



ALLIANCEBERNSTEIN®

September 2023



AB Global Slavery and Human Trafficking Statement and Report

Table of Contents

Reporting Entity: AllianceBernstein and Its Subsidiaries	1
Governance	2
Operations: Our Employees	3
Operations: Our Supply Chain	4
Our Investment Activities	5
Training	14
Industry Participation	15
Measuring Effectiveness	16
Future Plans	17
Appendix	19

Reporting Entity: AllianceBernstein and Its Subsidiaries

AllianceBernstein's (AB's) purpose is to pursue insight that unlocks opportunity. Our mission is to help our clients define and achieve their investment goals, explicitly stating what we do to unlock opportunity for our clients. Because we are an active manager, our differentiated insights can drive our ability to deliver alpha and design innovative investment solutions. For more details on AB's purpose and values, please see our [Responsibility Report](#).

The foundation of our business is high-quality, in-depth research, which we believe can enable us to achieve long-term, sustainable investment success on behalf of our clients. Our global research network spans many disciplines, including economic, fundamental equity and fixed income, and quantitative research. We also have experts focused on multi-asset strategies, wealth management and alternative investments.

As a business and as investors, we're committed to addressing material environmental, social and governance (ESG) issues—both as a corporate citizen and in striving to deliver better outcomes for clients. We foster a culture of diversity, equity and inclusion because different backgrounds and perspectives can lead to better decisions and insights. We've built our business model on a strong risk-aware culture, prudent risk-taking and a robust governance framework that continues to evolve.

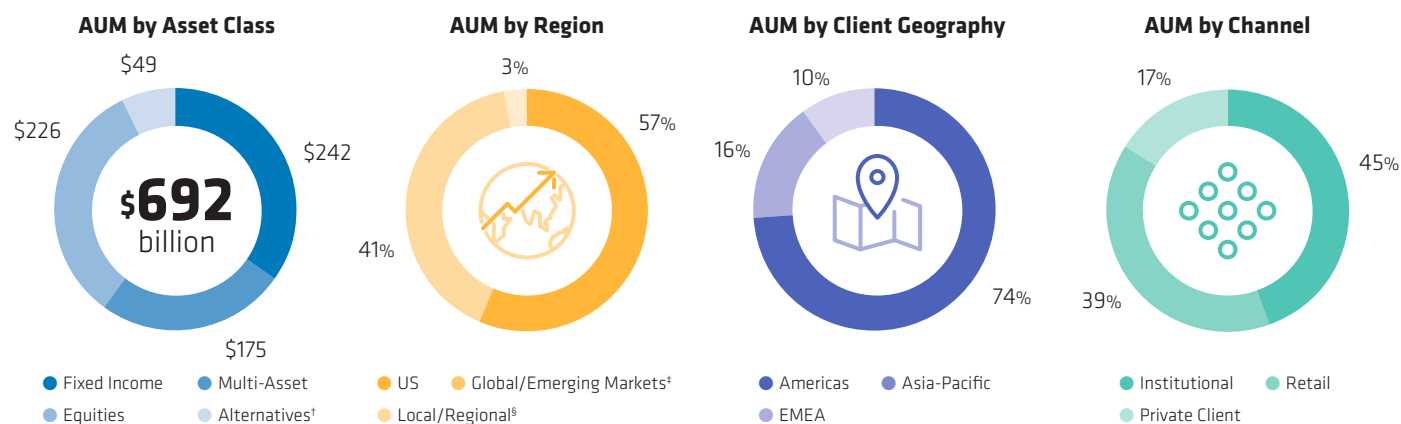
We adhere to and promote a culture of strong professional ethics. And we're dedicated to doing business with the highest standards of honesty and fairness, not only to comply with applicable laws and regulations but also to earn and keep the trust of clients, employees, shareholders, business partners and other stakeholders. We also

have ongoing regard for best practices, including the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the United Nations (UN) Guiding Principles on Business and Human Rights.

AB and our subsidiaries (which we'll collectively refer to as AB, we, our, us and other similar pronouns) are independently operated and majority owned by Equitable Holdings, Inc. We provide research, diversified investment management and related services globally to a broad range of clients through our three distribution channels—Institutions, Retail and Private Wealth Management—as well as our brokerage services, Bernstein Research Services (*Display 1*). As of December 31, 2022, AB managed US\$646 billion on behalf of our clients.

This statement is also made by AllianceBernstein's subsidiaries, including AllianceBernstein Limited, Bernstein Autonomous LLP, AllianceBernstein Preferred Limited, AllianceBernstein Holdings Limited and Sanford C. Bernstein Limited pursuant to Section 54 of the UK Modern Slavery Act 2015 with respect to the financial year ending December 31, 2022, and AllianceBernstein Investment Management Australia Limited ABN 58 007 212 606 pursuant to Section 13 of the Modern Slavery Act 2018 of the Commonwealth of Australia (AMSA). It sets out the steps that AB has taken during the 2022 fiscal year, ending December 31, 2022, to combat and prevent modern slavery and human trafficking in its business and supply chains. This statement covers certain aspects of ABL's and BA's direct operations and certain aspects of our supply chains. This statement also seeks to provide the information that we're required to disclose under Section 16 of AMSA in relation to ABIMAL with respect to the year ending December 31, 2022.

DISPLAY 1: AS OF JUNE 30, 2023, AB MANAGES US\$692 BILLION ON BEHALF OF OUR CLIENTS*



AUM: assets under management. * Numbers may not sum due to rounding. † Alternatives AUM excludes levered capital and does not include uncalled capital commitments. ‡ Global and EAFE services, including those that invest in emerging markets, as well as stand-alone global emerging-market services. § Single-country/regional services outside the US, including single-country/regional emerging-market services. | As of June 30, 2023 | Source: AB

Governance

Board- and Management-Related

Our Chief Responsibility Officer (CRO) oversees firmwide corporate responsibility and responsible investing practices, including integrating material modern slavery considerations into AB's business activities. The CRO is responsible for reporting on these activities, which may include identifying and managing modern slavery risk, to AB's Board of Directors, including our Chief Executive Officer (CEO) and AB's Audit and Risk Committee of the Board.

AllianceBernstein Limited Partnership's Board of Directors and local boards for our UK and Australian entities formally review and approve our annual Global Slavery and Human Trafficking Statement before it's published.

Investment-Related

Our investors—chief investment officers, portfolio managers and fundamental research analysts—are at the heart of our responsible investing practices and help us integrate ESG investment risks and opportunities into the investment process for most of our actively managed strategies.

We are currently rolling out an assessment of modern slavery risks throughout many of our actively managed equity portfolios, taking a risk-based approach.

The Responsibility Steering Committee, chaired by our CRO, serves as an advisory council to the Responsibility team. This committee, which meets quarterly, comprises senior professionals from across AB, giving different businesses within the firm an opportunity to shape AB's approach.

Our Proxy Voting and Governance Committee includes senior representatives from our equity and fixed-income investment teams, Responsibility team, Operations department and Legal & Compliance department. Through constructive debate, they establish our [Proxy Voting and Governance Policy](#), oversee proxy-voting activities and

provide formal oversight of the proxy-voting process. They also ensure that our proxy policies and procedures capture our latest thinking, formulate AB's position on new proposals and consult on votes that are contentious or not covered by our policy. Our proxy-voting process may also consider ESG issues such as modern slavery and human rights, as well as other factors, when a vote may affect the valuation and performance of an issuer's securities.

The Controversial Investments Advisory Council includes senior representatives from across AB and is co-chaired by our CEO and CRO. The council provides a forum for discussing and debating emerging issues such as modern slavery, related international norms—including, but not limited to, the OECD Guidelines for Multinational Enterprises and UN Global Compact (UNGC)—and private prisons. The council discussion may inform specific investment decisions and/or help establish AB policy in these areas.

The ESG Governance Committee reviews, analyzes and makes determinations regarding ESG-related regulations that affect AB's global business, including product oversight.

Operations-Related

AB's Risk Management team oversees AB's operational- and investment-related risks, ensuring that the firm has effective operational processes to manage client investment portfolios and the firm's corporate activities. Our Vendor Risk Management Committee, which is a subset of our risk-management efforts, provides firmwide oversight of our firm's critical and material vendor¹ relationships. The committee sets the requirement for review of modern slavery risk as part of vendor oversight, and it is also a point of escalation for Vendor Relationship Managers (VRMs) who have a concern about modern slavery risk in a vendor relationship they manage. The committee also sets training requirements for VRMs, which includes training on modern slavery.

¹ "Vendors" are AB's third-party suppliers.

Operations: Our Employees

As both investors and a business, we identify potential risks in our portfolio companies and in our own operations. When considering our business's exposure to vulnerable populations, high-risk geographies, high-risk products and services, and high-risk business models, we believe that our operations would be deemed low risk, based on our analysis of the asset-management industry.

We adhere to a [Code of Business Conduct and Ethics](#), which summarizes our values, ethical standards and commitment to addressing potential conflicts of interest that arise from our activities. Each employee is apprised of the [Code of Business Conduct and Ethics](#) when employment begins. Additionally, each employee must certify compliance with the code and undergo training annually.

As an equal opportunity employer, we do not discriminate against current or potential employees on the basis of age, race, nationality, ethnic origin, gender, sexual orientation, religion, marital status or disability.

In 2022, for the seventh consecutive year, AB received a score of 100% on the Human Rights Campaign Foundation's 2022 Corporate Equality Index, the foremost benchmarking survey and report that measures corporate policies and practices related to LGBTQ+ workplace equality in the US.

Employees may raise concerns regarding modern slavery across a variety of official reporting channels, including our incident escalation hotline and other formal reporting channels, such as the Legal & Compliance or People divisions. AB also has a Whistleblowing Policy, and all employees have access to the appropriate policies via our intranet.



Separate and apart from these reporting channels, the AB Ombuds Office serves as an independent and off-the-record resource for raising work-related concerns. Our Ombuds is a neutral and independent third party who offers informal, confidential assistance to AB employees, as well as to consultants and on-premises vendor staff (including, but not limited to, janitorial and catering staff) regarding issues related to their work at AB, including modern slavery. The Ombuds Office provides a way to raise and address work-related concerns safely and anonymously. Consistent with these principles, the Ombuds is not authorized to accept notice of claims against AB, and notice will not be imputed.

AB encourages employees to share their concerns in the forum they find most appropriate, without fear of retaliation or reprisal.

Operations: Our Supply Chain

We purchase products and services from third-party vendors to conduct business operations and deliver on the expectations and requirements of our clients and business partners. These products and services include, but are not limited to, information technology, financial services data and professional services.

We maintain a formal [Vendor Code of Conduct](#) that outlines both our expectations of our vendors generally and our expectation that vendors comply with applicable laws, rules and regulations, which may include modern slavery or human-trafficking laws or regulations.

Vendor Risk Analysis

We assess our business relationships with vendors, using a risk-based approach. Due diligence questionnaires are sent annually to vendors deemed to be critical or material to the functioning of AB's operations, and their responses are reviewed for potential business

risks. The questionnaires cover several topics, including modern slavery. In 2022, and in alignment with AB's research best practices, vendors were asked:

1. Does your company have a human rights policy or written statement on modern slavery and human trafficking?
2. Does your company have a Vendor Code of Conduct that includes modern slavery and a labor-related policy?
3. Does your company perform due diligence of your vendors or other counterparties related to human rights or modern slavery?

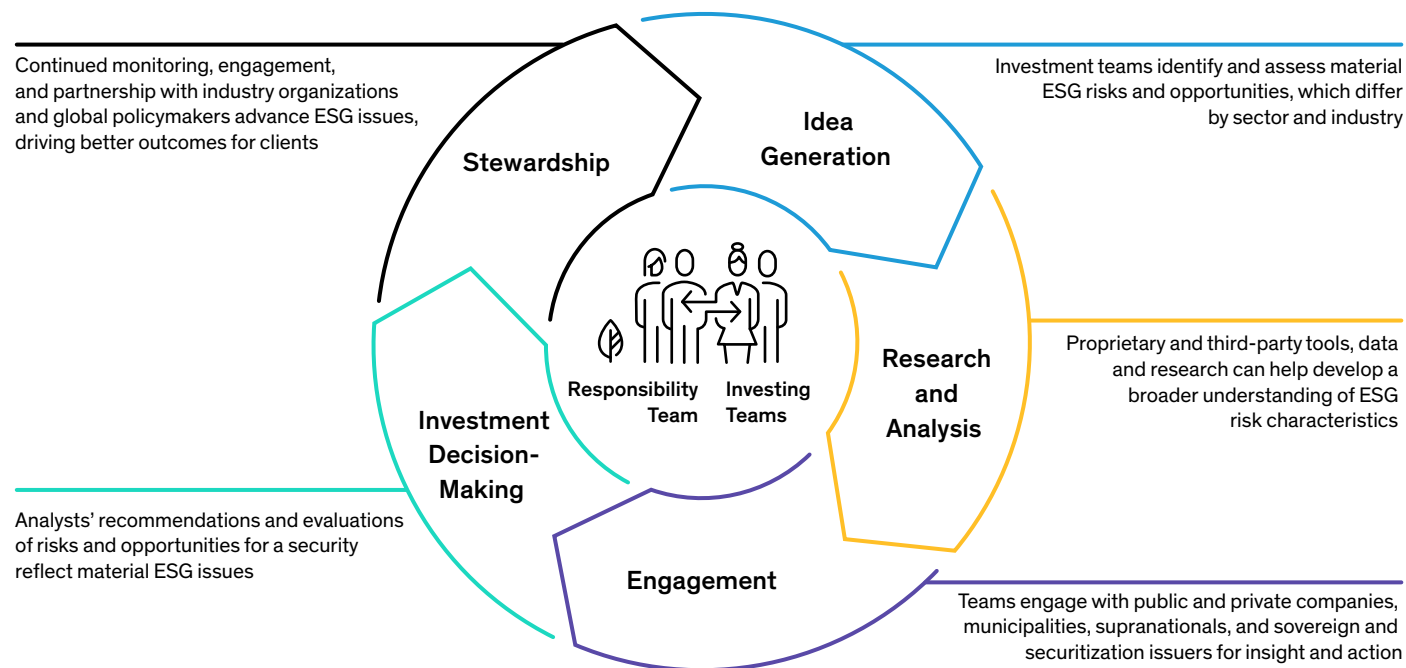
Using their answers—as well as geography and industry—vendors' responses were categorized as low risk, medium risk and high risk. AB has finalized its 2022 vendor risk assessment and will work to enhance its vendor-management processes to mitigate modern slavery risks.

Our Investment Activities

Evaluating ESG investment risks related to human rights and modern slavery can be important in forming insights and in presenting potential risks and opportunities that can impact the performance of the companies and issuers in which we invest and the portfolios we build. Our [Global Stewardship Statement](#) outlines our policy on responsible investing and ESG integration, engagement and voting.

We integrate material ESG risks and opportunities, which can include human rights risks, throughout most of our actively managed investment strategies. Because ESG issues can affect investment performance, thinking broadly and deeply about these issues can assist our analysts and investment teams to better identify and quantify material risks and opportunities for specific issuers and help create better financial outcomes for our clients (*Display 2*).

DISPLAY 2: ESG INTEGRATION THROUGHOUT THE INVESTMENT PROCESS



Source: AB

Idea Generation: Tools and Data

As a fundamental active manager, research is an essential part of our process. We equip our investors with high-quality tools and data to improve their ESG integration and investment decision-making processes. These tools are used to support our teams.

ESIGHT, AB's proprietary ESG research and collaboration tool, includes data from our ESG issuer assessments, proxy-voting history, engagements, and third-party research from MSCI and Sustainalytics. It's also a knowledge center with a wealth of ESG information, including academic studies, nongovernment entity reports, specialist sustainability and climate change think-tank papers, and our own proprietary ESG ratings.

With ESIGHT, AB has a hub where fixed-income and equity investment teams can access and share information in real time about issuers' ESG practices. When our investment teams conduct research or prepare for an engagement, they can explore previous interactions—querying by issuer, AB investment team or ESG topic and theme. ESIGHT also enhances portfolio management and reporting: we can assess ESG topics by company, issuer, industry or portfolio and share engagement statistics, examples and outcomes with our clients.

In 2022, we added an “action engagement” template for our investors to tag their engagements as action, laying out the topic and which type of action they're encouraging issuers to take to limit future risk or to take advantage of investment opportunities. We also developed functionality to set milestones and end-date targets, including reminders for analysts to follow up with issuers. This addition should also help investors track year-over-year progress.

The engagement efforts of AB's fixed-income investors are enhanced by PRISM. This proprietary credit-rating and scoring system is built into our fixed-income research analysis portal, which is a fully digitalized data and security analysis platform. With PRISM, analysts can develop and share views on individual issuers in a consistent, comparable and quantifiable way across industries, ratings categories and geographies. Analysts also have access to MSCI scores through the system. Analysts evaluate each issuer on multiple dimensions, using research and engagement insights

to assign specific ESG scores, which are used in credit scoring. ESG weights are determined by the industry being analyzed and are based on what we view as the most important factors for the company or issuer. Any fixed-income analyst, portfolio manager or trader can access PRISM's ESG scores in real time. The PRISM ESG scores are also pushed to ESIGHT.

During 2022, we started developing an enhanced version of our corporate ESG scoring, which we call PRISM 3.0. This enhanced methodology is more data informed, made possible by the significant increase in the availability and quality of ESG data, including data on modern slavery. For individual industries, we incorporate industry-specific key performance indicators (KPIs) to differentiate stronger/weaker corporates and set their PRISM score within a certain range. The goal of PRISM 3.0 is to enhance consistency of scoring globally and free up analysts' time to spend on other activities such as engagements. We expect to roll out PRISM 3.0 in 2023.

Additionally, we've developed two proprietary tools to bolster our research and engagement process specifically for the issue of modern slavery risk. Our Modern Slavery Risk Exposure Tool visually displays our internally assigned risk ratings and rationales, allowing us to look at individual companies, analysts' company coverage and portfolios. The portfolio view helps portfolio managers understand the risk exposure profile of their strategy at the click of a button. Our second tool looks at modern slavery risk management, combining third-party data from topical expert organizations, including KnowTheChain and the Corporate Human Rights Benchmark.

We also utilize applicable third-party data and tools. Third-party international norms compliance data capture companies' severe structural breaches of the Ten Principles of the UNGC and OECD Guidelines for Multinational Enterprises. These standards focus on human rights, labor standards, the environment and anti-corruption. Third-party controversy data provide biweekly summaries of controversies, including supply chain issues and labor rights. Third-party ESG ratings systematically analyze issuers' processes and procedures to prevent and address modern slavery.

Each tool and resource is an important input, allowing our analysts to research, discuss and engage with issuers.

Research and Analysis: Assessing Modern Slavery and Human Trafficking Exposure

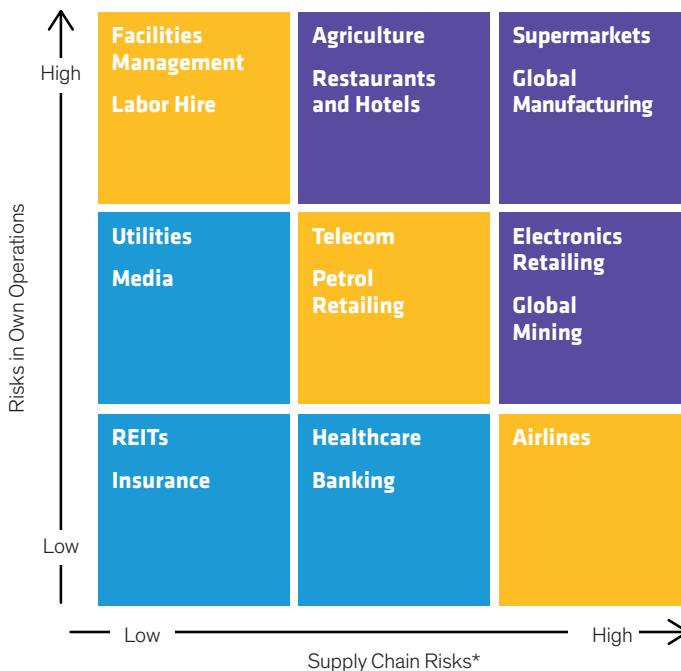
At AB, we've been considering the material social risks of our investments for many years, with a focus on modern slavery and forced labor.

Using our own fundamental research and leveraging third-party information as a guide, in 2020, we developed and began implementing a modern slavery research methodology to map companies on a matrix indicating the potential level of exposure to modern slavery in operations and supply chains. The matrix measures companies' exposure to high-risk-to-people factors, including vulnerable populations and high-risk geographies, products and services, and business models (*Display 3*).

The methodology enables our investment teams to sort holdings into nine categories across two dimensions: (1) modern slavery risk exposure in the company itself (low/medium/high) and (2) modern slavery risk exposure in the company's supply chain (low/medium/high). As of June 30, 2023, we have assigned a risk exposure rating to more than 1,000 companies. Mapping companies based on risk helps us determine which companies we may need to research or engage with to better understand how they manage modern slavery risk. The map allows us to apply our fundamental research to understand a company's risk exposure.

AB also conducts in-depth research on ESG issues, which can develop key insights for our investment process. We often share these insights in the form of thought leadership to provide our clients and other stakeholders the latest research on key issues in the investment industry. The issue of modern slavery is a center of excellence at AB, where we've developed deep knowledge of the complexity of the issue globally (see one of our latest blogs, "[Modern Slavery in Mining Looms as a Key Risk to Investors](#)," page 8).

DISPLAY 3: FRAMEWORK TO ASSESS HIGH-RISK-TO-PEOPLE STOCKS



REITs: real estate investment trusts

*Supply chain risks can include customers and extend to second- and even third-tier suppliers when the corporation's behavior contributes to modern slavery risks.

Source: AB

Modern Slavery in Mining Looms as a Key Risk to Investors

The mining industry sources its employees from particularly vulnerable populations, such as migrant workers and minorities. Many firms operate in geographies rife with conflict, corruption or weak judiciary systems. The work of mining itself is dangerous and the business models—which often rely on outsourcing and seasonal demand—can be high risk too.

It's no surprise, then, that our research places the mining industry high among risks to people—both within its business operations and throughout its supply chains. And in our view, the risks are rising.

Some of the rising risk stems from growing scrutiny from governments and intergovernmental organizations. The United States has already implemented conflict minerals legislation, and the European Union (EU) implemented its Corporate Sustainability Reporting Directive on January 5, 2023. The new directive will require large EU and non-EU companies with a significant presence there to report on social factors including working conditions, equality, nondiscrimination, diversity and inclusion, human rights, and the effects of the specific undertaking on people and human health.

In February 2022, the EU Commission presented a Proposal for Corporate Sustainability Due Diligence. Once legislated, it will cover companies' human rights and environmental obligations. In September 2022, it launched a proposal for Forced Labour Regulation. The proposal doesn't single out the mining industry, but it encompasses companies that use forced labor. If the proposal becomes law, it will ban their products from being imported by and exported from the EU.

The UN Sustainable Development Goals aim to eradicate modern slavery by 2030, and in December 2022, the UN-backed Principles for Responsible Investment launched an initiative to engage with companies on social issues and human rights. The largest effort of its kind, it was supported by more than 220 asset managers.

The mining, metals and renewables sectors are some of the sectors in focus. Other sources of growing risk are geopolitical in nature. The push to make wider use of renewable energy sources along with other technological changes—including advances in military equipment—is

driving intense demand for some minerals. Competition could be magnified even further, with not only companies but also governments battling for relatively scarce resources.

As these pressures increase, so will the uncertainty for people working in the mining industry, particularly those in the most remote and least transparent stretches of supply chains. And the stakes are raised for investors as they seek to identify and manage risk to people in investment portfolios. How can these efforts be made more effective?

In Mining, Geography Is a Major Risk Factor

As we see it, the key is to have a strong framework for assessing modern slavery risk across companies in the relevant investment universe, not just those that are in investors' portfolios. Using a combination of fundamental analysis and specialist third-party research, it's possible to prioritize companies and industries according to their modern slavery risk exposures.

Our own framework is based on four key risk factors—vulnerable populations, high-risk geographies, high-risk products and services, and high-risk business models. All of these facets apply to mining operations and supply chains.

Why is mining risk so high? It's an economically important industry, particularly to emerging countries. Of the 40 nations that depend on nonfuel minerals for more than 25% of their exports, 75% are low- and middle-income economies.

Because the industry is woven so deeply into emerging countries, it's a key source of people risk in many of those areas. For example, artisanal and small-scale mining (referred to as ASM), a relatively dangerous occupation often plagued with poor safety practices, occurs mainly in these countries. According to the International Labour Office, nearly 13 million people work in ASM, and an estimated 100 million depend on it for their livelihoods.

People risks in many areas with mining operations include exploitative conditions in remote locations, the relocation—sometimes forced—of Indigenous people to gain access to minerals, and association with organized crime or armed conflict. These dangers are likely to intensify because much of the future demand growth for minerals will fall on high-risk geographies.

Engagement Yields Understanding...and Insights

While the broader modern slavery risk framework is a useful tool, true insight comes from understanding each firm’s exposure. While the risk factors are high across the industry, they vary from company to company, as will awareness of risks and efforts to manage them.

Understanding individual modern slavery risk exposures requires not only strong research skills and collaboration between fundamental analysts and in-house ESG experts but also a clear sense of risk-management best practices.

A willingness to engage directly with firms to identify and address the issues is also key. Engagement for both insight and action has

the potential to reduce risks not only for employees in businesses’ mining operations and supply chains but also for companies and investors. It’s a golden opportunity to raise companies’ awareness of the modern slavery risks they face and help them develop effective ways to manage them.

Our own engagement on this topic shows that while risk awareness among mining companies is reasonably high or increasing, more action can be taken to manage the risks. For example, the companies we’ve engaged with generally have solid policies in place on human rights and modern slavery, but the quality of execution varies considerably. One key takeaway: training on this issue is quite advanced within firms’ own operations and procurement staff but is still in the earlier stages with suppliers (*Display*).

	Assessing Key People Risks	Considerations in Reducing Risks
Geographic Risk	<ul style="list-style-type: none"> Companies are typically aware of country risks, with solid risk assessment Some firms have deep and lengthy experience in managing risks Commodity traders have long-standing relationships with specific mines and vet labor practices, but transactions between traders can obscure the source of material 	<ul style="list-style-type: none"> Policies on conflict minerals and resources access are generally well developed Human-rights policies are generally solid. Modern slavery statements should be stronger and execution better Significant focus is needed on community relations and on localizing staff
Artisanal and Small-Scale Mining	<ul style="list-style-type: none"> Meaningful safety risks are present from trespassing artisanal miners Risk that unsafe artisanal production can be “laundered” through mixing with output from responsible mines 	<ul style="list-style-type: none"> Some initiatives are in place to train artisanal miners in safety practices Improved assurance and traceability is seen as a business opportunity
Business Model	<ul style="list-style-type: none"> Businesses generally have strong labor practices in their own operations Ancillary services are often supplied by smaller local companies, which are less likely to have policies and procedures in place Some tension exists between supporting local economic empowerment and using the most mature suppliers Bulk shipping is recognized as a high-risk supply base 	<ul style="list-style-type: none"> Training is typically reasonably advanced in firms’ own operations and procurement staff, but more nascent among suppliers Supplier audits are in the early stages Firms are typically seeking to educate and improve suppliers’ management systems, not terminate them Anonymous employee or community reporting systems are in place, but not yet surfacing issues. More community trust would make people comfortable reporting incidents

Current analysis does not guarantee future results

As of September 14, 2022 | **Source:** Company reports, industry research and AB

In our view, companies have a long way to go when it comes to introducing modern slavery risk audits into their supply chains. They've established anonymous employee or community reporting systems, but these mechanisms haven't yet brought the issues to light, which raises important questions about their effectiveness.

How Investors Can Manage Their Risks—and Make a Difference

Based on our assessment, the global mining industry is high risk in nature, and it lags other industries, such as technology and apparel, in risk awareness and reduction efforts.

Part of the challenge stems from these industries' different structures. Technology and apparel are highly sensitive to consumer opinion, and modern slavery awareness is rising among all-important consumers. Because mining companies do business mainly with other companies, they're to some degree more insulated from consumer opinion than their retail peers.

But that insularity won't last.

The industry's corporate customers are becoming more aware of modern-slavery risk and are applying more stringent requirements to the miners that supply them. Governments are stepping up their scrutiny of mining companies and supply chains. In the short term, this poses a challenge to mining operations and revenues, and it puts more pressure on investors to diagnose which businesses are responding effectively to the increased attention.

With a thoughtful framework, sound research and company engagement, investors can identify and manage these risks in their portfolios. At the same, they can help mining companies improve their people-risk practices—and ultimately make life safer for many of the industry's millions of workers.

Engagement: An Extension of Our Investment Process

Engagement is a natural extension of our active investment process—we regularly engage issuers and stakeholders directly, giving us the opportunity to share our research assessment and corporate governance principles, while working to understand a company's modern slavery risk exposure profile. We also strive to understand how the company is managing material modern slavery risks.

Using our proprietary, comprehensive best practices framework, which we developed in collaboration with leading corporations, expert organizations such as the Mekong Club and Be Slavery Free, academics, and social auditors, we evaluate the companies in which we invest (*Display 4, page 11*). The framework assesses companies' governance framework, risk identification, action plan to mitigate

risks, action plan effectiveness and future improvement. The main goal of the framework—particularly the future improvement component—is to recognize best practices and encourage continuous learning and improvement. With the framework, our analysts can systematically evaluate companies and have a basis for corporate engagements.

Since we first began tracking our modern slavery engagements in early 2020, we've engaged on modern slavery with 115 companies during 174 meetings, as of June 30, 2022, to assess investment risks. Consistent with our other engagements related to modern slavery risk in recent years, we found that issuers with the lowest risk (based on our proprietary matrix) lagged on adopting best practices, while issuers with the highest risk were further along.

DISPLAY 4: AB'S MODERN SLAVERY BEST PRACTICES ENGAGEMENT GUIDE



Governance Framework

What steps are the board and senior management taking—through policies and procedures, culture and values—to align the business with the goal of reducing modern slavery risk?

Risk Identification

The criminal and covert nature of modern slavery practices makes risk identification a difficult and delicate task—but a critical one. How well does the firm understand the challenge, and how robust are the techniques and processes it uses to identify the risk?

Action Plan to Mitigate Risks

Is the plan a realistic solution to reduce risks to people within the company’s operations and supply chains? Does the company appropriately and effectively train and empower employees and suppliers to identify and reduce risks?

Action Plan Effectiveness

To what extent have the company’s actions reduced risk, and how are the board and senior executives measuring progress? What procedures are in place to ensure that follow-up actions are implemented and monitored?

Future Improvement

For many companies, the road to reducing modern slavery risk will be long and stretch through unfamiliar territory. The best firms will be able to evaluate their progress each step of the way and make changes with an eye toward continuously improving their performance against each of the four previous criteria.

In August 2022, media reports covered a US Department of Labor (DOL) investigation on the use of child labor within Hyundai Motor's US supply chain at SMART Alabama and SL Alabama. Reuters reported that this could spark serious consumer, regulatory and reputational risk for the company.

In October 2022, the DOL obtained a federal court order to stop SL Alabama from employing underage workers and to prevent the company from shipping or delivering any goods produced in violation of federal child labor laws.²

In November 2022, an AB equity analyst engaged via email with Hyundai Motor's Investor Relations team on the investigation. We learned that SMART Alabama had been cooperating with the government as part of the ongoing investigation. Additionally, SL Alabama had terminated its relationship with the third-party staffing agency that did not adequately vet employees and allowed for illegally hired, underage workers. Hyundai also stated that it was working on strengthening its supply chain and ESG management. In 2021, it completed assessments on 100% of its first-tier domestic suppliers, and it targets to assess its entire supply chain, including overseas subsidiaries, by 2023. Hyundai explained that, given the media reports, it was in the process of accelerating that timetable.

Following this written response, AB requested a meeting with Hyundai's Investor Relations team in March 2023. During the engagement, we had an in-depth discussion about the steps Hyundai had taken to address the issue and the systems and policies it put in place to ensure adequate ongoing visibility and monitoring of its supply chains. Some of these steps included conducting a third-party audit of Hyundai's tier-one suppliers globally to determine whether any of them were utilizing underage workers at their worksites, and to assess the practices used by these suppliers to avoid employing or utilizing underage workers.

The company was transparent about some of the difficulties it faced in addressing the issue; and at the company's request, AB provided Hyundai with suggestions for practical steps it could take to prevent a similar situation, which can reduce future risk and potential regulatory breach. AB will continue to monitor the company's progress in this regard.

Finally, our analysts document their research and engagement in our proprietary research and engagement tools. Our investment teams maintain a running catalog of company engagements and outcomes on the issue of modern slavery risk and share engagement insights with other analysts throughout the firm. Importantly, our research and engagement tools allow analysts to receive automatic notifications to follow up with companies to assess progress.

Investment Decisions: High-Risk Areas

Analysts' recommendations and evaluations of risks and opportunities for a security reflect material ESG issues.

Private Prisons

We have discussed and debated the business model, investment risk, litigation risks, the misalignment of these companies' incentives with positive societal outcomes, and whether the companies' policies are at odds with international norms and our own Global Slavery and Human Trafficking Statement and Report. As a result, we do not currently have any exposure to companies deriving significant revenue from private prisons, as they present too great an investment risk to our clients, in our view. Any investment team wishing to initiate a long position in our actively managed strategies requires explicit written approval from the Controversial Investment Advisory Council.

² <https://www.dol.gov/newsroom/releases/WHD/WHD20221011>

UNGC Breaches

Throughout most actively managed investment strategies, we monitor for UN Global Compact breaches. However, we believe that whether an issuer is breaching international norms is subjective. We have found that there is no reliable source of data and that the various lists published by third-party providers differ, often with very little overlap. Also, these data are historical in nature; many of the breaches occurred several years (if not decades) in the past, and it is unclear what an issuer must do to be removed from the list. Instead of relying on third-party data in this regard, we believe that the risk of breaching international norms is best understood and addressed through ongoing in-depth fundamental research, which enables us to fully analyze a wide range of information and properly assess the risk at an issuer-specific level. Where a major third-party service provider

has deemed an issuer to be in violation of international norms, our investment teams are required to research and document the nature of the breach, including, if applicable, why our internal research demonstrates that the security remains a reasonable investment. Our Responsibility team has implemented a systematic process to ensure that this research is completed annually, as long as the position continues to be held.

Long-Term Stewardship

In most cases, ESG consideration doesn't stop once we've made an investment. We monitor and engage with issuers through continued stewardship, and we often partner with industry organizations and push global policymakers to advance ESG issues, when doing so is in the best interest of our clients.



AB's Modern Slavery Assessment Matrix won ESG Assessment Tool of the Year, Risk and Reporting, at the *Environmental Finance Sustainable Investment Awards 2022*.



AB's Director of Social Research and Engagement won the Themis 2022 Combatting Modern Slavery Award.



AB won Human Rights Initiative of the Year 2023—Australia at the *Wealth & Finance International Ethical Finance Awards*.

Training

We believe that training is important to reducing modern slavery risk: people should be aware of what modern slavery is, how to identify it and how to escalate it with an eye toward reducing and, eventually, eliminating it.

Our Operations and Vendor Management

Our mandatory VRM annual training includes a module on modern slavery. In 2022, 100% of VRMs completed this training.

Our Investment Teams

AB's Responsibility team conducts extensive training programs, with investment staff receiving ongoing ESG training, including peer-to-peer learning and systematized training on external data, systems and tools. Educational sessions cover a suite of topics, including modern slavery.

We've launched modern slavery training in collaboration with expert nongovernmental organizations. We ran three training sessions on various topics for our investment teams that totaled more than 350 attendees. In March 2020, for example, the Mekong Club in Hong Kong provided an introductory session to our investment teams in the Asia-Pacific region. In September 2020, we hosted a panel debate with Be Slavery Free and Volkswagen discussing on-the-ground experiences and corporate practices. In March 2021, we hosted a session for our Asia-Pacific and European teams with SupplyESChange, focusing on company engagement and the roles of the social audit process.

In May 2023, AB was joined by staff from the Grantham Research Institute on Climate Change and the Environment to speak about the relevance of a Just Transition to investors, and how investors can incorporate material Just Transition risks and opportunities into the investment process. Countries comprising roughly 90% of the world's GDP have made some degree of net zero commitment, and there is growing momentum toward a low-carbon economy. The critical need for the energy transition to be both fast and fair has been recognized in the Paris Agreement, and evidence shows that the shift to a low-carbon economy can boost prosperity and be a net driver of job creation if managed well. Even so, the energy transition will inevitably bring about transitional challenges as human, financial and regulatory resources are reallocated to facilitate this change. For investors, a Just Transition approach provides a framework for connecting climate action with the social dimensions involved in the transition, and a way to incorporate the full range of environmental and social dimensions of responsible investment in investor strategies. As long-term investors, how well companies navigate the transition to a low-carbon economy is a critical factor in companies' long-term profitability and can have a direct impact on investment outcomes.

Recordings of several of these training modules are available on our internal Responsible Investing training web page.

AB also developed a proprietary engagement guide aimed at supporting investors with their work. This guide is available to AB's investment teams on ESIGHT.

Industry Participation

We believe that industry collaboration is key to reducing modern slavery: no individual or entity can address this issue alone. AB is a member of several industry initiatives explicitly focused on addressing modern slavery.

May 2020: AB signed the KnowTheChain Investor Statement “Investor Expectations on Addressing Forced Labor in Global Supply Chains.” KnowTheChain provides investors with supplemental materials they can consider, when relevant, including benchmarks. We also became a member of the FAIRR Initiative, which aims to raise awareness of the ESG risks and opportunities in the protein supply chain, including labor risks.

November 2020: AB joined the Investors Against Slavery and Trafficking Asia Pacific (IAST APAC) initiative.

March 2021: AB became a co-lead investor of the IAST APAC initiative collaborative engagement workstream II.

March 2022: With support from AB, Themis developed the “Anti-Slavery Digital Learning for the Financial Services Industry” training course, which was commissioned by the UK’s Independent Anti-Slavery Commissioner and had additional support from RedCompass RedFlag Accelerator. This free digital learning module is available to 70,000 UK financial institutions and is accredited by the London Institute of Banking & Finance.

August 2022: At the Australian Council of Superannuation Investors 2022 Annual Conference, AB was pleased to partner with Anti-Slavery Australia, at the University of Technology, Sydney, to present Human Mart, a pop-up interactive art installation representing what modern slavery looks like.

September 2022: AB’s Director of Social Research & Engagement contributed to the ASIFMA paper *Investors’ ESG Expectations—Labour Practices: An Asian Perspective*.

November 2022: Members of AB’s Responsibility team sat on FSC and IAST APAC Modern Slavery Act review working groups. The final submissions from both FSC and IAST APAC broadly included our recommendations. AB has also been a member of their joint Data Working Group since July 2022.

December 2022: AB announced its role as co-lead investor in Principles for Responsible Investing’s Advance initiative with Freepport-McMoRan and Peñoles.

February 2023: AB’s UK Institutional team hosted a Modern Slavery Risk Seminar to discuss the critical issue of modern slavery and how we, as investors, can take steps to help reduce today’s risks. Industry leaders led several sessions throughout the day on topics such as identifying the different forms of modern slavery, how the financial sector can detect and disrupt modern slavery, how investors can research the risks to portfolio companies and engage with issuers on these risks, and a deep dive on the mining industry. AB was joined by Unseen, Themis and Endeavour Mining to share their expertise on the respective sessions.

March 2023: AB became an Investor Ally to the World Benchmarking Alliance, the developers of a series of benchmarks assessing 2,000 of the world’s most influential companies, ranking and measuring them on their contributions to sustainable development, including the Corporate Human Rights Benchmark.

Ongoing: Our Director of Social Research and Engagement and AB’s Director of Data Science are providing input on the requirements of an application programming interface (API) developed by the Business & Human Rights Resource Centre (BHRRRC) and on the impact it can have in the investment world. An API will make it easier to create a so-called “data feed” to facilitate the integration of BHRRRC data into proprietary systems such as ESIGHT, AB’s ESG research and collaboration tool, in a timely fashion.

Other investors are also providing input on this project, which is funded by Humanity United. Once developed, the API will be available to the financial market to encourage investors to utilize human rights data more broadly, as well as to academics and nongovernmental organizations.

Measuring Effectiveness

As investors, we scrutinize the behavior of our vendors and the companies we analyze. As a business, we scrutinize the behavior of our own operations and supply chains. To gauge how effective we are in addressing material modern slavery risk, we measure certain KPIs in our own operations and investment activities.

We believe that training can help people better understand, identify and address modern slavery risks. In our own operations, we provide guidance to our employees on modern slavery issues and training to our VRMs.

Finally, within our investment activities, we believe material ESG risks—including modern slavery risks—are best addressed through extensive research and engagement with issuers. Using our proprietary frameworks, issuer disclosures and third-party data, we research and evaluate the modern slavery risks facing the issuers we invest in. To gain insight and to encourage issuers to better address material ESG risks or take advantage of ESG opportunities, we engage with issuers directly (*Displays 5 and 6*).

DISPLAY 5: MEASURING EFFECTIVENESS IN OUR INVESTMENTS

	As of June 2021	As of June 2022	As of December 2022	As of June 2023
Cumulative Lifetime-to-Date Engagements on Modern Slavery	30	126	150	174
Cumulative Lifetime-to-Date Companies to Which We Have Assigned a Modern Slavery Risk Exposure Rating	380	800	1,000	1,000

DISPLAY 6: MEASURING EFFECTIVENESS IN OUR OPERATIONS AND SUPPLY CHAIN

	As of June 2021	As of June 2022	As of December 2022	As of June 2023
Operations				
Human Rights Campaign Foundation's Corporate Equality Index Score	100%	100%	—	—
Supply Chain				
VRMs Trained	100%	100%	100%	100%
Due Diligence Questionnaires Received from Vendors Identified as Critical and Material	67%	61%	98%	76%

Future Plans

Investment Activities

Leveraging our proprietary frameworks, our investment analysts will continue to assign risk-exposure ratings to the issuers they cover.

We plan to continue working with leading industry organizations to improve on our proprietary frameworks, recognizing that modern slavery is best understood and assessed from multiple viewpoints. We will also continue researching the topic of modern slavery to help our investors identify and address material modern slavery risks in our investee companies. For example, AB is currently collaborating with Walk Free, a human rights group focused on modern slavery, on a publication about how investors are exposed to financially material climate-related social risks.

Our analysts will also continue engaging with issuers on material modern slavery risks—both for insight and action. We plan to follow up on previous modern slavery–related engagements from previous years and engaging with new issuers on the topic—including high-risk issuers in the hospitality industry. Compounding crises in recent years—including the COVID-19 pandemic, armed conflicts and climate change—have heightened the risk of modern slavery globally. Therefore, addressing these risks is increasingly important as we think about managing our portfolios in our clients' best interests.

Operations Activities

We will continue to leverage and mirror our investment insights on modern slavery in our operations. In 2023, we expect to expand the number of employees trained on modern slavery and the number of vendors assessed for modern slavery.

The Board of Directors approved this statement on or by September 30, 2023, which constitutes AB's Global Slavery and Human Trafficking Statement and Report for the relevant periods as stated above and, unless otherwise stated, including the 12 months ended June 30, 2023.



By Seth Bernstein
For and on behalf of AllianceBernstein L.P.
Director, President and CEO



By John McConnell
For and on behalf of Sanford C. Bernstein Limited
Director



By Joanna Green
For and on behalf of AllianceBernstein Limited
Director



By Alexandra Perricone
For and on behalf of Bernstein Autonomous LLP
Member



By Jen Driscoll
For and on behalf of AllianceBernstein Investment Management
Australia Limited
Responsible member, Director and CEO



By Joanna Green
For and on behalf of AllianceBernstein Holdings Limited
Director



By Joanna Green
For and on behalf of AllianceBernstein Preferred Limited
Director

Appendix

Alignment with UK Modern Slavery Act 2015

Matter	Section Where Found
Organization structure and supply chains	Reporting Entity: AllianceBernstein and Its Subsidiaries; Governance; Operations: Our Employees; Operations: Our Supply Chain
Policies in relation to slavery and human trafficking	Governance; Operations: Our Employees; Operations: Our Supply Chain
Due diligence process	Operations: Our Supply Chain
Risk assessment and management	Governance; Operations: Our Employees; Operations: Our Supply Chain; Our Investment Activities; Training; Industry Participation
Key performance indicators to measure effectiveness of steps being taken	Measuring Effectiveness
Staff training on modern slavery and trafficking	Training

Alignment with Modern Slavery Act 2018 of the Commonwealth of Australia

Matter	Section Where Found
Identify the reporting entity for the purpose of the Modern Slavery Act 2018 (Cth)	AllianceBernstein Investment Management Australia Limited ABN 58 007 212 606 in its own capacity and as the responsible entity of the AllianceBernstein Managed Volatility Equities Fund ARSN 099 739 447; AllianceBernstein Dynamic Global Fixed Income Fund ARSN 165 810 686; AllianceBernstein Global Equities Fund ARSN 099 296 607; AB Concentrated Australian Equities Fund ARSN 102 668 100; AB Alternative Risk Premia Fund ARSN 632 945 138; AB Global Research Insights Fund ARSN 604 172 750; and AB Sustainable Global Thematic Equities Fund ARSN 659 443 320.
Describe the reporting entity's structure, operations and supply chains	Governance; Operations: Our Employees; Operations: Our Supply Chain
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Operations: Our Employees; Operations: Our Supply Chain; Our Investment Activities
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	Governance; Operations: Our Employees; Operations: Our Supply Chain; Our Investment Activities; Training; Industry Participation
Describe how the reporting entity assesses the effectiveness of these actions	Measuring Effectiveness
Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls	Reporting Entity: AllianceBernstein and Its Subsidiaries
Any other information that the reporting entity, or the entity giving the statement, considers relevant	Future Plans

AllianceBernstein Investments, Inc. (ABI) is the distributor of the AB family of mutual funds. ABI is a member of FINRA and is an affiliate of AllianceBernstein L.P., the manager of the funds.

The [A/B] logo is a registered service mark of AllianceBernstein and AllianceBernstein® is a registered service mark used by permission of the owner, AllianceBernstein L.P.

© 2023 AllianceBernstein L.P., 501 Commerce St., Nashville, TN 37203

