

## **Morningstar**

### **Global Client Segment & Sub-Segment Definitions**

*Tom Schiller, Asia-Pacific Client Solutions Leader*

*Asia-Pacific Sales Manager, To Be Hired*

**Asset Manager:** Organization that pools large sums of money and invests those sums in securities and other investment assets. It manufactures financial products and builds and manages portfolios of securities on behalf of clients, in accordance with defined investment objectives. Fees charged are based on a percentage of client assets under management.

**\* Asset Manager Segment (Asset Gathering Function):** Responsible for driving asset inflows, including developing and managing products, reaching valuable audiences, informing investors and advisors and enabling sales teams

**Sub-Segments:**

- Fund Company
- Hedge Fund
- Insurance Company

*Asset Manager Segment Global Solutions Leader: Dan Waryck*

*Australasia Asset Management Sales: Nigel Crampton (Sydney)*

**\* Buy-Side Segment (Research, Analysis & Portfolio Management Function):**

Responsible for fundamental and active portfolio management based on in-depth research and analysis of equity and credit securities

**Sub-Segments:**

- Fund Company
- Hedge Fund
- Insurance Company
- Private Bank
- Private Equity
- Trading Firm
- Family Office

- Government Pension (DB)
- Private Pension (DB)
- Endowment
- Foundation
- Student Fund

*Buy-Side Segment Global Solutions Leader: Jeremy Diamond*

*Asia-Pacific Buy-Side Sales: John Kessell (Sydney)*

\* **Advisor Segment:** Intermediary through which asset managers reach investors. They generally make money through interest income generated from customer bank deposits, trading commissions and/or fee income from advisory services.

**Sub-Segments:**

- **Non-Captive:** Advisor that is not an employee of the firm through which it trades on behalf of its customers
  - Individual registered investment advisor (RIA), independent financial advisor (IFA), independent broker/dealer
- **Captive:** Advisor that is employed or otherwise "tied" to the firm through which it trades on behalf of its customers. Although employees of a firm this advisor may buy services "independently" of its employer. In particular, a captive advisor with a large book of businesses will purchase research and other software tools directly from vendors.
  - Bank, security brokerage firm, trust company, private bank
- **Online Brokerage:** Broker that provides trading services to its clients over the internet. It may or may not be a unit of a traditional securities brokerage firm.
- **Clearing Firm:** A platform that clears, settles and custodies assets for independent advisors and independent broker/dealers. It may or may not be a unit of a traditional brokerage firm.

*Advisor Segment Global Solutions Leader: Tricia Rothschild*

*Australasia Advisor Solutions: Andrew Whelan (Sydney)*

**\* Retirement Segment:** The industry responsible for helping individuals save for the retirement phase of their lives

**Sub-Segments:**

- **Plan Provider:** Entity that creates, sells and manages a plan sponsor's retirement savings plan.  
The record keeper may be the same entity, or the provider may instead outsource that function to a third-party record-keeper primarily due to reasons of scale.
  - Fund company, insurance company, brokerage firm or other financial service company
- **Plan Sponsor:** Entity that establishes pension plans, including retirement savings plans (401k, etc.)
  - Corporation, government-sponsored DC plan, ...

*Retirement Segment Global Solutions Leaders: Brock Johnson and Sue Watt (Non-US)*

**\* Redistributor Segment:** A firm that buys our products for the purpose of redistributing them through its own products. Typically it requires a different economic arrangement in which we are paid royalties for units sold or we contract directly with their end client who wants to use our product (data feeds, mainly) through that firm's own offering (financial software, mainly). It can also include barter arrangements.

**Sub-Segments:**

- Advisor
- Media
- Exchange
- Regulator
- Third-party integrator / data aggregator

*Redistributor Segment Global Solutions Leader: Joanna McGinley*

**\* Individual Investor Segment:** Serving a broad spectrum of needs of the motivated individual investor

*Individual Investor Global Segment Leader: James MacGlamrach*

**\* Commodities & Energy Segment:**

*Commodity & Energy Segment Global Solutions Leader: David DaSilva*

**Other Sub-Segments We Serve:**

- Investment Consultants
- Professional Services: Tax /Audit/Accounting, Management Consulting, Legal
- Industry: Regulatory Body, Trade Association, Government/Central Bank, Index Provider
- Other: Academic Institution/Library, Debt Issuer, Research Service (Financial, Marketing)