

# Annual Giving Report

## 2015





## Fiscal Year 2015 Highlights

Inspired donors to unlock assets for charitable good  
 Helped donors give more  
 Made giving easier and more convenient  
 Helped advisors deepen client relationships



26,000

Number of accounts



\$1 billion

Granted in fiscal year 2015



1,400

Number of investment advisory firms served



42,000

Number of charitable organizations supported

## Our Mission

Schwab Charitable is an independent 501c(3) public charity with a mission to make charitable giving more tax-smart, simple and flexible for our clients and their investment advisors. We recognize that Americans are among the most generous people in the world, giving more to charity than citizens of any other country. We also recognize that their giving power could be even greater if approached in a more thoughtful and strategic way.

That's why we offer our clients the tools, guidance and relationships to apply a similar approach to giving as they do to savings and investments. With Schwab Charitable, clients are empowered to incorporate charitable planning into their everyday lives, giving them the potential to make a bigger difference in the world.

## How It Works

Donors simply open an account with Schwab Charitable. They make irrevocable contributions of cash or appreciated assets to their Schwab Charitable account and receive current year tax benefits and deductions. They can choose how their contributions are invested and for larger accounts, request an investment advisor to manage the funds. This creates the potential for contributions to grow tax-free and result in larger charitable grants in the future.

Over time and at their convenience, donors advise Schwab Charitable to make grants to IRS-qualified charities of their choice. This is the reason a Schwab Charitable account is called a donor-advised fund account. Grant recommendations can be made online, through a mobile device, or by calling Schwab Charitable.

## Convenience

We make giving simpler and more flexible.

Schwab Charitable made granting and account record keeping even easier by improving its online tools and adding mobile access.

*“I can submit grant requests much more swiftly online with Schwab Charitable. It makes my whole day better.”*

Donor Interview, 2015



## Tax-Smart

We help people give efficiently.

Schwab Charitable helped donors contribute \$1.4 billion in tax-efficient appreciated assets in fiscal year 2015.

*“Before I went to Schwab Charitable, I was not giving stock or appreciated assets. Now I am.”*

Donor Interview, 2015

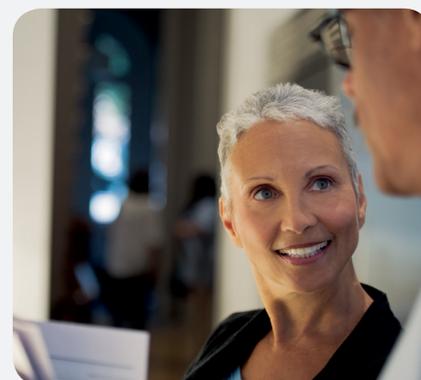
## Relationships

We help advisors deepen their client relationships.

In fiscal year 2015, Schwab Charitable helped 1,400 investment advisory firms support charitable giving with their clients or engage the next generation.

*“Schwab Charitable helps to differentiate us.”*

Advisor Interview, 2015



# At Schwab Charitable, we inspire donors to unlock their assets for charitable good.

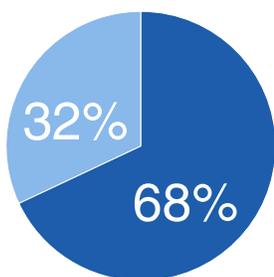
The smartest donations often aren't cash. Giving appreciated securities and assets held for more than one year may eliminate capital gains taxes on their eventual sale. This means donors may have up to 20% more to give to charity than they otherwise would.\* In fiscal year 2015, which ended on June 30, 68% of contributions into Schwab Charitable donor-advised fund accounts were appreciated investments or assets.

CONTRIBUTE

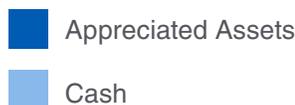


## \$2 billion

Total contributed in FY 2015



Each type of asset contributed



Unfortunately, charities often cannot process non-cash gifts. Schwab Charitable accepts many types of appreciated assets, including publicly traded and restricted stock, real estate, interests in private businesses (C-Corp and S-Corp), private equity, venture capital and hedge funds. We sell the assets, put the cash proceeds in the donor's account and provide the contribution receipts for tax filings.\*\*

*"It's a superb way to manage our charitable giving — and has, in fact, increased our level of philanthropy."*

Donor Survey, 2014

Before funds are granted to charities, they can still be working for good. From Schwab Charitable's inception in September 1999 through June 30, 2015, cumulative investment growth has generated \$1 billion in additional funds to support our clients' philanthropy.\*\*\*

INVEST



Investment growth supports our clients philanthropy



\*Assumes that all realized gains are subject to the 20% federal long-term capital gains tax rate.

\*\*Additional fees and expenses may apply.

\*\*\*Past performance is no guarantee of future results.

# By making giving easy we help donors give more.

Since inception, Schwab Charitable has facilitated approximately \$5.5 billion in grants to our clients' favorite charities. In fiscal year 2015, we reported an historic \$1 billion in grants to charities by donors. This represents a 29% increase over the prior fiscal year, which was more than four times the 2014 rate of increase in total giving in the US.\*

GRANT

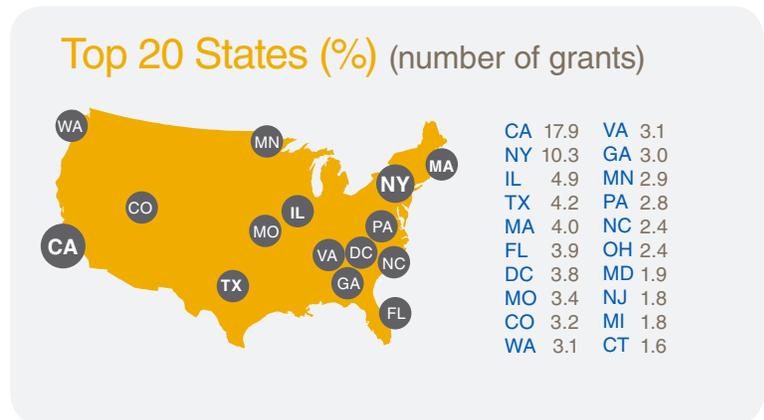
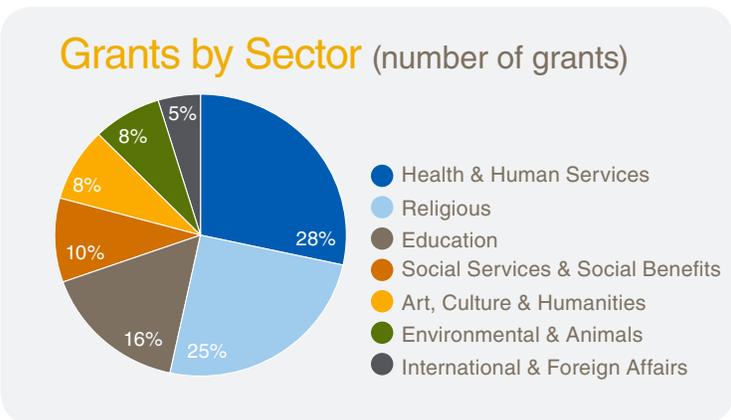
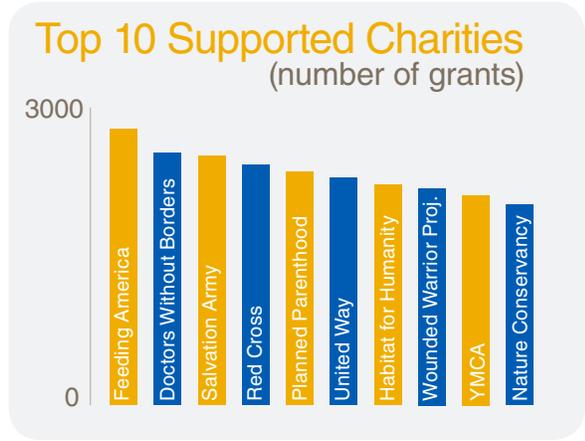
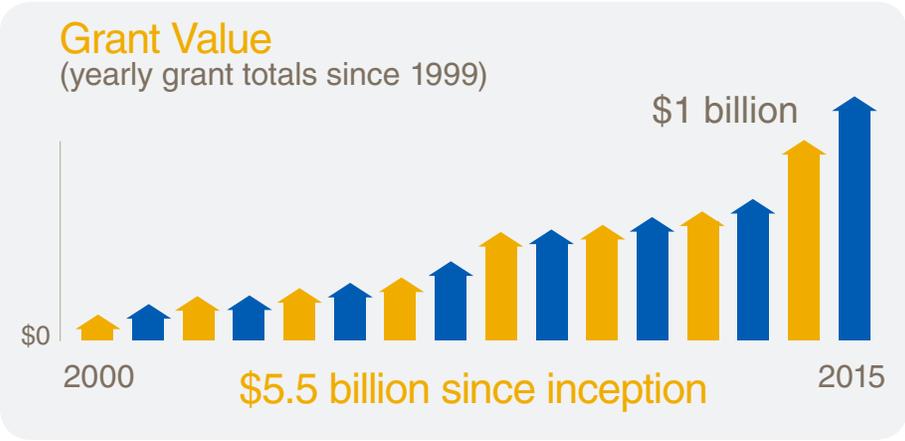
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Number of Grants

## 205k

Increase from FY 2014

## ↑ 29%



In fiscal year 2015, donors supported more than 42,000 charitable organizations. More than \$2 million went to relief efforts in Nepal following the devastating earthquake that took place in that region. These donations helped organizations like Doctors Without Borders, Red Cross and Oxfam deliver much needed resources including critical medical care, temporary shelter, food, and clothing.

\*Giving USA 2015 estimates giving increased 7.1% in 2014.

# Schwab Charitable donors are very active.

On average, our donors grant at a rate that is consistently 4 to 5 times more than is legally required of private foundations. Some donors contribute small amounts frequently and grant out a majority of their account balance in a single year. Others make larger contributions periodically driven by financial windfalls (the sale of a business, a large gain in an investment or an unusually large bonus) and support charities consistently over a longer period of time. Both of these strategies are important sources of support for the charitable sector.



## Donor Support



# 1 million

Number of grants since inception

% granted from accounts opened 2000-2004  
cumulative contributions granted

2009

76%

2014

90%



46%

of contributed assets  
granted since inception



20%

of average total  
assets granted  
per year  
(5 year average)



97%

of grants contain  
donor names  
(not anonymous)

## Disclaimers

A donor's ability to claim itemized deductions may be subject to further limitations depending upon the donor's specific tax situation and donors should consult their tax advisors. Schwab Charitable does not provide specific individualized legal or tax advice. Please consult a qualified legal or tax advisor where such advice is necessary or appropriate.

Contributions of certain real estate, private equity or other illiquid assets may be accepted via a charitable intermediary, with proceeds of your donation transferred to your donor-advised account upon liquidation. This intermediary considers donations on a case-by-case basis, and assets typically must be valued at \$250,000 or more.

Schwab Charitable is the name used for the combined programs and services of Schwab Charitable Fund, an independent nonprofit organization, which has entered into service agreements with certain affiliates of The Charles Schwab Corporation.

Schwab Charitable's fiscal year 2015 ran from July 1, 2014 through June 30, 2015. The fiscal year 2015 results in this report have not been audited.

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15 YEARS of GIVING