



AB Managed Volatility Equities—Carbon Offset Class

Investment Return Objective

AB Managed Volatility Equities—Carbon Offset Class (Carbon Offset Class) aims to achieve returns that exceed the S&P/ASX 300 Accumulation Index after fees over the medium to long term and to reduce carbon emissions associated with its portfolio holdings.

Why Consider investing in Carbon Offset Class?

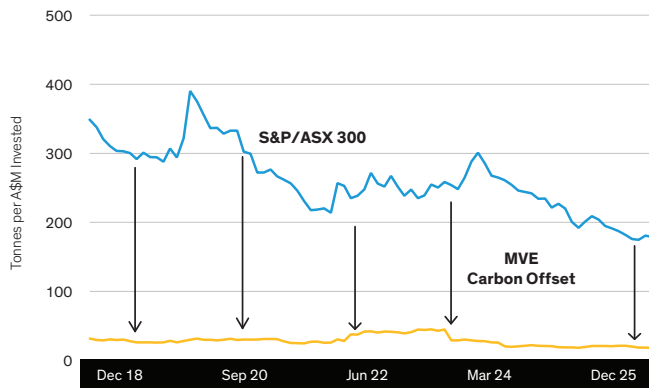
Carbon Offset Class is designed for equity investors seeking:

- Lower volatility
- Reduced downside risk in falling equity markets
- The potential for long term capital growth and some income, including franked Australian dividend income and
- An investment which aims to reduce net greenhouse gas emissions associated with its portfolio holdings.

Carbon Emissions of Portfolio and S&P/ASX 300

Annual Scope 1+2+F CO₂ Equivalent Emissions per A\$M Invested as of December 31, 2025

Figures represent the net greenhouse gas emissions associated with the portfolio's holdings and the index



	Tonnes per A\$M Invested							Since Inception ¹
	Jun 2024	Sep 2024	Dec 2024	Mar 2025	Jun 2025	Sep 2025	Dec 2025	
S&P/ASX 300	242	221	201	209	191	176	179	262
MVE Carbon Offset	22	21	19	21	21	20	18	28
Reduction	91%	91%	91%	90%	89%	89%	90%	89%

~AB Managed Volatilities Equities—Carbon Offset Class is a unit class of the AB Managed Volatility Equities Fund ARSN 099 739 447

Note About Emissions:

Scope 1 emissions per annum are released directly into the atmosphere through the combustion of fossil fuels (e.g., coal or transport fuels) as well as fugitive or process emissions from industrial and agricultural processes (e.g., cement production). Scope 2 emissions per annum are from the consumption of energy such as electricity or steam (e.g., the electricity consumed by an aluminium smelter). Scope F emissions per annum are released by the future combustion of fossil fuels that have been produced and instead of being consumed are sold to a third party for them to combust (e.g., the coal extracted and then sold by a coal miner).

¹Since inception averages for portfolio and index

Carbon Emissions of Top 10 Emitters in Portfolio

Figures represent the net greenhouse gas emissions associated with the portfolio's holdings

#	Stock	Emissions* (kt)	Market Cap (A\$M)	Stock Emissions* per A\$M invested	Contribution to Portfolio Emissions* (t/A\$M)
1	Rio Tinto	30,800	206,244	149	7.7
2	Coles Group	1,310	28,775	46	2.0
3	Fortescue Metals	2,730	67,768	40	1.6
4	Newmont Mining	4,839	163,399	30	0.9
5	Inghams	193	925	208	0.8
6	Telstra	818	54,812	15	0.7
7	Woolworths	1,841	35,891	51	0.7
8	Downer EDI	332	5,272	63	0.5
9	GrainCorp	115	1,596	72	0.4
10	Evolution Mining	809	25,748	31	0.4
	Other Fund Holdings	–	–	–	2.2
	Total	–	–	–	18.0
	Index	–	–	–	179

*Annual Scope 1+2+FCO₂ Equivalent Emissions as of December 31, 2025

Carbon Offsetting

Carbon Offset Class seeks to reduce the net greenhouse gas emissions associated with the portfolio holdings by engaging third parties to facilitate the cancellation or retirement of carbon credits.

Period	Carbon Credits Retired	Associated Carbon Credit Projects
4Q:2025	171	Project Enlighten
3Q:2025	169	Newman Power Station Energy Efficiency Project
3Q:2025	171	Project Enlighten
2Q:2025	148	Wyong Landfill Gas Project
1Q:2025	163	Project Enlighten
4Q:2024	191	DAC-15-02
3Q:2024	405	Nantilla Regeneration Project
2Q:2024	30	Parooowidgee Regeneration Project
1Q:2024	218	Lakemere Human-Induced Regeneration Project
4Q:2023	7	Quimby Forest Regeneration Project
3Q:2023	294	Hillview Park Regeneration Project
2Q:2023	433	The Kasigau Corridor REDD Project & Paroo River South Environmental Project
1Q:2023	410	Cudjee Regeneration Project & Cordillera Azul National Park REDD Project
4Q:2022	388	Wiralla Regeneration Project & Southern Cardamom REDD+ Project
3Q:2022	458	Hillview Park Regeneration Project & Pacajai REDD+ Project
2Q:2022	435	Curranyalpa Human-Induced Regeneration Project & Rio Anapu-Pacaja REDD Project
1Q:2022	295	Munda Munda Regeneration Project & Wind Power Project Tamil Nadu by Green Infra Renewable Energy
4Q:2021	297	South-East Arnhem Land Fire Abatement (SEALFA) Project
3Q:2021	273	South-East Arnhem Land Fire Abatement (SEALFA) Project
2Q:2021	286	Bierbank & Lanheme Regeneration Project
1Q:2021	280	Bierbank & Lanheme Regeneration Project
4Q:2020	280	Paroo River South Environmental Project
3Q:2020	270	Paroo River South Environmental Project
2Q:2020	255	West Arnhem Land Fire Abatement Project
1Q:2020	258	Central Arnhem Land Fire Abatement Project
4Q:2019	240	Northern Savanna Project
3Q:2019	250	West Arnhem Land Fire Abatement Project
2Q:2019	226	Colodon Great Barrier Reef
1Q:2019	136	Colodon Great Barrier Reef
Total	7,437	



Quarterly Emissions Report

Carbon Offset Class will enter into arrangements with third parties to have carbon credits cancelled or retired. A carbon offset (also known as a carbon credit) is an undertaking which is intended to prevent, reduce or remove greenhouse gas emissions from being generated or released into the atmosphere to compensate (or offset) for emissions occurring elsewhere. We will use third party and internally generated information to estimate the greenhouse gas emissions associated with the Carbon Offset Class holdings and the costs associated with offsetting these greenhouse gas emissions. There is a risk that net greenhouse gas emissions associated with the Carbon Offset Class holdings are not offset or reduced. This could be due to various reasons including but not limited to potential inaccuracies or omissions in the data or models we use to estimate greenhouse gas emissions, a failure by an appointed third party service provider, ineffective or incomplete carbon abatement from projects tied to carbon credits, insufficient supply of carbon credits in the market, or the cost to reduce greenhouse gas emissions rise to the extent that offsetting greenhouse gas emissions is no longer viable. There is no guarantee that the net greenhouse gas emissions of the Carbon Offset Class investment activities will always be offset or reduced.

Source: S&P Dow Jones, company reports and AB analysis

Persons who are Qualified Investors* may apply to invest in Carbon Offset Class via the Information Memorandum (IM).

*Qualified Investors are defined in the IM as wholesale persons for the purposes of Part 7.9 of the Corporations Act

AllianceBernstein Investment Management Australia Limited (ABN 58 007 212 606, AFSL 230 683) ("ABIMAL") is the responsible entity of AB Managed Volatility Equities Fund (ARSN 099 739 447) ("Fund") and is the issuer of units in the Fund. AB Managed Volatility Equities—Carbon Offset Class is a unit class of the Fund. ABIMAL has appointed AllianceBernstein Australia Limited ("ABAL") (ABN 53 095 022 718, AFSL 230 698) as the investment manager of the MVE-Carbon Offset Class. ABAL in turn has delegated a portion of the investment manager function to AllianceBernstein L.P. The MVE-Carbon Offset Class's Information Memorandum ("IM") is available by contacting the client services team at AllianceBernstein Australia Limited at (02) 9255 1299. Investors should consider the IM in deciding to acquire, or continue to hold, units in the MVE-Carbon Offset Class.

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