



ALLIANCEBERNSTEIN®

June 2025



# **Global Slavery and Human Trafficking Statement and Report**

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# Reporting Entity: AllianceBernstein and Its Subsidiaries

AllianceBernstein L.P.'s (ABLP'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.

The foundation of our business is high-quality, in-depth research, which we believe gives us a decided edge as we strive to achieve long-term investment success for our clients. Our global investment business spans many disciplines, including capital markets research, fundamental equity, fixed income and quantitative research. We also have experts focused on asset allocation, wealth management, and public and private alternative investments in various private debt, real estate, securitization and opportunistic credit specializations.

As a business and as investors, we work to understand material environmental, social and governance (ESG) factors—both as corporate citizens and in striving to deliver better outcomes for clients. 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 our clients, employees, shareholders, business partners and other stakeholders. We have ongoing regard for best practices, including the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises on

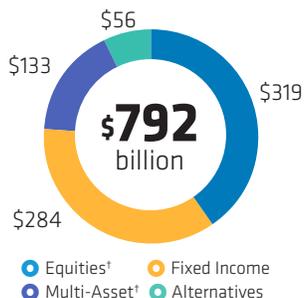
Responsible Business Conduct, and the United Nations (UN) Guiding Principles on Business and Human Rights. We also seek to promote a well-functioning market and address systemic risks through being a proactive and participating member of the global investment community.

AllianceBernstein (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 diversified investment-management and related services globally to a broad range of clients through our three distribution channels—Institutional, Retail and Private Wealth Management (*Display 1*). As of December 31, 2024, AB managed US\$792 billion on behalf of our clients.

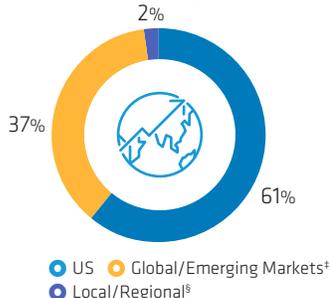
This statement is also made by AB's subsidiaries, including AllianceBernstein Limited (ABL), AllianceBernstein Preferred Limited and AllianceBernstein Holdings Limited, pursuant to Section 54 of the UK Modern Slavery Act 2015 with respect to the financial year ending December 31, 2024. This statement covers certain aspects of ABL's<sup>1</sup> direct operations and certain aspects of our supply chains. It is also made by AllianceBernstein Investment Management Australia Limited (ABIMAL) 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 2024 fiscal year ending December 31, 2024, to combat and prevent modern slavery and human trafficking in its business and 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, 2024.

## DISPLAY 1: AB'S ASSETS UNDER MANAGEMENT (AUM)

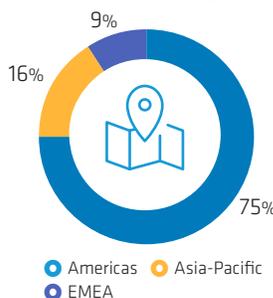
**AUM by Asset Class (USD Bil.)\***



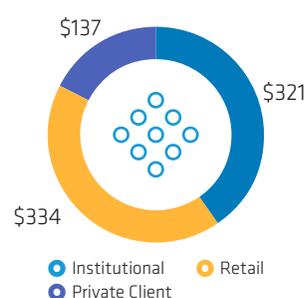
**AUM by Region**



**AUM by Client Geography**



**AUM by Channel (USD Bil.)**



\*We manage an additional \$13 billion of equity strategies and \$12 billion of fixed-income strategies within Multi-Asset. <sup>†</sup>As of December 31, 2024, we reclassified approximately \$65 billion of passive, structured and systematic equity strategies from Multi-Asset to Equities. <sup>‡</sup>Global and EAFE services, including those that invest in emerging markets, as well as stand-alone global emerging-market services. <sup>§</sup>Single-country/regional services outside the US, including single-country/regional emerging-market services. | As of December 31, 2024 | **Source:** AB

<sup>1</sup> In March 2025, the UK government issued updated guidance on Modern Slavery Act reporting. We will consider the updated guidance for our statement on the reporting period covering the calendar year 2025.

# Governance

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## Board- and Management-Related

Our Chief Responsibility Officer spearheads the development of AB's responsible investing strategy and approach, including integrating material modern slavery considerations into AB's investment processes. The Chief Responsibility Officer also leads the Responsible Investing Strategic Business Unit (SBU) and is a member of AB's Operating Committee. Our Director of Corporate Responsibility is tasked with developing our firm's approach to corporate responsibility, as well as specific corporate responsibility-related activities, including integrating material modern slavery considerations into AB's business and supply chain.

These activities, which may include identifying and managing modern slavery risk, are reported to ABLP's Board of Directors, including our Chief Executive Officer (CEO) and the Audit and Risk Committee of the board. ABLP's Board of Directors and the local boards for our UK and Australian entities approve our annual Global Slavery and Human Trafficking Statement and Report.

## Investment-Related

Our investors—analysts, portfolio managers and traders—are at the heart of our responsible investing process. In partnership with members of the Responsible Investing team, they engage with issuers, analyze and quantify material ESG factors, and ultimately incorporate this information into their investment decisions. Some investment teams also have a dedicated ESG analyst or specialist. These specialists bring ESG knowledge to bear on a specific asset class or investment strategy. Within our investments group, the Responsible Investing team is a team of subject-matter experts who partner with our other investment teams across asset classes to develop ESG research insights and often engage with issuers. The team develops proprietary frameworks and toolsets, manages our strategic ESG-related partnerships and develops training programs. Most team members maintain an industry focus to better partner with our investment teams. This team has a centralized subteam focused on responsible investing research.

The Responsibility Steering Committee, chaired by our Chief Responsibility Officer, serves as an advisory council to both the Responsible Investing and Corporate Responsibility teams. This committee, which meets quarterly, comprises senior professionals from across AB, giving different businesses within the firm an opportunity to shape AB's approach, including our approach to managing modern slavery risk within our investments. The Responsibility Steering Committee reviews this statement annually.

The Proxy Voting and Governance Committee meets at least three times annually and includes senior representatives from our Investments, Legal and Operations teams. Through constructive debate, this committee establishes our policy, oversees proxy-voting activities and

provides formal oversight of the proxy-voting process. It also ensures that our proxy policies and procedures capture our latest thinking, formulates AB's position on new proposals, and consults on votes that are contentious or not explicitly covered by our policy. Our proxy-voting process may also consider material ESG factors, 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 meets periodically as needed, consists of senior representatives from across AB, and is co-chaired by our CEO and Chief Responsibility Officer. The council provides a forum for discussion and debate on issues such as controversial weapons, tobacco, private prisons, fossil fuels and international norms. The council provides advice and guidance to the investment teams related to controversial investments. Specifically, the council is responsible for establishing general approaches and procedures to mitigate conflicts and risks associated with controversial investments.

## Risk-Related

The Responsibility Risk Oversight Committee (R-ROC) is responsible for the review and prioritization of investment and operational risks and projects required to support the firm's responsible investing and corporate responsibility operations processes. The R-ROC provides senior management oversight of the effective implementation of responsible investment standards applicable to ABLP, its investment products, SBUs and subsidiary entities globally. Additional local requirements may also apply and be considered (where appropriate and supported by local expert committees that report to the R-ROC).

## Operations and Supply Chain-Related

Our Vendor Risk Management Committee (VRMC), which is a subcommittee of our Operational Risk Oversight Committee, provides firmwide oversight of our vendor relationships. It is composed of Enterprise, Vendor and Operational Risk Management, and SBU personnel and subject-matter experts across a variety of risk domains. Its primary purpose is to identify and evaluate material vendor risks; provide oversight of the firm's vendor management; evaluate vendor risks across different business units; and provide guidance to SBUs and product managers (internal AB employees who manage relationships with vendors) on emerging vendor issues. The VRMC maintains a formal [Vendor Code of Conduct](#) that outlines our expectations of our vendors generally. The VRMC sets the requirement for review of modern slavery risk as part of vendor oversight, and it is also a point of escalation for product managers who have a concern about modern slavery risk in a vendor relationship they manage.

# Operations: Our Employees

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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. In our operations, we take concrete steps to reduce the risk of modern slavery.

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.

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 and 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

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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, facilities, information technology, financial services, data and professional services.

AB maintains 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.

We also assess our vendors to understand their inherent and residual modern slavery risk.

## Vendor Risk Analysis

In 2024, we revised our modern slavery vendor risk analysis to align with the firm's shift to Process Unity, a new vendor-management platform. Our key change involved assigning vendors both an inherent modern slavery risk and a residual risk.

## Inherent Risk Rating

AB's vendors are assigned a high, medium or low inherent risk rating for modern slavery based on their industry and geography. If the vendor's industry and geography risks vary, the higher risk designation is taken.

## Residual Risk Rating

Vendors flagged with a high or medium inherent risk receive a modern slavery due diligence questionnaire (DDQ), which includes the following questions:

1. Is your organization required to report under any existing modern slavery legislation across any of the jurisdictions in which you operate (e.g., Are you subject to Australian or UK modern slavery legislation)? Or have you produced a modern slavery statement on a voluntary basis?
2. Is your CEO or board accountable for modern slavery risk?
3. Has your organization undertaken any training in relation to modern slavery risk in the past three years?
4. Does your organization have a policy or process for assessing and managing modern slavery in its supply chain?
5. Does your organization have a policy or a process for remediating instances of modern slavery in its business or supply chain?

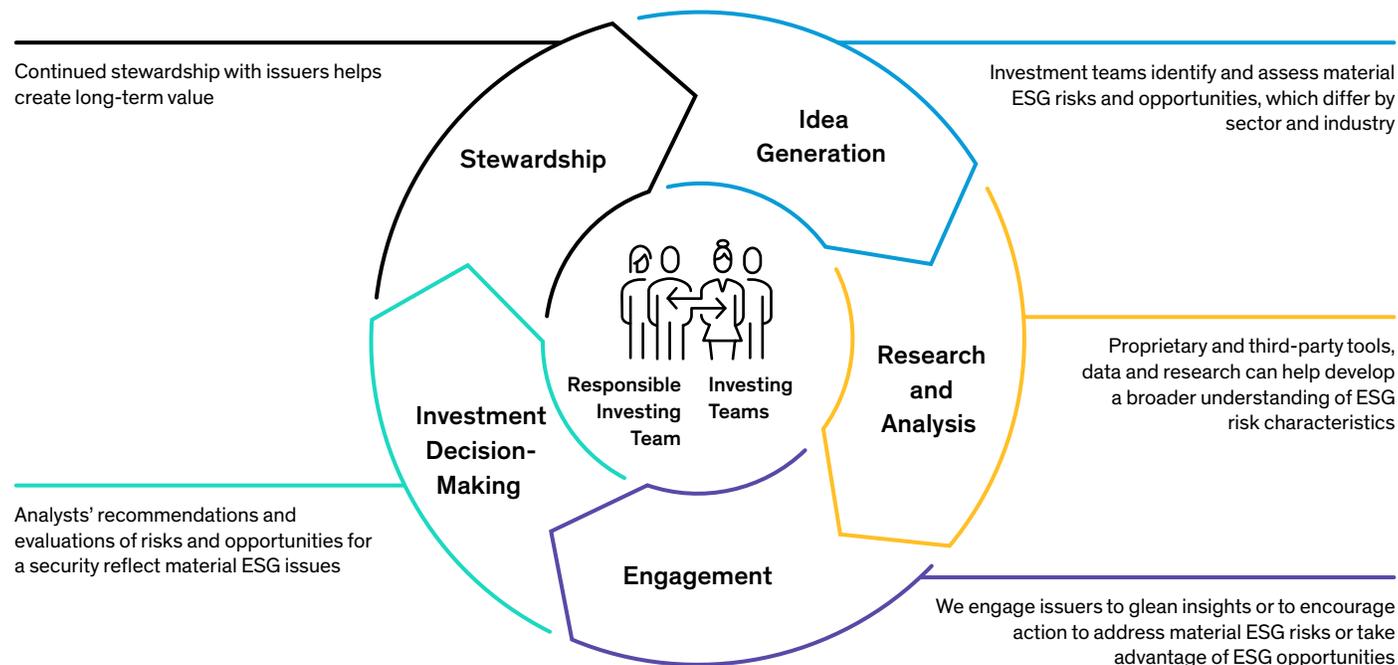
In 2024, AB focused on DDQ responses from high-risk facilities vendors. We will continue to evolve our program based on what we learn each year.

# Our Investment Activities

It is important that we evaluate investment risks and opportunities related to human rights and modern slavery, as they can affect the performance of the companies and issuers in which we invest. Our [Global Stewardship Statement and Report](#) outlines our approach to responsible investing and ESG integration, engagement and proxy voting.

We integrate material ESG risks and opportunities, which can include human rights risks, throughout most of our actively managed investment strategies. Because ESG factors can affect investment performance, thinking broadly and deeply about these issues can assist our analysts and investment teams in better identifying and quantifying 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



We integrate material ESG factors into most of AB's actively managed strategies (79% of our actively managed AUM, as of December 31, 2024). AB engages issuers when it believes the engagement is in the best financial interest of its clients.

Source: AB

## Idea Generation

As a fundamental active manager, we consider research to be an essential part of our process. We equip our investors with high-quality tools and data to support their ESG integration and investment decision-making processes.

ESIGHT, AB's proprietary ESG research and collaboration platform, integrates data from our ESG issuer assessments, proxy-voting history, engagements, and third-party research from MSCI and Sustainalytics. It is also a knowledge center with a wealth of ESG information, including academic studies and nongovernment-entity reports, and it serves as a central repository for the proprietary ESG ratings for securities from each of the respective AB investment teams that have assigned them.

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.

ESIGHT features 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, whether to better address material risks or to take advantage of opportunities in our clients' best interests. We also developed functionality to set milestones and end-date targets, including reminders for analysts to follow up with issuers.

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. 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.

When we developed PRISM 3.0 in 2023, our goals were to improve scoring consistency and free up analysts' time for activities such as engagements. Analysts can now focus their time on complementing the data-rich base-level ESG view of an issuer, rather than populating the base-level view. One of the major developments of PRISM 3.0 is the ability to link the financially material E, S and G factors to specific ESG data metrics, which then can be leveraged to populate “objective” base scores across industries. In total, we leverage over 150 metrics for our E, S and G assessments in PRISM 3.0. However, not all metrics feed into every assessment because not all factors or metrics are universally material across industries. Specific metrics in PRISM 3.0 regarding modern slavery include: the Global Slavery Index, the World Benchmarking Alliance's Corporate Human Rights Benchmark and other industry-specific human rights evaluations.

Additionally, we have 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.

We also use applicable third-party data and tools. Third-party international norms—compliance data capture companies' severe structural breaches of the UN Global Compact (UNGC) and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. These standards focus on human rights, labor standards, the environment and anticorruption. Some third-party controversy data provide weekly 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

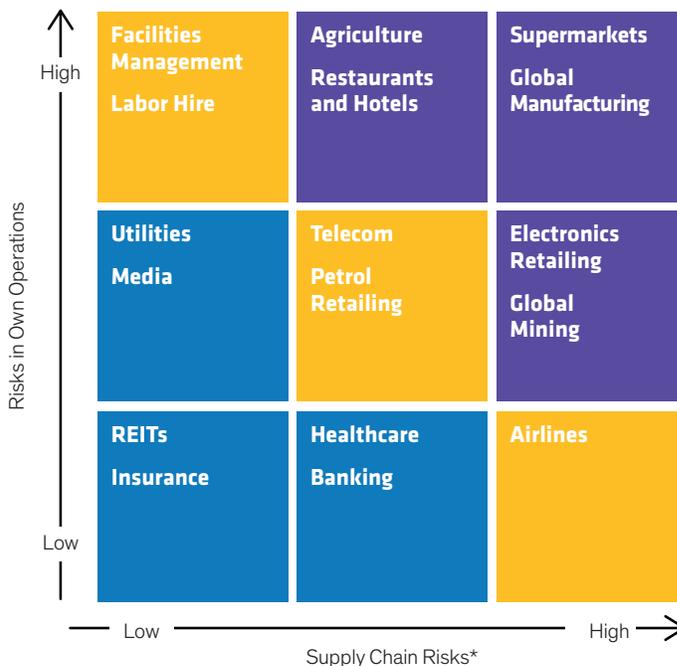
At AB, we've been considering the material social risks of our investments for many years, with a focus on modern slavery and forced labor.

In 2020, using our own fundamental research and leveraging third-party information as a guide, 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 their 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 December 31, 2024, AB had assigned a risk-exposure rating to just over 930 unique issuers. 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. We are able to apply our fundamental research to understand a company's risk exposure. Investors are able to assign and view modern slavery risk-exposure ratings to issuers in ESIGHT. More information on measuring our efforts can be found in *Display 5, page 17*.

AB also conducts in-depth research on ESG factors, including human rights risk, for our investment process. We often share these insights with our clients and other stakeholders in the form of thought leadership to provide them with the latest research on key issues in the investment industry. We've developed a deep knowledge of the complexity of modern slavery globally (see our December 2024 blog, "[Human Rights and Portfolio Risk: Why Investors Should Think Big](#)," 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

# Human Rights and Portfolio Risk: Why Investors Should Think Big

With human rights regulations expanding, investors need a broader approach to assessing risk and opportunity.

Guidelines on human rights have helped shape some of the key principles of corporate responsibility. Increasingly, however, governments are hardening guidelines into law. Penalties for companies that fail to comply may be severe—but the risks to investors can be mitigated, in our view, by the right approach to research.

The launch in July 2024 of the European Union's Corporate Sustainability Due Diligence Directive (CSDDD) reflected a global trend for a tighter regulatory approach to ensure that businesses behave appropriately regarding human rights and the environment.

Previously, the regulatory regime had relied on persuasion, rather than enforcement. In 2011, for example, the UN Guiding Principles on Business and Human Rights (UNGPs) recognized that, under international law, companies have a duty to respect human rights. While not legally binding, the UNGPs formed the cornerstone of the business and human rights legal framework.

The CSDDD incorporates the standards of the UNGPs and other voluntary schemes but makes them mandatory for companies that meet certain criteria, such as net worldwide turnover of more than €450 million (US\$493 million) for EU

companies, and net turnover generated within the EU of more than €450 million for non-EU companies. Financial penalties for companies that do not comply are steep, with the maximum penalty to be at least 5% of global turnover.

Compliance requirements and fines are not the only challenge for companies and investors. Like the voluntary frameworks, the emerging legally enforceable regulations are likely to differ across jurisdictions, exposing companies to multiple requirements. The new regulations are also pushing investors to think more broadly about how they account for human rights in their portfolios.

## More Rights, More Risks

Investors often associate human rights with issues related to poor working conditions, such as inadequate wages, unsafe working environments or exploitative labor practices. Many companies address these issues by publishing modern slavery statements and by implementing labor-practice codes of conduct along their supply chains.

But the recognized range of human rights extends well beyond the workplace and modern slavery and includes such areas as health, Indigenous rights, equality and nondiscrimination. The shift from voluntary to mandatory regulation provides impetus for investors to incorporate these and other rights into their investment processes (*Display*).

## GROWING THE INVESTMENT FOCUS OF HUMAN RIGHTS

### Traditional

- Inadequate wages
- Unsafe working environments
- Exploitative labor practices
- Modern slavery statements

### Emerging

- Right to health
- Indigenous rights
- Rights to equality and nondiscrimination (ethical AI and algorithmic decision-making)

For illustrative purposes only

As of September 30, 2024 | Source: AB

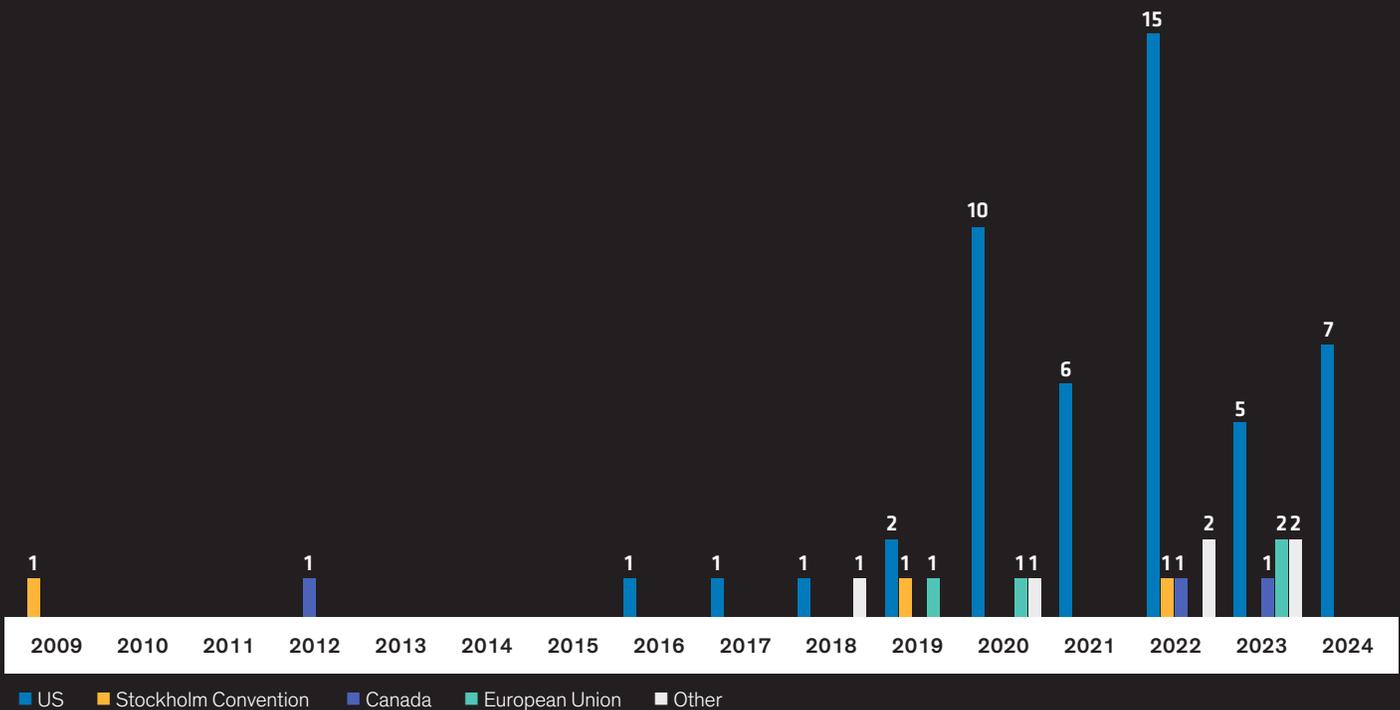
### Case Study 1: The Right to Health

Per- and polyfluoroalkyl substances (PFAS) are synthetic chemicals used in a variety of industrial applications because of their resistance to heat, water and oil. As they do not break down easily, they accumulate in both the environment and human bodies and have been linked to severe health risks. Regulatory action around PFAS has increased sharply in recent years (*Display*).

Many companies are facing major PFAS-related litigation. During the last two decades, for example, one major manufacturer has faced about 4,000 lawsuits linked to products containing PFAS. In 2023, the company reached an agreement to pay \$10.3 billion over 13 years to fund public water suppliers in the US that have detected PFAS chemicals in drinking water. The settlement reflects only a portion of the company’s legal liabilities, however, and more lawsuits are expected, including personal injury and environmental litigation.

## REGULATORY INITIATIVES CONCERNING PFAS HAVE GROWN DRAMATICALLY

Yearly Number of PFAS Regulatory Initiatives



#### For illustrative purposes only

Not a comprehensive list. Other includes Asia, Australia and New Zealand. Australia plans additional regulation in 2025 and the European Union plans additional regulation in 2026.

As of September 30, 2024 | **Source:** Ballard Spahr; European Chemicals Agency; Osler, Hoskin & Harcourt; Secretariat of the Stockholm Convention; Tiffany Thomas et al., “Global Regulations Around PFAS: The Past, the Present and the Future,” *International Chemical Regulatory Law Review* 6, no. 3 (2023): 3–17; and AB

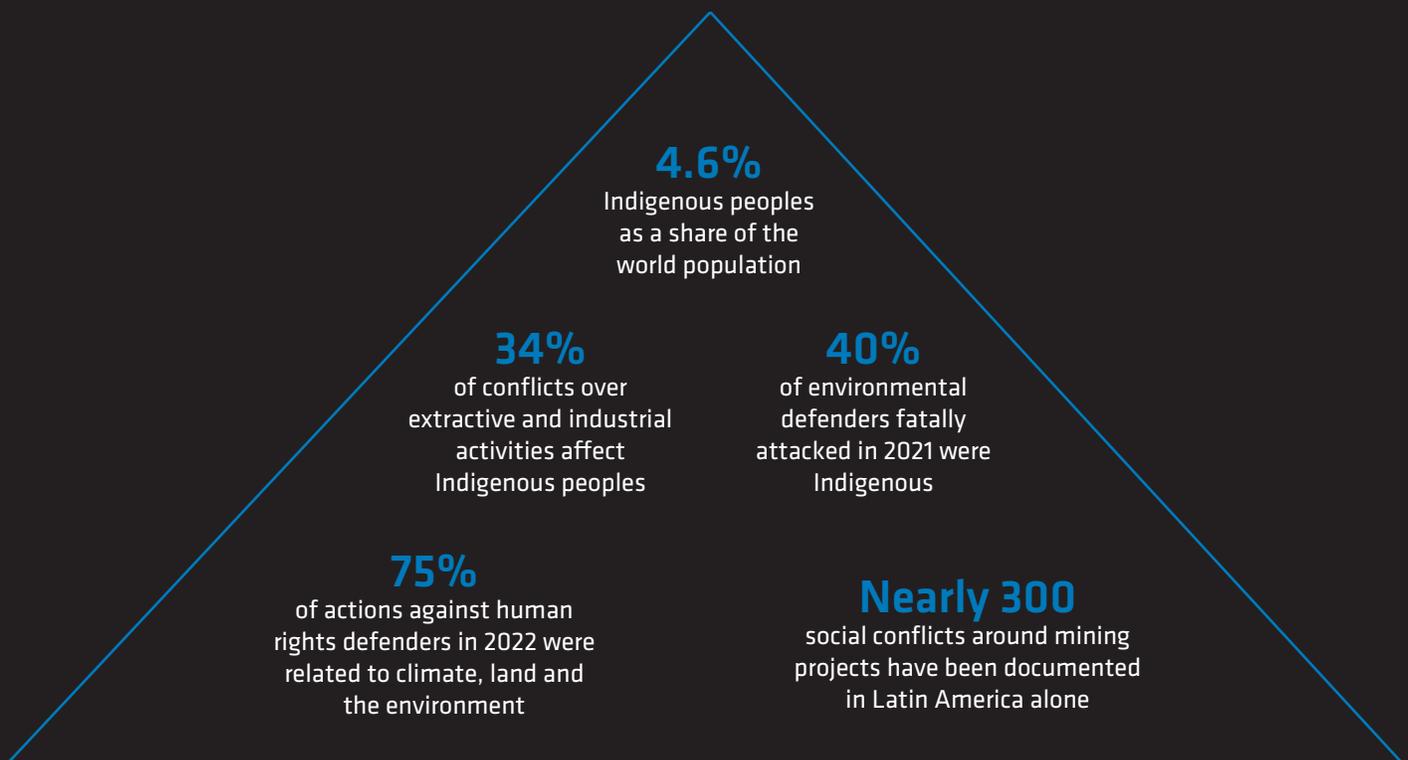
### Case Study 2: Indigenous Rights

The site of a proposed copper mine in the US is estimated to hold more than 40 billion pounds of the metal, which is a crucial component of electric vehicles and most electronic devices. But the site is sacred to a Native American tribe. The mine, if built, would create a crater nearly two miles wide and more than 1,000 feet deep. As well as destroying the sacred site, the mining process would use—and allegedly pollute—6.5 billion gallons of water a year.

Such controversies are not unusual, as Indigenous peoples are disproportionately affected by business activities (*Display*).

The project has faced numerous legal challenges, with Indigenous groups filing lawsuits to halt the land transfer and mining operations. Estimates suggest that the mine’s backers have invested more than \$2 billion so far and that progress has been delayed by a decade.

## INDIGENOUS PEOPLES ARE DISPROPORTIONATELY AFFECTED BY CORPORATE ACTIVITIES



### For illustrative purposes only

As of September 30, 2024 | **Source:** Business & Human Rights Resource Centre; Jérémie Gilbert, “Indigenous Peoples and Litigation: Strategies for Legal Empowerment,” *Journal of Human Rights Practice* 12, no. 2 (July 2020): 301–320; Ali Hines, “Decade of Defiance: Ten Years of Reporting Land and Environmental Activism Worldwide,” Global Witness, September 28, 2022; El Observatoria de Conflictos Mineros de América Latina (OCMAL); Arnim Scheidel et al., “Global Impacts of Extractive and Industrial Development Projects on Indigenous Peoples’ Lifeways, Lands and Rights,” *Science Advances* 9, no. 23 (June 7, 2023); United Nations; and AB

### Case Study 3: AI and Rights to Equality and Nondiscrimination

In 2014, a US company began developing an AI-driven recruitment tool designed to automate the review of job applicants. In 2018, the system was said to have favored male applicants over female ones because it had been trained on historical data from predominantly male resumes. The company scrapped the tool in response to public criticism and [regulatory concerns](#).

#### Think Big and Dig Deep

The challenge posed to investors by the evolving human rights landscape is twofold: Regulation is becoming compulsory rather than voluntary, with the potential for financial penalties that could

adversely affect company valuations. And investors are being steered toward broadening the range of human rights issues they address in their strategies.

Investors can mitigate these risks, in our view, by thinking big and digging deep—in other words, by looking at human rights issues from the broadest possible perspective and using fundamental research and corporate engagement to understand how these rights intersect with each other, with corporate sustainability, and with their investment strategies and objectives.

### 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 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. All engagements are conducted from a fiduciary perspective in accordance with relevant market regulations and frameworks. We operate as a “passive” investor (i.e., not an activist investor) for the purposes of the US Securities and Exchange Commission's Regulation 13D-G.

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 12*). 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 consistently evaluate companies and have a basis for corporate engagements.

Since we first began tracking our modern slavery engagements in early 2020, and as of December 31, 2024, AB has engaged on modern slavery with 146 companies during 221 meetings to assess investment risks. Consistent with our other engagements related to modern slavery risk in recent years, we have 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. AB also has a proprietary engagement guide on modern slavery aimed at supporting investors with their work. This guide is available to AB's investment teams on ESIGHT.

Our analysts and Responsible Investing team members 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 on ESIGHT 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.

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



We sometimes join with non-AB investors, asset owners and/or industry organizations on engagements. This can happen when we've independently arrived at the same conclusion as other managers/investors and believe that collaboration might help address specific issues.

The purpose of collaborating can be (1) to escalate and improve access to an issuer that is not responding to a one-on-one engagement; (2) to engage with an issuer we may not have engaged with before on a material topic; or (3) to improve effectiveness and efficiency for issuers and investors when seeking similar improvements in shareholder outcomes. However, we don't share our investment or voting intentions or agree to act in concert with other fund managers, activist investors or other large shareholders.

In December 2022, AB joined the Principles for Responsible Investment's newly launched Advance initiative—a collaborative stewardship initiative on human rights and social issues. Human

rights-related issues, such as modern slavery, community health and safety, and mine site-level security management, can expose mining companies to material operational, regulatory and reputational risks. As part of the initiative, AB coleads engagements with the mining company Freeport-McMoRan. In 2024, AB continued to participate in meetings with the issuer, focusing on addressing material human rights risks impacting its business. For example, failure to maintain both a social license to operate and positive community sentiment can lead to operational disruptions, legal challenges and reputational damage. To that end, we have engaged with Freeport-McMoRan on its approaches to community and stakeholder management, including how the company establishes and maintains a legitimate grievance mechanism that is accountable to the stakeholder groups for whom it is intended—to ensure both the fair conduct of grievance processes and the accessibility of grievance mechanisms.

**Issuer:** Marriott International  
**Sector:** Consumer Discretionary  
**Asset Class:** Equities

Marriott is a multinational hospitality company that is exposed to a high inherent risk of modern slavery. In 2023, the issuer commenced a human rights saliency mapping exercise that was designed to help validate its existing workstreams, surface actual and potential human rights risks across the value chain, and prioritize investment in salient areas. It expected the exercise to be completed by the end of 2024. In addition, its sustainability and social impact goals were set to be completed by 2025. Our engagement with the company in 2024 presented an opportunity for us to understand whether Marriott was on track to realize these goals and how it was thinking about the next phase of the program. We wanted to engage the company to discuss the initiatives that Marriott had in place to mitigate its risk exposure to modern slavery at company-operated properties as well as franchised and licensed properties.

We met with the Director of Human Rights and Social Impact and members of Investor Relations to discuss risk monitoring, risk mitigation and governance. We learned that, in 2023, Marriott developed Responsible Business Practices for Franchises. This established criteria franchises could use to help prevent human trafficking and forced labor. The Director of Human Rights and Social Impact was also focused on relaunching human trafficking awareness training. This training is currently required for managed and franchise associates, and the issuer has made these trainings available to the broader industry. Marriott also has a new e-learning platform that has multiple levels of questions, which range from establishing foundational knowledge to applying strategies in real-world settings. At the time, the issuer was tracking completion of its human rights training and was aiming for 100% of on-property associates to complete the training by 2025.

We also learned that the implementation of the human rights strategy sits within Marriott's Global Communications and Public Affairs team. The strategy is partly informed by the Human Rights Council, which includes representatives from a range of disciplines and regions at the leadership level who can offer broad oversight. Many of these efforts are made possible by cross-team collaboration. For example, Marriott has a program for donating rooms to survivors of trafficking, which is made possible through collaborations with the operations team. We also asked how Marriott applies its global human rights strategy within each regional context. Marriott agreed that the global/local dichotomy is challenging, but its business councils, which consist of on-property associates, come together to work through business issues and are Marriott's line of sight for local market conditions.

Lastly, Marriott is working on how best to approach human rights risk in its procurement and supply chain strategy. While it has a large centrally managed supply chain, it also tries to support local procurement and engage the local economy to further diversify its supply chains. However, risk across local supply chains can pose a challenge in terms of oversight.

Marriott has some fundamentals in place (namely, a human rights council, responsible business practice standards and trainings). However, there is an opportunity to make risk-management processes more mature by, for example, evidencing how the company validates adherence to its responsible business practices. We look forward to learning about the findings of Marriott's human rights saliency mapping exercise and how the company plans to position its strategy after its 2025 goals expire. Through engaging Marriott, we are able to assess how it mitigates material modern slavery risks and advocate for improved risk mitigation.

## **Investment Decisions: High-Risk Areas**

Analysts' recommendations and evaluations of risks and opportunities for a security reflect material ESG factors, including human rights risks and opportunities.

### **Private Prisons**

We screen investments related to private prisons on a revenue basis for most of our active public equity and fixed-income strategies. We have discussed and debated the business model and its inherent conflicts, investment risks, litigation risks, and whether company 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 AB's Controversial Investment Advisory Council.

### **UN Global Compact (UNGC) Breaches**

Throughout most actively managed investment strategies, we monitor for UNGC 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 little overlap. Also, these data

sources are historical in nature; many breaches occurred several years in the past, and it may be 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 our selected 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 Responsible Investing team, in conjunction with our risk and compliance divisions, has implemented a process to ensure that this research is completed.

### **Long-Term Stewardship**

In most cases, ESG consideration doesn't stop once we've made an investment. AB's Responsible Investing team and analysts monitor factors through continued stewardship, including engagement and proxy voting. We also partner with industry organizations and engage global policymakers to address systemic risks and promote well-functioning markets when doing so is in the best interest of our clients.

# Training

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

## **Our Operations and Vendor Management**

Our mandatory annual product-manager training includes a component on modern slavery. In 2024, 100% of product managers completed this training.

## **Our Investment Teams**

AB's Responsible Investing team conducts training programs, with investment staff receiving ongoing ESG training, including training on external data, systems and tools. Educational sessions can cover a suite of topics, including modern slavery.

In past years, AB has been joined by staff from the Grantham Research Institute on Climate Change and the Environment to

speaking about the relevance of a Just Transition to investors, and how investors can incorporate material Just Transition risks and opportunities into the investment process. We also collaborated with eCornell, Cornell's external education unit, to deepen investor knowledge of the three social themes: a Changing World, a Just World and a Healthy World. In 2024, AB hosted a panel session on ethical artificial intelligence (AI) and its implications for investments. The session explored the evolving AI landscape, regulatory developments, and robust governance practices for companies developing or utilizing AI. Ethical use of AI was highlighted as a critical factor in mitigating risks, such as bias and exploitation, while promoting fairness and accountability.

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

# Industry Participation

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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 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 Labs’ 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.

**September 2022:** AB’s Director of Social Research & Engagement contributed to the paper *Investors’ ESG Expectations—Labour Practices: An Asian Perspective* by ASIFMA, the Asia Securities Industry & Financial Markets Association.

**November 2022:** Members of AB’s Responsibility team sat on the Financial Services Council (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 PRI’s Advance initiative with Freeport-McMoRan and Industrias Peñoles.

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

**October 2023:** AllianceBernstein and Walk Free officially published a research paper, *Bridging ESG Silos: The Intersection of Climate Change and Modern Slavery*. This in-depth analysis examines the investment decision-making process, and how investors can consider both environmental and social factors together.

# Measuring Effectiveness

As investors, we scrutinize the behavior of the companies we analyze. We believe that 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. To gauge the effectiveness of our efforts, we track the number of engagements on modern slavery and the number of companies to which we have assigned a modern slavery risk–exposure rating (*Display 5*). Out of the total number of issuers to which we’ve assigned a risk-exposure rating, just over 315 issuers are deemed high risk in either their operations or supply chain.

## DISPLAY 5: MEASURING EFFECTIVENESS IN OUR INVESTMENTS

	As of December 2021	As of December 2022	As of December 2023	As of December 2024
Cumulative Lifetime-to-Date Engagements on Modern Slavery	102	153	193	221
Cumulative Lifetime-to-Date Companies to Which We Have Assigned a Modern Slavery Risk Exposure Rating	388	878	930	932

As of December 31, 2024 | Source: AB

In 2024, we enhanced our vendor risk-management program to improve our understanding of modern slavery risk in our supply chain. Those enhancements are reflected in *Display 6*.

## DISPLAY 6: MEASURING EFFECTIVENESS IN OUR OPERATIONS AND SUPPLY CHAIN

	2023	2024
Overview	Critical and material vendors received modern slavery risk rating	Revised program to focus on inherent and residual risk
Inherent Risk	No inherent risk assigned to vendor	Inherent risk assigned to vendors based on industry and geography
Residual Risk	Critical and material vendors assigned residual risk	High- and medium-risk vendors assigned residual risk based on DDQ responses
DDQ Questions	High-level questions surrounding policy, code of conduct and due diligence	Additional questions focused on governance and training

As of December 31, 2024 | Source: AB

# Future Plans

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## 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 our proprietary frameworks, recognizing that modern slavery is best understood and assessed from multiple viewpoints. We are currently in the process of exploring how we can use technology to assist in performing an initial assessment of how companies manage modern slavery risk according to our proprietary framework. We will continue researching the topic of modern slavery to help our investors identify and address material modern slavery risks in our investee companies. We are also looking to focus our research efforts on other human rights-related topics, such as Indigenous rights, community grievances and access to medicine.

Our analysts continue to engage with issuers on material modern slavery risks—both for insight and action. We plan to follow up on modern slavery-related engagements from prior years and engage with new issuers on the topic. Compounding crises in recent years—including disease outbreaks, 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

In 2025, we will apply our learnings from 2024. We will continue to assign an inherent and residual risk to our vendors, and we will revise our DDQ questions to better understand how our supply chain is exposed to modern slavery risk.

The Board of Directors approved this statement on or by June 30, 2025, 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 that ended December 31, 2024.



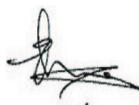
**By Seth Bernstein**  
Director, President and CEO  
For and on behalf of AllianceBernstein L.P.



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



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



**By Eileen Koo**  
Responsible Member, Director and CEO  
For and on behalf of AllianceBernstein Investment Management  
Australia Limited



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

# 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)	Reporting Entity: AllianceBernstein and Its Subsidiaries; 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 Global Research Insights Fund ARSN 604 172 750; AB Sustainable Global Thematic Equities Fund ARSN 659 443 320; and AB Global Strategic Core Equities Fund ARSN 680 787 535.
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

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