

Risk Factors Comparison 2024-02-26 to 2023-02-21 Form: 10-K

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You should read and consider all of the risks described below, as well as other information set forth in this Annual Report on Form 10-K. The risks described below are not the only ones we face. Many of these risks are interrelated and could occur under similar business and economic conditions, and the occurrence of certain of them may in turn cause the emergence or exacerbate the effect of others. Such a combination could materially increase the severity of the impact of these risks on our businesses, results of operations, financial condition or liquidity. Risks Relating to Our Consolidated Business Risks Relating to Conditions in the Financial Markets and Economy Conditions in the global capital markets and the economy. Our business, results of operations or financial condition are materially affected by conditions in the global capital markets and the economy. A wide variety of factors continue to impact economic conditions and consumer confidence. These factors include, among others, **uncertainty regarding concerns over resurgences of COVID-19 and consumer and government reactions thereto, the federal debt limit potential of a U. S. government default, increased volatility in the capital markets, equity market declines, rising interest rates, inflationary pressures fueling concerns of a potential recession, plateauing or decreasing economic growth, high fuel and energy costs and changes in fiscal or monetary policy. The Russian invasion of the Ukraine and Hamas' s attack on Israel, and the ensuing conflicts and** the sanctions and other measures imposed in response to **this these conflict conflicts** have significantly increased the level of volatility in the financial markets and have increased the level of economic and political uncertainty. Given our interest rate and equity market exposure in our investment and derivatives portfolios and many of our products, these factors could have a material adverse effect on us. The value of our investments and derivatives portfolios may also be adversely affected by reductions in price transparency, changes in the assumptions or methodology we use to estimate fair value and changes in investor confidence or preferences, which could potentially result in higher realized or unrealized losses. Market volatility may also make it difficult to transact in or to value certain of our securities if trading becomes less frequent. In an economic downturn, the demand for our products and our investment returns could be materially and adversely affected. The profitability of many of our products depends in part on the value of the assets supporting them, which may fluctuate substantially depending on various market conditions. In addition, a change in market conditions could cause a change in consumer sentiment and adversely affect sales and could cause the actual persistency of these products to vary from their anticipated persistency and adversely affect profitability. Our policyholders may choose to defer paying insurance premiums or stop paying insurance premiums altogether. In addition, market conditions may adversely affect the availability and cost of reinsurance protections and the availability and performance of hedging instruments. Equity market declines and volatility. Declines or volatility in the equity markets can negatively impact our business, results of operations or financial condition. For example, equity market declines or volatility could decrease our AUM, the AV of our annuity and variable life contracts, or AUA, which, in turn, would reduce the amount of revenue we derive from fees charged on those account and asset values. Our variable annuity business is particularly sensitive to equity markets, and sustained weakness or stagnation in equity markets could decrease its revenues and earnings. At the same time, for variable annuity contracts that include GMxB features, equity market declines increase the amount of our potential obligations related to such GMxB features and could increase the cost of executing GMxB- related hedges beyond what was anticipated in the pricing of the products being hedged. This could result in an increase in claims and reserves related to those contracts, net of any reinsurance reimbursements or proceeds from our hedging programs. Equity market declines and volatility may also influence policyholder behavior, which may adversely impact the levels of surrenders, withdrawals and amounts of withdrawals of our annuity and variable life contracts or cause policyholders to reallocate a portion of their account balances to more conservative investment options (which may have lower fees), which could negatively impact our future profitability or increase our benefit obligations particularly if they were to remain in such options during an equity market increase. Market volatility can negatively impact the value of equity securities we hold for investment which could in turn reduce the statutory capital of certain of our insurance subsidiaries. In addition, equity market volatility could reduce demand for variable products relative to fixed products, **lead to changes in estimates underlying our calculations of DAC that, in turn, could accelerate our DAC amortization** and reduce our current earnings and result in changes to **MRB balances the fair value of our GMB reinsurance contracts and GMxB liabilities**, which could increase the volatility of our earnings. Lastly, periods of high market volatility or adverse conditions could decrease the availability or increase the cost of derivatives. Interest rate fluctuations. Some of our retirement and protection products and certain of our investment products, and our investment returns, are sensitive to interest rate fluctuations, and changes in interest rates and interest rate benchmarks may adversely affect our investment returns and results of operations, including in the following respects: • changes in interest rates may reduce the spread on some of our products between the amounts that we are required to pay under the contracts and the rate of return we are able to earn on our General Account investments supporting the contracts; • when interest rates rise rapidly, policy loans and surrenders and withdrawals of annuity contracts and life insurance policies may increase, requiring us to sell investment assets potentially resulting in realized investment losses, **or requiring us to accelerate the amortization of DAC**, which could reduce our net income; • a decline in interest rates accompanied by unexpected prepayments of certain investments may result in reduced investment income and a decline in our profitability. An increase in interest rates accompanied by unexpected extensions of certain lower yielding investments may result in a decline in our profitability; • changes in the relationship between long- term and short- term interest rates may adversely affect the profitability of some of our products; • changes in interest rates could result in changes to the fair value of our **MRB purchased GMB reinsurance contracts asset assets**, which could increase the volatility of our earnings; • changes in interest rates could result in

changes to the fair value liability of our variable annuity GMxB business; • changes in interest rates may adversely impact our liquidity and increase our costs of financing and hedges; • we may not be able to effectively mitigate and we may sometimes choose not to fully mitigate or to increase, the interest rate risk of our assets relative to our liabilities; **and** • the delay between the time we make changes in interest rate and other assumptions used for product pricing and the time we are able to reflect such changes in assumptions in products available for sale may negatively impact the long- term profitability of certain products sold during the intervening period ; ~~and • rising interest rates could cause our statutory interest maintenance reserve to become negative which could impact our capital and liquidity.~~ The coronavirus (COVID- 19) pandemic. The COVID- 19 pandemic has negatively impacted the U. S. and global economies. Over the last few years, efforts to prevent the spread of COVID- 19 have affected our business directly in a number of ways, including through the temporary closures of many businesses and schools and the institution of social distancing requirements in many states and local communities. As businesses and schools have reopened, many have restricted or limited access. Although pandemic- related restrictions have been lifted in many places, resurgences of COVID- 19 in various regions and appearances of new variants of the virus, has resulted, and may continue to result, in their full or partial reinstatement. In addition, although many countries have vaccinated large segments of their population, COVID- 19 continues to interrupt business activities and trade in many countries, which has caused a significant impact on the economics and financial markets of many countries including an economic downturn. We expect these impacts to continue for the foreseeable future. While we have implemented risk management and contingency plans with respect to COVID- 19, such measures may not adequately protect our business from the full impacts of the pandemic. For additional information about COVID- 19, see “ Management’ s Discussion and Analysis of Financial Condition and Results of Operations- Macroeconomic and Industry Trends- COVID- 19 Impact. The extent of COVID- 19’ s impact on us will depend on future developments that are still highly uncertain, including the severity and duration of future outbreaks, actions taken by governments and other third parties in response to such outbreaks and the availability and efficacy of vaccines against COVID- 19 and its variants . Market conditions and other factors could materially and adversely affect our goodwill. Business and market conditions may impact the amount of goodwill we carry in our consolidated balance sheet related to the Investment Management and Research segment. To the extent that securities valuations are depressed for prolonged periods of time or market conditions deteriorate, or that AB experiences significant net redemptions, its AUM, revenues, profitability and unit price will be adversely affected. This may result in the need to recognize an impairment of goodwill which could adversely affect our business, results of operations or financial condition. Adverse capital and credit market conditions. Volatility and disruption in the capital and credit markets may exert downward pressure on the availability of liquidity and credit capacity. We need liquidity to pay our operating expenses (including potential hedging losses), interest expenses and any distributions on our capital stock and to capitalize our insurance subsidiaries. Without sufficient liquidity, we could be required to curtail our operations and our business would suffer. While we expect that our future liquidity needs will be satisfied primarily through cash generated by our operations, borrowings from third parties and dividends and distributions from our subsidiaries, it is possible that we will not be able to meet our anticipated short- term and long- term benefit and expense payment obligations. If current resources are insufficient to satisfy our needs, we may access financing sources such as bank debt or the capital markets. These services may not be available during times of stress or may only be available on unfavorable terms. If we are unable to access capital markets to issue new debt, refinance existing debt or sell additional shares as needed, or if we are unable to obtain such financing on acceptable terms, our business could be adversely impacted. Volatility in the capital markets may also consume liquidity as we pay hedge losses and meet collateral requirements related to market movements. We expect these hedging programs to incur losses in certain market scenarios, creating a need to pay cash settlements or post collateral to counterparties. Although our liabilities will also be reduced in these scenarios, this reduction is not immediate, and so in the short term, hedging losses will reduce available liquidity. Disruptions, uncertainty or volatility in the capital and credit markets may limit our ability to raise additional capital to support business growth, or to counter- balance the consequences of losses or increased regulatory reserves and rating agency capital requirements. This could force us to: (i) delay raising capital; (ii) miss payments on our debt or reduce or eliminate dividends paid on our capital stock; (iii) issue capital of different types or under different terms than we would otherwise; or (iv) incur a higher cost of capital than would prevail in a more stable market environment. Ratings agencies may change our credit ratings, and any downgrade is likely to increase our borrowing costs and limit our access to the capital markets and could be detrimental to our business relationships with distribution partners. Our business, results of operations, financial condition, liquidity, statutory capital or rating agency capital position could be materially and adversely affected by disruptions in the capital and credit markets. **In addition, one of the most serious threats facing the U. S. , economy is the continued disagreement over the federal debt limit and which, if not addressed in the other coming months, budget questions threatens the economy. Failure to resolve these issues in a timely manner could lead to result in a government shutdown, erratic shutdown in government spending or a default on government the federal debt, adverse which could result in increased market impact volatility and reduced economic activity a recession this year.** Risks Relating to Our Operations Holdings depends on the ability of its subsidiaries to transfer funds to it to meet its obligations. Dividends and other distributions from Holdings’ subsidiaries are the principal sources of funds available to Holdings to pay principal and interest on its outstanding indebtedness, to pay corporate operating expenses, to pay any stockholder dividends, to repurchase stock and to meet its other obligations. The inability to receive dividends from our subsidiaries could have a material adverse effect on our business, results of operations or financial condition. The ability of our insurance subsidiaries to pay dividends and make other distributions to Holdings will depend on their earnings, tax considerations, covenants contained in any financing or other agreements and applicable regulatory restrictions and receipt of regulatory approvals. If the ability of our insurance or non- insurance subsidiaries to pay dividends or make other distributions or payments to Holdings is materially restricted by these or other factors, we may be required to raise cash through the incurrence of debt, the issuance of equity or the sale of assets. However, there is no assurance that we would be able to raise sufficient cash by these means. This could

materially and adversely affect our ability to pay our obligations. Failure to protect the confidentiality, integrity, or availability of customer information or proprietary business information. We and certain of our vendors retain confidential information (including customer transactional data and personal information about our customers, the employees and customers of our customers, and our own employees). The privacy or security of this information may be compromised, including as a result of an information security breach. We have implemented a formal, risk-based data security program, including physical, technical, and administrative safeguards; however, failure to implement and maintain effective data protection and cybersecurity programs that comply with applicable law, or any compromise of the security, confidentiality, integrity, or availability of our information systems, or those of our vendors, or the cloud-based systems we use, or the sensitive information stored on such systems, through cyber-attacks or for any other reason that results in unauthorized access, use, modification, disclosure or destruction of personally identifiable information or, customer information, or other confidential or proprietary information, or the disruption of critical operations and services, could damage our reputation, deter people from purchasing our products, subject us to significant civil and criminal liability and require us to incur significant technical, legal and other expenses any of which could have a material adverse effect on our business, results of operations or financial condition. For further information on the cybersecurity and data privacy laws applicable to our insurance subsidiaries, see “ Cybersecurity — Overview of Equitable Cybersecurity Risk Management ” and “ Cybersecurity — Governance of Cybersecurity Risk Management. ” Our operational failures or those of service providers on which we rely. Weaknesses or failures in our internal processes or systems or those of our vendors could lead to disruption of our operations, liability to clients, exposure to disciplinary action or harm to our reputation. Our business is highly dependent on our ability to process large numbers of transactions, many of which are highly complex, across numerous and diverse markets. These transactions generally must comply with client investment guidelines, as well as stringent legal and regulatory standards. If we make a mistake in performing our services that causes financial harm to a client, we have a duty to act promptly to put the client in the position the client would have been in had we not made the error. The occurrence of mistakes, particularly significant ones, can have a material adverse effect on our reputation, business, results of operations or financial condition. Our reliance on vendors creates a number of business risks, such as the risk that we may not maintain service quality, control or effective management of the outsourced business operations and that we cannot control the facilities or networks of such vendors. We are also at risk of being unable to meet legal, regulatory, financial or customer obligations if the facilities or networks of a vendor are disrupted, damaged or fail due to physical disruptions, such as fire, natural disaster, pandemic or power outage, or other impacts to vendors, including labor strikes, political unrest, and terrorist attacks. Since certain vendors conduct operations for us outside the United States, the political and military events in foreign jurisdictions could have an adverse impact on our outsourced operations. We may be adversely affected by a vendor who fails to deliver contracted services, which could lower revenues, increase costs, reduce profits, disrupt business, or damage our reputation. Further, the development and adoption of artificial intelligence (“ AI”), including generative artificial intelligence (“ Generative AI ”), and its use and anticipated use by us or by third parties on whom we rely, may increase the operational risks discussed above or create new operational risks that we are not currently anticipating. AI technologies offer potential benefits in areas such as customer service personalization and process automation, and we expect to use AI and Generative AI to help deliver products and services and support critical functions. We also expect third parties on whom we rely to do the same. AI and Generative AI may be misused by us or by such third parties, and that risk is increased by the relative newness of the technology, the speed at which it is being adopted, and the lack of laws, regulations or standards governing its use. Such misuse could expose us to legal or regulatory risk, damage customer relationships or cause reputational harm. Our competitors may also adopt AI or Generative AI more quickly or more effectively than we do, which could cause competitive harm. Because the Generative AI technology is so new, many of the potential risks of Generative AI are currently unknowable. The occurrence of a catastrophe, including natural or man-made disasters and / or pandemics or other public health issues. Any catastrophic event, such as pandemic diseases like COVID-19, terrorist attacks, accidents, floods, severe storms or hurricanes, pandemics and other public health issues, or cyber-terrorism, could have a material and adverse effect on our business. We could experience long-term interruptions in our service and the services provided by our significant vendors. Some of our operational systems are not fully redundant, and our disaster recovery and business continuity planning cannot account for all eventualities. Additionally, unanticipated problems with our disaster recovery systems could further impede our ability to conduct business, particularly if those problems affect our computer-based data processing, transmission, storage and retrieval systems and destroy valuable data. We could experience a material adverse effect on our liquidity, financial condition and the operating results of our insurance business due to increased mortality and, in certain cases, morbidity rates and / or its impact on the economy and financial markets. We may also experience lower sales or other negative impacts to the use of services we provide if economic conditions worsen due to a catastrophe or pandemic or other public health emergency, as the financial condition of current or potential customers, policyholders, and clients may be adversely affected. See “ — Conditions in the global capital markets and economy. ” Our workforce may be unable to be physically located at one of our facilities, including due to government-mandated shutdowns, requests or orders for employees to work remotely, and other social distancing measures, which could result in lengthy interruptions in our service. A catastrophe may affect our computer-based data processing, transmission, storage and retrieval systems and destroy valuable data. Climate change may increase the frequency and severity of weather-related disasters and pandemics. These events could result in an adverse impact on our ability to conduct our business, including our ability to sell our products and services and our ability to adjudicate and pay claims in a timely manner. If economic conditions worsen as a result of a catastrophe, pandemic or other public health issue, companies may be unable inability to make interest and principal payments on their debt securities or mortgage loans that we hold for investment purposes. Accordingly, we may still incur significant losses that can result in a decline in net investment income and / or material

increases in credit losses on our investment portfolios. With respect to commercial real estate, there could be potential impacts to estimates of expected losses resulting from lower underlying values, reflecting current market conditions at that time.

Our ability to recruit, motivate and retain key employees and experienced and productive financial professionals. Our business depends on our ability to recruit, motivate and retain highly skilled, technical, investment, managerial and executive personnel, and there is no assurance that we will be able to do so. Our financial professionals and our key employees are key factors driving our sales. Intense competition exists among insurers and other financial services companies for financial professionals and key employees. We cannot provide assurances that we will be successful in our respective efforts to recruit, motivate and retain key employees and top financial professionals and the loss of such employees and professionals could have a material adverse effect on our business, results of operations or financial condition. Misconduct by our employees or financial professionals. Misconduct by our employees, financial professionals, agents, intermediaries, representatives of our broker-dealer subsidiaries- or employees of our vendors could result in obligations to report such misconduct publicly, regulatory enforcement ~~proceeds~~ **proceedings** and, even findings that violations of law were committed by us or our subsidiaries, regulatory sanctions or serious reputational or financial harm. Certain types of violations may result in our inability to act as an investment adviser or broker- dealer or to represent issuers in Regulation D offerings by acting as placement agent, general partner or other roles. We employ controls and procedures designed to monitor employees' and financial professionals' business decisions and to prevent them from taking excessive or inappropriate risks, including with respect to information security, but employees may take such risks regardless of such controls and procedures. If our employees or financial professionals take excessive or inappropriate risks, those risks could harm our reputation, subject us to significant civil or criminal liability and require us to incur significant technical, legal and other expenses. Potential strategic transactions. We may consider potential strategic transactions, including acquisitions, dispositions, mergers, reinsurance, joint ventures and similar transactions. These transactions may not be effective and could result in decreased earnings and harm to our competitive position. In addition, these transactions, if undertaken, may involve a number of risks and present financial, managerial and operational challenges. Furthermore, strategic transactions may require us to increase our leverage or, if we issue shares to fund an acquisition, would dilute the holdings of the existing stockholders. Any of the above could cause us to fail to realize the benefits anticipated from any such transaction. Changes in accounting standards. Our consolidated financial statements are prepared in accordance with U. S. GAAP, the principles of which are revised from time to time. Accordingly, from time to time we are required to adopt new or revised accounting standards issued by recognized authoritative bodies, including the Financial Accounting Standards Board ("FASB"). We may not be able to predict or assess the effects of these new accounting pronouncements or new interpretations of existing accounting pronouncements, and they may have material adverse effects on our business, results of operations or financial condition. For a discussion of accounting pronouncements and their potential impact on our business, **including Accounting Standards Update 2018-12, Financial Services-Insurance (Topic 944): Targeted Improvements to the Accounting for Long-Duration Contracts**, see Note 2 of the Notes to the Consolidated Financial Statements. **Our investment Investment** advisory agreements with clients ~~and our~~ selling and distribution agreements with various financial intermediaries and consultants ~~are subject to termination or non-renewal on short notice~~. AB derives most of its revenues pursuant to written investment management agreements (or other arrangements) with institutional investors, mutual funds and private wealth clients, and selling and distribution agreements with financial intermediaries that distribute AB funds. In addition, as part of our variable annuity products, EIMG enters into written investment management agreements (or other arrangements) with mutual funds. Generally, these investment management agreements (and other arrangements) are terminable without penalty at any time or upon relatively short notice by either party. In addition, the investment management agreements pursuant to which AB and EIMG manage an SEC- registered investment company (a "RIC") must be renewed and approved by the RIC's boards of directors (including a majority of the independent directors) annually. Consequently, there can be no assurance that the board of directors of each RIC will approve the investment management agreement each year or will not condition its approval on revised terms that may be adverse to us. Similarly, we enter into selling and distribution agreements with various financial intermediaries that are terminable by either party upon notice (generally 60 days) and do not obligate the financial intermediary to sell any specific amount of our products. These intermediaries generally offer their clients investment products that compete with our products. In addition, certain institutional investors rely on consultants to advise them about choosing an investment adviser and some of AB's services may not be considered among the best choices by these consultants. As a result, investment consultants may advise their clients to move their assets invested with AB to other investment advisers, which could result in significant net outflows. ~~The replacement of LIBOR may affect our cost of capital and net investment income. It is anticipated that LIBOR will be discontinued no later than June 2023. As a result, existing loans, investments and other contracts relying on a LIBOR benchmark will need to designate a replacement rate. In addition, derivatives and other contracts used to hedge those contracts will generally need to be conformed to provide a similar alternative rate to that being hedged. Further, because, beginning in January 2022, U. S. banks would no longer extend loans based on LIBOR, new lines of credit we enter into since then have been benchmarked to a new benchmark rate, which has typically been the SOFR. SOFR is the average rate at which institutions can borrow U. S. dollars overnight while posting U. S. Treasury bonds as collateral. SOFR is published by the New York Federal Reserve Bank. Given the LIBOR transition, we anticipate a valuation risk around the potential discontinuation event as well as potential risks relating to hedging interest- rate risk. Additionally, the elimination of LIBOR or changes to other reference rates or any other changes or reforms to the determination or supervision of reference rates may adversely affect the amount of interest payable or interest receivable on certain of our investments. These changes may also impact the market liquidity and market value of these investments. Any changes to LIBOR or any alternative rate, or any further uncertainty in relation to the timing and manner of implementation of such changes, could have an adverse effect on the value of investments in our investment portfolio, derivatives we use for hedging, or other indebtedness, securities or commercial contracts. We have inventoried all aspects of our business that utilize a LIBOR benchmark and, for those instruments that currently do not have an~~

~~appropriate fallback rate, we have now completed the process of either disposing of the instrument or negotiating a fallback rate. There is no assurance that the alternative rates we negotiate will not be materially less favorable than the previous, LIBOR-based rate.~~ Increasing scrutiny and evolving expectations regarding ESG matters. There is increasing scrutiny and evolving expectations from investors, customers, regulators and other stakeholders on ESG practices and disclosures, including those related to environmental stewardship, climate change, diversity, equity and inclusion, racial justice and workplace conduct. Legislators and regulators have imposed and likely will continue to impose ESG- related legislation, rules and guidance, which may conflict with one another and impose additional costs on us, impede our business opportunities or expose us to new or additional risks. For example, the SEC has proposed new ESG reporting rules, including relating to climate change, which, if adopted as proposed, could result in additional compliance and reporting costs. See “ Business — Regulation — Climate Risks. ” In addition, state attorneys general and other state officials have spoken out against ESG motivated investing by some investment managers and terminated contracts with managers based on their following certain ESG- motivated strategies. Moreover, proxy advisory firms that provide voting recommendations to investors have developed ratings for evaluating companies on their approach to different ESG matters, and unfavorable ratings of our company or our industry may lead to negative investor sentiment and the diversion of investment to other companies or industries. If we are unable to meet these standards or expectations, whether established by us or third parties, it could result in adverse publicity, reputational harm, or loss of customer and / or investor confidence, which could adversely affect our business, results of operations, financial condition and liquidity.

Risks Relating to Credit, Counterparties and Investments Our counterparties’ requirements to pledge collateral related to declines in estimated fair value of derivative contracts. We use derivatives and other instruments to help us mitigate various business risks. Our transactions with financial and other institutions generally specify the circumstances under which the parties are required to pledge collateral related to any decline in the market value of the derivatives contracts. If our counterparties fail or refuse to honor their obligations under these contracts, we could face significant losses to the extent collateral agreements do not fully offset our exposures and our hedges of the related risk will be ineffective. Such failure could have a material adverse effect on our business, results of operations or financial condition. Changes in the actual or perceived soundness or condition of other financial institutions and market participants. A default by any financial institution or by a sovereign could lead to additional defaults by other market participants. Such failures could disrupt securities markets or clearance and settlement systems and lead to a chain of defaults, because the commercial and financial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. Even the perceived lack of creditworthiness of a financial institution may lead to market- wide liquidity problems and losses or defaults by us or by other institutions. This risk is sometimes referred to as “ systemic risk ” and may adversely affect financial intermediaries with which we interact on a daily basis. Systemic risk could have a material adverse effect on our ability to raise new funding and on our business, results of operations or financial condition. In addition, such a failure could impact future product sales as a potential result of reduced confidence in the financial services industry. Losses due to defaults by third parties and affiliates, including outsourcing relationships. We depend on third parties and affiliates that owe us money, securities or other assets to pay or perform under their obligations. Defaults by one or more of these parties could have a material adverse effect on our business, results of operations or financial condition. Moreover, as a result of contractual provisions certain swap dealers require us to add to derivatives documentation and to agreements, we may not be able to exercise default rights or enforce transfer restrictions against certain counterparties which may limit our ability to recover amounts due to us upon a counterparty’ s default. We rely on various counterparties and other vendors to augment our existing investment, operational, financial and technological capabilities, but the use of a vendor does not diminish our responsibility to ensure that client and regulatory obligations are met. Disruptions in the financial markets and other economic challenges may cause our counterparties and other vendors to experience significant cash flow problems or even render them insolvent, which may expose us to significant costs and impair our ability to conduct business. We are also subject to the risk that our rights against third parties may not be enforceable in all circumstances. The deterioration or perceived deterioration in the credit quality of third parties whose securities or obligations we hold could result in losses or adversely affect our ability to use those securities or obligations for liquidity purposes. Economic downturns, defaults and other events may adversely affect our investments. The occurrence of a major economic downturn, acts of corporate malfeasance, widening credit risk spreads, ratings downgrades or other events that adversely affect the issuers or guarantors of securities we own or the underlying collateral of structured securities we own could cause the estimated fair value of our fixed maturity securities portfolio and corresponding earnings to decline and cause the default rate of the fixed maturity securities in our investment portfolio to increase. We may have to hold more capital to support our securities to maintain our insurance companies’ RBC levels, should securities we hold suffer a ratings downgrade. Levels of write- downs or impairments are impacted by intent to sell, or our assessment of the likelihood that we will be required to sell, fixed maturity securities, as well as our intent and ability to hold equity securities which have declined in value until recovery. Realized losses or impairments on these securities may have a material adverse effect on our business, results of operations, liquidity or financial condition in, or at the end of, any quarterly or annual period. Some of our investments are relatively illiquid and may be difficult to sell. We hold certain investments that may lack liquidity, such as privately placed fixed maturity securities, mortgage loans, commercial mortgage backed securities and alternative investments. In the past, even some of our very high quality investments experienced reduced liquidity during periods of market volatility or disruption. If we were required to liquidate these investments on short notice or were required to post or return collateral, we may have difficulty doing so and be forced to sell them for less than we otherwise would have been able to realize. The reported values of our relatively illiquid types of investments do not necessarily reflect the current market price for the asset. If we were forced to sell certain of our assets in the current market, there can be no assurance that we would be able to sell them for the prices at which we have recorded them and we might be forced to sell them at significantly lower prices, which could have a material adverse effect on our business, results of operations, liquidity or financial condition. Defaults on our mortgage loans and volatility in performance. A portion of our

investment portfolio consists of mortgage loans on commercial and agricultural real estate. Although we manage credit risk and market valuation risk for our commercial and agricultural real estate assets through geographic, property type and product type diversification and asset allocation, general economic conditions in the commercial and agricultural real estate sectors will continue to influence the performance of these investments. **With respect to commercial real estate, there could be potential impacts to estimates of expected losses resulting from lower underlying values, reflecting current market conditions at that time.** These factors, which are beyond our control, could have a material adverse effect on our business, results of operations, liquidity or financial condition. An increase in the default rate of our mortgage loan investments or fluctuations in their performance could have a material adverse effect on our business, results of operations, liquidity or financial condition.

Risks Relating to Our Retirement and Protection Businesses

Risks Relating to Reinsurance and Hedging

Our reinsurance and hedging programs. We seek to mitigate some risks associated with the GMxB features or minimum crediting rate contained in certain of our retirement and protection products through our hedging and reinsurance programs. However, these programs cannot eliminate all of the risks, and no assurance can be given as to the extent to which such programs will be completely effective in reducing such risks.

Reinsurance — We use reinsurance to mitigate a portion of the risks that we face, principally in certain of our in- force annuity and life insurance products. Under our reinsurance arrangements, other insurers assume a portion of the obligation to pay claims and related expenses to which we are subject. However, we remain liable as the direct insurer on all risks we reinsure and, therefore, are subject to the risk that our reinsurer is unable or unwilling to pay or reimburse claims at the time demand is made. The inability or unwillingness of a reinsurer to meet its obligations to us, or the inability to collect under our reinsurance treaties for any other reason, could have a material adverse impact on our business, results of operations or financial condition. Prolonged or severe adverse mortality or morbidity experience could result in increased reinsurance costs, and ultimately may reduce the availability of reinsurance for future life insurance sales, **if available at all**. If, for new sales, we are unable to maintain our current level of reinsurance or purchase new reinsurance protection in amounts that we consider sufficient, we would either have to be willing to accept an increase in our net exposures, revise our pricing to reflect higher reinsurance premiums or limit the amount of new business written on any individual life. If this were to occur, we may be exposed to reduced profitability and cash flow strain or we may not be able to price new business at competitive rates. The premium rates and other fees that we charge are based, in part, on the assumption that reinsurance will be available at a certain cost. If a reinsurer raises the rates that it charges on a block of in- force business, we may not be able to pass the increased costs onto our customers and our profitability will be negatively impacted. Additionally, such a rate increase could result in our recapturing of the business, which may result in a need to maintain additional reserves, reduce reinsurance receivables and expose us to greater risks.

Hedging Programs — We use a hedging program to mitigate a portion of the unreinsured risks we face in, among other areas, the GMxB features of our variable annuity products and minimum crediting rates on our variable annuity and life products from unfavorable changes in benefit exposures due to movements in the capital markets. In certain cases, however, we may not be able to effectively apply these techniques because the derivatives markets in question may not be of sufficient size or liquidity or there could be an operational error in the application of our hedging strategy or for other reasons. The operation of our hedging programs is based on models involving numerous estimates and assumptions. There can be no assurance that ultimate actual experience will not differ materially from our assumptions, particularly, but not only, during periods of high market volatility, which could adversely impact our business, results of operations or financial condition. For example, in the past, due to, among other things, levels of volatility in the equity and interest rate markets above our assumptions as well as deviations between actual and assumed surrender and withdrawal rates, gains from our hedging programs did not fully offset the economic effect of the increase in the potential net benefits payable under the GMxB features offered in certain of our products. If these circumstances were to re- occur in the future or if, for other reasons, results from our hedging programs in the future do not correlate with the economic effect of changes in benefit exposures to customers, we could experience economic losses which could have a material adverse impact on our business, results of operations or financial condition. Additionally, our strategies may result in under or over- hedging our liability exposure, which could result in an increase in our hedging losses and greater volatility in our earnings and have a material adverse effect on our business, results of operations or financial condition. For further discussion, see “ — Risks Relating to Estimates, Assumptions and Valuations — Our risk management policies and procedures. ”

Our reinsurance arrangement with an affiliated captive. The reinsurance arrangement with EQ AZ Life Re Company (the “ Affiliated Captive ”) provides important capital management benefits to Equitable Financial and Equitable America (collectively, the “ Affiliated Cedants ”). Under applicable statutory accounting rules, the Affiliated Cedants are currently, and will in the future be, entitled to a credit in their calculations of reserves for amounts reinsured to the Affiliated Captive, to the extent the Affiliated Captive ~~hold~~ **holds** assets in trust or ~~provide~~ **provides** letters of credit or other financing acceptable to the respective domestic regulators of the Affiliated Cedants. The level of assets required to be maintained in the trust fluctuates based on market and interest rate movements, age of the policies, mortality experience and policyholder behavior. Increasing reserve requirements may necessitate that additional assets be placed in trust or securing additional letters of credit, which could impact the liquidity of the Affiliated Captive.

Risks Relating to the Our Products, Our Structure and Product Distribution

GMxB features within certain of our products. Certain of the variable annuity products we offer and certain in- force variable annuity products we offered historically, and certain variable annuity risks we assumed historically through reinsurance, include GMxB features. We also offer index- linked variable annuities with guarantees against a defined floor on losses. GMxB features are designed to offer protection to policyholders against changes in equity markets and interest rates. Any such periods of significant and sustained negative or low Separate Accounts returns, increased equity volatility or reduced interest rates will result in an increase in the valuation of our liabilities associated with those products. In addition, if the Separate Account assets consisting of fixed income securities, which support the guaranteed index- linked return feature, are insufficient to reflect a period of sustained growth in the equity- index on which the product is based, we may be required to support such Separate Accounts with assets from our General Account and increase our liabilities.

An increase in these liabilities would result in a decrease in our net income and depending on the magnitude of any such increase, could materially and adversely affect our financial condition, including our capitalization, as well as the financial strength ratings which are necessary to support our product sales. Additionally, we make assumptions regarding policyholder behavior at the time of pricing and in selecting and using the GMxB features inherent within our products. An increase in the valuation of the liability could result to the extent emerging and actual experience deviates from these policyholder option use assumptions. If we update our assumptions based on our actuarial assumption review, we could be required to increase the liabilities we record for future policy benefits and claims to a level that may materially and adversely affect our business, results of operations or financial condition which, in certain circumstances, could impair our solvency. In addition, we have in the past updated our assumptions on policyholder behavior, which has negatively impacted our net income, and there can be no assurance that similar updates will not be required in the future. In addition, hedging instruments may not effectively offset the costs of GMxB features or may otherwise be insufficient in relation to our obligations. Furthermore, we are subject to the risk that changes in policyholder behavior or mortality, combined with adverse market events, could produce economic losses not addressed by our risk management techniques. These factors, individually or collectively, may have a material adverse effect on our business, results of operations, including net income, capitalization, financial condition or liquidity including our ability to receive dividends from our insurance subsidiaries. The amount of statutory capital that we have and the amount of statutory capital we must hold to meet our statutory capital requirements and our financial strength and credit ratings can vary significantly. In any particular year, statutory surplus amounts and RBC ratios may increase or decrease depending on a variety of factors. **For further information on the National Association of Insurance Commissioners' (the "NAIC") review of the RBC treatment of certain complex assets in which insurers have invested during recent years, see "Business — Regulation — Insurance Regulation — Surplus and Capital; Risk Based Capital."** Additionally, state insurance regulators have significant leeway in how to interpret existing regulations, which could further impact the amount of statutory capital or reserves that we must maintain. Equitable Financial is primarily regulated by the NYDFS, which from time to time has taken more stringent positions than other state insurance regulators on matters affecting, among other things, statutory capital or reserves. In certain circumstances, particularly those involving significant market declines, the effect of these more stringent positions may be that our financial condition appears to be worse than competitors who are not subject to the same stringent standards, which could have a material adverse impact on our business, results of operations or financial condition. Moreover, rating agencies may implement changes to their internal models that have the effect of increasing or decreasing the amount of capital our insurance subsidiaries must hold in order to maintain their current ratings. To the extent that our statutory capital resources are deemed to be insufficient to maintain a particular rating by one or more rating agencies, our insurance subsidiaries' financial strength and credit ratings might be downgraded by one or more rating agencies. There can be no assurance that any of our insurance subsidiaries will be able to maintain its current RBC ratio in the future or that its RBC ratio will not fall to a level that could have a material adverse effect on our business, results of operations or financial condition. The failure of any of our insurance subsidiaries to meet its applicable RBC requirements or minimum capital and surplus requirements could subject it to further examination or corrective action imposed by insurance regulators, including limitations on its ability to write additional business, supervision by regulators, rehabilitation, or seizure or liquidation. Any corrective action imposed could have a material adverse effect on our business, results of operations or financial condition. A decline in RBC ratios may limit the ability of an insurance subsidiary to pay dividends or distributions to us, could result in a loss of customers or new business, and could be a factor in causing ratings agencies to downgrade the insurer's financial strength ratings, each of which could have a material adverse effect on our business, results of operations or financial condition. A downgrade in our financial strength and claims-paying ratings. Claims-paying and financial strength ratings are important factors in establishing the competitive position of insurance companies. They indicate the rating agencies' opinions regarding an insurance company's ability to meet policyholder obligations and are important to maintaining public confidence in our products and our competitive position. A downgrade of our ratings or those of Equitable Financial, Equitable America or Holdings could adversely affect our business, results of operations or financial condition by, among other things, reducing new sales of our products, increasing surrenders and withdrawals from our existing contracts, possibly requiring us to reduce prices or take other actions for many of our products and services to remain competitive, or adversely affecting our ability to obtain reinsurance or obtain reasonable pricing on reinsurance. A downgrade in our ratings may also adversely affect our **ability to hedge our risks, our** cost of raising capital or limit our access to capital. State insurance laws limit the ability of our insurance subsidiaries to pay dividends and other distributions to Holdings. The payment of dividends and other distributions to Holdings by its insurance subsidiaries, including its captive reinsurer, is regulated by state insurance laws and regulations. These restrictions may limit or prevent our insurance subsidiaries from making dividend or other payments to Holdings. These restrictions are based, in part, on earned surplus and the prior year's statutory income and policyholder surplus. In general, dividends may be paid only from earned surplus (typically defined as available or unassigned surplus, subject to possible adjustments) which is derived from realized net profits on the company's business. Dividends up to specified levels are considered ordinary and generally may be made without prior regulatory approval. Meanwhile, dividends paid from sources other than earned surplus or in larger amounts, often called "extraordinary dividends," are generally subject to approval by the insurance commissioner of the relevant state of domicile. In addition, certain states may prohibit the payment of dividends from other than the insurance company's earned surplus. If any of our insurance subsidiaries subject to the positive earned surplus requirement do not succeed in building up sufficient positive earned surplus to have ordinary dividend capacity in future years, such subsidiary would be unable to pay dividends or distributions to our holding company, in certain cases, absent prior approval of its domiciliary insurance regulator. For further information on state insurance laws related to payments of dividends, see "Business — Regulation — Insurance Regulation — Holding Company and Shareholder Dividend Regulation." From time to time, the NAIC and various state insurance regulators have considered, and may in the future consider, proposals to further limit dividend payments that an insurance company may

make without regulatory approval. For example, the NYDFS enacted Regulation 213. Due to a permitted statutory accounting practice agreed to with the NYDFS, Equitable Financial needs the prior approval of the NYDFS to pay the portion, if any, of any ordinary dividend that exceeds the ordinary dividend that Equitable Financial would be permitted to pay under New York's insurance laws absent the application of such permitted practice. If more stringent restrictions on dividend payments are adopted by jurisdictions in which our insurance subsidiaries are domiciled, such restrictions could have the effect of significantly reducing dividends or other amounts payable to Holdings by its insurance subsidiaries without prior approval by regulatory authorities. The ability of our insurance subsidiaries to pay dividends or make other distributions is also limited by our need to maintain the financial strength ratings assigned to such subsidiaries by the rating agencies. These ratings depend to a large extent on the capitalization levels of our insurance subsidiaries. A loss of, or significant change in, key product distribution relationships. We distribute certain products under agreements with third- party distributors and other members of the financial services industry that are not affiliated with us. We compete with other financial institutions to attract and retain commercial relationships in each of these channels. An interruption or significant change in certain key relationships could materially and adversely affect our ability to market our products and could have a material adverse effect on our business, results of operation or financial condition. Distributors may elect to alter, reduce or terminate their distribution relationships with us, including for such reasons as changes in our distribution strategy, adverse developments in our business, adverse rating agency actions or concerns about market- related risks. Alternatively, we may terminate one or more distribution agreements due to, for example, a loss of confidence in, or a change in control of, one of the third- party distributors, which could reduce sales. We are also at risk that key distribution partners may merge or change their business models in ways that affect how our products are sold, either in response to changing business priorities or as a result of shifts in regulatory supervision or potential changes in state and federal laws and regulations regarding standards of conduct applicable to third- party distributors when providing investment advice to retail and other customers. Our key distribution relationships may also be adversely impacted by regulatory changes that increase the costs associated with marketing or restrict the ability of distribution partners to receive sales and promotion related charges. Our policies and procedures, including hedging programs, to identify, monitor and manage risks may not be adequate or fully effective. Many of our methods of managing risk and exposures are based upon our use of historical market behavior or statistics based on historical models. As a result, these methods may not predict future exposures, which could be significantly greater than the historical measures indicate. Other risk management methods depend upon the evaluation of information regarding markets, clients, catastrophe occurrence or other matters that is publicly available or otherwise accessible to us, which may not always be accurate, complete, up- to- date or properly evaluated. Management of operational, legal and regulatory risks requires, among other things, policies and procedures to record and verify large numbers of transactions and events. These policies and procedures may not be fully effective. We employ various strategies to mitigate risks inherent in our business and operations. These risks include current or future changes in the fair value of our assets and liabilities, current or future changes in cash flows, the effect of interest rates, equity markets and credit spread changes, the occurrence of credit defaults and changes in mortality and longevity. We seek to control these risks by, among other things, entering into reinsurance contracts and through our hedging programs. Developing an effective strategy for dealing with these risks is complex, and no strategy can completely insulate us from such risks. Our hedging strategies also rely on assumptions and projections that may prove to be incorrect or prove to be inadequate. Moreover, definitions used in our derivatives contracts may differ from those used in the contract being hedged. For example, swap documents typically use SOFR as a fallback to LIBOR whereas corporate or municipal bonds or loans held by us may use different fallback rates. Accordingly, our hedging activities may not have the desired beneficial impact on our business, results of operations or financial condition. As U. S. GAAP accounting differs from the methods used to determine regulatory reserves and rating agency capital requirements, our hedging program tends to create earnings volatility in our U. S. GAAP financial statements. Further, the nature, timing, design or execution of our hedging transactions could actually increase our risks and losses. Our hedging strategies and the derivatives that we use, or may use in the future, may not adequately mitigate or offset the hedged risk and our hedging transactions may result in losses, including both losses based on the risk being hedged as well as losses based on the derivative. The terms of the derivatives and other instruments used to hedge the stated risks may not match those of the instruments they are hedging which could cause unpredictability in results. Our reserves could be inadequate and product profitability could decrease due to differences between our actual experience and management's estimates and assumptions. Our reserve requirements for our direct and reinsurance assumed business are calculated based on a number of estimates and assumptions, including estimates and assumptions related to future mortality, morbidity, longevity, persistency, interest rates, future equity performance, reinvestment rates, claims experience and policyholder elections (i. e., the exercise or non- exercise of rights by policyholders under the contracts). The assumptions and estimates used in connection with the reserve estimation process are inherently uncertain and involve the exercise of significant judgment. We review the appropriateness of reserves and the underlying assumptions at least annually and, if necessary, update our assumptions as additional information becomes available. We cannot, however, determine with precision the amounts that we will pay for, or the timing of payment of, actual benefits and claims or whether the assets supporting the policy liabilities will grow to the level assumed prior to payment of benefits or claims. Our claim costs could increase significantly, and our reserves could be inadequate if actual results differ significantly from our estimates and assumptions. If so, we will be required to increase reserves or reduce DAC, which could materially and adversely impact our business, results of operations or financial condition. Future reserve increases in connection with experience updates could be material and adverse to the results of operations or financial condition of the Company. Future changes as a result of future assumptions reviews could require us to make material additional capital contributions to one or more of our insurance company subsidiaries or could otherwise materially and adversely impact our business, results of operations or financial condition and may negatively and materially impact our stock price. Significant deviations in actual experience from our pricing assumptions could have an adverse effect on the profitability of our products. If actual persistency is significantly different from that assumed

in our current reserving assumptions, our reserves for future policy benefits may prove to be inadequate. Although some of our variable annuity and life insurance products permit us to increase premiums or adjust other charges and credits during the life of the policy or contract, the adjustments permitted under the terms of the policies or contracts may not be sufficient to maintain profitability. Many of our variable annuity and life insurance products do not permit us to increase premiums or adjust other charges and credits or limit those adjustments during the life of the policy or contract. Even if we are permitted under the contract to increase premiums or adjust other charges and credits, we may not be able to do so due to litigation, point of sale disclosures, regulatory reputation and market risk or due to actions by our competitors. In addition, the development of a secondary market for life insurance could adversely affect the profitability of existing business and our pricing assumptions for new business.

~~We may be required to accelerate the amortization of DAC. DAC represents policy acquisition costs that have been capitalized. Capitalized costs associated with DAC are amortized in proportion to actual and estimated gross profits, gross premiums or gross revenues depending on the type of contract. On an ongoing basis, we test the DAC recorded on our balance sheets to determine if the amount is recoverable under current assumptions. In addition, we regularly review the estimates and assumptions underlying DAC. The projection of estimated gross profits, gross premiums or gross revenues requires the use of certain assumptions, principally related to Separate Accounts fund returns in excess of amounts credited to policyholders, policyholder behavior such as surrender, lapse and annuitization rates, interest margin, expense margin, mortality, future impairments and hedging costs. Estimating future gross profits, gross premiums or gross revenues is a complex process requiring considerable judgment and the forecasting of events well into the future. If these assumptions prove to be inaccurate, if an estimation technique used to estimate future gross profits, gross premiums or gross revenues is changed, or if significant or sustained equity market declines occur or persist, we could be required to accelerate the amortization of DAC, which would result in a charge to earnings. Such adjustments could have a material adverse effect on our business, results of operations or financial condition.~~

Our financial models rely on estimates, assumptions and projections. We use models in our hedging programs and many other aspects of our operations including, but not limited to, product development and pricing, capital management, the estimation of actuarial reserves, the amortization of DAC, the fair value of the GMIB reinsurance contracts and the valuation of certain other assets and liabilities. These models rely on estimates, assumptions and projections that are inherently uncertain and involve the exercise of significant judgment. Due to the complexity of such models, it is possible that errors in the models could exist and our controls could fail to detect such errors. Failure to detect such errors could materially and adversely impact our business, results of operations or financial condition. Subjectivity of the determination of the amount of allowances and impairments taken on our investments. The determination of the amount of allowances and impairments varies by investment type and is based upon our evaluation of known and inherent risks associated with the respective asset class. Management updates its evaluations regularly and reflects changes in allowances and impairments in operations as such evaluations are revised. There can be no assurance that management's judgments, as reflected in our financial statements, will ultimately prove to be an accurate estimate of the actual diminution in realized value. Historical trends may not be indicative of future impairments or allowances. Additional impairments may need to be taken or allowances provided for in the future that could have a material adverse effect on our business, results of operations or financial condition. Further, rapidly changing and unprecedented credit and equity market conditions could materially impact the valuation of securities as reported within our financial statements and the period- to- period changes in estimated fair value could vary significantly. Decreases in the estimated fair value of securities we hold may have a material adverse effect on our business, results of operations or financial condition. Risks Relating to Our Investment Management and Research Business

AB's revenues and results of operations depend on the market value and composition of AB's AUM. AB derives most of its revenues from investment advisory and services fees, which typically are calculated as a percentage of the value of AUM as of a specified date, or as a percentage of the value of average AUM for the applicable billing period, and vary with the type of investment service, the size of the account and the total amount of assets AB manages for a particular client. The value and composition of AB's AUM can be adversely affected by several factors, including market factors, client preferences, AB's investment performance, investing trends, service changes and interest rate changes. A decrease in the value of AB's AUM, a decrease in the amount of AUM AB manages, an adverse mix shift in its AUM and / or a reduction in the level of fees AB charges would adversely affect AB's investment advisory fees and revenues. A reduction in revenues, without a commensurate reduction in expenses, adversely affects AB's and our business, results of operations or financial condition. The industry- wide shift from actively- managed investment services to passive services. AB's competitive environment has become increasingly difficult, as active managers, which invest based on individual security selection, have, on average, consistently underperformed passive services, which invest based on market indices.

In While this trend reversed in the most recent period, as active performance relative to benchmarks improved, overall, in this environment, organic growth through positive net inflows is difficult to achieve for active managers, such as AB, and requires taking market share from other active managers. The significant shift from active services to passive services adversely affects Bernstein Research Services revenues as well. Institutional global market trading volumes continue to be pressured (notwithstanding the heightened market volatility and trading volume predominately relating to COVID-19 in the first half of 2020) by persistent active equity outflows and passive equity inflows. As a result, portfolio turnover has declined, and investors hold fewer shares that are actively traded by managers. AB's reputation could suffer if it is unable to deliver consistent, competitive investment performance. AB's business is based on the trust and confidence of its clients. Damage to AB's reputation, resulting from poor or inconsistent investment performance, among other factors, can reduce substantially AB's AUM and impair its ability to maintain or grow its business. Performance- based fee arrangements with AB's clients cause greater fluctuations in its net revenues. AB sometimes charges its clients performance- based fees, whereby it charges a base advisory fee and is eligible to earn an additional performance- based fee or incentive allocation that is calculated as either a percentage of absolute investment results or a percentage of investment results in excess of a stated benchmark over a specified period of time. Some performance- based fees include a high- watermark provision, which generally provides that if a client

account under- performs relative to its performance target (whether in absolute terms or relative to a specified benchmark), it must gain back such under- performance before AB can collect future performance- based fees. Therefore, if AB fails to achieve the performance target for a particular period, AB will not earn a performance- based fee for that period and, for accounts with a high- watermark provision, AB' s ability to earn future performance- based fees will be impaired. The revenues generated by Bernstein Research Services and AB' s broker- dealers may be adversely affected by circumstances beyond our control. Electronic, or “ low- touch, ” trading represents a significant percentage of buy- side trading activity and typically produces transaction fees that are significantly lower than the price of traditional full service fee rates. As a result, blended pricing throughout our industry is lower now than it was historically, and price declines may continue. In addition, fee rates we charge and charged by other brokers for brokerage services have historically experienced price pressure, and we expect these trends to continue. Also, while increases in transaction volume and market share often can offset decreases in rates, this may not continue. In addition, the failure or inability of any of AB' s broker- dealer' s significant counterparties to perform could expose AB to substantial expenditures and adversely affect its revenues. For example, SCB LLC, as a member of clearing and settlement organizations, would be required to settle open trades of any non- performing counterparty. This exposes AB to the mark- to- market adjustment on the trades between trade date and settlement date, which could be significant, especially during periods of severe market volatility. Also, AB' s ability to access liquidity in such situations may be limited by what its funding relationships are able to offer us at such times. Finally, extensive changes proposed by the SEC to the equity market structure, including Regulation Best Execution, the proposed Order Competition Rule and proposed changes to Regulation NMS ~~to established~~ **establish**, among other things, minimum pricing increments and ~~requiring~~ **require** disclosures by larger broker- dealers and specified trading platforms, if adopted as proposed, could substantially increase the cost of conducting AB' s buy- side and broker- dealer operations and, possibly, adversely impact trade execution quality. AB may be unable to develop new products and services, and the development of new products and services may expose AB to reputational harm, additional costs or operational risk. AB' s financial performance depends, in part, on its ability to react nimbly to changes in the asset management industry, respond to evolving client needs, and develop, market and manage new investment products and services. Conversely, the development and introduction of new products and services, including the creation of products with concentrations in industries or sectors specific to individual client criteria, or with a focus on ESG, requires continuous innovative effort on AB' s part and may require significant time and resources as well as ongoing support and investment. Substantial risk and uncertainties are associated with the introduction of new products and services, including the implementation of new and appropriate operational controls and procedures, shifting client and market preferences, the introduction of competing products or services, and compliance with regulatory and disclosure requirements. AB' s seed capital investments are subject to market risk. AB has a seed investment program for the purpose of building track records and assisting with the marketing initiatives pertaining to its new products. These seed capital investments are subject to market risk. AB' s risk management team oversees a seed hedging program that attempts to minimize this risk, subject to practical and cost considerations. Also, not all seed investments are deemed appropriate to hedge, and in those cases AB is exposed to market risk. In addition, AB may be subject to basis risk in that it cannot always hedge with precision its market exposure and, as a result, AB may be subject to relative spreads between market sectors. As a result, volatility in the capital markets may cause significant changes in its period- to- period financial and operating results. AB uses various derivative instruments in conjunction with its seed hedging program. While in most cases broad market risks are hedged, AB' s hedges are imperfect, and some market risk remains. In addition, AB' s use of derivatives results in counterparty risk (i. e., the risk that AB may be exposed to credit- related losses in the event of non- performance by counterparties to these derivative instruments), regulatory risk (e. g., short selling restrictions) and cash / synthetic basis risk (i. e., the risk that underlying positions do not move identically to the related derivative instruments). AB may not accurately value the securities it holds on behalf of its clients or its company investments. In accordance with applicable regulatory requirements, contractual obligations or client direction, AB employs procedures for the pricing and valuation of securities and other positions held in client accounts or for company investments. AB has established a valuation committee **and sub- committees**, which ~~oversees~~ **oversee a consistent framework of** pricing controls and valuation processes **for the firm and each of its advisory affiliates**. If market quotations for a security are not readily available, the valuation committee determines a fair value for the security. Extraordinary volatility in financial markets, significant liquidity constraints or AB' s failure to adequately consider one or more factors when determining the fair value of a security based on information with limited market observability could result in AB failing to properly value securities AB holds for its clients or investments accounted for on its balance sheet. Improper valuation likely would result in AB basing fee calculations on inaccurate AUM figures, striking incorrect net asset values for company- sponsored mutual funds or hedge funds or, in the case of company investments, inaccurately calculating and reporting AB' s financial condition and operating results. Although the overall percentage of AB' s AUM that it fair values based on information with limited market observability is not significant, inaccurate fair value determinations can harm AB' s clients, create regulatory issues and damage its reputation. The quantitative and systematic models AB uses in certain of its investment services may contain errors. AB uses quantitative and systematic models in a variety of its investment services, generally in combination with fundamental research. These models are developed by senior quantitative professionals and typically are implemented by IT professionals. AB' s model risk oversight committee oversees the model governance framework and associated model review activities, which are then executed by AB' s model risk team. However, due to the complexity and large data dependency of such models, it is possible that errors in the models could exist and AB' s controls could fail to detect such errors. Failure to detect errors could result in client losses and reputational damage. AB may not successfully manage actual and potential conflicts of interest that arise in its business. Increasingly, AB must manage actual and potential conflicts of interest, including situations where its services to a particular client conflict, or are perceived to conflict, with the interests of another client. Failure to adequately address potential conflicts of interest could adversely affect AB' s reputation, results of operations and business prospects. AB' s reputation could be

damaged and the willingness of clients to enter into transactions in which such a conflict might arise may be affected if AB fails, or appears to fail, to deal appropriately with actual or perceived conflicts of interest. In addition, potential or perceived conflicts could give rise to litigation or regulatory enforcement actions. Changes in the **treatment partnership structure** of AB Holding and ABLP **as partnerships or for changes in the tax purposes law governing partnerships** would have significant tax ramifications. **Having elected under Section 7704 (g) of the Internal Revenue Code of 1986, as amended to be subject to a 3.5 % federal tax on partnership gross income from the active conduct of a trade or business,** AB Holding is a publicly traded partnership (“ PTP ”) for federal income tax purposes. In order to preserve AB Holding’s status as a PTP for federal income tax purposes, management seeks to ensure that AB Holding does not directly or indirectly (through ABLP) enter into a substantial new line of business. A “ new line of business ” includes any business that is not closely related to AB’s historical business of providing research and diversified investment management and related services to its clients. A new line of business is “ substantial ” when a partnership derives more than 15 % of its gross income from, or directly uses more than 15 % of its total assets (by value) in, the new line of business. ABLP is a private partnership for federal income tax purposes and, accordingly, is not subject to federal and state corporate income taxes. In order to preserve ABLP’s status as a private partnership for federal income tax purposes, AB Units must not be considered publicly traded. If such units were to be considered readily tradable, ABLP would become subject to federal and (applicable state and local) corporate income tax on its net income. Further, unitholders would be subject to federal (and applicable state and local) taxes upon receipt of dividends.

Legal and Regulatory Risks We are heavily regulated. We are heavily regulated, and regulators continue to increase their oversight over financial services companies. The adoption of new laws, regulations or standards and changes in the interpretation or enforcement of existing laws, regulations or standards have directly affected, and will continue to affect, our business, including making our efforts to comply more expensive and time-consuming. For additional information on regulatory developments and the risks we face, including the Dodd- Frank Act, **the use of “ big data ” and artificial intelligence technologies, and model laws and regulation regulations developed** by the NAIC and NASAA, see “ Business — Regulation ”. Our retirement and protection business is subject to a complex and extensive array of state and federal tax, securities, insurance and employee benefit plan laws and regulations, which are administered and enforced by a number of different governmental and self-regulatory authorities, including, among others, state insurance regulators, state securities administrators, state banking authorities, the SEC, FINRA, the DOL and the IRS. Failure to administer our retirement and protections products in accordance with contract provisions or applicable law, or to meet any of these complex tax, securities or insurance requirements could subject us to administrative penalties imposed by a governmental or self-regulatory authority, unanticipated costs associated with remedying such failure or other claims, litigation, harm to our reputation or interruption of our operations. Certain of our insurance subsidiaries are required to file periodic and other reports within certain time periods imposed by U. S. federal securities laws, rules and regulations. Failure to file such reports within the designated time period or failure to accurately report our financial condition or results of operations could require these insurance subsidiaries to curtail or cease sales of certain of our products or delay the launch of new products or new features, which could cause a significant disruption in the business of our insurance subsidiaries. If our affiliated and third-party distribution platforms are required to curtail or cease sales of our products, we may lose shelf space for our products indefinitely, even once we are able to resume sales. Virtually all aspects of our investment management and research business are subject to federal and state laws and regulations, rules of securities regulators and exchanges, and laws and regulations certain foreign jurisdictions in which we conduct business. If we violate these laws or regulations, we could be subject to civil liability, criminal liability or sanction, including restriction or revocation of our professional licenses or registrations or our ability to serve as an investment adviser to registered investment companies or as a qualified professional asset manager for employee benefit plans, revocation of the licenses of our employees, censures, fines, restrictions from relying on the issuance safe harbor of Regulation D under the Securities Act when issuing securities or causing our clients not to be able to rely on Regulation D if we act as an investment adviser, placement agent or promoter for the client or to refers clients to private funds or temporary suspension or permanent bar from conducting business. Any such liability or sanction could have a material adverse effect on our business, results of operations or financial condition. A regulatory proceeding could require substantial expenditures of time and money, trigger termination or default rights under contracts to which we are a party and could potentially damage our reputation. In addition, regulators have proposed, imposed and may continue to impose new requirements or issue new guidance aimed at addressing or mitigating climate change-related risks and further regulating the industries in which we operate. For example, the SEC **recently has** proposed amendments to Rule 22e- 4 under the Investment Company Act, which was itself only recently implemented, that would impose substantial new costs on top of those recently spent by us to comply with the rule. Other SEC proposals relating to registered funds, such as proposed amendments to Rule 22c- 1 of the Investment Company Act, would require adoption of “ swing pricing ” and a “ hard close ” by all open- end funds other than money market funds, which could substantially increase the operating costs associated with our funds and potentially adversely impact the appeal of the products to certain investors. - These emerging regulatory initiatives could result in increased compliance cost to our businesses and changes to our corporate governance and risk management practices. **Recently, the DOL issued a proposed regulation that would re- define which individuals and entities act as “ fiduciaries ” when such individuals and entities provide investment advice to ERISA plans and IRAs. The DOL simultaneously issued proposed amendments to existing prohibited transaction exemptions that apply to the provision of investment advice to ERISA plans and IRAs. If finalized in their proposed form, this new definition and these amended exemptions will likely impose additional regulatory burdens on our business as it relates to the sale of insurance products and related provision of investment advice to ERISA plans and IRAs.** Changes in U. S. tax laws and regulations or interpretations thereof. Changes in tax laws and regulations or interpretations of such laws, including U. S. tax reform, could increase our corporate taxes and reduce our earnings. Changes may increase our effective tax rate or have implications that make our products less attractive to consumers. Tax authorities may enact laws, change regulations to increase

existing taxes, or add new types of taxes and authorities who have not imposed taxes in the past, may impose additional taxes. Any such changes may harm our business, results of operations or financial condition. **Uncertainty surrounding potential legal, regulatory and policy changes, as well as the potential for general market volatility, because of the upcoming presidential election in the United States. We face regulatory and tax uncertainties because of a possible change in the current presidential administration due to the upcoming election in 2024. The nature, timing and economic effects of any potential change to the current legal and regulatory framework affecting our insurance subsidiaries or the products they offer remains highly uncertain. Uncertainty surrounding future changes may adversely affect our operating environment and have an adverse impact on our business, financial condition, results of operations and growth prospects.**

Legal proceedings and regulatory actions. A number of lawsuits and regulatory inquiries have been filed or commenced against us and other financial services companies in the jurisdictions in which we do business. Some of these matters have resulted in the award of substantial fines and judgments, including material amounts of punitive damages, or in substantial settlements. We face a significant risk of, and from time to time we are involved in, such actions and proceedings, including class action lawsuits. The frequency of large damage awards, including large punitive damage awards and regulatory fines that bear little or no relation to actual economic damages incurred, continues to create the potential for an unpredictable judgment in any given matter. In addition, investigations or examinations by federal and state regulators and other governmental and self-regulatory agencies could result in legal proceedings (including securities class actions and stockholder derivative litigation), adverse publicity, sanctions, fines and other costs. A substantial legal liability or a significant federal, state or other regulatory action against us, as well as regulatory inquiries or investigations, may divert management's time and attention, could create adverse publicity and harm our reputation, result in material fines or penalties, result in significant expense, including legal and settlement costs, and otherwise have a material adverse effect on our business, results of operations or financial condition. For information regarding legal proceedings and regulatory actions pending against us, see Note 17-19 of the Notes to the Consolidated Financial Statements. Risks Relating to Our Common Stock Certain provisions in our certificate of incorporation and by-laws. Our second amended and restated certificate of incorporation and our sixth amended and restated by-laws include a number of provisions that may discourage, delay or prevent a change in our management or prevent a takeover attempt that stockholders may consider favorable. These provisions may prevent our stockholders from receiving the benefit from any premium to the market price of our common stock offered in a takeover context or may even adversely affect the price of our common stock if the provisions discourage takeover attempts. Our second amended and restated certificate of incorporation and amended and sixth restated by-laws may also make it difficult for stockholders to replace or remove our management. We have designated a sole and exclusive forum for certain litigation that may be initiated by our stockholders. Our second amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware is, to the fullest extent permitted by law, be the sole and exclusive forum for a number of actions. Notwithstanding the foregoing, the exclusive provision shall not preclude or contract the scope of exclusive federal or concurrent jurisdiction for actions brought under the Exchange Act or the Securities Act or the respective rules and regulations promulgated thereunder. General Risks Competition from other insurance companies, banks, asset managers and other financial institutions. We face strong competition from others offering the types of products and services we provide. It is difficult to provide unique retirement and protection or asset management products because, once such products are made available to the public, they often are reproduced and offered by our competitors. If competitors charge lower fees for similar products or services, we may decide to reduce the fees on our own products or services in order to retain or attract customers. Competition may adversely impact our market share and profitability. Many of our competitors are large and well-established and some have greater market share or breadth of distribution, offer a broader range of products, services or features, assume a greater level of risk, have greater financial resources, have higher claims-paying or credit ratings, have better brand recognition or have more established relationships with clients than we do. We also face competition from new market entrants or non-traditional or online competitors, many of whom are leveraging digital technology that may challenge the position of traditional financial service companies. Due to the competitive nature of the financial services industry, there can be no assurance that we will continue to effectively compete within the industry or that competition will not materially and adversely impact our business, results of operations or financial condition. ~~Our information systems may fail or their security may be compromised. Our business is highly dependent upon the effective operation of our information systems and those of our vendors on which our business operations rely. Although we have implemented a formal, risk-based data security and cybersecurity program to mitigate potential risk, our information systems and those of our vendors and service providers may nevertheless be vulnerable to physical or cyber-attacks, computer viruses and malicious code, or other computer related attacks, programming errors and similar disruptive problems which may not be immediately detected. The failure of these systems could cause significant interruptions to our operations, which could result in a material adverse effect on our business, results of operations or financial condition or reputational harm. In addition, a failure of these systems could lead to the possibility of litigation or regulatory investigations or actions, including regulatory actions by state and federal governmental authorities.~~ Protecting our intellectual property. We rely on a combination of contractual rights, copyright, trademark and trade secret laws to establish and protect our intellectual property. Third parties may infringe or misappropriate our intellectual property. The loss of intellectual property protection or the inability to secure or enforce the protection of our intellectual property assets could have a material adverse effect on our business and our ability to compete. Third parties may have, or may eventually be issued, patents or other protections that could be infringed by our products, methods, processes or services or could limit our ability to offer certain product features. If we were found to have infringed or misappropriated a third-party patent or other intellectual property right, we could in some circumstances be enjoined from providing certain products or services to our customers or from using and benefiting from certain patents, copyrights, trademarks, trade secrets or licenses. Alternatively, we could be required to enter into costly licensing arrangements with third parties or implement a costly alternative. Any of these scenarios could

harm our reputation and have a material adverse effect on our business, results of operations or financial condition. **61**