

# UNDERSTANDING FUND FEES

So, you've invested in a fund and that means you will be subject to some fund specific fees...

“Why does my fund have fees?”

To pay for the management, distribution and administration required to run the fund.

There are a few different fees that could apply to a fund throughout your investment. The majority of these are captured within the fund's ongoing charges - the amount you'll pay over a year for as long as you hold your investment. Ongoing charges are deducted from the fund and, as such, are reflected in the fund's performance.

“What are the different fees?”

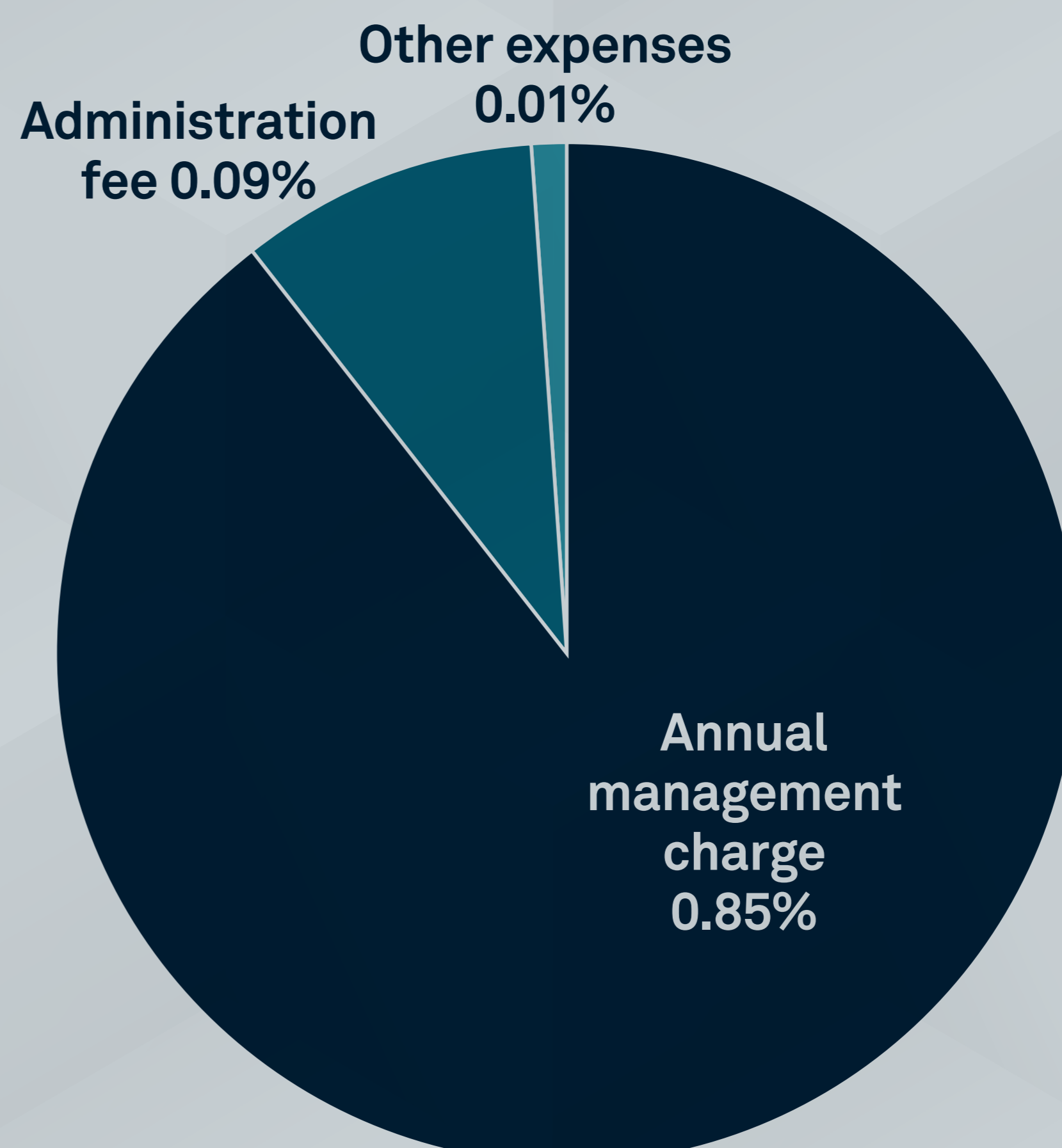
## ONGOING CHARGES

So long as you hold your investment, you will pay the ongoing charges.

We've used the BNY Mellon Long-Term Global Equity Fund B Shares (Accumulation) share class<sup>1</sup> as an example.

<sup>1</sup> Source: BNY Investments as at 30 June 2024.

This represents the ongoing charges that investors pay over a year for as long as they are invested in the fund. It covers the costs of running the fund, which include:



### ANNUAL MANAGEMENT CHARGE:

The yearly fee paid to an asset manager for the management of a fund. This covers cost of the manager's services, such as managing the fund's portfolio and associated research.

### ADMINISTRATION FEE:

The costs associated with administering the fund, such as maintaining the register of shareholders, publishing the fund's share prices and general expenses.



### OTHER EXPENSES:

These include the fees payable for safeguarding the fund's assets (depository fee), the holding of the fund's assets by the custodian (custody fee) and independent audit of the fund's financial statements (audit fee). Additionally, other expenses will include any fees payable by the fund to the UK Financial Conduct Authority.

The ongoing charges are deducted from the fund and are reflected in the fund's daily prices.

For every

**£1,000 INVESTED**

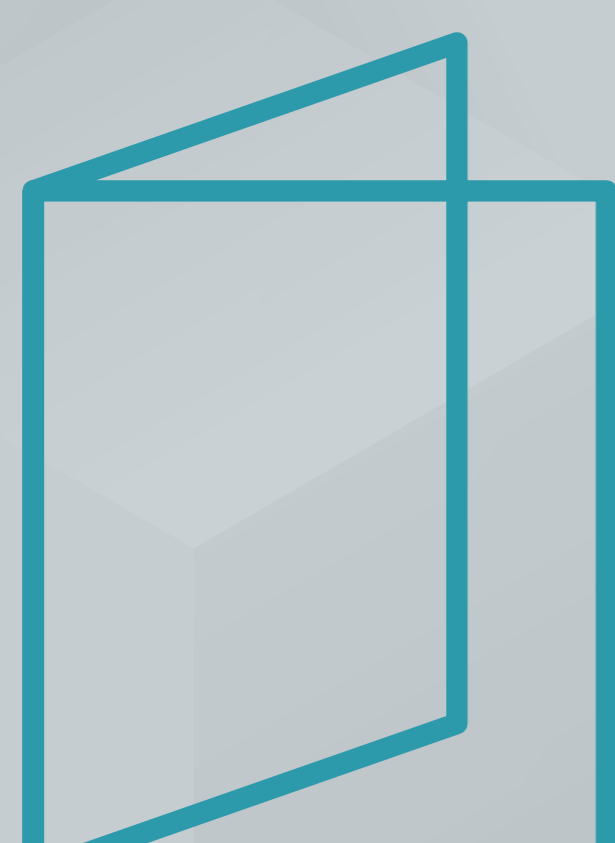
you would pay

**£9.50 ANNUALLY**

You can find details of the ongoing charges for your fund and share class in the Key Investor Information Document (KIID).

## PORTFOLIO TRANSACTION COSTS

In addition to ongoing charges, the expenses that arise from selling or buying investments in the fund, will also be deducted from the fund and reflected in its daily prices.



### ONE-OFF CHARGES: ENTRY, EXIT AND SWITCHING FEES

Some asset managers may charge investors for initially investing in a fund, selling their investment in a fund or switching between funds. We currently do not apply these charges for sub-funds of BNY Mellon Investment Funds.

## PLATFORM AND ADVISER FEES

When investing in funds through a platform or via a financial adviser investors may also have to pay additional fees. Please ask your financial adviser for details.



## WHY IS TRANSPARENCY OVER FEES IMPORTANT?

At BNY Investments it's important to us that we deliver clear and accessible information to you, the investor. Our shared objective is to provide you with the information you need, when you need it.

Furthermore, the UK financial regulator (the Financial Conduct Authority) requires all UK fund managers to show the ongoing charges for each fund, by publishing it within fund literature at least once a year.

Aside from the legal obligation, it's important for you to know how much your fund fees are, because whilst performance can vary, fees will remain. So you pay the fees whether your fund has made or lost money over a year.

As such, fund fees can make a big difference to your returns over the lifetime of your investment.

Using the BNY Mellon Long-Term Global Equity Fund B Shares (Accumulation) share class as an example again you can see the breakdown below of the combined charges that go into the fund fee...

$$0.95\% \text{ Ongoing charge} + 0.08\% \text{ Portfolio transaction costs} = 1.03\% \text{ Total annual cost}$$

Cost per £1,000 invested

$$£9.50 + £0.80 = £10.30$$

Source: BNY Investments. Ongoing charges shown are those of the BNY Mellon Long-Term Global Equity Fund B Shares (Accumulation) share class as at 30 June 2024. Portfolio transaction costs shown are the transactions costs for the same fund and share class as at 31 March 2024.

**Important information**

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