



## An active core municipal bond strategy that combines flexibility and innovation to seek attractive after-tax returns

The fund offers muni investors the distinct opportunity to expand income sources across the credit and maturity spectrums and tap into taxable fixed-income markets.

<b>Investment Style</b>	Core/Core Plus
<b>Benchmark</b>	Bloomberg Municipal Index
<b>Morningstar Category</b>	US Fund Muni High Yield
<b>Duration</b>	4–7 Years
<b>Investment Universe</b>	<ul style="list-style-type: none"> <li>• Minimum 65% in municipal bonds</li> <li>• Maximum 35% in taxable bonds</li> <li>• Selective investments in high-yield municipals</li> <li>• Managed for investors in the top marginal tax bracket</li> </ul>

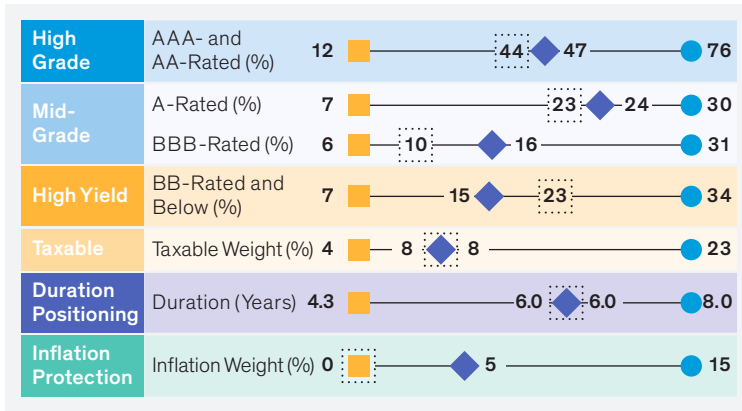
## The strategy’s investment flexibility opens up a diverse range of portfolio alpha sources

With the fund’s broad universe, it seeks to capitalize on a wide range of opportunities—from credit exposure to individual security selection and even CPI swaps—to drive alpha and enhance returns.

Duration Positioning	Tax-Exempt vs. Taxable	Credit Opportunities	Security Selection
<ul style="list-style-type: none"> <li>• Proactive positioning based on macro forecast and expectations</li> <li>• Typical duration range: 85%–115% of benchmark</li> </ul>	<ul style="list-style-type: none"> <li>• Opportunistic cross-over trades between markets</li> <li>• Increase after-tax portfolio yield and reduce volatility</li> <li>• Taxable range: 0%–35%; Historical average: 8%</li> </ul>	<ul style="list-style-type: none"> <li>• Seek opportunities to boost yield and total return across the full municipal bond spectrum</li> <li>• Dynamically shift credit quality over time</li> <li>• High-yield range: 0%–40%; Historical average: 17%</li> </ul>	<ul style="list-style-type: none"> <li>• Blend quantitative and fundamental research</li> <li>• Relative value pricing model focuses on “cheap” opportunities</li> <li>• Highest conviction ideas receive largest portfolio weights</li> </ul>

## The fund’s design makes it highly dynamic and adaptable to changing fixed-income market conditions

The strategy has the latitude to actively shift positioning as market conditions change. Combined with an expansive investment universe, this facilitates a highly active portfolio.



## The fund has historically produced strong returns driven by a flexible and innovative investment strategy

The fund’s broad opportunity set and flexibility combined with leading-edge technology has helped deliver higher absolute and risk-adjusted returns versus peers over time.

**Attractive Returns vs. both the Morningstar US Fund High Yield Muni and the Morningstar US Fund Muni National Intermediate Categories**

US Fund High Yield Muni	One Year	Three Year	Five Year	Ten Year
Percentile Rank	47th	5th	8th	76th
# of Strategies	192	190	186	146

US Fund Muni National Intermediate*	One Year	Three Year	Five Year	Ten Year
Percentile Rank	7th	4th	2nd	8th
# of Strategies	268	251	233	215

Historical allocations will vary over time and are subject to change and fluctuations. Numbers are generated from internal reporting and may vary from official books and records. | As of December 31, 2023 | Source: AB

As of December 31, 2023 | Source: Morningstar

# AB TAX-AWARE FIXED INCOME OPPORTUNITIES PORTFOLIO

Advisor Class Performance

Annualized Returns as of December 31, 2023 (%)	QTD	YTD	One Year	Three Years	Five Years	10 Years
<b>AB Tax Aware Opportunities (ATTYX)</b>	<b>7.59</b>	<b>6.99</b>	<b>6.99</b>	<b>0.71</b>	<b>3.12</b>	<b>3.24</b>
Bloomberg Municipal Bond Index	7.89	6.40	6.40	-0.40	2.25	3.01
MMorningstar High Yield Muni Category	7.92	6.81	6.81	-0.92	1.94	3.77
Morningstar Municipal Intermediate Category	6.38	5.67	5.67	-0.50	1.96	2.44
SEC Taxable-Equivalent Yield at 35% (30-day)** 6.26%						
SEC Taxable-Equivalent Yield at 37% (30-day)** 6.46%						
SEC Current Yield (30-Day)* 4.07%    Unsubsidized Yield 3.99%						

Expense ratio as of 1/31/23—Gross: 0.66%, Net:<sup>§</sup> 0.51% | Inception date: 12/11/2013

Lipper General & Insured Municipal Debt Funds Average	One Year	Three Years	Five Years	10 Years
Quartile	2nd	1st	1st	2nd
Rank	108/292	4/276	6/256	51/183

\*Force rank versus the intermediate municipal category as this strategy underwent a categorization change in April of 2023. †Yields for other share classes will vary due to different expenses. Unsubsidized SEC yield is calculated using the total expense ratio excluding any fee waivers. ‡The taxable-equivalent yield is based on SEC yields and the stated marginal federal income tax rate and the maximum state taxes, where applicable. Sources: FactSet, Morningstar Inc. and AB. §This reflects the Adviser's contractual waiver of a portion of its advisory fee and/or reimbursement of a portion of the Fund's operating expenses. This waiver extends through January 31, 2024, and may be extended by the Adviser for additional one-year terms. Absent reimbursements or waivers, performance would have been lower. Expenses are capped at 0.50%, excluding expenses associated with securities sold short, acquired fund fees and expenses other than the advisory fees of any AB mutual funds in which the Fund may invest, interest expense, taxes, extraordinary expenses, and brokerage commissions and other transaction costs. Net expense is actual cost paid by investor, displayed as a percentage of Fund's net assets. **Sharpe ratio** is a measure of the fund's return relative to the investment risk it has taken. A higher Sharpe ratio means the fund's returns have been better, given the level of risk the fund has taken. **Alpha** is the risk-adjusted measurement of "excess return" over the benchmark. **Past performance does not guarantee future results. Current performance may be lower or higher than the performance information shown. You may obtain performance information current to the most recent month-end by visiting abfunds.com. The investment return and principal value of an investment in the Portfolio will fluctuate, so that your shares, when redeemed, may be worth more or less than their original cost. Advisor Class shares have no front-end or contingent deferred sales charges; however, when purchased through a financial advisor additional fees may apply. Returns for other share classes will vary due to different charges and expenses. Performance assumes reinvestment of distributions and does not account for taxes. If applicable, high double-digit returns are highly unusual and cannot be sustained; such returns are primarily achieved during favorable market conditions.** Morningstar ratings are specific metrics of performance and do not represent absolute performance of any fund. For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance, placing more emphasis on downward variations and rewarding consistent performance. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics. Morningstar rating is for Advisor Class only; other share classes may have different performance characteristics. © 2024 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Lipper rankings are based on total returns at net asset value without the imposition of a sales charge, which would reduce total-return figures. Lipper averages represent the average returns of funds contained in the respective Lipper category. Funds within the category generally have similar investment objectives although some may have different investment policies. Rankings shown are for Advisor shares only, although other share classes are available for which management fees and sales charges will differ and rankings may vary. Investors cannot invest directly in indices or averages, and their returns do not represent the performance of any AB mutual fund.

Bloomberg Municipal Bond Index represents the performance of the long-term tax-exempt bond market consisting of investment-grade bonds.

**Investors should consider the investment objectives, risks, charges and expenses of the Fund/Portfolio carefully before investing. For copies of our prospectus or summary prospectus, which contain this and other information, visit us online at abfunds.com or contact your AB representative. Please read the prospectus and/or summary prospectus carefully before investing.**

**Market Risk:** The market values of the portfolio's holdings rise and fall from day to day, so investments may lose value. **Interest Rate Risk:** Fixed-income securities may lose value if interest rates rise or fall—long-term securities tend to rise and fall more than short-term securities. The values of mortgage-related and asset-backed securities are particularly sensitive to changes in interest rates due to prepayment risk. **Credit Risk:** A bond's credit rating reflects the issuer's ability to make timely payments of interest or principal—the lower the rating, the higher the risk of default. If the issuer's financial strength deteriorates, the issuer's rating may be lowered and the bond's value may decline. **Inflation Risk:** Prices for goods and services tend to rise over time, which may erode the purchasing power of investments. **Diversification Risk:** Portfolios that hold a smaller number of securities may be more volatile than more diversified portfolios, since gains or losses from each security will have a greater impact on the portfolio's overall value. **Derivatives Risk:** Investments in derivative instruments such as options, futures, forwards or swaps can be riskier than traditional investments, and may be more volatile, especially in a down market. **Leverage Risk:** Trying to enhance investment returns by borrowing money or using other leverage tools can magnify both gains and losses, resulting in greater volatility.

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