

HCMC's Survey on fees and charges applicable on UCITS in Greece

The Hellenic Capital Market Commission (HCMC) has undertaken a research project collecting and analysing data submitted by supervised Mutual Fund Management Companies (MFMCs) related to the fees and charges applied by MFMCs on the UCITS they manage (funds that have been authorized by the HCMC) for the years 2016-2022. The analysis of said data by the Research Division was performed both per category of funds (equity, bond, money market, structured) as well as per type of charges (Distribution Fees, Entry/Exit Fees (Redemption Fees), Ongoing Charges, Performance Fees). The analysis of the data submitted by MFMCs shows that in 2022, 14 MFMCs were operating in Greece, same number as in 2021, 2020 and 2019, as compared to 15 MFMCs in 2018 and 2017, and 14 in 2016. The total number of mutual funds on sale, taking into account different classes of units, at the end of 2022 stood at 236 (157 M/Fs if different classes of units are not taken into account).

More specifically, the following table presents the total number of mutual funds in 2016-2022 both taking and not taking into account different classes of units as different M/Fs. The same table presents the averages of the various types of charges for the years 2016-2022 both for UCITS of all categories (Total M/Fs), and for individual M/F categories (i.e. Balanced, Bond, Equity, Balanced FoFs, Bond FoFs, Equity FoFs, Money Market, and Specialist).

*Based on these data, **subscription fees for all UCITS categories were decreased on average** in 2022 and stood at 0.31%, as compared to 0.33% in 2021, 0.30% in 2020 and 2019, 0.31% in 2018, 0.40% in 2017 and 0.47% in 2016.*

*The **ongoing charges were increased for all UCITS categories** in 2022 and on average stood at 1.66% in 2022, as compared to 1.63% in 2021 and 2020, 1.91% in 2019, 2.08% in 2018, 2.36% in 2017 and 2.28% in 2016.*

*In parallel the **redemption fees for all UCITS were increased** in 2022. More specifically, redemption fees increased on average and stood at 0.28% in 2022, as compared to 0.23% in 2021, 0.24% in 2020, 0.25% in 2019, 0.24% in 2018, 0.31% in 2017 and 0.36% in 2016.*

*In 2021, **performance fees were decreased year-on-year for all UCITS categories**. More specifically, performance fees across all UCITS categories decreased and stood*

Source: Hellenic Capital Markets Commission

at 0.28% in 2022, as compared to 0.43% on average in 2021, 0.25% in 2020, 0.29% in 2019, 0.15% in 2018, 0.10% in 2017 and 0.03% in 2016.

AVERAGE CHARGES PER M/F CATEGORY & NUMBER OF M/Fs

<i>Category</i>	<i>Period</i>	<i>Subscription fee (%) per unit class</i>	<i>Redemption fee (%) per unit class</i>	<i>Ongoing Charges (%)¹</i>	<i>Performance fee (%) per unit class</i>	<i>Number of M/Fs (with unit classes)</i>	<i>Number of M/Fs (without different unit classes)</i>
<i>ALL FUNDS</i>	2022Y	0.31%	0.28%	1.66%	0.28%	236	157
	2021Y	0.33%	0.23%	1.63%	0.43%	218	148
	2020Y	0.30%	0.24%	1.63%	0.25%	217	152
	2019Y	0.30%	0.25%	1.91%	0.29%	207	146
	2018Y	0.31%	0.24%	2.08%	0.15%	203	145
	2017Y	0.40%	0.31%	2.36%	0.10%	172	150
	2016Y	0.47%	0.36%	2.28%	0.03%	161	160
<i>BALANCED ALL FUNDS</i>	2022Y	0.49%	0.36%	1.83%	0.48%	43	34
	2021Y	0.59%	0.29%	1.69%	0.47%	43	35
	2020Y	0.59%	0.31%	1.69%	0.09%	41	35
	2019Y	0.54%	0.36%	1.97%	0.56%	38	31
	2018Y	0.54%	0.34%	2.15%	0.03%	39	31
	2017Y	0.74%	0.45%	2.33%	0.22%	31	29
	2016Y	0.61%	0.47%	2.28%	0.04%	31	30
<i>BOND ALL FUNDS</i>	2022Y	0.22%	0.26%	1.09%	0.33%	79	46
	2021Y	0.20%	0.18%	1.07%	0.10%	66	41
	2020Y	0.19%	0.20%	1.04%	0.02%	70	45
	2019Y	0.20%	0.20%	1.21%	0.29%	69	45
	2018Y	0.21%	0.21%	1.44%	0.00%	54	36
	2017Y	0.24%	0.23%	1.53%	0.05%	41	36
	2016Y	0.33%	0.26%	1.56%	0.03%	33	33
<i>EQUITY ALL FUNDS</i>	2022Y	0.28%	0.19%	2.24%	0.22%	69	42
	2021Y	0.29%	0.20%	2.14%	0.70%	68	40
	2020Y	0.29%	0.24%	2.14%	0.58%	67	43
	2019Y	0.31%	0.27%	2.56%	0.25%	59	40

Source: Hellenic Capital Markets Commission

	2018Y	0.34%	0.28%	2.83%	0.51%	56	39
	2017Y	0.41%	0.36%	3.13%	0.12%	53	45
	2016Y	0.45%	0.38%	3.10%	0.05%	50	50
FOF BAL ALL FUNDS	2022Y	0.05%	0.12%	1.63%	0.11%	11	9
	2021Y	0.08%	0.13%	1.15%	0.08%	9	8
	2020Y	0.07%	0.17%	1.62%	0.00%	8	6
	2019Y	0.11%	0.20%	1.88%	0.30%	8	6
	2018Y	0.11%	0.17%	2.19%	0.00%	9	7
	2017Y	0.26%	0.19%	2.39%	0.15%	7	7
	2016Y	0.04%	0.33%	2.04%	0.00%	8	8
	2022Y	0.04%	0.33%	0.87%	0.00%	3	2
	2021Y	0.07%	0.25%	0.85%	0.00%	4	3
FOF BO ALL FUNDS	2020Y	0.06%	0.25%	1.16%	0.00%	4	3
	2019Y	0.04%	0.25%	1.38%	0.02%	4	3
	2018Y	0.04%	0.25%	1.45%	0.00%	4	3
	2017Y	0.10%	0.34%	1.71%	0.00%	3	3
	2016Y	0.00%	0.36%	1.56%	0.00%	3	3
	2022Y	0.28%	0.28%	2.62%	0.00%	16	11
	2021Y	0.29%	0.28%	2.65%	0.00%	16	11
FOF EQ ALL FUNDS	2020Y	0.29%	0.27%	2.80%	0.15%	16	11
	2019Y	0.29%	0.29%	3.22%	0.00%	18	12
	2018Y	0.40%	0.29%	3.41%	0.00%	18	12
	2017Y	0.36%	0.37%	3.97%	0.01%	17	12
	2016Y	0.58%	0.51%	3.89%	0.00%	12	12
	2022Y	0.01%	0.00%	0.46%	-	9	7
	2021Y	0.08%	0.07%	0.50%	-	10	8
MM ALL FUNDS	2020Y	0.10%	0.02%	0.50%	-	10	8
	2019Y	0.06%	0.00%	0.52%	-	10	8
	2018Y	0.01%	0.02%	0.57%	0.00%	22	16
	2017Y	0.00%	0.03%	0.65%	0.00%	18	16
	2016Y	0.00%	0.03%	0.65%	0.00%	16	16
	2022Y	1.92%	1.67%	1.03%	-	6	6
	2021Y	3.00%	2.00%	0.95%	-	2	2
SPE ALL FUNDS	2020Y	3.00%	2.00%	0.74%	-	1	1
	2019Y	3.00%	0.50%	1.87%	-	1	1
	2018Y	3.00%	0.50%	1.87%	0.00%	1	1
	2017Y	3.00%	0.50%	1.87%	0.00%	2	2
	2016Y	2.00%	0.62%	1.43%	0.00%	8	8

Source: Hellenic Capital Markets Commission

It is noted that the fees and charges are divided into the following categories and are understood as follows:

A. One-off fees before or after investment

- 1. Subscription Fee = the cost of participating in the mutual fund*
- 2. Redemption Fee = the cost of exiting the mutual fund*

B. Fees and Charges paid by the fund's assets during a year:

- 1. **On-going charges:** calculated based on the financial year results and may vary from year to year. They include, among others, management fees, custodian fees and fees of legal and other advisers, tax charges and other expenses incurred on behalf of the fund. They do not include the performance fee and the cost of transactions on the fund's portfolio assets, except for the subscription and redemption fees paid by the fund when acquiring or redeeming units of another collective investment undertaking.*
- 2. **Performance fee:** calculated on the difference between the performance of the fund and the performance of the benchmark, used by the management company, which is selected based on the investment policy and strategy of the fund and reflects the risk-return profile of the fund.*

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Within on-going charges there are tax charges, as defined by the provisions of article 103 of Law 4099/2012, as replaced by article 56 of law 4646/2019. In particular, it is provided that:

"3. The management company, in the name and on behalf of the mutual fund or the societe anonyme for investments in open-end funds (AEEMK), or as the case may be, the AEEMK referred to in article 40, is obliged to pay a tax, which is calculated daily on the six-monthly average of the net assets of the UCITS, or any individual investment segments. By paying the tax, the tax liability of the UCITS and its unit holders or shareholders is exhausted.

The tax rate is set at ten percent (10%) on the current rate of main refinancing operations of the Euro-system of the European Central Bank (hereinafter Reference Rate), increased as follows, depending on the category of each UCITS or any of its individual investment segments based on the relevant decision of the Board of Directors of the Hellenic Capital Market Commission:

- a) for money market UCITS without a surcharge,*
- b) for bond UCITS, by 0.25,*
- c) for balanced UCITS, by 0.5,*
- d) for equity UCITS and for every other category of UCITS except for the cases mentioned above, by 1.*

The tax is paid to the competent department of the Tax Administration with a declaration submitted within the first fortnight of the months of July and January of the following semester from its calculation. In the event of a change in the reference interest rate or the classification of the UCITS, the resulting new basis for calculating the tax is valid from the first day of the month following the change."

Source: Hellenic Capital Markets Commission