



 **PayPal** Giving Fund

2023 Annual Report and Financial Statements

31 December 2023

501(c)(3) nonprofit organization (Federal Tax ID: 45-0931286)

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A letter from the Chair and CEO

Dear Supporter,

PayPal Giving Fund aims to inspire a new wave of philanthropy by making giving part of everyday life. In doing so, we strive to create new sources of funding for charitable organizations around the world, helping them to address some of society's most critical challenges.

During 2023 we were delighted to raise more than \$635 million in donations through our programs, and to support more than 176,000 charities worldwide. From September 2023 we expanded our partnership with Meta to the US, leading to a dramatic increase in donations and charities funded. November and December were the biggest months of fundraising in our history, with more than \$230 million donated.

We continued our management of PayPal's fundraising programs and its corporate advised fund, and saw encouraging growth in corporate and employee giving through our partnership with Deed. We also maintained and developed our programs with all our major partners, including GoFundMe, Humble Bundle, eBay, Uber and Twitch.

We saw a rising number of charities benefit from our programs each month, with 89,000 charities supported in November 2023 alone. This required us to make additional efforts to process more than 7,200 charity enrollments per month as more charities signed up to our platform to better engage with their supporters.

We invested in updating our brand, enhancing our risk management and anti-fraud controls, improving our business continuity management process and in supporting our team. We also helped to develop new materials for charities, including videos, to help them understand and benefit from our work more easily.

We are grateful that so many millions of you joined us in supporting your favorite causes through donations to PayPal Giving Fund – a simple act that we strive to make convenient, rewarding and impactful in the context of our daily lives online.

Kind regards,



Keala Gaines
Board Chair



Nick Aldridge
Chief Executive Officer

Vision, Mission and Values



Our Vision

Inspire a new wave of philanthropy, by harnessing the power of technology to make giving a part of everyday life..



Our Mission

Develop innovative programs that introduce charitable giving in relevant and engaging ways to new audiences, benefiting the charity sector.



Our Values

Drawing on PayPal's values and leadership principles, we emphasize inclusion, nurturing, and championing our beneficiaries and partners.



Inclusion

We celebrate our diversity and our people; we aspire to fit together and belong rather than "fit in".

We work as a team: we value everyone's unique contribution and help them share ideas to fulfill our common purpose.

Nurturing

We grow and develop: we strive to improve, investing in our professional development, and celebrating successes along the way.

We look after our team: we show empathy, compassion, and understanding, creating a community that supports all its members.



Championing the Customer

We put donors, partners, and charities front and center, making sure we do the right thing to fulfill our charitable mission.

We take ownership of our work, respond positively to changes and challenges, and get things done efficiently.



A man with short brown hair and a mustache, smiling, is wearing a bright yellow t-shirt. The t-shirt has the OzHarvest logo, which includes the word 'OZHARVEST' in a bold, blocky font, surrounded by various food icons like a tomato, cucumber, and leaf. Below the logo, the text 'Nourishing Our Country' is visible. He is holding a black plastic crate filled with fresh vegetables, including several large red bell peppers, green bell peppers, and green zucchini. The background is slightly blurred, showing the side of a yellow vehicle, possibly a delivery van.

This year data released by the Foodbank Hunger Report shows there are now 3.7 million households in Australia who have struggled to put food on the table in the last 12 months. These figures show the shocking reality of food insecurity in Australia. We have never seen the need so great in communities around Australia and we are doing our best to get good food to those who need it most. The support of the PayPal Giving Fund helps us as we continue to rescue beautiful nutritious food that would have otherwise gone to waste, delivering it directly to charities that help feed people in need. Thank you again for your support!

Hally Lara

Joint Head of Impact, Oz Harvest

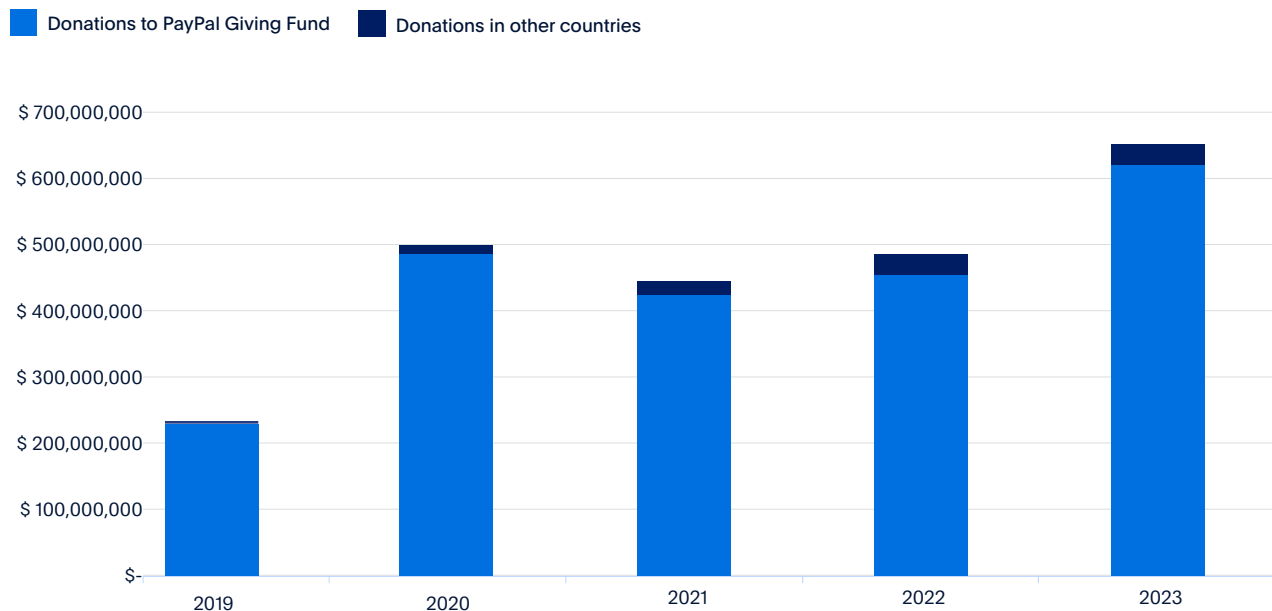
Our Key Achievements in 2023

Increasing our charitable impact through partnerships

Donations to PayPal Giving Fund (PPGF) entities grew in 2023 to \$619 million, a 35% increase year on year. An additional \$17m was raised through our programs in other countries. Donations rose because of the expansion of our program with Meta to the US, and within the UK. We also enabled donations via Instagram in Australia and Canada. Our PayPal programs grew as well, with PayPal Fundraisers for Charity almost tripling in volume. PayPal programs accounted for 44% of our funds raised, with Meta and GoFundMe generating 46%. At the end of the year, we retained a further \$42.9m in Corporate Advised Funds which we expect to distribute in 2024-25.

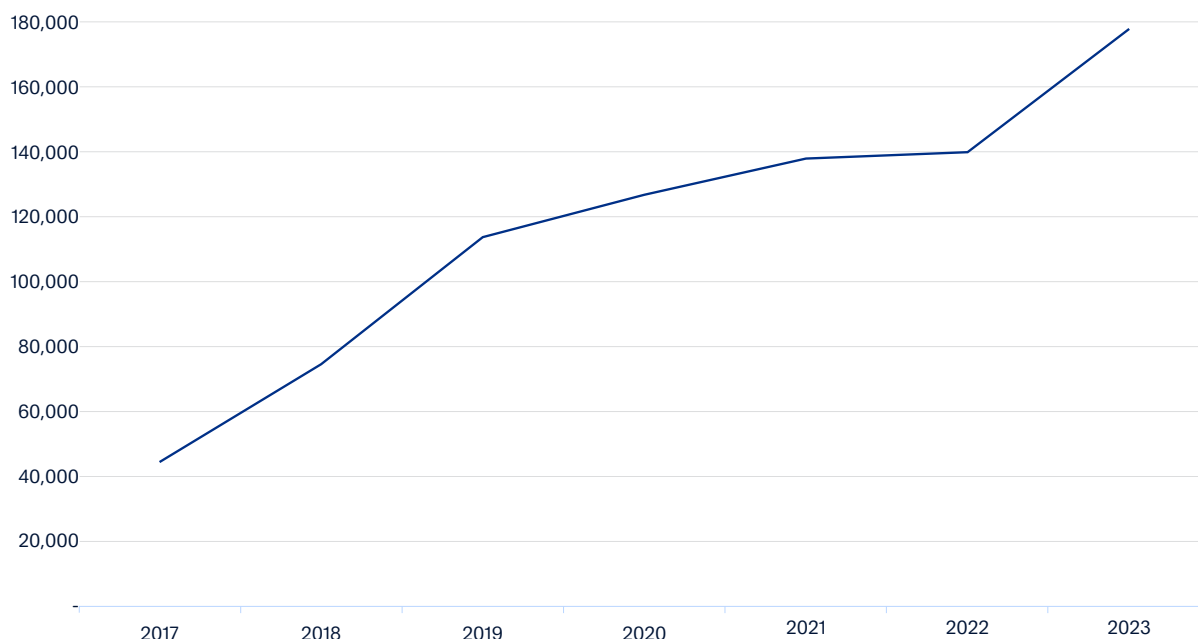
In 2023, 8.5 million donors engaged with our programs, a 10% increase year on year and close to our record of 9 million set in 2021. We also developed a more robust framework to ensure we deepen our understanding of our partners' needs and effectively meet them.

Funds raised through our programs



Charities receiving grants from PayPal Giving Fund

The number of charities receiving grants from PayPal Giving Fund increased 27% to 176,749, driven largely by more US charities receiving support through our programs with Meta.



In December 2023 alone we received donations in support of 81,623 charities (+44% Year on Year) with 74% of charities enrolled at the time they were supported. This represented a drop from 88% in December 2022, reflecting additional charities who hadn't previously engaged with PayPal Giving Fund now receiving support from our expanded program with Meta.

Improving customer engagement and participation

Enrollment enables charities to receive funds electronically (free of charge), to update and manage their profiles, to benefit from a wider range of programs, and to connect with new supporters. More than 43,000 charities enrolled with PayPal Giving Fund in 2023 (+26% Year on Year), taking our total to more than 262,000 enrolled charities at year end.

We handled a large increase in the volume of enrollments and transactions due to our growth, while maintaining the accuracy and timeliness of our payouts to charities. We continued close engagement with PayPal's customer service team, working to improve customers' access to the latest information about our programs and ensure their questions are answered quickly and accurately.

Building for scale, managing risks and investing in our people

We completed successful audits of our operations in all five countries, with increased audit efficiency. We also helped to enhance and automate major parts of the anti-money laundering reviews completed by PayPal on the charities we fund. We kept write-offs and losses below 0.01% of funds raised.

Along with efforts to improve payment success and reduce the need for reassigns, we drove a decrease of around 15% in the proportion of funds reassigned. In the small number of remaining cases (~0.3% of funds raised) where we were unable to fund the charity originally recommended by donors, we consulted the donors and reassigned the funds to alternate charities in a timely fashion.

We measured staff engagement for the second year, and saw an overall net improvement of 8 points, with the greatest increases in understanding of our strategic direction, in alignment with our work and mission, and in making leadership principles part of the team's work.

Key Achievements

In 2023

Our partner programs generated donations to PayPal Giving Fund of

\$ 619m

Bringing our total raised since launch to **\$ 2.6bn**

More than

9.36m

unique donors gave to PayPal Giving Fund

As a result, we granted funds to

176,749

charities



World Food Program USA is deeply appreciative of PayPal's generous contribution in support of the United Nations World Food Program's (WFP) humanitarian efforts in Gaza. Thanks to PayPal's support, the U.N. World Food Program was able to deliver approximately 150,000 meals to Palestinian families in Gaza. Partners like PayPal help the U.N. World Food Program continue its vital work to save lives in emergencies and use food assistance to build a pathway to peace, stability and prosperity for communities affected by conflict and climate-related crises. Thank you, PayPal, as you continue to mobilize for the humanitarian community in times like these.*

Hisham Zawil

Senior Director of Corporate Partnerships,
World Food Program USA

*World Food Program USA benefited from a grant from PayPal's Corporate Advised Fund, managed by PPGF

Building partnerships

Our history

As the internet developed, charities were at risk of being left behind, becoming less relevant as attention shifted online and away from traditional fundraising. In response, PayPal Giving Fund's US founders originally established MissionFish.com as an online marketplace for charities in 1999. We partnered with eBay in 2003 so their buyers and sellers could support good causes. When PayPal spun off into an independent company in 2015, we saw an opportunity to help other leading internet businesses engage their customers in supporting charities, and established PayPal Giving Fund (PPGF).

We established PayPal Giving Fund charities in the UK, Canada, Australia and most recently Ireland, where the entity was established in 2020. Over 275,000 charities have enrolled with our programs across the jurisdictions we fund. In 2023, our programs raised \$635m in total. In 2024, we hope to raise nearly \$1bn to benefit more than 200,000 charities across the PPGF network.

PayPal is uniquely placed to help us grow charitable giving on a global scale. We use PayPal's capabilities to improve and scale our "cause platform" for vetting, payments and fundraising. We're improving donation products and developing ways for people to support good causes as they use PayPal, building on successful campaigns. Our platform partnerships have quickly grown, and we now work with partners globally including Meta, GoFundMe, Humble Bundle, PayPal, eBay, as well as many others.



**Meta**

Meta makes it easy to create and share fundraisers and donate buttons that benefit charities on Facebook and Instagram.

**Paypal**

PayPal helps donors to find and support their favorite charities. Giving and fundraising opportunities embedded in the PayPal web and mobile app customer experience, and in checkout, are enhanced by seasonal campaigns and promotions that inspire people to give more – and give more often.

**GoFundMe**

GoFundMe is a crowdfunding platform that lets your supporters create their own unique fundraising campaigns to support your charity.

**Humble Bundle**

Customers buying games or eBooks through the Humble Bundle digital platform can choose to support a charity with every order.

**eBay for Charity**

eBay customers can support charities by adding a donation when they buy an item, or donating a percentage when they sell an item.

**Deed**

Deed is an enterprise social impact platform that makes it fun and easy for 2.2M+ employees to share their time, money, and talent with causes they care about.

**ShoppingGives**

ShoppingGives empowers businesses & nonprofits of all sizes to identify cause marketing partnerships, activate compliant campaigns, and create engaging and measurable ROI customer experiences.

**Uber**

Uber regularly enables fundraising campaigns for its customers with donations to PayPal Giving Fund.

**Nextdoor**

Sell For Good gives neighbors the ability to support local charities, by simply buying and selling items on Nextdoor's For Sale and Free. An easy way for Nextdoor members to revitalize their neighborhood by giving back to support a local cause.

**Twitch**

Twitch is an interactive livestreaming service and global community that comes together every day to create unique, live, and unpredictable experiences from the interactions of millions. Twitch's charity tool makes it easier for streamers to raise money for causes they care about by removing the hassle from donation tracking and making it easier for viewers to donate directly to a charitable cause.

**Beam**

With Beam brands, consumers can make 1% of their purchase go to a nonprofit they choose. Nonprofits receive long term, recurring financial donations from Beam brand partners.

**GreatNonprofits**

GreatNonprofits partners with PayPal Giving Fund to enable anyone to make great decisions about giving to organizations that they value.

**Thrift+**

Thrift+ makes it easier to re-sell clothes than it is to throw them away. Every sale on their site prevents waste and raises money for charity, with more than \$1 million donated to PPGF UK so far.

**GivingGrid**

GivingGrid is a unique visual platform that specializes in helping animal and related nonprofit organizations and their supporters fundraise.

PayPal Giving Fund enables the BC SPCA to receive donations from a wider array of sources, empowering animal lovers to contribute conveniently and securely through familiar platforms. This expanded reach allows us to extend our support to more animals and their devoted caregivers. Not only does PayPal Giving Fund Canada assist in funding our mission, but their responsiveness and solution-oriented approach shine whenever we require assistance or have inquiries about our account. On behalf of the animals in British Columbia, we express profound gratitude for all they do to connect compassionate donors with our work.

Tess Repenning

**Senior Director of Revenue Development,
BC SPCA**



Our financial results

PayPal Giving Fund presents its consolidated financial results below.

	Year ended December 31, 2023	Year ended December 31, 2022
Donor contributions	\$ 618,611,723	\$ 457,462,471
Program service revenue	3,662,541	3,750,781
In-kind contributions	12,414,817	11,973,073
Miscellaneous income	5,505	1,569
Total revenues	634,694,586	473,187,894
Grants to charitable organizations	612,455,500	454,224,041
Other program services	19,442,043	15,934,185
General and management	1,310,259	1,178,412
Fundraising	797,791	881,216
Total grants and expenses	634,005,593	472,267,854
Foreign currency translation adj.	40,892	(80,310)
Change in net assets	729,885	839,730
Net assets, beginning of year	3,473,926	2,634,196
Net assets, end of year	4,203,811	3,473,926

Leveraging operational support

At PayPal Giving Fund, we are proud of the fact that, as in previous years, we've been able to continue our work without deducting fees from the donations we receive from individuals. Thanks to the financial support of PayPal and our other partners, our operational expenses continue to be fully covered.

In addition, PayPal Giving Fund receives considerable in-kind support from PayPal, including product and engineering work, customer service resources, legal advice and use of PayPal's office space, servers and equipment, as well as payment processing on some of our donations. The value of these services, across PayPal Giving Fund's operations, totaled \$12.4m in 2023 (comprising \$3.1m in operational support and \$9.3m in waived fees on donations) compared with \$12.0m in 2022. The increased support came in the form of resources for our automation work, waived processing costs on PayPal fundraising programs, and a change in the charity's employment model: from May 1st 2022 the PPGF US team became PayPal employees with their salaries and benefits funded by PayPal, making 2023 the first complete year under this new model.

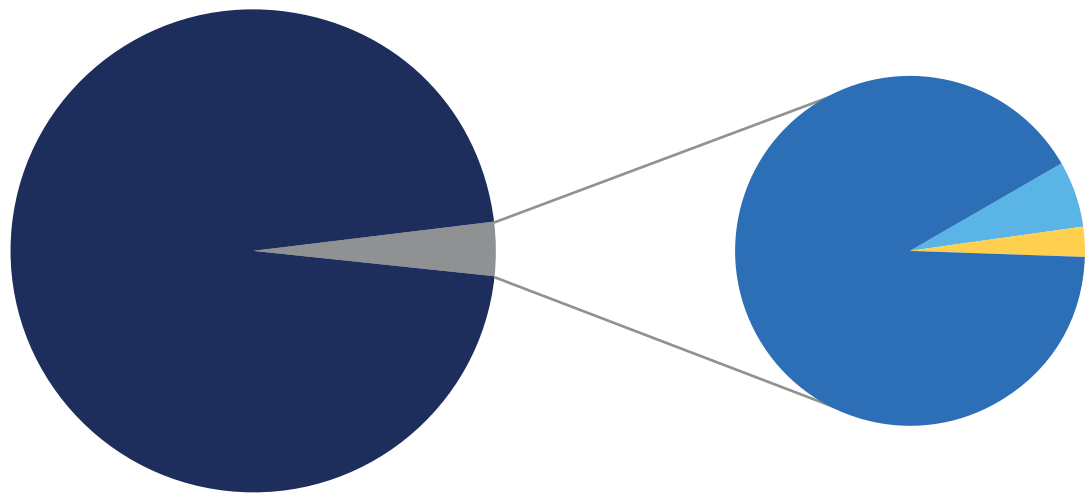
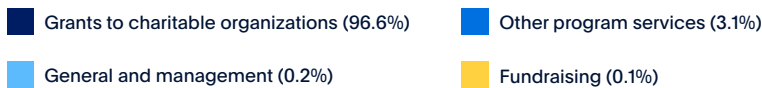
Building for scale


As we continue to grow, launching new programs and capabilities, we typically incur additional costs. In 2023, with an increase in our donation volume and in-kind support from PayPal, for every dollar PayPal Giving Fund spent on direct costs, we raised \$452 for charity, up 9% on 2022.

	2023	2022
Donations received by PPGF entities	\$619m	\$458m
Direct general and management and fundraising costs (net of in-kind)	\$1,370,073	\$1,102,986
Amount raised for charity for each \$1 of direct cost to PayPal Giving Fund	\$452	\$415

Even with in-kind costs included, PayPal Giving Fund devotes more than 99% of its expenses to the delivery of its programs: the issuing of grants to charities from the donor advised funds we sponsor.

PPGF expenditure in 2023





We are truly thankful for the incredible support provided by PayPal Giving Fund. Over 700 marginalized young people from across the UK have been able to take part in our life-changing program thanks to the incredible support we have received from PayPal donations. These young people have learnt a new skill, participated in a physical activity, explored the great outdoors, and volunteered in their local community. They've developed their aspirations, self-confidence and resilience, which will help them to successfully navigate further education and the world of work. On behalf of The Duke of Edinburgh's Award, thank you PayPal, you are helping transform young lives.

Lucy Sharma

Head of Corporate Partnerships,
The Duke of Edinburgh's Awards

Board and Governance

PayPal Giving Fund is recognized by the IRS as a 501(c)(3) public charity (and a sponsoring organization of Donor Advised Funds) in the US, a Public Ancillary Fund in Australia, and a registered charity in the UK, Canada, and Ireland. We accept charitable contributions in each country, issue charitable tax receipts to donors where applicable, and make grants to the charities recommended by donors.

PayPal Giving Fund in the US is overseen by an experienced Board of Directors which, on behalf of our donors and beneficiaries, is charged with establishing overall strategy, governing our operations, and monitoring our effectiveness. Among other responsibilities, the Board meets regularly to oversee the organization's policies and practices to promote integrity, transparency, and accountability. The PayPal Giving Fund charitable entities in the UK, Canada, Australia and Ireland are each governed by their own Board of Directors, appointed by PayPal Giving Fund US through a nominated representative.

PPGF US Board of Directors:

Allyson Huve, VP, Finance, Small Business and Financial Services, PayPal

Jim Texter, VP, Global Customer Services Operational Excellence, PayPal

Keala Gaines, VP, SMB, Commercial Leader for Payments, PayPal

Rob Regan, VP, Global Accounts, PayPal

Tie Kim, CFO, California Health Care Foundation (Audit and Finance Committee Member)

Victoria Vrana, CEO, GlobalGiving

PPGF US Officers:

Alicia Kinsey, Board Secretary

Nick Aldridge, Chief Executive Officer

Nuru Kiyemba, Chief Financial Officer

