



Sustainable Family Wealth Strategies Series

Summary of 2024 Family Office Reports: Reflecting on Key Insights, Trends, and Preparing for the Future

Confiance Family Office @ APRIL 2025



The landscape of family offices and ultra-high-net-worth (UHNW) wealth management in 2024 underwent a transformative shift marked by rapid growth, technological innovation, and regional diversification. Leading reports—the JP Morgan 2024 Global Family Office Report, Deloitte's Family Office Insights Series (Asia-Pacific Edition) 2024, McKinsey's 2024 Asia-Pacific's Family Office Boom: Opportunity Knocks, and Ocorian's 2024 Global Family Office Report—highlight evolving trends, strategic priorities, and regional nuances shaping the sector.

These studies collectively underscore a global trajectory toward sophistication, diversification, and strategic adaptation. Drivers include generational wealth transfer, technological disruption, geopolitical uncertainties, and Asia-Pacific's emergence as a powerhouse of UHNW growth. Core values such as legacy preservation, governance, and impact-driven investing remain central as the sector evolves.

Streamlining Family Succession Across Generations



COMMON FINDINGS ACROSS THE REPORTS

1. Robust Growth and Increasing Adoption of Family Offices

Global family office numbers and assets under management (AUM) are surging, particularly in Asia-Pacific, where entrepreneurial wealth creation and supportive policies fuel a "boom." :

- ◇ **Global Growth** - Baby boomer expected to shift trillion of their wealth over the next decade.
- ◇ **Asia-Pacific** - Rapid expansion driven by UHNW population growth, tech innovation, and government incentives for family offices

2. Diversification and Sophistication of Investment Portfolios

Family offices are pivoting from traditional assets (equities, real estate) to alternatives:

- ◇ **Type** - Private equity, venture capital, bonds, digital assets, and impact investments dominate portfolios.
- ◇ **Objective** - Diversification aims to hedge inflation, market volatility, and geopolitical risks.

3. Emphasis on Governance, Succession, and Intergenerational Wealth Transfer

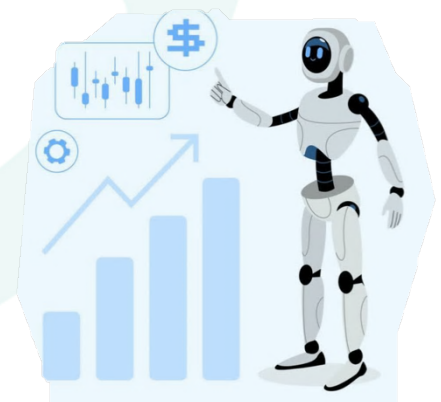
Formal governance frameworks are critical as generational transitions accelerate:

- ◇ Family constitutions, advisory councils, and succession plans are prioritized.
- ◇ Cross-generational education and communication are key to maintaining unity.

4. Embracing Innovation and Technology

Technology reshapes operations:

- ◇ AI, fintech tools, and data analytics enhance decision-making.
- ◇ Cybersecurity remains a top concern amid digital adoption.



5. Shift Toward Holistic Wealth Management

Services now extend beyond investments to "concierge-style" offerings:

- ◇ Philanthropy, wellness programs, talent development, and global estate planning.
- ◇ Focus on aligning services with evolving family expectations.

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PREPARING FOR INTERGENERATIONAL WEALTH TRANSFER IN ASIAN FAMILIES: INTEGRATING CULTURE, GOVERNANCE, AND LEGACY

Asia's family offices, driven by entrepreneurial dynamism and digital innovation, confront a complex dual mandate: advancing wealth management strategies while safeguarding cultural heritage.

Over the next 5–10 years, a critical challenge emerges as generational transitions intersect with the *Westernized perspectives* of heirs educated abroad. These younger members, often influenced by individualistic values and globalized mindsets, may clash with traditional Asian principles like filial piety, multigenerational harmony, and collective community stewardship. Families must navigate tensions between modern, decentralized decision-making and the Confucian-inspired emphasis on elder respect and unified family governance.

For instance, heirs returning from overseas studies might advocate for rapid digital transformation or ESG-driven investments, while elders prioritize preserving family businesses rooted in ancestral practices or localized philanthropy.



This cultural disconnect poses a risk to legacy plans unless families intentionally bridge gaps through inclusive dialogue, adaptive governance frameworks, and education that honors both innovation and tradition. By fostering mutual respect—such as integrating Western financial tools while upholding rituals that celebrate shared history—families can transform this friction into a cohesive strategy, ensuring cultural identity remains the bedrock of their legacy even as globalized heirs steer its evolution.

Below are some strategies on how Asian cultural strengths into legacy planning:

1. Culturally Rooted Governance: Family Constitutions and Intergenerational Dialogue



Action: Draft a family constitution reflecting Confucian principles (e.g., filial piety, collective decision-making). Integrate elders into advisory roles for wisdom, while engaging younger generations in tech-driven strategies.

Example: Host family gathering during cultural milestones (Lunar New Year, Diwali) to foster transparency. Education across generations must be aligned with mentorship programs that blend financial training with values like humility.

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2. Succession Planning: Rituals and Resilience

Action: Strengthen family governance frameworks—such as family constitutions, councils, or charters—to codify shared values, decision-making processes, and ethical guidelines. Pair legal structures (wills, trusts, foundations) with traditions like annual family retreats or storytelling sessions to reinforce unity and purpose. Educate heirs on both legacy assets (e.g., family businesses) and modern investments, ensuring decisions align with long-term family values.



Example: A multigenerational family business in Asia established a Family Governance Council with representatives from each branch and generation. During annual retreats, elders share stories of the family's humble beginnings as small-scale traders, their resilience during economic crises, and the ethical principles that guided their expansion into industrial manufacturing. These narratives are documented in a family legacy Article which outlines values like integrity, frugality, and collective responsibility. When

faced with a recent market downturn, the council invoked these principles to make unified decisions—diverting profits to retain employees rather than cutting jobs and reinvesting in upskilling programs. Younger members, mentored by elders, led digital transformation initiatives to future-proof the business.

3. Philanthropy as Legacy and Social Duty

Action: Formalize charitable initiatives through foundations dedicated to education for the underprivileged communities and to alleviate poverty, aligning them with core values such as compassion, equity, and intergenerational responsibility. Involve heirs in designing and managing programs to deepen their commitment to social impact.

Example: Establish an education-focused endowment to fund tuition-free schools, vocational training centers, or scholarships in economically disadvantaged regions, prioritizing areas with historical ties to the family. Engage younger generations by tasking them to oversee scholarship allocations, monitoring program outcomes, or volunteering as mentors, fostering empathy and accountability. This approach reflects the growing emphasis on talent development in legacy planning, where education philanthropy becomes a pillar of long-term societal transformation.

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4. Strategic Investments Aligned with Family Values

Action: Prioritize sectors reflecting family values (e.g., education, sustainable infrastructure) while embedding risk management discipline and leveraging Chief Investment Officer (CIO) expertise to align returns with family values priorities. Structure portfolios with a balance of stable, income-generating assets (e.g., real estate, dividend stocks) and higher-growth impact investments (e.g., green tech, healthcare) to mitigate volatility. The CIO should design tailored financial literacy programs—workshops, simulations, and mentorship—to empower family members with skills to assess risks, interpret market trends, and align decisions with long-term legacy goals.

Example: A family office focused on funding education in underserved regions collaborated with their CIO to create a dual-tier investment strategy:

- **Tier 1 (Stability):** 70% allocated to low-volatility assets (municipal bonds, REITs) to ensure steady funding for scholarships and school infrastructure.
- **Tier 2 (Growth & Impact):** 30% directed into edtech startups and vocational training platforms in emerging markets, screened for ESG compliance and cultural relevance.



The CIO hosted quarterly investment meeting where younger family members analyzed proposals, stress-tested scenarios and learned to quantify social impact metrics. Elders contributed historical insights, such as prioritizing regions where the family's ancestral businesses once thrived. Over the years, this approach will transform the heirs into financially savvy stewards who balanced innovation with prudence.

5. Technology with a Human Touch

Action: Adopt AI and fintech tools but frame cybersecurity as protecting family honor, a core Confucian value. Use digital platforms to archive family histories and philanthropic journeys.

Example: Document ancestors' resilience stories through interactive platforms, ensuring tech bridges—not replaces—cultural transmission.

6. Wellness and Harmony: Beyond Financial Capital

Action: Integrate traditional wellness practices (e.g. meditation, Tai Chi) into family office programs. Prioritize mental health to mitigate internal conflict.

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CONCLUSION: BRIDGING PAST AND FUTURE

For family founders, this is a pivotal moment to reflect deeply on the evolving needs of the *family business* and the shifting dynamics among generations. Asia's family offices stand at a crossroads: the task is not only to leverage innovation-friendly regulations but to anchor governance in cultural wisdom while bridging the gap between modern strategies and ancestral traditions.

Founders must ask: How can we preserve values like *filial piety* (孝顺/ Gratitude, love and respect to the parents) and collective stewardship while embracing tools like AI, global diversification, or investment frameworks?

By harmonizing innovation with heritage, founders transform wealth into a legacy that honors the past, empowers future generations, and uplifts communities. The goal transcends balance sheets; it is about cultivating a lineage resilient enough to thrive in global markets yet rooted in Asia's timeless principles of harmony, stewardship, and adaptability. As the region's wealth surges, founders who act as bridges—melding tradition with transformation—will ensure their legacy becomes a living institution, enduring for generations.

Start your journey today! Connect with our advisors to craft a legacy that lasts.



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