

**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 : AMSelect AB US Equity Growth

Legal Entity Identifier: 2138001GJMEIWSA67K63

## ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS

Did this financial product have a sustainable investment objective?



Yes



No



It made **sustainable investment 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 made **sustainable investments with a social objective** : \_\_\_\_%



It promoted **Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a 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 promoted E/S characteristics, but **did not make any sustainable investments**



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The financial product, managed by AllianceBernstein LP (AB) as the Investment Manager selected by the Management Company, promotes environmental and social characteristics by assessing underlying investments against Environmental, Social, and Governance (ESG) criteria by, *inter alia*, using the AB's ESG internal proprietary methodology and the BNP Paribas Asset Management Responsible Business Conduct (RBC) Policy.

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

- ESG Integration: when making investment decisions, including the ongoing assessment and monitoring of the portfolio's holdings, AB uses fundamental research to assess target issuers. As part of the AB 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.



- Engagement: AB encourages issuers to undertake actions that may promote better outcomes for environmental and/or social objectives as well as benefits to financial outcomes of the issuer and/or the portfolio.
- Exclusions: applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by the BNP Paribas Asset Management RBC Policy.

The financial product has a binding ESG integration approach as part of its investment process through AB's ESG internal proprietary methodology and aims to reduce its environmental footprint, as measured by greenhouse gas intensity, compared to the benchmark (MSCI USA Growth used for performance comparison only).

In addition, the financial product acts in accordance with BNP Paribas Asset Management's ambition to have a sustainability approach for its investments. The financial product complies with the exclusion criteria applied with regard to issuers that are in violation of international norms and convention, or operate in sensitive sectors as defined by the BNP Paribas Asset Management RBC Policy. The financial product promotes better environmental and social outcomes through the exercise of voting rights according to the BNP Paribas Asset Management Stewardship policy, where applicable. The financial product also complies with the BNP Paribas Group's sensitive countries framework, which includes restrictive measures on countries and/or activities considered as being particularly exposed to money laundering and terrorism financing related risks.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

More information on AB's Sustainability-Related Disclosures can be found at: [www.alliancebernstein.com](http://www.alliancebernstein.com) on the BNP Paribas Asset Management RBC Policy at: [Sustainability documents - BNPP AM Corporate English \(bnpparibas-am.com\)](http://Sustainabilitydocuments-BNPPAMCorporateEnglish(bnpparibas-am.com)).

### ● *How did the sustainability indicators perform?*

The following sustainability indicators used to measure the attainment of the environmental and social characteristics promoted by the financial product performed as follow, as at 31.12.2023:

- The percentage of the financial product's portfolio covered by AB's internal Proprietary methodology and its measurement of documented ESG research and engagement: **88.0%**
- The percentage of the financial product's portfolio covered by ESG analysis : **95%**
- The carbon intensity (tons CO2e / \$M Sales) of the financial product's portfolio compared to the one of its benchmark based on AllianceBernstein LP's, the MSCI USA Growth, (based on scope 1 & 2 emissions): **13.0 vs 28.2**

### ● *...and compared to previous periods ?*

As at 31.12.2022, the carbon intensity (tons CO2e / \$M Sales) of the financial product's portfolio compared to the one of its benchmark based on AllianceBernstein LP's, the MSCI USA Growth, (based on scope 1 & 2 emissions) was: **15.1 vs 37.8**

### ● *What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?*

The financial product does not intend to make any sustainable investment.

### ● *How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?*

The financial product does not intend to make any sustainable investment.

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

**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, anti-corruption and anti-bribery matters.

- How were the indicators for adverse impacts on sustainability factors taken into account?  
Not applicable.
- Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:  
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 Union criteria.*

The “do no 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.*



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

The product considers some principal adverse impacts on sustainability factors.

The investment manager applies the BNP Paribas Asset Management RBC policy establishing a common framework across investments and economic activities that help identify industries and behaviours presenting a high risk of adverse impacts, including violation of international norms. As part of this Policy, sector policies provide a tailored approach to identify and prioritize principal adverse impacts (PAI) based on the nature of the economic activity, and in many cases, the geography in which these economic activities take place.

The investment manager applies an internal extra-financial analysis on a minimum of 90% of the assets of the financial product. Outcome of this assessment may impact the valuation models as well as the portfolio construction depending on the severity and materiality of adverse impacts identified. In addition, the average portfolio carbon intensity of the financial product is better than the one of its benchmark, based on the investment manager's internal scoring methodology. The investment manager will favour companies with lower carbon footprint (based on scope 1 & 2 emissions).

Actions to address or mitigate principal adverse sustainability impacts depend on the severity and materiality of these impacts. These actions include the following provisions:

- Exclusion of issuers that are in violation of international norms or conventions and issuers involved in activities presenting an unacceptable risk to society and/or the environment;
- Engagement with issuers with the aim of encouraging them to improve their ESG practices and, thus, mitigate potential adverse impacts;

- In case of equity holdings, voting at Annual General Meetings of companies the financial product is invested in to promote good governance and advance environmental and social issues.

Based on the above approach, and depending on the composition of the financial product's portfolio (i.e. the type of issuer), the financial product considers and addresses or mitigates the following principal adverse impacts (PAI):

Corporate mandatory indicators:

10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

AB considers each PAI as follow:

10. AB monitors for breaches of the UN Global Compact principles for securities held by financial product, and for any breach, AB will undertake additional research and evaluation to define whether a security should remain in the investible universe.
14. The financial product excludes controversial weapons.



## What were the top investments of this financial product?

Largest investments**	Sector	% Assets*	Country**
MICROSOFT CORP	Information Technology	9,43%	United States
UNITEDHEALTH GROUP INC	Health Care	5,20%	United States
VISA INC CLASS A A	Financials	4,96%	United States
ALPHABET INC CLASS C C	Communication Services	4,91%	United States
AMAZON COM INC	Consumer Discretionary	4,45%	United States
NVIDIA CORP	Information Technology	4,15%	United States
MONSTER BEVERAGE CORP	Consumer Staples	3,17%	United States
VERTEX PHARMACEUTICALS INC	Health Care	3,01%	United States
COSTCO WHOLESALE CORP	Consumer Staples	2,94%	United States
INTUITIVE SURGICAL INC	Health Care	2,81%	United States
ZOETIS INC CLASS A A	Health Care	2,72%	United States
FORTINET INC	Information Technology	2,59%	United States
COPART INC	Industrials	2,22%	United States
IDEXX LABORATORIES INC	Health Care	2,22%	United States
ARISTA NETWORKS INC	Information Technology	2,15%	United States

Source of data: BNP Paribas Asset Management, expressed as a quarterly weighted average.

The largest investments are based on official accounting data and are based on the transaction date.

\* Any percentage differences with the financial statement portfolios result from a rounding difference.

\*\* Any difference with the portfolio statements above are coming from the use of different data's sources.

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: from 01.01.2023 to 29.12.2023



## What was the proportion of sustainability-related investments?

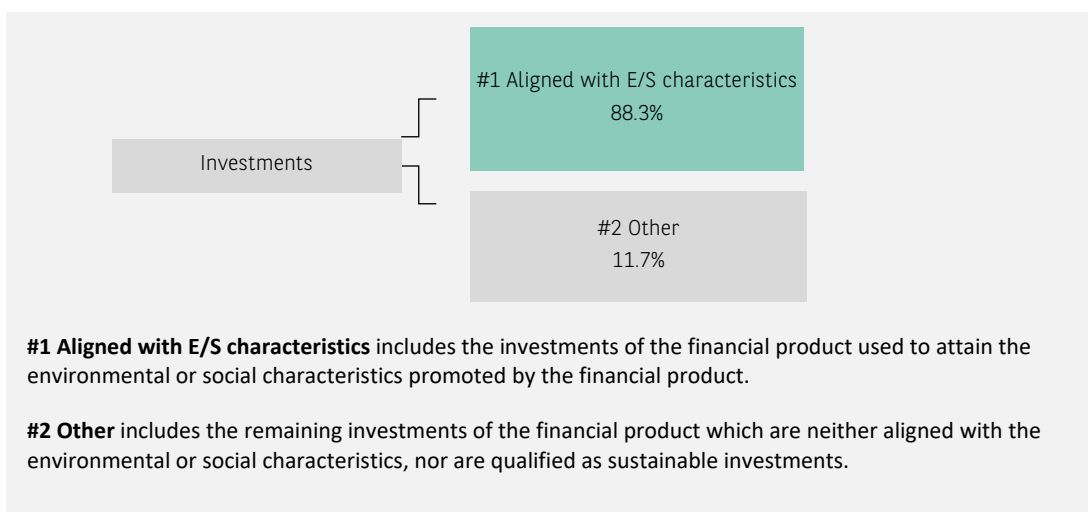
### ● *What was the asset allocation ?*

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

The proportion of the investments of the financial product used to meet the environmental or social characteristics promoted, in accordance with the binding elements of the investment strategy of the financial product is **88.3%**.

The proportion of sustainable investments of the financial product is **0%**.

The remaining proportion of the investments is mainly used as described under the question: " What investments were included under 'other', what was their purpose and were there any minimum environmental or social safeguards?"



### ● *In which economic sectors were the investments made ?*

Sectors	% Asset
Information Technology	34,06%
Health Care	24,27%
Consumer Discretionary	11,58%
Consumer Staples	6,39%
Financials	6,39%
Communication Services	6,28%
Industrials	5,96%
Cash	4,15%
Materials	0,92%

Source of data: BNP Paribas Asset Management, expressed as a quarterly weighted average.  
The largest investments are based on official accounting data and are based on the transaction date.

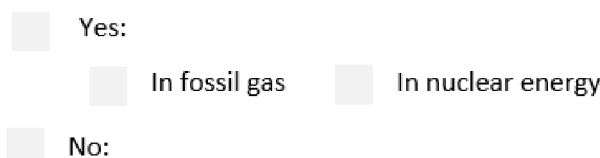


## To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

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.

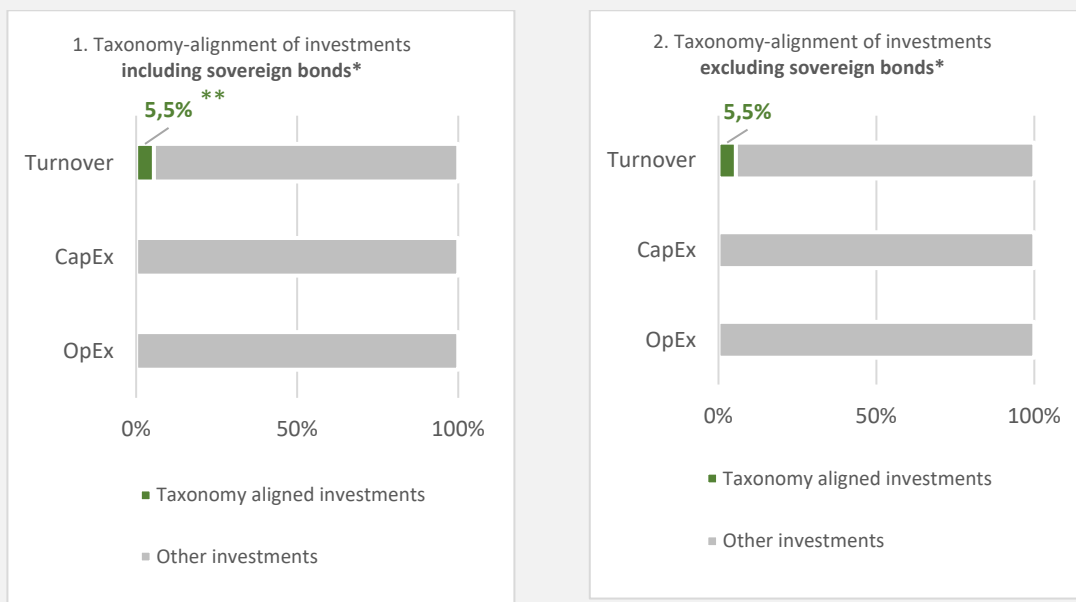
The financial product did not commit itself to having a minimum proportion of sustainable investments with an environmental objective in economic activities that are considered environmentally sustainable within the meaning of the EU Taxonomy, but did do. As at 31.12.2023, the proportion of investment in taxonomy-aligned activities was 5.53%.

### ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy <sup>1</sup>?



As of 31.12.2023, there is no data available on such proportion.

*The graphs below show in green the percentage of investments that were 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 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.*



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

\*\* Real taxonomy aligned


<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.

**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.

- *What was the share of investments made in transitional and enabling activities?*  
The share of investments in transitional and enabling activities within the meaning of the Regulations Taxonomy is 0% for transitional activities and 0% for enabling activities.
- *How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods ?*

Revenue	
2022	0%
2023	0%

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

- **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**  
The share of sustainable investments with an environmental objective that are not aligned with the European Taxonomy Regulation is **0%**.

- **What was the share of socially sustainable investments?**  
Socially sustainable investments represent **0 %** of the financial product.

- **What investments were included under 'other', what was their purpose and were there any minimum environmental or social safeguards?**  
  
The remaining proportion of the investments is used for liquidity, efficient portfolio management, and/or hedging purposes. This includes:
  - Securities that AB believes can be held 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 hedging and/or efficient portfolio management purposes. 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.



- What actions have been taken to meet the environmental and/or social characteristics during the reference period ?**
- The financial product complies with the BNP Paribas RBC Policy by excluding companies involved in controversies due to poor practices related to human and labor rights, environment, and corruption, as well as companies operating in sensitive sectors (tobacco, coal, controversial weapons, asbestos,...), as these companies are deemed to be in violation of international norms, or to cause unacceptable harm to society and/or the environment;



More information on the RBC Policy, and in particular criteria relating to sectoral exclusions, can be found on the website of the investment manager: [Sustainability documents - BNPP AM Corporate English \(bnpparibas-am.com\)](https://www.bnpparibas-am.com/en/sustainability).

- The financial product has at least 90% of its assets covered by an ESG analysis according to AB's ESG internal proprietary methodology.
- The financial product targets a lower relative carbon intensity than its benchmark, the MSCI USA Growth, based on Direct and Indirect emissions (scope 1 and 2 emissions), based on AB's metric (tons CO2e / \$M Sales) calculated through MSCI ESG CarbonMetrics.



## How did this financial product perform compared to the reference benchmark?

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the financial product.

- *How does the reference benchmark differ from a broad market index?*  
Not applicable
- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?*  
Not applicable
- *How did this financial product perform compared with the reference benchmark?*  
Not applicable
- *How did this financial product perform compared with the broad market index?*  
Not applicable

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