


2014 BNP PARIBAS
INDIVIDUAL PHILANTHROPY INDEX

Philanthropic Journeys: The Importance of Timing

at a Glance



BNP Paribas
**Individual
Philanthropy
Index**

Forbes
INSIGHTS



BNP PARIBAS
WEALTH MANAGEMENT

“ How committed to individual giving are the wealthy in Europe, the United States, Asia and the Middle East?

In what ways are philanthropists from these regions similar, and how are they different?

How important is timing in philanthropy? ”



In its second year, this exclusive index is based on a survey of 414 high net worth individuals from Europe, Asia, the Middle East, and for the first time this year, the United States.

More than **400**
High Net Worth Individuals
(at least \$5 million in assets under management)

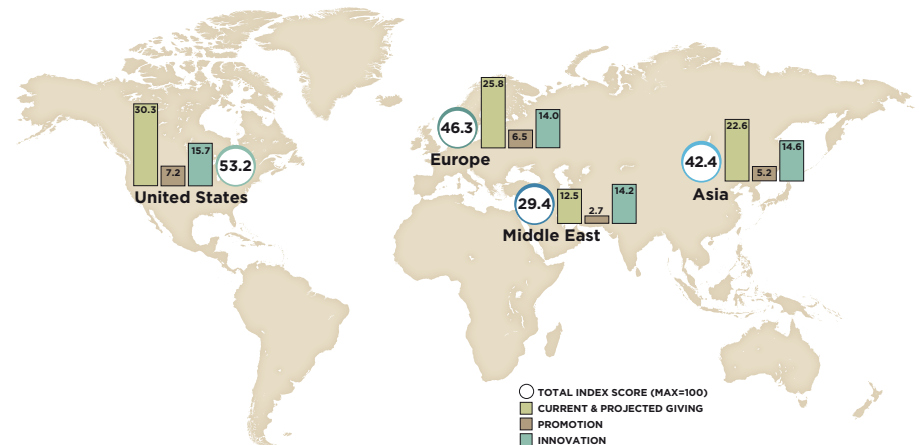
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regions

A survey conducted by
Forbes Insights

To read the full report:

www.wealthmanagement.bnpparibas.com

The BNP Paribas Individual Philanthropy Index measures and reflects the commitment of individual philanthropists from Europe, the United States, Asia and the Middle East in terms of three main criteria: the amounts given, innovation and the effort invested to promote their causes.



Methodology

This report analyzes individual giving in Europe, the United States, Asia and the Middle East based on the BNP Paribas Individual Philanthropy Index by Forbes Insights, which is geared toward the measurement of replicable, sustainable and efficient philanthropy. In the highest-scoring regions, not only do individuals give the most, but they also approach philanthropy in an innovative way and actively promote their causes.

The data for the Index is derived from a survey of 414 individuals—divided equally among the four regions and with at least \$5 million in investable assets—conducted by Forbes Insights between October and December 2013. For a maximum score of 100, a respondent would have to get the highest marks in three categories: Giving (Current and Projected), Innovation and Promotion.

For the highest Giving score, a philanthropist would have to currently donate at least 25% of his or her annual income to charity, and plan

to leave at least 50% of his or her fortune to charitable causes.

For a top Promotion score, a philanthropist would also have to promote a charity or cause by using a variety of traditional and social media to advance their cause, as well as building their public reputation around their philanthropy.

For a top Innovation score, an individual would have to spend money effectively and employ tools to measure this effectiveness.

Philanthropists would have to assess the impact of their initiatives via both quantitative and qualitative measures and have an exit strategy, among other criteria. The weighting afforded to the subcategories is 30% for Current Giving, 20% for Projected Giving and 25% each for Promotion and Innovation.

We also looked at the issue of timing from the point of view of individual philanthropists and where they are on their philanthropic journey.



Commitment measurement of individual philanthropists, according to the 2014 BNP Paribas Individual Philanthropy Index, reveals that the United States, Europe and Asia are roughly halfway to a philanthropic ideal; the Middle East seems to be about a third of the way there, a score that is adversely affected by lower points on Promotion but may not fully acknowledge the strong cultural heritage of philanthropy in the region.

The total Index score (max = 100) is as follows:

53.2 United States	46.3 Europe	42.4 Asia	29.4 Middle East
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The subcategory ranked are Giving (Current and Projected), Innovation and Promotion.

CURRENT GIVING (max = 30)

18.8 United States	16.3 Europe	14.3 Asia	7.4 Middle East
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PROJECTED GIVING (max = 20)

11.5 United States	9.5 Europe	8.3 Asia	5.1 Middle East
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PROMOTION (max = 25)

7.2 United States	6.5 Europe	5.2 Asia	2.7 Middle East
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INNOVATION (max = 25)

15.7 United States	14.6 Asia	14.2 Middle East	14.0 Europe
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Top Causes

- Among the top causes in the world, respondents from Europe, Asia and the Middle East cite the **environment**, whereas **health** is the predominant cause for the United States —a cause cited as top cause in 2013. This year the question asks about both local and global causes, and health remains the top local cause. The Middle East and the U.S. also stand out by selecting **social change** as one of the top three issues for philanthropy in the world.

Giving

- Both Current and Projected Giving declined versus last year for all three regions included in last year’s Index—in the case of Current Giving, by up to two and a half points. This may be due to political and economic uncertainty, leading to a wait-and-see attitude. Yet all three regions **retain last year’s ranking** relative to one another (Europe, Asia, Middle East).

Innovation

- Innovation remained **fairly steady**, changing little versus last year. These scores are also the most tightly grouped of all the categories. Yet relative rankings shifted, with Europe slipping into last place.

Promotion

- As per last year, Promotion is where each region **scores the lowest**, not getting close to earning even half of the maximum of 25 points. This shows that despite all the possibilities of the digital age and social media, philanthropists frequently **prefer to stay under the radar**.

IF NOT NOW, WHEN? The level of urgency

The need for philanthropy in the world is **extremely urgent**, according to the majority of philanthropists overall (56%). However, more respondents from the U.S. (64%) and the Middle East (61%) see the world as in extreme need of philanthropy. **The U.S. and the Middle East are in tandem** also because they perceive their own countries as being in more urgent need than the rest of the world.

Causes for giving are embedded in the regions’ cultures and histories. **Causes most urgently in need of philanthropy in the world are equally hunger & environment** in Europe (35% each), the **environment** in Asia (44%) and in the Middle East (59%), and equally **health & hunger** in the United States (33% each).

“The reason for urgency has always been there. The longer we wait to address these issues the harder the job becomes.”
— Charlotte Dauphin, Philanthropist

THE PHILANTHROPIC JOURNEY: The importance of timing

The BNP Paribas Individual Philanthropy Index findings expand on previous research commissioned by BNP Paribas in the field of philanthropy. In their research paper “Wealth and Philanthropy in Continental Europe: France, Spain, Italy and Belgium,” professors Marc Abeles and Jerome Kohler defined the characteristics of continental European philanthropists.

Key considerations in one’s philanthropic journey can be developed in four stages.

STAGE 1: MOTIVATION (Top 3)

The findings from the BNP Paribas Individual Philanthropy Index confirm the importance of **personal experience** as motivation for giving throughout the world. **Religious faith** and **altruistic desire** are also common types of motivation across the regions.

EUROPE	ASIA	UNITED STATES	MIDDLE EAST
Altruistic desire 22%	Desire to give back to society 19%	Personal experience with area of focus 22%	Personal experience with area of focus 29%
Personal experience with area of focus 16%	Altruistic desire 19%	Religious faith 16%	Religious faith 21%
Sense of duty 16%	Sense of duty 16%	Sense of duty 14%	Ethnic or national identity 13%

STAGE 2: STATE OF WEALTH

European perceptions of their state of wealth have a higher impact on their propensity to give. The survey also shows that most respondents from the **Middle East and Asia** are feeling **most positive** about their wealth levels, while respondents from the U.S. fall in the middle of the spectrum.

STAGE 3: THE HOW—RESOURCES AND LAWS

Although philanthropists consider philanthropy their moral obligation, **governments favoring giving also affect philanthropy**. The majority of respondents of all regions state that current policies promoting giving urge them to increase giving, led by the Middle East with 62%.

STAGE 4: THE RESULTS

How long are you willing to wait to see results?

Middle Eastern philanthropists are the most patient, with 55% of them willing to wait for results of their charity for more than 25 years. **Philanthropists from Asia are the least patient**, with just 11% willing to wait that long.

“*If you want to talk about how fast we like the results, I can tell you immediately.*”
 — **Serena Kao**, Board Member,
 San Teh Foundation



Our Wealth Management division with €279bn of assets under management (as at September 2013), is a recognized leader in the private banking industry with offices in some 30 countries. Its knowledge of local investment climates and culture makes it the natural wealth management partner for clients wanting to manage, preserve and develop their wealth across borders over the long term. It has been recently recognized “#1 Best Private Bank in Europe” and “Best Foreign Private Bank in Hong Kong” by Private Banker International magazine.



BNP Paribas Wealth Management and Individual Philanthropy

The Wealth Management approach is built on the ability to draw upon the global resources of BNP Paribas to offer flexible, dynamic and appropriate solutions adapted to the clients’ personal and professional needs. Our Relationship Managers, who embody our vocation to help clients achieve their aspirations, have a key differentiating role.

As an integrated wealth advisory service, Wealth Management has the strength to deliver the tailored solutions our clients demand. This is why we are fully committed to the quality of our client relationships, and to supporting them as a partner in value-creation.

In addition to our Philanthropy Offering, manifested by the creation in 2008 of the Fondation de l’Orangerie for Individual Philanthropy and by the launch of personal philanthropy advisory services, Wealth Management has a role in informing and raising awareness regarding philanthropy itself.

We believe that being exemplary is extremely important and this is the reason why we wanted to go even further and showcase remarkable initiatives carried out by remarkable individuals. To laud their efforts, we decided to create the BNP Paribas Prize for Individual Philanthropy, awarded annually in two categories: The Grand Prize and the Jury’s Special Prize.

In addition, in partnership with Forbes, we created this first-of-its-kind index measuring the commitment of individual philanthropists. This index makes possible a showcase of four major regions: Europe, the United States, Asia, and the Middle-East, identifying philanthropic trends and analyzing their evolution.

This innovative index is one more step in our efforts to support and promote philanthropic actions and to be a responsible Private Bank.

Full report available at:
www.wealthmanagement.bnpparibas.com

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