

Oxford University Endowment Management: Purpose, Strategy and Implementation - Sandra Robertson, CEO & CIO of OUem

Sandra Robertson

To be honest, I think the next 10 years will be really exciting. You've got incredible innovation happening, not just the companies that we invest in, whether it's biotech or AI or software. Also, I think what we do and how we do it has changed so dramatically.

Simon Brewer

Welcome to the Money Maze Podcast. I'm Simon Brewer. Will Campion and I have created this show to explore and unravel some of the mysteries surrounding the investment business. You can keep up to date by visiting moneymazepodcast.com, and please sign up to our newsletter to ensure you won't miss a release. If you enjoy this show, please subscribe and we'd love you to tell a friend or colleague about it. Thank you for listening.

Simon Brewer

What did J.R. Tolkien, Emma Watson, Oscar Wilde, Indira Ghandi, Hugh Grant, Benazir Bhutto, Margaret Thatcher, Niall Ferguson and Dr. Seuss all have in common? They attended Oxford University, which for nearly 1000 years has been educating some of the brightest of British and global youth. To have proved so permanent and excellent is testimony to many forces, not least remaining financially sound. In order to be around for another thousand years, managing Oxford University's finances and its assets will be essential. So today, we're discussing Oxford, specifically Oxford University Endowment Management, OUem, and we're delighted to have its founding Chief Investment Officer and CEO Sandra Robertson. Sandra, welcome to the Money Maze Podcast.

Sandra Robertson

Thank you, Simon. What an introduction!

Simon Brewer

Well, we've met before of course. This is our opening episode of 2024 and I hope we're going to pull back the gown in a minute to hear about Oxford's investment approach. But we do need to start with you, Sandra. There's no escape. I want to ask you whether the first pound you earned was English or Scottish.

Sandra Robertson

Well, it was definitely Scottish.

Simon Brewer

How?

Sandra Robertson

Well, I started working at 13, you could work at 13 then. We had in a tiny village that I lived in the bottom cafe and the top café, very imaginatively named. And I worked for 50 pence an hour on the bottom cafe serving people, making cheese and onion toasties. A very humble start to my career.

Simon Brewer

That was akin to me at Bristol Zoo serving chips to the Welsh folks who came in their private coaches. Anyway, we all have this perhaps mistaken sense that the Scots have always been very good at discipline, if not frugal, careful, things that could stand you very well for a career in investing. But was any of that applicable?

Sandra Robertson

Well, I always joke with my team I'm going to write a book called 'The Accidental Investor'. I think for me growing up, education was a big thing in our family. Prudence, my dad, had various businesses during the '70s and it was very hard for small businessmen to survive in the '70s. So for us, it was about education, education, getting away from a small village that we were. Going to university was seen as the main route. I remember I wanted to be a journalist. How incredible is that? But I was a child of the Thatcher years. It was get a good degree behind you and then you can go off and do journalism if you want, but get a good grounding in business, in economics and finance, and I think that was very much for my parents.

Simon Brewer

I actually also read that there was a flirtation with the idea of becoming a ballet dancer as well, wasn't there?

Sandra Robertson

Yeah, I danced from about the age of 6 up until the age of 14, and I wasn't good enough, Simon. That's what I would have loved to have done, but I think you realise at quite an early age if you're good enough to do that, and I wasn't.

Simon Brewer

You graduated in 1991. What was the magnet for finance?

Sandra Robertson

With my degree, you had a very good grounding in finance. And being in Edinburgh, there was a lot of opportunities in that area. It was more again of an accident. I just fell into various roles in the finance sector that paid relatively well compared to waitressing, and actually, I enjoyed it. I enjoy that. Solving a puzzle, understanding the markets. So I just think I fell into it but kept going.

Simon Brewer

The first big job is the Wellcome Foundation. I know it wasn't your first job, but it's a really important job. For those listening around the world who may not be familiar with the Wellcome Foundation, it's one of the most important medical charities in the world. I think it's now the largest of its kind in the UK at nearly £40 billion. We've just had this interview with Michael Milken where he specifically talked about the significant extraordinary role that it does. But when you joined, it wasn't £40 billion and it was very embryonic. So just tell me about how you started with your colleague or colleagues to build an investment approach.

Sandra Robertson

Well, there's some layers to it. When I joined, I think I joined really as a temp because they didn't know if they needed an investment department. My boss had come from the Civil Aviation Authority. There wasn't a Chief Investment Officer at that time. It was just the two of us. But the trust had formed an investment committee, and that investment committee was really very entrepreneurial. The Wellcome Trust at that time was run by mainly scientists. And I think to get to the top of a science profession, you have to be a bit of a maverick. So they were really looking for the best way to do things as opposed to looking at what other people had done. We were different from most pools of capital. We were a foundation. There weren't many big foundations in the UK. At that time, certainly, nobody talked about endowments in the UK. So we looked at the US and we said, okay, what have these large pools of capital done? Mainly invest in equities, so that should be our focus. We were always

taught bonds were evil, and so for us, it was very much a let's get an equity portfolio. We were a small team, so it was very much about finding investment talent to manage our money. And then over time, it grew. The finance director of the trust became the chief investment officer. We grew our staff. We widened what we invested in. I think we made our first commitment to a private equity fund in 1995. And that was interesting because it was a limited partnership structure. Our lawyers at the time had advised us to go to the Charity Commission to make sure we could invest in a limited partnership. That's how nascent it was in those days. And I think it was a mixture of having scientific governors who were very much evidence-based, if you want to invest in something, tell us how it works, an investment committee who were global and entrepreneurial. And then I think for us as a team, we were intellectually curious. So it was a mixture of things. I'd love to say it was a well-planned and orchestrated move, but it was very much that's a great opportunity, let's go look at it.

Simon Brewer

Although I'm jumping ahead with this, but just thinking about your comment of the investment committee was staffed with a lot of entrepreneurial people, I think today, lots of investment committees are not staffed with entrepreneurial people, they are staffed with investors. Was that particularly important? If so, why?

Sandra Robertson

It was important because they were comfortable with new things. They were comfortable with us having a different approach. I think what you've seen in a lot of the investment industry, particularly in institutions now, is people talk about risk in a different way. They talk about relative risk, not absolute risk. They talk about risk relative to a benchmark as being risk. So for us, risk was the absolute loss of capital at that time because a foundation, you didn't have money coming in. It wasn't like an endowment. It wasn't like a pension fund. So the assets we had were very precious.

Simon Brewer

By the time you leave after I think 14 years, it looks like a very different beast that is up and running and got this great reputation. What were the two most important lessons that you'd absorbed?

Sandra Robertson

I think there were lots. The first one was the governance structure is really important. Empowering the investment team to make decisions was really crucial to the success of Wellcome. And having an investment committee who really understood investing was really, really important. The next thing was I think this focus on absolute return and not being constrained by traditional asset allocation models and this whole concept of something's more risky because you deviate from a benchmark. So they were really important lessons I think really that I took with me.

Mid-Roll Ad Break 1

Simon Brewer

I think I heard or read that you might have turned them down five or six or seven times. Why OUem?

Sandra Robertson

OUem didn't exist when I joined. I think that really what turned my head was that I was asked to go out for dinner with the new chair of the investment committee. Oxford had had a big review. For those people who don't understand Oxford University, it's a collegiate system. So there's the central university and then there's at least 38 colleges. All the colleges have their own endowments. They are all separate sovereign bodies. So they have their own trustees, they can choose how to invest their endowment, and then there's the central university. And it was the central university that I joined. When I was at Wellcome, we always used to bump into Harvard

and Yale and Stanford. We were always fighting for allocations at the very best managers. And when I was asked to go out for dinner with the chair, he showed me Oxford's investment portfolio, and I just thought, oh, my God, I can do better than that. For me, education is really important. And being a UK institution, it was really important as well. By sorting out their investment portfolio, I knew I could make a difference.

Simon Brewer

So how do you explain your role today?

Sandra Robertson

My role today is very different from when I started. Today, we're a 30-person business. We have 45 institutional investors. As a CEO, I'm responsible for the revenue, for the profit and loss, for investor relations, for business development. And as a CIO, I'm responsible for the strategy of the investment portfolio, the risk management of the portfolio, the development of the team. So yes, it's a very different role today than it was.

Simon Brewer

Am I right in saying although your principal objective is to manage money on behalf of the university and some of the colleges, you are able to take charitable mandates outside of the system?

Sandra Robertson

We have one main client, and our main client is the Oxford Endowment Fund. It's unitised. It's an unauthorised unitised charitable trust. So when any institution comes in, they buy units. The central University of Oxford is the largest investor with about 60% of the fund. The remaining charities are colleges, trusts. There's some enormous trusts larger than colleges in Oxford. And then we have six UK foundations that have also come in and bought units in the trust.

Simon Brewer

If we talk about the investment goal, how do you explain it simply?

Sandra Robertson

Five percent real over a long time horizon. It's not a year-by-year measure. That's an incredibly challenging investment objective. Equities have done that over a very long period of time. Some periods of time, you look like a genius. Some periods of time, you feel like an idiot. Inflation has not been kind to us in the last few years. But over the last 14 years, we've achieved our investment objective.

Simon Brewer

So it's going to be a more growthy portfolio. You've talked already about always avoid fixed income, which was probably the lessons that have been learned carefully and painfully in the 1970s and then they were all lost again, and then suddenly, they've been relearned, and then we get this huge backup in yield. Did you at that point go, well, actually, there is a place for fixed income in our allocation, whether it was more credit or longer duration, or was it simply, we just don't need to be in fixed income?

Sandra Robertson

Well, we've got very much an equity-dominated portfolio. So we'll always be between 70 to 80% in equity. But of course, equity doesn't always work. We pay out around 4% of our fund each year. That's what we're there for, to generate gains so that our investors can carry out their charitable activities. So we try and keep up to 20%, it might be more, of the fund in other assets. Those other assets can be credit. We've had around 8% in credit over the last 12 months, but that tends to be quite specialised credit. We have no allocation to long-duration bonds.

They are starting to look a little bit more interesting. But we have around 10% of the portfolio today in very short-dated bonds and cash.

Simon Brewer

Now, as I looked at the skill set that you have, there seems to be quite a well-established property expertise. I think that when I looked going back, the property weight was quite light. And I wonder now given dislocations and a whole reorientation what you're thinking about the world of property and how you are deploying capital if you are.

Sandra Robertson

Well, we haven't deployed any capital recently because prices have not moved as much as you think they might have done. We've looked at some deals coming through, but we've been quite surprised at sellers' expectations. So I don't think we've seen that shift yet. There's clearly assets that are distressed, distressed for a reason, commercial real estate, in terms of offices. But unless we can see a way to redevelop those buildings and still come out at the other end with all the environmental and flexible space and everything else, we've just passed on a lot of opportunities.

Simon Brewer

If we step back and we look at those investment opportunities or possibilities, where do you see either too much capital or not enough capital that is beginning to influence your thinking?

Sandra Robertson

It's quite interesting because you don't see the absolute volumes of capital. What we tend to see from where we sit is investor appetite for areas. So there's certainly a demand at the moment. Everyone is interested in the big multi-strat hedge funds. Everyone seems to be wanting to deploy capital to AI. And private credit, definitely an area where there's been a lot of attention on that. Where we are seeing a little bit more of a struggle certainly is the UK market on the small to mid-cap area. We're also seeing really on the private equity side perhaps people that are raising their third or fourth fund who haven't had exits from their first or second fund. I think that's going to be really tough, really tough. Money raised certainly towards the end of '19, deployed in '20, in '21, valuations look great. They really are starting to come down now. So I think that's going to be a very tough space for these younger managers who don't have realised track records.

Simon Brewer

I'd love to zoom in on two of those. Private credit, it was Huw van Steenis who was a guest, Vice Chair of Oliver Wyman, who was a guest a while back, a former colleague of mine who was writing in the FT last week about the private credit opportunity. How do you think about it? Because this whole industry has, I guess, disintermediated some of the banks. Maybe the banks didn't want to be in some of it. But how do you think of it as an investor? Because every private equity firm has got a private credit arm.

Sandra Robertson

Huw is on the university's investment committee, and I love him dearly. He's a fantastic investment committee member. I would say for us and the returns that we need from private credit, we're picking our spot carefully. Probably if we do allocate more to that area, it will be in the distressed credit side as opposed to plain vanilla private credit. For us, the illiquidity of these vehicles is quite tough. If I'm going to take illiquidity, I'd much rather go where my upside wasn't capped, so that would be equity. And I think it's going to be interesting to see how groups with both credit and equity products as companies need to refinance get into a little bit trouble, how that's going to play out. I'm not sure how that's going to play out over the next three years.

Simon Brewer

Let's turn back to the UK. We've had some discussions on the Money Maze about this, lots of ways of describing it, but the absence or the departure of capital for all sorts of reasons over the last four decades. We see pension fund allocations in the UK now I think below 3%. In various discussions, we had one at the Money Maze dinner the other day with Peter Harrison and various other people involved in the whole process of trying to encourage UK capital. Meanwhile, we see week-by-week deals coming along where firms are being bought out. I think it was Hotel Chocolat was taken out of some big premium the other day. So how does this get resolved? Because ultimately, the essence of capitalism is that it resolves under and over pricings.

Sandra Robertson

Well, it's interesting, isn't it? I know pension funds have come in for a lot of criticism on this. But when I started my career, pension funds were one of the most, certainly corporate pension funds, was one of the most innovative investors that you saw, but they are drowning under legislation and rules and regulations. So it's been very hard for them to I think be as innovative as they once were. And they tend to follow benchmarks. The MSCI ACWI has around 3 to 4% of the ACWI in the UK. So it's hard to know how it's going to resolve.

Simon Brewer

Yes. For listeners, the ACWI is the All Country World Index. And yet if you took Japan which had a similar weight, a year ago, people were disregarding Japan and not interested and suddenly Japan has this huge uplift as lots of changes have come into force companies to act in the interest of shareholders. So I wonder, I'm quite intrigued with that opportunity. But whilst you are unconstrained and you see the valuation case, how do you join the dots to make an investment decision or not in regard to UK equity?

Sandra Robertson

So really interesting. I met with a fund manager last week, a very innovative young man, it makes me sound so old. And he has been buying UK companies, small mid-cap. The companies themselves are really interesting. They're growing well, they're being ignored. And I said, so that's all very well, but you've got a small amount of capital, tell me when the market will care. And it's quite interesting. I said, talk me through who else has invested in these companies because you do need of course a certain amount for change and for the market to care. And he said, well, there's hardly any UK equity fund managers left, there's hardly any at this level. And those at this level don't really want to get involved to this type of activities. And this isn't taken out of the board. It's just actually going and generating interest in the company and helping management teams sell their story. So I think it's really hard. For us, we're starting to look at that opportunity. It is quite interesting. There are some great companies in the UK market, but it's also tough for companies to go public in the UK market as well. People don't really seem to care.

Simon Brewer

I get that. And yet I suppose the beauty of managing a pool of capital that you do is not having to have some of those constraints that other managers have. I remember, it doesn't seem very long ago, where a large percentage of the Japanese market, or certainly the second-tier market, had more cash than they had in market capitalisations. And that Japan got all the way down to book value about 10 years ago which you hadn't traded to at. And if you were patient, time was on your side. So I understand the absence of capital, but I also am pushing you a bit because here's a seriously undervalued asset class which if those companies you just referred to are doing the right things and they are growing, time is on your side.

Sandra Robertson

It is, but ultimately, the market dictates the price. And if the market doesn't care, that's really hard. Like you, I was a big believer in Japan, I saw the stats. It did nothing for years. That's quite a high opportunity cost for our capital.

Simon Brewer

The conversation about managers and manager selection, you have a large number of managers who want to talk to you, and we'll come back to the Oxford appeal in a minute. Your scrutiny and your process has to be very well-honed. Tell me a little bit about what intrigues you first of all to take a manager meeting.

Sandra Robertson

We know what we want and we know the areas that are of interest. Who gets through our door? I suppose it tends to be if we've triangulated an individual three or four times. There's lots of people doing what we do. There's lots of people we respect doing what we do. It's very, very rare that we will be the sole funder of anyone. So we have networks, deep networks and relationships. For me, it tends to be yes, you should meet this person. If I hear that two or three times on the strategy sense, we want to understand, is somebody operating in an area where they've got a real competitive advantage? What is that competitive advantage? How much capital is in that returns to be competed away. And on a forward basis, how's the industry or the market changed? So that tends to be the sniff test. You talk to somebody, they'll come in. And when you've been doing this for 30 years, you tend to know how to spend your time. But if you're at a more junior level, the reality is, Simon, you have to meet lots and lots of people because you have to be able to meet a lot of people to differentiate and really start to figure out who's good or bad. But at my stage, I can choose who I see.

Simon Brewer

Conversely, having done all that work, and there's been this triangulation and the best efforts in the world, the investing businesses full of pitfalls. What are those early red flags that maybe you've become better at sensing?

Sandra Robertson

Well, there's two. One is assets under management and if they've grown rapidly, if they have not maintained discipline in their size. So sometimes, someone will come and sell a strategy to us and say a billion dollars it works. And you can understand why it works, a billion dollars, and then suddenly they're \$5 billion, and you say, okay. And then the second thing which usually follows the first actually is they start to change the strategy for the assets they have under management. If that happens over a long period of time, it's less of a concern. But if it happens relatively quickly, it's usually a bad sign.

Simon Brewer

I'm going to ask you a question that I don't really believe in, which is that I wanted to ask you what might change in the world of investment management in terms of opportunities over the next 10 years. That reminds me of the late Paul Volcker who said the best invention in the previous 30 years has been the cash machine when it came to financial services. Is there something out there on the landscape, either an approach or thematically that you think could be significant?

Sandra Robertson

Well, we're always looking for the fat pitch, aren't we? To be honest, I think the next 10 years will be really exciting. You've got incredible innovation happening, not just the companies that we invest in, whether it's biotech or AI or software. Also, I think what we do and how we do it has changed so dramatically. Thirty years ago, there were no podcasts like this. We used to get a weekly update from Bethany McLean. Do you remember that? In 1999, it was fantastic. It was the highlight of our week. There's so much written about the world of investing. There are so many opportunities. There's really not any more secrets anymore. It's very hard. Venture

capital was the secret of the endowments and the foundations. It was hard to access. People could choose their investors. That whole industry has changed beyond recognition today, but it will bring new opportunities. I think times like this is when great talent tends to spin out as well from larger shops. It's very easy to say, oh, well, interest rates are higher, there's going to be no opportunities. It's going to be harder. I think you've got to be more flexible. You've got to be nimble. You've got to be open-minded. For us, it's about backing really smart people, and that's not going away anytime soon. And then you've got AI. Hopefully, certainly, my analysts thought AI is going to get rid of the drudgery, but that's an exciting opportunity for our industry.

Mid-Roll Ad Break 2

Simon Brewer

You made an interesting comment about risk earlier on. I want return to it because two recent guests, Roz Hewsenan of the Helmsley Foundation said volatility only works against you if you have to sell, and Scott Bessent of Key Square Capital and former Soros CIO said risk is probability and severity, which I thought was a particularly pithy way of observing it. How do you think about risk?

Sandra Robertson

Well, there's multiple layers of risks. For us as an endowment, the main risk is that we somehow deplete the real value of the gifts that have been donated to the University of Oxford because that is the money that we're managing. It's not their working capital, it's not their buildings fund. So it's really important for us to try and have that intergenerational equality. And then the second thing is the absolute loss of capital, because we can't replace it. And I think that probability and severity is right. What is the probability of complete capital loss in something like venture capital? It's high. You don't want that behind property, so that's why we have a diversified portfolio. And you have a different range of returns that you're willing to accept for each strategy.

Simon Brewer

The other, and it is a newer issue I think skulking around me here in the investment camp, are the students. And we've noted at several universities, we sponsor 10 finance societies at universities around the world now, but students are quite rightly passionate and feel they need to express their views, and that has leached into some investment processes, whether it's the exclusion of oil companies. Has that been something you've had to contend with at Oxford?

Sandra Robertson

Well, you have a very engaged set of beneficiaries and you have very engaged, passionate students. What I would say is that the students of course are the alumni of the future and the potential donors of the future. So for me, yes, we do get campaigns from time to time. The central university did agree to ban direct investment in fossil fuel companies a few years ago. But that wasn't the students necessarily, that was more of the academics and the students altogether. We have mechanisms where people have the ability to discuss these issues, raise these issues. But I think you're going to get that in any university. I think it's how it is managed, making sure people are listened to. But it's part of life in a university. We didn't have that when I was at the Wellcome Trust.

Simon Brewer

Of course. The other part is the magnetism of Oxford. We know that it has a magic dust. That means that people will seek you out and you have an altar, sort of an exalted position. How do you sift this blizzard of information coming at you?

Sandra Robertson

Every investor has the same amount of information. I think for us, it's the brand of the University of Oxford. When we started, we were not known for being an investor. So I think over the last 14 years, we've built up a brand as an investor. People who don't know OUem but perhaps think of the university endowment office sometimes underestimate the skill set that's in the team. Often, people underestimate our appetite for risk because they just see UK charity, therefore, they must invest in a particular way. But we've done a lot over the last few years to make sure that people understand how we invest. There's a lot on our website. Yeah, there's no doubt that every door can open for the University of Oxford. But the disadvantage of that as well is that we get a lot of inbound and we have to manage that. We're simply a small team. We can't answer everyone's email. Everyone thinks we've got the best thing since sliced bread.

Simon Brewer

That leads us to your team and to hiring. What are the most important characteristics you want to identify, see, feel in that candidate that you are seeking to add?

Sandra Robertson

Intellectual curiosity and teamwork. We hired two pretty senior guys recently, and a lot of our focus was on their ability to mentor the next generation coming through. Because we're generalists. We sit in a very privileged position. We don't have high turnover. So that means that the senior level can be there for a long time. So for the junior level, you have to mentor them in such a way that if there's no space upstairs, they're confident enough to go out into other areas and continue to grow their careers.

Simon Brewer

I listened yesterday actually to Nicolai Tangen of the Norwegian Sovereign Wealth Fund who's been a guest who runs his own podcast, and he was interviewing James Gorman, CEO of Morgan Stanley. Gorman was being asked about the interview process, and he says that he will say to the candidate, give me five words that people would use to describe you from your mother to your work colleague. And he said when you ask people like that, they don't have time to lie. I also want to talk about investment committees. You've alluded to Wellcome's success in having entrepreneurial figures. How does it work?

Sandra Robertson

OUem Limited does not have an investment committee. We have full delegated investment authority. We work with an investment management agreement. We're a regulated investment manager. So all the investment decisions are taken within the business. The university's investment committee is what we would call the anchor investor for the endowment fund. So they will set the ranges around which we can invest and they will set the investment strategy and some of the risk parameters. They do not get involved in any individual investment decisions. They meet three times a year. We have a general investment discussion. We'll have a policy review. We will have specialist areas we want to talk to them about. And actually, it's a fantastic group of individuals who, if you have a great chair, they generally populate that committee with people who are going to be additive and helpful. And they view their role really as to oversee us but also as a help to us. Everyone wants this to succeed. And so individually, Huw was fantastic during you can imagine Silicon Valley Bank. Who am I going to call? I'm going to call Huw van Steenis. Chris Gradel runs Pacific Alliance Group out in Hong Kong. He's fantastic when it comes to China. So they view themselves very much as a resource to us as well.

Simon Brewer

Now, some of your former employees have spoken very nicely of you, but they've also said you banned the use of financial jargon and hieroglyphics, complexities. And it was said that that made communication much more straightforward. Tell me a little bit about why that is so important. What do you think you do well in the world of communication with your colleagues?

Sandra Robertson

Well, what we try to do is to very clearly explain why something's going to work and why it's going to continue to work. I think that really helps younger people learn. So we're very straightforward. That also helps with our investors. If you're a college and you have an investment committee, there's usually two to three people on that committee who will have deep experience in the financial sector. But there's usually three to four academics on that committee. You should be able to explain to anyone in that room what you're doing and why you're doing it in pretty simple terms. It's not rocket science what we do. There is a lot of jargon in our business, and I think it can often be used to hide things. So I think it's more let's be honest, open, upfront and explain ourselves in a way that everyone can understand.

Simon Brewer

I like when I'm intrigued so I want you to explain the hiding thing. What do you really mean by that?

Sandra Robertson

Well, if you read some investment reports, you think what on earth does that mean? I'm a CIO and I don't understand that. So I think it's that there is a lot of Greeks used. All the other stuff that goes around it creates mystery that I don't necessarily think needs to be there.

Simon Brewer

You've been a very successful female in finance. We've done some work with GAIN, Girls Are Investors. Tell me a little bit about how much or how little the ability to rise up the financial ladder as a female is today versus what you've seen in the past and what you want to see done.

Sandra Robertson

It's quite interesting. We had 10 girls through GAIN in our office two weeks ago and all super interested, actually, super informed as well. I was very impressed by it. They were all Oxford undergraduates. I didn't go to Oxford. I went to Napier University. It was a college then a polytechnic when I joined. For me, it's not just about females, it's about diversity of the females coming in too. So I think that what's quite important to me is to have a wide pool from which to pull. And I think it's just a little bit unfortunate that everyone is looking for those Oxbridge Russell graduates when there's actually a much wider pool out there of potentials, I think. If you talk to young females today about the investment business, they particularly have a view of it, and I think it's changing that. And also changing it to make sure that everyone understands investing covers a wide variety of different activities from venture capital to working for a long-short equity fund, to working for a traditional long-only manager, to working in buyouts. There's a whole range of different things that people can do, or that girls can get interest in. And I think it's just about getting that message across in a way that resonates with them.

Simon Brewer

I'm going to ask you some rapid-fire questions here, Sandra. Your most important daily habit.

Sandra Robertson

Oh my God.

Simon Brewer

Investment is so much easier, isn't it?

Sandra Robertson

Yeah. I think I am very disciplined with my to-do list. I go through it every morning and I prioritise it.

Simon Brewer

I read that you're a great walker. There are 282 Munros in Scotland. I climbed eight of them in the Kindrochit Quadrathlon a few years ago. How many have you scaled and what do you want to climb?

Sandra Robertson

Well, it's less about going up. It's much more about going round. So when I retire, one day I will retire, my husband and I want to walk around the UK.

Simon Brewer

What's the peak that isn't a mountain that you want to ascend in terms of non-financial aspirations?

Sandra Robertson

For me, it's very much watching the people in our industry that I have mentored continue to do well. I have great pride in the individuals that I hired generally for quite kooky reasons, rise in this industry and do really well. That's what gives me real pleasure.

Simon Brewer

You've had the fortune of meeting lots of terrific investors. Does anyone particularly stand out or is there anybody that you haven't yet met who you particularly want to meet?

Sandra Robertson

Different investors in different fields for different reasons, and I don't want to name them individually. But people who've got real discipline, who will tell you when it's not a good time to invest in their asset class or in their fund. I really admire that. And also people who have had a really hard time performance-wise who stick to their knitting and keep going. We've been with this manager, in fact, I've invested with this manager since 2002, and he's gone through quite a tough time recently. But he is really determined. He's really focused. I'm very happy we've got money with him.

Simon Brewer

We should just pause on that, because investing, as somebody once said, successful investing is a minority sport and there are inevitably times when you've got a headwind. But what are the ingredients that made you or persuaded you to stay with him and his mission?

Sandra Robertson

I think you can see in certain individuals an absolute determination to get back to being number one and on top. And also, there's usually a real embarrassment about how they have impacted their investors. They really want to do the right thing for their investors. And one of the things we look for in our managers is alignment of interest. So it's not necessarily some of these people of course have made a significant amount of money, but it's really understanding the impact of their poor returns on their investor base and really staying focused to get that back on track. And being open and honest about their mistakes is really important, Simon.

Simon Brewer

Yes, somebody said, I think it might have been the late Charlie Munger who made the observation that loss of memory is most pronounced in the investment industry. Which of course, my final question is, which of all the investments that you've made over the years to date have you been most pleased with?

Sandra Robertson

We do back quite a lot of first-time funds, not first-time investors. If I go through the list of groups that we've backed and they've done incredibly well, it's actually quite a long list. But from small, quirky venture groups that we backed when they were 25 million, they've just had a phenomenal exit. I think we first backed them in 2014 seed stage fund, and in all of the chaos that is going on in the venture business, they've just returned their fund with an exit. Nobody else would back them. But we've watched these groups grow over time. And so I think these groups we took a chance with when others wouldn't, that's what I'm proud of.

Simon Brewer

I think what I'm taking away from this is that very rarely would somebody appear from nowhere and suddenly get on your list. There's a lot of watching, observing, nurturing, cultivating almost before the moment may or may not come when you decide to commit capital. Sandra, I think that people will really have enjoyed understanding your approach and priorities. I'm taking away quite a lot of things, but two I've written down here is when you're hiring, two things you really look for in the candidates, intellectual curiosity and teamwork. And we talked about this challenge of having more females in finance, and you made the point that it's the diversity of the females. That goes back to the neurodiversity point that actually Peter Harrison from Schroder's has made that's essential, because maybe putting a whole bunch of Oxford graduates in the room doesn't give you the optimal outcome notwithstanding the fact that they have been to a great university. So Sandra, thank you very much for being here today.

Sandra Robertson

Thank you.

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