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Giving in Numbers™: 2023 Edition Reveals Environmental Funding Growth Rate of 54%

Companies reporting Environment, Social, Governance (ESG) metrics in their quarterly earnings calls has increased by 4 percentage points to 58%

NEW YORK, October 19, 2023 – Environmental program funding had the highest growth rate of 51% because, according to Chief Executives for Corporate Purpose® (CECP) [Giving in Numbers™: 2023 Edition](#), companies may be increasingly demonstrating the alignment of their community investment priorities with their corporate environmental goals and reporting more publicly on it, as well. The number of companies using Environment, Social, Governance (ESG) metrics in their quarterly earnings calls increased by 4 percentage points, to 58% in that same time frame. The report chronicles the prioritization of societal investment at the world's largest companies, with a focus on social, environmental, and civic employee engagement initiatives, between 2020-2022.

The median **total community investment, which includes both cash and non-cash contributions, across companies in 2022 was US\$28.4 million**. Environment, Community and Economic Development, and Civic and Public Affairs also experienced significant growth at 54%, 21%, and 15%, respectively. Environment experienced the most growth in this period, which may attest to companies' growing sense of urgency to address the threat of climate change and other environmental changes. Interestingly, an October 2023 CECP Pulse Survey of 112 respondents found 66% of surveyed companies believe they should go forward with ESG practices, with 37% sharing planning widely to communicate its importance.

Total community investments were 14% lower in 2022 than in 2020, and disaster relief decreased 39%, reflecting a decline of COVID-19-related community investment spending. But between 2021 and 2022, there was a slight increase in spending of 1%, yet with a slower growth rate than was seen annually pre-pandemic, which was 3% 2018-19 and 8% 2017-18.

CECP's *Giving in Numbers™* is the premier industry survey and research, providing standard-setting criteria in a go-to guide that has defined the field and advanced the movement. Over 22 years, CECP has created the largest and most historical data set on trends in the industry, shared by more than 600 multi-billion-dollar companies, representing more than \$439 billion in total community investments over that time span. The report is embraced by professionals across all sectors globally to understand how corporations invest in society, with topics ranging from cash and in-kind/product, employee volunteerism and giving, and impact measurement. Additional key findings include:

- A matched set of companies showed that there was an 88% increase in **non-cash** donations between 2018 and 2020, driving much of the **COVID-19 total community investment balloon**, followed by a subsequent drop in non-cash of 58% amongst those same companies between 2020 and 2022. The difference between 2020 and 2022 is also in part because the U.S. dollar did not have as much purchasing power in 2022 as it did in 2020, as evidenced by the increase in the Consumer Price Index. This also impacts grant recipients, whose grant budgets had to stretch further in 2022 than they did in previous years.

- Between 2018 and 2022, there were fluctuations in how community investments were funded: median **direct cash** donations direct from the corporation grew by 8%, while **foundation cash** grew by **30%**, indicating an increasing reliance on foundations as vehicles for grant distribution. Comparatively, median **non-cash** decreased by 20% in that same period. While non-cash grew significantly in response to the events of 2020, that growth was not sustained: median non-cash spending in 2022 dipped below the median of 2018.
- The program areas that continued to receive the most funding were **Health and Social Services and Community and Economic Development** at 20%, but there was a shift in 2023 by industry, with **Consumer Discretionary** allocating the highest average percentage to **Community and Economic Development**.
- **Investors** remain an important stakeholder when considering societal investment strategies, particularly for companies to align their reporting with those of the Global Reporting Initiative or International Financial Reporting Standards. And accordingly, **83%** of companies reported **considering the investor perspective** when reporting social KPIs in their annual reports, an increase from 79% in 2020.
- In 2022, **49%** of companies allocated some of their community investment budget to **STEM education**, with a median of US\$1.37 million and the average percentage of total community investments for STEM at 6%. As the world becomes more reliant on technology, companies are investing in their future workforce, improving the quantity and quality of their prospective employee pipeline.
- In 2022, slightly more than **two-thirds** of companies reported making cash and non-cash community investments to **international end-recipients**. With effects of the pandemic on business operations and travel subsiding, companies may have become more willing to disburse donations to organizations located abroad.
- Total matching gifts declined 4% between 2020 and 2022 but were 16% higher in 2022 than in 2018. This could represent employee giving decreasing over the last couple of years possibly due to rising inflation, but still is well above what it was in the past.

“Findings from CECP’s *Giving in Numbers* report show an increase in total community investments and demonstrates that companies’ are still strongly committed to investing in the communities where they work,” said Daryl Brewster, CEO, CECP. “Being purpose driven and investing in local communities is not only a socially responsible act, but also a smart business strategy that can create a win-win, benefiting both the company and the community it serves.”

Last year was a time of rebuilding, with many companies and organizations revisiting their social impact strategies following a peak in giving for the pandemic and racial equity. Given these changes, *Giving in Numbers*™ provides insights into how companies are learning how to be efficient and strategic, such as more closely aligning their community investment priorities with their environmental goals. For example, the Climate Change Investment Initiative (2c2i) is a joint commitment between **Exelon Corporation** and its philanthropic arm, Exelon Foundation, to invest in and cultivate innovative start-ups focused on advancing climate change mitigation, adaptation, and resiliency efforts.

Key insights from *the Giving in Numbers* Survey of 2022 data were released at the [CECP Summit](#) in May 2023. [CECP-affiliated companies](#) access custom analysis of the data at no additional cost through CECP’s secure online portal or by [contacting CECP](#)..



Note to Editors: the report author is available for comment and a more in-depth look at the community investment data collected from 222 of the world's largest companies.

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About Chief Executives for Corporate Purpose (CECP)

Chief Executives for Corporate Purpose® (CECP) is a trusted advisor to companies on their corporate purpose journeys to build long-term sustainable value. Working with CEOs and leaders in corporate responsibility, sustainability, foundations, investor relations, finance, legal, and communications, CECP shares actionable insights with its CEO-led coalition to address stakeholder needs.

Founded in 1999 by actor and philanthropist Paul Newman and other business leaders, CECP is a movement of more than 200 of the world's largest companies that represent \$8.7 trillion in revenues, \$47 billion in total community investment, 15.1 million employees, 16 million hours of employee engagement, and \$34.1 trillion in assets under management. CECP helps companies transform their strategy by providing research, benchmarking, strategy, convening, and communications in the areas of societal/community investment, employee engagement, environmental social governance/sustainable business, diversity equity inclusion, and telling the story.

For more information, visit <http://cecp.co>.