



ALLIANCEBERNSTEIN

UK Gender Pay Gap Report 2020-22



Introduction

Diversity, equity and inclusion (DEI) is a cornerstone of the culture at AllianceBernstein (AB). As an active investment manager we truly believe that a diverse mindset is necessary to success. It ensures fresh ideas and approaches, new perspectives and continuing innovation. We encourage our employees to be different and to flourish. As such, we are a keen patron of gender equality and are proud to employ colleagues from a wide range of backgrounds, experience, and capabilities. We are fully invested in everyone having an equal opportunity for career advancement.

As responsible investors, we recognise that what we ask of the companies in which we invest, we should also ask of ourselves. DEI creates key material social risks and opportunities, and engaging upon DEI issues is a priority at AB. Reviewing gender and ethnic diversity is an important element of assessing a business' quality. From 2020 to 2022*, AB investors held 760 distinct company engagements on diversity and inclusion issues, with 533 different companies. We also supported calls for disclosure of workplace diversity and gender pay equity, and have chosen to produce our UK Gender Pay Gap Report to reflect this best practice, as well as the growing size of our business.

We like to think of “diversity” as a fact, “inclusion” as a choice, and “equity” as the goal. We believe the work being done in our firm to create meaningful experiences for our people will ultimately lead to improved diversity statistics over time, and we are proud to share the achievements of our EMEA AB DEI Champions Council, DEI initiatives, and Employee Resource Groups (ERGs) for 2022.

In 2022 we held nine events and education seminars throughout the year to raise awareness of identity in the workplace and continue to cultivate an inclusive community at AB. Working closely with our Employee Resources Groups these covered themes including LGBTI inclusion, cognitive diversity, women in trading, Black history, the experiences of female chief investment officers, and parental leave and benefits.

We refreshed the objectives of our EMEA AB DEI Diversity Champions Council and undertook best practice and benchmarking analysis leveraging The Diversity Project and Women in Finance Charter. These learnings have fed into new priorities being established for the EMEA Leadership Council, senior leadership accountability, board composition and governance, and our People team.

*1 Jan 2020 to 31 Dec 2022

We have also continued to invest in community partnerships including Big City Bright Future, Investment 20/20 and AB Day of Service, to ensure we have a strong pipeline of diverse female talent being provided with the opportunities to develop, learn and pursue their career ambitions.

This year's Gender Pay Gap Report is AB's fourth report of our UK gender pay gap data, measuring the difference between the aggregate pay for all men and women. During the pandemic this report was not published, therefore this report covers three years: 2020, 2021 and 2022.

While women and men continue to be paid equally for performing equivalent roles in our business, we continue to have a gender pay gap. This is because we, like many other investment managers, currently have more men than women in investment, leadership and senior roles across our UK business. AB has a relentless focus on increasing the number of women in senior positions and we are confident that our gender pay gap does not result from a disparity in pay levels for equivalent roles. Throughout 2021 and 2022 we hired over 10 outstanding women into a variety of senior and mid-level roles which has improved our gender balance, and we continue to ensure our recruitment and talent retention processes are non-biased and inclusive. Our efforts have resulted in the average pay gap has declining by 6% and our bonus pay gap has decreasing by 10% since 2019. We also have a clear pay and performance structure which is based on meritocracy, irrespective of gender.

AB is completely committed to closing this gap and to equal opportunities for both genders ensuring compliance with equal pay legislation. We are proud of the female talent that make up the leadership of our business, and to close the gender pay gap we must achieve better representation of women in senior positions, particularly in our investment teams. That is the goal we continue to work towards.

We believe the activities underway to create meaningful experiences for our people will ultimately lead to improved diversity statistics over time, and we are proud to share the achievements of our DEI Champions Council, DEI initiatives, and Employee Resource Groups (ERGs) for 2022 in more detail throughout this report.

We continue to level the playing field in the UK and across our wider EMEA business, utilizing the newly formed EMEA Leadership Council to further advance continuous employee development, recruitment approaches, employee-led initiatives and flexible working practices. These are all elements identified as areas impacting the career progression of our female talent, and we have renewed confidence that over time these initiatives will help us to attract, retain and develop the diverse talent we need to keep our business moving forward and address our UK Gender Pay Gap.



Ian Foster
Chief Operating Officer
(EMEA)



Karen Watkin
SVP/Portfolio Manager



Jodie Tapscott
VP/Director of Strategy,
Responsible Investing



Cassie Synnott
Head of People,
EMEA & APAC

Gender Pay Reporting

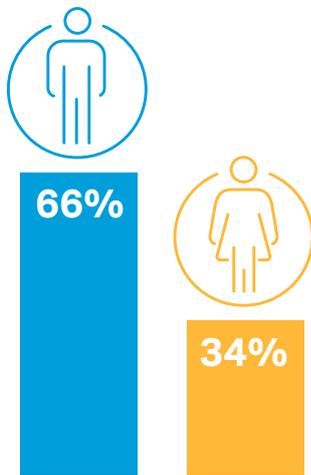
The gender pay gap is a measure of the difference between the average pay and bonus of men and women across an organization irrespective of role and seniority.

This is different to equal pay, which is the legal requirement to pay the same to men and women who are doing work of equal value.

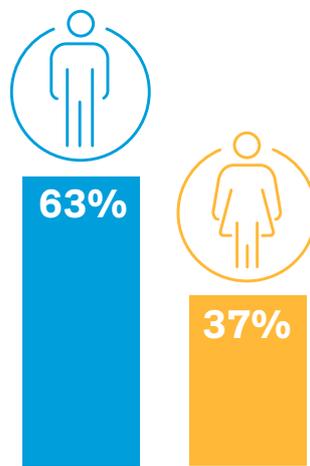
Who is Included in the Data?

The data includes the mix of men and women that form our permanent UK workforce as at 25th April for the stated period. The mean and median pay are based on what was paid in the April payroll for the stated period.

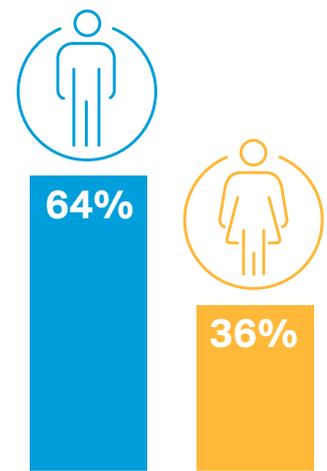
UK Workforce 2020



UK Workforce 2021

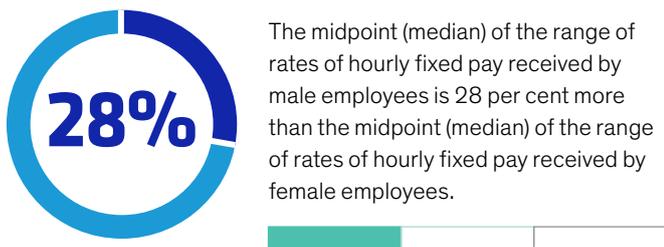


UK Workforce 2022

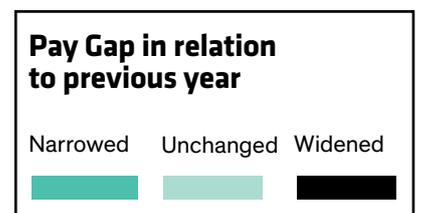
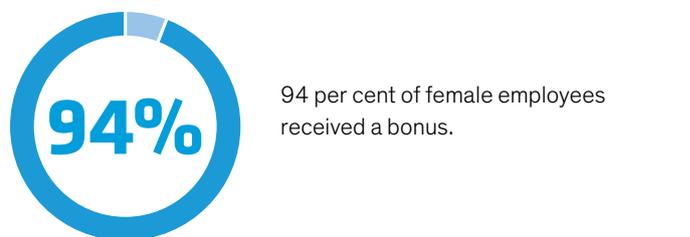
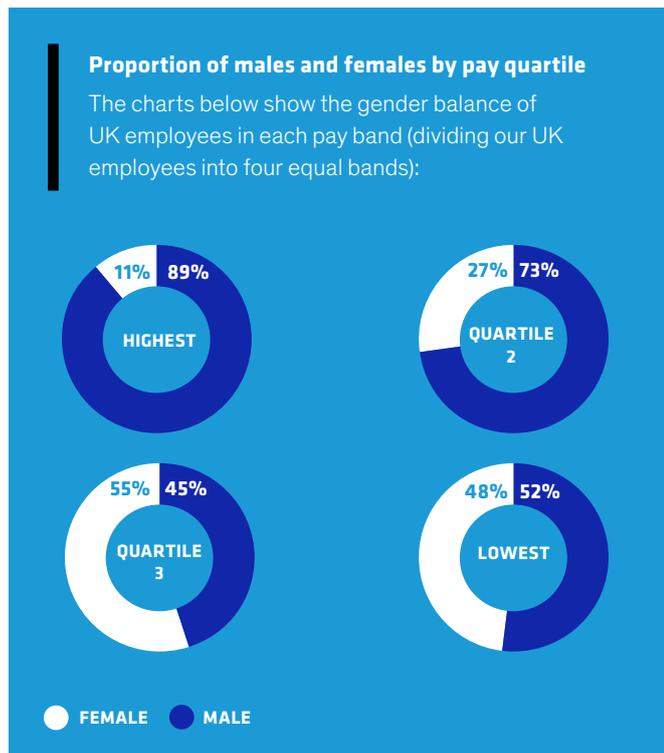
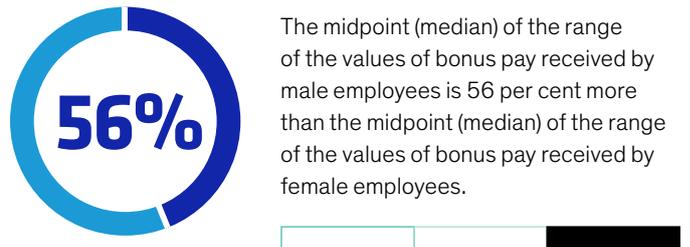


UK Gender Pay Gap For 2020

UK Fixed Pay

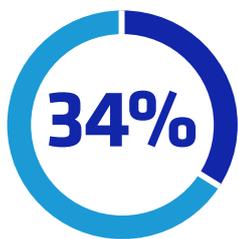


UK Bonus Pay

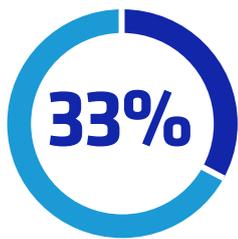


UK Gender Pay Gap For 2021

UK Fixed Pay



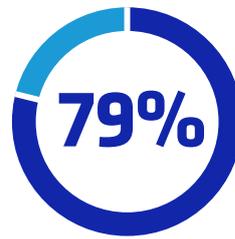
The average (mean) hourly rate of fixed pay received by male employees is 34 per cent more than the average (mean) hourly rate received by female employees.



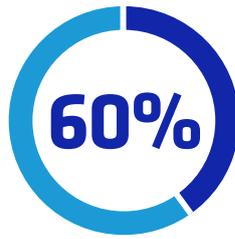
The midpoint (median) of the range of rates of hourly fixed pay received by male employees is 33 per cent more than the midpoint (median) of the range of rates of hourly fixed pay received by female employees.



UK Bonus Pay



The average (mean) value of bonus pay received by male employees is 79 per cent more than the average (mean) value of bonus pay received by female employees.



The midpoint (median) of the range of the values of bonus pay received by male employees is 60 per cent more than the midpoint (median) of the range of the values of bonus pay received by female employees.



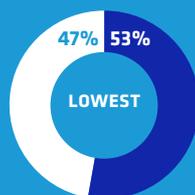
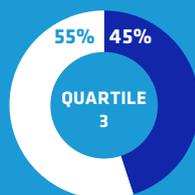
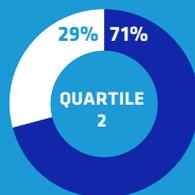
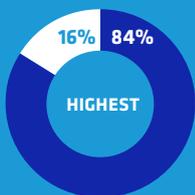
90 per cent of male employees received a bonus.



92 per cent of female employees received a bonus.

Proportion of males and females by pay quartile

The charts below show the gender balance of UK employees in each pay band (dividing our UK employees into four equal bands):



● FEMALE ● MALE

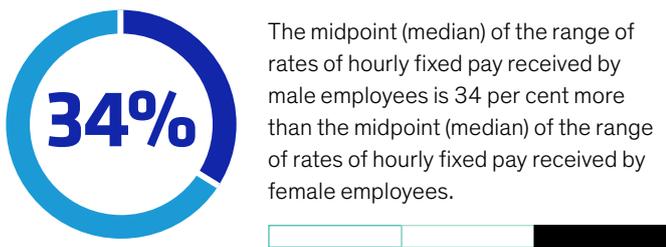
Pay Gap in relation to previous year

Narrowed Unchanged Widened

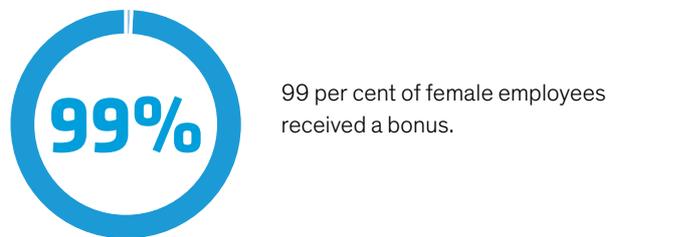
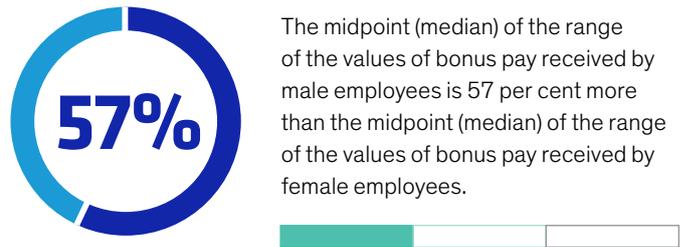
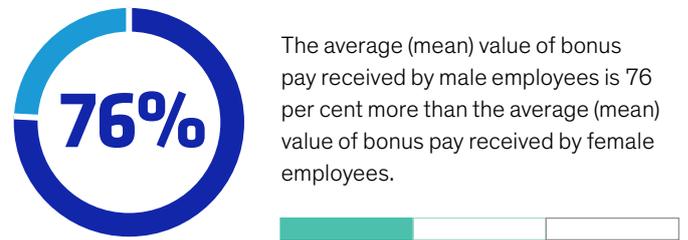


UK Gender Pay Gap For 2022

UK Fixed Pay

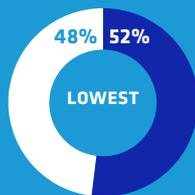
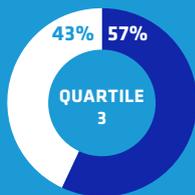
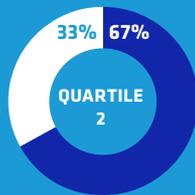
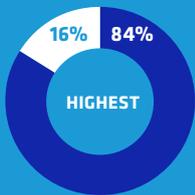


UK Bonus Pay



Proportion of males and females by pay quartile

The charts below show the gender balance of UK employees in each pay band (dividing our UK employees into four equal bands):



● FEMALE ● MALE

Pay Gap in relation to previous year

Narrowed Unchanged Widened

Narrowed	Unchanged	Widened
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Our Challenges with the Gender Pay Gap



Since 2019 the mid point (median) of the bonus pay gap increased to 56% in 2020 from 28% in 2019 before slightly increasing again to 57% in 2022. This has been attributed to new teams being established in the UK which have a high number of senior male employees. The mean bonus pay gap has decreased by 4% since 2019.



The Pay Gap remains consistent although the average gap has declined by 5% since we first measured the gap in 2017.



We conclude that our goal to achieve better gender balance is progressing slowly across many levels of our business. Our priority is to continue to provide the opportunities and working environment for more women to advance into the most senior leadership, investment management and distribution roles which dominate the highest-paying quartile. 2022 has seen us refocus our efforts to find solutions we can work towards to address the gap over the medium to long term.

AB is aware of our gender pay gap and continue to target improvement through accountability, recruitment, development opportunities and other key initiatives across our business.

These pay figures highlight the demographic challenges not only within our UK business, but those of the wider asset management industry as a whole. We are pleased to have made good progress with hiring, and reducing the average and bonus pay gaps, but e our continuing challenge is with the disparity in pay at the highest-paying quartile.

This continues to be predominantly due to:

- **Fewer women in senior positions within the firm than men;**
- **More women than men in administrative and support roles;**
- **Fewer women in roles with higher incentive opportunities which has an impact on our bonus gap.**

While we are maintaining a relentless focus on increasing the number of women in senior positions in our firm, we are confident that our gender pay gap does not result from a disparity in pay levels for equivalent roles. We have a clear pay and performance structure which is based on meritocracy, irrespective of gender. AB is completely committed to equal opportunities for both genders ensuring compliance with equal pay legislation.



Ongoing Focus - Levelling the Playing Field

AB is committed to reducing our gender pay gap, with recruitment, accountability, and talent development being the key elements to our success.

The way we can achieve the greatest impact is to maintain our efforts of supporting our female staff to attain senior and highly-remunerated roles. We are therefore sharpening our focus on:

1. Encouraging and supporting women to progress into senior leadership roles;
2. Building a strong pipeline of junior female talent in all areas of our business; and
3. Creating a flexible and supportive working culture that supports the needs of a diverse workforce and so better enables women to progress in their careers.

In addition, a wide variety of **ongoing** and **new** initiatives aimed at levelling the playing field include:

Senior Leadership Accountability

- Senior Level Buy-In: AB's entire Global Operations Committee and Board of Directors are committed to the criticality of a Diversity and Inclusion culture
- The Board composition for our UK business now reflects a more even balance between males and females. This signals our aspiration to achieving gender equality at senior levels.
- Refreshed the objectives of the EMEA AB DEI Champions Council: a team of senior leaders charged with championing diversity, equity and inclusion efforts at AB globally by leading the efforts of either a specific business unit or the efforts of a specific demographic group (including women, people of colour,

and LGBTI etc). A key purpose of the Council is to instil accountability at the senior leadership level to ensure AB is making every effort to increase diversity and improve inclusion across our firm.

- We have a dedicated Chief Diversity Officer and DEI SBU who work with senior leadership and our People team worldwide to drive the four strategic pillars of recruitment, senior leadership accountability, development of diverse talent, and increasing brand visibility.
- The EMEA Leadership Council will use its first Global Operating Committee update to socialise the challenges of the Gender Pay Gap with the senior leadership of AB with a particular focus on Investment and Distribution SBU Heads.
- The EMEA Leadership Council are also working to establish a mechanism to identify and support high performing talent through the promotion process in collaboration with SBU heads overseas.

Continuous Employee Development

- EMEA rollout of the Career Catalyst program - AB's Career Catalyst Program is currently an US and APAC based six-month initiative that pairs Senior Vice President level colleagues with ethnically diverse and female Vice President aspiring leaders. These senior colleagues play the role of a coach, providing the participants with guidance around focusing on their career development. This successful program will be rolled out in EMEA in 2023 and is designed to provide the participants with the tools they need to manage their own career development.



- Senior Vice President Women's Offsites – these events work towards cultivating an inclusive and diverse environment in which women can build and expand on their leadership roles. The offsite provides an opportunity for Senior Vice President women across the globe to come together to focus on topics that are relevant and meaningful while also engaging in professional development. Past offsite topics have focused on executive presence, gravitas, the power of your voice, and communicating your commercial impact.
- The Chartered Financial Analyst (CFA) qualification is key to advancing into more senior and highly-remunerated roles. AB provides an incentive program for all employees to assist with staff members who wish to undertake the CFA.

Diversity and Inclusion Initiatives

- AllianceBernstein Limited are in the process of signing up for the Women in Finance Charter, the Charter commits firms to supporting the progression of women into senior roles by focusing on the pipeline at the mid-tier levels. The Charter will also lead us to set targets around gender diversity on which we will need to publish annual progress.
- AllianceBernstein Limited are now members of The Diversity Project. The Diversity Project is a cross-company initiative championing a more inclusive culture across the Financial Services Industry to create a truly diverse and inclusive industry with the talent to deliver the best possible results for their clients and to reflect the society they serve. It aims to address diversity in its broadest sense.



Recruitment

- We work with diversity-focused search firms who help us think creatively about how we shape roles to attract senior female talent.
- We will be holding mandatory refresher training for all hiring managers to ensure they understand the requirements of a diverse recruitment process.
- Hiring managers will be required to collect metrics around the recruitment process which we plan to report as part of this report each year.
- We have initiated a formal selection process for all Senior Vice President roles within each business area. This will ensure diversity of the candidate slate, a platform to thoroughly consider diverse candidates against firm hiring goals and, ultimately, establish a culture of inclusion when discussing candidate's skills, experience and capabilities.

Employee-Led Initiatives

- We leverage our multiple Employee Resources Groups (ERGs) to drive engagement of our diverse talent and promote an inclusive workplace. In particular, our Synergy groups are dedicated to cultivating an inclusive and diverse environment in which women at AB can build and expand their leadership roles. Through women-led initiatives, this ERG works together with both female and male colleagues to promote a dynamic culture of mentoring, networking, motivating and empowering women and assisting with career advancement.

Other Initiatives

- Through our work that works program we now offer all employees greater flexibility as to where they work with both the 3/2 office vs home and flex hours policies.
- We continue to support enhanced flexible working practices and more agile ways of working which allows our employees more control over when, where and how they work.

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