Equitable Holdings
Climate change statement

Equitable Holdings, a leading financial services company with $1 trillion in assets under management and administration,[1] is committed to being good stewards of our business, creating programs and practices that drive sustainable, positive change. Equitable Holdings has taken deliberate steps across its two operating entities, Equitable and AllianceBernstein (AB),[2] to assess the environmental impact of its operations and business practices and consider the impact of material ESG factors in its investment decision-making processes. For more information, reference Equitable and AllianceBernstein disclosures under the Task Force for Climate-related Financial Disclosure Index (TCFD).

- Equitable benefits from a close collaboration with AB, a global asset manager and recognized leader in responsible investing. Equitable integrates material ESG factors into the investment decision process for c.$80 billion of its $112 billion General Account (GA). [3] This means Equitable considers AB's ESG rating for an issuer as part of its evaluation of the risk and return of the investment opportunity. In addition, the company has developed a stress testing and limits framework to help identify and manage material climate risks. Equitable also developed a greenhouse gas emissions (GHG) inventory to understand and account for the environmental impact of its operations. Equitable quantifies and discloses greenhouse gas (GHG) emissions from its operationally controlled, leased corporate offices and branch locations in the United States (Scope 1 and Scope 2). It also discloses GHG emissions for air and rail business travel (Scope 3, Category 6).

- AB's approach to identifying and integrating material climate-related risks and opportunities is multi-faceted and includes: drawing on expertise from academic and industry partners; training its investment teams on the science behind climate change and the potential implications of clients' investments; incorporating climate insights into research and decision-making processes, which can lead to better client outcomes; being active stewards through engagement on material climate-related issues with issuers and regulators as well as via proxy voting; and providing investment solutions, Portfolios with Purpose, that aim to achieve financial objectives with a dedicated ESG focus.

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[1] Current as of December 31, 2024; AUM amounts are not mutually exclusive as AB manages approximately 62% of Equitable Financials' and other insurance subsidiaries' General Account assets and 36% of their separate account.
[2] Equitable is the brand name of the retirement and protection subsidiaries of Equitable Holdings, Inc., including Equitable Financial Life Insurance Company (NY, NY); Equitable Financial Life Insurance Company of America, an AZ stock company with an administrative office located in Charlotte, NC; and Equitable Distributors, LLC.
[3] Represents carrying value as of December 31, 2024. Excludes cash and short-term investments of $2.4bn. Certain figures may not sum due to rounding.

ESG governance

At the Equitable Holdings level, in accordance with Board committee charters, the Equitable Holdings Board of Directors oversees Equitable's ESG strategy directly, through its commitments, and through certain subsidiary boards and committees, including:

- **Audit Committee:** Oversight of legal, regulatory and compliance; internal controls and operational risk, including cybersecurity, generative artificial intelligence and data privacy.
- **Compensation and Talent Committee:** Oversight of human capital management including workplace wellness, diversity and inclusion.
- **Finance and Risk Committee:** Oversight of enterprise risk management, including physical and transition risks of climate change.
- **Investment Committee:** Oversight of investment risk within the General Account portfolio, including ESG investment philosophy and guiding principles, ESG integration and impact investing activities.
- **Nominating and Corporate Governance Committee:** Oversight of overall ESG strategy including board diversity, experience and independence and governance profile.

Equitable's ESG strategy is executed by the Head of ESG Strategy and Operations and overseen by executive sponsors who report directly to Equitable's Chief Executive Officer. As climate-related strategies are integrated throughout Equitable's operations, members of the Equitable Management Committee, including the Equitable Chief Risk Officer, consult with senior leaders responsible for managing risks.

The Head of ESG Strategy and Operations works in partnership with senior leaders across the company and is responsible for overseeing production of Equitable's ESG disclosures; coordinating with AB on ESG reporting; aligning disclosures to certain ESG reporting frameworks, including SASB and TCFD; and ongoing monitoring and management of ESG-related matters, including climate-related policies.

AB has created a robust governance structure to oversee corporate responsibility and responsible investing including climate-related activities. AB's oversight of climate risk involves a multi-layered governance model that extends upward from the investment and operational teams through AB's Risk Management team and Operating Committee and ultimately to the Board of Directors, via AB's Audit and Risk Committee. AB's Chief Responsibility Officer (CRO) oversees the Responsible Investing Strategic Business Unit (SBU), which partners with AB's other investment teams across asset classes to develop ESG research insights and engage with issuers. The SBU also develops proprietary frameworks and toolsets, manages strategic ESG-related partnerships and develops training programs. To ensure that AB has proper oversight and accountability for our responsible investing and corporate responsibility practices, several committees oversee the day-to-day execution of these activities, continuing to evolve their focus on the development, implementation and oversight of AB's climate approach.

AB's Director of Corporate Responsibility oversees AB's operational approach to climate, working in close collaboration with key stakeholders across the business, including Workplace Operations and Finance. The principle of "resource efficiency" guides these efforts. To deliver on this principle, AB focuses on measuring GHG emissions, optimizing energy use, managing office waste, and engaging employees on the topic of environmental sustainability.

Responsible investing

Leveraging its research heritage, AB integrates material ESG factors throughout most of its actively managed strategies with its global investment team. Following an investor-driven approach, AB's research analysts, portfolio managers and responsible investing team work in partnership to determine which issues are material for a particular issuer or industry. From idea generation to ongoing stewardship, AB considers material risks and opportunities throughout the investment process for most of its actively managed strategies. AB's investment teams engage with issuers and companies to generate research insights and encourage action, when it is in the clients' best interest. Investment teams then integrate material ESG factors into their decision-making process, where applicable. Putting AB's investment teams at the heart of its stewardship activity enables the firm to integrate material ESG factors throughout the investment process, leading to better consideration of these issues in investment decisions for most of its actively managed strategies. Finally, AB continues to be an active steward by remaining engaged with issuers, striving to create long-term client value. These engagements allow for assessment, discussion and encouragement of addressing material risks or taking advantage of opportunities in the best interest of its clients.

Material ESG factors are integrated into Equitable's investment process for c.$80 billion of its $112 billion General Account assets using AB's proprietary rating system and integration methodology.[4] This means that Equitable considers AB's ESG rating for an issuer as part of its evaluation of the risk and return of the investment opportunity. Equitable's investment philosophy is driven by its long-term commitments to clients, robust risk management and strategic asset allocation. As investors with a long-term horizon, Equitable believes that companies are often prepared to face potential changes in regulation, changes to the way in which customers engage with their products or services and attract and retain top talent. This belief underpins Equitable's approach to responsible investing, where the company considers the impact of material ESG factors in its investment-decision process.

Equitable partners with AB to measure the carbon emissions of its public corporate bonds and sovereign bonds on a weighted average carbon intensity basis and absolute emissions, leveraging MSCI's climate data.

While ESG integration and active engagement are fundamental to AB's responsible investment and research process for most of its actively managed strategies, many investors want solutions that enable them to pursue specific financial objectives while also utilizing a dedicated ESG focus, including climate through AB's

[4] Represents carrying value as of December 31, 2024.

Portfolios with Purpose, such as the climate transition. In some cases, AB analysts may shape the available issuer universe by applying explicit screens and exclusions. AB's Portfolios with Purpose also include a suite of sustainable portfolios, some of which are aligned with the United Nations Sustainable Development Goals in health, climate and empowerment.

Managing climate change risk

Equitable understands its obligation to identify and manage climate risk. Over the last few years, Equitable established processes for managing climate change risk and conducting materiality assessments based upon a stress testing analysis to verify the probability of material climate risks.

Consistent with best practices as an asset owner, Equitable's approach considers both physical and transition risks of climate change. The physical risk assessment considers the risk to investments with direct exposure to the effects of climate change, such as rising sea levels or exposure to extreme weather. The transition risk assessment considers the risk to an investment of the speed of transition away from carbon; specifically, the risks of more rapid or gradual transitions to a low-carbon economy than markets anticipate. Equitable's analysis is completed on an annual basis and reported to the company's internal Risk Committee. Overall, Equitable's climate stress testing covers more than half of the fixed income assets in its General Account portfolio. Consistent with prior years, the results demonstrate that climate risks do not constitute a material portion of Equitable's risk profile in comparison to the economic capital required to be held against investment risk. The full results of Equitable's stress testing and limits framework for Equitable's public corporate bonds and commercial mortgage loans can be found in its Taskforce for Climate-related Financial Disclosures Index.

Similarly, AB investors have access to climate scenario analysis which, along with other tools and resources, can help them understand how the physical and transition risks and opportunities of climate change might affect a business over time. Climate scenario analysis for reporting, compliance and investment decision-making is evolving as these models and their inputs improve and mature. As such, AB continues working to understand, assimilate and, over time, refine climate scenario analysis for the benefit of its clients and other stakeholders.

Sustainability of operations

Equitable quantifies GHG emissions from its operationally controlled, leased corporate offices and branch locations in the United States. In 2023, Equitable expanded its GHG inventory to measure GHG emissions for air and rail business travel (Scope 3, Category 6). Equitable has reduced its occupancy square footage across corporate locations by approximately 67% since 2019. As a result of this, we have reduced our Scope 1 and Scope 2 emissions by 52% and 51%, respectively. The reduction was primarily driven by reimagining our workspaces, allowing for better optimization of office square footage.

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Similarly, AB quantifies GHG emissions from its operationally controlled, leased corporate offices and data centers, as well as air and rail business travel. Since 2019, AB's total emissions have remained relatively consistent.

AB has committed to achieve net zero operations across Scopes 1 and 2 emissions by 2050 from a 2019 baseline. AB is working to achieve this net zero commitment, in part, by locating 85% of its employees in greener workspaces by 2025, and by identifying opportunities to procure renewable energy. AB is also working to manage and reduce office waste.