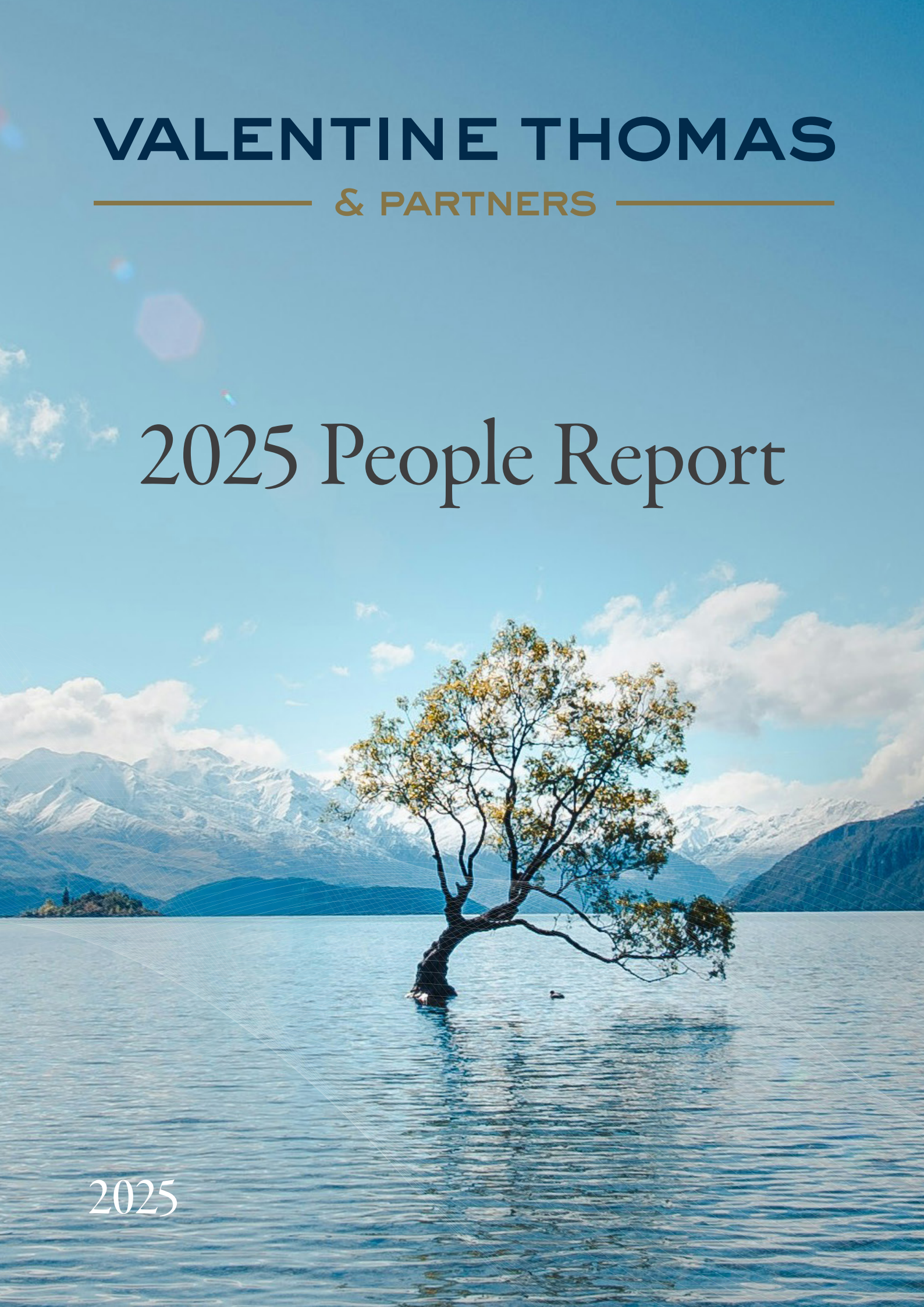


VALENTINE THOMAS

— & PARTNERS —

2025 People Report

2025



2025 People Report

Introduction

2024 was a challenging market as the investment landscape navigated a complex interplay of domestic economic challenges and global geopolitical developments. From a talent perspective, whilst we saw job cuts across some of the larger traditional managers, most asset management firms battened down the hatches and made do with their existing bench of talent.

This reflects a broader trend in the asset management industry, where firms are becoming more selective with compensation and headcount while emphasizing performance-based rewards. The sharp contrast between the aggressive hiring post covid and the subsequent slowdown suggests that firms may have over hired or miscalculated the sustainability of growth amid uncertain economic conditions.

In 2025, the asset management sector is likely to continue its cautious approach to hiring and compensation, shaped by economic pressures, regulatory changes, and shifting investor demands. Cost control will remain a priority, leading to extended hiring processes and increased internal approvals for new positions.

While firms won't rush into mass hiring, there will likely be a slow but steady return to recruitment, especially in key growth areas. Conversations around team restructuring and long-term strategic planning suggest that firms recognize they cannot sit on the sidelines forever. Hiring will likely focus on strategic revenue-generating roles: strategic leaders, key portfolio managers, next generation sales and investor relations professionals, and alternative investment specialists.

At Valentine Thomas & Partners, we are pleased to report a challenging but robust year in 2024, with an emphasis on critical strategic projects across leadership as well as Portfolio Management and Distribution hires, with a substantial increase in activity across Private Markets and Real Assets.

Our 2025 People Report highlights some of the significant trends and themes in the market, as well as a comparison between the asset management talent landscape in 2024 v 2023 with a few crystal ball gazing predictions for the year ahead.

*The data below is reflective of the people moves recorded in our monthly People Moves Newsletters, captured from public sources throughout the year. This data reflects senior executive appointments only.



Leadership Trends - Changing of the Guard

2024 witnessed a flurry of high-profile changes across the asset management sector, with some of the largest fund groups announcing new leaders: abrdn, Fidelity, Schroders, LGIM, Vanguard, BNY Investments, PGIM and Baillie Gifford to name but a few.

Our data suggests that while there were some high-profile leadership changes in 2024, overall CEO turnover remained low. The rise in female leadership appointments to 23% is a notable development, indicating slow but steady progress toward gender diversity at the top level.

What is noticeable is the changing makeup of asset management boardrooms with increasing numbers of CFO's moving up the ladder to CEO, such as Jason Windsor at abrdn and Richard Oldfield at Schroders.

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Is this a sign of the times for traditional managers battling against underperformance and increasing costs amidst a period of declining margins?

In addition, we have observed a number of historically traditional businesses hiring leaders from private markets and real assets. For example, LGIM announced last summer that it would bring together its public and private markets businesses and hired Eric Adler (previously CEO of PGIM’s private alternatives business) to take over as CEO. Similarly, BNY Investments hired Jose Minaya, formerly CEO of Nuveen and with a strong background in Real Assets, to take over from the outgoing Hanneke Smits.

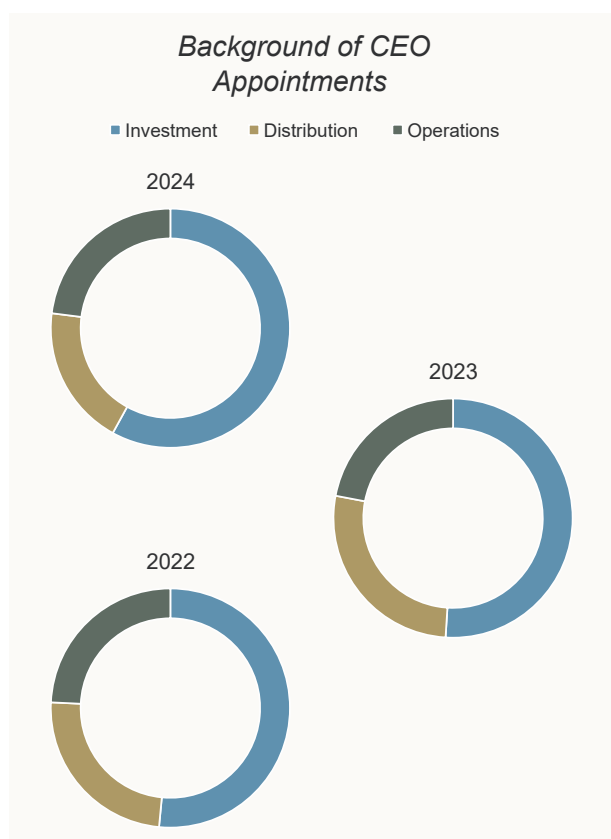
This trend of hiring leaders with private markets and real assets expertise signals a strategic shift within traditional asset management firms. Firms will continue blurring the lines between public and private investing, making crossover experience highly valuable for executives.

a continued professionalisation of the wholesale channel and the leadership requirements within. Alternatives firms continued to staff up, hiring talent from traditional managers, direct competitors and private banks.

We’ve seen some high profile changes across investment leadership, both lateral hires and internal promotions, spanning both traditional, private markets and real assets. Firms are strategically positioning their leadership teams to adapt to evolving market conditions, whether by bringing in fresh perspectives or elevating seasoned professionals from within. The focus on private markets has been especially notable, as firms like M&G and Schroders strengthen their investment leadership to navigate the growing demand in that space.

Echoing numerous recent conversations with our clients, we are seeing team lifts firmly back on the agenda as companies look to gain immediate access to expertise in new product areas. Examples include RLAM hiring a team from Aviva Investors, AllianceBernstein boosting its European and Global growth equity business with the hire of a five strong team from Allianz Global Investors, and Jupiter lifting a European equities team from GAM.

Another area we observe change in is the product role. Heads of Product have been in demand as firms look to the role to help with not only product innovation but work with leadership to look at broader strategy, acquisition / M&A opportunities and new areas for growth for the business. The role increasingly has a meaningful seat at the top table as firm’s grapple with an increasingly complex product landscape.



Leadership hiring in client facing roles saw an uptick in 2024. There were many changes on both the institutional and wholesale channels. We noticed

Compensation Trends

As we analyse the data and hold conversations with clients around compensation, our view is the landscape becomes more complex and fragmented each year that goes by. 2024 was another challenging year for traditional asset management and we are seeing an ever-growing disparity between traditional and alternative managers compensation at all levels. There’s been much talent

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movement in recent years between these two areas and this has only made compensation patterns more complex.

Even at asset management firms where professionals have delivered market-beating returns, leaders are keeping a close eye on costs as fees continue to be squeezed and competition rises from low-cost passive funds. The shift towards ‘pay-for-performance’ models has become more pronounced, with firms allocating resources to retain and reward top talent.

Valentine Thomas’s David Harms was recently [quoted in the press](#), predicting it would be a “mixed picture” for fund management bonuses, although those with a strong presence in private markets could be among those celebrating this year. “This continues to be a market where alpha generation is rewarded,” noted Harms.

M&A

We witnessed a major surge in M&A activity across the European market in 2024. This was especially evident in the private markets sector, as firms look to capitalise on the growing demand for private equity, infrastructure, and other alternative investments. Firms are positioning themselves to meet increasing client demand for diversified portfolios, higher returns, and reduced exposure to public market volatility. This activity has reached levels not seen since 2007, signalling a major shift in the market dynamics.

Some of the most notable transactions include:

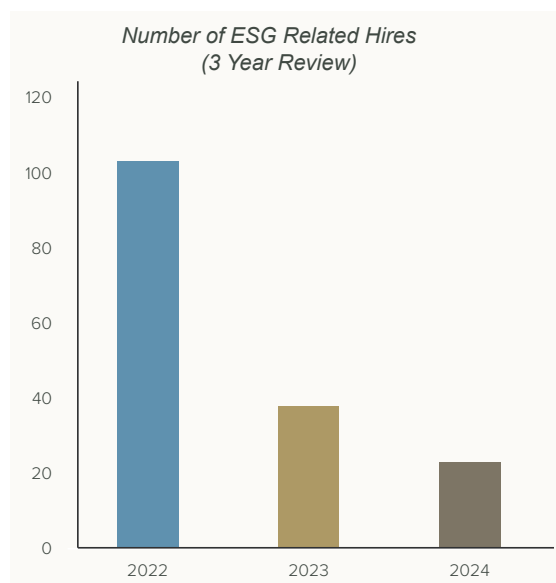
- **BNP Paribas acquiring Axa Investment Management**
- **BlackRock’s acquisition of Global Infrastructure Partners (GIP)**
- **Janus Henderson’s acquisition of Victory Park Capital Advisors**

In 2024, we also observed a surge in strategic partnerships between alternative asset managers and wealth platforms, marking a shift toward democratizing access to private markets. By forming

alliances with wealth management platforms, alternative managers gain access to a more diverse client base, including those traditionally not as familiar with or able to access private markets.

Examples of key partnerships forged in 2024 include:

- **Blackstone & UBS:** This partnership provides UBS clients with access to Blackstone’s extensive private equity offering.
- **Apollo & Deutsche Bank:** A distribution partnership offering Deutsche’s wealth management clients access to Apollo’s long term investment fund (Eltif) centred on energy transition.
- **BlackRock & Partners Group:** launch of first-of-its-kind model portfolio solution streamlining retail wealth access to private equity, private credit, and real assets.
- **State Street & Apollo:** combining forces to launch an exchange traded fund that invests in both public and private credit.
- **CVC & UBS:** distribution deal with UBS for a new semi-liquid private credit fund in Europe.



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Valentine Thomas

2024 saw the 20-year anniversary celebrations of Valentine Thomas, with a wonderful gathering of all staffers, including 20 interns, many of whom have gone on to achieve great things in the asset management world!

In terms of activity, 2024 was another busy year for Valentine Thomas, and we were fortunate enough to partner with clients on business-critical hires across investment, distribution and product. We continue to see a strong demand in EMEA, and our work took us across the Nordics, Benelux, Switzerland and the Middle East. As we start 2025, it's good to see a more stable hiring market and our search activity continues in areas such as private equity distribution, real assets leadership and equities investment.

Overall Gender Diversity of Hires

2024

Female
31%



Male
69%



2025 – Crystal Ball Gazing

Private Markets Driving Revenue Growth

Private markets remain a major priority for asset managers, with firms continuing to build out talent in this space to enhance their product offerings. We see demand for investors and distribution professionals at all levels. The push into retail continues across EMEA and we note many firms looking to professionalise their distribution efforts.

Fixed Income Resurgence Continues

The momentum in fixed income hiring seen in 2024 is set to continue in 2025. Investment teams that remained static in prior years are now actively

expanding, strengthening distribution and product teams, and upgrading talent across the board. This reflects the renewed investor focus on fixed income amid shifting market conditions.

Active Equities and Thematic Strategies in Focus

Active equities remain central to portfolio construction, with growing interest in thematic and value-driven strategies as firms diversify beyond growth-focused investments. Demand is high for teams with strong track records and existing assets—though finding the right talent remains a challenge as much is needed to align for team moves to happen.

Evolving Challenges in Culture, Compensation, and Incentives

Persistent challenges around compensation structures, cultural alignment, and bonus incentives continue to dominate. Models are becoming more blurred with traditional meeting alternatives and how best to compensate, create alignment and drive good behaviours at the same time.

Global Expansion and Operational Complexity

As asset managers pursue growth in new markets, asset classes, and client segments, they face increasing complexity and operational demands. Striking the right balance between expansion and scalability remains a critical challenge, with firms at risk of spreading themselves too thin. We see no slowdown in M&A, JVs and partnerships in the industry as firms seek the holy grail of scale. This does leave a space for specialist managers to find their true value in our opinion.

Senior Leadership and Distribution Hiring Trends

We anticipate the continued wave of senior distribution leadership hiring in 2025 as firms seek leaders capable of navigating evolving market dynamics. While distribution hiring is expected to remain steady at the country level, activity will vary by region. Certain markets in Europe will remain busy

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(Nordics, Benelux, Switzerland and Italy in particular) but firms are now realigning their go to market models more than ever.

Product and Strategy

We will continue to see demand for product and strategy leaders who can help asset manager's think through their strategies for the coming years. Product is the glue that sits between investment, distribution and leadership and plays an ever-important role in shaping a firm's future strategy around vision, product, acquisition strategy and innovation.

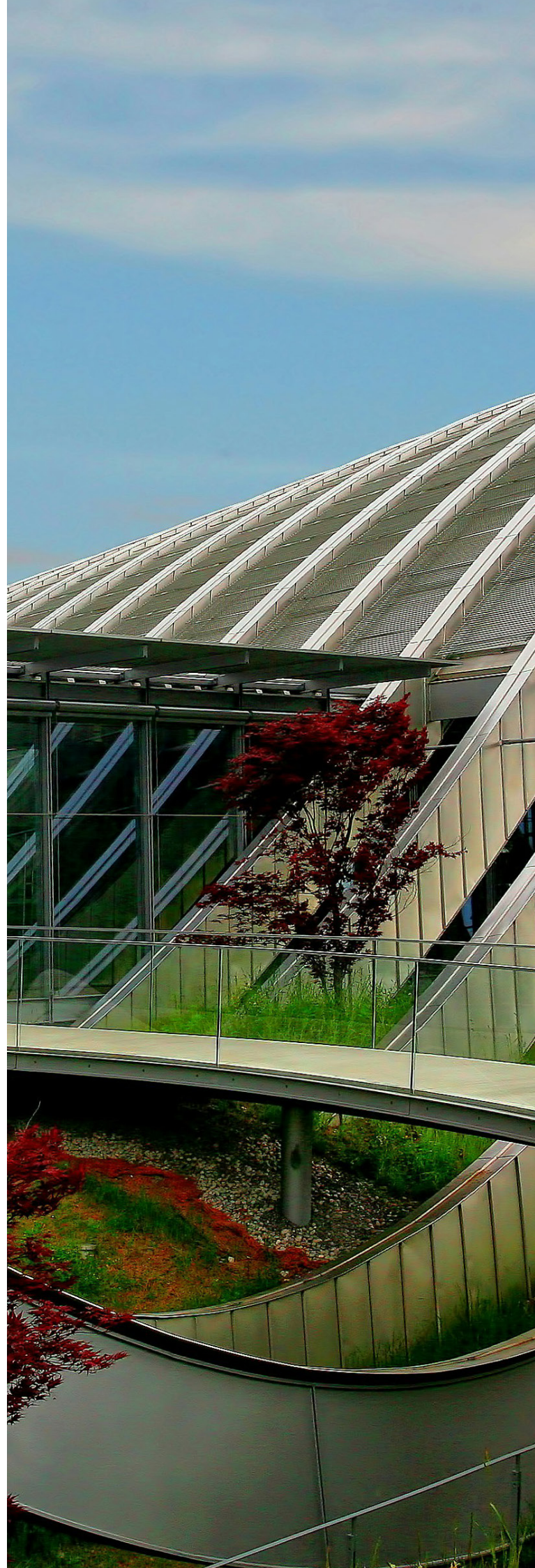
ESG Talent Market Stabilizing

After a challenging period for ESG investments in 2023 and 2024, the market is stabilizing. While hiring has slowed from previous highs, ESG remains a strategic priority for asset managers. The current environment reflects a more measured and sustainable approach to building ESG-focused teams.

Increased Confidence and Hiring Activity

We very much hope that following a period of uncertainty, market confidence is returning. Hiring activity is expected to rise through 2025 as firms position themselves for long-term growth in a more favourable economic landscape.

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