BANK OF AMERICA

THE PURSUIT OF PHILANTHROPY

# What Drives High-Net-Worth Individuals’ Passion for Giving?

Bank of America Private Back surveyed more than 1,000 respondents (ages 21+) with at least $3 million in investable assets to closely examine philanthropic trends and engagement among high-net-worth individuals.

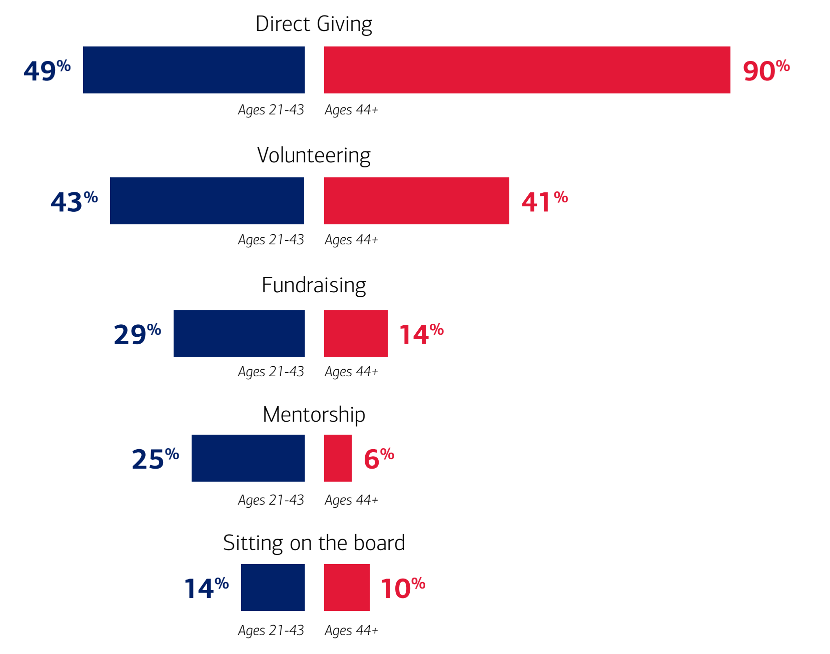
The survey found wealthy individuals are deeply committed to their passions. More than nine in 10 (91%) respondents have made a charitable contribution in the last year. A similarly high percentage (88%) of younger donors (ages 21-43) say they are prepared to take on philanthropic causes moving forward. Even still, high-net-worth individuals are not monolith. Generational and gender differences in motivations, causes supported and more are borne out by the data.

## KEY FINDINGS INCLUDE:

### While monetary gifts are the most common form of philanthropic involvement, many younger donors also prioritize direct action.

- Younger donors prioritize direct action more (71% younger vs. 48% older), including volunteering (43% vs. 41%), fundraising (29% vs. 14%) and mentorship (25% vs. 6%).
- By comparison, nine in 10 older donors (ages 44+) rely on direct giving as their preferred philanthropic approach (vs. 49% of younger donors).
- As many are inheritors of wealth, younger generations are also more likely to use giving vehicles, including charitable trusts (36% younger vs. 7% older), leveraging family foundations (25% vs. 3%) and donor-advised funds (22% vs. 8%).

Philanthropic Approach




**Donor Advised Funds**

10% of respondents use donor-advised funds. Those who do largely believe they provide benefits including:

- 95% Supporting long-term giving
- 93% Allowing charitable assets to be invested
- 93% Maximizing potential tax benefits
- 91% Simplifying the process of charitable giving

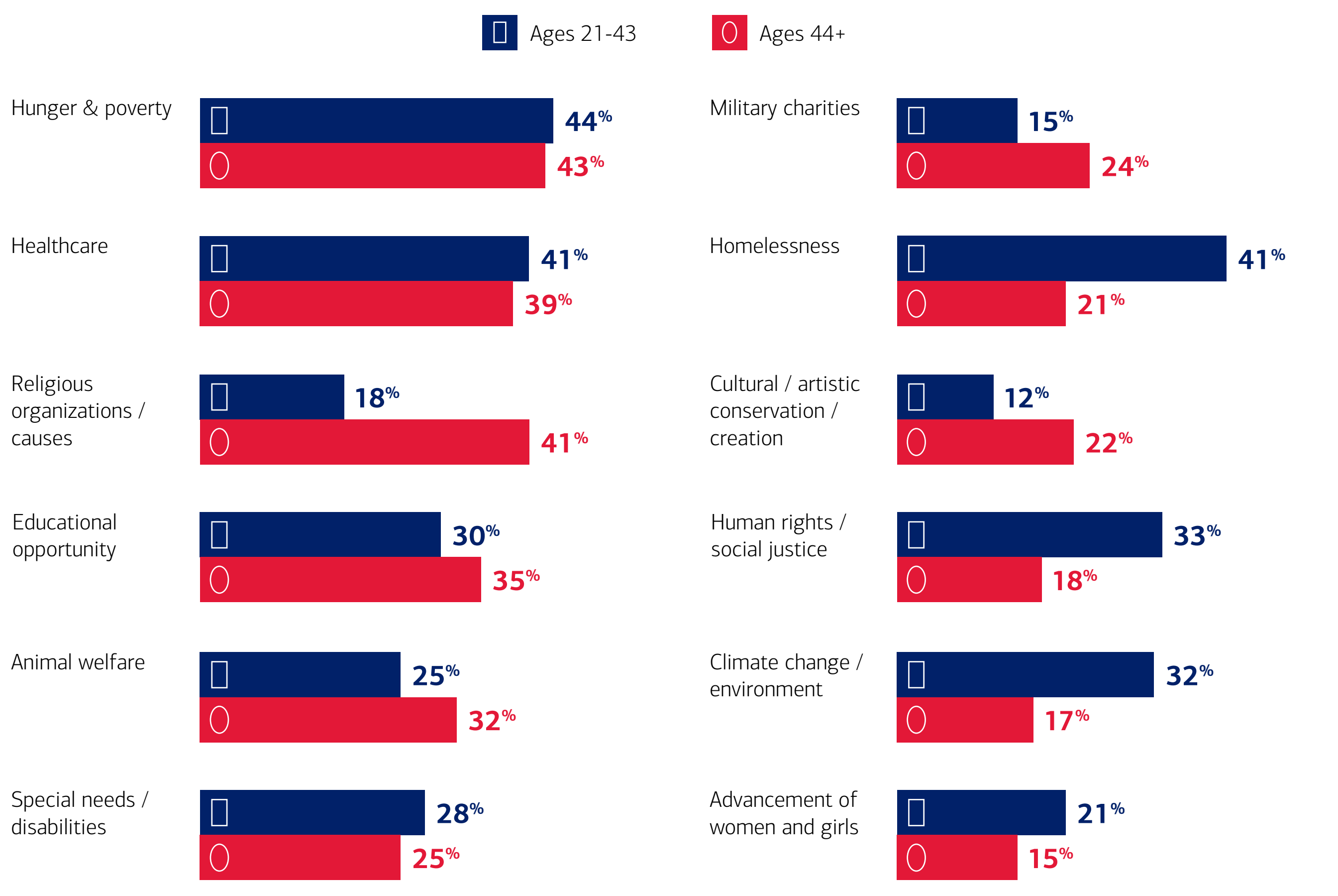
### Age remains an influential factor in one’s motivations; however, the aspiration to create a lasting positive impact unites wealthy individuals.

- When asked about their reasons for giving, all generations are motivated by making a lasting impact (63% younger vs. 69% older).
- Older respondents are more than twice as likely to be driven by a sense of obligation (56% older vs. 25% younger), as well as feeling the need to respond to an urgent issue (35% vs. 23%) and their faith traditions (31% vs. 23%).
- The gap between motivations for giving by younger and older respondents becomes more pronounced when examining self-education (24% younger vs. 9% older), mentorship (18% vs. 5%) and the influence of their social circle (22% vs. 4%).
- Family traditions (26% younger vs. 22% older) and life journey (25% vs. 16%) resonate as sources of inspiration across both age groups, though slightly more so among younger respondents.

### Philanthropy is a way to impact the future, but what that impact looks like varies based on age.

- Younger donors show a strong preference for efforts related to homelessness (41% younger vs. 21% older), human rights/social justice (33% vs. 18%), climate change/environment (32% vs. 17%) and the advancement of women and girls (21% vs. 15%).
- Older donors tend to prioritize giving to religious organizations (41% older vs. 18% younger), animal welfare (32% vs. 25%), military (24% vs. 15%) and cultural/artistic conservation and creation (22% vs. 12%).

Philanthropic Support




### Wealthy individuals measure the success of their efforts not just in dollars and cents, but in the positive impact they contribute to.

- Long-term impact is viewed as a key indicator of success; however, older donors (64%) are more likely than younger donors (51%) to identify it as a critical metric for evaluating philanthropic success.
- Younger donors place a higher value on the visibility of their philanthropy. They’re more likely to gauge success by public recognition (27% younger vs. 8% older), as well as increases in both the number (31% vs. 13%) and size (35% vs. 11%) of donations inspired by their own.
- In keeping with that trend, younger donors are also more likely to associate their names with philanthropic efforts (42%), while 69% of older donors give anonymously.

### Older generations show apprehension about the future of philanthropy and how younger individuals may support it.

- 88% of younger respondents feel their generation is prepared to assume philanthropic leadership, and 86% believe the next generation will be more effective than those who came before them.
- In contrast, only 50% of older respondents think the next generation is prepared to take on and support philanthropic causes.
- Many younger donors say they take a different approach to philanthropy (80%) than the previous generation but share their parents’ commitment to giving back (88%).
- Older donors’ responses show the inverse: they perceive their children to share their philanthropic approach (67%) but demonstrate lower levels of commitment (73%).

### Just as age factors into one’s philanthropic preferences and involvement, so too does gender.

- When asked why they give back, men (55%) are more likely than women (47%) to cite an obligation to do so, while women (38%) are more likely than men (31%) to cite a need to respond to an urgent issue.
- Men are twice as likely to become involved in philanthropy because of their spouse/partner’s ideas (16% men vs. 8% women). However, nearly the same rate of men (40%) and women (39%) say they want to make an impact on the future.
- When it comes to cause selection, women are slightly more likely to support healthcare causes (42% women vs. 38% men), while men are slightly more likely to favor causes related to hunger and poverty (45% men vs. 40% women).
- Women (23%) are nearly twice as likely as men (12%) to select causes that aim to advance women and girls.
- Women are more likely to break tradition in their philanthropic giving, with 53% of men agreeing that they’ll support the same causes as previous generations, compared to 44% of women.
- However, women are more likely than men to agree when asked whether their children take the same approach to realizing their respective philanthropic visions (77% women vs. 66% men).
- Women shoulder the responsibility of introducing their children to philanthropy. When asked who is more likely to teach or talk to their children about participating in philanthropy, 46% of women point to themselves, while only 35% of men say the same.

### Gaps remain in advisor discussions.

- Just over one-quarter (27%) of all respondents are currently discussing strategic philanthropy with an advisor.
- Just over one-third (36%) of Gen Z/Millennial respondents say they aren’t currently discussing philanthropy with an advisor but would like to; 32% of Gen X and 21% of Baby Boomers echo that sentiment.

**Methodology** Escalent, an independent market research company, conducted an online survey on behalf of Bank of America Private Bank. The survey consisted of 1,007 high-net-worth (HNW) respondents throughout the U.S. Respondents in the study were at least 21 years of age with at least $3 million in investable assets, excluding primary residence. The margin of error is +/- 3, reported at a 95% confidence level. The respondents are a nationally representative sample of the U.S. high-net-worth population and not necessarily clients of Bank of America or its wealth and investment management businesses.