

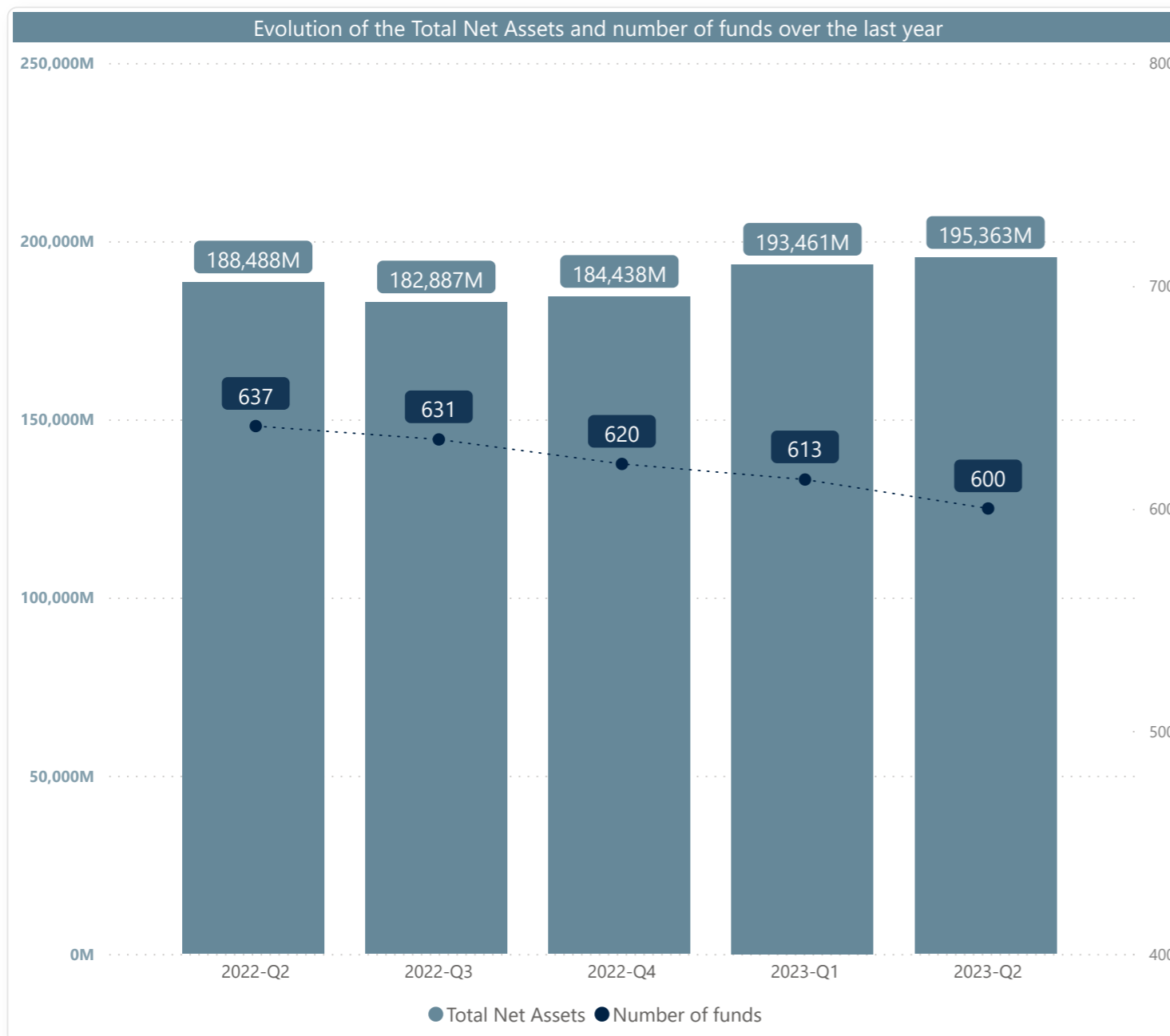


Belgian public open-ended investment funds Quarterly dashboard

Q2 2023

September 2023

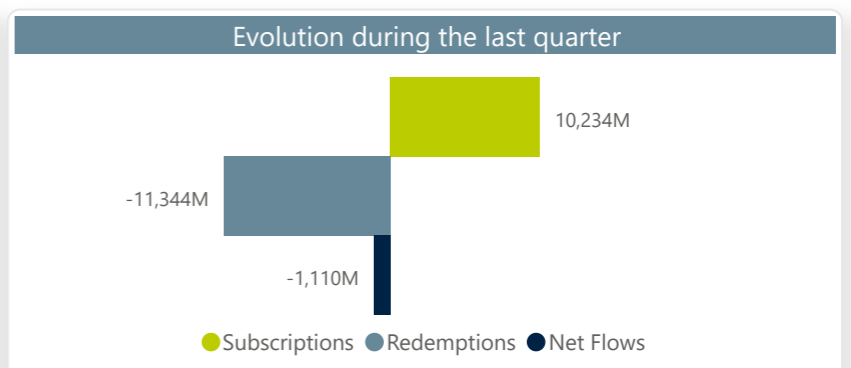
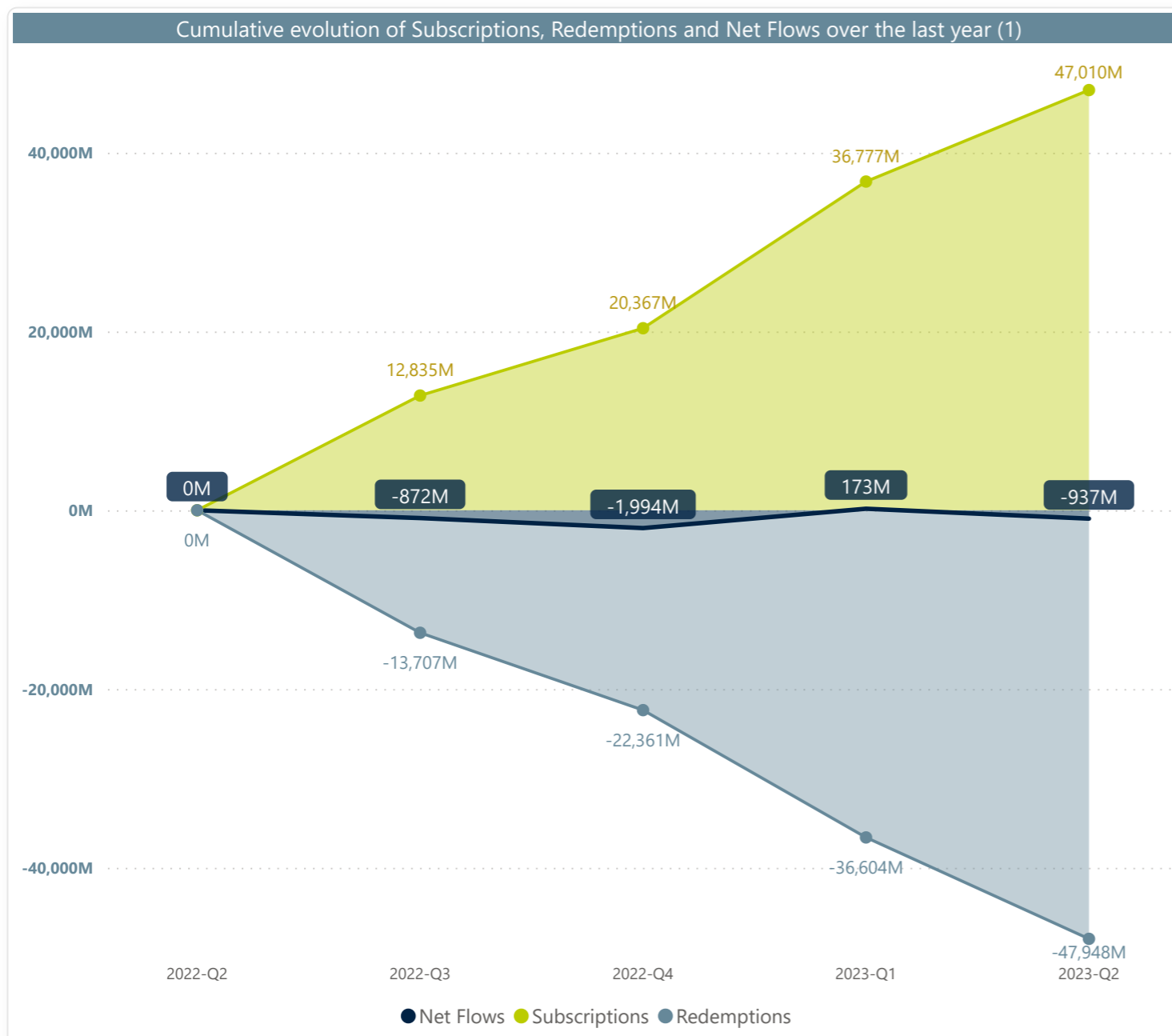
1. Total Net Assets: Overview



At the end of 2022, the total net assets of the Belgian public open-ended fund industry reached EUR 184.4 billion. After an increase by 4.9% during the first quarter of 2023, net assets further increased by 1% during the second quarter, reaching a total of EUR 195.4 billion at the end of June.

In the second quarter of 2023, the number of funds that are currently active further declined to 600 funds, compared to 637 one year earlier. This is a decrease of 5.8%. The decline in the number of funds is a long-term trend.

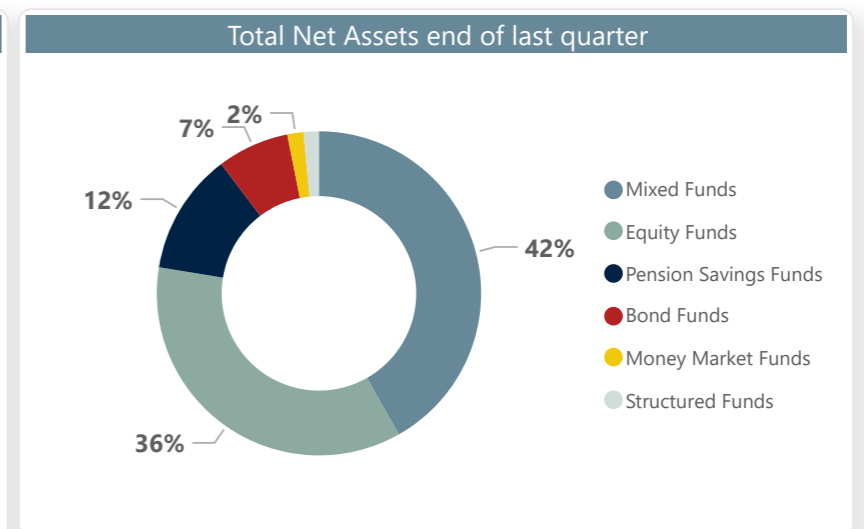
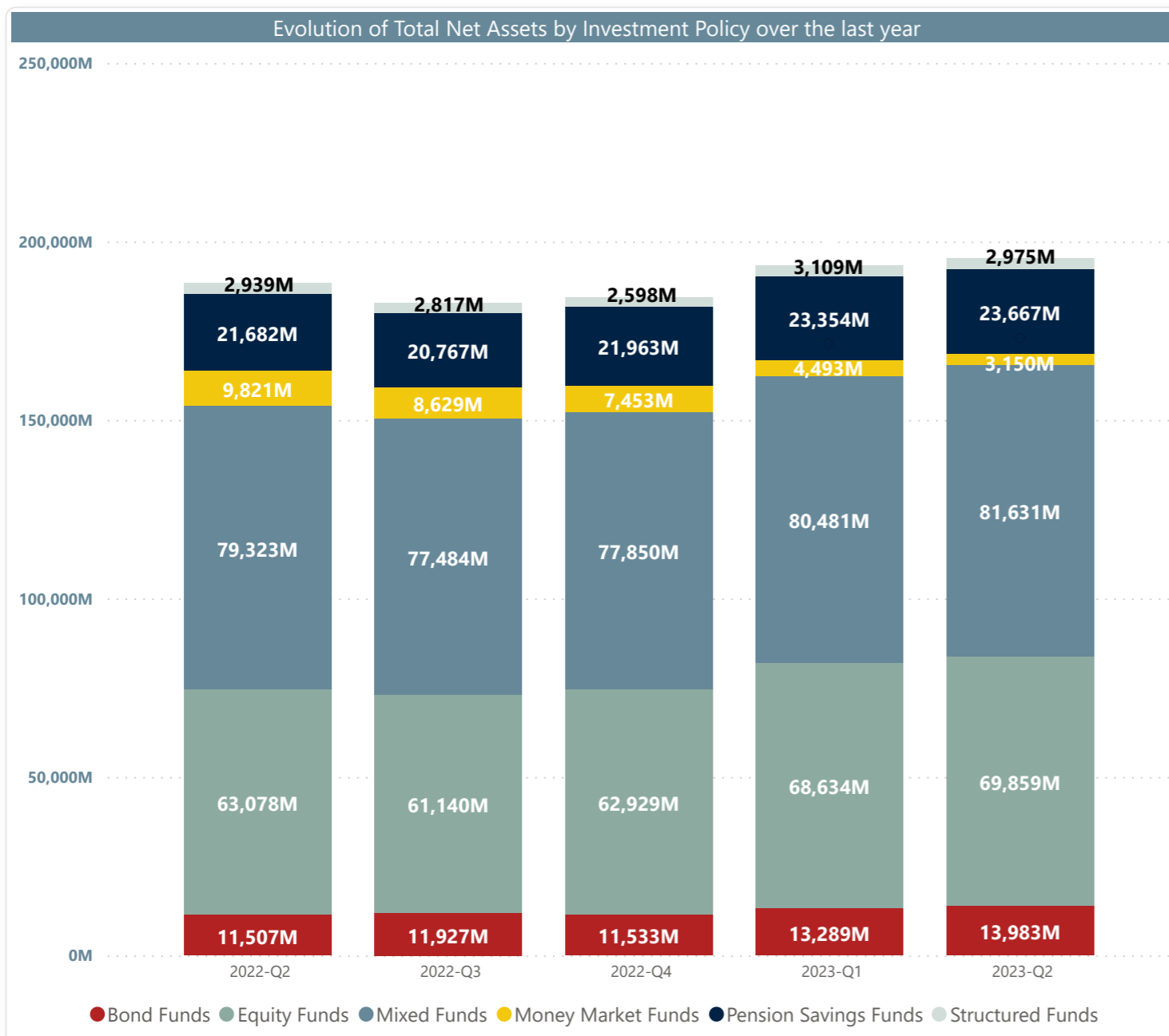
2. Net Flows: Overview



During the past twelve months, net flows (subscriptions minus redemptions) into the sector of Belgian public open-ended funds were negative, as redemptions exceeded subscriptions. Cumulative net outflows amounted to EUR 937 million in total.

While the trend of net outflows was initially reversed in the first quarter of 2023, the second quarter of 2023 witnessed net outflows again, amounting to EUR 1.1 billion.

3. Total Net Assets: Detail by Investment Policy



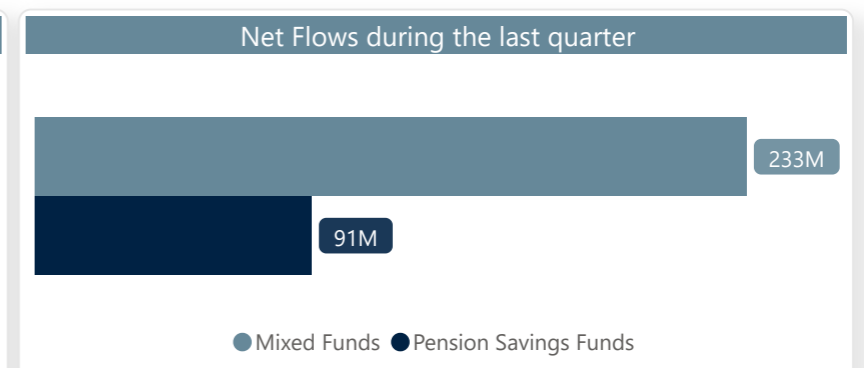
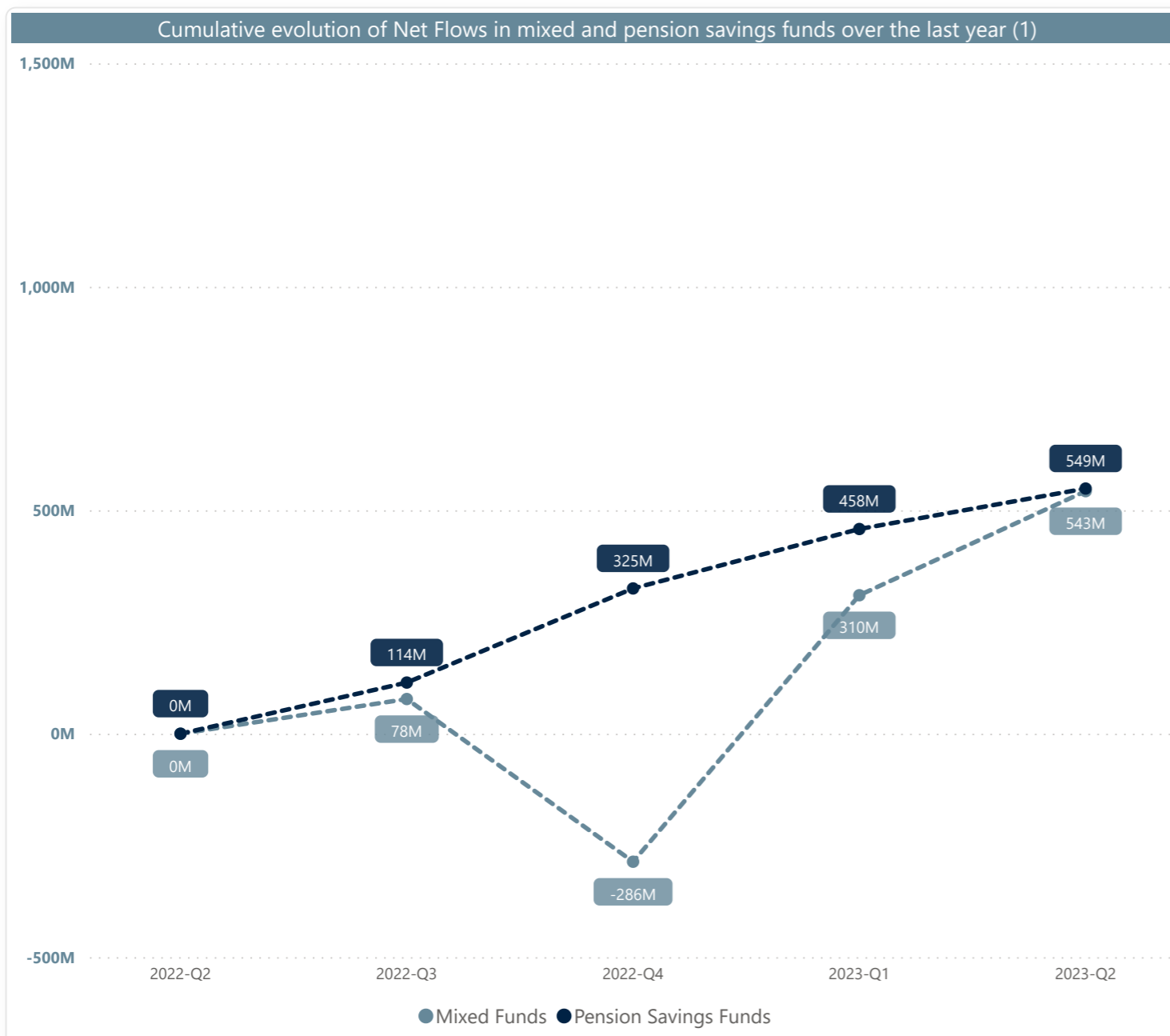
As of June 2023, mixed funds, pension savings funds and equity funds represented about 90% of the total net assets of the sector, an increase compared to one year earlier (87%).

During 2022, net assets decreased for mixed funds, equity funds, bond funds and pension savings funds until the third quarter of the year. As of the last quarter of 2022, net assets of mixed funds, equity funds and pension funds have been increasing again. As of the first quarter of 2023, net assets of bond funds have also started to increase again. The drop and subsequent surge in net assets is especially clear-cut for equity funds. These movements are mainly a result of the developments in financial markets.

By contrast, the relative importance of money market funds continued to decrease during the first and second quarter of 2023, as the amount of redemptions exceeded the amount of subscriptions.

Note: Funds with another investment policy are filtered out from this analysis.

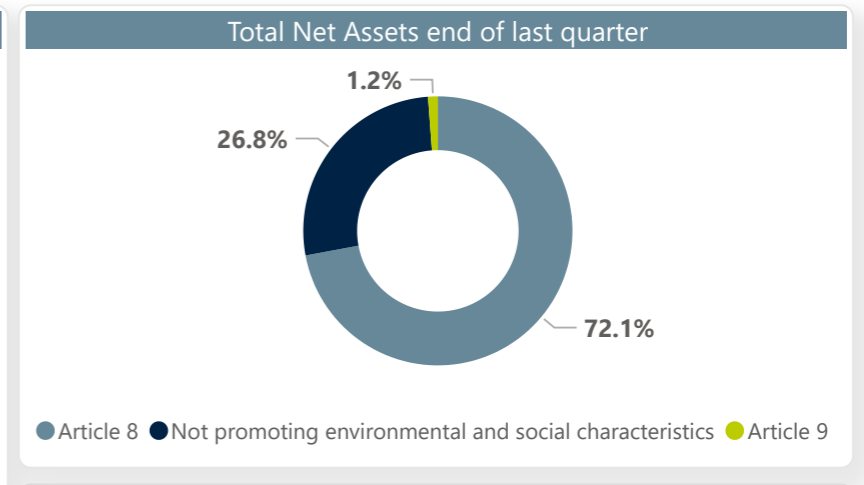
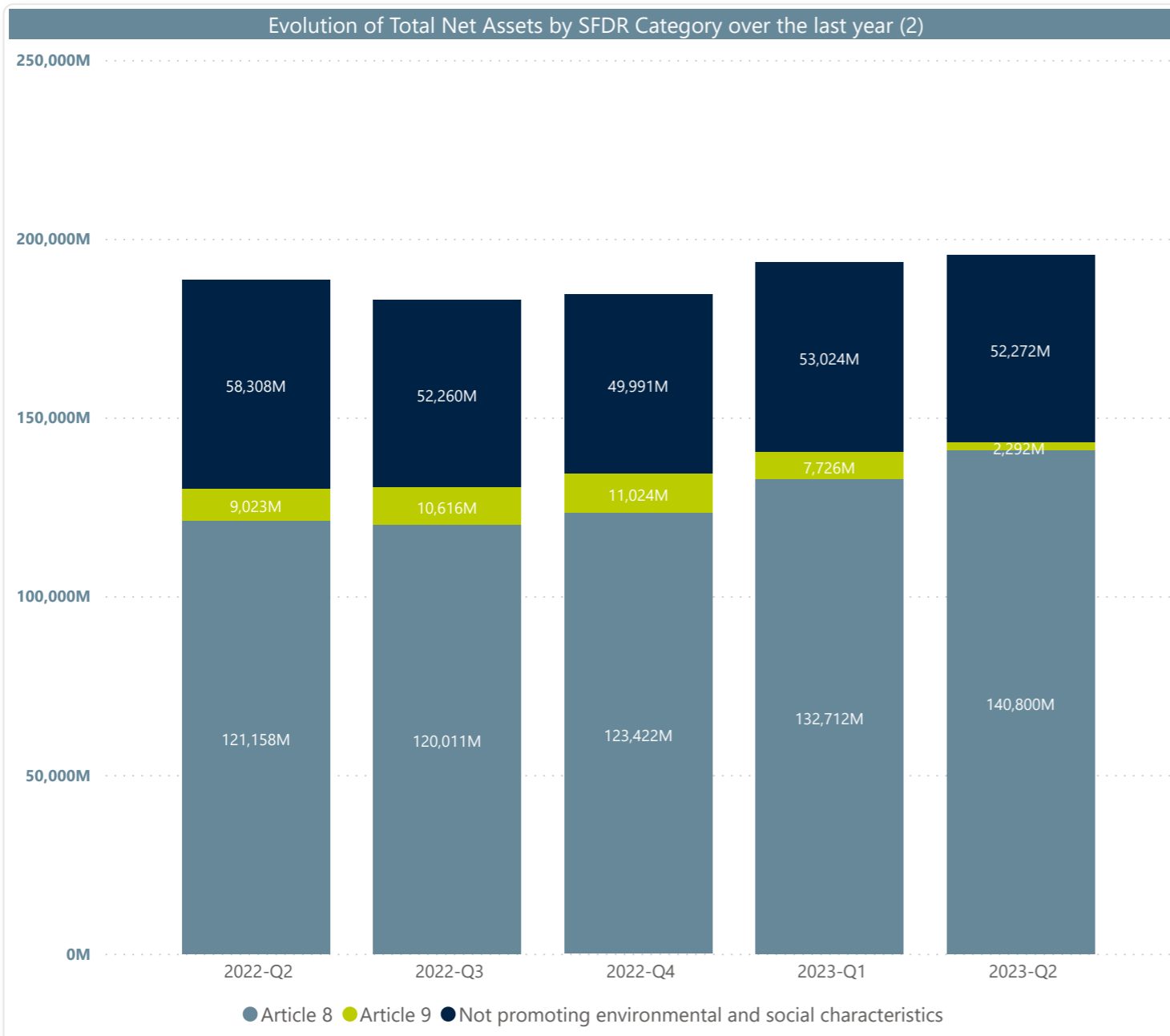
4. Net Flows: Detail by Investment Policy



Pension savings funds, which have the most widespread investor base across Belgian retail investors, have witnessed consistent net inflows during the last year, amounting to EUR 549 million in total. Net subscriptions in the second quarter of 2023 amounted to EUR 91 million.

For mixed funds, of which the vast majority are held by retail investors, the cumulative amount of quarterly net subscriptions gradually deteriorated during 2022. During the third quarter of 2022, the amount of net subscriptions was limited, while net redemptions were observed during the fourth quarter of 2022. As of the first quarter of 2023, mixed funds have seen net inflows again. In the second quarter of 2023, net inflows amounted to EUR 233 million. Over a twelve month period, this resulted in aggregate net inflows amounting to EUR 543 million.

5. Total Net Assets: Detail by SFDR Category

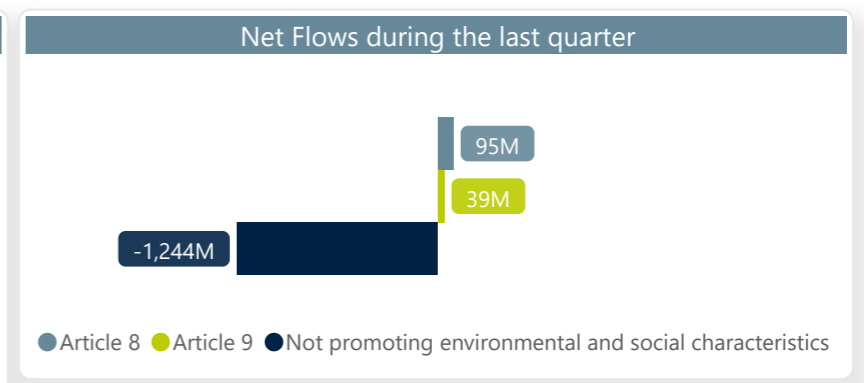
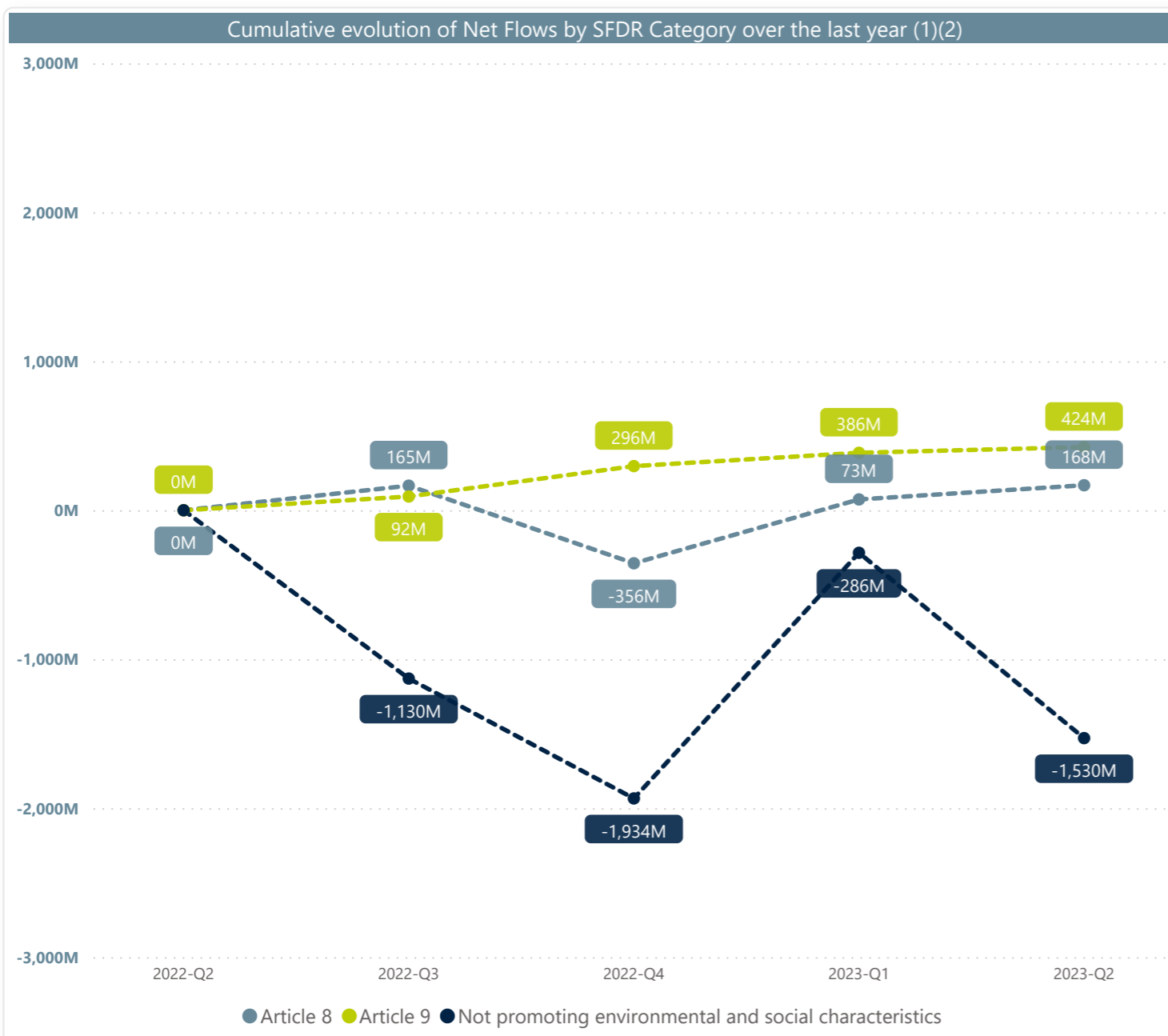


In March 2021, the Sustainable Finance Disclosure Regulation (SFDR) came into force. The SFDR imposes, among others, pre-contractual disclosure to end investors on sustainable investment objectives and on the promotion of environmental or social characteristics. It therefore allows funds to be classified according to their sustainability-related disclosures. "Article 9 – sustainable investment objective" funds have sustainable investment as their objective. "Article 8 - promotion of environmental and/or social characteristics" funds promote environmental or social characteristics.

At the end of the second quarter, article 9 funds represented about 1.2% of the sector. During 2023, a number of article 9 funds have been reclassified as article 8 funds.

The relative importance of article 8 funds has increased by 7.8 percentage points during the last twelve months. The reclassification of some funds to article 8 funds has contributed to this marked increase of the relative importance of article 8 funds.

6. Net Flows: Detail by SFDR Category



Both article 8 and article 9 funds, which have sustainable investment as their objective or promote environmental or social characteristics, have faced positive net flows during the last twelve months (EUR 592 million), of which the majority was in article 9 funds (EUR 424 million).

In comparison, funds that neither have sustainable investment as their objective nor promote environmental or social characteristics, have seen net outflows amounting to EUR 1.5 billion during the last twelve months. These funds experienced significant net outflows during the second quarter of 2023 (EUR 1.2 billion).

General

Funds are identified at compartment level and therefore "fund" refers to a compartment of a collective investment scheme for those collective investment schemes with compartments and to the collective investment scheme itself when the collective investment scheme does not have compartments.

Statistics are presented for all funds for which the relevant data have been reported to the FSMA. The relevant data should be reported to the FSMA for all active funds. Active funds are funds for which the initial subscription period has been closed and which have not entered into a liquidation or merger process.

The relevant data reported to the FSMA are the total net assets of a fund, the amount of subscriptions and the amount of redemptions, all in base currency of the fund. Net flows into or out of a fund, also called net inflows or net outflows, are calculated as subscriptions minus redemptions.

The FSMA continues to work with investment funds, their management companies and the entities responsible for the fund administration to identify and correct filling errors. Further, the FSMA has employed certain assumptions in aggregating the data. Future adjustments to the methodology and amended filings that change the underlying data could lead to changes in previously reported statistics.

All statistics are shown in million EUR (M). Data that have not been reported in EUR are converted to EUR based on the ECB reference rate. Statistics are shown on a quarterly frequency and net assets are calculated at the following dates: 30/06/22, 30/09/22, 31/12/22, 31/03/23 and 30/06/23.

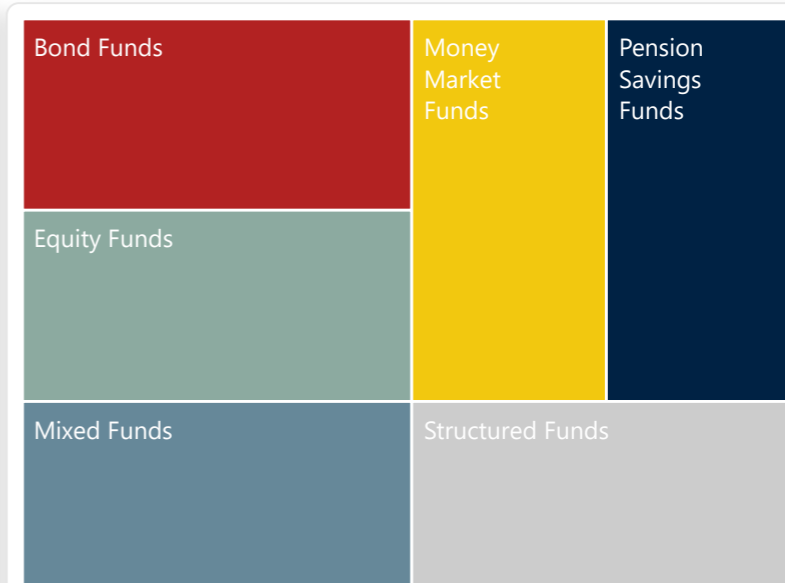
All statistics are shown on an aggregated basis, either for the entire sector of the Belgian publicly offered open-ended investment funds, or for specific categories of funds. There is no correction for net assets, subscriptions and redemptions of funds investing in other funds included in the sector.

The FSMA has classified funds into different categories based on their prospectus. The classification is based on their stated investment policy as of the last reporting day of the last quarter of the reporting period and their sustainability-related disclosures according to Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosure Regulation or SFDR) as of the last reporting day of each quarter of the last year.

- (1): In contrast to previous versions of this dashboard (until 2022 Q1), subscriptions and net flows do not include subscriptions linked to mergers of Belgian funds.
- (2): In contrast to previous versions of this dashboard (until 2022 Q1), the method to classify funds according to SFDR fund types has been updated to correctly reflect the impact of funds converting from one category to another. This has an impact on the distribution of net assets and net flows classified according to SFDR fund types for previous quarters.

Investment Policy Classification

Funds are classified into different categories based on the stated investment policy from their prospectus. Money market funds (MMFs) invest in short-term assets and have distinct or cumulative objectives offering returns in line with money market rates or preserving the value of the investment. They are authorised as MMF pursuant to article 4 of Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds (MMF Regulation). Pension savings funds are funds that have to comply with the relevant investment restrictions from the Belgian fiscal legislation for pension savings funds. Bond funds are funds with the objective to invest principally in fixed income instruments and which are not authorised as MMFs. Equity funds are funds with the objective to invest principally in equity instruments. Mixed funds are funds with the objective to invest in a combination of equity instruments, fixed income instruments and/or cash instruments and which are not registered as a pension savings fund. Structured funds are funds which aim to provide investors, at certain predetermined dates, with algorithm-based payoffs that are linked to the performance, or to the realisation of price changes or other conditions, of financial assets, indices or reference portfolios or funds with similar features. Funds which cannot be classified into one of the previously mentioned categories are classified in a residual category. Funds of funds, which are funds with the objective to invest a substantial proportion of their asset in units of other funds, are classified into an investment policy category according to the asset classes to which they ultimately aim to offer an exposure. Feeder funds, which are funds which invest at least 85% of their assets in units of their master fund, are classified according to the investment policy of their master fund.



SFDR Classification

Funds are classified into different categories based on their sustainability-related disclosures according to the SFDR. The SFDR imposes, among others, pre-contractual disclosure to end investors on sustainable investment objectives and on the promotion of environmental or social characteristics. In this dashboard funds are classified into one of three categories. The first category of funds, article 9 funds, have sustainable investment as their objective. These funds comply with article 9 of the SFDR. The second category of funds, article 8 funds, promote, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices. These funds comply with article 8 of the SFDR. The remaining funds do not comply with article 8 or 9 of the SFDR and do not have sustainable investment objectives, nor do they promote environmental or social characteristics.

