

FUTURE OF GIVING

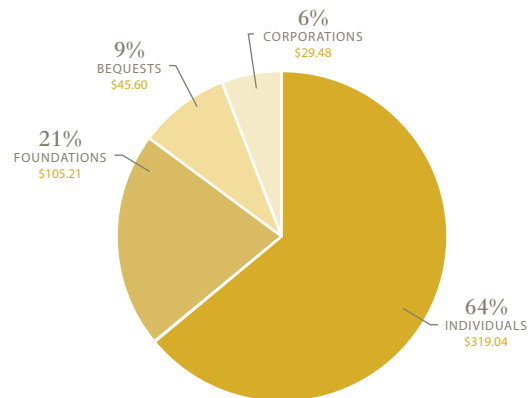
What giving vehicle is nearly a century old yet is also the fastest-growing tool used to donate to charity today?

A DONOR-ADVISED FUND

GIVING USA 2023

- Americans gave \$499.33 billion in 2022.
- In 2022, the largest source of charitable giving came from individuals at \$319.04 billion, or 64% of total giving.
- Contributions to DAFs have increased as a share of individual giving over the past decade. According to National Philanthropic Trust's 2023 DAF Report, in 2022 DAF donors contributed an estimated \$85.53 billion, or the equivalent of 27.2% of individual giving. By comparison, DAFs constituted 22% of individual giving in 2021.

GIFT PERCENTAGE BY SECTOR

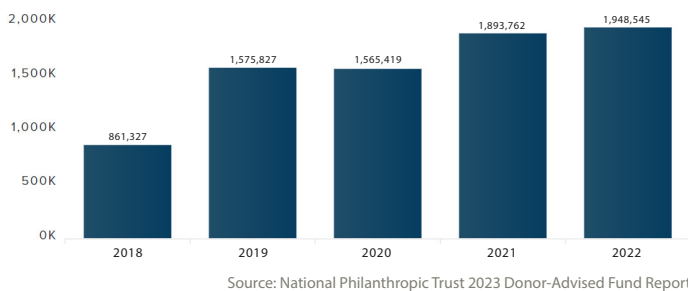


Source: Giving USA 2023

NATIONAL PHILANTHROPIC TRUST'S (NPT) 2023 DAF REPORT SUMMARY

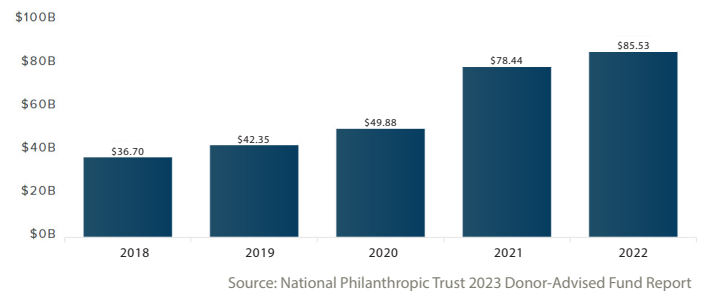
In 2022 the U.S. economy saw a decline in unemployment, but also a decline in disposable personal income as well as the most significant decline in the stock market since the 2008 financial crisis. In light of these realities, total charitable giving in the U.S. declined in 2022, yet DAF donors increased their giving. DAFs are now experiencing continued growth but at a slower pace than most recent years (DAFs grew steeply in all metrics during the pandemic and its aftermath). The 2022 DAF Report indicates growth in grants and contributions but decreases in charitable assets and the payout rate.

TOTAL NUMBER OF DAF ACCOUNTS



The total number of individual DAFs reached 1,948,545, a 2.9% increase over the revised 2021 number of 1,893,762. The compound annual growth rate of total DAFs from 2018 to 2022 is 22.6%.

TOTAL VALUE OF CONTRIBUTIONS TO DAFs (\$B)

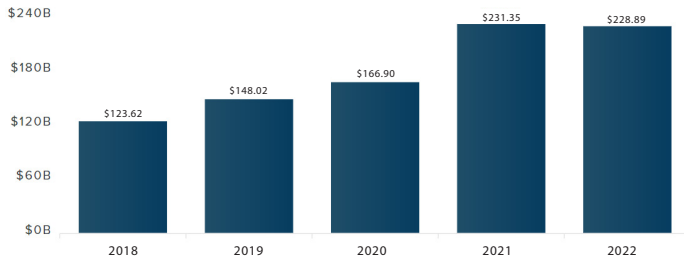


Contributions to DAFs reached an all-time high at \$85.53 billion, an increase of 9% over 2021. Contributions to and grants from DAFs grew in tandem, at 9%.

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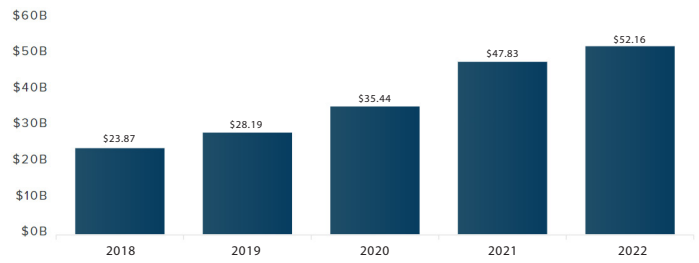
TOTAL ASSETS IN DAFs (\$B)



Source: National Philanthropic Trust 2023 Donor-Advised Fund Report

Charitable assets within DAFs were \$228.89 billion in 2022, a slight decrease of 1.1% from 2021's revised number of \$231.35 billion. Significant stock market declines in 2022 contributed to this decrease.

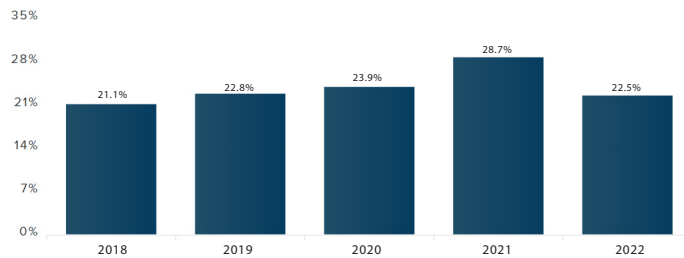
TOTAL GRANTS MADE BY DAFs (\$B)



Source: National Philanthropic Trust 2023 Donor-Advised Fund Report

Grants from DAFs to qualified charities increased by 9% compared to 2021 and totaled \$52.16 billion, a new high for grant dollars. Despite the slower rate of growth from 2021 to 2022, grants have increased by over 118% in the past five years.

ANNUAL PAYOUT RATE, TOTAL FOR ALL DAFs



Source: National Philanthropic Trust 2023 Donor-Advised Fund Report

The DAF payout rate for 2022 was 22.5%. NPT calculates payout rate as this year's grants divided by last year's year-end assets. The payout rate has exceeded 20% every year on record, and the average payout rate between 2018 and 2022 is 24.8%.

THE KEY TAKEAWAY?

The DAF continues its meteoric rise in popularity. More and more individuals are choosing to maximize their charitable impact by using this giving vehicle. As the contributions to DAFs increase, so also the grants from DAFs increase. The annual payout rate from DAFs has exceeded 20% every year on record.

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