

Information security (cyber security): what procedures and resources are implemented at asset management companies (AMCs)?

Data from AFG survey
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A REPRESENTATIVE AND DIVERSIFIED SAMPLE

- Data gathered from all AMC's who are members of the AFG, carried out between April and June 2017.
- The sample (see list of AMC's at the end of the document) comprises 65 AMC's or management groups* who represent over 80 AMC's. These include 27 AMC's who are subsidiaries of a financial group and 38 entrepreneurial AMC's.

On the basis of the value of assets managed, the sample is composed of:

- 12 AMC's managing over €20 billion
 - 22 AMC's managing between €1 billion and €20 billion
 - 31 AMC's managing less than €1 billion
- The 65 AMC's in the sample collectively manage assets of €3,309 billion and employ a workforce of 12,815 FTEs.

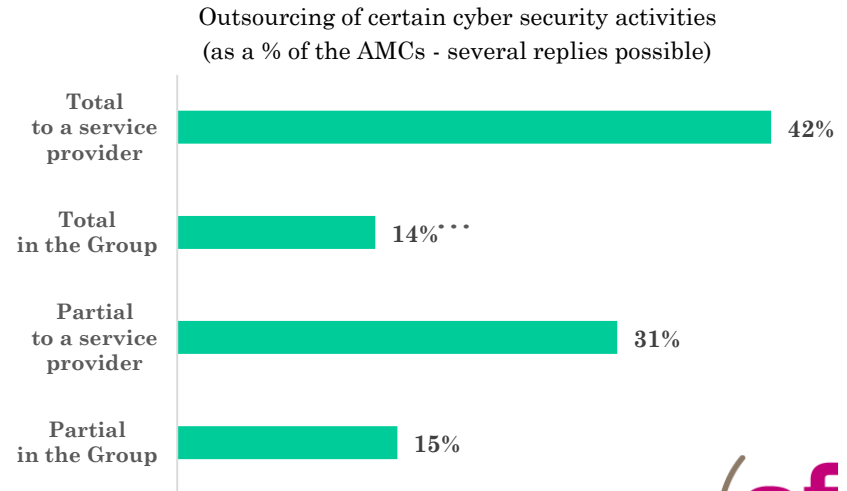
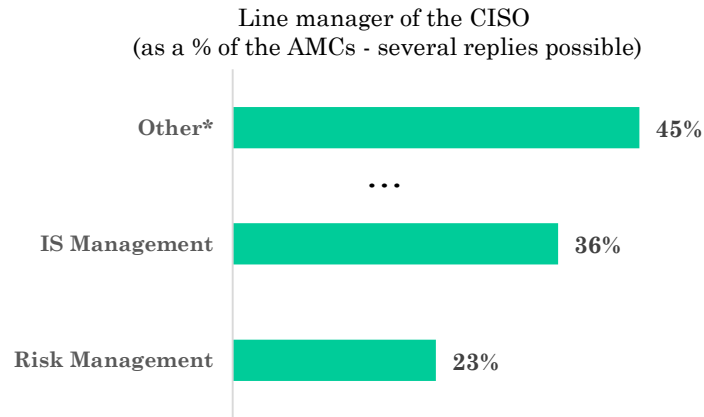


1. ESTIMATED INTERNAL WORKFORCE AND BUDGET DEDICATED TO INFORMATION SECURITY

- Internal workforce dedicated to the definition and implementation of information security procedures (as a % of the total workforce):
 - AMCs managing over €20 billion: between 0.3% and 1%
 - AMCs managing less than €20 billion: between 1% and 5%
- Estimated budget dedicated to information security (as a % of the IT budget):
 - AMCs managing over €20 billion: between 2% and 5%
 - AMCs managing less than €20 billion: between 10% and 30%
- Main biases: part of the resources (workforce) and/or expenses may be provided by the parent company. It is difficult to break down the workforce and costs, particularly in relation to information security activities.

1. ORGANISATION (INTERNAL RESOURCES AND OUTSOURCING) OF INFORMATION SECURITY ACTIVITIES

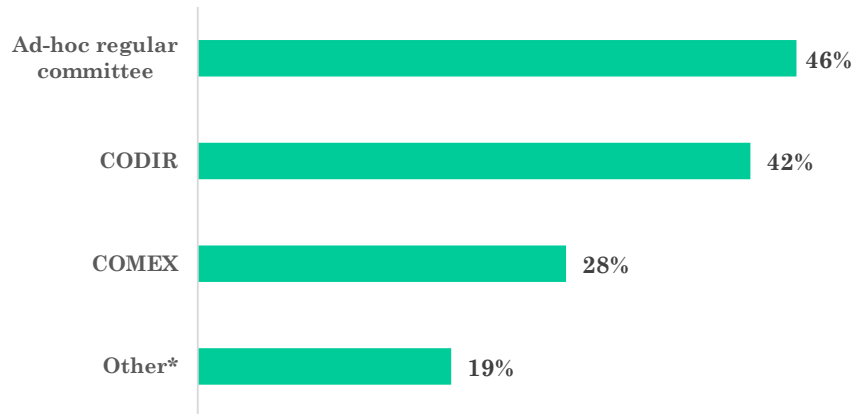
- Half of the AMC's in the sample confirmed that they employ someone as Chief Information Security Officer (CISO)
- Of these, around 40% of the AMC's confirmed that this person is entirely dedicated to this role.



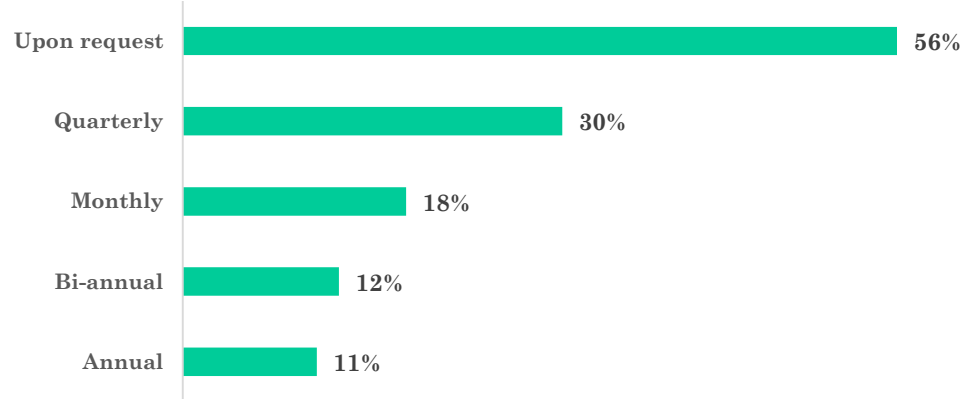
* CEO, corporate secretariat, parent company CISO, etc.

2. INFORMATION SECURITY ORGANISATION AND GOVERNANCE

What authorities are security risks reported to?
(as a % of the AMCs - several replies possible)



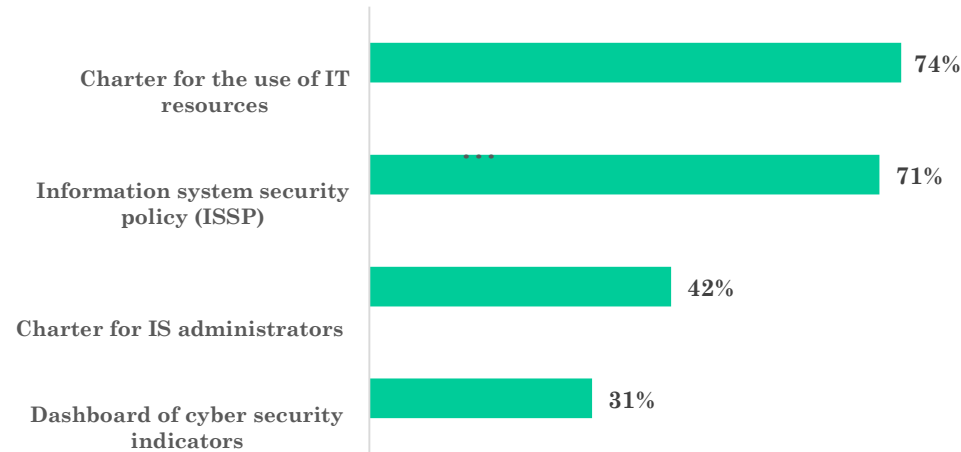
How frequently?
(as a % of the AMCs - several replies possible)



* Information systems management, Operational risk management, etc.

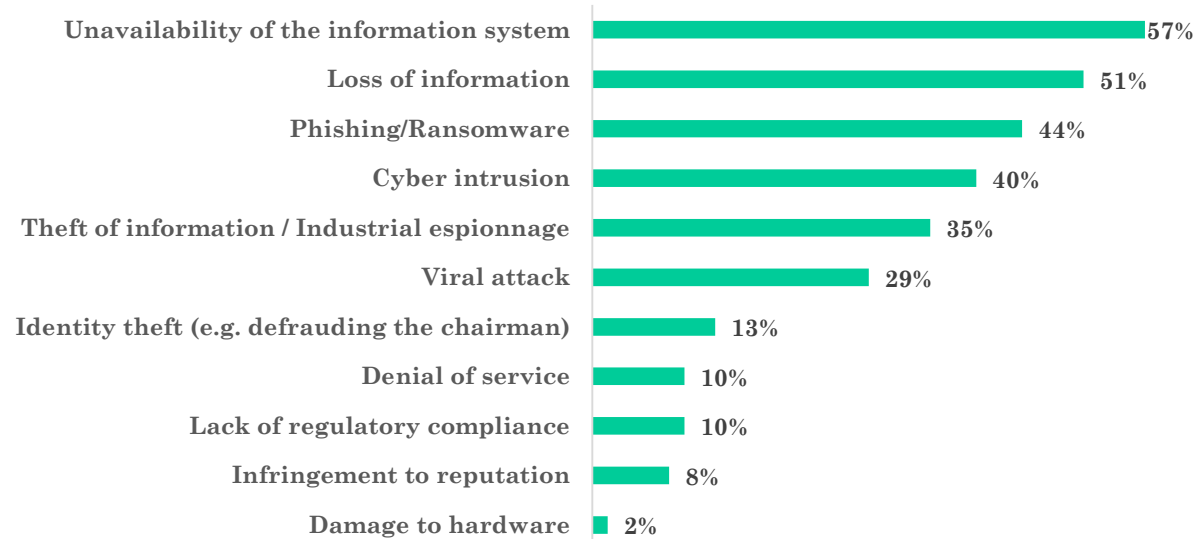
3. INFORMATION SYSTEM SECURITY POLICIES AND STANDARDS

Information system security policies and standards
(as a % of the AMCs)



4. INFORMATION SYSTEM SECURITY RISK MANAGEMENT (1)

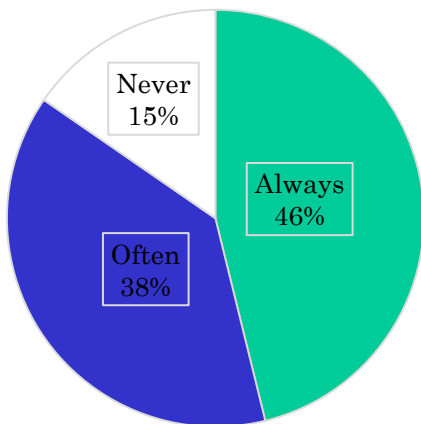
What are the principal 3 risks of concern to your company in relation to cyber security? (as a % of the AMCs)



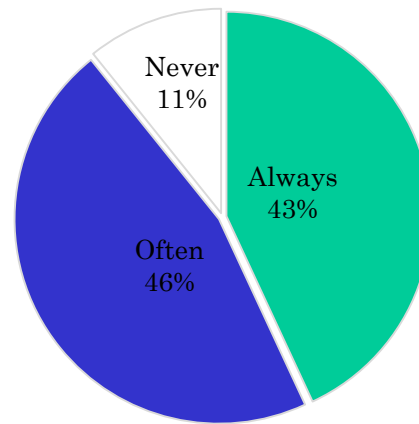
4. INFORMATION SYSTEM SECURITY RISK MANAGEMENT (2)

- 40% of the AMCs have mapped their most critical applications on the basis of the 4 criteria: Confidentiality, Integrity, Availability and Traceability.
- 15% of the AMCs have specific insurance against the risks associated with cybercrime.

When you enter into contracts with your service providers do you include specific terms relating to information security?
(as a % of the AMCs)



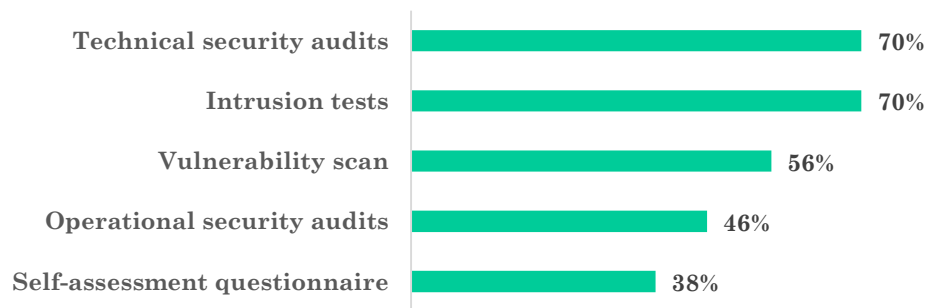
Are cyber security risks taken into consideration in your projects?
(as a % of the AMCs)



5. CONTROL MECHANISMS

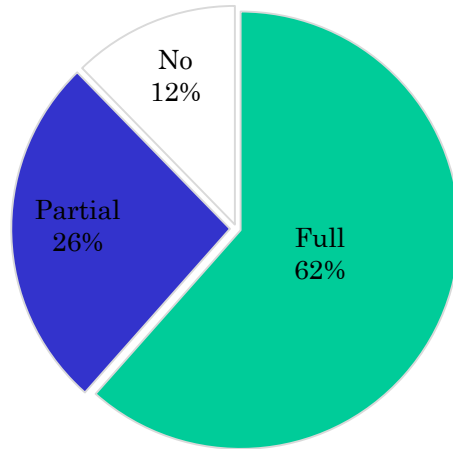
- For 3/4 of the AMCs the company's control programme incorporates information security controls

Nature of the security controls put in place
(as a % of the AMCs - several replies possible)

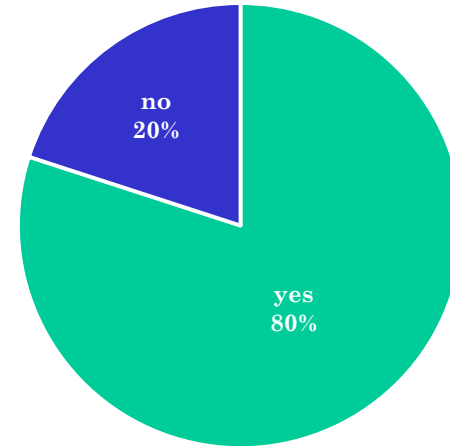


6. PROTECTIVE MEASURES (1)

Is there an inventory of the network connections?
(as a % of the AMCs)

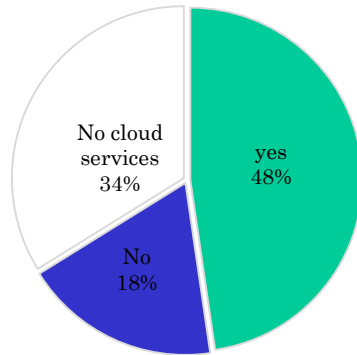


Is there an inventory of the priority accounts?
(as a % of the AMCs)

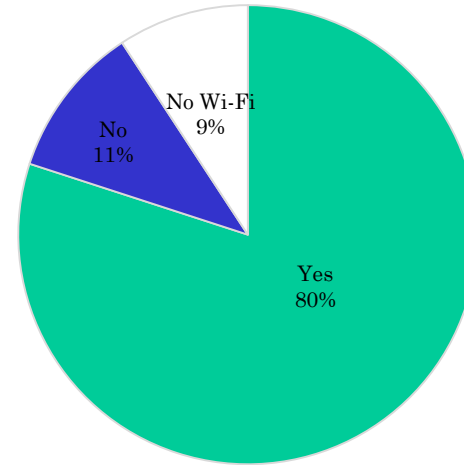


6. PROTECTIVE MEASURES (2)

Have you implemented any protective measures for the “Cloud” services?
(as a % of the AMCs)

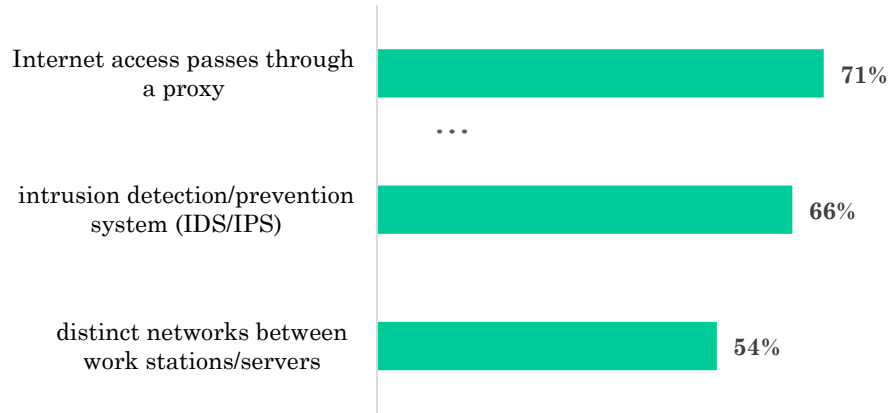


Are the Wi-Fi networks separated in accordance with use?
(as a % of the AMCs)

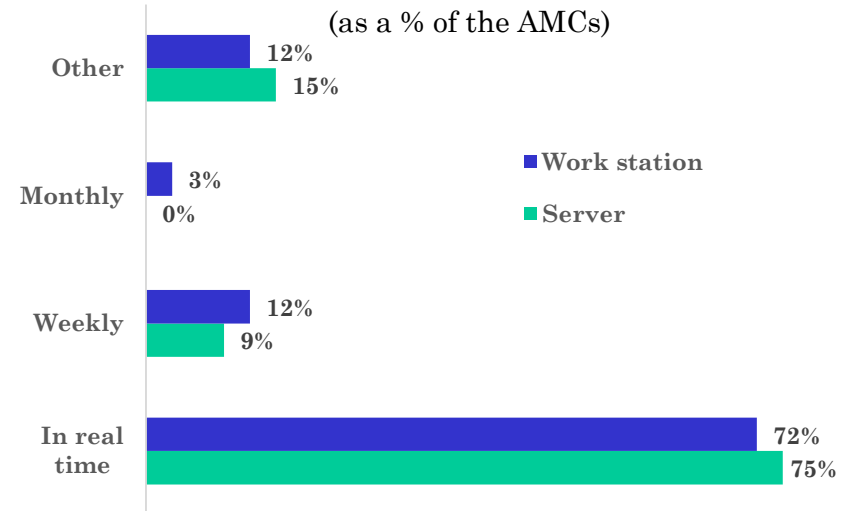


6. PROTECTIVE MEASURES (3)

Protective measures

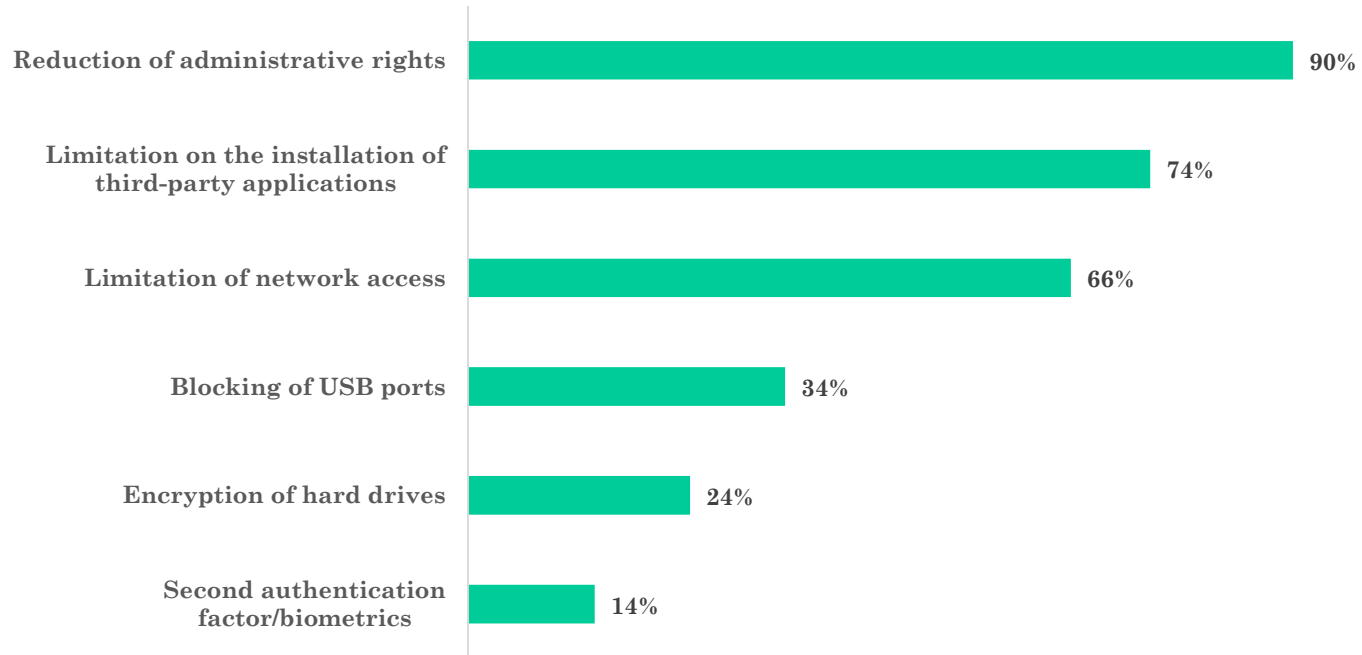


How frequently do you update your antivirus software?
(as a % of the AMCs)



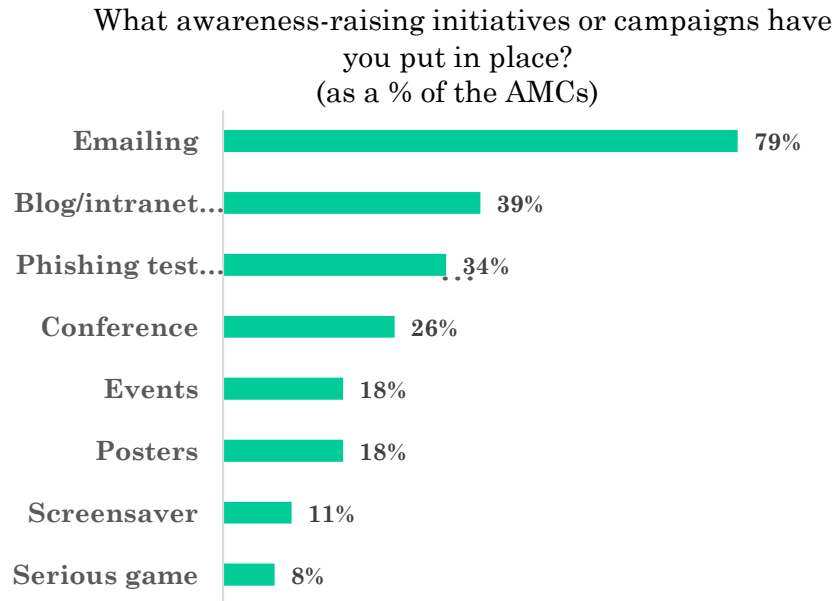
6. PROTECTIVE MEASURES (4)

What additional measures have you implemented to secure the work stations?
(as a % of the AMCs)



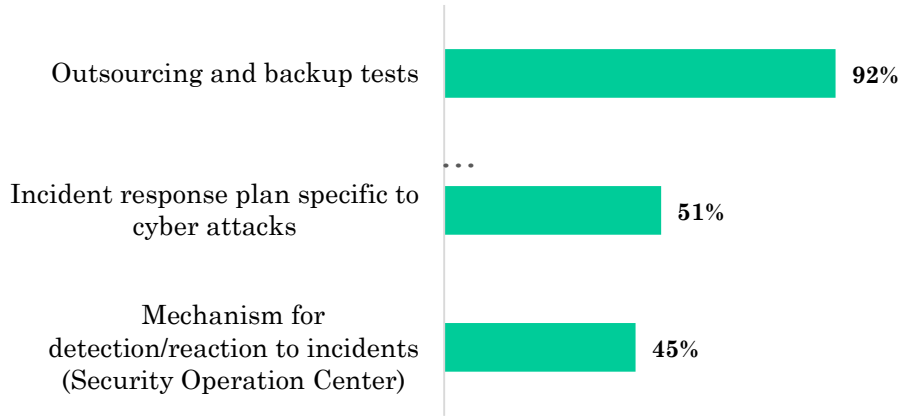
7. AWARENESS-RAISING AND COMMUNICATION

- Over half of the AMCs have set up a regular awareness-raising programme for users

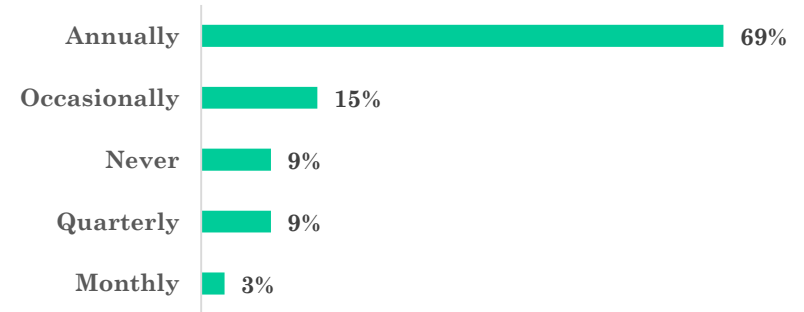


8. INCIDENT RESPONSE AND BUSINESS CONTINUITY MANAGEMENT

Incident response and business continuity management (as a % of the AMCs)

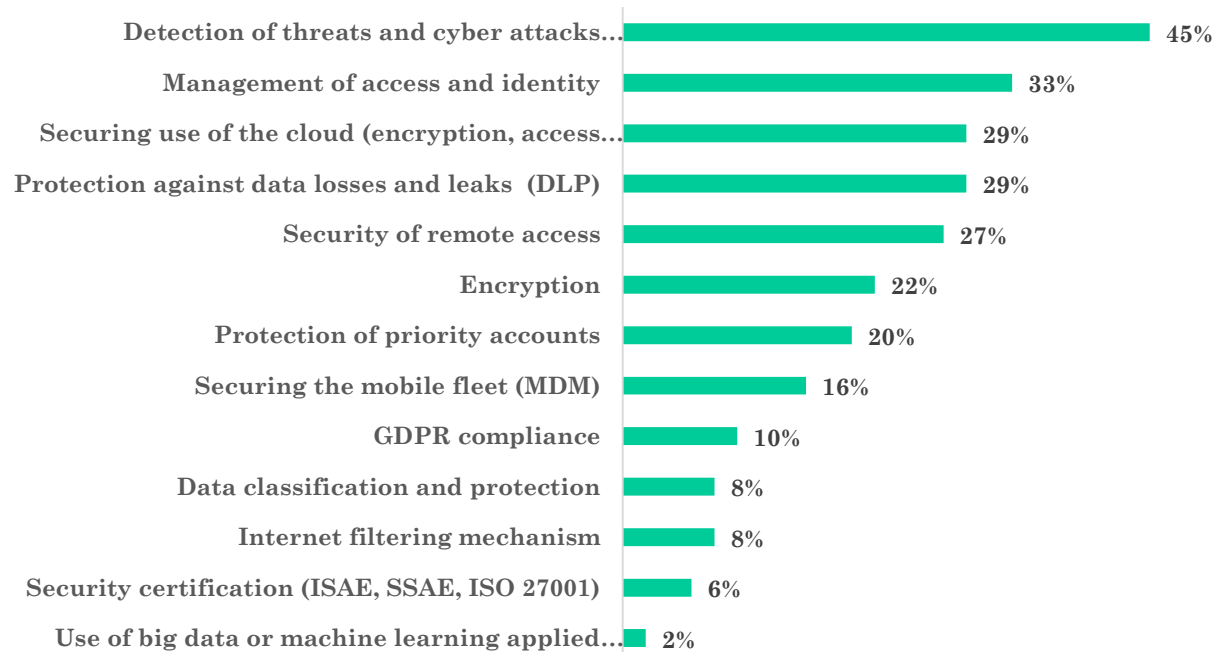


How frequently are these tests carried out? (as a % of the AMCs - several replies possible)



9. IS SECURITY PROJECTS

Name the principal projects which are under way or due to be started
this field.
(as a % of the AMCs)



LIST OF AMCs IN THE SAMPLE (1)

ABN AMRO INVESTMENT SOLUTIONS
AESOPE GESTION DE PORTEFEUILLES
ALTERNATIVE PATRIMONIALE AM
ALTO INVEST
AMUNDI Groupe
ANAXIS ASSET MANAGEMENT
AUXENSE GESTION
AXA INVESTMENT MANAGERS PARIS
BALBEC ASSET MANAGEMENT
BDL CAPITAL MANAGEMENT
BNP PARIBAS ASSET MANAGEMENT
BOUSSARD & GAVAUDAN GESTION
CANDRIAM FRANCE
CIAM
COMGEST SA
CORUM ASSET MANAGEMENT

DARIUS CAPITAL PARTNERS
DIAMANT BLEU GESTION
ERES GESTION
EUROPANEL RESEARCH AND ALTERNATIVE AM
FEDERAL FINANCE GESTION
FIL GESTION
FINANCIERE ARBEVEL
FINANCIERE DE LA CITE
FLORNOY & ASSOCIES GESTION
FRIEDLAND GESTION
FUNDLOGIC
GROUPAMA ASSET MANAGEMENT
GSD GESTION
HUGAU GESTION
IDINVEST PARTNERS
IM GLOBAL PARTNER

LIST OF AMCs IN THE SAMPLE (2)

INDEP'AM
ISKANDER
J. DE DEMANDOLX GESTION
KEREN FINANCE
KEYQUANT
LA BANQUE POSTALE ASSET MANAGEMENT
LA FINANCIERE DE L'ECHIQUIER
LA FRANCAISE Groupe
MANDARINE GESTION
MCA FINANCE
MESSIEURS HOTTINGUER & CIE - GESTION PRIVEE
MONETA ASSET MANAGEMENT
MONTSEGUR FINANCE
MYRIA ASSET MANAGEMENT
NATIXIS ASSET MANAGEMENT
ODYSSEE VENTURE
OFI Groupe

LOUDART GESTION
PALATINE ASSET MANAGEMENT
PHILIPPE HOTTINGUER & CIE GESTION
PROMEPAR AM
RGREEN INVEST
SAGARD
SCHELCHER PRINCE GESTION
SEVENTURE PARTNERS
SOLUTIONS D'EPARGNE ET D'ASSURANCE
SUNNY ASSET MANAGEMENT
SYCOMORE ASSET MANAGEMENT
TAILOR CAPITAL
TRECENTO ASSET MANAGEMENT
TROCADERO CAPITAL PARTNERS
VARENNE CAPITAL PARTNERS
VESTATHENA

About the AFG:

The Association Française de la Gestion Financière (French Asset Management Association - AFG) represents and promotes the interests of third-party portfolio management professionals. It brings together all asset management players from the discretionary and collective portfolio management segments. These companies manage nearly €3,800 billion in assets, including €1,800 billion in French funds and approximately €2,000 billion in discretionary portfolios and foreign funds.

