



December 13, 2021

Office of Regulations and Interpretations  
U.S. Department of Labor  
Employee Benefits Security Administration  
200 Constitution Ave NW  
Washington, DC 20210

***Re: Notice of Proposed Rulemaking on Prudence and Loyalty in Selecting Plan Investments and Exercising Shareholder Rights (RIN 1210-AC03)***

Dear Acting Assistant Secretary Ali Khawar:

AllianceBernstein L.P. (“AB” or “we”) provides research, diversified investment management and related services to diverse clients globally, including retirement plans. Our global team of research professionals, with disciplines including economic, fundamental equity and fixed income and quantitative analysis, deliver high-quality, in-depth research. It’s the foundation of our business, and we believe that it gives us a competitive advantage in achieving investment success for our clients.

Responsible investing is part of who we are. We’re a responsible firm with a deep research culture that integrates environmental, social and governance (ESG) considerations throughout our investing and proxy voting processes. As an investment adviser, we have a fiduciary duty to make investment decisions that are in our clients’ best interests. We believe ESG factors can be material financial factors in the investment-decision making process for our clients. We also believe that AB has an important role to play in engaging with regulators on ESG issues and we view opportunities to comment on emerging regulations as critical in our stewardship activities as asset manager for our clients.

AB would like to thank the Department of Labor (the “Department”) for its proposed rulemaking that recognizes that ESG factors can be material financial factors and for the opportunity to provide comment on the proposed rule on “Prudence and Loyalty in Selecting Plan Investments and Exercising Shareholder Rights” (the “Proposal”). AB generally supports the direction of the Proposal and believes that removing barriers for ERISA plan fiduciaries to incorporate ESG factors into their decision-making process will result in better outcomes for plan participants. Additionally, AB believes that further clarifications as described in the comment letter submitted by the Defined Contribution Institutional Investment Association (DCIIA) on December 10, 2021 would be helpful. We submit this comment letter in the hope that the final regulation, when issued, will take the DCIIA’s comments and our own comments into account.

Specifically, we’d like to add our support to the DCIIA’s comment letter and emphasize our strong belief that ERISA’s fiduciary standards should be principles-based so fiduciary decision-making can be guided by long-standing principles of prudence and loyalty. As such, we ask the Department to consider excluding specific, enumerated examples of ESG factors in (b)(4)



that may unintentionally signal that the enumerated factors are “more important” to consider than other ESG factors that are not included on the list, and to also consider eliminating the “tie-breaker” rule altogether as it is inconsistent with a principles-based approach and may inadvertently promote the idea that only one “best” investment or investment option exists.

More detail and support related to these points is provided in the DCIIA’s comment letter.

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AB appreciates the opportunity to provide our views on the Proposal and your consideration of suggestions.

Sincerely,

Michelle Dunstan  
SVP, Global Head of Responsible Investment

Jennifer DeLong  
SVP, Head of Defined Contribution