



The 2023 Bank of America Study of Philanthropy: Charitable Giving by Affluent Households

September 2023



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INDIANA UNIVERSITY
Lilly Family School of Philanthropy

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Letter from Katy Knox,
President of Bank of America Private Bank

I am pleased to share with you the *2023 Bank of America Study of Philanthropy*, our ninth in a series of biennial reports on the charitable giving practices of affluent households in the United States. Since 2006, when we began our research collaboration with the Indiana University Lilly Family School of Philanthropy, we have tracked charitable giving trends through extraordinary events.

Our latest report highlights donors' enduring commitment to creating a safer, more prosperous, sustainable and equitable world through philanthropy. Specifically, the study highlights the strong influence of women and next generation philanthropists who are using their wealth in a variety of ways to promote positive change.

A key pillar of our work at Bank of America is supporting charitably inclined individuals and nonprofit organizations with strategic planning and advice, connecting them with partners, ideas, resources and strategies to advance their social impact goals. We thank Indiana University for their longstanding partnership with this important research.



Letter from Una Osili,
Associate Dean for Research and International Programs,
Indiana University Lilly Family School of Philanthropy

The philanthropy of affluent households makes up a large proportion of all charitable giving in the United States today. Understanding the priorities and motivations that underlie and shape affluent philanthropic engagement is key to understanding philanthropy overall.

After several unprecedented years, observers have questioned how economic shocks and uncertainty will affect philanthropy in America. In this research brief, we explore how the COVID-19 pandemic, increasing institutional distrust, social and racial justice movements, and heightened awareness of the vulnerability of people and the planet to existential threats may have impacted the giving and volunteering behaviors of affluent Americans over the past several years. Despite many ongoing challenges, Americans continue to be generous, and most affluent households continue giving charitably — influencing the sector and society more broadly.

This research brief continues a 15+ year partnership with Bank of America and contributes to the field by providing new insights into the preferences of affluent Americans. It complements the growing body of work produced by the Indiana University Lilly Family School of Philanthropy, which seeks to provide evidence-based knowledge to inform the sector.

Preface

The 2023 Bank of America Study of Philanthropy: Charitable Giving by Affluent Households builds on a long-running and comprehensive body of research. It serves as an important barometer of charitable giving and engagement among affluent households in the United States, helping to shape donors' perspectives as well as the strategies used by nonprofit organizations that rely on the generosity of those donors to carry out their missions.

This report is the ninth in the biennial series on the philanthropic behaviors of affluent households in the United States. A collaboration between Bank of America and the Indiana University Lilly Family School of Philanthropy, this study is a continuation of the *2006, 2008, 2010 and 2012 Bank of America Study of High Net Worth Philanthropy*, the *2014, 2016 and 2018 U.S. Trust® Study of High Net Worth Philanthropy*, and *The 2021 Bank of America Study of Philanthropy: Charitable Giving by Affluent Households* research series.

This year's study, conducted in January 2023, reflects charitable giving and volunteering strategies in 2022. To inform longitudinal tracking, many of the questions asked are similar or identical to questions asked in previous studies in this research series. Some areas have been expanded and topics have been added to gain a deeper understanding of giving patterns or as new issues emerge. Where possible, giving trends over a two-year and five-year period are highlighted in this report to provide context or highlight statistically significant changes.

Analyzing changes over time can provide additional support for emerging patterns and reveal shifts in generous behaviors, providing insights that may help identify possible trends. When interpreting trends in this year's report, it is important to remember that 2022 and 2020 were very different years, making direct comparisons over time difficult. Utilizing a simple post-pandemic lens to view the data does not adequately capture the complicated and interconnected nature of

philanthropy to the economy and politics from year to year. Instead, some results in this study are accompanied by their corresponding data from 2015 and 2017 to provide a pre-2020 picture.

Background

Much about the world was changed in recent years due to the COVID-19 pandemic, racially-rooted social unrest and heightened awareness of the vulnerability of people and the planet. Charitable giving surged in 2020,¹ but with 2022 came new challenges: inflation not seen since the 1980s, the first meaningful rise in interest rates after nearly 15 years at nearly zero percent, the invasion of Ukraine by Russia and market disruptions that produced significant declines in the value of many investment securities. In many ways, including charitable giving activity, 2022 represented a break from the prior two years, though it is still unclear if things are returning to their pre-pandemic trends or if we are on a new path.

And yet during a period of economic instability in the United States and abroad, many Americans gave generously, particularly those at the top of the wealth spectrum. Several of the mega gifts made during this time were history-making: Bill and Melinda Gates donated \$15 billion in 2021 — one of the largest charitable gifts ever² — and MacKenzie Scott's donations exceeded \$12 billion between 2020 and 2022 — many of which were to marginalized groups, including women, making her one of the most charitable female

philanthropists in history.³ These generous donations highlight both the critical role philanthropy continues to have in our society and the importance of megadonors.

The next generation donor is continuing to mature. A more socially conscious and diverse group,⁴ next generation⁵ donors are beginning to play a significant role in philanthropy, which is likely to expand further in the years to come. Their values and giving behaviors are beginning to meaningfully shape American philanthropy.

Data and methods

All results presented in this report rely on data obtained from an original survey developed by the Lilly Family School of Philanthropy (School) in partnership with Bank of America and fielded by Ipsos Public Affairs (Ipsos) on behalf of the school.

The survey was conducted on KnowledgePanel®, the largest online panel in the United States that relies on probability-based sampling methods for recruitment to provide a representative sampling frame for adults in the U.S. All data were collected between January 19, 2023, and February 13, 2023, and reflect giving activity during the 2022 calendar year.



The target population was comprised of adults aged 18 and older residing in the United States whose annual income was at least \$200,000 or whose total assets were at least \$1 million (excluding primary residence) for the 2022 year. This is an often-used standard in the financial services industry as a benchmark for wealth, also referred to as “accredited investors.” The median income and wealth levels of the participants exceeded the threshold, at \$350,000 and \$2 million, respectively (average income was \$523,472 and average wealth was \$31 million). As in the previous three studies, the 2023 study included oversamples of affluent donors based on age, race and ethnicity, gender and sexual orientation. Statistically significant differences among these various segments are highlighted, where relevant. The final sample size for the study was 1,626 qualified interviews. The median completion time of the main survey was 25 minutes.

The study utilizes a nationally representative sample of affluent households and as such, provides valuable data on philanthropic attitudes, charitable giving practices and volunteering. The income/wealth threshold is the one common denominator among all survey respondents. Otherwise, the findings show that the motivation to give, the values and traditions behind it and the process to select nonprofits to support reflect the individual circumstances, experiences and affinities of a large, diverse group of people with richly different backgrounds, perspectives and expectations.

“Statistical significance” is a term used to describe results that are unlikely to have occurred by chance. “Significance” is a statistical term that states the level of certainty that a difference or relationship exists. In this report, a result is described as statistically significant if there was less than a 5.0% probability that the result obtained was due to chance using ordinary least squares, logistics or ordered logistic regression models.

Key findings



The affluent continue to lead in charitable giving.

Most affluent Americans continue to give generously to charitable organizations and causes, with 85% of affluent households making charitable contributions in 2022. This percentage is about 3% less than the percent of affluent households who gave in 2020, but about 35 percentage points more than the percent of general population households who give to charity every year.⁶ The average amount affluent households gave to charity in 2022 — which is 13.5 times more than the average amount given by the general population⁷ — has risen by 19% from pre-pandemic levels to \$34,917 (up from \$29,269 in 2017, although a decline from \$43,195, the average amount given in 2020 during the pandemic surge). Of those affluent households that did not give to charity in 2022, 44% said their priority was to take care of family needs, up from 27% who said this five years earlier.



Volunteering is on the rebound among affluent Americans.

In 2022, 37% of affluent households volunteered their time and talents to charitable organizations and causes. This is up from the 30% who volunteered in 2020, when social distancing and other COVID-related challenges kept many individuals from volunteering. While volunteering has not yet returned to 2017 levels (48%), affluent individuals are re-engaging. Almost all (93%) of those who volunteer say that it is personally fulfilling. Moreover, people who volunteer are more likely to give to charity than those who do not volunteer (94% and 80%, respectively), and the median gift amount by volunteers is nearly four times more than that of non-volunteers.



Affluent Americans leverage a robust toolkit of strategies to achieve philanthropic goals.

Beyond making financial gifts and volunteering, many affluent households create positive change, take action and express their values using multiple tools and levers, including as consumers and investors. More than one in five (22%) affluent households have a giving vehicle and 54% of affluent households with a net worth between \$5 million and \$20 million have or plan to establish a giving vehicle within the next three years. Two-thirds of affluent households who used online donor-advised fund recommendations to facilitate their giving consider this type of digital tool somewhat or very important in shaping and facilitating their household's charitable giving. Most (79%) say the purchasing decisions they make are sometimes or always aligned with their values. Sustainable/impact investing is another way that 9% of affluent households are using their capital, with 75% of those investing this way saying it is additive to their charitable giving.



Affluent women are a force of change in the philanthropic sector.

Affluent women are driving positive change through their economic influence and strategic philanthropy. Most (85%) household charitable giving decisions are made or influenced by a woman. In 2022, 86% of affluent women indicated that their households gave to charity and 10% participated in sustainable/impact investing. Additionally, significantly more affluent women sometimes or always consciously aligned their purchasing decisions with their values compared to affluent men (85% and 75%, respectively) and significantly more affluent women volunteered in 2022 compared to affluent men (42% and 33%, respectively). However, compared to men who volunteer, fewer affluent women who volunteer serve on nonprofit boards (30% and 16%, respectively). Women are more likely than men (24% and 17%, respectively) to support women’s and girls’ causes and/or organizations. One intended purpose of giving to support women and girls — reproductive health/rights — was up significantly in 2022 compared to five years earlier (51% of affluent individuals who gave to women’s and girls’ causes in 2022 gave for this reason, compared to 36% in 2017).



Religious organizations continue to receive the largest share of giving dollars by affluent households.

Places of worship have consistently received the largest share (39% in 2022) of giving dollars by affluent households over time. The median gift amount for religious causes is nearly six times more than the median amount given to basic needs organizations, which received the second highest median gift amount in 2022. A reason for giving more to religious organizations may be the relative importance of religious life for more than one in five (22%) affluent donors, who count it among the three issues they care about most. Yet the overall percentage of affluent households giving to religious organizations has declined sharply to 39% in 2022 from 47% in 2020. The percentage of households giving to this area is highest in the South, where 47% of affluent households give to religious services and development. A majority (57%) of African American/Black households and 43% of older individuals give to this area, as well. Moreover, affluent households report a higher degree of confidence in religious organizations’ abilities to solve societal or global problems, now and in the future, compared to the government and business sectors (only nonprofits and individuals are seen as more competent to solve such problems).



The future of philanthropy relies on engaging the next generation of affluent Americans.

The next generation (Millennials and Gen Z, who are currently under the age of 42) have the potential to become an important group of philanthropic leaders, particularly as they create and inherit a growing share of the nation's wealth over the next decade. Four in five younger affluent households are already giving to charity; however, they are less likely than older donors to participate in traditional forms of philanthropy, including both charitable giving (79% and 87%, respectively) and volunteering (31% and 39%, respectively). As a group, this younger population is passionate about addressing climate change. Younger individuals are two times more likely to select climate change as one of the top three causes/issues that are most important to them (26%) compared to older individuals (13%). Nearly two-thirds (65%) of younger individuals who make conscious purchasing decisions indicate that a portion of their conscious consumerism is focused on climate change and 53% of younger individuals who engage in sustainable/impact investing said that a portion of this investing is focused on climate change. However, only 27% of younger individuals have a giving strategy and they are nearly twice as likely to say they are looking to become more knowledgeable about integrating their values and charitable goals into their overarching wealth management plans compared to older individuals. One-third of younger individuals are looking for help identifying the right volunteer opportunity. Moreover, when deciding whether to give to an organization, young donors are more likely to rely on information they get from the internet or media (31%) than older donors, and similarly less likely to utilize information from direct engagement with nonprofits (20%) than older donors.

This rising generation has the potential to include many of the most influential and impactful philanthropists in U.S. history.

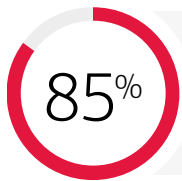


KEY FINDING 1

The affluent continue to lead in charitable giving

- ▶ Affluent Americans gave \$34,917, on average, to charitable organizations in 2022
- ▶ 39% of total giving went to religious services/development
- ▶ 78% of affluent households focused their 2022 charitable giving locally

Most affluent Americans continue to give generously to charitable organizations and causes, with 85% of affluent households making charitable contributions in 2022. This percentage is about 3% less than the percent of affluent households who gave in 2020, but about 35 percentage points more than the percent of general population households who give to charity every year.⁶ The average amount affluent households gave to charity in 2022 — which is 13.5 times more than the average amount given by the general population⁷ — has risen by 19% from pre-pandemic levels to \$34,917 (up from \$29,269 in 2017; although a decline from \$43,195, the average amount given in 2020 during the pandemic surge). Of those affluent households that did not give to charity in 2022, 44% said their priority was to take care of family needs, up from 27% who said this five years earlier.



of affluent households gave to charity in 2022.

This was significantly less than the percentage of affluent households that gave to charity in 2020 (88%) and continues the downward trend in charitable giving by affluent households over time. Of those affluent households that did not give to charity in 2022, 44% said their priority was to take care of family needs, up from 27% who said this five years earlier.

The declining donors' trend holds for both affluent households and the general population, but has been steeper for general population households over the past 20 years. While the vast majority of affluent households still give to charitable organizations, less than 50% of the general population gives to charity now, down from two-thirds of the general population who gave in the early 2000s.⁸

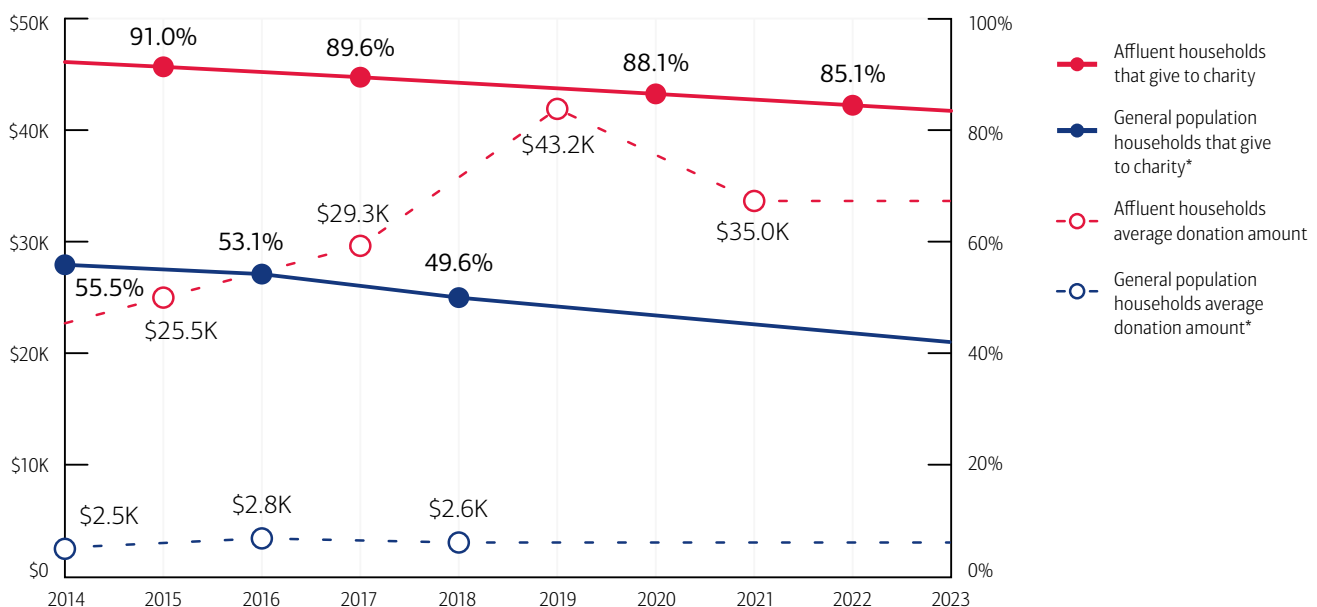
Affluent and general population household giving comparison

As the percentage of donor households has been going down, the average amount given to charity by affluent households has generally been going up over time. In 2015, the average amount given to charitable organizations by affluent households was \$25,509, and in 2017 that average increased to \$29,269. Most recently, in 2022, affluent Americans gave \$34,917, on average, to charitable organizations.

It is important to note that in times of crisis, affluent Americans have historically responded quickly and generously to assist others and address urgent needs. This likely explains the peak in giving in 2020 where the average amount given by affluent households was \$43,195.

Unlike giving by affluent households, the average amount given by households in the general population has been more stagnant over time, hovering around \$2,500 since 2015.

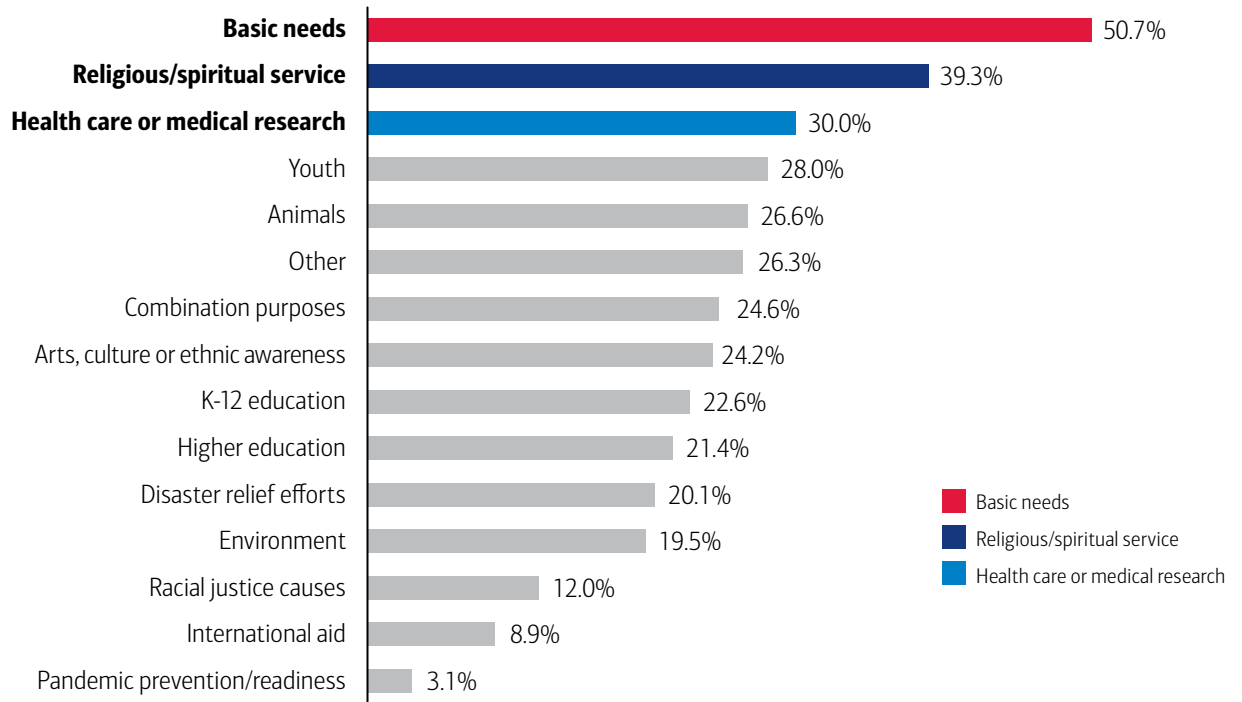
Comparison of affluent households and general population households giving over time (incidence and amounts)



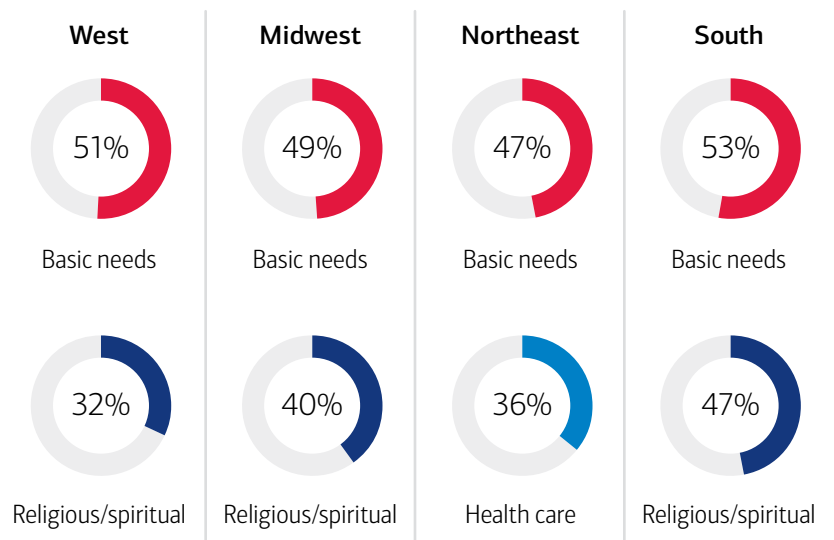
* Indiana University Lilly Family School of Philanthropy, Philanthropy Panel Study (PPS), <https://philanthropy.iupui.edu/research/current-research/philanthropy-panel-study.html>.

Percentage of affluent households that give to each subsector

Like 2020, the top types of causes supported by affluent Americans were basic needs (51%) and religious services/development (39%). Also, 29% of affluent Americans donated to support relief efforts related to the war in Ukraine.*



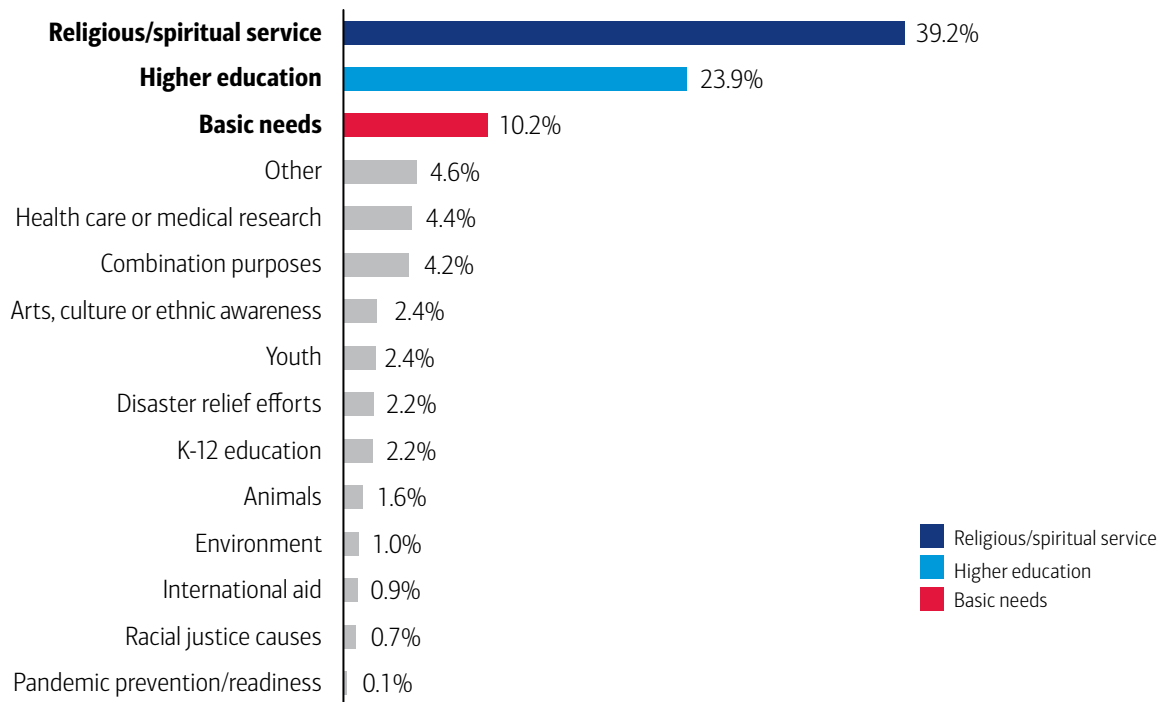
These graphs show the top subsectors that affluent households give to at a regional level.



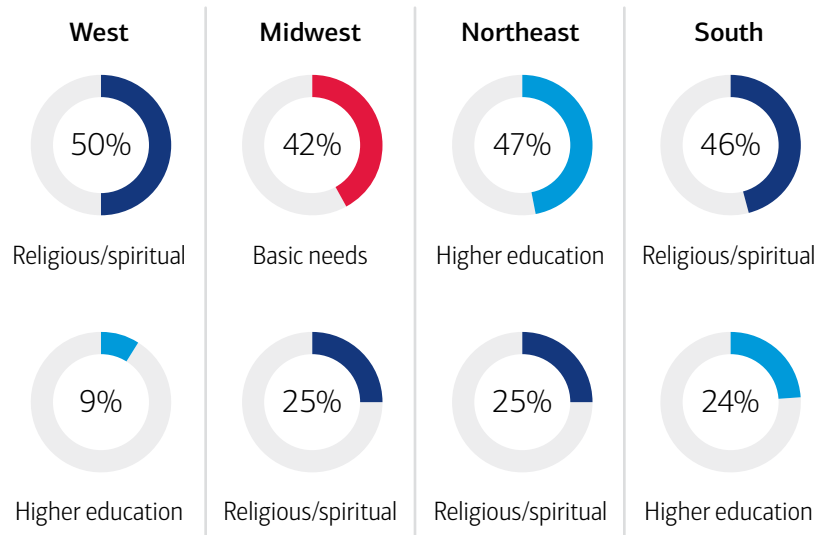
* Answers have been abbreviated; full text is available upon request.

Percentage of total giving by affluent households to each subsector

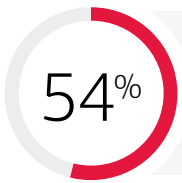
Looking at subsector giving as a percent of total giving by affluent households in 2022, 39% went to religious services/development, followed by 24% to higher education.*



From a regional perspective, there are variations in the top types of causes that affluent Americans support as a percentage of their total annual giving, as depicted in the graphs to the right:

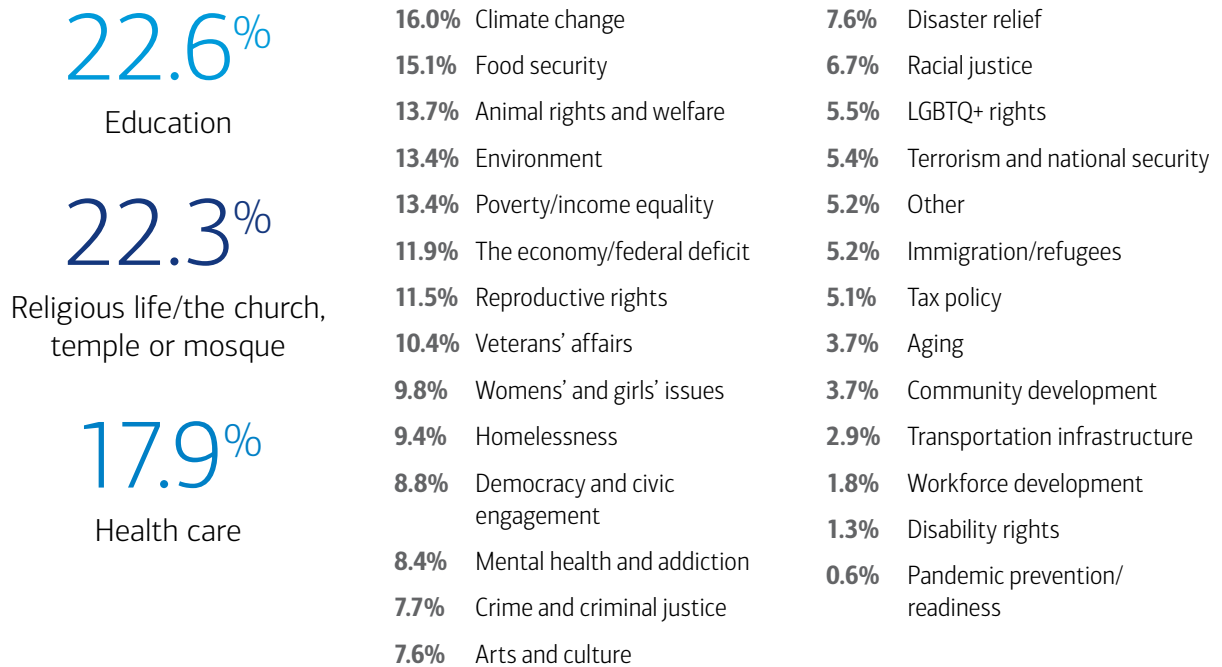


* Answers have been abbreviated.



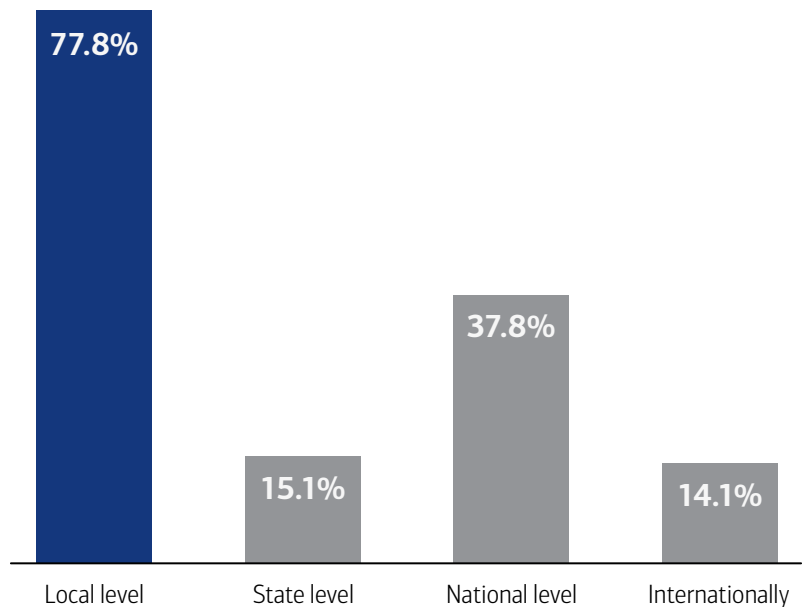
of affluent households in America say their giving is very linked to the issues they care most about.

Affluent donors indicated that their most important causes/issues were:



Where affluent households focused their giving in 2022

The majority (78%) of affluent households focused their 2022 charitable giving locally, at the community level. More than one-third of affluent households focused their giving at the national level (38%), while less than one in five affluent households focused their 2022 giving at the state level or internationally (15% and 14%, respectively).



Impact of donor values and beliefs

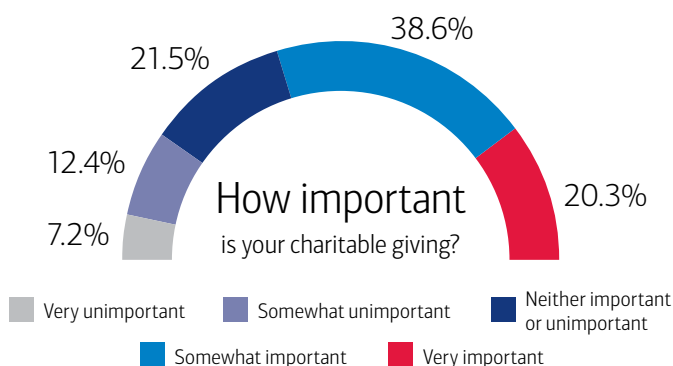
When asked what led (or would lead) them to give to specific causes/organizations over others, seven in 10 (70%) affluent donors said their personal values or beliefs (such as religious, political or philosophical beliefs) led them to support specific nonprofits. Six in 10 indicated that their interest in the issue area led them to give.

“ There are many nonprofits you could choose to support. When considering the causes/organizations you give to today or would be likely to give to in the future, what led or would lead you to give to those causes/organizations over others? ”*



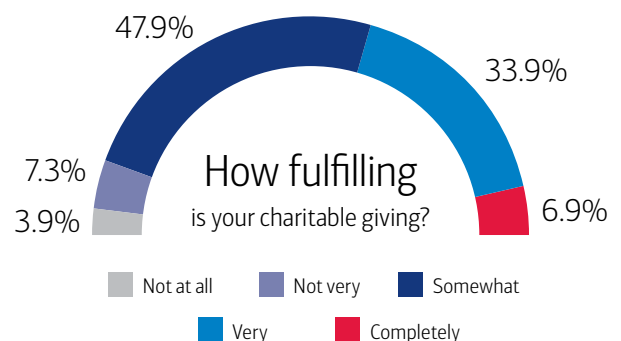
“ How important and significant is charitable giving to you personally? In other words, how passionate are you about your charitable giving and how meaningful is your charitable giving to your overall wealth experience? ”

Nearly six in 10 affluent individuals indicated that their charitable giving was somewhat or very important and significant to them personally. In other words, they were committed to their charitable giving and found it meaningful to their overall wealth experience.



“ How personally fulfilling are your charitable activities—giving financially? ”

Finally, when asked how personally fulfilling they found charitable giving to be, almost nine in 10 affluent individuals indicated that they found their charitable giving to be somewhat, very or completely fulfilling.



* Answers have been abbreviated; full text is available upon request.



KEY FINDING 2

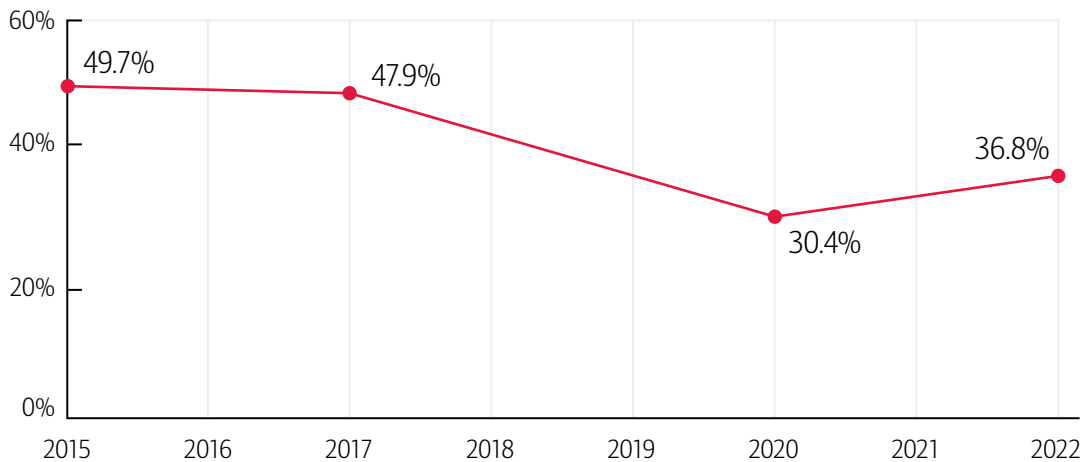
Volunteering is on the rebound among affluent Americans

- ▶ The affluent volunteering rate has not yet rebounded to pre-2020 levels, but is up significantly
- ▶ 93% of those who volunteer say it is personally fulfilling
- ▶ People who volunteer are more likely to give to charity than those who do not volunteer

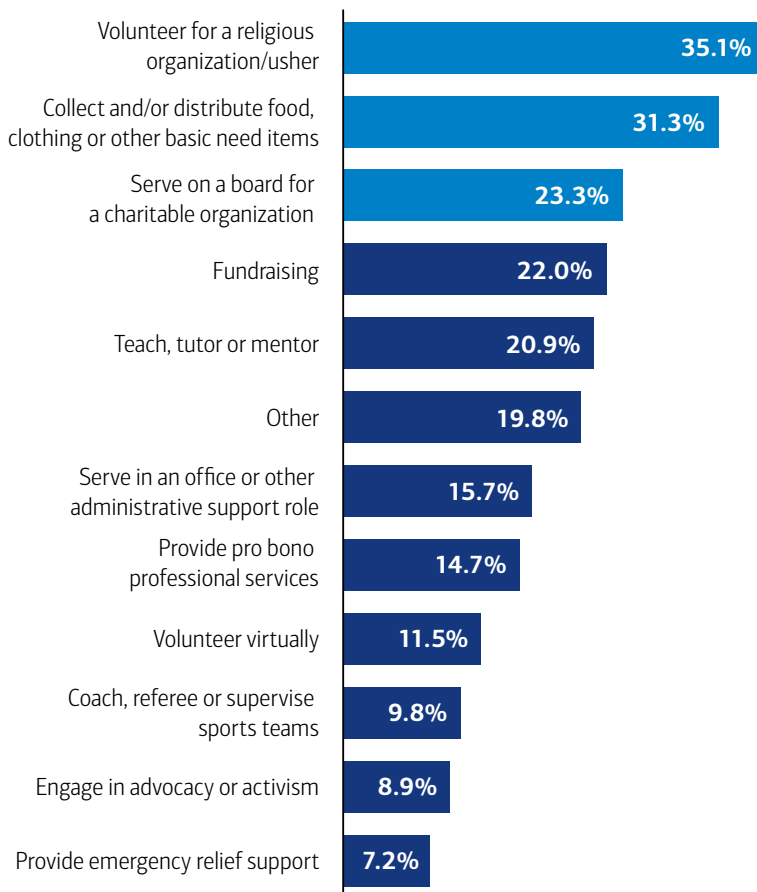
In 2022, 37% of affluent households volunteered their time and talents to charitable organizations and causes. This is up from the 30% who volunteered in 2020, when social distancing and other COVID-related challenges kept many individuals from volunteering. While volunteering has not yet returned to 2017 levels (48%), affluent individuals are re-engaging. Almost all (93%) of those who volunteer say it is personally fulfilling. Moreover, people who volunteer are more likely to give to charity than those who do not volunteer (94% and 80%, respectively), and the median gift amount by volunteers is nearly four times that of non-volunteers.

Percentage of affluent individuals who volunteered over time

The last iteration of this study collected data about philanthropic activity during the year 2020. Given the coronavirus health concerns and stay-at-home orders imposed across the country during the early months of the pandemic, understandably the percentage of affluent individuals who volunteered dropped significantly from previous years. While the affluent volunteering rate has not yet rebounded to pre-2020 levels, it is up significantly (37% in 2022 compared to 30% in 2020). This is not surprising, since 93% of affluent individuals who volunteer find it to be somewhat, very or completely personally fulfilling. Black/ African Americans, older individuals and women were significantly more likely to spend time volunteering for a charitable organization in 2022.

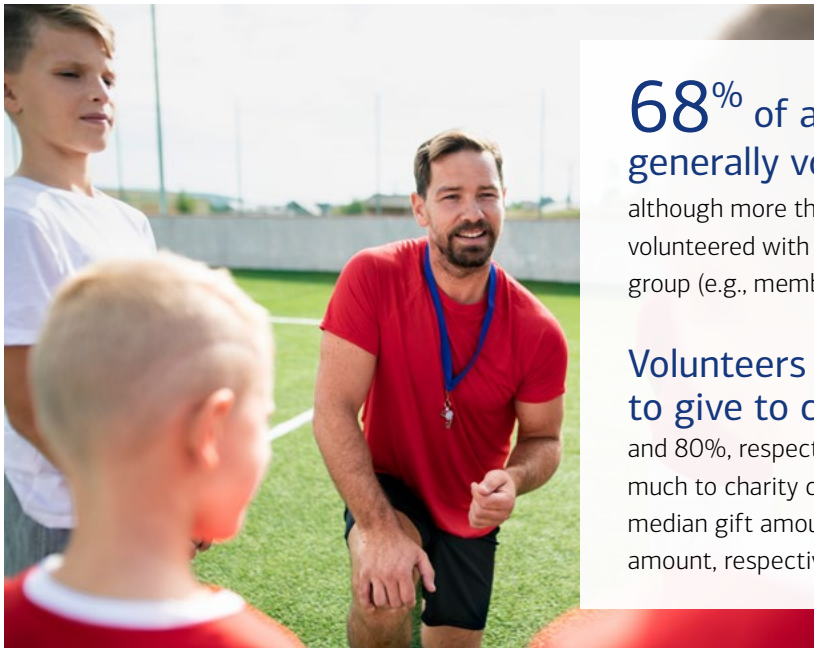


Among volunteers...



Volunteer activities performed by affluent individuals in 2022

Affluent volunteers spent an average of 135 hours volunteering with an average of two different organizations in 2022. Forty percent of affluent volunteers indicated that the number of hours they spent volunteering in 2022 had returned to pre-pandemic levels or increased. The three most common volunteer activities performed by affluent volunteers were: volunteering for a religious organization/ushering (35%); collecting and/or distributing food, clothing or other basic needs-related items (31%); and serving on an organization’s board (23%).

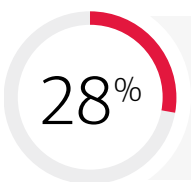
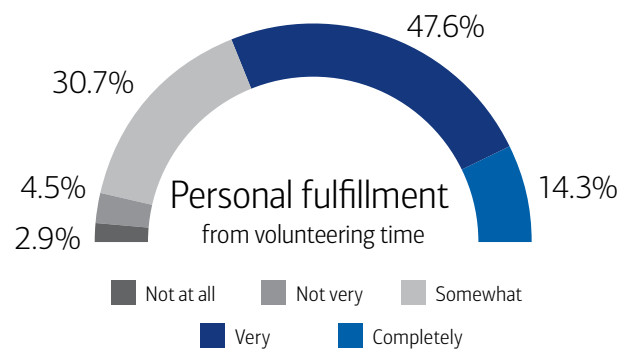


68% of affluent volunteers said they generally volunteered on their own in 2022, although more than a quarter (27%) also indicated that they had volunteered with family and 24% had volunteered with an organized group (e.g., membership group, giving circle).

Volunteers are significantly more likely to give to charity than those who do not volunteer (94% and 80%, respectively). Volunteers also give nearly four times as much to charity compared to non-volunteers (\$18,411 average/\$4,200 median gift amount compared to \$5,267 average/\$1,100 median gift amount, respectively).

Personal fulfillment

Whether or not they had volunteered or given financially to charity in 2022, all respondents were asked about their levels of fulfillment from performing these philanthropic activities in the past. When asked how personally fulfilling they found their volunteering to be, 62% of affluent individuals said this form of charitable activity was very or completely fulfilling. By comparison, 41% found giving financially to be very or completely fulfilling as a form of charitable activity.



28% of affluent individuals would like to become more knowledgeable about identifying the right volunteer opportunity.

This option was selected by a larger percentage of affluent individuals than any other aspect of charitable giving with which they could become more knowledgeable. Younger individuals were significantly more likely to indicate that they were interested in identifying the right volunteer opportunity compared to older individuals (34% and 26%, respectively).



KEY FINDING 3

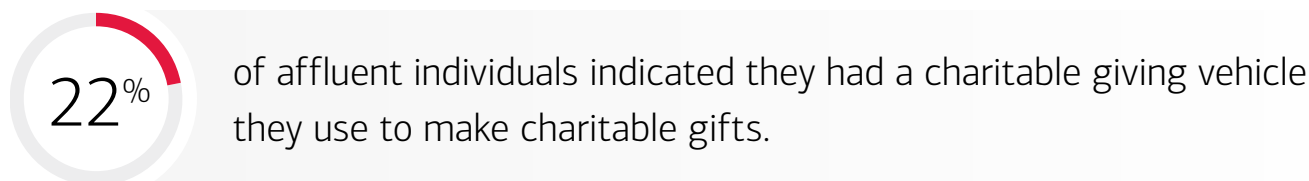
Affluent Americans leverage a robust toolkit of strategies to achieve philanthropic goals

- ▶ Wealthier households were likely to use or plan to establish a giving vehicle within the next three years
- ▶ 79% indicated that they sometimes or always align their purchasing decisions with their values
- ▶ Nearly two-thirds (66%) of affluent households that used online donor-advised fund recommendations said this digital tool was important to their household's charitable giving

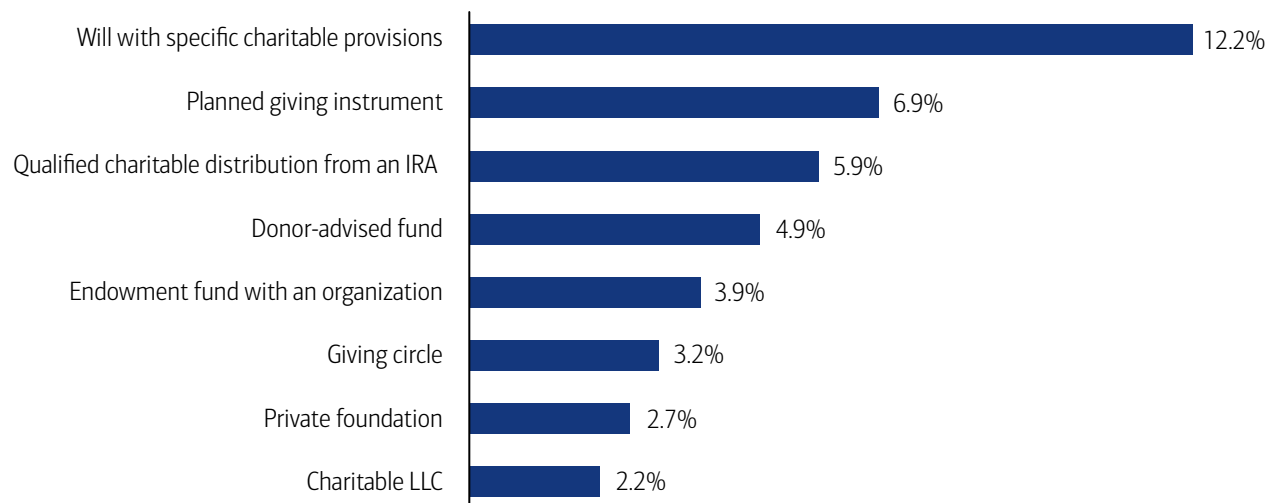
Beyond making financial gifts and volunteering, many affluent households create positive change, take action and express their values using multiple tools and levers, including as consumers and investors. More than one in five (22%) affluent households have a giving vehicle and 54% of affluent households with a net worth between \$5 million and \$20 million have or plan to establish a giving vehicle within the next three years. Two-thirds of affluent households who used online donor-advised fund recommendations to facilitate their giving consider this type of digital tool somewhat or very important in shaping and facilitating their household's charitable giving. Most (79%) say the purchasing decisions they make are sometimes or always aligned with their values. Sustainable/impact investing is another way that 9% of affluent households are using their capital, with 75% of those investing this way saying it is additive to their charitable giving.

Financial giving vehicles and strategies

Affluent households often utilize philanthropic portfolios including a variety of financial vehicles and strategies to achieve their philanthropic goals. While nearly all (96%) of affluent donors gave via cash or cash equivalents in 2022, more than one in five (22%) affluent individuals indicated that they had a charitable giving vehicle they use to make charitable gifts. The most used giving vehicles are a will with specific charitable provisions (12%), a planned giving instrument (7%) and/or a qualified charitable distribution from an IRA (6%). Less than 5% of affluent individuals indicated that they had a donor-advised fund, endowment fund with an organization, giving circle, private foundation or charitable LLC.

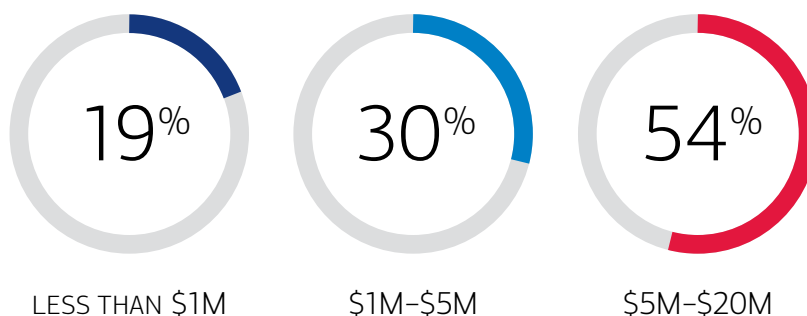


Percentage of affluent individuals who currently have the following giving vehicles



Percentage of affluent individuals who have, or plan to have, a giving vehicle within the next 3 years by wealth

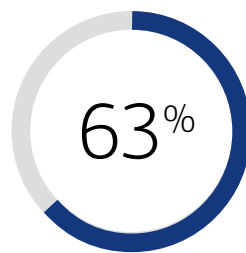
Wealthier households were more likely to use or plan to use giving vehicles. Fifty-four percent of affluent households with a net worth between \$5 million and \$20 million had a giving vehicle currently or planned to establish one within the next three years, compared to only 19% of households with a net worth less than \$1 million, who had or planned to establish a giving vehicle in the near future.



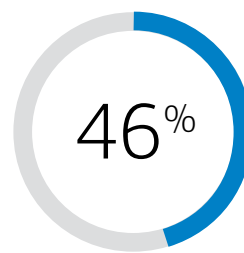
Reasons affluent individuals use donor-advised funds

In 2022, one in 20 affluent households used a donor-advised fund to facilitate their giving. Among households that made contributions from their fund in 2022, those contributions accounted for 42% of their total giving, on average.

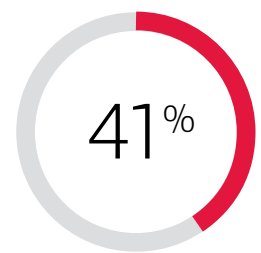
The top reasons affluent individuals with donor-advised funds say they use them is for tax considerations (63%) and due to the ease of administration (46%). Four in 10 say they use donor-advised funds because of their charitable impact. Contributions to donor-advised funds are irrevocable.



Tax considerations



Ease of administration



Charitable impact

39.3% Flexibility in timing of gift

32.8% Wealth and estate planning

39.0% Control of investments and administration

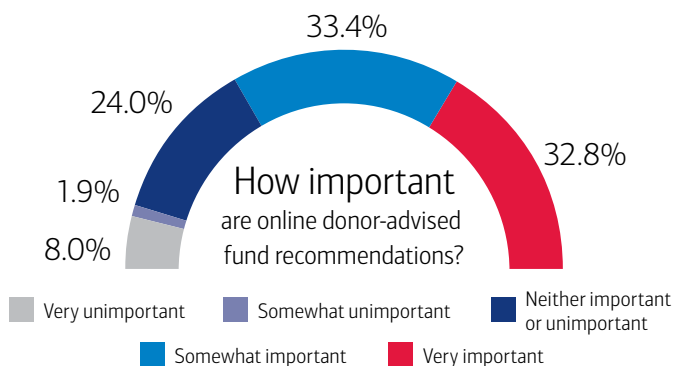
26.7% Privacy and the option to give anonymously

37.0% Flexibility in choice of gift grantee

Importance of online donor-advised fund recommendation as a digital tool to shape affluent household charitable giving

Black/African Americans (10%) were significantly more likely to have or plan to establish a donor-advised fund and more likely to use online donor-advised fund recommendations to facilitate their giving compared to all other racial/ethnic groups combined (5%).

Nearly two-thirds (66%) of affluent households that used online donor-advised fund recommendations considered this type of digital tool somewhat or very important in shaping and facilitating their household's charitable giving.





“Conscious consumerism”⁹ is another strategy many affluent individuals use to achieve their philanthropic goals.

- 10% of our respondents said they always aligned their purchasing decisions with values.
- 69% indicated they sometimes aligned their purchasing decisions with their values.
- Of affluent conscious consumers, 54% considered this behavior to be additive to their existing charitable giving, as opposed to in place of some or all of it.

Significantly fewer affluent individuals, less than 1 in 10, participated in sustainable/impact investing¹⁰ in 2022, compared to 2020.

This was down significantly from 2020 (13%). Seventy-five percent of those individuals consider their sustainable/impact investing to be additive, or as an additional tool, and not in place of their charitable giving. Black/African Americans and Asian Americans were significantly more likely to hold impact investments. Asian Americans, younger individuals, and men were also significantly more likely to indicate that they were interested in becoming more knowledgeable about impact investing.

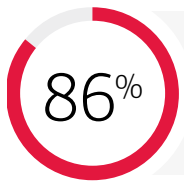


KEY FINDING 4

Affluent women are a force for change in the philanthropic sector

- ▶ Significantly more affluent women volunteered than affluent men in 2022
- ▶ 85% of household charitable giving decisions are made or are influenced by affluent women
- ▶ Supporting reproductive health/ rights was up significantly in 2022 compared to five years ago

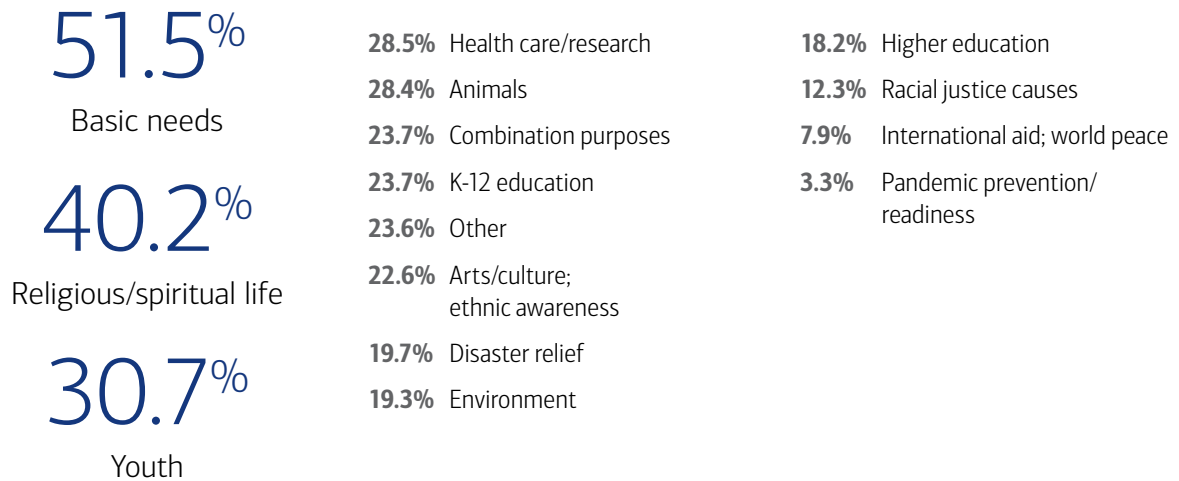
Affluent women are driving positive change through their economic influence and strategic philanthropy. Most (85%) household charitable giving decisions are made or influenced by a woman. In 2022, 86% of affluent women indicated that their households gave to charity and 10% participated in sustainable/impact investing. Additionally, significantly more affluent women sometimes or always consciously aligned their purchasing decisions with their values compared to affluent men (85% and 75%, respectively) and significantly more affluent women volunteered in 2022 compared to affluent men (42% and 33%, respectively). However, compared to men who volunteer, fewer affluent women who volunteer serve on nonprofit boards (30% and 16%, respectively). Women are more likely than men (24% and 17%, respectively) to support women’s and girls’ causes and/or organizations. One intended purpose of giving to support women and girls — reproductive health/rights — was up significantly in 2022 compared to five years earlier (51% of affluent individuals who gave to women’s and girls’ causes in 2022 gave for this reason, compared to 36% in 2017).



86% of affluent women indicated their household gave to charity in 2022.

Moreover, 85% of affluent household charitable giving decisions are made or influenced by a woman.

Percent of affluent women giving to each subsector*



Philanthropic activities of affluent women in 2022



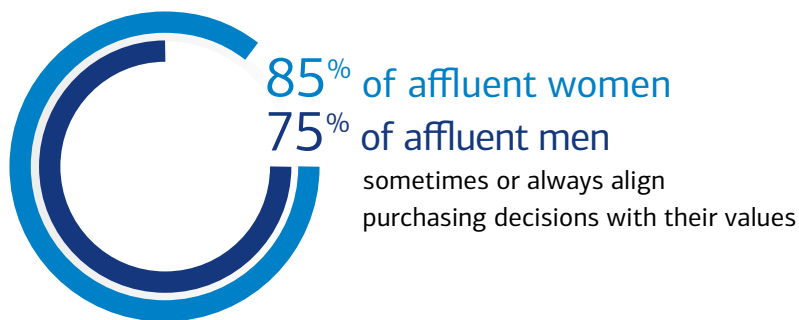
Significantly more women (42%) than men (33%) spent time volunteering in 2022, though women remain underrepresented on nonprofit boards. Only 16% of those who volunteered indicated they had volunteered in this capacity in 2022, significantly less than the 30% of affluent men who indicated serving on a nonprofit board.

Giving behaviors of affluent women in 2022



Women are also thoughtful donors. In 2022, 44% of women had a strategy for their giving and 43% had a budget for their giving. Women are significantly more likely to indicate that they, or their advisor/staff, monitor or evaluate the impact of their giving compared to men (24% and 18%, respectively).

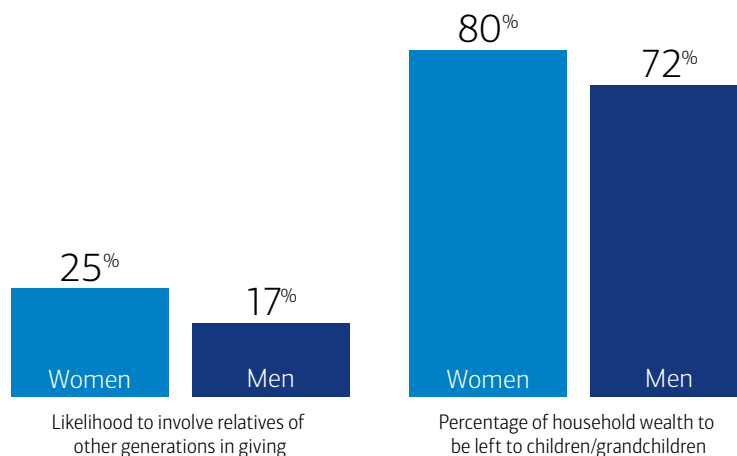
* Answers have been abbreviated; full text is available upon request.



1 in 10
affluent women participates in
sustainable/impact investing.

Women focus on family

For many women, wealth is a family matter. Women are significantly more likely to say they involve relatives of other generations in their giving (e.g., to help them decide which charities, issues and/or causes to support) compared to men (25% and 17%, respectively). Women also indicate they intend to leave a significantly larger percentage of their household wealth to their children and grandchildren compared to men (80% and 72%, respectively).



Affluent women are interested in supporting racial equity and justice efforts.

When asked about the aspects of charitable giving that they were interested in becoming more knowledgeable about, significantly more women (17%) than men (11%) selected supporting racial equity or justice. Women are also significantly more likely to say they sometimes or always give because they want to support racial justice aims compared to men (50% and 38%, respectively). When asked to think about their motivations for volunteering their time in 2022, women were significantly more likely to select supporting racial justice causes compared to men (9% and 4%, respectively).



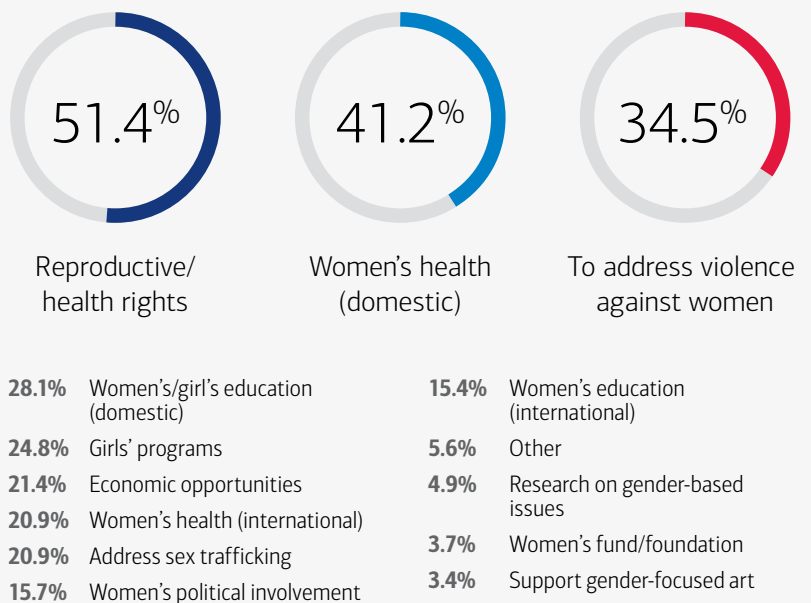
Spotlight: Giving to women’s and girls’ causes and organizations

Affluent women were significantly more likely to select women’s and girls’ issues as one of their top three most important causes/issues compared to men (17% and 5%, respectively). In 2022, 20% of donors gave to support women’s and girls’ causes and organizations. Again, women were significantly more likely than men to give to support these types of organizations (24% and 17%, respectively).

Intended purposes of gifts to women’s and girls’ causes

The main purposes affluent individuals selected for giving to support these causes included reproductive health/rights (51%, a significant increase compared to 36% in 2017), women’s health (domestic) (41%), and addressing violence against women (35%). Women were more than twice as likely to indicate that a personal experience of gender discrimination motivated their support of women’s and girls’ causes compared to men (15% and 7%, respectively).

The top three reasons affluent individuals indicated that they gave to support women’s and girls’ causes in 2022 included: the desire to improve the world for women and girls (67%), the belief that supporting women and girls is the most effective way to solve other social problems (43%), and the desire to improve the world for their children (38%).





KEY FINDING 5

Religious organizations continue to receive the largest share of giving dollars by affluent households

- ▶ Religious organizations receive the largest share of giving dollars consistently over time
- ▶ 1 in 5 affluent donors consider religious life in the top three issues they care about
- ▶ 57% of Black/African American households donate to this cause

Places of worship have consistently received the largest share (39% in 2022) of giving dollars by affluent households over time. The median gift amount for religious causes is nearly six times more than the median amount given to basic needs organizations, which received the second highest median gift amount in 2022. One reason for giving more to religious organizations may be the relative importance of religious life for more than one in five (22%) affluent donors, who count it among the three issues they care about most. Yet the overall percentage of affluent households giving to religious organizations has declined sharply to 39% in 2022 from 47% in 2020. The percentage of households giving to this area is highest in the South, where 47% of affluent households give to religious services and development. A majority (57%) of African American/Black households and 43% of older individuals give to this area, as well. Moreover, affluent households report a higher degree of confidence in religious organizations' abilities to solve societal or global problems, now and in the future, compared to the government and business sectors (only nonprofits and individuals are seen as more competent to solve such problems).

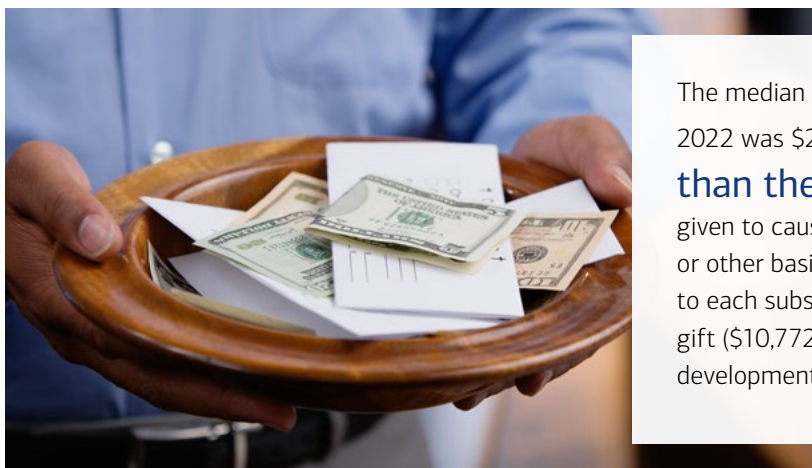
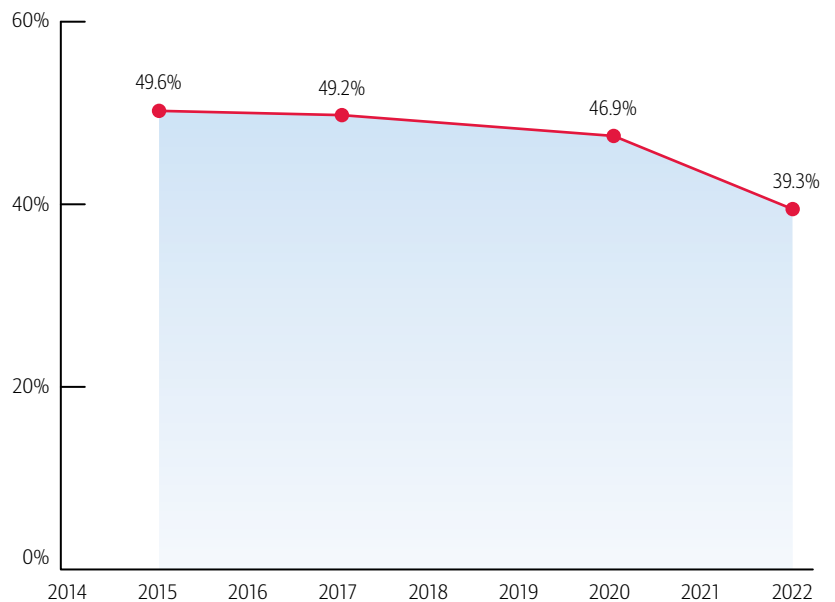
22%

of affluent individuals chose religion as one of their top three most important causes/issues.

In 2022, religious life was the second most frequently selected issue area (22%) that affluent individuals chose as one of their top three most important causes/issues. This issue area was only exceeded by education (23%). Older individuals were significantly more likely to select this issue area as a top priority compared to younger individuals (24% and 16%, respectively).

Percentage of affluent households that gave for religious/spiritual service or development over time

In terms of where they gave, the most frequently selected response continues to be for religious/spiritual service or development (e.g., a church, temple or mosque).¹¹ In 2022, 39% of affluent households made gifts in this area, a significant decline from 2020, when 47% of affluent households gave to this cause area. Black/African Americans and older individuals were significantly more likely to give to this area. As with the overall percentage of households giving to charity, the percentage of households giving for religious/spiritual service or development has been on a downward trend in recent years.

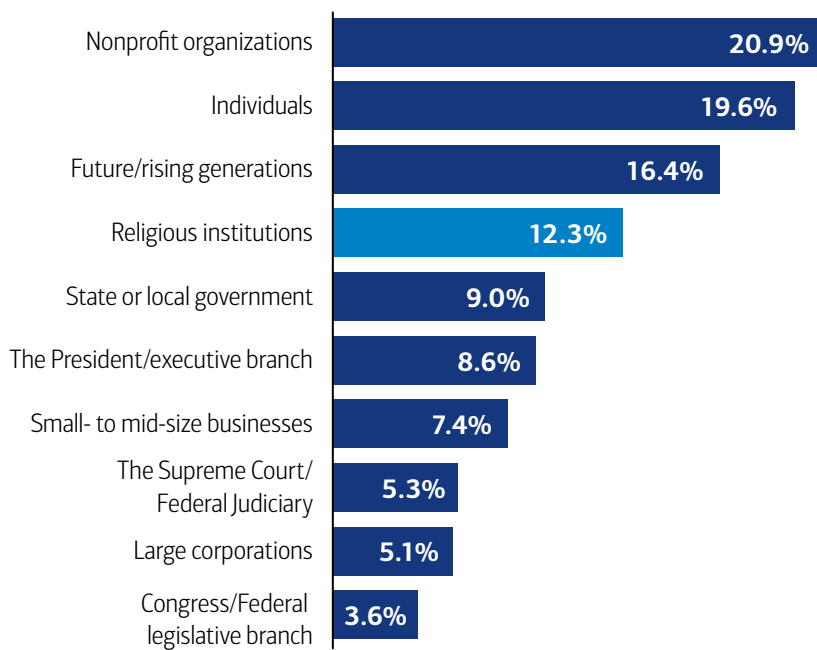


The median gift given to religious organizations in 2022 was \$2,000—**nearly six times higher than the next highest median amount** given to causes that help people in need of food, shelter or other basic necessities (\$350). In terms of average gifts given to each subsector, higher education received the highest average gift (\$10,772), followed by religious/spiritual service or development (\$9,640), and basic necessities (\$1,648).



About one in 10 affluent individuals say they receive the most valuable information and/or direction to assist them with their charitable giving decision-making from a religious leader.

Black/African Americans are significantly more likely to get their most valuable information from a religious leader, compared to other racial/ethnic groups (22% and 10%, respectively). They also intend to leave a larger portion of their household wealth to religious charities compared to individuals of other racial/ethnic identities (8% and 4%, respectively).



Groups that affluent individuals have “a great deal of confidence” in to solve societal or global problems

When asked how much confidence affluent individuals have in the ability of various groups to solve societal or global problems, now and in the future, religious institutions received the fourth highest percentage of responses from individuals who indicated they had a great deal of confidence in the institutions (preceded by nonprofit organizations, individuals and future/rising generations). All branches/levels of government and types of business entities ranked lower than religious institutions. Black/African Americans, Hispanics/Latinos and older Americans had more confidence in religious institutions to solve problems compared to individuals of other racial/ethnic identities and younger individuals, respectively.



KEY FINDING 6

The future of philanthropy relies on engaging the next generation of affluent Americans

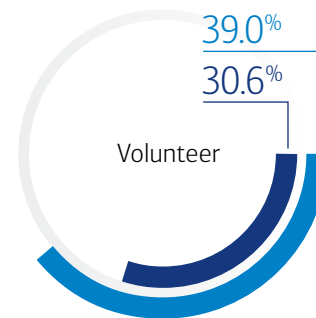
- ▶ 4 in 5 younger affluent households give to charity
- ▶ 65% of younger affluent individuals who are conscious consumers focus a portion of their purchasing decisions on climate change
- ▶ 27% of younger individuals have a giving strategy

The next generation (Millennials and Gen Z, who are currently under the age of 42) have the potential to become an important group of philanthropic leaders, particularly as they create and inherit a growing share of the nation’s wealth over the next decade. Four in five younger affluent households are already giving to charity; however, they are less likely than older donors to participate in traditional forms of philanthropy, including both charitable giving (79% and 87%) and volunteering (31% and 39%). As a group, this younger population is passionate about addressing climate change. Younger individuals are two times more likely to select climate change as one of the top three causes/issues that are most important to them (26%) compared to older individuals (13%). Nearly two-thirds (65%) of younger individuals who make conscious purchasing decisions indicate that a portion of their conscious consumerism is focused on climate change, and 53% of younger individuals who engage in sustainable/impact investing said that a portion of this investing is focused on climate change. However, only 27% of younger individuals have a giving strategy and they are nearly twice as likely to say they are looking to become more knowledgeable about integrating their values and charitable goals into their overarching wealth management plans compared to older individuals. One-third of younger individuals are looking for help identifying the right volunteer opportunity. Moreover, when deciding whether to give to an organization, young donors are more likely to rely on information they get from the internet or media (31%) than from direct engagement with nonprofits (20%). This rising generation has the potential to include many of the most influential and impactful philanthropists in U.S. history.

Philanthropy by age

Both younger and older affluent Americans practice philanthropy, but there are generational differences in their giving behaviors. Next generation individuals (Millennials and Gen Z, born in 1981 or later) are significantly more likely to indicate that they sometimes or always align their purchasing decisions with their values (e.g., buy from companies that prioritize positive social impact) compared to older individuals (those born prior to 1981) (86% and 77%, respectively).

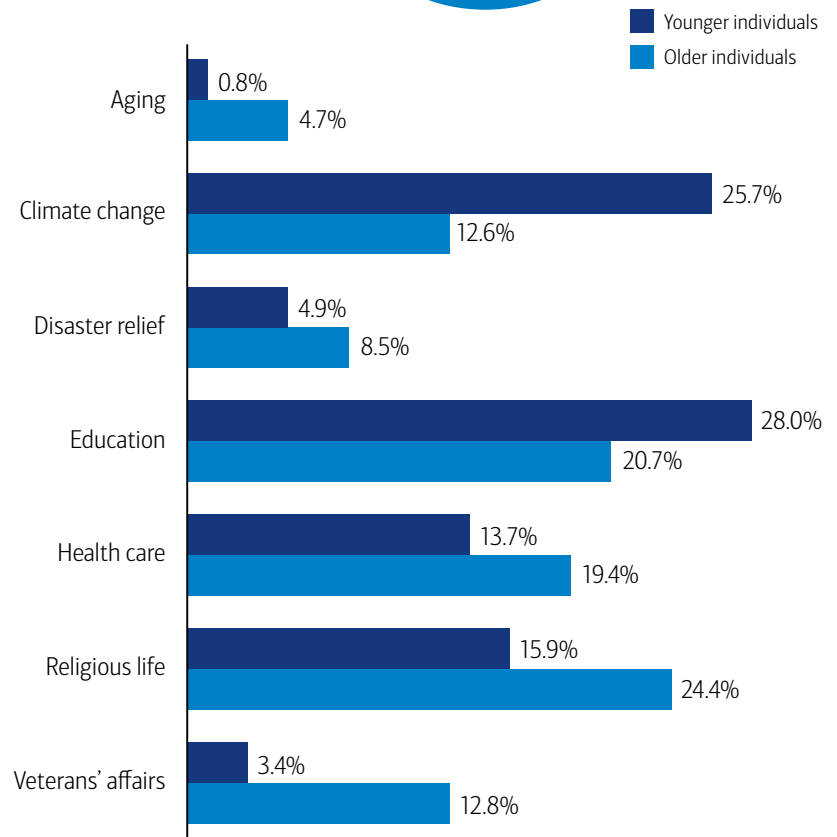
While nearly four in five younger affluent households give to charity, they are less likely than older households to participate in such traditional forms of philanthropy, including both charitable giving (79% and 87%, respectively) and volunteering (31% and 39%, respectively). Younger individuals are significantly more likely to indicate that allocating time to volunteer/get more involved in the organization(s) they care about is a challenge to their philanthropy (33% and 22%, respectively).



Significant differences in importance of causes/issues by age

When asked what causes/issues are most important to them, younger individuals were significantly more likely to say that climate change and education were important to them compared to older Americans. In fact, younger individuals were twice as likely to select climate change as one of their top three most important issues compared to older individuals (26% and 13%, respectively). Younger individuals are also significantly more likely to indicate that a portion of their sustainable/impact investing and/or conscious consumerism is focused on climate change compared to older individuals.

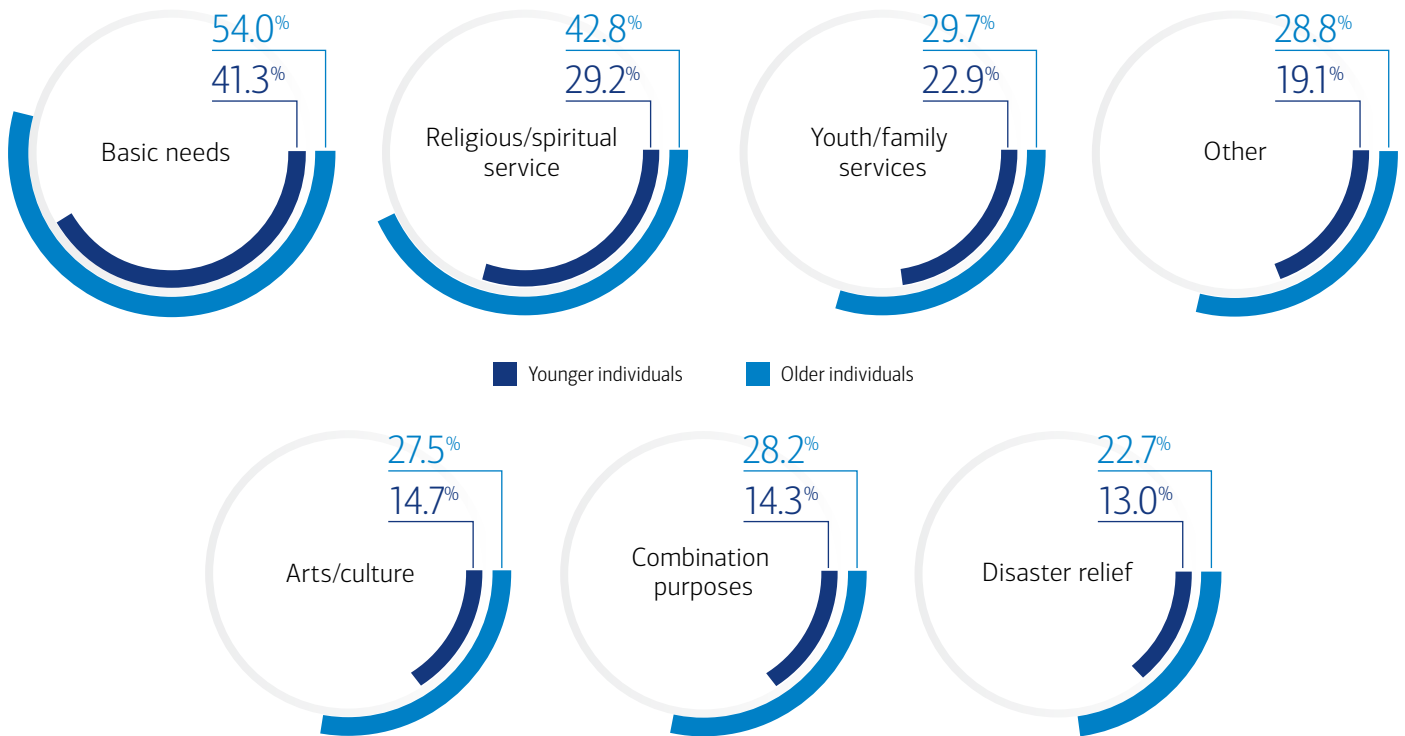
By contrast, older Americans were significantly more likely to select aging, disaster relief, health care, homelessness, religious life (e.g., a church, temple or mosque) and veterans' affairs, compared to younger individuals.





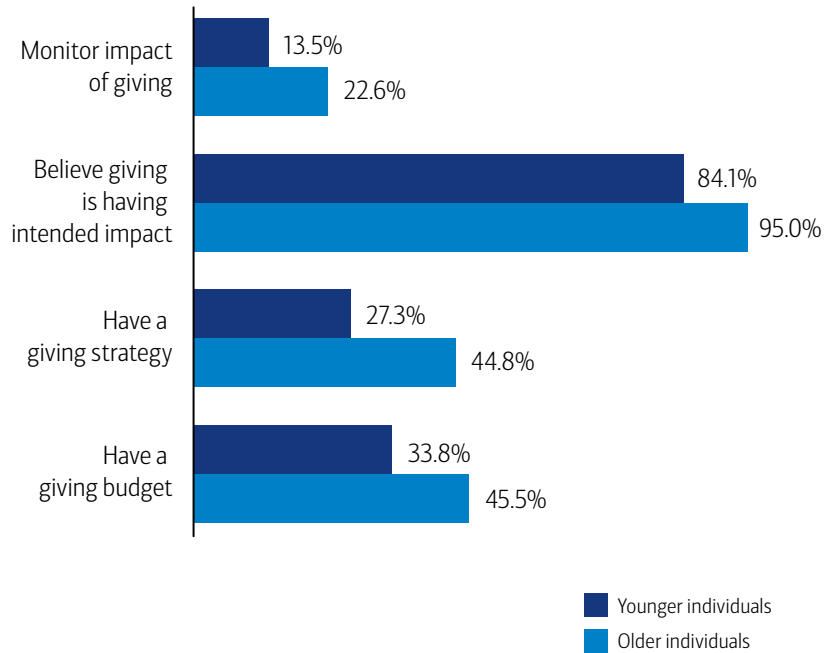
Subsector giving by age

Not only do younger and older Americans see different causes/issues as more or less important but younger and older Americans also give to charitable subsectors at differing levels. Younger individuals are significantly less likely to give for religious/spiritual service or development; to organizations that serve a combination of purposes; to provide basic needs; for youth/family services; to support the arts, culture, or ethnic awareness; for disaster relief efforts; and for other causes compared to older individuals.



Behaviors of affluent households, by age

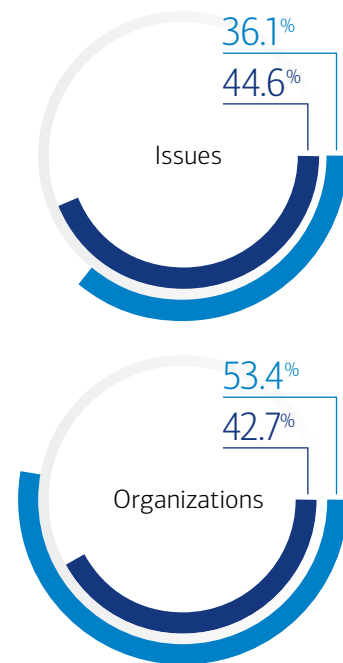
The future of philanthropy relies on engaging the next generation. However, in 2022, younger donors were less likely to monitor the impact of their giving (13%) compared to older donors (23%), less likely to believe that their giving was having the impact they intended (84%) compared to older donors (95%), less likely to have a strategy for their giving (27%) compared to older donors (45%), and less likely to have a budget for their giving (34%) compared to older donors (45%). However, younger donors were nearly twice as likely to say they were looking to become more knowledgeable about integrating their values and charitable goals into their overarching wealth management plans compared to older individuals (25% and 13%, respectively).



What most drives giving decisions and/or strategies, by age

Younger donors were significantly more likely to indicate that their giving decisions and/or strategies are driven by issues than older donors (45% and 36%, respectively). Older donors were significantly more likely to indicate that their giving decisions and/or strategies are driven by organizations than younger donors (53% and 43%, respectively).

Younger donors appear to be more comfortable using digital tools and platforms in their philanthropy compared to older Americans. Younger donors prefer to be reached via social media significantly more than older Americans (17% and 10%, respectively), while older donors prefer to be reached via physical mail significantly more than younger Americans (36% and 20%, respectively). Younger Americans used nonprofits' websites to facilitate their giving in 2022 significantly more than older donors (66% and 50%, respectively), although one in two older donors used a nonprofit's website to facilitate their 2022 giving, suggesting older donors are also using digital platforms to give.

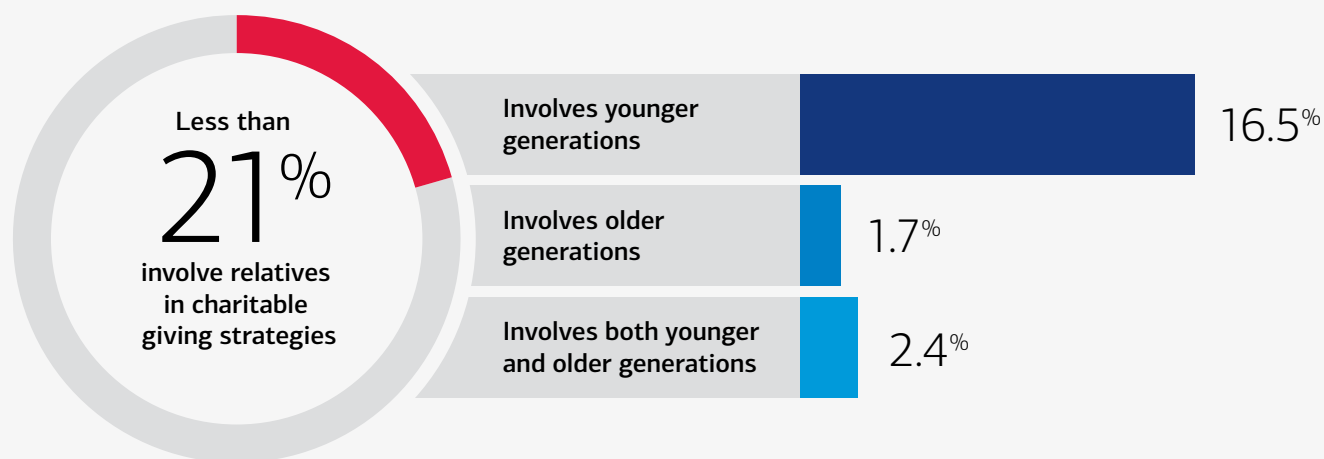




Spotlight: Intergenerational giving

Are your relatives involved in your charitable giving strategies?

Survey respondents indicated they intend to leave three-quarters of their household wealth to their children and grandchildren, but many are not yet preparing the next generation to continue family traditions of philanthropy by actively engaging them in current giving. Fewer than 20% currently involve younger relatives in their giving (e.g., enlist their help deciding which charities, issues and/or types of causes to support). Women were significantly more likely to involve relatives of other generations in their giving compared to men (25% and 17%, respectively).



Many affluent donors are not yet engaging the next generation in their giving by offering them opportunities to practice philanthropy and learn about their family’s philanthropic values and priorities. However, 16% of individuals are interested in becoming more knowledgeable about engaging the next generation in philanthropic giving and 14% are interested in becoming more knowledgeable about getting family engaged/family dynamics of giving.

16% are interested in learning how to engage the next generation

14% are interested in learning about family dynamics of giving

Conclusions and implications

Many have asked how philanthropy has changed, if at all, and in what ways in recent years. During the height of the pandemic and a period of significant social unrest in 2020, Americans were overwhelmingly generous, exemplifying a shared sense of community and prosocial behaviors.¹² By comparison, the economic uncertainty of 2022 brought forth pause and reflection in some charitable giving activities. However, the undercurrent of generosity of affluent Americans remains. As revealed in this report, affluent households think about their charitable activities across a vast spectrum, and this data provides rich context to affluent giving behaviors.

For professionals who work with affluent households, a notable finding on giving motivation continues to be the donor's personal connection to the mission of the nonprofit organization. More than any other factor, appeal or external influence, one's personal values or beliefs lead most affluent Americans to support a particular organization or cause. However, 36% of affluent households point to identifying what they care about as well as deciding what to donate to as a top challenge to their charitable giving. Trusted advisors can serve a critical role in assisting affluent households navigate and connect with an increasingly complex charitable landscape. By helping affluent households monitor and evaluate their giving, advisors can help ensure that donors' intended positive impacts are achieved.

Similarly, for nonprofit organizations and their fundraising staff and volunteers, these findings provide data supporting the importance of continuing to build authentic relationships with both existing and prospective donors to better understand their personal passions. Nonprofit organizations that successfully communicate an alignment of the donor's values to the organization's priorities are more likely to receive charitable dollars. In addition, nonprofit organizations that engage individuals in volunteer positions continue to see more significant giving from their donor-volunteers. Creating meaningful volunteer opportunities is a cornerstone of building this engagement with donors. Board leadership is one area where nonprofits can further engage affluent women and the next generation, according to this report's data.

Leaders of places of worship should take note of these findings. Affluent donors still give the largest portion of their charitable donations to religion. While this accounts for a large dollar amount relative to other issue areas, it behooves individuals working on behalf of places of worship to note the steady decline when planning for the future. They can focus additional energy on older generations of affluent individuals and Black/African American affluent individuals — groups who continue to give more than their counterparts and who continue to hold the guidance of their respective religious leader in particular regard.





For affluent donors, this research provides an opportunity to reflect on their own giving practices and to explore how their personal values and giving priorities align with the greatest needs of their communities and our world. Furthermore, affluent donors can consider how to utilize the variety of financial vehicles available for charitable purposes. While each vehicle offers its own unique pros and cons to a donor's specific situation, many of these can allow a household to increase their charitable giving in efficient and strategic ways. The findings from this study reveal that while some vehicle usage is on the rise, there are still many donors unfamiliar with or yet uneducated about their philanthropic and financial value.

As older affluent Americans age and think about transitioning some of their wealth to their children and grandchildren, this report points to the need to directly engage across family generations to share philanthropic values and priorities. For example, older donors should understand that younger affluent Americans are championing investments in climate change and giving in ways beyond traditional nonprofits. One finding that connects donors across the generations is that

virtually all ages find personal satisfaction in giving. By better understanding age-specific motivations and challenges, multiple generations of donors will be better positioned to increase generosity and experience the richness of engaging with family members through philanthropy.

Philanthropy among affluent households is neither linear nor impartial, but rather a reflection of personal hopes, beliefs and values. This year's study provides a benchmark on key aspects of how, when and why affluent households engaged in charitable giving and volunteering in 2022. Its findings highlight many positive and encouraging trends for the sector, while also pointing to the areas where opportunities exist for further growth and focus. Overall, the study confirms that even in the face of uncertainty, affluent Americans remain steadfast, strategic and fulfilled by their generosity.

Make the most of your charitable giving. Start today.

For more information about how Bank of America can assist donors pursue their philanthropic ambitions and help nonprofit institutions achieve their missions, please contact your advisor or email us at PhilanthropyTeam@bofa.com.

- ¹ Giving USA 2022: The Annual Report on Philanthropy for the Year 2021, Giving USA Foundation and Indiana University Lilly Family School of Philanthropy. Cited in June 21, 2022 IUPUI news release.
- ² <https://www.philanthropy.com/article/the-biggest-individual-gifts-of-2021>
- ³ <https://www.nytimes.com/2022/03/23/business/mackenzie-scott-philanthropy.html>
- ⁴ Generation Impact: How Next Gen Donors Are Revolutionizing Giving by Sharna Goldseker, Michael Moody, 2017
- ⁵ For this study, next generation individuals include Millennials and Generation Z, those born in 1981 or later
- ⁶ Indiana University Lilly Family School of Philanthropy, "The Giving Environment, Understanding Pre-Pandemic Trends in Charitable Giving," July 2021, Page 3. https://generosityforlife.org/wp-content/uploads/2021/07/Giving-Environment-Report_FINAL-1.pdf
- ⁷ Indiana University Lilly Family School of Philanthropy, Philanthropy Panel Study (PPS), <https://philanthropy.iupui.edu/research/current-research/philanthropy-panel-study.html>
- ⁸ The Giving Environment: Understanding Pre-Pandemic Trends in Charitable Giving, <https://scholarworks.iupui.edu/bitstream/handle/1805/26290/giving-environment210727.pdf?sequence=1&isAllowed=y>
- ⁹ Conscious consumerism: When you align your purchasing decisions with your values (i.e., buy from companies that prioritize positive social impact).
- ¹⁰ Impact investments are investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return. Impact investments can be made in both emerging and developed markets, and target a range of returns from below market to market rate, depending on investors' strategic goals. Examples would include mission-related investments, social impact or "green" bonds, instruments issued by Community Development Financial Institutions (CDFIs), or certain investments in Qualified Opportunity Zones.
- ¹¹ This category excludes donations to charities run by religious organizations.
- ¹² See Bank of America, The 2021 Bank of America Study of Philanthropy, July 2022, <https://scholarworks.iupui.edu/bitstream/handle/1805/23750/covid-report1.pdf>

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