



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

OCTOBER 2017

FOREWORD

In recent years many industries have come under scrutiny for gender imbalance in the workforce, and alternative assets is no different. Across all private capital and hedge fund industries, women are underrepresented: just one of every five alternative assets professionals is female. While this depicts gender imbalance across the wider alternative assets landscape, the venture capital industry, in particular, has recently come under significant pressure following gender discrimination allegations at several high-profile firms. As the leading source of intelligence on alternative assets, Preqin has compiled the inaugural Women in Alternative Assets Report using a database of over 200,000 industry professionals to highlight the trends in the workforces of active fund managers and investors.

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.

With thanks to our contributors:

- Joelle Faulkner, Area One Farms
- Cindy Padnos, Illuminate Ventures
- Kelli O'Connell, NXT Capital
- Elena Naydenova and Steve Roberts, PwC
- Catherine Tan, Saga Tree Capital Advisors
- Michelle Kelner, Sandglass Capital Management Limited

KEY INFORMATION – METHODOLOGY

The data in this report is sourced from Preqin's online databases, which feature profiles on thousands of fund managers from all asset classes and institutional investors, including full contact information.

Asset Class/Firm Type	No. of Firms	No. of Contacts
Private Equity	7,600+	57,200+
Venture Capital	8,000+	35,000+
Hedge Funds	9,000+	54,300+
Real Estate	4,100+	39,300+
Infrastructure	520+	8,800+
Natural Resources	990+	14,500+
Private Debt	1,500+	20,600+
Institutional Investors	17,000+	65,800+

All administration and other support staff were excluded from this analysis.

Seniority was allocated on the following basis:

- Junior employees included Analysts and Associates
- Mid-level employees included Senior Associates, Vice Presidents, Managers, Directors and Principals
- Senior employees included Managing Directors, Partners, Senior Managing Directors/Advisors, Managing General Partners and C-Suite Executives

Contacts were also split into the following functions: Investor Relations/Marketing, Finance/Accountancy, Operations, Portfolio Management and Investment Team.

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- p12** Women in Hedge Funds

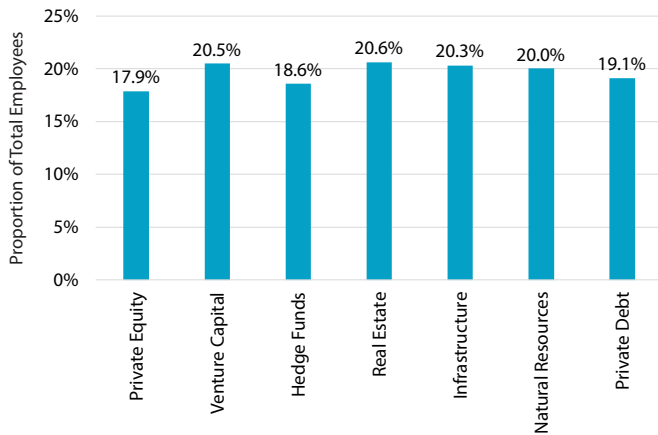
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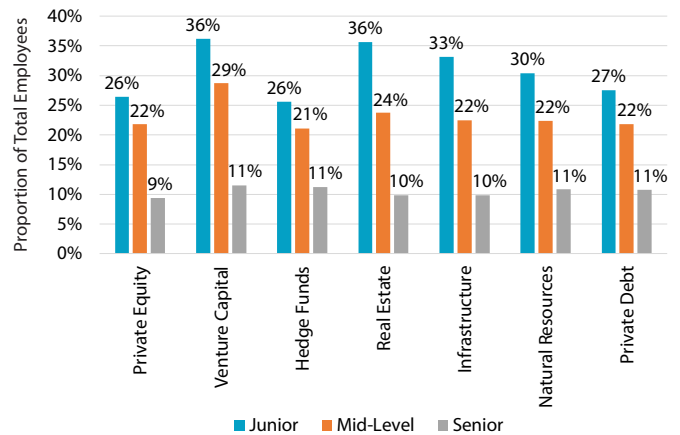
WOMEN IN ALTERNATIVES

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



Source: Preqin

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



Source: Preqin

The role and representation of women in alternative assets has come under increasing scrutiny in recent years, more so in some asset classes than others, with recent high-profile coverage of gender disparity within venture capital in particular highlighting the gender imbalance.

At present, women represent 19% of employees in the alternatives industry. This figure fluctuates between 17.9% and 20.6% depending on the asset class: real

estate has the highest representation of women and private equity the lowest (Fig. 1). When looking at the representation of women in different levels of seniority, as expected, female employees account for a significantly smaller proportion of senior positions compared to more junior roles across all asset classes (Fig. 2).

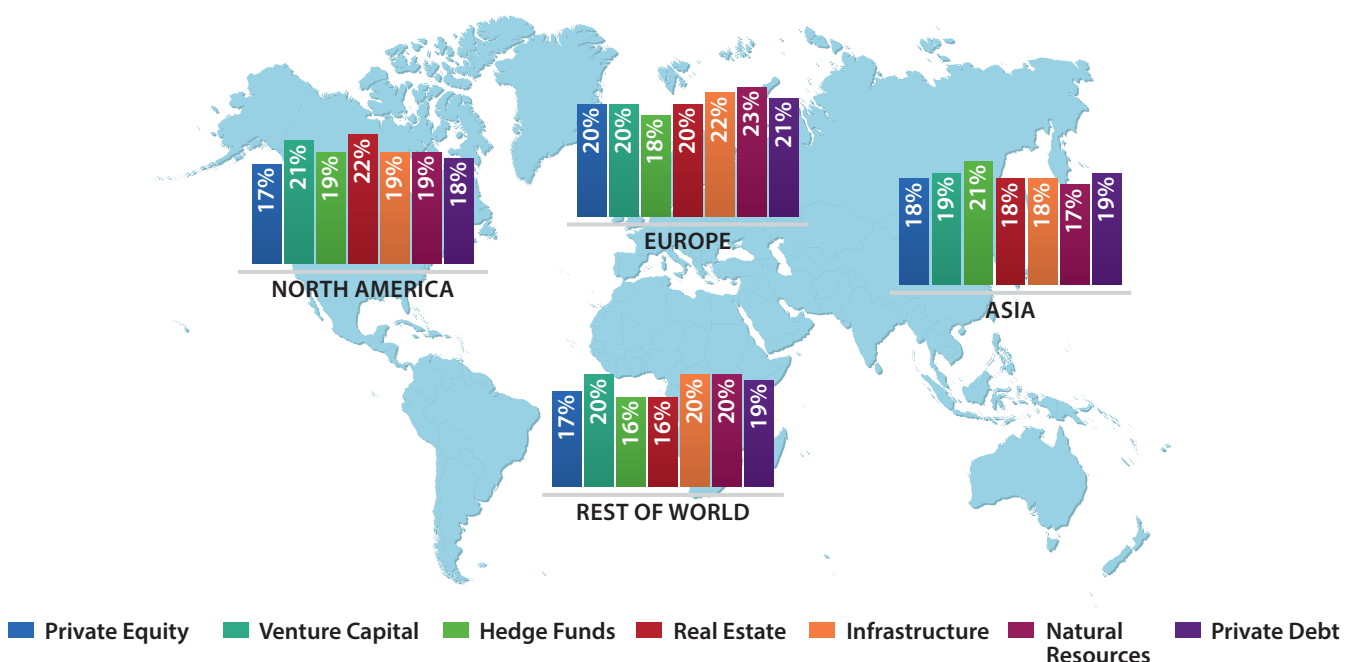
ROLE FUNCTION

Investor relations/marketing has the highest rates of gender equality across all asset classes and role functions, with an

average of 48% of these positions held by women (Fig. 4). Women hold an average of only 15% of roles in the investment team across all asset classes, while less than one in 10 portfolio management employees at hedge funds are women.

In terms of seniority, women dominate junior-level positions in investor relations/marketing roles –nearly three-quarters of junior positions at hedge funds are held by women. Female employees also represent a significant proportion of junior finance/

Fig. 3: Female Employees in Alternatives as a Proportion of Total Employees by Location and Asset Class



18.8%

The representation of women in the alternatives industry as a whole. Private equity has the lowest at 17.9%.

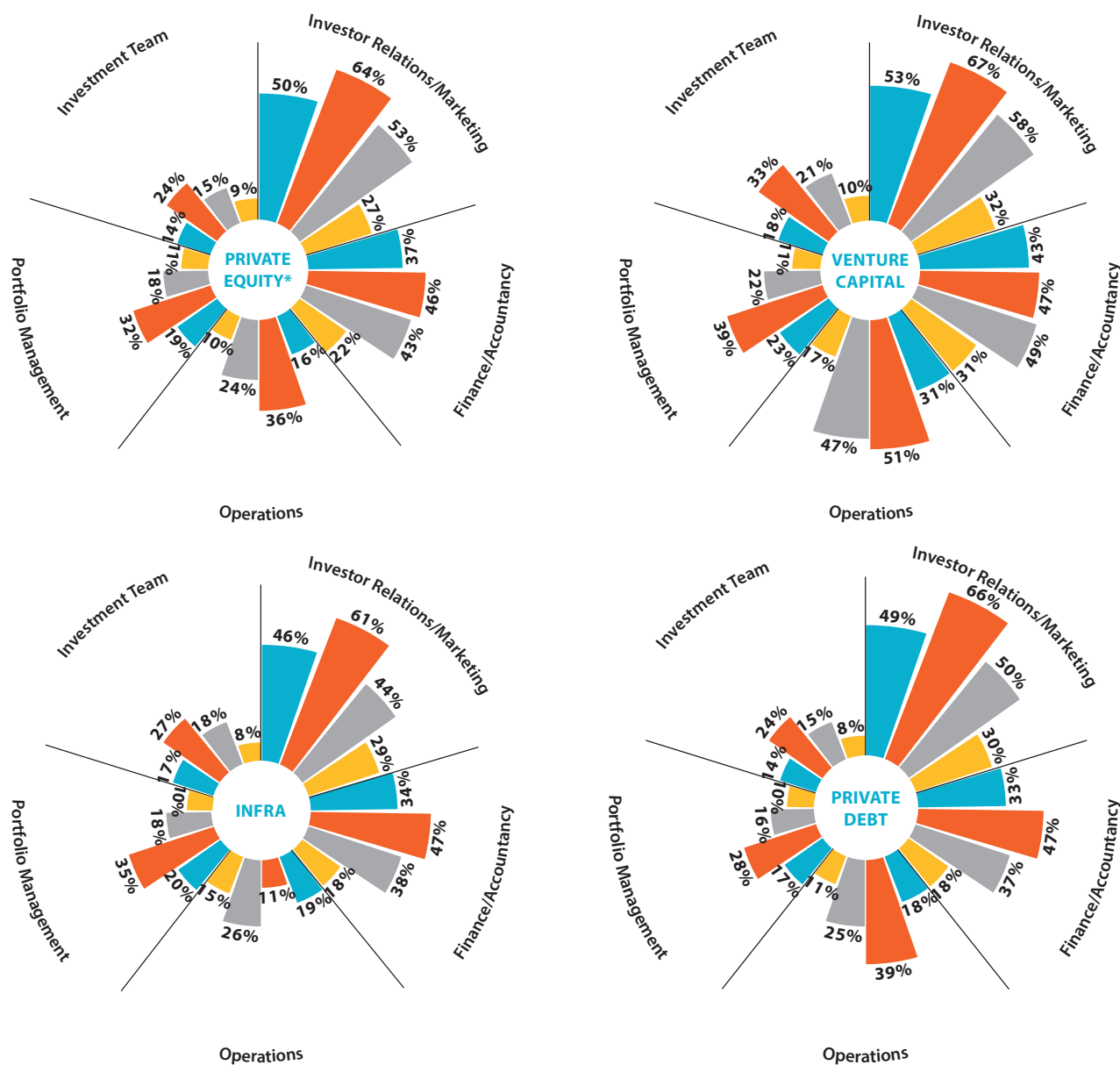
45%

The average representation of women in investor relations/marketing roles across all asset classes.

4.7%

The average representation of women at board level across all asset classes. Venture capital has the highest at 6.0%.

Fig. 4: Female Employees in Alternatives as a Proportion of Total Employees by Asset Class, Role Function and Seniority



accountancy roles in each asset class, with more than half of junior positions in natural resources firms held by women. In contrast, across all asset classes, an average of only one-quarter of junior investment team positions are held by women.

Although the largest proportion of women at senior levels are in investor relations/marketing, this figure averages at only

28% across all asset classes. The largest proportion of women at board level can be found in venture capital firms and hedge funds, where, discouragingly, they make up only 6.0% and 5.8% of all board members respectively (Fig. 5).

THE REGIONAL IMBALANCE

The representation of women in real estate leads on a global basis, driven by a level of 22% in North America (Fig. 3).

Across venture capital firms, one-fifth of employees are consistently female – even in regions outside North America, Europe and Asia, which would traditionally be considered slower in the journey to gender equality, such as the Middle East and North Africa.

With respect to seniority, at an average of 36%, Asia has the highest representation of women in junior positions across all

*Excludes venture capital firms.



10.5%

The average representation of women at senior level across all asset classes.

23%

of employees at natural resources firms in Europe are women – the highest representation on a regional basis.

14%

of employees in senior positions at hedge funds in Asia are women – the highest representation regionally.

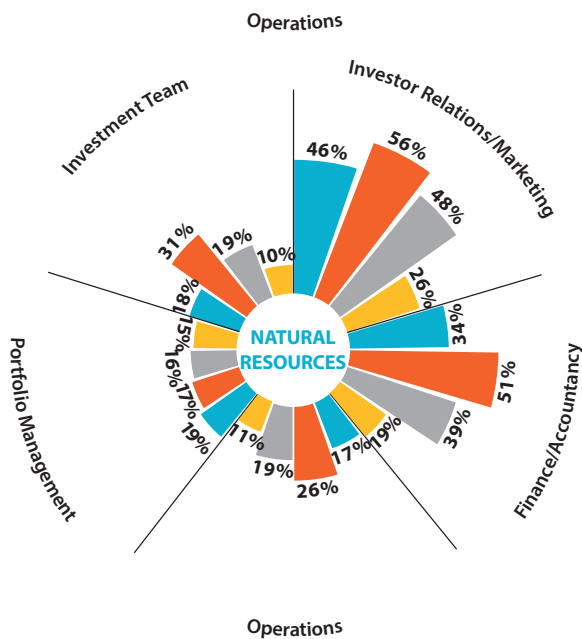
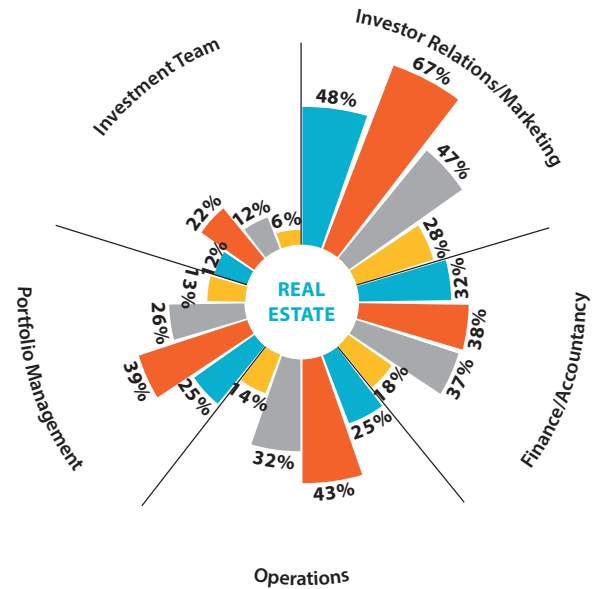
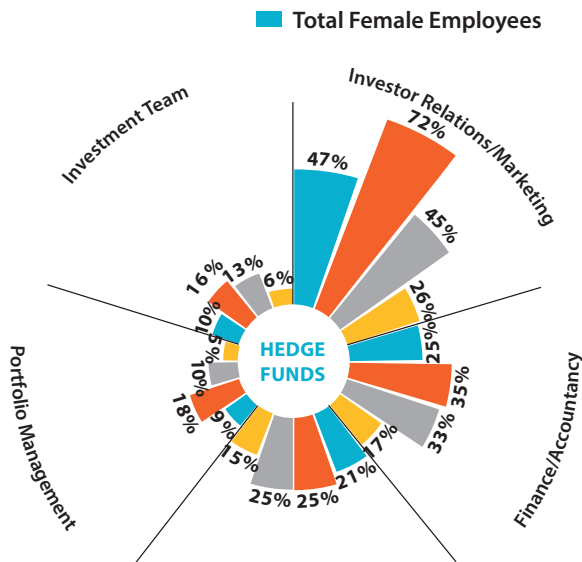
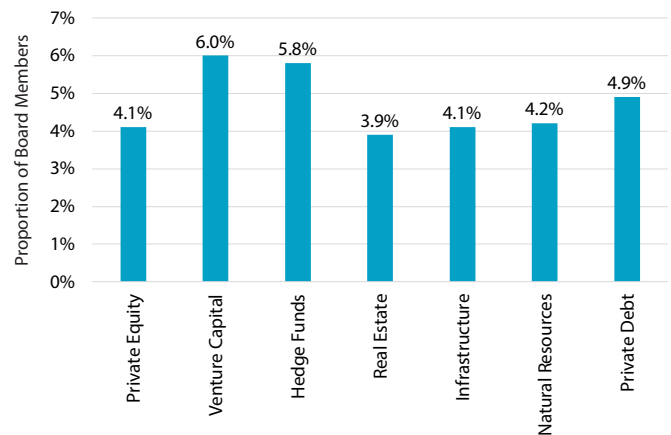


Fig. 5: Female Board Members as a Proportion of Total Board Members by Asset Class



Source: Preqin

asset classes (Fig. 6). Furthermore, 42% of Asia-based employees at a junior level in the real estate industry are women. Conversely, women represent a much smaller proportion of the junior-level workforce in North America across all asset classes, but women in mid-level roles are better represented in North America than in all other regions (Fig. 7).

An average of one in 10 senior positions across all asset classes and all regions are held by women; however, this rises to 13% for North America-based venture capital firms and 14% for Asia-based hedge funds (Fig. 8).

OUTLOOK

With the ongoing issue of gender inequality becoming increasingly prominent in the media, and institutional

investors taking more of an active stance on female underrepresentation, many in the industry feel that the tides are shifting. Of course, more could be done across all asset classes, particularly in encouraging women into portfolio management and investment team roles. Furthermore, enabling women to progress to senior roles across asset classes is important, especially as it can encourage more diversity in the longer term.

Fig. 6: Female Junior Employees in Alternatives as a Proportion of Total Junior Employees by Location and Asset Class

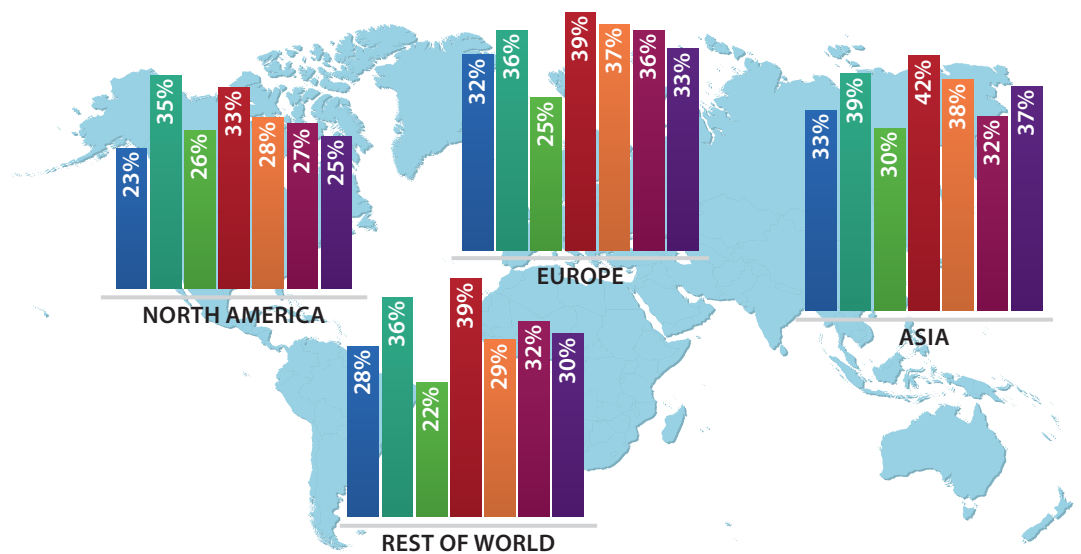


Fig. 7: Female Mid-Level Employees in Alternatives as a Proportion of Total Mid-Level Employees by Location and Asset Class

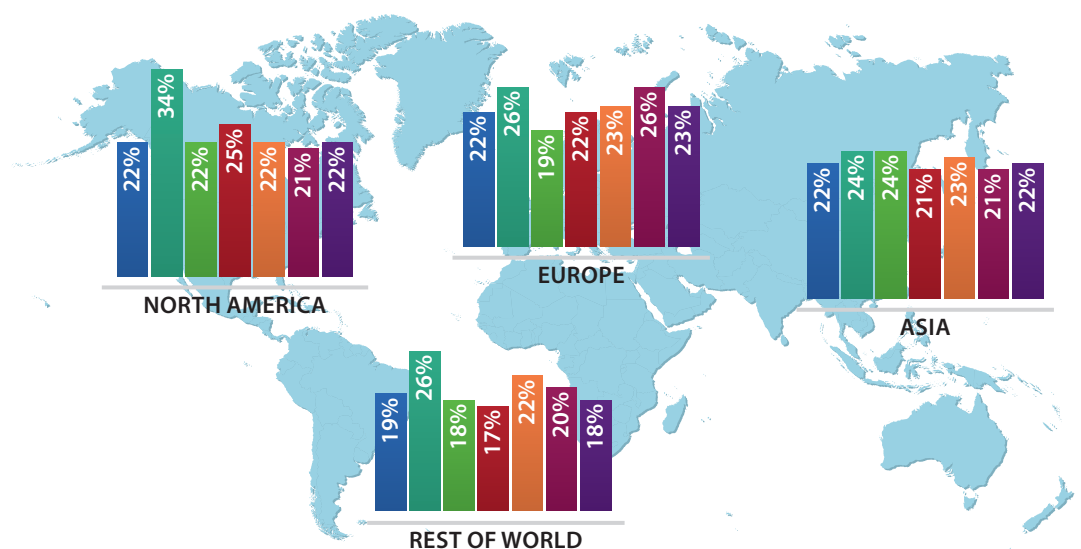
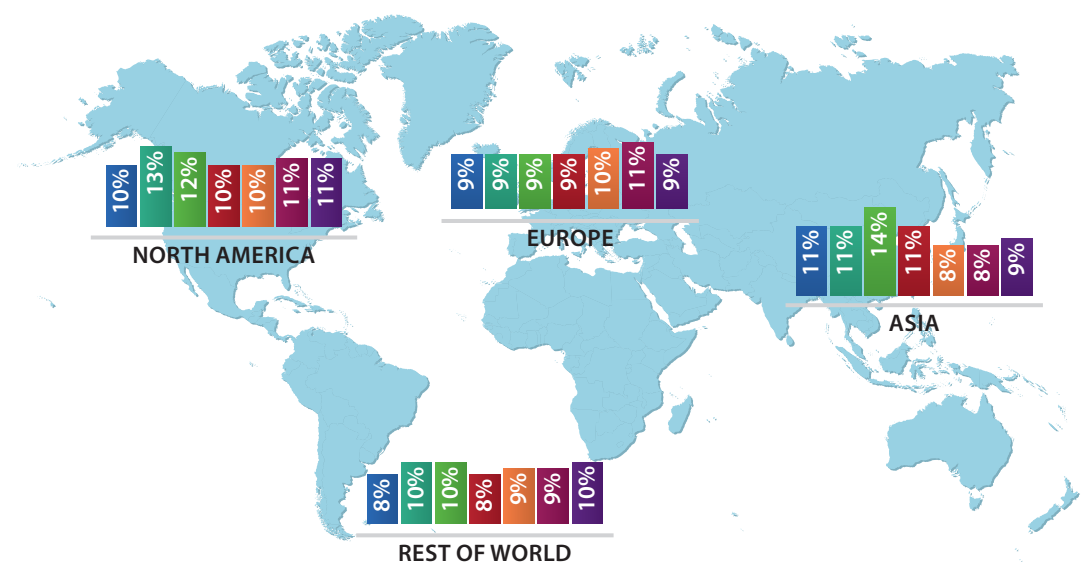


Fig. 8: Female Senior Employees in Alternatives as a Proportion of Total Senior Employees by Location and Asset Class



■ Private Equity
 ■ Venture Capital
 ■ Hedge Funds
 ■ Real Estate
 ■ Infrastructure
 ■ Natural Resources
 ■ Private Debt



TRANSFORMING THE PRIVATE EQUITY BUSINESS MODEL

- Elena Naydenova and Steve Roberts, PwC

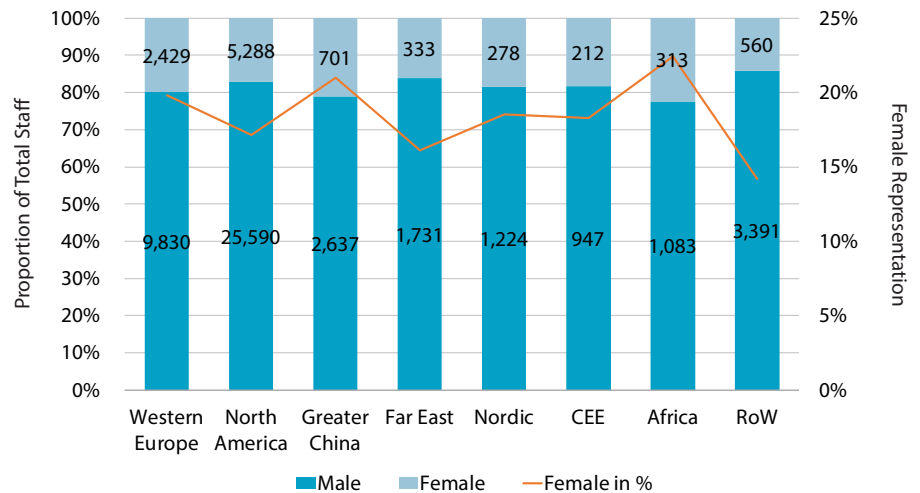
There is hardly another sector where the proportion of women is as low as in the private equity industry. The transformation of business models could, however, soon lead to change.

When the Californian private equity firm Luminate Capital Partners recently announced the closing of its debut fund with more than \$265mn of capital commitments, that in itself was already notable news. After all, it is not every newly formed private equity firm that can achieve such an amount from a standing start. The news was, however, truly remarkable for another reason: the founder of Luminate is Hollie Haynes, former Silver Lake Partners Managing Director. A woman at the head of a private equity firm? Yes, this is still unusual.

According to Preqin data, only 10,114 of the 56,547 people employed globally in the sector as of September 2017 are women, which equates to 17.9%. The situation in Western Europe is a little better (19.8%) than in North America (17.1%), and in the DACH region the proportion is even as high as 21.1% (more due to Switzerland's 23.9% than Germany's 18.8%...), but the bottom line is this: even compared with other alternative investment classes, the proportion of women in the private equity industry is particularly low.

In the venture capital industry, the proportion is, at least, 20.5%. In the real estate sector, it is 20.6%. And, relatively speaking, with a proportion of 18.6%, there are even more women working in hedge funds than in private equity. The picture becomes even more sobering when you focus in on senior appointments. Only 2,346 women in the private equity industry hold senior positions; this equates to only 9.4% when measured against the 24,926 senior positions overall. Here again, the private equity industry lagged behind the rest

Private Equity - Female vs. Male by Region



Source: Preqin

of the alternative assets industry, with women in venture capital firms at least occupying 11.5% of the top positions; in the real estate sector it is 9.9% and for hedge funds it is 11.2%.

What lies behind all of this?

The private equity industry has always been male dominated, as demonstrated by the names that established and built it up in the 1980s and 90s: Kohlberg, Kravis and Roberts. All were men, just like Steven Schwarzmann, the Blackstone founder; or David Bonderman, James Coulter and William S. Price, the founders of the Texas Pacific Group. It is no contradiction to say that a comparatively young industry looks rather old fashioned when it comes to the matter of gender. On the contrary: the fact that many private equity firms are still being run by the founder generation is likely to make it more difficult to establish modern corporate structures, and all the more so because private equity firms are, in terms of employee numbers, relatively small businesses. The senior management level, which is often conservative, therefore exerts a strong influence on the whole organization. Moreover, smaller firms generally find it harder, at least for senior positions, to help their female

managers find better ways of combining career and family through part-time working.

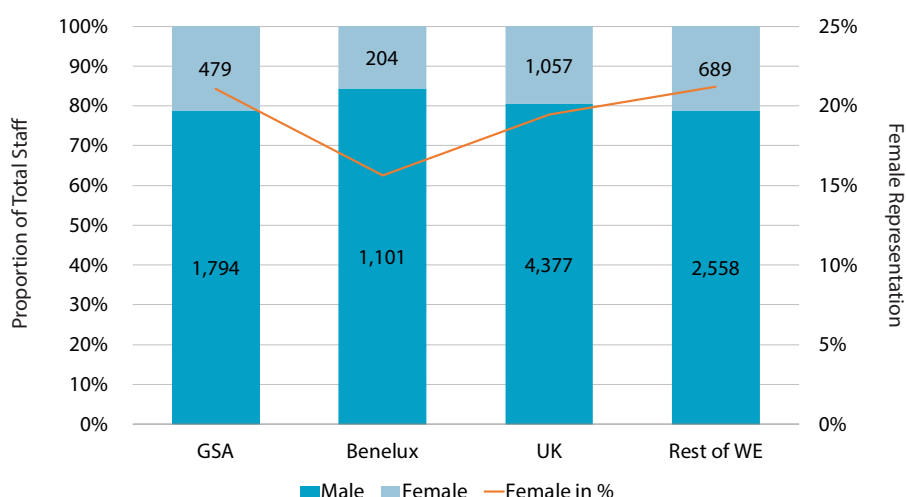
The lack of female role models may be another reason for the significant underrepresentation of women. Even in the technology sector, which is also very male dominated, there are role models such as the Facebook COO Sheryl Sandberg, HP CEO Meg Whitman or Marissa Meyer, the former Yahoo boss; in the private equity industry, however, examples such as Luminate founder Hollie Haynes or Dominique Senequier, the founder of Ardian, are the great exceptions. This could explain why talented young women, if in doubt, decide to enter other industries where they presume that there are better opportunities for career progression and a more open working culture.

As long as two years ago, Joan Solotar, then Head of External Relations and Strategy at Blackstone, drew attention to the problem of the talent pool potentially being too small: "Out of the roughly 1,000 applicants applying to the associate position, only about 100 were women. How are you going to get to 30% if only 10% of applicants are women?"

Not even industry representatives deny that the striking predominance of men is likely to become a problem sooner or later – and not just for the industry itself, but also beyond, as the influence from private equity on the remaining corporate world continues to increase. If, therefore, the private equity industry does not manage to attract the best female talent, then the corresponding portfolio companies and the economy as a whole will also at some point suffer as a result of this deficiency.

That said, it looks as if the private equity industry has not only recognized the problem but is also finally taking steps to address it. An increasing number of financial investors are starting internal initiatives to better support female talent. At the same time, networks are being formed such as “Level 20” which has set itself the task of supporting female private equity managers with mentoring programs. Another example is the London “Women in Private Equity Forum” which is already taking place for the fourth time in November. And as many as six women made it on to this year’s Financial News “Rising Stars of Private Equity” list – 24% of the total 25 people selected.

Private Equity - Female vs. Male Western Europe



Source: Preqin

The fundamental transformation of the private equity business model could also be a potential catalyst for change: the times when the industry sought to increase the value of its portfolio companies first and foremost by financial engineering are definitely behind us. Nowadays, financial investors are instead developing their investments operationally, which is also resulting in radical changes in the internal structure of many private equity firms. In the past, the industry mainly recruited its staff

from investment banks. Now, however, recruitment is focusing on companies in the real economy and on consulting firms, i.e. sectors in which the proportion of women is significantly higher than in the financial sector. There are therefore several indications that, at some point, examples like Dominique Senequier or Hollie Haynes will no longer be the exceptions.

PwC

PwC is the leading auditing and consulting firm in Germany with €1.9bn in turnover and 10,364 employees at 21 locations.

PwCs dedicated Private Equity Group advises Private Equity firms, their funds and portfolio companies in all phases of an investment. We work with our clients to develop solutions that are tailored to their needs and assist in implementing them, whether they are of a financial, commercial, regulatory, tax or legal nature. Our ultimate goal is to help our clients achieve sustainable success.

At PwC, we acknowledge that diversity and inclusion is a key element of corporate strategy and is crucial for success. We have recognised that a diverse workforce drives innovation, improved working environments and enhanced customer service. Our own diversity journey illustrates that organisations need a diverse workforce to have impact and service our communities, stakeholders and clients. PwC proudly backs the UN's HeForShe initiative and is a founding 10x10x10 IMPACT champion.

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WOMEN IN PRIVATE EQUITY & VENTURE CAPITAL



15%

of all senior employees at China-based private equity firms* are women, the largest proportion among the top 10 countries**.



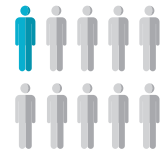
24%

of all senior employees at Hong Kong-based venture capital fund managers are women, the largest proportion among the top 10 countries**.



9.4%

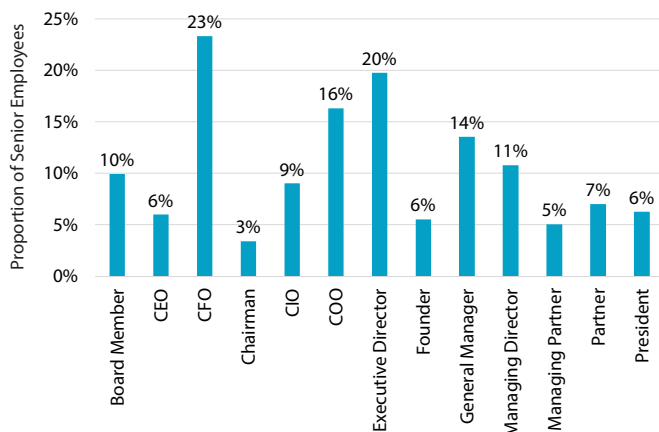
of all senior positions at private equity fund managers* are occupied by women.



11.5%

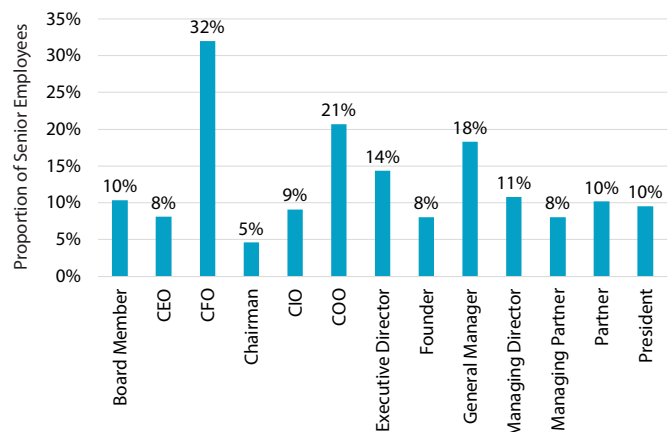
of all senior positions at venture capital fund managers are occupied by women.

Fig. 9: Female Senior Employees at Private Equity Firms* as a Proportion of Total Senior Employees by Position



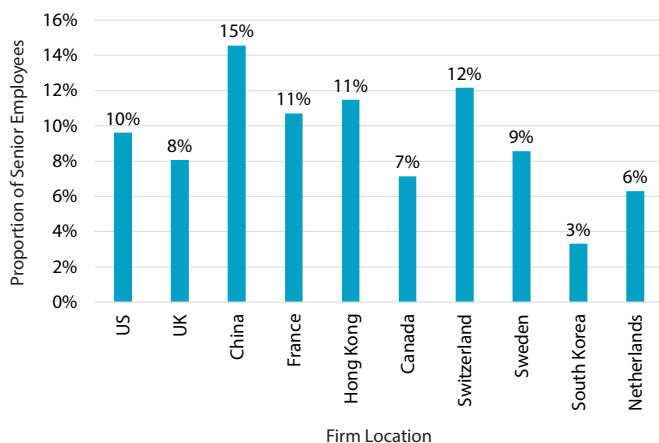
Source: Preqin Private Equity Online

Fig. 10: Female Senior Employees at Venture Capital Firms as a Proportion of Total Senior Employees by Position



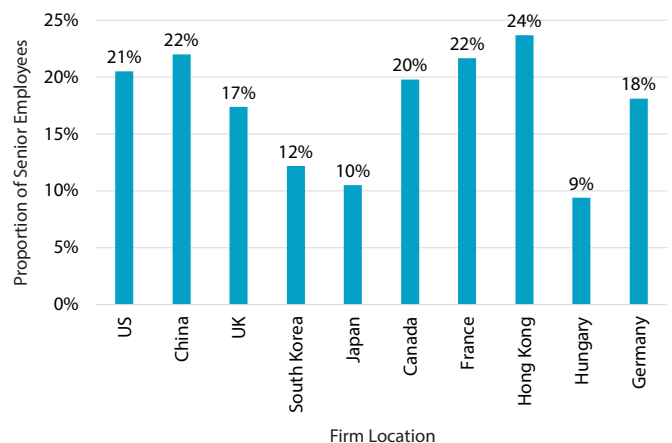
Source: Preqin Venture Capital Online

Fig. 11: Female Senior Employees at Private Equity Firms* in the Top 10 Countries as a Proportion of Total Senior Employees**



Source: Preqin Private Equity Online

Fig. 12: Female Senior Employees at Venture Capital Firms in the Top 10 Countries as a Proportion of Total Senior Employees**



Source: Preqin Venture Capital Online

*Excludes venture capital firms.

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

CASE STUDY: KARMIJN KAPITAAL

Karmijn Kapitaal was founded by Désirée van Boxtel, Hadewych Cels and Cilian Jansen Verplanke in 2010. Karmijn invests equity capital in Dutch SMEs, managed by a balanced team of men and women because the firm believes in the power and potential of these companies and in the added value of diversity.

Established: 2010
Strategies Targeted: Management Buyout, Growth Finance, Succession, Majority or Minority Shareholdings
Geographic Focus: Netherlands
Latest Fund Closed: Karmijn Kapitaal Fund II (closed on €90mn in June 2016)

CASE STUDY: ILLUMINATE VENTURES

Illuminate Ventures focuses on funding and accelerating great founding teams in the B2B/Enterprise software space. Illuminate invests in companies building SaaS platforms and applications that leverage vast datasets and enhanced analytics, such as machine learning, to improve business results. Illuminate invests in innovative teams that frequently marry “creative destruction” with new technologies to solve old problems in new ways.

Illuminate is typically a start-up's first institutional investor, leading Series Seed equity financings – filling the gap between angel capital and larger Series A rounds of traditional VCs.

With three funds under management, Illuminate has been an early investor and board member in deep technology platforms and SaaS business applications that have gained profitable exits via IPO (NYSE: XTLY) and acquisitions by market leaders such as Vista Equity Partners, New Relic, Autodesk, Coupang and Cloudera.

Established: 2009
Strategies Targeted: Information Technology - Seed, Early Stage, Start-up Venture Capital
Geographic Focus: North America
Funds in Market: Illuminate Ventures II, L.P. (targeting \$30mn, first close completed)
Latest Fund Closed: Illuminate Ventures I, L.P. (closed on \$20mn in November 2013)

“ I am delighted by the increase in the number of talented women entering the VC community in the last five years, but there is no question that the ecosystem would benefit from broader representation of women investors and entrepreneurs. There have historically been far too many barriers to partner-level diversity, some of them self-imposed, but many that are related to the fundamental nature of partnerships. The natural instinct of a team is to continue to bring in more people like themselves.

Some aspects of our industry are changing rapidly, with many firms making a conscious effort to hire more diverse talent, but other things are likely to take much longer to change. Venture capital is unique in that the 10+ year nature of a fund means that things like investment decision-making authority and carry allocation change very slowly – typically only as a new fund is raised. What I see is an evolution rather than a revolution.

Illuminate has been proactively accessing a pipeline of more diverse founding teams since the inception of the firm. As a prior VC-backed founder/CEO and the founder of a VC firm, the gap that exists between some amazingly talented entrepreneurs and the limited capital that is targeting them is obvious and spells opportunity. We don't consider attributes like gender or ethnicity as investment criterion, but do go out of our way to ensure that they are not barriers.

Our thesis that an inclusive sourcing strategy would benefit our performance has proven out. We gain this expanded deal flow via support from our Business Advisory Council members, our local MBA interns, our Students in Residence that are located outside of the Bay Area and a variety of other efforts such as the white paper we wrote documenting the high performance of women entrepreneurs. The networks we are building are designed to expand both access to and management of capital by a broader group of entrepreneurs and investors. Even our investing team is split 50/50 female-male and across the Illuminate portfolio nearly 50% of our companies have at least one woman co-founder, an order of magnitude higher than the industry norm.

- Cindy Padnos, Founder & Managing Partner

Source new investors for funds

Identify new investment opportunities

Conduct competitor and market analysis

Benchmark fund performance

Develop new business



Preqin provides comprehensive, global data and intelligence across alternative assets. To find out how Preqin can help your business, please visit:

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alternative assets. intelligent data.

WOMEN IN HEDGE FUNDS



18%

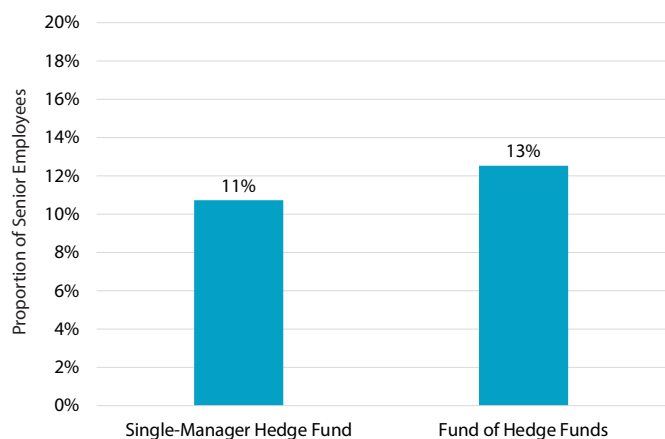
of all senior employees at China-based hedge fund managers are women, the largest proportion among the top 10 countries*.



11.2%

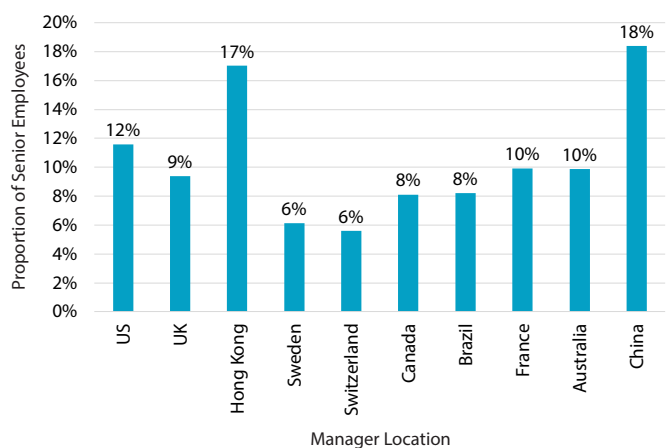
of all senior positions at hedge fund managers are occupied by women.

Fig. 13: Female Senior Employees at Hedge Fund Managers as a Proportion of Total Senior Employees



Source: Preqin Hedge Fund Online

Fig. 14: Female Senior Employees at Hedge Fund Managers in the Top 10 Countries* as a Proportion of Total Senior Employees



Source: Preqin Hedge Fund Online

CASE STUDY: SAGA TREE CAPITAL ADVISORS

Based in Singapore, Saga Tree Capital Advisors is an absolute-returns-focused, fundamental, value-biased pan-Asian equity house. Founded in 2011, Saga Tree focuses on finding good companies with strong management and superior cash flow generation, and looks to buy these with a margin of safety, often by being contrarian. The firm manages Saga Tree Asia Fund, which is domiciled in the Cayman Islands.

Strategy Focus: Long/Short Equity

Geographic Focus: Asia

Firm AUM: \$431mn (as at August 2017)

Active Funds: Saga Tree Asia Fund

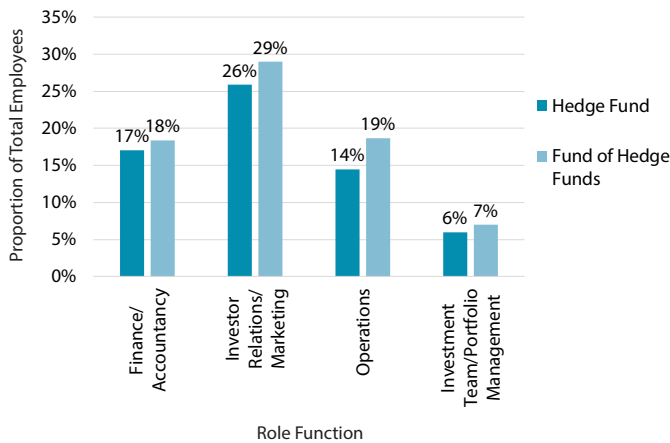
“As studies and anecdotes consistently show, the gender imbalance in hedge funds, and across alternative assets, is severe and can be detrimental to returns. Investing is not easy. However, the challenge derives not from an investor's gender. It strikes us that rather than exacerbate the difficult task of finding talented investors by narrowing the scope, it is incumbent upon us to broaden our searches and hire, train, encourage and promote women across the ranks. The markets don't care whether your chromosomes are XX or XY – why not apply that same objectivity when hiring an analyst? We talk about the value of unconventional thinking when it comes to stock picking – why not apply that differentiated thinking when promoting a portfolio manager? Hopefully what seems unconventional now will become second nature before long.

- Catherine Tan, CEO and Founder

*By assets under management (as at June 2017).

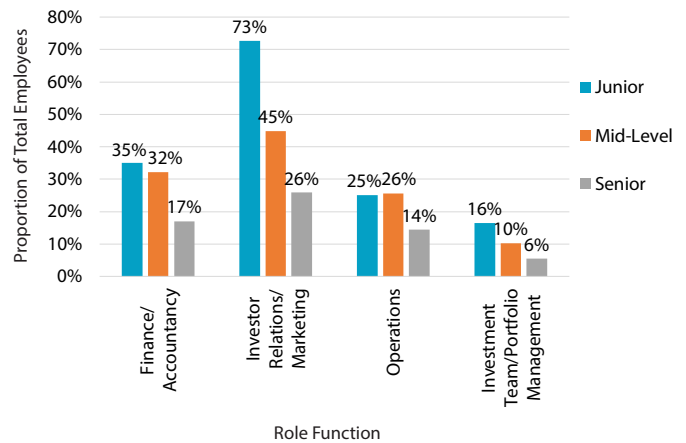


Fig. 15: Female Employees at Hedge Fund Managers as a Proportion of Total Employees by Role Function



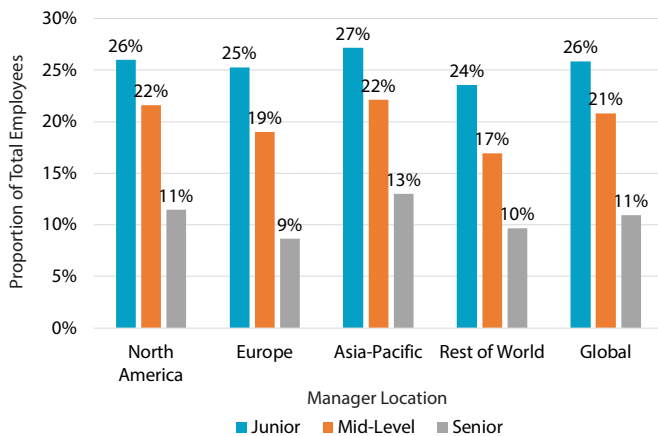
Source: Preqin Hedge Fund Online

Fig. 16: Female Employees at Single-Manager Hedge Funds as a Proportion of Total Employees by Seniority and Role Function



Source: Preqin Hedge Fund Online

Fig. 17: Female Employees at Funds of Hedge Funds as a Proportion of Total Employees by Seniority and Location



Source: Preqin Hedge Fund Online

DATA SOURCE:

Hedge Fund Online is Preqin's flagship hedge fund information resource, incorporating all of our hedge fund data, intelligence and functionality, providing you with the most comprehensive coverage of the asset class available.

Get in touch today to arrange a demo of **Hedge Fund Online**:

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CASE STUDY: SANDGLASS CAPITAL MANAGEMENT LIMITED

Sandglass Capital Management manages a global opportunity-driven fund that invests in emerging and frontier markets with a focus on deep value, event driven assets. The firm and fund were launched by Genna Lozovsky and Michelle Kelner in early 2013; each of the founders has roughly 20 years of experience investing in emerging and frontier markets across multiple asset classes.

Strategy Focus: Special Situations with a focus on Distressed Credit and Event Driven Equity
Geographic Focus: Emerging Markets
Firm AUM: \$90mn (as at September 2017)
Active Funds: Sandglass Opportunity Fund, LP

“Being a woman in alternatives is no different in my opinion than being a woman in any high-pressure, high-performance career. My best advice for young women who want to build an investment or alternatives career is to persevere, know that ultimately the “bro-culture” that is often cited as an impediment to women achieving seniority is changing (albeit not uniformly across the industry). Obtain strong mentorship early in your career; it is important to have mentors not just in your company, but also from strong leaders (male or female) in the industry who can help guide you from a position of impartiality.

- Michelle Kelner, Co-Founder and Senior Partner

WOMEN IN REAL ESTATE



17%

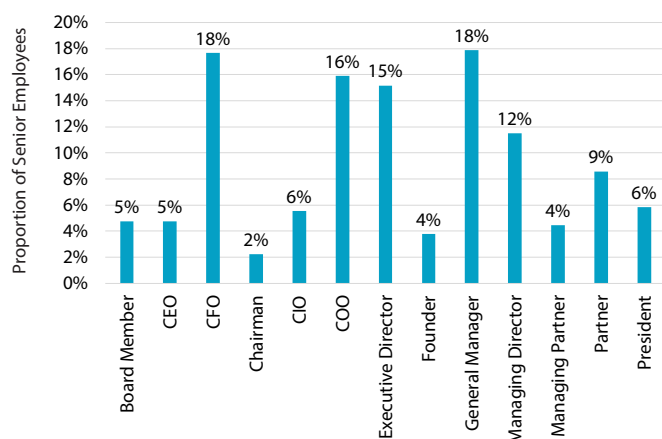
of all senior employees at France-based real estate fund managers are women, the largest proportion among the top 10 countries*.



9.9%

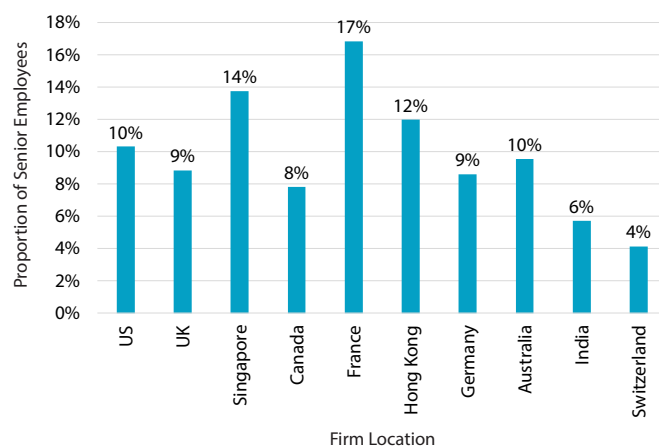
of all senior positions at real estate fund managers are occupied by women.

Fig. 18: Female Senior Employees at Real Estate Firms as a Proportion of Total Senior Employees by Position



Source: Preqin Real Estate Online

Fig. 19: Female Senior Employees at Real Estate Firms in the Top 10 Countries* as a Proportion of Total Senior Employees



Source: Preqin Real Estate Online

CASE STUDY: ARTEMIS REAL ESTATE PARTNERS

Artemis Real Estate Partners is a Maryland-based private equity real estate investment manager, specializing in the acquisition, financial restructuring and development of real estate assets and the management of private real estate funds. The firm focuses on equity and debt opportunities in industrial, multi-family, office, retail and senior home assets across the US.

Co-Founder and Chief Executive Officer Deborah Harmon has over 25 years of experience in the real estate industry, and is responsible for establishing, implementing and overseeing the company's strategic direction.

Established: 2009

Strategies Targeted: Core, Core-Plus, Value Added, Opportunistic, Debt, Distressed

Geographic Focus: US

Latest Fund Closed: Artemis Real Estate Partners Healthcare Fund I (Closed on \$475mn in August 2017)

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

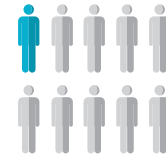


WOMEN IN REAL ASSETS



17%

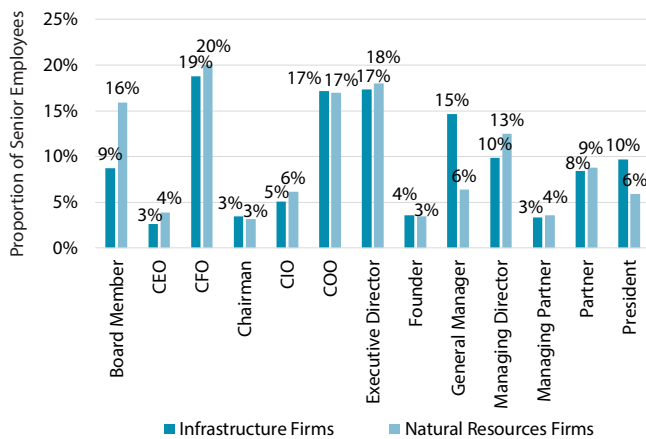
of all senior employees at China-based real assets fund managers are women, the largest proportion among the top 10 countries*.



10.4%

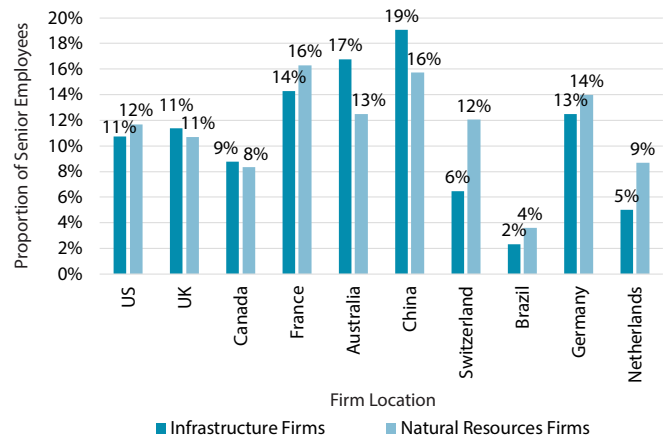
of all senior positions at real assets fund managers are occupied by women – 9.8% in infrastructure and 10.9% in natural resources.

Fig. 20: Female Senior Employees at Real Assets Firms as a Proportion of Total Senior Employees by Position



Sources: Preqin Infrastructure Online and Preqin Natural Resources Online

Fig. 21: Female Senior Employees at Real Assets Firms in the Top 10 Countries* as a Proportion of Total Senior Employees



Sources: Preqin Infrastructure Online and Preqin Natural Resources Online

CASE STUDY: AREA ONE FARMS

Area One Farms partners in the growth of high-performing farm operators. Based in Canada, Area One Farm partnerships enable farmers to maintain the family-farm structure through intergenerational transfer or expand to accommodate the addition of multiple children to the enterprise.

Area One looks to exit by selling its stake to the farm owner. The firm does not charge fees, rent or interest. Operators that partner with Area One Farms earn 100% of the income and appreciation generated by their investment. They also earn income and appreciation generated by Area One Farms' investment.

Established: 2012

Strategies Targeted: Agriculture/Farmland

Geographic Focus: Canada, US

Latest Fund Closed: Area One Farms Fund III (Closed on CAD 130mn in July 2017)

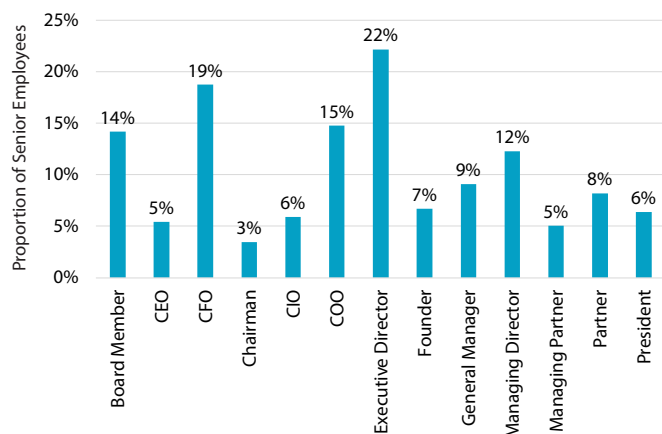
“ I started this fund at 28 years old. Being a young woman in the rather male-dominated businesses of agriculture and investing, I expected being a woman to be a disadvantage. However, that was not the case. In particular, farm operators and institutional investors have been thoughtful, respectful, and mostly, interested in the unique partnership structure that I was able to bring to the industry.

- Joelle Faulkner, President

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

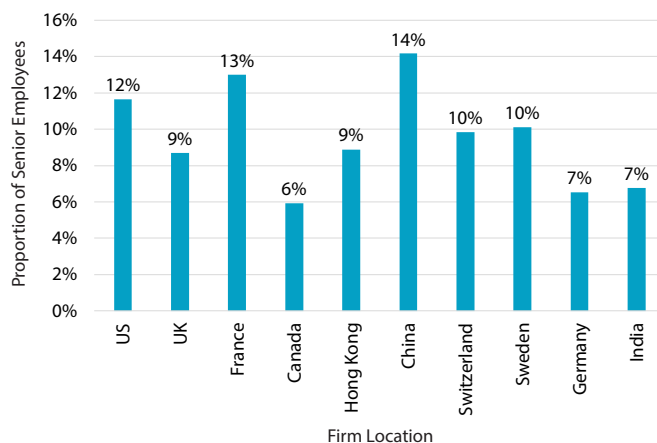
WOMEN IN PRIVATE DEBT

Fig. 22: Female Senior Employees at Private Debt Firms as a Proportion of Total Senior Employees by Position



Source: Preqin Private Debt Online

Fig. 23: Female Senior Employees at Private Debt Firms in the Top 10 Countries* as a Proportion of Total Senior Employees



Source: Preqin Private Debt Online

CASE STUDY: NXT CAPITAL

NXT Capital is an established middle-market lender and asset manager providing financing solutions to clients that need a customized, hassle-free solution from a reliable partner. The firm has committed capital of over \$10bn and offers a full range of structured financing solutions on a direct basis through its Corporate Finance and Real Estate Finance Groups.

NXT Capital's Asset Management platform offers investors proprietary access to floating rate middle-market loans sourced almost exclusively in the primary market. Investors also benefit from the firm's risk management processes and alignment with its balance sheet lending activities. NXT Capital is based in Chicago with offices in Atlanta, Dallas, Los Angeles, Nashville, New York and Phoenix.

Established: 2010

Strategies Targeted: Direct Lending (corporate senior, stretch senior, unitranche debt and commercial real estate 1st mortgage loans)

Geographic Focus: US

Funds in Market: NXT Capital Senior Loan Fund V

Latest Fund Closed: NXT Capital Senior Loan Fund IV (Closed on \$900mn in September 2016)

“ We're seeing more women in leadership positions in private credit, although they're still underrepresented in the industry as a whole. Building the ranks of women in senior roles will take time, but there are some positive indicators. Over the years, we've noticed many more women attending industry conferences and speaking on panels.

In addition, NXT Capital works with many female executives among the institutional investors who are our clients. Some investors require detailed diversity reports every year, which may help encourage greater diversity among asset managers across the industry over time. There are also a growing number of women's industry groups in which we are active.

These groups offer excellent opportunities to network, build relationships and identify ways to advance women in alternatives and throughout the industry. NXT is doing its part by building a diverse workforce that is representative of the communities where we live and work. In addition, we develop and train our younger team members, provide growth opportunities and base promotions on merit without regard to gender, race or age. Currently, we have women leading our Credit & Risk Management, Asset Management and Operations teams.

- Kelli O'Connell, Managing Director, Head of Asset Management

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



WOMEN AT INSTITUTIONAL INVESTORS

Across all employees at institutional investors actively investing in alternative assets, just over one-fifth (21%) are women. However, this figure varies significantly within the alternatives investor universe.

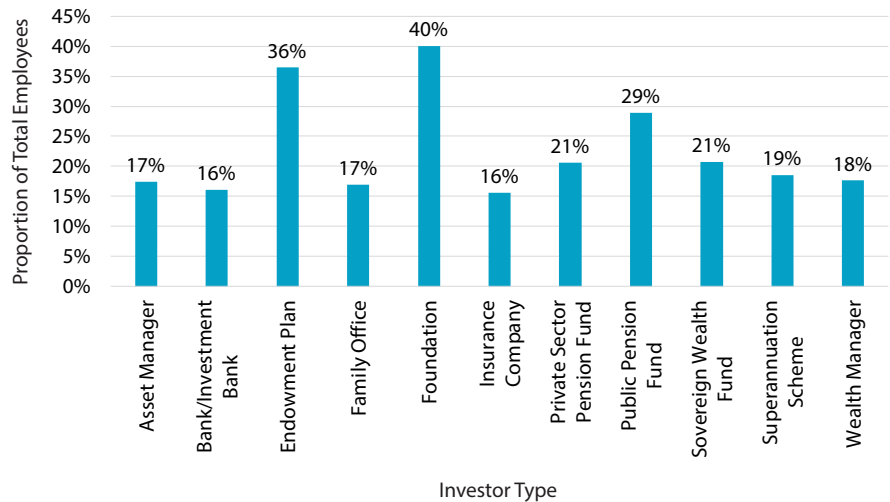
INVESTOR TYPE

Foundations and endowment plans lead the way in terms of the proportion of the workforce represented by women at 40% and 36% respectively (Fig. 24). At the other end of the scale, women account for only 16% of all employees at banks and insurance companies; interestingly, given the large sizes of some banks, these institutions account for the greatest number of female employees at institutional investors.

As well as the highest representation of female employees, foundations have the greatest share of women in senior roles, with 34% of senior positions at foundations occupied by women (Fig. 25).

Despite female employees accounting for just 17% of the workforce at family offices, 14% of senior positions are held by women – the fourth largest proportion across all investor types – while banks have the lowest representation (8%) of female senior employees. The greatest disparity

Fig. 24: Female Employees at Institutional Investors as a Proportion of Total Employees by Investor Type



Source: Preqin

between the level of women in junior and senior roles is seen in asset managers and private sector pension funds.

GEOGRAPHY

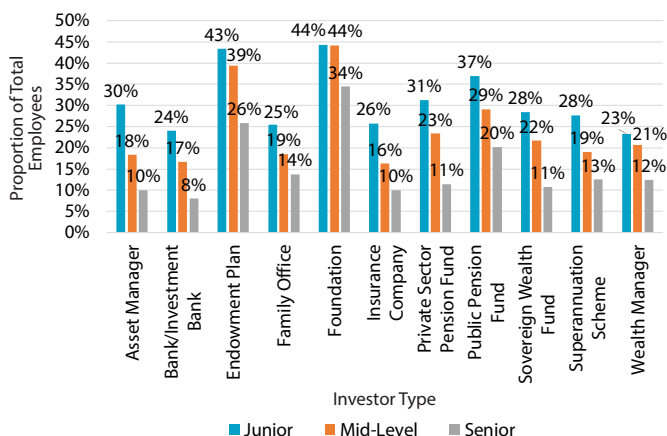
North America-based institutional investors employ a greater proportion of women than the global average (25% vs. 21%), with all other major regions below average (Fig. 26).

As is the general trend across the institutional investor universe, women are

more represented in junior roles than in senior roles, and this trend is seen across all main regions (Fig. 27). This being said, there are relatively similar proportions of women in junior (31%) and mid-level (29%) positions in North America-based institutions.

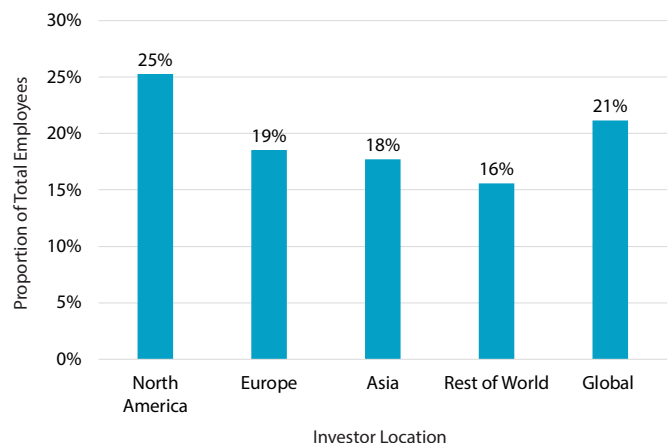
The level of female employment in institutional investors ranges greatly across key markets. In Asia, Singapore (25%) and China (23%) register greater proportions than both the global (21%)

Fig. 25: Female Employees at Institutional Investors as a Proportion of Total Employees by Seniority and Investor Type



Source: Preqin

Fig. 26: Female Employees at Institutional Investors as a Proportion of Total Employees by Investor Location



Source: Preqin



21%

of all employees at institutional investors are female.



40%

of all employees at foundations are women, the largest proportion of any investor type.



14%

of all senior positions at institutional investors are occupied by women.

and Asian (18%) average, while India (9%) and Japan (8%) sit at the opposite end of the scale (Fig. 28).

Similar dispersion is also seen in Europe, with an eight-percentage-point gap between the level of female employees in the UK (22%) and Switzerland (14%).

INVESTOR SIZE

When considering female employment at institutional investors by AUM, the general trend is that smaller investors employ a greater share of women: nearly one-third (30%) of all employees at investors operating less than \$1bn in AUM are female (Fig. 29).

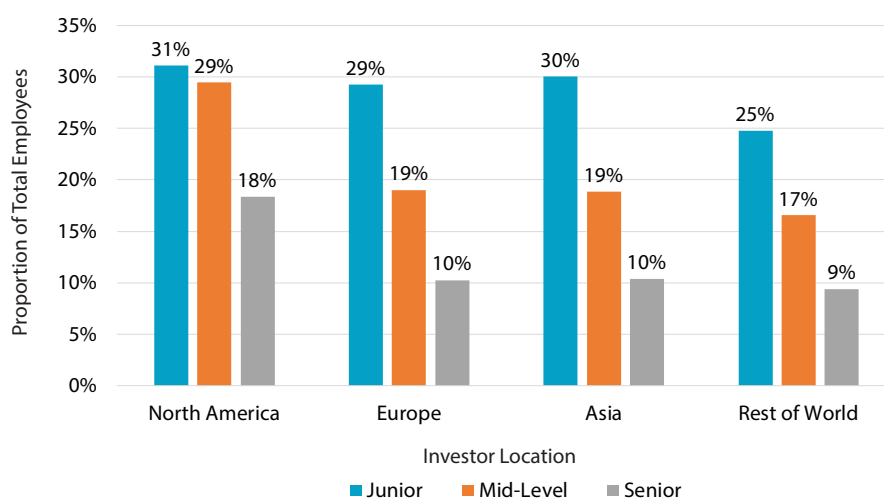
Not only do smaller investors, on average, employ a greater proportion of women, but the proportion of senior positions represented by female employees at investors operating less than \$1bn is greater than that seen across larger investors (Fig. 30).

ROLE FUNCTION

Nearly one-third (30%) of all finance and accountancy roles at institutional investors are occupied by women, while just 14% of all board members are female (Fig. 31).

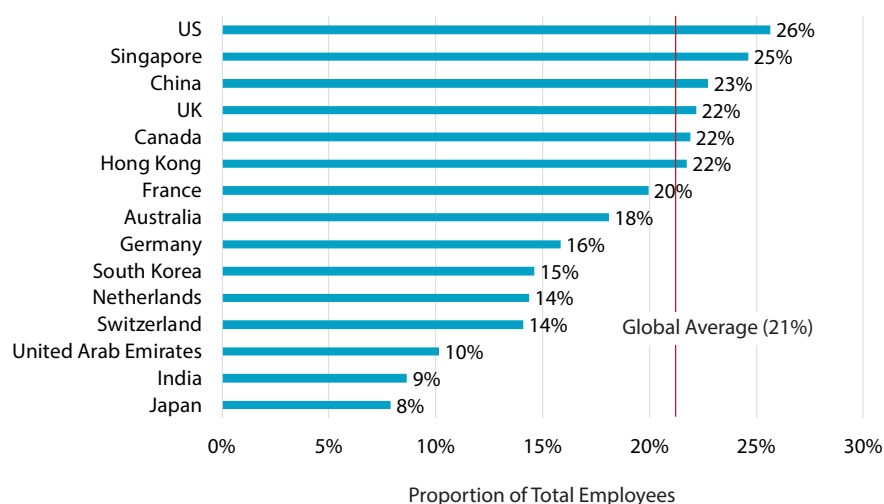
In terms of role function, the greatest level of female employment (42%) is seen in junior operations roles, while 39% of junior employees in finance and accountancy roles are women (Fig. 32).

Fig. 27: Female Employees at Institutional Investors as a Proportion of Total Employees by Seniority and Investor Location

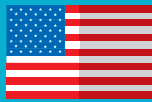


Source: Preqin

Fig. 28: Female Employees at Institutional Investors in Key Markets as a Proportion of Total Employees



Source: Preqin



26%

Among major markets, institutional investors in the US lead the way: over one-quarter of employees are women...



8%

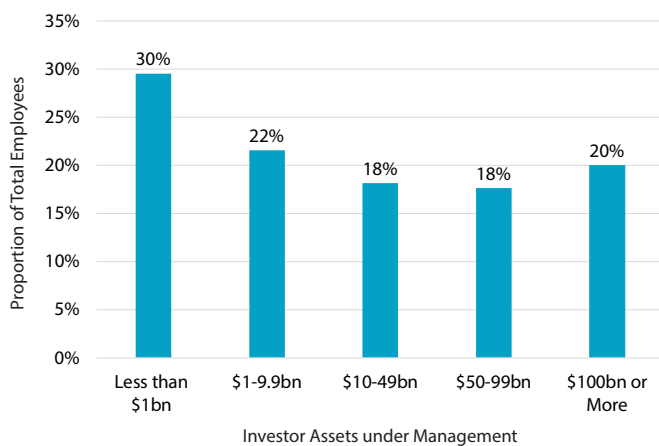
...while Japan is significantly below the global average of 21%.



30%

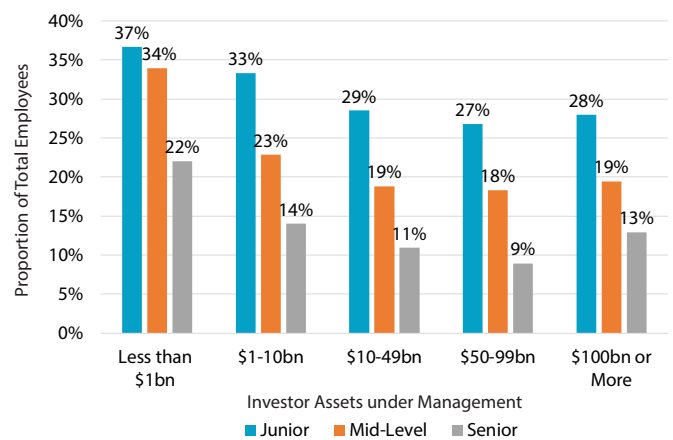
Women represent one-quarter of the workforce at investors with less than \$1bn in AUM.

Fig. 29: Female Employees at Institutional Investors as a Proportion of Total Employees by Investor AUM



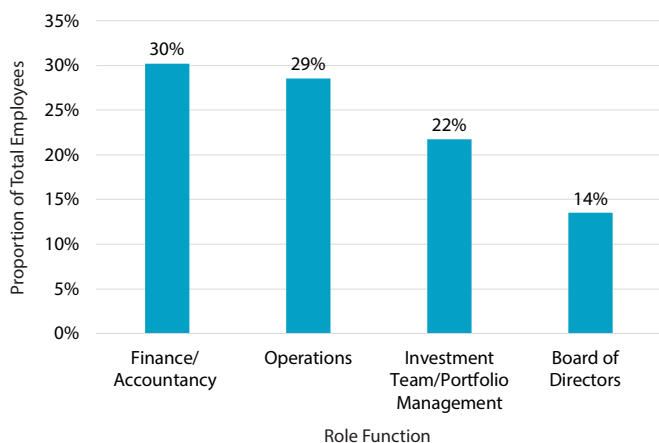
Source: Preqin

Fig. 30: Female Employees at Institutional Investors as a Proportion of Total Employees by Seniority and Investor AUM



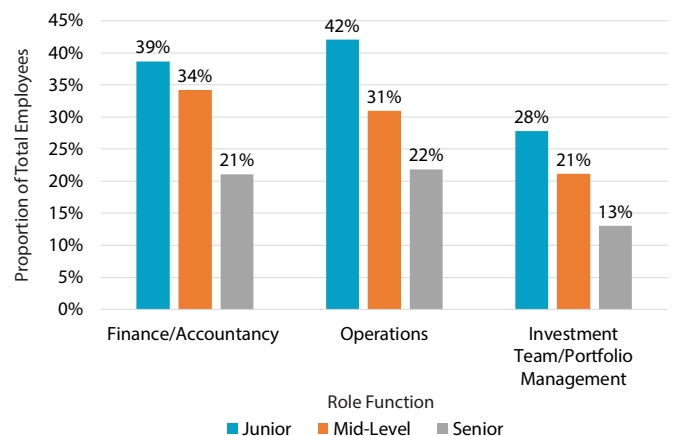
Source: Preqin

Fig. 31: Female Employees at Institutional Investors as a Proportion of Total Employees by Role Function



Source: Preqin

Fig. 32: Female Employees at Institutional Investors as a Proportion of Total Employees by Seniority and Role Function



Source: Preqin



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

OCTOBER 2017

PREQIN

Alternative Assets Data & Intelligence

Preqin provides information, products and services to fund managers, investors, consultants and service providers across six main areas:

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