



2014

CORPORATE RESPONSIBILITY REPORT

Working Toward a Better Future



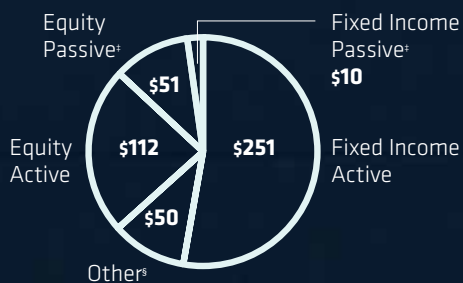
[AHEAD OF TOMORROW]

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

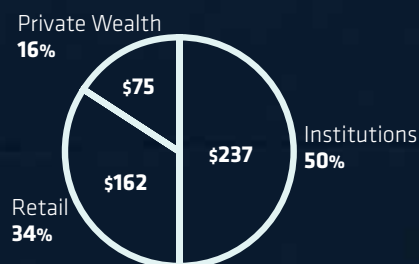
Every decision we make is guided by our shared values of relentlessness, ingenuity, collaboration and accountability—values at the heart of our commitment to corporate responsibility.

ASSETS UNDER MANAGEMENT (\$474 BILLION*)

By Investment Service (\$ Bil.)



By Channel (\$ Bil.)



By Client Location (\$ Bil.)



KEY FACTS

\$474*
BILLION IN ASSETS
UNDER MANAGEMENT

MORE THAN
45
YEARS OF
EXPERIENCE

OFFICES IN
22
COUNTRIES AND
46 CITIES

3,487†
EMPLOYEES

A2/A+
CREDIT RATING

PRI
SIGNATORY TO
THE PRINCIPLES
FOR RESPONSIBLE
INVESTMENT



* As of 12/31/2014

† Full-time employees

‡ Includes index and enhanced index services

§ Includes multi-asset solutions and services
and certain alternative investments

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**MOVING
TOWARD
TOMORROW**

MESSAGE FROM THE CEO

The world is changing, and it's changing fast. Society, industries and markets are constantly evolving, so we have to evolve as a firm, too. In this environment, acting responsibly as an organization is more important than ever. It's what helps us keep our clients ahead of tomorrow, and it allows us to attract and develop the right talent to meet that objective. That's why I'm pleased to introduce our first *Corporate Responsibility Report*. It provides a scorecard of what we're doing as a firm to build a diverse global workforce, engage with our communities and ensure sustainable operations—all critical factors in our ability to serve our clients responsibly.

As a leading investment management and research firm, we create innovative solutions tailored to the unique needs of our clients and designed to deliver the best outcomes possible. People around the world depend on us to design and implement strategies to help them send their kids to college, plan for a comfortable retirement and give their families the long-term financial security they desire. To be most effective for our clients, we need to be unconstrained—in how we think, partner with clients, collaborate internally and make investment decisions. As CEO, it's my duty to clear any behavioral or cultural barriers that stand in our way—to eliminate bias and encourage all types of diversity and ingenuity. At AB, we're open, we ask a lot of questions and we explore new ideas. We collaborate to earn the trust of all our stakeholders, while striving to build the firm of the future.

Our people are instrumental in this effort, so we choose them wisely. We look for intellectual curiosity and innovative thinking from all backgrounds and experiences. We work constantly to cultivate a diverse, inclusive workforce with wide-ranging perspectives and skill sets. Through our 16 Employee Resource Groups around the world,

our people continually develop new programs and initiatives to raise issues, share ideas and encourage diversity of thought. By taking a collaborative and unconstrained approach, we can examine every angle of an issue to arrive at a thoroughly vetted solution.

This approach helps us make the right investment decisions as well. Simply paying attention to a company's margins or earnings in evaluating potential investments is a limiting viewpoint. We have to look deeper. We need to search for factors that drive good behavior in management, and look beyond biases and simple investment screens that may restrict our thinking. Carefully examining environmental, social and governance (ESG) issues allows us to integrate new insights into our research, investment decisions and proxy voting. To make sure we're doing it right, our Responsible Investment Committee, our full-time ESG Analyst and our Head of Responsible Investment provide essential oversight.

Beyond our firm, we embrace opportunities to engage with our communities and help the environment. In 2014, AB and its employees donated more than \$7 million and devoted thousands of hours of service to various community and environmental initiatives around the world. We're proud of the contributions we've made, although we recognize that there's always more we can do.

We will do more. With this inaugural *Corporate Responsibility Report*, we're holding a mirror up to ourselves to reveal how much we've accomplished so far and, more importantly, how much we still have to do to model the corporate behaviors we look for as investors. We're holding ourselves accountable for where we stand today and where we plan to be tomorrow. And we ask that you hold us to this as well.



Peter S. Kraus
Chairman of the Board and
Chief Executive Officer

FOSTERING RESPONSIBLE GOVERNANCE

OUR VISION

AB's vision is to be the most trusted investment firm in the world. Our people live this vision every day by drawing upon the following set of shared behaviors that inform our actions and decisions.

Relentlessness: We tenaciously pursue our goals and persevere through challenges.

Ingenuity: We exercise creativity, challenge convention, solve problems and get results.

Collaboration: We pull together to share our resources and support each other unconditionally.

Accountability: We take personal responsibility for setting and achieving professional goals.



AB'S BOARD AND COMMITTEES

AB's Board of Directors oversees the strategic direction of the firm. The board currently consists of 13 members, including our CEO, eight independent directors and four senior executives of our majority shareholder, AXA—the holding company for an international group of insurance and related financial services companies. We believe that an effective board consists of a diverse group of individuals, who collectively possess a variety of the complementary skills and perspectives needed to successfully guide AB.

AB's Board of Directors has five standing committees—an executive, audit, compensation, corporate governance and special committee.

For complete information on our governance structures and policies, please visit the Corporate Governance section of our website (ABglobal.com), and review Item 10 of our Form 10-K for the year ended December 31, 2014, which can also be found on our website under Investor & Media Relations.

OUR ROLE AS A FIDUCIARY

We maintain that a robust fiduciary culture is the only acceptable and right way to do business. As a fiduciary, we place the interests of our clients first and foremost. We are committed to the fair and equitable treatment of all our clients. We're also committed to compliance with all applicable rules, regulations and internal policies for our business.

We pursue these goals by educating our employees to promote awareness of our fiduciary obligations. We also provide incentives that align employees' interests with those of our clients. We implement a range of measures, including active monitoring, to ensure regulatory compliance.

REGULATORY COMPLIANCE

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

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

ENSURING SECURITY AND BUSINESS CONTINUITY

The integrity and security of client information is essential in a connected world. All of our websites are third-party tested, and state-of-the-art software secures our information technology infrastructure from viruses and other intrusions.

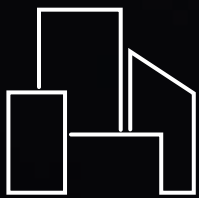
We've also adopted a comprehensive business continuity strategy in the event of disruptions or technical failures. Whether facing severe weather or a global pandemic, AB maintains critical functions in a way that's designed to minimize the potential impact of significant disruptions on our clients.

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

SERVING OUR CLIENTS RESPONSIBLY

PROVIDING SOLUTIONS FOR INVESTMENT NEEDS TODAY, TOMORROW AND BEYOND

AB delivers a comprehensive range of investment solutions to multiple types of clients:



INSTITUTIONAL INVESTORS

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



INTERMEDIARIES

Dedicated to deep client relationships, we help navigate capital market complexities with actionable insights and unique investor solutions.



PRIVATE WEALTH

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



DEFINED CONTRIBUTION (DC) PLANS

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



INSTITUTIONAL RESEARCH AND TRADING

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

AB has built a reputation as a trusted advisor by delivering outstanding service and exceptional research every day for 48 years.

We solely focus on investment management and research, which sets us apart from our peers and allows us to be relentless in helping our clients achieve their financial goals.

We meet clients' needs through the deep expertise and global capabilities of our 3,487 employees across 46 locations in 22 countries. We also place special emphasis on collaboration among our team members globally across asset classes and sectors in order to provide our clients with the best thinking and outcomes possible.

TARGETED AND RELIABLE INVESTMENT SOLUTIONS

AB provides a diverse set of investment solutions tailored to the needs of each of our clients.

On the buy side, we design innovative investment solutions for institutional, high-net-worth and retail intermediary clients. We devote unparalleled expertise and attention to these relationships. Our team of nearly 150 portfolio managers has an average of 23 years of experience in the business, and our 203 buy-side research analysts average 16 years of experience across a broad set of strategies.

Our Private Wealth Management business provides both advisors and clients with our unique wealth-forecasting system, which aligns the historical and projected behavior of capital markets with clients' specific circumstances and objectives. The result is, in effect, the ability to "pre-experience" returns and risk—an invaluable tool for customizing and optimizing wealth plans. Our advisors also can partner closely with our clients' other professional advisors, including their attorneys and accountants, in order to craft a full profile of complex planning issues, including taxes, estates and wealth transfers.*

On the sell side, we have a top-rated franchise that delivers independent research and execution to institutional investors globally. This is unprecedented among stand-alone asset-management organizations. We apply industry expertise and analysis to generate

differentiated insights that reframe perspectives and strategies across markets and sectors. In an independent survey of major institutional clients, AB Bernstein's research quality is ranked No. 1 across all three regions (US, Europe and Asia) in the categories of greatest knowledge of companies and industries, as well as most trusted.

AN INTEGRATED INVESTMENT APPROACH

AB takes a 360-degree perspective in the investment process to help maximize value within appropriate risk parameters. Our investment selections are driven by our fundamental, bottom-up research process, and by the deep industry knowledge of our investment professionals, who incorporate information from their proprietary research and other sources to drive investment decisions.

We've long recognized that ESG matters can affect the valuation and performance of an issuer's securities. So we've made it our practice to integrate ESG considerations into our investment process through three basic steps: *identification, assessment* and *action*:

1. Identification of ESG issues is the responsibility of our analyst teams across our equity and fixed-income investment platforms. Our analysts identify ESG issues using a variety of sources, including a third-party ESG data provider, and link them to potential investment impacts.

In 2014, Brad Katsuyama, CEO of the independent trading firm IEX and a subject of the book *Flash Boys* for his work in reforming trading practices, was asked how many good brokerage firms there are in the world. "Ten," Katsuyama said. (IEX had dealings with 94.) The 10 included RBC, Bernstein, and a bunch of even smaller outfits, which seemed to be acting in the best interests of their investors.

* AB Bernstein does not offer tax, legal or accounting advice.

PROXY VOTING AND ACTIVE OWNERSHIP

AB engages in proxy voting for the securities in many of our clients' portfolios. We support strong corporate governance structures, shareholder rights, and transparency, and we approach these responsibilities with the same commitment to rigorous research and engagement that we apply to our investment activities. Both our Proxy Voting Policy and proxy voting records are available on our website, ABglobal.com.

Our Proxy Committee, which includes senior investment professionals and legal and operations personnel, meets at least three times a year to review the voting process, formulate the company's position on new proposals, and update relevant policies to capture our latest thinking. We have intentionally created an overlap between our Proxy Voting Committee and our Responsible Investment Committee, with the same individual chairing both. This arrangement helps to build consistency across our ESG policies and approaches.

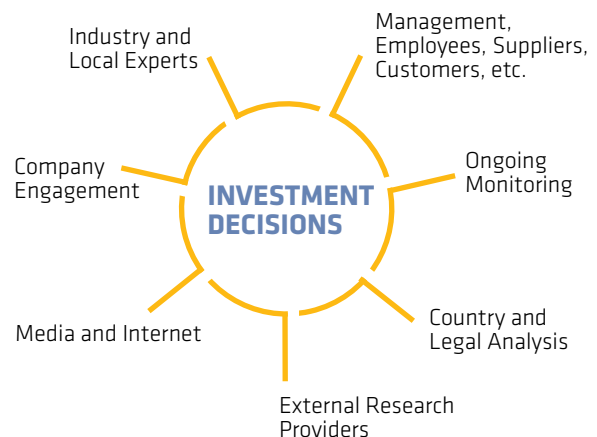
A recent example from 2014 demonstrates how we orient our proxy voting around shareholder value. A fellow shareholder proposed that an Ohio-based petroleum company adopt explicit goals for managing greenhouse gas (GHG) emissions. Companies in this sector tend to be heavy emitters and are therefore vulnerable to future regulation. AB reviewed the proposal and engaged in discussion with the company. We decided to support the proposal, concluding that the shareholder benefit of this accountability outweighed concerns that monitoring would be unnecessarily burdensome.

2. We then assess the full picture to determine if these ESG issues may be material to our investment thesis. This step may include discussions with management and other stakeholders, along with company visits and conversations with CEOs, board members and other senior executives.
3. Finally, analysts' research conclusions are reviewed with chief investment officers/portfolio managers, and/or directors of research, who are responsible for ensuring that material ESG factors have been incorporated into the investment thesis.

We were happy to make our commitment to the above philosophy explicit by signing the Principles for Responsible Investment in 2011. While all of AB's clients benefit from this integrated approach, we also provide customized ESG solutions to clients with more specific needs.

AB's dedicated Responsible Investment Committee develops our ESG strategy and thought leadership in partnership with investment teams. It also monitors progress on implementation and provides advice to our investment and client teams. The committee comprises senior employees from around the globe who, on average, have more than 20 years of professional experience and 14 years of experience at AB.

ESG IS EMBEDDED IN OUR RESEARCH PROCESS



All of our clients benefit from the holistic integration of ESG issues into AB's investment decision inputs.

Bernstein Private Wealth Management, a division of AB, was ranked among the top 40 wealth management firms by *Barron's* in 2014.

INNOVATION AND THOUGHT LEADERSHIP

Through our unique combination of expertise, research and global reach, we work tirelessly to anticipate and advance what's next—applying collective insights to help keep our clients at the forefront of change. Our intellectual capital and collaborative work style create new ideas and innovative products.

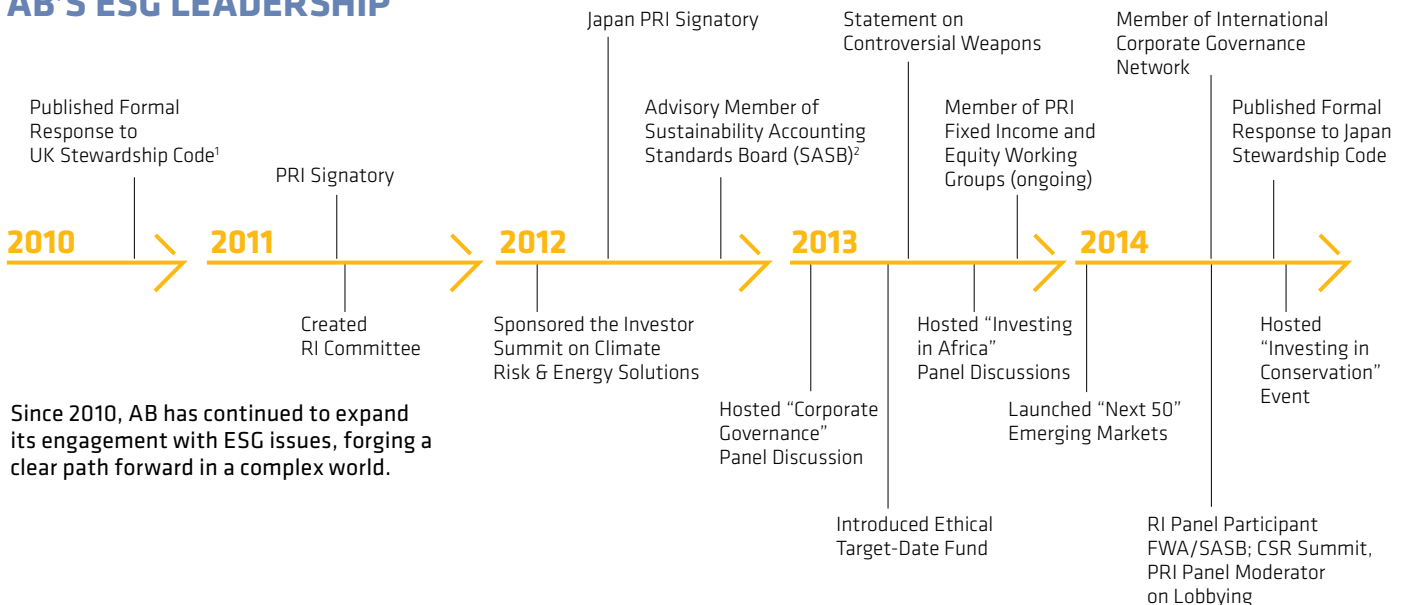
Whether we're thinking about the future of defined contribution strategies or liquid alternatives that complement traditional investments, our innovative and knowledgeable teams continually look for solutions that improve client outcomes.

We also make it a priority to keep our clients informed through a variety of channels, including one-on-one meetings, customized planning updates, networking events, our website, client conferences and publications. For example, AB's blog, *Context*, demonstrates our breadth of thought leadership and insight. This is all part of our effort to keep our clients ahead of tomorrow.



At AB, we actively seek to learn more about ESG integration and to share our knowledge. In 2014, we initiated, hosted and moderated a panel on "Investing in Conservation" with representatives from the Clinton Global Initiative and the Wildlife Conservation Society.

AB'S ESG LEADERSHIP



Since 2010, AB has continued to expand its engagement with ESG issues, forging a clear path forward in a complex world.

As of December 31, 2014. 1. Response to UK Stewardship Code is updated annually. 2. Two staff members participate. Source: AB
 For more information, please read our PRI report, which is available on our website, www.abglobal.com.

WORKING AT AB



FULL TIME / PART TIME	FEMALE	% FEMALE	MALE	% MALE	GRAND TOTAL	% TOTAL
Full Time	1,343	39%	2,144	61%	3,487	100%
Part Time	10	91%	1	9%	11	0%
Grand Total	1,353	39%	2,145	61%	3,498	100%

REGION	FEMALE	% FEMALE	MALE	% MALE	GRAND TOTAL	% TOTAL
Americas	1,008	38%	1,671	62%	2,679	77%
Asia ex Japan	155	49%	159	51%	314	9%
EMEA	138	35%	255	65%	393	11%
Japan	52	46%	60	54%	112	3%
Grand Total	1,353	39%	2,145	61%	3,498	100%

EXEMPT VS. NONEXEMPT	FEMALE	% FEMALE	MALE	% MALE	GRAND TOTAL	% TOTAL
Exempt	1,094	35%	2,056	65%	3,150	90%
Nonexempt	259	74%	89	26%	348	10%
Grand Total	1,353	39%	2,145	61%	3,498	100%

At AB, we share a collective mission of delivering better outcomes for our clients. To set the foundation for success, we're working to create a dynamic, exciting and intellectually challenging environment that brings out the best in our employees.

To achieve this goal, we are listening to employees and changing the way we work to better reflect our values of relentlessness, ingenuity, collaboration and accountability. We continue to roll out strategies and initiatives to shape an engaging and inclusive workplace, with global opportunities for advancement and the chance to work together on cutting-edge research and thought leadership.

Through these efforts, we're committed to hiring the right talent to build the firm of the future.

LISTENING TO EMPLOYEES

At AB, our people are our greatest asset. Their relentless ingenuity lies at the heart of the firm and determines our collective success. We want to hear their voices and ideas on how to make AB an even better place to work.

AB Voice, our employee engagement survey, provides employees with a dedicated forum to voice their opinions—nearly two-thirds of AB employees responded to our 2013 survey. We listened closely to what they had to say. Now we're working to address specific areas of improvement to build a greater understanding of AB's vision, ensure that our employees feel valued, and support their ongoing growth and development. For instance, we are providing more frequent communications from business leaders to showcase key business activities and highlight employee contributions, including interactive Town Hall meetings and quarterly "Relentless Ingenuity" emails.

Another example of our response to *AB Voice* is the creation of AB "Management Circles." These sessions bring together managers of similar levels and experience from across the company. Each 90-minute forum convenes up to 16 participants from various busi-

nesses and offices to build management skills, share ideas and work together to overcome management challenges. Managers address real day-to-day issues, solve problems around common challenges and build their skills through discussion and coaching while building relationships across the firm.

This year, we also enhanced our Above and Beyond employee recognition program, in place since 2010, to provide a broader choice of awards that employees are eligible for globally. Nearly 200 employees received this award in 2014—each employee was recognized for a willingness to reach beyond the specifics of his or her position in order to make a greater contribution to AB.

DEVELOPING OUR PEOPLE

We continually strive to create a pipeline of talent and to offer employees opportunities to develop their professional skills and intellectual curiosity.

For those just beginning their career, we've established a robust 10-week summer-internship program, with the option for qualified candidates to join us after graduation in one of our associate or rotational associate programs. The nonrotational programs place an associate in a specific role directly after graduation. In the rotational programs, associates work across four areas of a business over the course of two years. All associates participate in training and networking and have access to senior leaders across the firm. Additionally, our global AB Associate Leadership Councils provide our associate populations with opportunities for networking, exposure to senior leadership, career mobility, and skills development, as well as build bridges across departments.

For our experienced professionals, we see constant learning as the fuel for ingenuity and the source of new client solutions. Therefore, we offer career-development courses ranging from 90-minute sessions to full-day workshops, and advanced skills development programs that have an admissions process and an 18-month curriculum. The courses explore numerous subjects, including effectively managing change, cultivating strong interviewing skills, engaging in difficult conversations and improving presentation skills, among other topics.

Our goal is to reinforce our culture of relentless ingenuity by ensuring that employees have the tools they need to excel and advance in their jobs. We recognize that this can be achieved in part by cultivating strong channels of communication between managers and employees, anchored by regular performance reviews. We encourage employees to engage in regular conversations with their managers to set objectives, track progress and measure outcomes, all within the parameters of competency models tailored to their role within the organization.

SUPPORTING EMPLOYEE HEALTH AND WELL-BEING

We recognize that balancing one’s personal and professional life can be challenging, and we are working to identify ways to better support our employees in this endeavor. One way we do so is through our Five-Year Refresh award: Every five years, AB employees are eligible to receive an extra two weeks of uninterrupted time off.

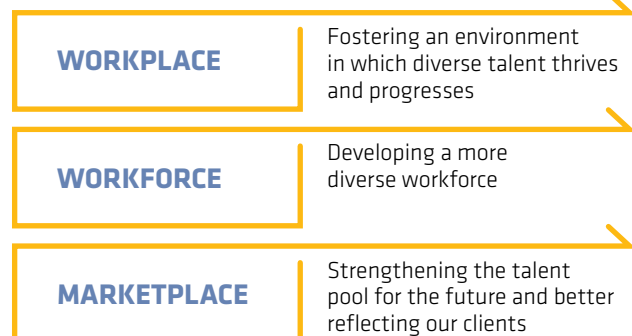
We’re launching an innovative strategy in 2015 to encourage proactive employee management of their personal health and wellness. This program will help employees enhance their well-being while lowering company costs.

BUILDING A MORE INCLUSIVE CULTURE

We know that building a workforce that is ahead of tomorrow will rely on recruiting and developing diverse talent. Our goal is a workforce that reflects the diversity of our clients and communities so that we can enhance the breadth of our knowledge, better engage the community and meet the needs of every client. To that end, we’ve appointed a Chief Diversity Officer, who works with our Diversity Team to drive the three strategic elements of Workplace, Workforce and Marketplace.

AB’S FRAMEWORK FOR DIVERSITY AND INCLUSION

Issues to Address



While we’ve made progress on several fronts, we need to continue to cultivate a diverse and inclusive culture.

FOSTERING A DIVERSE AND INCLUSIVE WORKPLACE

Our managers have a key responsibility for establishing an inclusive workplace. To help them fulfill that responsibility, we’re facilitating conversations and providing training to both managers and employees on the growing role of diversity across our business units and the corporate world. For example, we continue to host our Women’s Leadership Program, which supports leadership success across all SVP and VP women at AB. More than 200 AB women have participated internationally in 15 workshops.

Our Employee Resource Groups (ERGs) are an especially important element in helping employees build connections around the firm. ERGs are firm-sponsored affinity groups made up of employees with shared interests or common backgrounds. They support personal and professional development and well-being for those who take part.

AB’S CULTURE ADVANCEMENT TEAM

Several years ago, we established a Culture Advancement Team (CAT) to break down silos and foster strong cultural unity and development. This year, the group led a number of important initiatives, such as leadership forums aimed at increasing transparency, the AB Challenge, Take Our Daughters and Sons to Work Day, AB Associate Leadership programs, and Employee Appreciation lunches across the firm.



Children of AB employees during Take Our Daughters and Sons to Work Day, sponsored by the CAT.

AB's *It Gets Better* video, launched in 2013, features LGBT employees at AB speaking frankly about their journeys to living and working openly and proudly.

We started with three ERGs in 2010. Today, we have 16 ERGs around the world, with roughly 800 AB employees participating. ERG events draw attendees from across the firm, sometimes attracting an audience of more than 150 for a single event. Some of our ERGs include:

- + **AB Asians ERG** – Focused on the professional development of Asian employees.
- + **AB Volunteers ERG** – Dedicated to volunteerism and corporate social responsibility.
- + **Black ERG** – Focused on the professional development of black employees.
- + **US Families ERG** – Provides employees with support and guidance as they balance their familial and work responsibilities.
- + **Veterans ERG** – Focused on the professional development of veterans, veterans' issues, support for families/friends, and firmwide leadership on veterans' initiatives.

ERGs support our diversity mission in various ways. For example:

- + **SynERGY:** SynERGY supports AB women at all levels in expanding their leadership roles in a gender-inclusive environment. SynERGY North America, EMEA SynERGY and Asia SynERGY co-hosted presentations and small group discussions on leadership topics impacting women at AB.
- + **The ABOut ERG** celebrated Lesbian, Gay, Bisexual and Transgender (LGBT) Pride Month by hosting a speaker from the historic 2013 US Supreme Court decision that ended the Defense of Marriage Act (DOMA) and extended federal benefits to same-sex couples.

DEVELOPING A MORE DIVERSE WORKFORCE

We encourage diversity in our workforce through our recruitment and development efforts for entry-level through senior positions. We acknowledge that we are doing better at this at the entry level than at the senior level. An example of our efforts at the entry level is our 2014 Women in Finance event for college students, which featured the topic of professional presence and included a panel discussion and a networking reception. The results: approximately half of our summer interns were women and a significant portion came from a multicultural background.

Similarly, in 2014 we participated for the first time in the "Out for Undergrad" business conference, which caters to LGBT

undergraduate students. The career fair and networking reception provided a rich opportunity to recruit LGBT students from across the US—one part of our long-term commitment to LGBT issues.

CREATING A PIPELINE OF DIVERSE TALENT IN THE MARKETPLACE

We build connections with local community organizations to inspire, educate and ultimately offer professional opportunities to individuals who may not have access to traditional talent pipelines. In addition to opening doors for the youth we work with, this approach also allows us to meet more diverse candidates than we might find through typical recruiting routes.

One example is our partnership with Year Up, which offers hands-on skills development and corporate internships to young adults ages 18–24. The participants in the Year Up program complete a one-year intensive training program: six months of hands-on skills development provided by Year Up in the areas of information technology, quality assurance, financial operations and project management, and a six-month corporate internship at AB. In 2014, we hired several graduates of this internship experience into full-time roles.

Our employees also regularly share their expertise with community members, increasing the firm's visibility. We've partnered with the Citizen Schools organization since 2010. AB employees act as "Citizen Teachers," teaching apprenticeships to middle school students over the course of a semester. More than 55 AB volunteers have taught 14 apprenticeships, serving 160 students.

FIVE REASONS TO JOIN OUR TEAM



We've identified five key reasons employees are drawn to AB and choose to stay. In fact, more than half of our employees have been with us for more than five years, and nearly one-third for more than 10 years.

ENGAGING WITH COMMUNITIES



We are committed to caring for the communities where we work. In 2014, AB and its employees donated over \$7 million—along with thousands of hours—to philanthropic causes.

For example, we raised money for reconstruction efforts in the aftermath of Typhoon Haiyan, for multiple sclerosis research in the US, for tree planting in Japan, and for homelessness in Australia. Consistent with our open and collaborative culture, we invite our staff to direct both how funds are raised and where they should go.

EMPLOYEES VOLUNTEERING TIME

Our employees donate their time as much as they do their financial resources. In the Asia-Pacific region, for example, employees volunteered for a wide range of projects in their local communities. In Hong Kong, they developed a “Smile to Change” program, which involved working with special needs children over lunch. In Seoul, AB volunteers and their families served meals to 2,000 elderly people at the Welfare Facility for Senior Citizens. And in Taiwan, a large team of employees helped The Society of Wilderness clean up trash from the coastline, gathering 450 pounds of trash in one morning.



AB employees wrap holiday gifts for the Winter Wishes campaign.

AB AND THE NYC FIRST ROBOTICS COMPETITION

Since 2011, we've sponsored two teams, one from New York's Hunter College High School, and the other from Newtown High School in Elmhurst, Queens, in the US FIRST Robotics Competition. AB employees volunteered their time to help the student teams with their robot entrants in this year's contest, called Aerial Assist.

From the wiring of the robots to the Java™-based set of instructions running behind the scenes, students at this year's competition labored over every aspect of their robots' engineering and development. With our help, they also learned marketing and fundraising, turning a science project into a full-scale business venture. A university and career fair followed the final event, allowing the students to parlay the skills they'd learned into opportunities for the future.

In 2014, for the first time, we extended an offer of employment to an associate who had interacted with AB as a team member in the FIRST Robotics Competition as a student at Hunter High School in 2011.



Below, we show three examples of AB's charitable giving—a small sample of the more than 1,800 charities we supported in 2014.

BATTLING CANCER THROUGH RESEARCH

One in three people in the UK will be diagnosed with cancer in their lifetime. With its headquarters in London, Macmillan Cancer Support provides practical and emotional support to people living with cancer, as well as to their families and their communities.

Starting in April 2014 and running through December, our London office hosted a number of fundraising events on behalf of Macmillan Cancer Support—from soccer sweepstakes to a tug-of-war competition to a cake sale. In the end, the office raised nearly \$60,000 (£38,990). This donation will help Macmillan to fund nurses and other healthcare specialists, build improved cancer care centers and generally expand the support it provides to people affected by cancer.



BIKING TO END MULTIPLE SCLEROSIS

Multiple sclerosis (or MS) is a chronic disease that attacks the central nervous system, including the brain, spinal cord and optic nerves. Today, about 400,000 Americans have been diagnosed with MS. On October 5, 2014, more than 60 AB employees participated in the Bike MS 2014 bicycle ride in New York City to help raise awareness about the disease and money for much-needed research.

With this single race, the AB Riders team raised more than \$78,000 for the National MS Society, which sponsored the ride. This was nearly double the team's original fundraising goal of \$40,000, and ranked it third in overall fundraising for the whole event. In fact, the AB Riders got off to such a fast start that the MS Society recognized them as 2014's first "Bike MS Team of the Week."

BUILDING SCHOOLS, BUILDING LITERACY

We hosted a global screening of *Girl Rising*, a documentary film that profiles nine girls struggling to overcome societal and cultural barriers in their home countries. Inspired by the film, two Employee Resource Groups—Asian CSR/ERG and SynERGy—have partnered with AB offices across the Asia-Pacific region to raise funds for a school renovation in Laos.

With the support of AB's matching-funds program, the final goal is to raise \$70,000. The money will be donated to the international NGO Room to Read, which supports education for children around the world. In this case, using AB's donation, Room to Read will redevelop a dilapidated six-classroom school in a province of Laos where men's literacy rates are 72 percent and women's only 40 percent. Room to Read will also provide ongoing support and monitoring of the school over three years.





AB'S GIVING IN 2014	MATCHING GIFTS BY AB*	EMPLOYEE DONATIONS†	FIRM GIFTS‡	TOTAL
Community Development and the Environment	\$628,309	\$839,774	\$348,896	\$1,816,979
Education, Arts & the Humanities	\$1,183,073	\$1,400,580	\$937,497	\$3,521,149
Health and People with Special Needs	\$527,033	\$648,107	\$563,153	\$1,738,293
Total	\$2,338,416	\$2,888,461	\$1,849,545	\$7,076,421

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

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

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

ENSURING SUSTAINABLE OPERATIONS

GHG EMISSIONS (TONS OF CO₂e)	2011	2012
Direct Emissions (Scope 1)	106	103
Indirect Emissions (Scope 2)	14,051	10,382
Other Indirect Emissions (Scope 3)	6,271	5,587

Time period is June–May of each year.
Emissions data is given for AB's 20 US locations and 13 (out of 26) international locations. Each office location within these boundaries is a leased property. Emissions are consolidated based on operational control.

Emissions figures based on World Business Council for Sustainable Development/World Resources Institute Greenhouse Gas Protocol methodologies.

ELECTRICITY USAGE (MWh)	2013	2014
Total*	12,989	12,618

WASTE AND RECYCLING	2013	2014
Total*	3,947	3,568
Waste (tons)	1,961	1,789
Recycled (tons)	1,986	1,779
Recycled (%)	50.3%	49.8%

*Includes energy usage and waste figures from the following major AB locations: London, England—50 Berkeley Street; New York—1345 Avenue of the Americas (office and cafeteria) and White Plains, NY.

As investors, we carefully scrutinize the ESG behavior of other companies. It's important that we turn this same lens on ourselves. Along with building a diverse workforce and engaging local communities, we're working on a number of initiatives across the company to reduce our environmental footprint. This is one of the ways in which we strive to operate responsibly.

Over the past several years, we've made good progress toward more sustainable operations. But we know there's more to do. We continuously look for ways to scale up best practices while minimizing our impact on the environment.

REDUCING OUR IMPACT

At the corporate level, we use careful measurement and clear metrics to map our sustainability strategy. Our largest offices track environmental data, such as energy and water use, waste management and recycling. Every three years we conduct an extensive global GHG inventory; our next report is due next year.

We've dramatically reduced our paper waste, recycling nearly 350 tons of paper between January 2014 and March 2015. This translates into 5,800 trees untouched and 9.5 million gallons of water unused.



enERGY volunteers at a park cleanup in New York City.

ON TWELVE EARNS TOP RANKING FROM GREEN RESTAURANT ASSOCIATION

In 2014, AB's New York City corporate dining facility, On Twelve, earned four out of four stars from the Green Restaurant Association. This is the highest level of certification within the restaurant industry; On Twelve is the first corporate dining facility in the state of New York to receive this accreditation, and one of only three in the entire US.

To become a Certified Green Restaurant, On Twelve launched a comprehensive review of its restaurant activities, including the use of disposable plates and cutlery, energy requirements, food procurement, furnishings and building materials, pollution and chemical reduction, total waste, and water demand. Within each area, On Twelve was able to find wide-ranging opportunities to reduce its environmental impact, from using recycled content in napkins and menus to ensuring faucet efficiency and offering vegetarian options.

On Twelve also serves as a key location for employee engagement around environmental topics. During April, or "Earth Month," On Twelve features a series of initiatives and promotions to encourage more sustainable behavior. Whether it's offering discounts for employees' reuse of cardboard trays, providing information on turning coffee grounds into compost, or highlighting sustainable seafood choices via tasting stations, the restaurant invites employees to get involved in supporting planetary health.



Because we don't own our facilities, we work closely with property managers to bring our offices to the highest possible locally recognized environmental standards. In Dallas, for instance, we opened a LEED Gold-certified office inside of a building that held only a basic LEED certification. Efficiency retrofits, like the installation of LED lights, lighting motion detectors and low-flow sensor-operated water fixtures, have also helped us reduce our global environmental impact. When building new offices, we've started promoting more efficient energy and material use through open and flexible work environments.

ENGAGING EMPLOYEES IN ENVIRONMENTAL ACTION

The enERgY group at AB taps into employees' passion for sustainability. The group sponsors educational events and speakers on a wide range of topics, including community-supported agriculture, green markets, electric cars and renewable energy:

- + **Planting at New York public school:** In partnership with CitizensNYC, enERgY hosted a planting event at New York's Public School 163. Together, they prepared a 30-foot-by-4-foot planter bed that will serve as an outdoor classroom, a meeting space, and a natural habitat for birds and pollinators.
- + **Local lunch and market tour:** enERgY hosted a guest chef to discuss local and organic foods over lunch, followed by a guided tour of a nearby farmer's market.
- + **Getting up-to-date on recycling:** In New York City, almost half of what was considered trash in 2000 can now be recycled. Given these rapid changes, enERgY invited two recycling experts to offer insights and updates on current recycling practices.



ERG volunteers prepare the Dr. Pepe Reading Garden at P.S. 163.



AB employees discuss the positive impacts of local and organic produce at the Rockefeller Center Greenmarket.

GRI TABLE

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

INDICATOR	DESCRIPTION	FULLY/ PARTIALLY REPORTED	REFERENCE
GENERAL STANDARD DISCLOSURES			
G4-1	CEO statement	Partially	Page 5
G4-3	Name of the organization	Fully	AllianceBernstein L.P.
G4-4	Primary brands, products and services	Fully	Pages 8, 9 AB website
G4-5	Headquarters location	Fully	Back cover
G4-6	Number of countries of operation; name of countries with significant operations	Fully	22 countries Global Presence
G4-7	Nature of ownership and legal form	Fully	AB 2014 Form 10-K , page 13
G4-8	Markets served: by geography, sectors and customers	Fully	AB website
G4-9	Scale of the organization	Fully	AB Form 10-K
G4-10	Workforce information	Partially	Page 12
G4-11	Percentage of employees covered by collective-bargaining agreements	Fully	Not applicable
G4-13	Significant changes during reporting period	Fully	None
G4-14	Application of precautionary principle	Fully	Pages 9-10 PRI Report
G4-15	Endorsement of externally developed principles and initiatives	Fully	Pages 3, 11
G4-28	Reporting period	Fully	2014 fiscal year
G4-31	Contact person	Fully	Back cover
G4-32	GRI content index	Partially	Page 23
G4-34	Governance structure of the organization	Fully	Page 7 AB website
G4-56	Codes of ethics and business conduct	Fully	Page 7 AB website
SPECIFIC STANDARD DISCLOSURES			
G4-EC1	Direct economic value generated and distributed	Fully	AB 2014 Annual Report , page 2 AB Form 10-K , page 13
G4-EN15	Direct GHG emissions (Scope 1)	Partially	Page 20
G4-EN16	Energy indirect GHG emissions (Scope 2)	Partially	Page 20
G4-EN17	Other indirect GHG emissions (Scope 3)	Partially	Page 20
G4-EN23	Total weight of waste by type and disposal method	Partially	Page 20
G4-LA2	Benefits provided to full-time employees by significant locations of operation	Fully	AB offers the following benefits: health insurance, Employee Assistance Program, tuition reimbursement, business travel accident insurance, life insurance, matching gifts program, Five-Year Refresh Award
G4-LA10	Programs for skills management and lifelong learning	Fully	Pages 13-14 AB provides the following programs: - Firm and benefit on-boarding - Financial markets e-learning curriculum - Career and skills development courses - Tuition reimbursement program - Outplacement services for career transitions
G4-LA11	Percentage of employees receiving regular performance reviews by gender and employee category	Fully	It is our intention that every employee take part in a performance review each year.
G4-SO4	Communication and training on anticorruption policies and procedures	Fully	Page 7 100% of employees and 100% of on-site business partners (consultants) have received communications on anticorruption via the corporate intranet. 100% of US executives and 88% of Partners globally have been trained on anticorruption. 93% of employees have been trained on anticorruption.
G4-PR5	Results of surveys measuring customer satisfaction	Partially	US Client Services has received the National Quality Review 5-Star rating for 21 of the last 23 quarters. The team has also received the Best in Class rating for information and compliance on several occasions.
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Fully	No substantiated complaints were received concerning breaches of customer privacy from outside parties and substantiated by the organization or regulatory bodies.
G4-PR9	Monetary value of significant fines for noncompliance concerning the provision and use of products and services	Fully	The organization has not identified significant incidents of non-compliance with laws and regulations concerning the provision and use of products and services.

CORPORATE RESPONSIBILITY AT A GLANCE

- + **16 AB EMPLOYEE RESOURCE GROUPS** HOSTED 46 EVENTS GLOBALLY IN 2014
- + **800+ ERG PARTICIPANTS**
- + **MORE THAN 1,800 CHARITIES** SUPPORTED ACROSS THE GLOBE
- + **MORE THAN HALF** OF OUR EMPLOYEES HAVE BEEN WITH AB FOR MORE THAN 5 YEARS
- + **NEARLY 350 TONS** OF PAPER RECYCLED BETWEEN JANUARY 2014 AND MARCH 2015
- + **ONE OF THREE** CORPORATE DINING FACILITIES IN THE US TO RECEIVE THE GREEN RESTAURANT ASSOCIATION'S TOP RANKING
- + **SIGNATORY** TO THE PRINCIPLES FOR RESPONSIBLE INVESTMENT



CONTACT US!

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

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