



PREQIN
IMPACT REPORT:
**WOMEN IN
ALTERNATIVE
ASSETS**

February 2020

Contents

- 3 Foreword
- 4 "Don't Be Shy About Leaning In" – *Aisling Keane, State Street*
- 6 "We Need to Hear from a Lot More Men on This Matter"
– *Jim Seymour, EMPEA Gender Parity Acceleration Working Group*
- 8 Where Is Progress Being Made?
- 10 "Technology Is Being Used to Create a More Level Playing Field"
– *Lizzy Buss, InfraHedge*

Asset Class Breakdowns

- 12 Private Equity
- 13 Venture Capital
- 14 Private Debt
- 15 Hedge Funds
- 16 Real Estate
- 17 Infrastructure
- 18 Natural Resources

- 19 "I Still Find Myself Sometimes Being the Only Woman in a Room"
– *Elizabeth Frumson, Laven Partners*
- 21 Women at Institutional Investors

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Foreword

The figures headlining Preqin's 2020 **Women in Alternative Assets** report show encouraging trends. In this follow-up to our 2017 study, we find that more women are working in the alternatives space than two years ago, specifically at private equity, venture capital, and hedge fund firms. Initiatives to improve inclusion and the global conversation on gender equality seem to be having the desired effect, although the findings also highlight the work still to be done.

Our most recent study found that, globally, the proportion of alternative assets employees that are female has grown to 19.7% from 18.8% in 2017. This modest, but not insignificant, rise represents real gains. However, our data reveals that at Managing Director level and above there remains a significant gender imbalance.

So, is progress really being made? And are some regions, asset classes, or institution types pulling further ahead than others?

As the leading source of intelligence on alternative assets, Preqin has compiled a follow-up to our inaugural 2017 Women in Alternative Assets report to provide transparency to the industry and help share the conversation on this important topic. The data in this report has been compiled using our database of over 200,000 industry professionals to highlight the trends in the workforces of active fund managers and investors.

Preqin is delighted to be involved in championing the improvement of female representation in the alternatives industry. We are thankful to have built our own networks over the past few years, and would like to extend our thanks and gratitude to the industry leaders who have contributed their insights to this campaign.

We hope that you find this report useful and welcome any feedback you may have. For more information about Preqin and our services, please visit: www.preqin.com or contact info@preqin.com.

21.1%

Venture capital is the asset class with the largest proportion of female employees

20.4%

North America leads for female representation in alternatives

11.9%

Women account for just 11.9% of senior roles in alternatives

Data Pack

The data behind all of the charts and tables featured in this report is available in Excel format at no extra cost. This data may be used in marketing materials, presentations, or company reports with appropriate accreditation to Preqin.

www.preqin.com/WIAA20

"Don't Be Shy About Leaning In"

Aisling Keane from State Street talks to us about how women can realize their full potential through confidence and self-awareness, and how tennis stars were once her role models

Please can you start by telling us a little bit about your current position?

I am a Senior Managing Director at State Street with responsibility for the Alternative Investment Solutions business in Asia-Pacific. Based in Hong Kong, I lead teams in Hong Kong, Singapore, Japan, Australia, China, and India. Our clients are from all over Asia-Pacific, and we also have global clients with investments in this part of the world. It's challenging and incredibly interesting, working with a fantastic team drawn from many different nationalities, ages, and backgrounds.

What did you study at university and why?

I studied Economics at University College Cork, in Ireland. I have always been curious about how the world works and about the different ways businesses, governments, and people interact. My brain tends to focus on how the different parts of a system fit and flow together. So, when I was thinking about studying economics, the idea that certain models and ways of thinking can help you explore how the world works was really appealing. I originally went in to study a combined Economics, Psychology, and IT degree but narrowed quickly to make Economics my major and went on to do a Masters in Economics.

Why did you decide to pursue a career in finance?

Where was your first job?

It's very common for people in Ireland to take time out to travel and work abroad after university. I actually lived in Australia for 14 months and while there I joined SPC Potter Warburg supporting the futures traders. That was my first exposure to the Australian Stock Market and investment funds and I loved it. So when the time came to leave Australia, I spent a couple more months traveling through New Zealand and Canada, which gave me some time to reflect, and by the time I reached Ireland, I knew that finance was the industry that I really wanted to work in.



Aisling Keane

Senior Vice President, Head of Alternative Investment Solutions (AIS), Asia Pacific, State Street

In a sense, it was the perfect fit – my economics background and brief work experience helped 'sell me' to prospective employers but, more importantly, as a career, finance has enabled me to work on things that interest me and suit my personality and skills, which is really important if you want to build a long-term career.

As an aside, the experience of traveling through New Zealand and Canada on my own was amazing; I quickly got over the shyness with meeting new people and could really be myself!

Are there any inspirational figures that have influenced your career?

I have found that the kind of people that inspire me have evolved over time. When I was young I admired strong women achieving their goals in life, but my role models were as likely to have been drawn from sport as much as business. I was a big fan of Chris Evert, the tennis player who made everything look easy, elegant, and confident; but, if you read about her background, she learned to use humor and a genuine interest in people to overcome what she described as crippling shyness as a young girl (hard to believe, right?). I also admired Martina Navratilova for her work rate, and sheer determination to succeed no matter the odds.

As I've grown older, I tend to look for 'heroes' a little closer to home – both male and female. Rather than holding any one individual up as 'inspirational' – no-one's the perfect allrounder – I now tend to admire a particular strength or skill in someone. For example, a female senior leader who I saw disarm a somewhat hostile and patronizing meeting a few years ago through her sensible, firm, and measured response. She maintained her cool and sense of humor when others would have lost it. She didn't wither back into her shell; she calmly held her position, and won the room as a result.

What advice would you give to females looking to start their career in finance?

Don't hold back. If you're going in for the right reasons – that it seems like a good fit for what you like to do – don't be shy about leaning in. Be prepared to volunteer for that project, to commit fully – and also to claim your seat at the table. For some reason, I still find a number of young women either apologetic or unwilling to step forward and be confident in what they can do. There are always some that overcompensate (male and female) and can come across as too 'aggressive' – I'm not advocating that either. Just that you should have a confident, self-aware understanding of your skills and worth, and a willingness to present that forward. Sheryl Sandberg talks eloquently about this similar theme in her Ted Talk.

Oh, and find a mentor or two – doesn't have to be formal, doesn't have to be someone all the way up in the executive suite – just someone who you get on well with and who has struggled with the same challenges you're going to face at the different stages of your career and personal life. It's great to have a sounding board and someone to talk to that cares about you and can give you advice.

Have you seen people's outlook on female representation within the industry change since you started your career?

Yes, thankfully. There's a lot more awareness of the incredible results that we can unlock by giving everyone an equal chance to develop to their full potential – irrespective of their gender or other demographic

'label.' There's also been some very helpful recognition that females, in particular, face some difficult choices at different stages in their life, such as when or if to have children. Making allowances for that – and doing the right things by Mums (and Dads) – leads to a healthy workplace and the chance to leverage the strengths and investments we made in some of our best talent. There's also greater understanding of unconscious bias, and the very real steps that each of us in management need to take to make sure that we don't only hire, promote, and develop people who look and behave exactly like us.

Do you think the industry needs to focus more on female representation? Why/why not?

Yes, but not just women: we need the talent drawn from all different spectrums and walks of life and, more importantly, the diversity of opinion that comes with building diverse teams and management structures. That's how you compete in a fast-moving and diverse world. Metrics and KPIs are useful in that they force us to confront our decisions and our thinking process, to get beyond our unconscious bias. But I look forward to the day when we don't need a metric, we simply and instinctively invest in the person with the best potential, irrespective of gender, color, race, or whether they're an introvert or extrovert. Skills, aptitude, and attitude should be the only things that should enter into the equation.

Are there any specific initiatives that your firm is undertaking to improve female representation?

State Street has taken a very visible position on this, I'm pleased to say. As well as a number of internal initiatives and supports, we've also been visible externally. The Fearless Girl statue launched in Wall Street in 2017 brought the issue to the forefront and significantly raised the level of debate. But more importantly, behind the scenes, our State Street Global Advisors business has been an advocate for board diversity and other gender-related topics. It's not an easy or instant path. These initiatives provoke strong emotions and reactions but, over time, if we're determined, we can make a difference and give our sisters, daughters, and future granddaughters the very same opportunity to contribute that we allow their brothers. And our companies and society as a whole will be better off.

Aisling Keane

Aisling Keane is a senior vice president and head of Alternative Investment Solutions (AIS), Asia Pacific at State Street. Ms. Keane is responsible for leading hedge, private equity, and private real estate operations in the region.

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"We Need to Hear from a Lot More Men on This Matter"

Jim Seymour, co-chair of the EMPEA Gender Parity Acceleration Working Group, discusses the need for more conscious and direct action from investment firms themselves, and explains why he is campaigning for more active male involvement in achieving gender parity

Could you start by telling us a bit about your background and your work on improving female representation in the industry?

I have been active in international and emerging markets finance for over 40 years and in private equity since 1993, during which time I have worked with and for many strong and competent women in difficult, male-dominated environments whether it be geographical, cultural, or institutional.

I have managed five international private equity funds of funds and have been an active advisory board member on 18 firms in both emerging markets and developed markets. For the past 10 years I have advised, through Pontefract Global Strategies, private capital firms focused primarily on the frontier emerging markets with an emphasis on social impact investments.

Since 2010, I have mentored many young adults working in the international alternative investment space – mostly young women, as women are more inclined to ask for guidance. Over time they have shared with me their experiences working in this male-dominated culture: frustrations with unintentional bias, discomfort from sexual harassment, and even the trauma of physical assault.

During my career I have advised numerous private equity firms and one of the most important things I tell them is that women can add value to your investment decisions by bringing a different thought process and perspective to the issue at hand. Women are the primary purchasers of many of the products and services produced by companies. So, intuitively it would make sense for these companies to have women in senior management positions, and those firms that invest



Jim Seymour

Co-Chair of the EMPEA Gender Parity Acceleration Working Group

in those companies would benefit from more women in senior investment positions for their expertise, knowledge, experience, and female perspective.

I have actively encouraged these alternative investment firms to hire more women in investment positions. Most often the managing principals will insist that they are trying but that there are not enough talented women available to hire. Yet, these firms also lack internal policies or a culture that provides intelligent recruitment, retention, promotion, and encouragement for women. There needs to be more conscious and dedicated action to supplement all the talk of good intentions.

You are currently co-chair of the EMPEA Gender Parity Acceleration Working Group. Can you please explain a little more about your work there?

After speaking with many associations of women in the alternative investment field over the past four years I became convinced that, while they serve an important function in supporting their members, more

direct action is required of investment firms. I have been disappointed by the number of organizations that sponsor investment conferences but devote only 45-60 minutes to women's issues, and always on the afternoon of the last day of the conference with a panel of all women and attendees that are 80% women. We need more concrete, direct action to help investment firms implement their good intentions. And we need senior, experienced men to collaborate with women to make this happen and not leave it to women alone. Hence my encouragement for the launch of the EMPEA Gender Parity Acceleration Working Group, of which I am now co-chairperson along with Alexis Crusey of LeapFrog.

Our initial discussion focused on identifying the gaps in action toward gender parity. There has been a lot of attention paid to gender-lens investing, that is, investing in companies owned or managed by women, or that focus on products and services for women. But there has been far less attention paid to accelerating gender parity in the investment firms themselves. We also considered a top-down (focus on investment firms) and bottom-up (focus on recruitment of women at business schools to overcome the perception of the male-dominated industry) approach. Thus our work at EMPEA is currently focused on three main areas:

1. Researching and presenting evidence to alternative investment fund managers that the greater the representation of senior investment females at these firms, the higher the investment returns they produce. The recent report compiled by the IFC and Oliver Wyman¹ begins to demonstrate this.
2. Providing a toolkit or templates of policies and methods to managing principals to help overcome the inertia around doing something different and potentially unfamiliar – recruitment, retention, and promotion. Several organizations are developing such toolkits and our objective is to make them available to the EMPEA membership.

¹ https://www.oliverwyman.com/content/dam/oliver-wyman/v2/publications/2019/mar/Moving-toward-gender-balance-3_21.pdf

Jim Seymour

Jim has over 43 years of investment experience in international and emerging markets, most recently at Pontefract Global Strategies, LLC (PGS), which advises private equity and social impact investment firms in frontier emerging markets on global best practices. Jim is co-chair of the EMPEA Gender Parity Acceleration Working Group which is EMPEA's first industry initiative aimed at addressing the gender gap in the emerging markets private capital industry. The Working Group plans to leverage the knowledge and experience of the EMPEA membership, and lead a collaborative effort to identify the next steps to achieve gender parity and assist its member firms to do so.

<https://www.empea.org/esg-community>

3. Developing an independent ratings system to show which firms are doing well at recruiting, retaining, and promoting senior female investment talent. This can then be used to encourage women at business schools that there are indeed some firms that are establishing an internal framework and culture that is supportive of women investment professionals.

What do you think is the biggest challenge for the industry to overcome in the next few years?

Whenever I speak to young women at business schools starting their careers, their reaction is always that the industry is male dominated and that is something that fundamentally needs to change. We need to hear from a lot more men on this matter. It is no good if all this work – research, papers, conferences etc. – only involves women. I am campaigning heavily for more active male involvement. Gender parity means just that: greater equality in the treatment of women and men. But, in the effort to get more women into the alternative investment field, we need to have men working actively alongside. All too often I have found that the investment firms (whose managing partners are most often male) feel that they are helping to move forward the issue if they assign a woman to represent the firm and join the efforts of an association or group that is working on the subject. It is my objective that every firm assigns a man and a woman together from their firm to collaborate on the issue.

At the same time, despite frustrations and difficulties, I am pleased that there is considerably more attention being paid to encourage gender parity in alternative investment firms. It is our objective to accelerate that movement.

Where Is Progress Being Made?

North American venture capital and European natural resources are the markets leading the way for women employees, but representation at senior levels remains stilted worldwide

Overall Representation Best in Developed Markets

The regions with the most developed financial sectors have led the way when it comes to employing women at alternative assets fund managers. In North America, 20.4% of alternatives fund manager jobs are held by women, outpacing Europe (19.1%), Asia (18.8%), and Rest of World (17.5%, Fig. 1). This global lead in North America is driven by venture capital (22.9%), private equity (19.6%), and hedge funds (19.4%).

Across every primary geographic region, real estate is the alternative asset class with the lowest representation of female employees, at a global average of 17.5%. North America (18.2%) again tops the list, followed by Europe (17.2%).

But This Varies by Asset Class

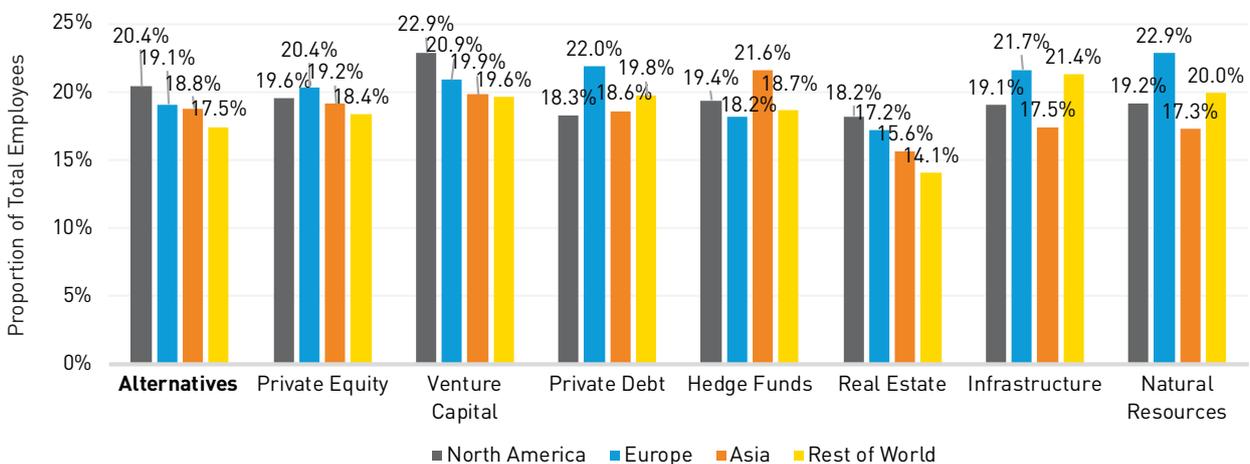
Although North America has the highest representation of women across alternatives as a whole, different regions claim the top spots in various asset classes. In private equity, Europe comes first with 20.4%, and the

region also leads in private debt (22.0%), infrastructure (21.7%), and natural resources (22.9%). In venture capital, North America takes the lead with 22.9%, while Asia rules the roost in the hedge fund space, at 21.6%.

Senior Ranks Still Lack Women

Preqin data shows that all asset classes follow a consistent trend in terms of female representation by seniority, with women making the most inroads into junior roles, such as Analyst and Associate positions. There is a small drop-off in representation at mid-level positions, which include Senior Associates, Vice Presidents, Managers, Directors, and Principals. There is then a precipitous decline among senior ranks, which spans Managing Directors, Partners, Senior Managing Directors/Advisors, Managing General Partners, and C-Suite Executives. Overall, female workers make up 30.0% of junior employees, 25.0% of mid-level staff, and just 11.9% of employees in the most senior most ranks (Fig. 2).

Fig. 1: Female Employees in Alternatives as a Proportion of Total Employees by Location and Asset Class



Source: Preqin Pro

At junior levels, women make up roughly one-quarter to one-third of employees – from a low of 26.7% at hedge funds to a high of 36.3% at venture capital firms. These percentages decline at the mid-level, ranging from a low of 21.0% at hedge funds to a high of 29.9% at venture capital firms. At senior levels the proportion of women is significantly smaller, peaking at only 13.4% in venture capital.

It is noteworthy that the venture capital industry – which has come under significant pressure in recent years following gender-discrimination allegations at high-profile firms – has shown the most improvement since our 2017 study. Venture capital surpasses all other asset classes in achieving a higher representation of women across junior, mid-level, and senior roles.

Real estate firms have the furthest to go. While 35.0% of junior employees are women, only slightly behind venture capital, among senior real estate executives, representation drops to 8.5% – the only figure in the single digits. Hedge funds have the smallest proportion of junior and mid-level female employees, at 26.7% and 21.0% respectively, while women in senior seats came in the middle of the pack, at 10.9%.

Where Are the Senior Women?

Using Preqin’s exclusive data, our experts looked at how women holding the most senior positions across all alternative asset classes were faring country by country. Please see pages 12-18 for charts containing the full breakdowns.

The US and China – traditionally heavy investors in research and development – show fairly consistent and high levels of senior female participation in asset

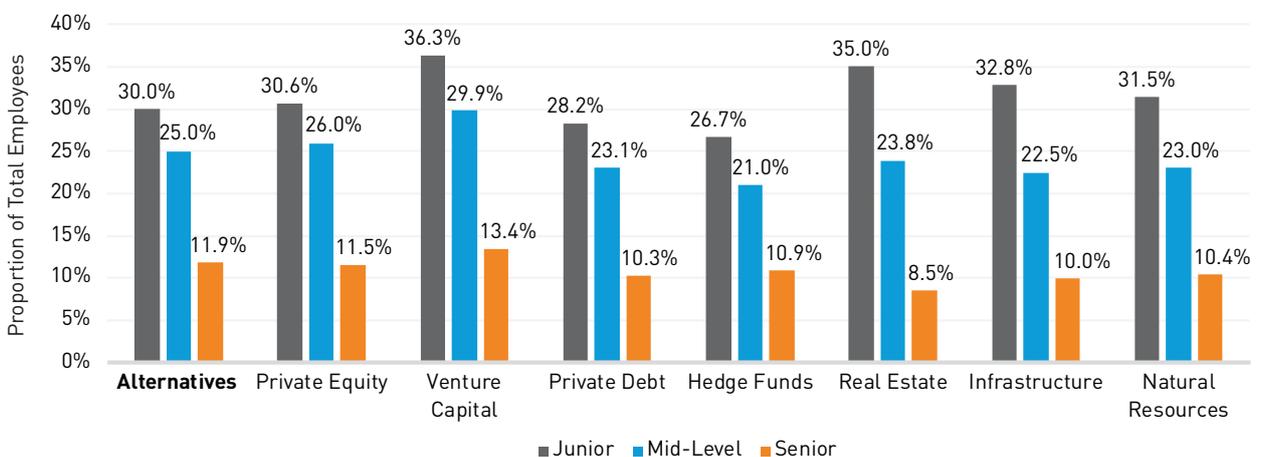
classes most associated with modern technology: private equity, venture capital, and hedge funds. It is no coincidence that these are the same three asset classes with overall net gains in senior female employees compared to 2017 in these markets. China is also the standout nation for hedge fund employment globally, where women make up almost 20% of senior employees.

Hong Kong is the most consistently high-ranking single location for senior female representation across all asset classes. With the exception of real assets, where it does not feature as a top 10 location by aggregate capital raised in the past 10 years, the global financial hub is the only region to show double-digit figures across all asset classes. In Hong Kong, real estate firms have the highest female participation (19.0%), followed by hedge funds (16.9%), and venture capital (13.1%).

South Korea, meanwhile, registered female senior employees in the low-single digits for all asset classes (except for hedge funds where it did not feature as a top 10 location), at around 5% in private equity and venture capital, 2.6% for real estate, and 2.3% for both private debt and infrastructure.

Elsewhere, France and Germany registered promising figures. The two countries show double-digit representation for senior women in both private debt and real assets. France also matched the US for the second top venture capital spot, at 14.7%. However, in Germany female employees make up just 8.1% of the country’s senior venture capital workforce, making it third from bottom in the top 10 locations for the asset class.

Fig. 2: Female Employees in Alternatives as a Proportion of Total Employees by Seniority and Asset Class



Source: Preqin Pro

"Technology Is Being Used to Create a More Level Playing Field"

Lizzy Buss tells us how technology is encouraging girls into finance careers, reducing hiring biases across companies, and supporting women in their daily working lives

Can you tell us a little bit about yourself, your career and your experience to date?

I work for State Street where I am a Vice President in our InfraHedge business and responsible for business development in EMEA and APAC. My career has taken me from technology and operations to sales and marketing. I have worked across all asset classes and I'm a self-confessed information junkie. I'm always interested to find more efficient ways of doing things for my clients and I'm excited at the technology revolution we're currently living through.



Lizzy Buss
Vice President, InfraHedge

How can technology be used to encourage girls when at school to consider careers in finance?

Technology can help us break down barriers and perceived barriers to entry; for example through initiatives like the fantastic video hub run by 'Inspiring Girls,' helping to raise the aspirations of girls around the world by connecting them with female role models.

How are companies using technology to reduce biases in the industry when hiring?

Technology is being used to create a more level playing field and help reduce unconscious bias in our industry. For example, companies are leveraging technology that uses quantitative linguistics models to analyze how well words and phrases perform in certain scenarios (e.g. in attracting talent through job adverts). This gives us the opportunity to find and address the hidden biases that we uncover (e.g. are females responding to our job ads and, if not, how can we change the linguistics to remove hidden biases toward males?).

How are companies embracing technology to improve female retention and support women in their careers?

Leveraging technology to power remote working is one clear way. While remote working opportunities should not be unique to females, the biological differences between genders mean that there are days, weeks, months, and even years in which females may not thrive in their regular office environment. With data and connectivity now literally at our fingertips wherever we are in the world, remote working is helping to catalyze the increase in female representation within business. Companies that embrace technology to achieve personalized workplace planning will benefit from better business outcomes such as reduced costs, reduced staff turnover, improved client satisfaction, increased client retention, and growth. The technology is there, but the main challenge I see facing many large and well-established firms now is how to navigate the cultural change of supporting and encouraging a balanced, mixed-gender workforce.

Lizzy Buss

Lizzy is a senior member of the InfraHedge team where she leads business development for EMEA and APAC.

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Private Equity

19.4%

Women account for just under a fifth of total private equity employees

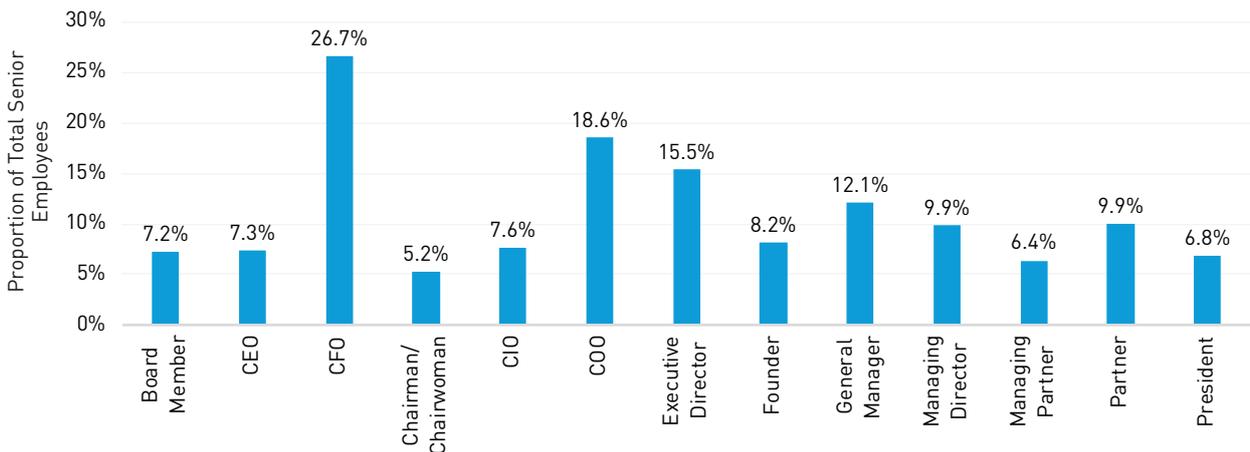
30.6%

Almost a third of junior employees in private equity are female, compared to 11.5% of senior employees

20.4%

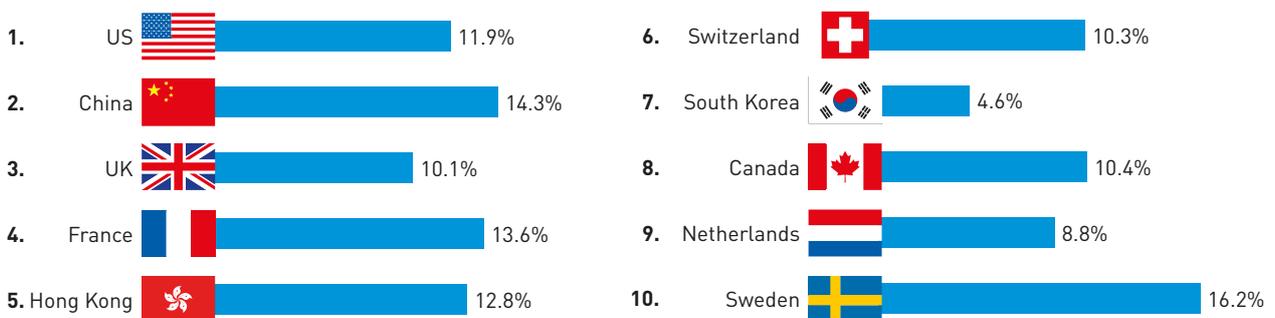
Europe has the best representation of female employees in private equity

Fig. 3: Female Senior Employees at Private Equity Firms* as a Proportion of Total Senior Employees by Position



Source: Preqin Pro

Fig. 4: Female Senior Employees at Private Equity Firms* in the Top 10 Locations as a Proportion of Total Senior Employees**



*Excludes venture capital firms.

**By aggregate capital raised by closed-end funds over the past 10 years.

Source: Preqin Pro

Venture Capital

21.1%

Over a fifth of venture capital employees are female, the highest across asset classes

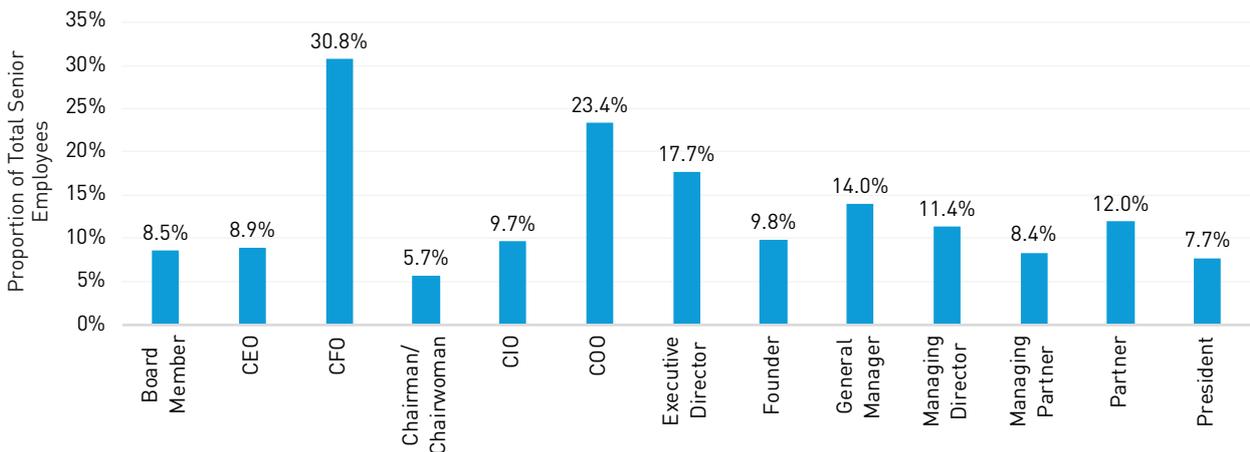
13.4%

The venture capital industry has the largest proportion of women in senior roles across all asset classes

22.9%

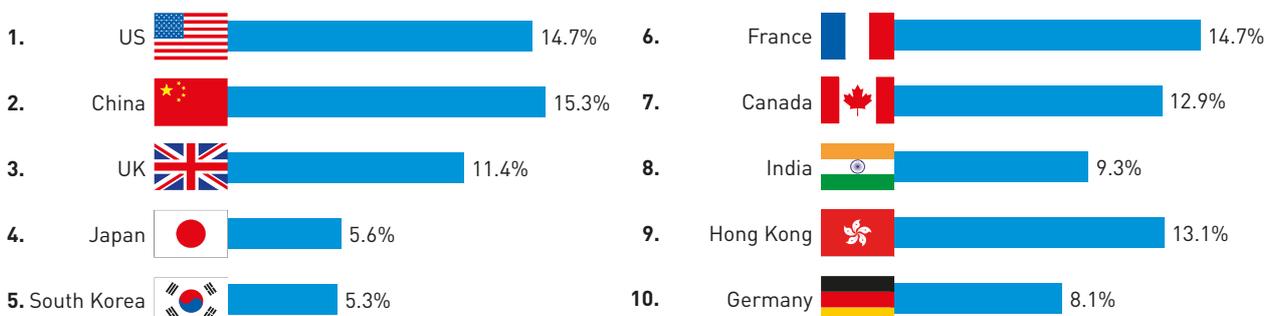
North America leads the way for female employment in venture capital

Fig. 5: Female Senior Employees at Venture Capital Firms as a Proportion of Total Senior Employees by Position



Source: Preqin Pro

Fig. 6: Female Senior Employees at Venture Capital Firms in the Top 10 Locations* as a Proportion of Total Senior Employees



*By aggregate capital raised by closed-end funds over the past 10 years.

Source: Preqin Pro

Private Debt

18.9%

Women account for 18.9% of all employees at private debt firms

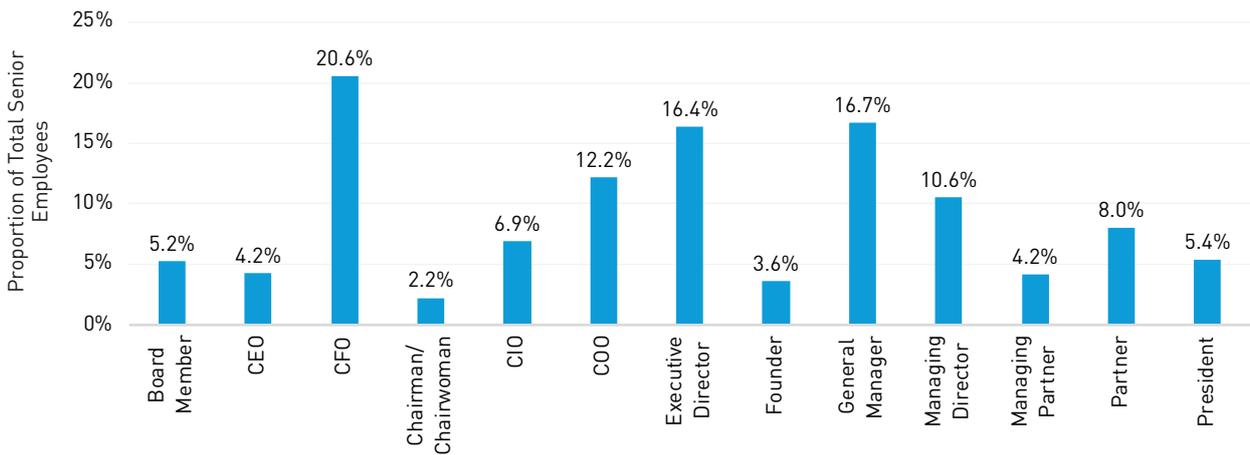
28.2%

Women occupy 28.2% of junior positions in the private debt industry, compared to 23.1% of mid-level and 10.3% of senior positions

22.0%

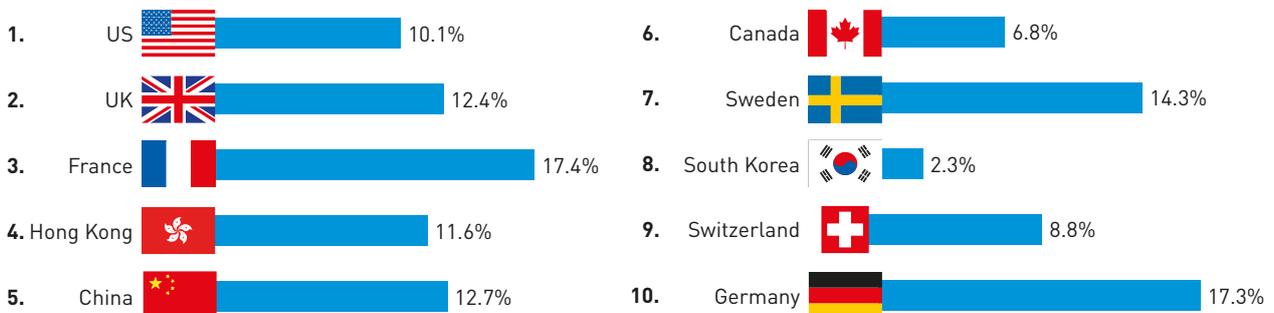
Over a fifth of private debt employees in Europe are female, behind only the natural resources industry

Fig. 7: Female Senior Employees at Private Debt Firms as a Proportion of Total Senior Employees by Position



Source: Preqin Pro

Fig. 8: Female Senior Employees at Private Debt Firms in the Top 10 Locations* as a Proportion of Total Senior Employees



*By aggregate capital raised by closed-end funds over the past 10 years.

Source: Preqin Pro

Hedge Funds

18.8%

Female representation in hedge funds is the second lowest across asset classes

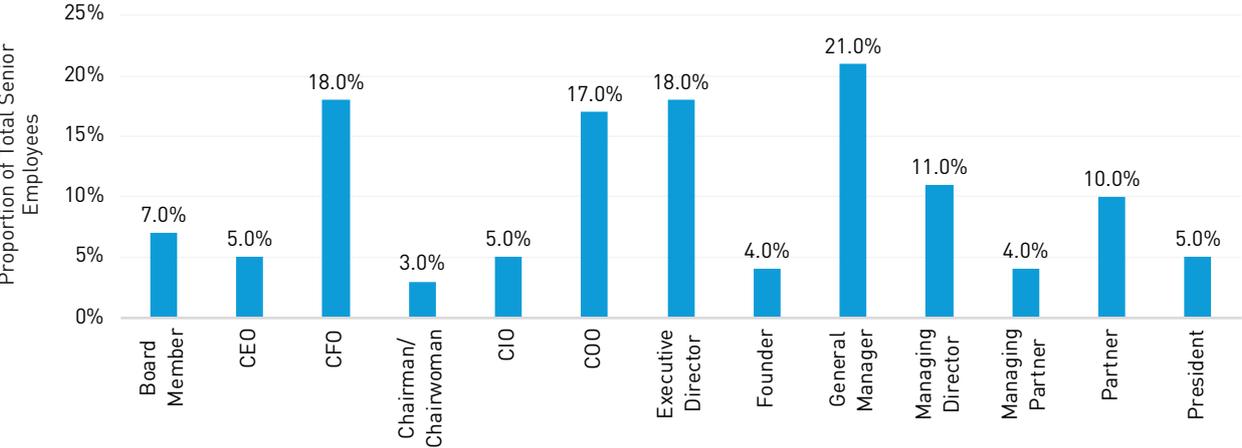
10.9%

Women represent 10.9% of senior employees at hedge funds

19.4%

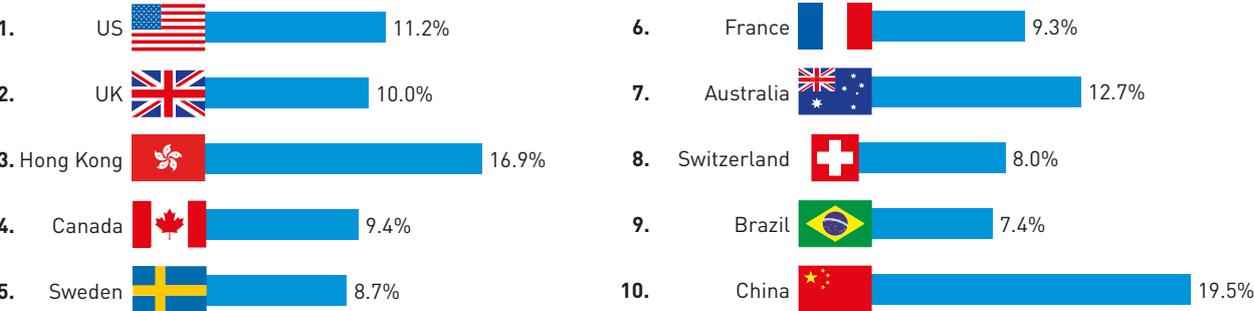
North America leads female employment at hedge funds

Fig. 9: Female Senior Employees at Hedge Fund Managers as a Proportion of Total Senior Employees by Position



Source: Preqin Pro

Fig. 10: Female Senior Employees at Hedge Fund Managers in the Top 10 Locations* as a Proportion of Total Senior Employees



*By assets under management as of September 2019.

Source: Preqin Pro

Real Estate

17.5%

Real estate firms employ the smallest proportion of women across asset classes

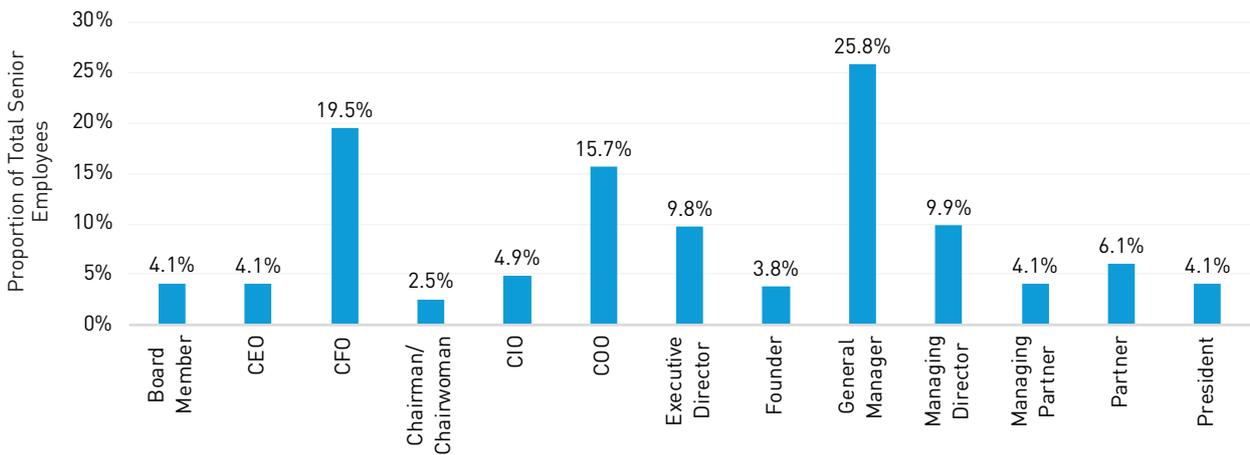
8.5%

Real estate has the smallest proportion of women employed in senior roles across all asset classes

14.1%

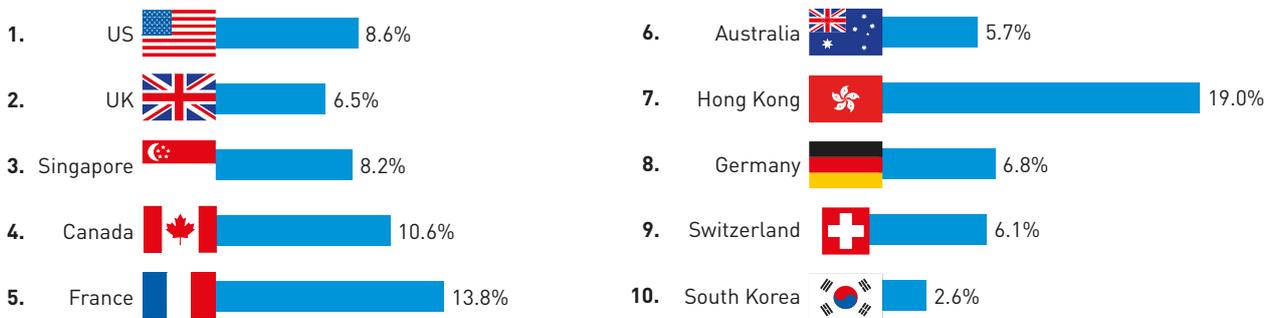
Just 14.1% of real estate employees in the Rest of World region are female

Fig. 11: Female Senior Employees at Real Estate Firms as a Proportion of Total Senior Employees by Position



Source: Preqin Pro

Fig. 12: Female Senior Employees at Real Estate Firms in the Top 10 Locations* as a Proportion of Total Senior Employees



*By aggregate capital raised by closed-end funds over the past 10 years.

Source: Preqin Pro

Infrastructure

19.6%

Almost a fifth of employees across the infrastructure industry are female

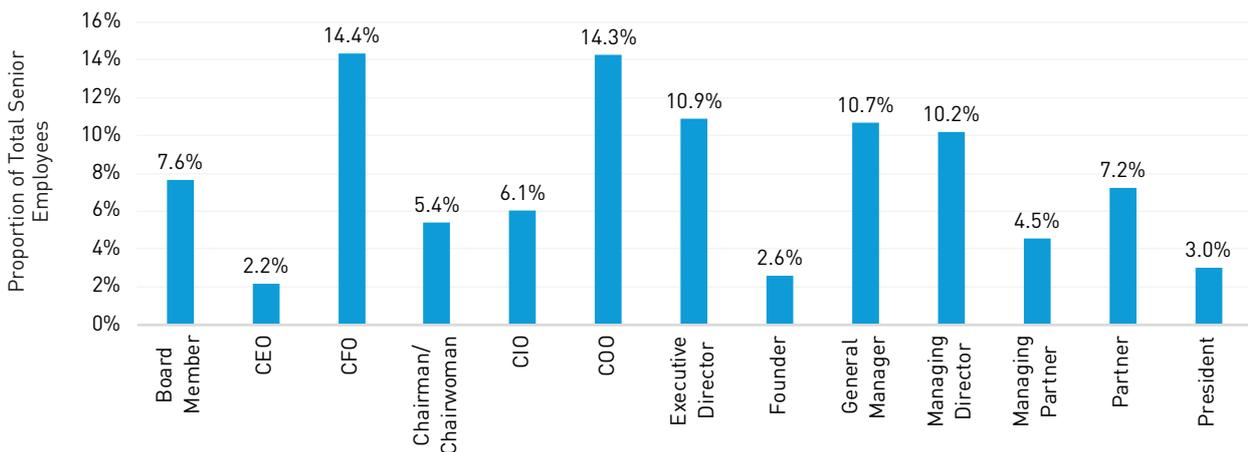
32.8%

Almost a third of junior employees at infrastructure firms are women

21.4%

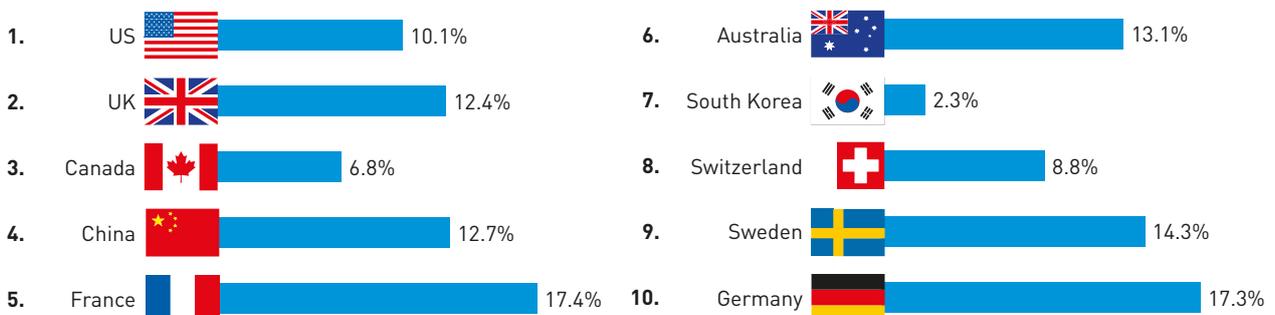
In Rest of World, a fifth of employees at infrastructure firms are women, the highest figure of all asset classes

Fig. 13: Female Senior Employees at Infrastructure Firms as a Proportion of Total Senior Employees by Position



Source: Preqin Pro

Fig. 14: Female Senior Employees at Infrastructure Firms in the Top 10 Locations* as a Proportion of Total Senior Employees



*By aggregate capital raised by closed-end funds over the past 10 years.

Source: Preqin Pro

Natural Resources

19.6%

Almost a fifth of employees at natural resources firms are women

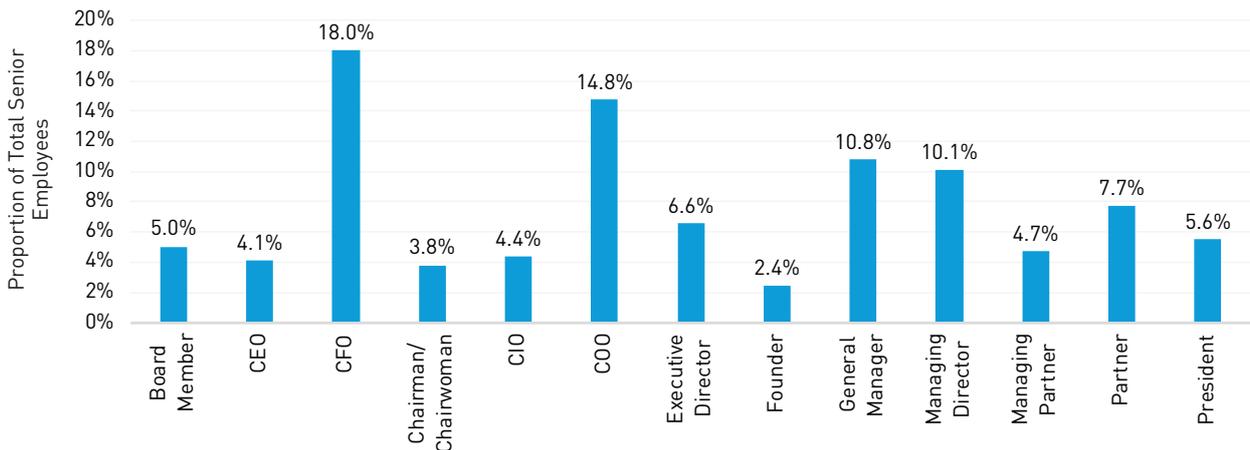
10.4%

Women account for 10% of senior employees in the natural resources industry

22.9%

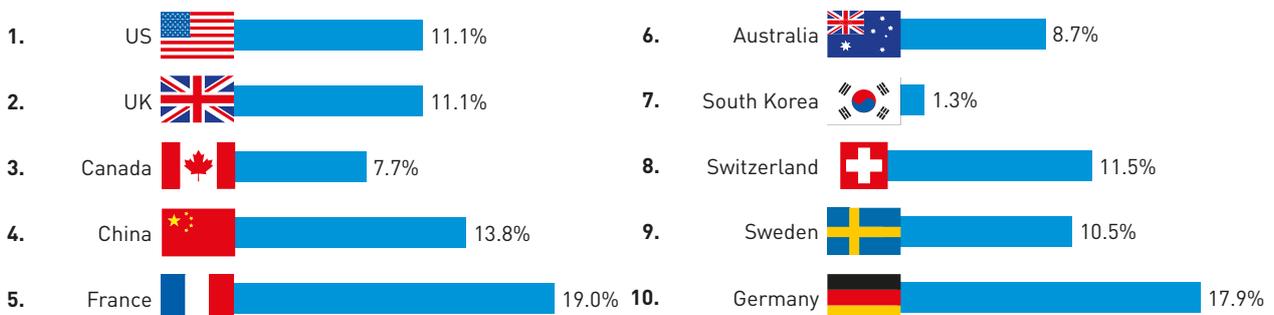
Europe leads the way for female employees in the natural resources industry

Fig. 15: Female Senior Employees at Natural Resources Firms as a Proportion of Total Senior Employees by Position



Source: Preqin Pro

Fig. 16: Female Senior Employees at Natural Resources Firms in the Top 10 Locations* as a Proportion of Total Senior Employees



*By aggregate capital raised by closed-end funds over the past 10 years.

Source: Preqin Pro

"I Still Find Myself Sometimes Being the Only Woman in a Room"

Laven Partners' Elizabeth Frumson explains how Ruth Bader Ginsburg has inspired her career, and how a lack of support for mothers returning to work is one of the factors hindering strong female representation

Please can you start by telling us a little bit about your current position?

I am an Associate Director, leading the hosting business within Laven Partners, serving as a key point of contact and supervisor over the appointed representatives and tied-agents of Laven Advisors LLP. I am also a senior consultant and have worked on helping firms become authorized, and supporting their compliance needs. I supervise a team and mentor new employees on best-practice standards within our company and industry alike.

What did you study at university and why?

I had always enjoyed analytical and research-based subjects. I developed a stronger commercial sense in high school after having interned with a couple of law firms which helped me realize the significance of a solicitor's participation in interpreting, guiding, and structuring transactions. I therefore decided to study law and graduated with a Bachelor of Laws (LLB) with the ambition of entering into a career either as a financial services or M&A lawyer.

Why did you decide to pursue a career in finance?

During the third year of my degree I worked for a London-based hedge fund, which exposed me to different fund structures and the strategic decisions managers must undertake on a day-to-day basis. The set-up, team work, and impact of the decisions the portfolio managers took fascinated me. I was keen to understand how the decisions were brought about, the valuation processes, risk management, and, of course, the compliance requirements that consolidated an investment decision. This pushed me to pursue a career in financial services, which could provide me with the opportunity to still utilize my degree while giving me exposure to the decision process managers undertook. I



Elizabeth Frumson

Associate Director, Laven Partners

therefore joined Laven, which helped me find the perfect balance and exposed me to the relevant areas within the industry.

Where was your first job?

In a London-based hedge fund, Spinnaker Capital Limited.

Are there any inspirational figures that have influenced your career?

S.C.J. Ginsburg had a strong impact on the decision I took to pursue a degree in law. Her story and career in the US Supreme Court taught me values which have influenced my ethics at work, as well as the approach and vision I have toward battling social issues within the financial services industry.

What advice would you give to females looking to start their career in finance?

Work hard, be patient, do not limit your curiosity or desire to learn because you feel intimidated – and, most importantly, help others climb the ladder with you!

Have you seen people's outlook on female representation within the industry change since you started your career?

Perhaps the length of my career cannot show the historical progress made for women in finance. Nonetheless, I feel that after a strong feminist movement throughout the last century, things are starting to slow down. Since I started my career, progress has been small, but it's progress nonetheless. I have seen more female portfolio managers as well as female mentors – positions typically held by males – which is likely encouraging the development of young females in our industry. However, in the last six years I feel there has been a widespread acceptance that females are now 100% equal to men. This may be true for some firms, but statistics show a disparity at senior/partner level within the City [of London]. Socially, I think there is a prevailing old-fashioned approach some firms take in relation to how female employees are perceived and treated. This may be caused by ignorance, old values, and a general lack of influential female representation.

Do you think the industry needs to focus more on female representation? Why/why not?

I still find myself sometimes being the only woman in a room. This needs to change. Having spoken to several females in the industry, there is little room for them to grow due to the stigmas associated with being a woman. Some of them include stereotypes which hinder the ability a female employee may have to influence her colleagues.

There is also a large stigma attached to maternity. Some employers seem to fear female employees choosing to pursue motherhood, which could be a factor against deciding to promote or hire them, even if the candidate has the relevant skills/experience. This is even more prevalent for senior roles. I also feel that the processes that support a female returning to work after

a maternity break may not satisfy the level of support needed. The stigma even seems to follow women who do not wish to pursue motherhood, with a widespread assumption from the industry that women may choose to become mothers during the peak times of their careers.

Are there any specific initiatives that your firm is undertaking to improve female representation?

Our firm always strives to have a balanced gender split. The females in our firm are encouraged to grow their careers as much as they can: by being sent to seminars and conferences (such as '100 Women in Finance'), and obtaining additional training in whichever aspect/field we may feel we need to learn more about. Flexi-working and an instilled, strong sense of teamwork provide a platform for mothers to be encouraged to return to work effectively, which I feel is one of the key drivers hindering strong female representation.

Elizabeth Frumson

Elizabeth is an Associate Director in Laven's regulatory compliance team, managing the Appointed Representatives platform and assisting clients with ongoing compliance requirements. Prior to joining Laven, Elizabeth formed part of the compliance team at a start-up specializing in alternative financing, which also held status as an appointed representative firm. Elizabeth has also worked in the compliance and legal team of a reputable London-based hedge fund. Elizabeth graduated with an LLB from City, University of London.

www.lavenpartners.com

Women at Institutional Investors

Investors far outshine fund managers in terms of female employment, but progress is generally slower at the largest institutions

When it comes to institutional investors that actively invest in the alternatives space, women hold a much larger proportion (27.8%) of jobs than they do across the alternatives industry as a whole (19.7%).

How Does Representation Vary at Different Investor Types?

With strong representation of women in the alternatives investor space, foundations and endowment plans lead on the investor side by a healthy margin, at 46.1% and 40.6%, respectively (Fig. 17). Even at the lower end of the spectrum, investment companies (22.2%), corporate investors (21.6%), and insurance companies (20.8%) tally a more notable proportion of female employees than at fund managers, with the exception of venture capital firms (21.1%).

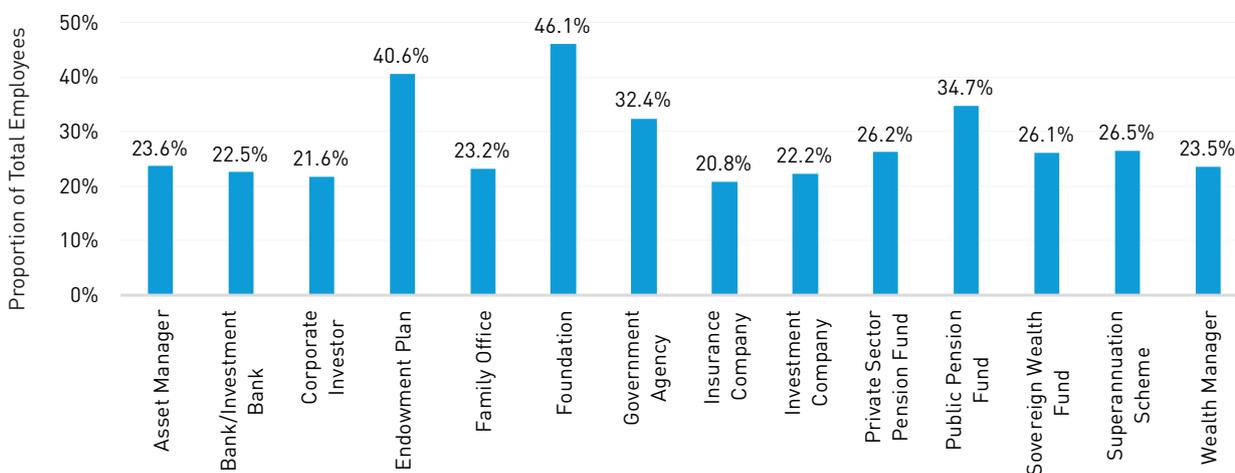
Female employees hold 33.4% of junior positions, 25.9% of mid-level roles, and 17.2% of senior jobs at

institutional investors. When we take a closer look at the data by seniority, foundations and endowment plans are unique. While foundations are the undisputed leader in all three categories of seniority, both investor types not only outpace all fund managers, but are also the only two with a higher percentage of mid-level women than junior staff. For foundations, the breakdown is 48.6% mid-level, 48.4% junior, and 37.4% senior (Fig. 18). Endowment plans follow this pattern too, with women filling 42.2% of mid-level and 41.6% of junior roles, and making up 28.2% of senior staff. Corporate investors were the next investor type, with women making up 39.4% of their junior ranks – but just 19.0% of mid-level staff.

Largest Investors Still Lack Women

We can see that female representation is typically smaller as investor assets under management (AUM) rise. For example, at institutional investors overseeing less than \$1bn, women make up 37.6% of junior staff,

Fig. 17: Female Employees at Institutional Investors as a Proportion of Total Employees by Investor Type



Source: Preqin Pro

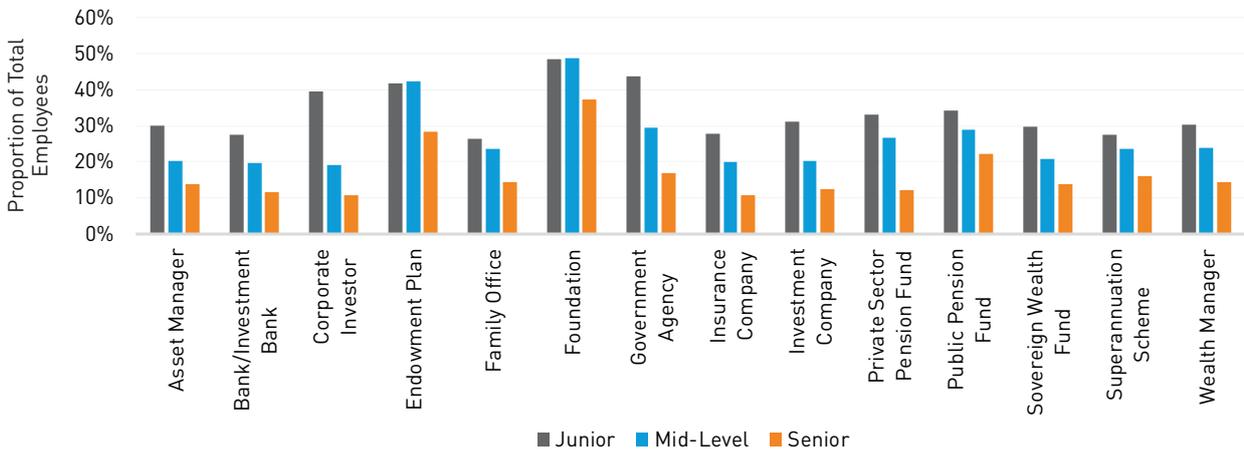
hold 33.0% of mid-level positions, and sit on 20.5% of senior seats (Fig. 19). Those figures drop to 33.5% of junior staff, 25.5% at mid-level, and 15.4% of senior employees for institutional investors with \$1-9.9bn in assets, and lower still to 33.3%, 21.8%, and 13.1% respectively at those with \$50-99bn in AUM.

women increased across all levels, the biggest gains (compared with our 2017 study) are seen among the larger institutional investors – particularly at those with \$50-99bn in assets, where the proportion of women in senior roles grew from 8.9% to 13.1%.

But Senior Representation Rises

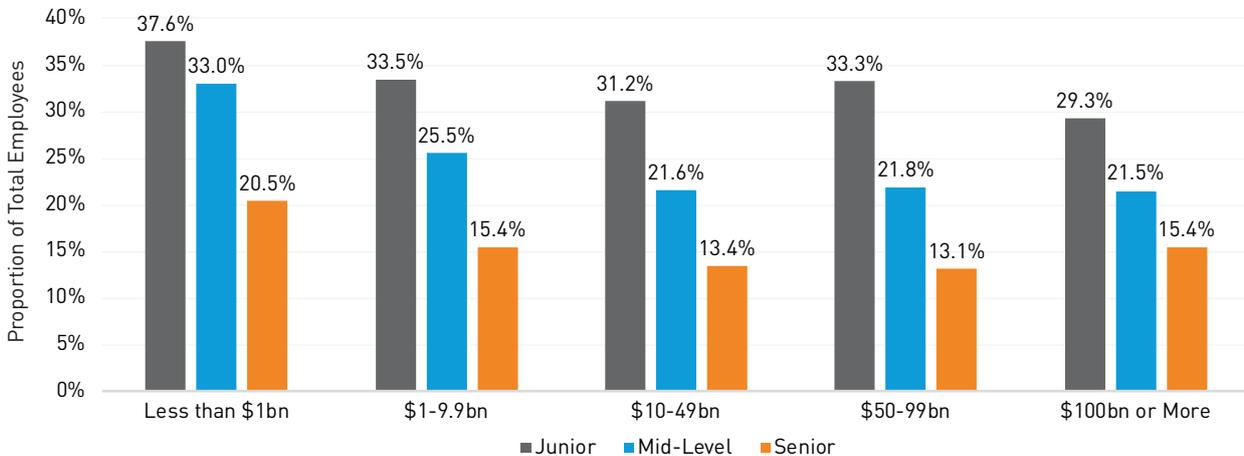
On the bright side, there is a detectable uptick in women at the senior level for the largest institutional investors. At investors with \$100bn or more under management, women occupy 29.3% of junior roles, 21.5% of mid-level positions, and 15.4% of senior positions. Moreover, as the proportion of senior

Fig. 18: Female Employees at Institutional Investors as a Proportion of Total Employees by Seniority and Investor Type



Source: Preqin Pro

Fig. 19: Female Employees at Institutional Investors as a Proportion of Total Employees by Assets under Management



Source: Preqin Pro



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