

High Conviction List

Designed to act as a core approved product list that delivers a high quality, risk-controlled solution for your advisers, while reducing costs for your business.

What is the Mason Stevens High Conviction List (HCL)?

The Mason Stevens High Conviction List represents our views on the best managers in market across a full range of asset classes, segments and styles. The list is the result of a rigorous due diligence process which assess managers both quantitatively and qualitatively. While it is predominantly a list of active managers, where we fail to gain conviction in a given style or segment, we will identify the best passive or rules-based ETF as our preferred option/s. There are typically around 90 unique strategies on the list across all major asset classes, representing around 5% of available strategies in market, that is - it is a true High Conviction List.



“There are over 2000 unique investment strategies in market, and most active managers typically underperform their benchmark after fees. Without rigorous due diligence and a repeatable manager research process, how do you have confidence in delivering on your investment objectives for clients?”

Andrew Ash | Head of Manager Research, Mason Stevens

What are the benefits of the Mason Stevens HCL?

- » The HCL can act as your wealth practices' core approved product list, generating time and cost savings as well as removing risks associated with managing in-house
- » A rigorously researched list of funds, supported by a multi-stage quantitative and qualitative process
- » Research is conducted by our highly experienced Head of Manager Research with over 21 years experience
- » Negotiated rebates and discounted managed account share class fees within managed accounts
- » Access to a range of detailed content including fund summaries to support advice documents, sector reviews and monthly performance

About Mason Stevens

Mason Stevens is a specialist platform provider that focuses on Managed Accounts (MA). The business differentiates itself in the market by offering an Outsourced CIO (Chief Investment Office) service that complements the platform and MA solutions. The Outsourced CIO service is tailored to support and partner with wealth practices, providing them with institutional-style investment services that meet the specific needs and requirements of each client.



What is Mason Stevens' approach to manager selection?

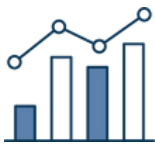
Selection of managers (including funds and active ETFs) for the Mason Stevens HCL is underpinned by a rigorous due diligence process, designed to identify managers that have a high probability of achieving their stated investment objectives. This process has three main components:

1. Quantitative Screen	Managers within each asset class and sub-asset class are reviewed in terms of risk and return ratios, within relevant peer groups, to identify those with evidence of investment skill.
2. External Research House Screen	Mason Stevens will seek to ensure that most, if not all, managers that are considered have a rating from an external research house. Currently we access both Lonsec and Morningstar research ratings.
3. Direct Manager Research	Managers that have passed both the quantitative and qualitative screens will then be engaged in direct due diligence. This includes completing a detailed due diligence questionnaire (DDQ). The key areas covered as part of the due diligence process includes the managers' objective and philosophy, organisation and people, investment process, fees and performance.

In completing the research process, the manager will be objectively scored against their peers across the key areas of due diligence. The top scorers for each asset class, segment, and style are put forward for consideration for inclusion on the HCL.

Ongoing assessment and monitoring of the Mason Stevens HCL

There are three main ways in which managers on the High Conviction List are assessed and monitored on an ongoing basis.



Monthly performance assessment



Annual sector reviews on each asset class



Monitoring of external research house reviews and ratings changes



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