WOMEN IN HEDGE FUNDS: SOUTH AFRICA'S LEADERS, INNOVATORS AND TRAILBLAZERS

INDEPENDENT BY DESIGN

Elmien Wagenaar, founder and portfolio manager, THINK.CAPITAL

Elmien Wagenaar is the founder and portfolio manager of THINK.CAPITAL based in Cape Town. She has been in the industry for 25 years, specialising in engineering multi-strategy solutions using hedge funds.

What is your academic background, and how did your career begin?
I studied Applied Mathematics and Computer Science with the support of a bursary from Sanlam. The degree provided a strong analytical foundation and opened the door to a wide range of career possibilities, but it also meant that my path was never clearly defined from the outset.

Rather than following a predetermined route, my career evolved as opportunities presented themselves. The Sanlam bursary became an early inflection point in my career as it directed my path to financial services.

After graduating, I joined Sanlam, where I spent two years building a solid grounding in the investment industry. I then moved to Citadel, another decision that later proved to be pivotal. It was there that my journey in hedge funds began – one that has now spanned 25 years. It was not just the introduction to hedge funds that was key, but that I became part of a small investment team, where the senior professionals allowed and supported me to take responsibility early on.

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One of the defining experiences during this period was a year-long secondment to a leading hedge fund of funds business in London. It provided an exceptional opportunity to learn within a highly experienced investment team and to immerse myself in the global hedge fund industry. I met and evaluated managers from across the world, representing a wide range of investment strategies, philosophies and market environments. More importantly, I learned how experienced allocators distinguish between compelling narratives and repeatable investment processes, and how to assess not only the return potential of a strategy but also the risks that lie beneath the surface.

That experience fundamentally shaped my approach to investing. It reinforced the importance of rigorous manager research, understanding the true drivers of performance, and viewing portfolio construction through the lens of risk as much as return. Those principles continue to underpin my investment philosophy today.

What has been the most important milestone in your career so far?
The most important milestone was seeing the investment philosophy on which THINK.CAPITAL was built validated over a full decade.

I did not set out to become an entrepreneur. Starting THINK.CAPITAL was never about owning a business or embracing the uncertainty of entrepreneurship. It was simply the only way to pursue an investment philosophy that I believed in deeply enough to dedicate my career to proving.

I was 35 years old, without an influential professional network or a ready-made client base. I attended an ordinary school, my father was a Dutch artisan who came to South Africa to help build ports, and my mother dedicated herself to raising our family. There was no obvious path into entrepreneurship, and no shortcuts to success.

What I did have was a deeply held conviction formed through analysis. Through my experience researching and selecting hedge fund managers, I became convinced that there was a more effective way to construct portfolios by combining multiple independent sources of return – capturing opportunities that are often overlooked when investors focus on individual managers or strategies in isolation. I believed this approach could consistently deliver superior long-term, risk-adjusted outcomes, but it needed independence. I also knew that the only way to prove it was to build it.

That conviction led me to establish THINK.CAPITAL. I invested my own savings to seed the first fund and persuaded key service providers to support the fund by waiving fixed minimum fees until we reached sufficient scale. It was a leap of faith built on research, discipline and an unwavering belief in the investment process.

The defining milestone came in 2024, the same year the fund celebrated its 10th anniversary, when it received industry recognition for delivering the best 10-year performance in its category. More than an award, it represented the culmination of a decade of patiently demonstrating that the strategy could deliver on the conviction that inspired it.

Investment ideas are easy to articulate, but years of consistent execution is much harder to do. The recognition confirmed not just the performance of the fund, but the sustainability of the philosophy behind it.

How has the industry evolved during your career?
The South African hedge fund industry has matured significantly over the course of my career. I have had the privilege of witnessing its evolution from an emerging, largely unregulated industry to one that has become an established and well-regulated component of the investment landscape.

Over that time, we have seen the regulation of hedge fund managers, the introduction of frameworks enabling pension funds to invest in hedge funds, and ultimately the regulation of hedge funds as Collective Investment Schemes. Each of these milestones brought its own challenges and opportunities, requiring managers to adapt while strengthening governance, transparency and investor protection.

What has not changed is that hedge funds are diverse and cover an extremely wide risk and return spectrum.

What advice would you give to young women considering a career in hedge funds or asset management?
One of the greatest misconceptions about this industry is that success depends on being the loudest voice in the room, taking the biggest risks or thriving in a high-adrenaline, winner-takes-all environment. While those stereotypes persist, they bear little resemblance to what consistently creates value for clients over the long term.

The reality is that successful investing relies on intellectual curiosity, disciplined analysis, thoughtful risk management and the patience to allow well-founded decisions to play out. It requires listening as much as speaking, questioning assumptions, and having the confidence to follow your conviction.

I sometimes wonder whether these outdated perceptions discourage talented young women from pursuing careers in investment management because they feel they don't fit the mould. My advice would be: don't try to fit the mould. Bring your own strengths. If your natural inclination is to build relationships, make careful, evidence-based decisions, collaborate effectively and think for the long term. Those are not qualities to overcome – they are qualities that the investment industry needs more of.

The best investment teams are not those where everyone thinks alike, but those where different perspectives challenge one another and lead to better decisions. By remaining true to who you are, you will not only build a rewarding career, but also contribute to a stronger investment profession and, ultimately, better outcomes for clients.

Elmien Wagenaar, *founder and portfolio manager, THINK.CAPITAL*

What do you like about your role?
The opportunity to build long-term relationships founded on trust. Whether it is with clients, hedge fund managers, service providers or our own team, I find it incredibly rewarding to work alongside people over many years, navigating changing markets while consistently delivering on the commitments we have made.

Investment management is ultimately a people business. While investment decisions are grounded in rigorous analysis and disciplined processes, lasting success depends on the quality of the relationships you build and the trust you earn over time. There is great satisfaction in seeing those relationships deepen as confidence is built through consistent actions rather than promises.

What needs to happen over the next five years to increase the number of women in the industry?
South Africa's institutional asset owners have already played an important role in increasing the representation of women in investment management by incorporating diversity into their manager allocation decisions. That approach has had a mean-

ingful impact and, given the scale of the larger asset managers, it will continue to move the industry in the right direction.

Over the next five years, however, I would like to see the conversation broaden to include the unique role that independent boutiques can play in developing the next generation of women leaders.

Smaller firms may not always meet the thresholds required for strategic allocations, nor will they materially shift industry-wide employment numbers because their teams are, by nature, lean. Yet what they lack in scale, they often make up for in experience. In a boutique environment, professionals are exposed to the full investment process much earlier in their careers. They work directly alongside founders and senior decision-makers, take on meaningful responsibility from an early stage, and gain first-hand experience of building investment businesses, engaging with clients and making investment decisions.

My hope is that institutional allocators increasingly recognise this contribution. Supporting boutiques should not be viewed only through the lens of how many women they employ, but also through the quality of the experience they provide and the calibre of future leaders they help develop. If we want more women leading investment businesses in the future, we should invest not only in representation today, but also in the environments that accelerate learning, responsibility and leadership.

Ultimately, increasing the number of women in the industry is important. Equally important is ensuring that more women have the opportunity to develop the breadth of experience and confidence needed to become the next generation of founders, CIOs and industry leaders. This is what I was afforded, and what I would like to give back.

What achievement are you most proud of, either professionally or personally?

Professionally, I am most proud of preserving THINK.CAPITAL's independence.

Independence comes at a cost. Large financial institutions benefit from extensive distribution networks, internal pools of capital and the scale that naturally attracts assets under management.

An independent boutique must earn every client, every mandate and every opportunity through performance and trust alone.

That was a trade-off I understood from the beginning and accepted willingly. For me, independence has never been about ownership – it has been about preserving the freedom to make investment decisions without commercial pressures influencing the investment process. It allows us to remain focused on what we believe is in our clients' best interests, even when that means taking a less conventional view or investing patiently while others chase short-term trends.

Looking back, I am proud that we have remained true to that philosophy. We have built a business based on conviction rather than scale, and while that may have resulted in slower asset growth than some larger competitors, it has allowed us to maintain the integrity of our investment process for the benefit of our clients. For me, that is a success worth far more than simply managing a larger pool of assets.

I am equally proud that success has always been about more than the business itself. Through Tree of Life Foundation, a charitable foundation and shareholder, we are able to share the benefits of our success with organisations that make a meaningful difference in people's lives. For me, that has always been an important part of what it means to build a sustainable business.

What has surprised you most about your career journey so far?

The highs have been higher, the lows have been lower, and the journey has required far more patience than I ever imagined.

When I founded THINK.CAPITAL, I believed deeply in the investment philosophy we had developed. Over the past 13 years, that conviction has been tested many times, but it has never wavered. If anything, it has been strengthened by experience. I remain just as passionate today about sharing our investment story as I was when we first started, and I still look forward to every opportunity to explain why I believe the strategy creates long-term value for clients.

What has changed is me. Experience has brought perspective. Adversity has taught me resilience, and I've learned that not every setback deserves the emotional weight it initially seems to carry. Investing and building a business are both long-term endeavours, and patience is not simply a virtue – it is a prerequisite.

Perhaps the biggest change is that my ambitions are no longer defined solely by building a successful investment business. Increasingly, I think about the legacy I want to leave: the people I can mentor, the next generation of investment professionals I can help develop, the clients whose futures we are entrusted to protect, and the broader contribution our business can make through initiatives such as Tree of Life Foundation.

That is what the next 15 years is about – not simply building on what has been achieved but ensuring that the impact endures long after the milestones have been reached.

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