

# LIPPER FUND AWARDS 2014

METHODOLOGY AND LOGO GUIDELINES



LIPPER  
FUND AWARDS 2014

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## GENERAL METHODOLOGY

### Criteria (Cumulative)

- Funds registered for sale in the respective country as of the end of the calendar year of the respective evaluation year.
- At least 36 months of performance history as of the end of the calendar year of the respective evaluation year.
- Lipper Global classifications with at least ten distinct portfolios based on the primary share class definition, excluding residual classifications, institutional and other non retail funds, private, closed-end, exchange-traded, insurance and linked funds.
- Asset classes: equity, bond, and mixed-asset, commodity and alternatives. Absolute Return funds screen over all asset types except real estate.

### Fund Classification Awards

The currency for the calculation corresponds to the currency of the country for which the awards are calculated and relies on monthly data. Classification averages are calculated with all eligible share classes for each eligible classification. The calculation periods extend over 36, 60, and 120 months. The highest Lipper Leader for Consistent Return (Effective Return) value within each eligible classification determines the fund classification winner over three, five, or ten years. For a detailed explanation please review the Lipper Leaders methodology document on [www.lipperweb.com](http://www.lipperweb.com).

Fund classification awards are given to the company that has the day-to-day responsibility of investing and monitoring the assets under management within the fund's portfolio in order to achieve the investment objectives of the fund. This company is also referred as portfolio management company or investment advisor. The award goes to the fund management company in case that no such company has been appointed or several such companies share the task.

### Asset Class Group Awards

Fund groups with at least five equity, five bond, or three mixed-asset portfolios in the respective asset classes are eligible for a group award. The lowest average decile<sup>1</sup> rank of the three years' Consistent Return measure of the eligible funds per asset class and group will determine the asset class group award winner over the three-year period. In cases of identical results the lower average percentile rank will determine the winner.



### Disclaimer

Although Lipper makes reasonable efforts to ensure the accuracy and reliability of the data contained herein, the accuracy is not guaranteed by Lipper. Users acknowledge that they have not relied upon any warranty, condition, guarantee, or representation made by Lipper. Any use of the data for analyzing, managing, or trading financial instruments is at the user's own risk. This is not an offer to buy or sell securities.

Asset class group awards will be given to the best large and small groups separately. Small groups will need to have at least three distinct portfolios in one of the asset classes - equity, bond, or mixed-asset.

### Overall Group Award

Fund groups with at least five equity, five bond, and three mixed-asset funds are eligible for an overall group award. An overall group award will be given to the group with the lowest average decile<sup>1</sup> ranking of its respective asset class results based on the methodology described above. In cases of identical results the lower average percentile rank will determine the winner.

An overall group award will be given to the best large and small group separately. Small groups will need to have at least three equity, three bond, and three mixed-asset funds.

<sup>1</sup>The decile ranking is obtained by the percentile ranking according to the formula:

$INT(((( Percentile Rank - 1 ) * ( 1 - 0.01 ) ) / 10 ) + 1)$  in order to eliminate the percentile ranking bias within very small and very large sectors by number of funds.

No asset class and / or overall group awards are handed out if there are less than three competing companies.

Asset class and overall group awards are given to the company that is responsible for establishing the fund by appointing the fund management company, promoting and/or distributing the fund, the brand of the fund and the product range. This company is also referred as promoter or sponsor company.

### Assets-Under-Management Breakpoint Calculation

- **Europe:** In order to define the breakpoint between large and smaller companies, Lipper will calculate the sum of the single fund sizes of all funds (excluding closed-end funds) with sales permission in any European country per company and then sort the results in descending order. For each company a percentage share value of the total assets under management will be calculated and accumulated to 100%. The assets-under-management breakpoint is found at 80 percent accumulated weight value.
- **United States:** All eligible open-end funds (see Specific Methodology Issues for the US) with sales permission in the United States will be considered. The assets-under-management breakpoint is found at 85 percent accumulated weight value.

### Awards and Certificates

Winning funds over three years within the 35 or 20 largest classifications per award universe according to assets under management will be awarded a statuette. Where appropriate, only funds domiciled in the respective country will be taken into consideration for determining the largest classifications. All winning groups will be awarded a statuette, as well. However, all winners will receive a certificate, which can be downloaded by entering a fund name or ticker on [www.lipperweb.com](http://www.lipperweb.com).

### Naming

**Event:** Lipper Fund Awards & Country & 2014.

**Fund Awards:** Fund Name, Best Fund Over Past & Period & Years, & Category.

**Group Awards:** Group Name, Best Group Over Past Three Years, & Asset Class & Size.

### Results Publication

You will be able to search for winners on [www.lipperweb.com](http://www.lipperweb.com). No raw data of the calculations will be published. No correspondence will be entered into.

### Specific Market and/or Legal Requirements

Amendments to the methodology can be implemented according to specific market and/or legal requirements, such as extended registration for sale, classification, limited duration of the funds, or other inclusion or exclusion criteria.

## SPECIFIC METHODOLOGY ISSUES

### United States

- U.S. local classifications are used in the United States, rather than Lipper Global classifications.
- Statuettes are awarded to winning funds over three years within the 35 largest classifications plus all U.S. Diversified Equity Fund holdings based classifications not included in the top 35 according to assets under management.
- Institutional funds are included in the universe of eligible funds.
- Since Lipper Leader scores are not calculated for money market or ultra-short obligation funds these categories are excluded from all fund award calculations.
- Additionally, S&P 500 Index funds, equity leverage funds, specialty diversified equity funds, specialty fixed income funds and specialty/miscellaneous funds are not eligible to receive classification awards.
- Only one share class (the one with the best Lipper Leader score) is used for each portfolio in determining asset class and overall awards.
- Some funds may be excluded from award contention if, in the opinion of Lipper's Research staff, the portfolio has undergone too many classification changes or changed classifications recently.
- The calculation periods end at November-end of the respective evaluation year.

### Canada

- CIFSC classifications are used in Canada, rather than Lipper Global classifications.
- Pooled funds and Funds not domiciled in Canada are excluded from the eligible universe.
- The 2014 results will be calculated and released later in the year.

### Europe

- European Fund Awards
  - Funds with UCITS status.
  - Funds registered for sale in at least 3 out of 31 European countries composed of the 27 EU member state countries and the 4 EFTA countries.
- Nordic Fund Awards
  - Funds registered for sale in at least one of the following 4 northern European countries: Denmark, Finland, Norway and Sweden.

U.K.: Exempt funds and IMA classifications Pensions or Unauthorized as well as funds with a minimum investment of equal or more than 50'000 GBP are excluded from the eligible universe.

France: Legal structure is FCP or SICAV. Insurance funds are included into the eligible universe.

### Asia

- Because of the small market size, the Asian countries will not make a distinction between large and small groups for the single asset class and overall group awards.
- To be eligible for an asset class group award, the groups will need to have at least three distinct portfolios in one of the asset classes: equity, bond, or mixed-asset.
- To be eligible for an overall group award, the groups will need to have at least three equity, three bond, and three mixed-asset funds.
- Classification awards will be handed out to classifications with at least five distinct portfolios.

- Hong Kong: The awards are based on the Hong Kong primary share class definition. Additional classification and group awards will be handed out to Hong Kong pension funds (MPF). The Hong Kong pension funds universe is including linked funds.
- Japan: Funds within the Japanese ITA Broad classifications Bond Open, Bond Spot and Equity Spot are excluded from the eligible universe.
- Malaysia: Additional classification awards will be handed out to Islamic-flagged Sharia compliant funds within classifications meeting the before mentioned criteria.
- Singapore: Funds flagged Singapore Sophisticated Fund are excluded from the eligible universe. The awards are based on the Singapore primary share class definition.
- Taiwan: The awards are based on the Taiwan primary share class definition.
- Japan, , Hong Kong Mutual Funds, Taiwan:
  - Classification awards will be handed out to classifications with at least ten distinct portfolios.
  - Fund groups with at least five equity, five bond, or three mixed-asset portfolios in the respective asset classes are eligible for a group award.
  - To be eligible for an overall group award, the groups will need to have at least five equity, five bond, and three mixed-asset funds.

### Gulf Region

- Because of the small market size, the Gulf Region will not make a distinction between large and small groups for the single asset class and overall group awards.
- To be eligible for an asset class group award, the groups will need to have at least three distinct portfolios in one of the asset classes: equity, bond, or mixed-asset.
- To be eligible for an overall group award, the groups will need to have at least three equity, three bond, and three mixed-asset funds.
- Classification awards will be handed out to classifications with at least five distinct portfolios.
- Additional classification and group awards will be handed out to Islamic-flagged Sharia compliant funds within classifications and asset types meeting the before mentioned criteria.
- Funds registered for sale in at least one of the following 6 Gulf Cooperation Council countries: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and United Arab Emirates. In case of missing official sales registration lists in certain GCC countries, only the funds domiciled in these respective countries will be taken into consideration.

### Islamic

- All Islamic-flagged Sharia compliant mutual funds globally within Lipper Global Classifications with at least five distinct mutual funds over the respective time frame.
- The calculation time frames extend over 1, 2, 3, 5 and 10 years.
- Calculation currency is U.S. Dollar.
- No distinction between large and small groups for the single asset class and overall group awards.
- To be eligible for an asset class group award, the groups will need to have at least three distinct portfolios in one of the asset classes: equity, bond, or mixed-asset.
- To be eligible for an overall group award, the groups will need to have at least three equity, three bond, and three mixed-asset funds.
- Currently only the equity asset class groups are eligible for a group award.



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## LOGO GUIDELINES

The essence of the Lipper Fund Awards is to reward consistent out-performance of individual funds and of fund companies. Winning funds have demonstrated consistently strong risk-adjusted returns compared with peers.

One of the main benefits of being awarded a Lipper Fund Award is the availability of a unique event logo for use in advertising and marketing materials. This logo allows the winner to highlight its unique strengths and help distinguish the company or the individual funds from the competition.

Funds or fund companies that have been awarded a Lipper Fund Award are authorized to use the event logo in any of their marketing or advertising materials. Lipper does not charge a usage fee and does not require prior authorization.

A winner may use the logo for the full calendar year mentioned on the logo. Lipper requires that the logo be displayed as supplied. Artwork must be reproduced from master artwork.

Please see [www.lipperweb.com](http://www.lipperweb.com) for more details.

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