Aberdeen University: Back on campus event

Asset Management: a rewarding and exciting career choice

5 November 2014

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Agenda

- Asset Management
  - Introduction to the industry
  - Strategic themes
  - Opportunities or threat?
- Core roles in Asset Management
  - The investor
  - Other roles
- A personal career perspective
  - My steps and mistake made
  - Advice for aspiring graduates
- Aberdeen Asset Management
  - Quick snapshot
  - Graduate Careers
- Questions

Asset Management – introduction to the industry

Asset Management

A simple premise:

- We invest our clients' **money** or **capital** into **assets** in order to **gain profitable returns** through interest, income, or appreciation in value

We invest in:

- **Equities** – Shares in Companies
- **Bonds** – Company or Government/Sovereign debt
- **Property** – Commercial, Residential
- **Hedge Funds** – Global Macro, Long/Short, Event Driven, Market Neutral
- **Private Equity** – Buyout, Growth, Venture Capital, Distressed
- **Infrastructure** – Transport, Renewable Energy, Schools, Hospitals
- **Natural resources** – Gold, Silver, Copper, Oil
- **Esoteric areas** – Music rights for example!

Many types of investor

- Banks
- Independent asset managers: Retail and institutional
- Private Wealth Management firms (‘PWMs’)
- Hedge Funds
- Private Equity Funds
- Venture Capital/Angel Investors
- Governments
- Sovereign Wealth Funds
- Pension Funds
- Businesses/Conglomerates
- Family Offices
- Individuals – you and I

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Institutional asset managers: examples

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Schroders

FRANKLIN TEMPLETON INVESTMENTS

APOLLO

BNY MELLON

Fidelity WORLDWIDE INVESTMENT

Invesco

BLACKROCK

T.RowePrice INVEST WITH CONFIDENCE

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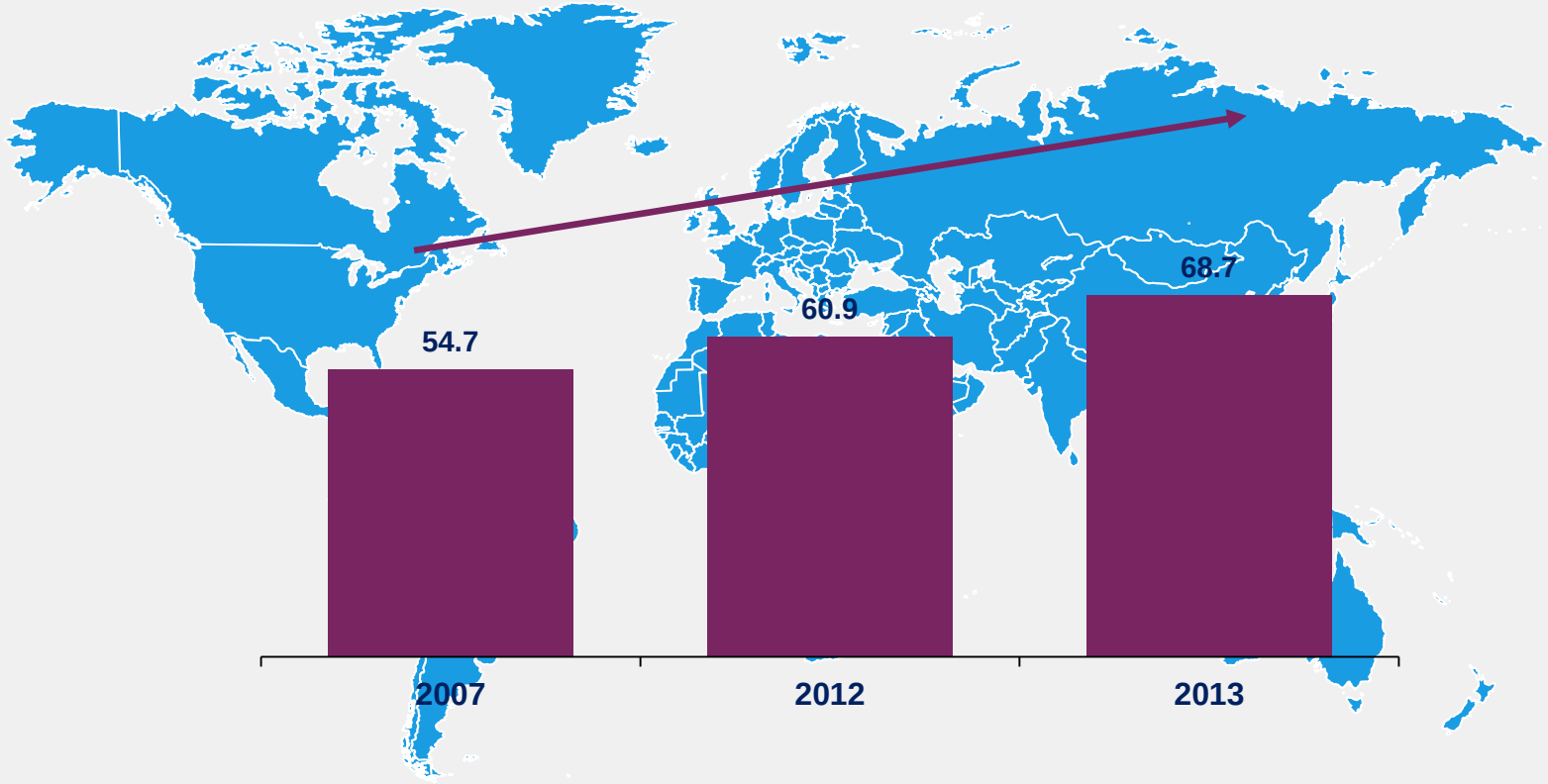
How the industry measures success: multiple yardsticks

- **Investor outcomes –** performance we deliver to our own clients
- **Assets under Management ('AuM')** – more assets means more revenue
- **Profitability –** can we manage assets for more than the cost of doing so (and thus reward investors in us)?
- **Engagement** – are we responsible stewards of Companies we invest in?
- **Staff happiness** – measure by low staff turnover and external surveys
- **Community engagement** – putting something back into the communities in the countries we operate in

May 2014
Aberdeen Taipei staff hosting party for disabled children

Industry seeing record growth in AuM

Assets under management, 2007 - 2013 ($trillions)



Global Assets Under Management Grew to a Record $68.7 Trillion in 2013

Source: BCG Global Asset Management Market Sizing Database, 2014

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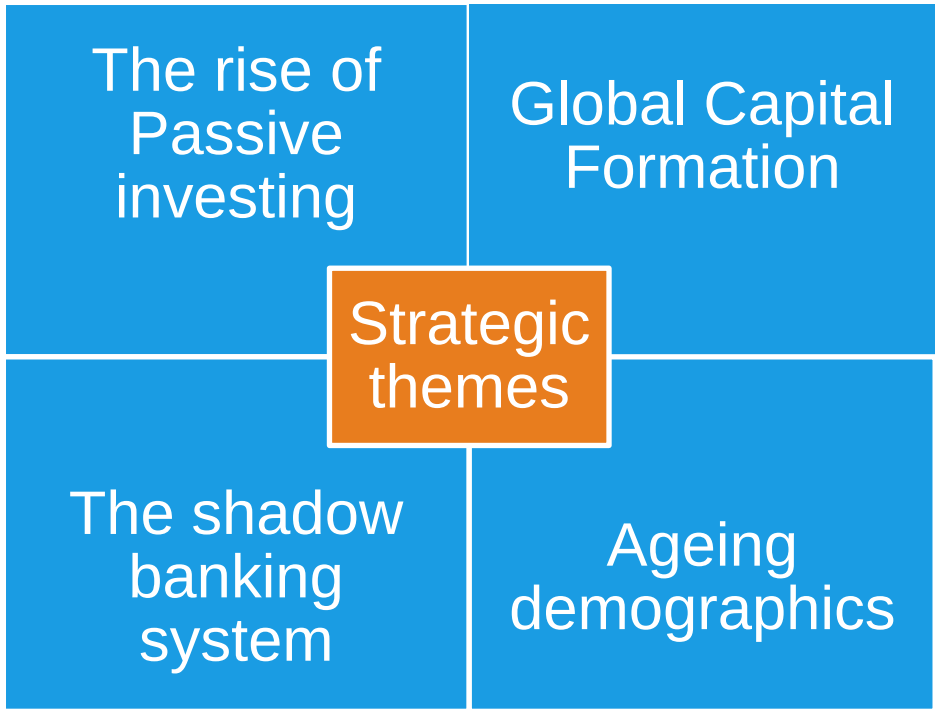
Key strategic themes for industry



Source: Goldman Sachs: From local strengths to global opportunities, Oct 14

Other influencing factors on the industry: opportunity or threat?

Geopolitics

Regulation

Transparency

Disruptive technology

Social responsibility

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Core roles in Asset Management

The Investor: key attributes

- A constant **thirst for knowledge**
- Can adapt and **learn from mistakes** made: come back stronger
- Out of the box thinking
- Patience and conviction
- Never believing your own press
- **Listening**
- Ability to understand what’s **not** on the page, or what you're **not** being told
- Can respect and **understand risk** (also taking some risk, when appropriate)
- Finally, and most importantly, recognises that the **team is mightier than the individual**

- There is no one degree or background that is the perfect fit. Successful investors come from a wide range of disciplines

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Industry roles: much more than just ‘Investors’

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A personal career perspective

Alex's career path

1992	Age 22, graduate into depths of UK recession
1992/1993	Temp work getting good names on CV
1993	Joined **Templeton** in Edinburgh as **Portfolio Accountant**
1995	Move to **London**, to join **Henderson's US Equity** desk as **junior Fund Manager**
1998	Move to **Deutsche Bank's Morgan Grenfell** business as a **Fund Manager**
1998 - 2005	Many roles across the investment business, becoming a **Director** of the **Multi Asset** business
2005	Aberdeen buys parts of **Deutsche Bank's** Asset Management operations
2009	Move to France, integrating Aberdeen's acquisitions from **Credit Suisse** in **Paris** and **Budapest**
2009 - 2013	Lead Aberdeen's **Alternatives** and then **Private Equity** business
Now	Age 44, running **Aberdeen Private Equity Fund Ltd** , a London Stock Exchange listed Investment Company

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Advice and perspectives to graduates

- Never too early to start thinking about career. **Don't take the ostrich approach**
- Use your **Careers service**
- Consider everything – and don't rule out setting up your own business: we are in a **new dawn of entrepreneurship**
- Always have a **Plan B**
- Apply for **Internships …** and apply early
- Network
- Understand **your competition – it's global**. So, bring something special to the table – understand what makes you different, what makes you special
  - Learn everything you can about this industry and who the players are
- Consider what you have done for the **community** and those less fortunate than you
- If you are set on one path **be clear about your reasons**. If not, be flexible and adaptive and recognise others may have a better understanding of your fit for a role
- Have a family friend or industry contact read your application forms and CVs. Embrace the use of a 'devils advocate'
- Slowly develop an understanding of financial markets. Cramming for interviews never works!
- The **world really is your oyster**. Aspire to working and living in the areas of the world that that will drive global growth and capital formation

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Aberdeen: A little bit about our business

An overview of Aberdeen Asset Management

- Independent global asset management group
- Listed on London Stock Exchange since 1991 – market capitalisation now £5.3 billion (US$8.6bn)
- Active manager of equities, fixed income, property and investment solutions
- Long-term investment philosophy and disciplined investment process
- Team approach and local presence are key – 33 offices in 26 countries across the world
- Diverse client base both by channel and nature of client
- Our assets now total £331.2 billion*
- Significant equity ownership by management and staff (4% directly or through deferred awards)

Diversified product range, geographic reach and client base

*As at 31 Aug 14

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A diversified asset base

31 Aug 14	£bn
Equities	111.3
Fixed Income	72.2
Aberdeen Solutions	127.3
Property	20.4
Total	**331.2**

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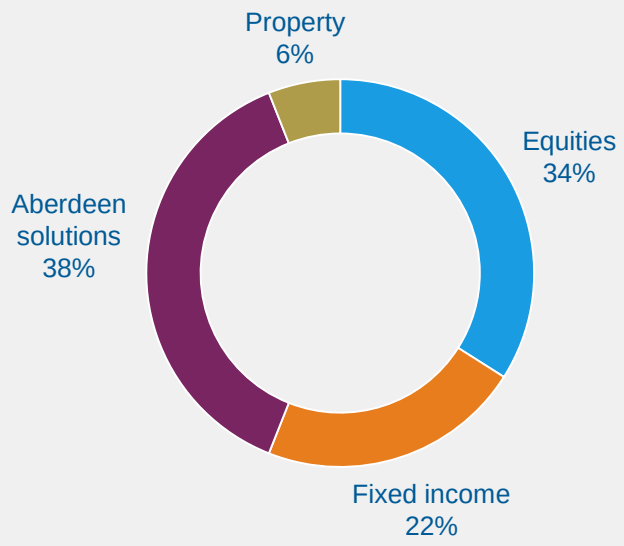
SWIP	**136.7**
	331.2

By asset class



A priority is to build on the increased scale and diversity of our distribution relationships

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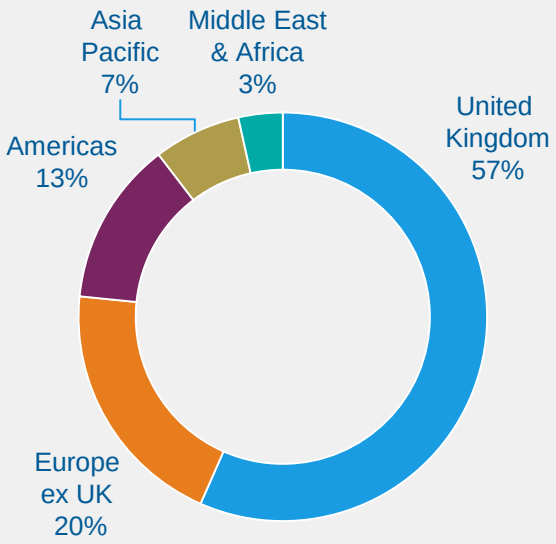
International reach: 33 offices across the world

AuM by domicile



Sales & Distribution
Miami
New York
Philadelphia
Toronto

Investment centres
New York
Philadelphia
Toronto

Property centre
Philadelphia

Head Office
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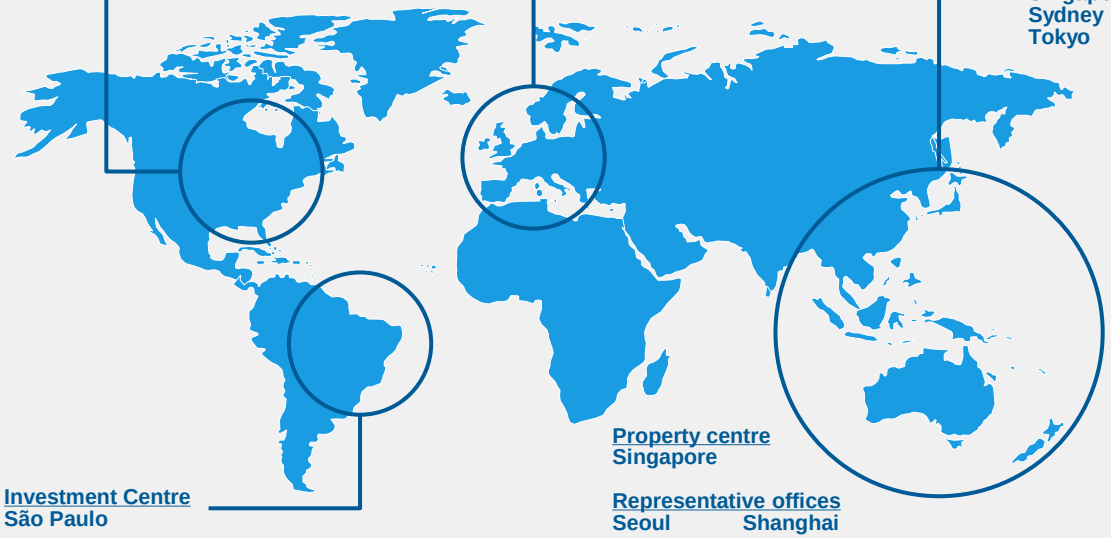
Sales & Distribution
Amsterdam
Copenhagen
Frankfurt
Helsinki
London
Madrid
Oslo
Stockholm
Budapest
Edinburgh
Geneva
Jersey
Luxembourg
Milan
Paris
Zurich

Investment centres
Edinburgh
Budapest
London
Paris

Property centres
Amsterdam
Copenhagen
Edinburgh
London
Oslo
Stockholm
Brussels
Frankfurt
Helsinki
Milan
Paris

Sales & Distribution
Bangkok
Hong Kong
Singapore
Sydney
Taipei
Tokyo
Melbourne

Investment centres
Bangkok
Hong Kong
Kuala Lumpur
Singapore
Sydney
Tokyo



Investment Centre
São Paulo

Property centre
Singapore

Representative offices
Seoul
Shanghai

Global reach, local understanding, independent thinking

Source: Aberdeen Asset Management, 30 Jun 14

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This is the Aberdeen culture

- Simple, effective and shared processes are at the core of what we do
- Individual effort – we do our own research
- Regional teams are based locally – decision at greatest point of knowledge
- Low turnover – within our portfolios and within our investment teams
- We function best in teams – collective wisdom

A single focus: all we do is manage our clients' assets

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Aberdeen: Graduate recruitment

Application and selection

- Online applications form (closes 16 November)
- Face to face competency and careers focus interview with a Manager and a member of the HR Team (November – January)
- Offers in February
- Internship May – September (8 weeks)
- End of the rotation line manager will complete a performance review
- Final interview with Graduate Recruiter and Senior Manager
- Meeting with Martin Gilbert, CEO (after the scheme)

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Graduate and intern opportunities

Graduate Programme

- Only available to graduates who have completed an internship with Aberdeen
- Two year rotational programme (four month rotations)
- Based in London or Edinburgh with at least one rotation in another UK office and one in an international office
- Training and development programme, including professional qualifications eg IMC
- Permanent role guaranteed at the end of the scheme
- Competitive salary and benefits package

Rotations and Training

- Year 1 rotations – Investment, Distribution, Operations/Risk
- Year 2 rotations – Tailored towards your career path
- Year 1 professional qualifications – IMC
- Year 2 professional qualification – Tailored towards your career path, eg CFA, CIMA, CIPD
- Formal induction programme
- Training including: Communication, presentation, time and workload management, career management, excel, PowerPoint, Bloomberg

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IMPORTANT INFORMATION

- The value of investments and the income from them can go down as well as up and you may get back less than the amount invested.
- We recommend that you seek financial advice prior to making an investment decision.
- Issued by Aberdeen Asset Managers Limited. Authorised and regulated by the Financial Conduct Authority in the United Kingdom.