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2015/2016

**CORPORATE RESPONSIBILITY REPORT**

Moving Forward,  
Together



# AHEAD OF TOMORROW

Things change every day in our industry and in the marketplace. Staying ahead of tomorrow requires that we build a diverse and inclusive workforce, engage with our communities, and ensure the sustainability of our operations, which in turn allows us to serve our clients responsibly.

Every decision we make is guided by our shared values of relentlessness, ingenuity, collaboration and accountability—values at the heart of our commitment to corporate responsibility.

## ASSETS UNDER MANAGEMENT (\$480 BILLION)

By Investment Service (\$ Bil.)



By Channel (\$ Bil.)



By Client Location (\$ Bil.)



# KEY FACTS

**\$480<sup>4</sup>**  
BILLION IN ASSETS  
UNDER MANAGEMENT

**3,440<sup>5</sup>**  
EMPLOYEES

**50**  
YEARS OF  
EXPERIENCE

**A2/A**  
CREDIT RATING

OFFICES IN  
**21**  
COUNTRIES AND  
47 CITIES

**PRI**  
SIGNATORY TO  
THE PRINCIPLES  
FOR RESPONSIBLE  
INVESTMENT

## CONTENTS

- 1 Includes index and enhanced index services
- 2 Includes actively managed tax-exempt and actively managed taxable
- 3 Includes certain multi-asset solutions and services, and certain alternative investments
- 4 As of December 31, 2016
- 5 Full-time employees

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# FROM OUR CEO

It is my pleasure to introduce myself to you as AB's new President and CEO with this letter. I may be new to the firm, but the firm is not new to me. As a long-time private client, a former competitor and an institutional client of AB, I have long admired the company's unique culture and commitment to investment and research excellence. When I arrived at AB, the firm's dedication over the past 50 years to responsibly serving both our clients and its communities was immediately apparent. It's also clear to me that to remain true to our mission and be a leading global financial-services company in the future, we must continue to address the social, economic and environmental challenges of our time.

I'm happy to report that AB's commitment to corporate responsibility is as robust as ever. This report provides a summary of our performance and progress since our 2014 report. It highlights what we're doing as a firm across all aspects of our business, offerings, services and culture to build a diverse global workforce, engage with our communities and ensure sustainable operations—all critical factors in our ability to serve our clients responsibly. By doing so, we can also attract and retain top talent to keep our clients AHEAD OF TOMORROW.®

We are relentless in our efforts to provide better outcomes for our clients, whether they're buying a home, financing a child's college education or saving for retirement. To achieve this, we must continue to be open and transparent about how we think, how we partner with clients, how we collaborate internally, and how we make investment decisions to help our clients meet their goals.

Of course, AB's greatest competitive advantage is our people. We continue to make significant strides in our efforts to foster a dynamic, diverse and inclusive workplace where employees feel challenged, valued and excited about building a career at AB. Since our last letter, we've pushed even harder to advance diversity and inclusion, appointing both a dedicated Head of

Diversity and Inclusion and a Diversity Campus Recruiter. And through our 10 Employee Resource Groups around the world, our people are continually developing new ways to raise issues, share ideas and promote diversity of thought. We encourage open and honest feedback, which allows for candid discussion and debate.

This approach helps us make the right investment decisions as well. We search for factors that drive good behavior in management, and we look beyond biases and the limitations of simple investment screens that may restrict our thinking. Carefully scrutinizing environmental, social and governance (ESG) issues allows us to integrate different insights into our research, investment decisions and proxy voting. To leverage these advantages, we have developed several responsible investment portfolios that go beyond ESG integration, and we continue to innovate across asset classes to provide better outcomes for our clients.

We also embrace opportunities to engage with our communities and help the environment. In 2015 and 2016, AB and its employees donated a total of more than \$15 million and devoted thousands of hours of service to various community and environmental initiatives around the world. And through our annual firmwide Day of Service initiative alone, nearly 3,000 employees participated in more than 150 events in support of more than 100 global charities.

It's an honor for me to be leading AB today, and I'm pleased with the initiatives we've introduced and contributions we've made, but I know there's more we can do. Exceptional companies continually learn and work to improve, so we'll continue to strengthen our culture and embed our values in everything we do. I'm inspired by what is possible when our people work together for the benefit of our clients, each other and our communities around the world. And I'm committed to advancing AB's responsibilities as a corporate citizen.



**Seth Bernstein**  
President and  
Chief Executive Officer

# FOSTERING RESPONSIBLE GOVERNANCE

NYSE Welcomes

## OUR MISSION

AB strives to be the most trusted investment firm in the world. We pursue this mission day in and day out, drawing on the following set of shared behaviors to inform our actions and decisions:

**Relentlessness:** We are tenacious in attaining our goals and persevering through challenges.

**Ingenuity:** We think creatively, question convention and solve problems to get results.

**Collaboration:** We share resources and insights and work together to find the best solutions.

**Accountability:** We take personal responsibility for setting and achieving firmwide and individual business goals.

## **AB'S BOARD AND COMMITTEES**

AB's Board of Directors oversees the strategic direction of the firm. The board currently consists of eight members, including our CEO, a non-executive Chairman, three independent directors and three non-management directors. We believe that separating the duties of Chairman and CEO represents better corporate governance and that an effective board consists of a diverse group of individuals who collectively possess the skills and perspectives needed to successfully guide the company.

Our directors possess a wealth of leadership experience derived from managing large, complex organizations in their roles as senior executives or board members as well as in government. Collectively, they have extensive knowledge and capabilities applicable to our business, including expertise in areas such as regulation and government; public accounting and financial reporting; finance; investment management; private banking; risk management; business development; operations; insurance; strategic planning; management development, succession planning and compensation; corporate governance; public policy; and international matters.

AB's Board of Directors has five standing committees—executive, audit, compensation, corporate governance and special committees. For complete information on our governance structures and policies, please visit the Corporate Governance and Investor & Media Relations sections of our website (ABglobal.com).

## **OUR ROLE AS A FIDUCIARY**

We believe that maintaining a vigorous fiduciary culture is the only way to do business. As a fiduciary, we place the interests of our clients first and foremost, and treat all our clients fairly and equitably. AB's business model rests on prudent risk-taking on behalf of our clients and the firm. We maintain a strong risk-aware culture and a robust governance framework, as articulated in our risk-appetite framework. Developed by our risk-management team, this risk-appetite framework is a set of guiding principles that is aligned with best practices in the industry to bring consistency to how we identify, measure, monitor and manage risk across the firm.

It is reviewed periodically by senior management to ensure that key risks are captured. Underscoring how seriously we take our fiduciary obligations, employees regularly receive training on a number of topics relevant to their roles and positions.

## **REGULATORY COMPLIANCE**

For AB, having a strong compliance framework is more than a legal mandate—it's our responsibility to our clients, who have placed their trust in us. Virtually all aspects of our business are subject to US federal and state laws and regulations, the rules of various securities regulators and exchanges, and laws in the foreign countries in which our subsidiaries conduct business. These rules are designed primarily to protect clients.

Our Code of Business Conduct and Ethics contains a comprehensive discussion of the internal rules and policies governing our employees. This document covers, among other things, conflicts of interest, personal trading by employees, gifts and entertainment, and political contributions and activities. We also maintain a Compliance Manual Site Map for all employees, which includes policies on mitigating potential conflicts of interest, investment guidelines for services and clients, research activities, security transactions with AB affiliates, and beneficial ownership reporting. We employ a range of measures, including active monitoring, to ensure regulatory compliance.

## **ENSURING SECURITY AND BUSINESS CONTINUITY**

In a connected world, it is critical to protect the integrity and security of client information. All our websites are third-party tested, and state-of-the-art software secures our information-technology infrastructure from viruses and other intrusions. Further, we have developed a cybersecurity policy to ensure the safety of client information. This comprehensive plan includes ongoing governance and risk assessment as well as vendor management, procedures to prevent data loss and to control access rights, an incident-response plan, and periodic testing and training.

We've also adopted a comprehensive business-continuity strategy in the event of disruptions or technical failures. Whether faced with severe weather or a global pandemic, AB can maintain critical functions in a way that's designed to minimize the potential impact of significant disruptions on our clients.

With our independent testing, built-in redundancies, emergency planning and comprehensive internal controls, AB delivers advanced client protection—continuing toward our goal of being the most trusted investment firm in the world.

# SERVING OUR CLIENTS RESPONSIBLY



## PROVIDING SOLUTIONS FOR INVESTMENT NEEDS TODAY, TOMORROW AND BEYOND

AB offers a comprehensive range of investment solutions for all kinds of clients:

### INSTITUTIONAL INVESTORS

As an active global participant in all markets and asset classes, we provide exclusive insight and design innovative strategies to help meet our clients' unique objectives and time horizons.

### INTERMEDIARIES

Dedicated to deep relationships with our clients, we help them navigate capital-market complexities with actionable insights and unique investor solutions.

### PRIVATE WEALTH

Through our integrated wealth management, institutional strength and targeted services, we seek the highest-quality outcomes for our private clients' needs.

### DEFINED CONTRIBUTION (DC) PLANS

We pioneer and implement DC solutions that give investors the flexibility to navigate unpredictable markets, address their unique client needs, and help them anticipate retirement income challenges.

### INSTITUTIONAL RESEARCH AND TRADING

As a truly independent partner, we provide differentiated research insights and deliver trusted trading execution for institutional clients.

## **AB has cultivated a solid reputation as a trusted advisor by providing broad market knowledge, investment clarity and exceptional service every day for 50 years.**

Our sole focus is on investment management and research, a singular purpose that sets us apart from other asset managers and fuels our relentless drive to deliver better outcomes for our clients. We meet clients' needs through the deep expertise and global capabilities of our 3,440 employees across 47 locations in 21 countries. Leveraging the firm's global, collaborative research and investment-management resources, we provide our clients with the best investment thinking and thought leadership.

### **TARGETED AND RELIABLE INVESTMENT SOLUTIONS**

AB has the expertise and flexibility to design, tailor and apply innovative strategies to meet the individual needs of our clients. We forge consultative investment-management relationships to help clients navigate changing markets in new ways.

**On the sell side**, we have a top-rated franchise that delivers independent research and execution to institutional investors globally. We apply industry expertise and analysis to generate differentiated insights that reframe perspectives and strategies across markets and sectors. In an *Institutional Investor* survey of major institutional clients, AB Bernstein's research quality is ranked No. 1 across all three regions (US, Europe and Asia) in the categories of greatest knowledge of companies and industries, as well as the most trusted.

**On the buy side**, we offer creative investment solutions for institutional, high-net-worth and retail intermediary clients. We work closely with our clients to meet their evolving needs in complex markets, helping them to find the best solutions among a broad array of return-seeking, risk-reducing and diversifying strategies across asset classes.

In support of these efforts, we've made one of the biggest commitments to in-house research in the industry. Our buy-side specialist teams, comprising more than 200 fundamental and quantitative analysts, and covering thousands of companies from every major market, share research perspectives and collaborate to make connections within and across geographies and asset classes. We believe that this provides an unparalleled measure of

research expertise. This collaborative ethic enables us to develop differentiated insights and informs better investment decisions.

Our **private wealth management** business provides both integrated wealth-management solutions and targeted solutions. Using our unique wealth-forecasting system, we help high-net-worth individuals and families to adopt financial strategies and asset allocations that meet their specific circumstances and objectives, including intergenerational wealth transfer and philanthropic giving. We also assist not-for-profit organizations to devise investment and spending plans. We give our clients direct access to institutional-quality investment services, managed with an eye to maximizing after-tax returns within the client's risk tolerance; we also give dynamic asset-allocation services to smooth the pattern of returns. Targeted solutions take advantage of dislocations in the market, drawing on the collective wisdom of our top investment professionals to meet specific clients' needs.<sup>1</sup>

### **PUTTING PRINCIPLES INTO ACTION**

Responsible investing is a major facet of how we invest, who we are as a firm and a cornerstone of our corporate responsibility mission. For years, we've integrated environmental, social and governance (ESG) factors into our investment decisions. We further honed and formalized our approach in 2011, when we signed the United Nations-sponsored Principles for Responsible Investment (PRI). While these principles are aspirational and not prescriptive, we must show progress. We are happy to report that AB received an A+, up from an A previously, in the most recent PRI transparency report, covering 2015.

Our recently published brochure, *Embracing Responsible Investing*, is a comprehensive overview of our perspectives, initiatives and approach to ESG integration. Download it here: [https://www.abglobal.com/corporate/our-firm/resources/pdf/embracing\\_responsible\\_investing.pdf](https://www.abglobal.com/corporate/our-firm/resources/pdf/embracing_responsible_investing.pdf).

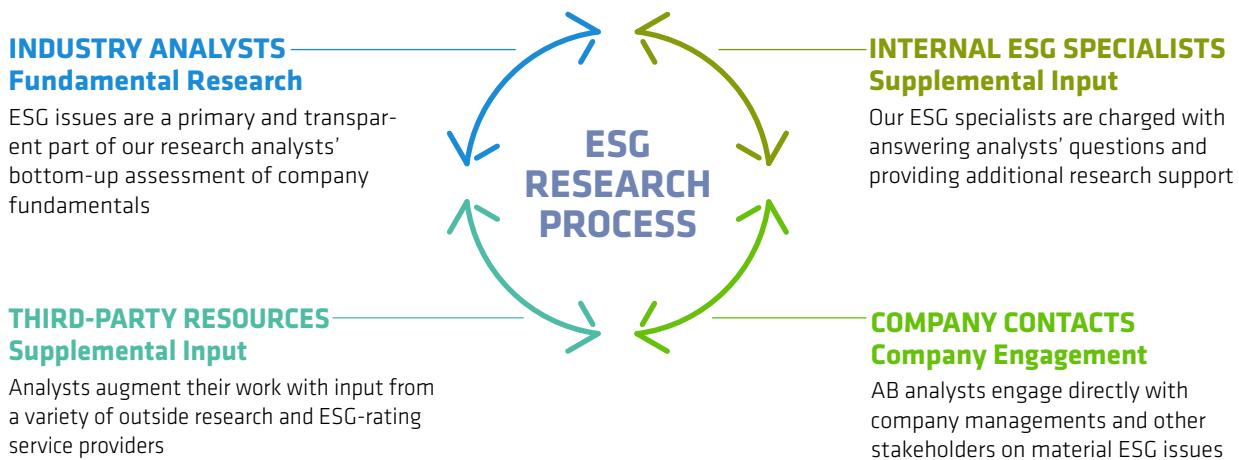
### **A HOLISTIC APPROACH TO ESG**

AB's holistic ESG-aware approach helps us make better investment choices and promotes responsible investing across the firm. We've done this by:

- + Integrating ESG analysis into decision making across our fixed-income and equities platforms. Analysts employ a variety of sources to assess the potential investment impact of the ESG issues they identify. These include their own proprietary research,

<sup>1</sup> AB Bernstein does not offer tax, legal or accounting advice.

## ESG INTEGRATION: NO STONE LEFT UNTURNED



third-party data providers, company visits and discussions with senior management, board members and other stakeholders

- + Creating a proactive, collaborative proxy voting process that incorporates ESG factors and engagement
- + Maintaining an education program to inform and engage colleagues from all corners of the firm in our responsible investing efforts
- + Sponsoring events on topical responsible investing issues for our colleagues and clients, and participating in similar events of other organizations
- + Developing a responsible investing platform beyond integration to include thematic, impact and screened strategies

To tie it all together, we've assembled a 17-member Responsible Investment (RI) Committee, made up of senior professionals averaging nearly a quarter-century of experience in the business and 15 years at AB. We've appointed a Partner sponsor, charged with representing responsible investing at the highest level of the firm, advocating for these principles and carrying our efforts into the future. The dedicated RI team includes the head of Responsible Investment; a full-time ESG analyst; a governance analyst; and an ESG associate. The Responsible Investment and Proxy Voting and Governance committees intentionally overlap, with the same person chairing both.

### INNOVATING WITH ESG-FOCUSED AND IMPACT STRATEGIES

We have created a number of responsible-investment portfolios, and continue to incubate other products across asset classes.

- + In November 2016, we introduced our sustainable global thematic strategy, designed to address global issues aligned with the United Nations' Sustainable Development Goals.
- + In September 2016, we launched the Responsible Global Factor portfolio, a smart-beta strategy that targets companies with the highest-quality ESG characteristics across developed and emerging markets.

### ESG FRONT AND CENTER

Over the years, we've spoken many times with the senior management of a Russian nickel and palladium miner about its environmental record, seeking significant emission reductions. So we were encouraged when the company closed an old nickel smelter last August, ahead of schedule. The closing of this facility, a major polluter, will reduce the company's sulfur emissions by 15%. We continue to monitor and engage with this miner as it implements its \$1.5 billion sulfur-capture program, a plan expected to slash the emissions of its remaining facilities by an additional 75%-85% by 2021.

Bernstein Private Wealth Management, a division of AB, was ranked among the top 20 wealth management firms by *Barron's* in 2015 and 2016.

- + In May 2016, we launched our municipal impact portfolio, which allocates capital to projects that have a social and/or environmental impact in underserved communities.
- + Our frontier markets equity product seeks companies with responsible business practices in smaller early-stage countries, a theme of significant importance to the fund's investors, which include the International Finance Corporation (IFC), the private investment arm of the World Bank. This organization, with its long history of trying to improve capital allocation to these smaller emerging economies, specifically chose AB for its stringent performance and ESG-evaluation standards, and adjusts the cost of capital accordingly.
- + Our emerging consumer equity strategy emphasizes bottom-up, grassroots research, so ESG plays a major role. As part of its selection process, the team runs a "premortem" risk assessment on each prospective stock, ranking each candidate on the basis of its ESG, financial, operational and strategic risks.
- + We also work closely with clients to meet their individual needs wherever possible, from providing negative and/or positive screens to reducing the carbon footprint of their portfolios.

#### SHARING INSIGHTS AND THOUGHT LEADERSHIP

Through our creative collaboration within and across business units, coupled with our unique combination of global research and investment expertise, we work tirelessly to apply collective insights to help keep our clients at the forefront of change. We make it a priority to keep our clients informed through a variety of channels, including one-on-one meetings, customized planning updates, networking events, our website, client conferences and publications. For example, clients can access our latest thinking on a wide range of investing topics on our blog, *Context*.

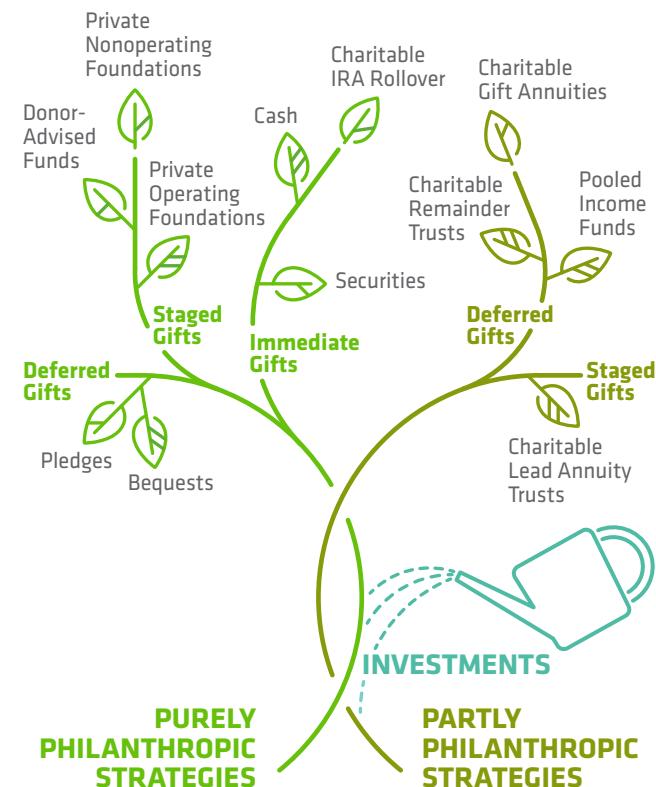
#### THE ART OF GIVING

AB's Private Wealth Management has launched several new initiatives, leveraging its decades-long experience in helping families and not-for-profit organizations craft the giving program that best suits their philanthropic goals and improves their impact. The team's charitable-giving playbook, *The Seeds You Plant: Growing Your Philanthropic Impact*, and a related capabilities brochure provide a useful framework to help clients

understand the choices they face in defining and implementing their giving strategies.

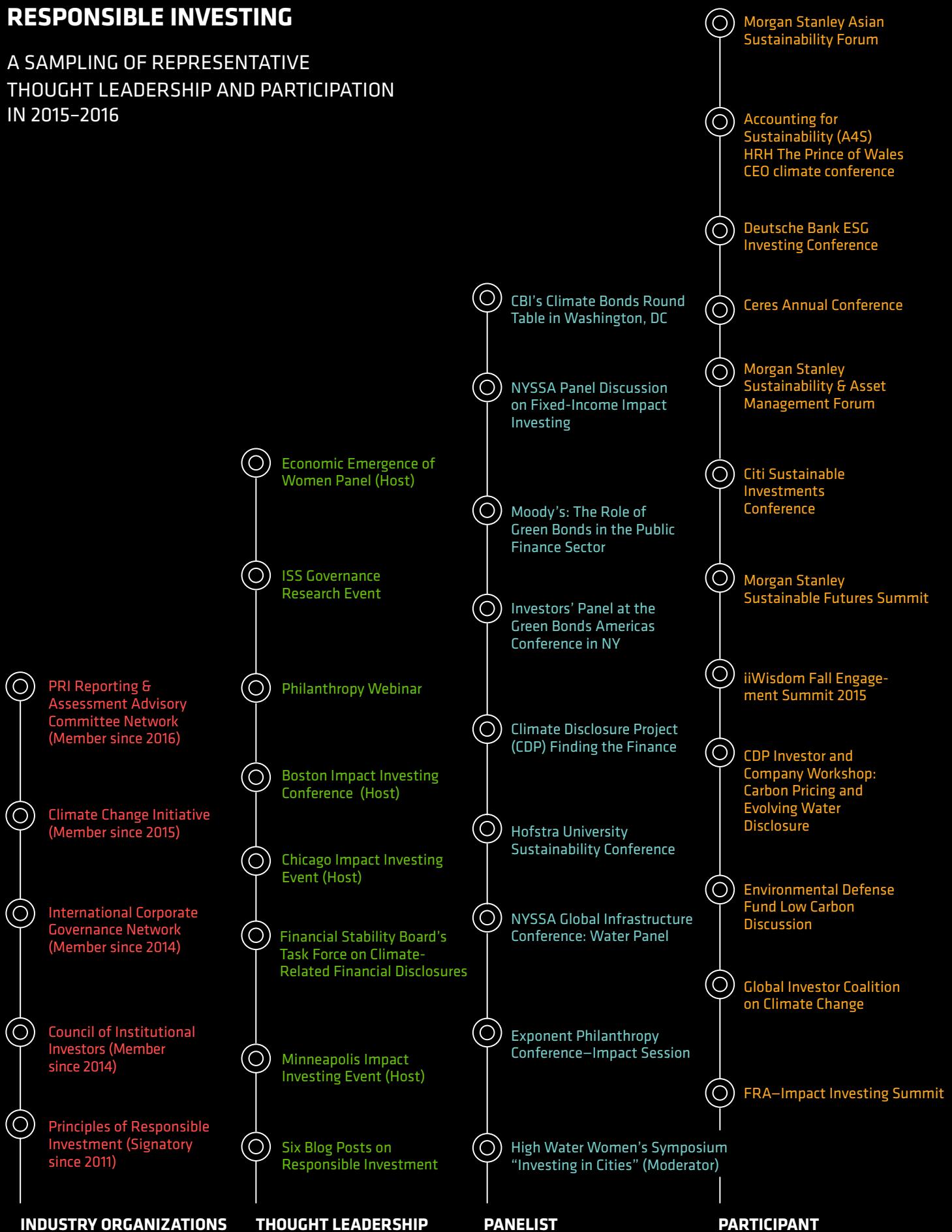
To support these efforts, our private wealth management business also sponsored Impact Investing symposia in several cities across the US. For each event, leaders and other key influencers from each city's philanthropic community joined senior AB Bernstein professionals and AB fixed-income and equity investment managers in panel discussions on how investors can align their investments with their philanthropic goals. These events enabled us to showcase our thought leadership and research in an area of growing interest to investors.

#### THE MANY WAYS TO IMPLEMENT A PHILANTHROPIC MISSION



# AB'S GROWING COMMITMENT TO RESPONSIBLE INVESTING

A SAMPLING OF REPRESENTATIVE THOUGHT LEADERSHIP AND PARTICIPATION IN 2015–2016



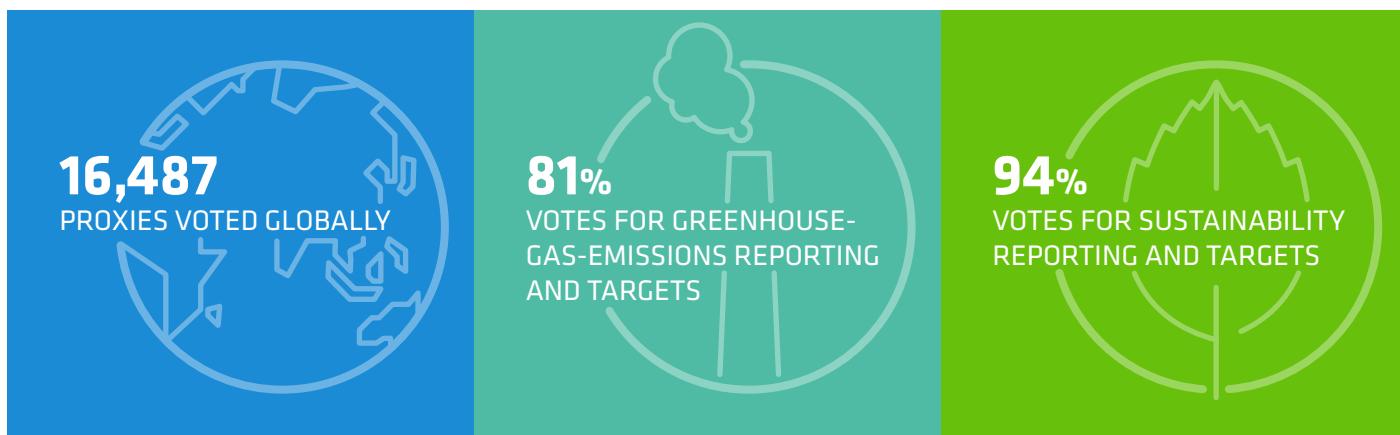
## ACTIVE OWNERSHIP AND STEWARDSHIP

As shareholder advocates and a PRI signatory, AB is committed to giving voice to our clients' ESG concerns. Therefore, we are longtime supporters of proxy proposals that encourage strong corporate governance structures, shareholder rights and transparency.

We've developed a robust proxy voting process and policy. Our Proxy Voting and Governance Committee, which includes senior investment professionals and legal and operations personnel, meets at least three times a year. The committee reviews the voting process, formulates AB's positions on new proposals and governance best practices, and updates policies to capture our latest thinking. Our governance team collaborates proactively with our equity portfolio-management teams to wrestle with the issues. This partnership gives us the broadest perspective and ensures that our votes make a positive impact.

We are also developing an engagement framework that will leverage our qualitative and quantitative research insights and seek more proactive and steadfast engagement with management and stakeholders on ESG issues.

## HIGHLIGHTS OF 2015 & 2016 PROXY VOTING



<sup>1</sup> Nathan Cummings Foundation, January 31, 2016

AB was one of only seven major mutual fund companies to support at least 70% of climate-related shareholder proposals in 2015.<sup>1</sup>

A recent example shows how we orient our proxy voting around shareholder value. A popular US fast-food restaurant chain experienced a series of food-safety incidents, including an outbreak of E.coli at locations across the country. Customer trust and shareholder value were gravely damaged. We engaged with management and the board on several occasions to gauge the effectiveness of its response to these problems.

The company has implemented new food-safety and preparation procedures and increased its board oversight. But details on its board-level risk management were thin, and it became clear that these steps had been taken only reactively. This led us to vote against the chair of the audit committee for material risk oversight failures, and in favor of a shareholder proposal to assess the feasibility of integrating sustainability metrics such as food safety into the executive compensation plan. We continue to monitor and engage with the company on these issues.

Our proxy voting and governance policy and our proxy voting records are available on our website, [ABglobal.com](http://ABglobal.com).

# WORKING AT AB



FULL TIME/PART TIME	FEMALE	% FEMALE	MALE	% MALE	GRAND TOTAL	% TOTAL
Full Time	1,302	38%	2,138	62%	3,440	100%
Part Time	7	88%	1	12%	8	0%
<b>Grand Total</b>	<b>1,309</b>	<b>38%</b>	<b>2,139</b>	<b>62%</b>	<b>3,448</b>	<b>100%</b>
REGION	FEMALE	% FEMALE	MALE	% MALE	GRAND TOTAL	% TOTAL
Americas	958	36%	1,675	64%	2,633	76%
Asia ex Japan	171	51%	165	49%	336	10%
EMEA	138	36%	250	64%	388	11%
Japan	42	46%	49	54%	91	3%
<b>Grand Total</b>	<b>1,309</b>	<b>38%</b>	<b>2,139</b>	<b>62%</b>	<b>3,448</b>	<b>100%</b>
EXEMPT vs. NONEXEMPT	FEMALE	% FEMALE	MALE	% MALE	GRAND TOTAL	% TOTAL
Exempt	1,101	35%	2,054	65%	3,155	92%
Nonexempt	208	71%	85	29%	293	8%
<b>Grand Total</b>	<b>1,309</b>	<b>38%</b>	<b>2,139</b>	<b>62%</b>	<b>3,448</b>	<b>100%</b>

As of December 31, 2016

**At AB, we share a collective mission to deliver better outcomes for our clients. To succeed, we're committed to creating a dynamic, diverse and intellectually challenging environment that brings out the best in our employees.**

To achieve this goal, we listen to employees and promote an open exchange of ideas across all levels of the firm to build on our foundational values of relentlessness, ingenuity, collaboration and accountability. We've continued to roll out initiatives to foster an engaging, inclusive and diverse workplace, and we remain steadfast in our drive to hire the right talent to shape the firm of the future.

#### **LISTENING TO EMPLOYEES**

At AB, our people are our greatest asset. We want to hear their thoughts on how to make AB an even better place to work, and we want to get their feedback on our progress.

**AB Voice**, our biannual employee engagement survey, provides employees with a forum to voice their perspectives and concerns. More than 80% of AB employees responded to our 2015 survey, well above the participation rate in 2013 and our expectations. We've listened closely and have developed action plans to address several key areas for improvement. For example, we are increasing our efforts to highlight and encourage internal mobility, have introduced new development programs to support professional growth, and have deepened communication with employees about our diversity strategy and key actions.

[ With 80% of employees participating, the 2015 *AB Voice* survey showed gains in engagement and empowerment versus the 2013 results. ]

#### **GLOBAL TOWN HALLS WITH THE CEO**

Early in 2016, our CEO and partners held a town hall meeting to bring everyone across the firm together for a review of our most recent financial results and accomplishments, the outlook for the business, and a rundown of what each business unit is doing to grow. Last September, we added a second session, called "Ask Me Anything." Both of these events featured Pigeonhole, an interactive question-and-answer technology that lets employees confidentially submit questions to the CEO and other senior management about the issues they are most concerned about. These open-forum Q&As have led to some lively and candid discussions.

#### **CULTURAL ADVANCEMENT TEAM**

In 2013, we created the Cultural Advancement Team (CAT), a group of senior professionals across AB regions and business units that is charged with the task of improving communications, building bridges across business units, and generally making AB a better place to enjoy a successful career. In addition to helping shape and communicate AB's cultural pillars, the CAT oversees the AB Associate Leadership Councils, Take Our Daughters and Sons to Work Day, and Employee Appreciation events. Over the past two years, the CAT has focused on how we can give back to our communities. In 2015, it launched the AB Day of Service, which encourages employees to take a day out of the office to help the local charities that resonate the most with them. Since its launch, the Day of Service has produced more than 150 events, bringing almost 3,000 employees together with more than 100 different charitable organizations.

## DEVELOPING OUR PEOPLE

We continually strive to strengthen our talent pipeline. For those just beginning their careers, we've established a robust 10-week summer internship program, with the option for qualified candidates to join one of our associate programs after graduation. The direct-placement programs place an associate in a specific role when they join the firm. In the rotational programs, associates work across four areas of a business over the course of two years. We also work hard to offer employees the resources they need to advance in their jobs and stay intellectually challenged. We view constant learning as the fuel for ingenuity. Our programs are designed to address the needs and interests of our employees at all stages of their careers.

We recognize that professional growth can benefit from forging strong communication channels between managers and employees. That's why we encourage employees to have regular conversations with their managers to set objectives and track their progress throughout the year. These efforts are anchored by a year-end performance review, focused on measuring outcomes based on standardized competency models tailored to each employee's role within the organization, a self-evaluation, and relevant feedback from coworkers.



June 2016 Associate Program Onboarding

### ENTRY LEVEL

- + Campus-hire associates participate in a two-year development curriculum that includes functional and soft skills training, a senior leader speaker series, and networking opportunities.
- + The global Associate Leadership Councils provide our associates with opportunities for networking and presenting to senior leaders of the firm, career mobility, and skills development.
- + Our newly launched Associate Exchange program provides associates with the opportunity to work in different offices around the world.
- + Another new program, "AB Thinks Big," sponsors a TED talk-style speaker series, which will be held annually going forward.

### MID LEVEL

- + We offer a pilot program for vice presidents focused on developing their skills and leadership.
- + Our diversity leadership development programs for our mid- and senior-level employees focus on developing specific leadership skills.

### SENIOR LEVEL

- + All newly elected senior vice presidents (SVPs) participate in a new onboarding program that includes time with senior management and knowledge-sharing across business groups.
- + All new partners of the firm also participate in an in-depth program to discuss their roles and responsibilities as partners.

## SUPPORTING EMPLOYEE HEALTH AND WELL-BEING

We understand the importance of a work/life balance, and the challenges in achieving it. That's why we are especially proud of our Well Ahead program, a comprehensive plan designed to get everyone to think about health and well-being—and a way for AB to support its employees.

Well Ahead was launched in May 2015 with a two-day program that offered nearly 700 New York City-based employees a range of wellness-related events, including biometric screenings, a farmers' market, financial health seminars, a huge Wellness Fair and a variety of fitness classes.

Since then, we've expanded Well Ahead's scope and reach. In May 2016, AB celebrated a year of healthy progress with sessions ranging from acupuncture and reflexology to managing eldercare issues, supporting your children who are facing a bully, and

managing your finances. Last June, AB employees from every corner of the world took part in our 24 Hours of Fitness event, which offered free classes and activities with fitness experts at local health clubs. We've also launched a Well Ahead website, where employees can find tips to help them with an array of life issues ranging from childcare/eldercare to personal finances to healthy eating.

Employee Wellness Groups (EWGs) are a critical component of the global Well Ahead initiative. EWGs sponsor a variety of healthy activities—including cycling, running, yoga, golf and soccer—providing colleagues with a chance to connect with each other while enjoying their favorite pastimes. Another way we help support employee well-being is through our Five-Year Refresh award, which gives employees an extra two weeks of uninterrupted time off for every five years of service.

### WELL AHEAD LAUNCH STATS

- + **825** healthy lunches consumed
- + **350** fingers pricked for biometric screening
- + **200** employees broke a sweat during 13 challenging fitness classes
- + **200** employees took part in educational seminars to learn about their health and finances
- + **100** employees received stress-relieving massages
- + **50** earlobes poked for beneficial acupuncture sessions
- + **42** people enjoyed relaxing reflexology treatments

AB employees take part in a midday spin class on the terrace outside AB's midtown Manhattan headquarters to celebrate the Well Ahead program's May 2015 launch.

## BUILDING A MORE DIVERSE AND INCLUSIVE CULTURE

At AB, we are committed to fostering a work environment where all employees feel valued and are treated fairly. We want AB to be a place where everyone has the opportunity to succeed based on merit, regardless of race, color, religion, creed, ancestry, national origin, sex, age, disability, marital status, citizenship status, sexual orientation, gender identity expression, military or veteran status, or any other criterion.

We know that diverse and inclusive teams generate better ideas and reach more balanced decisions. We seek to leverage the unique backgrounds of our employees to best engage the communities in which we operate and meet the needs of a broad range of clients.

Diversity and inclusion have always been important to AB. Over the past year, however, we've pushed to increase them even further. In an important step, we recently appointed a dedicated Head of Diversity and Inclusion and a Diversity Campus Recruiter, who work with senior leadership and Human Capital to drive the four strategic pillars of recruitment, senior leadership accountability, development of diverse talent, and increasing brand visibility. While we've made strides, we aren't yet where we want to be. But we remain as resolute as ever to do whatever it takes to get there.

## TARGETED DIVERSITY-RECRUITING EFFORTS

Building the inclusive workplace of the future begins with hiring practices. The Employee Referral Program (ERP) remains our strongest source for diverse talent, and we depend on our internal staff to assist us in our efforts.

In addition, AB has long partnered and actively worked with academic institutions with diverse student bodies. Through our relationships with historically black colleges and universities (HBCUs), such as Howard University, and in partnership with the Thurgood Marshall College Fund, we have access to hundreds of talented students. We also partner with organizations such as the Council of Urban Professionals, the Center for Talent Innovation, Toigo, America Needs You, the Posse Foundation, INROADS and Out for Undergrad, among others, to recruit top talent. At the same time, we are devoting more attention to schools where we already have strong relationships.

Recently, we've added diversity-recruitment processes for lateral hires. Through the use of no-fee diversity-sourcing tools (job boards and social media), we are improving our diversity talent pools. We are also engaged with select contingent and retained search firms and diversity-recruitment boutiques with solid success records.

Associate-level diverse talent is recruited directly into our Sophomore Leadership, Junior Intern and full-time Associate programs, which provide formal training, development and mentoring. We believe that associates are the future leaders of the firm; therefore, it is imperative to provide them with the necessary tools and training to make an impact from the start.



**“** Employee Resource Groups are gems hiding in plain sight. The chance to meet colleagues outside of our day-to-day responsibilities...helps make us all better at our jobs and appreciate the depth of talent we have at AB. That's a win-win. **”**

—Dave Barnard, Head of Private Wealth Management



#### SENIOR LEADERSHIP ACCOUNTABILITY

AB's leaders are unwavering in their commitment to fostering a welcoming environment that will attract all types of talented people.

Toward that end, we've taken concrete steps to ensure that our senior leaders are accountable for meeting AB's diversity and inclusion goals. Every few years, a different partner of the firm is appointed as Diversity and Inclusion Executive Sponsor. AB also maintains a Diversity Champions Council, a global team of senior leaders responsible for promoting the diversity efforts of each of our strategic business units. We also require our senior leaders to be role models for inclusive behaviors. We've launched an Inclusive Leadership training program for our partners, senior vice presidents, and vice presidents globally, which examines how their actions, regardless of intent, can have an impact on their teams.

#### DEVELOPING DIVERSE TALENT

##### EMPLOYEE RESOURCE GROUPS (ERGs)

Our firm-sponsored Employee Resource Groups (ERGs) are at the heart of our efforts to develop an inclusive environment. ERGs are voluntary organizations designed for individuals of a particular affinity and their allies to share their interests and experiences and mutually support each other's personal and professional growth. Our ERGs have grown from three in 2010 to 10 globally in 2016, attracting roughly 800 employees.

We are particularly proud of how actively all our ERGs promote and sponsor networking, volunteering and development opportunities for their members and foster an inclusive environment at the firm. Here are some examples of new and innovative ERGs at AB:

**AB Adelante:** AB's newest ERG (adelante means "ahead" in Spanish). AB Adelante is dedicated to building awareness of the diverse Hispanic/Latin culture of AB employees and the firm's presence in the Latin American world.

**LGBTQ/ALLY Program:** Our AB OUT ERG promotes a diverse and inclusive environment for lesbian, gay, bisexual, transgender and queer (LGBTQ) employees at AB, and supports the firm in hiring and developing talented members of the LGBTQ community. In our ALLY program, employees serve as LGBTQ allies and advocates, working to provide the most inclusive and supportive work environment possible. Last June, AB OUT held a special event for LGBT Pride Month, which featured opening remarks by our CEO on AB's commitment to the LGBTQ community and a presentation by Professor Kenji Yoshino, a renowned scholar and author, on his study of "covering" in the workplace.

### LEADERSHIP DEVELOPMENT

The firm is committed to cultivating our diverse talent. To help support our employees, we offer leadership development programs that cater to the needs of various groups, including the following:

**Women's Leadership Development Program:** To cultivate an inclusive and diverse environment in which women at AB can build and expand on their leadership roles, AB has created AB Impact: Women's Leadership Development. Working with a leadership council composed of senior female leaders, we developed this program for senior vice presidents and vice presidents. Past programs have focused on executive presence, gravitas, communication, the power of your voice and communicating your commercial impact.

**Asian Leadership Development Program:** Our Asian leadership program draws on the strengths of the Asian culture while advancing the personal and professional growth of AB's Asian leaders. Working with a council of Asian leaders, we created AB

Impact: Asian Leadership Development, a multi-month, cross-AB initiative offering skills, strategy building and professional development for Asian leaders and their managers. The program focuses on taking risks and taking credit. We also actively engage each leader's manager in the program and offer them training.

### African-American Leadership Development Program:

Our African-American Leadership Development Program is dedicated to the professional development and advancement of African-American leaders at the firm. Working with a council of African-American leaders, we created the program AB Impact: African-American Leadership Development, a multi-month, cross-AB initiative for African-American leaders and their managers. The program places a heavy emphasis on sponsorship and exposure, including actively engaging each leader's manager in the program and offering them training.

### STRIVING TO BE A DIVERSITY THOUGHT LEADER

AB partners with a number of organizations whose objectives resonate with our values and culture. For example, we are a significant financial sponsor of the Thurgood Marshall College Fund (TMCF), whose goals are to help students acquire a high-quality college education at an affordable cost, and to develop the leaders of tomorrow by connecting high-performing students with top-tier employment opportunities. AB is an active participant and presenter at the TMCF Leadership Institute, which gives us the opportunity to lead presentations on professional presence and financial planning as well as to interview high-potential talent for our associate and intern programs.

## AB EARNS PERFECT SCORE IN CORPORATE EQUALITY INDEX

For two years running, AB has achieved a perfect score of 100 on the Corporate Equality Index, the national benchmarking tool on corporate policies and practices for LGBTQ employees, administered by the Human Rights Campaign Foundation. With this award, AB joins the ranks of hundreds of other multinational companies that are not only promoting LGBTQ-friendly workplace policies, but also helping to advance the cause of LGBTQ equality around the globe.



AB employees attending various ERG and Howard University campus-recruiting events.

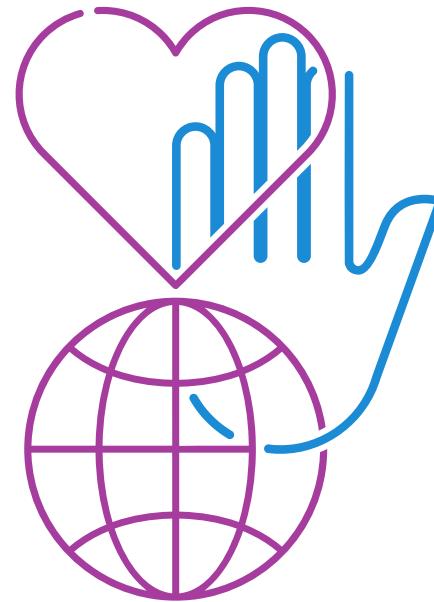
# ENGAGING WITH COMMUNITIES



**Giving back to our communities is a great way to take AB's shared values of teamwork and collaboration beyond our walls to serve the communities where we work and live. AB makes it a priority to give employees the opportunity to work side by side to help those who need it most.**

In 2015 and 2016, we collectively donated more than \$15 million and thousands of hours to nearly 2,000 causes around the world. That's truly impressive, but with a more coordinated firmwide effort, we will strive to do even better. We're especially proud of our new AB Day of Service series, a global volunteer initiative sponsored and organized by the Cultural Advancement Team. For the past several years, we've asked all AB employees worldwide to spend a day out of the office engaged in a charitable activity. This year, our Day of Service events kicked off in August and continued through the month of October for many of our global offices. More than 1,500 employees participated in 100 Day of Service events with 49 different organizations.

By participating in a Day of Service together, we can not only engage with our communities in a meaningful way, but can also work with each other in different settings, forge stronger relationships and just have fun. Many of us have extended our volunteerism



beyond this one-day event, forming more lasting ties with local charitable organizations.

We especially like to partner with local organizations in the cities where we have offices. This allows us to work directly with students, for example, providing them with the opportunities and resources to succeed academically, professionally and personally. As part of national Take Our Daughters and Sons to Work Day last spring, our White Plains employees asked their children to donate, collect and take inventory of school supplies for Children's Village in Dobbs Ferry. This event strengthened our relationship with the Children's Village, an organization we have worked with before for our Days of Service.

The firm has also forged a relationship with Citizen Schools, a nonprofit organization dedicated to promoting achievement and improving public education for middle-school students

AB'S GIVING IN 2015 & 2016	MATCHING GIFTS BY AB*	EMPLOYEE GIFTS†	FIRM GIFTS‡	TOTAL
Community Development and the Environment	\$1,350,969	\$1,638,392	\$1,786,581	\$4,775,942
Education, Arts & the Humanities	\$2,990,345	\$3,499,971	\$2,132,676	\$8,622,991
Health and People with Special Needs	\$803,773	\$935,375	\$750,571	\$2,489,719
<b>Total</b>	<b>\$5,145,087</b>	<b>\$6,073,738</b>	<b>\$4,669,828</b>	<b>\$15,888,653</b>

\* Matching gifts represents the amount that AB matched for employees' donations. AB matches employee donations dollar for dollar, up to \$5,000. For SVPs, we match up to \$10,000.

† Employee gifts represents the amount submitted by employees for matching gifts.

‡ Firm gifts represents other donations from AB, in addition to employee-donation matching.

in underserved communities. The program provides students with real-world apprenticeship courses taught once a week for 10-week semesters by volunteer professionals. Over the past six years, nearly 90 AB volunteers have taught 360 students via 25 of these apprenticeships. Topics have ranged from "Shark Tank: Entrepreneurship" to "Stock Market—Investments in Action" and "Make Money, Do Good." The exposure to new people, new skills and new cultures helps kids get excited about learning, increases graduation rates and improves college matriculation.

Here are more examples of how our employees have chipped in to help their communities:

- + More than 100 of AB's **London** employees worked together on 10 different community-aid projects, including volunteering at food banks to provide meals to the homeless; partnering with organizations that give young people insights into the professional world and help them learn new skills; and helping to transform urban wasteland into nature reserves.
- + AB employees in **New York City** worked with the nonprofit God's Love We Deliver to prepare meals for those suffering from HIV/AIDS, cancer and other serious illnesses in New York City, as well as Newark and Hudson County, New Jersey. God's Love is the metropolitan area's leading provider of individually tailored meals to people who are too sick to shop or cook for themselves.
- + Employees at AB's **Tampa, Florida**, office spent the day at Feeding Tampa Bay, inspecting, sorting and preparing nonperishable items for distribution to the 10 counties of west central Florida. AB Tampa sorted 2,932 pounds of food, equal to 2,443 meals being served within 48 hours to some of the 700,000 food-insecure individuals in that community.
- + AB's **Hong Kong** employees organized a volunteer event with the Hong Kong Dog Rescue's Tai Po kennel. Volunteers helped clean the kennel, replaced broken doghouses with new ones, and walked and played with the dogs for the day.
- + A crew of AB employees poured concrete foundations, erected scaffolding and built guard rails as part of a Habitat for Humanity event, helping to ease the affordable housing crisis among low-to moderate-income families in **Morris County, New Jersey**.
- + At AB's offices in **San Antonio, Texas**, volunteers served dinner to 180 members of the Boys & Girls Club, a nonprofit organization that provides kids aged six to 18 with a variety of

after-school and summer programs. Afterward they joined the kids to hula hoop and play foosball, pool, chalk games and more.

- + AB's **Singapore** employees lent their helping hands from 6 a.m. until noon preparing, cooking and packing 5,000 lunch boxes at Willing Hearts, a secular, nondenominational charity that operates soup kitchens at more than 40 locations around the island every day of the year.
- + Last year, AB Bernstein's **West Palm Beach, Florida**, office became a sponsor and cohost of Palm Beach Philanthropy Tank, a not-for-profit organization that provides mentoring as well as funding for community-betterment projects to help shape junior-high and high-school students' leadership paths and find creative solutions to the social issues affecting their community.





AB employees join their colleagues to take part in various Day of Service events across the globe.

# ENSURING SUSTAINABLE OPERATIONS



**As investors, we rigorously scrutinize the ESG behavior of other companies. It's critical that we live up to the same standards. Though we continue to make good progress toward sustainable operations, we know there's more to do. That's why we're continuously looking for ways to improve our best practices while minimizing our impact on the environment.**

#### **REDUCING OUR IMPACT**

At the corporate level, we use careful measurement and clear metrics to map our sustainability strategy. Our largest offices track environmental data such as energy and water use, waste management and recycling. Every three years, we conduct an extensive global greenhouse-gas (GHG) inventory. Our latest GHG inventory was completed in 2016.

In July 2016, AB removed plastic water bottles from most of our offices, including our cafeteria and pantries. Reusable glass water bottles for everyday use were distributed to all employees, who refill them from ION machines. All pantries are now stocked with cups made of polylactide (PLA), a biodegradable thermoplastic derived

from cornstarch. Glass carafes filled with filtered still and sparkling water are now used for catering. The result has been the removal of roughly 20,000 pounds of plastic from the waste stream annually.

From June 2012 to May 2015, we reduced our total annual power consumption for AB's major global offices by 12.3%, mostly by using more efficient lighting, which reduces power consumption and associated air conditioning.

Because we don't own our facilities, we work closely with the property managers of our offices to meet the highest possible locally recognized environmental standards. When leasing new facilities, we give preference to green office buildings and pursue green building standards, such as LEED, wherever possible. We also pursue high environmental standards when completing buildouts within leased buildings. Two of AB's offices have received very high certification levels in their respective classes—our Dallas office has been certified LEED Gold, and our Singapore office buildout received BCA Green Mark Gold. In addition, the Environmental Sustainability Group within the Building and Construction Authority of Singapore has certified our office building there as Platinum, as defined by the Green Building Policy.

#### **ENGAGING EMPLOYEES IN ENVIRONMENTAL ACTION**

More than 10 years ago, AB established the Energy EWG, a band of dedicated employees who strive to support AB's emergence as an industry leader in green thought and action. Energy EWG has

<b>GHG EMISSIONS (TONS OF CO<sub>2</sub>e<sup>1</sup>)</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Scope 1 – Direct emissions burning on-site	106	113	106
Scope 2 – Indirect emissions off-site	8,913	7,548	7,518
Scope 3 – Indirect emissions from air flights	4,727	5,059	5,494

Time period is June–May of each year.

Emissions data are collected for AB's 20 US locations and 13 of 26 international locations. Emissions figures are based on the World Business Council for Sustainable Development/World Resources Institute Greenhouse Gas Protocol methodologies.

<b>ELECTRICITY USAGE (MWh)</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Total <sup>2</sup>	12,989	12,618	12,254

1 CO<sub>2</sub>e: carbon dioxide equivalent

2 Energy usage figures are from the following major office locations: 1345 Avenue of the Americas, New York, NY; White Plains, NY; 50 Berkeley Street, London, England

sponsored many consciousness-raising events with in-house and outside experts to educate our employees on the impact their actions have on the environment, including in the following three areas:

#### ENVIRONMENTAL IMPACT

- + New York's Evolving Solar Market—Christopher Collins, Executive Director of New York State Energy Research & Development Authority's Solar One
- + Our Plastic Polluted Oceans—Dr. Larry Swanson, Interim Dean of the School of Marine and Atmospheric Sciences at Stony Brook University
- + Fracking from the Experts: Opposing Views—Dave Yoxtheimer, Researcher at Penn State University Marcellus Center for Outreach and Research, and Dr. Anthony Ingraffea, Engineering Professor at Cornell University
- + Renewable Energy—Steven Wolk, Principal at Strategic Investment Consulting
- + Electric Vehicles—Gabe Shenhars, Senior Auto Test Engineer & Program Manager at *Consumer Reports*
- + Recycling 101—Eadaoin Quinn, Education & Outreach Manager at Sims Municipal Recycling Center
- + Climate Change—Rob Moore, Executive Director of Environmental Advocates of New York

#### URBAN CLEANUP

- + East River Park Beautification—Andrew Hoyles, Compost Project Manager at the Lower East Side Ecology Center
- + Gardening & Beautification of PS 163 Dr. Pepe Reading Garden—Citizens Committee for New York City
- + Battery Park Beautification—Battery Park City Parks Conservancy
- + Composting—Daniel Tainow and Andrew Hoyles, Educators from the Lower East Side Ecology Center

#### HEALTHY LIFESTYLES

- + Benefits of Being a Locavore (Eating Locally Grown Food)—Chef Emily Peterson
- + Introduction to Raw Food & Wine Pairings—Celebrity Chef Billy Strykowski
- + Controlled Environment Farming—David Rosenberg, CEO of AeroFarms (World's Largest Controlled-Environment Farm) and Philson A.A. Warner of Cornell University Cooperative Extension

#### RESPONSIBLE SUPPLY-CHAIN MANAGEMENT

We are a professional services company, and our supply chain consists of office suppliers, facilities managers, and the other key product and service suppliers necessary to maintain our business operations. Just as we recognize that acting responsibly as an organization is more important than ever, we also look to continue developing a supportive business strategy through the selection of our suppliers.

AB has established policies to engage and maintain open dialogue with vendors that make commercially reasonable efforts to be socially and environmentally responsible. We seek vendors that adhere to specific principles related to labor practices, including promoting employee safety and healthy working conditions as well as nondiscriminatory hiring and management practices, such as providing workers with fair wages and benefits. If a vendor becomes aware that any of its business practices are contrary to our principles, the vendor must agree to remedy the practice in question and notify AB of the solution. If a supplier fails to do so or is found to have repeated violations, AB may terminate its agreement.

**THE ENVIRONMENTAL BENEFITS OF RECYCLING 254 TONS OF SHREDDED PAPER IN 2015-2016 CAN BE MEASURED IN SEVERAL WAYS:**



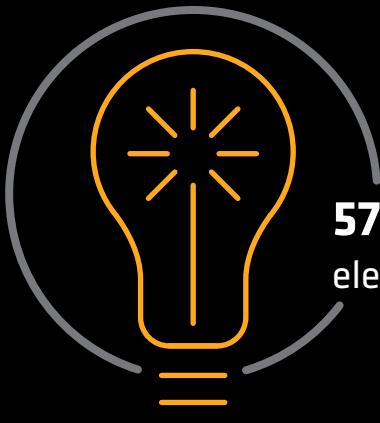
**4,270** trees uncut



**6.9 million** gallons  
of water unused



**368,631** lbs. of CO<sub>2</sub> emissions  
avoided (equivalent to taking  
19.55 cars off the road)



**575** MWh of  
electricity saved



**1,272** cubic yards of  
landfill space conserved

# GRI TABLE

This report contains the Standards from the Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines, as identified in the table below. The GRI Guidelines provide a framework for organizations to measure and disclose their environmental, economic, social and governance performance.

INDICATOR	DESCRIPTION	DISCLOSURE CROSS-REFERENCE
<b>GENERAL STANDARD DISCLOSURES</b>		
<b>G4-1</b>	CEO statement	Page 5
<b>G4-3</b>	Name of the organization	AllianceBernstein L.P.
<b>G4-4</b>	Primary brands, products, services	Page 9
<b>G4-5</b>	Headquarters location	Back cover
<b>G4-6</b>	Number of countries of operation; name of countries with significant operations	AB Form 10-K, page 1 ( <a href="http://www.abglobal.com/corporate/investor-relations/reports.htm">http://www.abglobal.com/corporate/investor-relations/reports.htm</a> )
<b>G4-7</b>	Nature of ownership and legal form	AB Form 10-K, pages 13-14 ( <a href="http://www.abglobal.com/corporate/investor-relations/reports.htm">http://www.abglobal.com/corporate/investor-relations/reports.htm</a> )
<b>G4-8</b>	Markets served: by geography, sectors and customers	AB locations ( <a href="https://www.abglobal.com/corporate/our-firm/locations.htm">https://www.abglobal.com/corporate/our-firm/locations.htm</a> )
<b>G4-9</b>	Scale of the organization	AB Form 10-K, pages 3-13 ( <a href="http://www.abglobal.com/corporate/investor-relations/reports.htm">http://www.abglobal.com/corporate/investor-relations/reports.htm</a> )
<b>G4-10</b>	Workforce information	Page 14
<b>G4-11</b>	Percentage of employees covered by collective bargaining agreements	Not applicable
<b>G4-12</b>	Supply chain	Page 28
<b>G4-13</b>	Significant changes during reporting period	None
<b>G4-14</b>	Application of precautionary principle	Pages 7, 9-11 Statement of Policy Regarding Responsible Investment ( <a href="https://www.abglobal.com/go/responsible-investment-policy">https://www.abglobal.com/go/responsible-investment-policy</a> )
<b>G4-15</b>	Endorsement of externally developed principles and initiatives	Signatory to the Principles for Responsible Investment
<b>G4-16</b>	Association memberships	Ceres, CDP, Council of Institutional Investors, European Pension Fund Investment Forum, International Corporate Governance Network, Investment Company Institute, SIFMA
<b>G4-17</b>	Entities included in financial statements	AB Form 10-K, page 1 ( <a href="http://www.abglobal.com/corporate/investor-relations/reports.htm">http://www.abglobal.com/corporate/investor-relations/reports.htm</a> )
<b>G4-24</b>	Stakeholder groups engaged	Pages 22-25 AB regularly engages and communicates with internal and external stakeholders on topics that are important to our clients, employees, suppliers, investors, the media and other relevant stakeholders.
<b>G4-28</b>	Reporting period	2016 fiscal year
<b>G4-29</b>	Date of last report	2014 fiscal year
<b>G4-31</b>	Contact person	Back cover
<b>G4-32</b>	GRI content index	This material references the GRI G4 Sustainability Reporting Guidelines. Pages 30-31
<b>G4-33</b>	External assurance policy	Our GHG emissions data were assured by PwC.
<b>GOVERNANCE</b>		
<b>G4-34</b>	Governance structure of the organization	Page 7 Corporate governance ( <a href="https://www.abglobal.com/corporate/management/corporate-governance.htm">https://www.abglobal.com/corporate/management/corporate-governance.htm</a> )
<b>ETHICS AND INTEGRITY</b>		
<b>G4-56</b>	Codes of ethics and business conduct	Pages 8-9 Corporate governance ( <a href="https://www.abglobal.com/corporate/management/corporate-governance.htm">https://www.abglobal.com/corporate/management/corporate-governance.htm</a> )

INDICATOR	DESCRIPTION	DISCLOSURE CROSS-REFERENCE
<b>SECTOR-SPECIFIC STANDARDS</b>		
<b>G4-EN3</b>	Energy consumption within organization	Page 27
<b>G4-EN15</b>	Direct GHG emissions (Scope 1)	Page 27
<b>G4-EN16</b>	Energy indirect GHG emissions (Scope 2)	Page 27
<b>G4-EN17</b>	Other indirect GHG emissions (Scope 3)	Page 27
<b>G4-LA2</b>	Benefits provided to full-time employees by significant locations of operation	AB offers the following benefits: health insurance, Employee Assistance Program, tuition reimbursement, business travel accident insurance, life insurance, matching gifts program, Five-Year Refresh Award
<b>G4-LA10</b>	Programs for skills management and lifelong learning	Page 16 AB provides the following programs: - Firm and benefit onboarding - Financial markets e-learning curriculum - Career and skills development courses - Tuition reimbursement program - Outplacement services for career transitions
<b>G4-LA11</b>	Percentage of employees receiving regular performance reviews by gender and employee category	It is our intention that every employee take part in a performance review each year.
<b>G4-SO3</b>	Operations assessed for corruption risks	AB Anti-Corruption Policy ( <a href="http://www.abglobal.com/go/anti-corruption-policy">http://www.abglobal.com/go/anti-corruption-policy</a> )
<b>G4-SO4</b>	Communication and training on anticorruption policies and procedures	100% of employees and 100% of on-site business partners (consultants) have received communications on anticorruption via the corporate intranet; 100% of US executives and 88% of Partners globally have been trained on anticorruption; 93% of employees have been trained on anticorruption.
<b>G4-SO5</b>	Incidents of corruption	No significant incidents of corruption were reported during the reporting period.
<b>G4-SO7</b>	Legal actions for anticompetitive behavior, antitrust or, monopoly practices	No instances of material noncompliance with regulations concerning anticompetitive behavior, antitrust, or monopoly practices occurred during the reporting period.
<b>G4-PR4</b>	Incidents of labeling noncompliance	No incidents of labeling noncompliance occurred during the reporting period.
<b>G4-PR5</b>	Results of surveys measuring customer satisfaction	US Client Services has received the National Quality Review 5-Star rating for 21 of the last 23 quarters. The team has also received the Best in Class rating for information and compliance on several occasions.
<b>G4-PR8</b>	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	No complaints were received concerning breaches of customer privacy from outside parties and substantiated by the organization or regulatory bodies.
<b>G4-PR9</b>	Monetary value of significant fines for noncompliance concerning the provision and use of products and services	The organization has not identified significant incidents of noncompliance with laws and regulations concerning the provision and use of products and services.
<b>G4-FS10</b>	Percentage of portfolio companies the organization has interacted with on environmental or social issues	Page 13 2017 PRI Report, Section LEA 10.1
<b>G4-FS11</b>	Percentage of assets subject to environmental or social screening	Statement of Policy Regarding Responsible Investment ( <a href="https://www.abglobal.com/go/responsible-investment-policy">https://www.abglobal.com/go/responsible-investment-policy</a> )

# CORPORATE RESPONSIBILITY AT A GLANCE

- + **19 AB EMPLOYEE RESOURCE GROUPS (ERG) AND EMPLOYEE WELLNESS GROUPS (EWG)** HOSTED 80 EVENTS GLOBALLY IN 2016
- + **800+ ERG AND EWG PARTICIPANTS**
- + **NEARLY 2,000 CHARITABLE CAUSES** SUPPORTED ACROSS THE GLOBE
- + **MORE THAN HALF OUR EMPLOYEES** HAVE BEEN WITH AB MORE THAN FIVE YEARS
- + **NEARLY 254 TONS** OF SHREDDED PAPER WAS RECYCLED BETWEEN APRIL 2015 AND DECEMBER 2016



## CONTACT US

We welcome questions or comments related to this report and AB's approach to corporate responsibility. Please contact [CR@abglobal.com](mailto:CR@abglobal.com) with any feedback.

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