

GENDER DIVERSITY—CREATING POSITIVE, LONG-TERM CHANGE

March 6, 2020
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Breckinridge Capital Advisors is partnering with Girls Who Invest (GWI), a non-profit organization dedicated to increasing the number of women in portfolio management and executive leadership in the asset management industry. Through the partnership, we will provide GWI financial support and student internships during the summer of 2020.

In North America, the investment management industry is challenged by a lack of gender diversity. According to research by the CFA Institute, women represent nearly 60 percent of college graduates, and make up nearly 50 percent of medical and law students. However, less than 20 percent of CFA Charterholders are women. This same study highlighted that career decisions are typically made early in life, before many have been exposed to investing as a potential career. As a result, less than 15% of either portfolio managers or research analysts are women.¹ Among chief investment officers of the largest institutional U.S. money managers, just 6 percent are women.² For comparison, in the health care and legal professions, women comprise 30 percent³ and 20 percent⁴ of C-suite positions. The investment industry has not kept pace.

A persistent concern is the lack of resumes from women because they are not in the employment and promotion pipeline. McKinsey's "Women in the Workplace 2019" report maintains that, as it relates to the advancement of women across industries, "Without fundamental changes early in the pipeline, gains in women's representation will ultimately stall."⁵

We agree. We believe our industry can and must improve. Breckinridge is partnering with GWI to change the industry's gender metrics and, by doing so, transform our industry. We believe GWI is well positioned to help address the challenge of increasing the number of women in asset

management leadership.

Through GWI internships, rising college juniors gain valuable experience by engaging with and working with investment professionals. GWI starts with a rigorous screening process. For example, from among approximately 790 completed applications last summer's program included 150 women. They represented 62 colleges, 23 percent identified as economically disadvantaged and 20 percent from historically underrepresented communities.⁶

The interns complete a four-week academic program in financial concepts, financial statement analysis and presentation skills conducted at major universities, with room, board and tuition provided for all accepted candidates. Since its founding in 2016, 80 percent of GWI's alumni have remained in the investment business. They are helping to change the demographic diversity of future applicants.

Beyond our financial support, we will host GWI interns at our company for six weeks out of the organization's ten-week Summer Intensive Program, which combines academic instruction and real-world experience. The program is an immersive opportunity to explore a career in finance and investment as part of a supportive community. Our mentors—experienced investment professionals—will work directly with our interns in learning and coaching experiences.

Our partnership with GWI aligns with our belief in thoughtfully integrating sustainability into our investment approach and how we govern our own business. We believe that it is important for us to mirror the behaviors that we look for in issuers and we have demonstrated this commitment in becoming both a Benefit Corporation and a Certified B Corporation. We believe our work with GWI furthers this commitment and is consistent with our goals to create positive, long-term change for our industry.



FOOTNOTES:

1. "Gender Diversity in Investment Management: New Research for Practitioners on How To Close the Gender Gap," CFA Institute, 2016.
2. "A Long Way To Go in Manager Diversity." Pensions & Investments, April 30, 2018.
3. "Women in the Health Care Industry 2018," McKinsey & Co., June 2019.
4. "Women in Law Firms," McKinsey & Co., October 2017.
5. "Women in the Workplace 2019," McKinsey & Company, Inc., October 2019.
6. Girls Who Invest, February 2020.

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