

2023 Market Review Executive Summary

Woman and Minority-Owned Private Equity and Venture Capital Firms

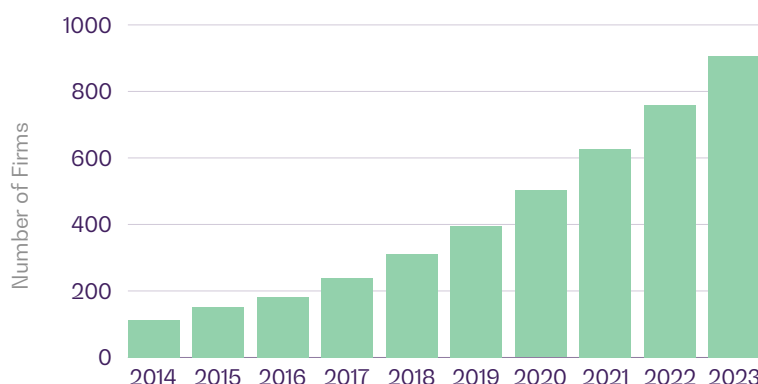
In 2023, Fairview found that the universe of woman and minority-owned firms grew to 907 firms, up from 760 firms at the end of 2022. Fairview observed a record 417 woman and minority-owned firms in the market raising capital during the year, up from 346 firms raising capital in 2022. The growth in diverse managers continued despite the significant economic volatility and uncertainty prevalent throughout 2023. Despite continued growth, woman and minority-owned firms remain significantly underrepresented in the market, seeking just 6% of the capital targeted by the private equity industry in 2023.

Based on the data in this report, it is clear that the opportunity set of diverse firms is significant and dynamic. In addition to broader data and market characteristics, we also share breakouts of our data by ethnicity and gender, as well as more data on the multiplier effect that occurs organically as a result of diverse managers being more inclusive of diverse founders and portfolio company leadership.

Universe of Woman and Minority-Owned Private Equity and Venture Capital Firms

26% Compound Annual Growth Rate

Data: Fairview Capital Proprietary Database of Woman and Minority-Owned Firms as of December 31, 2023



417

Woman and minority-owned firms in market raising capital

Fairview observed a record 417 woman and minority-owned firms in the market raising capital during the year, up from 346 firms in 2022.

230

First-time woman and minority-owned funds

230 first-time woman and minority-owned funds were in the market raising capital, representing 55% of firms in the market.

\$100M

Median fund size target

The median fund size target for woman and minority-owned firms in the market in 2023 was \$100 million, unchanged from 2022.

72%

Woman and minority-owned firms raising venture capital

In 2023, 72% of woman and minority-owned firms were raising venture capital funds.

About This Report:

Fairview has published its Market Review of Woman and Minority-Owned Private Equity and Venture Capital Firms annually since 2014. We have actively invested with diverse managers in partnership with many of the nation's leading institutional investors for nearly 30 years. As a leader in the category, we aspire to see every institutional quality woman and minority-owned firm in the market every year. As a result, we believe we have built the most comprehensive database of diverse managers in the country. In this Market Review, we only consider institutional quality private equity and venture capital firms that are majority-owned (>50%) by women and/or ethnic minorities. The firms must also be based in, and primarily investing in, the United States. In a market that can often be opaque, reliable data on the diverse manager market is often difficult to access. We believe that the data shared in this Market Review can continue to serve as a valuable tool to investors seeking to invest with diverse managers meaningfully.