

# ALLIANCEBERNSTEIN CORPORATION

## CHARTER OF THE AUDIT AND RISK COMMITTEE OF THE BOARD OF DIRECTORS *(as adopted on September 23, 2020)*

### I. PURPOSE

The primary purposes of the Audit and Risk Committee (the “Committee”) are to (i) assist the Board of Directors (the “Board”) of AllianceBernstein Corporation (the “Corporation”) in its oversight of (1) the integrity of the financial statements of AllianceBernstein L.P. (“AB”) and AllianceBernstein Holding L.P. (“AB Holding” and, together with AB, the “Partnerships”), (2) the effectiveness of the Partnerships’ internal control over financial reporting and the Partnerships’ risk management framework and risk mitigation processes, (3) the Partnerships’ status and system of compliance with legal and regulatory requirements and business conduct, (4) the independent auditor’s qualification, independence and performance, and (5) the performance of the Partnerships’ internal audit function, and (ii) oversee the appointment, retention, compensation, evaluation and termination of the independent auditor. Consistent with this function, the Committee should encourage continuous improvement of, and should foster adherence to, the Partnerships’ policies, procedures and practices at all levels. With respect to these matters, the Committee will provide an open avenue of communication among the independent auditor, senior management, the Internal Audit Department and the Board.

The Committee will fulfill these responsibilities primarily by carrying out the activities enumerated in this Charter on behalf of the Corporation, AB, AB’s wholly-owned subsidiaries (including Sanford C. Bernstein Limited and Autonomous Research LLP) and AB Holding.

### II. COMPOSITION

The Committee shall comprise at least three members:

- Each shall be a director of AllianceBernstein Corporation.
- Each shall be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee. Such independence shall satisfy the requirements of the New York Stock Exchange (“NYSE”) listing standards, the Securities Exchange Act of 1934, as amended, and the Securities and Exchange Commission (“SEC”).
- Each shall be financially literate, as such qualification is interpreted by the Board in its business judgment, or such member must become financially

literate within a reasonable period of time after his or her appointment to the Committee.

- At least one member of the Committee shall be an “audit committee financial expert” in accordance with SEC rules, as the Board interprets such qualification in its business judgment.
- Each shall not simultaneously serve on the audit committee of more than two other public companies, unless the Board determines that such simultaneous service does not impair the ability of such member to effectively serve on the Committee.

The members of the Committee shall be elected by the Board with the assistance of the Corporate Governance Committee of the Board. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

### **III. MEETINGS**

The Committee shall have at least one regularly-scheduled meeting each calendar quarter and such additional meetings as circumstances dictate. The Committee shall meet periodically in executive sessions, and in separate sessions with management (including members of the Finance Department, the Legal and Compliance Department, the Risk Management Department, and any other department as requested by the Committee), with the Chief Audit Officer, and with the independent auditor, to discuss any matters that the Committee or each of these groups believes should be discussed privately. Minutes will be taken and copies maintained in the Partnerships’ records for each Committee meeting.

The Committee is governed by the same rules regarding meetings (including meetings by conference telephone or similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. The Committee is authorized and empowered to adopt its own rules of procedure not inconsistent with (a) any provision of this Charter, (b) any provision of the By-laws of the Corporation, (c) any provision of the respective Amended and Restated Agreements of Limited Partnership of AllianceBernstein L.P. and AllianceBernstein Holding L.P., or (d) the Laws of the State of Delaware.

### **IV. RESPONSIBILITIES AND DUTIES**

The Committee’s role is one of oversight, which it performs primarily by discussing at meetings of the Committee, information, reports, statements, opinions and financial data prepared or presented by the Partnerships’ management, counsel, internal and independent auditors and other professionals or experts. The Partnerships’ management is responsible for preparing the Partnerships’ financial statements and for developing and maintaining systems of internal controls and a risk management

framework, which includes cybersecurity policies and procedures. The Committee also recognizes that management and the internal and independent auditors have more knowledge and information about the Partnerships than do Committee members. Consequently, in carrying out its oversight responsibilities, the Committee is not providing any expert or special assurance as to the Partnerships' financial statements, internal controls, risk management framework or any professional certification as to the independent auditor's work.

In carrying out its responsibilities, the Committee's policies and procedures should remain flexible to react nimbly to changing conditions and to ensure that the Partnerships' accounting, auditing and reporting practices, and the internal control environment and risk management framework of the Partnerships, are of the highest quality.

**A. General**

1. The Committee shall report regularly to the Board significant matters discussed at Committee meetings and any actions taken by written consent without a meeting.
2. The Committee shall discuss with the Chief Audit Officer and the independent auditor the coordination of audit effort to assure completeness of coverage and the effective use of audit resources.
3. The Committee shall discuss with the Chief Risk Officer, the General Counsel and the Chief Compliance Officer their coordination of efforts to identify and mitigate material risks to the Partnerships.
4. The Committee shall discuss this Committee charter annually and recommend amendments to the Board as considered necessary or desirable.
5. The Committee shall annually evaluate its own effectiveness and provide a report of that evaluation for the Board.

**B. Financial Reporting and Internal Controls**

1. The Committee shall review the results of management's testing of internal controls over financial reporting designed to assure the integrity of the Partnerships' financial statement disclosures and discuss with management, the Chief Audit Officer and the independent auditor the adequacy and effectiveness of the Partnerships' internal controls, including any significant internal control deficiencies or material weaknesses and any fraud involving management or others significantly involved in the Partnerships' internal controls and procedures. Additionally, the Committee shall elicit from management, the Chief Audit Officer and the independent auditor any recommendations for the improvement of such internal control procedures or

particular areas where new or more detailed controls or procedures are desirable.

2. Prior to the release of the Partnerships' fourth quarter earnings and the filing of their Annual Reports on Form 10-K, the Committee shall discuss with management and the independent auditor the following matters contained in Form 10-K: the audited financial statements, Management's Discussion and Analysis of Financial Condition and Results of Operations, the disclosure of management's internal control assessment and the independent auditor's attestation thereof required by Section 404 of the Sarbanes-Oxley Act of 2002 ("SOX"), the CEO and CFO certifications under Section 302 of SOX and disclosure of fees paid to the independent auditor. The Committee shall discuss with the independent auditor any significant audit problems or difficulties and management's response thereto, including the matters required to be discussed by Public Company Accounting Oversight Board ("PCAOB") Auditing Standard 1301, "*Communications with Audit Committees.*" The Committee shall discuss with the independent auditor its report on all critical accounting policies and practices to be used, all alternative treatments within U.S. generally accepted accounting principles ("GAAP") for policies and procedures relating to material items that have been discussed with management, and all other material written communications between the independent auditor and management (such as any management letter or schedule of unadjusted differences). Based on the discussions noted above, the Committee shall determine whether to recommend to the Board that the Partnerships' audited financial statements be included in the Partnerships' Forms 10-K.

Prior to the release of the Partnerships' first, second and third quarter earnings and their filing of Quarterly Reports on Form 10-Q, the Committee shall discuss with management and the independent auditor the interim financial statements, Management's Discussion and Analysis, and the CEO and CFO certifications contained in Form 10-Q. The Committee shall discuss with management and the independent auditor the matters described in PCAOB Auditing Standard 4105, "*Reviews of Interim Financial Information.*"

3. The Committee shall advise management and the independent auditor that they are expected to provide the Committee with a timely analysis of significant issues relating to accounting, financial statement presentation, significant changes to selection and application of accounting principles, special audit steps taken in response to material control deficiencies, use of alternative GAAP methods and off-balance sheet structures and the use of non-GAAP financial measures.
4. The Committee shall discuss with management and the independent auditor the results of the annual financial statement audit, including:

- a. the qualitative judgments of management and the independent auditor about the appropriateness of accounting principles and financial disclosure practices used or proposed to be adopted by the Partnerships and, particularly, about the reasonableness of the Partnerships' accounting principles and underlying estimates;
  - b. any audit problems, difficulties or disputes encountered by the independent auditor during the course of the audit and management's response; and
  - c. other matters related to the conduct of the audit which are to be communicated to the Committee under Generally Accepted Auditing Standards.
5. The Committee may discuss with the independent auditor and management such other matters as the Committee deems necessary or appropriate.

**C. Independent Auditor Activities**

The Committee shall be responsible for the appointment, retention, compensation, evaluation, and termination of the independent auditor, which shall report directly to the Committee. In this regard, the Committee shall:

1. Appoint annually the independent auditor to audit the consolidated financial statements of the Partnerships and their subsidiaries and to perform related work.
2. Meet with the independent auditor, management and the Chief Audit Officer to discuss the scope of the proposed audit for the current year and the audit procedures to be utilized.
3. Obtain at least annually from the independent auditor a report describing the independent auditor's internal quality-control procedures, any material issues raised by the most recent internal quality control review, or review by the PCAOB, of the independent auditor, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the independent auditor, and any steps taken to deal with any such issues.
4. Monitor and evaluate the independence, qualifications and performance of the independent auditor through such activities as it deems appropriate, including the following:
  - a. discussing the nature of and fees paid for audit and non-audit services provided by the independent auditor, categorized by audit fees, audit

related fees, tax fees and all other fees as defined by SEC rules for disclosure in Form 10-K;

- b. receiving annually from the independent auditor a formal written statement, consistent with PCAOB Rule 3526, delineating all relationships between the independent auditor and the Partnerships, the Partnerships' subsidiaries, the Partnerships' affiliates and any entity for which a Partnership or subsidiary acts as investment adviser or manager (including without limitation any mutual fund, hedge fund or structured product), and discussing with the independent auditor any disclosed relationships or services that may impact the objectivity and independence of the independent auditor. The statement shall include the identity of key persons on the Partnerships' audit engagement team and the length of time each such person has served on the audit engagement team;
  - c. receiving reports regarding compliance with the Non-Audit Services Policy in effect from time to time;
  - d. discussing in advance and pre-approving all audit and non-audit service engagements with the independent auditor pursuant to preapproval policies and procedures established by the Committee. The Committee will consider potential conflicts of interests and/or impairment of independence issues in connection with these engagements. The Committee Chair, acting alone, shall have the authority to approve non-audit services with fees that do not exceed \$100,000; provided that all such approvals are reported to all members of the Committee no later than the next meeting of the Committee; and
  - e. setting clear hiring policies for employees and former employees of the independent auditor to avoid potential conflicts of interest and/or impairment of independence issues.
5. Resolve any disagreement between the independent auditor and management.

**D. Internal Audit Activities**

The Chief Audit Officer shall have functional reporting responsibilities to the Committee, administratively report to the Chief Executive Officer and be subject to the oversight of Equitable Holdings, Inc. Audit. The Committee shall consider and discuss with the Chief Audit Officer such matters as it deems appropriate, including:

1. The annual Internal Audit Plan, and the coordination of such plan, where possible, with the independent auditor;
2. Quarterly summary reports of internal audits completed and in progress;

3. Significant audit comments, recommendations, and conclusions, including management's responses and the status of previous Internal Audit issues and recommendations;
4. The Internal Audit Department's charter, organizational structure, responsibilities, activities and budget, including adequacy of Internal Audit staffing and other resources; and
5. Compliance with the Internal Audit Charter and the effectiveness of the internal audit function, including compliance with the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing.

Additionally, the Committee shall carry out the following responsibilities:

1. Have final authority to review and approve the annual audit plan and all significant changes to the audit plan, and to ensure that the responsibilities and functions of the Chief Audit Officer are carried out.
2. Review and concur in the appointment, replacement, or dismissal of the Chief Audit Officer.
3. Provide input to the annual performance evaluation and compensation of the Chief Audit Officer.
4. On a regular basis, meet separately with the Chief Audit Officer to discuss appropriate matters.

**E. Risk Management, Legal and Compliance Oversight**

1. The Committee shall obtain and review quarterly reports from members of the Risk Management Department, including the Chief Risk Officer, who has a reporting line to the Committee. These reports shall cover the Partnerships' policies and practices with respect to company-wide risk assessment and risk management, including aspects of investment risk, counterparty risk and operational risk, such as cybersecurity, that are significant to the Partnerships' business. These reports also shall cover the Partnerships' risk mitigation processes, including the Partnerships' preparedness for managing and mitigating cyber threats and process for ensuring that relevant information regarding cybersecurity risks and incidents is reported to appropriate personnel.

Prior to the release of the filing of the Partnerships' Annual Reports on Form 10-K, the Committee shall consider the Risk Factor disclosure included in such Reports in light of the information communicated to the Committee by the Risk Management Department quarterly.

2. The Committee also shall obtain and review quarterly reports from members of the Legal Department, including the General Counsel. These reports shall summarize pending or threatened material litigation, if any, to which the Corporation, the Partnerships and/or AB's subsidiaries may be subject, and regulatory enforcement matters, if any, currently being brought against AB or its subsidiaries.
3. In addition, the Committee shall obtain and review quarterly reports from members of the Compliance Department, including the Chief Compliance Officer. These reports shall include summaries of policies and practices with respect to the Partnerships' compliance with the various laws and regulations to which the Partnerships' operations are subject. The Committee also shall receive quarterly reports regarding compliance with the codes of ethics and business conduct (including operating policies and procedures) to which the Partnerships and their employees are subject.

**F. Complaint Handling Procedures**

The Committee is responsible for establishing procedures for the receipt, retention and treatment of (1) complaints regarding the Partnerships' accounting, internal controls, auditing matters, risk management policies and procedures, and/or compliance policies and procedures, (2) confidential and anonymous submissions by the Partnerships' employees of concerns regarding questionable accounting or auditing matters and/or possible violations of risk management or compliance policies, and (3) reports of evidence of material violations of law by attorneys pursuant to Section 307 of SOX.

**V. AUTHORITY**

**A. Management**

To fulfill its duties, the Committee may at any time in its discretion request any information it desires from the Partnerships, including calling any employee to provide information at a meeting of the Committee, with the understanding that the Committee shall have full access to all books, records, facilities and personnel of the Partnerships.

**B. Advisers**

To fulfill its duties, the Committee also may at any time in its discretion engage independent counsel and other advisers as the Committee deems necessary to carry out its duties. The Partnerships and AllianceBernstein Corporation shall provide for appropriate funding, as determined by the Committee, for payment of compensation to such counsel and other advisers.