Template pre-contractual disclosure for financial products referred to in Article 8 of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

# Product name: Select US Equity Portfolio Legal entity identifier: 549300FQVZ8YHFZBN041 

## Environmental and/or social characteristics

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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?


It will make a minimum of sustainable investments with a social objective $\qquad$ _\%

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

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

The environmental and/or social characteristics ("E/S Characteristics") promoted by the Portfolio include:

- ESG Integration. When making investment decisions, including the ongoing assessment and monitoring of the Portfolio's holdings, $A B$ uses fundamental research to assess target issuers. As part of the $A B$ Stewardship Approach, fundamental research includes the consideration of ESG Factors, meaning AB 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. AB 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 Portfolio.
- Exclusions listed out in the Prospectus. The Portfolio excludes investments in certain sectors as further outlined in the Prospectus.
More information on these characteristics can be found in AB's Sustainability-Related Disclosures www.alliancebernstein.com/ go/EQ8webdisclosures and more information on the AB Stewardship Approach can be found at www.alliancebernstein.com/ go/ABGlobalStewardship

What sustainability indicators are used to measure the attainment of each of the
environmental or social characteristics promoted by this financial product?
$A B$ 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.
More information on these indicators can be found in AB's Sustainability-Related Disclosures www.alliancebernstein. com/go/EQ8webdisclosures

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?
N/A

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

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? N/A

How have the indicators for adverse impacts on sustainability factors been taken into account?
N/A

## How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details: N/A

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?

$\checkmark$ Yes, the Portfolio considers the following PAIs:

- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (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 PAls 10 and 11, AB monitors for breaches of the UN Global Compact principles for securities held by a Portfolio and for any breach, AB will undertake additional research to clarify the breach and make a determination whether the security should remain in the Portfolio's investible universe.
For PAI 14, the Portfolio excludes controversial weapons.
The specific PAI indicators that are taken into consideration may evolve over time. Additional information on PAls will be published in the Fund's annual report, as required by SFDR Article 11(2).No

## What investment strategy does this financial product follow?

As outlined in the relevant Portfolio Description, the Portfolio is actively managed and $A B$ uses the $A B$ Stewardship Approach when seeking to achieve the investment objective. Through the AB Stewardship Approach, fundamental research includes a robust ESG integration process, whereby $A B$ assesses and incorporates ESG Factors in all phases of the investment process. More information on the Portfolio's investment objective and investment strategy can be found in the relevant Portfolio Description 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 Portfolio promotes E/S Characteristics by holding securities that AB 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 AB's Good Governance Policy; and


## Good governance

 practices include sound management structures employee relations remuneration of staff and tax compliance- The Portfolio's investment exclusions are met.

More information on ESG integration, ESG research, and engagements can be found in AB's Sustainability-Related Disclosures www.alliancebernstein.com/go/EQ8webdisclosures More information on exclusions used by the Portfolio can be found in the Prospectus. More information on AB's Good Governance Policy can be found below.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?
N/A
What is the policy to assess good governance practices of the investee companies?
$A B$ 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 includes UN Global Compact principles and controversies related to the governance criteria. The foregoing Good Governance Policy is subject to, and dependent on, available data.

What is the asset allocation planned for this financial product?

## Asset allocation

 describes the share of investments in specific assets.\#1 Minimum Aligned with E/S: 75\%
\#2 Maximum Other: 25\% investee companies - capital expenditure (CapEx) showing the green investments made


Based on the Portfolio's net assets. All numbers are shown based on normal market conditions and are be based on the average holdings of each month end for the fiscal year. The Portfolio will publish information regarding the percentage of net assets that promote E/S Characteristics in the Fund's annual report.

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

by investee companies e.g. for a transition to a green economy. - operational expenditure (OpEx) reflecting green operational activities of investee companies.

## 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.are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.

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 Taxonomyalignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy-alignment of investments including sovereign bonds*

100.00\%
$\square$ Taxonomy-aligned $\square$ Other investments
2. Taxonomy-alignment of investments excluding sovereign bonds*


Taxonomy-aligned $\square$ Other investments

* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What is the minimum share of investments in transitional and enabling activities? N/A

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

What is the minimum share of socially sustainable investments?

What investments are included under "\#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

This includes:

- Securities that $A B$ believes can be held by the Portfolio in order to achieve its investment objective but are not deemed to promote E/S Characteristics, as outlined above, subject to satisfaction of AB'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 Portfolio Descriptions 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.


#### Abstract

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

## Where can I find more product specific information online?

