



Minority Participation Report

Analysis of minority-owned firms' bond participation in the last 2 years
(Q3 2020 – Q3 2022)



D&I Investment Bank Value Add

D&I Investment Bank Participation



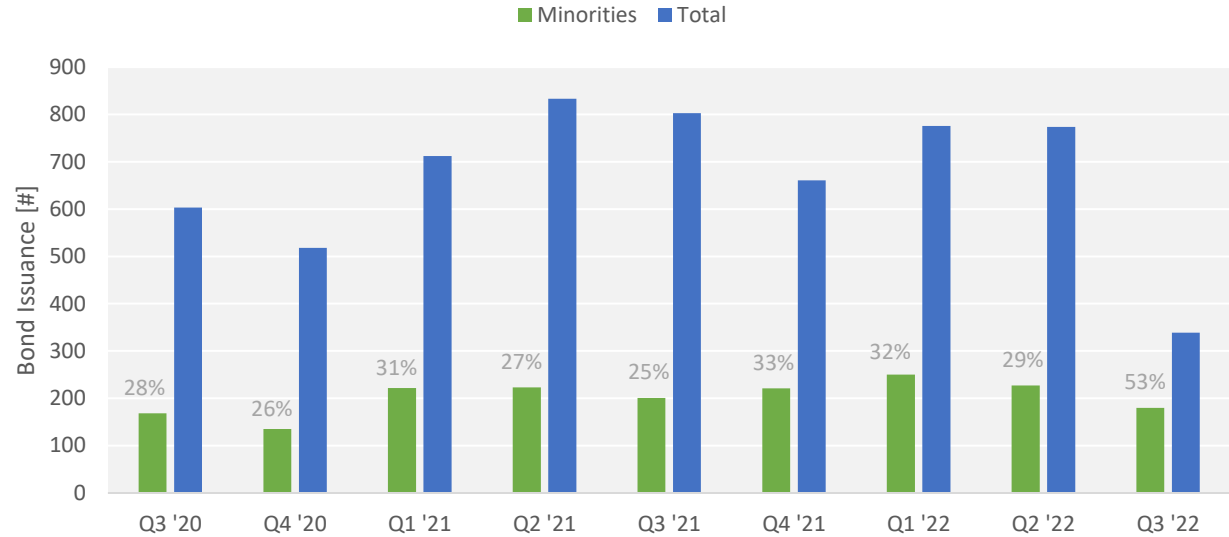
- ✓ **Broaden investor base and distribution network**
- ✓ **Access to smaller, buy/hold investors typically outside scope of large IB's**
- ✓ **Diversity of opinion and coverage from typical IB**
- ✓ **Provide investment opportunities to underrepresented communities**
- ✓ **Promote diversity in the industry**



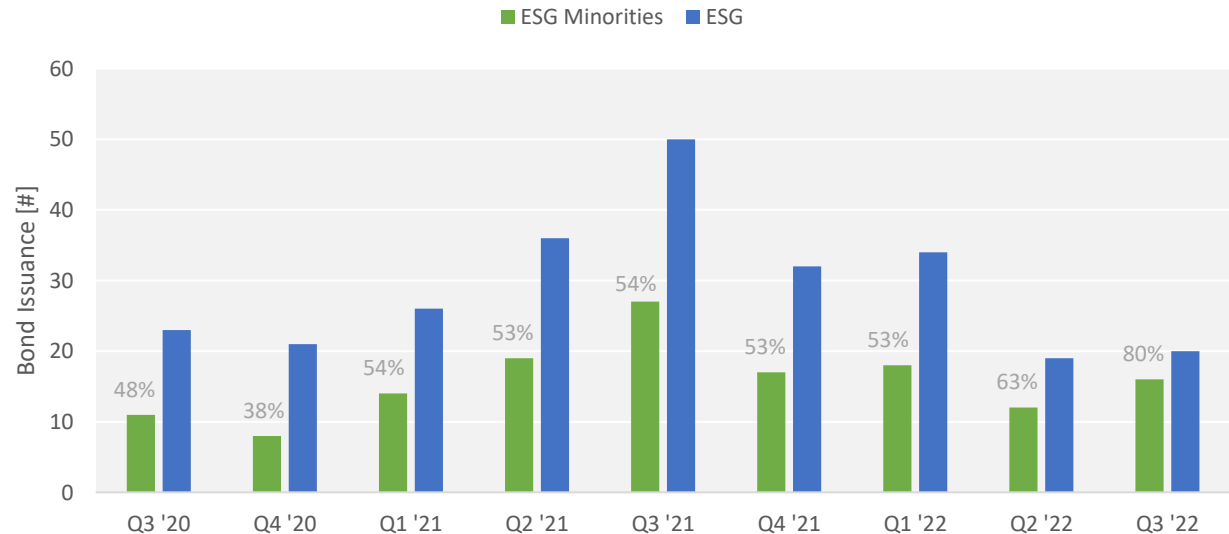
Minority Firms' Issuance Participation: All vs ESG

- Approximately 32% of all US investment grade bond issuances had at least 1 minority-owned broker-dealer as a syndicate participant in the last 2 years
- On average 56% of all ESG investment grade issuances had at least 1 minority-owned broker dealer in the syndicate in the last 2 years
- Minority company participation has increased from 27% (Q4 '20 – Q3 '21) to 37% (Q4 '21 – Q3 '22) in investment grade US issuances
- Similarly, in ESG issuances it has increased from 50% to 62% in the same time period
- The increase has been more pronounced in the ESG minority space

Minority Participation in IG US Issuances



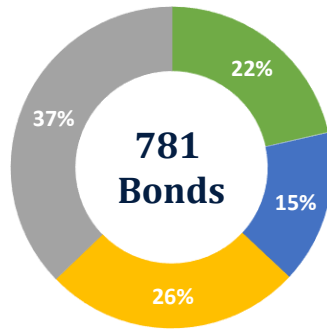
Minority Participation in IG US ESG Issuances





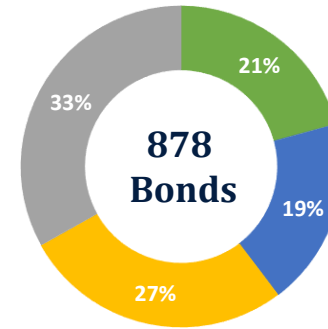
Bond Participation by Minority Firm Category

Total # of Minority Issuances 2020 - 2021



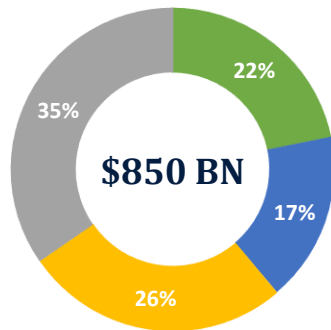
■ Hispanic ■ Women ■ Veteran ■ African American

Total # of Minority Issuances 2021 - 2022



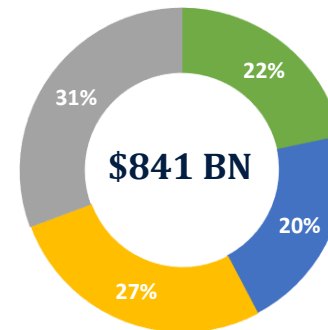
■ Hispanic ■ Women ■ Veteran ■ African American

Total \$ volume of Minority Issuances 2020 - 2021



■ Hispanic ■ Women ■ Veteran ■ African American

Total \$ volume of Minority Issuances 2021 - 2022



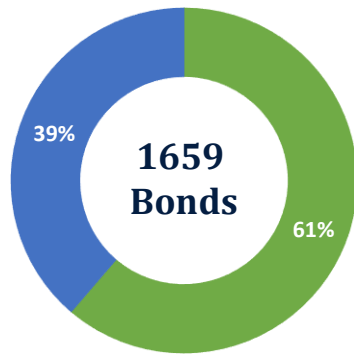
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Minority Firm Participation Remains Top Heavy

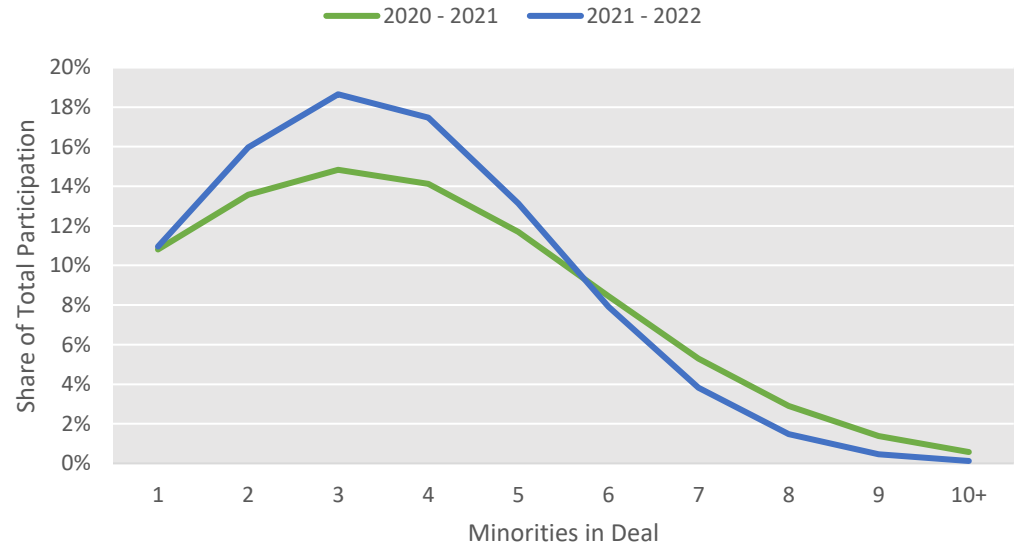
Top 5 Minority Firms Market Share vs Others

■ Top 5 Minorities ■ 20+ Other Minorities



- Minority-owned firms' participation in bond issuances has increased year over year.
- But it remains top heavy with 5 firms, representing about 20% of minority underwriters, accounting for approximately 2/3 of the issuances.

Distribution Graphs of Minority Participation



YoY Comparison of Minority Participation Statistics

	20 - 21	21 - 22
Average	3.14	3.21
Median	2	3
Maximum	18	16

Number of Minorities in Deals

# of Minorities	20 - 21	21 - 22
1 - 4	601	746
5 - 9	125	156
10+	22	15