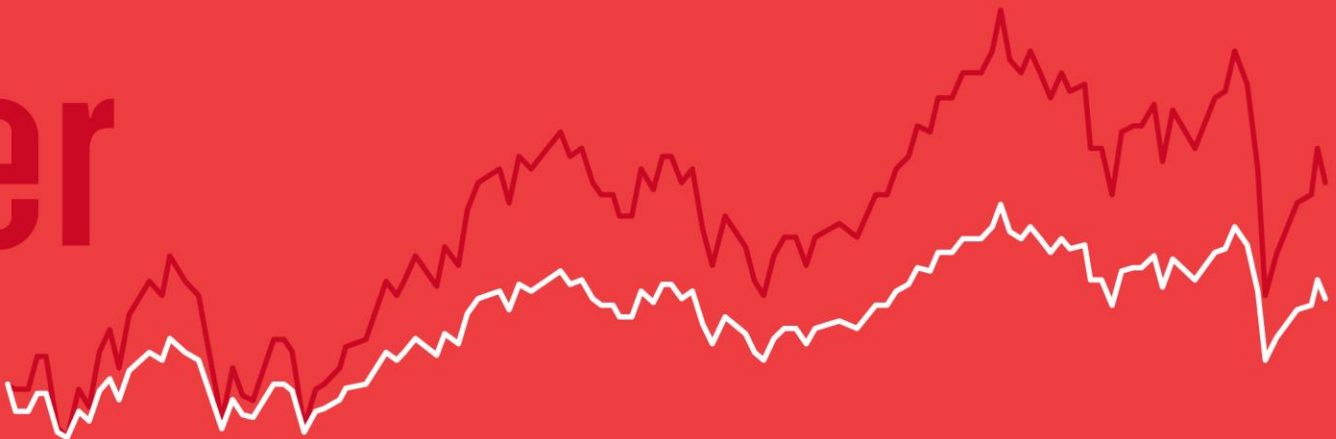




Silver



European Fund Fee Study 2025



Gold



Bronze



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Introduction

In this inaugural edition of the European Fund Fee Study, we explore how fees have changed in the European investment fund landscape in the last decade. Fees matter; they remain one of the strongest predictors of future fund returns. The fund industry, meanwhile, is in constant evolution. What began as a battle between active and passive strategies has broadened into a multilayered competition on costs. Active funds face pressure from cheaper passive products. Passive fund providers, including exchange-traded funds and index funds, are pushing fees lower as they compete against each other. And now, with the rise of active ETFs, traditional active funds find themselves under new competitive pressure. Together, these shifts are reshaping the dynamics of the European fund market.

How We Construct the Study Sample

Our analysis focuses on equity, fixed-income, and allocation funds. The sample spans the 10-year period from June 2015 through June 2025 and includes roughly 40,000 open-end funds and ETFs. By assets under management, these funds account for about two-thirds of the European fund universe observed in Morningstar Direct. Details on the selection process are provided in the Methodology section.

How We Measure Fees

We use ongoing charge as the primary measure of fund fees. This measure is based on two regulatory documents: the Key Investor Information Document, required for all European funds since June 2012, and the Key Information Document, mandated by the European Commission under PRIIPs regulations and compulsory since January 2023. When available, the PRIIPs KID is used; otherwise, data are taken from the KIID. For further context on fund charges and the regulatory framework, see the companion paper [Fund Fees: What, Who, and How Investors Pay](#).

Key Takeaways

Fees Continue to Decline



- Active and passive fund fees in the UK and mainland Europe **steadily declined** in the past decade.
- Fee competition in the passive space has helped, but a bigger driver is **the ever-lower cost of newly launched funds** and the **demise of more expensive funds**.
- The costliest 10% of active funds still charge a **hefty premium** compared with the median active fund, but they have joined the downward trend in fees.

Fee Dynamics by Asset Class



- The **shift from active to passive** has fueled the trend of falling fees paid by an average investor.
- The average fee paid by investors in active equity funds dropped to 1.17% from 1.40%, while for passive equity funds, it is down to 0.19% from 0.33%.
- The average fee paid by investors in active bond funds has declined to 0.68% from 0.85%, while for passive bond funds, it has dropped to 0.15% from 0.24%.
- Allocation fund investors have benefited less, with fees falling more slowly than equity and bond funds. Low-cost allocation funds are less prominent on the continent but popular and widely accessible in the UK.

The Impact of Fees in Assets and Flows



- Active fund investors continue to keep a sizable allocation to funds charging **above-median** fees.
- However, the cheapest vehicles have dominated **net flows** among active funds in the past decade, suggesting that costlier options are much less in demand.
- Meanwhile, the **cheapest quartile** of funds have led most of the rapid asset growth in the passive universe.

Fees by Country and Fund Providers

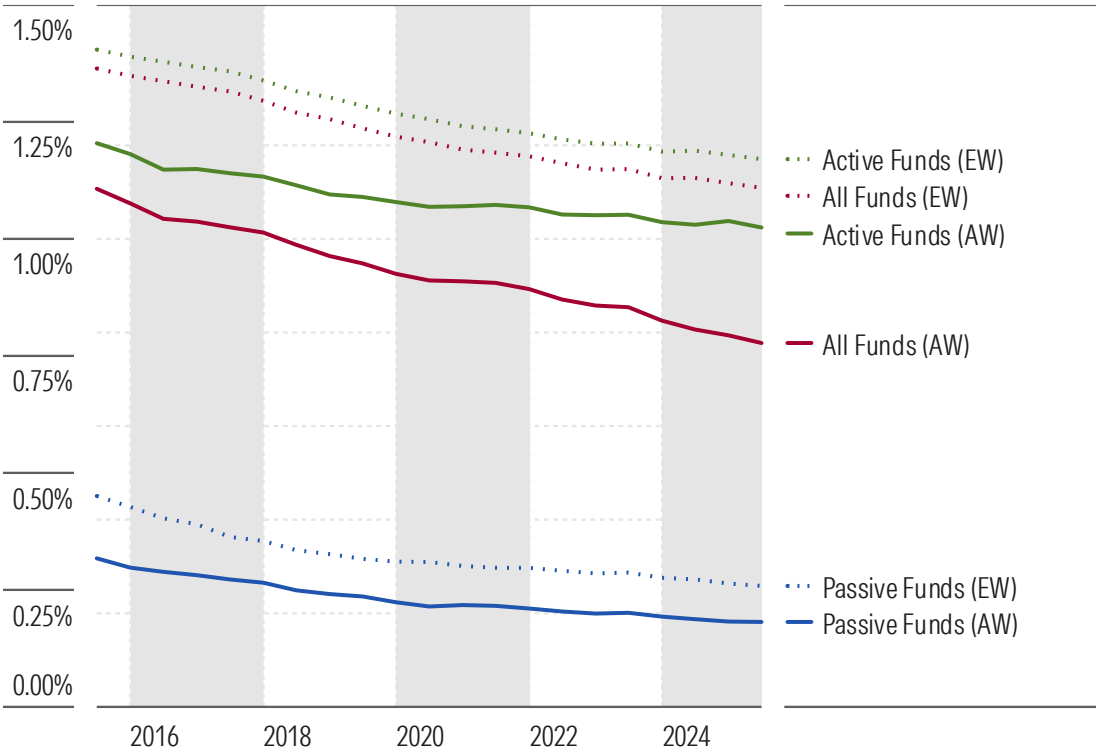
- **The lowest average active fund fees are found in the UK**, thanks to its competitive fund distribution landscape and regulatory action. **Fees on the continent are higher** because of the prevalence of captive distribution and the charging of commissions. **Italy is the most expensive active fund market in Europe** and the one where performance fees remain the norm.
- The largest active fund providers share in the general trend of decreasing fees. Swedbank stands out as the most competitive, with an average fee of 0.83%, compared with Fidelity's 1.37%.
- Fees charged by the largest passive fund providers have declined, and for most, they now cluster around 0.20%-0.25%. Vanguard stands out as the cheapest throughout the period, reflecting its strategic focus on a relatively small range of core building blocks. Its current average fee is 0.14% .

Trends in Fund Fees

Fund Fees Continue to Decline

Fund fees in Europe have consistently fallen over the past decade: On aggregate for all funds in our sample, the equal-weighted average fee came down to 1.11% from 1.36%, and on an asset-weighted basis to 0.78% from 1.10%. However, in the second half of the period, there has been a slowdown in the rate at which fees have reduced.

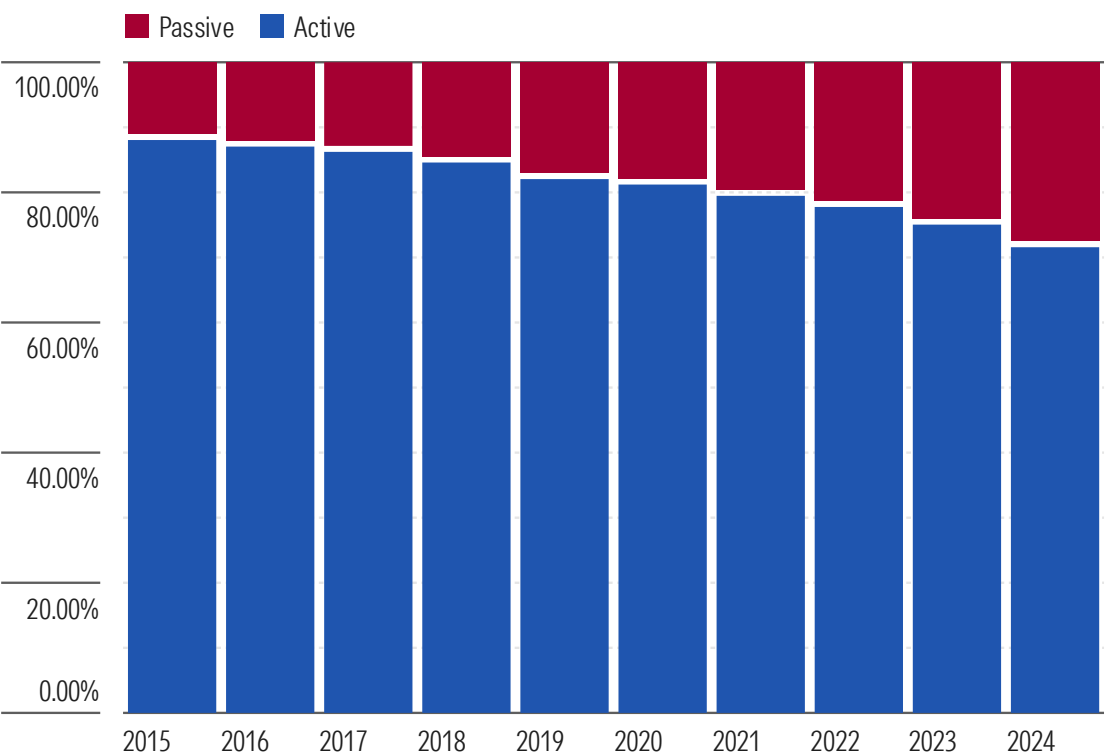
Exhibit 1
Dynamics of Ongoing Charge



Source: Morningstar Direct. Data as of June 30, 2025.

The steeper decline in asset-weighted average fees for all funds—the solid red line in Exhibit 1—has been primarily driven by the substantial increase in the market share of passive funds in the last decade.

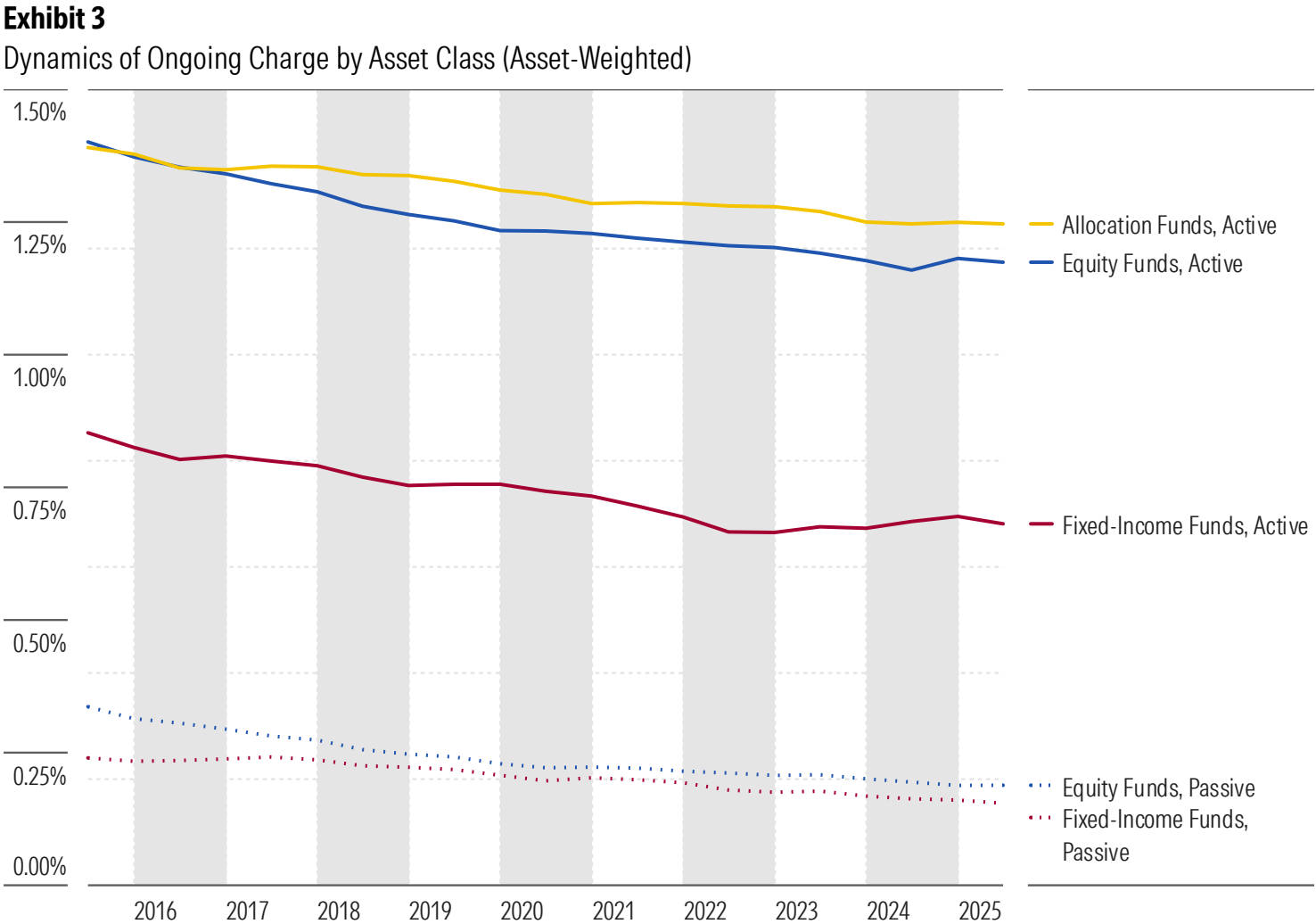
Exhibit 2
Asset Composition Over Time



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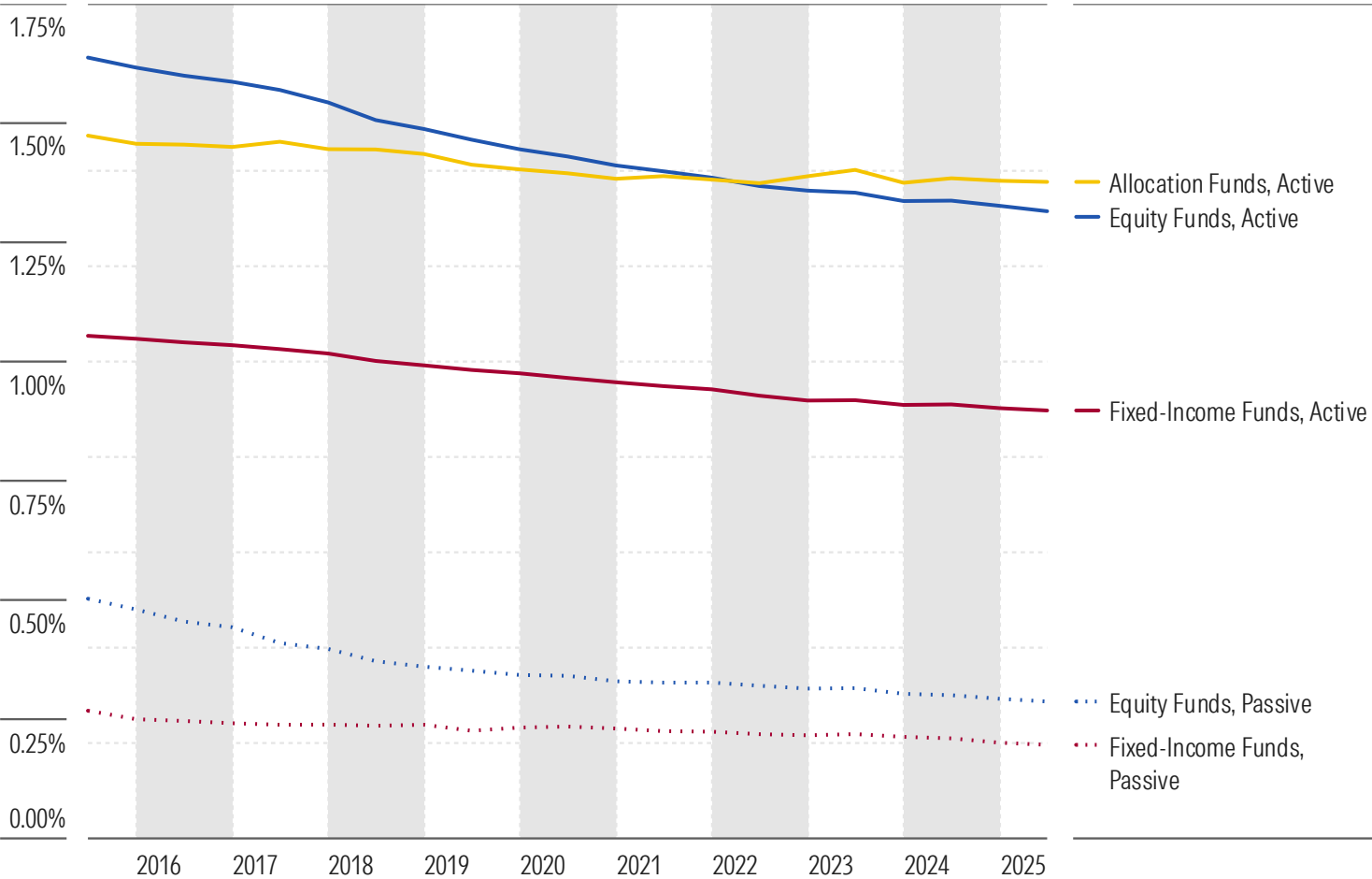
Fund Fees Paid by Investors

- We study the evolution of fees from the perspective of investors by using the asset-weighted average. This more accurately reflects the costs borne by the average investor than the equal-weighted average, as it captures what investors actually paid in fees on their invested assets.
- Over the past decade, investor fees have steadily declined across all asset classes, regardless of management style.
- The average fee paid by investors in active equity funds has dropped to 1.17% from 1.40%, while for passive equity funds, it's come down to 0.19% from 0.33%.
- The average fee paid by investors in active bond funds has declined to 0.68% from 0.85%, while for passive bond funds, it has dropped to 0.15% from 0.24%.
- Allocation funds stand out as the asset class with the slowest pace of fee decline and, on average, the most expensive. While [low-cost allocation funds](#) have taken significant market share in the UK over recent years, they haven't had the same takeup on the continent.



Fund Fees Charged by the Industry

Exhibit 4
Dynamics of Ongoing Charge by Asset Class (Equal-Weighted)



- Equal-weighted average expense ratios capture the fees that asset managers charge for their products, regardless of fund size. Unlike asset-weighted averages, which reflect the costs borne by investors, the equal-weighted measure represents the industry’s pricing practices.
- Active equity funds have seen the steepest decline in fees to 1.32% from 1.63%. Meanwhile, the average fee for their passive counterparts has dropped to 0.29% from 0.50%.
- The average fee charged by active fixed-income funds has declined to 0.90% from 1.05%, while for passive funds, it has come down to 0.20% from 0.26%.
- Allocation fund fees have declined more slowly, to the extent that their median charge is now higher than active equity funds’.

Source: Morningstar Direct. Data as of June 30, 2025.

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Fees Have Reduced at Expensive and Cheap End Alike

The costliest funds still charge a hefty premium compared with the median fund, but they have joined the downward trend in fees. The drop has been especially pronounced among passive funds: Fees for cheap, median, and high-cost options have all fallen by more than a third over the past decade—a pace unmatched by any group of active funds. Fee competition in the passive space, particularly among ETF providers, is not showing signs of abating. But the traditional active fund industry now faces a new challenge in the growing market of low-cost active ETFs. The battle is no longer just between passive and active management styles but also between investment vehicles—open-end versus ETF—within the cohort of active strategies.

Exhibit 5
Ongoing Charge Dynamics: Cheap vs. Expensive, Active Funds

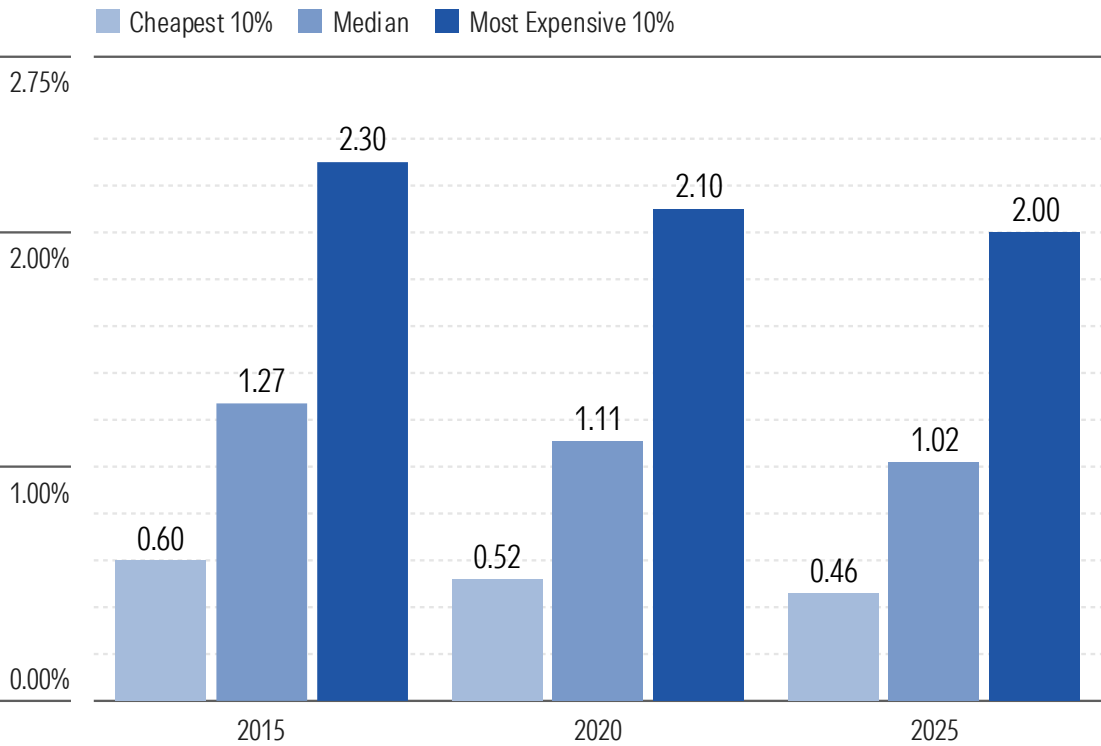
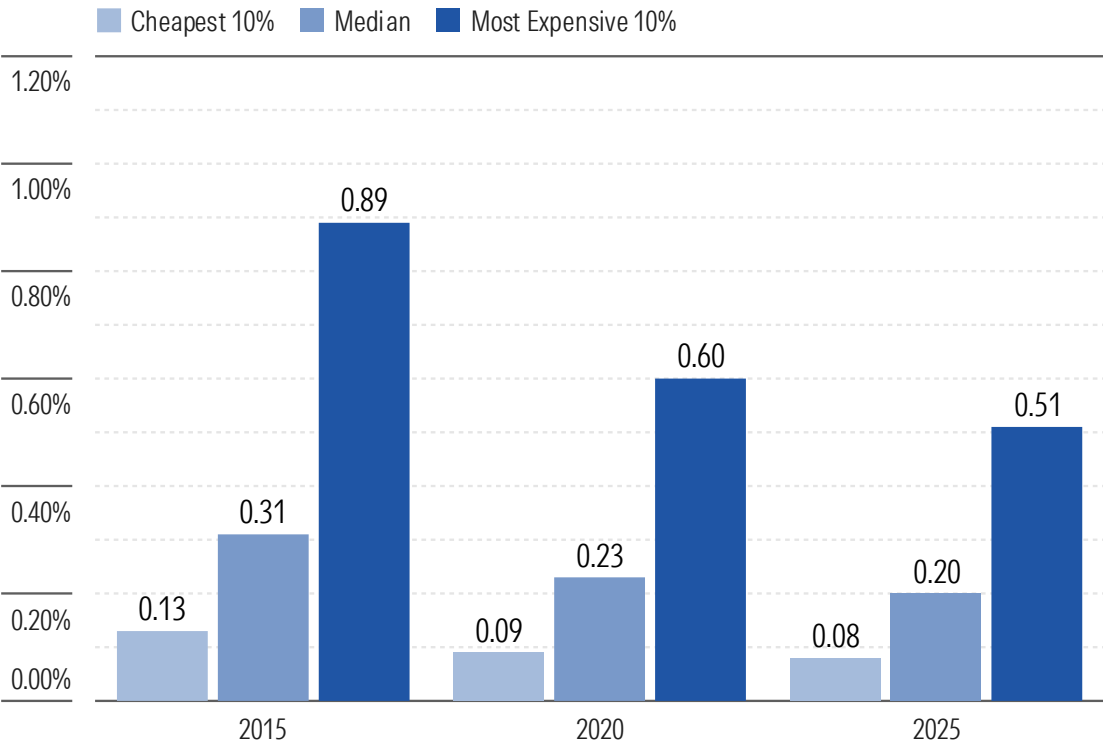


Exhibit 6
Ongoing Charge Dynamics: Cheap vs. Expensive, Passive Funds

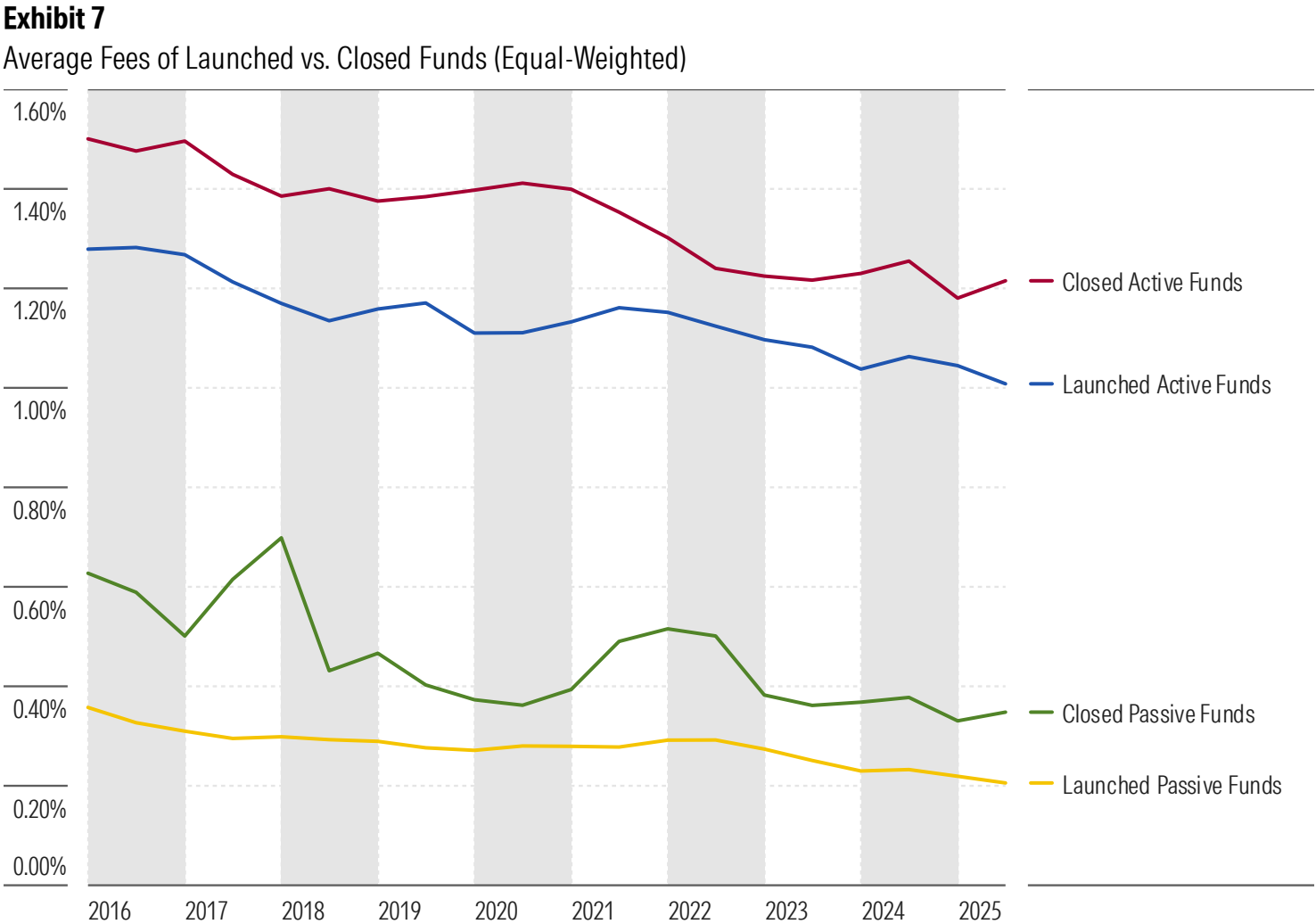


Source: Morningstar Direct. Data as of June 30, 2025.

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Launches and Closures: Cheaper Funds Replace Costlier Funds

- In any given year in the past decade, the average cost of funds that closed was always higher compared with new funds that launched.
- The equal-weighted average cost of a new active fund declined to 1.01% from 1.28%. For new passive funds, the figures fell to 0.20% from 0.36%.
- This tendency for cheaper funds to take the place of costlier funds is a key driver of lower average fund costs over time.
- It is also evidence that, by eating into returns, high fees are one of the key factors hampering the odds of survival of investment funds, irrespective of investment style.



Source: Morningstar Direct. Data as of June 30, 2025.

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Changes in Ongoing Charges—Existing Funds

Existing active funds have been more prone than passive funds to adjust their fees, whether upward or downward. Overall, these findings suggest that the decline in fees for both active and passive funds has been driven more by the introduction of cheaper new funds than by reductions in the charges of existing funds.

Note: Changes in the data around 2022 reflect a change in data sources to PRIIPs from KIID.

Exhibit 8

Ongoing Charge Dynamics for Existing Funds: Active Funds

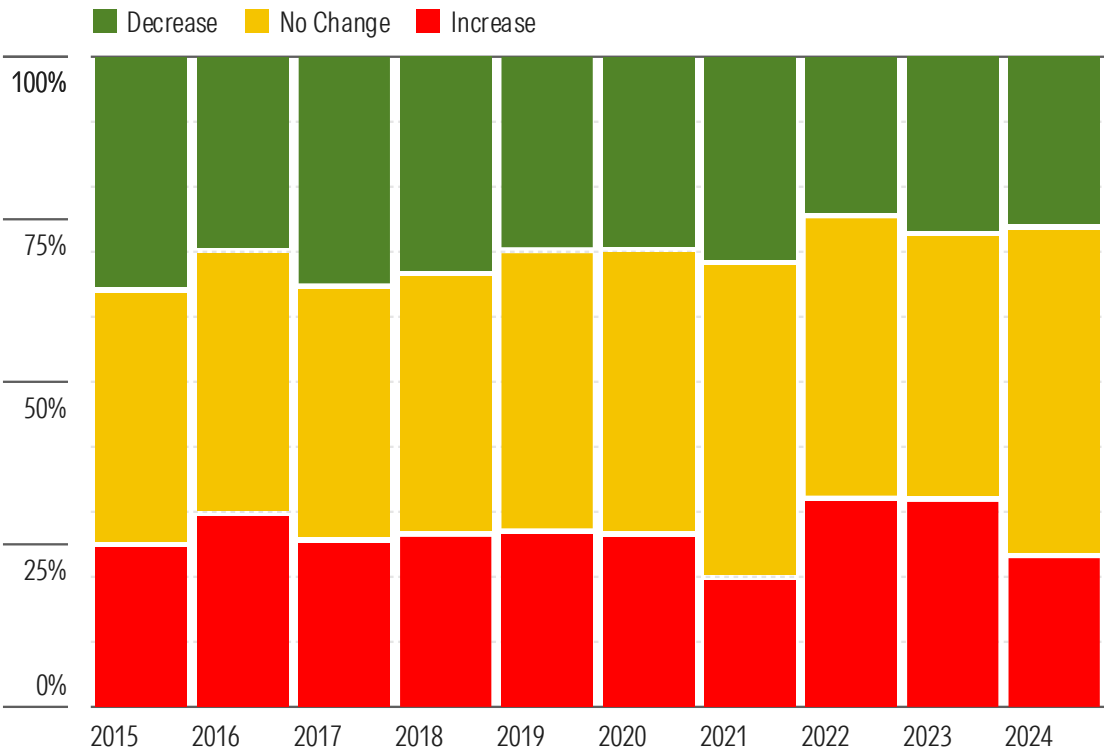
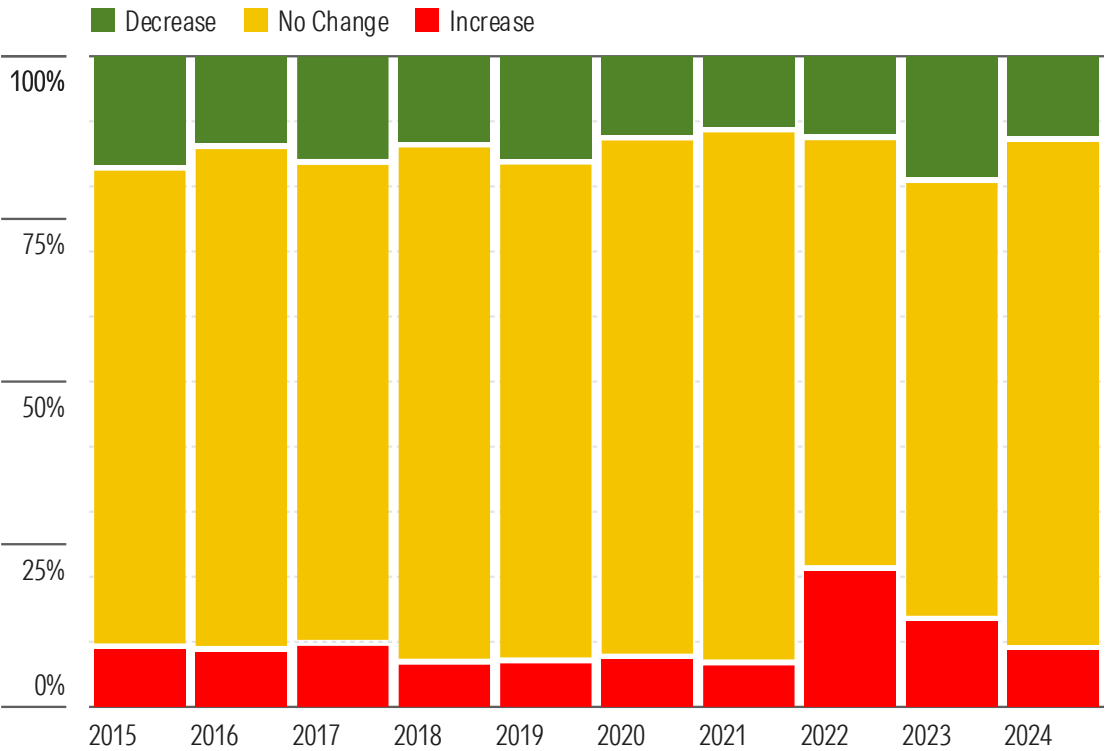


Exhibit 9

Ongoing Charge Dynamics for Existing Funds: Passive Funds

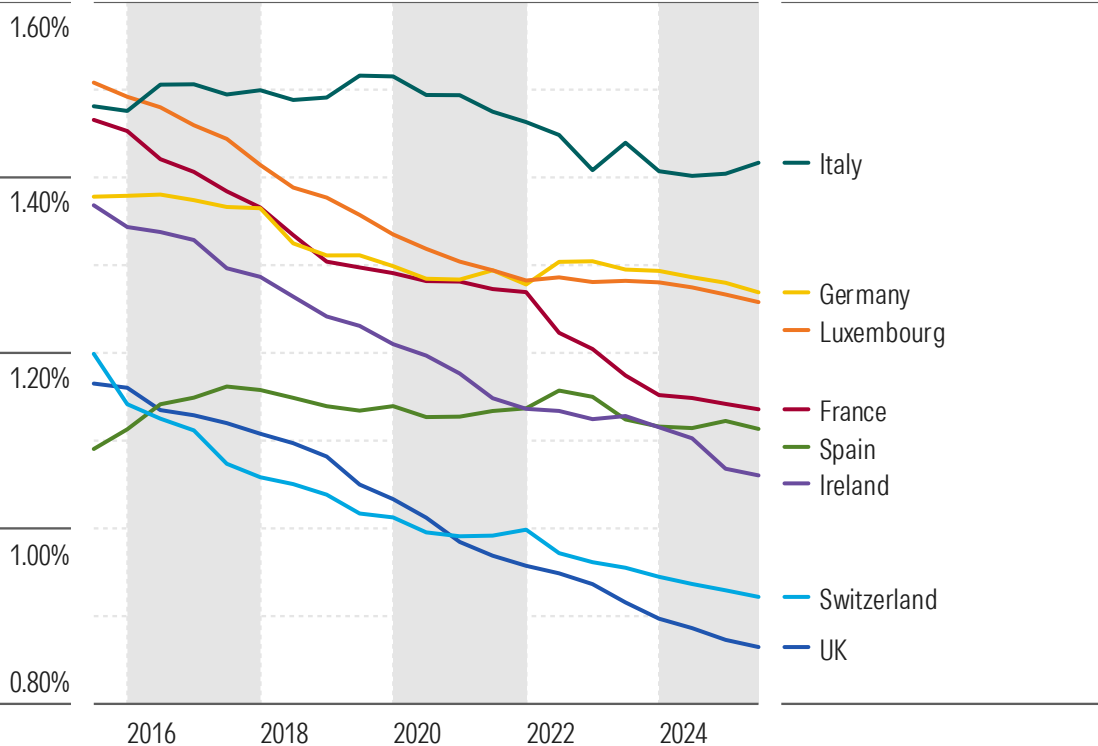


Fund Fees by Country

Fee Trends by Country

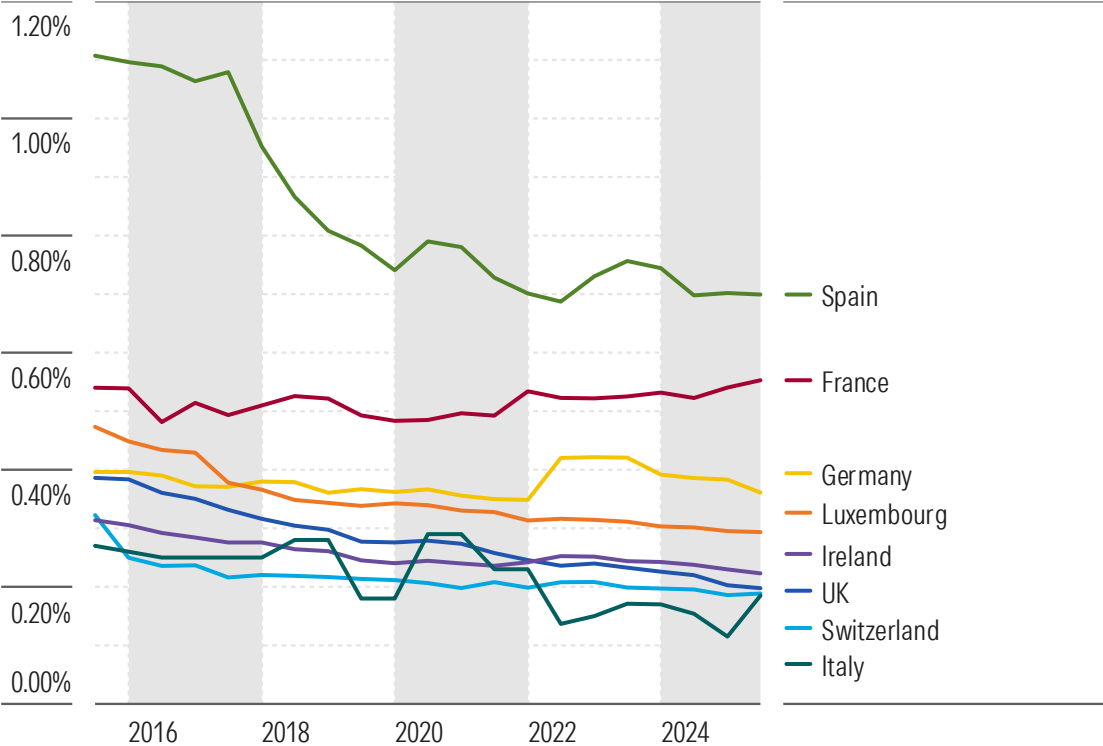
The UK boasts the lowest active fund fees, thanks to a competitive fund distribution network and regulatory pressure. The average UK-domiciled active fund fee is 0.86%, down from 1.17% a decade ago. On the continent, captive distribution via commercial banks and insurers is more prevalent, as is the charging of commissions. Italy is the most expensive market, with the average fee of 1.42%; it was 1.48% a decade earlier.

Exhibit 10
Ongoing Charge Dynamics by Country, Active Funds (Equal-Weighted)



Most ETFs are domiciled in Ireland and Luxembourg. The locally domiciled passive fund universe in the other countries is mostly index funds. Switzerland and the UK, with flexible distribution and a strong pension fund industry with a heavy use of index funds, are among the cheapest. In Spain, the average fee has declined to 0.70% from 1.11% in the past decade, but it remains the most expensive regional passive fund market.

Exhibit 11
Ongoing Charge Dynamics by Country, Passive Funds (Equal-Weighted)

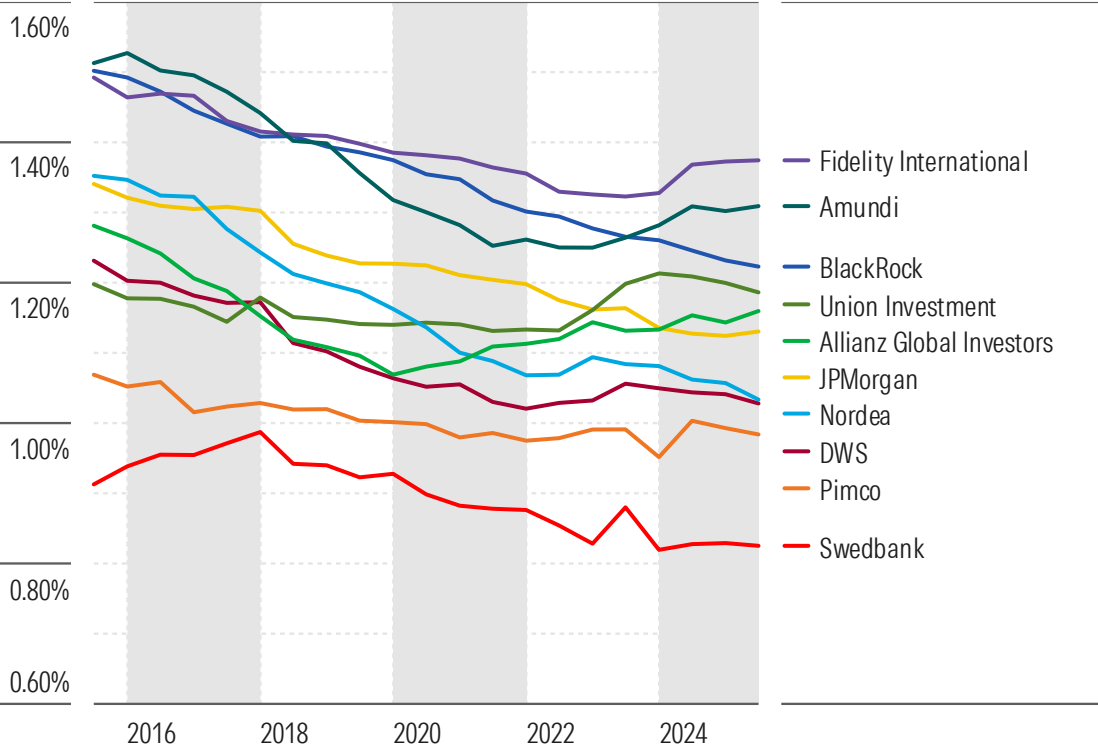


Fund Fees by Leading Providers

Fees—Top Fund Providers by Management Style

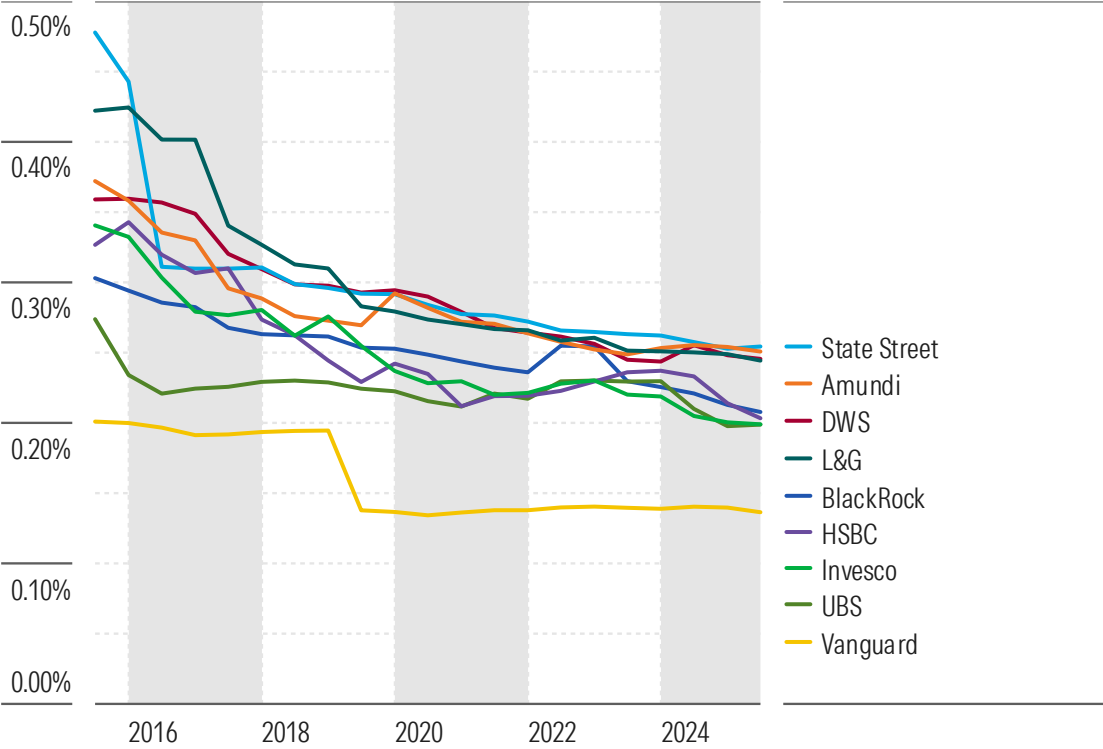
The leading active fund providers in Europe by AUM share in the general trend of decreasing fees. Differences in their product sets and country footprints contribute to the wide dispersion in charges. Swedbank stands out as the most competitive, with an average fee of 0.83%, compared with Fidelity's 1.37%.

Exhibit 12
Ongoing Charge Dynamics by Fund Providers, Active Funds (Equal-Weighted)



Fees charged by most leading passive providers in AUM terms cluster around 0.20%-0.25%. All these providers have an ETF business in addition to offering index funds. Vanguard stands out as the cheapest throughout, reflecting its strategic focus on a relatively small range of core building blocks. Its current average fee is 0.14%.

Exhibit 13
Ongoing Charge Dynamics by Fund Provider, Passive Funds (Equal-Weighted)



Source: Morningstar Direct. Data as of June 30, 2025.

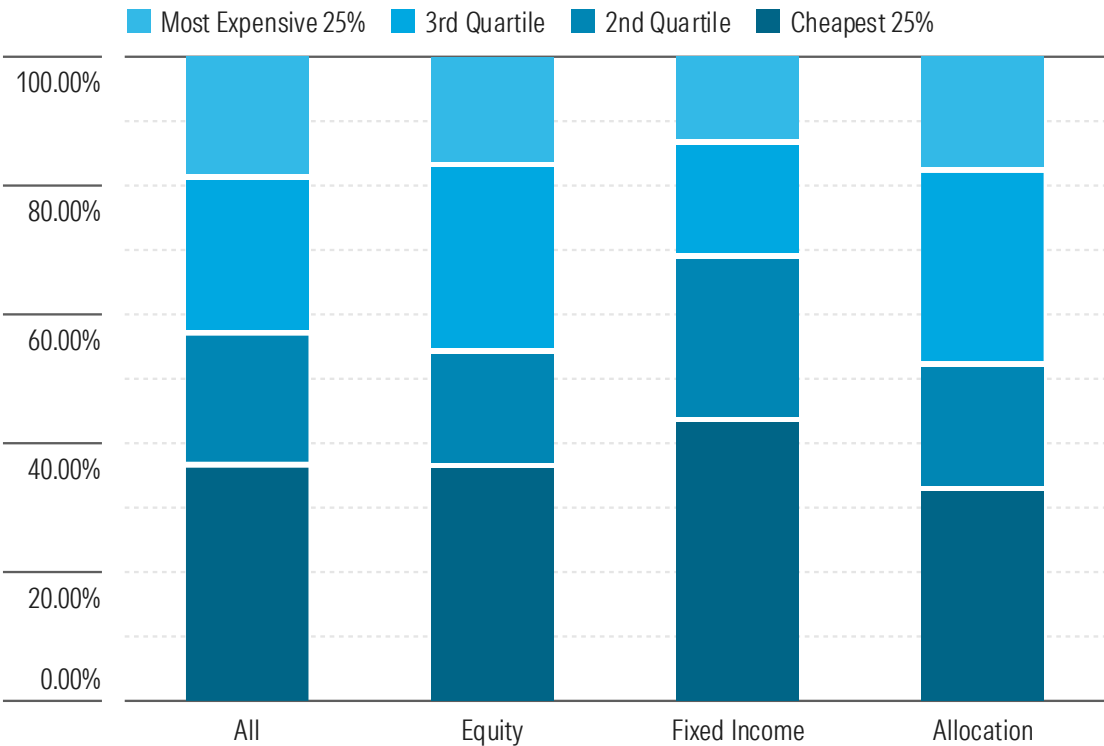
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Fund Fees and Asset Distribution

Asset Distribution by Cost

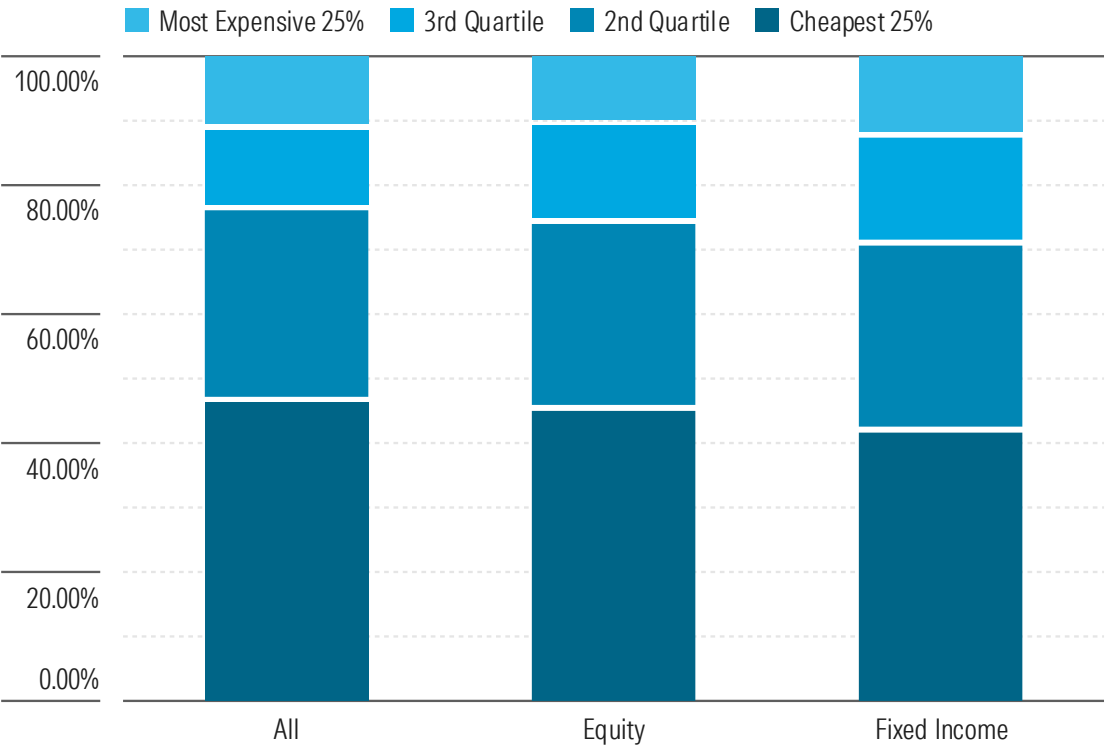
Active fund investors show some sensitivity to cost, particularly in fixed income, but close to half of assets in equity and allocation categories still reside in the two costlier quartiles.

Exhibit 14
Asset Distribution by Fee Quartiles, Active Funds



Passive fund investors clearly favor lower-cost vehicles. This reflects that certain popular core exposures, such as US equities or developed-market government bonds, where most assets in passive funds reside, have become increasingly cheap to replicate and attract lower fees than niche sectors.

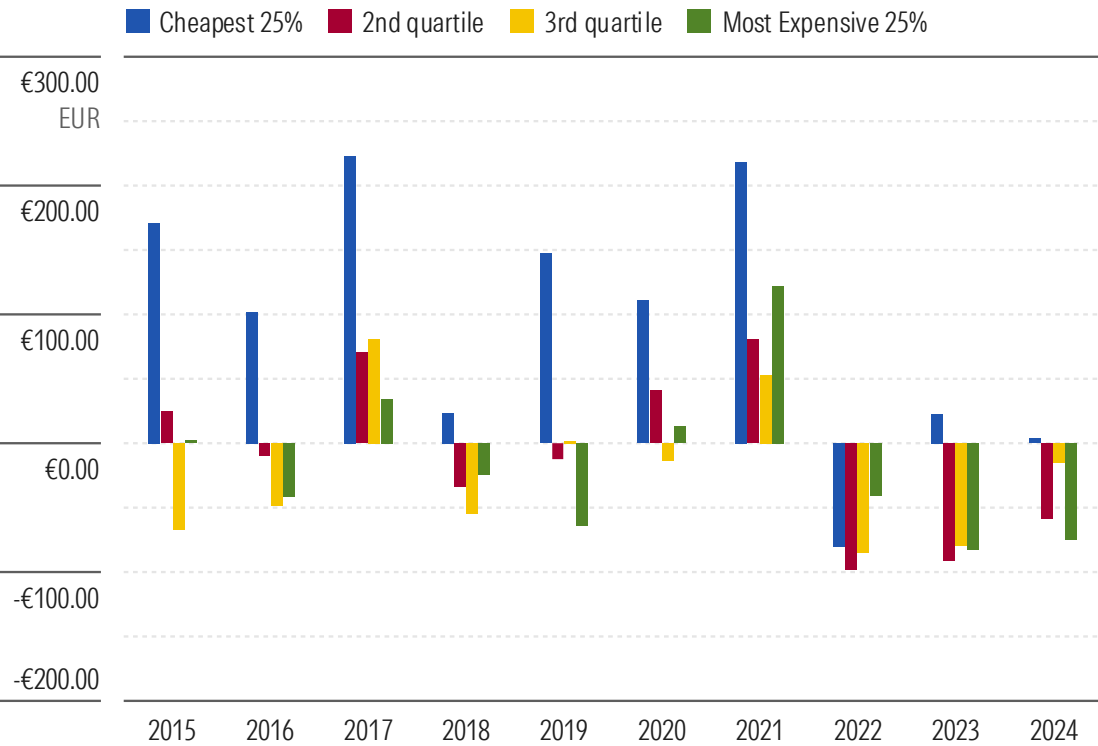
Exhibit 15
Asset Distribution by Fee Quartiles, Passive Funds



Flows by Cost Level

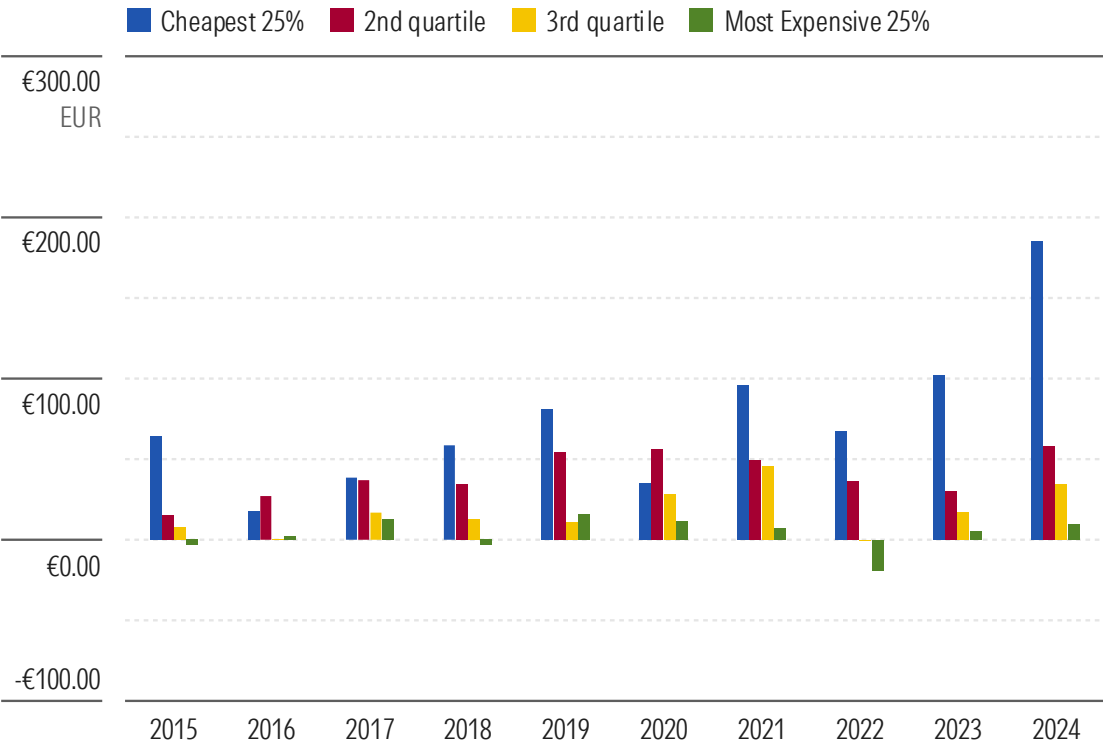
The cheapest active funds have dominated net flows over the last decade. In fact, at times, the cheapest cohort has seen positive flows even when all other cohorts were in outflows.

Exhibit 16
Flows Into Funds by Fee Quartile, EUR Bil, Active Funds



The cheapest quartile of funds has led the upward march of passive fund asset flows. This reflects the lower charges of mainstream asset classes where historically the bulk of flows has been directed and where there has been intense fee competition between providers.

Exhibit 17
Flows Into Funds by Fee Quartile, EUR Bil, Passive Funds



Source: Morningstar Direct. Data as of June 30, 2025.

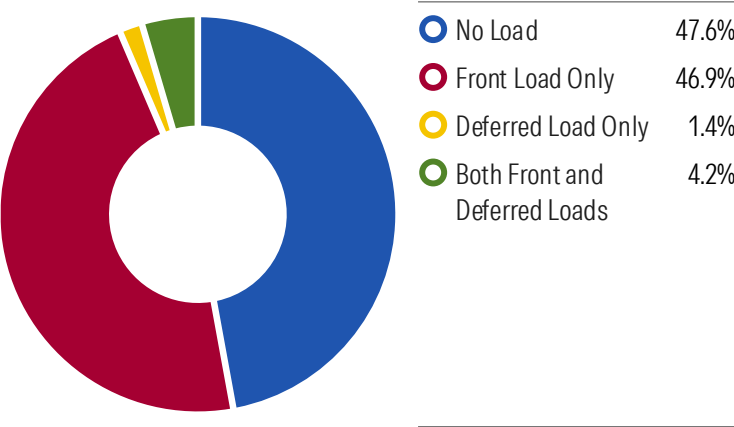
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One-Off Fees

Front and deferred loads.

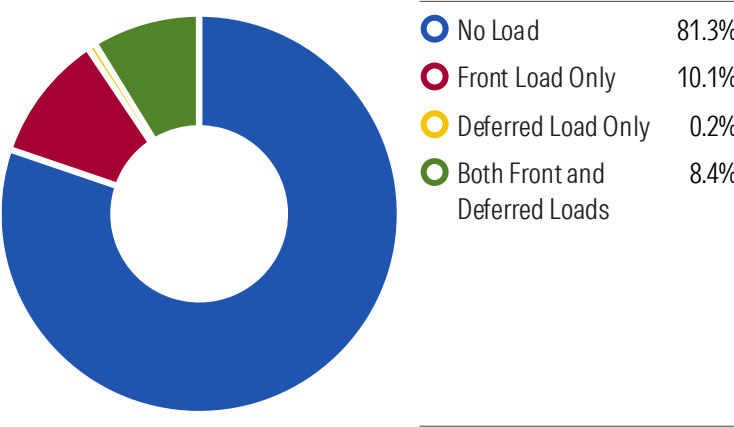
Front and Deferred Loads

Exhibit 18 Share Classes by Load Type: Active Funds



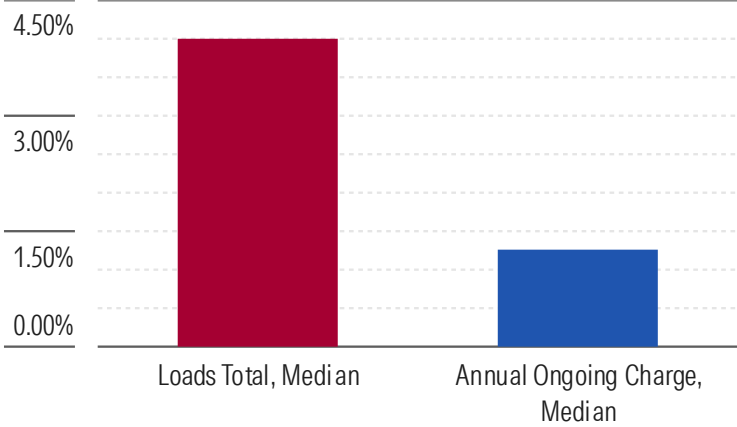
- Ongoing charges are not the only costs that investors incur.
- Loads are paid directly by the investor, either when investing in a fund (front-end load) or when redeeming shares (deferred/back-end load).
- Unlike ongoing charges, loads are not deducted from the fund's assets and therefore do not appear in net return calculations.

Exhibit 19 Share Classes by Load Type: Passive Funds



- Although the use of loads has declined in recent years, more than half of active funds' share classes still may charge some form of load.
- For traditional index funds, the proportion is smaller, at just under 20%.
- ETFs, which are traded on exchanges like common stock, do not charge loads. However, ETF investors will face other charges, such as brokerage commissions and bid/offer spreads.

Exhibit 20 Load-Charging Share Classes: Comparison



- Load amounts often vary depending on the size of the investment. Retail investors with smaller investment amounts should pay particular attention to loads, as the share classes available to them are more likely to include these fees.
- For share classes that charge loads, the median maximum load is roughly equivalent to three years of ongoing charges.

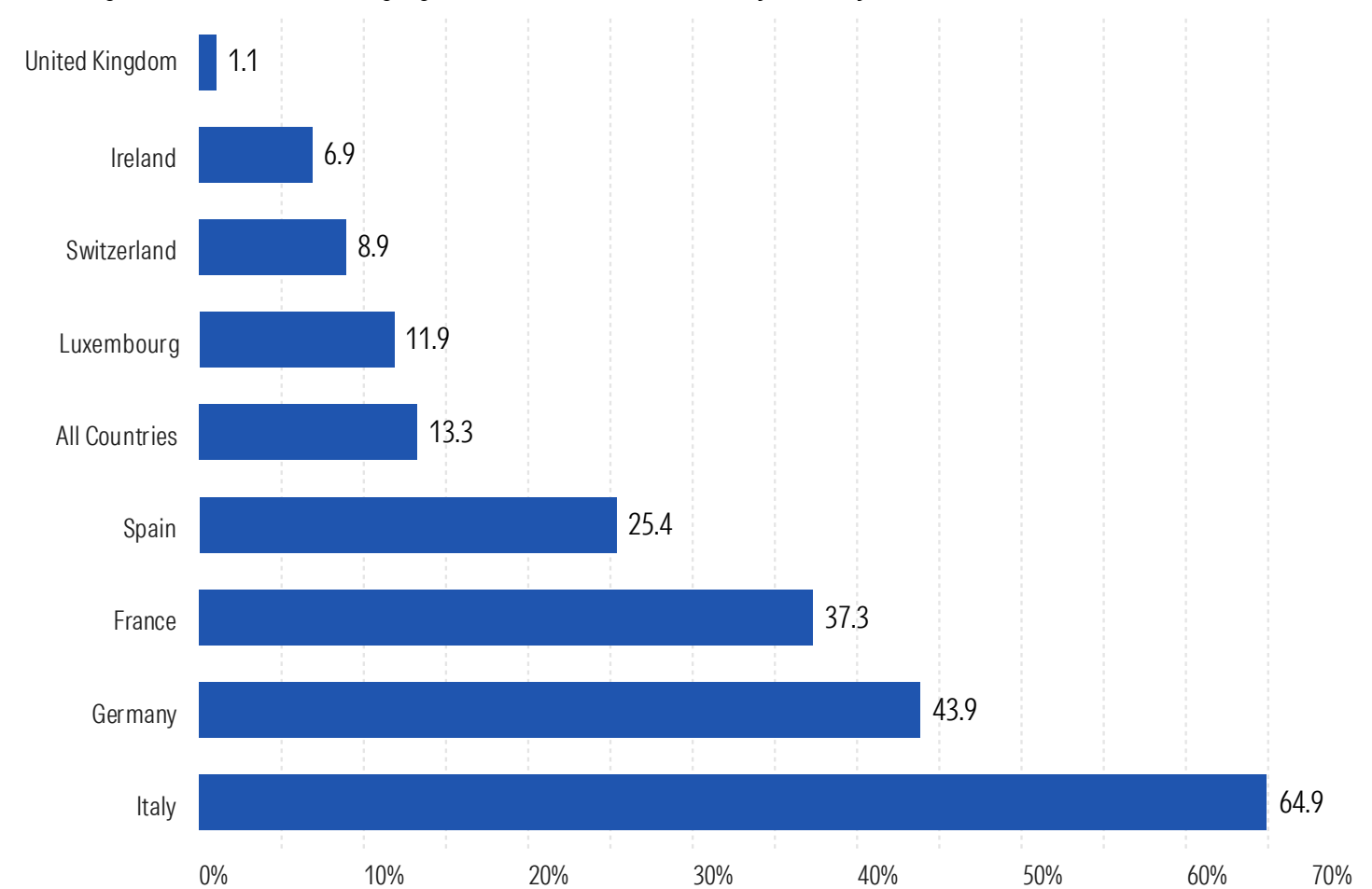
Performance-Based Fees

Vast Differences Across Countries

- In addition to standard fees, some European active funds also charge a performance-based fee, applied when a fund exceeds a specified benchmark.
- Typically, this fee is calculated as a percentage of the outperformance. For a median share class that levies a performance-based fee, this amounts to 15% of the excess return.
- At a country level, there is a huge variation in the practice of charging performance-based fees.
- Such fees are widely accepted in Italy, where there is a large retail focus to the investor base.
- In the UK, however, performance fees are seen as niche product features, and investors prefer more-predictable fund charges.

Exhibit 21

Percentage of Active Funds Charging Performance-Based Fees, by Country of Domicile



Appendix

Fee Trends by Asset Class

Exhibit 22
Fee Trends by Asset Class, %

		I. Asset-Weighted Average Fees (%)										
		June 2015	June 2016	June 2017	June 2018	June 2019	June 2020	June 2021	June 2022	June 2023	June 2024	June 2025
Active Funds	All Funds	1.10	1.04	1.02	0.98	0.95	0.91	0.90	0.87	0.85	0.80	0.78
	All	1.20	1.15	1.14	1.11	1.09	1.06	1.07	1.05	1.05	1.03	1.02
	Equity	1.40	1.35	1.32	1.27	1.25	1.23	1.22	1.20	1.19	1.16	1.17
	Fixed-Income	0.85	0.80	0.79	0.77	0.76	0.73	0.71	0.68	0.68	0.68	0.68
	Allocation	1.38	1.35	1.35	1.33	1.33	1.30	1.28	1.29	1.26	1.25	1.25
Passive Funds	All	0.31	0.29	0.27	0.25	0.23	0.21	0.22	0.21	0.20	0.19	0.18
	Equity	0.33	0.30	0.28	0.25	0.24	0.22	0.22	0.22	0.21	0.19	0.19
	Fixed-Income	0.24	0.23	0.24	0.22	0.21	0.20	0.20	0.19	0.17	0.16	0.15
		II. Equal-Weighted Average Fees (%)										
		June 2015	June 2016	June 2017	June 2018	June 2019	June 2020	June 2021	June 2022	June 2023	June 2024	June 2025
Active Funds	All Funds	1.36	1.34	1.31	1.27	1.24	1.20	1.18	1.17	1.15	1.13	1.11
	All	1.40	1.38	1.35	1.31	1.28	1.25	1.23	1.22	1.21	1.19	1.17
	Equity	1.63	1.60	1.56	1.50	1.47	1.43	1.39	1.37	1.36	1.34	1.32
	Fixed-Income	1.05	1.04	1.02	1.00	0.98	0.96	0.94	0.93	0.92	0.91	0.90
	Allocation	1.47	1.46	1.46	1.43	1.41	1.40	1.39	1.39	1.40	1.39	1.38
Passive Funds	All	0.45	0.39	0.36	0.33	0.31	0.31	0.30	0.29	0.28	0.27	0.26
	Equity	0.50	0.44	0.40	0.37	0.35	0.34	0.33	0.32	0.31	0.30	0.29
	Fixed-Income	0.26	0.25	0.24	0.23	0.22	0.23	0.23	0.22	0.22	0.21	0.20

Source: Morningstar Direct. Data as of June 30, 2025.

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Fee Trends by Country

Exhibit 23
Fee Trends by Country, %

I. Fees of Active Funds, Equal-Weighted Averages (%)											
	June 2015	June 2016	June 2017	June 2018	June 2019	June 2020	June 2021	June 2022	June 2023	June 2024	June 2025
UK	1.17	1.13	1.12	1.10	1.05	1.01	0.97	0.95	0.92	0.89	0.86
France	1.47	1.42	1.38	1.33	1.30	1.28	1.27	1.22	1.17	1.15	1.14
Germany	1.38	1.38	1.37	1.32	1.31	1.28	1.29	1.30	1.29	1.29	1.27
Spain	1.09	1.14	1.16	1.15	1.13	1.13	1.13	1.16	1.12	1.11	1.11
Switzerland	1.20	1.13	1.07	1.05	1.02	1.00	0.99	0.97	0.96	0.94	0.92
Ireland	1.37	1.34	1.30	1.26	1.23	1.20	1.15	1.13	1.13	1.10	1.06
Luxembourg	1.51	1.48	1.44	1.39	1.36	1.32	1.29	1.29	1.28	1.27	1.26
Italy	1.48	1.51	1.49	1.49	1.52	1.49	1.47	1.45	1.44	1.40	1.42
II. Fees of Passive Funds, Equal-Weighted Averages (%)											
	June 2015	June 2016	June 2017	June 2018	June 2019	June 2020	June 2021	June 2022	June 2023	June 2024	June 2025
UK	0.39	0.36	0.33	0.30	0.28	0.28	0.26	0.24	0.23	0.22	0.20
France	0.54	0.48	0.49	0.53	0.49	0.48	0.49	0.52	0.53	0.52	0.55
Germany	0.40	0.39	0.37	0.38	0.37	0.37	0.35	0.42	0.42	0.39	0.36
Spain	1.11	1.09	1.08	0.87	0.78	0.79	0.73	0.69	0.76	0.70	0.70
Switzerland	0.32	0.24	0.22	0.22	0.21	0.21	0.21	0.21	0.20	0.20	0.19
Ireland	0.31	0.29	0.28	0.26	0.25	0.24	0.24	0.25	0.24	0.24	0.22
Luxembourg	0.47	0.43	0.38	0.35	0.34	0.34	0.33	0.32	0.31	0.30	0.29
Italy	0.27	0.25	0.25	0.28	0.18	0.29	0.23	0.14	0.17	0.15	0.19

Source: Morningstar Direct. Data as of June 30, 2025.

See Important Disclosures at the end of this report.

Fee Trends by Asset Manager

Exhibit 24
Fee Trends by Asset Manager, %

I. Fees of Largest Asset Managers in Active Strategies, Equal-Weighted Averages (%)											
	June 2015	June 2016	June 2017	June 2018	June 2019	June 2020	June 2021	June 2022	June 2023	June 2024	June 2025
BlackRock	1.50	1.46	1.43	1.41	1.38	1.35	1.32	1.30	1.26	1.23	1.22
DWS	1.21	1.20	1.17	1.12	1.07	1.03	1.02	1.04	1.04	1.03	1.03
JPMorgan	1.30	1.31	1.29	1.26	1.24	1.22	1.20	1.17	1.16	1.13	1.13
Union Investment	1.19	1.16	1.14	1.15	1.14	1.14	1.14	1.14	1.22	1.21	1.18
Nordea	1.35	1.32	1.27	1.21	1.19	1.13	1.08	1.07	1.08	1.07	1.03
Fidelity International	1.48	1.47	1.43	1.40	1.39	1.38	1.36	1.34	1.32	1.36	1.37
Pimco	1.07	1.06	1.02	1.02	1.00	1.00	0.98	0.98	0.99	0.99	0.98
Amundi	1.51	1.50	1.46	1.40	1.36	1.30	1.26	1.27	1.27	1.31	1.31
Allianz Global Investors	1.28	1.23	1.18	1.12	1.09	1.08	1.10	1.13	1.13	1.14	1.16
Swedbank	0.91	0.95	0.97	0.93	0.92	0.90	0.87	0.90	0.88	0.83	0.83
II. Fees of Largest Asset Managers in Passive Strategies, Equal-Weighted Averages (%)											
	June 2015	June 2016	June 2017	June 2018	June 2019	June 2020	June 2021	June 2022	June 2023	June 2024	June 2025
BlackRock	0.30	0.29	0.27	0.26	0.25	0.25	0.24	0.25	0.23	0.22	0.21
DWS	0.36	0.36	0.32	0.30	0.29	0.29	0.27	0.26	0.24	0.26	0.25
Vanguard	0.20	0.20	0.19	0.19	0.14	0.13	0.14	0.14	0.14	0.14	0.14
UBS	0.27	0.22	0.23	0.23	0.22	0.22	0.22	0.23	0.23	0.21	0.20
State Street	0.48	0.31	0.31	0.30	0.29	0.28	0.28	0.27	0.26	0.26	0.25
HSBC	0.33	0.32	0.31	0.26	0.23	0.23	0.22	0.22	0.24	0.23	0.20
Amundi	0.37	0.34	0.30	0.28	0.27	0.28	0.27	0.26	0.25	0.26	0.25
L&G	0.42	0.40	0.34	0.31	0.28	0.27	0.27	0.26	0.25	0.25	0.24
Invesco	0.34	0.30	0.28	0.26	0.25	0.23	0.22	0.23	0.22	0.20	0.20

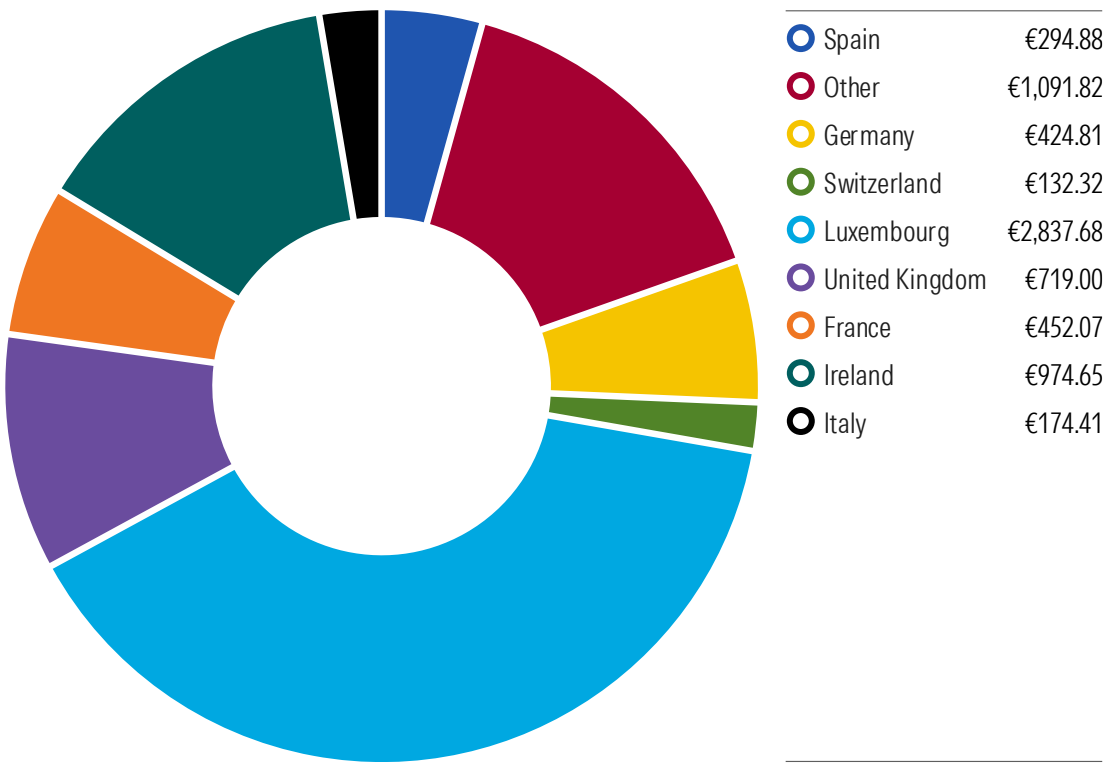
Source: Morningstar Direct. Data as of June 30, 2025.

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Asset by Domicile and Management Style

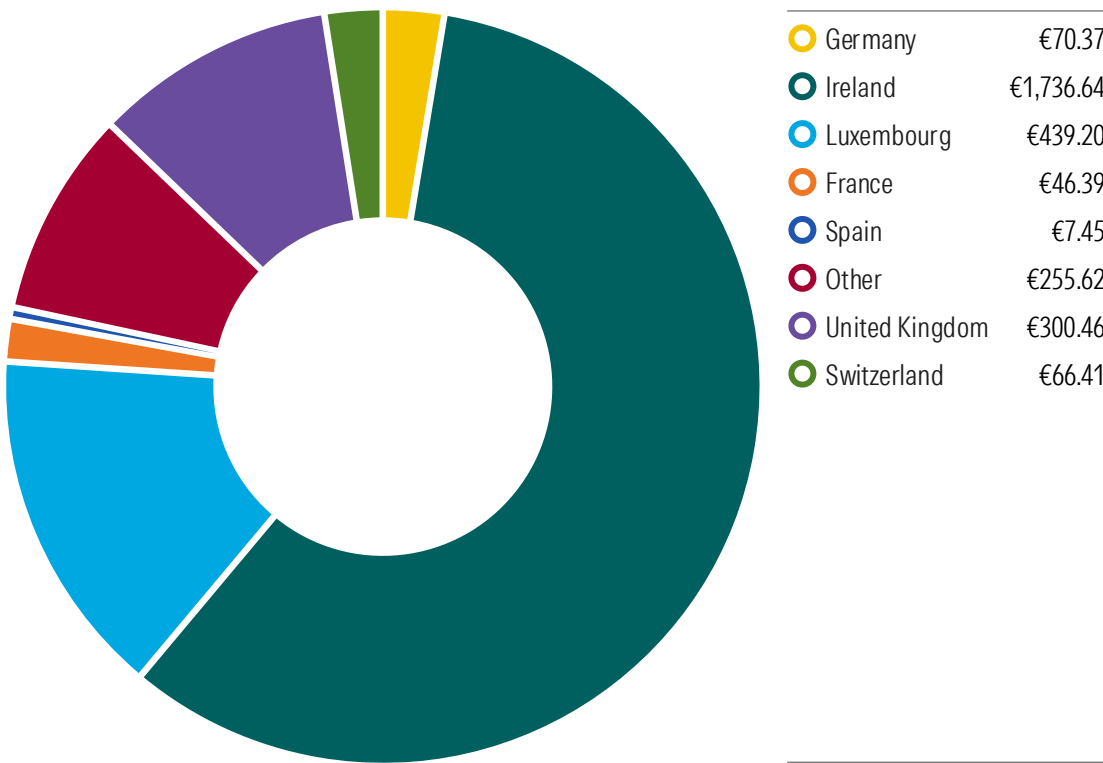
Luxembourg is the primary choice of domicile for cross-border distribution of active funds.

Exhibit 25
Asset Distribution by Country, EUR Bil, Active Funds



Ireland is the preferred domicile of choice for cross-border passive funds, particularly ETFs. The country’s favorable tax regime, particularly its advantageous double-taxation treaty with the US, makes it a popular choice for passive fund providers.

Exhibit 26
Asset Distribution by Country, EUR Bil, Passive Funds

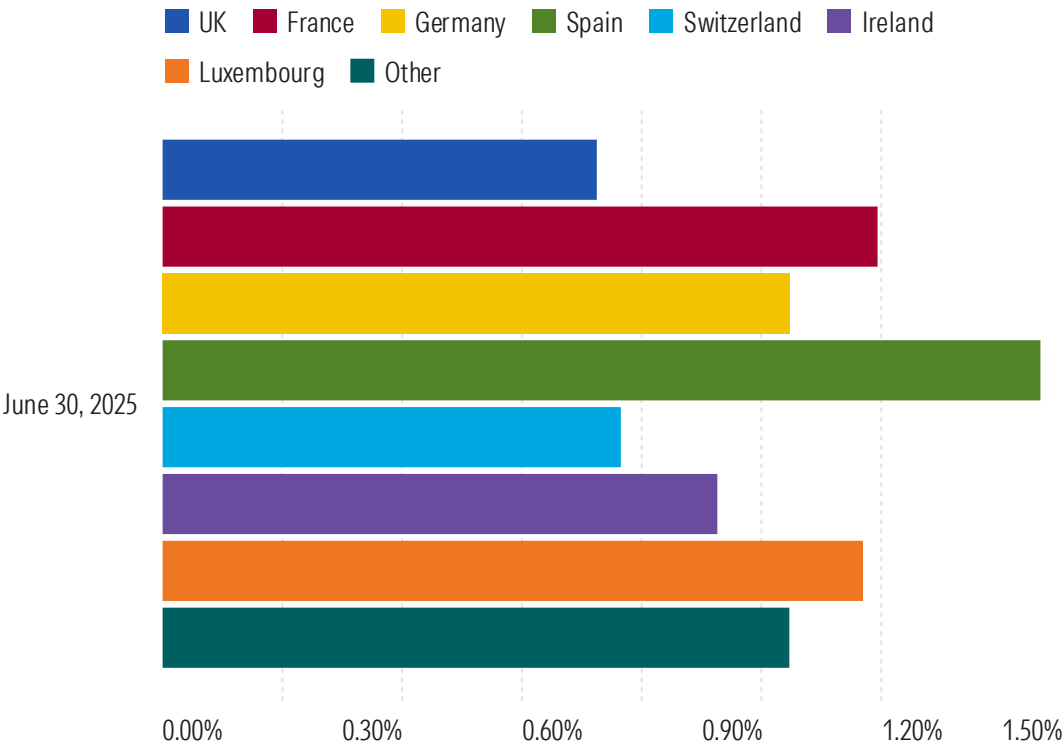


Fees by Domicile—US Large-Blend Equity

In the popular US large-blend equity Morningstar Category, investors in mainland Europe-domiciled funds pay weightier fees than their UK counterparts. True costs in Switzerland may be understated due to a lack of harmonization in fee disclosure.

Exhibit 27

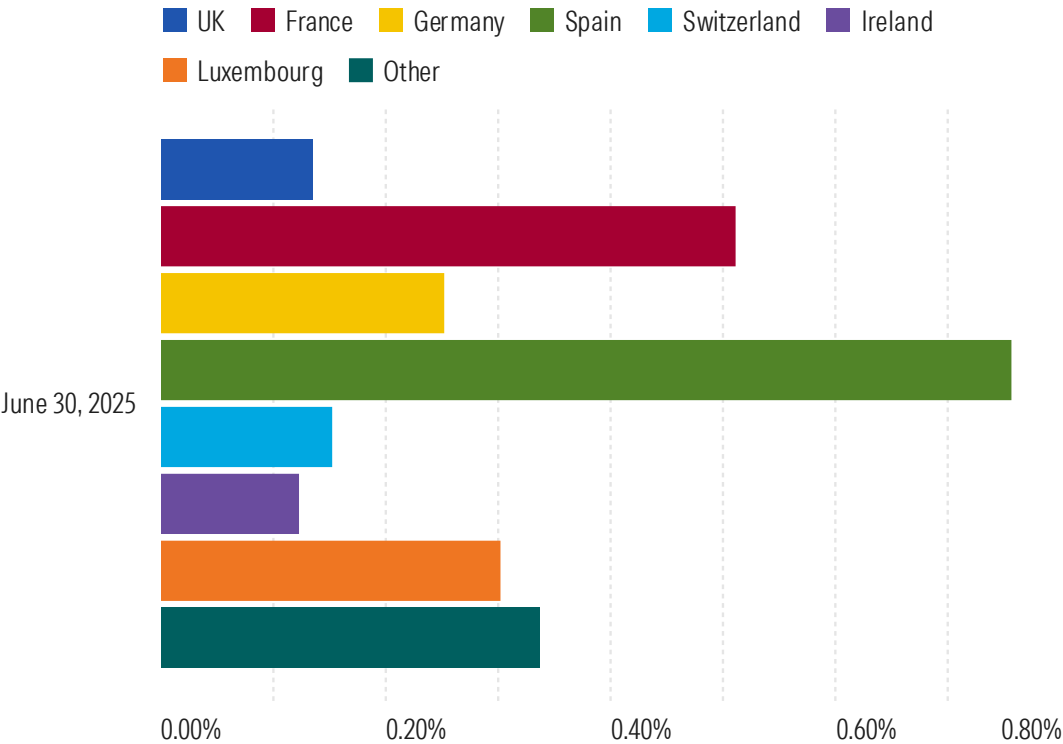
Average Fees in US Large-Blend Equity Category: Active Funds



Ireland and the UK offer the lowest average cost for passive exposure to US large-blend equity.

Exhibit 28

Average Fees in US Large-Blend Equity Category: Passive Funds

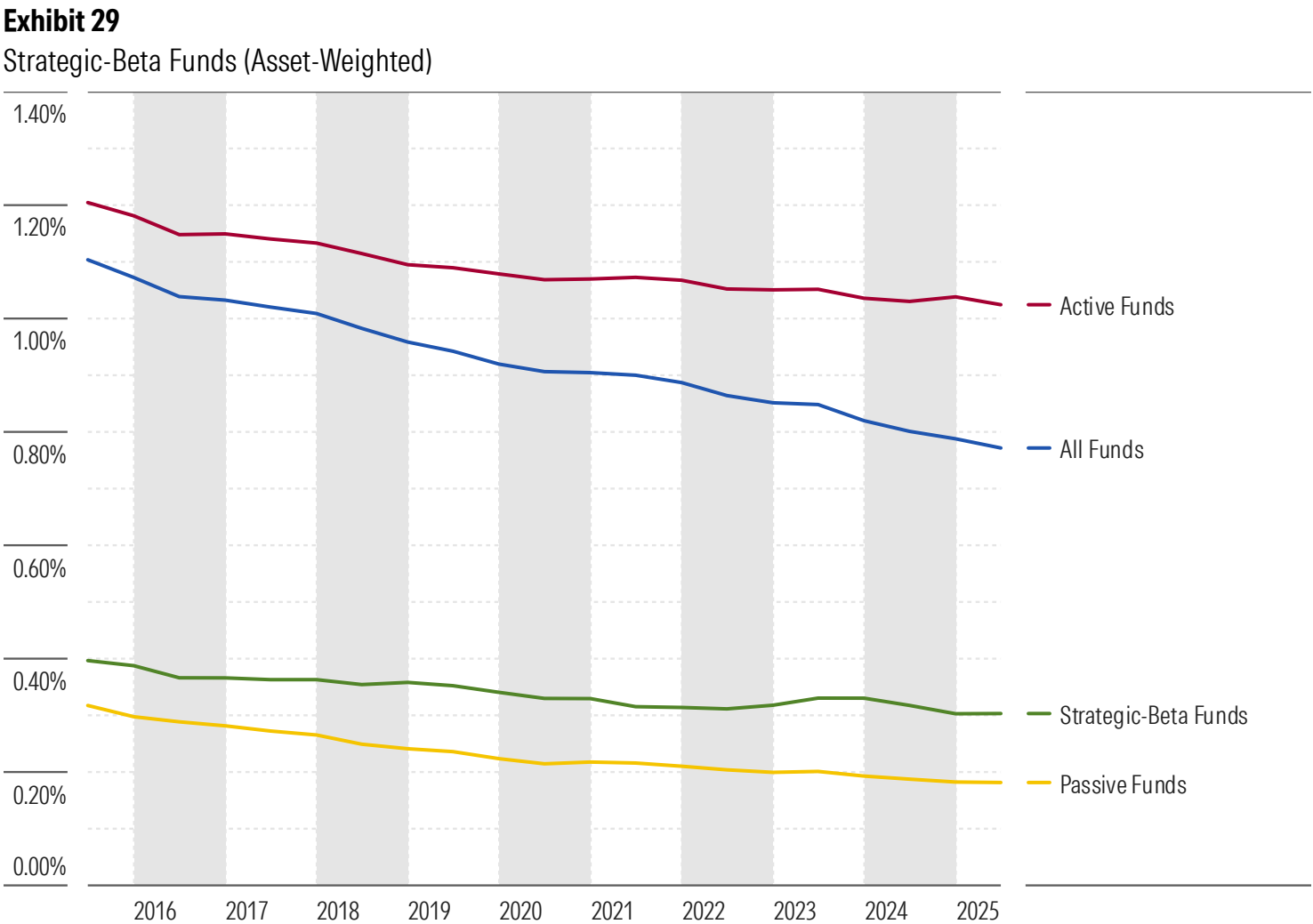


Source: Morningstar Direct. Data as of June 30, 2025.

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Trends in Fund Fees: Strategic-Beta Funds

- Strategic-beta, or smart-beta, funds are rules-based strategies that tilt toward specific investment factors such as value, size, quality, and low volatility. These funds offer investors an alternative to traditional market-capitalization-weighted index strategies.
- The selling point of strategic-beta funds is the aspiration to increase returns or reduce risk relative to traditional index approaches. In return, they come at a modest cost premium to standard passive funds.
- On an asset-weighted basis, the average fee of strategic-beta funds has not declined as quickly as active or passive funds. It currently stands at 0.31%, down from 0.40% a decade earlier.
- This is largely reflective of a market that has been stagnant for the best part of the past decade in terms of product development, owing to a lack of investor interest.

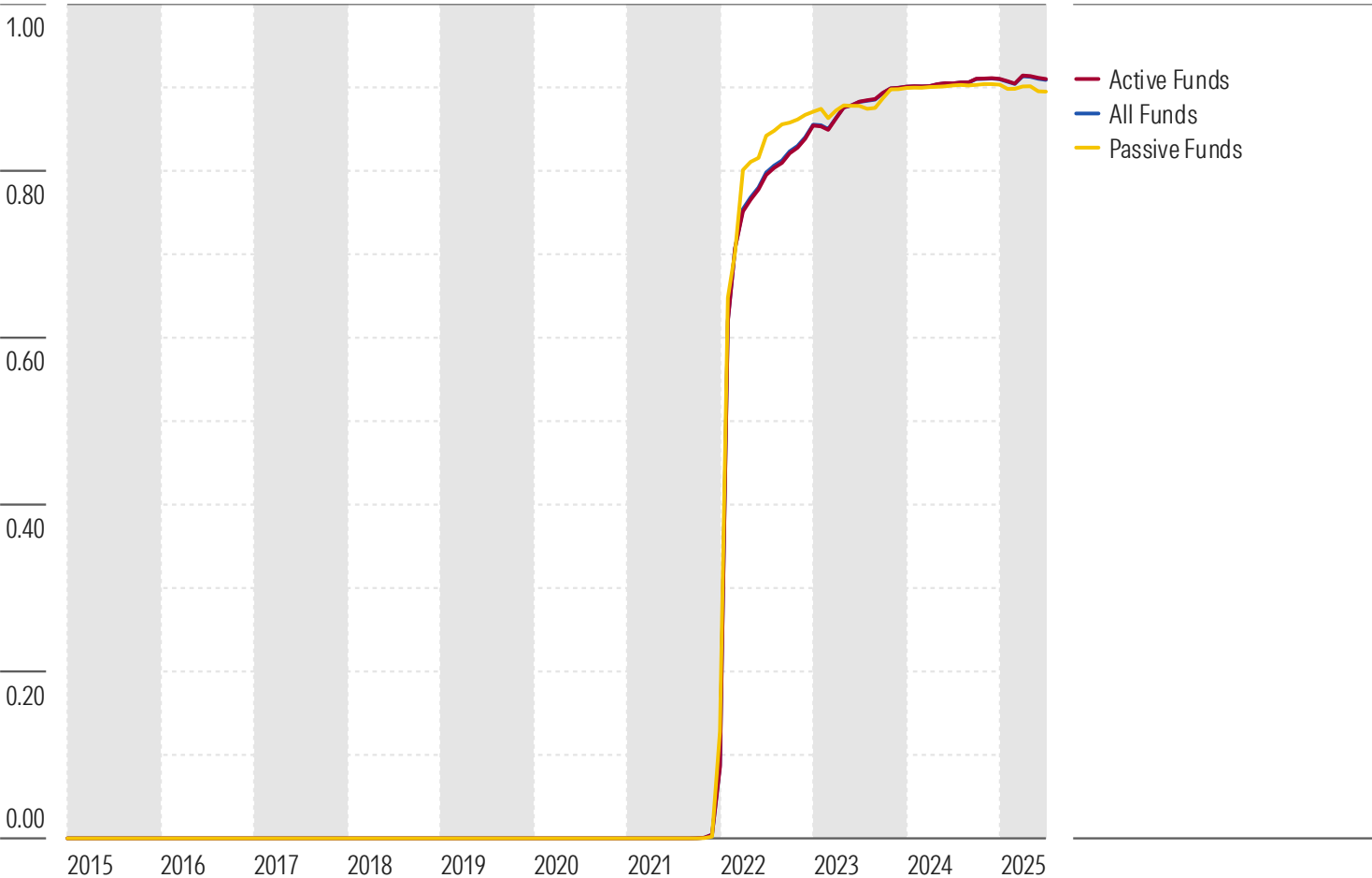


Source: Morningstar Direct. Data as of June 30, 2025.

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Data Sources

Exhibit 30
Proportion of Share Classes With PRIIPs KID as Main Data Source



- Ongoing charge, the primary measure of ongoing costs used in this study, is derived from two sources: the Key Investor Information Document, which all European funds were required to publish from June 2012, and the Key Information Document, required by the European Commission since January 2023 under PRIIPs regulations.
- Whenever available, data from the PRIIPs KID is used; otherwise, the KIID serves as the source. The exhibit shows how the proportion of share classes whose ongoing charge is based on PRIIPs data has changed over time.
- Fee information is extrapolated by one year, first backward and then forward, which explains the noticeable source shift in 2022, just before the PRIIPs regulation took effect.
- UK-domiciled funds, which fall outside the scope of European Commission regulations, continue to report fees using the KIID.

Methodology

Fee Study Methodology

- The study includes all share classes within the European fund universe, meaning any share class available for sale in at least one European country is considered eligible for the sample.
- The coverage consists of equity, fixed income, and allocation funds. Funds of funds, feeder funds, leveraged funds, inverse/short funds, long-short funds, restricted funds, and exchange-traded notes are excluded. Share classes marked as fee-negotiable are also removed.
- For the main analysis, we also exclude strategic-beta funds. Fee statistics for these funds are presented separately in the Appendix.
- To qualify for inclusion in the final sample, a share class must have a reported inception date, base currency, and history of returns and ongoing charges.
- Funds with annual ongoing charge of 9.99% or larger are excluded from the sample.
- The sample period runs from June 2015 through June 2025.
- The main variable of the study, the ongoing charge, is taken from PRIIPs as the primary source or from KIIDs as the secondary source. Monthly observations from these sources are extended to cover gaps by rolling 12 months back and then rolling 12 months forward, matching the construction of the *Representative Cost* variable. When PRIIPs data are available, the ongoing charge is defined as *Ongoing Costs Other Costs*. Otherwise, it is defined as *KIID Ongoing Charge*. The variable is treated as missing if neither source is available.
- Funds are split by country using the *Domicile* variable and by asset-management company using the *Branding Name* variable.
- Flows into a fee-quantile group are defined as flows into existing funds, plus the assets of newly created funds belonging to the quantile, minus the assets of funds closed within the quantile.
- Equal-weighted average fees are calculated across all eligible share classes. To prevent funds with multiple share classes from being overweighted, share class fees are first averaged at the fund level, and these fund-level numbers are then averaged again to produce the aggregate figure.
- Asset-weighted average fees are calculated using contemporaneous share class assets. Where share class asset data are not available, fund-level assets are used to fill in the gaps, assuming equal size across all share classes with missing assets. Funds with no data on either share class or fund size are excluded from the asset-weighted calculations.
- Additional data definitions can be found in Morningstar Direct.

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