Inside **Philanthropy**

The State of American Philanthropy

Wall Street Giving

ABOUT INSIDE PHILANTHROPY

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ABOUT THE STATE OF AMERICAN PHILANTHROPY

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EXECUTIVE SUMMARY

Giving associated with the financial services industry—by individuals as well as by institutions—has soared over the past decade. This paper explores the philanthropy of both. It looks at the growing flow of gifts from ultra-high-net-worth donors who've made their money in hedge funds, private equity and other parts of Wall Street, a term still broadly used to refer to the financial services industry even though few of the biggest firms are still headquartered in downtown Manhattan. We will also explore giving by the leading banks, including JPMorgan Chase, Citi, and Wells Fargo. Key points in the paper include:

Individual Donors

- Some of America's leading philanthropists have made their fortunes in finance. But legions of smaller donors who aren't well known—often operating through donor-advised funds or family foundations without websites—have also emerged from finance.
- Many billionaire donors from Wall Street have substantially increased their giving in recent years,
 joining the Giving Pledge, creating foundations, and making larger gifts.
- A handful of individuals who made their fortunes on the crypto market have become prominent in philanthropy. Some of their donations are in cryptocurrency, creating a novel situation for the recipient nonprofits.
- Top donors from finance often steer their largest contributions to leading universities, museums and other prestigious institutions. But a growing number of these philanthropists are also focused on complex challenges and engaging in more sophisticated giving to drive impact.
- Wall Street donors heavily favor giving for education, medical research and the arts. Other growing
 priorities such as climate change and poverty with some focusing on poverty alleviation or family
 wealth-building and others on systemic changes are gaining momentum.

Institutions

- Many top banks and financial institutions have increased their giving and adopted a more focused, strategic approach to philanthropy. This can be traced back to the 2008 financial crisis, when banks paid penalties for abusive lending practices and were held to higher public scrutiny.
- Promoting inclusive economic growth is a core philanthropic priority of banks. This includes cash
 grants, in-kind support and lending for workforce development, spurring small business creation,
 building affordable housing and helping individuals build financial assets.
- Beginning with their response to COVID-19 in 2020 and continuing to varying extents in the years
 after, banks increased lending relief for small businesses and homeowners in low-income
 communities.
- Likewise beginning in 2020 and in response to the racial justice protests, banks announced major commitments to racial equity through both philanthropic and financial capital. We will explore this new focus on racial equity and whether banks are following through with their stated commitments.



Introduction

One of the biggest stories in philanthropy over the past two decades has been the emergence of a new class of ultra-wealthy givers. While these donors have made their money in a variety of industries, leaders from technology and finance—two lucrative sectors that have seen the creation of vast new riches—have been at the forefront of today's new era of big philanthropy.

This paper explores recent giving that has its roots in Wall Street wealth. Some of America's best known and prolific philanthropists have made their fortunes in finance, including Warren Buffett, George Soros, Ray Dalio, and John Arnold. But legions of smaller donors who aren't well known—often operating through donor-advised funds or family foundations without websites—have also emerged from finance. And like the industry in which they work, these donors aren't just concentrated in the New York area. They can be found across the country.

The story of surging giving by Wall Street winners reflects a larger story of the financialization of the U.S. economy over recent decades—a trend that's seen the enormous growth of the size of the finance sector and the wealth it generates for top earners. The proliferation of hedge funds and private equity firms has played an especially important role in generating historic fortunes. These same industries, according to many critics, fuel trends in the economy that hurt ordinary Americans, such as excessive risk-taking leading to market crashes, and the relentless pressures to keep down wages and benefits at publicly traded

companies. Philanthropy based on Wall Street wealth is thus an area that can feel rich in contradictions.

This paper leaves aside the question of how the financial sector could be better regulated to reduce financial instability and growing inequality. Instead, it looks at a who's who of Wall Street donors, explaining how they made their fortunes, how much they're giving away, and which charitable priorities they favor. This paper also explores the institutional philanthropy of the largest banks and financial industry firms. Giant banks like JPMorgan Chase, Citi and Wells Fargo have active philanthropic arms that engage in increasingly sophisticated grantmaking, often designed to drive social impact in ways that align with core competencies and advance the bottom line.

This more strategic approach has big implications for nonprofits. Some grantees long favored by big banks have seen less support, while nonprofits in sync with the new philanthropic strategies have benefitted from infusions of grant money and in-kind support. Large financial institutions also increasingly provide funding during periods of crisis. Most of the major banks stepped up in 2020 with funding in response to the coronavirus pandemic and the racial justice protests. And in the era of increasingly frequent and potent hurricanes and wildfires, the big banks and financial institutions are prominent funders of relief and recovery efforts.

Philanthropy by individuals and institutions associated with the financial services industry is likely to grow in coming years. Understanding



this rising tide of giving is essential for nonprofits looking to find new supporters. It's also important for other funders to understand the prodigious philanthropy coming out of finance and the opportunities that may exist to collaborate with deep-pocketed players in this space.

Individual Donors

According to data from the U.S. Bureau of Economic Analysis, the percentage of GDP generated by the U.S. financial sector and related industries has doubled over the last 65 years, from 10% in 1947 to over 20% by 2022. The U.S. financial sector's rapid acceleration has given rise to one of the largest concentrations of wealth in the world, and has minted numerous billionaires in the process.

According to data from *Forbes*, over 15% of the world's billionaires made their money in finance and investments, far more than any other industry represented on the Forbes list. In the U.S., billionaires who made their money in finance hail from nearly two dozen U.S. states—a testament to the geographic dispersion of the finance industry across the U.S. (although a preponderance live in New York and California). Winners from the finance industry are also heavily represented in the broader ranks of ultrahigh-net-worth individuals who have investable assets of at least \$30 million.

Given this vast concentration of wealth, it's no surprise that there are so many active top philanthropists from finance. According to the *Chronicle of Philanthropy*, 13 of the 50 biggest donors of 2023 came from finance and investing,

Donor Spotlight: Warren Buffett "The Oracle of Omaha"

Warren Buffett has long been considered one of the savviest investors in the world. He is equally known for his thrifty lifestyle and commitment to give away almost all of his wealth to philanthropy, which has historically included the Gates Foundation. Over the years, Buffett has gifted over \$39 billion to the foundation. With a fortune now estimated at \$127 billion, his planned posthumous giving no longer includes Gates. He has announced that upon his passing, his wealth will be transferred to a charitable trust overseen by his children Howard, Susie and Peter. The three will decide unanimously how to distribute the funds.

more than any other industry by far. Data collected on charitable gifts of at least \$1 million tell a similar story. In 2019, roughly 140 such gifts were made by individuals whose wealth was entirely or mostly from finance—out of 782 donations or pledges recorded that year.

Membership in the Giving Pledge offers another indication of the philanthropy of Wall Street winners, along with insights into the future of the biggest fortunes made in finance. Numerous billionaires and active philanthropists from this sector have joined the pledge—committing to devote at least half of their wealth to



philanthropy—including Bill Ackman, Warren Buffett, Toby Cooperman, Ray Dalio, Carl Icahn, Stephen Schwarzman, and David Rubenstein.

Despite many high profile philanthropists from Wall Street and public pledges of more giving to come, an analysis by Forbes paints a decidedly mixed picture of the generosity of billionaires from finance, relative to their overall wealth. Every year, *Forbes* assigns a philanthropy score to the 400 richest Americans from 1 to 5, with 5 being the highest. Billionaires whose lifetime giving surpassed 20% of their wealth got a score of five, those who've given away between 10% and 20% got a four, and so on, down to the ones who have given away less than 1% of their wealth.

Of the more than 120 U.S. billionaires who got rich from finance and investments, just 8 of them had a philanthropy score of 4 or 5 on the Forbes 400 list for 2023. Thirty had scores of 1, and the rest were in between. While generosity seems to be rare among this set, it's notable that three of the most generous billionaires with a score of 5 (Warren Buffett, George Soros, and John Arnold) hail from the financial sector.

To be clear, the meager giving by billionaires from finance is not special to this industry. Of the *Forbes* 400, only 11 billionaires received a score of five in 2023, and 20 received a four.

Approaches to Giving and Top Priorities

It's not easy to generalize about philanthropists from finance. They take a variety of approaches to giving and embrace a wide spectrum of priorities. That said, a few key patterns are clear in how these donors operate—both what kinds of gifts they make and what issues they work on.

Support for the Arts, Higher Education and Medicine

Givers from finance frequently make major donations to top universities, medical centers, and cultural institutions. For example, hedge fund manager John Paulson made headlines with a \$400 million gift to Harvard, the largest in the university's history. Paulson previously drew attention for a \$100 million gift to the Central Park Conservancy, a cause favored by many givers from finance. Another hedge funder, Steve Cohen, has made large gifts to the Museum of Modern Art, New York-Presbyterian Hospital, and NYU. The hedge fund billionaire Daniel Och has given \$75 million to NewYork-Presbyterian Hospital's spine hospital, which was renamed the Daniel and Jane Och Spine Hospital.

Finance winners are heavily represented on the boards of top art museums and other cultural institutions. The private equity billionaire Leon Black previously served as chair of MoMA and gave the institution \$40 million in 2018. He gave more, \$48 million, to Dartmouth University's Visual Arts Center, which was renamed the Black Family Visual Arts Center. Subsequent controversy surrounding Black highlights the potential drawbacks when prominent institutions rely so heavily on individual donors: in 2021, it was revealed that Black paid \$158 million to convicted sex offender Jeffrey Epstein. Black was forced to step down from his role as MoMA chairman. Despite campus protests, Dartmouth did not rename its Arts Center.



Another major figure from private equity, Henry Kravis, has long supported the Metropolitan Museum of Art—to the point that a wing of the museum is named after him. Kravis has also made \$100 million gifts to three other prestigious institutions in New York: Memorial Sloan-Kettering Cancer Center, Columbia Business School, and Rockefeller University. Meanwhile, the private equity winner Steven Schwarzman has made news with his nine-figure gifts to Yale University, MIT, Oxford University, and the New York Public Library. All told, winners from finance made more than 50 gifts of \$10 million or more to arts institutions between 2006 and 2020—mostly to well-known organizations.

Major Wall Street donors have given even more to colleges and universities, making more than

Donor Spotlight: Sanford & Joan Weill



"Our Pledge is this: We will continue to give away all of the wealth we have been so fortunate to make except for a small percentage allocated to our children and grandchildren between now and the time we pass because we are firm believers that shrouds don't have pockets."

—Sanford & Joan Weill, Giving Pledge Letter

80 gifts of at least \$50 million to these institutions between 2005 and 2020, with some of the largest of these gifts going to fund medical schools and research centers on campus—an important priority for many finance givers. For example, former Citi chair Sanford Weill has been a huge donor to Cornell University's Medical College—most notably a \$250 million gift in 2007 that resulted in the school being named after him. Sanford and Joan Weill also gave \$185 million in 2016 to start the Weill Institute for Neurosciences at the University of California San Francisco. The hedge-funder David Tepper has given over \$115 million to his alma mater, Carnegie Mellon. Financier Ron Perelman made a \$225 million gift to the University of Pennsylvania's medical school, which was renamed after his parents. Other major gifts to medical institutions include two by the hedge-funder Stanley Druckenmiller and his spouse, Fiona: in 2009, \$100 million to establish a neuroscience institute at NYU Langone, and in 2022, a \$100 million pledge to the Memorial Sloan Kettering Cancer Center.

Citadel founder Kenneth Griffin has gained a reputation for massive gifts to established museums and universities. These include a 2017 gift of \$125 million to the University of Chicago's economics department (now the Kenneth C. Griffin Department of Economics), a 2019 gift of \$125 million to the Museum of Science and Industry in Chicago (now the Kenneth C. Griffin Museum of Science and Industry), and a 2023 gift of \$300 million to Harvard University (its graduate school of arts and sciences will now be known as the Harvard Kenneth C. Griffin Graduate School of Arts and Sciences).



Climate Change and the Environment

Climate change has been a central focus for many of Wall Street's top donors. Increasingly, financial donors and institutions are widening their understanding of what constitutes "climate giving" by folding community sustainability initiatives—like green urban development and sustainable agriculture—into their environment programs. Wall Street winners have also given a boost to conservation efforts, both domestically and internationally, as well as bankrolling growing efforts to protect the oceans.

Between 2003 and 2017, about a dozen top Wall Street philanthropists donated \$2 billion to environmental causes collectively. The result has been a transformation of the environmental funding landscape that has dramatically expanded the reach of leading green groups like the Environmental Defense Fund and the Sierra Club.

Here are six of the top Wall Street donors supporting environmental causes:

Nat Simons. Nat is the son of Renaissance
Technologies founder Jim Simons. Nat and Laura
Baxter-Simons established the Sea Change
Foundation in 2006. Sea Change is one of the
biggest funders in the climate and energy space.
Nat has said that he plans to give between \$50
and \$75 million per year toward Climate
Foundation International, which does mitigation
and clean energy work.In 2011, the couple
launched the Bermuda-based Sea Change
Foundation International, with common climate
and energy goals as the Sea Change Foundation.

The Robertson family. Prior to his death in 2022, Julian Robertson, once known as "the Wizard of Wall Street," had been one of the largest donors to the Environmental Defense Fund, with at least \$150 million in total support. Today, The Robertson Foundation is guided by a board made up primarily of the founder's sons and their spouses, and the environment remains one of the foundation's three core funding areas.

Top Wall Street Donors:
Environmental Causes

Nat Simons & Laura Baxter Simons
(Sea Change Foundation)

The Robertson Family
(Robertson Foundation)

Michael Bloomberg
(Bloomberg Philanthropies)

Ray Dalio & Barbara Dalio
(Dalio Philanthropies)

Jeremy Grantham
(Grantham Foundation for
Environmental Protection)

C. Frederick Taylor
(Sequoia Climate Foundation)

Michael Bloomberg. A former investment banker, Bloomberg made his fortune by selling financial data and has emerged over the past decade as one of the nation's biggest climate change donors. Bloomberg gave \$500 million to the Sierra Club to bankroll its work to close coalfired power plants. Bloomberg is also a major contributor to ocean protection efforts, and in recent years, Bloomberg Philanthropies has forged unique partnerships with the private



sector to drive sustainability and clean energy development. This includes a 2023 coalition with Sustainable Energy for All, African Climate Foundation, ClimateWorks Foundation and others in the hopes of leveraging \$850 million in clean energy manufacturing investments across Africa. Bloomberg's also partnering with Goldman Sachs to unlock another \$500 million for clean energy. And in 2022, Bloomberg launched its Beyond Petrochemicals campaign with an initial \$85 million investment.

Jeremy Grantham. The British-born investor established one of the first index funds in the early 1970s. His Grantham Foundation for the Protection of the Environment has been giving about \$30 million per year to dozens of nonprofits in the space. In 2019, Grantham announced plans to donate \$1 billion—or roughly 98% of his current wealth—to fight the effects of climate change.

C. Frederick Taylor. This major new climate funder is one of three founders of the TGS Management hedge fund. Not one to seek the public spotlight, Taylor's net worth is unknown. What is known is that Taylor is the board chair (and likely the main benefactor) of the Sequoia Climate Foundation, which appeared in 2021. By 2024, Sequoia was making over \$250 million annually in grants, mostly to major re-grantors and intermediaries, including the European Climate Foundation. While Sequoia keeps a low profile, its president, Christie Ulman, told Inside Philanthropy that "Our initial focus was on expediting funding to the field at speed and scale... we also hope to increase future funding where we see opportunities for immediate, significant impact."

Ray Dalio. The founder of the world's largest hedge fund, Bridgewater Associates, is a major giver for ocean conservation, having pledged hundreds of millions to the cause. Dalio Philanthropies launched its signature environmental offshoot, OceanX, in 2018, with a mission to "explore the ocean and bring it back to the world." The program's major initiatives include the OceanXplorer, "the most advanced exploration and media vessel ever built," along with numerous education, conservation, and media programs.

K-12 Education

Many of the top earners in finance were not born rich and attribute their success to education, starting with access to good primary and secondary schools. Not surprisingly, supporting K-12 education has been a top cause of Wall Street philanthropists—albeit in ways that have sparked controversy, as many donors have bankrolled charter schools and other school reform efforts. But in recent years, some Wall Street donors are embracing more intersectional approaches to K-12 education, including melding their education giving with programs for other causes like career readiness and community development.

A long list of hedge fund billionaires has supported the charter school movement over the past two decades including Paul Tudor Jones II—who founded a charter school in 2004 and has supported others. Other hedge funders who have backed charter school networks—such as KIPP Schools and Success Academy Charters—include Bill Ackman, John Arnold, Steve Cohen, Seth Klarman, Daniel Loeb, Paul Singer, and David Tepper.



Bill Ackman's foundation, the Pershing Square Foundation, counts K-12 education among its major programs. Among the biggest backers of charter schools and other school reform initiatives from the hedge fund world was the late billionaire Julian Robertson. His family's foundation, The Robertson Foundation, still includes education as one of its three core funding areas.

Meanwhile, when the hedge fund billionaires Ray and Barbara Dalio embarked on large-scale K-12 education philanthropy in their home state of Connecticut, they steered away from charter schools and instead work with traditional school districts, in collaboration with nonprofits and other local stakeholders, to improve student outcomes. Dalio Philanthropies, via its offshoot Dalio Education, has become a major K-12 funder in recent years.

Funder Spotlight



"Evidence-Based Policy, Research, and Advocacy guide our work. We focus on areas where public and private sector outcomes are falling short, incentives are misaligned, and political will is lacking. We follow the research to identify root causes of problems and gather evidence about what works and what doesn't. We then fund policy development and technical assistance to create lasting change."

-Arnold Ventures, "Our Approach"

In general, it appears that finance donors cooled on charter schools as their investments in this area failed to leverage broader systemic change, and even the success of local ventures proved spotty. As an example, John and Laura Arnold once ranked as among the top supporters of charter schools and other K-12 reform efforts, but today their philanthropy, Arnold Ventures, focuses on other avenues to improve outcomes for youth, such as criminal justice reform and changing social and public policies.

Economic Mobility, Justice Reform, and Democracy

The vast wealth accumulated by winners in finance is a prime example of the extreme inequality of today's economy. And, to many critics, Wall Street's leaders haven't just benefitted from wealth disparities but have actively fueled this problem by pushing public companies to embrace wage suppression and other "bottom line" practices that help shareholders but hurt workers and low-income communities. Financiers like the private equity billionaire Stephen Schwarzman have also been big campaign donors to a Republican Party committed to cutting taxes for the rich and downsizing social programs that help low-income communities.

At the same time, donors from finance have backed a range of efforts to expand economic mobility. While few of these philanthropists support work that fundamentally challenges the structural inequalities of present-day U.S. capitalism, there are some exceptions.

Through his Open Society Foundations, George Soros has invested many millions of dollars over



the past quarter-century in this area, including providing tens of millions of dollars to create and grow the After-School Corporation in New York City. OSF has also funded a variety of groups working to advance labor rights in the U.S. and empower low-income Americans, including announcing a \$225 million commitment to "building power in Black communities" in 2020.

One former top executive at Soros's hedge fund, Stanley Druckenmiller, is also known for his giving for economic mobility. Along with his wife Fiona, Druckenmiller has given more than \$100 million to expand the Harlem Children's Zone, which works to improve the life chances of poor children in New York City. The couple are also top backers of Blue Meridian Partners, an anti-poverty grantmaker that is collaboratively funded by a number of billionaires and foundations. (Among its other Wall Street supporters is the hedge funder David Tepper and the hedge funder Stephen Mandel, Jr.) The

Druckenmiller Foundation keeps a low profile and doesn't maintain a website. In an interview with Inside Philanthropy, Druckenmiller named economic mobility (along with health and the environment) as a top priority for his philanthropy.

Finance leaders including Druckenmiller, Steven Cohen, and David Einhorn have also given to another collaborative funding vehicle, the Robin Hood Foundation, which is among the largest grantmakers in the U.S. focused on poverty, supporting nonprofits in New York City.

A small number of Wall Street billionaires embrace more intersectional approaches to poverty reduction. One prominent example is John Arnold and his spouse, attorney Laura Arnold, who are major supporters of criminal justice reform and programs for at-risk youth through Arnold Ventures. The cryptocurrency investor Michael Novogratz, along with his

Funder Spotlight:

Dalio Philanthropies

Dalio Philanthropies supports "wide ranging rather than single mission focused" efforts. Its diverse funding interests include ocean exploration and protection, education, economic empowerment, health and wellness, and arts and the community. While Ray Dalio acknowledges that he earned his wealth largely in part due to a capitalistic economy, in his article, *Why and How Capitaliism Needs to be Reformed*, Dalio wirtes that capitalism does not work well for most Americans and that income inequality is a "national emergency." Dalio notes that the country as a whole is failing its economically disadvantaged students, which leads to "a high percentage of students being inadequately prepared for work," and goes on to write, "To me, leaving so many children in poverty and not educating them well is the equivalent to child abuse, and it's economically stupid."

spouse Sukey, likewise prioritize criminal justice reform and policy change as a means to reducing economic and racial inequities.

Democracy and civics is another new area of interest for many of the Wall Street billionaires. While too controversial for the philanthropies of most of the big banks and financial institutions, it's clearly a growing area of interest for individuals who made their fortunes in the sector. Ken Griffin, the Citadel CEO who has become one of the richest individuals in the U.S., recently launched Griffin Catalyst, a giving platform that lists "Freedom and Democracy" as a priority area. The Tepper Foundation, founded by the hedge funder David Tepper, lists "Pro-Democracy and Anti-Hate Initiatives" as a core focus. The website states that its pro-democracy work "centers on reinforcing democratic norms, combatting authoritarian creep and ensuring ballot access for voters across the United States."

In 2021, the Wall Street investor Bruce Karsh and his spouse Martha announced a \$50 million gift to the University of Virginia to establish the Karsh Institute of Democracy, which "studies, defends, and invigorates the institutions, practices, and cultural underpinnings that are the foundations of democracy." Today, the institute is up and running.

Funder Spotlight: ROBIN* HOOD

Established in 1988 by billionaire and hedge fund manager Paul Tudor Jones, the Robin Hood Foundation is the largest single private funder of antipoverty work in New York City. The foundation partners with hundreds of nonprofits across four funding initiatives: early childhood and youth, education, jobs and economic security and survival.

Robin Hood doesn't shy away from advocacy; in 2022, the collective advocated for changes to child care policy in NYC that resulted in \$3 billion in new or improved child care services in the city. With an ever-growing list of donors, Robin Hood's work continues to expand; in 2023 alone, it invested \$118 million in "NYC's most innovative poverty-fighting solutions."

Robin Hood's board has included industry heavy hitters, including Steven Cohen, John Griffin, Daniel Och, David Tepper, Anne Dinning and others.



Givers by Institutional Sources of Wealth

The modern financial services sector came of age in the 1990s with the evolution of the hedge fund industry. In subsequent years, private equity has flourished to the point where it has overtaken hedge funds in terms of assets under management (AUM)—\$8 trillion for PE, while HFs manage around \$5 trillion globally. Lately, the private credit industry—a niche sub-sector of private equity—has been gaining steam as well.

Hedge Funds

The global hedge fund industry has grown from around \$500 billion in AUM in 2000, to over \$8 trillion in 2024, according to data by McKinsey & Company. The extraordinary wealth generated by this opaque industry backstops philanthropy by a long list of prominent givers who take a range of approaches and back a diverse set of causes. Below is a sampling of influential philanthropists whose wealth derives primarily from successful hedge funds.

George Soros. The leader of Soros Funds
Management and the Quantum Group of Funds,
George Soros skyrocketed to megawealth by
short selling, earning the moniker "the man who
broke the Bank of England." One of the most
prolific mega-givers in the world, Soros
established the Open Society Foundations (OSF)
in 1984. OSF supports work in the U.S. and
worldwide to strengthen democracy and
minority rights, as well as human rights, higher
education, criminal justice reform, journalism,
climate justice, and other issues. In 2017, Soros
transferred the bulk of his wealth—\$18 billion—
to OSF, creating one of the largest philanthropic

endowments in the world. It has distributed \$21 billion since its founding and had a \$1.3 billion budget in 2022.

Ken Griffin. The Chicago-based founder of the successful hedge fund Citadel is still in his 50s but has already given away in excess of \$2 billion. Griffin is a major investor in the arts, education, and medicine, and has made several splashes for large gifts upwards of \$100 million to legacy institutions like universities, museums, and hospitals. In 2023 Griffin expanded his philanthropy through the creation of Griffin Catalyst, a new philanthropic vehicle that focuses on economic mobility, democracy & civic engagement, and education, among a handful of other funding areas.

Stanley Druckenmiller. First leading Duquesne Capital and then joining Soros's funds, Druckenmiller is chairman emeritus of the Harlem Children's Zone, and has personally contributed over \$100 million to the antipoverty organization. The Druckenmiller Foundation—which Stanley runs with wife, vintage jewelry dealer Fiona Druckenmiller—is also a major backer of Blue Meridian Partners, a funder collaborative that seeks to boost economic mobility for low-income children and young adults. The Druckenmiller Foundation supports healthcare, education, economic mobility, the arts, and the environment.

David Tepper. President of Appaloosa
Management, Tepper has been one of the topperforming hedge fund managers post-Great
Recession. The Tepper Foundation supports prodemocracy work, hunger and poverty, education,
climate resilience, healthcare, and Jewish causes.



Past grantees include Carnegie Mellon
University, Blue Meridian Partners, the Anti
Defamation League, the American Cancer
Society and the Jewish Federation of Greater
Metrowest New Jersey. Visit David Tepper's
profile page for more information on the
billionaire philanthropist.

Bill Ackman. The billionaire hedge fund manager conducts most of his philanthropy through the Pershing Square Foundation with the stated mission of supporting "exceptional leaders and innovative organizations that tackle important social issues and deliver scalable and sustainable impact." In 2021, after Ackman enjoyed a financial windfall when Coupang stock skyrocketed, he donated an additional \$1.3 billion to his foundation, a DAF, and an unnamed nonprofit. As of 2024, the Pershing Square Foundation had made over \$700 million in grants.

John and Laura Arnold. After amassing a fortune of more than \$3 billion with his firm Centaurus Advisors while still in his 30s, Arnold shut his

Donor Spotlight: Bill Ackman

"While my motivations for giving are not driven by a profit motive, I am quite sure that I have earned financial returns from giving money away. Not directly by any means, but rather as a result of the people I have met, the ideas I have been exposed to, and the experiences I have had as a result of giving money away."

-Bill Ackman, Giving Pledge Letter

hedge fund to focus on energy markets and turned full time to philanthropy with his wife Laura. The Arnolds are ranked by Forbes as among the most generous philanthropists in the U.S., and Arnold Ventures makes hundreds of millions in annual grants to organizations that prioritize investing in "evidence-based solutions that maximize opportunity and minimize injustice." The Arnolds have been especially focused on reforming the criminal justice system, public-private partnerships, health care, and tax and budgetary policy.

John Overdeck and David Siegel. The billionaire founders of the hugely successful quant hedge fund Two Sigma are both extremely active philanthropists. John and Laura Overdeck support STEM education and early childhood education opportunities, while David Siegel supports STEM education workforce and infrastructure, and arts and culture. The Overdeck Family Foundation is committed to "accelerating key academic and socioemotional outcomes for all children" from birth through high school. David Siegel founded and chairs the Siegel Family Endowment, which "supports organizations working at the intersections of learning, workforce, and infrastructure," with an emphasis on science, digital technologies and AI.

Steven and Alexandra Cohen. Famous as the subject of an insider trading investigation—his firm, S.A.C. Capital, pleaded guilty and paid a \$1.8 billion fine—Cohen has emerged as a major philanthropist in recent years. Steven and Alexandra Cohen founded the Steven and Alexandra Cohen Foundation and have committed over \$1 billion to a range of causes,

including education, food systems and sustainability, hospitals, and research on Lyme disease.

Marilyn Simons. Marilyn is the chair of the Simons Foundation, a major philanthropy that she founded with her spouse, Jim, who passed away in 2024. Jim was a mathematician and the founder of Renaissance Technologies, one of the most successful hedge funds of all time. The Simons Foundation supports basic science, autism research, and science education. The Simons family also makes major gifts outside the foundation for education and other causes. Marilyn is an influential presence in the world of science philanthropy and a member of the American Academy of Arts and Sciences.

Donor Spotlight: Marilyn Simons

SIMONS FOUNDATION

When Jim and Marilyn Simons founded the Simons Foundation in 1994, they focused its funding on basic science. Jim Simons passed away in 2024, and today the Simons Foundation is larger than ever, with \$5 billion in assets and an enduring commitment to science research and education. Marilyn is the foundation's board chair. In a 2024 interview with the Lasker Foundation, she said, "What I'm focused on is operations and communications, our public face, and our public outreach."

Private Equity

Private equity (PE) has been booming in recent years. After years of lackluster performance by hedge funds, institutional capital is fleeing the sector for the relatively steadier returns of PE. Today's global PE market exceeds \$8 trillion. As a result of this stratospheric growth, many billionaires who are players in PE have grown much wealthier. Here, we spotlight some top PE philanthropists and examine their giving patterns.

Stephen Schwarzman. The founder of Blackstone, the world's largest private equity fund, Schwarzman been a major contributor to legacy institutions over the years. Schwarzman doesn't spread his money far and wide. Instead, his thing is making nine-figure gifts to elite institutions—like the \$350 million he gave to MIT to address the rise of artificial intelligence. He has also given large gifts to Yale, Oxford, and the New York Public Library. He's a major supporter of Catholic schools and signed the Giving Pledge in 2020.

David Rubenstein, William Conway and Daniel D'Aniello. The billionaire founders of global PE firm Carlyle Group are all active philanthropists. Rubenstein has made news for his giving to support historic monuments and institutions, but also gives for education, health, and arts and culture. Conway gives to education, anti-poverty initiatives and Catholic charities, mostly in Washington, D.C. Former U.S. Navy officer D'Aniello is keen on veterans issues, the performing arts, mental health, and is a major supporter of the American Enterprise Institute, a conservative think tank.



Robert F. Smith & Brian Sheth. Vista Equity
Partners co-founder Smith is the wealthiest Black
person in the United States. Smith made
headlines in 2019 by committing \$34 million to
pay off the student loans of every member of
Morehouse's graduating class. In addition to
supporting African American issues through his
Fund II Foundation, Smith has also given to
legacy institutions like the Smithsonian, the
National Park Foundation, and Cornell
University, his alma mater. Federal authorities
investigated Smith for concealing income and
evading taxes for 15 years. Smith avoided
prosecution by agreeing to pay over \$139 million
in back taxes, interest and penalties.

Brian Sheth gives through his Sangreal Foundation, which funds conservation and environmental causes. He also supports his alma mater, the University of Pennsylvania, and global education in places like India and Africa.

Henry Kravis and George Roberts. The cousins founded KKR, the third-largest private equity firm in the world, behind only Blackstone and Carlyle. Both give to education, the arts and Jewish causes. Kravis is New York-focused, often giving to legacy organizations like the New York Philharmonic, MoMa, the Met, and the Columbia Business School. In 2024 Kravis gave \$100 million to Loomis Chaffee School, his alma mater, a prep school in Connecticut. Roberts is California-focused, having established the Roberts Enterprise Fund that has invested in over 100 California social enterprises that create jobs and reinvest in the local community. In 2022, Roberts gave \$140 million to his alma mater, Claremont McKenna College. Read more on Kravis and Roberts on their profile pages.

Glenn Hutchins. Hutchins founded Silver Lake Partners, a tech-focused PE firm, and gives to a variety of causes. He has been a major contributor to Harvard with multi-million-dollar gifts over the years. He has also given to the Brookings Institution, where he bankrolled the Hutchins Center on Fiscal & Monetary Policy, and the Center for American Progress.

Private Credit

Private credit is a subset of private equity. The industry ballooned from a \$42 billion valuation in 2000 to \$2 trillion by 2024. The PC sector is relatively small compared to private equity and hedge funds and has only minted a handful of billionaires. Still, major givers have emerged from the PC industry.

Antony Ressler. After co-founding Apollo Global Management with Leon Black, Ressler transitioned into lending by founding Ares Management Corporation, now the world's largest middle-market lender. With his wife Jami Gertz, he runs the Ressler Gertz Foundation, which focuses on education and has made major gifts to UCLA, Columbia, Emory, and Brown University. The couple also supports Jewish causes and supports the Ares Charitable Foundation, which launched in 2021 and is tied to the success of Ares. The chair of the board is Michael Arougheti, the other Ares co-founder. The foundation's priority areas include career readiness and job training for green jobs.

Jonathan M. Nelson. After founding PE firm
Providence Equity Partners, Nelson shifted to
private credit by founding Benefit Street
Partners. Nelson is Rhode Island's richest person
and is an avid funder there. Through his Nelson



Family Foundation, he supports environmental conservation, education, athletics and the arts.

Howard Marks and Bruce Karsh. Oaktree Capital co-founder Marks has made major grants to support education and the arts. Past recipients include the University of Pennsylvania, the Met, and the Edmond Safra Foundation. Fellow founder Bruce Karsh gives with his wife Martha through the Karsh Family Foundation, which focuses most of its giving on education. Past grant recipients include Duke University, KIPP L.A. schools and Teach for America. In 2021, the Karsh's gave \$50 million to the University of Virginia to help establish the Karsh Institute of Democracy there; the couple has also given \$20 million to Howard University.

Marc Lipschultz. The Owl Rock founder manages the second-largest direct lending business in the world. He serves on the board of the Michael J. Fox Family Foundation and other boards including the American Enterprise Institute. He and his wife Jennifer have also established the Marc and Jennifer Lipschultz Family Foundation.

Banking

The U.S. banking sector is a central player in the world's largest economy. At the end of 2023, the U.S. banking system had an annualized net income of \$246 billion. When it comes to major donors from the sector, many of the most active have been those from the preeminent banking institution Goldman Sachs.

While Goldman alums tend to be the most prominent givers, veterans of Morgan Stanley, Citi and JPMorgan Chase also give to a wide spectrum of causes, while these banking institutions have established large in-house charities. Here, we look first at leading givers from Goldman, then turn to philanthropists from other banking institutions.

Larry Linden. The former partner and managing director at Goldman Sachs owned shares pre-IPO and made a fortune when the banking giant went public in 1999. In 2006, he founded the Linden Trust for Conservation, which provides funding and strategic support for conservation and climate efforts using market-based strategies. Linden has also given to the World Wildlife Fund, Resources for the Future, and the Alliance for Market Solutions.

David Viniar. The former CFO of Goldman Sachs and director of Square, Inc. is a prominent giver to causes supporting education, arts and culture, healthcare and the New York City community. Along with his wife Susan, Viniar oversees the Viniar Family Foundation, which has supported the NYC Ballet, MoMa, NYC Cancer Institute, the Robin Hood Foundation, and the Weinberg Family Cerebral Palsy Center.

Robert Kaplan. The vice chairman of Goldman Sachs has supported education, human services and global development causes. Along with William Draper III and Robin Richards Donohoe, Kaplan also formed the Draper Richards Kaplan Foundation, a venture philanthropy outfit focused on early-stage organizations with the potential to create effective, scalable solutions to pressing social problems in the U.S. and abroad.

Sandy Weill. The founder of Citigroup has long been a prominent giver. Sandy and Joan Weill



support education, healthcare and culturalinstitutions. The couple has given more than \$400 million to Cornell's medical school and its Institute for Cell and Molecular Biology. Their deep interest in medical research was also reflected by their \$106 million gift to establish the Weill Institute for Neurosciences at the University of California, San Francisco. Joan was the longtime chair of the Alvin Ailey American Dance Theater and co-chair of the Weill Music Institute at Carnegie Hall.

Hank Paulson. The former Goldman Sachs CEO and architect of the rescue package that saved the financial industry in the wake of the Great Recession has been an active philanthropist throughout his career. Through his Bobolink Foundation, Paulson and his wife give to environmental causes including climate change, conservation, and animals and wildlife.

Cryptocurrency

The cryptocurrency market is volatile and unpredictable. This makes it difficult to predict future trendlines, but this market is growing, with a global market cap of \$1.4 trillion in 2023.

While many traditional hedge funds now invest in crypto (29% of them in 2023), much of the market derives from crypto hedge funds that invest exclusively in crypto assets. This market has minted overnight billionaires, and a handful have become active philanthropists.

Infamously, the disgraced crypto investor Sam
Bankman-Fried was the leading crypto
philanthropist before his fall from grace in 2022,
when his wealth went from \$26 billion on paper
to essentially zero in reality. Prior to the FTX

Funder Spotlight:



Hank and Wendy Paulson established the Bobolink Foundation to "Advance conservation and stewardship of biodiversity through the protection of natural areas, education and building local constituencies for nature." It supports groups like the Nature Conservancy, Manomet Inc., and the American Bird Conservancy. In a typical year, Bobolink makes about \$15 million in grants to a range of wildlife and conservation organizations.

scandal, Bankman-Fried's philanthropy, the FTX Future Fund, had already spent at least \$132 million on organizations and researchers focused on issues like AI ethics, biological weapons shelters, and post-catastrophe infrastructure, as well as MacAskill's Centre for Effective Altruism. Bankman-Fried was convicted of fraud in late 2023, and the Future Fund shuttered, leaving many grantees uncertain whether promised funding would materialize.

Despite the rather spectacular implosion of this particular crypto-derived philanthropy, other crypto billionaires are expanding their philanthropic footprint. Here's a rundown of the most prominent.



Vitalik Buterin. The Canadian co-founder of Ethereum Blockchain had a net worth of over \$1 billion as of 2024. The thirty-year-old has wasted no time in committing some of his new wealth to philanthropy. In 2023, he donated \$100 million to COVID-19 research projects in India, with funding in the form of USD Coin (USDC) cryptocurrency. Likewise in 2023, Buterin gave \$15 million to UC San Diego to establish an institute that researches airborne diseases and pollutants. This was the largest crypto donation ever received by a U.S. university. Buterin is also a major supporter of the Future of Life Institute.

Chris Larsen. The long-time Silicon Valley businessman and serial entrepreneur made the majority of his wealth through Ripple, which facilitates XRP cryptocurrency exchange. Larsen and his spouse Lyna Lam have made a name for themselves as philanthropists, particularly in the Bay Area. In 2019, the couple gave \$25 million to San Francisco State University. The couple has also supported neighborhood revitalization efforts in San Francisco, local police, and founded the Larsen Lam Climate Change Foundation.

Brian Armstrong. In 2018, the Coinbase CEO became the first crypto billionaire to sign the Giving Pledge. Armstrong was the founder of GiveCrypto.org, a platform that allowed crypto donations to reach people living in poverty in the form of cash transfers. The program shuttered in 2023. Despite public pronouncements about his intention to give big, Armstrong's philanthropy has been spotty to date. It will be interesting to see where he goes from here. Like Armstrong, crypto billionaire Changpeng Zhao has stated his intent to give away most of his wealth to charity.

Institutional Funders

Leading financial institutions have a long history of philanthropy and in recent years, many have stepped up their giving. Inside Philanthropy reports on a steady stream of major initiatives by banking powerhouses like Bank of America, Citigroup, JPMorgan Chase and Wells Fargo. These commitments typically involve a mix of grants to nonprofits, loans and investments, and in-kind donations.

Giving by financial institutions extends to many issues, including the arts, environment, education, and health. But these institutions focus most heavily on community development work that helps to build more inclusive financial systems and upskill workers in underserved communities—and that satisfies regulatory requirements for the kinds of programs that give them the license to operate, like the Community Reinvestment Act (CRA). A dramatic increase in bank philanthropy to promote inclusive growth has also been the result of settlements with the federal government in the wake of the 2008 financial crisis and the abusive lending practices that preceded it.

Bank malfeasance in the years leading up to the Great Recession led to historic fines for many top U.S. financial institutions, badly damaging their reputations and brands. Yet even after these mammoth penalties, leading banks have been repeatedly ensnared in major scandals. To cite just a few examples, Wells Fargo was fined \$3 billion in 2020 by the U.S. government for creating millions of fake bank accounts for its customers; Goldman Sachs was hit with \$5 billion in 2020 for its role in the Malaysian financial

scandal, and in 2024 it reached a settlement after a class-action lawsuit alleged illegal activity in platinum and palladium trading. In 2020, JPMorgan Chase paid \$920 million in fines for rigging commodities markets.

Top Bank Donors: Community and Economic Development, 2019-2023		
JPMorgan Chase Foundation	\$916.35M	
Wells Fargo Foundation and Contributions	\$4.0 73.4	
Program	\$687M	
Citi Foundation Bank of America	\$261M	
Charitable Foundation	\$229.3M	
Goldman Sachs Contributions Program	\$160M	

Source: Candid

It's easy to imagine that the ongoing drumbeat of bad publicity for top banks provides a powerful incentive for these institutions to engage in more high-profile philanthropy, including giving that directly helps the low-income communities that have been hurt by abusive bank practices.

Giving by banks for inclusive growth also reflects a drive to better align their philanthropy with their unique resources and skills as financial institutions. Such giving aligns with banks' bottom-line interest in creating a better skilled labor force (banks are huge employers) and fostering economic growth in urban areas, which produces new banking customers.



While most giving by financial institutions is done domestically, in the U.S., the biggest banks give internationally, too. This reflects their role as multinational corporations with a presence in many countries.

Like many corporations, leading banks engaged in emergency giving in 2020 in response to the COVID-19 pandemic, and many also engaged in major donations and initiatives in the wake of George Floyd's death and national racial justice protests. Indeed, Candid data shows that giving by major banks spiked in 2020 and 2021, then trended downward. These giving spikes correspond to major commitments to racial and economic equity programs, as well as more transient COVID-era programs. As an example, in July 2020 Wells Fargo announced a \$400 million program to help minority-owned small businesses weather challenges caused by Covid closures; this accounts for a dramatic increase in giving through its contributions program in 2020.

Inclusive Economic Growth

One of the most useful datasets for assessing corporate philanthropy trends is Giving in Numbers (GIN), a benchmarking survey conducted by Chief Executives for Corporate Purpose (CECP), a CEO-led coalition that has tracked the corporate social responsibility activities of more than 200 of the world's largest companies for more than two decades. In any given year, the financial sector accounts for more companies on CECP's list than any other sector by a wide margin. In the 2023 survey, for example, 57 of the 222 participant companies were financials companies, mostly banks and funds.

The report's top-line conclusion in 2023 was that "community investment budgets are not as large as in previous years, particularly 2020, when they peaked to support pandemic relief and racial equity." The report's authors also concluded that inflation was decreasing the influence of corporate grant dollars, and companies are therefore "learning how to be efficient and strategic" with their philanthropy.

The program area that received the highest allocation of resources from corporate institutions was community and economic development, followed closely by two additional categories: health and social services and K-12 education. The focus areas that ranked fourth, fifth, and sixth—higher education, the environment, and disaster relief—trailed far behind the other areas. This data suggests that the philanthropy of the biggest U.S. financial institutions is especially focused on community and economic development, K-12 education, and social service programs.

JPMorgan Chase

The financial giant—which has assets of over \$3.5 trillion—pledged \$1.75 billion between 2018 and 2023 to advance its impact model for inclusive growth through four "pillars" of opportunity: small business expansion, neighborhood revitalization, financial health, and jobs and skill-building. JPMorgan's philanthropy includes grants, loans, and other investments, and continues to build on work the bank began in 2013 when it reinvented its corporate philanthropy to focus more narrowly and strategically on economic development. In 2020, the bank announced an additional \$30 billion to



a Racial Equity Commitment to help close the racial wealth gap among Black, Hispanic and Latino communities.

A key component of the bank's efforts to promote inclusive growth is a collection of major initiatives in several U.S. cities that combine both philanthropic giving and financial investments. Since 2014, for example, JPMorgan Chase has invested over \$200 million in Detroit, with a focus on workforce development, assistance to small businesses, and loans for affordable housing. The bank's efforts in Detroit have been closely coordinated with city officials, nonprofit partners and other stakeholders. JPMorgan Chase has taken a similar approach in multi-year initiatives focused in Chicago, San Francisco, Baltimore, the District of Columbia, and a \$70 million initiative focused on Paris, France, that the bank launched in 2023. In an interview with Inside Philanthropy, Tim Berry, the global head of corporate responsibility for JPMorgan, highlighted that the bank's philanthropy includes thinking "really deeply about relevant policy and how we can drive policy that's going to create systems change and have an impact in communities."

In recent years, some of JPMorgan Chase's top economic development grantees have included organizations that build, advocate for, and finance affordable housing. Other grantees include neighborhood revitalization organizations, job readiness and training nonprofits, and organizations that advocate for equitable community development and land use policies.

JPMorgan has increased its support for community development corporations—these

JPMorgan Chase Foundation Top Economic Development and Housing Grantees 2018-2023		
Grantee Organization	Grantee Location	
Lincoln Institute of Land Policy	Cambridge, MA	
Education Strategy Group, LLC	National	
Enterprise Community Partners	National	
Cleveland Development Advisors' Cleveland Community Reinvestment Fund	Cleveland, OH	
Atlanta Neighborhood Development Partnership	Atlanta, GA	
People United for Sustainable Housing	Buffalo, NY	
Craft3	Oregon and Washington	
Inclusive Action for the City	Los Angeles, CA	

are nonprofits that support community development, typically by working with financial institutions and other nonprofits to develop affordable housing projects within specific communities. Other major banks also support these types of nonprofits. As an example, JPMorgan along with Wells Fargo have been major supporters of Enterprise Community Partners, a national organization that "invests in



and advocates for the preservation and production of good homes people can afford."

Despite philanthropic support for these types of organizations, the U.S. continues to face an unprecedented affordable housing crisis. (See our State of American Philanthropy report on housing and homelessness for more information.)

Citi

This New York-based multinational corporation with \$2.4 trillion in assets is another financial giant investing heavily in community economic development. The Citi Foundation's stated mission of promoting economic progress for people living in low-income communities targets financial inclusion, youth employment, and building economically vibrant communities.

Between 2017 and 2019, Citi invested \$194 million in its youth employment program alone: Pathways to Progress. That effort, according to the foundation, aims to address the "skills mismatch and equip young people, particularly those from underserved communities, with the skills and networks needed to succeed in today's rapidly changing economy." In September 2020, Citi announced an additional \$100 million, three-year commitment to "provide economic opportunities for young people." This grantmaking supports partners in the U.S. and other parts of the world, including Latin America, Europe, the Middle East and Asia. Key grantees for Citi's economic development work have included Living Cities, the Neighborhood Reinvestment Corporation, Prosperity Now and the National Urban League. Citi has also given more than \$30 million to Habitat for Humanity to support affordable housing.

Citi Foundation Top Economic Development and Housing Grantees 2018-2023		
Grantee Organization	Grantee Location	
Local Initiatives Support Corp.	New York, NY	
Cities for Finanical Empowerment Fund	New York, NY	
Network for Teaching Entrepreneurship	New York, NY	
African American Alliance of CDFI CEOs	New York, NY	
Credit Builder's Alliance	Washington, D.C	
United Nations Development Program	Global	
Calvert Impact Capital	Bethesda, MD	
National Bankers Community Alliance	Washington, D.C	

Recent years have seen a flurry of new programs from Citi with more emphasis on financial inclusion, job skills, and support for small businesses run by people of color. In 2021, Citi Foundation gave \$112.8 million, including \$500,000 in unrestricted grants to each of 50 nonprofits providing technical assistance to small businesses run by people of color. In 2022, the Foundation launched a \$10 million Strengthening Community Leadership Initiative, which gave \$1 million each over two



years to established Black civil rights groups, along with a \$50 million Community Finance Innovation Fund, awarding 12 nonprofits working to support community development and asset-building in low-income communities. In 2023, Citi Foundation expanded its global grantmaking with a Global Innovation Challenge focused on alleviating food insecurity around the globe.

Wells Fargo

This multinational headquartered in San Francisco has a national grantmaking focus on three overlapping areas: small business growth, affordable housing, and financial health. In 2019, it committed \$1 billion over the next six years to help Americans find safe, affordable housing solutions. That included a \$20 million Housing Affordability Breakthrough Challenge, first implemented in 2020, to spur new ideas in housing financing, construction and support services. The bank says its investments support "transitional housing, rentals and home ownership."

Wells Fargo's top partner for its economic development work has been the Neighborhood Reinvestment Corporation, which has received over \$250 million in grants from the Wells Fargo Foundation going back over a decade. The bank has also supported the National Association for Latino Community Asset Builders and other national organizations focused on inclusive growth and housing affordability.

Another major area of giving for Wells Fargo is small business development. Through its Open for Business Fund, the bank committed \$420 million to community development financial institutions, nonprofits that support entrepreneurs, and nonprofits that assist small businesses in growing equity.

Disaster Relief and Emergency Response Giving

In uncharted times major corporations—with their deep pockets, capable staff, and built-in contingency planning—can be quite agile in responding to crises, as are their foundations. This was particularly evident during the first year of the COVID-19 crisis, when corporate philanthropy assisted in a variety of ways, including emergency cash grants, food and rental assistance, support for small businesses, and support for the health care system and front line workers.

When corporate philanthropies responded to the COVID-19 crisis, they leveraged the knowledge built during previous years of work in the context of disaster relief and other types of emergency response. Major banks are frequent contributors to organizations like the Red Cross that assist communities after hurricanes, floods, and other disasters. In the years prior to 2020, foundations associated with major banks were active after events like Hurricanes Harvey and Irma in 2017 and the wildfires in California in 2018.

Banks were key players in the corporate response to COVID-19. Their foundations were generally sensitive to swiftly changing financial needs and priorities for nonprofits, converting planned giving to general operating support, and fast-tracking grants. As early as March 2020, Bank of America announced a \$100 million commitment to supporting local communities through rapid



response investments addressing medical capacity, food insecurity and remote learning through new and longtime partners like Khan Academy, which helped homebound students learn remotely.

Wells Fargo directed \$175 million to community relief efforts, and later parlayed its COVID-19 giving into a \$420 million fund to help small businesses continue to recover. As for JPMorgan Chase, by the end of 2020 the bank had committed over \$340 million to COVID-19 relief efforts, often in the form of low-cost loans and other types of financing for small businesses. Morgan Stanley's first COVID-19 efforts sustained its philanthropy's standing commitment to the well-being of children and helped build capacity for first responder organizations. The bank committed \$25 million to fighting hunger, caring for the sick, and supporting those suffering economic displacement.

Several trends emerged across the commitments made for COVID-19 relief by banks. Charity began at home for a majority of corporations, which typically stood by their headquarters, employee centers and operating areas. For example, TD Bank and the TD Charitable Foundation's first foray stayed local: \$250,000 to the National Association of Community Health Centers to support local frontline healthcare workers in at-risk communities across Boston, Philadelphia, New York, Washington, District of Columbia, Florida and New Jersey. This tendency to stay local aligns with corporate giving in general, which often focuses on the communities where the business operates.

Data from the corporate philanthropy survey released by the Chief Executives for Corporate Purpose (CECP) in 2023 revealed that funding for disaster relief peaked in 2018 through 2020 (COVID-19 relief is categorized as disaster relief) and declined significantly in 2021 and 2022. The paper's authors concluded that "companies have pivoted to longer term strategies."

Indeed, while major banks and financial institutions continue to support disaster relief, major corporate philanthropies are building out more general economic sustainability, climate change, and environmental programs targeted toward long-term impact rather than addressing single disasters. As hurricanes, wildfires, and floods become deadlier and more frequent, traditional disaster relief is now seen as one among many needed responses.

Notably, the CECP data shows that while corporate philanthropic investments in disaster relief have declined, investments in the environment, sustainability programs, and climate change mitigation programs have increased. A good example of this shift to a broader definition of disaster relief is the Citi Foundation's Global Innovation Challenge, a \$25 million grantmaking program that launched in 2023 and that supports nonprofits building community sustainability by addressing food insecurity. A cornerstone of this program is enabling low-income communities to "more effectively prepare for and respond to disruptions in food security during crises."



Racial Equity, Democracy, Climate: Emerging Focus Areas

Ever since the Great Recession prompted the big banks to engage more actively in philanthropy, the core focus areas have been community development, housing, workforce development, and education. The reasons behind this are both practical and legalistic. On the practical side, big banks operate across the U.S. and benefit from a skilled workforce. On the legalistic side, banks are required to satisfy regulatory requirements, including providing consumer access to certain types of low cost loans.

In recent years, the philanthropy of the big institutional banks has expanded to include a more holistic, intersectional understanding of community development. In particular, corporate philanthropy has been more intentional and targeted in its racial equity work. Many of these increased commitments to racial equity were prompted by the racial justice protests in 2020, after George Floyd was murdered by a Minneapolis police officer.

Bank of America CEO Brian Moynihan announced a four-year \$1 billion commitment to building racial equality and economic opportunity. Bank of America also became the \$25 million founding partner of the Smithsonian's new "Race, Community and Our Shared Future" initiative. Citi announced more than \$1 billion in "strategic initiatives to help close the racial wealth gap and increase economic mobility in the United States." \$500 million of this investment took the form of impact investing and "procurement opportunities" for Black entrepreneurs and Black-owned businesses.

JPMorgan Chase unveiled a far larger commitment to racial equity—\$30 billion over five years—to "provide economic opportunity to underserved communities, especially the Black and Latinx communities." The bank said that \$2 billion of this sum would be disbursed in the form of philanthropic capital. The rest of the money took the form of new lending to help Black and Latino homeowners and businesses, as well as procurement opportunities to help minority-owned businesses. The bank also pledged \$14 billion in loans to finance 100,000 units of affordable rental housing.

It's important to note that many of these large racial justice pledges are not philanthropic expenditures. JPMorgan's \$30 billion committment is huge, but only \$2 billion of that is comprised of philanthropic giving and grantmaking. As JPMorgan noted in its press release, their activities to advance racial equity are "largely driven by homeownership refinance and affordable rental housing preservation, which were existing products and processes where the firm took immediate action to do more."

Other banks with significant racial justice committments include PNC Bank, which announced \$1 billion in support of programs that address systemic racism and spur economic development. The U.S. Bank Foundation implemented a \$15 million fund to address systemic economic inequities for people of color by grantmaking in the areas of affordable housing, small business and workplace development—with an emphasis on Minneapolis, where it is headquartered. This is part of U.S. Bank's larger "Access Commitment" pledge to



help close the racial wealth gap, including hundreds of millions spent annually on Blackowned businesses, impact capital, and accessible loans.

Climate and sustainable development has been another developing issue area for many financial institution philanthropies. Sustainability programs often overlap with racial equity pledges. As an example, JP Morgan's massive \$2.5 trillion pledge to incorporate sustainability into its business practices includes its community development investments in training a diverse workforce in green job skills.

In general, banks and their foundations have made green jobs and reducing greenhouse gas emissions an intentional part of their programming. As noted in the 2023 Giving in Numbers survey, 86% of respondents working in corporate philanthropy said climate change was a philanthropic priority. Environmental giving by corporate philanthropy grew by 51% between 2020 and 2022, more than any other category.

Funder Spotlight:

HH Truist Foundation

In December 2019, BB&T acquired SunTrust Banks, thus creating Truist, now one of the largest U.S. retail banks. Headquartered in Charlotte, North Carolina, Truist operates more than 2,500 branches, mostly in the Southeast.

In March 2020, the company launched its philanthropic arm, the Truist
Foundation. The foundation's mission is to "inspire and build better lives and communities" through its two focus areas: building career pathways to economic mobility, and strengthening small businesses, with a focus on underserved communities. The foundation also supports disaster relief efforts.

The Truist Foundation gives tens of millions annually to nonprofits across the U.S., including significant grants to the Community First Fund, Jobs for the Future, and the Strada Collaborative.



Conclusion

The U.S. financial sector has enjoyed decades of staggering profits, leading to vast wealth creation. So far, however, only a tiny sliver of these riches have been directed to philanthropy. Even most of the top donors from hedge funds and private equity have been getting wealthier faster than they are giving away their money. And for all the impressive sounding philanthropic commitments of leading banks, their grants and in-kind donations are actually miniscule compared to their global profits.

Still, there are strong reasons to believe that giving by leading individuals and institutions within the financial sector is likely to grow in coming decades. Many Wall Street billionaires, by signing the Giving Pledge, have committed to giving away at least half of their wealth. When these pledges finally materialize, they will translate into tens of billions of dollars going to philanthropy. Many Giving Pledge signatories from finance are already steadily raising their giving. They are creating and staffing foundations, refining their giving interests, and increasing their grantmaking every year.

So while it's true that Wall Street billionaires often get richer faster than they increase giving, it's also true that their overall level of philanthropy has increased, translating into big checks for many nonprofits doing good work. At the same time, it's important to remember the problematic aspects of the hedge fund and private equity industries. The winners in both sectors benefit heavily from the carried-interest tax loophole, which dramatically lowers their tax bills and deprives the U.S. Treasury of billions of

dollars annually. And firms from both industries have been routinely accused of aggressive corporate raiding practices that hurt workers.

Leading financial institutions, meanwhile, have a far worse track record of predatory behavior that hurts low-income communities and destabilizes the economy. Even after paying historic penalties in the wake of the 2008 financial crisis and undergoing marginally increased regulation during the fifteen years since, banks have continued to engage in abusive practices. These realities make it easy to view bank philanthropy with ambivalence.

Yet giving by top financial institutions has become both larger and more consequential as leading banks have become more strategic in their philanthropy, zeroing in on inclusive economic growth and marshaling a wider array of their assets—beyond just cash grants—to drive impact in this area.

Wall Street is viewed with distrust by many
Americans, and for good reason. Its vast wealth is
a symbol of today's extreme inequality and its
practices have often directly exacerbated that
inequality. But for nonprofit organizations
raising money to tackle problems large and
small, the financial sector has become an
important source of funding. Fundraisers need
to watch the givers from Wall Street closely.



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Feedback?

The State of American Philanthropy is an ongoing project. Each SAP brief will be updated periodically to integrate new information, additional data and evolving perspectives. If you have comments or information you'd like to share with us, please email us at managingeditor@insidephilanthropy.org.



¹Based on available grantmaker data from Candid. Excludes federal funding, funding by higher education institutions and major donor advised funds (DAFs).

 $^{^{2}}$ Based on available grant recipient data from Candid. Excludes government organizations.