

Australian Fund Awards

Methodology & Conditions

**FOR FURTHER
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Overview

Standard & Poor's, in association with Professional Planner, is pleased to present Standard & Poor's Australian Fund Awards. These awards have come to be accepted as the standard by which the industry measures fund managers and investment-management groups. Standard & Poor's is committed to recognising excellence within the funds-management industry.

Award Methodology

The methodology for the Standard & Poor's Australian Fund Awards involves a qualitative assessment of specific investment-management capabilities within a sector, rather than being based on the past performance of individual funds. S&P selects finalists from those managers that have demonstrated superior quality in their investment capabilities and that S&P considers well-positioned to sustain success.

By "investment capability", we mean the combination of investment strategy, investment team, and investment process; supported by appropriate risk management, compliance, administration, and governance. To highlight this, the S&P

awards differentiate between a manager's investments capabilities; where a manager has more than one investment capability in an asset class or award category, we identify the specific capability that we are recognising.

The requirements for a capability to qualify are:

- The investment-management capability must be available and open to Australian retail investors, and
- The investment-management capability must be known and familiar to S&P.

Awards are a direct recognition of an investment-management capability; where a distribution group represents the manager of a capability in Australia; we will award the underlying manager and give recognition to the distributor.

Our selection process considers the following elements:

- Investment-management capability,
- Relativity to peers, and
- Achievement.

An awards committee, which comprises members of the S&P Fund Services research team, selects the capabilities. This is chaired by head of research, Leanne Milton.

Sector Awards

These awards recognise excellence in individual asset classes. There will generally be one award for each sector. We will announce up to five finalists for each sector; the minimum is three. Sector awards will exist in the following categories:

- Australian Equities—Large-Caps
- Australian Equities—Small-Caps
- Australian Fixed Interest
- International Fixed Interest (including Diversified)
- Listed Property
- International Equities—Developed Markets
- International Equities—Emerging Markets

S&P reserves the right to withdraw an award for a sector if it believes there are not enough participants in the sector to make the award meaningful, or where there are structural issues within a sector that would preclude the majority of participants from being eligible for the award.

Group Awards

Standard & Poor's also sees value in acknowledging overall funds-management excellence through our group awards. This year there will be three group awards, including the introduction of one new award. Only one award will be given for each group. We will announce up to five finalists for each sector; the minimum is three. The group awards are:

- Product Distributor of the Year,
- Fund Manager of the Year, and
- Emerging Manager of the Year.

These group awards will also be judged using our qualitative, committee-based selection process. The Product Distributor of the Year award recognises those managers offering investors access to what we view as a range of sustainably strong

investment capabilities across a range of asset classes or award categories. The Fund Manager of the Year award recognises those managers with a compelling investment proposition to the market. The Emerging Manager of the Year recognises those managers and capabilities that are relatively new to the market. Fund managers concentrating on single asset classes have equal claim to a group award as managers offering coverage across multiple asset classes.

Promotional Use of Award or Nomination

Award winners and/or finalists are generally permitted to make reference to their nomination or award in general advertising, promotional material, press releases, corporate web sites, and other forms of electronic communication. These permissions also apply to distributors representing the award winners and/or finalists at the time of the Awards.

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