



State of CVC 2026

A Deep Dive Into the Dynamics of the
Corporate Venture Capital Ecosystem

September 2026



Show Me the Value, Not Just the Money



The best-positioned CVCs are winning allocations in the most competitive deals. They outflank traditional funds by leveraging strategic value and brand credibility to gain access.”

It's the best of times, and it's the worst of times in corporate venture capital (CVC); it just depends on what metric you look at. In our sixth year of writing the State of CVC, we unpack those metrics using primary survey data from nearly 200 CVC funds.

So what's happening in 2026? CVC deal activity is the lowest it has been in the last nine years, but the aggregate size of those deals has already surpassed 2021's prior record. This exactly mirrors the global venture capital (VC) market that has seen deals activity hit an eight-year low, while massive AI deals from OpenAI and Anthropic push capital deployments to new highs. Given these dynamics, the median CVC round size has more than doubled since 2024, yet the median check size that CVCs write has remained flat at just \$3M. Thus, investors are increasingly missing their target ownership percentages, even as those targets get lower.

If a fund can't compete on check size, it must compete on strategic value and domain expertise. From a founder's perspective, CVC investment can be a point of validation for the product, and CVCs can also serve as a channel partner or early customer. Yet even as the relationship with the corporate parent

allows access to the most competitive deals, CVCs continue to seek more independence from their parent. They are chasing improved deal pace, less bureaucratic decision-making and less time spent managing the corporate parent. We continue to witness more funds attempting to move off balance sheet. Yet many funds remain persistently dependent as they struggle to educate corporate executives on VC norms.

As AI moves at breakneck speed, CVC funds complement internal R&D efforts, and in some cases are the primary mechanism for AI innovation within the corporate parent. Agentic workflows and physical AI are expected primary drivers of strategic value. Corporates with high exposure to AI are generally leaning in on CVC, and we see deal paces among these funds accelerating.

CVCs have a difficult time balancing a dual mandate: strategic value and financial returns. The best-positioned CVCs are winning allocations in the most competitive deals. They outflank traditional funds by leveraging strategic value and brand credibility to gain access.



Patrick Eggen
General Partner
Counterpart Ventures
patrick@counterpart.vc



Mark Gallagher
Head of Investor Coverage
First Citizens Innovation Banking
mark.gallagher@firstcitizens.com

Contents

- 04 Key Findings
- 08 Market Overview
- 13 Purpose and Dependency
- 17 CVC's AI Thesis
- 20 Investment Process



Click Through to Key Takeaways



CVCs with venture-literate executive sponsors do **98%** more deals and generate **2x** the exits.
[Jump to page >](#)



CVC deal activity is at a **nine-year low**, yet capital invested is on track for a **record high**.
[Jump to page >](#)



The ratio of exits to investments jumped to **0.35** and is approaching the 0.40 record from 2021.
[Jump to page >](#)



The median CVC deal size has increased **2x** since 2024, while checks sizes have remained flat.
[Jump to page >](#)



53% of funds say they complement internal R&D and corporate AI partnerships.
[Jump to page >](#)



Among the 25 bellwethers, those that take limited partnership (LP) stakes hold a median of **12** fund positions, versus **four** for the field.
[Jump to page >](#)



62% of CVCs have used or are considering using secondary markets.
[Jump to page >](#)



The median fund that receives carry is **2.5x** more independent than funds that do not receive carry.
[Jump to page >](#)



Benchmark Your CVC Fund

How does your CVC fund compare with its peers?

Compare My Fund is an interactive benchmarking tool that places your fund alongside comparable respondents from the State of CVC 2026 survey. Enter a few details to see where your fund aligns with the market and where it takes a different approach across mandate, maturity, capital source, investment process and portfolio strategy.

The tool provides a clear point of comparison and runs entirely in your browser. The information you enter is never shared or stored.



Explore your fund’s position in the CVC landscape.

STATE OF CVC 2026 · FIRST CITIZENS INNOVATION BANKING × COUNTERPART VENTURES

Compare My Fund

BENCHMARKED AGAINST THE 2026 SURVEY

Inputs stay in this browser

Your Fund

Describe your fund

No peer group set yet

Peer Group

The three answers that decide which funds yours is compared with.

Parent Industry

Select

Mandate

Select

Maturity

Select

These three set your peer group. If too few funds match, the group widens automatically to the closest larger one.

Fund Profile

Scale and check size. These place your fund on the charts without changing your peer group.

Fund Size

Select

Team Size

Select

Average Check Size

Select

+ Add More Detail

25 optional questions. Each starts on the response given most often in the survey, and the charts treat it as unanswered until you set it yourself. Answering more sharpens the comparison. None of them change your peer group.

Reset Profile

Survey-wide view, across approximately 200 respondents.

Bellwethers, a fixed reference group of leading CVCs, are marked throughout. See Methodology for the criteria.

HOW THIS WORKS

1. Set your peer group.

Parent industry, mandate and maturity determine which funds yours is measured against.

2. Describe your fund.

Add scale and check size, then the 25 further questions under Add More Detail. These sharpen the comparison without changing your peer group.

3. Review the tabs.

Each one shows how your fund compares with other corporate venture funds.

Questions you have not answered use the response given most often in the survey, so every view is populated from the start. Your answers replace those as you go.

EXPLORE THE BENCHMARK

01 Key Findings

02 Market Overview

03 Purpose & Dependency

04 CVC & AI

05 Investment Processes

06 Methodology

Describe your fund to see how it compares across 30 measures

Your Profile at a Glance

in step

stands apart

not answered

Market Overview

Not answered yet

None of these questions have been answered yet.

Open Market Overview →

Purpose & Dependency

Not answered yet

None of these questions have been answered yet.

Open Purpose & Dependency →

CVC & AI

Not answered yet

None of these questions have been answered yet.

Open CVC & AI →

Investment Processes

Not answered yet

None of these questions have been answered yet.

Open Investment Processes →

None of the 30 measures have been answered yet. Add more detail to base them on your own answers.

Next: Market Overview →

GO TO KEY TAKEAWAYS >

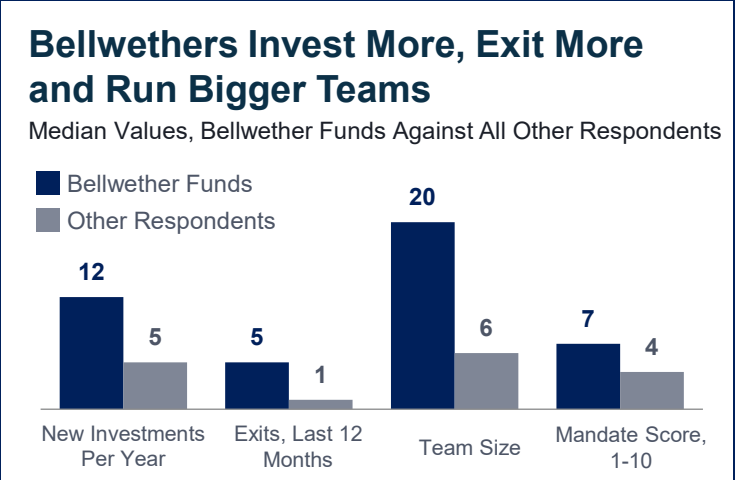
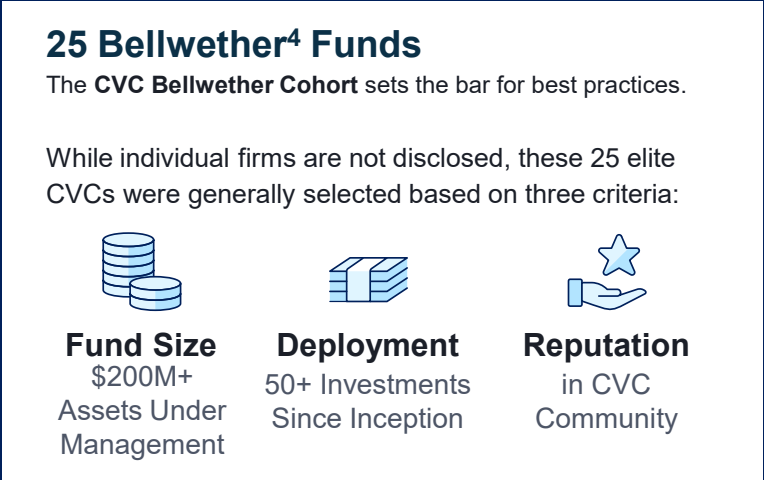
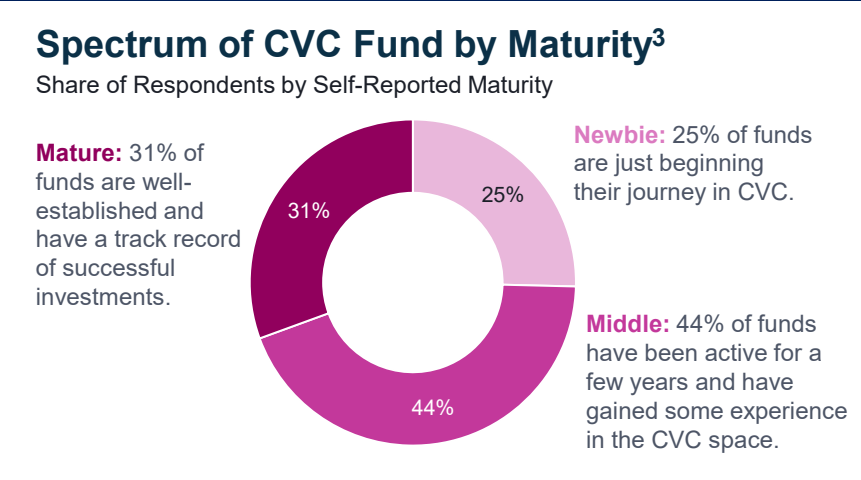
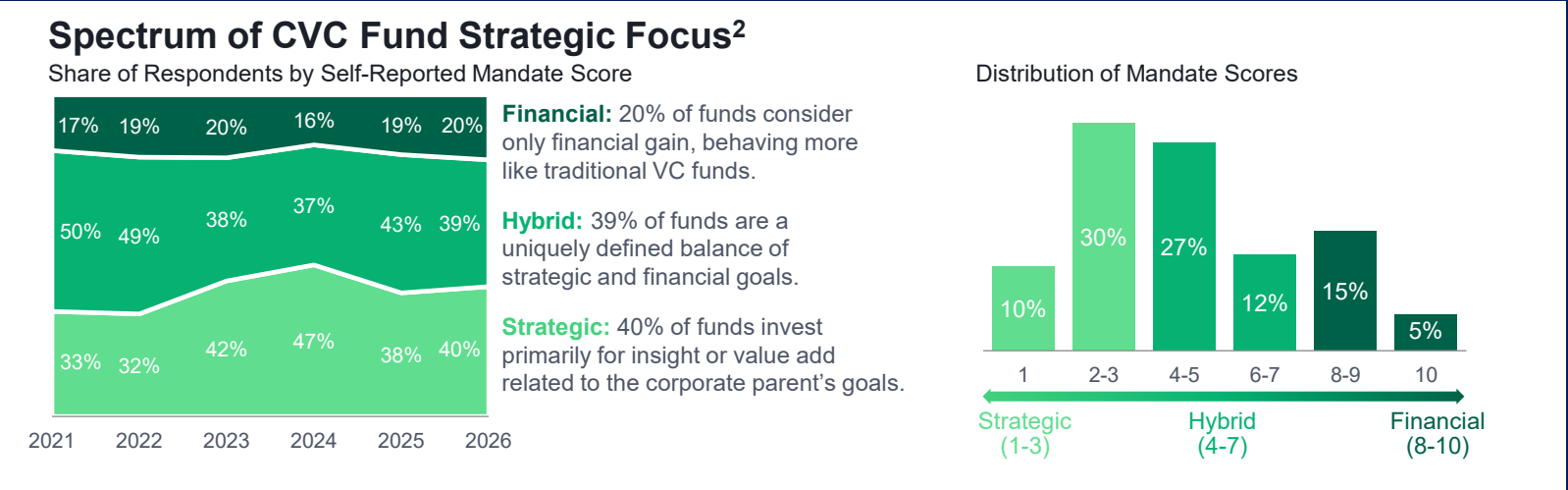
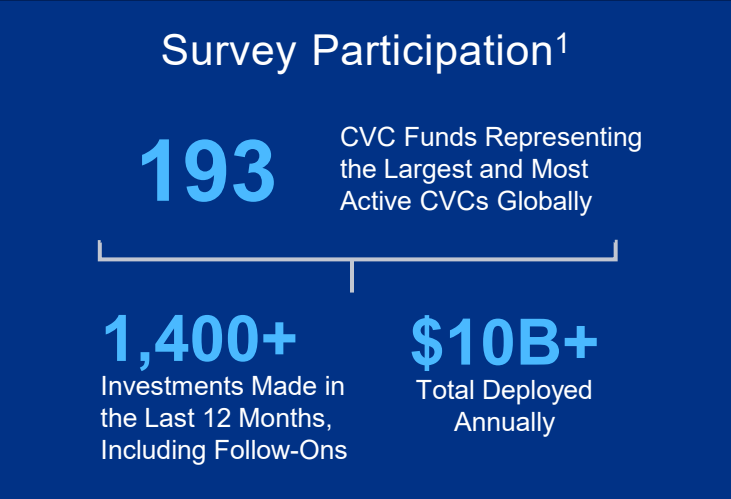
STATE OF CVC 2026

5

2026 CVC Survey Key Findings



Meet the 2026 Respondents



Notes: 1) Analysis includes 193 unique respondents; 209 submitted responses to the 2026 CVC survey. 2) Mandate scores are self-reported on a 1-10 scale, from fully strategic to fully financial. 3) Firms self-report one of three maturity stages; maturity is not based on firm age. The 2026 sample is younger than the 2025 sample (8% newbie, 43% middle, 49% mature); YoY comparisons should be interpreted accordingly. 4) Bellwether funds are a fixed 25-name roster selected by size, deployment and reputation, and are included within the maturity and mandate segments. Source: 2026 CVC survey and First Citizens Innovation Banking analysis.

Market Overview



Global Reach, Shorter List

CVCs are still investing globally, but fewer funds are trying to cover the full map. The share investing across three or more regions fell notably among this year’s survey respondents, while the share focused on a single region rose by half. The US remains close to universal at 96%, and the EU is the only other region reached by a majority of funds. Global reach is holding, but broad geographic coverage is giving way to more focused regional strategies.

Part of that concentration follows the technology. **AI and machine learning (ML) lead by a wide margin, named by roughly seven funds in 10, and the deepest AI ecosystems sit in the US. Geography is not only a technology story, though.** China has world-class AI capability but attracts investment from only 11% of respondents, which suggests that geopolitical and policy considerations weigh as heavily as technical opportunity.

Where funds look for risk depends on how long they've been investing. Compared with mature funds, newer funds focus more on US policy, labor markets and inflation. Mature funds place greater weight on geopolitical risk, exit markets and tariffs than younger funds. The pattern suggests a shift from assessing the conditions for making investments to managing portfolio exposure and planning for liquidity.

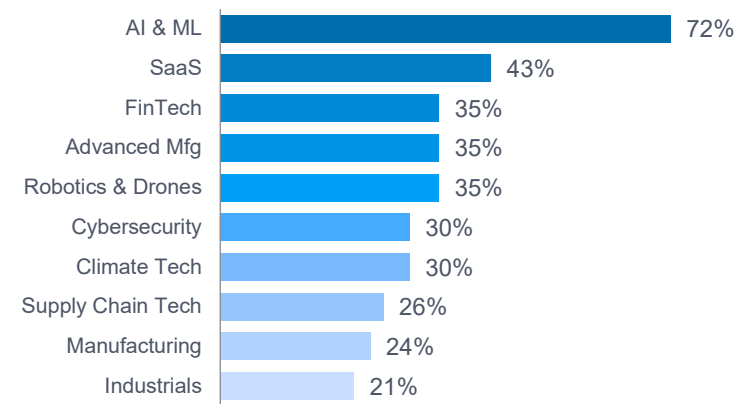
A More Focused Geographic Strategy Among 2026 Respondents

Regions Invested in and Share of Funds by Number of Regions¹



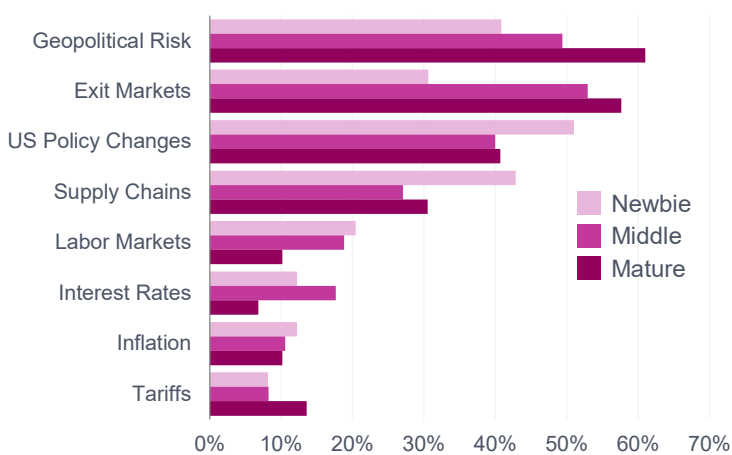
AI Leads by a Distance, and Nothing Else Comes Close

Share of Respondents Naming Each Vertical as Investment Interest, Top 10³



Experience Changes What Keeps You Up

Share of Each Maturity Group Naming Each Macro Factor, Top 8⁴



Notes: 1) Map values are the share of respondents that invest in each region. Respondents could name more than one region, so shares do not total 100%. 2) ASEAN is the acronym for Association of Southeast Asian Nations. 3) Respondents could name more than one vertical. Verticals are ranked on the 2026 share. 4) Respondents could name more than one factor. Source: 2026 CVC survey and First Citizens Innovation Banking analysis.

Bigger Pies, Smaller Slices

Corporate venture is returning with more capital and renewed conviction in high-growth companies. **Through August, investment in corporate-backed rounds had put 2026 on track for a new annual high, supported by landmark financings including OpenAI's \$122B round and Anthropic's \$65B and \$30B rounds.** Deal activity is concentrating in larger financings, with roughly 8,400 transactions expected this year.

Corporates continue to participate in about one in five venture deals, consistent with the past decade. Rounds involving a corporate investor now account for nearly three-quarters of venture dollars, up from roughly half in prior years. Based on the \$5M average CVC check reported in the 2026 CVC survey, we estimate that CVCs supplied approximately 4% of total VC this year. Their contribution, however, extends beyond the check.¹ CVCs provide strategic insight, corporate relationships and potential access to customers and markets alongside their capital.

As rounds have grown, funds have continued to manage exposure carefully. The median corporate-backed round has nearly doubled since 2021, from \$7M to \$13M, while CVC checks remain at a \$3M median and \$5M mean. Funds targeting double-digit stakes report 10.1% ownership against an 11.4% target, while smaller-position strategies land closer to plan.

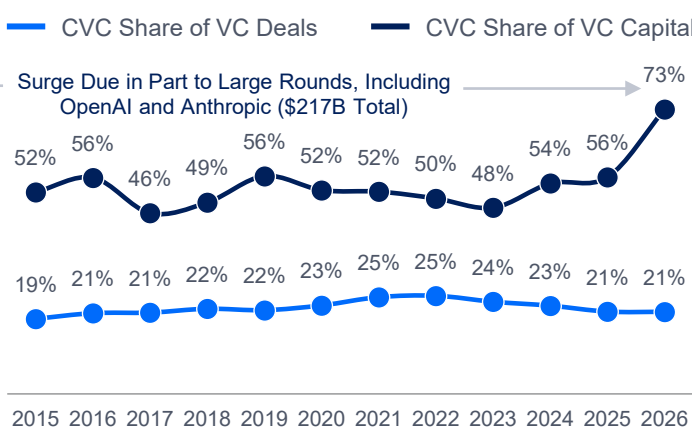
Riding the AI High

Capital Invested in Corporate-Backed Rounds and Deal Count, Through August 2026, PitchBook Data, Inc.²



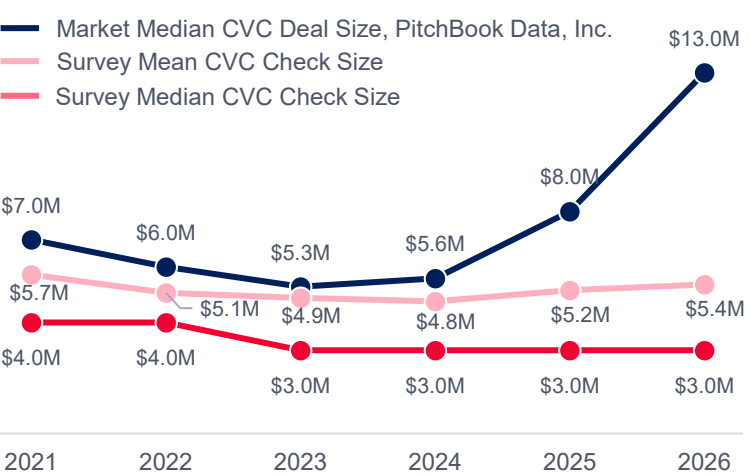
CVCs in the Biggest Deals

Corporate-Backed Share of All Venture, by Deal Count and by Capital, PitchBook Data, Inc.³



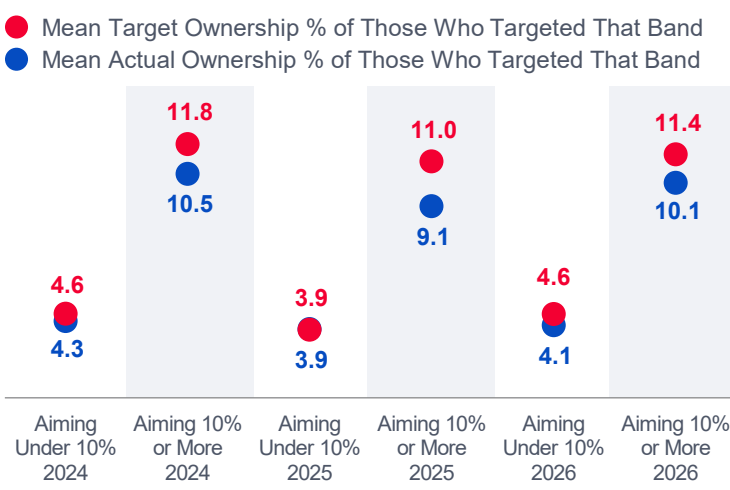
A \$3M Check in a \$13M Round

Market Median Deal Size Against Survey Median Check Size⁴



The Gap Sits With the Ambitious

Share of Respondents by Ownership Band, Achieved Against Target



Notes: 1) Estimated corporate contribution is based on mean reported check size, corporate-backed rounds and total VC invested. 2) PitchBook Data Inc., data as of 8/31/2026; 2026 capital and deal count are annualized projections, excluding OpenAI and Anthropic financings. 3) CVC share reflects the full value of rounds with CVC participation, not CVC investment alone. 4) Market medians reflect corporate-backed rounds; survey statistics reflect responding funds.
Source: 2026 CVC survey, PitchBook Data, Inc. and First Citizens Innovation Banking analysis.

The Market Shifted; Funds Split.

CVCs are moving toward later-stage rounds and a narrower stage focus. **Seed-stage deals remain near one-fifth of corporate-backed transactions, while later-stage rounds now account for nearly half of activity, reflecting investors' preference for companies with more evidence of traction in a less forgiving market.**

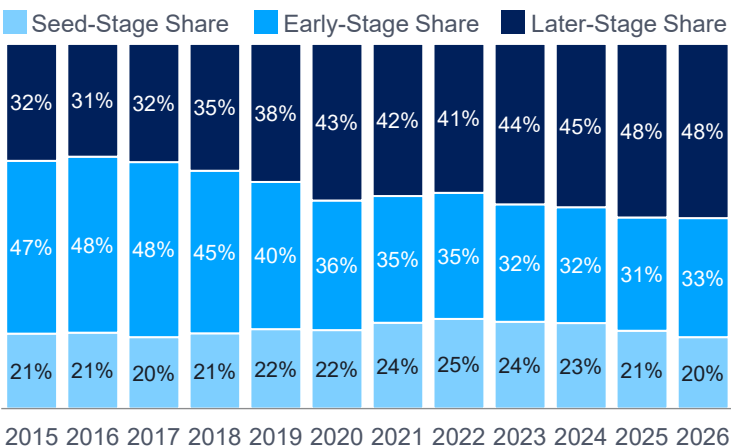
Series A and B remain the common-stage sweet spot, while the share of stage-agnostic funds has nearly halved since 2021. CVCs are converging around a narrower segment of the market, even as that segment has been losing share overall.

Institutional mandates continue to determine where capital goes. Strategic funds allocate roughly half of their capital to the parent's core business, while financial funds direct more toward adjacent markets and new domains, investing 1.7x more in new domains than strategic funds.

Funds diverge most clearly on speed and direction. Financial and bellwether funds are most likely to accelerate and move earlier. Mature funds picked up pace but shifted later, while newer and strategic funds are more likely to slow down. A closer look at the data reveals that balance-sheet funds with parents exposed to AI supply chains or infrastructure also tended to speed up, suggesting that direct AI exposure is adding urgency to investment decisions.

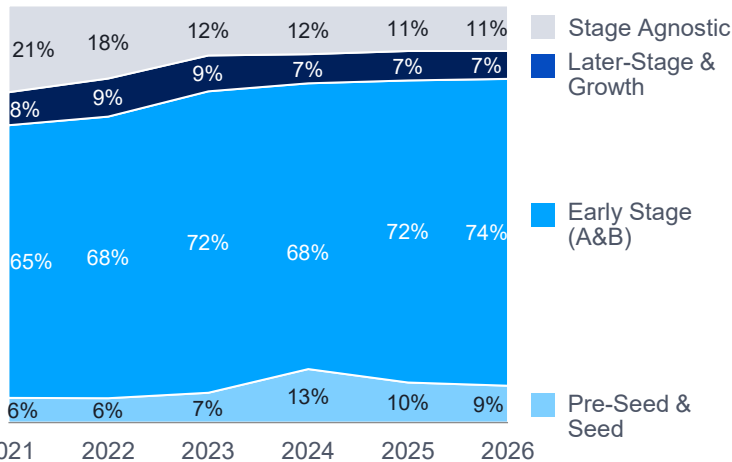
The Middle of the Stack Gives Way

Share of Corporate-Backed Venture Deals by Stage, PitchBook Data, Inc.¹



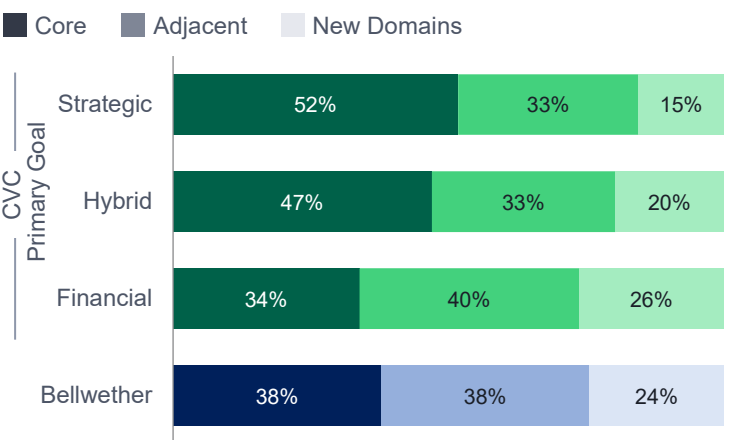
Series A and B Remain the Common Ground

Share of Respondents by Stage Sweet Spot, 2026 CVC Survey²



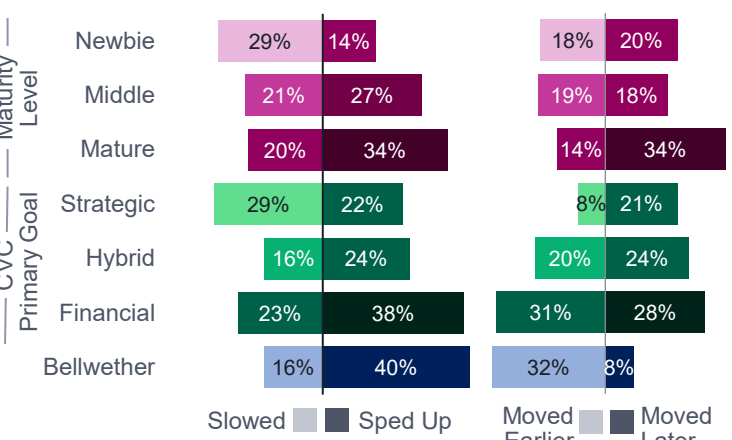
Mandates Decide Where the Money Goes

Share of Capital Allocated to Core, Adjacent and New Domains, by Segment³



Speeding Up and Splitting Up

Share of Funds Changing Investment Pace and Stage Focus in the Past Year, by Segment⁴



Notes: 1) The denominator is venture-staged corporate-backed deals, meaning seed, early stage and later stage. PitchBook Data Inc., data as of 8/31/2026. 2) Computed based on 2026 CVC survey data. Respondents could name one stage only. 3) Figures are the mean allocation within each segment. 4) Funds reporting no change are not shown, so the two sides of each bar do not total 100%. Bellwether funds are also counted within the maturity and mandate segments.
Source: 2026 CVC survey, PitchBook Data, Inc. and First Citizens Innovation Banking analysis.

Rain in the Liquidity Desert

Last year’s report called this a liquidity desert. This year, the first signs of rain are here. Relative to the pace of new investment, the average fund generated roughly one exit for every three new investments in 2026, up from about one in four at the 2023 low. Although the ratio remains below 2021 levels, its continued recovery points to a market steadily rebuilding liquidity.

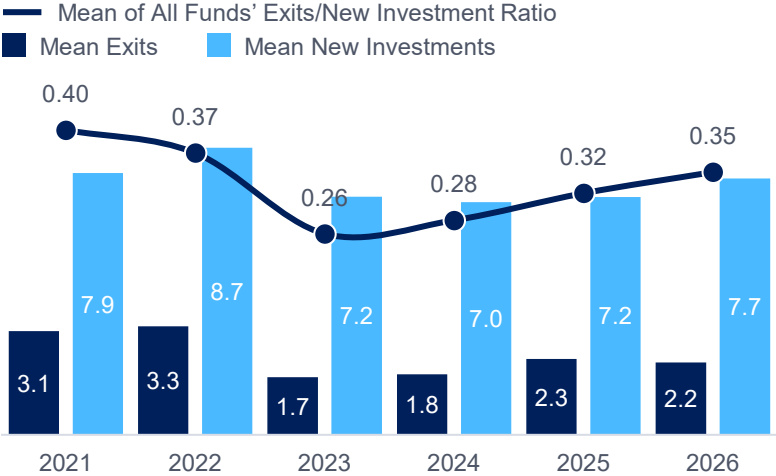
The recovery is gaining traction, but it is not yet evenly distributed. Half of 2026 respondents reported two or more exits in the past 12 months, while three in 10 reported none. Fund maturity explains much of the divide: 63% of newer funds reported no exits, compared with just 3% of mature funds.

As traditional exit markets recover, secondaries are attracting greater attention as a complementary source of liquidity. Fewer funds now rule them out, and more are actively considering them. Adoption remains measured, however. Of the funds considering a secondary in 2024, most were still evaluating the option two years later, while only 6% reported using one.

For now, secondary activity is concentrated among funds with mature portfolios and financial mandates, where assets are more likely to be ready for sale. Secondaries cannot replace a robust exit market, but they are becoming a more credible and flexible tool for managing liquidity across the CVC life cycle.

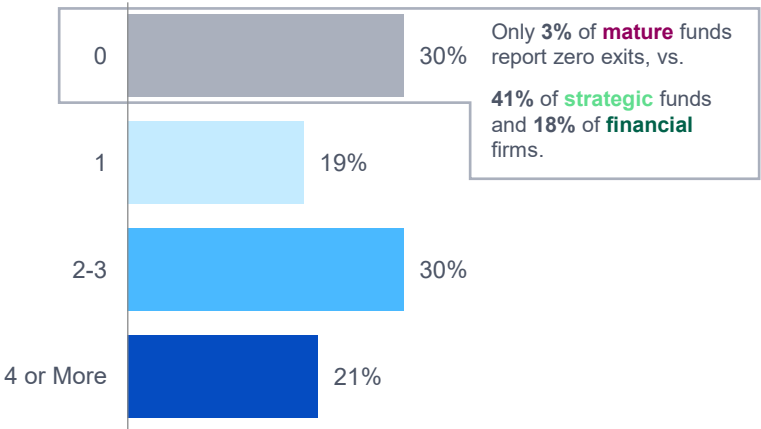
Payback Is Coming

Mean Exits in the Past 12 Months per New Investment a Year¹



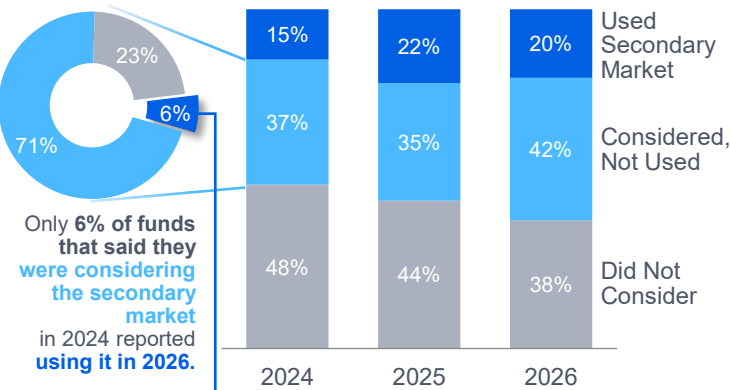
A Market of Haves and Have-Not

Share of Respondents by Number of Exits in the Past 12 Months



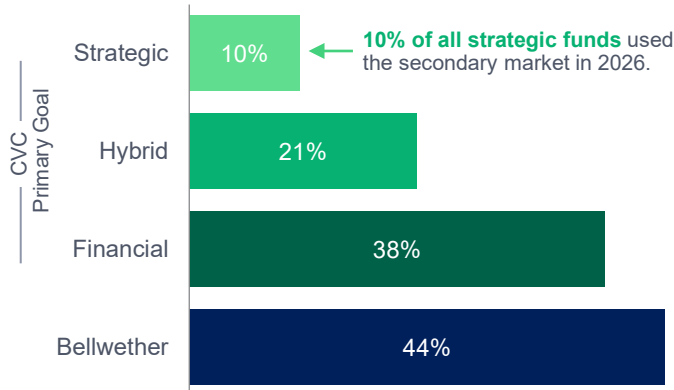
Fewer Funds Are Ruling Secondaries Out

Secondary Market Status by Survey Year²



Financials More Likely To Use Secondaries

Share of Funds in Each Segment That Have Used the Secondary Market³



Notes: 1) The plotted ratio is the mean of each fund's own exits divided by its own new investments. It is not the ratio of the two means shown as bars. 2) Status is self-reported. The 2024 cohort panel covers the 31 funds that reported considering a secondary in 2024 and answered again in 2026. 3) Figures are the share of funds within each segment, not the share of secondary market users that fall in each segment. Source: 2026 CVC survey and First Citizens Innovation Banking analysis.

Purpose and Dependency



Sense and Sensor-bility: Execs Value It

One thing most CVCs agree on is that part of their job is to accelerate growth and innovation. This is true across all fund mandates, from strategic to financial. But whether this is the top priority depends on the mandate. Among strategic CVCs, 46% say their top reason for existence is to build relationships with partners and targets (act as a technology sensor), while 49% of financial firms say the reason for their existence is solely to generate financial returns (financial sensibility). Often, though, accelerating growth and innovation requires a bit of both — call it sensor-bility.

This throughline generally aligns with the key strategic goal of the executive sponsor for the CVC: 52% of funds say the executive’s goal is to augment the existing business, and 37% say it’s a sensor for emerging technology trends. Taken together, these two goals clearly highlight the importance of CVCs finding and investing in new technologies with the potential to benefit the business.

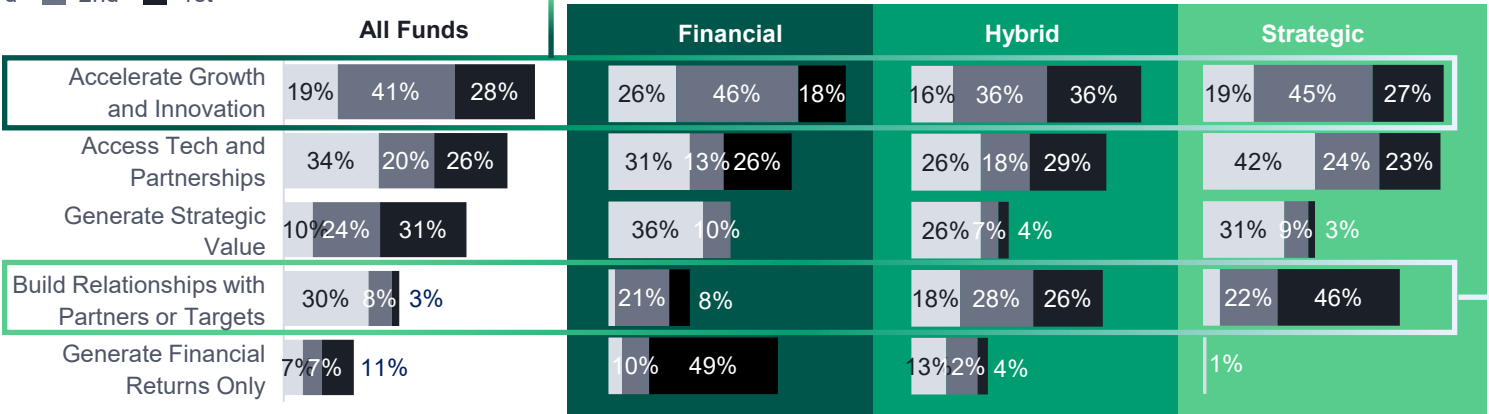
Strategic value is important even for many financial CVCs. Nearly half of financial CVC funds say that generating strategic value is a top-three reason for their existence. When asked how successfully financial funds deliver on this promise of strategic value, 44% said they do so exceptionally. But on a self-graded test, everyone passes.

Accelerating Growth and Innovation Is Common Across CVC Mandates

Top Three Reasons for CVC’s Existence by Fund Mandate

Percentage of Funds Ranking:

3rd 2nd 1st



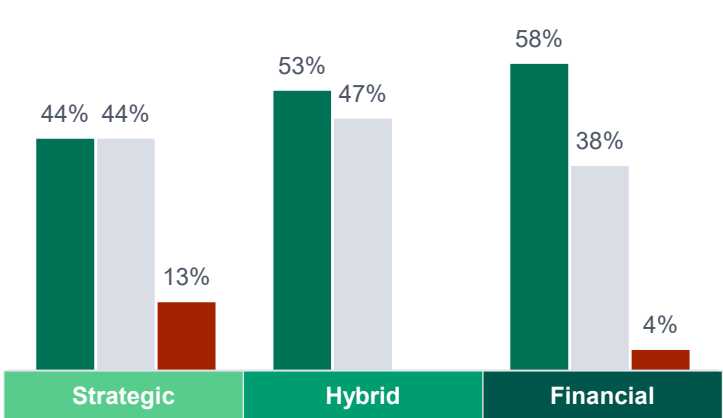
Even among **financial CVCs**, **accelerating growth** and **innovation** is the top goal.

Building partnerships is significantly more important to **strategic CVCs**.

Financial Funds Still Deliver Strategic Value

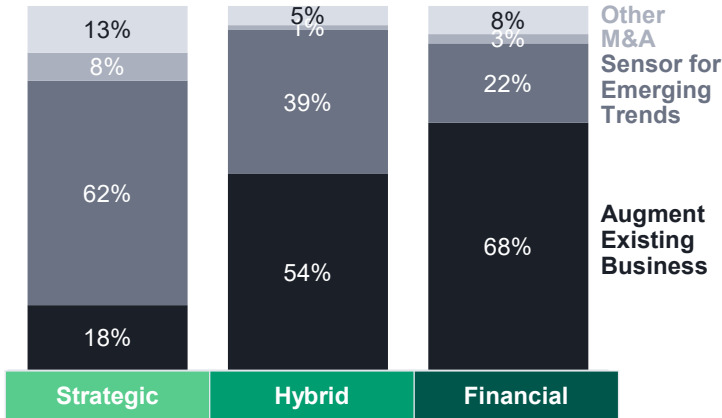
Success of Funds at Delivering Strategic Value by Fund Mandate¹

Exceptionally Moderately Poorly



What Strategic Value Looks Like to Execs

The Key Strategic Goal Executives Want CVC To Achieve by Fund Mandate



Notes: 1) Scored on a 1-10 scale and categorized by exceptionally: 1-3, moderately: 4-7, poorly: 8-10. Source: 2026 CVC survey and First Citizens Innovation Banking analysis.

Helicopter Parenting Ruins CVC Fun(ds)

More independence from the corporate parent and more ability to invest toward financial returns generally are better for CVCs. All funds face problems, but CVC funds with more independence typically face fewer problems. Like dependent funds, strategics typically rely on business units (BUs) to get deals done, so it is no surprise that the bureaucracy that introduces creates more problems for the CVC. Half of strategic funds cite at least three problems compared to just a quarter of financial funds.

Slow investment processes and a bureaucratic decision-making process are typical among strategic and hybrid funds. But financial funds face their own challenges with one in three financial funds saying that corporate funding of the CVC is a challenge.

Many CVCs say more independence would improve the fund, but only 21% are becoming more independent. As funds become more independent, they face the same challenges that all venture funds face: raising capital and demonstrating strong financial performance. Even as funds push for more independence, in conversations with CVCs we repeatedly hear the importance of the corporate brand in winning deals. Corporate can be a channel partner or a proof point for technology and help win deals. This means some CVCs are able to get a seat at the (cap) table even if they can't compete on check size or speed to a term sheet.

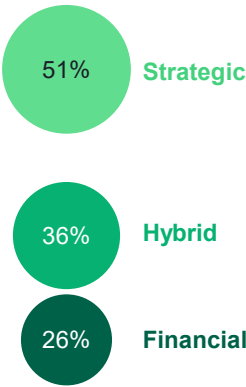
Problems Are Highly Correlated With Dependence on the Corporate

Problems the CVC Faces by Independence and Mandate

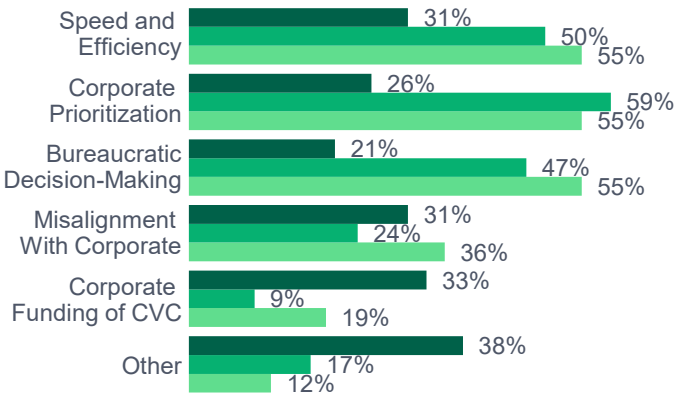
Average Independence Score by Number of Problems the CVC Faces¹



Share of Funds That Cited at Least Three Problems

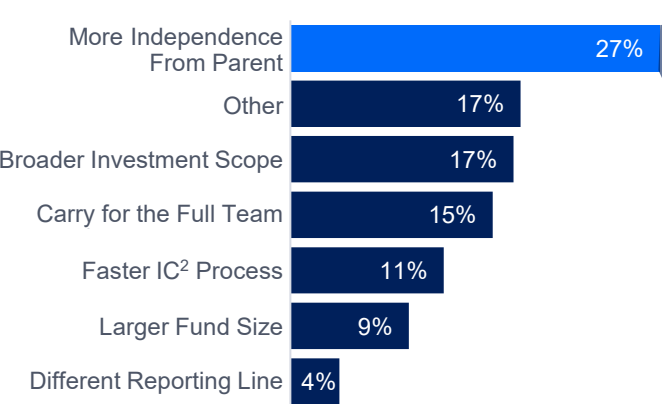


Share of Funds That Report Major Problems With the Following



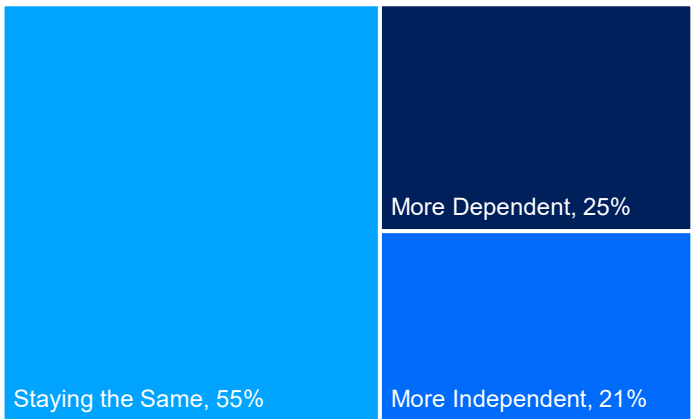
CVCs Want Independence

What CVCs Say Would Improve the Fund



They Want Independence but Aren't Getting It

How Independence From Corporate Parent Is Changing Among Funds That Think Independence Would Improve Their Fund



Notes: 1) Independence scored on a 1-10 scale, with 10 being totally independent. 2) Investment Committee (IC).
Source: 2026 CVC survey and First Citizens Innovation Banking analysis.

I Got 99 Problems and My Exec Is One

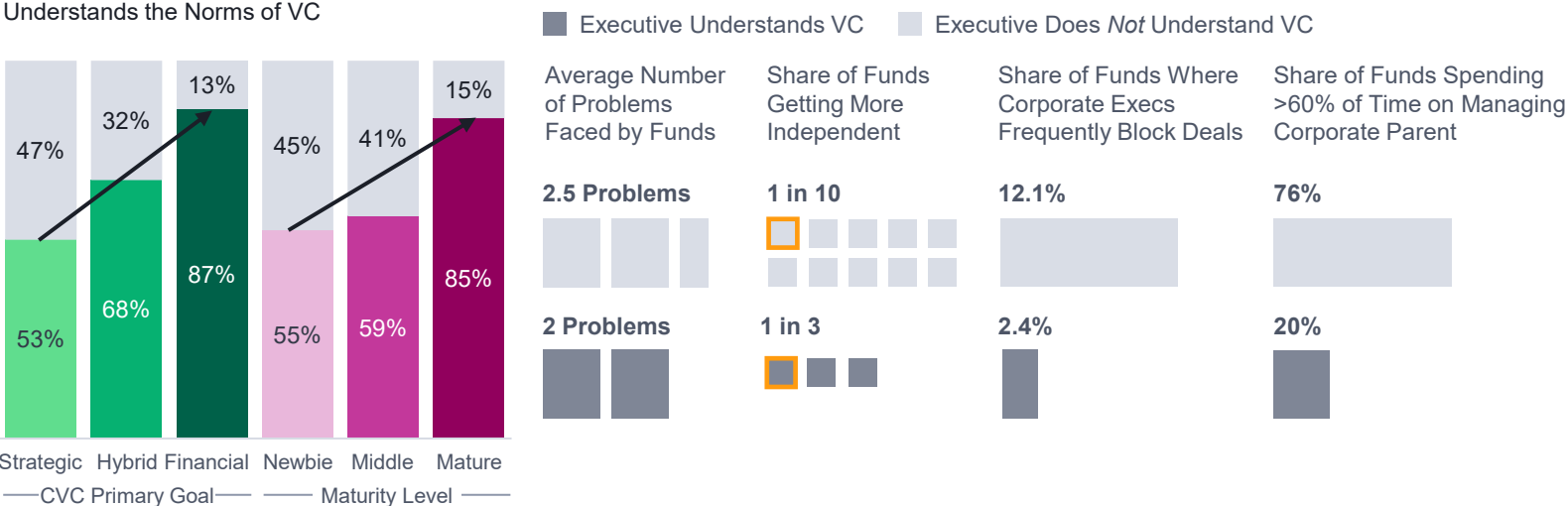
What's the biggest return on investment a CVC fund might have? Educating its executive sponsor to understand the norms of venture. Funds with an executive sponsor that understands the norms of CVC generally face 20% fewer problems, are 31% more independent, are 3.3x more likely to become more independent, are 80% less likely to frequently have deals blocked, do 98% more deals, do deals 26% faster, are 45% more likely to lead deals and have 2x the exits in the last 12 months. **The value proposition of a well-educated executive sponsor is clear.**

Financial funds and funds that are more mature are far more likely to have executive sponsors that understand the norms of venture. Strategies and newbie funds have a lot of education to do to align with corporate parents.

Not only does having an executive sponsor that understands venture improve how the fund operates, but it also helps align compensation with financial results. Funds with an executive sponsor that understands the norms of venture are 16% more likely to receive carry. While receiving carry makes less sense for strategic funds, for financial funds it is an important aspect of aligning incentives to the fund's mandate. Funds that receive carry are generally far more independent and operate more similarly to a traditional VC.

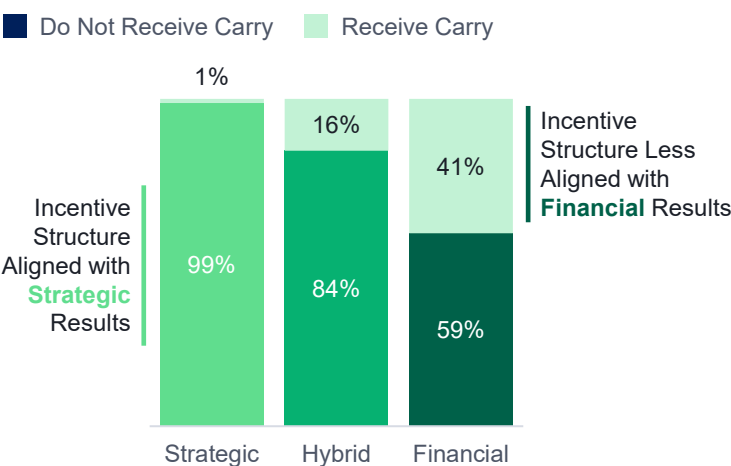
CVCs Need an Executive Sponsor That Understands Venture

Percentage of Funds That Have an Executive That Understands the Norms of VC



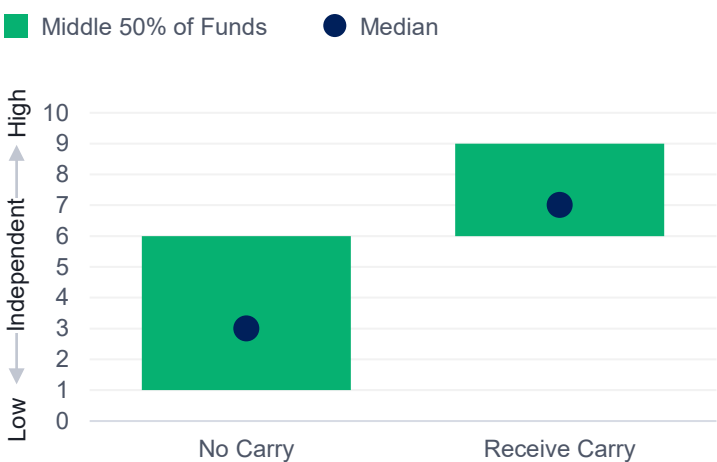
Incentive Structures Align With Strategy

Percentage of Funds That Receive Carry by Mandate



Independence and Carry Go Hand in Hand

Independence Score by Carry Status





CVC's AI Thesis



When Everything Is AI, Nothing Is AI

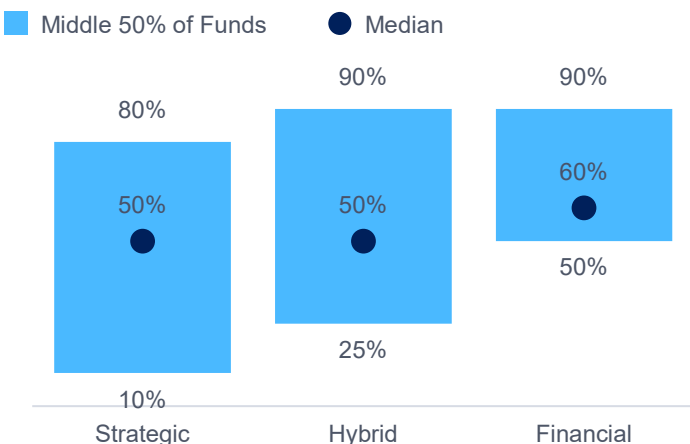
Most CVCs are all in for AI. But there are differences among fund mandates and funds that are less tied to the corporate parent. Financial funds and multi-LP CVCs invest more heavily in AI. This is especially true among the bottom quartile of funds that are least active in AI. Bottom quartile strategics have just 10% of their investments going to AI, while financial funds have 50%. Thus, some corporate parents are likely limiting the CVC’s AI investment, but it is also likely indicative of an inconsistent definition of what constitutes AI.

“AI” companies receiving investment may not be as AI-forward as casual observers think. Over 60% of the AI companies that CVCs have funded since 2023 are in the vertical application space. **Often these are companies that are simply adding an AI layer to existing business models. They’re not innovating purely on AI.** In fact, only about 6% of companies funded by CVCs qualify as core AI.

Many companies in the ecosystem are AI washing. They may add an AI wrapper or an AI-enabled tagline but aren’t really developing anything uniquely AI. Using First Citizens’ AI Relevancy Score, we can see that almost 50% of CVC AI deals in 2026 have a low AI relevancy score. These companies are analogous to dot-com startups that had websites calling themselves “internet companies.” It may have been a differentiator in 1999, but that differentiation didn’t last long.

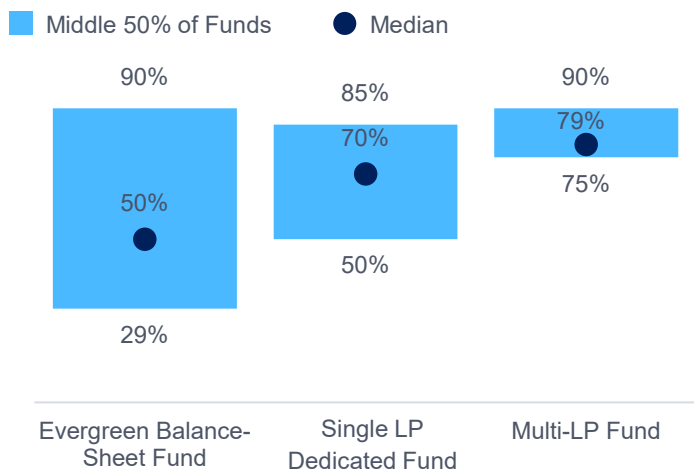
Financial Funds Most Focused on AI

Share of Investments Going to AI by Mandate



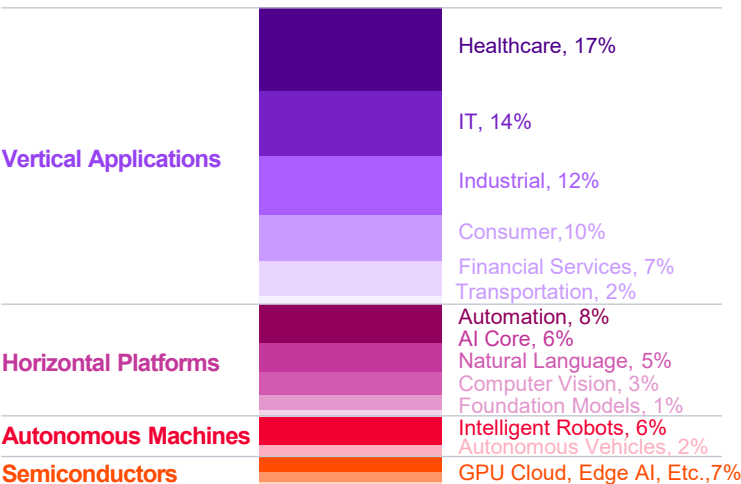
Multi-LP Funds Double Down on AI

Share of Investments Going to AI by Source of Funds



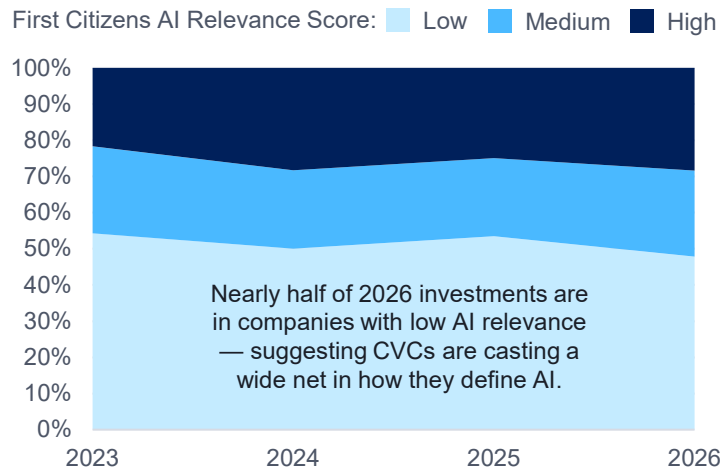
CVCs Are Focused on the App Layer

Global VC AI Investments by Focus Area Since 2023 as a Percentage of Companies Funded¹



Are the Investments Truly in AI?

Distribution of CVC AI Investments Since 2023 by AI Relevancy²



Notes: 1) Leveraging PitchBook Data, Inc.’s AI Taxonomy. 2)The AI relevancy score evaluates companies with AI as a keyword in their description. The methodology looks for signals of technical AI innovation in company descriptors to gauge the degree to which AI is core to their offering vs. boilerplate language.

Source: PitchBook Data, Inc., 2026 CVC survey and First Citizens Innovation Banking analysis.

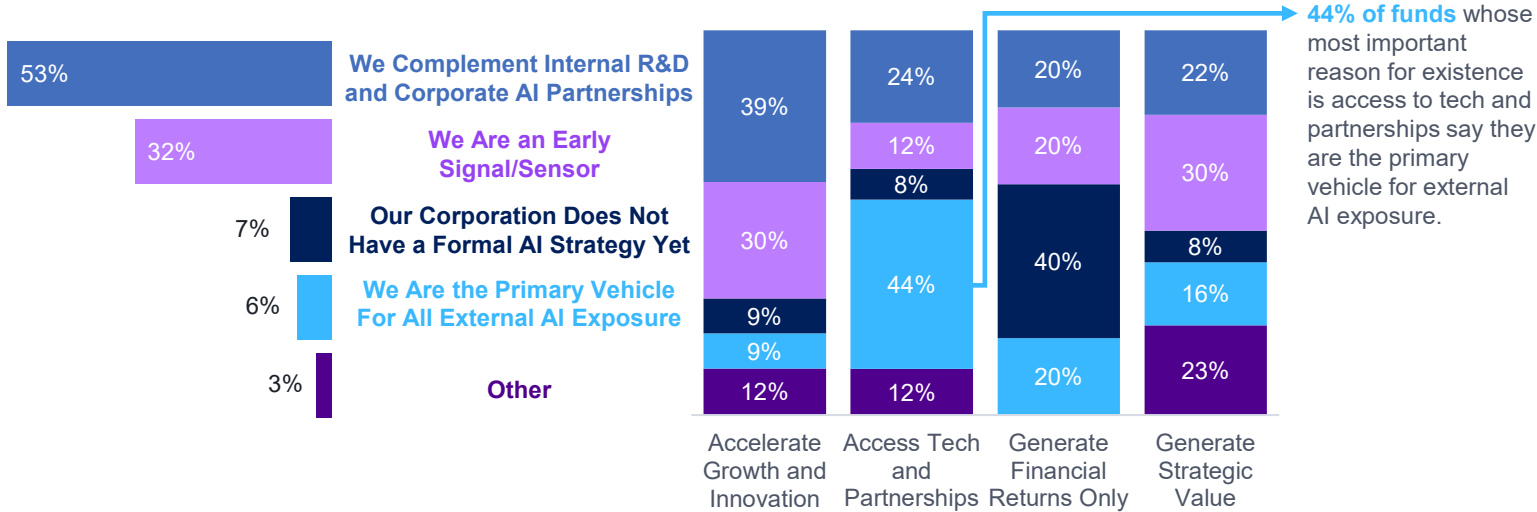
Our AI Strategy Is Someone Else's AI

VCs are at the vanguard of AI innovation, so what is the role of CVC funds in corporate AI strategy? For the majority of funds (53%), CVCs complement internal R&D and corporate AI partnerships. Beyond that, nearly one-third of funds operate as the early sensor/signal for emerging AI trends. But the role that a CVC fund plays is highly contingent upon the CVC fund's most important reason for existence. Nearly half of CVCs whose primary goal is to access tech and partnerships are the primary vehicle for all external AI exposure. Financial funds, often say that the corporate doesn't have an AI strategy — perhaps indicative of either a more judgmental stance or a lack of knowledge of the corporate strategy.

To further understand how CVCs think AI will impact their corporate parents, we asked what area of AI will add the most strategic value. **Over one-quarter of CVCs think that agentic workflows will add the most strategic value, and about one in five CVCs said that both vertical AI applications and robotics/physical AI will add the most value.** Physical AI and robotics is also top of mind among deep tech investors: 71% of deep tech investors are currently investing in physical AI and humanoid robotics. For many corporations operating in the industrial space, this technology has the potential to automate areas that have been difficult and costly to automate with traditional robotic systems.

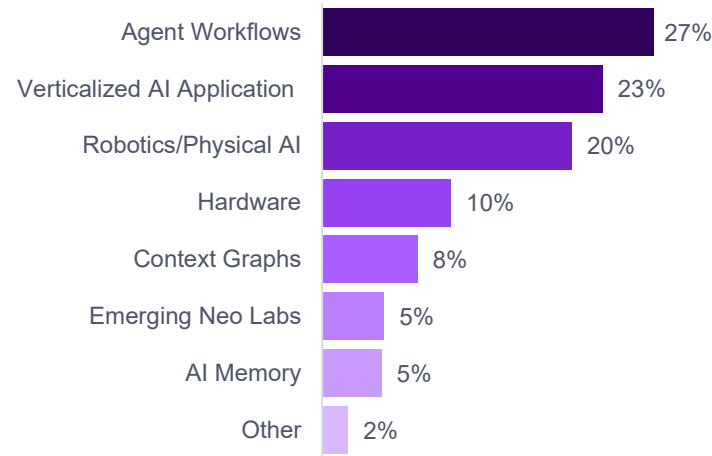
Most CVCs Complement Internal AI R&D, but It Varies Widely Based on CVC Goal

The Fund's Primary Role in Corporate AI Strategy and How the "Most Important" Reason for CVC's Existence Impacts That Role



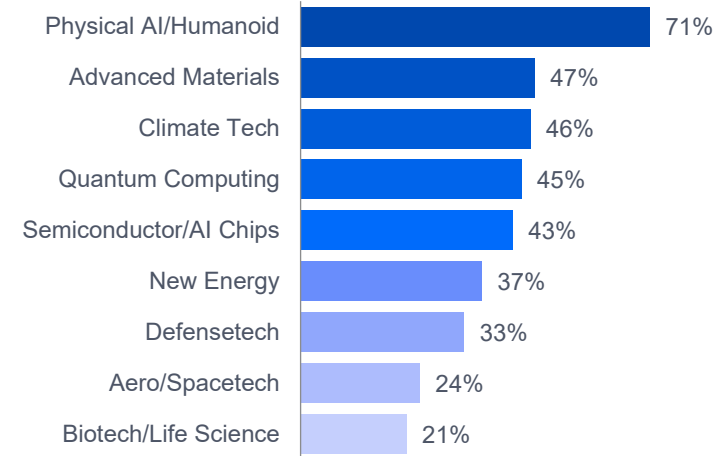
Where Will AI's Strategic Value Come From?

What Component of AI Will Add the Most Strategic Value?¹



Physical AI and Humanoids Are the Focus

Share of Deep Tech Investors Investing in Each Vertical



Notes: 1) Respondents could choose up to three options. Analysis looks at percentage of all components cited.
Source: PitchBook Data, Inc., 2026 CVC survey and First Citizens Innovation Banking analysis.



Investment Process



[GO TO KEY TAKEAWAYS >](#)

VC, by Appointment Only

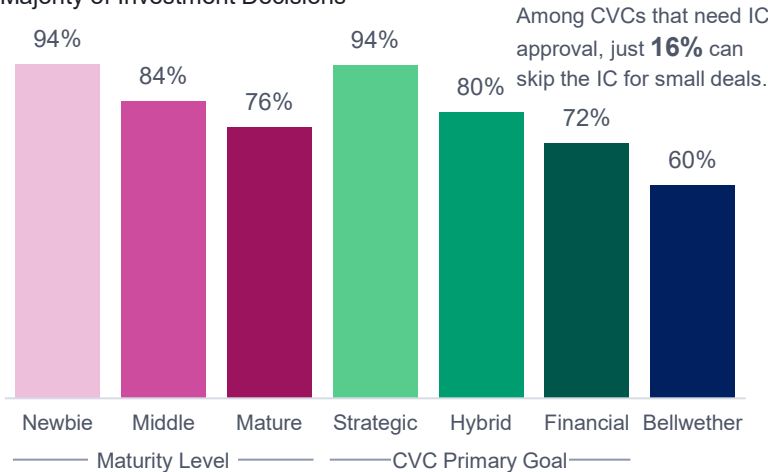
CVCs like to talk about investment agility and proximity to innovation. The data suggests a more mixed reality.

Across every type of CVC program, a large majority of investment decisions require IC approval. Newbies and strategics are especially dependent on committee sign off, with roughly nine in 10 deals passing through the formal gatekeeping process. Even among those with strict IC oversight, few grant teams autonomy for smaller transactions.

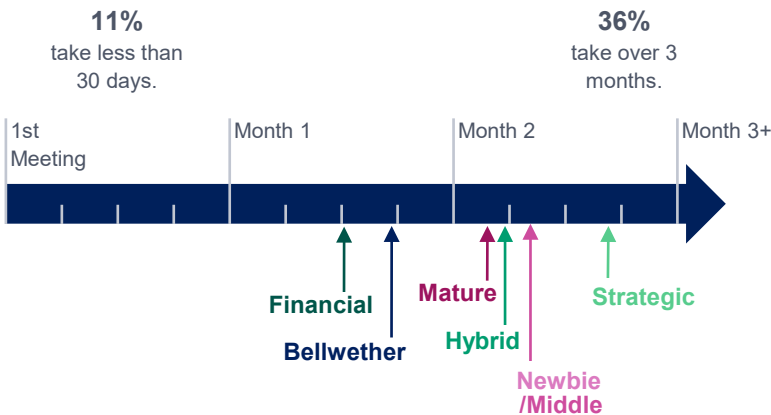
Such governance comes at a price: speed. Only 11% of investors move from first meeting to commitment in under a month, while more than a third take over three months. **Financial investors move most quickly, while strategics often must trudge through layers of corporate approval. VC famously rewards speed, but corporations, it seems, still reward process.** The frequency of IC meetings reflects these differences. Nearly half of financials and bellwethers meet weekly, compared to just 8% of strategics, generally the group of CVCs most closely tied to the corporate parent.

Healthy decision-making itself is important for CVC autonomy. Executive veto is uncommon when ICs function as genuine decision-making forums. But when investment decisions occur in a “black box,” senior execs regularly step in to block deals.

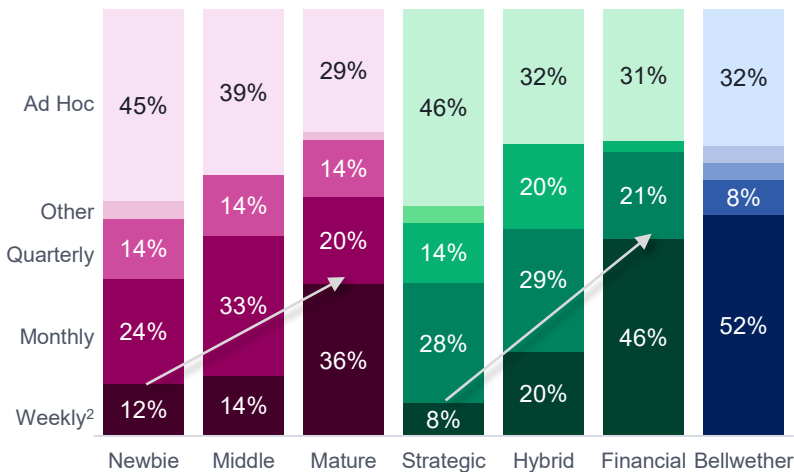
Newbies and Strategics Need IC Approval
Share of CVCs That Need Executive IC Approval To Make a Majority of Investment Decisions



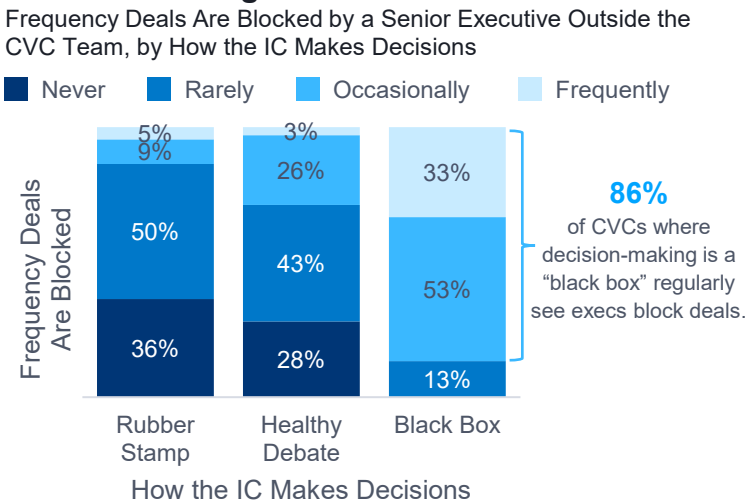
Speed Matters for Financial Results
Average Speed of the Process From First Meeting to IC¹



Mature and Financial ICs Meet More Often
Frequency of IC Meetings



Execs Block Deals if CVCs Have “Black Box” Decision-Making Processes



Notes: 1) Answer choices were <30 days, 1-2 months, 2-3 months or 3+ months. The median of the associated time period was assumed when taking averages (e.g., <30 days was assigned a value of 0.5 months, 1-2 months was assigned a value of 1.5 months, etc.). 2) Weekly or bi-weekly. Source: 2026 CVC survey and First Citizens Innovation Banking analysis.

Arranged Marriages, Corporate Edition

Not all CVCs are looking for the same kind of relationship. Strategics often play matchmaker, hoping their portfolio companies (portcos) and BUs become partners. Financial CVCs are usually satisfied if they remain acquaintances.

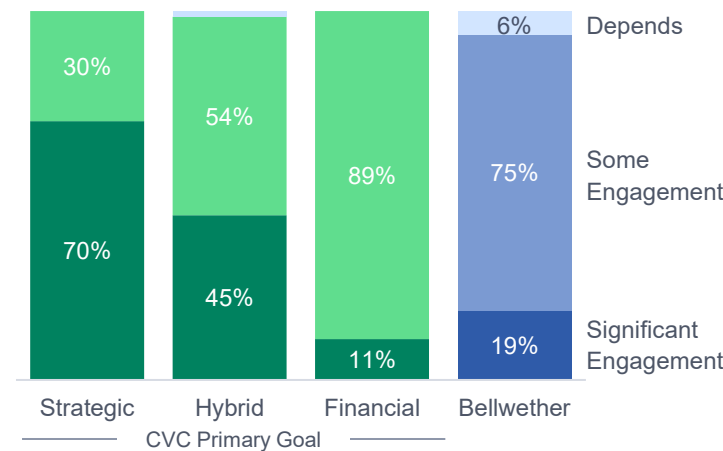
To be sure, BUs are engaged in nearly all CVCs' investment decision-making, but the degree of influence depends greatly on the fund's objectives. **Strategics are joined at the hip with the parent, with seven in 10 requiring significant BU engagement before investments are made.** In these funds, BUs often vote, sponsor deals or provide material diligence. Financials and bellwethers operate very differently. Most report the BU acting as no more than an advisor during the investment process.

This distinction becomes even clearer after the deal is signed. Strategics' investments are far more likely to produce commercial relationships between portcos and the parent. Nearly two-thirds report that at least half of their portcos have contracts with the corporate parent. Among financials, the opposite is true, with two-thirds reporting contracts with fewer than 25% of portcos.

Still, strategics are surprisingly reluctant to make commercial agreements a prerequisite for investment. Only a quarter of strategics require a formal contract to be in place before closing a deal. Forcing a marriage before the first date doesn't always end well.

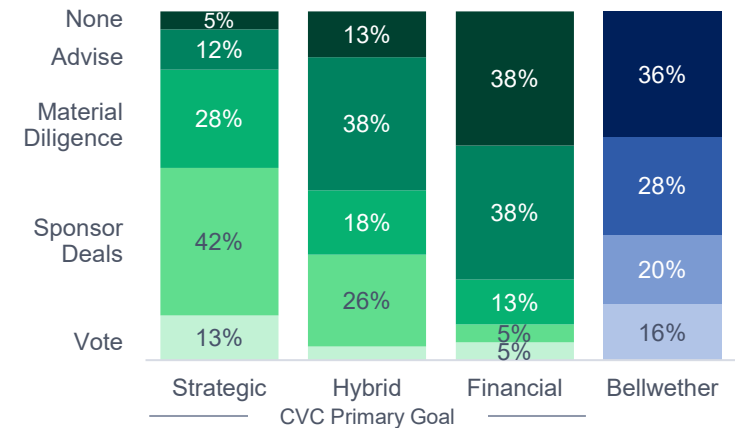
For Strategics, BUs Play a Significant Role

Level of BU Engagement Required for an Investment



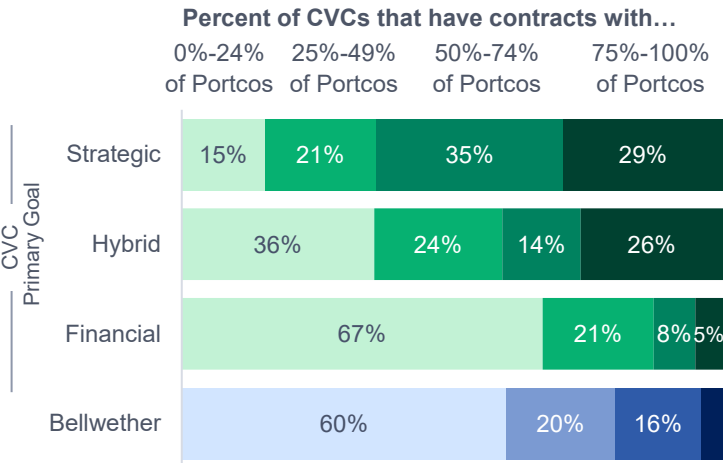
For Financial CVCs, BUs Are Hands Off

BU's Primary Role in the Diligence and IC Approval Process



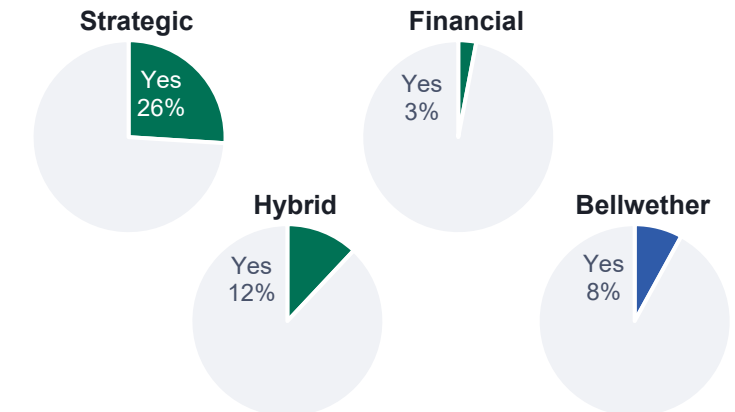
Contracts with Portcos Rare Among Financials

Share of Portcos That Have Commercial Contracts With the Parent



Few Require Formal Agreements With a Portco Before the Investment Is Made

Share of CVCs That Need a Commercial Agreement in Place Before Completing a Deal



It's Not You, It's My Capital Structure

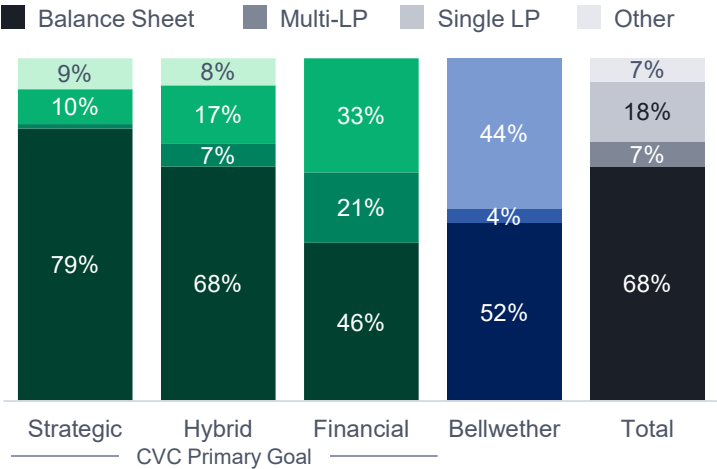
Corporate VC mimics traditional VC in many ways, but its capital source remains distinctly, well, corporate.

Across the industry, the balance sheet remains the dominant source of funds, particularly among strategics. That is hardly surprising, as their mandate is to serve the parent's broader objectives, and balance-sheet funding naturally reinforces that alignment. Still, a meaningful minority of CVCs are exploring alternatives.

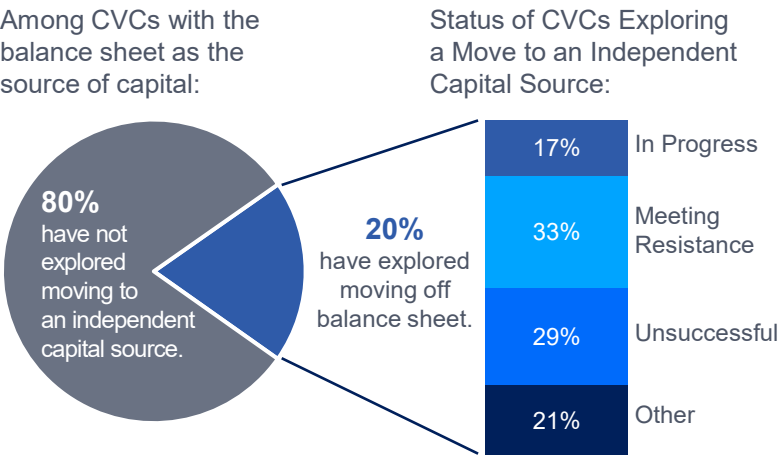
Motivations for moving to a different capital source run the gamut — better compensation, broader investment scope or just more independence. In today's world of major CapEx spend for AI buildout, balance sheets are stretched. This could introduce unpredictability for balance-sheet-dependent CVCs.

Even with a clear rationale for moving to more independent sources of capital, executing the move is a daunting task. Among the 20% of CVCs that have explored such a transition, success is the exception and does not happen overnight. **Among respondents who said in 2021 that they hoped to move off balance sheet, 45% had successfully done so by 2026.**¹ This seems like a high percentage, but relatively few are actually trying to make the switch. As with any corporate organizational process, change can be slow. Escaping the balance sheet requires sustained commitment from both the investment team and corporate leadership.

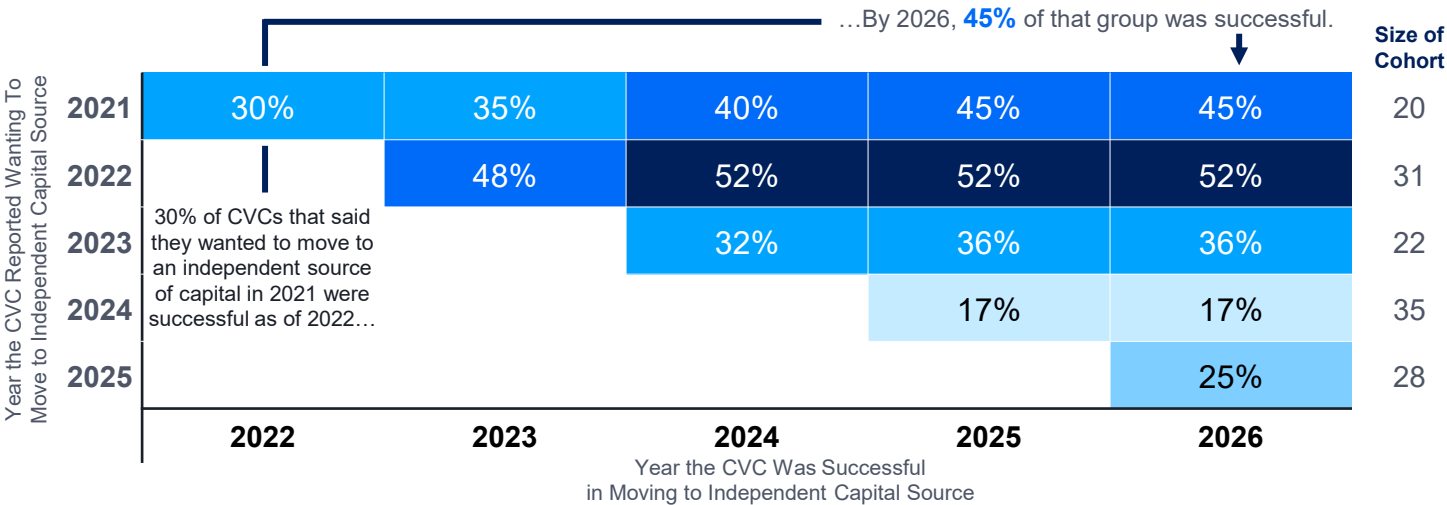
Strategics Mostly Rely on Balance Sheet
Percentage of CVCs Investing From Each Capital Source



Few Have Explored Independent Capital Sources
Percentage of CVCs Exploring a Move to a Non-Balance-Sheet Source of Capital and Status of That Move



Finding an Independent Capital Source Takes Time
Percentage of CVCs That Successfully Moved to a Non-Balance-Sheet Source of Capital, by Year They Reported Wanting To Do So¹



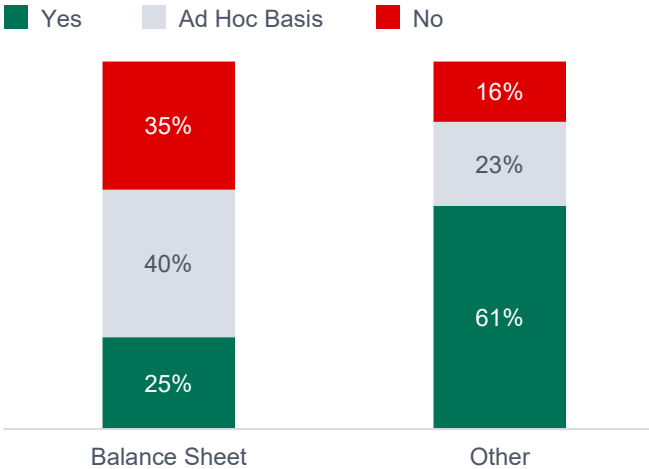
Notes: 1) A CVC is considered to have successfully moved to an independent capital source if it reports at least one non-balance-sheet source of capital in at least one year after reporting a desire to move to another capital source. Percentages are cumulative YoY. CVCs that do not respond to subsequent surveys are considered to have not been successful in moving to an independent capital source.
Source: 2026 CVC survey and First Citizens Innovation Banking analysis.

Successful CVCs Can't Fear Commitment

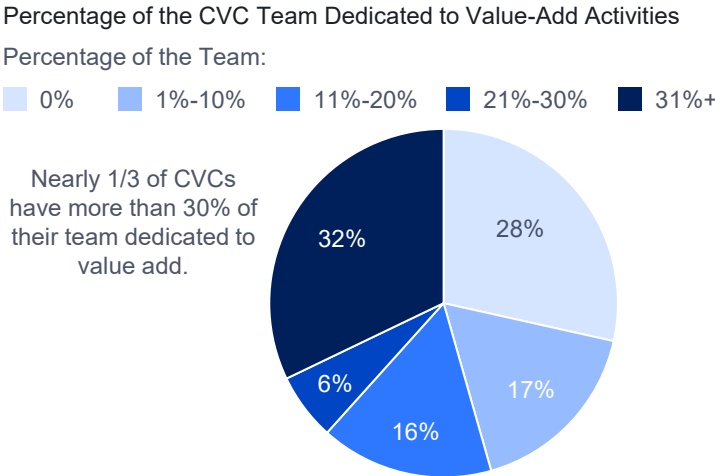
Investing in startups doesn't end after the first check is written. For successful startups, the relationship between investor and portco ideally continues over many years and through many funding rounds. **CVCs that do not rely on the parent's balance sheet for capital have an easier time keeping up through subsequent rounds.** They more often make follow-on investments, reflecting the flexibility that comes from having dedicated capital and a degree of separation from annual corporate budgeting cycles. These follow-ons are an important way that CVCs double down on winners and other strategically important portcos. And fortunately, follow-ons are seen as getting less difficult, good news for both CVCs and startups.

Yet writing another check is only part of the story. CVCs are expected to offer something beyond capital. Nearly one-third dedicate more than 30% of their team to value-add activities for their portcos. The intensity of that value-add effort rises sharply among deep-tech investors. Investors backing technologies with long development cycles and complex commercialization paths devote substantially more staff time to supporting portcos. CVCs provide deep-tech startups with value that other investors cannot — access to technical expertise, customer bases, regulator relationships, manufacturing partners, etc. This is an area of the venture ecosystem where a CVC's value proposition really stands out.

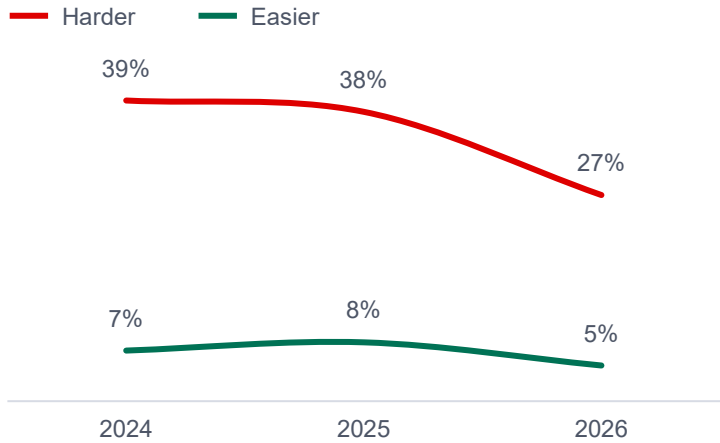
Non-Balance-Sheet CVCs Do More Follow-Ons
Percentage of CVCs That Do Follow-On Investments



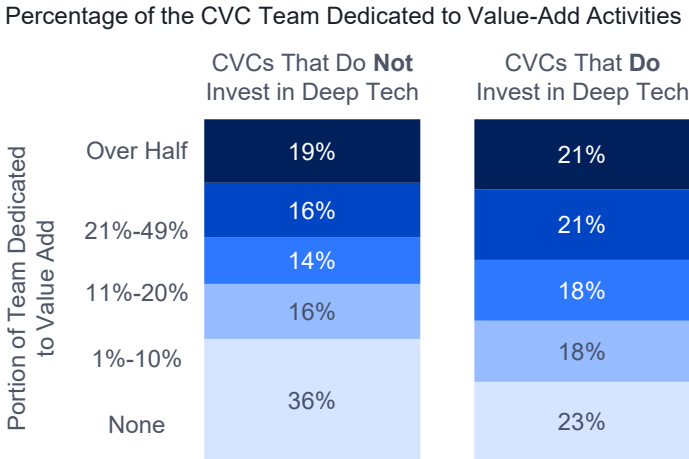
A Third of CVCs Dedicate 31%+ of Team to Value-Add Activities
Percentage of the CVC Team Dedicated to Value-Add Activities



Follow Ons May Be Getting Less Difficult
Percentage Saying It Has Become Easier or Harder To Do Follow-Ons in the Current Environment



Investing in Deep Tech Requires More of the CVC Team Dedicated to Value Add
Percentage of the CVC Team Dedicated to Value-Add Activities



The 2026 CVC Survey Scorecard

Where Each Fund Group Sits on Eight Measures From the 2026 Survey¹

Measure	CVC Primary Goal			Maturity Level			Bellwether
	Strategic	Hybrid	Financial	Newbie	Middle	Mature	
Scale Of Deployment Median Capital Deployed a Year	 \$20M	Generally Increasing  \$27.5M	 \$50M	 \$10M	Generally Increasing  \$22.5M	 \$55M	 \$100M
Investment Pace Median New Investments a Year	 4	 5	 6	 3	 5	 7	 12
Autonomy From The Parent Share Not Needing IC Approval for Most Decisions	 6%	 20%	 28%	 6%	 16%	 24%	 40%
Decision Cadence Share Whose IC Meets Weekly or Bi-Weekly	 8%	 20%	 46%	 12%	 14%	 36%	 52%
Capital Independence Share Funded Outside the Parent Balance Sheet	 21%	 32%	 54%	 37%	 28%	 32%	 48%
Liquidity Share With at Least One Exit in the Past 12 Months	 59%	 75%	 82%	 37%	 71%	 97%	 96%
Secondary Market Use Share That Has Used the Secondary Market	 10%	 21%	 38%	 8%	 8%	 47%	 44%
Strategic Integration Mean Share of Capital to the Parent Core Business	 52%	 47%	 34%	 47%	 47%	 45%	 38%

How to Read:  Low  Moderate  High

Notes: 1) Range measured across the six mandate and maturity groups. The first seven measures generally increase from Strategic to Financial and from Newbie to Mature, with Bellwethers generally at or near the top. Strategic integration is the exception. Source: PitchBook Data, Inc., 2026 CVC survey and First Citizens Innovation Banking analysis.

Authors

Authors



Mark Gallagher

Head of Investor Coverage
First Citizens Innovation Banking
Mark.Gallagher@firstcitizens.com

Mark Gallagher is the Co-Head of the Investor Coverage practice. He and his team provide tailored services, industry insights and strategic guidance to top investors in the innovation economy.

Mark has served as a financial partner to venture capital firms and technology and life science companies for the majority of his career. During his 22-year tenure with SVB, he has been involved in a number of strategic projects and initiatives, most recently leading the corporate venture capital practice. He's held numerous leadership roles, including head of the Northeast technology banking practice and head of business development in New England. He also spent several years running the Northeast life science practice. A supporter and champion of the New England technology community, Mark serves as a board member for BUILD Boston and was formerly on the board of overseers for the Mass Technology Leadership Council.



Sophie McNaught

Managing Director
First Citizens Innovation Banking
Sophie.McNaught@firstcitizens.com



Patrick Eggen

General Partner
Counterpart Ventures
Patrick@counterpart.vc

Patrick is a Co-Founder and General Partner of Counterpart Ventures. Previously, he was Managing Director of Qualcomm Ventures North America, leading nearly \$500 million in U.S. investments. He launched Qualcomm Ventures' Bay Area practice and founded its Global Early-Stage Fund, which grew to more than \$100 million in assets and 70+ investments, including Zoom, Matterport, Noom, Cruise Automation and 99.

Patrick has extensive venture investing experience across stages and sectors, with more than 100 transactions and 30+ exits, including Ring and Waze. He began his career in Citigroup's Investment Banking division and holds an M.B.A. from Northwestern's Kellogg School of Management.



Mikey Kailis

Principal
Counterpart Ventures
Mikey@counterpart.vc



Abbie Wolf

Director of Platform
Counterpart Ventures
Abbie@counterpart.vc

Market Insights Team Authors



Urbashee Paul, PhD

Researcher
First Citizens Innovation Banking
Urbashee.Paul@firstcitizens.com



Eli Oftedal

Principal Researcher
First Citizens Innovation Banking
Eli.Oftedal@firstcitizens.com



Jake Ledbetter

Principal Researcher
First Citizens Innovation Banking
Jake.Ledbetter@firstcitizens.com



About First Citizens Innovation Banking

First Citizens Innovation Banking, formerly Silicon Valley Bank, has been a leader in serving the innovation economy for more than 40 years, supporting investors, startups, and high growth companies to reach their ambitious goals. A division of First Citizens Bank, First Citizens Innovation Banking provides tailored commercial banking solutions, insights and connections anchored in deep sector expertise to companies in technology, life science and healthcare industries. First Citizens Innovation Banking operates in centers of innovation throughout the United States, and support innovators internationally with their US banking needs. First Citizens BancShares, Inc. (NASDAQ: FCNCA), is a top 20 U.S. financial institution with more than \$225 billion in assets. First Citizens Bank, Member FDIC. Learn more at Innovation.FirstCitizens.com.

See complete disclaimers on following page.

© 2026 First-Citizens Bank & Trust Company. All rights reserved. First Citizens Bank is a registered trademark of First Citizens BancShares, Inc.



Our name has changed. The experience has not.

Our commitment to the innovation economy is as strong as ever.

Silicon Valley Bank's tech and healthcare business is now **First Citizens Innovation Banking**.

Although our name has changed, we continue to serve our clients with the same dedicated teams, responsive service, and sector specialization you know and trust. We've unified our business lines under one corporate brand and will retain the experience you rely on.

This is a name change only and not a change in how we operate or what we do. We will continue to produce our signature market insights reports and serve our clients with the same dedicated teams, responsive service and sector specialization our clients have relied on for more than 40 years.

More information is available at FirstCitizens.com/Rebrand.



We are building on the legacy of Silicon Valley Bank and bringing greater scale and resources to make our platform even stronger. Investing in, and strengthening, this business remains a priority for First Citizens.

We are committed to the innovation economy for the long term, and, as First Citizens Innovation Banking, we will continue to provide market leading solutions, services, and insights our clients rely on to succeed.”

Frank Holding, Jr.
Chairman and CEO
First Citizens Bank



About Counterpart Ventures

Founded in 2018, Counterpart Ventures is a San Francisco-based venture capital fund investing in early-stage startup companies disrupting traditional industries. With its CVC roots, Counterpart provides access to potential enterprise customers and strategic partnerships for their founders. Investments focus on B2B SaaS, mobility and marketplace technologies that target conventional problems or fill missing gaps in large markets.

Our Counter Club community represents the most active and engaged network of CVC funds among any traditional VC firms. We galvanize the CVC industry through our events and discussions designed to share best practices for emerging corporate VCs. Given our successful CVC track records, we are the rare CVCs turned VCs with the ability to offer impartial advice to others. Visit our website for more information on how we invest and the Counter Club to become a member of our community:

Counterpart Ventures: <http://counterpart.vc>

Counter Club: <https://counterclub.vc>





Disclaimers

All third-party trademarks referenced by First Citizens Bank remain the property of their respective owners. First Citizens Bank's use of third-party trademarks does not indicate any relationship, sponsorship or endorsement between First Citizens Bank and the owners of these trademarks. All references by First Citizens Bank to third-party trademarks are to identify the corresponding third-party goods and services and intended to constitute nominative fair use under applicable trademark laws.

First-Citizens Bank & Trust Company, as well as its divisions, subsidiaries, and affiliates (together, First Citizens), are US financial institutions and provide products and services to non-US clients on a cross-border basis from the United States of America. First Citizens is not licensed or regulated as a bank or any other type of financial institution outside of the United States of America. Please review our International Disclosures for more information.

This information is provided for educational purposes only and should not be relied on or interpreted as accounting, financial planning, investment, legal or tax advice. First Citizens Bank (or its affiliates) neither endorses nor guarantees this information, and encourages you to consult a professional for advice applicable to your specific situation.

All credit products and loans provided by First-Citizens Bank & Trust Company are subject to underwriting, credit, and collateral approval. Financing availability may vary by state. Restrictions may apply. All information contained herein is for informational purposes only and no guarantee is expressed or implied. Rates, terms, programs, and underwriting policies are subject to change without notice. This is not a commitment to lend. Terms and conditions apply.

Investment and insurance products are not a deposit, not FDIC-insured, not guaranteed by First Citizens, not insured by any federal government agency and may lose value.

© 2026 First-Citizens Bank & Trust Company. All rights reserved. First Citizens Bank is a registered trademark of First Citizens BancShares, Inc.