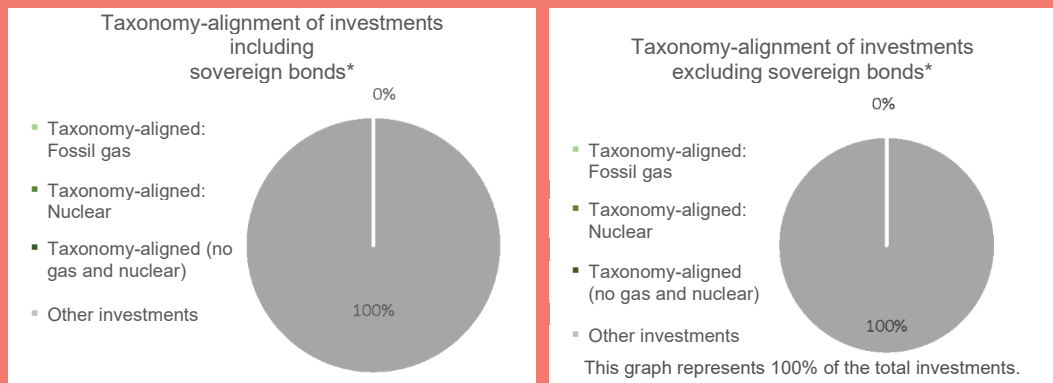
<sup>1</sup>Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the Sub-Fund including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the Sub-Fund other than sovereign bonds.



● **What is the minimum share of investments in transitional and enabling activities?**

Not applicable.

 Are environmentally sustainable investments that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy



● **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

Not applicable.



● **What is the minimum share of socially sustainable investments?**

Not applicable.



● **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

This includes:

- Securities that the Investment Manager believes can be held by the Sub-Fund in order to achieve its investment objective but are not deemed to promote E/S characteristics, as outlined above, subject to satisfaction of the Investment Manager's Good Governance Policy.
- Cash and cash-equivalents held as liquidity, risk management purposes, or collateral management purposes.
- Derivatives used for the purposes outlined in the investment policy of the Sub-Fund in the Prospectus. Exposure to securities that promote E/S characteristics will be captured in #1 Aligned with E/S Characteristics.

For these assets, there are no minimum environmental or social safeguards.



● **Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

Not applicable.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote



● **Where can I find more product specific information online?**

<https://www.ofi-invest-lux.com/fund/ssp-m-abe-u-s-equity-class-o-c-usd/LU0955077432>