

STATE OF THE BENELUX FUND INDUSTRY

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STATE OF THE BENELUX FUND INDUSTRY

1. AUM Dynamics
2. Key product trends
3. State of the AM industry
4. Zoom on Belgium

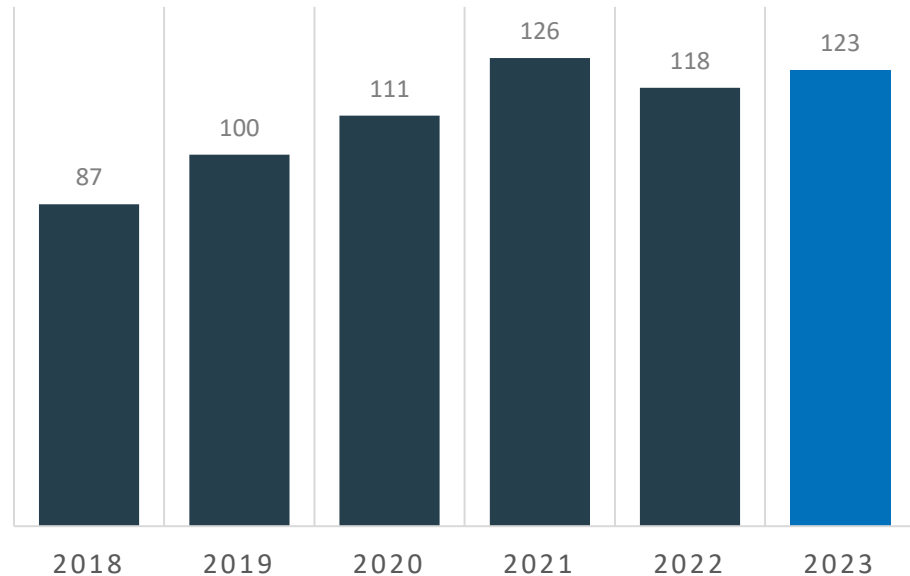


AUM Dynamics

Global AUM has recovered in 2023 due to market recovery and net flows

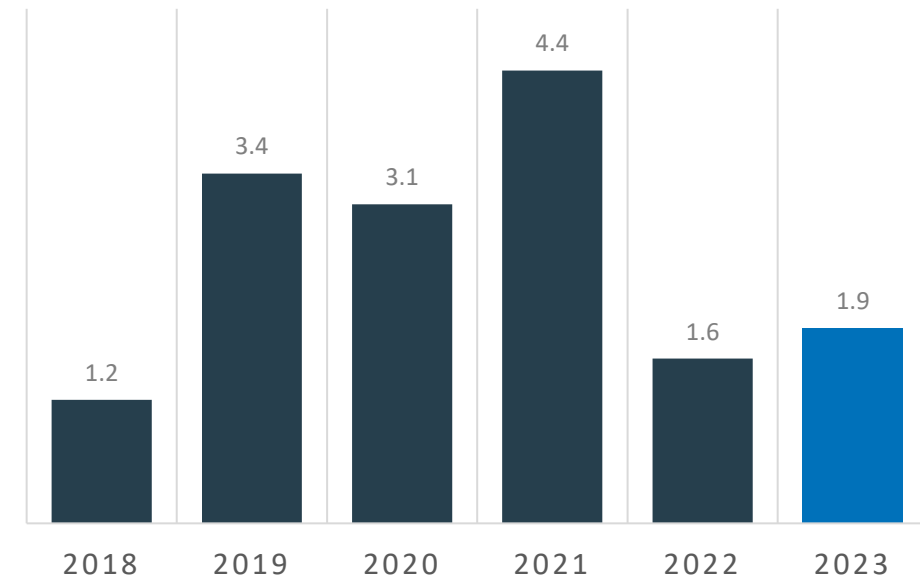
Global AM market

GLOBAL AUM (\$TN)



Positive market effect and net inflows in the industry have resulted in an increase in global AUM to €123tn from \$118tn at the end of 2022

NET FLOWS AS % OF AUM



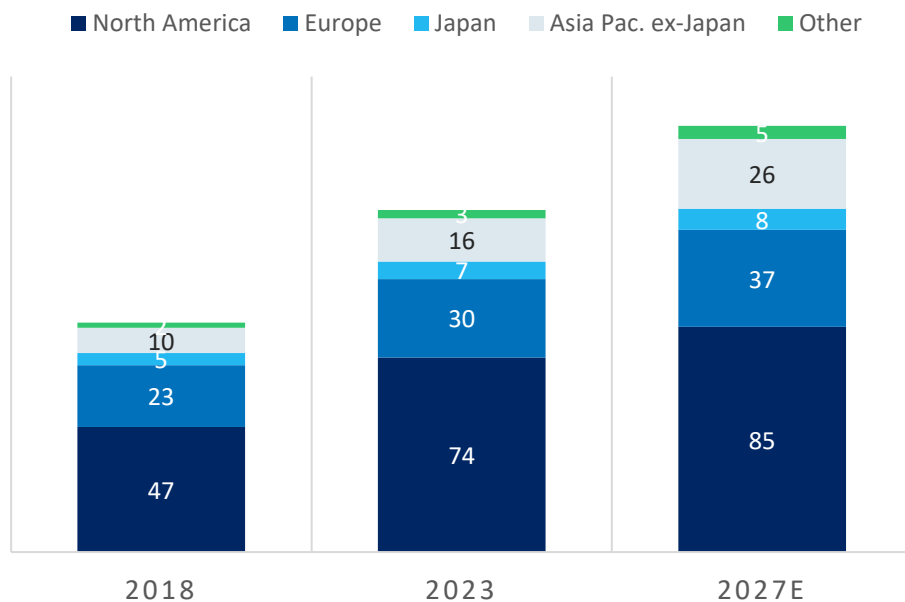
Net inflows in 2023 surpassed 2022 levels, although the product mix is much more skewed towards fixed income and money markets rather than equities



Slowing global industry growth but significant growth still forecast in Asia ex-Japan

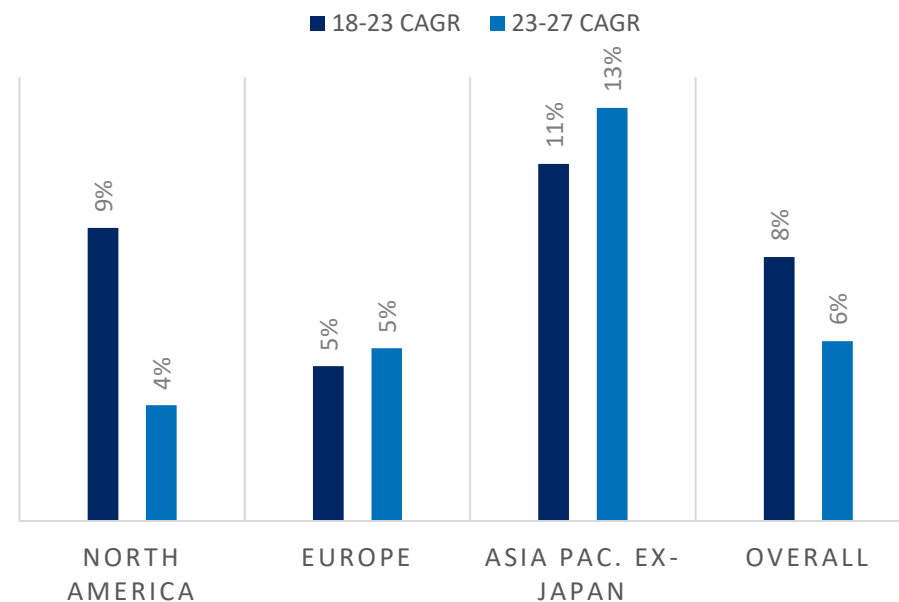
Detail by geography

GLOBAL AUM BY REGION (\$TN)



Global AuM growth expected to continue thanks to a strong dynamic in APAC and an ageing population reaching T\$ 154 in 2027

ANNUAL GROWTH BY REGION



The global market is still forecast to grow over the next 4 years but at a slower rate than the previous 5 years

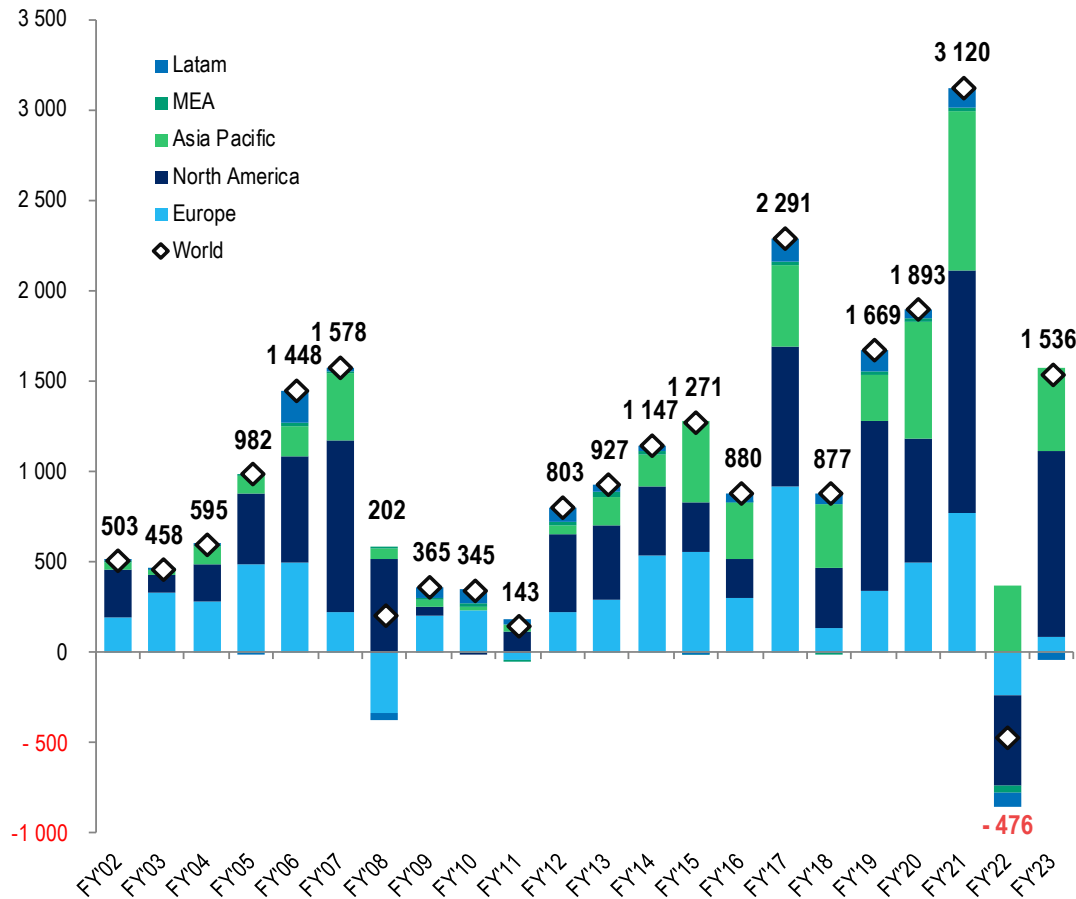


Evolution of the global mutual fund industry

AuM Growth

World : Annual NNC Evolution (€bn)

Sources : Broadridge FundFile, Candriam Market Intelligence



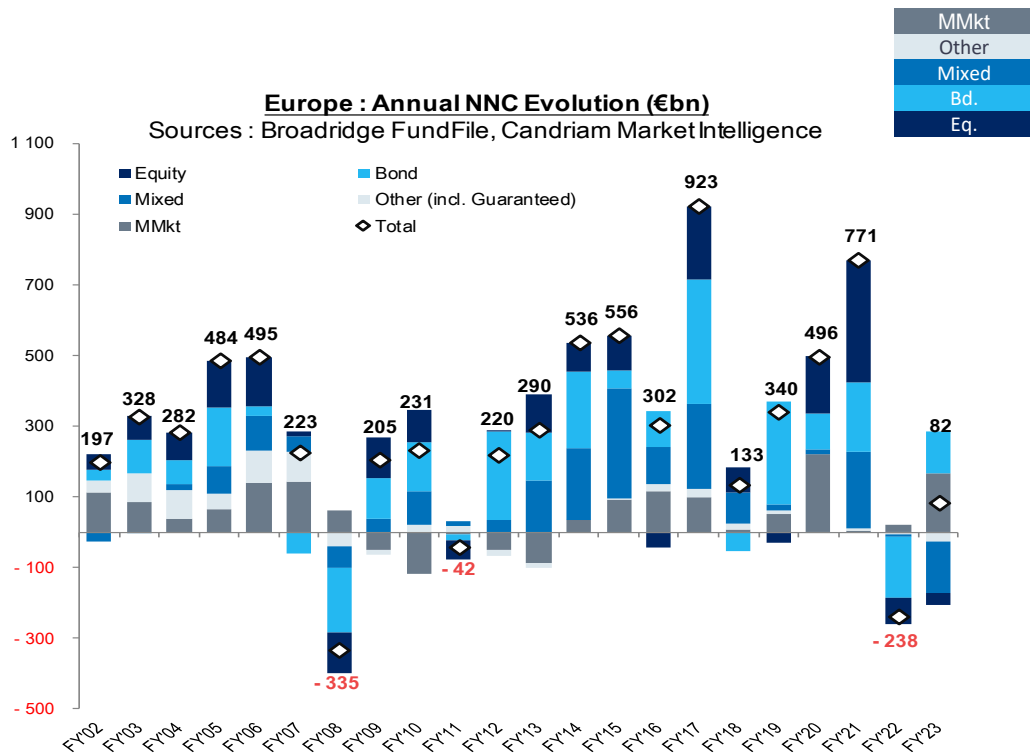
| Region / Market | AuM | NNC Evolution | | | | |
|------------------------|---------------|---------------|--------------|------------|--------------|------------|
| | | -1m | YTD | | 12m | |
| | | | bn-€ | % | bn-€ | % |
| North America | 33,653 | 60 | 1,033 | 3% | 1,033 | 3% |
| US | 31,733 | 67 | 1,057 | 3% | 1,057 | 4% |
| Canada | 1,920 | -8 | -23 | -1% | -23 | -1% |
| Europe | 14,873 | 32 | 82 | 1% | 82 | 1% |
| UK | 2,382 | 5 | -44 | -2% | -44 | -2% |
| Germany / Austria | 1,386 | -4 | -8 | -1% | -8 | -1% |
| Italy | 1,090 | 0 | -36 | -3% | -36 | -3% |
| France | 1,096 | -8 | -6 | -1% | -6 | -1% |
| Switzerland | 1,190 | 2 | 5 | 0% | 5 | 0% |
| Nordics | 1,236 | 3 | 14 | 1% | 14 | 1% |
| Spain / Portugal | 601 | 0 | 8 | 1% | 8 | 1% |
| Belgium | 378 | -1 | 4 | 1% | 4 | 1% |
| Netherlands | 302 | 0 | 3 | 1% | 3 | 1% |
| Luxembourg | 113 | 1 | -4 | -3% | -4 | -3% |
| Other Europ. Countries | 282 | 0 | 32 | 11% | 32 | 14% |
| Other Out of Europe** | 1,009 | 8 | 15 | 2% | 15 | 2% |
| Cross-Border * | 3,809 | 26 | 98 | 3% | 98 | 3% |
| Asia Pacific | 7,243 | 38 | 456 | 6% | 456 | 7% |
| China | 3,413 | 45 | 283 | 8% | 283 | 8% |
| Japan | 1,317 | 0 | 46 | 4% | 46 | 4% |
| Australia | 913 | 5 | 19 | 2% | 19 | 2% |
| South Korea | 235 | -12 | 29 | 12% | 29 | 14% |
| India | 557 | -6 | 34 | 6% | 34 | 7% |
| Hong Kong | 233 | 1 | 12 | 5% | 12 | 5% |
| Singapore | 127 | 1 | 1 | 1% | 1 | 1% |
| Other Countries | 448 | 4 | 33 | 7% | 33 | 8% |
| Latam | 1,642 | -12 | -41 | -2% | -41 | -3% |
| Brazil | 1,344 | -19 | -79 | -6% | -79 | -7% |
| Mexico | 185 | -3 | 10 | 5% | 10 | 7% |
| Other Countries | 114 | 11 | 28 | 25% | 28 | 27% |
| MEA | 344 | -1 | 6 | 2% | 6 | 2% |
| TOTAL | 57,755 | 116 | 1,536 | 3% | 1,536 | 3% |





Evolution of the European mutual fund industry

Net flows by asset types and strategies, Europe



| Categories (€bn) | AuM | -1m | NNC Evolution | | | |
|------------------------|---------------|------------|---------------|------------|-------------|------------|
| | | | YTD | | -12m | |
| | | | bn€ | Growth | bn€ | Growth |
| Equity | 6,175 | -1 | -34 | -1% | -34 | -1% |
| Eq. Europe | 670 | 1 | -28 | -4% | -28 | -5% |
| Eq. Europe Country | 444 | -0 | -13 | -3% | -13 | -3% |
| Eq. UK | 308 | -2 | -37 | -12% | -37 | -12% |
| Eq. Global | 2,027 | 7 | 71 | 3% | 71 | 4% |
| Eq. Nth. Am. | 965 | 7 | 23 | 2% | 23 | 3% |
| Eq. Asia/Pac. | 411 | -4 | -11 | -3% | -11 | -3% |
| Eq. Em. Mkts. | 391 | -1 | 11 | 3% | 11 | 3% |
| Eq. Sector & Thematic | 857 | -8 | -35 | -4% | -35 | -4% |
| Eq. Alternative | 102 | -1 | -15 | -15% | -15 | -14% |
| Bond | 3,504 | 16 | 120 | 3% | 120 | 4% |
| Bd. EUR | 156 | -0 | 5 | 3% | 5 | 3% |
| Bd. EUR Short-Term | 136 | -1 | -16 | -12% | -16 | -11% |
| Bd. EUR Gov | 155 | -0 | 28 | 18% | 28 | 24% |
| Bd. EUR Corp. IG | 242 | 3 | 22 | 9% | 22 | 11% |
| Bd. EUR Corp. HY | 65 | 1 | 2 | 3% | 2 | 4% |
| Bd. GBP | 80 | 0 | 10 | 12% | 10 | 15% |
| Bd. GBP Corp. IG/HY | 102 | -1 | -1 | -1% | -1 | -1% |
| Bd. Europe | 301 | 3 | 17 | 6% | 17 | 6% |
| Bd. USD | 153 | -3 | 12 | 8% | 12 | 9% |
| Bd. USD Corp. IG | 72 | 2 | 4 | 6% | 4 | 6% |
| Bd. USD Corp. HY | 58 | 1 | -4 | -7% | -4 | -7% |
| Bd. Global | 440 | 4 | 30 | 7% | 30 | 8% |
| Bd. Global Corp. IG. | 191 | 3 | 15 | 8% | 15 | 9% |
| Bd. Global HY | 121 | -0 | -7 | -6% | -7 | -6% |
| Bd. Asia/Pac. | 53 | -2 | -13 | -25% | -13 | -20% |
| Bd. Em. Mkts. | 288 | -0 | -13 | -5% | -13 | -5% |
| Bd. Flexible | 349 | 2 | -6 | -2% | -6 | -2% |
| Bd. Oth. | 540 | 4 | 35 | 6% | 35 | 7% |
| Mixed Assets | 2,605 | -14 | -146 | -6% | -146 | -6% |
| Asset Allocation | 799 | -7 | -71 | -9% | -71 | -9% |
| Mixed | 1,759 | -6 | -62 | -4% | -62 | -4% |
| Target Maturity | 47 | -1 | -12 | -26% | -12 | -20% |
| Guarant'd | 80 | 2 | 15 | 18% | 15 | 23% |
| Oth. | 599 | -7 | -41 | -7% | -41 | -6% |
| TOTAL LONG-TERM | 12,964 | -5 | -86 | -1% | -86 | -1% |
| MMkt. | 1,909 | 37 | 167 | 9% | 167 | 10% |
| TOTAL | 14,873 | 32 | 82 | 1% | 82 | 1% |

o/w
-155 Active funds
86 ETFs
35 Index fds

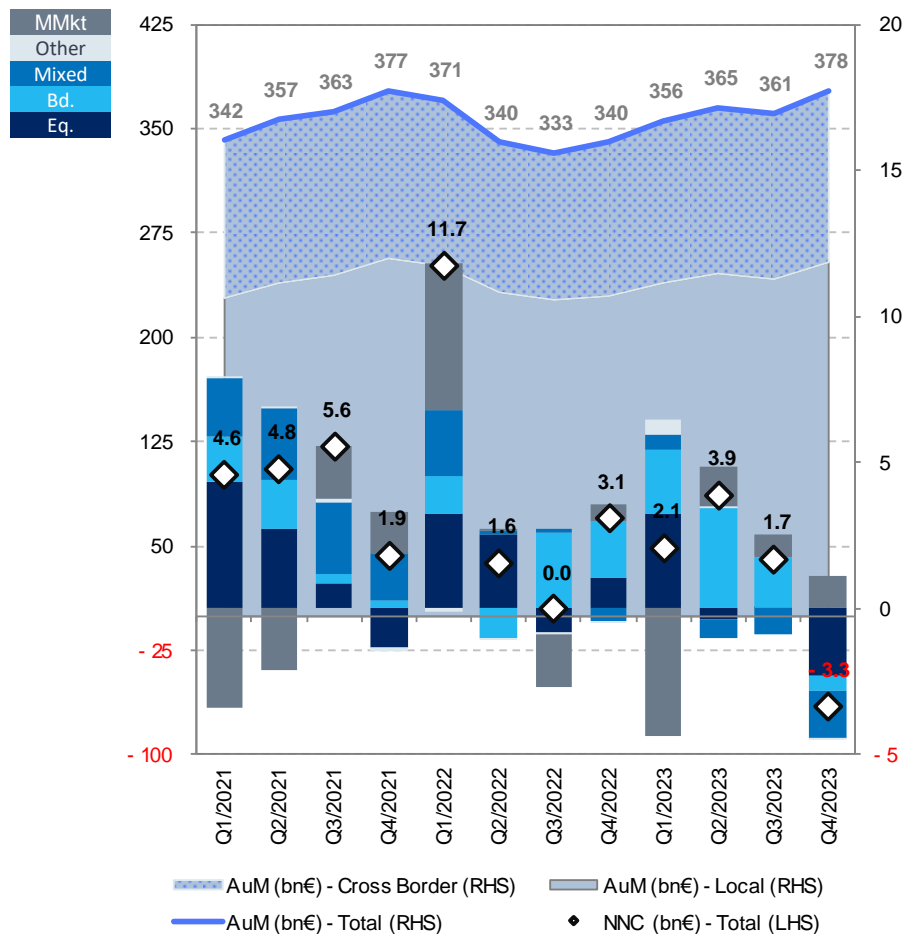
o/w
32 Active funds
55 ETFs
32 Index fds





Belgium

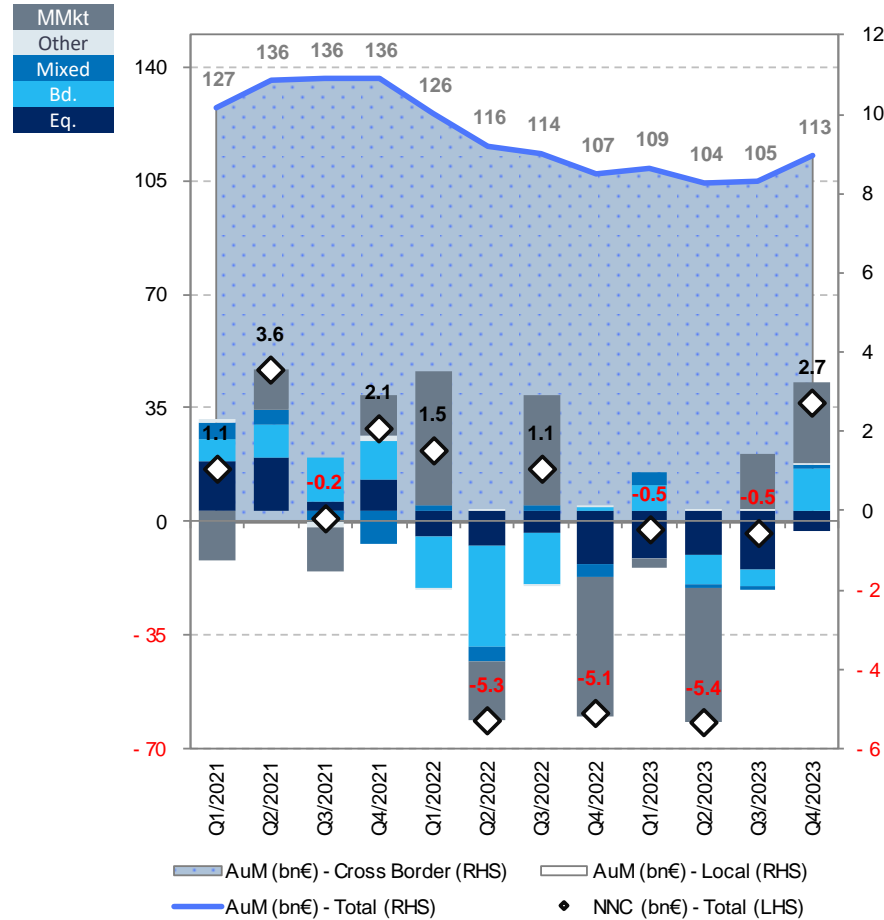
AuM and net flows



| Categories (€bn) | AuM | | NNC Evolution | | | | |
|-------------------------|------------|----------------|---------------|-------------|------------|-------------|------------|
| | 12/23 | % Cross Border | -1m | YTD | | -36m | |
| | | | | bn€ | Growth | bn€ | An. Growth |
| Equity | 132 | 44% | -1.4 | 0.6 | 0% | 13.2 | 4% |
| Eq. Europe | 25 | 52% | -0.4 | -1.0 | -4% | -3.6 | -5% |
| Eq. Europe Country | 1 | 27% | -0.0 | -0.1 | -12% | -0.3 | -6% |
| Eq. Nth. Am. | 19 | 45% | -0.1 | 0.5 | 2% | 1.9 | 5% |
| Eq. Asia/Pac. | 5 | 62% | -0.0 | 0.5 | 10% | 0.4 | 3% |
| Eq. Em. Mkts. | 7 | 75% | 0.1 | 0.0 | 1% | 0.9 | 4% |
| Eq. Global | 45 | 15% | -0.1 | 2.3 | 5% | 9.3 | 10% |
| Eq. Sector & Thematic | 30 | 68% | -0.8 | -1.4 | -5% | 4.6 | 6% |
| Bond | 79 | 46% | -0.0 | 6.9 | 9% | 15.5 | 7% |
| Bd. EUR | 33 | 35% | -0.4 | 5.0 | 15% | 13.8 | 18% |
| Bd. EUR Corp. HY | 2 | 37% | -0.0 | -0.1 | -4% | -0.6 | -9% |
| Bd. EUR Corp. IG | 14 | 69% | 0.4 | 1.5 | 11% | 0.6 | 1% |
| Bd. Europe | 2 | 70% | 0.0 | 0.3 | 21% | 0.8 | 22% |
| Bd. USD | 2 | 79% | -0.0 | -0.1 | -6% | -0.2 | -4% |
| Bd. Em. Mkts. | 2 | 80% | -0.0 | -0.1 | -3% | -0.6 | -7% |
| Bd. Global | 15 | 35% | 0.1 | 1.1 | 7% | 4.5 | 12% |
| Bd. Flexible | 4 | 50% | -0.0 | -0.0 | -0% | -1.2 | -8% |
| Bd. Oth. | 5 | 56% | -0.1 | -0.8 | -17% | -1.4 | -8% |
| Mixed Assets | 147 | 11% | -0.4 | -2.6 | -2% | 8.1 | 2% |
| Multi Asset/Target Ret. | 19 | 21% | -0.1 | -1.5 | -8% | -2.6 | -4% |
| Mixed (Benchmarked) | 127 | 10% | -0.3 | -1.0 | -1% | 10.7 | 3% |
| Other | 3 | 12% | -0.0 | 0.6 | 17% | 0.5 | 4% |
| Guarant'd | 3 | 0% | -0.0 | 0.6 | 22% | 0.4 | 4% |
| Oth. | 1 | 61% | 0.0 | -0.0 | -4% | 0.0 | 1% |
| TOTAL LONG-TERM | 361 | 31% | -1.8 | 5.5 | 2% | 37.2 | 4% |
| MMkt. | 17 | 75% | 0.7 | -1.1 | -7% | 0.4 | 1% |
| TOTAL | 378 | 33% | -1.1 | 4.4 | 1% | 37.6 | 4% |



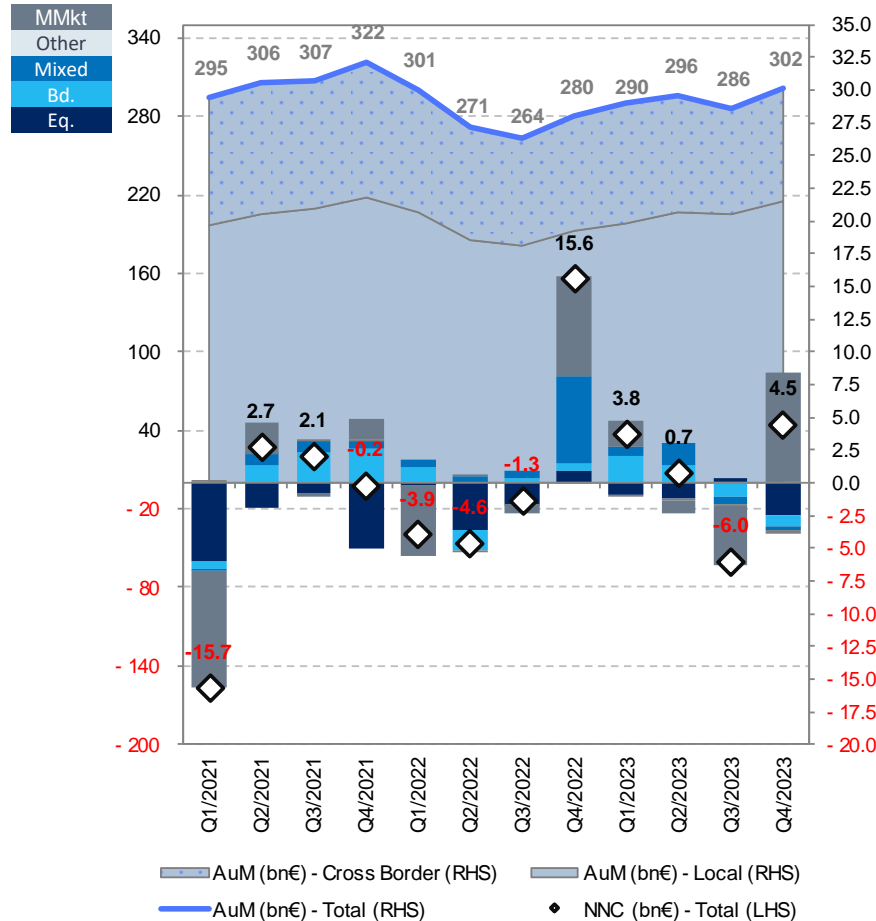
Luxembourg AuM and net flows



| Categories (€bn) | AuM | | -1m | NNC Evolution | | | |
|--------------------------|------------|----------------|-------------|---------------|-------------|-------------|------------|
| | 12/23 | % Cross Border | | YTD | | -36m | |
| | | | bn€ | Growth | bn€ | An. Growth | |
| Equity | 45 | 100% | 0.2 | -4.3 | -10% | -4.1 | -3% |
| Eq. Europe | 7 | 100% | 0.5 | -0.2 | -2% | -2.0 | -11% |
| Eq. Europe Country | 1 | 100% | -0.2 | 0.0 | 1% | 0.3 | 10% |
| Eq. Nth. Am. | 8 | 100% | -0.0 | -1.5 | -20% | -2.1 | -8% |
| Eq. Asia/Pac. | 6 | 100% | -0.1 | -1.4 | -23% | -1.4 | -5% |
| Eq. Em. Mkts. | 4 | 100% | 0.2 | 0.6 | 13% | -0.4 | -3% |
| Eq. Global | 8 | 100% | -0.1 | 0.3 | 3% | 1.5 | 6% |
| Eq. Sector & Thematic | 10 | 100% | -0.1 | -2.1 | -20% | 0.0 | 0% |
| Bond | 46 | 100% | 0.9 | 0.6 | 1% | -1.0 | -1% |
| Bd. EUR | 5 | 100% | -0.2 | 0.0 | 0% | 0.5 | 3% |
| Bd. EUR Corp. HY | 1 | 100% | 0.1 | -0.1 | -13% | 0.0 | 1% |
| Bd. EUR Corp. IG | 5 | 100% | 0.2 | 0.3 | 6% | 0.8 | 6% |
| Bd. Europe | 0 | 100% | -0.0 | 0.1 | 18% | 0.0 | 4% |
| Bd. USD | 6 | 100% | 0.9 | 0.8 | 13% | 0.4 | 3% |
| Bd. Em. Mkts. | 5 | 100% | 0.0 | -0.5 | -10% | -0.8 | -6% |
| Bd. Global | 7 | 100% | -0.1 | -0.2 | -2% | -0.8 | -4% |
| Bd. Flexible | 9 | 100% | 0.1 | 0.1 | 1% | -1.3 | -5% |
| Bd. Oth. | 8 | 100% | -0.1 | 0.1 | 2% | 0.2 | 1% |
| Mixed Assets | 4 | 100% | 0.1 | 0.2 | 6% | -0.5 | -5% |
| Multi Asset /Target Ret. | 2 | 100% | -0.0 | -0.4 | -18% | -0.6 | -10% |
| Mixed (Benchmarked) | 2 | 99% | 0.1 | 0.6 | 32% | 0.1 | 2% |
| Other | 1 | 100% | 0.1 | 0.0 | 5% | 0.1 | 6% |
| Guarant'd | 0 | 100% | -0.0 | 0.0 | 0% | -0.0 | -20% |
| Oth. | 1 | 100% | 0.1 | 0.0 | 5% | 0.1 | 7% |
| TOTAL LONG-TERM | 95 | 100% | 1.3 | -3.5 | -4% | -5.6 | -2% |
| MMkt. | 17 | 100% | -0.4 | -0.2 | -1% | 0.7 | 1% |
| TOTAL | 113 | 100% | 0.9 | -3.7 | -3% | -4.9 | -1% |

Netherlands

AuM and net flows



| Categories (€bn) | AuM | | -1m | NNC Evolution | | | |
|-------------------------|------------|----------------|-------------|---------------|-------------|--------------|------------|
| | 12/23 | % Cross Border | | YTD | | -36m | |
| | | | bn€ | Growth | bn€ | An. Growth | |
| Equity | 106 | 24% | -1.9 | -4.2 | -4% | -22.5 | -7% |
| Eq. Europe | 13 | 25% | -0.2 | -0.6 | -5% | -5.0 | -12% |
| Eq. Europe Country | 3 | 1% | -0.0 | -0.6 | -18% | -0.6 | -6% |
| Eq. Nth. Am. | 13 | 21% | -0.7 | -0.9 | -7% | -3.5 | -10% |
| Eq. Asia/Pac. | 4 | 52% | -0.0 | -0.1 | -3% | -2.8 | -16% |
| Eq. Em. Mkts. | 16 | 31% | -0.7 | -2.4 | -15% | -4.4 | -7% |
| Eq. Global | 45 | 15% | -0.2 | 1.5 | 3% | -3.7 | -3% |
| Eq. Sector & Thematic | 12 | 50% | -0.2 | -1.1 | -9% | -2.5 | -6% |
| Bond | 102 | 32% | -1.9 | 1.3 | 1% | 7.6 | 2% |
| Bd. EUR | 18 | 25% | -0.5 | 1.0 | 5% | -0.8 | -1% |
| Bd. EUR Corp. IG | 18 | 55% | -0.6 | 0.9 | 5% | 1.9 | 3% |
| Bd. Em. Mkts. | 8 | 89% | -0.9 | -2.7 | -33% | -4.1 | -12% |
| Bd. Global | 14 | 59% | -0.2 | 0.4 | 3% | -0.6 | -1% |
| Bd. Oth. | 44 | 7% | 0.2 | 1.8 | 4% | 11.3 | 8% |
| Mixed Assets | 63 | 0% | -0.3 | 1.5 | 2% | 11.9 | 8% |
| Multi Asset/Target Ret. | 21 | 0% | 0.1 | 3.2 | 15% | 8.3 | 22% |
| Mixed (Benchmarked) | 42 | 0% | -0.4 | -1.7 | -4% | 3.6 | 3% |
| Other | 2 | 5% | -0.0 | -0.5 | -18% | -0.4 | -6% |
| Hedge | 1 | 1% | -0.0 | -0.4 | -37% | 0.0 | 0% |
| Oth. | 1 | 8% | 0.0 | -0.1 | -5% | -0.4 | -10% |
| TOTAL LONG-TERM | 274 | 22% | -4.2 | -1.8 | -1% | -3.4 | 0% |
| MMkt. | 28 | 97% | 4.2 | 4.8 | 17% | 1.1 | 1% |
| TOTAL | 302 | 29% | 0.0 | 3.0 | 1% | -2.3 | 0% |



2

Key Product Trends

1

ESG

2

Private Markets

3

ETFs & Passive



ESG Market Trends - Funds

Growth of ESG AUM in all regions, especially advanced ESG

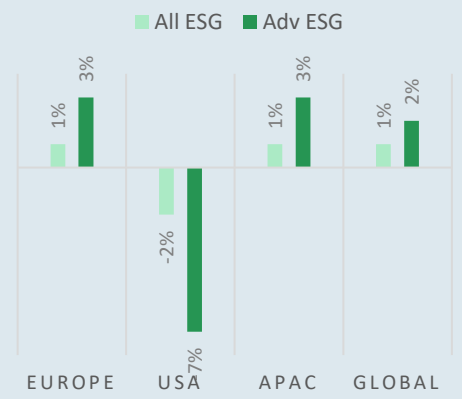
1

ESG

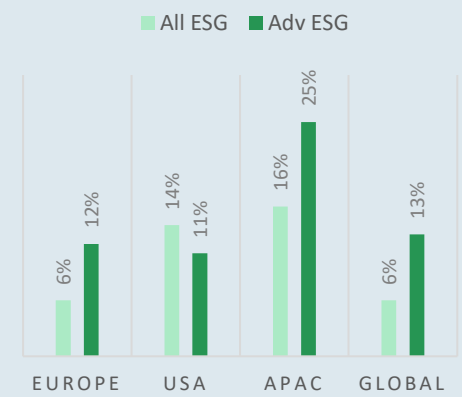
ESG AUM BY REGION

| | Europe | USA | APAC | Global |
|------------------|--------|-----|------|--------|
| All ESG | 7,898 | 443 | 183 | 8,533 |
| Advanced ESG | 2,222 | 234 | 102 | 2,563 |
| ESG Market Share | 53% | 1% | 3% | 15% |

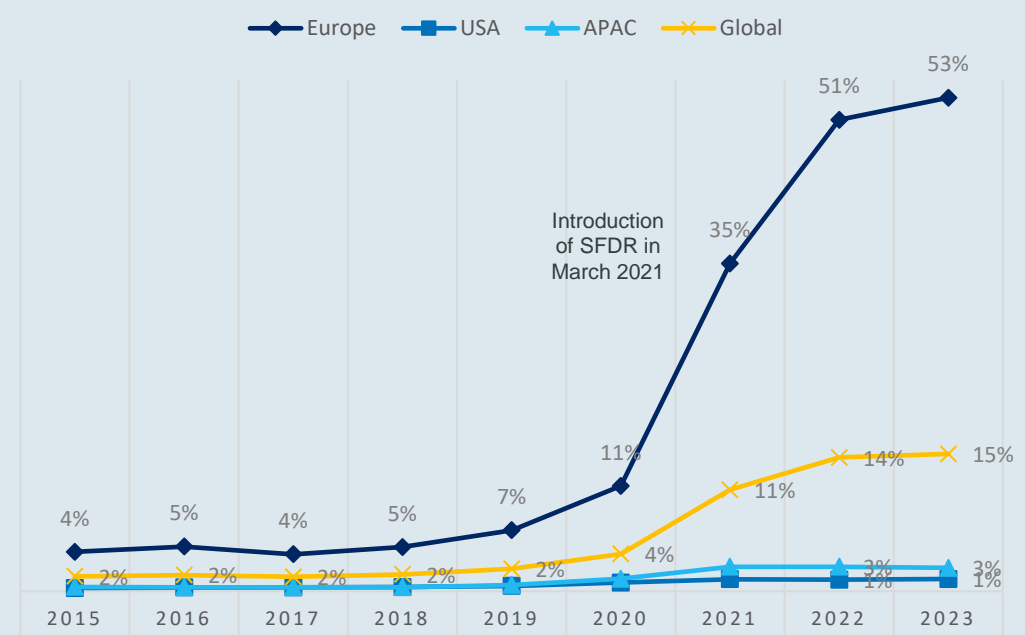
2023 GROWTH



3 YEAR CAGR



ESG MARKET SHARE



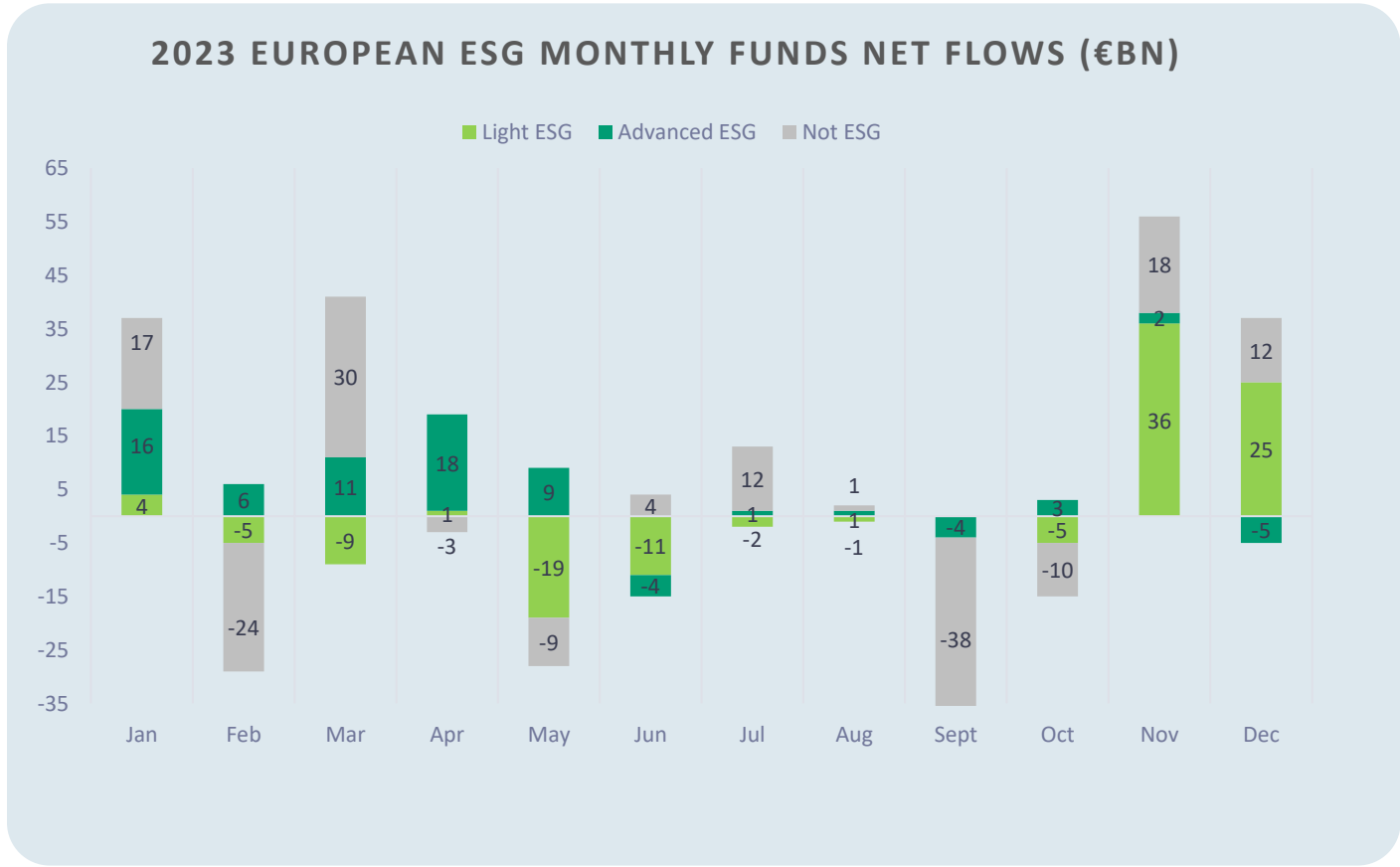
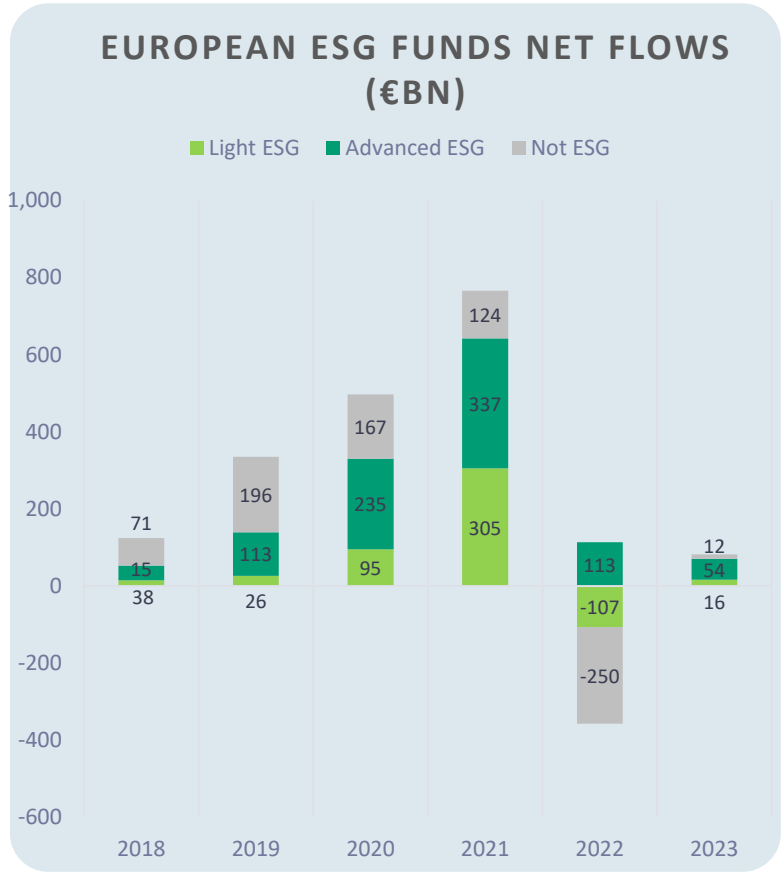


European ESG Market Trends - Funds

Demand for advanced ESG products has been resilient

1

ESG





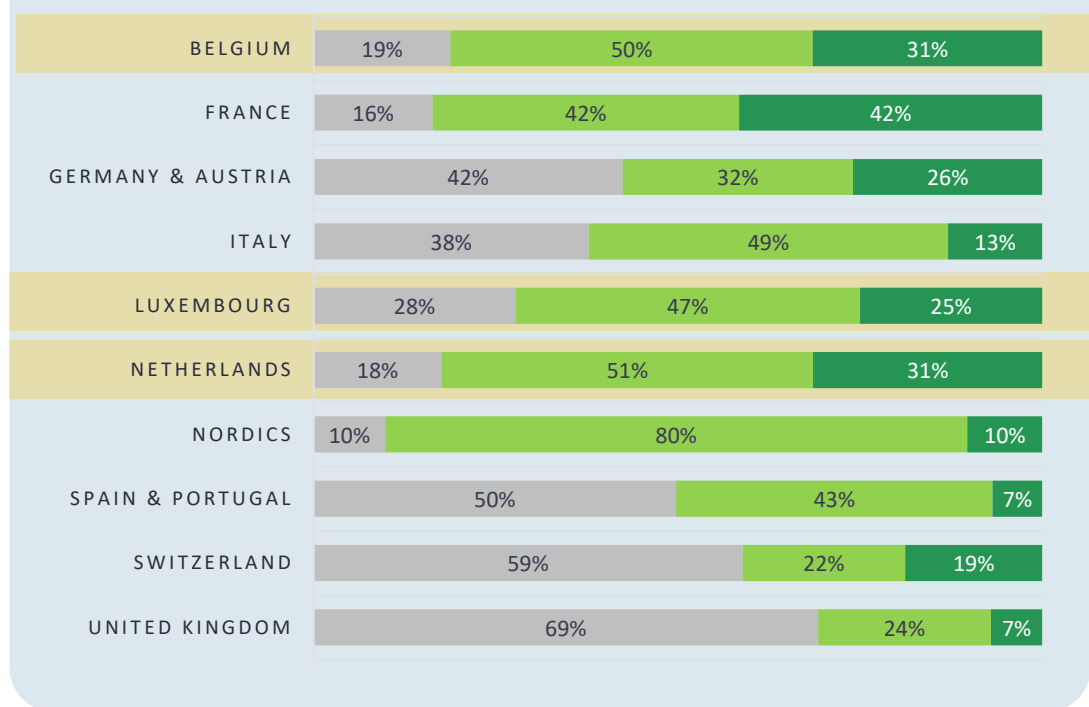
European ESG Market Trends - Funds

The rate of ESG adoption differs from market to market

1 ESG

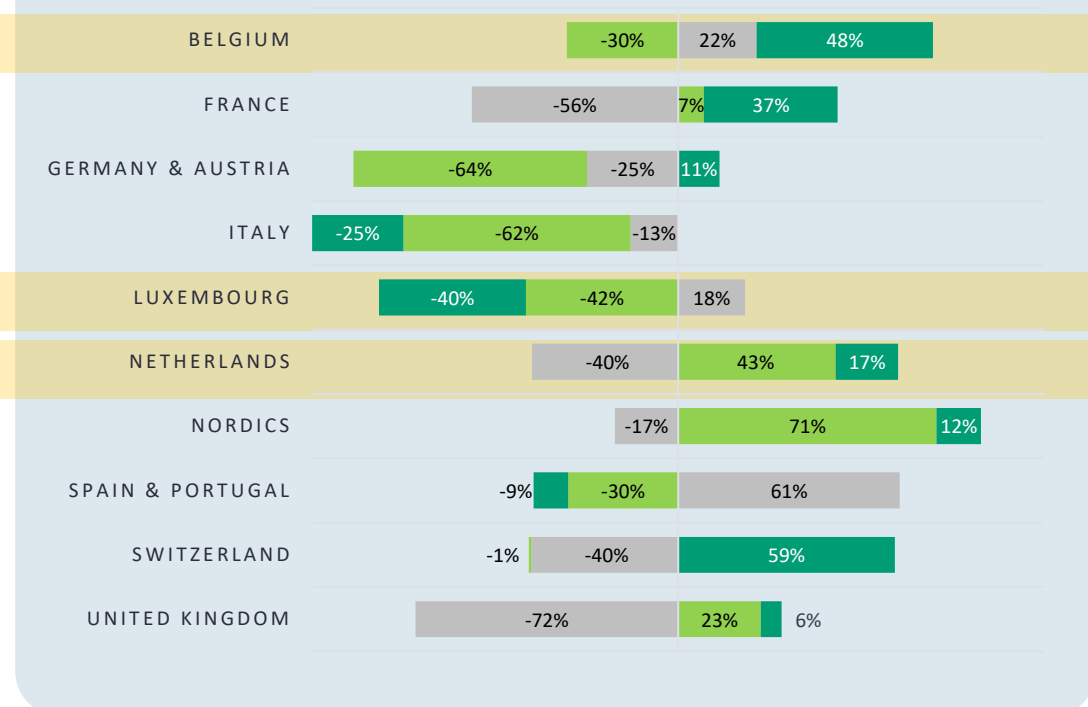
2023 AUM SHARE BY COUNTRY

■ Not ESG ■ Light ESG ■ Advanced ESG



2023 NET FLOW SHARE

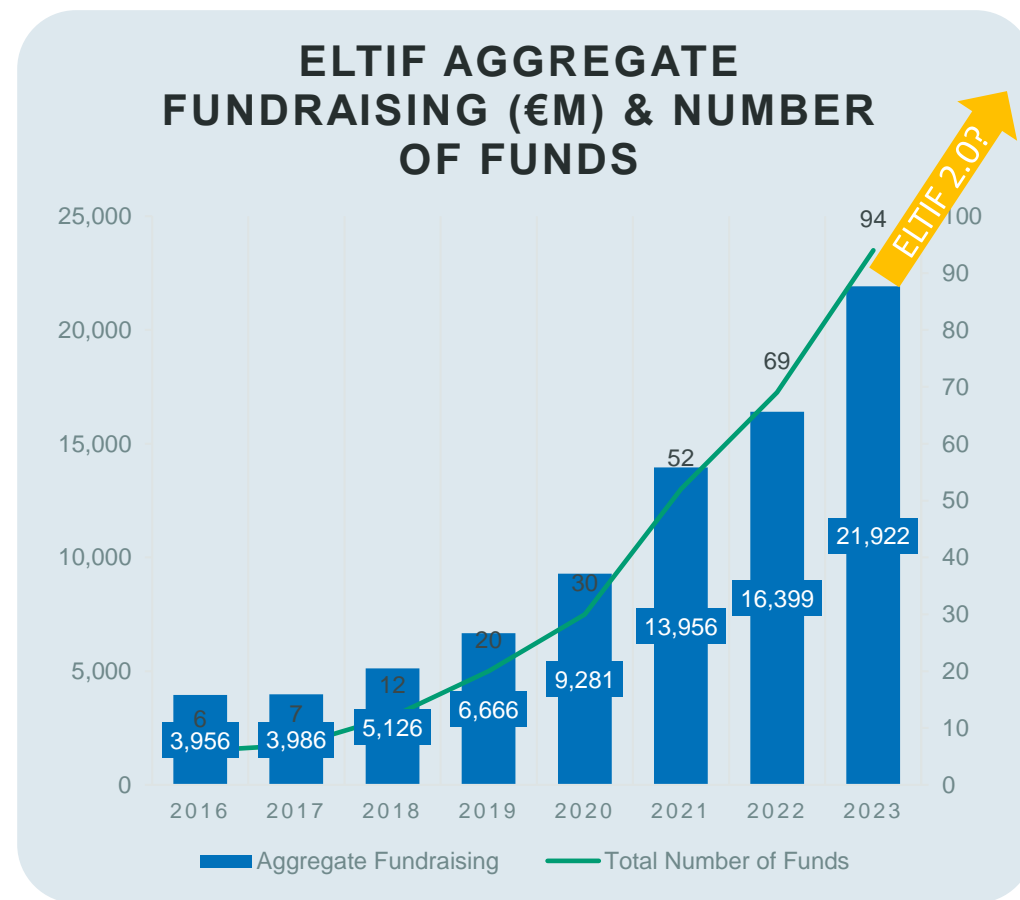
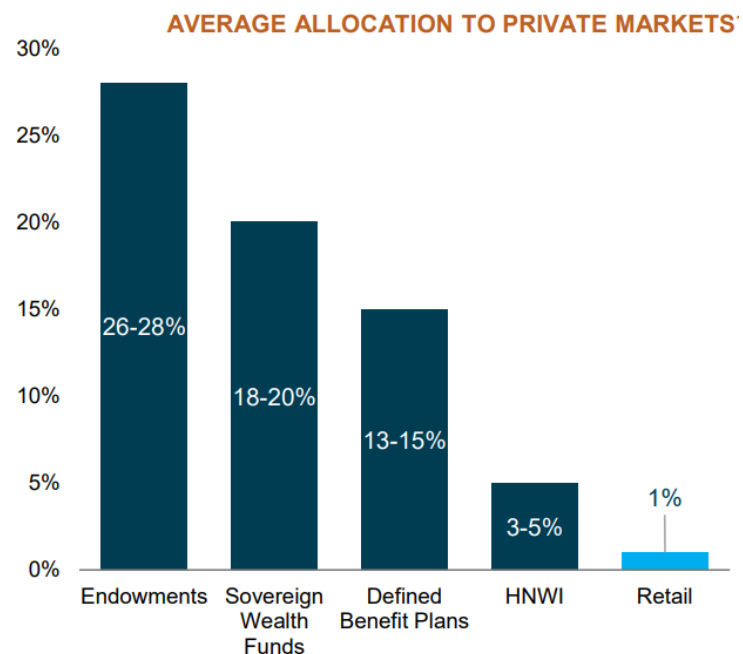
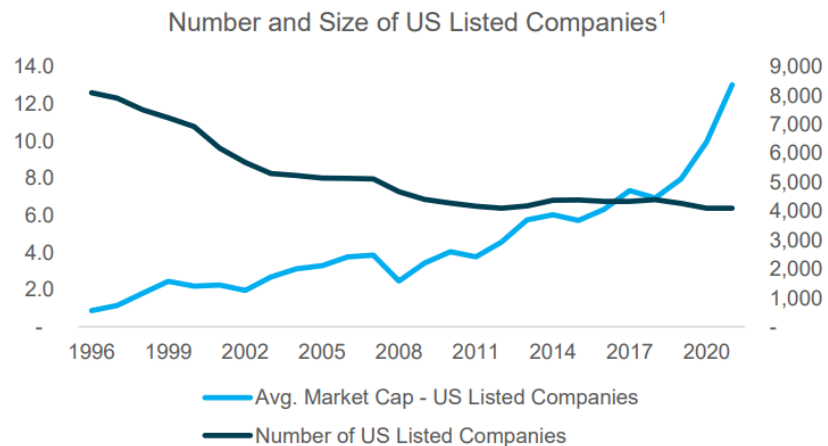
■ Not ESG ■ Light ESG ■ Advanced ESG





Private Markets

Continued growth expected, driven by democratization of access





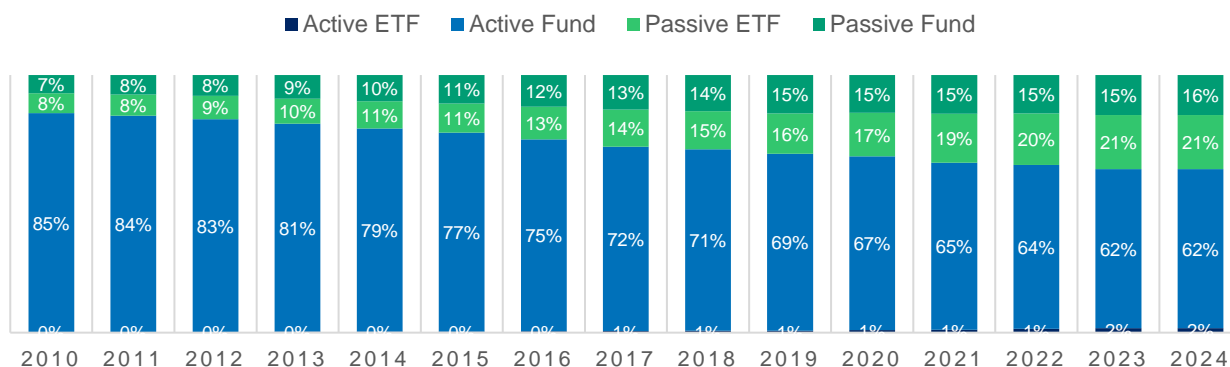
ETFs & Passive Investment

3

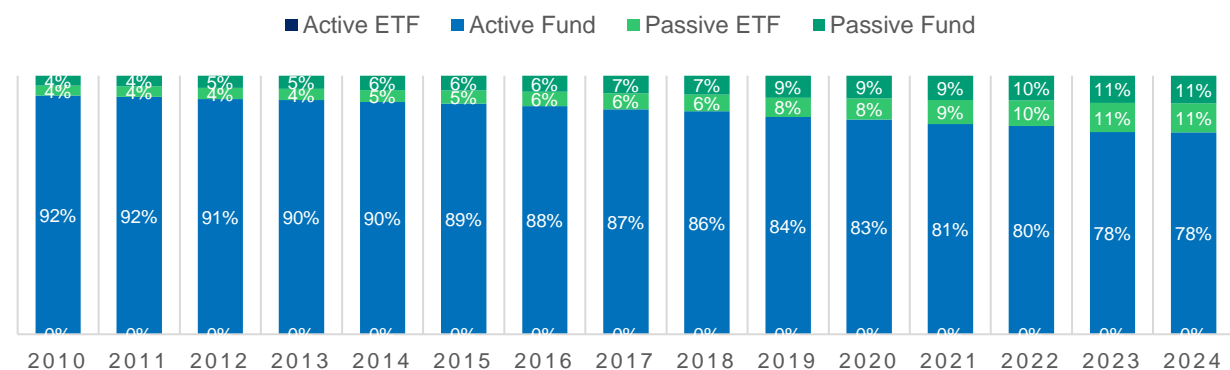
ETFs & Passive

Growing market share but still far behind North American levels

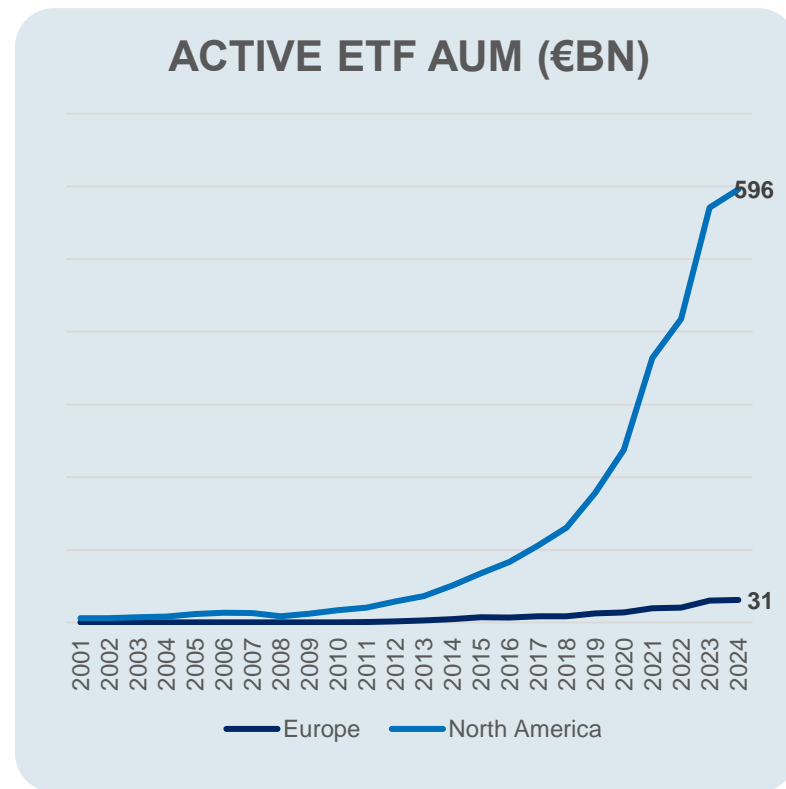
NORTH AMERICA MARKET SHARE BY VEHICLE



EUROPE MARKET SHARE BY VEHICLE



ACTIVE ETF AUM (€BN)





Trends
INVESTMENT
SUMMIT BENELUX 2024

State of the AM industry

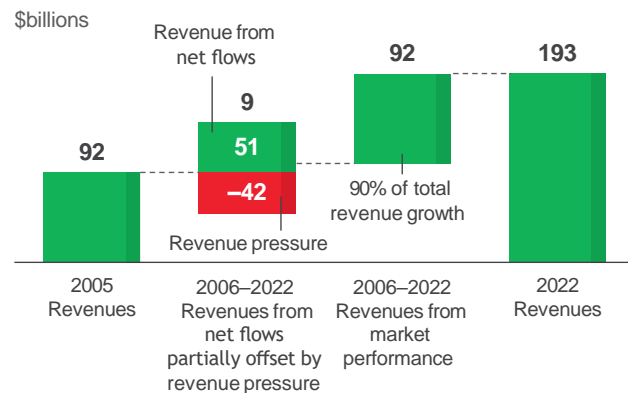
3



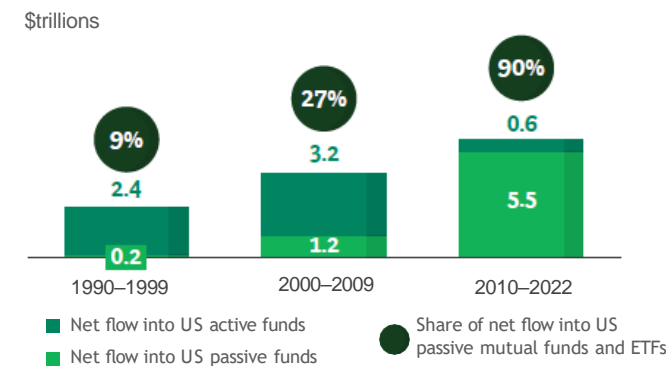


Five Key Observations on the State of the Industry

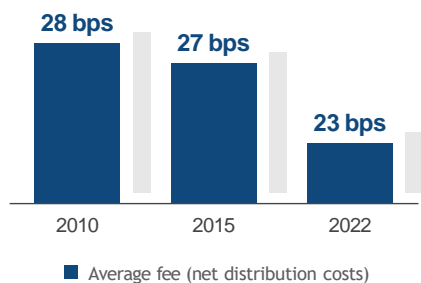
1 Growth is no longer guaranteed since market performance has been the main driver of revenues



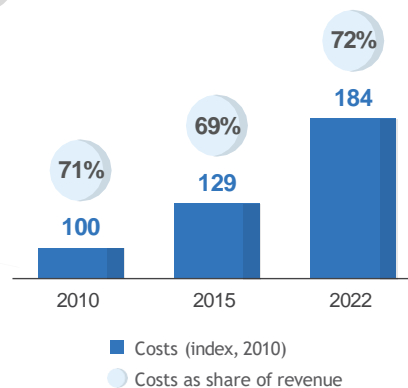
2 Passive funds are increasingly popular



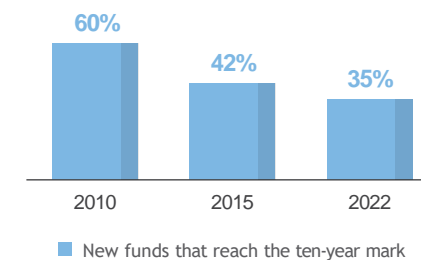
3 Fee compression is accelerating



4 Costs are rising



5 Fewer new products are surviving despite attempts at innovation





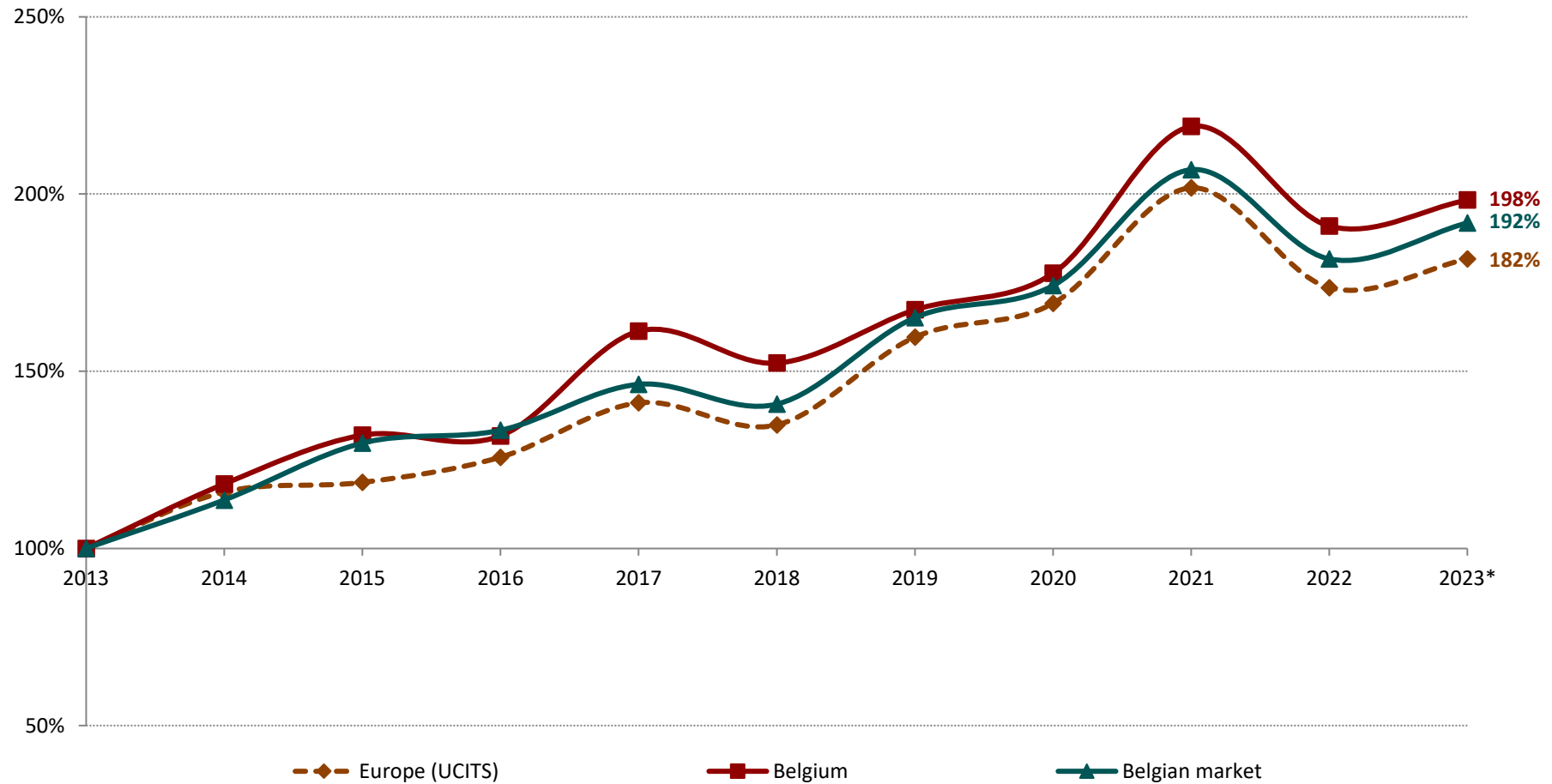
Trends
INVESTMENT
SUMMIT BENELUX 2024

4

Zoom on Belgium



Belgian market growth keeping pace with Europe, and even slightly ahead of European average by the end of 2023

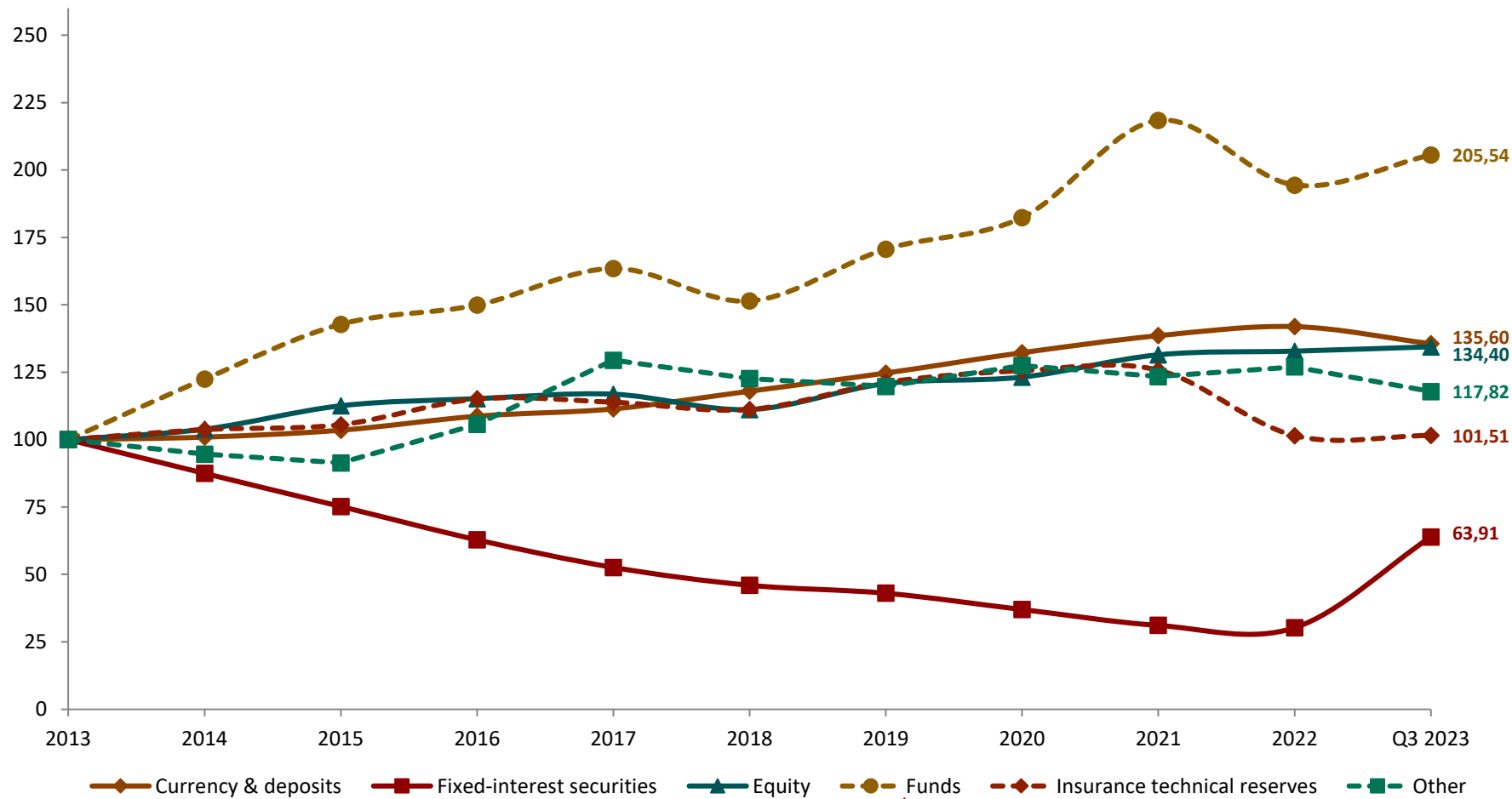


Source: BEAMA





Over the last decade, funds witnessed the highest relative growth within the Belgian private households' savings market (base 2013 = 100)

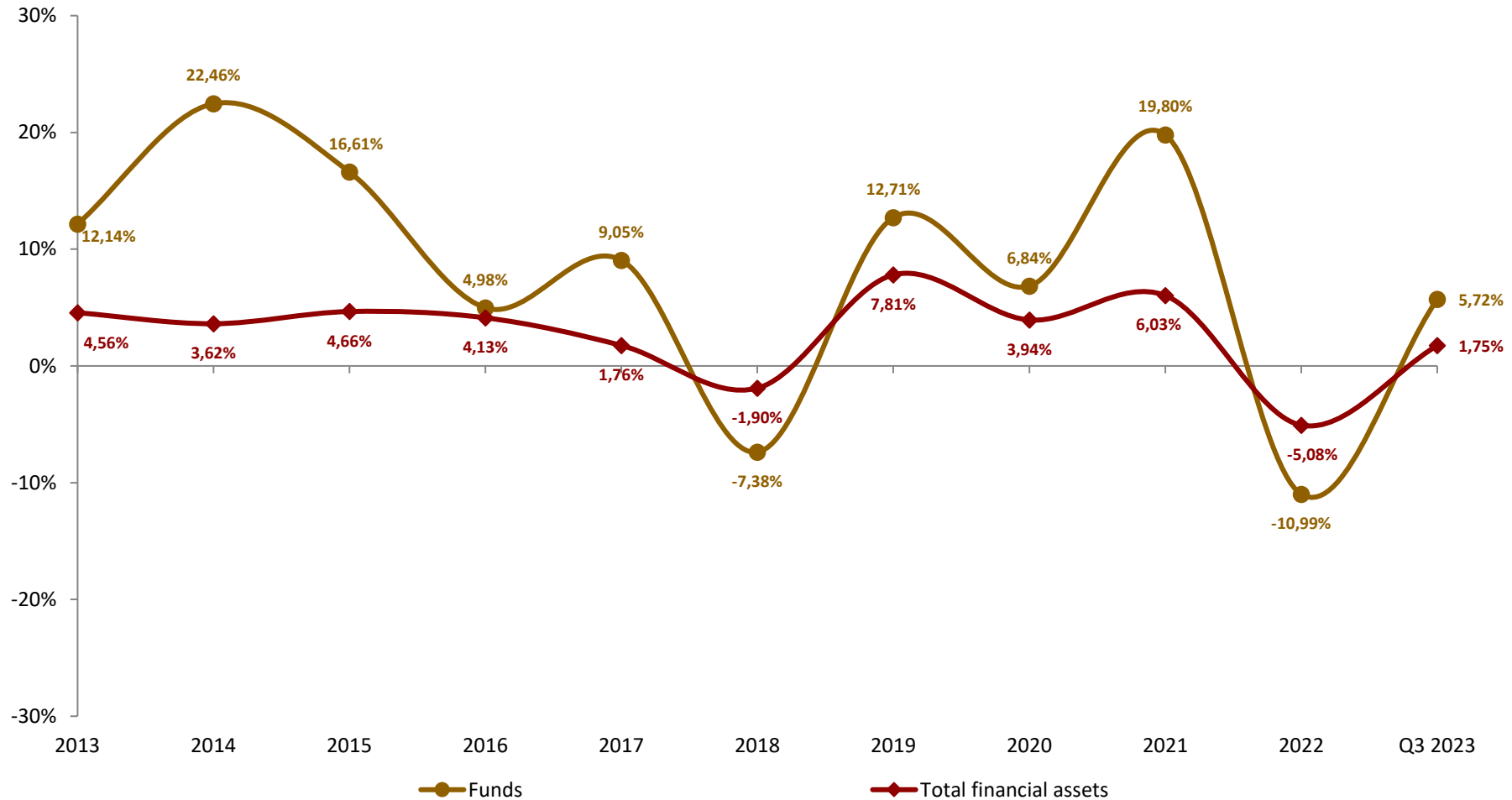


↑
Retail clients only

Figures in percentages versus 2012



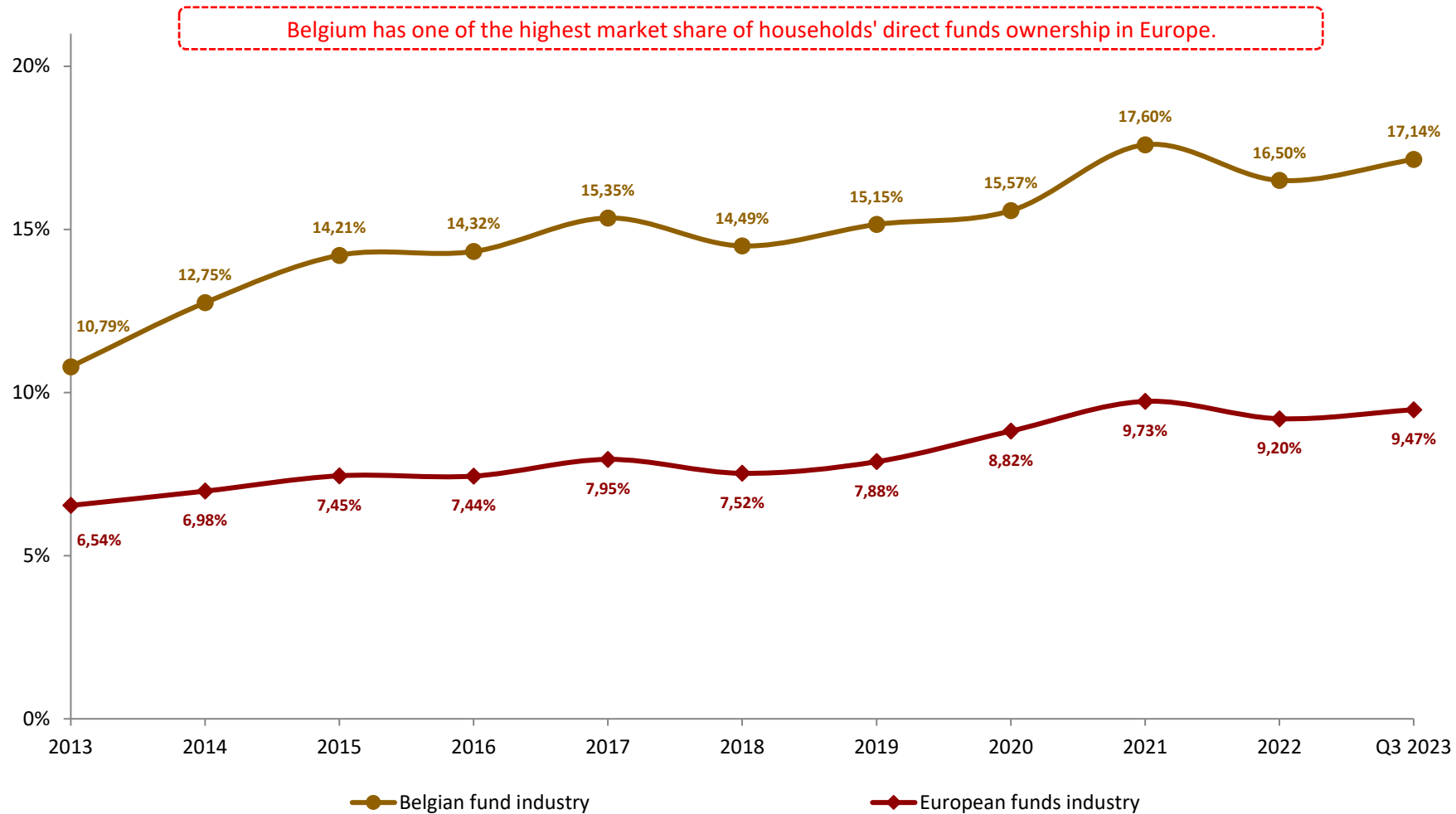
In the last decade, with the exception of 2018 & 2022, funds grew faster than the overall financial assets of Belgian private households



Source: NBB



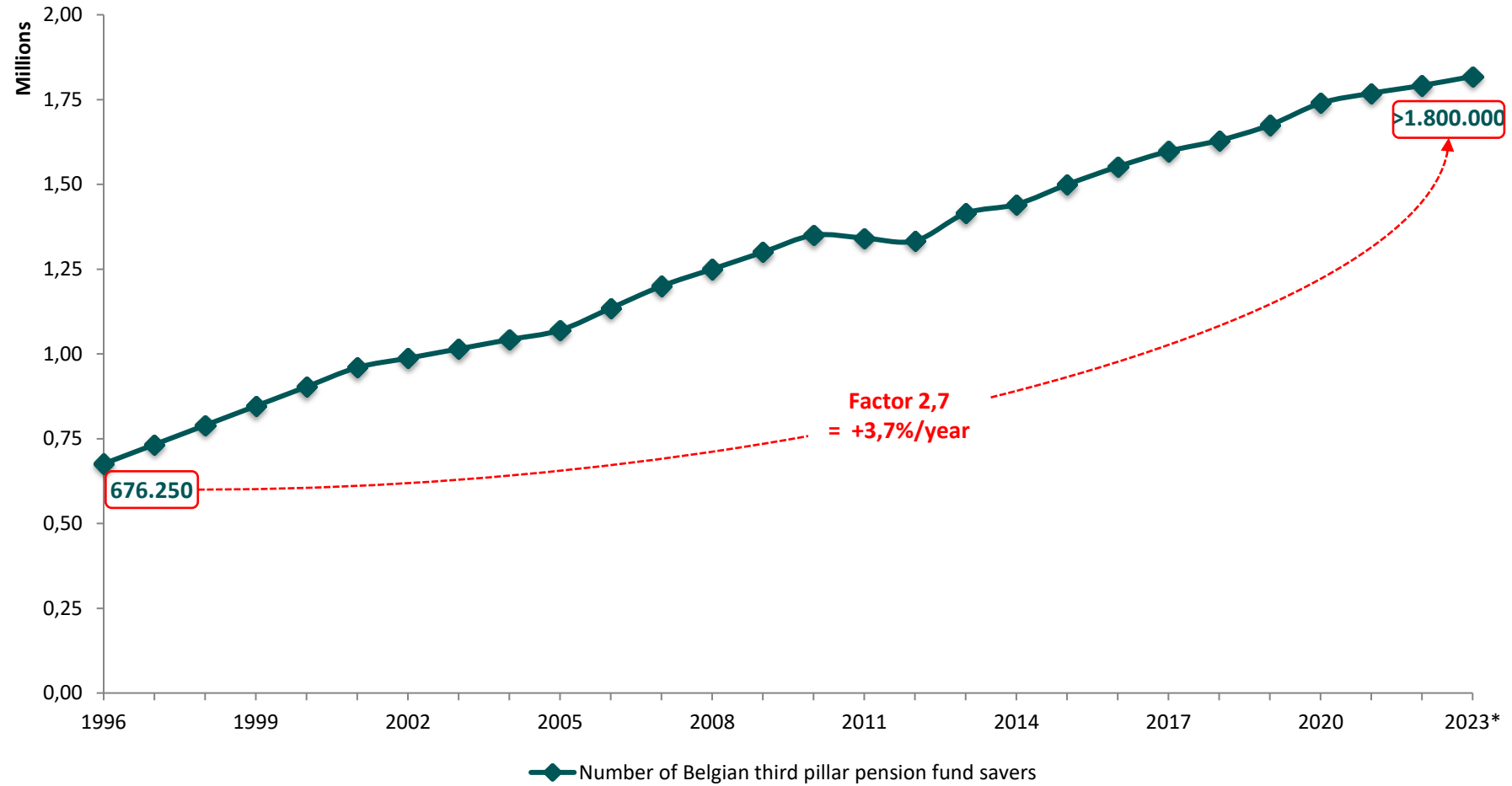
Over 15% of savings of Belgian private households is invested via funds which is far above the European average

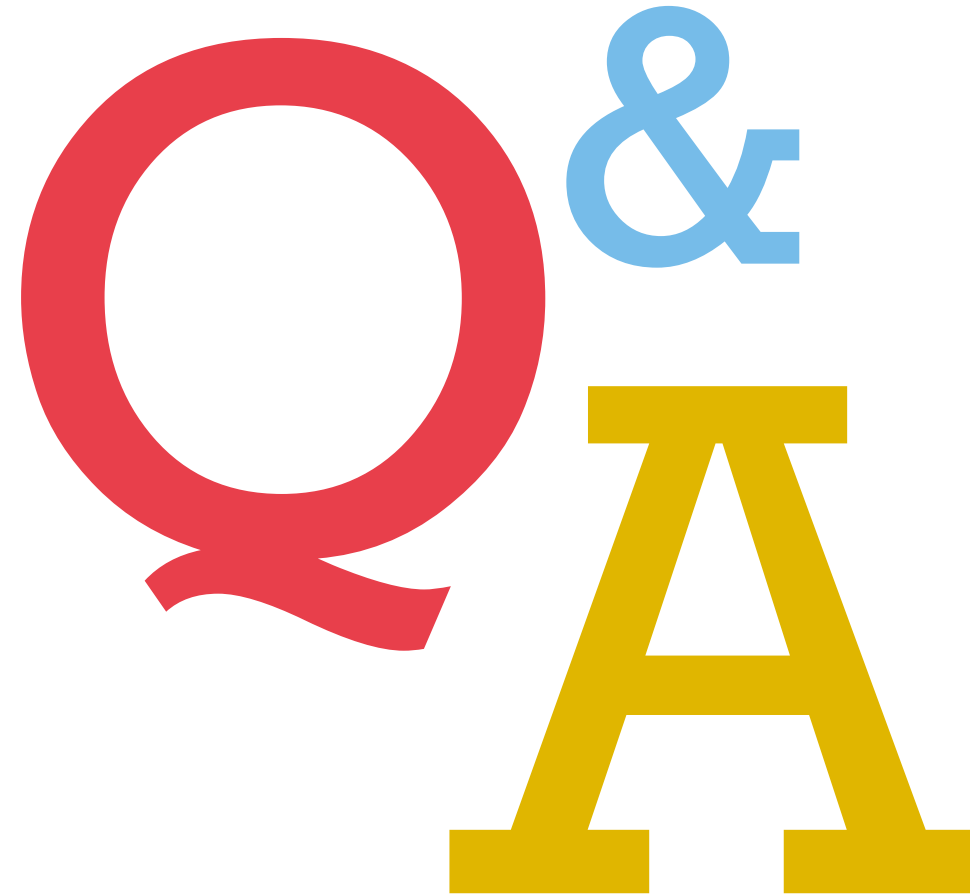


Source: NBB



Decades-long growth of investors in pension savings funds is unaffected by negative macro-economic conditions





Do you want to know more about BEAMA?



<https://bit.ly/3EKYcVM>

Do you want more information on how to become a BEAMA member?

BEAMA est le porte-parole du secteur de l'Asset Management en Belgique et contribue par ses activités aux différents développements du secteur.

BEAMA représente maintenant **plus de 100 membres**.

Voulez-vous aussi en faire partie ?

Vous y découvrirez tout sur le **type d'adhésion** et les avantages qui y sont associés, **qui** sont nos membres actuels et **comment** devenir membre.



NL: <https://www.beama.be/lid-worden/> FR: <https://www.beama.be/fr/devenir-membre/>

A large, solid red rectangular area that is partially obscured by the word 'Attachment'.

Attachment



Attachment: Who is BEAMA and what are the activities of BEAMA?

Who is BEAMA vzw | asbl (hereafter BEAMA)?

BEAMA ~ the Belgian Asset Managers Association:

- professional association of Belgian fund and asset managers
- BEAMA has 101 members (52 effective - 49 associated)
- 365 billion € in assets under management as at the end of 2022
- BEAMA is a member of Febelfin vzw | asbl

What are the activities of BEAMA?

The goal of BEAMA is to support the enhancement/development of asset management in Belgium as well as to protect the professional and moral interests of her members. As such the association:

- represents its members towards the authorities and the competent Belgian, foreign and supranational institutions
- performs the required advocacy activities for its members
- informs its members on all relevant matters

Attachment: Who is BEAMA and what are the activities of BEAMA?

Governance BEAMA

- General Assembly (full members)
- Management Board:
 - President: Koen Van de Maele
 - Vice-president(s): Gregory Swolfs
 - Members: Marnix Arickx, Thibaut de Saint Moulin, Katrien Pottie, Myriam Vanneste (without vote), Cedric September, Chris Sterckx & Caroline Tubeuf
 - Director-General (without vote): Marc Van de Gucht
- Febelfin staff members, supporting BEAMA:
Marc Van de Gucht, Marc Leroux, Jeroen Somers & Andy Vangenck
- Working Groups:
Accounting, Inclusion, Industry for the future & Investment Solutions, Legal & Corporate Governance, Operations & IT, Sales & Distribution, Statistics & Trends, Sustainable Finance (Collective Portfolio Management), Taxation, Technological Developments
- BEAMA's link with Febelfin & EFAMA:
 - BEAMA is a founding member of Febelfin vzw/asbl (Belgian Financial Sector Federation)
 - BEAMA is a founding member of EFAMA vzw (European Fund and Asset Management Association)

Biography – Koen Van de Maele

Koen Van de Maele is Chief Investment Solutions Officer and a member of Candriam's Executive and Group Strategic Committee since 2017. In this role, he determines Candriam's product strategy and develops tailor-made investment solutions for institutional investors and wealth managers.



Koen Van de Maele, a Master of Science in Engineering graduate (Burgerlijk Ingenieur, 2000), also has a Master in Industrial Management (2001) – both degrees obtained from the University of Leuven (Belgium).

He began his career as quantitative fixed income analyst at Dexia Asset Management in 2001. In 2009, he was appointed Global Head of Fixed Income in charge of the investment strategy across all bond portfolios. Afterwards, he became Global Head of Investment Engineering and Deputy Chief Investment Officer of Candriam.

Koen has been a CFA Charterholder since 2005 and is a member of the board of directors of various Belgian and Luxembourg investment funds. He also occasionally gives lectures at Vlerick Business School in Brussels.

Since June 2023, Koen is president of BEAMA, the Belgian Asset Manager Association.

