

Philanthropy Industry Analytical Framework



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Philanthropy
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Table of Contents

Table of Contents	2
Introduction	4
Key Ecosystem Trends and Take-Aways from the Framework	7
Global Philanthropy Big Data Analytics Dashboard	11
Deep Knowledge Philanthropy Key Activities	12
Philanthropy Ecosystem Analytical Framework	13
Philanthropy Ecosystem Analytical Framework: Segments	14
Beneficiaries	14
Non-profits	14
Non-Governmental Organizations (NGOs)	14
Associations	15
Communities	15
Charities	16
Social Enterprise / for-Profits	16
DeepTech / Techno-philanthropy	16
Non-tech / Conventional organization	17
Support Providers	17
Donors	17
Charities	18
Inter-governmental Organizations (IGOs)	18
Donor-advised funds	19
Foundations	19
Government Organizations	20
Religious Organisations	20
Investors with Purpose	21
Impact Investors	21
Venture Philanthropy Investors	21
Social Investment Funds	21
Value Banking	22
Activity Sectors	22
Agriculture and Food Security	22
Humanitarian Assistance	23
Economic Growth and Trade	23
Global Health	24
Environment, Energy and Infrastructure	24
Anti-corruption	24
Innovation, Technology and Research	25
Education	25
Democracy Human Rights and Governance	25
Gender Equality and Women's Empowerment	26

Conflict Prevention and Stabilization	26
Water and Sanitation	27
Philanthropy Ecosystem Market Overview	28
Philanthropy Start-ups by Region*	28
Philanthropy and Impact Investing Landscape Overview	28
Subsector and Regional Distribution of Philanthropic Companies in 2023	28
Companies Funding in 2023	29
Funding Status of Philanthropy Companies in 2023	30
Companies Analysis by Staff Number and Revenue in 2023	30
Investors Overview	31
Advancing Technologies and Impact on Philanthropy	31
Opportunities	31
Challenges and Solutions	31
Drivers for Philanthropy	32
Philanthropy Forecasts	32
Three Principal Drivers That Could Indicate a Turning Point This Decade	33

Introduction

[Deep Knowledge Philanthropy](#) in partnership with [Philanthropy.International](#) and the [AI and Data Science Division](#) of Deep Knowledge Group has released a new [Philanthropy Ecosystem Analytical Framework](#), representing the most comprehensive classification system to date for analyzing the Philanthropy Ecosystem on a global scale. The framework has been made accessible in an open-access format to better serve the needs of individuals and decision makers within the Philanthropy Ecosystem who are dedicated to developing global non-profit activities and serving individuals in need.

The Philanthropy Ecosystem Framework aims to provide an extensive and descriptive set of tools to help philanthropy players and stakeholders evaluate and compare organizations across global markets, with a particular focus on the impact and effectiveness of their philanthropic activities. As the Philanthropy Ecosystem continues to evolve and grow, the Philanthropy Ecosystem Framework remains adaptable and dynamic, keeping pace with the latest developments and trends. The Philanthropy Ecosystem specializes in activities and initiatives that aim to address social, environmental, and humanitarian challenges. To gain a better understanding of this Ecosystem and its operations, it is essential to examine these intersecting spheres of activity from many angles.

This is where the framework comes in. The Philanthropy Ecosystem Analytical Framework has been designed to be a robust and versatile tool for philanthropy players and stakeholders, allowing them to compare and evaluate organizations and initiatives across different geographies and sectors. It takes into account a wide range of factors, including the size and scope of philanthropic programs, the level of innovation and creativity in their approach, and their ability to generate measurable impact. One of the key benefits of the Philanthropy Ecosystem Analytical Framework is that it provides a standardized set of metrics and benchmarks that can be used across different organizations and sectors. This helps to ensure that philanthropy players are comparing like with like, and can make informed decisions based on objective data. As the Philanthropy Ecosystem becomes increasingly complex and diverse, the Philanthropy Ecosystem Analytical Framework will continue to evolve and adapt to meet the changing needs of its users. With its emphasis on impact and effectiveness, it has the potential to play a critical role in driving positive change and transforming the world of philanthropy for years to come.

[Deep Knowledge Philanthropy](#) is a data-driven non-profit committed to the support, development and advancement of DeepTech for social good, impact philanthropy and ethical investment, founded on the belief that DeepTech innovation is the most efficient driver of 'social profit', technological humanitarianism, and societal

development, and that venture philanthropy is the profitable long-term investment for individuals, national economies, and humanity itself.

Deep Knowledge Philanthropy was founded in 2021 to carry forward and build upon the philanthropic vision of Deep Knowledge Group: to leverage technology as the most efficient driver of actionable, tangible social good, supporting innovations, science, charitable, and sponsorship projects internationally.

The Philanthropy Ecosystem Analytical Framework identifies five key types of social impact organization within the Ecosystem:

- **Beneficiaries (non-profits)**
- **Support Providers (public and private, profit and non-profit)**
- **Social Enterprise**
- **Investors with Purpose**
- **Activity Sectors**

Philanthropy Ecosystem Analytical Framework

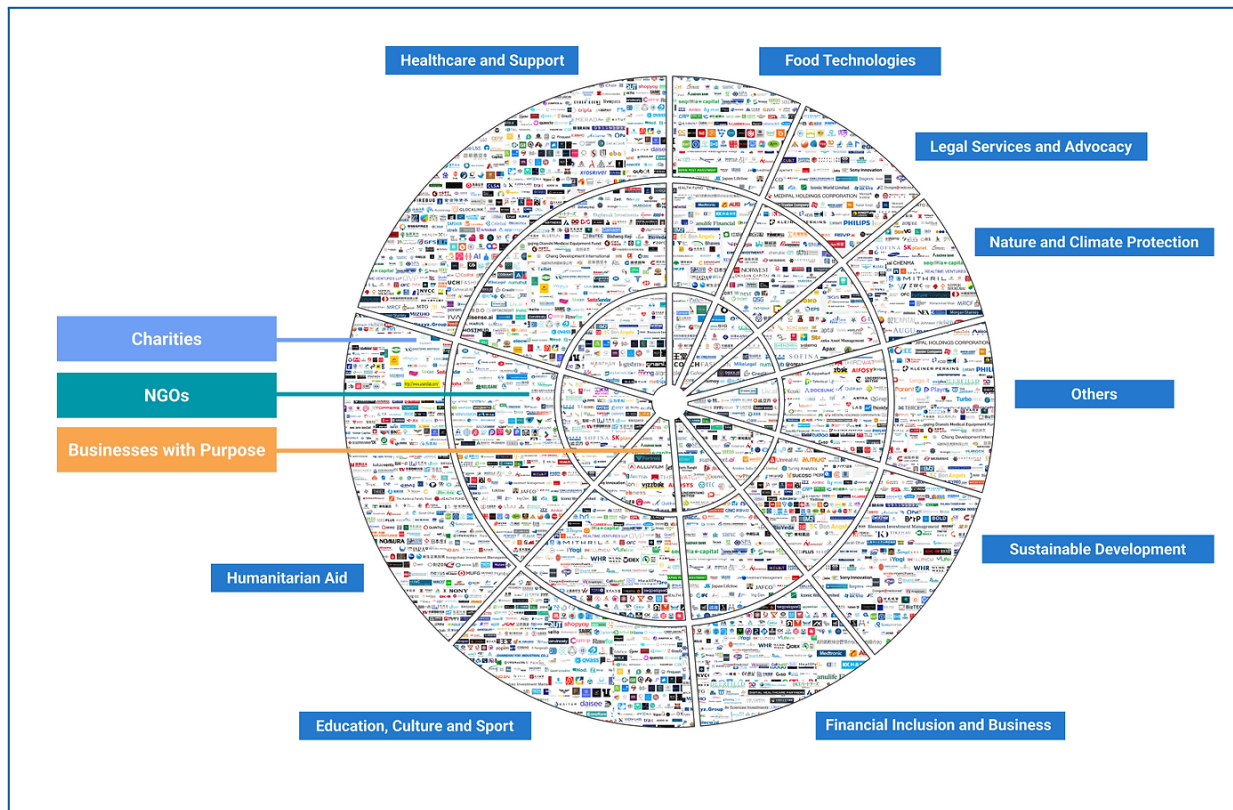
Beneficiaries		Support Providers	
Non-Profits		Donors	
NGOs	Associations	Charities	IGO
Communities	Other Non-Profits	Donor-advised Funds	Religious Organizations
Social Enterprise / For-Profits		Foundations	Government Agencies
DeepTech / Techno-Philanthropy		Individual donors	
Non-tech / Conventional organization		Investors with Purpose	
Activity Sectors			
Agriculture and Food Security	Humanitarian Assistance	Economic Growth and Trade	Global Health
Environment, Energy, and Infrastructure	Anti-Corruption	Innovation, Technology, and Research	Education
Democracy, Human Rights, and Governance	Gender Equality and Women's Empowerment	Conflict Prevention and Stabilization	Water and Sanitation

www.frameworks.technology/philanthropy-ecosystem

The main aim of the Philanthropy Ecosystem Analytical Framework is to share a comprehensive overview of the Philanthropy Ecosystem participants and make it easier to compare businesses internationally, and focus on each company's activity.

As the Ecosystem continues to grow and change, the Philanthropy Ecosystem Analytical Framework will continue to incorporate the most recent advancements and patterns to stay relevant and up-to-date.

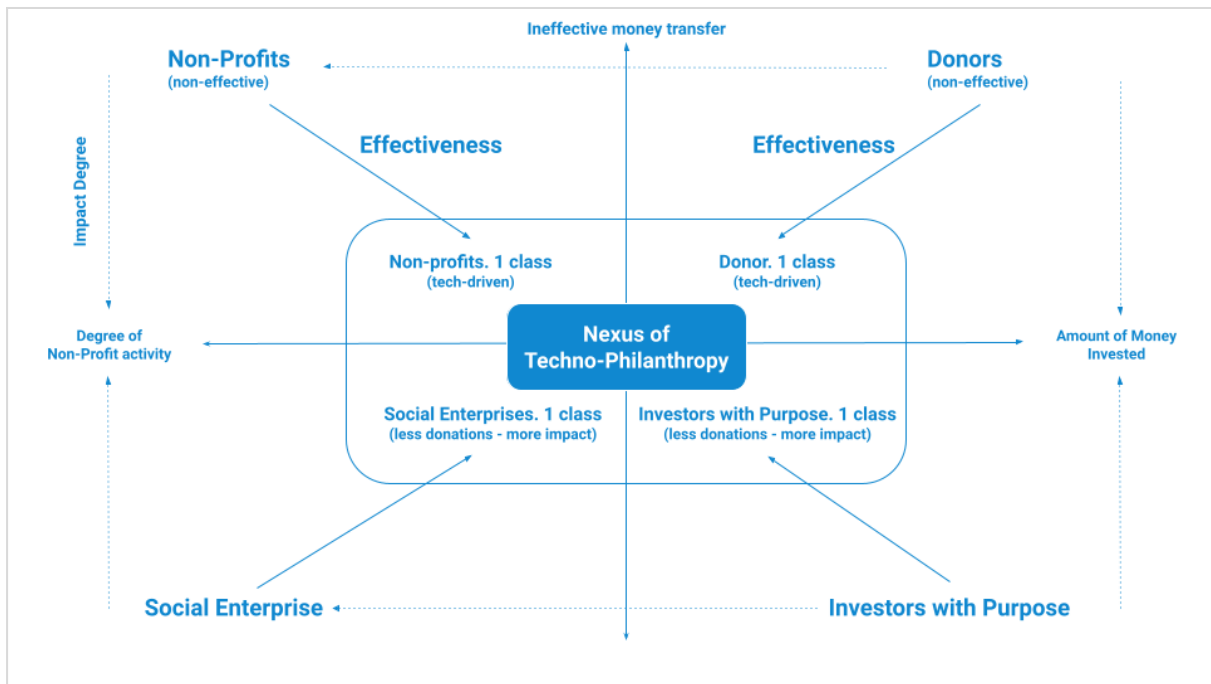
In 2023, this Ecosystem Analytical Framework formed the basis of the [Global Philanthropy and Impact Investing Ecosystem IT-Platform](#), currently tracking the status of more than **100.000 non profits, 13.000 social enterprises, 6.000 investors with purpose, 50.000 donors**. The platform delivers advanced market intelligence, interactive mindmaps, benchmarking for charities, NGOs, businesses with purposes, and investors.



[Global Philanthropy and Impact Investing Ecosystem IT-Platform](http://www.philanthropy.international/global-philanthropy-ecosystem)
www.philanthropy.international/global-philanthropy-ecosystem

The purpose of the Philanthropy IT-Platform is to provide companies, entities, and investors with strategic recommendations and guidance on Ecosystem developments. By doing so, it helps them optimize their action plans and strategies, and offers specialized guidelines for core business and investment decisions.

Techno-Philanthropy for Measuring Social Impact



Robust metrics are the main tech-enabled benefit distinguishing traditional from technologically enhanced philanthropy.

The above application of the framework enables a system of metrics revealing how the closer any of the 4 entity types get to the nexus of techno-philanthropy (the maximal state of technology adoption in their approaches for allocating/donating/investing money and for using money for social impact causes), the more social impact per resource expenditure they get.

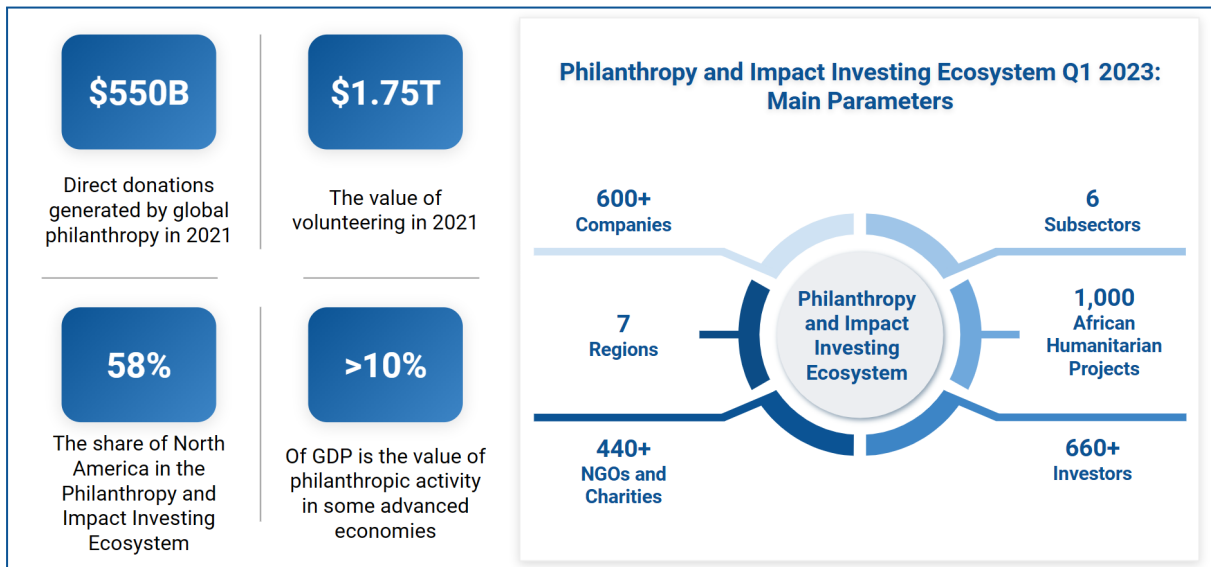
Each axis represents an aspect of philanthropic activity traditionally vulnerable to unethical, wasteful or inefficient implementation, and amenable to technological enhancement.

Key Ecosystem Trends and Take-Aways from the Framework

The Philanthropy Ecosystem has been growing steadily over the past few decades. In 2022, the direct donations (in money and in-kind contributions) generated by global philanthropy amounted to \$4T.

The growth of wealth and income inequality has led to increased interest in philanthropy and social impact investing. Additionally, the COVID-19 pandemic has highlighted the need for philanthropic support for vulnerable communities and has spurred a surge in giving.

Philanthropy and Impact Investing Landscape Overview



Source: [Philanthropy Ecosystem Analytical Framework Full Documentation](#)

Economic Growth and Trade is the largest category in the Philanthropy and Impact Investing Ecosystem, comprising 40% of all analysed companies. The second and the third biggest types are Innovation, Technology and Research, with a share of 19% and 12%, respectively.

Majority of the ecosystem companies (58%) are based in the North America region with the US as a leading country. Asia and Pacific is the second biggest region accounting for 13% from the total number of companies. Europe has the third place with 13%.

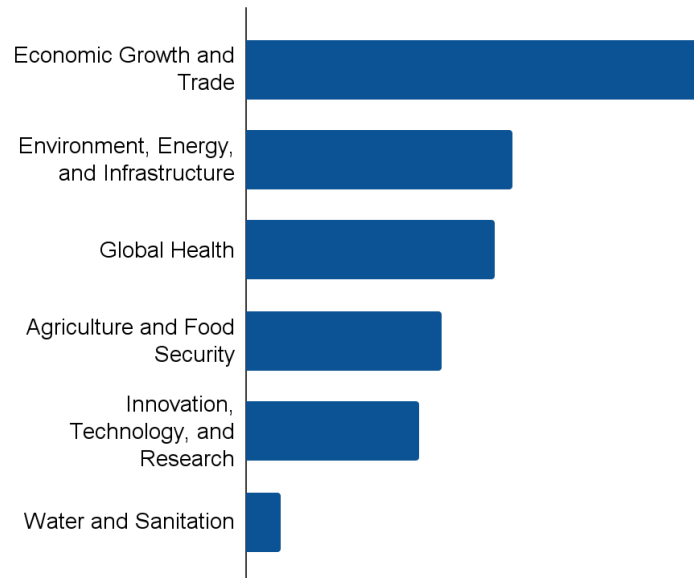
Subsector and Regional Distribution of Philanthropic Companies in 2023



Source: [Philanthropy Ecosystem Analytical Framework Full Documentation](#)

As of April 2023, the total funding of Philanthropy companies reached \$150B globally. Being the largest category by the number of companies, Economic Growth and Trade is also leading by the total funding amount, which is reaching almost \$50B.

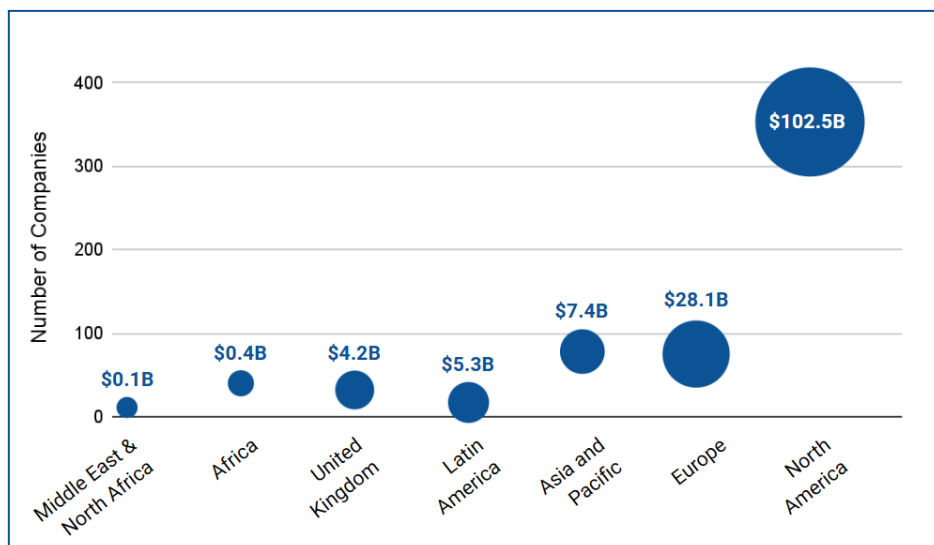
Total Funding Amount of Companies by Subsector



Source: [Philanthropy Ecosystem Analytical Framework Full Documentation](#)

North America is the undisputed leader by funding, with total value at \$102.5B. With nearly equal number of companies in Europe and Asia & Pacific regions, funding in Europe is almost four times larger.

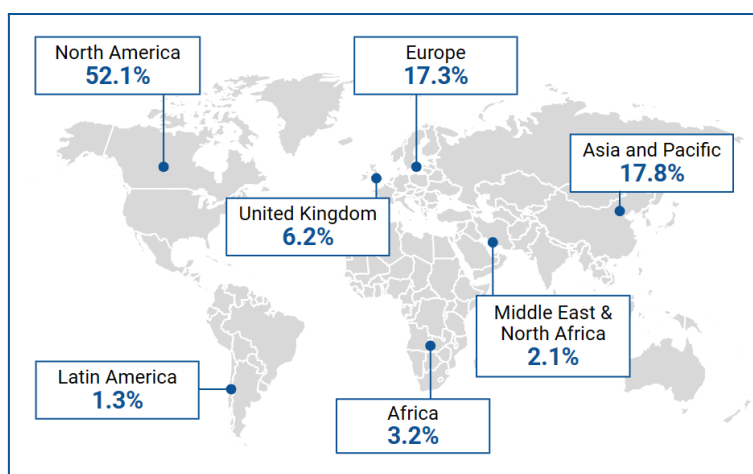
Total Funding Amount by Region and Number of Companies



Source: [Philanthropy Ecosystem Analytical Framework Full Documentation](#)

As a global investment hub, North America is extremely active in financing companies from Philanthropy and Impact Investing Ecosystem, with a share of 52.1% in total number of investors, including powerful accelerators like [Y Combinator](#), [Techstars](#), [MassChallenge](#), [500 Startups](#), [SOSV](#), and others. The Asia & Pacific region is the second largest by investors quantity with 17.8%, including [IDG Capital](#), [ZhenFund](#), and [Sequoia Capital India](#). European investment organizations comprise 17.3%, including [EAS'ME](#) and [Venture Kick](#). Venture Capital firms dominate in investors' structure by type with a share of 53%.

Distribution of Investors by Region, 2023



Source: [Philanthropy Ecosystem Analytical Framework Full Documentation](#)

There are huge opportunities for philanthropic organizations in the digital future, and they will also play an important role in managing and ensuring the equity of the digital transition.

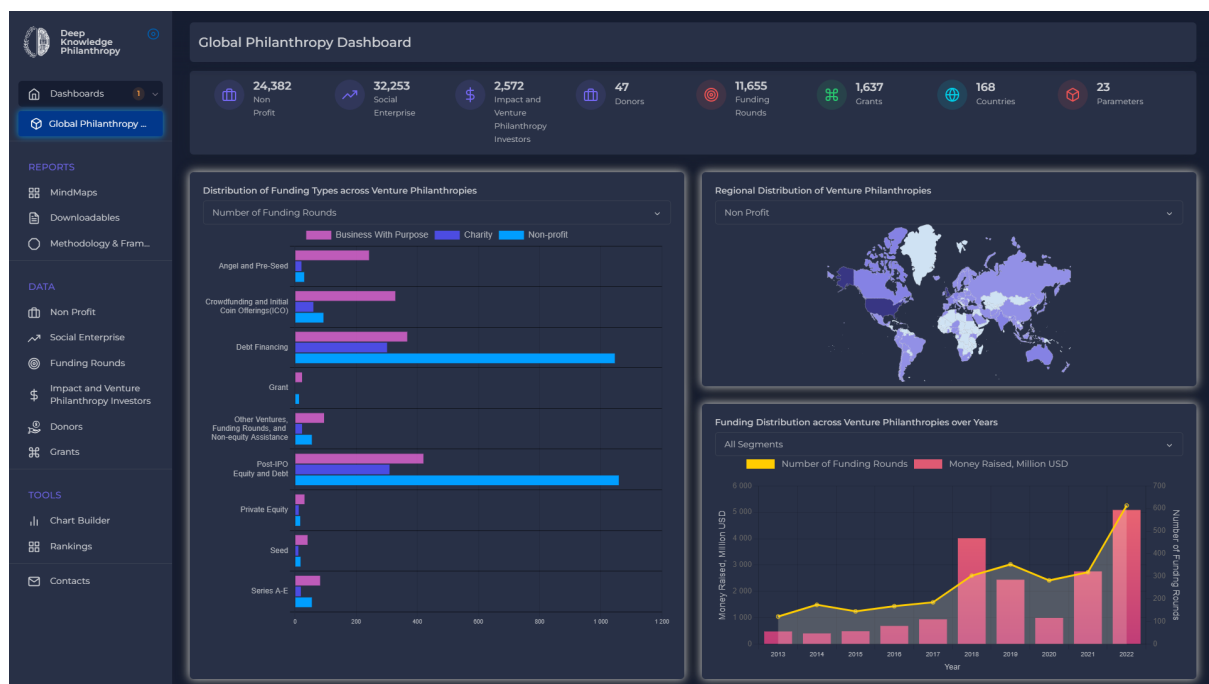
Opportunities:

- Digitize the donor, service user, and volunteer experience
- Use data to measure impact, deepen engagement, and improve transparency
- Active in growing digital literacy.

Challenges and Solutions:

- A lack of awareness of new technology benefits - Data specialist consultancies can help implement strategic change
- A lack of skilled staff - Corporates can provide in-kind donations of time and skills
- Programmatic funding limits operational investments, including technology - Extend time horizons for impact measurements to include technological benefits.

Global Philanthropy Big Data Analytics Dashboard



[Philanthropy Big Data Analytical System & Dashboard](#)

The [Global Philanthropy Ecosystem Big Data Analytics Dashboard](#) is an advanced platform that provides unparalleled insights into the ever-changing philanthropy landscape. This powerful tool is designed to leverage the latest advancements in data science to help decision-makers analyze the Ecosystem's quantitative parameters in real-time. Built on a foundation of extensive research and deep expertise in philanthropy, the dashboard equips users with the tools they need to analyze the entire Ecosystem, as well as identify the most relevant data and metrics.

With its user-friendly interface and powerful analytics capabilities, the Global Philanthropy Big Data Analytics Dashboard enables users to make informed decisions and identify trends that impact the philanthropy Ecosystem. By providing access to real-time information on philanthropy spending, funding trends, and key Ecosystem players, the dashboard empowers decision-makers to stay ahead of the curve and drive innovation in this rapidly evolving sector. Whether you're a government agency, a private sector firm, or a research institution, the Global Philanthropy Big Data Analytics Dashboard is an indispensable tool for anyone looking to stay on the cutting edge of philanthropy innovation.

Deep Knowledge Philanthropy Key Activities

Charity Analysis

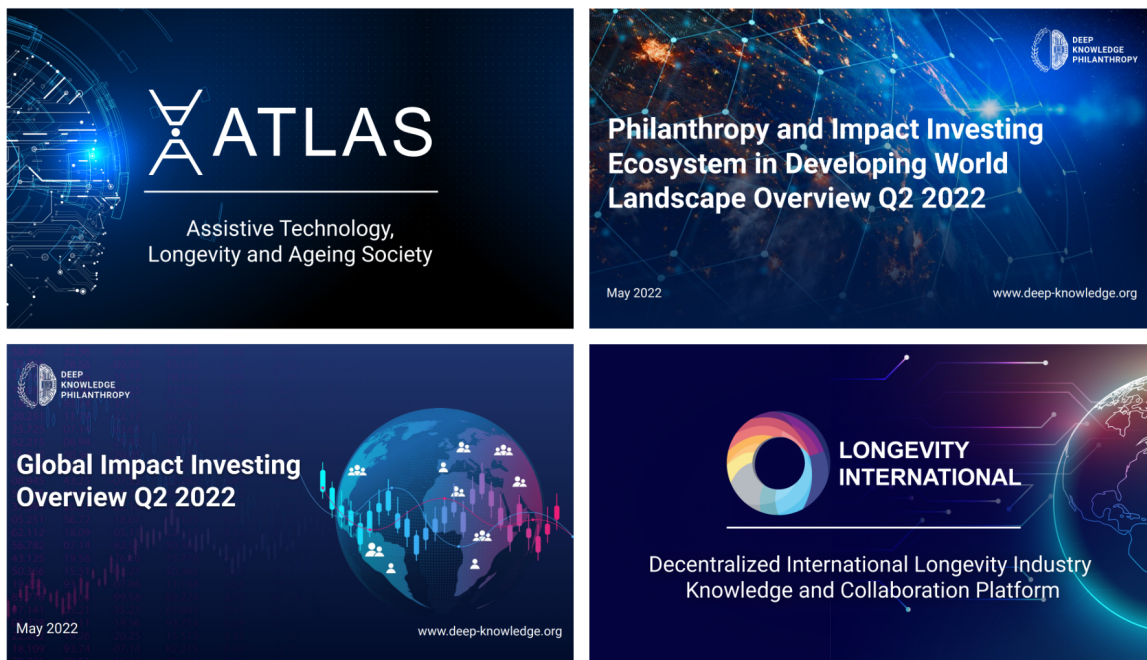
Delivering deep analysis and social-impact benchmarking of charitable organizations, which allows founders, charity leaders, trustees, grant-makers, philanthropists and others to derive tangible insights on where to focus their money and time to achieve maximum human impact.

Data Driven Research

Advanced data driven analytics repurposed from next-generation financial projects to the non-profit and charity sector, backed by AI, big-data analytics and advanced visualization tools.

Big Data Aggregation and Advanced Visualization

Automatised data parsing, aggregation, optimization, machine learning and deterministic scoring algorithms, charities and donations smart-matching.



Source: [Philanthropy International](#)

Philanthropy Ecosystem Analytical Framework

Beneficiaries		Support Providers	
Non-Profits		Donors	
NGOs	Associations	Charities	IGO
Communities	Other Non-Profits	Donor-advised Funds	Religious Organizations
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Democracy, Human Rights, and Governance	Gender Equality and Women's Empowerment	Conflict Prevention and Stabilization	Water and Sanitation
Impact Investors	Venture Philanthropy Investors	Social Investment Funds	Value Banking

The Philanthropy Ecosystem Framework is an important milestone along the trajectory of the Philanthropy Ecosystem. It provides a comprehensive set of tools for philanthropy players and stakeholders to evaluate and compare organizations and initiatives across global markets. The framework's emphasis on impact and effectiveness allows for informed decision-making and strategic planning in philanthropy activities.

The Philanthropy Ecosystem plays a crucial role in addressing social, environmental, and humanitarian challenges across the globe. It is an important sector that provides vital support for communities in need, and its impact can be far-reaching and long-lasting. The Ecosystem includes a wide range of players, from individual donors and charitable foundations to social enterprises and impact investors.

The overall importance of the Philanthropy Ecosystem lies in its ability to create positive change and address some of the world's most pressing problems. With its focus on social impact and sustainable solutions, the Ecosystem can complement and support public sector initiatives, and catalyze innovative approaches to complex issues. The Philanthropy Ecosystem Framework is an essential tool for the Ecosystem to assess its progress and impact, and to ensure that resources are deployed in the most effective and efficient ways possible.

Philanthropy Ecosystem Analytical Framework: Segments

Beneficiaries

If the foundation or entity receives donations and support towards a particular social project, it's classified under our framework as a beneficiary. They always reinvest their profits back into their operations to continue fulfilling their mission. While they can legally generate profits, these profits should be used to sustain the organization, including paying staff salaries, building infrastructure, or launching new programs. They play an important role in philanthropy by providing people the opportunity to make charitable donations to causes that are meaningful and important to them. They serve to provide support and assistance to those in need, to foster collaboration between different stakeholders, and to fund initiatives that help to build a better future for individuals, society, and the environment. They also offer donors or investors an efficient and transparent way to put its resources towards causes that matter, and with substantial impact. Therefore, by utilizing the support of beneficiary, philanthropists have the potential to create long-lasting, meaningful changes.

Non-profits

Non-profit organizations, often abbreviated as NPOs, are entities formed with the primary objective of serving the public interest and addressing societal needs rather than pursuing financial gains for their members or stakeholders. These organizations operate in various sectors, including education, healthcare, social services, environment, and the arts, aiming to make a positive impact on communities and the broader world. At the core of a non-profit's philosophy is the commitment to fulfill a specific mission or cause, whether it's providing aid to underprivileged populations, advancing scientific research, promoting cultural awareness, or fostering environmental conservation. To sustain their operations and pursue their objectives, non-profits often rely on a combination of donations, grants, and fundraising efforts. Non-profit organizations are governed by a board of directors or trustees, who oversee the organization's activities and financial management. Their success is often measured not in financial profits but in the positive social impact and progress they achieve in addressing the pressing needs of the communities they serve.

Non-Governmental Organizations (NGOs)

An NGO, or Non-Governmental Organization, is a non-profit, independent entity that operates independently of any government. NGOs are typically created by individuals

or groups with a shared interest or concern for a specific social, environmental, or humanitarian issue. They work to address and tackle various challenges such as poverty, human rights violations, environmental conservation, education, healthcare, and more. NGOs operate on a local, national, or international level, often collaborating with governments, other NGOs, and local communities to implement programs and initiatives. They rely on donations, grants, and volunteers to fund and carry out their work. NGOs are driven by a mission to create positive social change, advocate for marginalized groups, raise awareness, and provide services and support to those in need. NGOs play a crucial role in filling gaps in public services, amplifying the voices of marginalized communities, and fostering sustainable development. NGOs maximize their impact and resource mobilization through collaboration and advocacy with stakeholders. They are managed and coordinated by private individuals, but they also draw a large part of their strength from other members of the organization. NGOs are pivotal players in the philanthropic landscape, reaffirming their status as potent agents of transformation dedicated to creating positive change worldwide.

Associations

Associations, as an organization type, refer to groups or entities formed by individuals or organizations with common interests, goals, or purposes. These associations are typically non-profit in nature and are governed by a set of rules, bylaws, or constitutions that outline their structure, objectives, and operating procedures. Associations can exist at various levels, such as local, regional, national, or international, and can cover a wide range of sectors and areas of interest. The primary purpose of associations is to promote and advance the interests of their members or the broader community they represent. They often serve as a platform for networking, knowledge sharing, advocacy, and collective action. Associations may engage in activities such as organizing conferences, seminars, or workshops, conducting research, providing resources or services, and representing their members' interests to external stakeholders, including governments, regulatory bodies, or the public. They often rely on membership fees, sponsorships, donations, or grants to fund their activities and operations. Associations play a crucial role in various fields, including business, healthcare, and social justice. They provide a platform for professionals to connect, share ideas, and collaborate on common goals. Professional associations, alumni groups, clubs, and personal interest communities allow managers to gain new perspectives that help them advance in their careers.

Communities

Communities are diverse and dynamic entities that bring together individuals,

families, and groups who share common values, interests, geography, or social relations. They play a crucial role in collective action and community development, taking collective action on issues that are important to them. Community engagement seeks to involve a broad range of stakeholders to achieve long-term and sustainable outcomes for complex problems. Effective community organizing involves mobilizing communities and constituencies for decision-making and social action. Communities are experts on their local needs and assets, driving community-based solutions and building social and political capital. The importance of community lies in the shared sense of trust, connection, and caring among its members, providing social connection and a sense of belonging. Participating in a community that shares attitudes, values, and goals enriches individuals' lives and contributes to a fulfilling life. Building networks within communities, such as professional associations, alumni groups, clubs, and personal interest communities, allows managers to gain new perspectives and advance in their careers. These networks facilitate coordination, cooperation, and trust among individuals who are necessary to accomplish tasks and achieve goals. In summary, communities are vital for collective action, community development and social connection.

Other Non-Profits

Other Non-profits encompasses diverse organizations beyond typical NGOs, associations, and communities.

Among these organizations can be found: Educational Institutions focusing on quality education and research. Religious Organizations serving spiritual needs and offering community aid. Healthcare non-profits improving public health, and advocacy groups for raising awareness. Environmental organizations prioritizing conservation and sustainability. Arts and Culture non-profits celebrating creativity and heritage. Sports and recreation non-profits encouraging physical fitness. Human rights non-profits advocating for legal equality. Animal Welfare, Disaster Relief, Community Development, International Development, Youth and Children's, Senior Citizens', Women's and Gender, LGBTQ+, and Veterans' Organizations each address specific needs, driving positive change.

These are non-profits which defy simple classification and yet which are no less important to the creation of a healthy, wealthy and just world.

Social Enterprise / for-Profits

DeepTech / Techno-philanthropy

DeepTech typically refers to technological advancements and innovations that are based on cutting-edge scientific research and have the potential to create significant

impact across various industries. DeepTech solutions are characterized by their complexity, high level of technical expertise, and the potential to address complex challenges or create disruptive changes. These technologies often require substantial research and development efforts, long-term investment, and specialized knowledge to bring them from the lab to practical applications.

DeepTech in Philanthropy leverages cutting-edge technologies such as Data analytics, Big Data, AI, ML, Blockchain, predictive analytics, computer vision, IoT, and drones. This powerful combination revolutionizes philanthropic efforts by enabling data-driven insights, efficient resource allocation, transparent transactions, real-time monitoring, and targeted interventions. It empowers philanthropy to make a significant and sustainable impact on society.

Deeptech philanthropy companies take a more transformative approach to philanthropy. They aim to solve problems that have been historically difficult to address using conventional methods.

Non-tech / Conventional organization

Conventional/Non-tech in Philanthropy embraces simple, sustainable, and affordable solutions for meaningful impact. By prioritizing practicality, durability, and community building and participation, it addresses the needs of resource-constrained regions. Conventional interventions include innovative yet accessible approaches such as manual tools, renewable energy solutions, locally sourced materials, and traditional knowledge, fostering resilience and empowering communities. Additionally, it enables the creation of various platforms and applications to engage with the community, promoting accessibility to healthcare and facilitating community building.

Conventional technology-based philanthropy companies often focus on streamlining and enhancing existing philanthropic processes. They may create user-friendly donation platforms, fundraising websites, or donor management systems. The goal is to leverage technology to increase efficiency, accessibility, and transparency in the giving process. These companies may also provide tech solutions to help nonprofits with marketing, data analytics, and communication strategies.

Support Providers

If the entity, profit or non-profit, public or private, is focused on giving, it's classified under our framework as a support provider/donor. These are donors who play a key role in philanthropy by providing resources for beneficiaries to address the important needs of society.

They range from individuals, foundations, religious organizations, charitable trusts, and donor-advised funds to government-sponsored agencies and government grants, as well as impact and venture philanthropy investors. Their funding helps beneficiaries advance social causes, provide vital services, and transform lives.

Donors provide vital financial stability to non-profits, giving them the power to bring about change. Additionally, they can provide a voice to a cause and raise awareness, advocating for action and inspiring acts of generosity from others.

Donors

Donor organizations, also known as donor agencies or donor institutions, are entities that play a crucial role in the field of international development and humanitarian aid. These organizations are typically established by governments, intergovernmental bodies, or private foundations, and their primary objective is to provide financial, technical, and sometimes material assistance to countries or regions in need. The ultimate goal of donor organizations is to promote socio-economic development, alleviate poverty, and address pressing global challenges such as hunger, disease, and environmental degradation. While donor organizations primarily focus on providing financial aid, they also offer technical expertise, knowledge sharing, and capacity-building assistance to recipient countries and local organizations. To ensure transparency, accountability, and effectiveness, donor organizations often collaborate with governments, non-governmental organizations (NGOs), and other stakeholders in the development process. Additionally, they adhere to specific guidelines and frameworks to evaluate project impact, measure success, and make necessary adjustments to achieve their intended objectives.

Charities

Charities, as nonprofit organizations, play a significant role in various aspects of society. They are essential for addressing societal needs, promoting community well-being, and advancing public health. Charitable organizations operate with the purpose of improving community welfare and have the capacity to create a more educated and healthy society. They provide valuable services, matching those who can help with those in need, and contribute to sustainable efforts. Charities are not limited to providing necessities or assistance to marginalized groups but also engage in scientific research, public education, religion, and the arts. They strive to address common societal issues and give a voice to those who have been marginalized or lacked representation. Charities employ millions of people and work towards achieving their main goal of assisting groups that have been underserved. In the context of public health, health nonprofits are crucial in achieving core public

health goals such as improving health equity and quality of life. They raise funds to open community health clinics, conduct studies to identify health disparities, and provide specialized services for communities affected by natural disasters or extreme poverty. Overall, charities are vital in promoting social well-being, addressing environmental challenges, and advancing public health initiatives.

Inter-governmental Organizations (IGOs)

Inter-Governmental Organization refers to an international entity established through formal agreements between sovereign nations to address specific global issues and promote cooperation among member states. These organizations serve as platforms for diplomatic dialogue, negotiation, and collaboration on a wide range of political, economic, social, and environmental matters of mutual interest and concern. IGO organizations play a crucial role in facilitating multilateralism and fostering peaceful resolutions to conflicts, as they provide a forum for member states to voice their concerns, share information, and engage in collective decision-making. They can take various forms, including regional or global bodies, and cover diverse areas such as trade, security, human rights, health, and environmental protection. Typically, IGOs have a permanent secretariat and a decision-making structure that involves representatives from member countries. Their activities may include conducting research, setting standards, coordinating joint actions, providing technical assistance, and implementing programs and projects. By leveraging the diverse expertise and resources of member states, IGOs can tackle challenges that transcend national boundaries more effectively and efficiently than individual countries acting alone.

Donor-advised funds

Donor-advised funds trusts are a form of philanthropic giving that involve charitable organizations, tax-advantaged investment vehicles, and donors.

These trusts provide donors with the opportunity to give to their favorite charities and organizations while also reaping the benefits of their tax advantages. A donor-advised fund trust allows donors to make suggestions, such as which charities to give to, while still leaving final decisions in the hands of the organization responsible for managing the fund. Donors can make gifts of cash or stock, receive a tax benefit, and can even have their contributions remain anonymous. The organization managing the fund then takes the donor's suggestion and distributes the funds to the charity the donor has chosen. These funds are a popular way for donors to continually support the causes they care about as they can add to the fund or make suggestions for future distributions over time. Additionally, a donor-advised fund allows donors to make an setting the investment parameters of the fund and

giving to multiple charities at one time, creating an easy means of grantmaking for donors. Through donor-advised fund trusts, philanthropists can take part in charitable giving, receive a tax benefit, and help further their favorite causes.

Foundations

Foundations are non-profit organizations that support causes, projects, and people through grants and other forms of monetary and non-monetary assistance. Foundations are typically endowed by individuals, companies, or other institutions that have a large amount of assets. Foundations are uniquely positioned to support charitable causes through their granting capacity, and are typically operated by a team of dedicated staff and trustees. Foundations act as a source of stability and certainty, connecting organizations, initiatives, and individuals in need with resources to implement their programs. They provide overall guidance and financial support that allows non-profits and charitable organizations to pursue their goals. Foundations are also heavily involved in advocacy, social justice, and policy change, working to promote the mission of their organization. Foundations serve as a bridge between donors and recipients, making it easier for people to support causes that they care about. They promote community foundations, encouraging conversation and collaboration on effective solutions to some of the world's toughest problems. Foundations provide an important role in the philanthropy sector, playing a major role in helping create positive change and creating a lasting impact.

Government Agencies

Government-sponsored agencies play a vital role in the philanthropy sector. They are organizations created by the government with a mission to use tax dollars to support charitable activities. They are tasked with promoting the common good and providing assistance to the underprivileged and vulnerable. Government-sponsored agencies provide grants to eligible nonprofits and charities to support their operations and initiatives, assist in fund-raising efforts, establish partnerships with other organizations to increase impact, develop partnerships to maximize limited resources, and provide guidance on the best practices for philanthropy. They also work to promote and coordinate giving activities across the region. Government-sponsored agencies provide a platform to increase public awareness of philanthropy while simultaneously bringing in additional resources to strengthen organizations and the communities they serve. They strive to ensure philanthropic activities are transparent, ethical, and effective, and they can provide assistance with implementing strong financial oversight and laws. Furthermore, they work to promote collaboration between multiple organizations to create positive change in communities. Government-sponsored agencies are essential to the philanthropy sector, providing leadership, resources, and implementation power to ensure

communities and individuals benefit.

Religious Organisations

Religious organizations play an integral role in philanthropy because of their devotion to providing resources and services to help those in need.

They often partner with local businesses and government organizations to support a variety of philanthropic initiatives. Religious organizations can provide grants and donations for certain programs, charities, and causes that align with their beliefs and values. They may also participate in organizational fundraising, volunteer their time, and participate in advocacy work for social justice causes. They may also mobilize their members to advocate for changes in policy or regulations that help those in need. Religious organizations often provide assistance to those facing financial difficulty, such as housing for homeless individuals or food pantries. They may also offer educational and employment resources to those living in poverty or help rebuild communities impacted by natural disasters. Providing spiritual guidance and support through counseling, youth services, and other outreach initiatives is another way religious organizations support philanthropic efforts. Religious organizations may also chip in to fundraise for medical research and treatments, set up hospitals and clinics, and provide other healthcare services. These organizations may also provide aid and relief efforts after natural disasters, such as providing clean water medical supplies or helping rebuild homes and communities.

Individual Donors

Individual donors, often referred to as individual givers or philanthropists, are private individuals who voluntarily contribute their personal funds, time, or resources to support charitable causes, organizations, or initiatives. These generous individuals are driven by a sense of altruism and a desire to make a positive impact on society, often aligning their donations with causes that hold personal significance to them. Individual donors play a crucial role in the nonprofit sector and are instrumental in supporting a wide range of charitable activities, including social welfare, education, healthcare, environmental conservation, arts and culture, and disaster relief efforts. Unlike institutional donors or corporate giving, individual donors have the flexibility to support smaller grassroots organizations or niche causes that may not receive substantial funding from other sources. This diversity in their giving choices helps create a more inclusive philanthropic landscape and addresses a broader array of societal challenges. The rise of online crowdfunding platforms and digital giving methods has significantly facilitated individual giving, allowing donors to connect

directly with causes they care about, track the impact of their donations, and engage with nonprofit organizations more intimately. Overall, individual donors are a driving force behind the philanthropic ecosystem, shaping the landscape of charitable giving and making a meaningful difference in the lives of countless individuals and communities worldwide.

Investors with Purpose

Impact Investors

Impact investors are a type of investor that seeks to make positive social or environmental change, as well as achieve a financial return, through their investments. They are individuals, private foundations, companies, and other institutional investors that are committed to investing in support of the Sustainable Development Goals (SDGs) of the United Nations. Impact investors commit “patient capital” to social and environmental causes, meaning they look for long-term social or environmental returns, rather than a fast financial return. Impact investing focuses on those underserved by traditional funding sources, primarily small businesses, startups, and nonprofits. By engaging in impact investing, businesses can access capital to grow and create jobs, while contributing to the well-being of the societies and ecosystems in which they operate.

Impact investors prioritize measuring and optimizing both their social and financial returns and look to use financial performance data as an input to drive funding decisions. They may pay particular attention to markets such as renewable energy or social enterprise, which can provide measurable, positive social and/or environmental effects. Their investments may also be sector-specific such as in education, healthcare, and technology.

Venture Philanthropy Investors

Venture philanthropy is an approach to philanthropy that borrows principles from venture capital and applies them to the nonprofit sector. Traditionally, philanthropy involves making donations to charitable organizations and causes. However, venture philanthropy takes a more proactive and strategic approach to creating social impact by adopting business-oriented practices.

In the context of venture philanthropy, investors are individuals, foundations, or organizations that provide financial and non-financial support to social enterprises and nonprofit organizations. These investors are looking for ways to maximize the social impact of their giving by applying concepts commonly used in the for-profit

world, such as measuring outcomes and results, providing ongoing support and guidance, and fostering innovation and scalability. By combining the best practices from both the business and nonprofit sectors, venture philanthropy investors seek to create meaningful and lasting change in society, just as venture capitalists aim to generate financial returns for their investments.

Social Investment Funds

Social Investment Funds are a type of investment fund that pool capital from investors to finance non-profit organizations. These funds aim to address pressing social issues, such as poverty, education, healthcare, and the environment. The funds invest in organizations that are focused on creating positive social impact, and they provide financing with a long-term repayment schedule, known as "patient working capital." The investments made by Social Investment Funds are made with a double bottom line approach, which means that they seek both financial returns and positive social impact. The funds can invest in a variety of financial instruments such as equity, debt, and guarantees, and can be structured as closed-end or open-end funds. These funds are often considered alternative investments because they are not traded on traditional public markets. They support organizations that have a positive impact on society while also generating a financial return for investors. The funding provided can be used to help non-profit organizations grow and scale their impact, develop new programs or products, or address operational challenges. By providing patient working capital, Social Investment Funds help non-profit organizations achieve long-term sustainability. Overall, Social Investment Funds are an important component of the investment landscape, as they provide a way for investors to support positive social impact while also generating financial returns.

Value Banking

Value Banking is an increasingly important subcategory of Investors with Purpose in the Global Philanthropy Ecosystem, with a unique focus on supporting economic, social, and environmental development. These banks and financial institutions strive to create positive impacts on society and the environment through their activities, and are committed to promoting sustainable development. Value Banks provide innovative financing solutions, such as impact investing and venture capital funds. These financing options are designed to support and invest in businesses and projects that are aligned with the bank's social and environmental objectives, and have the potential to create positive impacts for both the economy and society. One of the key aspects of Value Banking is that they actively seek out investment opportunities that align with their values, and use their resources to drive positive change. They also promote financial inclusion by providing access to banking services and credit to those who may not have had such access before. Furthermore,

Value Banks prioritize sustainability in their own operations, by implementing environmentally-friendly practices and reducing their carbon footprint. This includes offering green financial products and services, as well as actively investing in renewable energy and other sustainable projects.

Activity Sectors

Agriculture and Food Security

The Agriculture and Food Security sector refers to the broad array of activities, practices, and policies aimed at ensuring a stable and sustainable food supply for a growing global population. It encompasses various aspects, including agricultural production, distribution, processing, marketing, and consumption, as well as efforts to address issues such as hunger, malnutrition, and food safety.

Philanthropy plays a crucial role in supporting the Agriculture and Food Security sector by providing financial resources, expertise, and innovative solutions to address the complex challenges it faces. Philanthropic organizations, such as foundations and private donors, invest in research and development of improved agricultural practices, new technologies, and sustainable farming methods. They also support initiatives that enhance smallholder farmers' productivity and resilience to climate change, bolstering food production in vulnerable regions.

In summary, the Agriculture and Food Security sector is critical for global well-being, and the support of the philanthropy industry is instrumental in driving innovation, empowering communities, and fostering a more sustainable and equitable food system.

Humanitarian Assistance

Humanitarian Assistance is a crucial subcategory of Social Enterprise within the Global Philanthropy Ecosystem. These organizations work tirelessly to assist individuals and communities in crisis, who are often affected by natural disasters, conflict, or displacement. They provide crucial support to save lives, alleviate suffering, and maintain human dignity in the most difficult of circumstances. Humanitarian aid organizations cover a wide range of areas such as food, shelter, healthcare, water, and sanitation. They work to provide basic needs such as food, water, and shelter to those affected by crises. They also provide emergency healthcare and medical assistance, including mobile clinics, vaccinations, and trauma care. In addition, humanitarian aid organizations work to ensure that affected communities have access to clean water and sanitation facilities, which are critical

to preventing the spread of disease. One of the key ways that humanitarian aid organizations provide assistance is by delivering emergency relief supplies to those in need. This can include items such as food, shelter materials, hygiene kits, and medical supplies. Humanitarian aid organizations work to ensure that these supplies are distributed in a timely and efficient manner to those who need them most.

Economic Growth and Trade

The Economic Growth and Trade sector refers to a crucial aspect of a country's economy that focuses on promoting sustainable development, increasing productivity, and enhancing global trade relations. It involves policies, initiatives, and strategies aimed at fostering economic expansion, creating jobs, boosting exports, and attracting foreign investments. This sector plays a pivotal role in driving overall economic prosperity and improving living standards for citizens.

The philanthropy industry plays a significant role in supporting the Economic Growth and Trade sector through various means. Philanthropic organizations and individuals can provide financial assistance to small and medium-sized enterprises (SMEs) and startups, which often face challenges accessing capital from traditional sources. By offering grants, loans, or investments, philanthropists can empower these businesses, encouraging innovation and job creation. Furthermore, philanthropic initiatives can address social and environmental issues that impact economic development. For instance, investing in healthcare, clean energy, and sustainable agriculture not only improves the well-being of communities but also enhances their resilience to economic shocks.

Global Health

Healthcare and support organizations are dedicated to improving the well-being of individuals and communities by ensuring access to quality medical services. They work to enhance the healthcare system and provide services to populations in need, including those in remote and underserved areas. These organizations strive to make healthcare affordable and accessible to everyone, regardless of their socio-economic status, by providing medical consultations, check-ups, and treatment at little or no cost. In addition to improving the healthcare system, these organizations offer support services to individuals and families facing health-related challenges. They provide emotional and psychological support, as well as practical assistance, to help people cope with illness, disability, and other health issues. They also offer education and training programs that promote healthy living and self-care, as well as help people develop the skills and knowledge they need to manage their health effectively. Through their work, healthcare and support organizations strive to improve the health and well-being of individuals and communities, reduce health

disparities, and promote access to quality medical services. By investing in healthcare and support services, these organizations help to build healthier and more resilient communities, and contribute to the overall development and prosperity of society.

Environment, Energy and Infrastructure

The Environment, Energy, and Infrastructure sector encompasses the protection of natural resources, energy production, and physical structures vital for human activities. It addresses climate change, biodiversity conservation, renewable energy adoption, and resilient infrastructure development. Philanthropy plays a vital role in supporting this sector by providing funding, expertise, and advocacy. Through philanthropic efforts, research, and innovation, sustainable practices and technologies are promoted, fostering eco-friendly solutions. Philanthropic organizations drive public awareness and support for environmental and infrastructural projects, encouraging collaboration between governments, businesses, and civil society. Such strategic philanthropy facilitates progress towards a more sustainable and resilient future, benefiting communities and the planet alike.

Anti-corruption

The Anti-Corruption sector encompasses activities and organizations working to combat corruption in public and private spheres. It involves government agencies, NGOs, law enforcement, and civil society collaborating to prevent, detect, and deter corrupt practices. The philanthropy industry supports this sector by providing financial assistance to anti-corruption initiatives, enabling the creation of watchdog groups, and funding awareness campaigns. Philanthropic efforts also promote good governance through capacity-building projects, strengthening legal frameworks, and encouraging ethical business practices. By mobilizing public support and fostering transparency and integrity, philanthropy plays a vital role in the ongoing fight against corruption.

Innovation, Technology and Research

The Innovation, Technology, and Research sector encompasses advancements in technology, scientific discoveries, and cutting-edge research, driving progress and addressing complex challenges. Philanthropy supports this sector by providing financial resources to fund research initiatives and startups that may not receive sufficient funding otherwise. It fosters collaboration among institutions and organizations, accelerating the pace of innovation. Additionally, philanthropy promotes inclusivity and equitable access to technology and research opportunities, ensuring diverse communities benefit from advancements. By investing in education

and training, philanthropy nurtures a skilled workforce capable of driving breakthroughs. Ultimately, the combined efforts of the sector and philanthropy contribute to sustainable development, improving the quality of life for individuals and society.

Education

The Education sector encompasses institutions and initiatives dedicated to learning and knowledge acquisition. It includes formal education systems like schools and universities, as well as informal learning environments and vocational training. Education fosters personal development, critical thinking, and societal progress, reducing poverty and providing opportunities for marginalized communities.

The philanthropy industry plays a vital role in supporting education. Through financial resources, expertise, and technology, philanthropic organizations and individuals enhance educational access and quality. They fund scholarships, establish institutions, and promote research. Philanthropy also targets underserved communities, promoting inclusivity and collaboration with governments and non-profits. By driving innovation and strengthening the sector, philanthropy empowers learners and society as a whole.

Democracy Human Rights and Governance

The Democracy, Human Rights, and Governance sector aims to promote democracy, protect human rights, and strengthen good governance practices. It upholds fundamental rights, accountability, and citizen participation, working on issues like electoral reform, gender equality, and minority rights.

The philanthropy industry supports this sector through financial contributions to NGOs, think tanks, and initiatives addressing these challenges. Philanthropic funding enables projects that strengthen democratic institutions, protect vulnerable populations, and promote transparent governance. Additionally, philanthropists act as influential advocates, leveraging their networks and resources to bring attention to human rights violations and push for policy reforms. Through their support, the philanthropy industry significantly contributes to advancing democracy, human rights, and governance globally.

Gender Equality and Women's Empowerment

The Gender Equality and Women's Empowerment sector aims to promote equal rights and opportunities for all genders, with a specific focus on advancing women's rights and social standing. It works to eliminate gender-based discrimination, bias, and violence, fostering an inclusive environment for all individuals.

The philanthropy industry plays a crucial role in supporting this sector. Through financial resources, expertise, and advocacy, philanthropic organizations and individuals fund initiatives that address gender disparities and women's rights. They support projects focusing on education, healthcare, economic empowerment, and political participation for women.

Philanthropists also influence policy-making, push for legal reforms, raise awareness, and challenge societal norms that perpetuate gender inequalities. By driving this transformative agenda, they contribute to creating a more just and equitable world for everyone.

Conflict Prevention and Stabilization

The Conflict Prevention and Stabilization sector aims to proactively address the root causes of conflicts before they escalate. It employs diplomatic, developmental, and humanitarian strategies to promote sustainable peace.

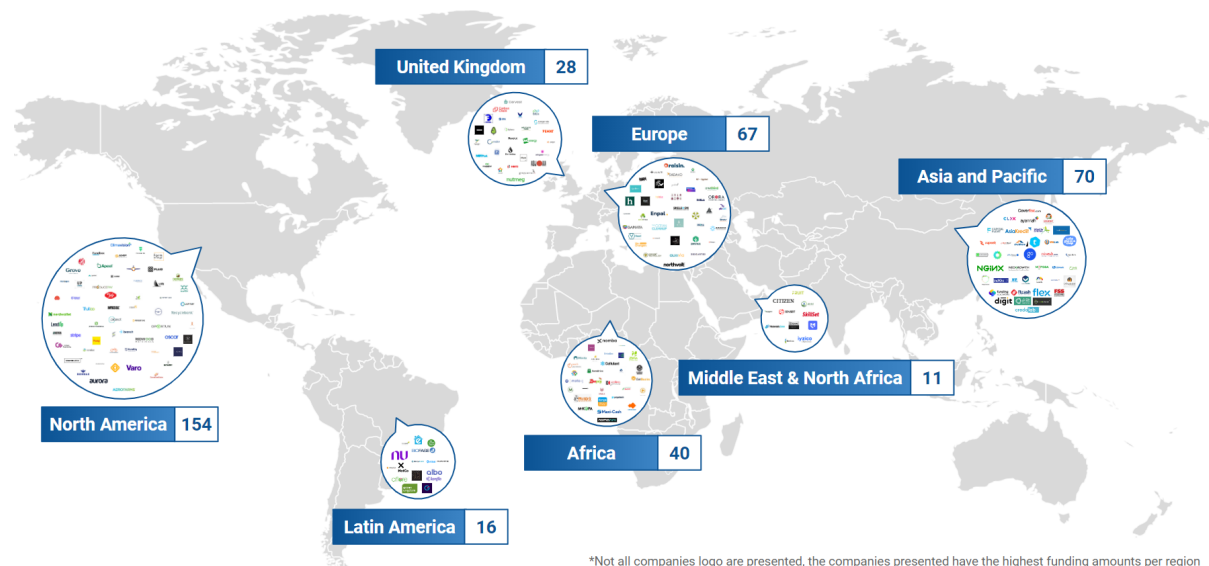
The philanthropy industry supports this sector by providing financial resources, expertise, and innovative ideas. Philanthropic organizations fund research, peacebuilding projects, and capacity-building for local peacebuilders. Their collaboration with the sector enhances efforts to prevent and mitigate conflicts, fostering lasting peace and stability in at-risk regions.

Water and Sanitation

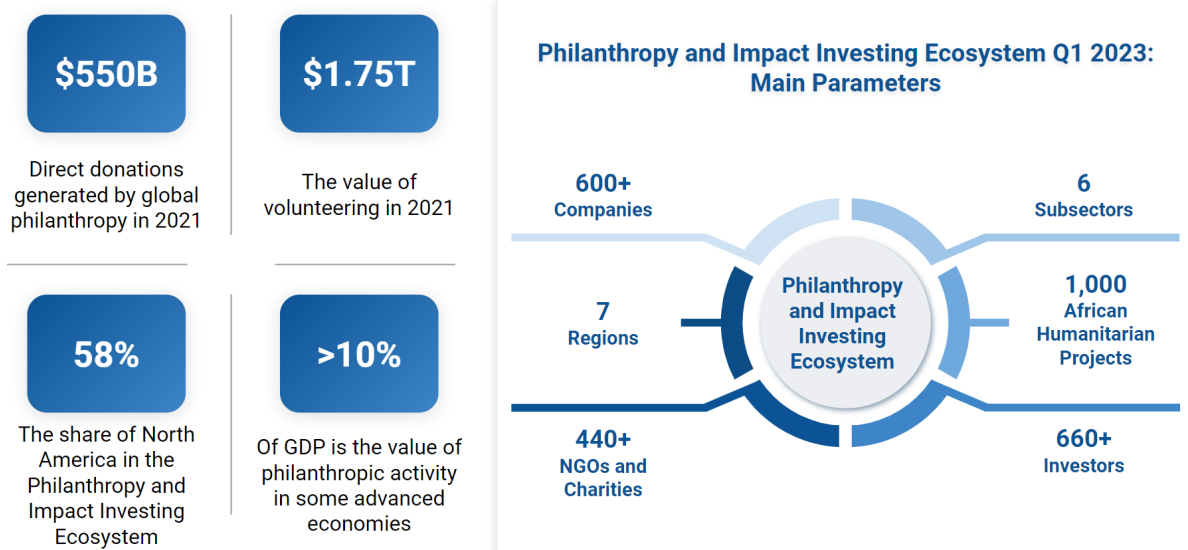
The Water and Sanitation sector ensures access to clean water, proper sanitation, and hygiene practices. It plays a crucial role in public health and quality of life improvement, particularly in underserved regions. This sector involves building and maintaining water supply systems and promoting hygiene education. The philanthropy industry supports the Water and Sanitation sector through financial resources, expertise, and advocacy. Philanthropic organizations and individuals fund projects such as water purification systems, wells, and hygiene education initiatives in disadvantaged areas. They also aid in developing sustainable solutions and community outreach efforts. By collaborating with governments and non-governmental organizations, philanthropy strengthens the sector's capacity to address challenges and bridge funding gaps. These efforts contribute significantly to improving public health and empowering communities with equitable access to clean water and sanitation facilities.

Philanthropy Ecosystem Market Overview

Philanthropy Start-ups by Region*



Philanthropy and Impact Investing Landscape Overview

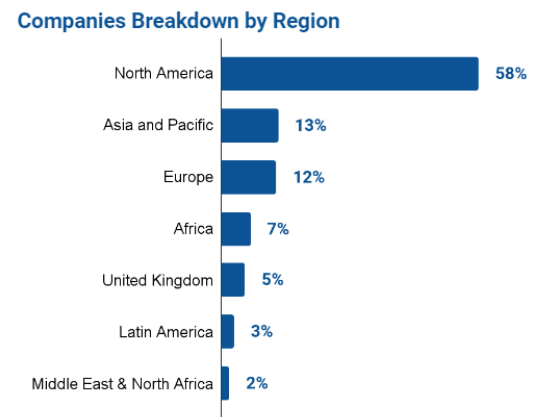
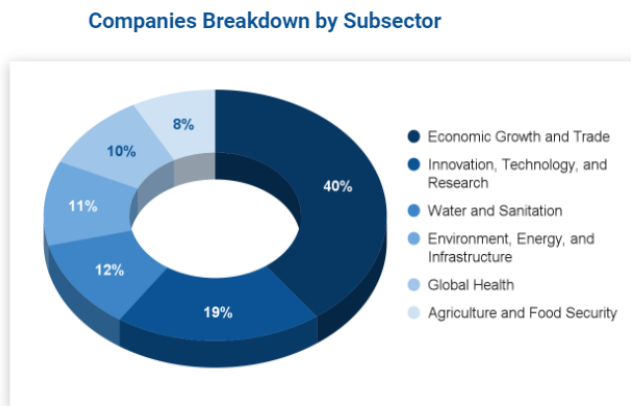


Subsector and Regional Distribution of Philanthropic Companies in 2023

Financial Inclusion is the largest category in the Philanthropy and Impact Investing Ecosystem, comprising 40% of all analysed companies. The second and the third

biggest types are Sustainable Development and Nature and Climate Protection, with a share of 19% and 12%, respectively.

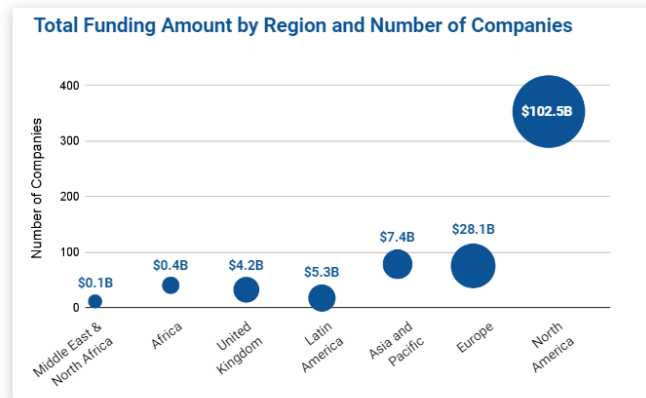
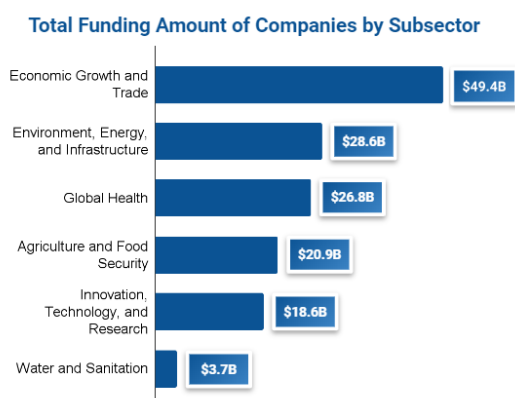
The majority of the ecosystem companies (58%) are based in the North America region with the US as a leading country. Asia and Pacific is the second biggest region accounting for 13% from the total number of companies. Europe has the third place with 13%.



Companies Funding in 2023

As of April 2023, the total funding of Philanthropy companies reached \$150B globally. Being the largest category by the number of companies, Financial Inclusion is also leading by the total funding amount, which is reaching almost \$50B.

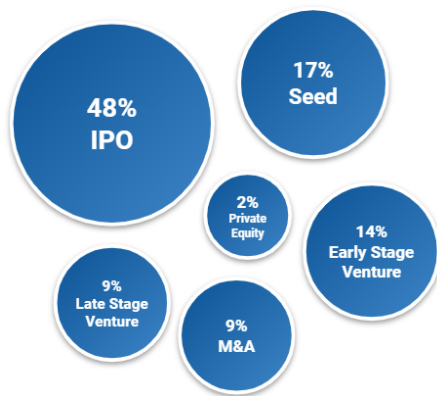
North America is the undisputed leader by funding, with total value at \$102.5B. With nearly equal number of companies in Europe and Asia & Pacific regions, funding in Europe is almost four times larger.



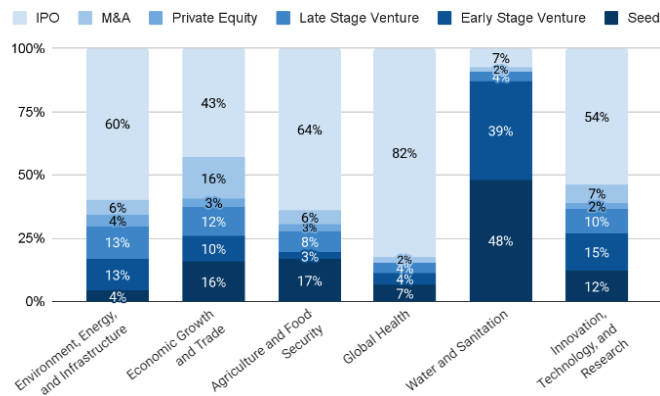
Funding Status of Philanthropy Companies in 2023

Given the funding status of companies in the philanthropy ecosystem, IPO is the major type, comprising almost a half of the general quantity. Subsector-wise, the funding status structure of companies is very differentiated. Notably, IPO is the main status for five out of six subsectors, accounting for 43-82%, depending on subsector. Nature and Climate Protection is an exception, for which Seed stage (48%) and Early Stage Venture (39%) are leading.

Companies Share by Funding Status



Companies Breakdown by Subsector and Funding Status



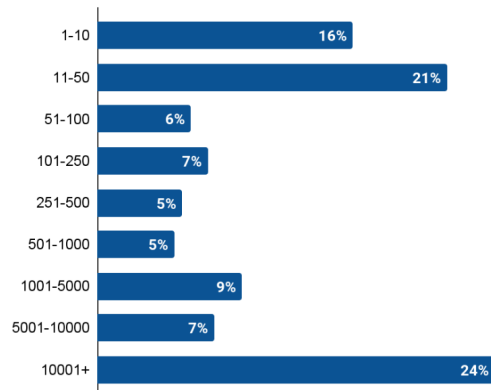
Companies Analysis by Staff Number and Revenue in 2023

Analysis of companies by employee number shows predominance of small and large companies, while medium-size are less presented.

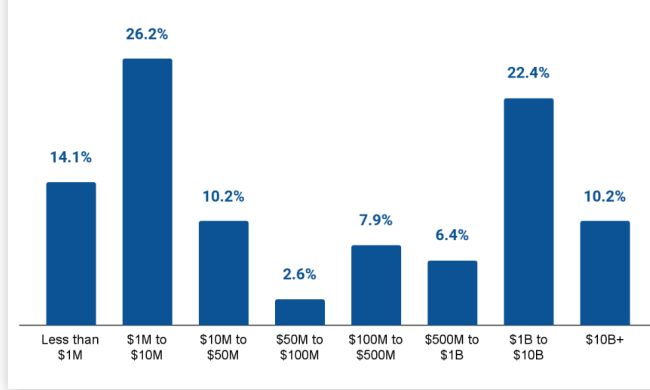
In particular, the share of organizations with staff of 1-50 people is 37%, and with personnel of 1000 and more is 40%.

By the revenue range, the two largest groups are \$1M-\$10M (26.2% of all companies) and \$1B-\$10B (22.4%).

Companies Grouping by Number of Employees



Companies Distribution by Estimated Revenue

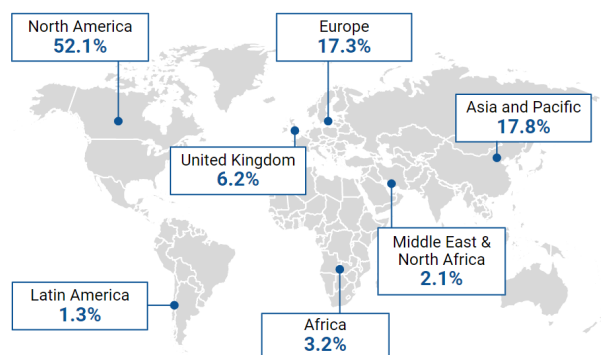


Investors Overview

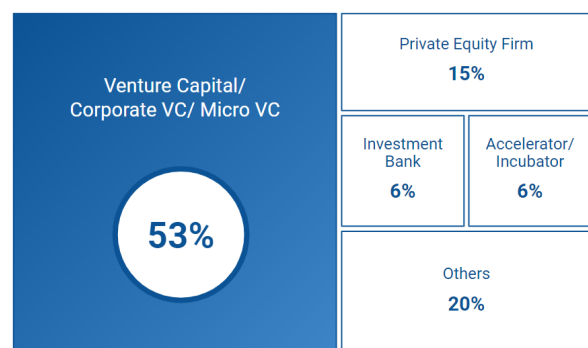
As a global investment hub, North America is extremely active in financing companies from Philanthropy and Impact Investing Ecosystem, with a share of 52.1% in total number of investors, including powerful accelerators like Y Combinator, Techstars, MassChallenge, 500 Startups, SOSV, and others. The Asia & Pacific region is the second largest by investor quantity with 17.8%, including IDG Capital, ZhenFund, and Sequoia Capital India. European investment organizations comprise 17.3%, including EASME and Venture Kick.

Venture Capital firms dominate in investors' structure by type with a share of 53%.

Distribution of Investors by Region, 2023



Investors Share by Type



Advancing Technologies and Impact on Philanthropy

There are huge opportunities for philanthropic organizations in the digital future, and they will also play an important role in managing and ensuring the equity of the digital transition.

Opportunities

- Digitize the donor, service user, and volunteer experience.
- Use data to measure impact, deepen engagement, and improve transparency.
- Active in growing digital literacy.

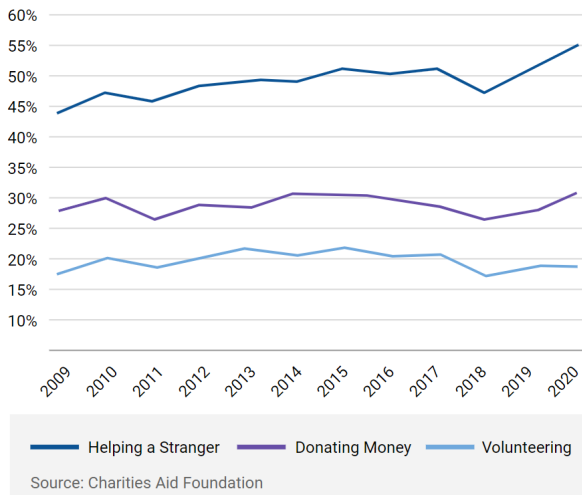
Challenges and Solutions

- A lack of awareness of new technology benefits - Data specialist consultancies can help implement strategic change.
- A lack of skilled staff - Corporates can provide in-kind donations of time and skills.

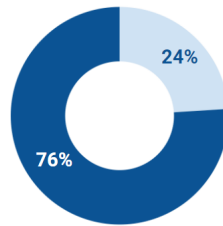
- Programmatic funding limits operational investments, including technology - Extend time horizons for impact measurements to include technological benefits.

Drivers for Philanthropy

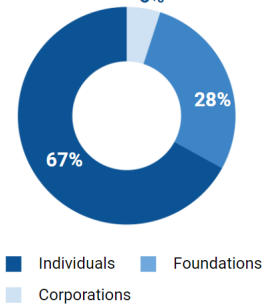
Number of People Donating Money, Time or Helping Strangers



Three-Quarters of Donations Globally are in Time Volunteered¹



The Majority of Cash Donated Comes from Individuals¹



The number of people donating money or volunteering around the world has been relatively stable over the last 20 years. In addition, over the last decade, an increase in aid to strangers has been seen, especially during the pandemic, which indicates that the mood for charity could grow.

Philanthropy Forecasts

The evolving geopolitical landscape, the rapid creation of new wealth, and a greater awareness of how philanthropy can bring about social change have already led to exciting innovation and new thinking. This affects approaches to aid delivery and social responsibility initiatives around the world.

Three Principal Drivers That Could Indicate a Turning Point This Decade

1. Growing Middle Class

- By 2030, 2.4 billion people will enter the middle class worldwide.
- Spendings are expected to double to nearly \$64T.
- Shifting 0.5% of the cost of charitable donations increases annual donations by \$319B a year.

2. Rise of Women as Philanthropists

By 2035, women will inherit 70% of intergenerational wealth transfer. Women are more likely than men to:

- Support equality
- Distribute donations to more charities and sectors
- Make donations without restrictions

3. Post-Pandemic Reset of Donation Expectations as Inequality Increases

The pandemic is thought to have exacerbated inequality through:

- Reducing access to education
- Increasing gender imbalance