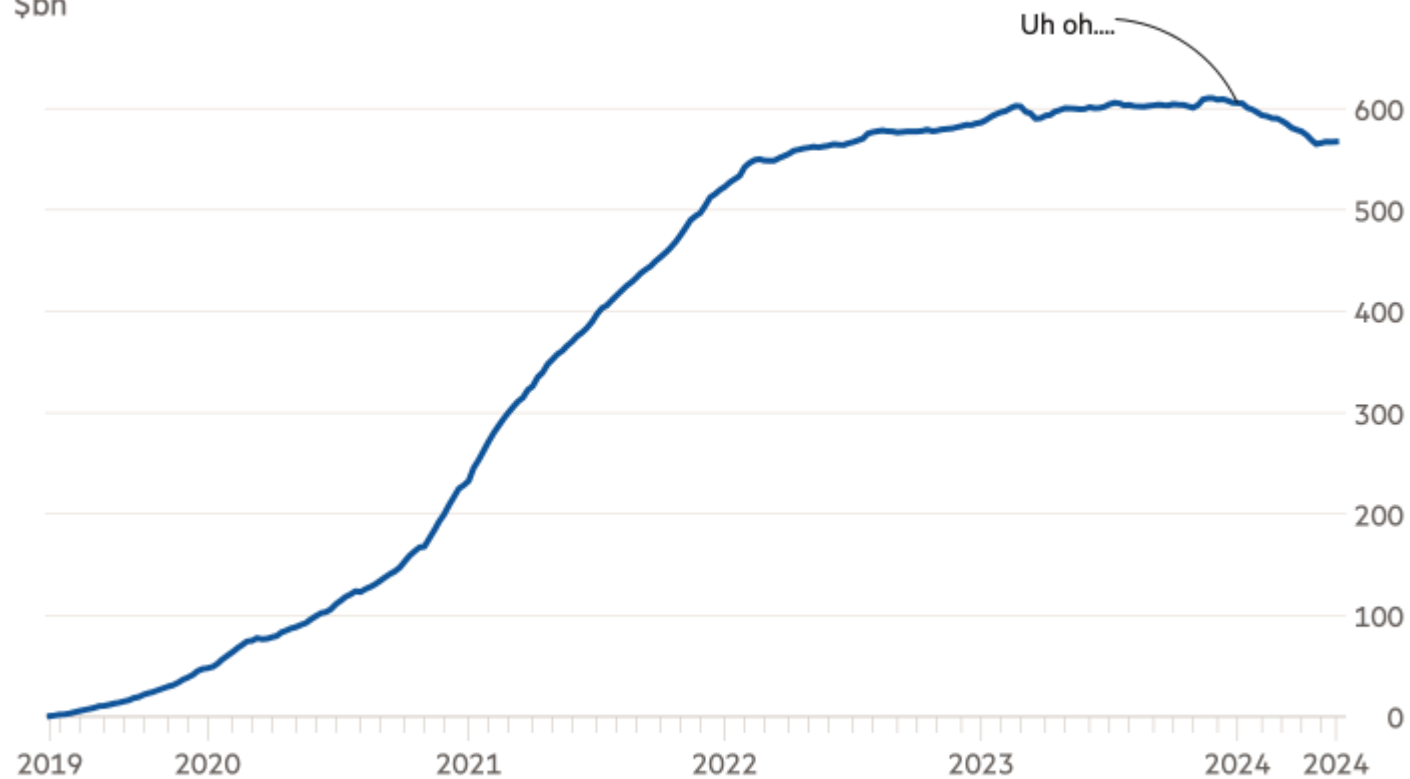


Cumulative ESG equity fund flows

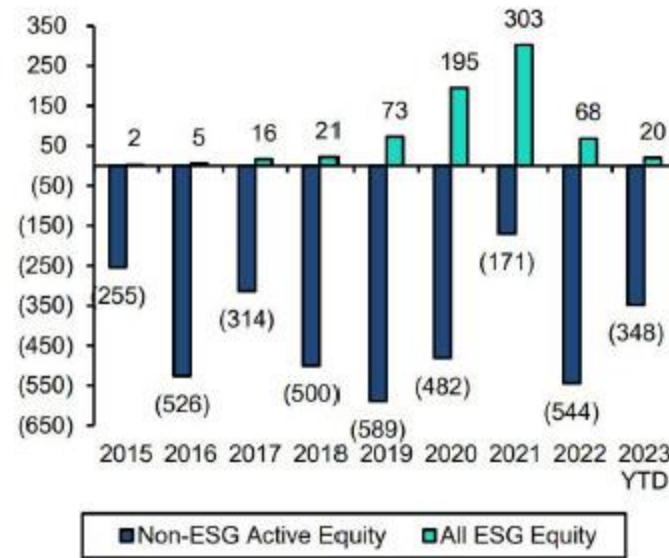
\$bn



Source: EPFR
© FT

ANNUAL FLOW INTO ESG EQUITY AND NON-ESG ACTIVE EQUITY FUNDS (\$BN)

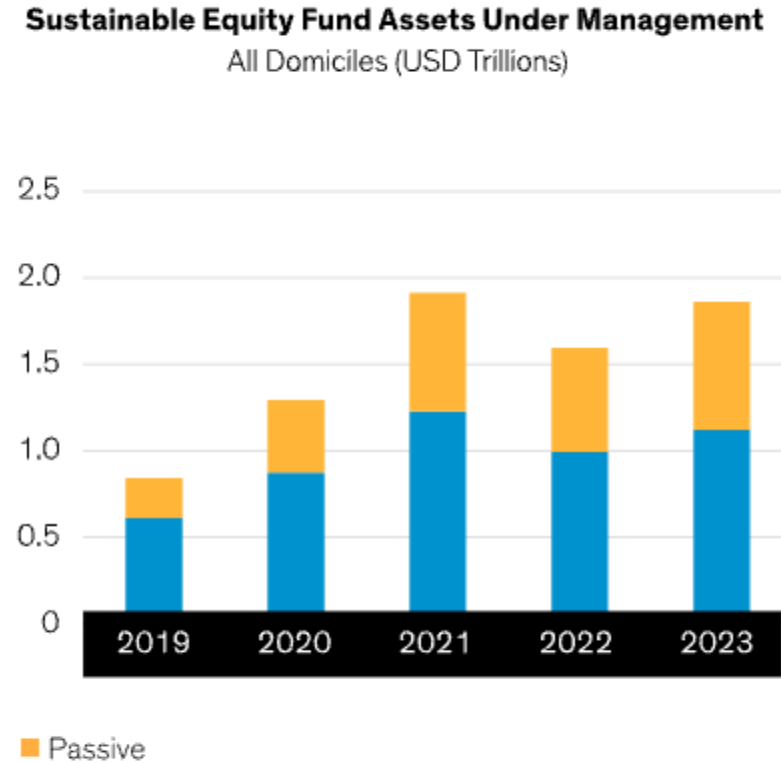
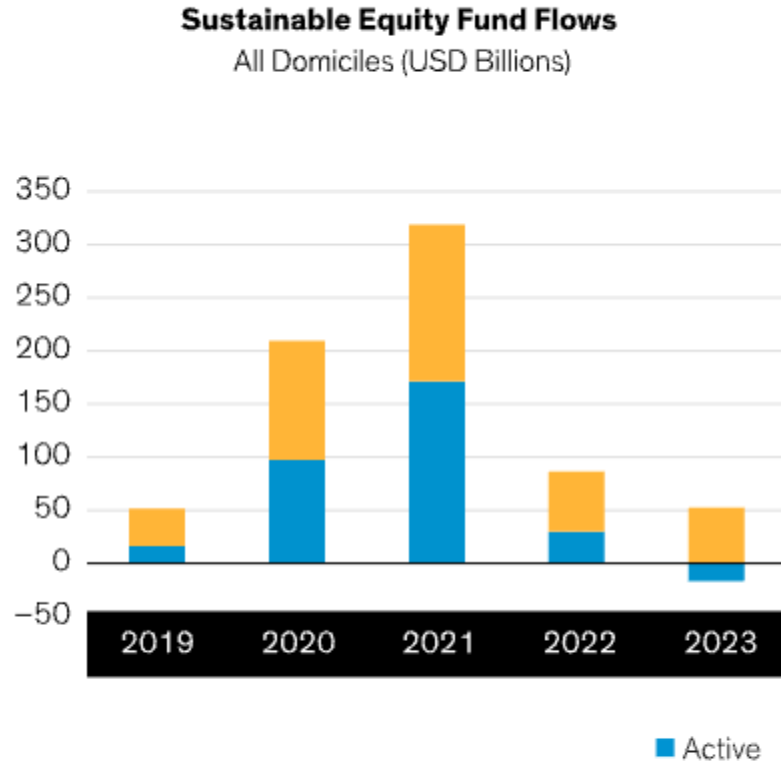
Inflows into ESG equity funds skyrocketed from \$21bn in 2018 to over \$300 a year in 2021, before dropping back down to earth in 2023 YTD



Source: Bernstein

2023 YTD is through September

Flows to Passive Sustainable Funds Have Increased



Past performance and current analysis do not guarantee future results.

The global sustainable equity fund universe encompasses open-end funds and exchange-traded funds based on Morningstar's definition of "Sustainable Investment--Overall." It excludes feeder funds and fund of funds.

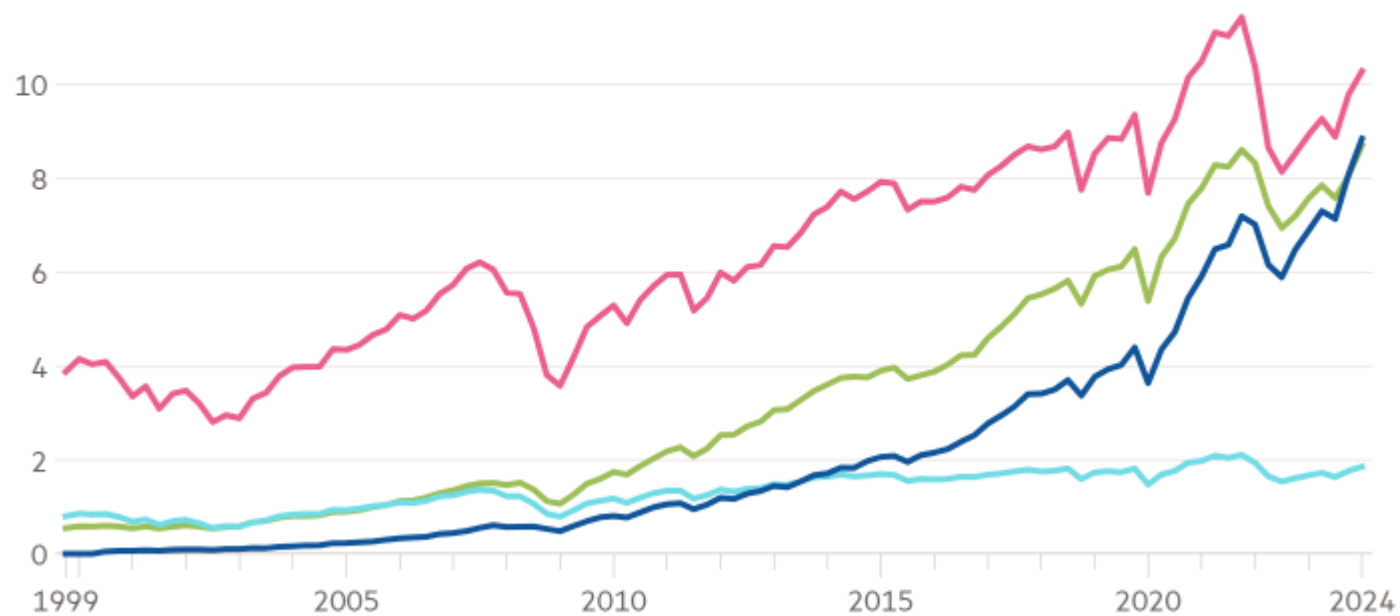
Through December 31, 2023

Source: Morningstar and AllianceBernstein (AB)

ETFs have grown rapidly

Assets under management in various fund structures, US only (\$tn)

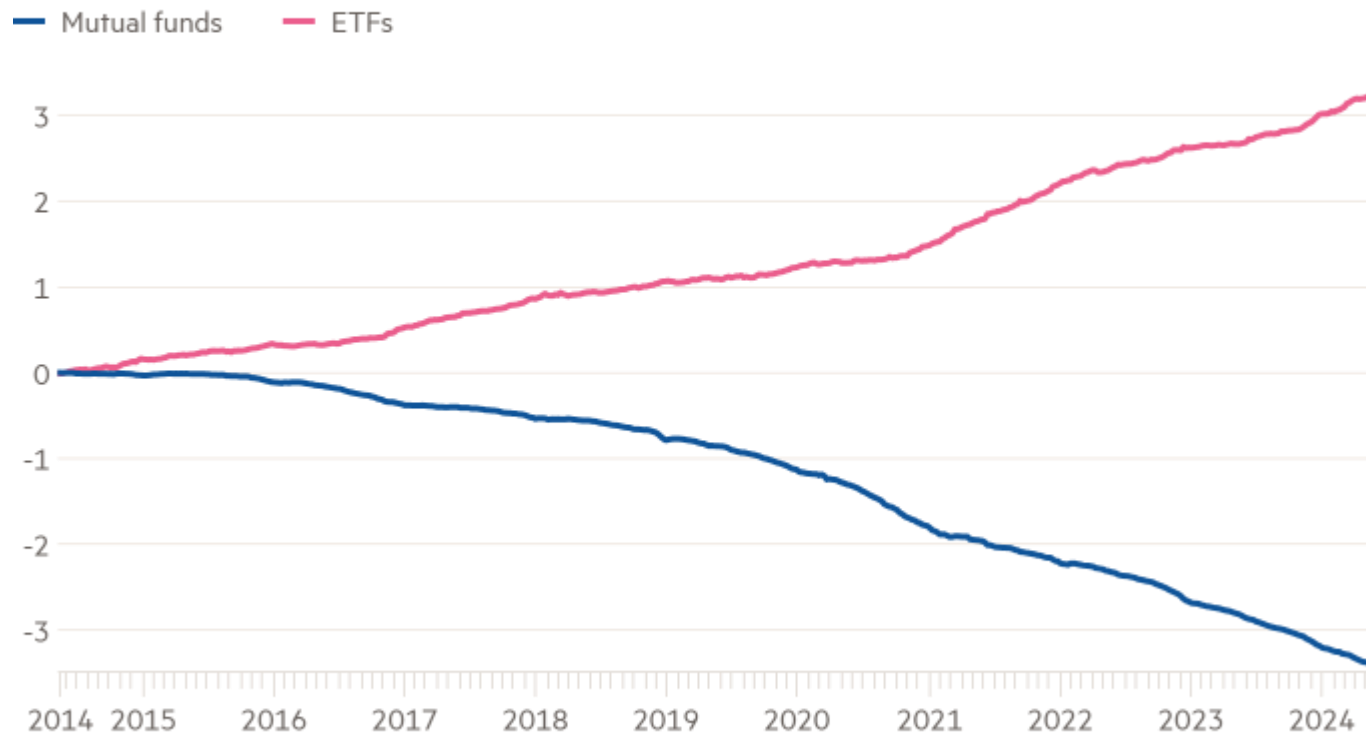
— ETFs — Mutual funds (retail money) — Variable annuities
— Mutual funds (institutional money)



Sources: Citi Research, Haver Analytics, ICI

ETFs are supplanting mutual funds for equities

Cumulative net flows, US-domiciled equity funds (\$tn)



Sources: Citi Research, Haver Analytics, ICI