

# A more diverse and fairer VC industry

For the Iberian Ecosystem



DIVERSITY VC

In partnership with:



# Mission

Diversity VC exists to bring transparency to government and capital allocators through original data and thought leadership on diversity and inclusion in VC & tech, and to empower communities with the tools and resources to promote it.

Diversity VC aims to make VC a more diverse and inclusive community through thought leadership and actionable tools.

Our goal is to ensure every venture fund in the world has the understanding, tools and resources to promote diversity and inclusion in their firms and the companies they fund.



# Preamble

We are especially excited about this report, as it is the first analysis of the state of diversity among Spanish investors, especially in venture capital.

The promoters of the Diversity VC Iberian Chapter are volunteers in the investment industry who seek to assess bias in start-up investments arising from the make-up of employees among the investment managers or organisations themselves.

To this end, in this first edition, the diversity of investment teams is analysed from different perspectives to obtain the initial starting point. In the second edition, we will analyse the improvements that we expect to see in the industry and extend our diversity analysis to teams in investee companies, to analyse whether there is a correlation (and therefore bias) between investor diversity and the start-ups they invest in.

Diversity VC promotes a number of initiatives beyond this report. Particularly worthy of mention is the Iberian Chapter's work to integrate different national fund managers into the Future.vc program for 2020. This initiative selects, trains and coordinates internships for candidates of diverse profiles so that investors can access talent that might otherwise be unavailable to them, thus promoting inclusion and diversity. We would like to thank all the investors who have signed up to receive candidates in the June and October cohorts and hope that little by little we are contributing to enriching our industry! To learn more and join us, visit [www.future.vc](http://www.future.vc)

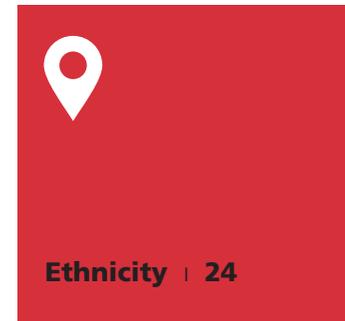
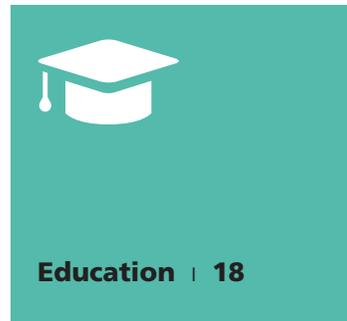


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# Introduction

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## **A brief overview of the Spanish venture capital industry**

- Venture capital is one of the main forms of finance for early-stage startups, those that are in their growth phase and have already used other sources of finance such as FFF (friends, family & fools) and business angels. Venture capital invests a certain amount in start-ups in exchange for a minority stake in the company.
- Private capital investment in Spain reached a record in volume in 2020 with a total amount of €6.275 billion\*, a growth of 33% over 2019.
- The venture capital industry was the most dynamic in terms of number of operations, with a volume of €833 M\* in a total of 672 investments. This beat all previous highs, partly due to the large number of tickets above €10 M (13 in 2020 compared to 8 in 2019) which helped finance the major rounds led by international funds co-investing with national funds. The maturity of the venture capital industry was shown by the new historical high in late-stage investment (151 in 2020 versus 113 in 2019). International VC once again recorded a peak in investment (€459 M in 135 investments, 44 more than 2019).

# Context of this study

## Spain



Venture capital firms in Spain usually have a small staff (an average of 11 employees per firm), varying from 2 individuals to 53.

Partners generally comprise 36% of staff, closely matched by the investment-oriented team, representing 32.8%

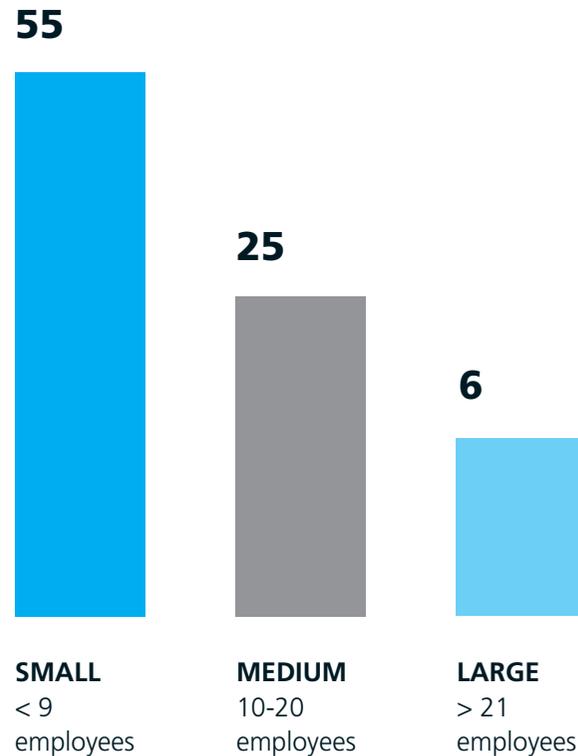
## UK



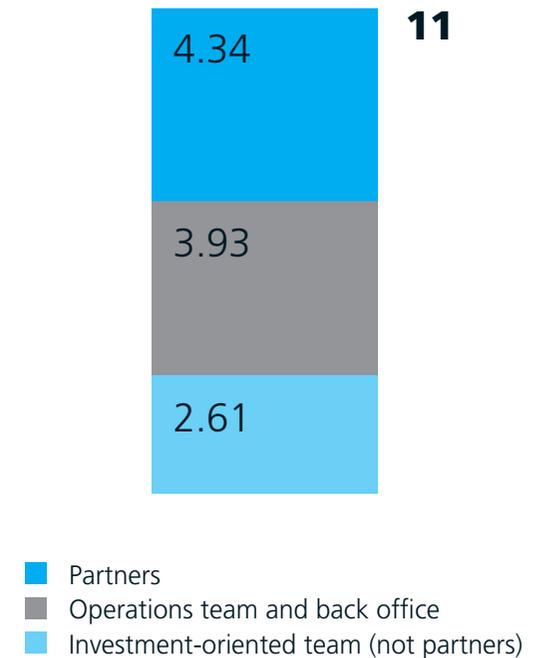
The model for UK firms is similar, with an average of 9 employees, ranging from 1 to 69.

### Investors by size

N = 86 firms



### Average team size and structure



## Context of this study

This study used information on 86 firms in the Spanish investment ecosystem, including **58 venture capital firms** (officially registered at CNMV or other European regulators), **11 corporate venture capital units and 17 others including: venture builders, equity crowdfunding platforms - PFPs and pledge funds.**

Focussing on venture capital, we see that Spanish most firms are small companies with a maximum of 9 employees, with fewer firms as the size of the company grows.

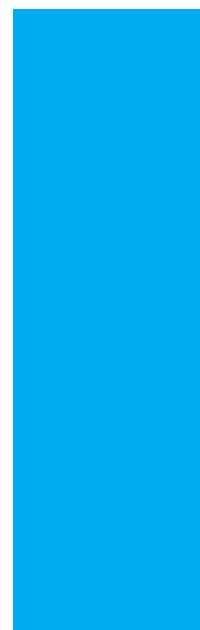
The main industries which these venture capital funds invest in are information and communication technologies (ICT), biotechnology (BIO), social impact and industry, energy and construction. Of these, the ICT industry predominates as the recipient of investment from the 63 venture funds in Spain (74%).

After ICTs comes VC investment in the BIO industry, with 14%, followed by social impact companies, at a much lower 2%.

### Number of venture capital firms, by size

N = 58 VC

38



**SMALL**  
Up to 9  
employees

14



**MEDIUM**  
10-20  
employees

5



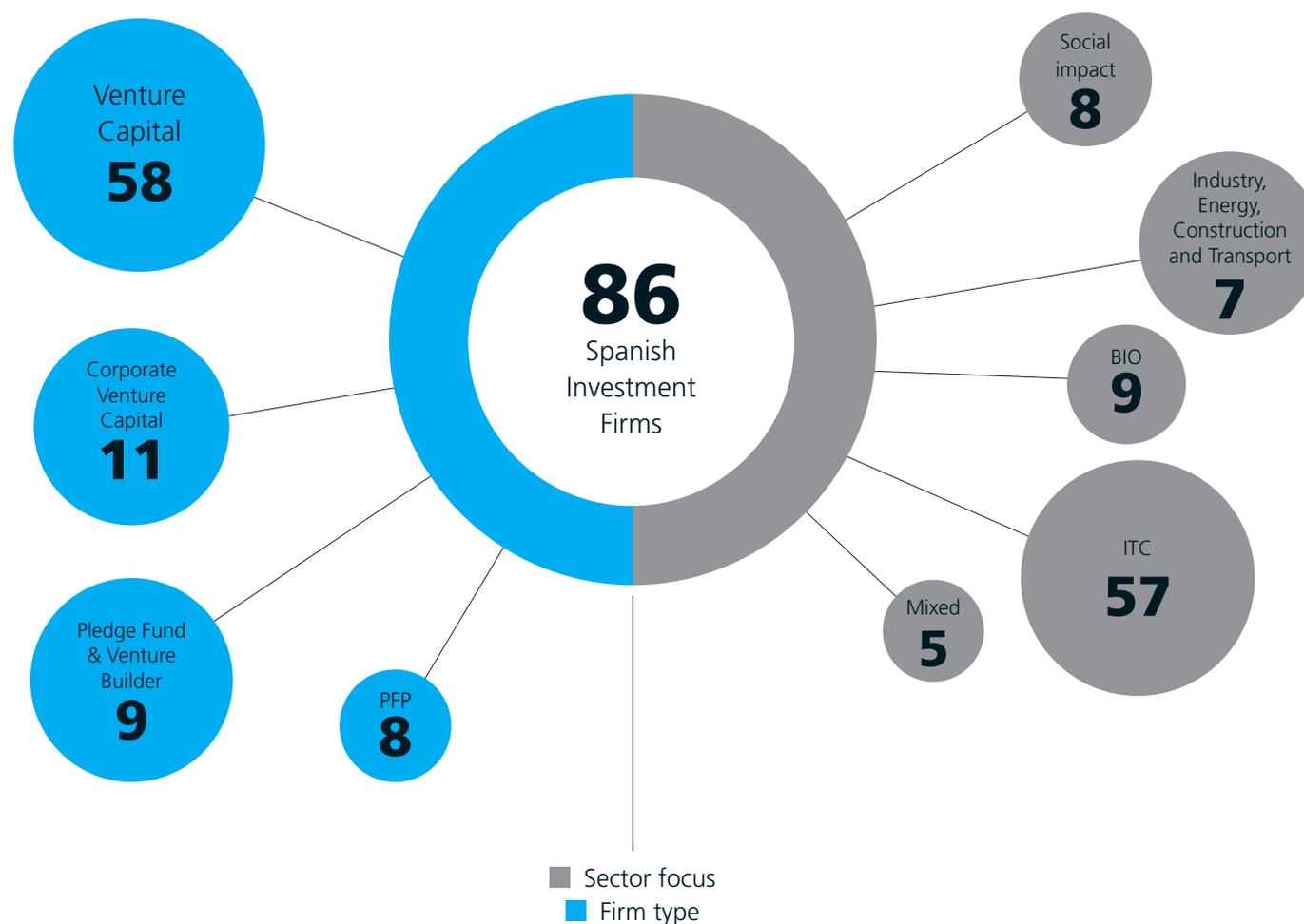
**LARGE**  
21  
upwards

# Seeking greater insight into diversity into the Spanish ecosystem

We analysed 86 investment firms active in Spain. More than half (67.4%) are venture capital firms (VCs), followed by corporate VC (CVC).

Most of the companies invest in ICTs, which receives much more investment than the other 4 industries.

Our survey collected data on gender diversity in the investor community. It also sought to expand this by analysing ethnicity, education and professional careers, to provide a better understanding of the workforce among Spanish investors.



# Scope of our study

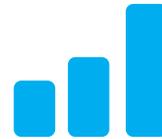
Using publicly available data we prepared a list of employees and associated data for each firm.

We used publicly available data from regulators to review the figures for gender among partners, while for other positions we used the data from our survey.

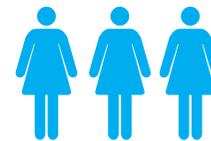
All data for education, career and ethnicity come from our survey.

The key findings from our original research are presented here.

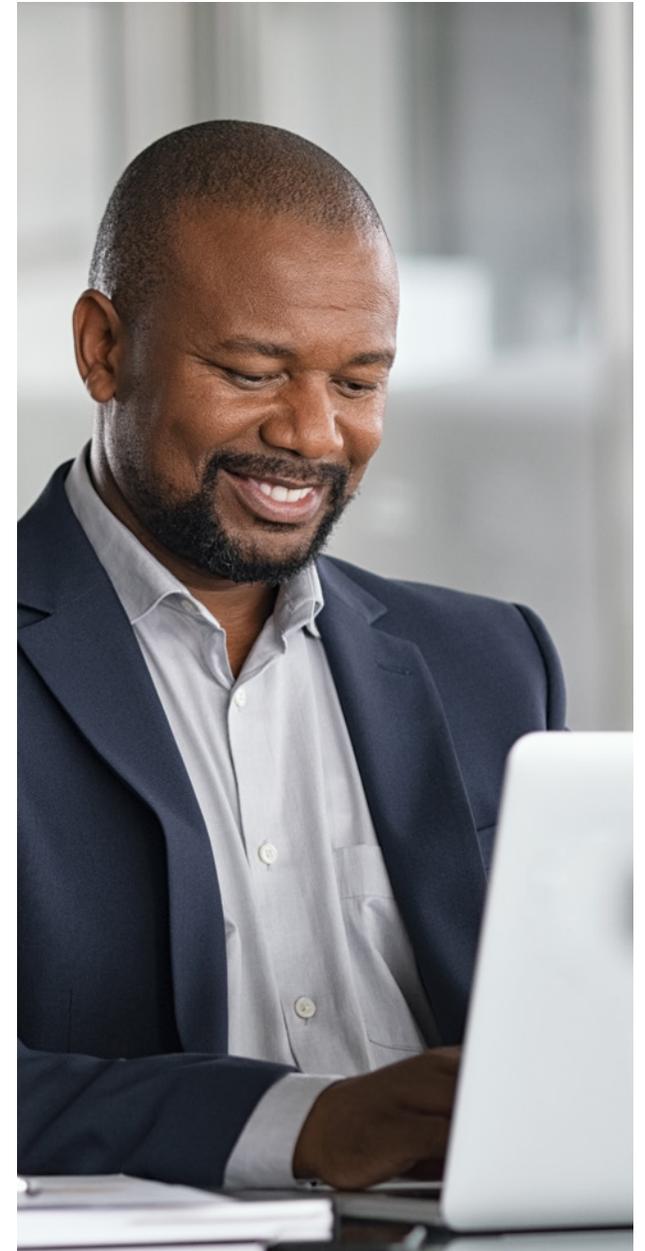
**86**  
Active Spanish  
investment firms



**66**  
Regulated VCs  
and PFPs

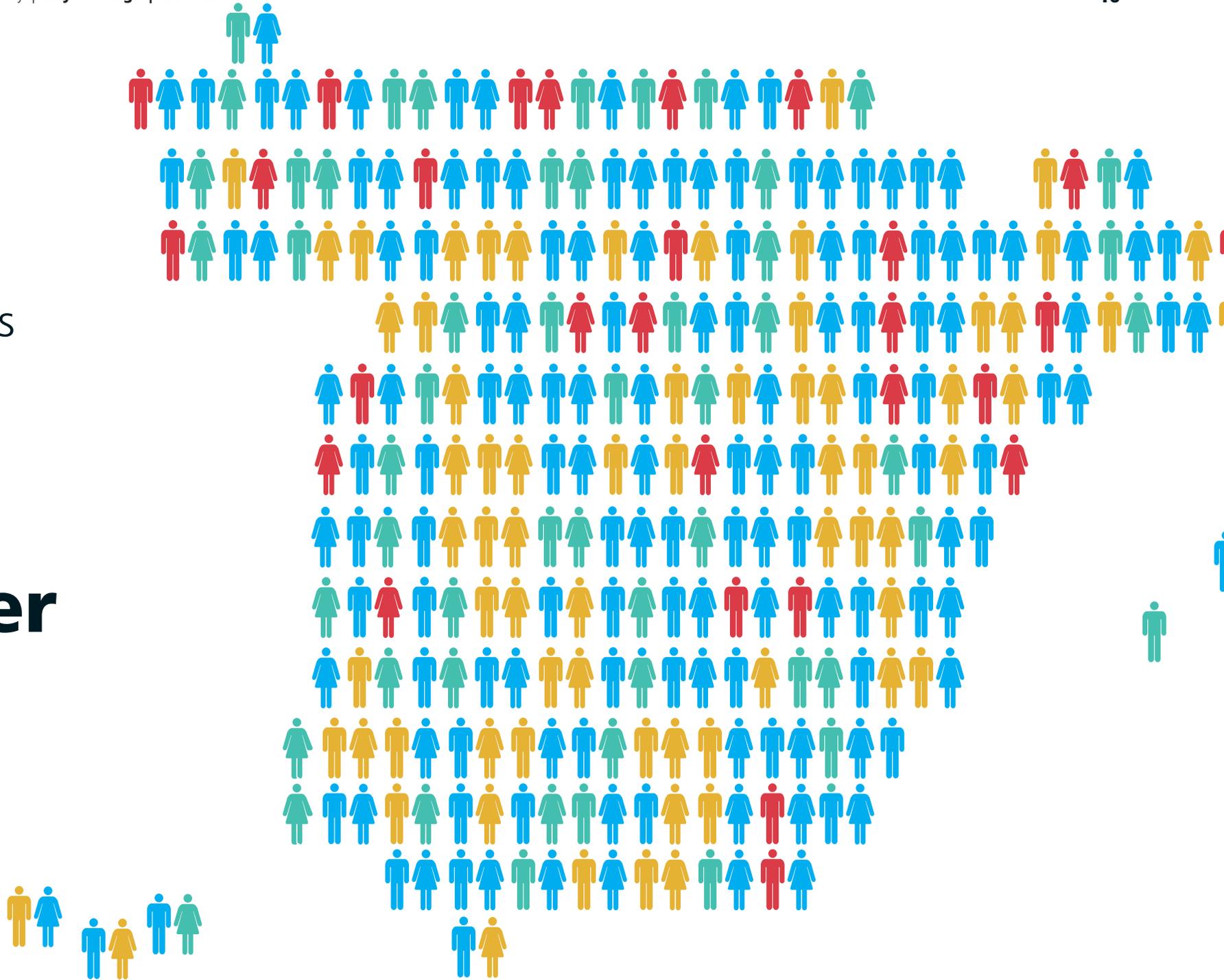


**150**  
Responses  
to our survey



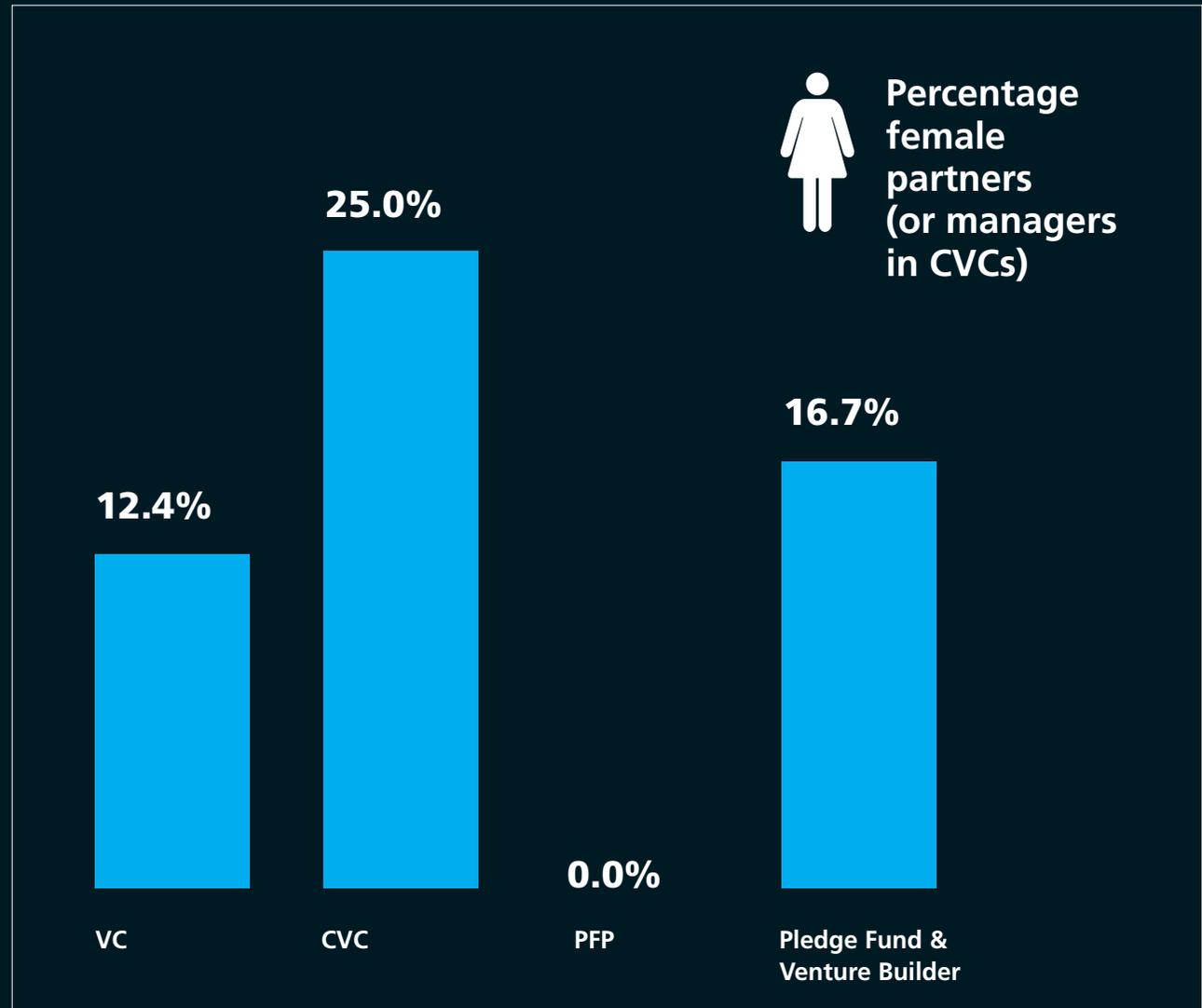
## Key Findings

# 01 Gender



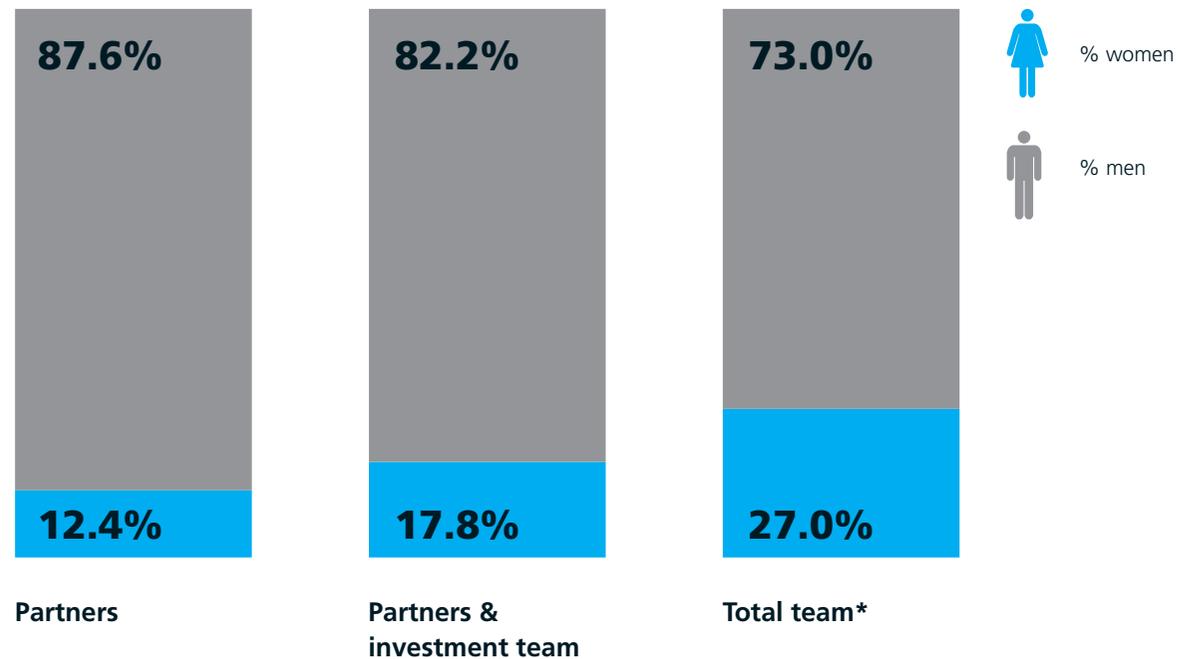
# Key findings

In decision-making positions (considering partners in VCs, crowdfunding platforms - PFPs, pledge funds and venture builders and managers in the case of CVCs), **only 12% of VC general partners are women**, while the situation is only a little better in CVCs, at 25% of managers.



# Proportion of women, by position (consolidated)

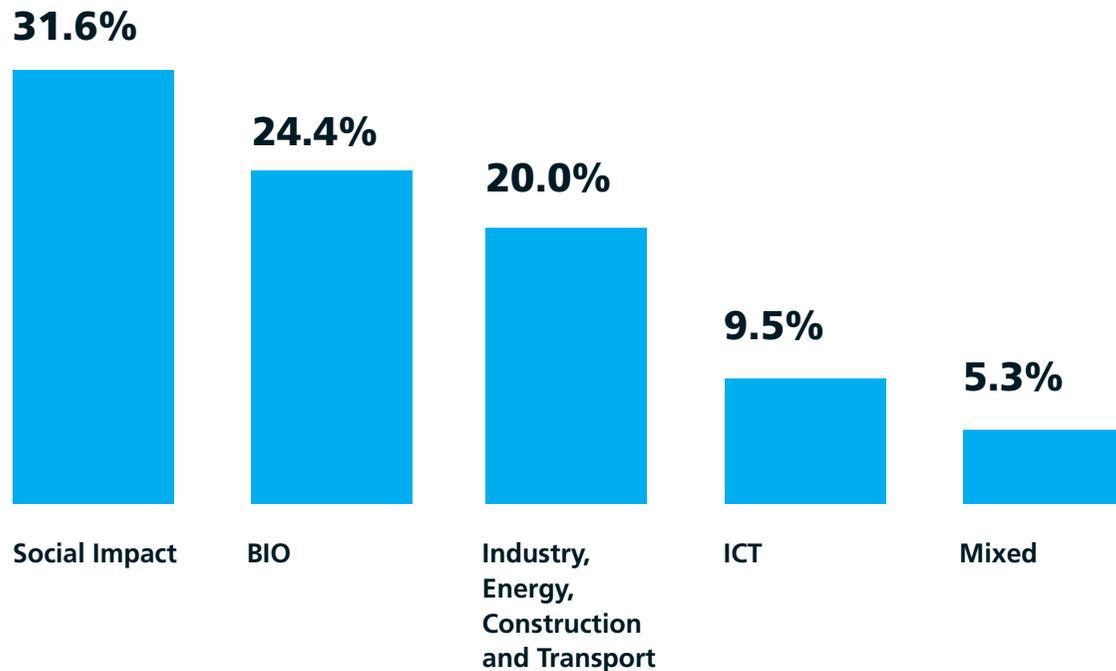
Women hold 12.4% of partner positions. The global figure for women in the **entire team** is **27%**.



\* The total team includes partners, investment-oriented team, operations and back office.

# Bearing in mind that 74% of firms invest in ICT, the fact that **only 9.5% of decision making** in this area is represented by women is frankly worrying

Partner women as % of total team\*

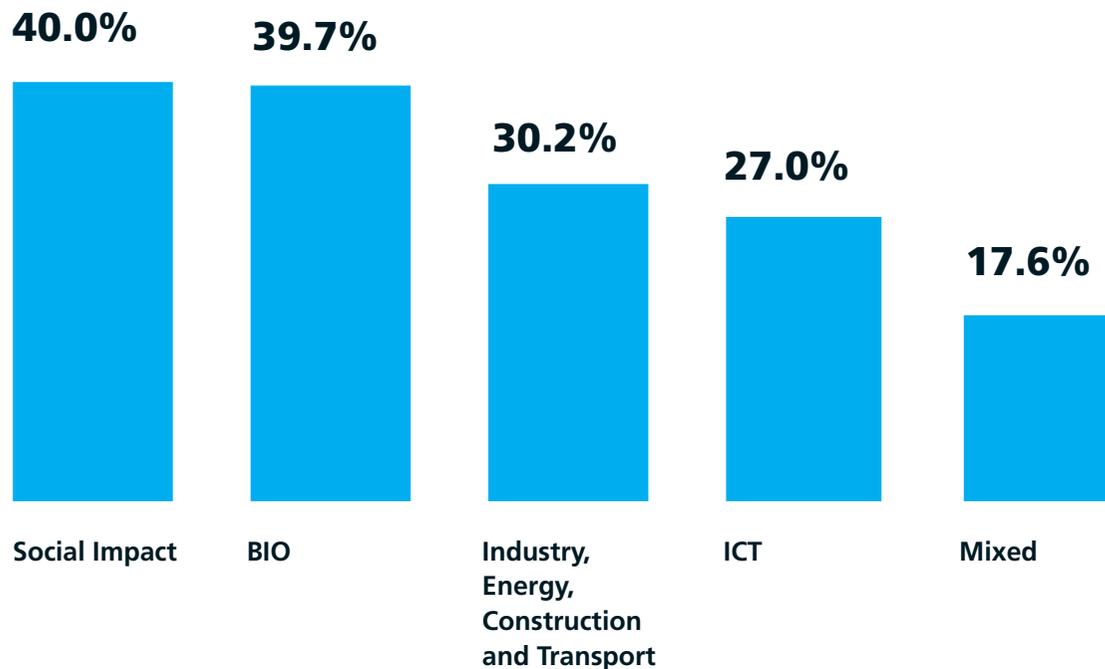


The sectors with the highest percentage of women in decision-making positions (partners and directors) are social impact and BIO.

\* The total team includes partners, investment-oriented team, operations and back office.

# Figures for female representation improve when considering the firm's entire team, although gender parity is still not achieved in any investment sector

## Women as % of total team\*



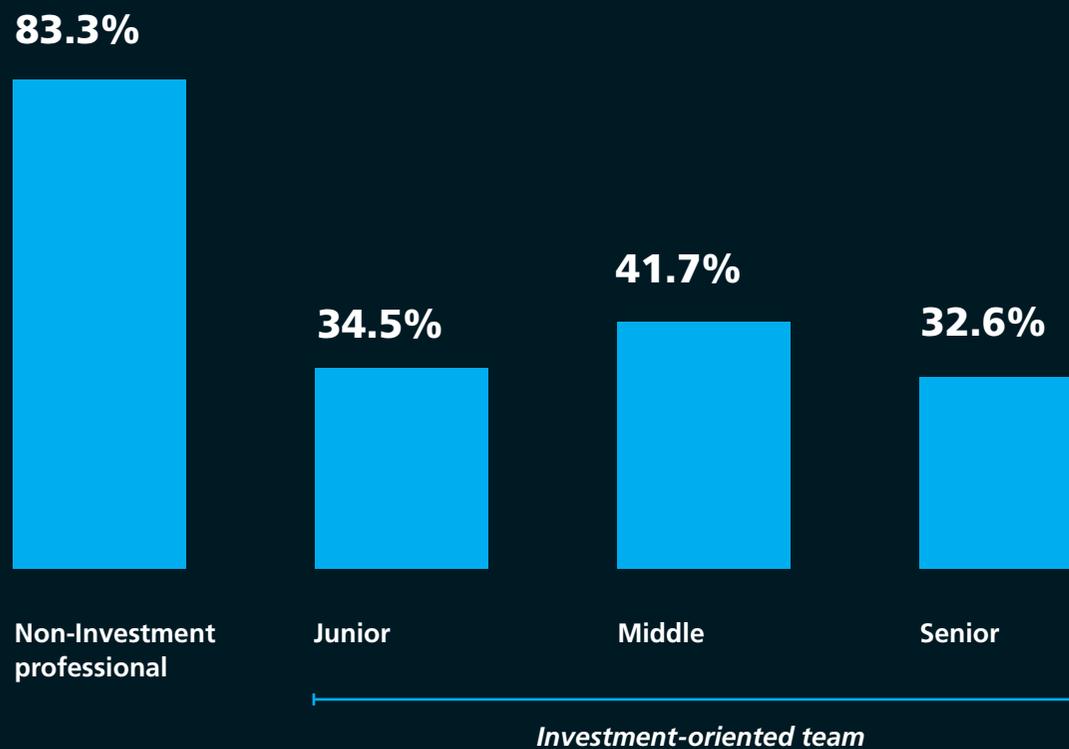
Within the Spanish investment community, the sectors with the highest proportion of women are social impact investment and biotechnology.

\* The total team includes partners, investment-oriented team, operations and back office.

# Key findings

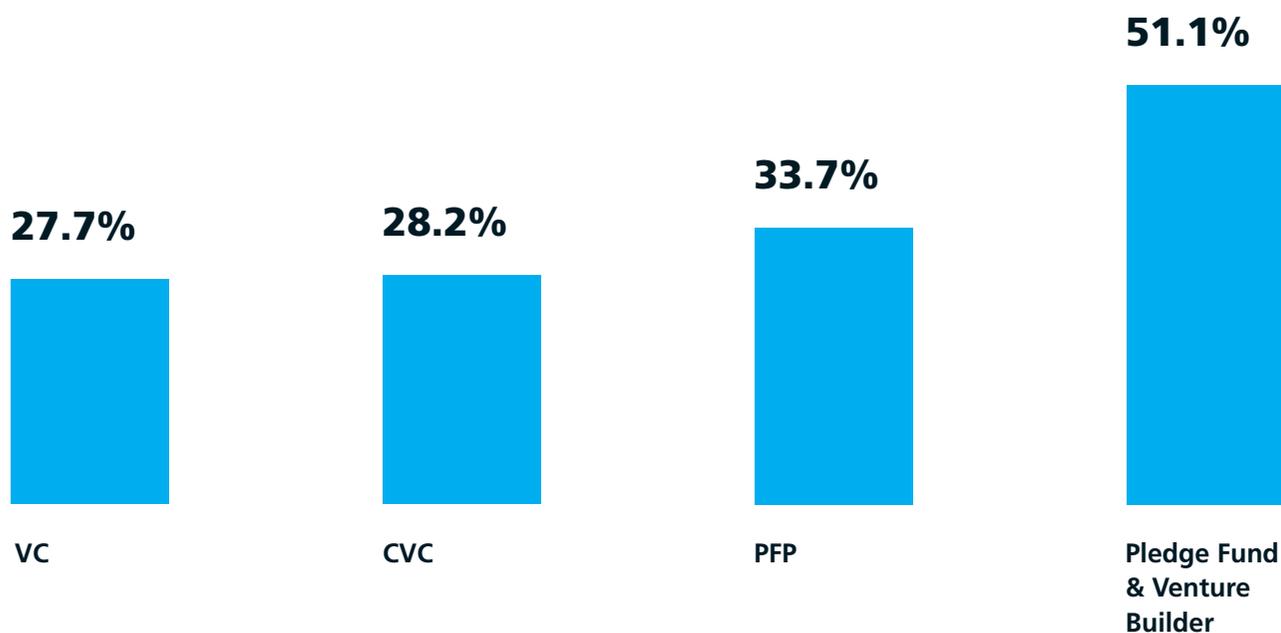
While a large number of the non-investment positions (administrative tasks, investor relations and platform) are occupied by women, **gender parity is not reached** in investment teams at any level of experience.

## Proportion of female representation by position



# When looking at women as a percentage of all team members by type of investor, pledge funds and venture builders have the highest gender parity

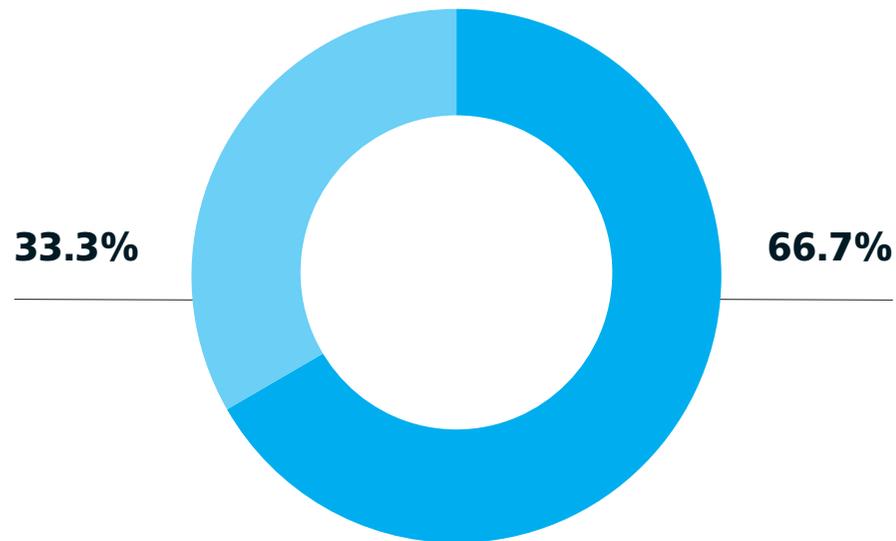
Women as % of total team\*



\* The total team includes partners, investment-oriented team, operations and back office.

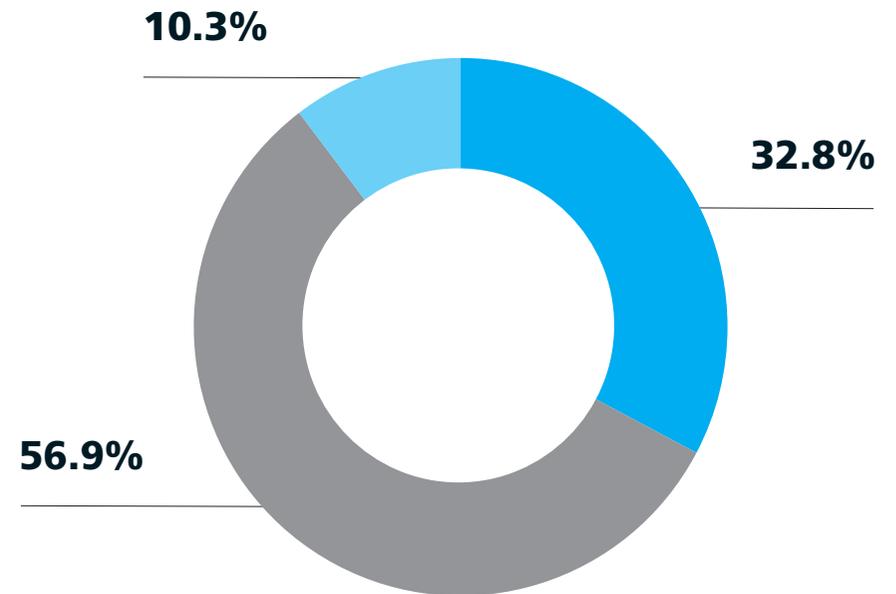
# Our greatest concern in the study is that 33% of the VCs analysed are a **boys' clubs**

Partners



- Men only
- At least one woman in the management team

Investment team



- Men only
- No team information
- At least one woman

\* Within Venture Capital teams only.

Key Findings

# 02

## Education

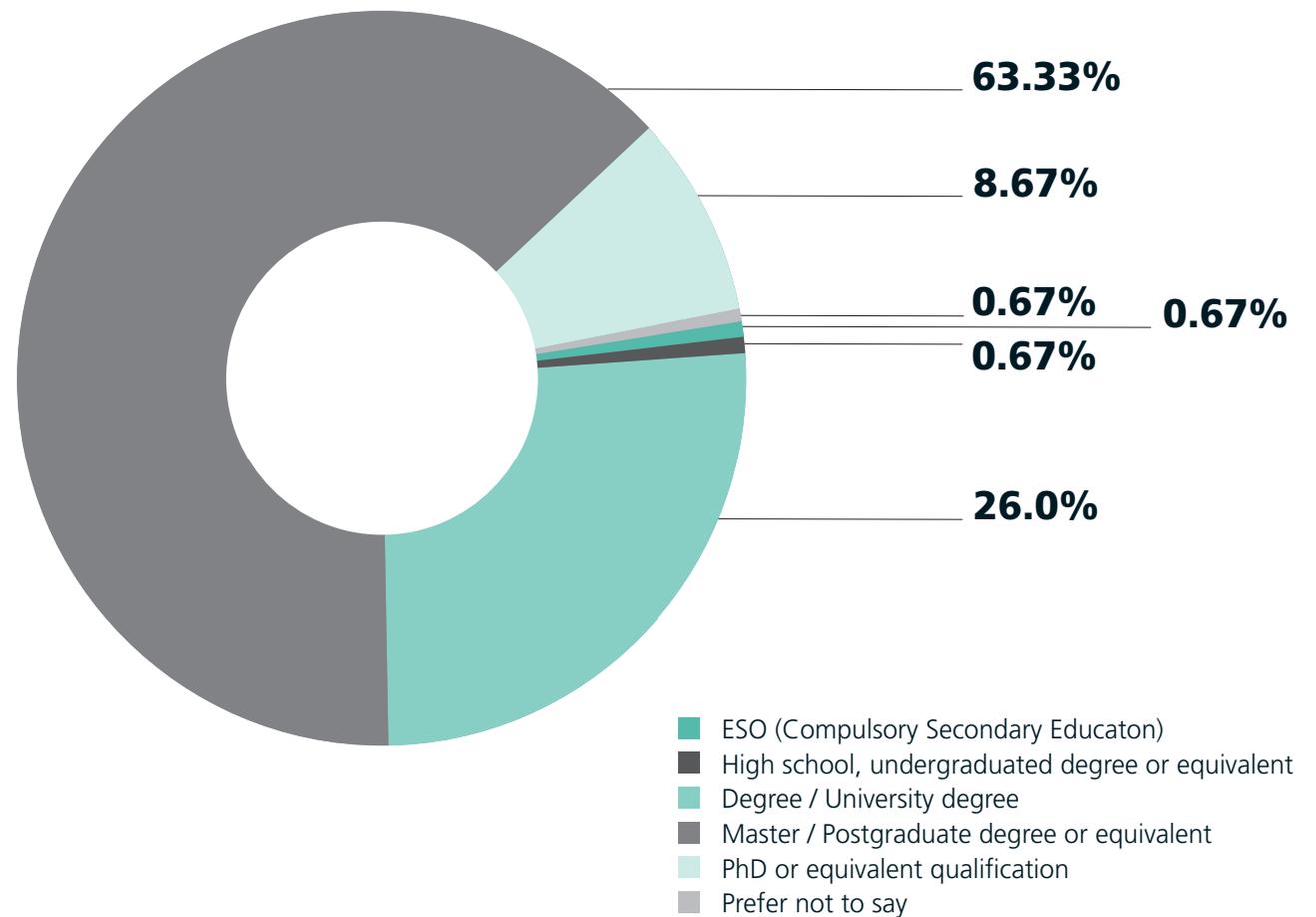


# Highest overall level of education

We asked employees about their highest levels of education, which was overwhelmingly master's or postgraduate degrees, at 63.33%, followed university degrees, at 26%.

## What is the highest level of education you have completed?

N = 150 employees



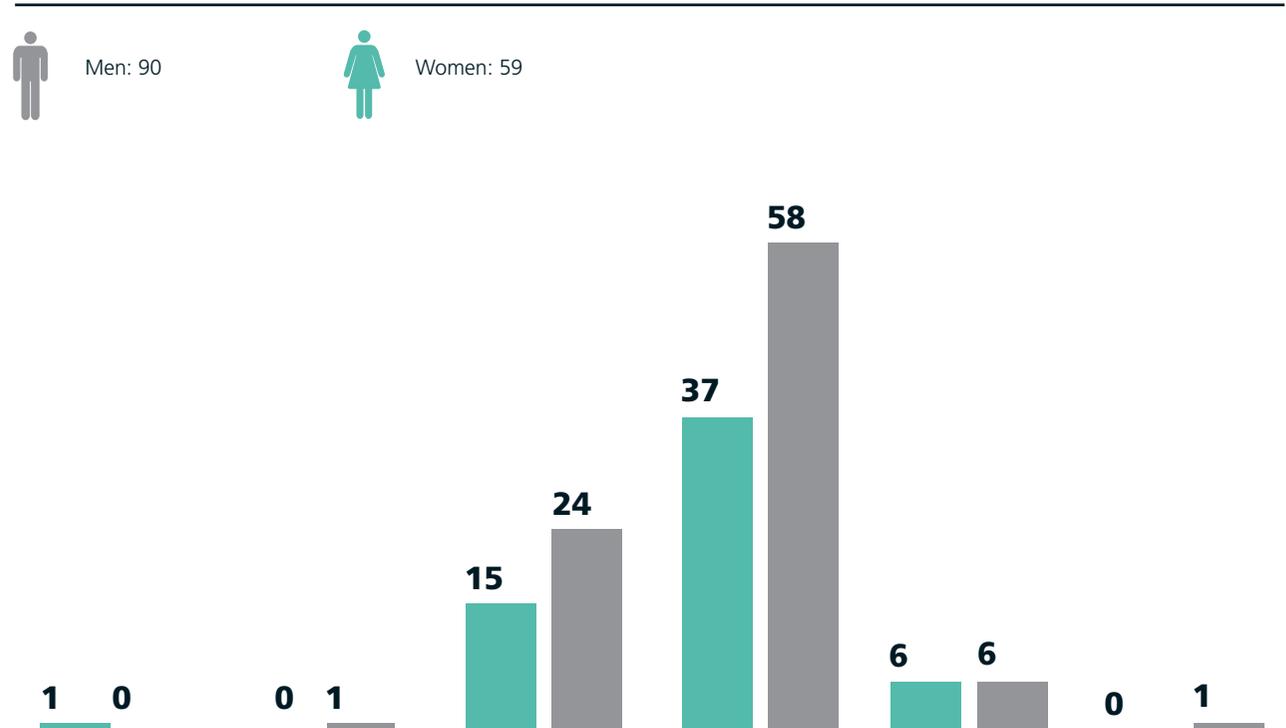
# There is equality in the proportions of men and women at each education level

As measured by employees' highest level of degree by gender.

A total of 26% of men and 25.4% women completed university degree level (an even proportion).

In postgraduate studies, 64.4% and 62.7% of women obtained a postgraduate degree. The figures show that male venture capitalists tend to have a higher level of education than women, although the difference is small.

A higher proportion of men acquired a PhD.

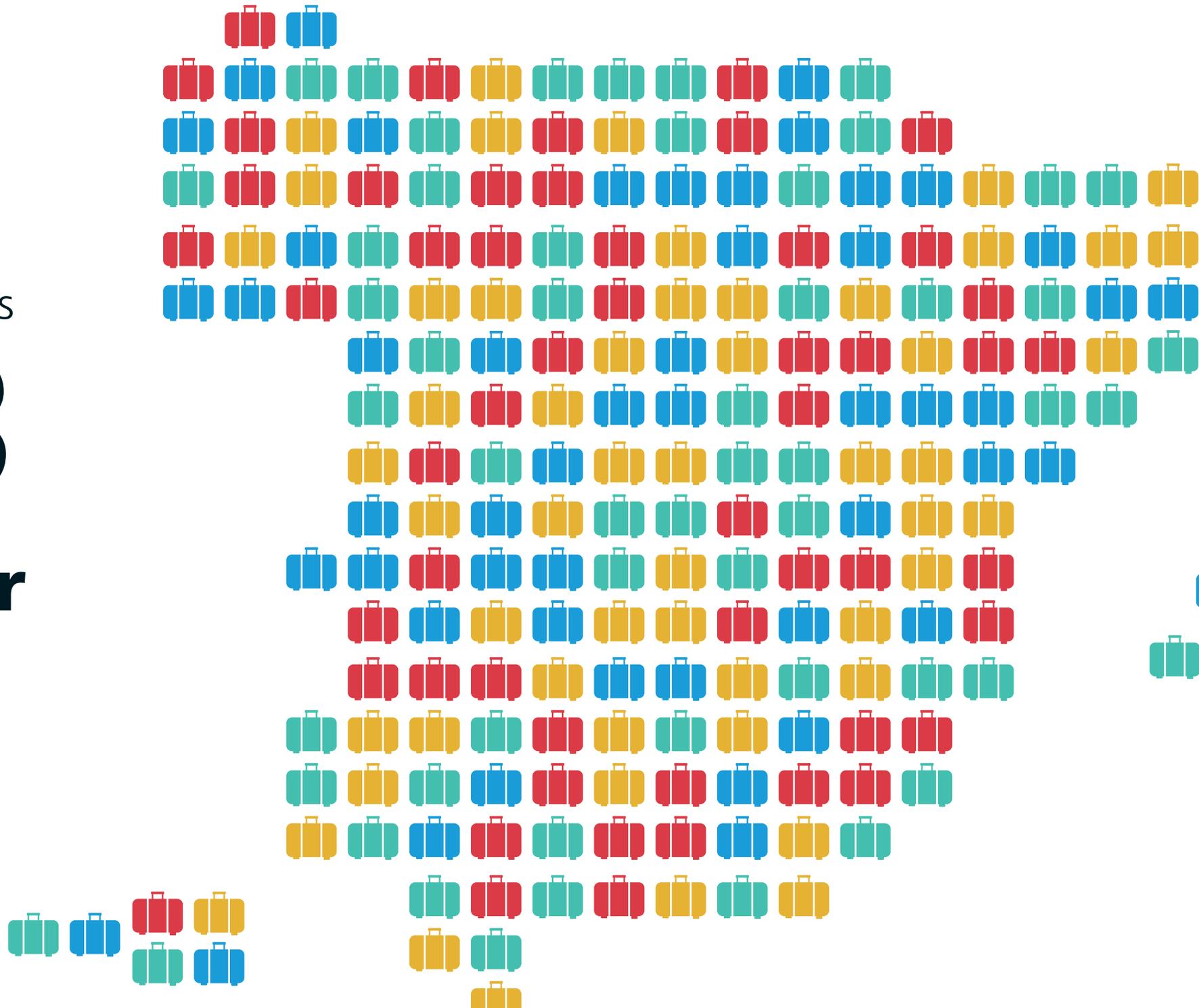


	ESO	High school	University degree	Master/ Postgraduate degree	PhD of equivalent qualification	Prefer not to say
Women	1	0	15	37	6	0
Men	0	1	24	58	6	1

# Key Findings

# 03

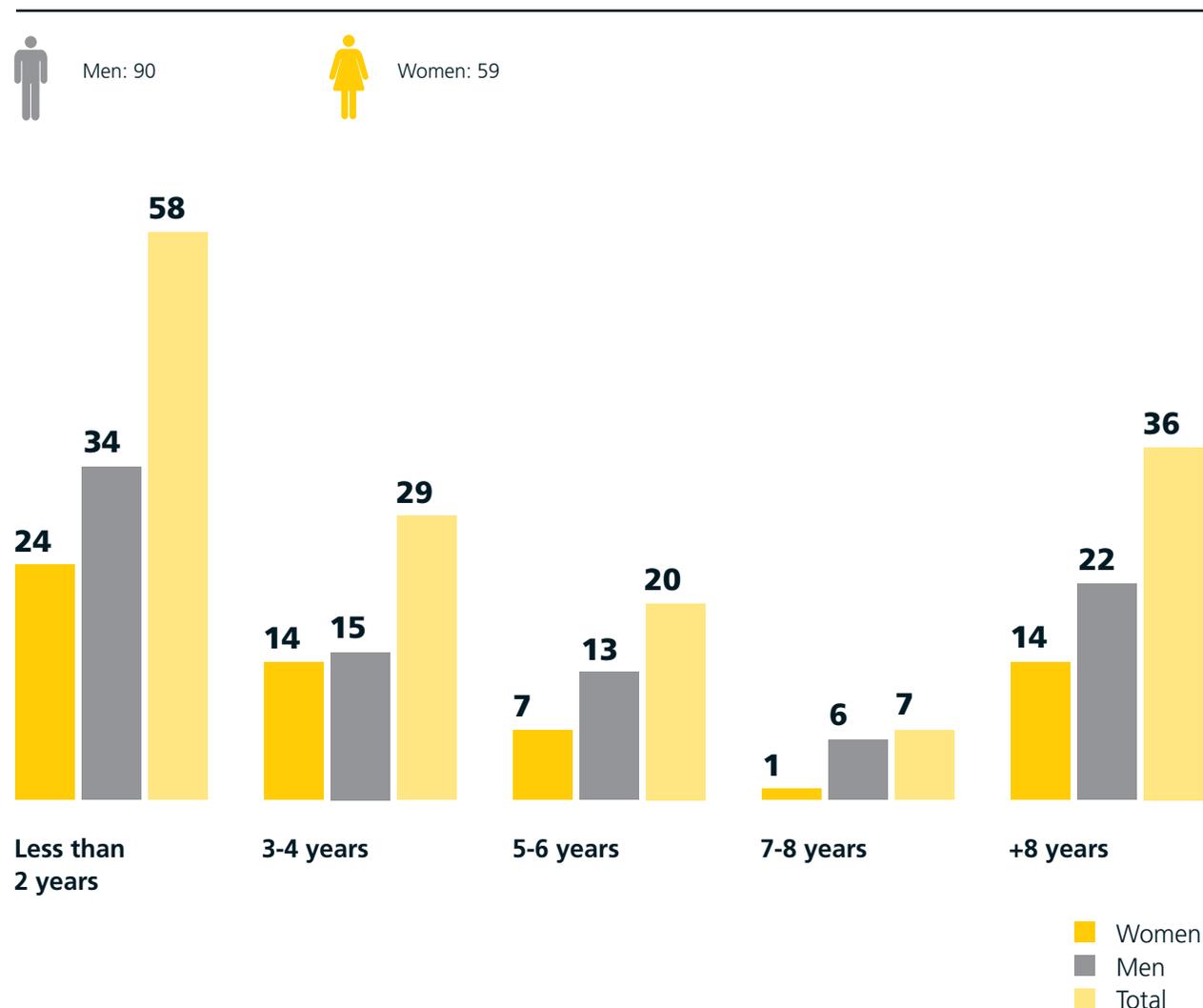
# Career



# Percentage distribution of investment professionals, by years' experience in VC

The study shows that **38.7% have less than 2 years of experience**, while 24% have been working in VC for more than 8 years. Thus we find there are more professionals at the two extremes, which may be positive as it means new employees can learn from the veterans.

**Further work is needed** to understand the causes of this trend and **prepare positive solutions to increase female representation** at the highest levels of the industry.



## 22% of VCs were entrepreneurs before joining the industry. Professional backgrounds are diverse, with consulting at 18% being a standard position before entering venture capital

The total count does not match the 150 responses because most had worked in more than one sector.

For example, of the 34 responders who had been **entrepreneurs**, 18 had also been in consulting.

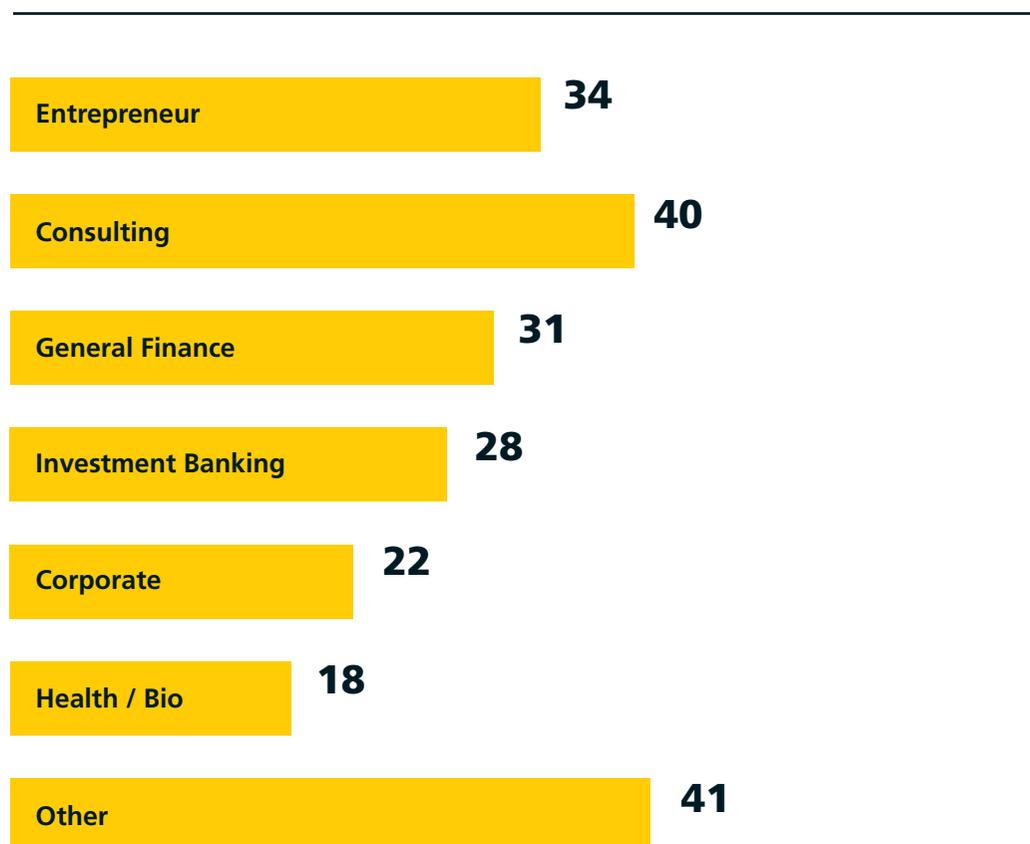
Of the 40 in **consulting**, 18 had been entrepreneurs and 9 had worked in general finance.

In **general finance**, 7 had worked in investment banking and the positions mentioned above.

31 people had worked in **investment banking**, and 22 in **corporate**, several of whom had also held positions in consulting and as entrepreneurs.

The lowest number was for those who had worked in **health/Bio** (18).

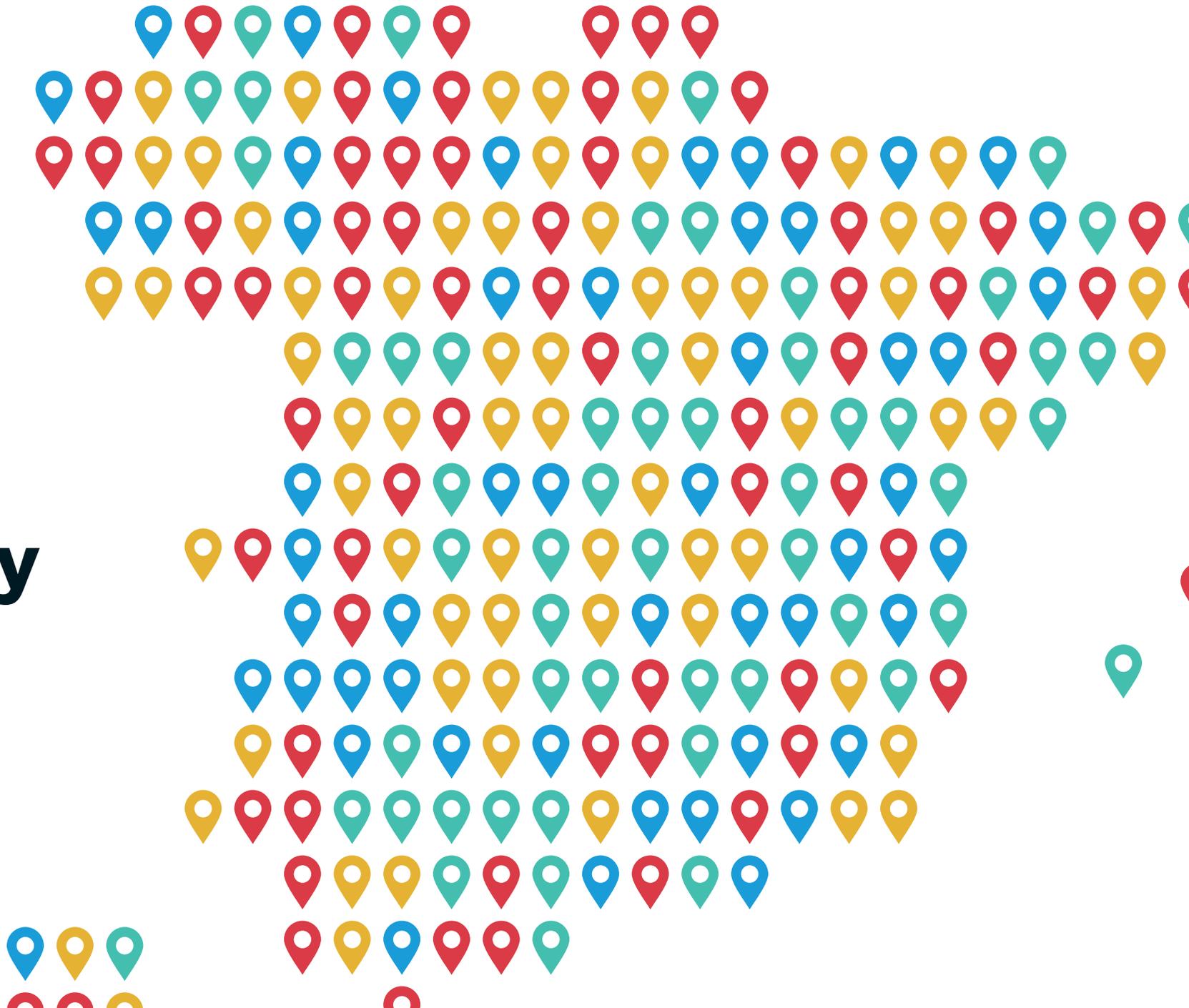
And 41 had been in **other positions**, of which 32 had not worked in any of the above.



Key Findings

# 04

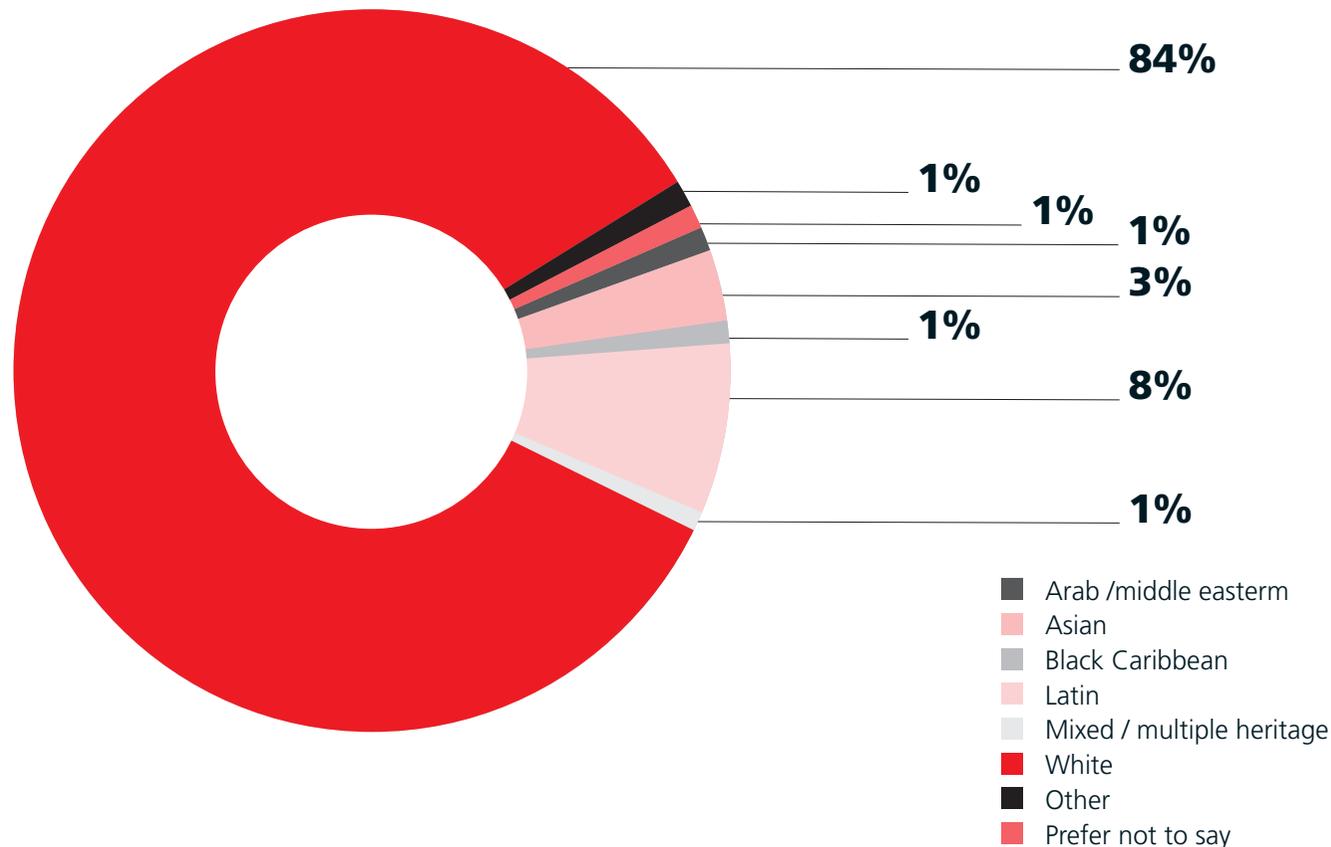
## Ethnicity



# Ethnic minorities are probably under-represented in Spain

An ethnicity survey of 150 investors in Spain suggests that 16% of the workforce is non-white.

This sample was not adjusted for selection bias.



# Conclusions

In Spain more than half of VCs have a maximum of 9 workers.

The **ICT sector** predominates over the other sectors (**74%**).

**GENDER:** Among VCs, crowdfunding platforms - PFPs, pledge funds and venture builders, the percentage of **women** has **always** been **very low**, and the higher the position, the fewer the number of women there are. The sector with **the highest proportion of** women is **social impact**, followed by **BIO**, while 33% of the VCs analysed are **boys' clubs**.

**EDUCATION:** Venture capitalists are generally highly educated.

**CAREER:** Almost **40% of workers** have **less than 2 years' experience**, surprisingly, the next highest percentage (**24%**) is for workers with **more than 8 years' experience**. With regard to professional background, the highest percentages are consulting and 'other' (unspecified).

**ETHNICITY:** The survey shows that **ethnic minorities** are probably **underrepresented** in Spain, since 84% are white people.



## Benchmark with UK diversity report



We compared the results of the survey in Spain with those previously carried out in the UK.

In terms of **gender**, the results are similar:

*On average in the UK, only 13% of senior investment professionals are women while in Spain the figure is 12%.*

*Women represent 30% of the VC industry in the UK and 27.7% in Spain. In the UK, 37% of VCs are all-male teams, while in Spain they are 33%.*

In terms of **education**, 1 in 5 VCs in the UK has a university education, although women in the UK have a higher level of education than men, while in Spain the figures are very similar for both genders.

The biggest differences are found in **ethnicity**; although ethnic minorities are underrepresented in the VC industry in the UK, where 24% of the industry workforce is non-white, they have a higher presence than in Spain, where it is 16%. Furthermore, the second largest ethnic group in Spain is Latinos, at 8%, while in the UK, Asians and blacks make up 15% of the sector.

# Diversity VC - Iberian Chapter

Diversity VC is a volunteer-led organisation made up of leading VCs and professionals involved in the start-up ecosystem



**Daniela Delgado**

Data lead



**Blanca Fernández**

Research Team



**Azahara García**

Research Team



**Andrea Martinelli**

Project lead Future VC



**Mercè Tell**

Project lead Survey

## Supporters & collaborators:



**Darío Villena**

Social Networks



**David Miranda**

Sponsor representative



**Vanessa Palmer**

Sponsor representative

You can reach us at: [iberia@diversity.vc](mailto:iberia@diversity.vc)



# Testimonials

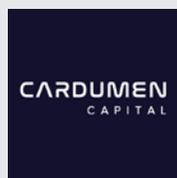
During this study, we came across several investors actively working to improve the diversity of their teams and ensure they avoid bias in their investments in order to improve the returns of their funds. We found their initiatives inspiring and wanted to highlight them!

*“At Cardumen Capital we have chosen diversity as a strategy. We are proactively creating a diverse team. We do so to improve decision making by collecting different perspectives and to differentiate ourselves. We hope this strategy will be followed by other funds and hence create an impact beyond our own company.”*



**Gonzalo Martínez de Azagra**

Founder and General Partner



*“2020 has been a pivotal year for Crowdcube in terms of the company’s approach to diversity and inclusion. As a company that aims to democratise opportunity, it is imperative to prioritise the value of difference and a sense of belonging. Crowdcube has an internal diversity and inclusion team and is currently undergoing an external consulting process to ensure these values are efficiently executed, focusing on areas of improvement such as inclusive hiring, family reconciliation, the pay gap and leadership in building an entrepreneurial ecosystem where diversity reigns”*



**Azahara García-Espejo**

Country Manager Spain



*“At Nekko Capital we have always counted on diverse profiles, in terms of age, gender, race and nationality, as we are committed to having different points of view that enrich our critical capacity and ensure that there is no bias in the selection of our investments.”*



**Ernest Sánchez**

General Partner



From left to right: Paula Olazábal, Cristina Garmendia, Julia Salaverriá, Joël Jean-Mairet, Karen Wagner and Raúl Martín-Ruiz, Partners of Ysios Capital.

*“At Ysios, diversity is in our genes and what makes us strong: 4 of the 6 partners are women, so gender diversity has always been at our core. As a venture capital firm in the life sciences industry, we are building the next generation of companies, who will develop the break-through innovation to address the medical challenges of tomorrow, such as cancer, cardiovascular disease and viral pathogens.*

*We strongly believe that more diverse teams deliver better results. As we decide which companies to fund, it is our responsibility to build those with such teams, promoting inclusion and a culture of unbiased decision making. Our team is actively broadening its network to reach out to more diverse candidates for our firm and our portfolio companies. In our opinion, Diversity VC is a key initiative to help increase diversity in the sector.”*

**YSIOS** CAPITAL

**We WOULD not want to finish without thanking our sponsors and PARTNERS for their contributionS. Without them it would not have been possible to publish this first edition of the report.**

# About Our Sponsors



DayOne is the new service from CaixaBank, created to support, develop and guide all young businesses that are growing rapidly, operating globally and doing value-added business mainly financed by their own funds. Launched in December 2017, DayOne is present and operating in the five main tech hubs in Spain: Barcelona, Madrid, Valencia, Bilbao and Malaga.

One of CaixaBank DayOne's activities is to foster better knowledge and understanding of the ecosystem around the 'Innovation Economy', thus we worked to create the 'DayOne Observatory'. The objective of this project is to analyse and disseminate information on the situation in the sector and needs and trends in the Spanish and Portuguese entrepreneurial ecosystem.

In addition, at CaixaBank we value diversity and equality as fundamental qualities in our culture, and contribute actively to developing everybody's talent. This is reflected in our working networks, made up of local, cross-sector, teams where we foster inclusion and share a single commitment to quality. In doing so we are committed to a fairer environment offering equal opportunities, where together we can grow towards the social change we deserve.

Working with the 'Diversity VC' initiative is perfectly aligned with our commitment to supporting diversity and our desire to foster knowledge within the innovation economy ecosystem.



## Osborne Clarke is an international law firm

At Osborne Clarke, we help our clients successfully tackle the issues they face today and tomorrow by supporting them with a three-dimensional approach that combines outstanding legal expertise, in-depth sector knowledge and transformational insight. It reflects the global drivers of change that are having the biggest impact on our clients' businesses: decarbonisation, digitalisation and urban dynamics. Our legal advice is also underpinned by shared technology, delivered by our digital innovations team: Osborne Clarke Solutions.

We are widely recognised for our award-winning culture committed to being an environmentally friendly and well-governed firm, which embraces diversity in all its forms.

Our core sectors include: energy and utilities; financial services; life sciences and healthcare; real estate and infrastructure; retail and consumer; tech, media and comms; transport and automotive and workforce solutions.

**270**

+expert partners

**900**

+talented lawyers

**25**

international locations

**8**

core sectors

**1**

client centric culture

# Appendix



# Methodology – Edition 1

- **The firms included in the analysis:** The full list of the 86 firms in this analysis is included in this Appendix. The list was compiled from public and privately available databases, and included funds which invest risk capital, primarily in equity investments across technology, non-technology or life science investment sectors.
- **The questionnaire:** This Appendix includes the questionnaire that was used to collect data from employees. The survey generated 157 responses, 7 of which came from respondents from Portugal, which were disregarded in the analysis. The Iberian Chapter's aims to produce a similar report for Portugal later this year.
- **Compliance with GDPR:** Diversity VC is designated as 'data processor' under GDPR. All personal data – including ethnicity data, which are considered a special category under GDPR – were processed to comply with the GDPR. Any VC firm whose data are held in our dataset can access, amend, rectify and erase their information by contacting [iberia@diversity.vc](mailto:iberia@diversity.vc)
- **Dates of this research:** The research was conducted over a 6-month period, between September 2020 and March 2021, with the list of active investors and corresponding list of employees believed to represent the state of the industry in December 2020.
- **Comparison to Diversity in UK:** The Venture Capital 2019 dataset relate to research conducted by Diversity VC over a 14-month period, between February 2018 and June 2019.

# Spanish VC firms included in our analysis

<b>CVC</b>	<b>Sector</b>
EDP Ventures	IND
Enagás Emprende	IND
Everis Initiatives	ICT
GoHub Ventures	IND
Fundación Innovación Bankinter	ICT
Prosegur Tech Ventures	ICT
Red Eléctrica y de Telecomunicaciones, Innovación y Tecnología de España (Elewit)	IND
Repsol Energy Ventures	IND
Sabadell Venture Capital SL	MIXED
Adevinta Ventures (Schibsted)	ICT
Wayra Investigación y Desarrollo S.L.U. (Telefonica)	ICT

<b>Crowdfunding Platforms (PFPs)</b>	<b>Sector</b>
Adventurees	ICT
Capital Cell	BIO
Crowdcube	ICT
Dozen Investments	ICT
Fellow Funders	ICT
La Bolsa Social	Social Impact
Socios Inversores	ICT
StartupXplore	ICT

<b>Pledges &amp; venture builders, other investors</b>	<b>Sector</b>
Creas Impacto	Social Impact
Social Nest	Social Impact
Zubi Capital	Social Impact
Plug & Play Ventures	ICT
Lánzame Capital	ICT
Fides Capital	ICT
Antai Venture Builder	ICT
Big Ban Angels	ICT
Lanzadera / Angels Capital	ICT

# Our questionnaire

## 1. Name of the fund

### 2. For how many years have worked in the VC industry?

- Less than 2 years
- 3-4 years
- 5-6 years
- 7-8 years
- +8 years

### 3. Seniority level

- Intern or equivalent
- Junior - analyst, associate or equivalent
- Middle - principal or equivalent
- Senior - partner or equivalent
- Investment committee
- Non-Investment professional

### 4. What is your age group?

- Under 25
- 25-34
- 35-44
- 45-54
- 55-64
- 65+
- Prefer not to say

### 5. Please select your gender

- Man
- Non-binary
- Woman
- Other
- Prefer not to say

## 6. Which country are you from?

### 7. With what ethnic or cultural group do you identify?

- Asian
- Arab/Middle Eastern
- Black
- Black African
- Black Caribbean
- Other African
- Indigenous
- Latin
- Mixed/multiple heritage
- Roma/Gypsy
- White
- Prefer not to say
- Other

### 8. Do you consider yourself to have a disability?

- Yes
- No
- Prefer not to say

### 9. What class background do you identify with?

- Lower class
- Working class
- Middle class
- Upper-middle class
- Upper class
- Prefer not to say

## 10. How would you describe your orientation?

- Bisexual
- Gay
- Heterosexual/Straight
- Lesbian
- Other
- Prefer not to say

## 11. What is your religious identity?

- Christian
- Jewish
- Muslim
- Hindu
- Buddhist
- No religion
- Other
- Prefer not to say

## 12. Where are you from?

- The capital city
- Another major city
- A smaller city/town
- A rural area
- Prefer not to say

## 13. What is your professional background?

- Entrepreneur
- Consulting
- General finance
- Investment banking
- Corporate
- Health/Bio
- Other

## 14. What is the highest level of education you have completed?

- ESO (Compulsory Secondary Education)
- High school, undergraduate degree or equivalent
- Degree/University degree
- Master/Postgraduate degree or equivalent
- PhD or equivalent qualification
- Prefer not to say

## 15. What business school did you go to?

## 16. Are you the first person in your family to graduate from university?

- Yes
- No
- Prefer not to say

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