

ESG Fund Fees

Myth busting: ESG funds aren't more expensive than non-ESG funds.

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Executive Summary

Investments that focus on environmental, social, and governance (ESG) characteristics are often thought to be more expensive options for investors. It is commonly assumed that the extra costs ESG funds typically incur (associated with ESG data, research and expertise) are passed on to the end investor.

In this report, we compare the representative costs of ESG funds in Europe versus their conventional peers in six of the most popular Morningstar categories, using both asset-weighted and simple averages. We examine the evolution of costs over the past decade for both cohorts and by investment style (passive versus active).

Key Takeaways

- ▶ ESG funds are not more expensive than their conventional peers, on average. Their costs have declined in recent years partly because of the proliferation of new strategies and intensifying competition in the ESG space.
- ▶ The asset-weighted representative costs for ESG funds in six of the most popular Morningstar categories average 0.83%, compared with 0.90% for conventional funds. These were 1.55% and 1.32%, respectively, one decade ago.
- ▶ Active ESG funds exhibit lower costs than their conventional peers in five of the six selected categories, as measured by asset-weighted and simple averages.
- ▶ Passive ESG funds tend to be on a par with their non-ESG equivalents in four of the six categories, on an asset-weighted average basis. Emerging markets is the only category where passive ESG funds exhibit notably higher expenses, but the gap remains modest, at 0.05%, on average.
- ▶ New active ESG funds launched in recent years charge lower fees than new active non-ESG funds. This, however, is not always the case for new passive ESG funds.
- ▶ Most rebranded ESG funds have maintained or reduced their costs after rebranding. In 2021, when rebranding activity reached record levels, rebranded ESG funds that reduced or kept their costs unchanged accounted for almost 60% of rebranded funds that year.

Introduction

As of March 2024, there were about 5,500 ESG funds available for sale in Europe, amounting to USD 2.5 trillion, according to Morningstar Direct.

We [previously reported in 2020](#) that the average fees charged by ESG funds were lower than those for the group of non-ESG peers. Another study by the European Securities and Markets Authority (ESMA) and European Fund and Asset Management Association (EFAMA) found that ESG equity funds (excluding exchange-traded funds) were, on average, cheaper than their non-ESG peers in both 2019 and 2020.¹

In this report, using a larger sample of over 110,000 retail share classes from over 37,400 funds domiciled in Europe, including about 4,000 ESG funds, we examine the representative costs of ESG funds versus their non-ESG peers in six diversified and most popular Morningstar categories, which represent more than 70% of the European ESG fund universe.

We showcase the evolution of costs over the past decade and aim to answer three questions:

1. Do asset managers charge more for ESG funds than for non-ESG funds?
2. Do asset managers charge more for new ESG funds than for new non-ESG funds?
3. Do asset managers raise fees when they rebrand existing funds to ESG funds?

Our results confirm the general relative cheapness of ESG funds compared with conventional funds, along with the overall steady declining trend of costs for both over the past decade. In particular, we found that ESG funds launched since 2019 have exhibited lower expenses than new non-ESG peers, as measured by simple averages. We also found that 60% of rebranded funds since 2019 have either maintained or reduced their fees.

The relative cheapness of both existing and new ESG funds may seem counterintuitive considering the extra costs they typically incur (associated with ESG research, data and expertise). But this can be explained by the increased competition in the ESG space. Another explanation can also be that firms consider the initial extra research costs related to ESG funds as necessary for the whole firm to comply with regulatory requirements and they choose to spread the extra costs evenly across their range of strategies.

These results debunk a persistent myth that ESG funds are more expensive than non-ESG funds.

Methodology

As part of its 2017 Global Investor Experience study, Morningstar introduced a new data point called **Representative Cost ex Transaction Fee (Annualized)** that standardizes annual fund expenses globally, facilitating comparison across markets. Representative cost captures recurring costs charged by the fund vehicle, including embedded distribution fees, retrocessions and performance fees. It excludes one-off

¹ https://www.esma.europa.eu/sites/default/files/library/esma_50-165-2146_drivers_of_costs_and_performance_of_esg_funds.pdf

fees charged by third parties such as advisers or platforms, as well as front-end or deferred sales loads and redemption charges.

The analysis is done at the share class level and, to take into account the influence of certain sizable share classes of individual funds, we derive the weighted average representative cost for ESG or conventional funds in the selected categories. First, representative costs at the share class level are weighted by corresponding net assets of individual share classes to derive the net asset weighted average of representative cost. The weighted average representative cost is then applied under different grouping methods using **Sustainable Investment Overall** and **Index Fund** data points in Morningstar Direct for different comparison purposes in individual categories.

Finally, we narrowed down the initial sample to all retail share classes to eliminate the potential downward effect caused by institutional share classes. As of March 2024, our sample consisted of 110,055 retail share classes from 37,472 funds, of which close to 3,998 were ESG funds.

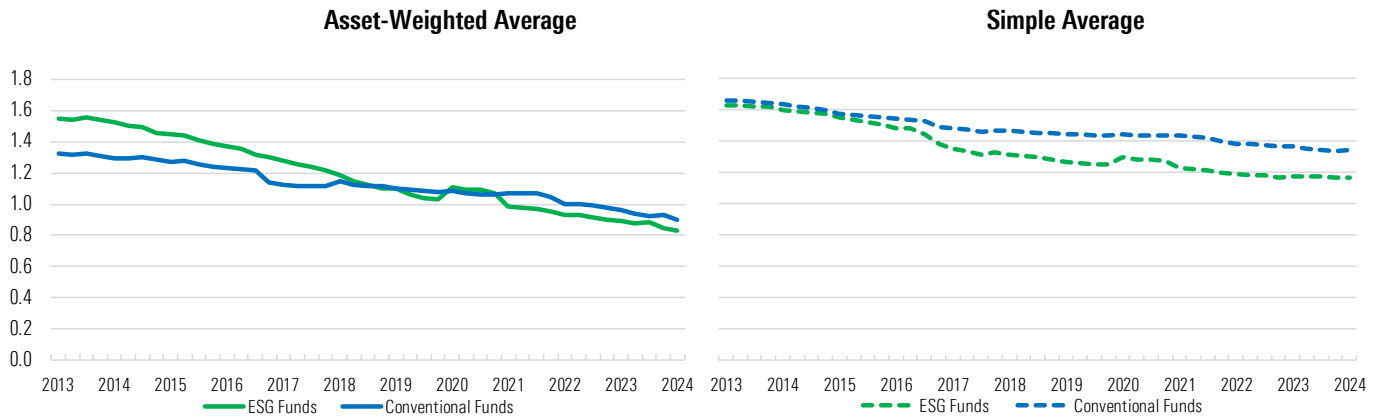
Overall Findings

Using both asset-weighted and simple averages at the share class level, we find that European ESG funds, in general, exhibit lower representative costs than their conventional peers.

As of March 2024, the average ESG fund in six of the most popular Morningstar categories cost 0.82%, while the average conventional fund charged 0.90%. ESG funds were more expensive on an asset-weighted basis until 2021. Their asset-weighted average representative costs were 1.55% in 2013 but declined to 0.99% in early 2021 and dropped further to 0.82% at the end of the first quarter 2024. The 36% cost reduction over the past three years compares to the 18% fee slash among the sample of conventional funds.

On a simple average basis across the six selected categories, ESG funds cost 0.83%, compared with 0.90% for conventional funds, as of March 2024.

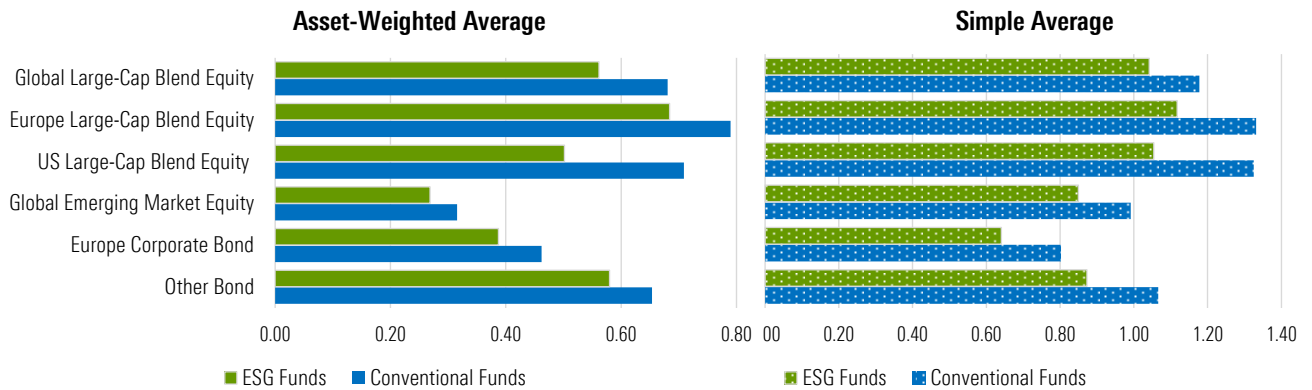
Exhibit 1 Fee Comparison of ESG and Conventional Funds - Averaged Across Six Most Popular Morningstar Categories (%)



Source: Morningstar Direct. Data as of March 2024. Based on 3,998 ESG and 33,474 conventional funds with available representative cost and net assets data.

The charts below show that ESG funds exhibit lower costs than conventional funds across each of the six selected Morningstar categories.

Exhibit 2 Fee Comparison of ESG and Conventional Funds, as of March 2024 (%)



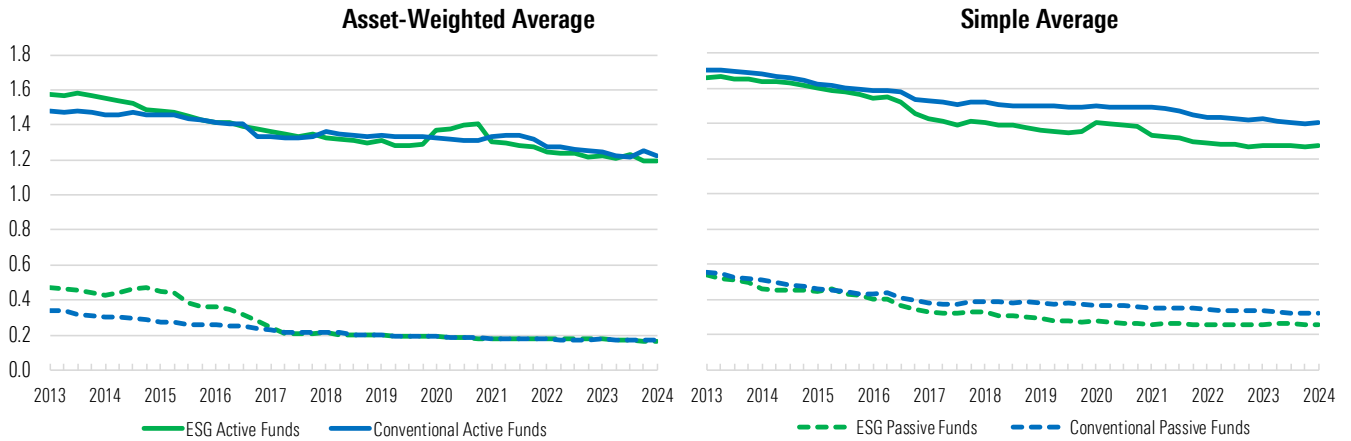
Source: Morningstar Direct. Data as of March 2024. Based on 3,998 ESG and 33,474 conventional funds with available representative cost and net assets data.

The exhibit below shows the active/passive breakdown of our sample of funds across the six selected categories. We can see that the cost gap between ESG and non-ESG funds is mostly in active funds. As of March 2024, the average active ESG fund across the six categories charges 1.19%, while the average active conventional fund costs 1.22%. ESG passive funds have stayed on a par with their conventional peers for the past six years. Towards the end of the first quarter of 2024, the asset-weighted average representative costs of the two groups became almost level with each other at around 0.16%.

The declining costs for ESG and conventional funds across passive and active investment styles over time can be explained by the intense fee competition driven by passive funds. The decline in fees is a

strong positive for investors. Morningstar research has demonstrated that fees are a reliable predictor of future returns. Low-cost funds generally have greater odds of surviving and outperforming their more expensive peers.

Exhibit 3 Fee Comparison of Active/Passive ESG and Conventional Funds (%)



Source: Morningstar Direct. Data as of March 2024. Based on 3,998 ESG and 33,474 conventional funds with available representative cost and net assets data.

Analysis Per Morningstar Category

In this section, we delve into the six selected Morningstar Categories, comparing the representative costs for ESG and non-ESG funds using both asset-weighted and simple averages.

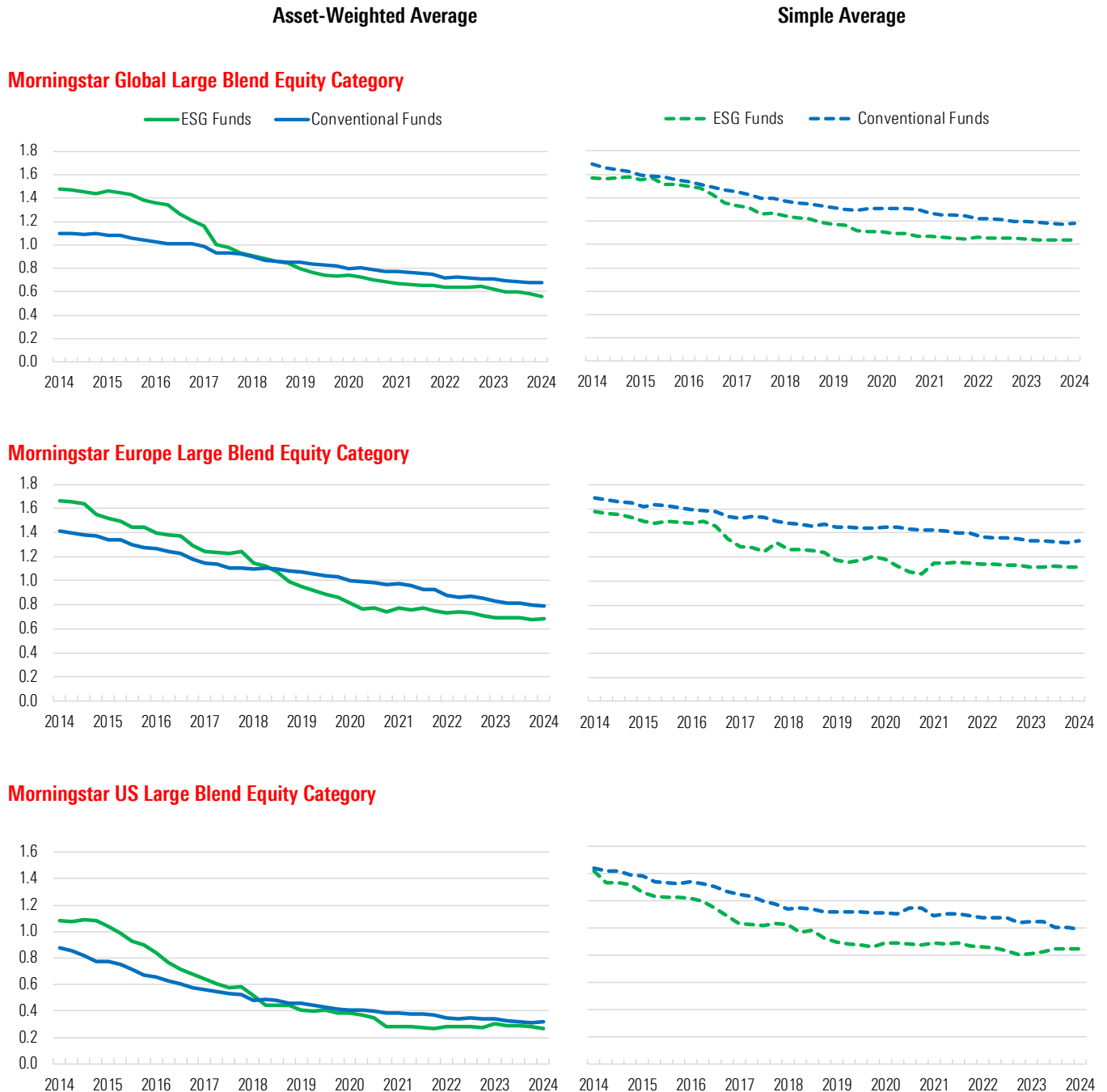
In four of the six selected Morningstar categories, ESG funds used to be more expensive than non-ESG funds, when looking at asset-weighted representative cost averages prior to 2018. However, costs of ESG funds across the board have declined significantly over the past decade to become generally lower.

For example, the average representative cost of ESG funds in the Morningstar global large-cap blend equity category declined to 0.56% in the first quarter of 2024 from 1.48% a decade earlier, on an asset-weighted basis.

In the Morningstar US Large-Cap Blend Equity category, the asset-weighted expense gap between ESG funds and non-ESG funds has been among the tightest since 2018.

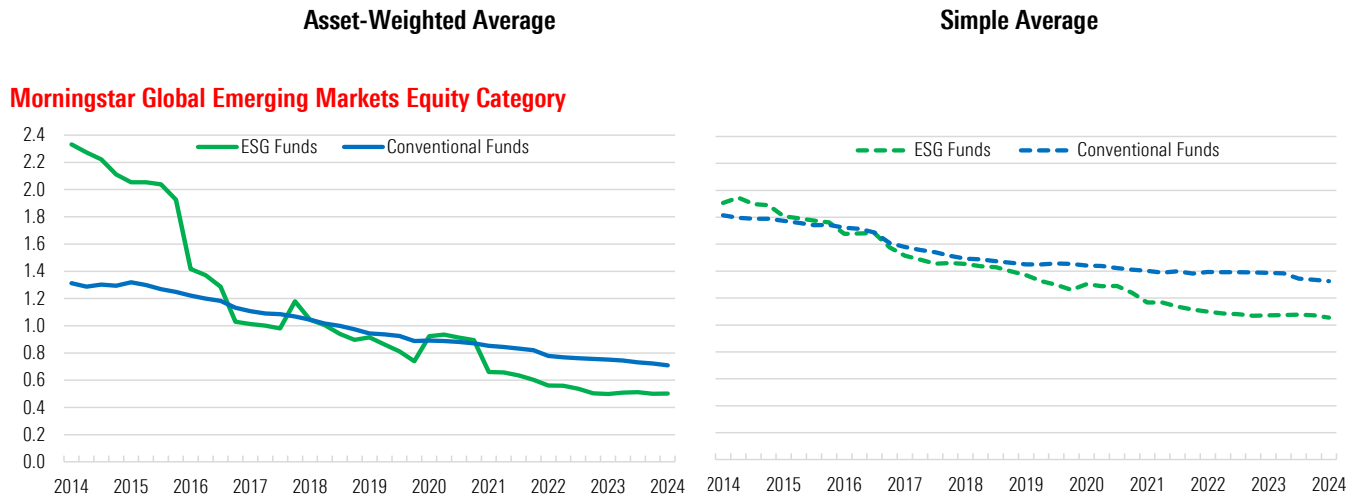
It is in the Global Emerging Markets Equity category that ESG funds have seen their average costs drop the most significantly over the past decade. These costs have seen the greatest volatility, though, compared with their conventional peers, from 2.33% in 2014 to 0.50% in March 2024, on an asset-weighted basis.

Exhibit 4 Fee Comparison of ESG and Conventional Funds for Each of the Six Popular Morningstar Categories (%)



Source: Morningstar Direct. Data as of March 2024. Exhibits for Morningstar Global Large Blend Equity category were based on 643 ESG and 3,552 conventional funds in the category with available representative cost and net assets data. Exhibits for Morningstar Europe Large Blend Equity category were based on 643 ESG and 3,552 conventional funds in the category with available representative cost and net assets data. Exhibits for Morningstar US Large Blend Equity Category were based on 196 ESG and 1,161 conventional funds in the category with available representative cost and net assets data.

Exhibit 5 -Fee Comparison of ESG and Conventional Funds for Each of the Six Popular Morningstar Categories (% , Continued)

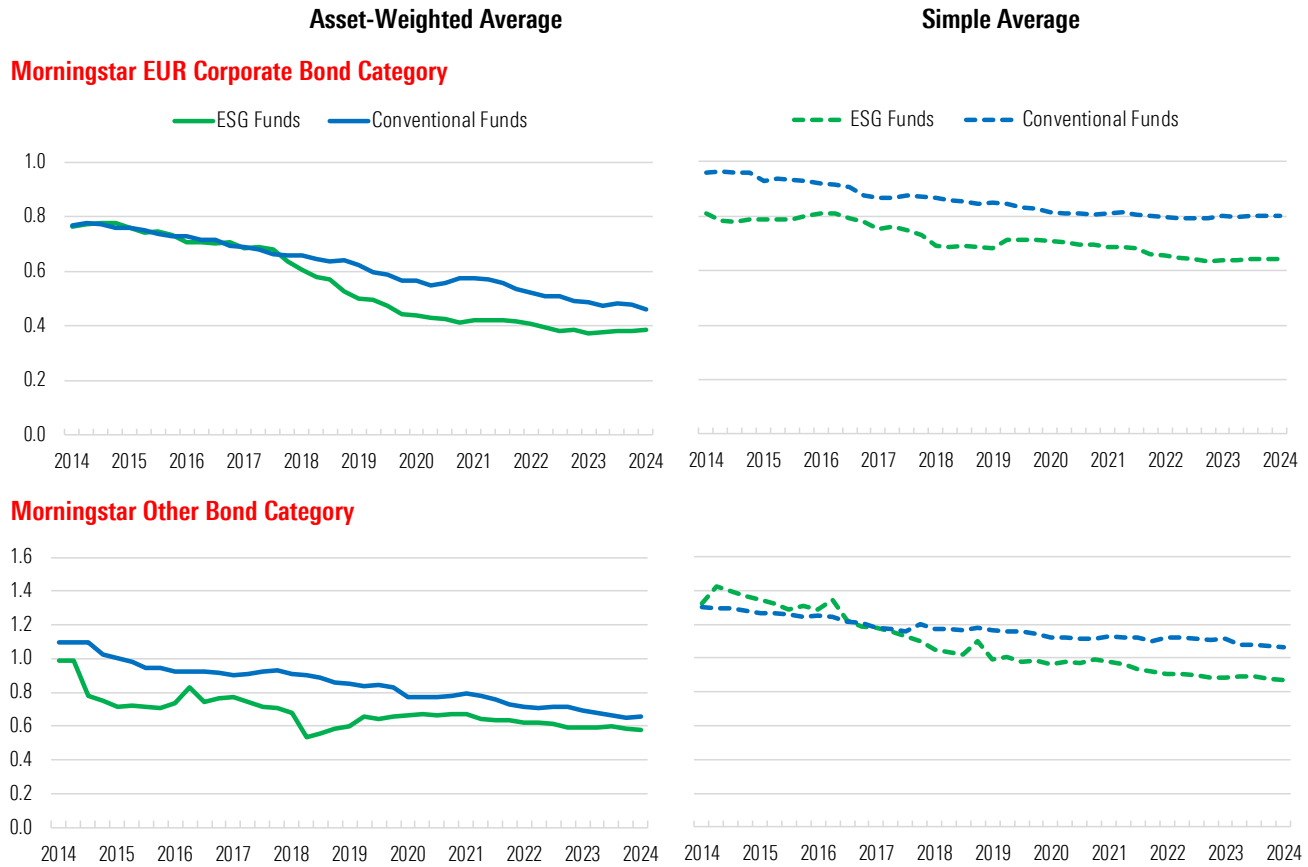


Source: Morningstar Direct. Data as of March 2024. Based on 194 ESG and 1,198 conventional funds in the category with available representative cost and net assets data.

ESG funds in the EUR Corporate Bond Morningstar category have also become cheaper than non-ESG funds from 2018. As of March 2024, the asset-weighted average costs of ESG funds in that category stood at 0.38%, compared with 0.46% for conventional funds.

The Morningstar Other Bond category is the only category in our sample that has not seen a drastic fee decrease since 2014. ESG funds in that category have always been cheaper than their conventional peers (looking at asset-weighted averages). Other bond ESG funds still exhibited lower costs in March 2024, at 0.58%, relative to 0.65% for conventional funds, on an asset-weighted average basis.

Exhibit 6 Fee Comparison of ESG and Conventional Funds for Each of the Six Popular Morningstar Categories (% , Continued)



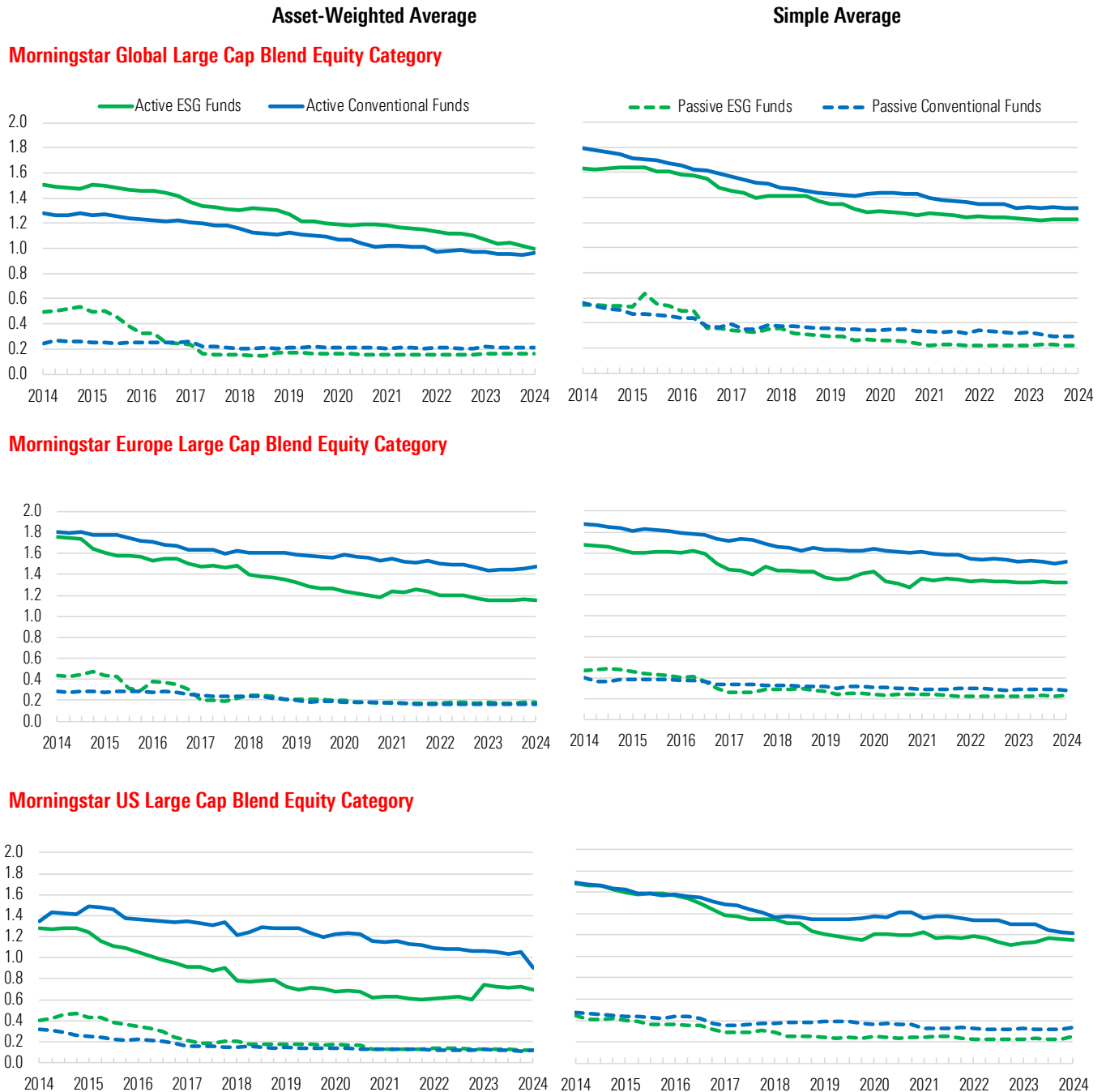
Source: Morningstar Direct. Data as of March 2024. Exhibits for Morningstar EUR Corporate Bond category were based on 172 ESG and 562 conventional funds in the category with available representative cost and net assets data. Exhibits for Morningstar Other Bond category were based on 172 ESG and 562 conventional funds in the category with available representative cost and net assets data.

A Breakdown by Investment Style Shows Differences Between Active and Passive ESG Funds

In the following exhibits, we show the evolution of representative costs broken down by investment style (active versus passive).

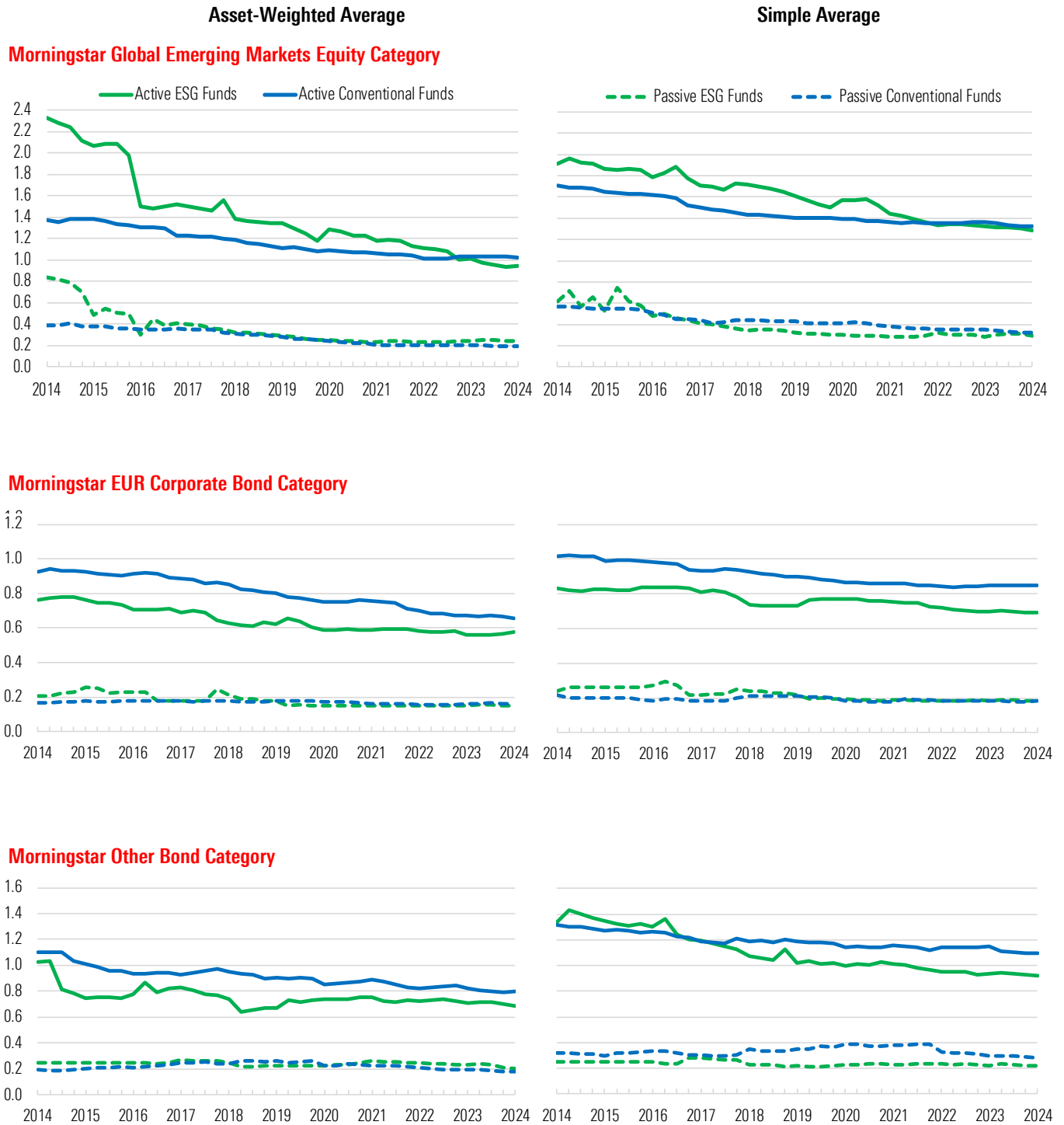
In all six but two categories, active ESG funds have consistently charged lower representative costs than non-ESG funds over the past decade. Active ESG funds in Global Large Cap Bend Equity and Emerging Markets categories have cost more than their non-ESG equivalents, though the gaps have narrowed recently. As of March 2024, the average active ESG fund in the Global Large Cap Bend Equity category charged 0.99%, compared to 0.97% for its non-ESG equivalent (using asset-weighted averages). In Emerging Markets, ESG funds are now slightly cheaper than their conventional peers, at 0.94%, versus 1.02%, respectively, on average.

Exhibit 7 Cost Comparison of ESG and Conventional Funds by Investment Style (%)



Source: Morningstar Direct. Data as of March 2024. Exhibits for Morningstar Global Large Blend Equity category were based on 643 ESG and 3,552 conventional funds in the category with available representative cost and net assets data. Exhibits for Morningstar Europe Large Blend Equity category were based on 643 ESG and 3,552 conventional funds in the category with available representative cost and net assets data. Exhibits for Morningstar US Large Blend Equity Category were based on 196 ESG and 1,161 conventional funds in the category with available representative cost and net assets data.

Exhibit 8 Cost Comparison of ESG and Conventional Funds by Investment Style (% , Continued)



Source: Morningstar Direct. Data as of March 2024. The exhibits for Morningstar Global Emerging Markets Equity Category were based on 194 ESG and 1,198 conventional funds in the category with available representative cost and net assets data. Exhibits for Morningstar EUR Corporate Bond category were based on 172 ESG and 562 conventional funds in the category with available representative cost and net assets data. Exhibits for Morningstar Other Bond category were based on 172 ESG and 562 conventional funds in the category with available representative cost and net assets data.

Meanwhile, representative costs charged by passive ESG funds in four Morningstar categories tend to be on a par with those of their conventional peers, on an asset-weighted basis.

In Emerging Markets, however, the average passive ESG fund is more expensive, with costs of 0.24%, versus 0.19% for its conventional peers, while the average passive ESG fund in the Global Large Cap Equity category is notably cheaper than its average conventional peers (0.16% versus 0.21%).

Using simple averages, representative costs for passive ESG funds have consistently been lower than those for passive non-ESG funds in all six categories.

Analysis of Recently Launched ESG Funds

The relatively larger cost reduction among ESG funds over the past decade can be largely explained by the proliferation of new ESG funds in recent years to meet the increase in investor demand. Newly incepted ESG funds have tended to charge lower fees than their conventional peers, as shown in the exhibits below, which compare the expenses charged by newly launched ESG and non-ESG funds, broken down by inception year and investment style (active/passive).

The newly launched active ESG funds have been cheaper than the newly incepted active conventional funds, whether measured by asset-weighted or simple average. However, the story is more nuanced for passive ESG funds. While on a simple average basis, newly launched passive ESG funds tend to charge less than their new non-ESG counterparts, this is not always the case when looking at asset-weighted averages. In five of the six selected categories, the asset-weighted average costs for passive ESG funds incepted in recent years have been higher than those for their passive non-ESG peers. This suggests that most of the passive money has been flowing into the cheapest new funds and share classes, which tend to be non-ESG plain-vanilla ETFs.

For example, in 2023, newly launched passive funds in the Morningstar Europe Large Cap Blend Equity category had asset-weighted representative costs of 0.17%, on average, compared with 0.14% for new non-ESG funds. The fee gap is therefore modest. The widest expense gap is in the EUR Corporate Bond category, where in 2023 new passive ESG funds charged 0.15%, versus 0.10% for their new passive non-ESG equivalents.

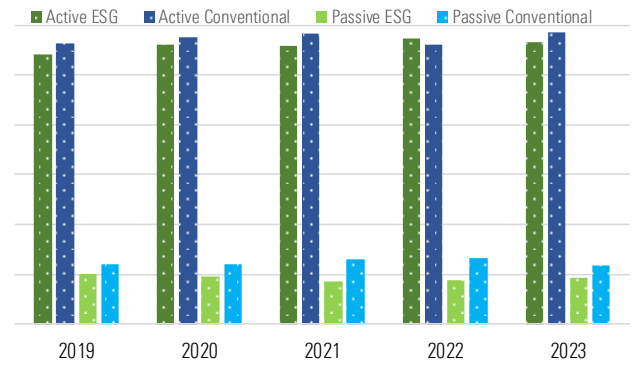
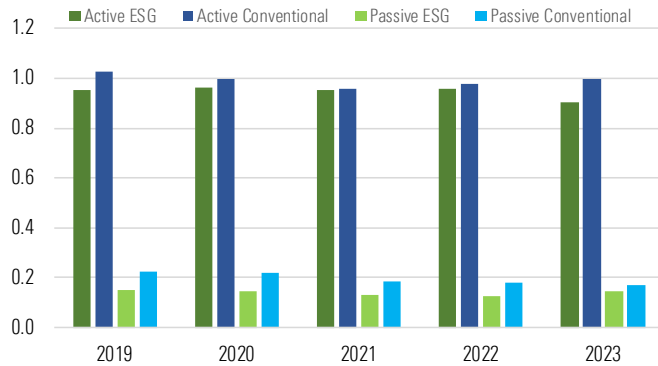
Meanwhile, new passive ESG funds in the Global Large Cap Blend Equity category were the only ones that incurred lower costs than their new conventional peers, when measured by asset-weighted average; in 2023, it was 0.15%, compared with 0.17% for conventional peers.

Exhibit 9 Cost Comparison of ESG and Conventional Funds by Inception Year and Investment Style (%)

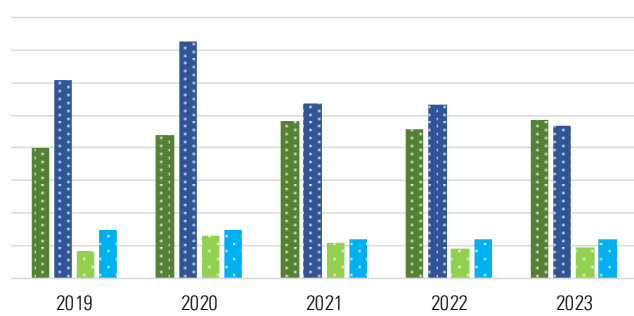
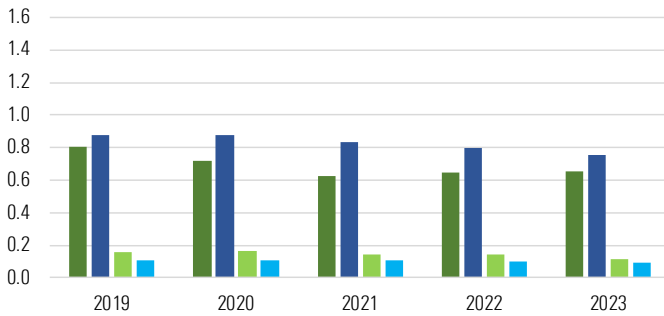
Asset-Weighted Average

Simple Average

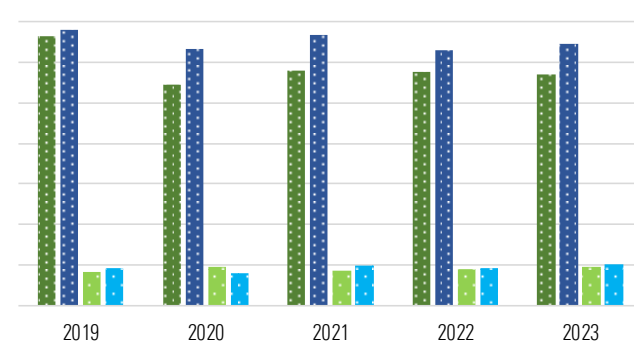
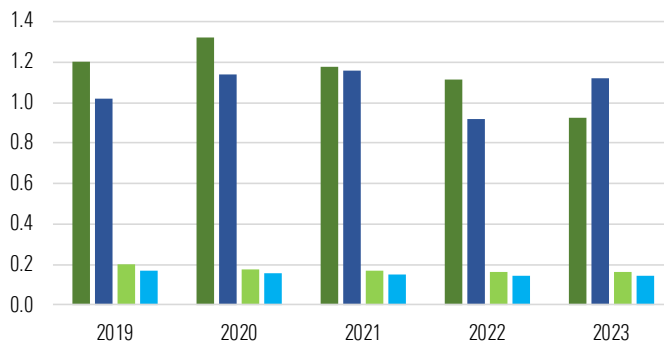
Morningstar Global Large Cap Blend Equity Category



Morningstar US Large Cap Blend Equity Category



Morningstar Europe Large Cap Blend Category



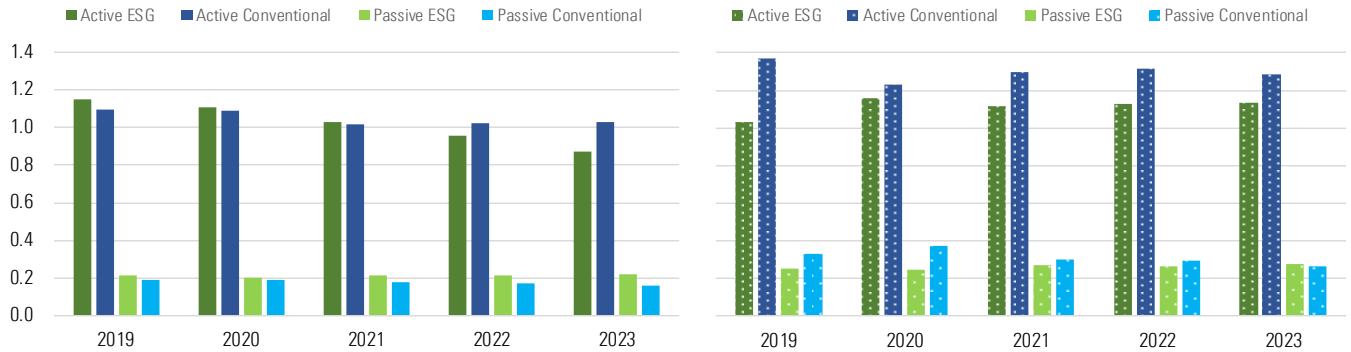
Source: Morningstar Direct. Data as of March 2024. The exhibits for Morningstar Global Large Cap Blend Equity category were based on 334 active and 99 passive ESG funds, as well as 739 active and 65 passive conventional funds inceptioned from 2019 in the category with available representative cost and net assets data. The exhibits for Morningstar US Large Cap Blend Equity category were based on 54 active and 38 passive ESG funds, as well as 112 active and 13 passive conventional funds inceptioned from 2019 in the category with available representative cost and net assets data. The exhibits for Morningstar Europe Large Cap Blend category were based on 57 active and 60 passive ESG funds, as well as 119 active and 40 passive conventional funds inceptioned from 2019 in the category with available representative cost and net assets data.

Exhibit 10 Cost Comparison of ESG and Conventional Funds by Inception Year and Investment Style (% , Continued)

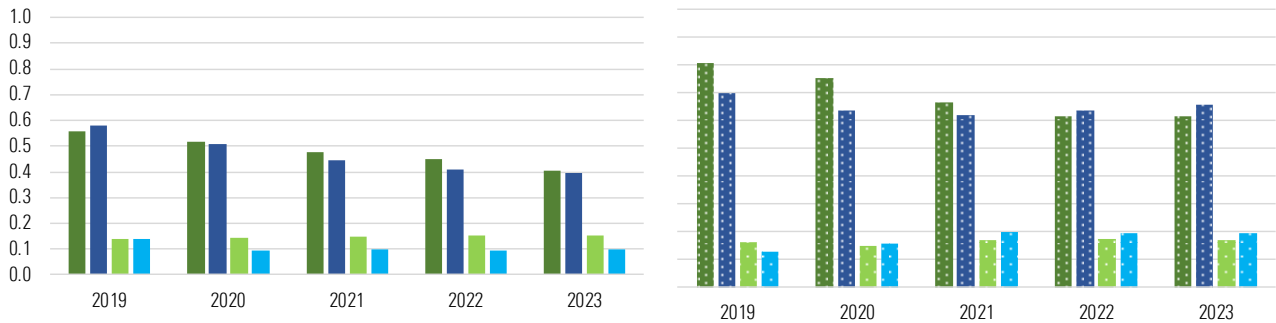
Asset-Weighted Average

Simple Average

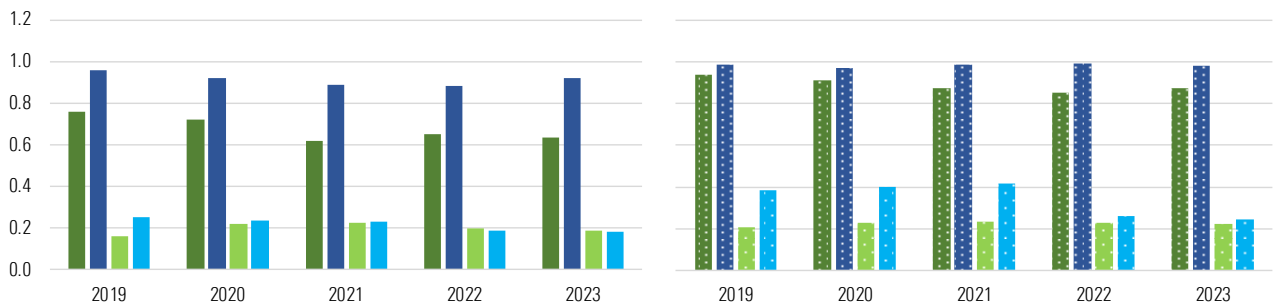
Morningstar Global Emerging Markets Equity Category



Morningstar EUR Corporate Bond Category



Morningstar Other Bond Category



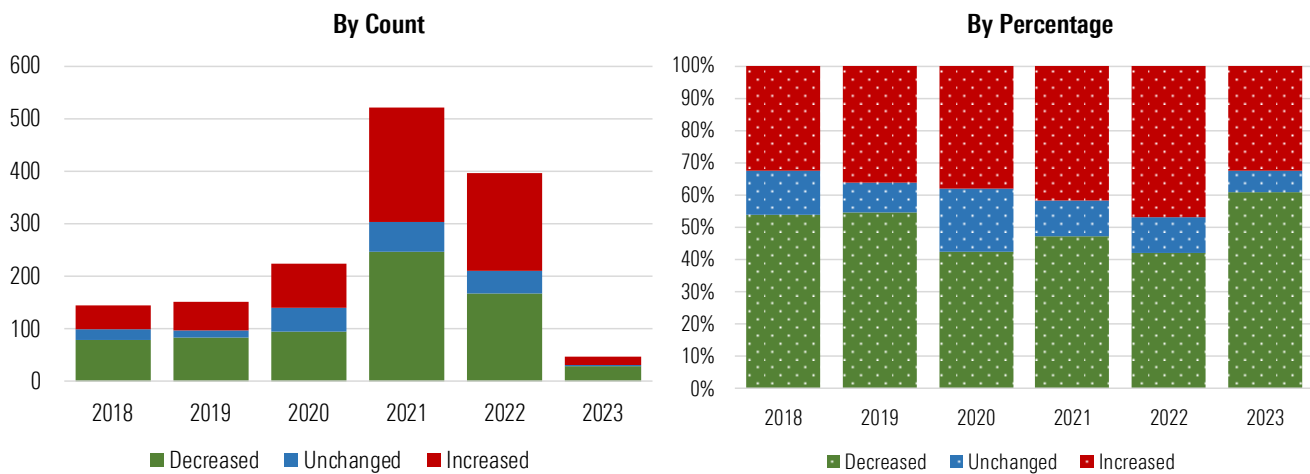
Source: Morningstar Direct. Data as of March 2024. The exhibits for Morningstar EUR Corporate Bond category were based 61 active and 45 passive ESG funds, as well as 146 active and 23 passive conventional funds inceptioned from 2019 in the category with available representative cost and net assets data. The exhibits for Morningstar EUR Corporate Bond category were based 49 active and 17 passive ESG funds, as well as 59 active and 5 passive conventional funds inceptioned from 2019 in the category with available representative cost and net assets data. The exhibits for Morningstar Other Bond category were based 45 active and 61 passive ESG funds, as well as 393 active and 2 passive conventional funds inceptioned from 2019 in the category with available representative cost and net assets data.

Fees Before and After Rebranding

This section uses 1,482 ESG funds rebranded from conventional funds during 2018 and 2023 to examine whether adopting a "green" appellation leads to fee increases. Inspired by event study methodology, we limit our observation period to 12 months following the month when fund names were formally changed.

As shown below, the majority of rebranded ESG funds exhibited reduced or unchanged representative costs after rebranding, whether measured by fund count or by share. For example, during 2021, when rebranding activity reached the zenith, rebranded ESG funds that reduced or maintained their costs accounted for almost 60% of rebranded funds that year. In 2023, that percentage was 67%.

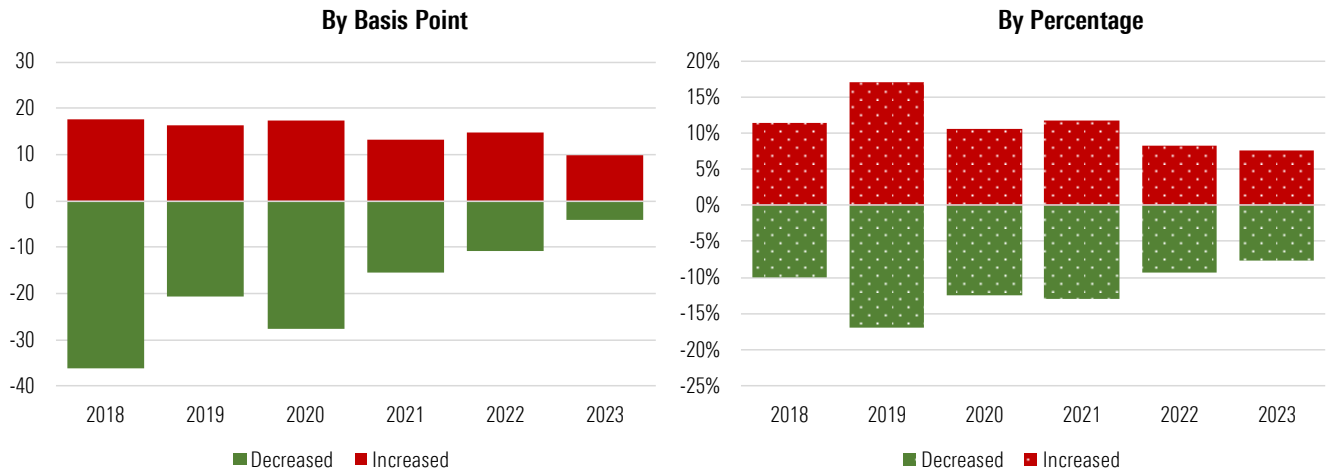
Exhibit 11 Number and Percentage of Rebranded ESG Funds Before and After Rebranding by Change Type



Source: Morningstar Direct. Data as of December 2023. Based on 1,482 European ESG funds rebranded between 2018 and 2023 with available representative cost, net assets, and fund size data.

Measured by basis points, with the exception of 2022 and 2023, rebranded ESG funds in Europe generally showed a net reduction of fees over a 12-month period after rebranding. Rebranded ESG funds with decreased fees slashed their representative costs by almost 20 basis points, on average, compared to the 15-basis-point average growth among the funds that increased their costs.

Exhibit 12 Changes in Representative Cost by Rebranded ESG Funds Before and After Rebranding



Source: Morningstar Direct. Data as of December 2023. Based on 1,482 European ESG funds rebranded between 2018 and 2023 with available representative cost, net assets, and fund size data.

Switching to percentage shows a consistent picture: rebranded funds with reduced costs showed an average 13% reduction in representative costs, offsetting the average 11% increase by those raising costs after rebranding.

Controlling Branding and Manager Qualification

To illustrate our data analysis, we provide below a sample list of active ESG funds matched with their non-ESG peers managed by the same portfolio managers in the same Morningstar categories. In most cases, the matched ESG and conventional funds feature identical strategies.

As highlighted in green below, 37 out of 71 (or 52%) of the ESG funds levy lower costs than the matched conventional funds under the same portfolio managers. Overall, the cost difference averaged 0.12%.

Exhibit 13 Cost Comparison of ESG and Conventional Funds with the Same Portfolio Managers and Branding Names

ESG Fund		Conventional Fund		Morningstar Category
Fund Name	Cost (%)	Fund Name	Cost (%)	
Anima Azionario Internazionale	2.30	Anima Net Zero Azionario Internazionale	2.19	Global Large-Cap Equity
Waterloo Global Socially Responsible Investment	1.90	Waterloo SICAV-SIF Global Equity	1.60	Global Large-Cap Equity
Nykredit Invest Globale Fokusaktier KL	1.37	Nykredit Invest Bæredygtige Aktier KL	1.37	Global Large-Cap Equity
FWU Global Sustain. Equity Strategy	1.35	FWU Global Equity Strategy	0.90	Global Large-Cap Equity
THEAM Quant Equity World GURU	0.92	THEAM Quant - Equity World Global Goals	1.74	Global Large-Cap Equity
Robeco QI Global SDG & Climate Conservative Equities	0.85	Robeco QI Global Developed Conservative Equities	0.29	Global Large-Cap Equity
Momentum Global Sustain. Equity Fund	0.47	Momentum Global Equity Fund	0.52	Global Large-Cap Equity
Lysa Global Aktier Hållbar	0.29	Lysa Aktier	0.21	Global Large-Cap Equity
Dimensional Global Core Equity	0.27	Dimensional Global Sus Core Equity Fund	0.26	Global Large-Cap Equity
JPMorgan Global Research Enhanced Index Equity (ESG) ETF	0.25	JPMorgan Global Research Enhanced Index Equity Fund	0.38	Global Large-Cap Equity
Schroder Global ESG ex Fossil Fuels	0.11	Schroder Global Core Fund	0.26	Global Large-Cap Equity
S-Bank Fossil Free Europe ESG Equity	1.80	S-Bank Europe Equity	1.80	Global Large-Cap Equity
BBVA Europa Desarrollo Sostenible ISR FI	1.00	BBVA Bolsa Europa FI	2.65	Global Large-Cap Equity
Amundi Actions Europe ISR	0.81	Amundi European Equity Risk Parity	0.57	Global Large-Cap Equity
Regard Actions Développement Durable	0.20	Regard Actions	0.44	Global Large-Cap Equity
UBS US Sustain. (USD)	1.58	UBS US Opportunity (USD)	1.66	Global Large-Cap Equity
ABN Parnassus US ESG Equities	1.14	ABN Aristotle US Equities	0.97	Global Large-Cap Equity
S-Bank EM ESG Equity	1.90	S-Bank Growing Economies Equity	1.90	Global EM Equity
DWS ESG Global EM Equities	1.25	DWS Global EM Equities	1.98	Global EM Equity
Robeco Sustain. Emerging Stars Equities	1.23	Robeco Emerging Stars Equities	1.32	Global EM Equity
Russell Acadian Sus EM Equity Ex-Fossil Fuel	1.03	Russell Acadian EM Equity	0.93	Global EM Equity
BNY Mellon Sustain. Global EM Fund	0.93	BNY Mellon Global EM Opportunities Fund	0.90	Global EM Equity
Nomura EM Sustain. Impact Equity Fund	0.69	Nomura EM Equity Fund	0.67	Global EM Equity
GAM Sustain. EM Equity	0.59	GAM EM Equity	1.26	Global EM Equity
BlackRock EM Sustain. Equity Fund	0.11	BlackRock EM Equity Income Fund	1.40	Global EM Equity
Nykredit Invest Bæredygtige Kreditob KL	0.95	Nykredit Invest Kredit Fokus KL	0.90	EUR Corporate Bond
Green Bonds Investments	0.72	Income Euro Selection	0.80	EUR Corporate Bond
BlueBay Investment Grade ESG Bond Fund	0.54	BlueBay Investment Grade Bond Fund	0.64	EUR Corporate Bond
Natixis Sustain. Euro Credit Fund	0.30	Natixis Euro Credit Fund	0.34	EUR Corporate Bond
DPAM L Bonds EUR Quality Sustain.	0.29	DPAM L Bonds Corporate EUR	0.18	EUR Corporate Bond
M&G Sustain. European Credit Investment Fund	0.16	M&G European Credit Investment Fund	0.20	EUR Corporate Bond
HSBC Global EM ESG Local Debt	1.93	HSBC Global EM Local Debt	1.65	Other Bond
Neuberger Berman Sus EM Corporate Debt Fund	1.80	Neuberger Berman EM Debt Blend Fund	0.99	Other Bond
Allianz EM SRI Bond	1.49	Allianz EM Select Bond	0.55	Other Bond
Fidelity Sustain. Asian Bond Fund	1.41	Fidelity Asian Bond Fund	0.78	Other Bond

Source: Morningstar Direct. Data as of March 2024.

Exhibit 14 Cost Comparison of ESG and Conventional Funds with the Same Portfolio Managers and Branding Names (Continued)

ESG Fund		Conventional Fund		Morningstar Category
Fund Name	Cost (%)	Fund Name	Cost (%)	
AXA US Short Duration High Yield Low Carbon	1.34	AXA US Short Duration High Yield	1.18	Other Bond
Invesco Sustain. China Bond Fund	1.31	Invesco Asian Flexible Bond Fund	1.23	Other Bond
BNP Paribas Funds Sustain. Asian Cities Bond	1.28	BNP Paribas Funds Emerging Bond	1.69	Other Bond
Invesco Sustain. Global High Income Fund	1.27	Invesco US High Yield Bond Fund	1.60	Other Bond
UBAM EM Responsible Income Opportunities	1.26	UBAM EM Debt Opportunities	1.18	Other Bond
Nordea Emerging Stars Local Bond Fund	1.26	Nordea EM Bond Fund	1.05	Other Bond
BlackRock Sustain. Fixed Income Strategies Fund	1.26	BlackRock Euro Short Duration Bond Fund	0.78	Other Bond
UBAM EM Responsible Local Bond	1.24	UBAM EM Frontier Bond	1.42	Other Bond
Manulife Sustain. Asia Bond Fund	1.21	Manulife Asian Short Duration Bond Fund	1.15	Other Bond
Schroder Sustain. Global Credit Income Short Duration	1.10	Schroder Global Credit Income	1.35	Other Bond
Fidelity Sustain. Climate Bond Fund	1.09	Fidelity Global Corporate Bond Fund	0.93	Other Bond
BlackRock Sus World Bond Fund	1.00	BlackRock Global Government Bond Fund	0.07	Other Bond
Axiom Climate Financial Bonds	0.97	Axiom Obligataire	1.75	Other Bond
Mirabaud Sustain. Global Strategic Bond Fund	0.90	Mirabaud Global Short Duration	0.74	Other Bond
UBS Sustain. Bonds	0.90	UBS Global Bonds USD	0.75	Other Bond
Candriam Sustain. Bond EM	0.87	Candriam Bonds EM	0.92	Other Bond
Schroder Sustain. Global Multi Credit	0.78	Schroder Euro Credit Conviction Short Duration	0.96	Other Bond
Wellington Global Impact Bond Fund	0.77	Wellington Multi-Sector Credit Fund	0.78	Other Bond
GAM ESG Local Emerging Bond	0.75	GAM Local Emerging Bond	1.94	Other Bond
Santander Latin American Invest. Grade ESG Bond	0.72	Santander Latin American Corporate Bond	1.91	Other Bond
Allianz Global Multi-Asset Credit	0.71	Allianz Global High Yield	1.40	Other Bond
Neuberger Berman EM Debt Sustain. Invest. Grade Blend	0.64	Neuberger Berman Short Duration EM Debt Fund	0.63	Other Bond
AB Sustain. Global Thematic Credit Portfolio	0.63	AB Global Income Portfolio	1.37	Other Bond
PGIM EM Hard Currency ESG Debt Fund	0.59	PGIM EM Hard Currency Debt Fund	0.59	Other Bond
Nordea European Corporate Stars Bond Fund	0.58	Nordea European Cross Credit Fund	1.24	Other Bond
Pictet Climate Government Bonds	0.56	Pictet USD Government Bonds	0.50	Other Bond
PGIM European High Yield ESG Bond Fund	0.54	PGIM European High Yield Bond Fund	0.54	Other Bond
UBS US Multi Credit Sustain.	0.49	UBS High Yield	0.65	Other Bond
AXA US High Yield Bonds Low Carbon	0.47	AXA US High Yield B/BB	0.54	Other Bond
ABN AMRO Euro Corporate ESG Bonds Duration Hedged	0.46	ABN AMRO Euro Corp. Bonds Duration Hdg	0.66	Other Bond
Dimensional Global Sus Fixed Income Fund	0.30	Dimensional Global Core Fixed Income Fund	0.27	Other Bond
Schroder Sustain. Bond Fund	0.30	Schroder Global Bond	1.00	Other Bond
Invesco US Senior Loan ESG Fund	0.22	Invesco US Senior Loan	0.78	Other Bond
DWS ESG Floating Rate Notes	0.20	DWS USD Floating Rate Notes	0.36	Other Bond
JPMorgan Corp. Bond Research Enhanced Index (ESG) ETF	0.19	JPMorgan Global Corporate Bond Fund	0.98	Other Bond
UBS Investment Grade Corporates Sustain. (USD)	0.01	UBS Corporates (USD)	0.76	Other Bond

Source: Morningstar Direct. Data as of March 2024.

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