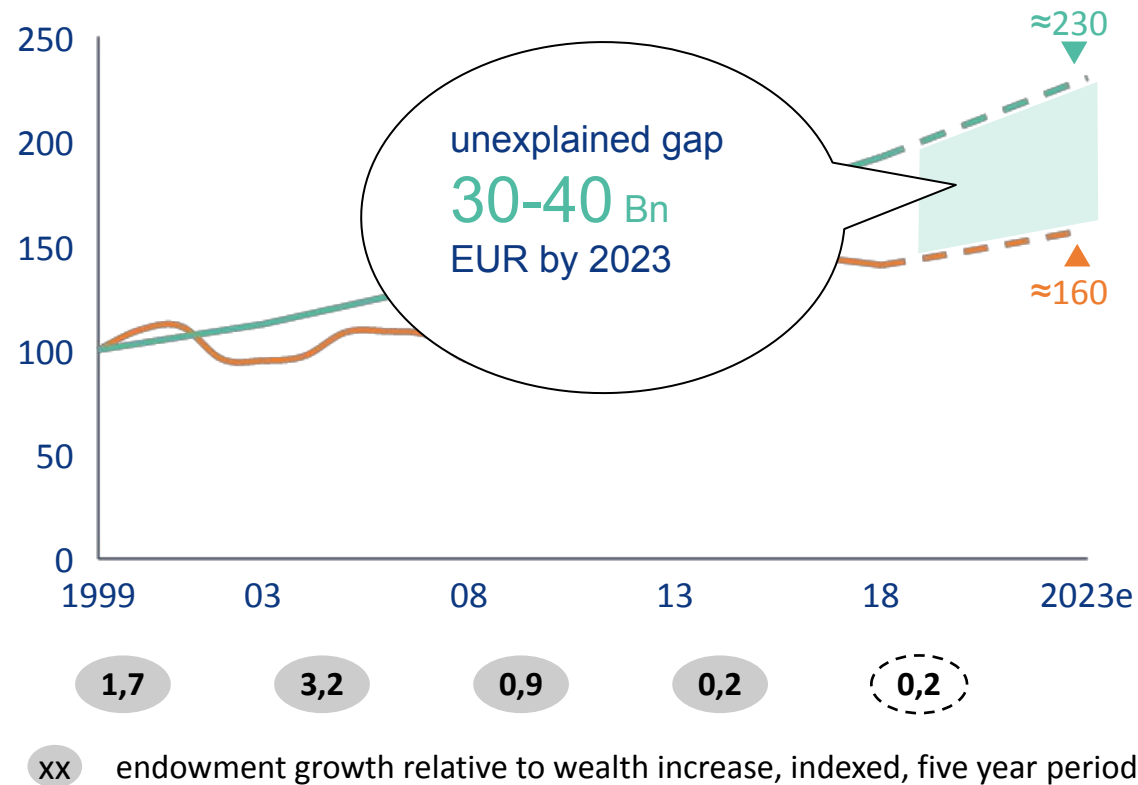
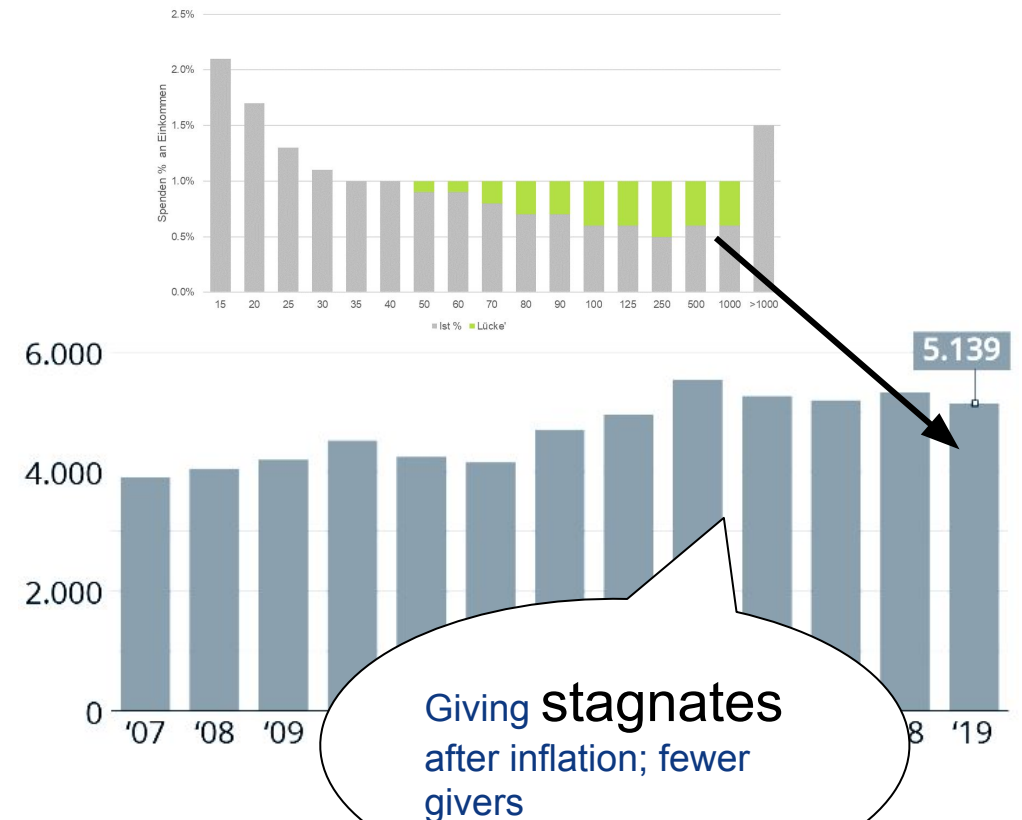


Why do foundations and donations stagnate while (U)HNW wealth grows? How can we tackle this unrecognized crisis of giving?

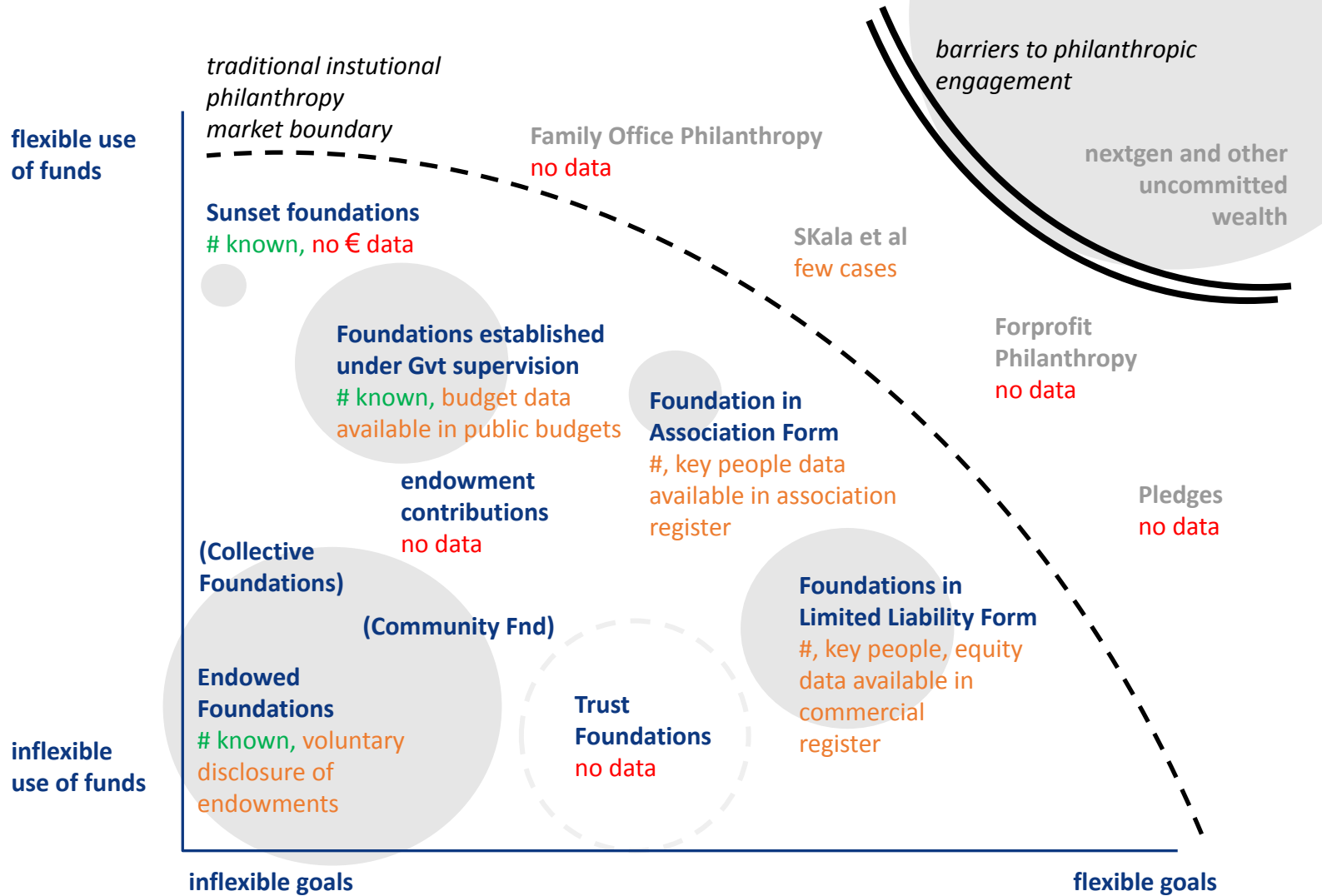
Growth foundation endowments vs. private wealth



Individual giving, €m, total and by income bracket



Philanthropy in Germany: institutions and rules from the past, at the cusp of change

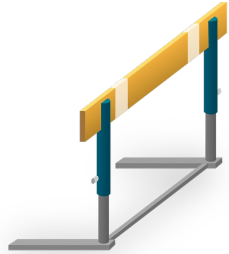


Key Market Features

- endowments highly regulated, hit by low interest environment
- foundation space fragmented, small scale, no new wealth
- hidden shift from grant-making to operative foundations
- most foundations cannot change their mission or operating/ investing model
- little to no sector data available
- conservative, patriarchal culture
- most larger players tied closely to companies, most smaller players to lawyers, tax advisors, banks
- 98% domestic focus
- no payout targets

We identified barriers to (more) philanthropic engagement, ranging from regulatory to psychological factors

short version



“fear of publicity”

“few role models”

“negative family processes and psychology”

“lack of orientation and compelling impact models”

“underperforming endowments”

“restrictive regulation and oversight”

... and (re-)aligning it strategically for our time.

More international: Create and use global solution spaces and collaborations

More transparent: Provide evidence on impact, governance, ways of giving

More directly and participatory: From top-down to collective and inclusive philanthropy in partnership with beneficiaries

More collective and large scale: align and multiply giving through collective philanthropy

More digital: Reduce transaction costs and democratize access through digital platforms

More money-smart: Using all tools in the giving and investing toolbox to scale solutions

More reflective and aware: with awareness of the sources of wealth and inequality

More systemic and transformative: changing systems, transferring wealth, reducing power imbalances

Currently: giving 98% domestic, high legal effort for cross-border giving outside of development cooperation

Currently: little to no market data; few knowledgeable journalists; near-zero adoption of impact reporting

Currently: No participatory practice outside of niche pilots; social welfare complex intermediates most giving

Currently: Most philanthropy small-scale, stuck in institutional silos; no significant collective efforts

Currently: No digital platforms beyond crowdfunding; high transaction and legal costs

Currently: Little to no adoption of mission or program related investment in institutional philanthropy

Currently: small spillover of US philanthropy critiques; wealth inequality debate limited to taxation issues

Currently: initial energy behind transformational philanthropy networks, especially in next generation