



LEA 02	Disclosures: Mandatory	Reason for Interaction	Principle: PRI 1, 2, 3
Individual/ internal staff engagements	<p><input checked="" type="checkbox"/> To support investment decision-making in a company's material ESG issues</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency on climate risk</p> <p><input checked="" type="checkbox"/> To engage internal staff</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via internal staff</p>	<p><input checked="" type="checkbox"/> To support investment decision-making in a company's material ESG issues</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency on climate risk</p> <p><input checked="" type="checkbox"/> To engage internal staff</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via internal staff</p>	
Collaborative engagements	<p><input type="checkbox"/> To support investment decision-making in a company's material ESG issues</p> <p><input type="checkbox"/> To enhance corporate transparency on climate risk</p> <p><input type="checkbox"/> To engage internal staff</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via internal staff</p>		
Service provider engagements	<p><input type="checkbox"/> To support investment decision-making in a company's material ESG issues</p> <p><input type="checkbox"/> To enhance corporate transparency on climate risk</p> <p><input type="checkbox"/> To engage internal staff</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via internal staff</p>		

RI TRANSPARENCY REPORT

2020

AllianceBernstein

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2020 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO TG		🔒	n/a							
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	✓	Public							✓
OO 08	Segregated mandates or pooled funds	✓	Public							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	Active ownership practices for listed assets	✓	Public							✓
OO 11	ESG incorporation practices for all assets	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown of listed equity investments by passive and active strategies	✓	Public							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown of fixed income investments by passive and active strategies	✓	Public							✓
OO FI 02	Reporting on strategies that are <10% of actively managed fixed income	🔒	n/a							✓
OO FI 03	Fixed income breakdown by market and credit quality	✓	Public							✓
OO SAM 01	Breakdown of externally managed investments by passive and active strategies	✓	Public							✓
OO PE 01	Breakdown of private equity investments by strategy	✓	Public							✓
OO PE 02	Typical level of ownership in private equity investments	✓	Public							✓
OO PR 01	Breakdown of property investments	✓	Public							✓
OO PR 02	Breakdown of property assets by management	✓	Public							✓
OO PR 03	Largest property types	✓	Public							✓
OO INF 01	Breakdown of infrastructure investments	🔒	n/a							✓
OO INF 02	Breakdown of infrastructure assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure sectors	🔒	n/a							✓
OO HF 01	Breakdown of hedge funds investments by strategies	✓	Public							✓
OO End	Module confirmation page	✓	-							

CCStrategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 01 CC	Climate risk	✓	Public							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public						✓	
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Public							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Public							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 07 CC	Climate-issues roles and responsibilities	✓	Public							✓
SG 08	RI in performance management, reward and/or personal development	✓	Public							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09.2	Assets managed by PRI signatories	✓	Public	✓						
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Public				✓	✓	✓	
SG 12	Role of investment consultants/fiduciary managers	✓	Public				✓			
SG 13	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13 CC		✓	Public							✓
SG 14	Long term investment risks and opportunity	✓	Public	✓						
SG 14 CC		✓	Public							✓
SG 15	Allocation of assets to environmental and social themed areas	✓	Public	✓						
SG 16	ESG issues for internally managed assets not reported in framework	✓	Public							✓
SG 17	ESG issues for externally managed assets not reported in framework	✓	Public							✓
SG 18	Innovative features of approach to RI	✓	Public							✓
SG 19	Communication	✓	Public		✓				✓	
SG End	Module confirmation page	✓	-							

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Percentage of each incorporation strategy	✓	Public	✓						
LEI 02	Type of ESG information used in investment decision	✓	Public	✓						
LEI 03	Information from engagement and/or voting used in investment decision-making	✓	Public	✓						
LEI 04	Types of screening applied	✓	Public	✓						
LEI 05	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 06	Processes to ensure fund criteria are not breached	✓	Public	✓						
LEI 07	Types of sustainability thematic funds/mandates	✓	Public	✓						
LEI 08	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 09	Processes to ensure integration is based on robust analysis	✓	Public	✓						
LEI 10	Aspects of analysis ESG information is integrated into	✓	Public	✓						
LEI 11	ESG issues in index construction	✓	Public	✓						
LEI 12	How ESG incorporation has influenced portfolio composition	✓	Public	✓						
LEI 13	Examples of ESG issues that affected your investment view / performance	✓	Public	✓						
LEI End	Module confirmation page	✓	-							

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Public		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising collaborative engagement	✓	Public		✓					
LEA 06	Role in engagement process	✓	Public		✓		✓			
LEA 07	Share insights from engagements with internal/external managers	✓	Public	✓	✓					
LEA 08	Tracking number of engagements	✓	Public		✓					
LEA 09	Number of companies engaged with, intensity of engagement and effort	✓	Public		✓					
LEA 10	Engagement methods	✓	Public		✓					
LEA 11	Examples of ESG engagements	✓	Public		✓					
LEA 12	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 13	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 14	Securities lending programme	✓	Public		✓					
LEA 15	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 16	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 17	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 18	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 19	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 20	Shareholder resolutions	✓	Public		✓					
LEA 21	Examples of (proxy) voting activities	✓	Public		✓					
LEA End	Module confirmation page	✓	-							

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Incorporation strategies applied	✓	Public	✓						
FI 02	ESG issues and issuer research	✓	Public	✓						
FI 03	Processes to ensure analysis is robust	✓	Public	✓						
FI 04	Types of screening applied	✓	Public	✓						
FI 05	Examples of ESG factors in screening process	✓	Public	✓						
FI 06	Screening - ensuring criteria are met	✓	Public	✓						
FI 07	Thematic investing - overview	🔒	n/a	✓						
FI 08	Thematic investing - themed bond processes	🔒	n/a	✓						
FI 09	Thematic investing - assessing impact	🔒	n/a	✓						
FI 10	Integration overview	✓	Public	✓						
FI 11	Integration - ESG information in investment processes	✓	Public	✓						
FI 12	Integration - E,S and G issues reviewed	✓	Public	✓						
FI 13	ESG incorporation in passive funds	-	n/a	✓						
FI 14	Engagement overview and coverage	✓	Public		✓					
FI 15	Engagement method	✓	Public	✓	✓					
FI 16	Engagement policy disclosure	✓	Public	✓	✓					
FI 17	Financial/ESG performance	✓	Public							✓
FI 18	Examples - ESG incorporation or engagement	✓	Public	✓	✓					
FI End	Module confirmation page	✓	-							

Confidence building measures				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
CM1 01	Assurance, verification, or review	✓	Public							✓
CM1 02	Assurance of last year`s PRI data	✓	Public							✓
CM1 03	Other confidence building measures	✓	Public							✓
CM1 04	Assurance of this year`s PRI data	✓	Public							✓
CM1 05	External assurance	🔒	n/a							✓
CM1 06	Assurance or internal audit	✓	Public							✓
CM1 07	Internal verification	✓	Public							✓
CM1 01 End	Module confirmation page	✓	-							

AllianceBernstein

Reported Information

Public version

Organisational Overview

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Basic information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services and funds you offer

Select the services and funds you offer	% of asset under management (AUM) in ranges
Fund management	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
Fund of funds, manager of managers, sub-advised products	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Other	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Total 100%	

Further options (may be selected in addition to the above)

- Hedge funds
- Fund of hedge funds

OO 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

United States

OO 02.2

Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

3811

OO 03 Mandatory Public Descriptive General

OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

OO 04 Mandatory Public Gateway/Peering General

OO 04.1 Indicate the year end date for your reporting year.

31/12/2019

OO 04.2 Indicate your total AUM at the end of your reporting year.

Include the AUM of subsidiaries, but exclude advisory/execution only assets, and exclude the assets of your PRI signatory subsidiaries that you have chosen not to report on in OO 03.2

	trillions	billions	millions	thousands	hundreds
Total AUM		623	000	000	000
Currency	USD				
Assets in USD		623	000	000	000

Not applicable as we are in the fund-raising process

OO 04.4 Indicate the assets which are subject to an execution and/or advisory approach. Provide this figure based on the end of your reporting year

Not applicable as we do not have any assets under execution and/or advisory approach

OO 06 Mandatory Public Descriptive General

OO 06.1

Select how you would like to disclose your asset class mix.

- as percentage breakdown
- as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	10-50%	<10%
Fixed income	10-50%	0
Private equity	<10%	0
Property	<10%	<10%
Infrastructure	0	0
Commodities	<10%	0
Hedge funds	<10%	0
Fund of hedge funds	0	<10%
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Money market instruments	<10%	0
Other (1), specify	<10%	<10%
Other (2), specify	0	0

Other (1) specified

Multi-Asset (Standard and Customized) Retirement Strategies

OO 06.2

Publish asset class mix as per attached image [Optional].

OO 06.3 | Indicate whether your organisation has any off-balance sheet assets [Optional].

- Yes
- No

OO 06.5 | Indicate whether your organisation uses fiduciary managers.

- Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.
- No, we do not use fiduciary managers.

OO 07	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
--------------	--	---------------	----------------	----------------

OO 07.1 | Provide to the nearest 5% the percentage breakdown of your Fixed Income AUM at the end of your reporting year, using the following categories.

Internally managed	SSA	35
	Corporate (financial)	10
	Corporate (non-financial)	45
	Securitised	10
	Total	100%

OO 08	Mandatory to Report Voluntary to Disclose	Public	Peering	General
--------------	--	---------------	----------------	----------------

OO 08.1 | Provide a breakdown of your organisation's externally managed assets between segregated mandates and pooled funds or investments.

Asset class breakdown	Segregated mandate(s)	Pooled fund(s) or pooled investment(s)	Total of the asset class (each row adds up to 100%)
[a] Listed equity	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	100%
[g] Property	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %	100%
[j] Fund of hedge funds	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %	100%
[p] Other (1), specify	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %	100%

OO 09	Mandatory	Public	Peering	General
-------	-----------	--------	---------	---------

OO 09.1 Indicate the breakdown of your organisation's AUM by market.

Developed Markets

91.5

Emerging Markets

8.0

Frontier Markets

0.5

Other Markets

0

Total 100%

100%

Asset class implementation gateway indicators

OO 10	Mandatory	Public	Gateway	General
-------	-----------	--------	---------	---------

OO 10.1 Select the active ownership activities your organisation implemented in the reporting year.

Listed equity – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We require our external managers to engage with companies on ESG factors on our behalf.
- We do not engage directly and do not require external managers to engage with companies on ESG factors.

Listed equity – voting

- We cast our (proxy) votes directly or via dedicated voting providers
- We require our external managers to vote on our behalf.
- We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

Fixed income SSA – engagement

- We engage with SSA bond issuers on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with SSA bond issuers on ESG factors. Please explain why you do not.

Fixed income Corporate (financial) – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

Fixed income Corporate (non-financial) – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

Fixed income Corporate (securitised) – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

OO 11.1 Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

Listed equity

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - SSA

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - corporate (financial)

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - corporate (non-financial)

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - securitised

- We address ESG incorporation.
- We do not do ESG incorporation.

Private equity

- We address ESG incorporation.
- We do not do ESG incorporation.

Property

- We address ESG incorporation.
- We do not do ESG incorporation.

Commodities

- We address ESG incorporation.
- We do not do ESG incorporation.

Hedge funds

- We address ESG incorporation.
- We do not do ESG incorporation.

Money market instruments

- We address ESG incorporation.
- We do not do ESG incorporation.

Other (1)

- We address ESG incorporation.
- We do not do ESG incorporation.

`Other (1)` [as defined in OO 05]

Multi-Asset (Standard and Customized) Retirement Strategies

OO 11.2

Select the externally managed assets classes in which you and/or your investment consultants address ESG incorporation in your external manager selection, appointment and/or monitoring processes.

Asset class	ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes
Listed equity	<p data-bbox="438 336 1477 421">Listed equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p data-bbox="438 436 1197 593"> <input type="checkbox"/> We incorporate ESG into our external manager selection process <input type="checkbox"/> We incorporate ESG into our external manager appointment process <input type="checkbox"/> We incorporate ESG into our external manager monitoring process <input checked="" type="checkbox"/> We do not do ESG incorporation </p>
Property	<p data-bbox="438 649 1477 734">Property - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p data-bbox="438 750 1356 952"> <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input type="checkbox"/> We incorporate ESG into our external manager appointment process <input type="checkbox"/> We invest only in pooled funds and external manager appointment is not applicable <input type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation </p>
Fund of hedge funds	<p data-bbox="438 1008 1477 1093">Fund of hedge funds - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p data-bbox="438 1108 1356 1310"> <input type="checkbox"/> We incorporate ESG into our external manager selection process <input type="checkbox"/> We incorporate ESG into our external manager appointment process <input type="checkbox"/> We invest only in pooled funds and external manager appointment is not applicable <input type="checkbox"/> We incorporate ESG into our external manager monitoring process <input checked="" type="checkbox"/> We do not do ESG incorporation </p>
Other (1)	<p data-bbox="438 1366 1477 1451">Other (1) - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p data-bbox="438 1467 1197 1624"> <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation </p>

OO 11.3b If your organisation does not integrate ESG factors into investment decisions on your externally managed assets, explain why not.

Clients who elect to invest passively are looking for broad-based index strategies that are generally selected for their ability to efficiently replicate their given index (e.g. the S&P 500) with low tracking error and low fees. Since all of the major passive index strategies follow the same formulaic approach to investing, distinguishing between their ESG approach is not material to the selection process. We note that our externally managed AUM that does not integrate ESG factors comprises only .5% of our total AUM.

OO 11.4

Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.

When selecting and appointing external investment managers within our UK retirement strategies, we review shortlisted managers' PRI signatory status, ESG and ownership/stewardship policies, and proxy voting history to ensure that any appointed manager is closely aligned to the policies of AB.

In monitoring external investment managers, we perform regular ongoing due diligence requesting information and materials on a number of policies - including those on ESG and responsible investment. This process entails reviewing policies and monitoring changes to ensure that the appointment remains in the best interests of AB and our clients.

OO 12	Mandatory	Public	Gateway	General
-------	-----------	--------	---------	---------

OO 12.1

Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Listed Equity incorporation

- Listed Equity incorporation

Direct - Listed Equity active ownership

- Engagements
- (Proxy) voting

Direct - Fixed Income

- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised

Direct - Other asset classes with dedicated modules

- Property

RI implementation via external managers

Indirect - Selection, Appointment and Monitoring of External Managers

Property

Closing module

Closing module

Peering questions

OO LE 01	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
----------	---	--------	---------	---------

OO LE 01.1 Provide a breakdown of your internally managed listed equities by passive, active - quantitative (quant), active - fundamental and active - other strategies.

Percentage of internally managed listed equities

Passive

25

Active - quantitative (quant)

0

Active - fundamental and active - other















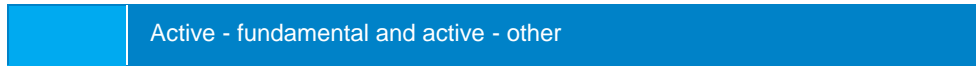



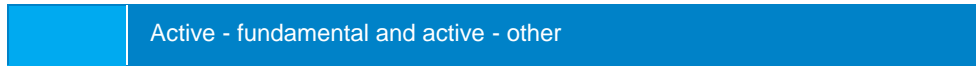



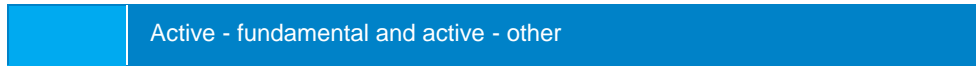



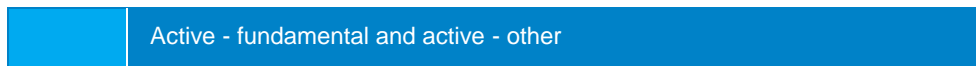



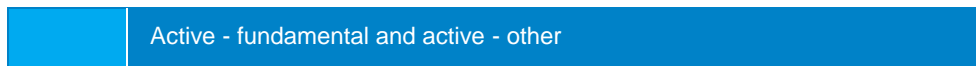



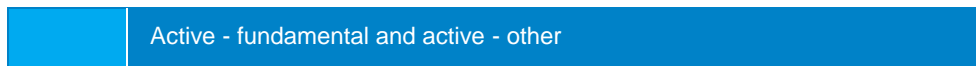

75

Total

100%

OO FI 01	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
----------	---	--------	---------	---------

OO FI 01.1 Provide a breakdown of your internally managed fixed income securities by active and passive strategies

SSA	<table border="1"> <tbody> <tr> <td data-bbox="497 221 624 286">  </td> <td data-bbox="624 221 1476 286"> Passive </td> </tr> <tr> <td data-bbox="497 297 624 324"> 6 </td> <td></td> </tr> <tr> <td data-bbox="497 365 624 430">  </td> <td data-bbox="624 365 1476 430"> Active - quantitative (quant) </td> </tr> <tr> <td data-bbox="497 441 624 468"> 0 </td> <td></td> </tr> <tr> <td data-bbox="497 508 624 573">  </td> <td data-bbox="624 508 1476 573"> Active - fundamental and active - other </td> </tr> <tr> <td data-bbox="497 584 624 611"> 94 </td> <td></td> </tr> <tr> <td data-bbox="497 651 624 716">  </td> <td data-bbox="624 651 1476 716"> Total </td> </tr> <tr> <td data-bbox="497 728 624 754"> 100% </td> <td></td> </tr> </tbody> </table>		Passive	6			Active - quantitative (quant)	0			Active - fundamental and active - other	94			Total	100%	
	Passive																
6																	
	Active - quantitative (quant)																
0																	
	Active - fundamental and active - other																
94																	
	Total																
100%																	
Corporate (financial)	<table border="1"> <tbody> <tr> <td data-bbox="497 810 624 875">  </td> <td data-bbox="624 810 1476 875"> Passive </td> </tr> <tr> <td data-bbox="497 887 624 913"> 0 </td> <td></td> </tr> <tr> <td data-bbox="497 954 624 1019">  </td> <td data-bbox="624 954 1476 1019"> Active - quantitative (quant) </td> </tr> <tr> <td data-bbox="497 1030 624 1057"> 0 </td> <td></td> </tr> <tr> <td data-bbox="497 1097 624 1162">  </td> <td data-bbox="624 1097 1476 1162"> Active - fundamental and active - other </td> </tr> <tr> <td data-bbox="497 1173 624 1200"> 100 </td> <td></td> </tr> <tr> <td data-bbox="497 1240 624 1305">  </td> <td data-bbox="624 1240 1476 1305"> Total </td> </tr> <tr> <td data-bbox="497 1317 624 1344"> 100% </td> <td></td> </tr> </tbody> </table>		Passive	0			Active - quantitative (quant)	0			Active - fundamental and active - other	100			Total	100%	
	Passive																
0																	
	Active - quantitative (quant)																
0																	
	Active - fundamental and active - other																
100																	
	Total																
100%																	
Corporate (non-financial)	<table border="1"> <tbody> <tr> <td data-bbox="497 1400 624 1464">  </td> <td data-bbox="624 1400 1476 1464"> Passive </td> </tr> <tr> <td data-bbox="497 1476 624 1503"> 0 </td> <td></td> </tr> <tr> <td data-bbox="497 1543 624 1608">  </td> <td data-bbox="624 1543 1476 1608"> Active - quantitative (quant) </td> </tr> <tr> <td data-bbox="497 1619 624 1646"> 0 </td> <td></td> </tr> <tr> <td data-bbox="497 1686 624 1751">  </td> <td data-bbox="624 1686 1476 1751"> Active - fundamental and active - other </td> </tr> <tr> <td data-bbox="497 1762 624 1789"> 100 </td> <td></td> </tr> <tr> <td data-bbox="497 1830 624 1895">  </td> <td data-bbox="624 1830 1476 1895"> Total </td> </tr> <tr> <td data-bbox="497 1906 624 1933"> 100% </td> <td></td> </tr> </tbody> </table>		Passive	0			Active - quantitative (quant)	0			Active - fundamental and active - other	100			Total	100%	
	Passive																
0																	
	Active - quantitative (quant)																
0																	
	Active - fundamental and active - other																
100																	
	Total																
100%																	

Securitized	Passive	0
	Active - quantitative (quant)	0
	Active - fundamental and active - other	100
	Total	100%

OO FI 03	Mandatory	Public	Descriptive	General
-----------------	------------------	---------------	--------------------	----------------

OO FI 03.1 Indicate the approximate (+/- 5%) breakdown of your SSA investments, by developed markets and emerging markets.

SSA	Developed markets	82
	Emerging markets	18
	Total	100%

OO FI 03.2 Indicate the approximate (+/- 5%) breakdown of your corporate and securitized investments by investment grade or high-yield securities.

Type	Investment grade (+/- 5%)	High-yield (+/- 5%)	Total internally managed
Corporate (financial)	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	100%
Corporate (non-financial)	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	100%
Securitised	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	100%



OO SAM 01	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
------------------	--	---------------	----------------	----------------

OO SAM 01.1	Provide a breakdown of your externally managed listed equities and fixed income by passive, active quant and, active fundamental and other active strategies.
--------------------	---

Listed equity (LE)	<table border="1"> <tr> <td>Passive</td> <td>100</td> </tr> <tr> <td>Active - quantitative (quant)</td> <td>0</td> </tr> <tr> <td>Active - fundamental and active - other</td> <td>0</td> </tr> </table>	Passive	100	Active - quantitative (quant)	0	Active - fundamental and active - other	0
	Passive	100					
	Active - quantitative (quant)	0					
Active - fundamental and active - other	0						
100%							

OO PE 01	Mandatory	Public	Descriptive	General
-----------------	------------------	---------------	--------------------	----------------

Investment strategy	Percentage of your internally managed private equity holdings (in terms of AUM)
Venture capital	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Growth capital	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
(Leveraged) buy-out	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Distressed/Turnaround/Special Situations	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Secondaries	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Other investment strategy, specify (1)	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Other investment strategy, specify (2)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Total 100%	

	Other investment strategy, specify (1)
--	--

The strategy is a blend of investments across the capital structure including various types of debt and equity.

OO PE 02	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
-----------------	--	---------------	--------------------	----------------

OO PE 02.1	Indicate the level of ownership you typically hold in your private equity investments.
-------------------	--

- a majority stake (>50%)
- 50% stake
- a significant minority stake (between 10-50%)
- a minority stake (<10%)
- a mix of ownership stakes

OO PE 02.2	Additional information. [Optional]
-------------------	------------------------------------

The fund is primarily invested in private fund of funds investments. But the fund will also opportunistically invest in PE secondaries and direct equity co-investments.

OO PR 01	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
-----------------	--	---------------	--------------------	----------------

OO PR 01.1	Indicate the level of ownership you typically hold in your property investments.
-------------------	--

- a majority stake (50% and above)
- a significant minority stake (10 and above, and under 50%)
- a limited minority stake (<10%)
- a mix of ownership stakes
- N/A, we manage properties, new constructions and/or refurbishments on behalf of our clients, but do not hold equity in property on their behalf

OO PR 01.2	Provide a breakdown of your organisations allocation to Real Estate Investment Trusts (REITs) or similar
-------------------	--

- >50%
- 10 – 50%
- <10%
- 0%

OO PR 02	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
-----------------	--	---------------	----------------	----------------

**OO PR
02.1**

Provide a breakdown of your organisation's property assets based on who manages the assets.

Property assets managed by	Breakdown of your property assets (by number)
Managed directly by your organisation	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Managed via third-party property managers appointed by you	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Managed by other investors or their property managers	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Managed by tenant(s) with operational control	<input type="radio"/> > 50% <input type="radio"/> 10-50% <input type="radio"/> < 10% <input checked="" type="radio"/> 0%
Total 100%	

OO PR 03

Mandatory to Report Voluntary to Disclose

Public

Descriptive

General

**OO PR
03.1**

Indicate up to three of your largest property types by AUM.

Types	Main property types (by AUM)
Largest property type	<input type="radio"/> Industrial <input type="radio"/> Retail <input type="radio"/> Office <input checked="" type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify
Second largest property type	<input type="radio"/> Industrial <input type="radio"/> Retail <input type="radio"/> Office <input type="radio"/> Residential <input checked="" type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify
Third largest property type	<input type="radio"/> Industrial <input checked="" type="radio"/> Retail <input type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify

OO HF 01	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
----------	---	--------	-------------	---------

OO HF 01.1	Please describe your hedge fund strategies and classification
------------	---

Options presented for hedge funds

Main strategy	Strategy as % of hedge fund AUM	Sub-strategy
Equity Hedge	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input checked="" type="checkbox"/> Equity Market Neutral <input checked="" type="checkbox"/> Fundamental Growth <input checked="" type="checkbox"/> Fundamental Value <input checked="" type="checkbox"/> Quantitative Directional <input type="checkbox"/> Sector: Energy/Basic Materials <input type="checkbox"/> Sector: Healthcare <input type="checkbox"/> Sector: Technology <input checked="" type="checkbox"/> Short Bias <input checked="" type="checkbox"/> Multi-Strategy
Event Driven	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%	<input checked="" type="checkbox"/> Activist <input type="checkbox"/> Credit Arbitrage <input type="checkbox"/> Distressed / Restructuring <input checked="" type="checkbox"/> Merger Arbitrage <input type="checkbox"/> Private Issue / Regulation D <input type="checkbox"/> Special Situations <input type="checkbox"/> Multi-Strategy
Global Macro	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%	<input type="checkbox"/> Active Trading <input type="checkbox"/> Commodity: Agriculture <input type="checkbox"/> Commodity: Energy <input type="checkbox"/> Commodity: Metals <input checked="" type="checkbox"/> Commodity: Multi <input type="checkbox"/> Currency: Discretionary <input checked="" type="checkbox"/> Currency: Systematic <input type="checkbox"/> Discretionary Thematic <input type="checkbox"/> Systematic Diversified <input checked="" type="checkbox"/> Multi-Strategy
Relative Value	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input checked="" type="checkbox"/> Fixed Income - Asset Backed <input type="checkbox"/> Fixed Income - Convertible Arbitrage <input type="checkbox"/> Fixed Income - Corporate <input type="checkbox"/> Fixed Income - Sovereign <input checked="" type="checkbox"/> Volatility <input type="checkbox"/> Yield Alternatives: Energy Infrastructure <input type="checkbox"/> Yield Alternatives: Real Estate <input type="checkbox"/> Multi-Strategy

Risk Parity	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input checked="" type="checkbox"/> Volatility Target: 10% <input type="checkbox"/> Volatility Target: 12% <input checked="" type="checkbox"/> Volatility Target: 15%
Blockchain	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	
Total 100% (of internal Hedge Fund AUM)		

AllianceBernstein

Reported Information

Public version

Strategy and Governance

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Investment policy

SG 01

Mandatory

Public

Core Assessed

General

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input type="checkbox"/> Formalised guidelines on environmental factors <input type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input checked="" type="checkbox"/> Fiduciary (or equivalent) duties <input type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Engagement policy <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input type="radio"/> Applicable policies cover all AUM <input checked="" type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

AllianceBernstein has long recognized that environmental, social and governance ("ESG") issues can impact the performance of investment portfolios. When AllianceBernstein became a PRI signatory in November 2011, we formalized the integration of ESG into our investment processes and created a management infrastructure for responsible investment leadership that drives our firm's strategy and commitment to these issues firm-wide. Our firm's primary approach to ESG incorporation is through "Integration" and ESG factors are considered in all our mainstream research and investment processes for all actively-managed equity and fixed income client accounts, funds, and strategies. It is an important part of identifying investment risks as well as opportunities and is the primary responsibility of our research analysts.

We believe that evaluating all factors that can impact an investment including ESG is part of our fiduciary obligation.

SG 01.5

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

AB as a firm embraces a clear responsible investment philosophy and approach. Our investment teams utilize ESG research and collaboration platforms (ESIGHT and PRISM), which provide a framework to evaluate ESG issues and document ESG research and engagements. Each of our various portfolio management teams implements that philosophy and approach slightly differently across asset classes and strategies. We believe that each team is best equipped to implement ESG considerations in a manner that reflects their differences across asset classes, market sectors and approaches.

In addition to ESG integration and engagement, we have a platform of portfolios with purpose comprised of four approaches that are not mutually exclusive: Screening, Goals based, Sustainable, and Impact. For example, in 2014 we introduced the Next 50 Frontier Markets Fund which strives to adhere to the IFC Performance Standards by deploying intensive fundamental research with a sharp focus on ESG issues to build a diversified stock portfolio with high growth potential and attractive valuations. In 2016, we introduced the AB Municipal Impact strategy, which builds on AB's municipal credit expertise to invest in bonds in underserved communities and whose proceeds have a positive social and/or environmental impact, and a Responsible Global Factor Fund that invests in global equity securities that meet certain ESG criteria. In November 2016, our AB Global Thematic Growth Fund (US Mutual Fund) evolved from a global thematic growth strategy to the AB Sustainable Global 25 Thematic Fund. We also have other equity and fixed income responsible investment strategies in various stages of product development. In 2018, we launched a responsible investment asset allocation alternative comprised of various strategies in our Portfolios with Purpose platform for our private client business and a Green Alpha strategy. In 2019, we launched a Sustainable Global Thematic Credit Strategy that will invests in a combination of green bonds and other bonds (primarily non-government) that our researchers consider to be sustainable as defined by the UN Sustainable Development goals.

AB also manages a number of strategies where ESG integration is not applicable due to the nature of the investment. For example, ESG factors are generally not integrated in our quant driven products, passively managed accounts, fund-of-fund products, and strategies with high portfolio turnover.

No

I confirm I have read and understood the Accountability tab for SG 01

I confirm I have read and understood the Accountability tab for SG 01

SG 01 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
-----------------	--	---------------	--------------------	----------------

SG 01.6 CC	Indicate whether your organisation has identified transition and physical climate-related risks and opportunities and factored this into the investment strategies and products, within the organisation's investment time horizon.
-------------------	---

Yes

Describe the identified transition and physical climate-related risks and opportunities and how they have been factored into the investment strategies/products.

AllianceBernstein recognizes climate change and other environmental sustainability issues as very real phenomena that pose risks and, in some cases, opportunities for our Funds and client accounts across a broad range of countries, sectors and industries. The impact of global warming is far-reaching, affecting such obvious industries as energy, utilities and transportation, but also many consumer-based businesses, including food, beverages and recreation.

The integration of climate-related risks in all client portfolios is the primary responsibility of our portfolio managers and analysts. Within our separate asset-class-specific investment teams, our chief investment officers/portfolio managers are responsible for overseeing the integration of ESG factors, including climate-related factors, into our investment processes and ensuring that potential ESG issues are appropriately identified, raised, research, and addressed. Similarly, our fundamental research analysts have primary responsibility for incorporating ESG factors into the research process. Our fundamental research analysts have deep understanding of their sectors and companies; they are in the best position to determine if a particular climate change issue is material.

Our analysts focus on industry and sector nuances, the political and regulatory backdrop the company is operating within, the company's climate strategy, potential environmental liabilities the company may face, and the company's track record in greenhouse-gas emissions.

Our investment teams may also seek out companies pursuing positive climate-related initiatives. We may seek to invest in companies that help maximize positive and minimize negative climate-related outcomes in fields such as pursuing renewable energy or making a timely transition to a low-carbon strategy. These analysts are supported by our team of ESG analysts, who can provide specific research on climate change, help identify opportunities and risks, and help the analysts prepare for a company engagement and often attend the company engagements as well. If our analysts determine that, after integrating ESG factors into their fundamental research, there are aspects of an issuer's past, current or anticipated ESG-related behavior that are material to its future expected returns, they address these concerns in research forecasts, research reviews, and investment recommendations.

We actively engage with portfolio companies on climate-related issues and have a strong record of supporting climate-related shareholder proposals. In 2019, we supported 78% of the climate-related shareholder proposals we voted on. In 2019, AllianceBernstein was shortlisted for ICGN's Global Stewardship Awards for public disclosure of our stewardship policies.

Finally, we note that in September 2019, AllianceBernstein announced a first-of-its-kind collaboration with Columbia University, home to the Lamont-Doherty Earth Observatory, a world-renowned Earth and climate science research center. We're working with climate scientists there on a curriculum, "Climate Science and Portfolio Risk," focused on climate risk and investment performance. The collaboration's objective is to further improve how AllianceBernstein integrates climate risks and opportunities into the client portfolios and Funds we manage. All investment teams at AB are matriculating through this curriculum and we are confident this will

help us better assess climate complexities, engage more effectively with companies, and ultimately build more sustainable portfolios for our clients.

No

**SG 01.7
CC**

Indicate whether the organisation has assessed the likelihood and impact of these climate risks?

Yes

Describe the associated timescales linked to these risks and opportunities.

We acknowledge that the time horizon of climate risk varies by investment and will depend on a variety of factors such as asset class sector, industry, region and their respective exposure to physical and transition risks and opportunities.

No

**SG 01.8
CC**

Indicate whether the organisation publicly supports the TCFD?

Yes

No

**SG 01.9
CC**

Indicate whether there is an organisation-wide strategy in place to identify and manage material climate-related risks and opportunities.

Yes

No

Describe how and over what time frame the organisation will implement an organisation-wide strategy that manages climate-related risks and opportunities.

In late 2019, we partnered with a leading academic institution to develop a climate risk and portfolio management curriculum for our investment professional and successfully deployed several trainings. The trainings have been executed with a view towards enhancing our investment professional's skills and capabilities around effectively identifying and managing climate risk and opportunities in their respective asset classes and industries and towards developing our organization-wide strategy. We are actively developing our formal strategy, leveraging expertise from across asset classes to discern and/or develop the appropriate tools and processes that will allow us to constructively manage climate related risks and opportunities. We expect to have a formal strategy in place in 2020 that complies with the TCFD recommendations.

In addition, with the launch of our ESG research tools in equities and fixed income in 2018, our analysts have a more standard framework to assess climate risks and opportunities.

**SG 1.10
CC**

Indicate the documents and/or communications the organisation uses to publish TCFD disclosures.

- Public PRI Climate Transparency Report
- Annual financial filings
- Regular client reporting
- Member communications
- Other
- We currently do not publish TCFD disclosures

SG 02

Mandatory

Public

Core Assessed

PRI 6

SG 02.1

Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

- Policy setting out your overall approach

URL/Attachment

- URL

URL

{[hyperlink:https://www.alliancebernstein.com/sites/corporate/our-firm/content/statement_of_policy_regarding_responsible_investment.pdf](https://www.alliancebernstein.com/sites/corporate/our-firm/content/statement_of_policy_regarding_responsible_investment.pdf)}

- Attachment (will be made public)

- Formalised guidelines on corporate governance factors

URL/Attachment

- URL

URL

{[hyperlink:https://www.alliancebernstein.com/corporate-responsibility/corporate-governance.htm](https://www.alliancebernstein.com/corporate-responsibility/corporate-governance.htm)}

- Attachment (will be made public)

- Fiduciary (or equivalent) duties

URL/Attachment

- URL

URL

{hyperlink:https://www.alliancebernstein.com/abcom/Our_Firm/Content/CGDocs/ABGlobalStewardship.pdf}

Attachment (will be made public)

Screening / exclusions policy

URL/Attachment

URL

URL

{hyperlink:https://www.alliancebernstein.com/abcom/Our_Firm/Content/CGDocs/Statement_on_Controversial_Weapons.pdf?uuid=387b50ea-ccea-11e4-98e2-1c10539321b1}

Attachment (will be made public)

Engagement policy

URL/Attachment

URL

URL

{hyperlink:https://www.alliancebernstein.com/abcom/Our_Firm/Content/CGDocs/2017-AB-engagement-policy-FINAL.pdf}

Attachment (will be made public)

(Proxy) voting policy

URL/Attachment

URL

URL

{hyperlink:https://www.alliancebernstein.com/abcom/Our_Firm/Content/CGDocs/AB-Proxy-Voting-and-Governance-Policy.pdf}

Attachment (will be made public)

We do not publicly disclose our investment policy documents

SG 02.2

Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

Your organisation's definition of ESG and/or responsible investment and its relation to investments

URL/Attachment

URL

URL

{hyperlink:https://www.alliancebernstein.com/sites/corporate/our-firm/content/statement_of_policy_regarding_responsible_investment.pdf}

- Attachment
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment

URL/Attachment

- URL

URL

{hyperlink:https://www.alliancebernstein.com/sites/corporate/our-firm/content/statement_of_policy_regarding_responsible_investment.pdf}

- Attachment
- Governance structure of organisational ESG responsibilities

URL/Attachment

- URL

URL

{hyperlink:https://www.alliancebernstein.com/sites/corporate/our-firm/content/statement_of_policy_regarding_responsible_investment.pdf}

- Attachment
- ESG incorporation approaches

URL/Attachment

- URL

URL

{hyperlink:https://www.alliancebernstein.com/sites/corporate/our-firm/content/statement_of_policy_regarding_responsible_investment.pdf}

- Attachment
- Active ownership approaches

URL/Attachment

- URL

URL

{hyperlink:https://www.alliancebernstein.com/abcom/Our_Firm/Content/CGDocs/2017-AB-engagement-policy-FINAL.pdf}

Attachment

Reporting

Climate change

Understanding and incorporating client / beneficiary sustainability preferences

We do not publicly disclose any investment policy components

SG 03	Mandatory	Public	Core Assessed	General
-------	-----------	--------	---------------	---------

SG 03.1 Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

Yes

SG 03.2 Describe your policy on managing potential conflicts of interest in the investment process.

As a fiduciary, we owe our clients an undivided duty of care. We strive to avoid even the appearance of a conflict that may compromise the trust our clients have placed in us, and we insist on strict adherence to fiduciary standards and compliance with all applicable federal and state securities laws. We place the interests of our clients first and attempt to avoid any actual or potential conflicts of interest. It is the responsibility of every employee to be sensitive to situations and relationships which may create conflicts of interest and bring any related questions or concerns to the Chief Compliance Officer or Conflicts Officer. AB maintains a Code of Business Conduct and Ethics (the "Code") that complies with Rule 17j-1 under the Investment Company Act of 1940, as amended, and Rule 204A-1 under the Investment Advisers Act of 1940. The Code summarizes our firm's values, principles, and business practices that guide our business conduct. It establishes a set of basic principles to guide all employees, including directors and consultants, where applicable.

No

SG 03.3 Additional information. [Optional]

The sections in Our Code of Business Conduct and Ethics that relate to conflicts of interest include: • Conflicts of interest • Personal trading • Gifts, entertainment and inducements • Political contributions/activities

Summaries of Key Policies: Conflicts of Interest: AB has taken several steps to reduce or eliminate potential conflicts of interest that may arise, including: 1) We do not trade securities on a proprietary basis or act as an underwriter, and do not trade fixed income securities through affiliated brokers. Permanent information barriers separate the activities of AllianceBernstein from Sanford C. Bernstein. 2) We impose trading restrictions on our employees, including requiring them to maintain personal brokerage accounts with one of five designated brokerage firms, to pre-clear all personal securities transactions, and to report each transaction to Compliance personnel. All employees are forbidden to trade, either personally or on behalf of others, on material non-public information or communicating material non-public information to others in violation of the law. 3) We maintain a Code of Ethics, distributed and acknowledged by employees at least annually, that includes provisions concerning personal trading, gifts and entertainment. 4) We have a Conflicts Officer who chairs our Conflicts Committee, comprised of senior members of the Legal and Compliance Department.

Personal Trading Policy: Some (but not all) of the restrictions that apply to personal trading by AB employees, their immediate family members and other financial dependents include: 1) Employees must disclose all of their securities accounts to the Legal and Compliance department; 2) Absent an exception, employees may maintain securities accounts only at specified designated broker-dealers; 3) Employees must pre-clear all securities trades with the Legal and Compliance department prior to placing trades with their broker-dealer (prior supervisory approval is required for portfolio managers, research analysts, traders, persons with access to AB research, and others designated by the Legal and Compliance department); 4) Employees are limited to twenty trades in individual securities during any rolling thirty calendar-day period; 5) Employee purchases of individual securities, ETFs and closed-end mutual funds are subject to a 60-day holding period; and 6) Employees must submit initial and annual

holding reports, disclosing all securities and holdings in mutual funds managed by AB held in personal accounts, and must, on a quarterly basis, submit or confirm reports identifying all transactions in securities (and mutual funds managed by AB) in personal accounts.

Gifts and Entertainment: Our Gifts and Entertainment policy for all AB employees sets out clear standards of conduct expected of employees. It stresses the importance of mitigating even the potential perception that their acts may be in violation of not only our Gifts and Entertainment Policy but domestic and international laws as well. Among other stipulations, under our Gifts and Entertainment Policy our employees are prohibited from: 1) accepting, for themselves or their family/friends, cash, cash equivalents (e.g., gift cards, gift certificates, etc.), or preferential discounts from current or potential vendors or service providers. Similarly, they may not give such items to clients, and 2) accepting (or giving to clients) noncash business gifts from any one vendor or service provider that exceeds \$100 USD in value during a calendar year. All gifts received exceeding \$50 USD in value must be reported to our Compliance Department.

Political Contributions and Activities: AB has developed policies that prohibit our employees from making, either directly or indirectly, any political contributions to candidates or organizations recommended by clients. The policies also include a requirement under which all employees must pre-clear with the Compliance Department, all personal political contributions (including those of their spouses and dependent children) made to, or solicited on behalf of, any state or local candidate or political party. We also have in place a separate Pay-to-Play policy specifically relating to SEC Rule 206(4)-5, which we can provide upon request.

Employees must confirm annually that they have disclosed any potential conflicts of interest and that they are in compliance with the requirements associated with the firm's Policy and Procedures for Giving and Receiving Gifts and Entertainment (including its requirement to pre-clear certain political contributions); and the requirements associated with the firm's Anti-Corruption Policy.

Compliance Manual: AB maintains a Compliance Manual for all employees that also provides policies on handling potential conflicts of interest. The key components included in our Compliance Manual that cover potential conflicts of interest in our investment process are: • Investment Guidelines for Services & Clients • Fair allocation of investment opportunities • Research activities • Best execution and brokerage allocation • Cross trades in discretionary accounts • Security transactions with AB affiliates • Proxy voting • Portfolio, market & performance manipulation • Beneficial ownership reporting • Daily restricted list preclearance

SG 04	Voluntary	Public	Descriptive	General
-------	-----------	--------	-------------	---------

SG 04.1	Indicate if your organisation has a process for identifying and managing incidents that occur within investee entities.
----------------	---

- Yes
- No

SG 04.2	Describe your process on managing incidents
----------------	---

It is the primary responsibility of our analysts to monitor issuers. If an ESG issue arises, the analyst will determine the potential magnitude and engage with the issuer and/or other stakeholders to determine the impact on the investment thesis. Based on that analysis, the CIO/PM will determine whether to hold or sell. If the position is continued to be held, the analyst will regularly monitor the situation, and how management has addressed it.

Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
-------	-----------	--------	-----------------------	---------

SG 05.1

Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not set/reviewed

SG 05.2

Additional information. [Optional]

The Responsible Investment Steering Committee sets out the goals for the responsible investment activities at AB at least annually. The committee meets monthly to review progress and respond to market developments.

AB also ensures that the committee includes representatives across all of AB's business units.

SG 06	Voluntary	Public	Descriptive	General
-------	-----------	--------	-------------	---------

SG 06.1

List the main responsible investment objectives that your organisation set for the reporting year.

Responsible investment processes

- Provide training on ESG incorporation

Key performance indicator

Conduct training sessions and track attendance

Progress achieved

In 2019, AB announced a collaboration with Columbia University's Lamont-Doherty Earth Observatory to create a first of its kind, climate risk and investment curriculum for our investment professionals. A pilot session and two full day sessions were held. We plan to have all investment personnel take the training by year-end 2020. In addition, our ESG Research and Stewardship Committee identifies training opportunities for investment staff across asset classes. We have been developing a series of ESG training programs to be delivered in 2020, including: Modern Slavery, Corporate Governance, ESG Portfolio Construction and Executive Compensation. We also conducted a variety of training sessions for investment and client-facing teams on our approach to RI and our platform of portfolios with purpose.

- Provide training on ESG engagement

Key performance indicator

More effective company/issuer engagements.

Progress achieved

Our responsible investment staff meet with analysts to prepare for company meetings on ESG-related topics, and have a structured process for engagement. This includes a template that is used to conduct research; the responsible investment staff generally has a preparatory meeting with the analyst if they participate, and uses a tool to track our engagements. In the ESIGHT platform, a framework is now available for engagements that is based on a materiality map for the industry within which a company operates. In addition, we created an Engagement work group that focuses on enhancing our engagement strategy around ESG issues.

- Improved communication of ESG activities within the organisation

Key performance indicator

More frequent discussions with personnel across the organization, including partners, investment teams, and client-facing staff. Creation and release of RI Report.

Progress achieved

The CEO, Operating Committee and other senior personnel in investments and client-facing teams are updated on market developments, our approach, policies and new responsible-investment focused services. In addition, the responsible investment team, members of the Responsible Investment Steering Committee, and increasingly, other individuals within the firm are well versed on our ESG activities and communicate with their colleagues around the world. The communications take place in formal and informal settings. An updated RI report was released to the public, at the end of October 2019. In December, we released an engagement report.

- Improved engagement to encourage change with regards to management of ESG issues

Key performance indicator

Launch ESG research and collaboration platform to record engagements and their outcomes.

Progress achieved

Most of our engagements are focused on influencing some type of change or improvement at a company. The topics are company-specific on a wide range of ESG issues such as improving executive compensation targets, disclosing more information on environmental risks and workforce data.

After a pilot in 2018, in early 2019, we launched ESIGHT to all of equities. ESIGHT is an ESG research and collaboration platform that provides a framework for equity analysts to consistently assess material ESG issues by industry, and catalogue ESG research and engagements. The platform is assessible to our fixed income analysts and complements PRISM, the ESG platform in fixed income.

- Improved ESG incorporation into investment decision making processes

Key performance indicator

Continue to enhance ESG integration.

Progress achieved

In our Fixed Income business, they have had in place for several years, an ESG research tool which allows the analyst to rate an issuer on each element and provide a qualitative assessment. This is integrated into the analysts' proprietary credit assessment. In 2018, Fixed Income formalized its platform to evaluate ESG risks in sovereigns. Our equity team has built out a proprietary ESG research and collaboration platform (ESIGHT) which provides a standard framework to evaluate ESG issues by industry, a central place to store ESG-related data, and company engagements. ESIGHT is accessible to the fixed income analysts as well to leverage research insights across asset groups.

Other, specify (1)

Thought leadership

Key performance indicator

Host / participate in events and write blogs

Progress achieved

AB hosted several impact investing symposia for clients and prospects. We wrote several ESG-related blogs, and our staff continues to participate in a variety of industry events as speakers, moderators, panellists, and/or participants.

Other, specify (2)

other description (2)

Commercialize our RI platform

Key performance indicator

New product launches and attract AUM

Progress achieved

We added a new strategy to our portfolios with purpose platform - Sustainable Global Thematic Credit.

Other, specify (3)

None of the above

Financial performance of investments

Increase portfolio performance by consideration of ESG factors

Key performance indicator

Start tracking how ESG issues affect the investment thesis and if it leads to portfolio action in ESIGHT.

Progress achieved

Significantly increased the number of ESG engagement and ESG research items documented by our equities teams.

- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

ESG characteristics of investments

- Over or underweight companies based on ESG characteristics
- Improve ESG ratings of portfolio

Key performance indicator

For a few clients we implement best in class screening which leads to a higher ESG rating of the portfolio.

Progress achieved

The best in class approach leads to a higher ESG rating of the portfolio versus the benchmark.

- Setting carbon reduction targets for portfolio

Key performance indicator

Green MVE has the objective of helping investors to achieve neutral carbon outcomes without the need to sacrifice competitive investment returns.

Progress achieved

Green MVE defines investment success as "green alpha" i.e. the excess returns that accrue to investors after the costs of offsetting emissions associated with the portfolio. As at 31 October 2019, returns have been in line with the benchmark, even after retiring carbon offsets.

- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

Other activities

- Joining and/or participation in RI initiatives

Key performance indicator

Participation on panels and event attendance

Progress achieved

We are actively engaged in industry events, both as participants and as panellists. A broad range of staff, including Responsible Investment personnel, investors and business development participate in a variety of industry events as participants, panellists, moderators, and/or speakers.

- Encouraging others to join a RI initiative
- Documentation of best practice case studies
- Using case studies to demonstrate engagement and ESG incorporation to clients

Key performance indicator

Documentation of engagement examples

Progress achieved

We launched our first engagement report in 2019, available on our public website. Examples for that report are extracted from our ESIGHT tool which allows our fundamental analysts and the RI team to catalogue material ESG engagements, and from our fixed income team.

- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

Governance and human resources

SG 07	Mandatory	Public	Core Assessed	General
-------	-----------	--------	---------------	---------

SG 07.1	Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.
---------	---

Roles

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Internal Roles (triggers other options)

Select from the below internal roles

- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
 - Chief Corporate Responsibility Officer**
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investor relations
- Other role, specify (1)
- Other role, specify (2)
- External managers or service providers

SG 07.2

For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

Our CEO is briefed on our responsible investment activities through one-on-one discussions and at operating committee meetings. Our board agenda has included updates on our responsible investment strategy and implementation plan. In addition, the heads of our strategic business units are also briefed and are key in driving our efforts within their respective business units. Our fundamental research analysts have primary responsibility for incorporating ESG factors into the research process. CIOs/portfolio managers are responsible for overseeing the integration of ESG factors into our investment processes, and ensuring that potential ESG issues are appropriately identified, raised, researched, and addressed. Our responsible investment staff help to drive the implementation of our RI strategy.

SG 07.3

Indicate the number of dedicated responsible investment staff your organisation has.

Number

30

AB has over 100 individuals involved in responsible investment committees. In addition, our investment teams have direct responsibility for implementing ESG integration. Our investment teams and RI team often collaborate on ESG-related engagements.

Of this, there are 30 individuals who were dedicated to responsible investment in 2019.

Examples of those dedicated individuals include:

Chief Corporate Responsibility Officer: Paul DeNoon, a Senior Vice President, is our firm's Chief Corporate Responsibility Officer. In this role, Mr. DeNoon coordinates across AllianceBernstein to define and coordinate all of our Corporate Responsibility efforts as they relate to our clients, shareholders, employees, and communities. In this role, Mr. DeNoon also oversees our firm's responsible investing platform, charged with driving and implementing AB's responsible investment strategy and best-in-class approach to responsible investing across our firm. Mr. DeNoon works closely with both our Head of Responsible Investment (see below) and our fixed income and equity investment organizations to ensure best-in-class approaches and methodologies are being implemented consistently firm-wide.

Head of Responsible Investment: Linda Giuliano, Senior Vice President, is our Head of Responsible Investment. She is also Chair of our Proxy Voting and Governance Committee and our Responsible Investment Committee. She dedicates all of her time to responsible investment-related activities, including working with Mr. DeNoon to continue to refine the firm's responsible investment strategy, enhancing AB's processes on ESG integration, and organizing the efforts, and leading both, of our Responsible Investment Committee and Proxy Voting and Governance Committee. She also organizes and administers ESG integration training, seminars and events at the firm. For example, we organized and co-hosted an event at AB called "ESG in Real Assets". Ms. Giuliano is involved in RI-related industry organizations and keeps abreast of responsible investment-related best practices and relevant industry trends. She is currently a member of ICGN's Board Governance Committee and the PRI's Global Policy Reference Group. She was formerly a member of the PRI's Reporting and Assessment Committee and their Equity Working group, and CII's Corporate Governance Advisory Council.

Senior Investment Strategist, Responsible Investment: We have a client-facing Senior Investment Strategist who focuses on responsible investing. She regularly meets with AllianceBernstein's clients, as well as prospects and consultants, to provide insight on AllianceBernstein's responsible investing initiatives and approach. She is also an expert on our value equity portfolios and research approaches. She also manages our Responsible US Equity strategy.

Dedicated RI Team: We maintain dedicated ESG Analysts to work with our equity investment teams to identify trends, themes and case studies and to assist with all aspects of ESG integration and monitoring. They provide input to the portfolio teams on a variety of ESG-related issues, and design and implement ongoing RI training programs for AllianceBernstein employees. These analysts also handle a range of other RI projects, including coordinating AllianceBernstein's PRI Report each year. Two of the analysts focus on proxies and two members of our Proxy Voting and Governance Committee.

Some portfolio managers/analysts are ESG-Focused: we have certain portfolio managers and analysts within our investment organizations who, given their research and management roles on certain ESG-focused strategies and funds, can be considered ESG-focused resources as well. Examples include:

- The portfolio manager and analysts who work on AllianceBernstein's Next 50 Frontier Markets Strategy/Fund can be considered the equivalent of four full-time employees (FTEs) to ESG.
- The portfolio manager and analysts (9 in total) who work are fully dedicated toon AllianceBernstein's Sustainable Global Thematic Equity and Credit strategies
- We have an ESG Analyst on our Large Cap Growth Team
- The portfolio manager who manages our Municipal Impact Strategy

I confirm I have read and understood the Accountability tab for SG 07

I confirm I have read and understood the Accountability tab for SG 07

SG 07 CC

Mandatory to Report Voluntary to Disclose

Public

Descriptive

General

**SG 07.5
CC**

Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.

Board members or trustees

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Investment Committee

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Other Chief-level staff or heads of departments

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Portfolio managers

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Investment analysts

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

Dedicated responsible investment staff

- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

**SG 07.6
CC**

For board-level roles that have climate-related issue oversight/accountability or implementation responsibilities, indicate how these responsibilities are executed.

In 2019, AB's board held formal discussions around climate risk. Additionally, the audit committee undertook a new mandate to oversee climate risk and presents to the board regularly on this topic.

**SG 07.8
CC**

Indicate how your organisation engages external investment managers and/or service providers on the TCFD recommendations and their implementation.

- Request that external managers and/or service providers incorporate TCFD into mainstream financial filings (annual financial reports, other regulatory reporting or similar)
- Request incorporation of TCFD into regular client reporting
- Request that external managers complete PRI climate indicator reporting
- Request responses to TCFD Fund Manager questions in the PRI Asset Owner Guide
- Other
- We do not engage with external managers and/or service providers on the TCFD recommendations and their implementation

SG 08	Voluntary	Public	Additional Assessed	General
-------	-----------	--------	---------------------	---------

SG 08.1

Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element.

Board members/Board of trustees

SG 08.1b

RI in personal development and/or training plan

- Responsible investment included in personal development and/or training plan

SG 08.2

Describe any activities undertaken during the reporting year to develop and maintain Board members' skills and knowledge in relation to responsible investment.

The Co-Chair of our Responsible Investment Committee presented to the Board on RI market developments and a strategic plan.

- None of the above

Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee

SG 08.1a

RI in objectives, appraisal and/or reward

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- None of the above

SG 08.1b

RI in personal development and/or training plan

- Responsible investment included in personal development and/or training plan
- None of the above

Other C-level staff or head of department

Chief Corporate Responsibility Officer

SG 08.1a | RI in objectives, appraisal and/or reward

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- None of the above

SG 08.1b | RI in personal development and/or training plan

- Responsible investment included in personal development and/or training plan
- None of the above

Portfolio managers

SG 08.1a | RI in objectives, appraisal and/or reward

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- None of the above

SG 08.1b | RI in personal development and/or training plan

- Responsible investment included in personal development and/or training plan
- None of the above

Investment analysts

SG 08.1a | RI in objectives, appraisal and/or reward

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- None of the above

SG 08.1b | RI in personal development and/or training plan

- Responsible investment included in personal development and/or training plan
- None of the above

Dedicated responsible investment staff

SG 08.1a RI in objectives, appraisal and/or reward

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- None of the above

SG 08.1b RI in personal development and/or training plan

- Responsible investment included in personal development and/or training plan
- None of the above

SG 08.3

Provide any additional information on your organisation's performance management, reward and/or personal development processes in relation to responsible investment.

At AB, all of our analysts - both equity and fixed income -- are evaluated based on a variety of factors. Investment performance in client portfolios is the primary factor, along with other qualitative factors. As discussed in more detail elsewhere in this document, all AB analysts include ESG factors in their research processes. Thus, by the nature of their inclusion, ESG factors are reflected in our firm's performance management process.

In addition to that, the extent to which performance management, reward and/or personal development processes have a responsible investment element may vary per investment strategy. For our investment strategies that go beyond ESG integration, the element may be larger.

Promoting responsible investment

SG 09

Mandatory

Public

Core Assessed

PRI 4,5

SG 09.1

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

- Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Our Head of Responsible Investment was on the PRI's Reporting and Assessment Advisory Committee until November 2017, when she became a member of the Regulatory and Policy Committee. One of our fixed income portfolio managers was on the Fixed Income Integration committee.

One of our Fixed Income Portfolio Managers joined the PRI credit committee.

In November 2019 we hosted an informal lunch and discussion for PRI signatories in New York on The European Union (EU) policy and regulatory developments on sustainable finance with the Head of sustainable finance at the European Commission.

- Asian Corporate Governance Association

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
 Moderate
 Advanced
- Australian Council of Superannuation Investors
 AVCA: Sustainability Committee
 France Invest – La Commission ESG
 BVCA – Responsible Investment Advisory Board
 CDP Climate Change

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
 Moderate
 Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

We became an investor signatory in 2015 and participate in thought leadership events.

- CDP Forests

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
 Moderate
 Advanced
- CDP Water

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
 Moderate
 Advanced
- CFA Institute Centre for Financial Market Integrity
 Climate Action 100+

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

AB is a co-lead on a collaborative engagement targeting one of the top 100+ global emitters.

- Code for Responsible Investment in SA (CRISA)
- Council of Institutional Investors (CII)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

We are an Educational Sustainer member of the CII. We attend their meetings and participate in teleconferences on proxy-related issues and share our insights. We have had representation on the Corporate Governance Advisory Council for the past four years, and a member of our governance team will continue to participate. The Head of Responsible Investment has been a panelist.

- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- Invest Europe Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

A Fixed Income Portfolio Manager was a panelist on a GIIN conference in February 2019.

- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- HKVCA: ESG Committee
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

We are a member of ICGN and attend their conferences. In October 2017, our Head of Responsible Investment was appointed to ICGN's Board Governance Committee and moderated a panel at their annual conference in 2018.

- Investor Group on Climate Change, Australia/New Zealand (IGCC)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

We joined the Transition to Zero Carbon Working Group.

- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Financial Action in the 21st Century
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
US SIF

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

US SIF: We attend the US SIF Conferences and we review the reports from the various SIF organizations.

- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

We subscribe to a third-party service provider, Sustainalytics, which assesses companies' impact on stakeholders and the extent to which a company causes, contributes or is linked to violations of international norms and standards.

- Other collaborative organisation/initiative, specify
SASB

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

We have two individuals on SASB industry standard committees.

- Other collaborative organisation/initiative, specify
Japan PRI (Principles for Financial Action for the 21st Century)

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

We are a member of the working group on Asset Management, Securities, and Investment Banks.

- Other collaborative organisation/initiative, specify

Climate Bond Initiative

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

AB is a partner of the Climate Bond Initiative (CBI). Early in 2018, AB hosted the first in a series of four global CBI-sponsored Green Bond Boot Camps in our New York office. AB was the only U- based host in the series (other location events were scheduled in Sydney, Copenhagen and Paris). The CBI's Green Bond Boot Camp was an immersive learning experience for finance sector professionals who wished to be part of the growing green bond market. The two-day event encompassed five learning modules as well as green bond case studies and stories from market professionals to provide a valuable starting point for new market participants. The objective of the Camp was to help prepare the growing number of new and ambitious green bond market participants to play a role in scaling up financing of low carbon, climate resilient assets and infrastructure. In addition to AB hosting the event, members of AB's Responsible Investment Committee, portfolio managers and analysts provided perspective on managing and trading green bonds during training sessions. AB also supports the CBI via our annual fees.

- Other collaborative organisation/initiative, specify

VBDO

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

VBDO is the Dutch Association of Investors for Sustainable Development. Since its inception in 1995, VBDO aims to create a sustainable capital market. We participated in some events.

SG 09.2	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
---------	---	--------	-------------	-------

Indicate approximately what percentage (+/- 5%) of your externally managed assets under management are managed by PRI signatories.

%

95

SG 10	Mandatory	Public	Core Assessed	PRI 4
-------	-----------	--------	---------------	-------

SG 10.1 Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

Yes

SG 10.2 Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.

Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)

Description

We hosted a variety of educational events in 2019, on topics such as: ESG investing, green bonds, the SDGs, and climate-related investment risks.

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

Provided financial support for academic or industry research on responsible investment

Provided input and/or collaborated with academia on RI related work

Description

We initiated a collaboration with Columbia University's Earth Institute to create a climate risk and investment curriculum. In 2019, we conducted a pilot training and two full-day sessions. In addition, we are collaborating with Columbia on research on social impacts in emerging markets.

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

Encouraged better transparency and disclosure of responsible investment practices across the investment industry

Description

We encourage better transparency through our company engagement and proxy voting activities.

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

Spoke publicly at events and conferences to promote responsible investment

Description

We often speak at industry events. In 2019, portfolio managers and other AB representatives participated on panels or as speakers at more than 20 industry events. Below is a selection of events where we were panelists or speakers:

Public speaking engagements/panelist:

- December 2019: Emerging Markets Investor Alliance Annual ESG Conference
- November 2019: Future of Mobility or False Start: A Deep Dive into Electric Vehicles
- November 2019: Addressed the SEC's Investor Advisory Committee on ESG and Investing
- October 2019: Socially Responsible Investing – co-hosted by AllianceBernstein and the Sanford C Bernstein & Co Center for leadership and Ethics at Columbia Business School
- September 2019: Panelist at Sustainability Congress Bonn, Germany – Panel discussion on the future of responsible investing
- September 2019: Panelist in a BrightTALK webinar: panel discussion on financing sustainable fashion
- September 2019: BrightTALK webinar: interview about thematic approach to sustainable investing and identifying opportunities related to the UN SDG's
- September 2019: CFA Society Annual Forum Investing in ESG Momentum
- September 2019: Presented Demystifying RI and ESG and LACERS event
- September 2019: Panelist at Canadian Pension Leadership and Diversity Forum
- June 2019: Speaker at USSIF conference on Human Capital Management
- June 2019: Panelist at Canadian Leadership Congress "Should Pension Investors Worry about Diversity?"
- April 2019: Speaker At the Global Investment Conference (Canadian Investment Review): Topic – Contrarian ESG Investing

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

Wrote and published in-house research papers on responsible investment

Description

We have published a number of blogs related to responsible investment. Some examples of these blogs are listed below and can be found on our company website:

- Are European Energy Companies Sustainable Investments? – August 2019
- Does Sustainable Investing Constrain a Portfolio? – August 2019
- The ESG Edge to Concentrated Equity Investing – July 2019
- Following UN Goals to Sustainable Equity Themes – June 2019
- Funding the Future: Putting Purpose in Your Bonds - June 2019
- Responsible Returns: Better Stocks for a Better World – May 2019
- Climate-Proofing an Equity Portfolio – April 2019
- Investing Responsibly? Don't Sit Back – April 2019
- Doing the Math on Women's Empowerment – March 2019
- DC Plan Participants Voice Their Interest in Responsible Investing – January 2019

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

Encouraged the adoption of the PRI

Description

We have spoken to other asset managers who are considering signing the PRI.

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)

Description

We have engaged with public policy-makers or regulators on a variety of issues:

- November 2019: Addressed the SEC's Investor Advisory Committee on ESG and Investing.
- November 2019: AB hosted an informal lunch and discussion for PRI signatories in New York on The European Union (EU) policy and regulatory developments on sustainable finance with Martin Spolc, Head of sustainable finance at the European Commission.
- We cooperated with the SFC and HKMA as part of their fact finding exercises and contributed to the discussion.

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Wrote and published articles on responsible investment in the media

Description

We have published a number of blogs related to responsible investment. Some examples of these blogs are listed below and can be found on our company website:

- Are European Energy Companies Sustainable Investments? – August 2019
- Does Sustainable Investing Constrain a Portfolio? – August 2019
- The ESG Edge to Concentrated Equity Investing – July 2019
- Following UN Goals to Sustainable Equity Themes – June 2019
- Funding the Future: Putting Purpose in Your Bonds - June 2019
- Responsible Returns: Better Stocks for a Better World – May 2019
- Climate-Proofing an Equity Portfolio – April 2019
- Investing Responsibly? Don't Sit Back – April 2019
- Doing the Math on Women's Empowerment – March 2019
- DC Plan Participants Voice Their Interest in Responsible Investing – January 2019

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- A member of PRI advisory committees/ working groups, specify

Description

PRI Policy and Regulatory Committee.

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- On the Board of, or officially advising, other RI organisations (e.g. local SIFs)

Description

AB is a member of the VBDO in the Netherlands, the Dutch Association of Investors for Sustainable Development and indirectly to EUROSIF, Eurosif is the leading European association for the promotion and advancement of sustainable and responsible investment across Europe, for the benefit of its members. Attended a number of VBDO Meetings

October 2019: Chief Executive Officer for AllianceBernstein (AB) in Australia, was appointed a Director to the Financial Services Council (FSC) Board. The FSC has more than 100 members representing Australia's retail and wholesale funds management businesses, superannuation funds, life insurers, financial advisory networks and licensed trustee companies. The FSC promotes best practice for the financial services industry by setting mandatory Standards for its members and providing Guidance Notes to assist in operational efficiency. The FSC's mission is to protect and enhance confidence in a strong, sustainable financial services sector that serves Australians with integrity.

October 2019: ESG Analyst joined the Financial Services Council (FSC) ESG working group and the FSC and RIAA Modern Slavery working group.

July 2019: 3 AB investment professionals appointed to SASB's Standards Advisory Group.

January 2019: AB was appointed to the Council of Institutional Investors (CII) Corporate Governance Advisory Council for a three-year term.

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Other, specify
- No

SG 10.3

Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment [Optional]

AB has also taken part in the below initiatives:

- Carbon Market Institute
- FSB Task Force on Climate-related Financial Disclosures (TCFD)
- Investor Stewardship Group (ISG)
- PLSA Stewardship Disclosure Framework
- Japan Stewardship Code

- Lux Flag

SG 11	Voluntary	Public	Additional Assessed	PRI 4,5,6
--------------	------------------	---------------	----------------------------	------------------

SG 11.1	Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or regulators in support of responsible investment in the reporting year.
----------------	---

Yes

	If yes
--	--------

- Yes, individually
- Yes, in collaboration with others

SG 11.2	Select the methods you have used.
----------------	-----------------------------------

- Endorsed written submissions to governments, regulators or public policy-makers developed by others
- Drafted your own written submissions to governments, regulators or public-policy markers
- Participated in face-to-face meetings with government members or officials to discuss policy
- Other, specify

SG 11.3	Where you have made written submissions (individually or collaboratively) to governments and regulatory authorities, indicate if these are publicly available.
----------------	--

- Yes, publicly available
 - No
- No

SG 11.4	Provide a brief description of the main topics your organisation has engaged with public policy-makers or regulators on.
----------------	--

We have engaged with public policy makers or regulators on a variety of issues, including:

- November 2019: Addressed the SEC's Investor Advisory Committee on ESG and Investing

Outsourcing to fiduciary managers and investment consultants

SG 12	Mandatory	Public	Core Assessed	PRI 4
--------------	------------------	---------------	----------------------	--------------

SG 12.1	Indicate whether your organisation uses investment consultants.
----------------	---

- Yes, we use investment consultants
- No, we do not use investment consultants.

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
-------	-----------	--------	-------------	-------

SG 13.1

Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

- Yes, in order to assess future ESG factors
- Yes, in order to assess future climate-related risks and opportunities

Describe

In 2019, AllianceBernstein conducted bottom-up climate scenario analysis on the issuer universe pertaining to our Green Alpha equity strategy, with a view towards enhancing portfolio construction and stock selection by quantifying climate risks and opportunities. We're evaluating whether and how to apply Green Alpha's process firm-wide.

- No, our organisation does not currently carry out scenario analysis and/or modelling

SG 13.2

Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.

We do the following

- Allocation between asset classes
- Determining fixed income duration
- Allocation of assets between geographic markets
- Sector weightings
- Other, specify
- We do not consider ESG issues in strategic asset allocation

SG 13.3

Additional information. [OPTIONAL]

In 2019, we conducted bottom-up climate scenario analysis on the issuer universe pertaining to our Green Alpha equity strategy, with a view towards enhancing portfolio construction and stock selection by quantifying, and engaging on, climate risks and opportunities. We are reviewing how to expand this into our other portfolios via a working group that AllianceBernstein convened in that same year. This working group comprised of senior investors from across assets classes, regions and the Responsible Investing team, have begun to develop our approach to scenario analysis by conducting extensive research on various climate models, scenarios and data providers and anticipates rolling out the first version of AB's firmwide scenario analysis in the next 12 months.

SG 13 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
----------	---	--------	-------------	---------

SG 13.4 CC

Describe how your organisation is using scenario analysis to manage climate-related risks and opportunities, including how the analysis has been interpreted, its results, and any future plans.

- Initial assessment

Describe

In 2019, we conducted bottom-up climate scenario analysis on the issuer universe pertaining to our Green Alpha equity strategy, with a view towards enhancing portfolio construction and stock selection by quantifying, and engaging on, climate risks and opportunities.

The initial assessment for Green Alpha's approach is focused on discerning the Climate Value at Risk (CVaR) for investments under two scenarios: a 1.5-degree warming scenario and a 3.2-degree warming scenario. This exercise has resulted in developing several metrics spread across physical and transition risk, as well as opportunities, that are analyzed at the sector and, subsequently, issuer levels.

- Incorporation into investment analysis

Describe

Climate scenario analysis is incorporated into our Green Alpha investment process through review of metrics as described in the initial assessment. This exercise facilitates identification and quantification of impacts within an issuer's operations, financial statements and business models. These results, which also quantify the percentage of a stock's market capitalization at risk from climate change, are then integrated into our portfolio construction and stock selection process.

- Inform active ownership

Describe

The climate scenario analysis process informs Green Alpha's active ownership strategy, by helping the team to identify opportunities for portfolio companies to improve practices around managing risk or capitalizing on potential opportunities stemming from climate change. The team also uses information derived from its scenario analysis and engagement activities on climate change to inform its proxy voting on portfolio companies. AllianceBernstein, as a firm, generally supports shareholder proposals related to climate change reporting and disclosure and considers other climate change-related proxy items on a case-by-case basis as outlined in our publicly available Proxy Voting and Governance Policy.

- Other

**SG 13.5
CC**

Indicate who uses this analysis.

- Board members, trustees, C-level roles, Investment Committee
- Portfolio managers
- Dedicated responsible investment staff
- External managers
- Investment consultants/actuaries
- Other

**SG 13.6
CC**

Indicate whether your organisation has evaluated the potential impact of climate-related risks, beyond the investment time horizon, on its investment strategy.

- Yes

Describe

Our investment teams regularly consider a variety of time horizons when assessing climate-related risk and opportunity that often go beyond the holding period of a particular security. However, the depth and breadth of that consideration can vary depending on investment strategy, asset class and sector, among other variables. Frequently, climate risks and opportunities that are perceived as more immediate to a particular issuer are a larger factor in the investment analysis and research process compared to longer term climate risks and opportunities, which present more uncertainty and challenges in forecasting.

No

SG 13.7
CC

Indicate whether a range of climate scenarios is used.

- Analysis based on a 2°C or lower scenario
- Analysis based on an abrupt transition, consistent with the Inevitable Policy Response
- Analysis based on a 4°C or higher scenario
- No, a range is not used

SG 13.8
CC

Indicate the climate scenarios your organisation uses.

Provider	Scenario used	
IEA	<input type="checkbox"/> Beyond 2 Degrees Scenario (B2DS)	
IEA	<input type="checkbox"/> Energy Technology Perspectives (ETP) 2 Degrees scenario	
IEA	<input type="checkbox"/> Sustainable Development Scenario (SDS)	
IEA	<input type="checkbox"/> New Policy Scenario (NPS)	
IEA	<input type="checkbox"/> Current Policy Scenario (CPS)	
IRENA	<input type="checkbox"/> RE Map	
Greenpeace	<input type="checkbox"/> Advanced Energy [R]evolution	
Institute for Sustainable Development	<input type="checkbox"/> Deep Decarbonisation Pathway Project (DDPP)	
Bloomberg	<input type="checkbox"/> BNEF reference scenario	
IPCC	<input type="checkbox"/> Representative Concentration Pathway (RCP) 8.5	
IPCC	<input type="checkbox"/> RPC 6	
IPCC	<input type="checkbox"/> RPC 4.5	
IPCC	<input type="checkbox"/> RPC 2.6	
Other	<input checked="" type="checkbox"/> Other (1)	<div style="background-color: #0070C0; color: white; padding: 5px;">Other (1) please specify:</div> 1.5 Degree Warming Scenario
Other	<input checked="" type="checkbox"/> Other (2)	<div style="background-color: #0070C0; color: white; padding: 5px;">Other (2) please specify:</div> 3.2 Degree Warming Scenario
Other	<input type="checkbox"/> Other (3)	

SG 14	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1
-------	---	--------	---------------------	-------

SG 14.1 Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.

- Changing demographics
- Climate change
- Resource scarcity
- Technological developments
- Other, specify(1)

other description (1)

- GDP and Social Change
- Other, specify(2)
 - None of the above

SG 14.2 Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments

Specify the AUM invested in low carbon and climate resilient portfolios, funds, strategies or asset classes.

	trillions	billions	millions	thousands	hundreds
Total AUM		3	587	000	000
Currency	USD				
Assets in USD		3	587	000	000

Specify the framework or taxonomy used.

- For certain clients, we exclude coal/high-emission companies. We have a carbon neutral strategy, and others that exclude coal or are low carbon by design.
- Phase out your investments in your fossil fuel holdings
 - Reduced portfolio exposure to emissions intensive or fossil fuel holdings
 - Used emissions data or analysis to inform investment decision making
 - Sought climate change integration by companies
 - Sought climate supportive policy from governments
 - Other, specify

	other description
--	-------------------

Exclusions for certain strategies and client directed.

- None of the above

SG 14.3	Indicate which of the following tools the organisation uses to manage climate-related risks and opportunities.
----------------	--

- Scenario analysis
- Disclosures on emissions risks to clients/trustees/management/beneficiaries
- Climate-related targets
- Encouraging internal and/or external portfolio managers to monitor emissions risks
- Emissions-risk monitoring and reporting are formalised into contracts when appointing managers
- Weighted average carbon intensity
- Carbon footprint (scope 1 and 2)
- Portfolio carbon footprint
- Total carbon emissions
- Carbon intensity
- Exposure to carbon-related assets
- Other emissions metrics
- Other, specify
- None of the above

SG 14.4	If you selected disclosure on emissions risks, list any specific climate related disclosure tools or frameworks that you used.
----------------	--

We utilize a variety of tools and frameworks to assess disclosures on emissions risk. We subscribe to MSCI's Carbon Metrics data tool to assist us in evaluating the companies in our portfolio and to measure the carbon footprint. AB became an Investor Signatory of the CDP (formerly the Carbon Disclosure Project) in May 2015 and we frequently use the organization's data and research in our investment, research and engagement processes. We also regularly review and engage with companies on the quality of, or plans to report on, TCFD recommended disclosures. In addition, we review SASB Industry Standards for guidance on quality of emissions disclosures across sectors and industries. Finally, our proprietary sovereigns ESG ratings tool developed by our fixed income team also captures emissions data from public sources and is factored into our credit models.

SG 14 CC	Voluntary	Public	General
-----------------	-----------	--------	---------

SG 14.6 CC	Provide further details on the key metric(s) used to assess climate-related risks and opportunities.
-------------------	--

Metric Type	Coverage	Purpose	Metric Unit	Metric Methodology
Climate-related targets	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets			
Weighted average carbon intensity	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	We address the strategy's carbon footprint in two ways: (1) when analyzing the companies in which we invest. We often engage with companies to understand their strategy with regard to moving to a low carbon economy; (2) we work with our clients to develop solutions for their specific requirements.	tons CO2e / \$M sales tons CO2e / \$M invested	We use MSCI's Carbon Metrics data
Carbon footprint (scope 1 and 2)	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	We address the strategy's carbon footprint in two ways: (1) when analyzing the companies in which we invest. We often engage with companies to understand their strategy with regard to moving to a low carbon economy; (2) we work with our clients to develop solutions for their specific requirements.	metric tons	We use MSCI's Carbon Metrics data
Portfolio carbon footprint	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	We address the strategy's carbon footprint in two ways: (1) when analyzing the companies in which we invest. We often engage with companies to understand their strategy with regard to moving to a low carbon economy; (2) we work with our clients to develop solutions for their specific requirements.	MSCI ESG Carbon Footprint Calculator which we use for portfolio carbon footprinting includes Carbon Emissions, Total Carbon Emissions, Carbon Intensity and Weighted Average Carbon Intensity.	We use MSCI's Carbon Metrics data
Total carbon emissions	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input type="checkbox"/> Minority of assets			
Carbon intensity	<input type="checkbox"/> All assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	We address the strategy's carbon footprint in two ways: (1) when analyzing the companies in which we invest. We often engage with companies to understand their strategy with regard to moving to a low carbon economy; (2) we work with our clients to develop solutions for their specific requirements.	tons CO2e / \$M sales tons CO2e / \$M invested	We use MSCI's Carbon Metrics data
	<input type="checkbox"/> All	Our analysts evaluate investments		

Exposure to carbon-related assets	assets <input type="checkbox"/> Majority of assets <input checked="" type="checkbox"/> Minority of assets	on many factors, including their exposure to carbon-related assets, how the company is managing them, and they incorporate their assessment into their research.		
--	---	--	--	--

SG 14.7 CC	Describe in further detail the key targets.
-----------------------	---

Targettype	Baseline year	Target year	Description	Attachments
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				
<input type="checkbox"/> Absolute target <input type="checkbox"/> Intensity target				

SG 14.8 CC	Indicate whether climate-related risks are integrated into overall risk management and explain the risk management processes used for identifying, assessing and managing climate-related risks.
-----------------------	--

- Processes for climate-related risks are integrated into overall risk management
- Processes for climate-related risks are not integrated into overall risk management

	Please describe
--	-----------------

We started monitoring climate-related metrics in 2017 and are currently evaluating how this can be integrated into our overall risk management strategy. In 2019, AllianceBernstein led a panel discussion at the Buyside Risk Management Forum with a focus on the role of risk management and chief responsibility officers in integrating climate risk into the risk management process. Several professionals from our risk management group participated in a Climate Risk and Portfolio Management training in 2019 that we developed with Columbia University's Earth Institute. These colleagues are actively working with internal and external stakeholders to formally factor climate risk into the organization's risk management strategy.

SG 14.9 CC	Indicate whether your organisation, and/or external investment manager or service providers acting on your behalf, undertake active ownership activities to encourage TCFD adoption.
-----------------------	--

- Yes

Please describe

We often engage with companies to encourage better disclosure and practices around climate-related risks. In 2018, we have begun to ask how companies are addressing the TCFD.

Proxy voting is an integral part of encouraging better disclosure. We generally support shareholder proposals calling for climate-related reports and disclosure while taking into account existing policies and procedures of the company and whether the proposed information is of added benefit to shareholders.

- No, we do not undertake active ownership activities.
- No, we do not undertake active ownership activities to encourage TCFD adoption.

SG 15	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
-------	---	--------	-------------	-------

SG 15.1 Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

Yes

SG 15.2 Indicate the percentage of your total AUM invested in environmental and social themed areas.

%

1.68

SG 15.3 Specify which thematic area(s) you invest in, indicate the percentage of your AUM in the particular asset class and provide a brief description.

Area

Energy efficiency / Clean technology

Asset class invested

Listed equity

Percentage of AUM (+/-5%) per asset class invested in the area

.26

Fixed income - SSA

Percentage of AUM (+/-5%) per asset class invested in the area

.14

Fixed income - Corporate (financial)

Fixed income - Corporate (non-financial)

Percentage of AUM (+/-5%) per asset class invested in the area

.05

- Fixed income - Securitised
- Private equity
- Property
- Commodities
- Hedge funds
- Fund of hedge funds
- Other (1)

Brief description and measures of investment

- Low Carbon Energy Generation & Infrastructure
- Energy Efficiency
- Clean Transportation
- Sanitation & Recycling
- Sustainable Production

- Renewable energy

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)

Percentage of AUM (+/-5%) per asset class invested in the area

.23

- Fixed income - Securitised
- Private equity
- Property
- Commodities
- Hedge funds
- Fund of hedge funds
- Other (1)

Brief description and measures of investment

We have participated in Green Bonds where the use of the proceeds included renewable energy.

- Green buildings

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)

Percentage of AUM (+/-5%) per asset class invested in the area

.03

- Fixed income - Securitised
- Private equity
- Property
- Commodities
- Hedge funds
- Fund of hedge funds
- Other (1)

Brief description and measures of investment

We have participated in Green Bonds where the proceeds are used for green buildings.

- Sustainable forestry

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)

Percentage of AUM (+/-5%) per asset class invested in the area

.03

- Fixed income - Securitised
- Private equity
- Property
- Commodities
- Hedge funds
- Fund of hedge funds
- Other (1)

Brief description and measures of investment

We have participated in Green Bonds where the use of the proceeds included sustainable forestry.

- Sustainable agriculture

Asset class invested

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)

Percentage of AUM (+/-5%) per asset class invested in the area

.0001

- Fixed income - Securitised
- Private equity
- Property
- Commodities
- Hedge funds
- Fund of hedge funds
- Other (1)

Brief description and measures of investment

We have participated in Green Bonds where the use of the proceeds included sustainable agriculture.

- Microfinance
- SME financing
- Social enterprise / community investing

Asset class invested

- Listed equity

Percentage of AUM (+/-5%) per asset class invested in the area

.55

- Fixed income - SSA

Percentage of AUM (+/-5%) per asset class invested in the area

.05

- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)

Percentage of AUM (+/-5%) per asset class invested in the area

.002

- Fixed income - Securitised
- Private equity
- Property
- Commodities
- Hedge funds
- Fund of hedge funds
- Other (1)

Brief description and measures of investment

- Economic Infrastructure
- Enabling Technologies
- Gender Equality
- Financial Inclusion
- Physical Safety
- Municipal bonds with social impact
- Sustainability bonds

Affordable housing

Asset class invested

- Listed equity
- Fixed income - SSA

Percentage of AUM (+/-5%) per asset class invested in the area

.04

- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity
- Property
- Commodities
- Hedge funds
- Fund of hedge funds
- Other (1)

Brief description and measures of investment

- Financial Inclusion
- Housing bonds in the US municipal market

Education

Asset class invested

- Listed equity
- Fixed income - SSA

Percentage of AUM (+/-5%) per asset class invested in the area

.17

- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity
- Property
- Commodities
- Hedge funds
- Fund of hedge funds
- Other (1)

Brief description and measures of investment

As a significant part of the Municipal Impact Portfolio, we invest in primary, secondary and adult education systems/facilities in areas with large underserved or low socio-economic status populations.

Global health

Asset class invested

- Listed equity

Percentage of AUM (+/-5%) per asset class invested in the area

.40

- Fixed income - SSA

Percentage of AUM (+/-5%) per asset class invested in the area

.10

- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity
- Property
- Commodities
- Hedge funds
- Fund of hedge funds
- Other (1)

Brief description and measures of investment

- Medical Innovation
- Access to Affordable Medical Care
- Healthy Lifestyles
- Closing Gaps in Life Expectancy

Water

Asset class invested

Listed equity

Percentage of AUM (+/-5%) per asset class invested in the area

.12

Fixed income - SSA

Percentage of AUM (+/-5%) per asset class invested in the area

.14

- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)

Percentage of AUM (+/-5%) per asset class invested in the area

.002

- Fixed income - Securitised
- Private equity
- Property
- Commodities
- Hedge funds
- Fund of hedge funds
- Other (1)

Brief description and measures of investment

- Water Infrastructure, Conservation, Treatment & Management

Other area, specify

Carbon Emissions reduction

Asset class invested

Listed equity

Percentage of AUM (+/-5%) per asset class invested in the area

.02

- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised
- Private equity
- Property
- Commodities
- Hedge funds
- Fund of hedge funds
- Other (1)

Brief description and measures of investment

Carbon offset securities are used to reduce the carbon emissions of certain investments

No

Asset class implementation not reported in other modules

SG 16	Mandatory	Public	Descriptive	General
-------	-----------	--------	-------------	---------

SG 16.1	Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.
---------	--

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Property	For our property funds, we recognize that there are considerations that go beyond merely achieving a target investment return, which may include certain non-financial objectives such as promoting the use of responsible contractors. Our ability to address those non-financial considerations is limited to circumstances where such actions are within the fund's power and authority and are consistent with our fiduciary duties to the investment fund we manage, applicable laws, and any contractual limitations imposed by agreements with third parties.
Commodities	In allocating to commodities within our multi-asset strategies, we actively consider ESG issues and the effects these can have on a portfolio. Our ability to address non-financial ESG considerations within commodities is limited due to the nature of investing in this asset via derivative contracts.
Money market instruments	We have long recognized that ESG issues can impact the performance of investment portfolios, and we have long believed that the integration of ESG factors is critical to the success of a fundamental research process. As such, our analysts have carefully assessed ESG factors in their analysis if they believe those factors have, or could have, a material impact on our forecasts and investment decisions.
Other (1) [as defined in Organisational Overview module]	<p>We actively consider ESG issues within our multi-asset portfolio construction. When asset allocations are implemented passively, our ability to address these issues directly is limited.</p> <p>Where these allocations are implemented actively, we integrate ESG considerations into the research process and engage with target companies. We also make use of firm-level active ownership to add value through proxy voting.</p> <p>Where clients invest in customised solutions or segregated mandates, we seek to align the ESG investment policies with those of the client.</p>

SG 17	Mandatory	Public	Descriptive	General
-------	-----------	--------	-------------	---------

SG 17.1	Describe how you address ESG issues for externally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.
---------	--

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Listed equities - engagement	Engagement is executed by the asset manager for the underlying fund(s).
Listed equities - (proxy) voting	Proxy voting is executed by the asset manager for the underlying fund(s).
Property	ESG integration is addressed by the external manager.
Other (1) [as defined in Organisational Overview module]	Where our multi-asset solutions make use of external investment managers, proxy voting and engagement is executed by the external investment manager. To best align the actions of external managers with the best interests of AB and its clients, external managers' resources, policies and stewardship records are considered during the selection and appointment process. Consideration is also taken with regard to the external managers' exclusion policies.

Innovation

SG 18	Voluntary	Public	Descriptive	General
-------	-----------	--------	-------------	---------

SG 18.1	Indicate whether any specific features of your approach to responsible investment are particularly innovative.
----------------	--

Yes

SG 18.2	Describe any specific features of your approach to responsible investment that you believe are particularly innovative.
----------------	---

We have developed an ESG research and collaboration platform (ESIGHT) that provides a framework for analysts to evaluate material ESG issues by industry. It provides functionality to catalogue their ESG research and engagements which is leveraged within Equities and Fixed Income. In addition to ESG integration, we have been developing innovative, highly differentiated responsible investment strategies for several years that we term "Portfolios with Purpose". Strategies that are particularly innovative include Muni Impact - a strategy that invests for impact through intentional and measurable investments in municipal bonds; sustainable thematic equity and credit strategies aligned with the UN Sustainable Development Goals; a carbon neutral strategy and a strategy that focuses on ESG improvers.

No

Communication

SG 19	Mandatory	Public	Core Assessed	PRI 2, 6
-------	-----------	--------	---------------	----------

SG 19.1	Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.
----------------	---

Listed equity - Incorporation

Do you disclose?

- We do not proactively disclose it to the public and/or clients/beneficiaries
- We disclose to clients/beneficiaries only.
- We disclose it publicly

The information disclosed to clients/beneficiaries is the same

- Yes
- No

Disclosure to public and URL	
Disclosure to public and URL	
<input type="radio"/> Broad approach to ESG incorporation <input checked="" type="radio"/> Detailed explanation of ESG incorporation strategy used	
Frequency	
<input type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad-hoc/when requested	
URL	
https://www.alliancebernstein.com/corporate-responsibility/resources/pdf/2019-Responsible-Investing-Report.pdf	

Listed equity - Engagement

Do you disclose?

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

The information disclosed to clients/beneficiaries is the same

Yes

No

Disclosure to public and URL	Disclosure to clients/beneficiaries
<div data-bbox="256 331 1158 394" style="background-color: #0070C0; color: white; padding: 2px;">Disclosure to public and URL</div> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Details on the overall engagement strategy <input type="checkbox"/> Details on the selection of engagement cases and definition of objectives of the selections, priorities and specific goals <input checked="" type="checkbox"/> Number of engagements undertaken <input checked="" type="checkbox"/> Breakdown of engagements by type/topic <input checked="" type="checkbox"/> Breakdown of engagements by region <input type="checkbox"/> An assessment of the current status of the progress achieved and outcomes against defined objectives <input checked="" type="checkbox"/> Examples of engagement cases <input checked="" type="checkbox"/> Details on eventual escalation strategy taken after the initial dialogue has been unsuccessful (i.e. filing resolutions, issuing a statement, voting against management, divestment etc.) <input type="checkbox"/> Details on whether the provided information has been externally assured <input checked="" type="checkbox"/> Outcomes that have been achieved from the engagement <input type="checkbox"/> Other information 	<div data-bbox="1184 331 1447 443" style="background-color: #0070C0; color: white; padding: 2px;">Disclosure to clients/beneficiaries</div> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Details on the overall engagement strategy <input type="checkbox"/> Details on the selection of engagement cases and definition of objectives of the selections, priorities and specific goals <input checked="" type="checkbox"/> Number of engagements undertaken <input checked="" type="checkbox"/> Breakdown of engagements by type/topic <input checked="" type="checkbox"/> Breakdown of engagements by region <input type="checkbox"/> An assessment of the current status of the progress achieved and outcomes against defined objectives <input checked="" type="checkbox"/> Examples of engagement cases <input checked="" type="checkbox"/> Details on eventual escalation strategy taken after the initial dialogue has been unsuccessful (i.e. filing resolutions, issuing a statement, voting against management, divestment etc.) <input type="checkbox"/> Details on whether the provided information has been externally assured <input checked="" type="checkbox"/> Outcomes that have been achieved from the engagement <input type="checkbox"/> Other information
<div data-bbox="256 1787 1158 1850" style="background-color: #0070C0; color: white; padding: 2px;">Frequency</div> <ul style="list-style-type: none"> <input type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input checked="" type="checkbox"/> Annually 	<div data-bbox="1184 1787 1447 1850" style="background-color: #0070C0; color: white; padding: 2px;">Frequency</div> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input type="checkbox"/> Annually

<input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad-hoc/when requested	<input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad-hoc/when requested								
<table border="1"> <tr> <td data-bbox="240 338 375 427">URL</td> <td data-bbox="375 338 1173 427"></td> </tr> <tr> <td colspan="2" data-bbox="240 427 1173 533"> {hyperlink:https://www.alliancebernstein.com/corporate-responsibility/resources/pdf/2019-Engagement-Report.pdf} </td> </tr> <tr> <td data-bbox="240 533 375 607">URL</td> <td data-bbox="375 533 1173 607"></td> </tr> <tr> <td colspan="2" data-bbox="240 607 1173 680"> {hyperlink:https://www.alliancebernstein.com/abcom/Our_Firm/Content/CGDocs/2017-AB-engagement-policy-FINAL.pdf} </td> </tr> </table>		URL		{hyperlink:https://www.alliancebernstein.com/corporate-responsibility/resources/pdf/2019-Engagement-Report.pdf}		URL		{hyperlink:https://www.alliancebernstein.com/abcom/Our_Firm/Content/CGDocs/2017-AB-engagement-policy-FINAL.pdf}	
URL									
{hyperlink:https://www.alliancebernstein.com/corporate-responsibility/resources/pdf/2019-Engagement-Report.pdf}									
URL									
{hyperlink:https://www.alliancebernstein.com/abcom/Our_Firm/Content/CGDocs/2017-AB-engagement-policy-FINAL.pdf}									

Listed equity – (Proxy) Voting

Do you disclose?

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

The information disclosed to clients/beneficiaries is the same

- Yes
- No

Disclosure to public and URL	
	<p>Disclosure to public and URL</p> <p><input checked="" type="radio"/> Disclose all voting decisions</p> <p><input type="radio"/> Disclose some voting decisions</p> <p><input type="radio"/> Only disclose abstentions and votes against management</p>
	<p>Frequency</p> <p><input checked="" type="checkbox"/> Quarterly or more frequently</p> <p><input type="checkbox"/> Biannually</p> <p><input type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input type="checkbox"/> Ad hoc/when requested</p>
	<p>URL</p> <p>{hyperlink:http://vds.issproxy.com/SearchPage.php?CustomerID=447}</p>

Fixed income

Do you disclose?

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

The information disclosed to clients/beneficiaries is the same

- Yes
- No

Disclosure to public and URL	
	<p>Disclosure to public and URL</p> <p><input type="radio"/> Broad approach to RI incorporation</p> <p><input checked="" type="radio"/> Detailed explanation of RI incorporation strategy used</p>
	<p>Frequency</p> <p><input type="checkbox"/> Quarterly</p> <p><input type="checkbox"/> Biannually</p> <p><input checked="" type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input type="checkbox"/> Ad hoc/when requested</p>
	<p>URL</p> <p>{hyperlink:https://www.alliancebernstein.com/corporate-responsibility/resources/pdf/2019-Responsible-Investing-Report.pdf}</p>

Hedge Funds

Do you disclose?

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

AllianceBernstein

Reported Information

Public version

Direct - Listed Equity Incorporation

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

ESG incorporation in actively managed listed equities

Implementation processes


LEI 01	Mandatory	Public	Gateway	PRI 1
--------	-----------	--------	---------	-------

LEI 01.1


Indicate which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities; and the breakdown of your actively managed listed equities by strategy or combination of strategies.

ESG incorporation strategy (select all that apply)


- Screening alone (i.e., not combined with any other strategies)
- Thematic alone (i.e., not combined with any other strategies)
- Integration alone (i.e., not combined with any other strategies)

Percentage of active listed equity to which the strategy is applied — you may estimate +/- 5%	 79
---	--

- Screening and integration strategies

Percentage of active listed equity to which the strategy is applied — you may estimate +/- 5%	 16
---	--

- Thematic and integration strategies
- Screening and thematic strategies
- All three strategies combined

Percentage of active listed equity to which the strategy is applied — you may estimate +/- 5%	 5
---	---

- We do not apply incorporation strategies

Total actively managed listed equities

100%

AB's Primary Approach: Integration

Our firm's primary approach to ESG incorporation is through integration. The bottom-up integration of ESG factors into our research and investment processes is an important part of identifying investment risks and opportunities. Our long-standing disciplined research processes include ESG factors, and all our fundamental analysts assess if ESG factors could have a material impact on our forecasts and investment decisions. If our analysts determine that there are aspects of an issuer's past, current or anticipated ESG-related behaviors that are material to its future expected returns, we address these concerns in our research forecasts, research reviews, and investment decisions.

Active Ownership: Importantly, a key method in which we implement our integration of ESG issues is through proactive ownership. We take a three-pronged approach to active ownership: 1) We directly engage with issuers as part of our research/investment process, 2) we utilize an engagement framework to assist us in identifying companies with whom we should engage on ESG issues, and 3) we selectively engage as part of our proxy voting process. These approaches are often used in a coordinated manner.

Direct Engagement: Direct communication with issuers and stakeholders is an important part of AB's research/investment process. Constructive engagements create a channel to discuss such matters as strategy, business operations, governance and a wide variety of other topics, such as, but not limited to, ESG issues. Over time, we build a forum for open dialogue. In addition, we engage with other stakeholders such as suppliers and customers as part of our process. Engagements take place both before the initial investment is made and as part of our ongoing monitoring of issuers. We vary our level of direct engagement based on several factors such as the size of the investment and potential impacts on the issuer and the AB fund.

ESG Engagement Framework: AB's Responsible Investment (RI) team maintains an engagement universe which helps identify companies within our global holdings where we believe we are most likely to affect positive change, and/or where we have the greatest exposure at issuers with a potential ESG issue. The universe is created based on a number of quantitative factors, such as but not limited to, dollar amount invested and percentage of the issuer owned. A number of qualitative factors are added which identify ESG issues, for example, our historic voting pattern. Based on this universe the RI team developed an engagement strategy which drives our long-term strategic ESG engagements, and serves as a guide when selecting companies for ad hoc and event driven engagement. We also use the framework when evaluating whether or not to accept incoming requests for engagement from issuers.

Proxy Voting: We are shareholder advocates. We thus have a fiduciary duty to make investment decisions that are in our clients' best interests and, in our view, will maximize the value of their shares. Proxy voting is an integral part of this process, and AB supports strong corporate governance structures, shareholder rights, and transparency. We have a well developed in-house proxy policy and process that guides our proxy decisions. We also take ESG factors into consideration when voting. Proxy related meetings are also often a joint effort between the investment professionals, who are best positioned to comment on company specific details, and the proxy manager(s), who offer a more holistic view of governance.

Screening

Negative or Exclusionary Screening: We apply negative or exclusionary screening by product, activity, sector, environmental, social and corporate governance practices and performance. Some clients have provided us with a list of companies to be restricted from their portfolio, while others prefer that we screen on one or more factors using a third-party research provider. Screens can take several forms, including industry screens as well as ESG factor screens. We generally develop these screens in conjunction with our clients, and we update these screens regularly, as our clients or our research providers provide us updated data. Once we identify the names to be screen and our client agrees, we capture those names electronically in our firm's pre-trade and post-trade compliance systems, which will then restrict those securities from that client's Account.

Positive Screening: We can apply positive screening as well if our client so requests. In these cases, we would seek to specifically invest in companies that have demonstrated clear ESG leadership and are widely recognized as exhibiting a "best-in-class" approach to integrating ESG considerations into their businesses. We work with clients to develop screens that meet their requirements and investment objectives.

Restrictions on Controversial Weapons: We recognize that legislation prohibiting investment in companies involved in controversial weapons (anti-personnel landmines, cluster bombs, and/or munitions made with depleted uranium) is growing, and client engagement on this issue is rising. As a result, AB (Luxembourg) S.à r.l., an AB affiliate, now excludes both debt and equity securities issued by companies involved in controversial weapons from the universe of potential investments in publicly-available funds on this platform, for which we are the management company. We have engaged a third-party service (ISS-Ethix) to provide us the list of companies to be excluded. We continue to monitor the evolution of regulation around the world regarding investment in companies involved in controversial weapons and will work with our service provider to ensure the screening for AB funds remains updated.

ESG integration and engagement are the foundation of our actively managed strategies. In addition, we have developed highly differentiated strategies for clients who want to go beyond integration, as noted below.

Thematic

We manage sustainable thematic equity portfolios that utilize the United Nations Sustainable Development Goals as a framework to identify companies who are making products/services designed to address the SDGs.

Opportunistic

In 2018, we launched a Responsible US Equities strategy to provide a core US equity solution for clients who are seeking purpose-driven strategies. It is part of a larger platform "Portfolios with Purpose" that provides an asset allocation alternative to our traditional strategies. We also launched a carbon-neutral low volatility strategy, "Green Alpha".

LEI 02	Voluntary	Public	Additional Assessed	PRI 1
---------------	------------------	---------------	----------------------------	--------------

LEI 02.1	Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.
-----------------	---

Type of ESG information

- Raw ESG company data

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Company-related analysis or ratings

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Sector-related analysis or ratings

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Country-related analysis or ratings

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Screened stock list

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- ESG issue-specific analysis or ratings

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Other, specify

LEI 02.2 Indicate whether you incentivise brokers to provide ESG research.

- Yes

LEI 02.3 Describe how you incentivise brokers.

We do not pay brokers explicitly for ESG research but, where we value their ESG content, we will include it in the payments for aggregated research services. We view ESG research as integral to our investment process and treat the payment for ESG research in the same manner as we do fundamental research.

- No

LEI 02.4 Additional information. [Optional]

The payment allocation for proprietary research is determined by the research vote process. On a semi-annual basis, equity analysts and portfolio managers cast votes for research providers to acknowledge them as being helpful in the investment decision-making process. A number of brokers have dedicated ESG teams. Some provide thematic research, whereas others include ESG ratings in their issuer research. As with all research, we review the content for quality and the value it adds, and integrate the information in our analysis. Our analysts acknowledge this information as part of their vote process.

LEI 03	Voluntary	Public	Additional Assessed	PRI 1
---------------	------------------	---------------	----------------------------	--------------

LEI 03.1	Indicate whether your organisation has a process through which information derived from ESG engagement and/or (proxy) voting activities is made available for use in investment decision-making.
-----------------	--

- Engagement
 - We have a systematic process to ensure the information is made available.
 - We occasionally make this information available.
 - We do not make this information available.
- (Proxy) voting
 - We have a systematic process to ensure the information is made available.
 - We occasionally make this information available.
 - We do not make this information available.

LEI 03.2	Additional information. [Optional]
-----------------	------------------------------------

AB's proxy voting activities and investment process implementation is closely aligned and integrated. While we have a separate team that votes our proxies globally, in evaluating proxy issues and determining how to vote a specific item, the team actively seeks and assesses input from the portfolio managers, and/or research analysts who are directly involved in analysing the issuer and determining its applicability to our client portfolios. This ensures consistent application of our Policy while leveraging the company-specific knowledge of the investment teams who can provide an extra level of insight. Externally, we consult company management, company directors, interest groups, shareholder activists and research providers to get additional insight when needed. Often proxy-related engagements are conducted jointly with the ESG analyst and the fundamental analyst.

In addition, research provided by an external proxy service is available to all analysts through the proxy managers. Meaningful engagements are catalogued in ESIGHT to which all investment professionals have access.

(A) Implementation: Screening

LEI 04	Mandatory	Public	Descriptive	PRI 1
---------------	------------------	---------------	--------------------	--------------

LEI 04.1	Indicate and describe the type of screening you apply to your internally managed active listed equities.
-----------------	--

- Type of screening**
- Negative/exclusionary screening

- Screened by**
- Product
 - Activity
 - Sector
 - Country/geographic region
 - Environmental and social practices and performance
 - Corporate governance

Description

We employ screening in a variety of ways as noted above. In our equity services that have explicit responsible investment mandates beyond ESG integration, screening is employed through exclusions in different ways. In our other equity services, we apply client-directed negative or positive screening to separately managed accounts if noted in investment guidelines. In our publicly available Luxembourg-Fund platform, we proactively restrict controversial weapons.

- Positive/best-in-class screening

Screened by

- Product
- Activity
- Sector
- Country/geographic region
- Environmental and social practices and performance
- Corporate governance

Description

Positive screening is also implemented in a variety of ways, both through AB strategies and client-directed mandates. For example, A client-directed mandate that is managed against the FTSE4GOOD index which includes companies that meet certain thresholds for ESG, in addition to screening out companies that are in certain industries. Other client-directed portfolios that meet the screening criteria of a third-party ESG research provider. A Global Responsible Factor Fund that invests in global equity securities of companies that meet certain ESG criteria. It combines positive and negative screening based on MSCI SRI Benchmark. Sustainable thematic strategies that narrow the investment universe based on whether a company is aligned to the SDGs.

- Norms-based screening

Screened by

- UN Global Compact Principles
- The UN Guiding Principles on Business and Human Rights
- International Labour Organization Conventions
- United Nations Convention Against Corruption
- OECD Guidelines for Multinational Enterprises
- Other, specify

Description

Our Global Sustainable Thematic and Global Core strategies employ norms-based screening. All of our equity portfolio managers and research analysts have access to UN Global Compact compliance data. This data captures companies' severe structural breaches of the UN Global Compact Principles, which focus on human rights, labor standards, the environment, anti-corruption and other norms. We also manage client-directed mandates that apply norm based screening.

LEI 04.2

Describe how you notify clients and/or beneficiaries when changes are made to your screening criteria.

When we make any changes to screens, we typically notify our clients around 30 days in advance of the effective date. The change is formally implemented after we have communicated to the client.

LEI 05**Mandatory****Public****Core Assessed****PRI 1****LEI 05.1**

Indicate which processes your organisation uses to ensure ESG screening is based on robust analysis.

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies.
- External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar.
- Third-party ESG ratings are updated regularly to ensure that portfolio holdings comply with fund policies.
- Trading platforms blocking / restricting flagged securities on the black list.
- A committee, body or similar with representatives independent of the individuals who conduct company research reviews some or all screening decisions.
- A periodic review of internal research is carried out.
- Review and evaluation of external research providers.
- Other; specify
- None of the above

LEI 05.2

Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your ESG screening strategy.

- <10%
- 10-50%
- 51-90%
- >90%

LEI 05.3

Indicate how frequently third party ESG ratings are updated for screening purposes.

- Quarterly or more frequently
- Bi-Annually
- Annually
- Less frequently than annually

LEI 05.5

Additional information. [Optional]

The primary way we ensure that the screening we do is based on robust analysis is that we use screens provided, maintained, and updated by the leading ESG research providers in the industry. These providers regularly update their screens and listings of issuers, and these updates are automatically provided to our portfolio implementation team through direct feeds, keeping everyone updated on a real-time basis.

AB's Client Guidelines Management (CGM) team has oversight responsibilities which entail coding, review, and monitoring of the compliance systems. Issuers are restricted in automated testing on a pre-trade basis to prevent initial purchases. If an issuer was purchased it would be captured by post trade monitoring controls and escalated through Portfolio Management Group/Legal. A CGM coder and reviewer checks every routing.

Routings are submitted through our workflow tool and require assistant portfolio manager review after CGM completes our coding process. CGM is a separate entity from the portfolio management groups.

LEI 06	Voluntary	Public	Additional Assessed	PRI 1
---------------	------------------	---------------	----------------------------	--------------

LEI 06.1	Indicate which processes your organisation uses to ensure fund criteria are not breached.
-----------------	---

- Systematic checks are performed to ensure that stocks meet the fund's screening criteria
- Automated IT systems prevent investment managers from investing in excluded stocks or those that do not meet positive screening criteria
- Audits of fund holdings are undertaken regularly by internal audit function
- Periodic auditing/checking of the organisations RI funds by external party
- Other; specify
 - Internal audit reviews compliance with investment guidelines and restrictions on a risk based approach.
 - None of the above

LEI 06.2	If breaches of fund screening criteria are identified, describe the process followed to correct those breaches.
-----------------	---

Despite our best efforts, from time to time inadvertent breaches of guidelines do occur. When guideline deviations arise, we seek to bring the client's account back into compliance as promptly as possible. If the deviation incident is deemed to be an error, we will follow the escalation and correction procedures set forth in our Error Resolution and Reporting Policy. Whenever we become aware of a potential error (whether we or our client are the first to notice it) we will conduct a thorough investigation. Where a guideline error on our part has generated a loss for our client, we shall make our client's account whole, and inform our client in a timely manner. We note that some of our clients have expressly incorporated into their IMA protocols for the timeliness with which they should be notified of any such breach as well as guidance for handling the breach.

It is AB's policy to record all incidents involving the accounts of asset management clients, and to correct any and all errors affecting those accounts in a fair, timely and reasonable manner. When correcting an error, our objective is always to take appropriate actions consistent with our fiduciary duty of care, to put our client in the same or substantially the same position as if we had not made the error. In some cases, that is not possible or practical. Even then, however, if our client has incurred a loss attributable to the actions of AB, that loss is fully reimbursable.

LEI 06.3	Additional information. [Optional]
-----------------	------------------------------------

Our Operations Group uses a third-party application, Fidessa's Sentinel System, to assist portfolio managers in remaining in compliance with client-specific investment guidelines as well as internal guidelines and risk limits. These client-specific guidelines include ESG-related guidelines and restrictions.

Our Client Guideline Management team independent from our Portfolio Management Group, encodes all client guidelines into Sentinel and monitors them on a daily, post-trade, end of day basis. From an ESG standpoint, examples of client-specific guidelines that can be programmed into Sentinel include restricting a particular issuer, sector or industry from being held.

The encoded guidelines are then reviewed and approved by either portfolio managers or associate portfolio managers to ensure correct interpretation.

In performing the pre-trade function, Sentinel reviews each proposed trade and flags trades within those client accounts where they are prohibited by a client guideline. Post-trade, the Sentinel system generates daily reports that include all applicable restrictions and limitations, based on compliance parameters coded when the account was set up, and includes approved guideline updates provided by the client. The portfolio managers or the associate portfolio managers review daily exception notifications for possible breaches in conjunction with the Client Guidelines Management team. Exceptions are reported to the Compliance Guideline Management Department as well as to the portfolio management team. The portfolio managers are ultimately responsible for ensuring compliance of guidelines.

(B) Implementation: Thematic

LEI 07	Mandatory	Public	Descriptive	PRI 1
--------	-----------	--------	-------------	-------

LEI 07.1 Indicate the type of sustainability thematic funds or mandates your organisation manages.

- Environmentally themed funds
- Socially themed funds
- Combination of themes

LEI 07.2 Describe your organisation's processes relating to sustainability themed funds. [Optional]




Our Sustainable Thematic Equities Funds pursue opportunistic growth by investing in a universe of companies that are positively exposed to sustainable investment themes. We define sustainable investment themes to be those that are broadly consistent with achieving the United Nations Sustainable Development Goals. Examples of these themes may include energy transformation, resource preservation, equality and opportunity, improving human health and safeguarding lives. In addition to this "top-down" thematic approach, we also utilize "bottom-up" analysis of individual companies, focusing on prospective earnings growth, valuation, and quality of company management and on evaluating a company's exposure and management of environmental, social and corporate governance ("ESG") factors.

We also launched a carbon-neutral low volatility strategy, "Green - Managed Volatility Equities". Green MVE targets low-volatility stocks which tend to have lower emissions. During stock selection for Green MVE, a carbon price is applied to the emissions of the underlying company, thereby favouring companies with lower emissions. By doing this, the emissions associated with the portfolio can be reduced to 90% less than those of the index. Carbon neutrality can be achieved by offsetting the remaining 10% of emissions through third-party arrangements.

(C) Implementation: Integration of ESG factors

LEI 08	Mandatory	Public	Core Assessed	PRI 1
--------	-----------	--------	---------------	-------

LEI 08.1 Indicate the proportion of actively managed listed equity portfolios where E, S and G factors are systematically researched as part of your investment analysis.

ESG issues	Proportion impacted by analysis
Environmental	 <ul style="list-style-type: none"> <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90%
Social	 <ul style="list-style-type: none"> <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90%
Corporate Governance	 <ul style="list-style-type: none"> <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90%

LEI 08.2 Additional information. [Optional]

As noted above, AB has long believed that bottom-up ESG integration is important to identify investment risks as well as opportunities. As such, our long-standing disciplined research process has included evaluating material ESG factors. All of our fundamental analysts assess carefully whether ESG factors could have a material impact on our forecasts and investment decisions. They conduct thousands of management and company visits per year and routinely investigate environmental, social and governance issues as an integral part of their fundamental research of a stock.

LEI 09	Mandatory	Public	Core Assessed	PRI 1
--------	-----------	--------	---------------	-------

LEI 09.1

Indicate which processes your organisation uses to ensure ESG integration is based on robust analysis.

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Third-party ESG ratings are updated regularly
- A periodic review of the internal research is carried out
- Structured, regular ESG specific meetings between responsible investment staff and the fund manager or within the investments team
- ESG risk profile of a portfolio against benchmark
- Analysis of the impact of ESG factors on investment risk and return performance
- Other; specify
- None of the above

LEI 09.2

Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your integration strategy.

- <10%
- 10-50%
- 51-90%
- >90%

LEI 09.3

Indicate how frequently third party ESG ratings that inform your ESG integration strategy are updated.

- Quarterly or more frequently
- Bi-Annually
- Annually
- Less frequently than annually

LEI 09.4

Indicate how frequently you review internal research that builds your ESG integration strategy.

- Quarterly or more frequently
- Bi-Annually
- Annually
- Less frequently than annually

LEI 09.5

Describe how ESG information is held and used by your portfolio managers.

- ESG information is held within centralised databases or tools, and it is accessible by all relevant staff
- ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- Systematic records are kept that capture how ESG information and research were incorporated into investment decisions
- Other; specify
- None of the above

LEI 09.6

Additional information. [Optional]

Each portfolio team has their own process for ESG research. Every team has access to third-party ESG research which provides a framework for ESG materiality and company-level research. Our analysts conduct their own proprietary research which includes evaluating ESG issues. There is a centralized engagement database to capture ESG-related engagements and ESG integration examples. In December 2018, we launched a centralized ESG research tool that provides a standard ESG materiality framework and is used to capture ESG research and engagements across our Equities business unit globally, with the ability to view our fixed income analysts' input.

LEI 10	Mandatory to Report Voluntary to Disclose	Public	Core Assessed	PRI 1
---------------	--	---------------	----------------------	--------------

LEI 10.1

Indicate which aspects of investment analysis you integrate material ESG information into.

 Economic analysis

Proportion of actively managed listed equity exposed to investment analysis

- <10%
- 10-50%
- 51-90%
- >90%

 Industry analysis

Proportion of actively managed listed equity exposed to investment analysis

- <10%
- 10-50%
- 51-90%
- >90%

 Quality of management

Proportion of actively managed listed equity exposed to investment analysis

- <10%
- 10-50%
- 51-90%
- >90%

 Analysis of company strategy

Proportion of actively managed listed equity exposed to investment analysis

- <10%
- 10-50%
- 51-90%
- >90%

Portfolio weighting

Proportion of actively managed listed equity exposed to investment analysis

- <10%
- 10-50%
- 51-90%
- >90%

Security sensitivity and/or scenario analysis

Proportion of actively managed listed equity exposed to investment analysis

- <10%
- 10-50%
- 51-90%
- >90%

Fair value/fundamental analysis

Proportion of actively managed listed equity exposed to investment analysis

- <10%
- 10-50%
- 51-90%
- >90%

Other; specify

LEI 10.2

Indicate which methods are part of your process to integrate ESG information into fair value/fundamental analysis.

- Adjustments to forecasted company financials (sales, operating costs, earnings, cash flows)
- Adjustments to valuation-model variables (discount rates, terminal value, perpetuity growth rates)
- Valuation multiples
- Other adjustments; specify

LEI 10.3

Describe how you integrate ESG information into portfolio weighting.

In our research reviews, our analysts discuss their investment thesis with the portfolio manager, including ESG issues and how they may impact their thesis. The portfolio manager makes the final portfolio decision of whether to buy/sell/hold the company, as well as the weight in the portfolio. The portfolio manager may decide to underweight or overweight a position based on a variety of factors, including ESG risks or opportunities.

LEI 10.4

Describe the methods you have used to adjust the income forecast/valuation tool.

Our teams within Equities take a variety of different approaches to adjusting forecasts and/or valuation tools. For example, our Global Core Strategy uses a proprietary quantitative scoring model to compute the discount rate adjustment for Environmental, Social and Governance factors that is an input to the valuation framework. Our Sustainable Thematic strategies systematically include the output of their ESG analysis in the cost of equity. If ESG risks are deemed high, they will increase the cost of capital; if risks are low, they may lower the cost of capital.

LEI 10.5

Describe how you apply sensitivity and /or scenario analysis to security valuations.

Our Australian Equities team uses a proprietary climate change scenario analysis framework as part of its portfolio management process.

ESG incorporation in passively managed listed equities

LEI 11	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
---------------	--	---------------	--------------------	--------------

LEI 11.1

Indicate if you manage passive listed equity funds that incorporate ESG factors in the index construction methodology.

- Yes
- No

LEI 11.2

Indicate the percentage of your total passive listed equity funds for which ESG factors are incorporated in the index construction methodology.

ESG incorporation in index construction methodology (% of total passive listed equity funds)

- <10%
- 10-50%
- 51-90%
- >90%

LEI 11.3

Specify index/fund name, provide a brief description of ESG methodology and indicate which of the following ESG incorporation strategies you apply.

- Index/fund 1

Index/fund name and brief description of ESG methodology	ESG incorporation strategy
FTSE4GOOD (Ethical Retirement Strategies)	<input checked="" type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration of ESG factors <input type="checkbox"/> Other

Index/fund 2

Index/fund name and brief description of ESG methodology	ESG incorporation strategy
Global Responsible Factor Fund	<input checked="" type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration of ESG factors <input type="checkbox"/> Other

Index/fund 3

Index/fund 4

Index/fund 5

Outputs and outcomes

LEI 12	Voluntary	Public	Descriptive	PRI 1
--------	-----------	--------	-------------	-------

LEI 12.1	Indicate how your ESG incorporation strategies have influenced the composition of your portfolio(s) or investment universe.
----------	---

Screening

Describe any reduction in your starting investment universe or other effects.

Several Portfolios with Purpose strategies have sector or industry restrictions based on the objectives of the strategy. In addition, we narrow down the investment universe in accounts with client-directed or other third-party screening. We have a controversial weapons policy for our Luxembourg domiciled funds which limits the investment universe.

The percent reduction below is based on our RE-USE strategy and taken as an example. The number will vary per strategy depending on the exclusions applied.

Specify the percentage reduction (+/- 5%)

%

10

Thematic

Describe any alteration to your investment universe or other effects.

Our Sustainable Thematic strategies pursue opportunistic growth by investing in a global universe of companies that are positively exposed to sustainable investment themes. We define sustainable investment themes to be those that are broadly consistent with achieving the United Nations Sustainable Development Goals (SDGs). Our portfolio holdings must fit within themes that are directly aligned with one or more SDGs. We believe that such alignment implicitly excludes several product categories from ownership consideration. We also monitor companies for conduct-based violations, as generally defined by the UN Global Compact.

Integration of ESG factors

Select which of these effects followed your ESG integration.

- Reduce or prioritise the investment universe
- Overweight/underweight at sector level
- Overweight/underweight at stock level
- Buy/sell decisions
- Engagement / Voting
- Other; specify
- None of the above

Index incorporating ESG factors (for passively managed funds)

Describe the influence on composition or other effects.

We use an MSCI SRI Index for our Global Responsible Factor Fund and we use FTSE4Good Indices for our Ethical Target Date Funds. Both indices have a reduced investment universe due to a best-in-class approach as well as a restriction list.

LEI 13	Voluntary	Public	Descriptive	PRI 1
--------	-----------	--------	-------------	-------

LEI 13.1	Provide examples of ESG factors that affected your investment view and/or performance during the reporting year.
----------	--

ESG factor 1

	ESG factor and explanation
<p>We met with the management of this pharmaceutical company and believe it is a strong investment from an ESG perspective.</p> <p>Chinese healthcare spending has grown rapidly over the past decade as the country increased healthcare coverage for its citizens. While the government wants to continue to increase coverage, it is beginning to face budgetary constraints. To combat these constraints, the government has tried to improve the efficiency of the healthcare system by cutting out intermediaries that do not have an economic rationale to exist in the system. This practice created fragmented and low-quality distribution networks with multiple levels of distributors each taking a cut, leading to drug delivery delays and corruption at various levels.</p> <p>In 2017, China moved to a system called a two-invoice rule, which allows only two invoices in the sale of a drug-one from the manufacturer to the distributor, and one from the distributor to the hospital. This removed the hierarchy of distributors from the system, requiring that each drug be distributed nationally by just one distributor. Large distributors with a national distribution network like this pharmaceutical company benefited as they took share from the small, low-quality distributors.</p>	
	ESG incorporation strategy applied
<p>Integration</p> <ul style="list-style-type: none"> <input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Index incorporating ESG factors 	
	Impact on investment decision or performance
<p>This trend, which also supports greater access to and quality of healthcare, was central to our original investment thesis on this pharmaceutical company. We continue to engage with management regarding the process of the two-invoice rule implementation and market share gains by the largest companies.</p>	

ESG factor 2

	ESG factor and explanation
	<p>We met with this video-surveillance product manufacturer to discuss multiple ESG concerns at the company.</p> <p>The nature of this video-surveillance product manufacturer's business exposes it to many cybersecurity issues. Because the company provides video surveillance products, there are risks from the potential leakage of information through the internet or hardware loopholes. These concerns are compounded by the company's long history of cybersecurity vulnerabilities affecting its products.</p> <p>When asked about this concern, management explained that the company is always improving the security of its products and uses encryption to prevent against hackers.</p> <p>From a human rights perspective, the company has very heavy exposure to the Chinese province of Xinjiang, a politically sensitive region where the government has created camps for religious and ethnic minorities. The Chinese government uses the company's surveillance cameras to keep track of everyone in the public and monitor the camps, where severe human rights abuse is suspected to occur.</p> <p>Regarding the violation of trade agreements, the management confirmed that the company had exports to Iran and North Korea until recently. Even though the company has ceased exports to these countries, this does not change the fact it violated trade agreements.</p>
	ESG incorporation strategy applied
<p>Integration</p> <p><input type="checkbox"/> Screening</p> <p><input type="checkbox"/> Thematic</p> <p><input checked="" type="checkbox"/> Integration</p> <p><input type="checkbox"/> Index incorporating ESG factors</p>	
	Impact on investment decision or performance
	<p>From a corporate governance perspective, we believe there is a misalignment between the interests of the controlling shareholder and minority shareholders. After carrying out an in-depth analysis, we have decided to cut the company from our portfolio because of the hidden risks. The company's MSCI ESG rating was recently revised up from CCC to B, with MSCI citing this video-surveillance product manufacturer's increased involvement in clean technology opportunities, minor improvements in labor policy and employee rights and benefits programs as being key drivers of the upgrade. However, we don't agree with the upgrade and will continue to monitor the company's progress with addressing these social and governance risks. Unless we see a clear turnaround in solving these issues, we won't invest in the company.</p>

ESG factor 3

	ESG factor and explanation
	<p>We met with the President, COO and an executive and member of the board of directors of this spark plugs manufacturer to discuss the company's challenges and opportunities within the clean technology space. Recently, the company has faced headwinds from weak spark plug demand and a slumping diesel market in Europe.</p> <p>Positively, this spark plugs manufacturer's high-quality spark plug and exhaust gas sensors help increase the fuel efficiency of internal combustion engines. This allows the company to benefit amid the implementation of stricter gas emissions standards across the industry, as its products help customers meet these higher standards. This year, higher emissions standards will be introduced for Chinese automobiles and Indian motorcycles, suggesting that sales of this company's exhaust gas sensors will likely be boosted as companies are required to clear higher regulatory standards. However, many of the company's products could become obsolete if electric vehicles become more mainstream.</p>
	ESG incorporation strategy applied
	<p>Integration</p> <ul style="list-style-type: none"> <input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Index incorporating ESG factors
	Impact on investment decision or performance
	<p>Our engagement increased our conviction in the company's business and governance. We believe that as a result of its investments in recent years, this spark plugs manufacturer is well positioned to benefit from changes in environmental regulation.</p>

ESG factor 4

	ESG factor and explanation
<p>We spoke with the director of investor relations of this e-commerce company to discuss its labor and supply chain practices. The company is strongly committed to ensuring that its products and services are produced in a way that respects human rights and the environment. The company engages with suppliers that are committed to these same principles, and it sets standards for suppliers to the company and to its subsidiaries.</p> <p>The company requires that all products sold on its marketplace be manufactured in a manner that meets or exceeds the requirements outlined in the company's Supplier Code. The company does not have full visibility into the supply chains of products from third-party sellers on its marketplace platform and relies on reputable brands to monitor their own supply chain.</p> <p>We also wanted to better understand how management ensures that third-party sellers comply with the Supplier Code. It expects all suppliers and service providers to behave in a lawful and responsible manner, protect the environment, act safely and responsibly and safeguard workers' rights. Despite this lack of visibility into the supply chain third-party sellers on its platform, the company takes action when an issue is escalated.</p>	
	ESG incorporation strategy applied
<p>Integration</p> <ul style="list-style-type: none"> <input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Index incorporating ESG factors 	
	Impact on investment decision or performance
<p>Despite all the procedures in place, as third-party sellers become a much larger part of the overall business, we feel that it will be increasingly challenging for this e-commerce company to maintain oversight of suppliers and sourcing. After careful consideration and discussion, we sold our position in this e-commerce company.</p>	

ESG factor 5

	ESG factor and explanation
<p>We engaged with members of the investor relations team and the CFO of this multinational conglomerate to discuss weak corporate governance and the company's efforts to tighten its governance standards for portfolio companies.</p> <p>Corporate governance at the portfolio company was very weak, as the co-founder initially had 20 times the voting power of other shareholders. The company adjusted this to 10 times, but this power still remained much stronger than typical "supervoting" shares. In our opinion, management didn't have enough focus on this issue and needed to improve its engagement with portfolio companies, specifically the portfolio company referenced. In order to improve corporate governance standards, this multinational conglomerate explained that in the future the company will look to have at least one board seat, require at least one independent director and prohibit directors from owning supervoting shares in its portfolio companies.</p> <p>Management at this multinational conglomerate acknowledged the need for improved corporate governance and stated that the company would not allow investing in companies where the founder demands supervoting shares.</p>	
	ESG incorporation strategy applied
<p>Integration</p> <ul style="list-style-type: none"> <input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Index incorporating ESG factors 	
	Impact on investment decision or performance
<p>This multinational conglomerate has significant work to do in order to be among the Japanese companies with better governance practices. The company is behind its peers in several areas, such as board independence, a lack of non-Japanese on the board and diversity. While we had lowered our price target on the company, we have a positive outlook.</p>	

AllianceBernstein

Reported Information

Public version

Direct - Listed Equity Active Ownership

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

LEA 01

Mandatory

Public

Core Assessed

PRI 2

LEA 01.1

Indicate whether your organisation has an active ownership policy (includes engagement and/or voting).

Yes

LEA 01.2

Attach or provide a URL to your active ownership policy.

Attachment provided:

URL provided:

URL

{[hyperlink:https://www.alliancebernstein.com/abcom/Our_Firm/Content/CGDocs/AB-Proxy-Voting-and-Governance-Policy.pdf](https://www.alliancebernstein.com/abcom/Our_Firm/Content/CGDocs/AB-Proxy-Voting-and-Governance-Policy.pdf)}

LEA 01.3

Indicate what your active engagement policy covers:

General approach to Active Ownership

- Conflicts of interest
- Alignment with national stewardship code requirements
- Assets/funds covered by active ownership policy
- Expectations and objectives
- Engagement approach

Engagement

- ESG issues
- Prioritisation of engagement
- Methods of engagement
- Transparency of engagement activities
- Due diligence and monitoring process
- Insider information
- Escalation strategies
- Service Provider specific criteria
- Other; (specify)
- (Proxy) voting approach

Voting

- ESG issues
 - Prioritisation and scope of voting activities
 - Methods of voting
 - Transparency of voting activities
 - Regional voting practice approaches
 - Filing or co-filing resolutions
 - Company dialogue pre/post-vote
 - Decision-making processes
 - Securities lending processes
 - Other; (specify)
 - Other
 - None of the above
- No

LEA 01.4 Do you outsource any of your active ownership activities to service providers?

- Yes
- No

Engagement

LEA 02

Mandatory

Public

Core Assessed

PRI 1,2,3

LEA 02.1 Indicate the method of engagement, giving reasons for the interaction.

Type of engagement	Reason for interaction
Individual / Internal staff engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> To gain an understanding of ESG strategy and/or management <input checked="" type="checkbox"/> We do not engage via service providers

LEA 02.4

Additional information. [Optional]

A key method in which we implement our "Integration" of ESG issues is through pro-active ownership. We take a three-pronged approach to active ownership: 1) We directly engage with issuers as part of our research/investment process, and 2) we utilize an engagement framework to assist us in identifying companies with whom we should engage on ESG issues, and 3) we selectively engage as part of our proxy voting process. These approaches are often used in a coordinated manner for particular investments.

LEA 03	Mandatory	Public	Core Assessed	PRI 2
--------	-----------	--------	---------------	-------

LEA 03.1

Indicate whether your organisation has a formal process for identifying and prioritising engagements.

Yes

LEA 03.2

Indicate the criteria used to identify and prioritise engagements for each type of engagement.

Type of engagement	Criteria used to identify/prioritise engagements
Individual / Internal staff engagements	<div style="background-color: #0070C0; color: white; padding: 2px; margin-bottom: 5px;">Individual / Internal staff engagements</div> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Geography/market of the companies <input checked="" type="checkbox"/> Materiality of the ESG factors <input checked="" type="checkbox"/> Exposure (size of holdings) <input checked="" type="checkbox"/> Responses to ESG impacts that have already occurred <input checked="" type="checkbox"/> Responses to divestment pressure <input type="checkbox"/> Consultation with clients/beneficiaries <input checked="" type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input checked="" type="checkbox"/> Follow-up from a voting decision <input type="checkbox"/> Client request <input checked="" type="checkbox"/> Breaches of international norms <input type="checkbox"/> Other; (specify) <input type="checkbox"/> We do not outline engagement criteria for our individual engagements
Collaborative engagements	<div style="background-color: #0070C0; color: white; padding: 2px; margin-bottom: 5px;">Collaborative engagements</div> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Potential to enhance knowledge of ESG issues through other investors <input checked="" type="checkbox"/> Ability to have greater impact on ESG issues <input checked="" type="checkbox"/> Ability to add value to the collaboration <input checked="" type="checkbox"/> Geography/market of the companies targeted by the collaboration <input checked="" type="checkbox"/> Materiality of the ESG factors addressed by the collaboration <input checked="" type="checkbox"/> Exposure (size of holdings) to companies targeted by the collaboration <input type="checkbox"/> Responses to ESG impacts addressed by the collaboration that have already occurred <input type="checkbox"/> Responses to divestment pressure <input type="checkbox"/> Follow-up from a voting decision <input type="checkbox"/> Alleviate the resource burden of engagement <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input checked="" type="checkbox"/> Other; (specify) <div style="background-color: #808080; color: white; padding: 2px; margin-bottom: 5px;">specify</div> <p>Consultation with RI related organisations</p> <ul style="list-style-type: none"> <input type="checkbox"/> We do not outline engagement criteria for our collaborative engagement providers

No

LEA 03.3	Additional information. [Optional]
-----------------	------------------------------------

Framework for Engagement: AllianceBernstein maintains an Engagement Framework that is structured to identify and prioritize our engagement activities based on quantitative metrics and qualitative ESG issues. Our Responsible Investment (RI) team maintains this Framework for our firm overall (all asset classes), which helps us identify companies within our global holdings where we believe we are most likely to affect positive change, and/or where we have the greatest exposure at issuers with a potential ESG issue. The universe is created based on a number of quantitative factors, such as but not limited to, dollar amount invested and percentage of the issuer owned. Several qualitative factors are also added which identify ESG issues, such as our historic voting pattern.

Based on this universe, our Responsible Investment Team develops an Engagement Strategy which drives our long-term strategic ESG engagements and serves as a guide when selecting companies for ad hoc and event-driven engagement. We also use the Framework when evaluating whether or not to accept incoming requests for engagement from issuers. For fixed income portfolios, we note that ESG engagement will typically be most significant with those issuers where debt is a greater proportion of their capital structure, as well as with those issuers in the high yield, emerging market, utilities and financials sectors.

LEA 04	Mandatory	Public	Core Assessed	PRI 2
---------------	------------------	---------------	----------------------	--------------

LEA 04.1	Indicate whether you define specific objectives for your organisation's engagement activities.
-----------------	--

Individual / Internal staff engagements	<input checked="" type="radio"/> All engagement activities <input type="radio"/> Majority of engagement activities <input type="radio"/> Minority of engagement activities <input type="radio"/> We do not define specific objectives for engagement activities carried out by internal staff
Collaborative engagements	<input checked="" type="radio"/> All engagement activities <input type="radio"/> Majority of engagement activities <input type="radio"/> Minority of engagement activities <input type="radio"/> We do not define specific objectives for engagement activities carried out through collaboration

LEA 04.2	Additional information. [Optional]
-----------------	------------------------------------

AB views active long-only investor engagement as a key component of our investing tool kit. Our investment teams engage with company management teams on issues related to strategy and capital allocation almost every day. We've used our voice to suggest that companies divest businesses that dilute their focus, refresh an entrenched board, rein in overly generous compensation packages, create environmentally and socially responsible supply chains and replace underperforming members of management teams.

LEA 05	Mandatory	Public	Core Assessed	PRI 2
---------------	------------------	---------------	----------------------	--------------

LEA 05.1	Indicate whether you monitor and/or review engagement outcomes.
-----------------	---

Individual / Internal staff engagements	<input checked="" type="radio"/> Yes, in all cases <input type="radio"/> Yes, in a majority of cases <input type="radio"/> Yes, in a minority of cases <input type="radio"/> We do not monitor, or review engagement outcomes when the engagement is carried out by our internal staff.
Collaborative engagements	<input checked="" type="radio"/> Yes, in all cases <input type="radio"/> Yes, in a majority of cases <input type="radio"/> Yes, in a minority of cases <input type="radio"/> We do not monitor, or review engagement outcomes when the engagement is carried out through collaboration.

LEA 05.2 Indicate whether you do any of the following to monitor and/or review the progress of engagement activities.

Individual / Internal staff engagements	<input checked="" type="checkbox"/> Define timelines/milestones for your objectives <input checked="" type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input checked="" type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input checked="" type="checkbox"/> Revisit and, if necessary, revise objectives on a continuous basis <input type="checkbox"/> Other; specify
Collaborative engagements	<input checked="" type="checkbox"/> Define timelines/milestones for your objectives <input checked="" type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input checked="" type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input checked="" type="checkbox"/> Revisit and, if necessary, revise objectives on a continuous basis <input type="checkbox"/> Other; specify

LEA 05.3 Additional information. [Optional]

AB joined the Climate Action 100 collaborative engagement initiative in March 2018. This global, investor-led five-year initiative was launched to engage more than 100 of the world's largest corporate greenhouse-gas emitters to curb emissions, strengthen climate-related financial disclosures and improve governance on climate change risks. We are co-leading an engagement with two asset owners targeting a major aerospace and defense company. Our initial efforts in 2019 included extensive research and analysis on the company's carbon footprint and the potential impacts of climate on its strategy and operations.

LEA 06 **Mandatory** **Public** **Additional Assessed** **PRI 2,4**

LEA 06.1 Indicate whether your organisation has an escalation strategy when engagements are unsuccessful.

Yes

LEA 06.2

Indicate the escalation strategies used at your organisation following unsuccessful engagements.

- Collaborating with other investors
 - Issuing a public statement
 - Filing/submitting a shareholder resolution
 - Voting against the re-election of the relevant directors
 - Voting against the board of directors or the annual financial report
 - Submitting nominations for election to the board
 - Seeking legal remedy / litigation
 - Reducing exposure (size of holdings)
 - Divestment
 - Other; specify
- No

LEA 06.3

Additional information. [Optional]

When We Escalate Engagements: We take a holistic approach to evaluating and monitoring the issuers in which we invest. Our holistic approach includes an assessment of the financial performance, strategy, and management track record of the issue. It also includes an analysis of how the issuer addresses ESG issues. Taken together, these inform if, when, and how we will escalate our engagement activities.

In most cases, when AllianceBernstein identifies an ESG issue at an issuer that is of concern to us, our research analyst and/or a member of our Responsible Investment team will communicate our concerns to the issuer's management and engage with management on the issue. In those cases when our concerns are not addressed to our satisfaction, our analysts, portfolio managers and Chief Investment Officers then work together to formulate the next step in our approach to best to protect clients' interests in that specific situation. Often, the next step is to more formally escalate our concerns to the issuer's Board of Directors. As an example, there have been instances when we considered proposed executive pay arrangements to be contrary to our clients' interests, and other cases when we did not believe an issuer's management was giving sufficiently serious consideration to an attractive takeover offer. In those cases, we escalated our engagement and intervened directly with the issuer's chairman or Board of Directors. While we usually seek to address ESG-related issues first with the issuer's management, and then through escalation if we deem it appropriate in that situation, in situations where we still do not believe the company has sufficiently addressed our concerns, we may exercise our right as shareholders and vote against management and against the Board of Directors and/or relevant ballot items on the proxy.

LEA 07	Voluntary	Public	Additional Assessed	PRI 1,2
---------------	------------------	---------------	----------------------------	----------------

LEA 07.1

Indicate whether insights gained from your organisation's engagements are shared with investment decision-makers.

Type of engagement	Insights shared
Individual / Internal staff engagements	<input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No
Collaborative engagements	<input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No

LEA 07.2 Indicate the practices used to ensure that information and insights gained through engagements are shared with investment decision-makers.

- Involving investment decision-makers when developing an engagement programme
- Holding investment team meetings and/or presentations
- Using IT platforms/systems that enable data sharing
- Internal process that requires portfolio managers to re-balance holdings based on interaction and outcome levels
- Other; specify
- None

LEA 07.3 Indicate whether insights gained from your organisation’s engagements are shared with your clients/beneficiaries.

Type of engagement	Insights shared
Individual/Internal staff engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No
Collaborative engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No

LEA 07.4 Additional information. [Optional]

As noted above, insights garnered from our engagements with issuers are a key component of, and sometimes even a material aspect of, our analysts' research recommendations and investment theses on an issuer. Such insights are discussed with our portfolio management teams and directors of research in regular research review meetings, and, depending on the item, may certainly influence our ultimate investment decision on the issuer. On a case-by-case basis, we disclose our engagement insights with clients.

LEA 08	Mandatory	Public	Gateway	PRI 2
---------------	------------------	---------------	----------------	--------------

LEA 08.1 Indicate whether you track the number of your engagement activities.

Type of engagement	Tracking engagements
Individual/Internal staff engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> We do not track
Collaborative engagements	<input checked="" type="radio"/> Yes, we track the number of collaborative engagements in full <input type="radio"/> Yes, we partially track the number of our collaborative engagements <input type="radio"/> We do not track

LEA 08.2

Additional information. [Optional]

In 2018, our equity portfolio managers and analysts developed a proprietary ESG research and collaboration tool, ESIGHT, for ESG analysis and to track company engagements. ESIGHT also pulls in ESG research from our Fixed Income Prism tool and thus enables each investment team to quickly and easily access the collective ESG research insights from both our Equities and Fixed Income analysts simultaneously. This provides a common framework to identify and evaluate material ESG issues and exemplifying how AllianceBernstein integrates ESG into our research and investment processes systematically and firm-wide. A key feature of this tool is its ability to serve as a "check and balance" for the investment teams by enabling the comparison of our analyst's research conclusions from both internal and external resources. In addition, the tool catalogues company engagements and has a mechanism to track the progress a company has made on an issue, which will trigger a reminder for follow-up at a specified time. This tool promotes transparency both internally and externally as engagement information is shared, reviewed, and acted upon.

Outputs and outcomes

LEA 09

Mandatory to Report Voluntary to Disclose

Public

Core Assessed

PRI 2

LEA 09.1

Indicate the proportion of companies in your listed equities portfolio with which your organisation engaged during the reporting year.

	We did not complete any engagements in the reporting year.	Number of companies engaged (avoid double counting, see explanatory notes)	Proportion of companies engaged with, out of total listed equities portfolio
Individual / Internal staff engagements	<input type="checkbox"/>	309	4
Collaborative engagements	<input type="checkbox"/>	1	.0001

LEA 09.2

Indicate the breakdown of engagements conducted within the reporting year by the number of interactions (including interactions made on your behalf).

No. of interactions with a company	% of engagements
One interaction	<input type="radio"/> >76% <input checked="" type="radio"/> 51-75% <input type="radio"/> 11-50% <input type="radio"/> 1-10% <input type="radio"/> None
2 to 3 interactions	<input type="radio"/> >76% <input type="radio"/> 51-75% <input checked="" type="radio"/> 11-50% <input type="radio"/> 1-10% <input type="radio"/> None
More than 3 interactions	<input type="radio"/> >76% <input type="radio"/> 51-75% <input type="radio"/> 11-50% <input checked="" type="radio"/> 1-10% <input type="radio"/> None
Total	100%

LEA 09.3

Indicate the percentage of your collaborative engagements in which you were the leading organisation during the reporting year.

Type of engagement	% leading role
Collaborative engagements	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None

LEA 10	Voluntary	Public	Additional Assessed	PRI 2
--------	-----------	--------	---------------------	-------

LEA 10.1

Indicate which of the following your engagement involved.

- Letters and emails to companies
 - In a minority of cases
 - In a majority of cases
 - In all cases
- Meetings and/or calls with board/senior management
 - In a minority of cases
 - In a majority of cases
 - In all cases
- Meetings and/or calls with the CSR, IR or other management
 - In a minority of cases
 - In a majority of cases
 - In all cases
- Visits to operations
 - In a minority of cases
 - In a majority of cases
 - In all cases
- Visits to supplier(s) in supplier(s) from the company's supply chain
 - In a minority of cases
 - In a majority of cases
 - In all cases
- Participation in roadshows
 - In a minority of cases
 - In a majority of cases
 - In all cases
- Other

LEA 11**Voluntary****Public****Descriptive****PRI 2****LEA 11.1**

Provide examples of the engagements that your organisation or your service provider carried out during the reporting year.

- Add Example 1

ESG Topic	<p>Health and Safety</p> <ul style="list-style-type: none"> <input type="checkbox"/> Executive Remuneration <input type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input checked="" type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other
Conducted by	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	<p>We spoke with the management of this industrial commodities company about how it is handling the regulatory fallout after the Brumadinho mining disaster at Vale, one of the company's peers. The Brumadinho incident killed 200-300 people in January 2019.</p>
Scope and Process	<p>Government regulators in Brazil are mandating that all mining companies assess tailings dams with greater scrutiny. Vale's dam was not only compliant with, but exceeded, Brazilian regulatory standards. However, Vale's dam was a riskier design, known as an upstream dam. Other tailings dam designs include downstream and centerline dams. Brazilian regulators are requiring mining companies to submit upstream dam decommissioning plans to the government by August. Any inactive upstream dams need to be decommissioned by 2023. Most of this industrial commodities company's dams feature the centerline design.</p> <p>Beyond these plan requirements, regulators have increased the frequency of mandated dam inspections by companies and third-party inspectors. This industrial commodities company reassured us that all its dams are compliant with higher international standards.</p> <p>We will continue to monitor this health, safety and compliance issue at this industrial commodities company. Many companies, including this industrial commodities company, have published more information on tailings dams since the Brumadinho disaster. This company's disclosures have improved, and it now publishes a long-term residue management strategy.</p>

Outcomes	<input type="checkbox"/> Company changed practice <input type="checkbox"/> Company committed to change <input checked="" type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input type="checkbox"/> Voting <input type="checkbox"/> Other
-----------------	--

Add Example 2

ESG Topic	<p>Human rights, Other</p> <ul style="list-style-type: none"> <input type="checkbox"/> Executive Remuneration <input type="checkbox"/> Climate Change <input checked="" type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input checked="" type="checkbox"/> Other
Conducted by	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	<p>We met with this pharmaceutical company's heads of North America and investor relations, respectively. We discussed the company's forward-looking supply chain and US insulin pricing, including current rhetoric surrounding list price increases and how the company can be more vocal about how its net pricing has decreased.</p> <p>This pharmaceutical company is the world's highest-volume insulin manufacturer. Insulin pricing is the subject of public anger in the US. Manufacturers like this pharmaceutical company have received the brunt of the criticism, although the issue is more complicated than many people understand.</p>
Scope and Process	<p>Over the past several years, while out-of-pocket prices to patients for insulin have been increasing, net prices to manufacturers have been falling. Pharmacy benefit managers, third-party intermediaries that work on behalf of payors and employers to negotiate list and net pricing with pharmaceutical companies, keep a portion of the difference they negotiate between list and net pricing for themselves. These pharmacy benefit managers have been key contributors to artificially inflated list prices. The net price at which this pharmaceutical company sells insulin has decreased markedly over the last approximately four years, but because patients typically pay a percent of list price as their co-pay, out-of-pocket prices insulin have increased.</p> <p>We believe it is important that this pharmaceutical company works to publicly change the narrative about its role in insulin pricing in the US. AB does not believe the company has been sufficiently vocal in communicating its story-both the reduction in net pricing and the broad availability of cheaper, older generations of insulin-to the public.</p> <p>Although this pharmaceutical company does not want to increase its engagement with the press, management intends to be more vocal about its programs to provide low-income patients with affordable insulins.</p>

Outcomes	<input type="checkbox"/> Company changed practice <input checked="" type="checkbox"/> Company committed to change <input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input type="checkbox"/> Voting <input type="checkbox"/> Other

Add Example 3

ESG Topic	<p>Executive Remuneration, Company leadership issues, Cyber security</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Executive Remuneration <input type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input checked="" type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input checked="" type="checkbox"/> Cyber security <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other
Conducted by	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	<p>In June 2019, this IT services company announced that it would acquire another technology services company, establishing itself as a leading IT/operational technology (OT) player. This deal is a material acquisition for this IT services company in terms of its size, and a departure from its typical tuck-in acquisition strategy, by which the acquired company is merged into a division of the acquiring company.</p>
Scope and Process	<p>We discussed privacy & data security concerns. This IT services company has a generally strong record in this area and a better record than the company they are acquiring. However, this IT services company has experienced some cybersecurity issues recently. We will continue to monitor the company's evolving record with privacy & data security.</p> <p>We also discussed how the company's CEO and chairman roles will be divided. The co-COOs confirmed that one of them will be announced as the new CEO by May 2020. They also confirmed that the current CEO will become the chairman, addressing our concerns about the division. An outstanding question that we have regarding this IT services company's executives pertains to their compensation program, which focuses on revenue, operating margins and income. Because these metrics will likely be positively affected by the merger, we would like to know what adjustments will be made to prevent inflated pay.</p> <p>Going forward, we will assess how the company handles advice regarding the ethical issues that can surface with technological innovation. Lastly, we'd like to better understand if this IT services company has any products or services that help its clients improve social and environmental risk management.</p>

Outcomes	<input type="checkbox"/> Company changed practice <input type="checkbox"/> Company committed to change <input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input checked="" type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input type="checkbox"/> Voting <input type="checkbox"/> Other
-----------------	--

Add Example 4

ESG Topic	<p>Labour practices and supply chain management</p> <ul style="list-style-type: none"> <input type="checkbox"/> Executive Remuneration <input type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input checked="" type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other
Conducted by	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	<p>We spoke with this South Korean information technology company's management about social issues, focusing on a recent change in South Korea's trade status with Japan and media attention on an alleged labor issue.</p>
Scope and Process	<p>We engaged with management on a recent child labor issue. We wanted to further understand the issue and the company's response to recent media coverage.</p> <p>In July, two French non-governmental organizations (NGOs), filed a lawsuit against the company over alleged deceptive marketing practices. The company claims to be one of the most ethical companies in the world; however, the two NGOs believe they violated labor rights in South Korea, China and Vietnam.</p> <p>The company had two child labor incidents in 2012 and 2014 in China. Both cases occurred in its suppliers' factories and were reported by China Labor Watch. The company established a code of conduct for suppliers and asked suppliers to sign a compliance agreement to prevent child labor. No further news was reported regarding child labor after 2014.</p> <p>We concluded that the company did neglect labor rights before 2014 but has strengthened its auditing practices of its suppliers after these two incidents. We believe that the current lawsuit is not about what the company does today, but more about the company's past actions. We do not believe that this is a sign of deteriorating labor management practices.</p>
Outcomes	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Company changed practice <input type="checkbox"/> Company committed to change

<input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input type="checkbox"/> Voting <input type="checkbox"/> Other
--

Add Example 5

ESG Topic	<p>Climate Change</p> <input type="checkbox"/> Executive Remuneration <input checked="" type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	<p>We met with management of this European electric utility to discuss the company's strategy of recycling capital from hydropower generation and older wind farms into new wind farm developments.</p>
Scope and Process	<p>In general, we find the company's wind development track record and pipeline to be a core part of its equity proposition, but we wanted to explore why the company is planning to reduce its exposure to hydro and limit the growth rate of its wind business by selling assets. We think these businesses are attractive to the market and contribute to this utility's low carbon intensity.</p> <p>After engaging with the company, we were reassured by the long-term goals of this utility company. We now view recent disposals of old wind and hydro assets as strategically attractive because the utility can currently sell the assets at higher valuations than those of conventional coal and gas-fired plants, which have prices so low as to destroy value.</p> <p>The utility needs a stronger balance sheet to invest in the more modern and flexible wind farms in its project pipeline. We believe these wind farms are both attractive to, and supportive of, helping the utility position itself to address transition risks, particularly in light of the evolving regulatory regime in Europe.</p> <p>.</p>
Outcomes	<input type="checkbox"/> Company changed practice <input checked="" type="checkbox"/> Company committed to change <input type="checkbox"/> Disclosure / report published

<input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input type="checkbox"/> Voting <input type="checkbox"/> Other
--

Add Example 6

ESG Topic	<p>Climate Change, Health and Safety</p> <ul style="list-style-type: none"> <input type="checkbox"/> Executive Remuneration <input checked="" type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input checked="" type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other
Conducted by	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	<p>We visited one of this cement producer's facilities and engaged the plant manager and the environmental manager to understand the company's strategy for reducing its carbon footprint. We also discussed social issues.</p>
Scope and Process	<p>During our visit, we learned that this cement producer has plans to increase its use of alternative energy fuels for its energy supply. The company's stated goal is a 9% reduction in net carbon dioxide (CO₂) emissions by 2020. Management also plans to work on further defining its longer-term goals and strategy for carbon emissions reduction and improving its communications around these goals.</p> <p>This cement producer's carbon intensity (CO₂/metric ton) has declined slowly but steadily. The company expects it to fall further as Colorado's alternative fuel usage continues to increase. Management noted that its communication around environmental factors has improved and expects to become more proactive. This cement producer's 2030 emissions strategy is currently being defined and should make its way into investor communications in the near future.</p> <p>After spending time with a number of employees below executive management, we were impressed with the company's culture, specifically around health and safety. This cement producer has a strong track record on maintaining the safety of its employees and safety measures, which were evidenced during the tour of the factory.</p>
Outcomes	<ul style="list-style-type: none"> <input type="checkbox"/> Company changed practice <input checked="" type="checkbox"/> Company committed to change

<input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input type="checkbox"/> Voting <input type="checkbox"/> Other
--

Add Example 7

ESG Topic	<p>Labour practices and supply chain management</p> <ul style="list-style-type: none"> <input type="checkbox"/> Executive Remuneration <input type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input checked="" type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other
Conducted by	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	<p>AllianceBernstein's investment team recently visited Vietnam to get a better sense of how geopolitical factors were impacting the supply chain and labor management of original equipment manufacturers (OEMs). We visited an electronic component manufacturing company and a footwear manufacturer.</p> <p>Within the past 10 years, China has been experiencing rising labor costs and labor shortage issues. Thus, OEMs have started to relocate to countries such as Vietnam that are geographically close. Vietnam also offers favorable tax conditions such as a 20% corporate income tax (as opposed to 25% in China). Vietnam provides other policies to attract corporates. Since 2018, there has been an acceleration in the number of OEMs relocating from China to Vietnam due to the trade tensions between China and the US.</p>
Scope and Process	<p>We have noticed a couple of issues starting to surface that could potentially disrupt OEMs' relocation to Vietnam. First, there is a new labor law in Vietnam that delays the retirement age. Similar to incidents in 2007, this change has the potential to stir resistance from labor unions that could lead to national strikes and disrupt OEM manufacturing in Vietnam. Second, Trump's policy towards Vietnam remains uncertain. Trump threatened to place a tariff on exports from Vietnam in 2019.</p> <p>Our visit to Vietnam and several factories in the country reinforced our positive view of the accelerated relocation of OEMs from China to Vietnam. We believe this structural relocation will favor large incumbents that have the scale, skill set and experience to swiftly maneuver a supply-chain relocation. Many of the incumbents, such as those in the Asia ex Japan Strategy, have a lot of previous experience in capacity relocations. Through their previous relocation efforts, they have further enhanced execution capabilities, which gives them advantages over other smaller-scaled and less-experienced competitors. We believe this structural trend will also lead to consolidation opportunities for large OEMs to further strengthen their economy-of-scale</p>

	advantage.
Outcomes	<input type="checkbox"/> Company changed practice <input type="checkbox"/> Company committed to change <input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input checked="" type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input type="checkbox"/> Voting <input type="checkbox"/> Other

Add Example 8

ESG Topic	<p>Climate Change</p> <input type="checkbox"/> Executive Remuneration <input checked="" type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	<p>We met with management from this financial services company to discuss environmental issues, namely carbon emissions. We wanted to discuss the company's goal for reducing its carbon footprint. This financial services company, a transaction processing company, has a stated goal of reducing Scope 1, 2 and 3 emissions by 20% by 2025 versus the base year of 2016. We wanted to learn more about how the company came up with its 20% goal and determine whether a more aggressive goal is now warranted.</p>
Scope and Process	<p>This financial services company's 20% goal appears meaningful. Management explained that its progress in the last two years has been driven by an 8% increase in Scope 1 emissions, a 44% decrease in Scope 2 emissions and a 42% reduction in Scope 3 emissions. The overall weighted reduction has been 42%, far exceeding the company's goal of 20%.</p> <p>This financial services company sources renewable energy for 100% of its global operations and is committed to this goal on an ongoing basis, even as the company's energy footprint expands. Management explained that the Scope 1 increase was due to businesses acquired over the past two years. Switching to renewable energy contributed to the decrease in Scope 2 emissions. And the reason this financial services company made so much progress with its Scope 3 emissions is that the company meaningfully reduced its number of partners in 2017 and migrated toward more efficient providers that disclose emissions data.</p> <p>It has asked 65% of its suppliers (by purchase volume) to report to CDP, formerly called the Carbon Disclosure Project, and half of them have already done so.</p>
Outcomes	<input type="checkbox"/> Company changed practice

<input type="checkbox"/> Company committed to change <input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input checked="" type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input type="checkbox"/> Voting <input type="checkbox"/> Other

Add Example 9

ESG Topic	<p>Climate Change, Company leadership issues</p> <ul style="list-style-type: none"> <input type="checkbox"/> Executive Remuneration <input checked="" type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input checked="" type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other
Conducted by	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	<p>We engaged with management of this Brazilian electric transmissions company regarding environmental licensing for greenfield power transmission lines, governance issues stemming from ownership structure (control is held by state-owned electricity conglomerates), and capital allocation priorities and history. We wanted to better understand the environmental permitting process for this company's greenfield transmission lines and gain insight into the priorities and incentives of controlling ownership groups.</p>
Scope and Process	<p>Given the nature of the business, in which cash flows from transmission lines are effectively bond-like, one of the key risks is the cost and time required to complete new greenfield lines. As a result, the environmental license becomes a key hurdle. In high-level terms, new transmission lines are positive for the environment and society, in that they permit more Brazilians to access power and enable growth of a low-carbon power system. Environmental licenses, however, often bring political and bureaucratic risks, independent of environmental impact. In the past, the company has had a greenfield project significantly delayed due to difficulties securing the environmental license, which ultimately impacted its realized return on investment. We learned through our engagement that the government changed the environmental permitting process for transmission lines from 2016, effectively making the process less bureaucratic by taking it out of the hands of local governments. That change has helped the company secure environmental licenses more efficiently for its recent greenfield projects. Our assessment is that the current environmental licensing standards are sufficient for protecting the environment while also enabling companies to progress with the development of socially and environmentally beneficial transmission lines.</p>

Outcomes	<input type="checkbox"/> Company changed practice <input type="checkbox"/> Company committed to change <input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input checked="" type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input type="checkbox"/> Voting <input type="checkbox"/> Other
-----------------	--

Add Example 10

ESG Topic	<p>Executive Remuneration, Diversity</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Executive Remuneration <input type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input checked="" type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other
Conducted by	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	<p>We met with the CFO and head of investor relations of this sample and assay technologies provider as part of the management team's road show in early 2019 after the company published its 2018 results. We spoke to management about human capital risk, accounting, diversity, quality control and executive compensation.</p>
Scope and Process	<p>We touched on executive compensation and board diversity. Management shared that the short-term cash portion of the compensation for its CEO and CFO includes ESG-sounding metrics. However, we asked for greater transparency around the company's goals and progress, which it acknowledged and believes would be possible in the future. Management also acknowledged that the board still lacks best-in-class diversity, with only two women on a seven-member board and five out of seven members being American.</p> <p>Later in the year, the company was in a search for a new CEO. Regarding compensation plans for the CEO, management noted that the company will "start with a clean sheet of paper." Simplicity will be a key theme, with a focus on metrics such as revenues, profits and cash flow. Management also intends to include softer metrics, such as culture and product development. We suggested that management consider tying compensation to ESG-related metrics, which would include culture and research and development.</p> <p>As a result of these conversations, we have improved the social and governance risk scores for this sample and assay technologies provider.</p>
Outcomes	<ul style="list-style-type: none"> <input type="checkbox"/> Company changed practice <input checked="" type="checkbox"/> Company committed to change

	<input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input type="checkbox"/> Voting <input type="checkbox"/> Other
--	--

(Proxy) voting and shareholder resolutions

LEA 12	Mandatory	Public	Descriptive	PRI 2
---------------	------------------	---------------	--------------------	--------------

LEA 12.1	Indicate how you typically make your (proxy) voting decisions.
-----------------	--

	Approach
--	----------

- We use our own research or voting team and make voting decisions without the use of service providers.
- We hire service providers who make voting recommendations and/or provide research that we use to guide our voting decisions.

	Based on
--	----------

- The service-provider voting policy we sign off on
- Our own voting policy
- Our clients` requests or policies
- Other (explain)
- We hire service providers who make voting decisions on our behalf, except in some pre-defined scenarios where we review and make voting decisions.
- We hire service providers who make voting decisions on our behalf.

LEA 12.2	Provide an overview of how you ensure that your agreed-upon voting policy is adhered to, giving details of your approach when exceptions to the policy are made.
-----------------	--

Our Proxy Voting and Governance Policy is annually reviewed, and updated as necessary, by the Proxy Voting and Governance Committee (which includes senior members from Investments, Legal & Compliance, and Operations) to ensure it captures our latest thinking and reflects new governance issues. Our Proxy Voting and Governance Committee meets at least three times per year and as necessary to address special situations.

Our RI team votes our proxies globally. In evaluating proxy issues and determining our votes, we welcome and seek out the points of view of various parties. Internally, the RI team may consult the Proxy Voting and Governance Committee, Chief Investment Officers, Directors of Research, and/or Research Analysts across our equities platforms, and Portfolio Managers in whose managed accounts a stock is held. This ensures consistent application of our policy while at the same time leveraging the company specific knowledge of the investment teams who can provide an extra level of insight. Externally, we may engage with companies in advance of their Annual General Meeting, and throughout the year. In addition, we engage with shareholder proposal proponents and other stakeholders to understand different viewpoints and objectives. We believe engagement provides the opportunity to share our philosophy, our corporate governance values, and more importantly, affect positive change.

Our Proxy Voting and Governance Policy and our historical voting records are available on our public website.

LEA 14	Voluntary	Public	Additional Assessed	PRI 2
---------------	------------------	---------------	----------------------------	--------------

LEA 14.1	Does your organisation have a securities lending programme?
-----------------	---

Yes

LEA 14.3	Indicate how the issue of voting is addressed in your securities lending programme.
-----------------	---

- We recall all securities for voting on all ballot items
 - We maintain some holdings, so that we can vote at any time
 - We systematically recall some securities so that we can vote on their ballot items (e.g., in line with specific criteria)
 - We recall some securities so that we can vote on their ballot items on an ad-hoc basis
 - We empower our securities-lending agent to decide when to recall securities for voting purposes
 - We do not recall our securities for voting purposes
 - Other (specify)
- No

LEA 15	Mandatory	Public	Descriptive	PRI 2
---------------	------------------	---------------	--------------------	--------------

LEA 15.1	Indicate the proportion of votes participated in within the reporting year in which where you or the service providers acting on your behalf raised concerns with companies ahead of voting.
-----------------	--

- 100%
- 99-75%
- 74-50%
- 49-25%
- 24-1%
- Neither we nor our service provider(s) raise concerns with companies ahead of voting

LEA 15.2	Indicate the reasons for raising your concerns with these companies ahead of voting.
-----------------	--

- Vote(s) concerned selected markets
- Vote(s) concerned selected sectors
- Vote(s) concerned certain ESG issues
- Vote(s) concerned companies exposed to controversy on specific ESG issues
- Vote(s) concerned significant shareholdings
- Client request
- Other

LEA 16	Mandatory	Public	Core Assessed	PRI 2
---------------	------------------	---------------	----------------------	--------------

LEA 16.1 Indicate the proportion of votes where you, and/or the service provider(s) acting on your behalf, communicated the rationale to companies for abstaining or voting against management recommendations. Indicate this as a percentage out of all eligible votes.

- 100%
- 99-75%
- 74-50%
- 49-25%
- 24-1%
- We do not communicate the rationale to companies
- Not applicable because we and/or our service providers did not abstain or vote against management recommendations

LEA 16.2 Indicate the reasons why your organisation would communicate to companies, the rationale for abstaining or voting against management recommendations.

- Vote(s) concern selected markets
- Vote(s) concern selected sectors
- Vote(s) concern certain ESG issues
- Vote(s) concern companies exposed to controversy on specific ESG issues
- Vote(s) concern significant shareholdings
- Client request
- Other

LEA 16.3 In cases where your organisation does communicate the rationale for abstaining or voting against management recommendations, indicate whether this rationale is made public.

- Yes
- No

LEA 17	Mandatory	Public	Core Assessed	PRI 2
---------------	------------------	---------------	----------------------	--------------

LEA 17.1 For listed equities in which you or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.

- We do track or collect this information

	Votes cast (to the nearest 1%)
--	--------------------------------

	%
--	---

99

Specify the basis on which this percentage is calculated

- Of the total number of ballot items on which you could have issued instructions
- Of the total number of company meetings at which you could have voted
- Of the total value of your listed equity holdings on which you could have voted
- We do not track or collect this information

LEA 17.2

Explain your reason(s) for not voting on certain holdings

- Shares were blocked
- Notice, ballots or materials not received on time
- Missed deadline
- Geographical restrictions (non-home market)
- Cost
- Conflicts of interest
- Holdings deemed too small
- Administrative impediments (e.g., power of attorney requirements, ineligibility due to participation in share placement)
- Client request
- Other (explain)

Abstain was not an option.

LEA 18

Voluntary

Public

Additional Assessed

PRI 2




LEA 18.1

Indicate whether you track the voting instructions that you or your service provider on your behalf have issued.

- Yes, we track this information

LEA 18.2

Of the voting instructions that you and/or third parties on your behalf have issued, indicate the proportion of ballot items that were:

Voting instructions	Breakdown as percentage of votes cast
For (supporting) management recommendations	 89
Against (opposing) management recommendations	 9
Abstentions	 2

100%

No, we do not track this information

LEA 18.3	In cases where your organisation voted against management recommendations, indicate the percentage of companies which you have engaged.
-----------------	---

1

LEA 19	Mandatory	Public	Core Assessed	PRI 2
---------------	------------------	---------------	----------------------	--------------

LEA 19.1	Indicate whether your organisation has a formal escalation strategy following unsuccessful voting.
-----------------	--

- Yes
 No

LEA 19.2	Indicate the escalation strategies used at your organisation following abstentions and/or votes against management.
-----------------	---

- Contacting the company's board
- Contacting the company's senior management
- Issuing a public statement explaining the rationale
- Initiating individual/collaborative engagement
- Directing service providers to engage
- Reducing exposure (holdings) / divestment
- Other

LEA 20	Voluntary	Public	Descriptive	PRI 2
---------------	------------------	---------------	--------------------	--------------

LEA 20.1	Indicate whether your organisation, directly or through a service provider, filed or co-filed any ESG shareholder resolutions during the reporting year.
-----------------	--

Yes

No

LEA 21	Voluntary	Public	Descriptive	PRI 2
---------------	------------------	---------------	--------------------	--------------

LEA 21.1	Provide examples of the (proxy) voting activities that your organisation and/or service provider carried out during the reporting year.
-----------------	---

Add Example 1

ESG Topic	<p>Shareholder rights</p> <ul style="list-style-type: none"> <input type="checkbox"/> Executive Remuneration <input type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input checked="" type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Political spending / lobbying <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other
Conducted by	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual/Internal <input type="checkbox"/> Service provider
Objectives	<p>Objective: Clarify with the company their reasoning for increasing the threshold for shareholders to call a special meeting without putting it up to a shareholder vote.</p> <p>Background: The board amended the company bylaws in 2018, increasing the ownership threshold for shareholders to call a special meeting from 10% ownership with no holding period requirement, to 20% ownership with a holding period requirement of at least one year. The company also imposed various restrictions on the timing and subject matter of special meetings. The board did not put this amendment up to a vote or disclose any engagement outreach with shareholders. As these actions are particularly concerning and have anti-takeover implications, AB voted against the entire governance committee at the 2019 AGM.</p> <p>The company reached out proactively on this matter after their 2019 AGM to engage.</p>
Scope and Process	<p>Scope: The company attributed this change to a regular review of their bylaws that had not been updated in many years, and claimed that this amendment was nothing but unfortunate timing. When asked how they came up with 20%, the company noted that this number was more in line with peers and that they have several large shareholders that could have potentially taken advantage of 10%.</p> <p>We expressed our stance to the company on this matter, including our observation that there doesn't appear to be any historical abuse of this special meeting right at the company and that their top shareholders are all asset managers with no history of activism. We made it clear to the company that this incident wasn't shareholder friendly and was perceived as being an obstacle to shareholder value. Additionally, the company confirmed they didn't engage with shareholders prior to making these changes.</p> <p>Ultimately, the company was open to admitting that they made an error. They are trying to rectify</p>

	it through engagement and potentially putting the bylaw amendment up to an advisory vote at the next AGM, a course of action that we encouraged.
Outcomes	<input type="checkbox"/> Company changed practice <input type="checkbox"/> Company committed to change <input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input checked="" type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input type="checkbox"/> Voting <input type="checkbox"/> Other

Add Example 2

ESG Topic	<p>Diversity</p> <ul style="list-style-type: none"> <input type="checkbox"/> Executive Remuneration <input type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input checked="" type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Political spending / lobbying <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other
Conducted by	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual/Internal <input type="checkbox"/> Service provider
Objectives	<p>Objective: In 2019 AB updated our Proxy Voting Policy to support gender diversity on boards.</p> <p>Background: Diversity is an important element of assessing a board's quality, as it promotes a wider range of perspectives in matters of strategy and risk mitigation. In line with this view, a number of European countries legally require a quota of female directors. Other European countries have a comply-or-explain policy. In the U.S., California requires corporations headquartered in the state to have at least one female director on board.</p> <p>We believe that boards should develop, as a part of their refreshment process, a framework for identifying diverse candidates. While diversity is broader than gender and should also take into consideration factors such as business experience, ethnicity, tenure and nationality, we believe that an absence of gender diversity is a critical signal of the company's lagging efforts to create a diverse board.</p>
Scope and Process	<p>Scope: AB will generally vote against the nominating/governance committee chair, or a relevant incumbent member in case of classified boards, when the board has no gender diversity. We may exercise flexibility in cases where the relevant board member or committee chair's presence on board is critical based on company-specific contexts. This approach applies globally excluding Japan. The policy may also be applied in Japan in the near future, when we begin to see the market evolving further on this issue.</p> <p>Additionally, we will generally support proposals asking for gender pay metrics, taking into account the specific metrics and scope of the information requested.</p> <p>AB's policy update on board diversity has led to increased discussions around diversity during many of our company engagements. We will continue to uphold high standards around board</p>

	diversity and demonstrate our stance by voting accordingly.
Outcomes	<input type="checkbox"/> Company changed practice <input type="checkbox"/> Company committed to change <input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input checked="" type="checkbox"/> Voting <input type="checkbox"/> Other

Add Example 3

ESG Topic	<p>Executive Remuneration, Other governance</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Executive Remuneration <input type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Political spending / lobbying <input checked="" type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other
Conducted by	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual/Internal <input type="checkbox"/> Service provider
Objectives	<p>Objective: Discuss compensation amendments prior to the 2020 proxy and engage on existing material weakness in language.</p> <p>Background: In 2019, AB voted against this company's audit committee chair in response to continued material weakness' on internal controls. AB also voted against compensation after the former CEO received an outsized cash severance payment. We discussed the following compensation changes:</p> <ol style="list-style-type: none"> 1. Salary: the company confirmed they were targeting the median of peers, which we agreed with based on AB policy, and didn't anticipate making any executive salary changes. 2. Annual Incentive Plan: The company disclosed that the plan was moving to 40% adj EBIT, 35% FCF and 25% Annual Priorities. We stressed the need to have quantitative goals around the 25% discretionary portion. Additionally, the EBIT target would be changed in the case of divestitures or acquisitions, so the payout is more closely tied to an organic EBIT figure. 3. Equity: The company was moving to 45% RSUs, 55% PSUs. We established that the one-year performance period was acceptable for now, given the transition the company was in. However, the payout would be every three years. Metrics were 50% EPS and 50% ROIC less goodwill with a TSR modifier.
Scope and Process	<p>Scope: During our dialogue on compensation, we also inquired about the former CEO's severance. After the CEO retired in 2019, he was given a severance of 4x his base salary despite company policy that severance payments were contingent on termination. The company indicated that despite a press release announcing his "retirement," the CEO's exit wasn't entirely voluntary, which was disconcerting.</p>

	<p>We also discussed the audit committee director and the significant votes against him based on his poor oversight of material weakness in financial controls. The new CFO has made "getting into a stable control environment" one of her top priorities. They did not make any assurances about getting the material weakness lifted this year but in 2020 they will run dual systems (SAP parallel to old systems).</p> <p>Headed into 2020, we felt that the company was taking steps in the right direction and they were open to continued engagement.</p>
<p>Outcomes</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Company changed practice <input checked="" type="checkbox"/> Company committed to change <input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input type="checkbox"/> Voting <input type="checkbox"/> Other

Add Example 4

ESG Topic	<p>General ESG, Other governance</p> <ul style="list-style-type: none"> <input type="checkbox"/> Executive Remuneration <input type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input checked="" type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Political spending / lobbying <input checked="" type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other
Conducted by	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual/Internal <input type="checkbox"/> Service provider
Objectives	<p>Objective: Re-evaluate AB's policy on director capacity by conducting an analysis on director time commitments.</p> <p>Background: In 2019, AB analyzed the average director's time commitment to one board, plus time spent on a director's full-time job, plus any non-disclosed commitments to non-profit and/or non-public company boards. This analysis led us to conclude that a total of 4 public company board seats is the maximum capacity acceptable to dedicate sufficient time to all commitments.</p>
Scope and Process	<p>Scope: We believe that incorporating an assessment of each director's capacity into consideration for a director election is essential to promote meaningful board oversight of management. AB currently limits a non-CEO director nominee's total number of public company board seats at 4 and 2 for a CEO director nominees, including the board being analyzed. We give passes for CEOs with total of 3 public board seats if the nominee is the CEO of the company being analyzed, recognizing that our votes on CEOs may potentially cause significant disruption on the board. We may also exercise flexibility on occasions where the "over-boarded" director nominee's presence on the board is critical, based on company specific contexts in absence of any notable accountability concerns.</p>
Outcomes	<ul style="list-style-type: none"> <input type="checkbox"/> Company changed practice <input type="checkbox"/> Company committed to change <input type="checkbox"/> Disclosure / report published

<input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input checked="" type="checkbox"/> Voting <input type="checkbox"/> Other

Add Example 5

ESG Topic	<p>Executive Remuneration, Climate Change</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Executive Remuneration <input checked="" type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Political spending / lobbying <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other
Conducted by	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual/Internal <input type="checkbox"/> Service provider
Objectives	<p>Objective: AB engaged with this large energy company to discuss their position on mitigating environmental risks relating to carbon emissions and possible enhancements to its executive pay structure with consideration of the company's long-term outlook.</p> <p>Background: The company explained that its current responsible investing strategy is focused around 3 key areas:</p> <ol style="list-style-type: none"> 1. Effectively managing potential risks with ongoing litigation 2. Addressing transition and physical risks to assets 3. Mitigating risks while meeting demand <p>We discussed how the company is preparing for a market transition into renewables and how they plan to reflect their management of aforementioned risks into their executive pay.</p> <p>Regarding efforts on preparing for the shift in demand to green sources of energy, it is unclear how much the company invests in developing renewables. The company emphasized its ongoing Algae research, but the output of Algae as an energy source is still in question and the company does not disclose how much of R&D is dedicated to Algae research. The company also mentioned technology licensing is another focus of their environmental efforts, but unclear exactly what impact this has had on their financials.</p>
Scope and Process	<p>Scope: within the company's executive compensation plan, the CEO's short term incentives are entirely based on change in annual earnings, with 2/3 of the % change in STI determining the % change in the bonus program funding. Individual awards are then based on earnings result, pay grade, and individual performance to determine the final payout based on the proxy statement disclosure. While individual performance factors include a health and safety metric, target and</p>

	<p>threshold are undisclosed. Chevron and Total, who also incorporate a health and safety metric (TRIR) into their pay, disclose maximum, target and threshold clearly for shareholders to assess the company's progress.</p> <p>LTI grant amount is effectively discretionary (unclear if the "strategic goals" that are used as part of determining LTI grant amount is same as STI or not), based on undisclosed performance criteria whose vesting is entirely time-based. The 10-year performance period is also unusually long, given that average CEO's tenure is 7-10 years.</p> <p>AB will continue to monitor the company's commitment to environmental efforts, particularly in light of the upcoming carbon-related regulations in EU and other markets. These will be factored into our vote decisions on shareholder proposals pertaining to their environmental policies.</p>
Outcomes	<ul style="list-style-type: none"> <input type="checkbox"/> Company changed practice <input checked="" type="checkbox"/> Company committed to change <input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input type="checkbox"/> Voting <input type="checkbox"/> Other

Add Example 6

ESG Topic	<p>Executive Remuneration</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Executive Remuneration <input type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Political spending / lobbying <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other
Conducted by	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual/Internal <input type="checkbox"/> Service provider
Objectives	<p>Objective: AB engaged with this data protection and management company ahead of making its vote decision on the company's executive pay plan to clarify and address concerns.</p> <p>Background: Specifically, the company's existing STI plan had vague disclosure on its metrics, target, maximum and threshold, which made it impossible for shareholders to assess the structural alignment between pay and performance. The lack of clarity on STI was exacerbated by an abnormally extended vesting plan for the outgoing CEO.</p>
Scope and Process	<p>Scope: In its response to AB's concerns, the company provided clarity that extending the vesting period for the former-CEO led to his agreement to resign. This permitted the company to avoid a severance package without cause for the former CEO. The vesting period was related only to existing awards. Accounting rules required them to record a non-cash charge. The net result was reduced cash outlay for the CEO change.</p> <p>With regards to the lack of clarity on its STI metrics, the company promised to make improvements for the 2020 AGM. While AB decided to support the plan, given the overall alignment between pay quantum and performance in addition to the clarification on extension of vesting plan for the former CEO, further consideration on a possible negative vote will be made if the company continues to lack transparency in its STI plan for 2020.</p>
Outcomes	<ul style="list-style-type: none"> <input type="checkbox"/> Company changed practice <input type="checkbox"/> Company committed to change

<input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input checked="" type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input type="checkbox"/> Voting <input type="checkbox"/> Other

Add Example 7

Add Example 8

Add Example 9

ESG Topic	<p>Climate Change</p> <ul style="list-style-type: none"> <input type="checkbox"/> Executive Remuneration <input checked="" type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Political spending / lobbying <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other
Conducted by	<ul style="list-style-type: none"> <input type="checkbox"/> Individual/Internal <input type="checkbox"/> Service provider
Objectives	<p>Objective: AB engaged with this large oil and gas company to discuss its environmental initiatives noting the company's recent write-down of its LNG assets in December 2019, upcoming EU regulations on carbon taxes and relevant shareholder proposals for 2020.</p> <p>Background: Today, this company is focused on emissions stemming from methane, flaring and its upstream business. It also recently started operating its own carbon capture and storage (CCS) project in APAC and is deploying some research and development into alternative fuels.</p>
Scope and Process	<p>Scope: With regards to the CCS project, this oil and gas company admitted that the benefits of CCS don't exceed the costs but its continuing to explore ideal regions to achieve maximum benefits as the economics of CCS depend on geological factors.</p> <p>The company also pointed to a \$100M investment it made to an internal initiative focused on breakthrough technologies that could enable the lower carbon energy transition. Given the small size of the investment compared to the company's \$20B capex, AB questioned whether the investment was meaningful and therefore an efficient use of capital. The company may want to explore a larger investment to capture material benefits to its business strategy, rather than making a one-off expense to satisfy environmental demands from external stakeholders.</p> <p>On upcoming carbon tax regulations from the EU and other jurisdictions, the company doesn't have a shadow price or a scope 3 target. The company said it would report its progress on methane emissions and flaring reduction from its upstream oil and gas business as part of its 2020 proxy statement. AB will continue to monitor these areas and factor them into voting decisions on environmental shareholder proposals in the company's 2020 AGM.</p>

Outcomes	<input type="checkbox"/> Company changed practice <input type="checkbox"/> Company committed to change <input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input checked="" type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input type="checkbox"/> Voting <input type="checkbox"/> Other
-----------------	--

Add Example 10

ESG Topic	<p>General ESG, Shareholder rights</p> <ul style="list-style-type: none"> <input type="checkbox"/> Executive Remuneration <input type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input checked="" type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input checked="" type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Political spending / lobbying <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other
Conducted by	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual/Internal <input type="checkbox"/> Service provider
Objectives	<p>Objective: Understand this small cap company's ESG approach and strategy for long-term implementation and address the company's timeline around their governance structures, most of which adversely impact shareholder rights.</p> <p>Background: At this consumer cyclical company's 2019 AGM, AB voted against the only director up for election because the board failed to remove, or subject to a sunset requirement, their classified board and super-majority vote requirement to enact certain changes to governing documents. AB understands smaller companies need time and certain governance structures to support growth. However, our policy is to vote against a company one-year post IPO if they have not begun to address shareholder unfriendly provisions. This company became public in 2017. Additionally, the company has a plurality vote standard in place, no shareholder rights to call a special meeting or act by written consent, and no proxy access. We engaged with the company to gain a stronger understanding of their efforts to address these issues.</p> <p>When speaking with the company, we clarified that we weren't calling for prompt elimination of their current structures. However, at the minimum, we clarified our position on seeing the structures become subject to a sunset provision.</p>
Scope and Process	<p>Scope: The company didn't have a concrete timeline in place to amend their shareholder-unfriendly governance structures. However, it was clear that this topic was of high importance to the board and they were gathering feedback from many shareholders in order to make a transition to stronger governance structures. The company highlighted that their board is highly independent (83%), and the Chairman and CEO roles are currently separated. They placed emphasis on the board composition and its importance for the long-term best interest of shareholders, also noting that they recently added a second female director to the board.</p>

	<p>Additionally, the company is considering publishing a corporate sustainability report and solicited our perspective on these types of disclosures. We advised them to review the SASB standards as a starting point, and emphasized that we are ultimately looking for quantitative measures and targets that can be tracked over time.</p> <p>We were convinced that this company is working to improve both their ESG practices and overall disclosure. We continue to monitor the company for any reporting they produce and improvements to their current governance provisions. Our engagement will be taken into consideration while deliberating on vote decisions in 2020.</p>
Outcomes	<ul style="list-style-type: none"> <input type="checkbox"/> Company changed practice <input type="checkbox"/> Company committed to change <input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input checked="" type="checkbox"/> Voting <input type="checkbox"/> Other

AllianceBernstein

Reported Information

Public version

Direct - Fixed Income

PRI disclaimer

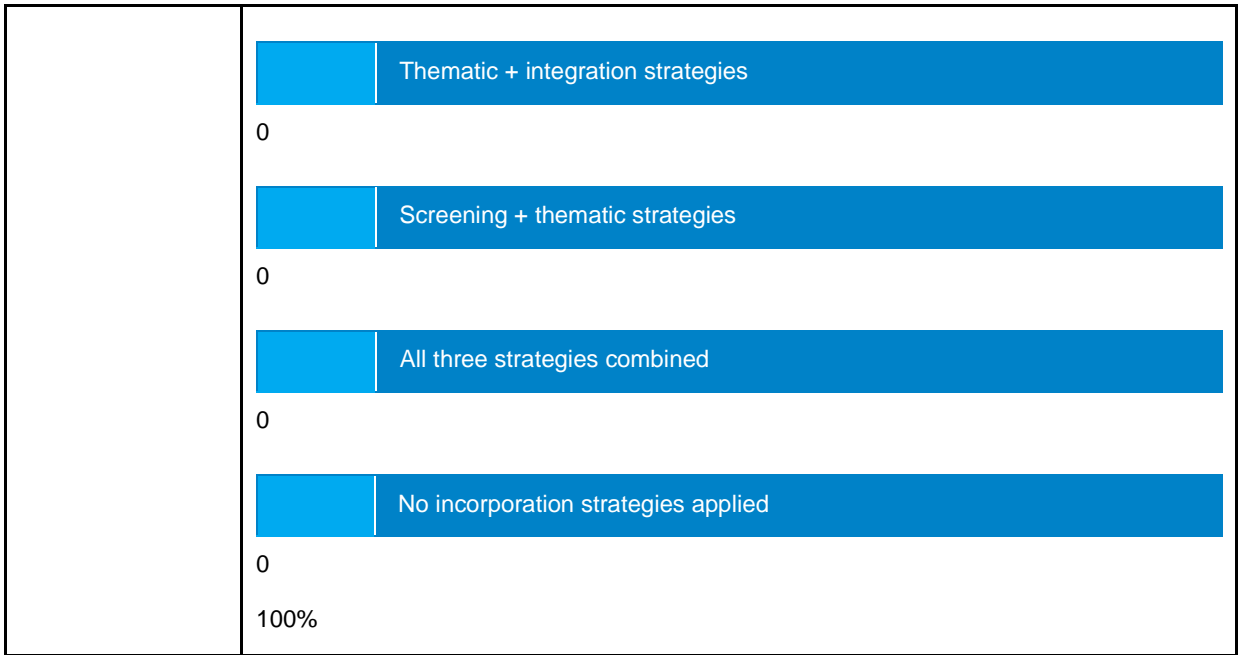
This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

ESG incorporation in actively managed fixed income

Implementation processes

FI 01	Mandatory	Public	Gateway	PRI 1
FI 01.1	Indicate (1) Which ESG incorporation strategy and/or combination of strategies you apply to your actively managed fixed income investments; and (2) The proportion (+/- 5%) of your total actively managed fixed income investments each strategy applies to.			

SSA	<table border="1"> <thead> <tr> <th>Strategy</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Screening alone</td> <td>0</td> </tr> <tr> <td>Thematic alone</td> <td>0</td> </tr> <tr> <td>Integration alone</td> <td>100</td> </tr> <tr> <td>Screening + integration strategies</td> <td>0</td> </tr> <tr> <td>Thematic + integration strategies</td> <td>0</td> </tr> <tr> <td>Screening + thematic strategies</td> <td>0</td> </tr> <tr> <td>All three strategies combined</td> <td>0</td> </tr> <tr> <td>No incorporation strategies applied</td> <td>0</td> </tr> <tr> <td>Total (any strategy)</td> <td>100%</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	0	Thematic alone	0	Integration alone	100	Screening + integration strategies	0	Thematic + integration strategies	0	Screening + thematic strategies	0	All three strategies combined	0	No incorporation strategies applied	0	Total (any strategy)	100%
Strategy	Percentage																				
Screening alone	0																				
Thematic alone	0																				
Integration alone	100																				
Screening + integration strategies	0																				
Thematic + integration strategies	0																				
Screening + thematic strategies	0																				
All three strategies combined	0																				
No incorporation strategies applied	0																				
Total (any strategy)	100%																				
Corporate (financial)	<table border="1"> <thead> <tr> <th>Strategy</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Screening alone</td> <td>0</td> </tr> <tr> <td>Thematic alone</td> <td>0</td> </tr> <tr> <td>Integration alone</td> <td>23</td> </tr> <tr> <td>Screening + integration strategies</td> <td>77</td> </tr> <tr> <td>Total (any strategy)</td> <td>100%</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	0	Thematic alone	0	Integration alone	23	Screening + integration strategies	77	Total (any strategy)	100%								
Strategy	Percentage																				
Screening alone	0																				
Thematic alone	0																				
Integration alone	23																				
Screening + integration strategies	77																				
Total (any strategy)	100%																				



Corporate (non-financial)	Screening alone	0
	Thematic alone	0
	Integration alone	23
	Screening + integration strategies	77
	Thematic + integration strategies	0
	Screening + thematic strategies	0
	All three strategies combined	0
	No incorporation strategies applied	0
		100%
Securitised	Screening alone	0
	Thematic alone	0
	Integration alone	100
	Screening + integration strategies	0

	Thematic + integration strategies
0	
	Screening + thematic strategies
0	
	All three strategies combined
0	
	No incorporation strategies applied
0	
100%	

FI 01.2	Describe your reasons for choosing a particular ESG incorporation strategy and how combinations of strategies are used.
----------------	--

The majority of our fixed income assets are managed using Integration. Our primary reason for choosing the integration strategy is that it most directly reflects our long-held philosophy on environmental, social, and governance ("ESG") factors, and is also most seamlessly aligned with our existing investment processes. AB has long recognized that ESG issues can impact the performance of investment portfolios, and we have long believed that the integration of ESG factors is critical to the success of a fundamental research process. As such, our analysts have carefully assessed ESG factors in their analysis if they believe those factors have, or could have, a material impact on our forecasts and investment decisions.

AB continues to strengthen the integration of ESG factors into our fixed income research and investment processes. Please see additional information below.

FI 01.3	Additional information [Optional].
----------------	---

We continued to enhance our ESG scoring system for our corporate issuers. We have a specific module within our Credit Research database (Prism) that explicitly links the ESG rating each analyst assigns an issuer to the broader forward credit rating that issuer will receive, ensuring that ESG considerations are explicitly considered and weighted in AB's proprietary overall forward rating for each issuer. In this way, our ESG scores have a direct influence on security selection decisions within our portfolios.

Since launch in 2018, we have enhanced our centralized ESG research tool that provides a standard ESG materiality framework and is used to capture ESG research and engagements across our Equities business unit globally. The tool also captures our fixed income analysts' research views and engagements creating a centralized resource that pulls our credit analysts' views directly from Prism. All analysts have access to the tool so we are able to share ESG viewpoints and engagements across asset classes.

In May of 2019 we launched the Sustainable Global Thematic Credit (SGTC) Fund in Luxembourg as part of our thematic platform. The foundation of the strategy uses our proprietary framework that takes the UN Sustainable Development Goals (UNSDGs) and maps them into an investable universe and is already used in our thematic equity platform. Additionally, the fund maintains a 20% allocation to Green Bonds. All holdings roll up to the three broad themes of Climate, Health and Empowerment and must have a minimum internally calculated ESG score for inclusion in the portfolio.

We have managed a US Municipal Impact strategy since 2016, and continued to expand this strategy during 2019 to a broader range of clients and investment platforms, with assets now totalling over USD 600 million. The US municipal bond market is ripe with opportunities to invest in underserved communities and have social/environmental impact. It also allows us to meet the growing demand from our diverse client base and to

provide investment strategies that deliver not only return, but also social/environmental benefits. Our US Municipal Impact strategy also provides ample opportunity to engage with issuers on ESG concerns.

Our Impact strategy has an established investment structure in which municipal research analysts-in addition to their traditional fundamental analysis-score each issuer on Environmental, Social and Governance criteria. Bonds with an "impact score" below a certain threshold are not eligible for investment in the Municipal Impact Strategy.

We also utilize ESG screening within portfolios, primarily at our clients' direction as described later in this document.

FI 02	Mandatory to Report Voluntary to Disclose	Public	Core Assessed	PRI 1
-------	---	--------	---------------	-------

FI 02.1 Indicate which ESG factors you systematically research as part of your analysis on issuers.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	Securitised
Environmental data	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Social data	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Governance data	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

FI 02.2 Indicate what format your ESG information comes in and where you typically source it

Raw ESG company data

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – FI analyst, PM or risk team
- Other, specify

ESG factor specific analysis

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – FI analyst, PM or risk team
- Other, specify

Issuer-level ESG analysis

Indicate who provides this information

- ESG research provider
 - Sell-side
 - In-house – specialised ESG analyst or team
 - In-house – FI analyst, PM or risk team
 - Other, specify
- Sector-level ESG analysis

Indicate who provides this information

- ESG research provider
 - Sell-side
 - In-house – specialised ESG analyst or team
 - In-house – FI analyst, PM or risk team
 - Other, specify
- Country-level ESG analysis

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – FI analyst, PM or risk team
- Other, specify

FI 02.3	Provide a brief description of the ESG information used, highlighting any differences in sources of information across your ESG incorporation strategies.
----------------	---

We use a range of external ESG data providers, carefully selecting them to meet not only our high overall standards but also to meet certain product-specific needs. Our ESG Research Providers include:

MSCI: MSCI provides ESG ratings and qualitative research. This information is accessed by our analysts through a link into our analysts' research database. This research can "flag" potentially material issues that our analysts then incorporate into their own analysis. We also use MSCI for negative screening in client portfolios, as well as best in class screening, including to code the resulting restricted securities in our pre- and post-trade compliance systems and trading platforms. We also subscribe to MSCI's Carbon Metrics tool to understand, measure and manage carbon risk in portfolios.

ISS-Ethix: We use Ethix for controversial weapons screening associated with our Luxembourg-based Fund platform and a number of client Portfolios.

Finally, we also utilize a variety of other external data sources, such as sell side research, NGO articles and industry body reports. NGO data feeds into our sovereign scoring model developed in 2019.

FI 03	Mandatory	Public	Additional Assessed	PRI 1
--------------	------------------	---------------	----------------------------	--------------

FI 03.1 Indicate how you ensure that your ESG research process is robust:

- Comprehensive ESG research is undertaken internally to determine companies' activities; and products and/or services
- Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Issuer information and/or ESG ratings are updated regularly to ensure ESG research is accurate
- Internal audits and regular reviews of ESG research are undertaken in a systematic way.
- A materiality/sustainability framework is created and regularly updated that includes all the key ESG risks and opportunities for each sector/country.
- Other, specify
- None of the above

FI 03.2 Describe how your ESG information or analysis is shared among your investment team.

- ESG information is held within a centralised database and is accessible to all investment staff
- ESG information is displayed on front office research platforms
- ESG information is a standard item on all individual issuer summaries, research notes, 'tear sheets', or similar documents
- Investment staff are required to discuss ESG information on issuers as a standard item during investment committee meetings
- Records capture how ESG information and research was incorporated into investment decisions
- Other, specify
- None of the above

(A) Implementation: Screening

FI 04	Mandatory	Public	Gateway	PRI 1
--------------	------------------	---------------	----------------	--------------

FI 04.1 Indicate the type of screening you conduct.

Select all that apply

	Corporate (financial)	Corporate (non-financial)	
Negative/exclusionary screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Positive/best-in-class screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Norms-based screening	<input type="checkbox"/>	<input type="checkbox"/>	

FI 04.2	Describe your approach to screening for internally managed active fixed income
----------------	--

Within our Luxembourg Fund platform, we screen for controversial weapons based on research from a third-party service provider.

Within our SGTC fund, we exclude sectors which we view as inherently misaligned with the UNSDGs, including tobacco, weapons, adult entertainment, alcohol and gambling.

In addition, we implement other ESG exclusions within fixed income portfolios at the direction of our clients. Examples of ESG exclusions employed for our clients include, carbon intensity targets and exclusions for LGBTQ unfriendly practices, among others. Screens are generally developed in conjunction with our clients and discussed at regular client review meetings. Some clients provide us with a list of issuers to be restricted from their portfolio. Other clients prefer that we screen using a third-party research provider - these screens can take several forms, including industry screens as well as positive/best in class screening based on ESG factors. Once the issuers to be screened are identified, they are captured electronically in our compliance systems and monitored daily. Once a screen is in place, we dynamically monitor and manage it. Updates to these screens are made regularly - as our clients or our research providers provide updated data.

FI 05	Voluntary	Public	Additional Assessed	PRI 1
--------------	-----------	--------	---------------------	-------

FI 05.1	Provide examples of how ESG factors are included in your screening criteria.
----------------	--

Example 1

	Type of fixed income
<input type="checkbox"/> Corporate (financial) <input checked="" type="checkbox"/> Corporate (non-financial)	
	ESG factors
<input checked="" type="checkbox"/> Environmental <input type="checkbox"/> Social <input type="checkbox"/> Governance	
	Screening
<input type="checkbox"/> Negative/ exclusionary <input checked="" type="checkbox"/> Positive/ best-in-class	
	Description of how ESG factors are used as the screening criteria
<p>On August, 8 2019 DTE Energy Co came to the primary market with a 5-year new issue to mature October 2024. The portfolio guidelines restrict investment in BBBs outside of Electric Utilities and Consumer Non-cyclicals, so this may have been a good fit from a portfolio construction perspective given our constructive view on BBBs broadly. Upon further review of the company's ESG profile, our analysis indicated that DTE Energy derives ~54% of revenues from coal (as a percentage of their overall energy mix). As such, we decided not to participate in the new deal.</p>	

Example 2

Type of fixed income
<input type="checkbox"/> Corporate (financial) <input checked="" type="checkbox"/> Corporate (non-financial)
ESG factors
<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Governance
Screening
<input type="checkbox"/> Negative/ exclusionary <input checked="" type="checkbox"/> Positive/ best-in-class
Description of how ESG factors are used as the screening criteria
<p>When we compared SPIE to its peers in the services sector of the European high-yield market, its exposure to sustainable/green contracts and a diversified revenue stream made it clear that its business model was stronger than its peers. Environmental efficiency and improvements are core to SPIE's business. The firm's projects include building a geothermal power plant in Belgium, installing a plastic reprocessing plant in the Netherlands, and planning/installing energy-efficient combined heat and power plants. A closer assessment of the firm's corporate responsibility policies revealed a strong foundation. SPIE's corporate fleet uses hybrid and electric vehicles, or vehicles fueled by natural gas and biogas. Procurement policies focus on sustainability-all suppliers are scored on corporate social responsibility (CSR) objectives, 100% of purchasing is audited for CSR performance, and 100% of buyers receive business ethics training. Our engagements with the company revealed a sense of employee participation, which translates to lower workforce churn. The company fosters a culture of transparency and disclosure. The combination of a sustainable business model and credibility in corporate responsibility has enabled SPIE to deliver above-industry margins and free cash flow, with a strong and deleveraging balance sheet, making it an attractive candidate for our high-yield portfolios</p>

Example 3

Type of fixed income
<input type="checkbox"/> Corporate (financial) <input checked="" type="checkbox"/> Corporate (non-financial)
ESG factors
<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Governance
Screening
<input type="checkbox"/> Negative/ exclusionary <input checked="" type="checkbox"/> Positive/ best-in-class
Description of how ESG factors are used as the screening criteria
<p>I see Smurfit as the best-in-class EHY bond issuer. It operates in a consolidated and growing industry, and demonstrates strong margins relative to peers, due to its product innovation and integration into its customers' supply chain. The largest risk to the business remains pulp and OCC inflation, but we have seen in the last few years that Smurfit has been very successful in passing through costs, with a relatively short lag. Despite the expectation of higher capex investments (€1.6bn over 3/4 years) to support expected growth, we expect the company to maintain its low leverage and FCF generation. Additionally, Smurfit shows good ESG credentials. I see Smurfit as an IG company that has chosen, for now, to remain in its comfort zone of being a BB+ issuer.</p> <p>E: Have defined 7 key areas to form objectives and targets: fossil CO2 emissions; waste; water; health and safety; sustainable sourcing; and community involvement. Within these blocks they have 17 targets to achieve between 2015-2020</p> <p>S: The Smurfit Kappa Foundation supports sustainable projects in the countries in which they operate</p> <p>G: Chairman and CEO are separate roles, the company produces an annual sustainability report. I note that Tony Smurfit is part of the family that originally founded the business,</p>

Example 4

Type of fixed income
<input checked="" type="checkbox"/> Corporate (financial) <input type="checkbox"/> Corporate (non-financial)
ESG factors
<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Governance
Screening
<input type="checkbox"/> Negative/ exclusionary <input checked="" type="checkbox"/> Positive/ best-in-class
Description of how ESG factors are used as the screening criteria
<p>As part of extensive, transparent Responsibility/ Sustainability reporting, KBC is reducing its ecological footprint through a diverse range of initiatives and objectives. KBC is focusing on core business solutions - lending, investments, insurance and advisory - to boost a low-carbon environment friendly economy. The group is also placing the emphasis on digitisation to reduce paper consumption. KBC also has €2.8bn in sustainable investment funds under management and is market leader in Belgium in SRI Funds. Exposures to potentially environmentally unfriendly sectors, such as shipping, energy and agriculture are relatively limited parts of its overall loan book. It also has policies towards socially sensitive sectors such as environment, gambling, fur, mining etc. As part of extensive sustainability reporting, the bank measures and discloses emissions and other environmental data across its various businesses and countries.</p> <p>The group's key strategy centres around customer service and availability. It prides itself on input from all stakeholders in shaping its approach to social matters, including customers, staff, government, regulators, suppliers and shareholders. KBC's core business is to support the economy in its home markets. It also actively supports start-ups via coaching and funding. It has best reputation of Belgium's big banks in Flanders. KBC has been more socially-aware, with staff decreasing by <10% over the period (80.9% voluntary leavers). Around 56% of the bank's staff are female, although this is skewed somewhat to lower level jobs. Its contribution to society is set out in terms of helping individuals and businesses prosper by providing credit and other services, as well as contributing to society (paying significant income taxes, dividends, staff salaries, purchasing services from a range of suppliers etc.).</p> <p>KBC has a well-documented governance policy in place. Organizational structure is now anchored at different levels within the Group (Board level, Executive Management level, Group level and Business & Country level) around three business units i.e. Belgium, the Czech Republic and International Markets. BODs consist of 16 members (Men: 11, Women: 5) with 3 independent directors. In executive committee, there are 6 members (Men: 5, Woman: 1). BODs is responsible for defining strategy, general policy and risk appetite. The Executive Committee (EC) provides the operational management. Besides the CEO, EC also includes CFO and CRO of the group, with the CEOs of the three business units. We assess the management turnover of the group to be adequate. During 2016, there were no significant changes in the board composition except 4 directors being re-elected for an additional period ending 2021.</p>

Example 5

Type of fixed income	
<input checked="" type="checkbox"/>	Corporate (financial)
<input type="checkbox"/>	Corporate (non-financial)
ESG factors	
<input checked="" type="checkbox"/>	Environmental
<input type="checkbox"/>	Social
<input checked="" type="checkbox"/>	Governance
Screening	
<input type="checkbox"/>	Negative/ exclusionary
<input checked="" type="checkbox"/>	Positive/ best-in-class
Description of how ESG factors are used as the screening criteria	
<p>Starbucks (SBUX) has issued three sustainability bonds (USD 2.45 6/26, JPY .372 3/24, USD 4.45 8/49). Proceeds from the 6/26 and 3/24 have been fully allocated. The Financial Times recently published an article questioning the high percent of proceeds used to purchase sustainable coffee (~98% of 2.45 6/26) when 99% of the coffee purchased in 2015 was sustainably sourced, a year prior to the issuance. AMP holds the 2.45 6/26 and 4.45 8/49.</p> <p>Based on the framework outlined by Starbucks, it's our opinion that proceeds were used for relevant sustainable investments as defined by the ICMA's sustainability bond guidelines - so Starbucks is meeting the "letter of the law".</p> <p>But are they "greenwashing"? While we wish every green/sustainable/social bond could finance new projects, we recognize that's not possible and the reality is that many green/sustainable bonds' proceeds will fund projects that would take place regardless of whether the bond was labeled green/sustainable or not. But we are happy to invest in these bonds - to support with our clients' investment dollars as a company whose business practices are sustainable. We'd likely buy this bond whether it was labeled "sustainable" or not, since our decisions are based on our in-house research, not the label - but we like the signal the label sends to the marketplace and the bar that it raises for other corporate issuers, and we want to support that when we can (when our research likes the issuer and the price is right).</p>	

FI 06	Mandatory	Public	Core Assessed	PRI 1
-------	-----------	--------	---------------	-------

FI 06.1	Indicate which systems your organisation has to ensure that fund screening criteria are not breached in fixed income investments.
---------	---

Type of screening	Checks
Negative/exclusionary screening	<input type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above
Positive/best-in-class screening	<input type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> None of the above

FI 06.2

Additional information. [Optional]

In cases where the client provides us with a list of specific issuers to restrict for ESG reasons, they are responsible for the frequency updates.

(C) Implementation: Integration

FI 10

Mandatory

Public

Descriptive

PRI 1

FI 10.1

Describe your approach to integrating ESG into traditional financial analysis.

We have long incorporated ESG factors informally in our fixed income research and investment processes, but formalized this integration after becoming a PRI signatory in 2011. If we determine that the ESG aspects of an issuer's past, current, or anticipated behaviour are material to its future expected returns, we address these concerns in our forecasts, research reviews, investment decisions, and engagement. Our research analysts utilize their own proprietary research, research from the sell side and other third parties, including an ESG data provider, to identify ESG issues. The analysts regularly discuss ESG matters with issuers as part of our investment research process when those issues are material, or we determine they are likely to become material enough to potentially impact the risk/return of our portfolios. Our research analysts, portfolio managers, and/or directors of research conduct thousands of issuer visits per year in order to understand the strategies, performance, and risks of issuers and address ESG concerns in those meetings. The issues are assessed and incorporated into our investment decisions. Importantly, our research and evaluation of ESG issues could lead us to view the issuer more positively or more negatively as an investment than the market consensus. If our research gives us confidence that ESG concerns are exaggerated, the security may be an excellent investment. If concerns are underestimated, the security may similarly be an undesirable investment.

We incorporate ESG factors into our fundamental research process for all our portfolios and continue to enhance our processes on ESG integration within our fundamental research teams. As such, during 2019 we continued to enhance our ESG scoring system for our corporate issuers. We have a specific module within our Credit Research database that explicitly links the ESG rating each analyst assigns an issuer to the broader forward

credit rating that issuer will receive, ensuring that ESG considerations are explicitly considered and weighted in AB's proprietary overall forward rating for each issuer. In this way, our ESG scores have a direct influence on security selection decisions within our portfolios. Companies are rated numerically on Environmental, Social and Governance criteria, and the scores are averaged into an overall ESG score. These scores can then be compared across the industry, across the broader corporate universe and to third-party providers like MSCI. All ratings are entered into our proprietary research database, for easy access to all investment professionals.

We made additional enhancements to our centralized ESG research tool that provides a standard ESG materiality framework and is used to capture ESG research and engagements across our Equities business unit globally to include research and engagements conducted by our credit analysts. All analysts across the firm have access, allowing them to see ESG ratings and engagements conducted across the firm, helping us to better identify material ESG risk or opportunities.

FI 10.2 Describe how your ESG integration approach is adapted to each of the different types of fixed income you invest in.

SSA

Sovereign: During 2019 we implemented a proprietary ESG scoring model for sovereign issuers. The model creates a baseline score for more than 100 countries based on more than 20 E, S and G factors, which our economists will then overlay their fundamental viewpoint. The model uses data from a variety sources allowing for a qualitative assessment of ESG factors. The model currently covers 106 global sovereigns which are scored from 0-100 (100 best) on material ESG factors. The overall score is a weighted average of the sub-sector scores, E: 20% weight, S: 30% weight and G: 50%. If ESG factors are deemed material enough that they impact the risk/return profile of the sovereign issuer, that assessment will be reflected in the analyst's opinion and forecast for that issuer and will be discussed with the portfolio managers and the traders during regular research review/investment strategy meetings. ESG issues may also be addressed with government officials and central bankers via engagements.

Municipals: Within the US municipal bond market, our Municipal Impact strategy has established an investment structure in which research analysts-in addition to their traditional fundamental analysis-score each issuer on Environmental, Social and Governance criteria (our "impact score"). Bonds with an impact score below a certain threshold are not eligible for investment in the Municipal Impact Strategy.

Our Impact scoring model weighs environmental and social considerations differently depending on the municipal sector under consideration: i.e., environmental criteria receive more weight for electric utilities and water systems; social criteria receive more weight for education and healthcare issuers. We recognize how essential strong municipal management is (including the stewardship of finances and debt, as well as transparency), and therefore the weight we assign to governance is consistent across all sectors. We adjust weights of the holdings within our impact portfolios to be higher/lower based on the bond's impact score (as well as traditional credit quality assessments).

An important component of our approach is active engagement with issuers included in our portfolios. We have established baselines associated with key performance indicators and will actively surveil progress made on those metrics. Should trends in metrics deviate significantly in any given year, AB analysts will attempt to ascertain the reason for the change. Through active engagement, should we conclude that a viable plan and strategy is in place and being implemented, we will maintain our position. If we ultimately question the probability of success of a particular strategy employed, we will either trim or sell out of position and reallocate proceeds to other investments that show better impact potential.

Corporate (financial)

Similar to our approach for non-financial corporate issuers, we incorporate ESG factors into our fundamental credit research process for financials within all portfolios. As part of their in-depth research, our financial sector analysts analyze all aspects of a company, including how ESG issues are currently affecting that company's profitability as well as how they may in the future. If they deem ESG factors material enough that they contribute to the risk of that issuer, that assessment will be reflected in the analyst's formal opinion and forecast and it will be discussed with the portfolio managers and the traders during regular credit meetings.

Our credit analysts are responsible for determining an ESG rating for each of the issuers in their investment universe, and it is their responsibility to monitor these issuers - including the ESG factors that may impact them

- on an ongoing basis. In fact, we have developed a specific module within our Credit Research database that explicitly links the ESG rating each analyst assigns an issuer to the broader forward rating that issuer will receive, ensuring that ESG considerations are explicitly considered and weighted in the overall forward rating for each issuer. Analysts rate each issuer on a numeric scale on E, S and G factors, and then combine these ratings into an overall ESG score. This score is then used to influence the forward rating assigned to the issuer. In this way, our ESG scores have a direct influence on security selection decisions within our portfolios.

As an input and resource for their ESG assessments (but not the sole determinant), our analysts have access to ESG research from MSCI.

In particular, for financial issuers, our analysts focus on Governance and Social concerns. For example, analysts evaluate board structure as part of their evaluation of management quality. They consider remuneration policies as part of financial firms' expense structure. They evaluate how financial firms have adjusted their business practices in light of the 2008 global financial crisis and subsequent scandals (LIBOR, money laundering etc.) to institute improved controls, as well as greater transparency and simplicity in their consumer practices. Environmental factors such as climate-related exposures are a concern, but disclosure of these risks/exposures is not consistent in the sector.

Corporate (non-financial)

For corporate issuers, as part of their fundamental research process, our credit analysts are responsible for determining an ESG rating for each of the issuers in their investment universe, and it is their responsibility to monitor these issuers - including the ESG factors that may impact them - on an ongoing basis. In fact, we have developed a specific module within our Credit Research database that explicitly links the ESG rating each analyst assigns an issuer to the broader forward rating that issuer will receive, ensuring that ESG considerations are explicitly considered and weighted in the overall forward rating for each issuer.

Analysts rate each issuer on a numeric scale on E, S and G factors, and then combine these ratings into an overall ESG score. This score is then used to influence the forward rating assigned to the issuer. In this way, our ESG scores have a direct influence on security selection decisions within our portfolios.

As an input and resource for their ESG assessments (but not the sole determinant), our analysts have access to ESG research from MSCI.

Securitized

When it comes to the analysis of securitized issuers, our integration approach will vary somewhat depending on the type of securitization/collateral under consideration.

Agency MBS: Mortgage-backed securities issued by Fannie Mae and Freddie Mac rate highly in our view from an ESG perspective. After significant Governance deficiencies before the 2008 Global Financial Crisis, these agencies have reformed themselves under the conservatorship of the FHFA and now exhibit solid corporate governance in our view. From a social perspective, the agencies support mortgage lending to underserved communities through their Duty to Serve program commitments-through which they promote mortgage lending to low/medium income borrowers for manufactured housing, rural housing and affordable housing preservation. From an environmental perspective, both are active in green financing to promote more environmentally sustainable housing markets. Hence we are comfortable holding securitizations issued by these agencies within our portfolios.

Consumer Asset-Backed Securities: When evaluating the Governance of an issuer of an ABS securitization, where possible we leverage the analysis and scoring done by our corporate credit research team, as described earlier in this document. We seek to invest in deals originated by institutions with strong governance scores. Social concerns are paramount within consumer ABS-we evaluate lending practices and avoid those employing predatory tactics. We recognize the tension between providing essential credit to lower-quality borrowers (e.g., facilitating purchase of an automobile to get to work) and the higher interest rates that typically accompany loans to such subprime borrowers. Generally we favor encouraging the provision of credit for these lower quality borrowers.

Commercial Mortgage-Backed Securities: When evaluating the Governance of an issuer of a non-agency CMBS securitization, where possible we leverage the analysis and scoring done by our corporate credit research team, as described earlier in this document. We seek to invest in deals originated by institutions with strong governance scores. Environmental considerations are more pronounced within CMBS-with many properties within CMBS deals now being LEED or similarly certified; climate change resiliency is also an important consideration.

In 2020, we plan to enhance our process to include CLOs and develop a more uniform framework for ESG analysis in the ABS and CMBS markets.

FI 11	Mandatory	Public	Core Assessed	PRI 1
FI 11.1	Indicate how ESG information is typically used as part of your investment process.			

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	Securitised
ESG analysis is integrated into fundamental analysis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ESG analysis is used to adjust the internal credit assessments of issuers.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ESG analysis is used to adjust forecasted financials and future cash flow estimates.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ESG analysis impacts the ranking of an issuer relative to a chosen peer group.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
An issuer's ESG bond spreads and its relative value versus its sector peers are analysed to find out if all risks are priced in.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The impact of ESG analysis on bonds of an issuer with different durations/maturities are analysed.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sensitivity analysis and scenario analysis are applied to valuation models to compare the difference between base-case and ESG-integrated security valuation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ESG analysis is integrated into portfolio weighting decisions.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Companies, sectors, countries and currency and monitored for changes in ESG exposure and for breaches of risk limits.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The ESG profile of portfolios is examined for securities with high ESG risks and assessed relative to the ESG profile of a benchmark.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other, specify in Additional Information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

FI 12	Mandatory	Public	Additional Assessed	PRI 1
-------	-----------	--------	---------------------	-------

FI 12.1	Indicate the extent to which ESG issues are reviewed in your integration process.
---------	---

	Environment	Social	Governance
SSA	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (non-financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Securitized	<input type="radio"/> Environmental <input type="radio"/> Systematically <input checked="" type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all

FI 12.2 Please provide more detail on how you review E, S and/or G factors in your integration process.

SSA

Sovereign: Our economists consider ESG factors as part of their overall evaluation of a sovereign issuer. They evaluate how ESG issues are currently affecting the country's ability to meet payment obligations as well as how they may affect them in the future. If ESG factors are deemed material enough that they impact the risk/return profile of the sovereign issuer, that assessment will be reflected in the analyst's opinion and forecast for that issuer and will be discussed with the portfolio managers and the traders during regular research review/investment strategy meetings. ESG issues may also be addressed with government officials and central bankers via engagement.

During 2018 we developed a proprietary ESG scoring model for sovereign issuers. The model creates a baseline score for more than 100 countries based on more than 20 E, S and G factors, which our economists will then overlay their fundamental viewpoint. We will be implementing the model into our investment process during 2019.

Municipal: Within our Municipal Impact strategy, our Investment Policy Group convenes regularly to review potential investments for the Impact portfolios. We have established an investment structure in which research analysts-in addition to their traditional fundamental analysis-score each issuer numerically on Environmental, Social and Governance criteria. Bonds with an "impact score" below a certain level are not eligible for investment in the Municipal Impact Strategy.

Our impact scoring model weighs environmental and social considerations differently depending on the municipal sector under consideration: i.e., environmental criteria receive more weight for electric utilities and water systems; social criteria receive more weight for education and healthcare issuers. We recognize how essential strong municipal management is (including the stewardship of finances and debt, as well as transparency), and therefore the weight we assign to governance is consistent across all sectors.

Analysts' present their findings and recommendations to the Municipal Impact Investment Policy Group. This generates a dialogue designed to illuminate the strengths, weaknesses, opportunities, and threats underlying each potential impact investment. The output of our Municipal Impact Investment Policy Group sessions is a consensus on a set of approved bonds for inclusion across all impact client portfolios. We adjust weights of the holdings within our impact portfolios to be higher/lower based on the bond's impact score (as well as traditional credit quality assessments).

An important component of our approach is active engagement with issuers included in our portfolios. We have established baselines associated with key performance indicators and will actively surveil progress made on those metrics. Should trends in metrics deviate significantly in any given year, AB analysts will attempt to ascertain the reason for the change. Through active engagement, should we conclude that a viable plan and strategy is in place and being implemented, we will maintain our position. If we ultimately question the probability of success of a particular strategy employed, we will either trim or sell out of position and reallocate proceeds to other investments that show better impact potential.

Corporate (financial)

For Corporate (financial) Issuers: Similar to our approach for non-financial corporate issuers, we incorporate ESG factors into our fundamental credit research process for financials within all portfolios. As part of their in-depth research, our financial sector analysts analyze all aspects of a company, including how ESG issues are currently affecting that company's profitability as well as how they may in the future. If they deem ESG factors material enough that they contribute to the risk of that issuer, that assessment will be reflected in the analyst's formal opinion and forecast and it will be discussed with the portfolio managers and the traders during regular credit meetings.

Our credit analysts are responsible for determining an ESG rating for each of the issuers in their investment universe, and it is their responsibility to monitor these issuers - including the ESG factors that may impact them - on an ongoing basis. In fact, we have developed a specific module within our Credit Research database that explicitly links the ESG rating each analyst assigns an issuer to the broader forward rating that issuer will receive, ensuring that ESG considerations are explicitly considered and weighted in the overall forward rating for each issuer.

Analysts rate each issuer on a numeric scale on E, S and G factors, and then combine these ratings into an overall ESG score. This score is then used to influence the forward rating assigned to the issuer. In this way, our ESG scores have a direct influence on security selection decisions within our portfolios.

As an input and resource for their ESG assessments (but not the sole determinant), our analysts have access to ESG research from MSCI.

In particular, for financial issuers, our analysts focus on Governance and Social concerns. For example, analysts evaluate board structure as part of their evaluation of management quality. They consider remuneration policies as part of financial firms' expense structure. They evaluate how financial firms have adjusted their business practices in light of the 2008 global financial crisis and subsequent scandals (LIBOR, money laundering, etc.) to institute improved controls, as well as greater transparency and simplicity in their consumer practices. Environmental factors such as climate-related exposures are a concern, but disclosure of these risks/exposures is not consistent in the sector.

Corporate (non-financial)

For Corporate (non-financial) Issuers: We incorporate ESG factors into our fundamental credit research process for all portfolios. As part of their in-depth research, our credit analysts analyze all aspects of a company, including how ESG issues are currently affecting that company's profitability as well as how they may in the future. If they deem ESG factors material enough that they contribute to the risk of that issuer, that assessment will be reflected in the analyst's formal opinion and forecast and it will be discussed with the portfolio managers and the traders during the regular credit meetings.

In particular for corporate issuers, as part of their fundamental research on an issuer, our credit analysts are responsible for determining an ESG rating for each of the issuers in their investment universe, and it is their responsibility to monitor these issuers - including the ESG factors that may impact them - on an ongoing basis. In fact, we have developed a specific module within our Credit Research database that explicitly links the ESG rating each analyst assigns an issuer to the broader forward rating that issuer will receive, ensuring that ESG considerations are explicitly considered and weighted in the overall forward rating for each issuer.

Analysts rate each issuer on a numeric scale on E, S and G factors, and then combine these ratings into an overall ESG score. This score is then used to influence the forward rating assigned to the issuer. In this way, our ESG scores have a direct influence on security selection decisions within our portfolios.

As an input and resource for their ESG assessments (but not the sole determinant), our analysts have access to ESG research from MSCI.

Securitized

When it comes to the analysis of securitized issuers, our integration approach will vary somewhat depending on the type of securitization/collateral under consideration.

Agency MBS: Mortgage-backed securities issued by Fannie Mae and Freddie Mac rate highly in our view from an ESG perspective. After significant Governance deficiencies before the 2008 Global Financial Crisis, these agencies have reformed themselves under the conservatorship of the FHFA and now exhibit solid corporate governance in our view. From a social perspective, the agencies support mortgage lending to underserved communities through their Duty to Serve program commitments-through which they promote mortgage lending to low/medium income borrowers for manufactured housing, rural housing and affordable housing preservation. From an environmental perspective, both are active in green financing to promote more environmentally sustainable housing markets. Hence we are comfortable holding securitizations issued by these agencies within our portfolios.

Consumer Asset-Backed Securities: When evaluating the Governance of an issuer of an ABS securitization, where possible we leverage the analysis and scoring done by our corporate credit research team, as described earlier in this document. We seek to invest in deals originated by institutions with strong governance scores. Social concerns are paramount within consumer ABS-we evaluate lending practices and avoid those employing predatory tactics. We recognize the tension between providing essential credit to lower-quality borrowers (e.g., facilitating purchase of an automobile to get to work) and the higher interest rates that typically accompany loans to such subprime borrowers. Generally we favor encouraging the provision of credit for these lower quality borrowers.

Commercial Mortgage-Backed Securities: When evaluating the Governance of an issuer of a non-agency CMBS securitization, where possible we leverage the analysis and scoring done by our corporate credit research team, as described earlier in this document. We seek to invest in deals originated by institutions with strong governance scores. Environmental considerations are more pronounced within CMBS-with many properties within CMBS deals now being LEED or similarly certified; climate change resiliency is also an important consideration.

In 2019 we are developing a more uniform framework of social and environmental lines of inquiry that we will utilize with issuers when evaluating deals in the ABS and CMBS markets.

Fixed income - Engagement

FI 14	Mandatory to Report Voluntary to Disclose	Public	Core Assessed	PRI 2
-------	---	--------	---------------	-------

FI 14.1	Indicate the proportion of your fixed income assets on which you engage. Please exclude any engagements carried out solely in your capacity as a shareholder.
---------	---

Category	Proportion of assets
SSA	<p> <input type="radio"/> >50% <input type="radio"/> 26-50% <input type="radio"/> 5-25% <input checked="" type="radio"/> More than 0%, less than 5% </p> <div style="background-color: #0070C0; color: white; padding: 5px;"> FI 14.2 Indicate your motivations for conducting engagement (SSA fixed income assets). </div> <p> <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To influence issuer practice (or identify the need to influence) on ESG issue </p>
Corporate (financial)	<p> <input type="radio"/> >50% <input type="radio"/> 26-50% <input type="radio"/> 5-25% <input checked="" type="radio"/> More than 0%, less than 5% </p> <div style="background-color: #0070C0; color: white; padding: 5px;"> FI 14.2 Indicate your motivations for conducting engagement (Corporate, Financial fixed income assets) </div> <p> <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To influence issuer practice (or identify the need to influence) on ESG issue </p>
Corporate (non-financial)	<p> <input type="radio"/> >50% <input type="radio"/> 26-50% <input checked="" type="radio"/> 5-25% <input type="radio"/> More than 0%, less than 5% </p> <div style="background-color: #0070C0; color: white; padding: 5px;"> FI 14.2 Indicate your motivations for conducting engagement (Corporate, non-financial fixed income assets) </div> <p> <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To influence issuer practice (or identify the need to influence) on ESG issue </p>
Securitized	<p> <input type="radio"/> >50% <input type="radio"/> 26-50% <input type="radio"/> 5-25% <input checked="" type="radio"/> More than 0%, less than 5% </p> <div style="background-color: #0070C0; color: white; padding: 5px;"> FI 14.2 Indicate your motivations for conducting engagement (Securitized fixed income assets). </div> <p> <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure </p>

	<input checked="" type="checkbox"/> To influence issuer practice (or identify the need to influence) on ESG issue
--	---

FI 15	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1,2
--------------	--	---------------	----------------------------	----------------

New selection options have been added to this indicator. Please review your prefilled responses carefully.

FI 15.1	Indicate how you typically engage with issuers as a fixed income investor, or as both a fixed income and listed equity investor. (Please do not include engagements where you are both a bondholder and shareholder but engage as a listed equity investor only.)
----------------	---

Select all that apply

Type of engagement	SSA	Corporate (financial)	Corporate (non-financial)	Securitised
Individual/Internal staff engagements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Collaborative engagements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Service provider engagements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

FI 15.2	Indicate how your organisation prioritises engagements with issuers.
----------------	--

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	Securitised
Size of holdings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Credit quality of the issuer	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Duration of holdings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Quality of transparency on ESG	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Specific markets and/or sectors	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Specific ESG themes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Issuers in the lowest ranks of ESG benchmarks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Issuers in the highest ranks of ESG benchmarks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Specific issues considered priorities for the investor based on input from clients and beneficiaries	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

FI 15.3

Indicate when your organisation conducts engagements with issuers.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	Securitised
We engage pre-investment.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
We engage post-investment.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
We engage proactively in anticipation of specific ESG risks and/or opportunities.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
We engage in reaction to ESG issues that have already affected the issuer.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
We engage prior to ESG-related divestments.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other, describe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

FI 15.4

Indicate what your organisation conducts engagements with issuers on.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	Securitised
We engage on ESG risks and opportunities affecting a specific bond issuer or its issuer.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
We engage on ESG risks and opportunities affecting the entire industry or region that the issuer belongs to.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We engage on specific ESG themes across issuers and industries (e.g., human rights).	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other, describe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

FI 15.5

Indicate how your organisation ensures that information and insights collected through engagement can feed into the investment decision-making process.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	Securitised
Ensuring regular cross-team meetings and presentations.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Sharing engagement data across platforms that is accessible to ESG and investment teams.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Encouraging ESG and investment teams to join engagement meetings and roadshows.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Delegating some engagement dialogue to portfolio managers/credit analysts.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Involving portfolio managers when defining an engagement programme and developing engagement decisions.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Establishing mechanisms to rebalance portfolio holdings based on levels of interaction and outcomes of engagements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Considering active ownership as a mechanism to assess potential future investments.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other, describe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We do not ensure that information and insights collected through engagement can feed into the investment decision-making process.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

FI 15.6 Additional information.[OPTIONAL]

FI 16	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1,2
--------------	--	---------------	----------------------------	----------------

FI 16.1 Indicate if your publicly available policy documents explicitly refer to fixed income engagement separately from engagements in relation to other asset classes.

- Yes
 No

Outputs and outcomes

FI 17	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	General
-------	---	--------	---------------------	---------

FI 17.1 Indicate whether your organisation measures how your incorporation of ESG analysis in fixed income has affected investment outcomes and/or performance.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	Securitised
We measure whether incorporating ESG impacts portfolio risk.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
We measure whether incorporating ESG impacts portfolio returns.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We measure the ESG performance/profile of portfolios (relative to the benchmark).	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

FI 17.2 Describe how your organisation measures how your incorporation of ESG analysis in fixed income has affected investment outcomes and/or ESG performance. [OPTIONAL]

ESG factors are incorporated into our fundamental analysis and informs our internal forward rating, directly influencing security selection. We also routinely monitor the ESG profiles of our portfolios relative to the benchmark to see if we are taking more risk in an industry and what type of risk it is. For example we manage portfolios that require carbon intensity below benchmark levels by running a carbon footprint calculation.

FI 18	Voluntary	Public	Descriptive	PRI 1,2
-------	-----------	--------	-------------	---------

FI 18.1 Provide examples of how your incorporation of ESG analysis and/or your engagement of issuers has affected your fixed income investment outcomes during the reporting year.

Example 1

Type of fixed income
<input type="checkbox"/> SSA <input type="checkbox"/> Corporate (financial) <input checked="" type="checkbox"/> Corporate (non-financial) <input type="checkbox"/> Securitised
ESG issue and explanation
<p>In February 2019 Eldorado attempted to raise a new USD bond to repay maturing bank loans. We met with the new management team to determine if their governance practices had improved and weigh if these bonds warranted buying for AB portfolios. We have previously engaged with the former management team. After meeting with the company: AB's view did not change, and we continue to see glaring governance issues:</p> <p>The new CEO is a 25-year old who is a family member of the J&F Group</p> <p>The management nor offering documents presented any details on the J&F Group's leniency deals or ongoing corruption investigations</p> <p>There is still no resolution on these critical matters since the original bond deal was completed in 2016</p> <p>The bond's use of proceeds would pay-down bank loans that are guaranteed by J&F Group, an unsavory related-party transaction</p>
RI strategy applied
<input type="checkbox"/> Screening <input type="checkbox"/> Integration <input checked="" type="checkbox"/> Engagement <input type="checkbox"/> ESG incorporation in passively managed funds
Impact on investment decision or performance
<p>Finally, just before Eldorado was set to print the bond deal, it was stopped by an injunction from the 49% minority shareholder, the Indonesian Widjaja family. The Widjaja family brought a case to the courts of Singapore (the bonds were set to be listed on the Singapore Exchange) stating that Eldorado's offering documents were not correct; the documents both overstating income and underreporting corruption scandal risks.</p> <p>This is a unique fact pattern; a 49% shareholder would block a bond deal and make strong public allegations against Eldorado. AB believes the Widjaja family acted this way due to: understanding the extent of Eldorado's misdeeds and a deep animosity to the J&F Group.</p> <p>AB continues to avoid Eldorado risk.</p>

Example 2

Type of fixed income
<input type="checkbox"/> SSA <input type="checkbox"/> Corporate (financial) <input checked="" type="checkbox"/> Corporate (non-financial) <input type="checkbox"/> Securitised
ESG issue and explanation
<p>Suzano based in Brazil, is one the largest paper and eucalyptus pulp producers in the world. Its business units include forestry, cellulose, paper, biotechnology, Eucapluff, tissue and lignin. The Company produces hardwood pulp from eucalyptus and oversees eucalyptus and other planted forests surrounding the Amazon. Against the backdrop of intense focus on the Amazon fires and their global impact, AB reached out to Suzano in early August 2019 to better understand the companies environmental position given the significant increase in fires. As the largest forestry company in Brazil, Suzano owns significant amounts of land adjacent to the Amazon.</p> <p>In response to our engagement Suzano communicated the following directly to AB:</p> <p>Suzano has set aside approximately 40% of their land for forest conservation (925K hectares)</p> <p>Protects more land than they are legally required to do, specifically areas with: social and environmental attributes such as biodiversity (occurrence of endangered, rare and endemic species, etc.), extension of well-preserved forest fragments and of rare/threatened ecosystem)</p> <p>Suzano's forest restoration program is carried out in three Brazilian regions - the Amazon, Atlantic Rainforest and Cerrado. In ten years, more than 11 million native seedlings were planted, contributing to maintaining biodiversity</p>
RI strategy applied
<input type="checkbox"/> Screening <input type="checkbox"/> Integration <input checked="" type="checkbox"/> Engagement <input type="checkbox"/> ESG incorporation in passively managed funds
Impact on investment decision or performance
<p>Given Suzano's continued strong commitment to local environmental and social concerns in the Amazon region, AB engaged with their CFO and advocated that the company communicate this message to the wider market, particularly given the negative publicity and intense media scrutiny caused by the Amazon fires. On August 26, 2019, the company did indeed publish an important and widely circulated press release detailing Suzano's commitment to sustainable forest practices and the preservation of the Amazon. In that statement, Suzano declared "The company's commitment to preserving life, also by conserving native forests, reflects the practices that guide all the decisions taken by Suzano. Thus, it's opportune to state that Suzano defends the preservation of the Amazon biome, as it also defends the preservation of every other biomes, biodiversity, and peoples living in these regions." AB deemed their public statements to be a continuation of Suzano's transparency and commitment to embed ESG considerations into their corporate and environmental practices. Suzano's statement offered a declarative juxtaposition to 2019's Amazon deforestation, land burning and the Brazilian governments shift toward weaker environmental policy. AB continues to hold Suzano bonds, and in our analysis believe they are an exemplary corporate leader in environmental practices.</p>

Example 3

Type of fixed income
<input type="checkbox"/> SSA <input type="checkbox"/> Corporate (financial) <input checked="" type="checkbox"/> Corporate (non-financial) <input type="checkbox"/> Securitised
ESG issue and explanation
<p>ENI S.p.A (Italian multinational oil and gas company): We met the company executives and discussed ESG initiatives undertaken, plans to reduce emissions, and governance concerns. ENI has made significant investments across upstream, downstream and power generation (renewables) to reduce its carbon footprint. Some of the key initiatives/targets are as follows:</p> <p>Targeting net zero upstream scope 1 emissions by 2030</p> <p>Increasing proportion of gas production to 60% (from 50% in 2018) by 2030, in the process nearly doubling the LNG capacity</p> <p>Target to capture 20 MT/y CO2 by 2030 through direct investments in Forestry compared to ~22 MT/y CO2 emissions in 2018</p>
RI strategy applied
<input type="checkbox"/> Screening <input type="checkbox"/> Integration <input checked="" type="checkbox"/> Engagement <input type="checkbox"/> ESG incorporation in passively managed funds
Impact on investment decision or performance
<p>Management does not see any change in Italy's 30% indirect ownership. While the recently announced share buybacks will return cash to the government, ENI's governance framework remains robust as evidenced by dividend cuts implemented during downturn. However, ENI's significant level of operations in Asia and Africa is a concern, due to: 1) risks from unplanned downtimes in geo politically sensitive areas, and 2) corruption related risks. Notably, the company has been named by Nigerian authorities in relation to a bribery case. While management did not disclose specifics and progress of the case, they did note focus on lowering African exposure which can help lower these risks.</p>

Example 4

Type of fixed income
<input checked="" type="checkbox"/> SSA <input type="checkbox"/> Corporate (financial) <input type="checkbox"/> Corporate (non-financial) <input type="checkbox"/> Securitised
ESG issue and explanation
<p>Poland issued a green bond with a strong framework and compelling green projects that we invested in. During the post issuance review process, it was noted that Poland was planning to open its first coal mine in 25 years. We engaged with the Poland ministry of finance to talk about coal policy and emission reduction in light of them blocking the 2050 carbon neutrality targets for the EU.</p> <p>All they said is they have to comply with EU regulation and they will. Despite clearly stating in previous communication and in the invite subject the call was about coal, the person on the call said they didn't know / couldn't comment on What's the emissions reduction target and what's the roadmap</p> <p>Why are they opening new coal mines (he said he didn't know they were!) and how this ties in with the GHG reduction target</p> <p>What's the plan for reducing reliance on coal</p>
RI strategy applied
<input type="checkbox"/> Screening <input type="checkbox"/> Integration <input checked="" type="checkbox"/> Engagement <input type="checkbox"/> ESG incorporation in passively managed funds
Impact on investment decision or performance
<p>Only thing they mentioned is the scrapping of the energy ministry and creation of the climate ministry but nothing concrete. We deemed the responses unsatisfactory and noted their future plans were in stark contrast to the green bond issuance. Ultimately, we divested of the asset</p>

Example 5

	Type of fixed income
<input checked="" type="checkbox"/> SSA <input type="checkbox"/> Corporate (financial) <input type="checkbox"/> Corporate (non-financial) <input type="checkbox"/> Securitised	
	ESG issue and explanation
<p>The Cleveland Public Library (CPL) is the third-largest US public library with 27 branches. CPL seeks to be the "people's university" for Cleveland's communities through its dedication to community outreach and the improvement of residents' lives. The Book Bike. This traveling library has a checkout station, Wi-Fi access and a display for informational materials. It can carry between 30-40 books. Patrons can also search for titles in the vast catalog or sign up for library cards. High-Speed Internet. Free internet hotspots are available to library cardholders, offering unlimited, portable high-speed Wi-Fi in all CPL locations. CPL's hot spots target underserved neighborhoods where people most need internet access. Nutrition Program. The year-round CPL nutrition program provided 122,703 lunches and snacks for children in 2018. "Street Cards." Librarians collaborate with agencies, handing out "Street Cards" that list resources for housing, food and jobs.</p>	
	RI strategy applied
<input type="checkbox"/> Screening <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Engagement <input type="checkbox"/> ESG incorporation in passively managed funds	
	Impact on investment decision or performance
<p>Libraries are a vital community asset that provide a source of education, inclusion and opportunity for everyone-rich or poor. Nearly 70% of US public libraries report that they are the only free source of computer and internet access for the communities they serve. More than half of young adults and seniors living in poverty visit public libraries to access the internet to find work, apply to college, secure government benefits, learn about medical treatments and become more informed voters.</p> <p>Given our view that libraries are vital community assets, we invested.</p>	

AllianceBernstein

Reported Information

Public version

Confidence building measures

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Confidence building measures

CM1 01	Mandatory	Public	Additional Assessed	General
--------	-----------	--------	---------------------	---------

CM1 01.1 Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:

- Third party assurance over selected responses from this year's PRI Transparency Report
- Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year
- Third party assurance or audit of the correct implementation of RI processes (that have been reported to the PRI this year)
- Internal audit of the correct implementation of RI processes and/or accuracy of RI data (that have been reported to the PRI this year)
- Internal verification of responses before submission to the PRI (e.g. by the CEO or the board)
 - Whole PRI Transparency Report has been internally verified
 - Selected data has been internally verified
- Other, specify
- None of the above

CM1 02	Mandatory	Public	Descriptive	General
--------	-----------	--------	-------------	---------

CM1 02.1 We undertook third party assurance on last year's PRI Transparency Report

- Whole PRI Transparency Report was assured last year
- Selected data was assured in last year's PRI Transparency Report
- We did not assure last year's PRI Transparency report
- None of the above, we were in our preparation year and did not report last year.

CM1 02.3 Additional information [OPTIONAL]

AB conducted an internal audit on last year's PRI Transparency Report

CM1 03	Mandatory	Public	Descriptive	General
--------	-----------	--------	-------------	---------

CM1 03.1 We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:

- We adhere to an RI certification or labelling scheme

CM1 03.2 Which scheme?

- National SRI label based on the EUROSIF Transparency guidelines
- B-corporation
- UK Stewardship code

% of total AUM the scheme applies

- < 25%
- 25-50 %
- 50-70 %
- >75 %
- GRESB
- Commodity type label (e.g. BCI)
- Social label
- Climate label
- RIAA
- Other

Specify

Le Label ISR

% of total AUM the scheme applies

- < 25%
- 25-50 %
- 50-70 %
- >75 %
- We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year's PRI Transparency Report
- ESG audit of holdings
- Other, specify
- None of the above

CM1 04	Mandatory	Public	Descriptive	General
---------------	------------------	---------------	--------------------	----------------

CM1 04.1 Do you plan to conduct third party assurance of this year's PRI Transparency report?

- Whole PRI Transparency Report will be assured
- Selected data will be assured
- We do not plan to assure this year's PRI Transparency report

CM1 04.3 Additional information [OPTIONAL]

AB is conducting an internal audit of this year's PRI Transparency Report

CM1 06	Mandatory	Public	Descriptive	General
---------------	------------------	---------------	--------------------	----------------

CM1 06.1 Provide details of the third party assurance of RI related processes, and/or details of the internal audit conducted by internal auditors of RI related processes (that have been reported to the PRI this year)

What RI processes have been assured

- Data related to RI activities
- RI policies

Specify

Responsible Investment and Proxy Policies

- RI related governance
- Engagement processes
- Proxy voting process
- Integration process in listed assets
- Screening process in listed assets
- Thematic process in listed assets
- Manager selection process for externally managed assets
- Other

When was the process assurance completed(dd/ mm/yy)

31/03/2020

Assurance standard used

- IIA's International Standards for the Professional Practice of Internal Auditing
- ISAE 3402
- ISO standard
- AAF 01/06
- SSE18
- AT 101 (excluding financial data)
- Other

CM1 07

Mandatory

Public

Descriptive

General

CM1 07.1

Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed

Who has conducted the verification

- CEO or other Chief-Level staff
- The Board
- Investment Committee
- Compliance Function
- RI/ESG Team
- Investment Teams
- Legal Department
- Other (specify)