SMP FINANCIAL RESEARCH

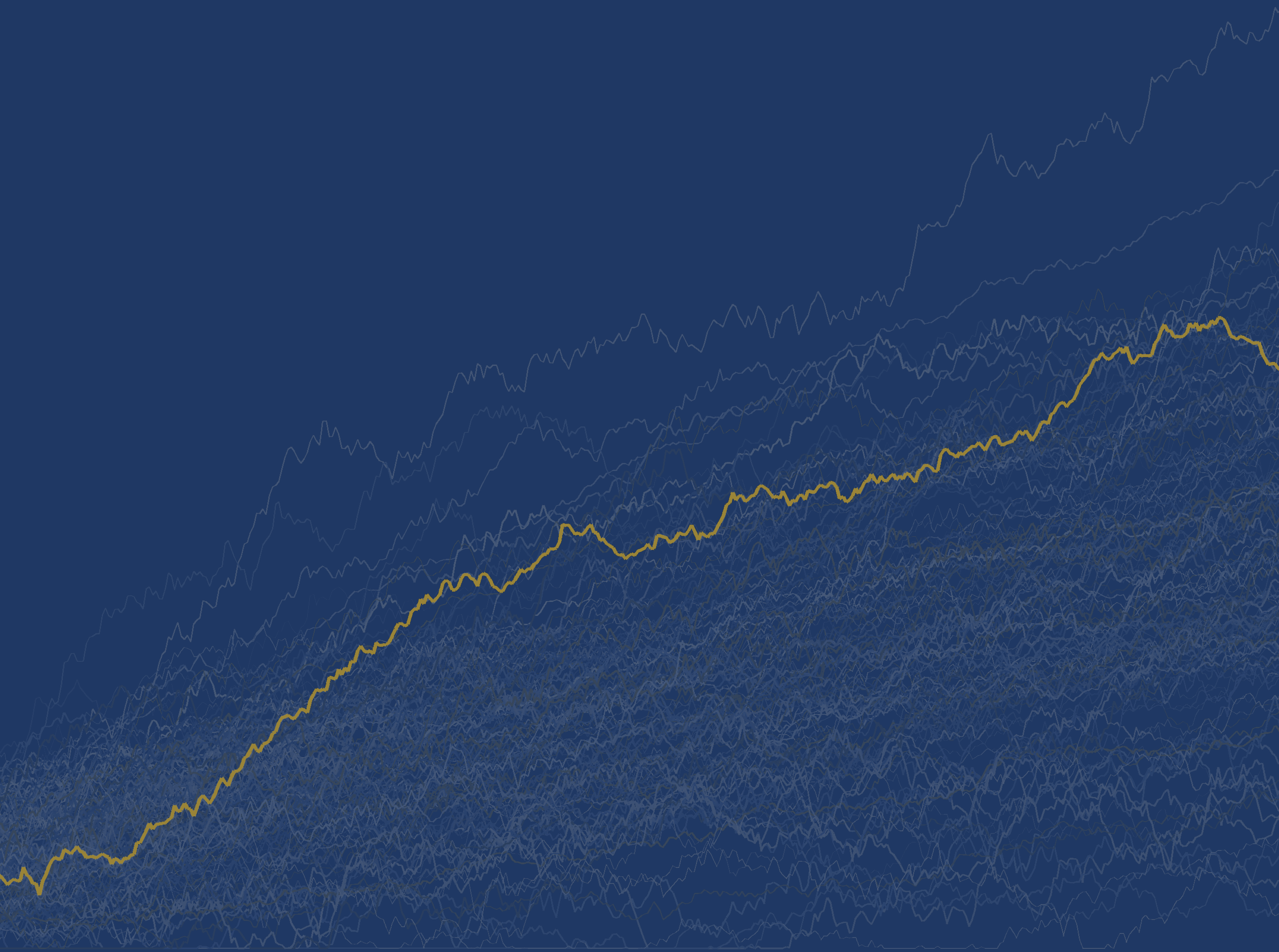
July 2026

European Family Offices

A Research Compendium on the European Family Office Landscape

LANDSCAPE · SURVEYS · ASSET ALLOCATION · GOVERNANCE · REGULATION · SUCCESSION

MULTI-FAMILY OFFICE RESEARCH · VERSION 17.0



Contents

Donal Milmo-Penny is a partner at SMP Financial where he leads the firm's investment research and portfolio strategy work. He holds the Qualified Financial Adviser (QFA) designation awarded by the Life Insurance Association of Ireland and is a Fellow of the Life Insurance Association (FLIA), reflecting over a decade of continuing professional development in financial planning, investment, and insurance.

> **Three structural shifts define 2026: (1) private credit is fastest-growing — zero-exposure fell from 36% to 26% in two years [13]; (2) gold allocations are rising as a USD hedge [1]; (3) cash is being deployed as dry powder into private markets [13].**

Prepared by **Donal Milmo-Penny QFA FLIA**
SMP Financial Ltd | 55 Ailesbury Road, Ballsbridge, Dublin 4
d.milmo-penny@smpfinancial.com | www.smpfinancial.com

Landscape snapshot

01

2,020

Single-family offices in Europe ≈25% of the global total [7]

02

~700

Multi-family offices ≈⅓ of global direct deals [15]

03

€1.70bn

Average AUM per office Collective AUM approx. €172bn [4]

04

€2.55bn

Average family net worth UBS 2026 global sample [1]

05

67%

Plan to change allocation 2nd-highest of any region [1]

06

€77tn

Wealth transfer underway Over the next ~20–25 years [26]

07

0.9%

Euro-area GDP, 2026 ECB forecast, revised down [9]

08

2.25%

ECB deposit rate Raised 11 June 2026 [27]

09

SFDR 2.0

Regulatory overhaul Proposed 20 Nov 2025 [20]

Executive Summary

This compendium profiles the European family office sector in 2026, synthesising ten primary survey sources and a range of supplementary market and regulatory data. Its purpose is to establish an evidence-based base case — a consensus picture of how European family offices are structured, how they invest, how they are governed, and the pressures they face.

The sector

Europe hosts approximately 2,020 single-family offices, around a quarter of the global total, alongside roughly 700 multi-family offices. The market is mature and consolidating: the 2025 Stanhope–Stonehage Fleming–Corient merger created a USD 430 billion platform. European offices manage an average of approximately €1.70 billion (USD 1.84bn) each and are the largest regional cohort in the UBS global survey.

The portfolio

The consensus European portfolio holds approximately 32% in public equities, 30% in private markets (PE 21%, private credit 3%, hedge funds 6%), 14% in fixed income, 10% in real estate, and the balance in infrastructure, gold, and cash. Geographically it splits almost evenly between North America (45%) and Western Europe (41%). The single most important dynamic is the pace of change: 67% of European offices plan to alter their strategic allocation in 2026 — the second-highest of any region and part of the highest global reading on record.

The shifts

Three structural shifts stand out. Private credit is the fastest-growing allocation, with the proportion of European offices with zero exposure falling from 36% to 26% in two years. Gold is being added as a deliberate USD hedge. Cash — held at elevated levels — is being deployed as dry powder into private markets. Artificial intelligence is the dominant investment theme (57% allocating), though European offices show the highest AI-bubble concern of any Western cohort.

The risks

Geopolitical conflict is the overriding concern across every major survey. Over a five-year horizon the risk agenda broadens sharply toward a debt crisis, financial-market crisis, and recession. European offices respond with exceptional jurisdictional diversification — only ~12% hold assets in a single jurisdiction versus ~35% of US offices — and active currency management reducing dollar exposure.

Governance and succession

Governance shows a consistent pattern: a strong operational core but a weak succession and continuity layer. While ~68% of offices have formal performance measurement and ~60% have investment committees, only 35% have a succession plan for the office itself and only 27% have an organised next-generation education process. This gap matters acutely given the approximately €77 trillion (USD 83tn) wealth transfer now under way.

The backdrop

European offices operate against slower euro-area growth (ECB forecast 0.9% for 2026), firmer inflation (2.6% per March projections; revised to 3.0% — with 2026 growth trimmed to 0.8% — in the June 2026 projections accompanying the rate decision), and an ECB that raised its deposit rate to 2.25% on 11 June 2026 — its first hike since 2023. The regulatory agenda is led by the proposed SFDR 2.0 overhaul and the phased roll-out of CSRD. The rearmament cycle simultaneously opens a defence-investment theme in tension with established ESG exclusion frameworks.

How this report is organised

Part I (§1–2) covers the macro-regulatory context. Part II (§3–6) is the investment picture: risk, strategic asset allocation, regional/currency positioning, and thematic investing. Part III (§7) covers operations and technology. Part V (§9) covers succession. Part VI (§10–11) sets out the research agenda and derives the consensus median portfolio underpinning the companion implementation and quantitative annexes. Appendix A contains sources and methodology.

How to Read This Suite

This compendium is one of three documents. The table below maps each document to the questions it answers.

DOCUMENT	PRIMARY QUESTION ANSWERED	KEY CONTENTS
Main Compendium (this document, v12.0)	What does the European family office sector look like? What does the consensus portfolio contain?	Survey synthesis; sector overview; macro and regulatory context; investment themes; operations and technology; governance; succession; consensus median portfolio
Implementation Annex (v1.0)	How could the consensus portfolio actually be built? What does it cost, and how is it taxed?	UCITS ETFs with ISINs and TERs; semi-liquid ELTIF 2.0 structures; institutional private market funds; weighted average cost modelling; domicile and tax analysis
Quantitative Annex B (v7.0)	How has the consensus portfolio performed? Is it efficient? Where can it be improved?	21-year backtest (2005–2025); full professional metric suite; benchmark analysis; risk decomposition; efficient frontier and optimised variant; smoothing analysis
Irish Execution Annex C (v1.1)	How is the consensus portfolio implemented for Irish-resident families?	Irish tax framework; entity and wrapper analysis; pension structures; asset-class execution; platform and cost layer

Table: Document structure of the European Family Office Research Suite. Each document is self-contained; cross-references are provided where relevant.

PART I

Context

SECTION 01

The European Family Office Sector

1.1 Scale and Market Structure

Europe is home to approximately 2,020 single-family offices as of 2024, equivalent to roughly 25% of the estimated global total of 8,030. Deloitte projects the global total will reach approximately 10,720 by 2030; applying the current European share (~25%) implies approximately 2,650 European SFOs, equivalent to annualised growth of roughly 4–5%. FamilyOfficeHub estimates that approximately 700 multi-family offices are also active, and that European family offices account for approximately one-third of all global family office direct deal activity.

Campden Wealth's 2024 European survey recorded average AUM of approximately €1.70 billion (USD 1.84bn) per office and collective AUM of approximately €172 billion (USD 186bn) across its sample, up from approximately €0.83 billion (USD 0.9bn) average AUM in the 2023 edition. — a jump reflecting sample composition rather than organic growth In the UBS 2026 global survey (n=307), average family net worth was approximately €2.55 billion (USD 2.7bn) and average assets managed approximately €1.23 billion (USD 1.3bn).

Beyond count and size, the UBS 2026 survey illuminates the character of the sector. The total wealth of the 307 surveyed families amounted to approximately USD 627 billion, with an average of USD 1.3 billion in assets under active management per family office (figures as published by UBS; the stated USD 2.7 billion average family net worth and the USD 627 billion aggregate imply different computation bases within the source) — distinct from average family net worth (USD 2.7bn) because family offices typically manage only a portion of total family wealth directly. Europe excluding Switzerland represented the single largest regional group in the UBS survey at 30% of respondents, ahead of Asia Pacific (23%), Switzerland (14%), Latin America (13%), the United States (12%) and the Middle East (7%).

Where the survey base sits

UBS 2026 sample composition, n = 307 family offices across 30+ markets [1]

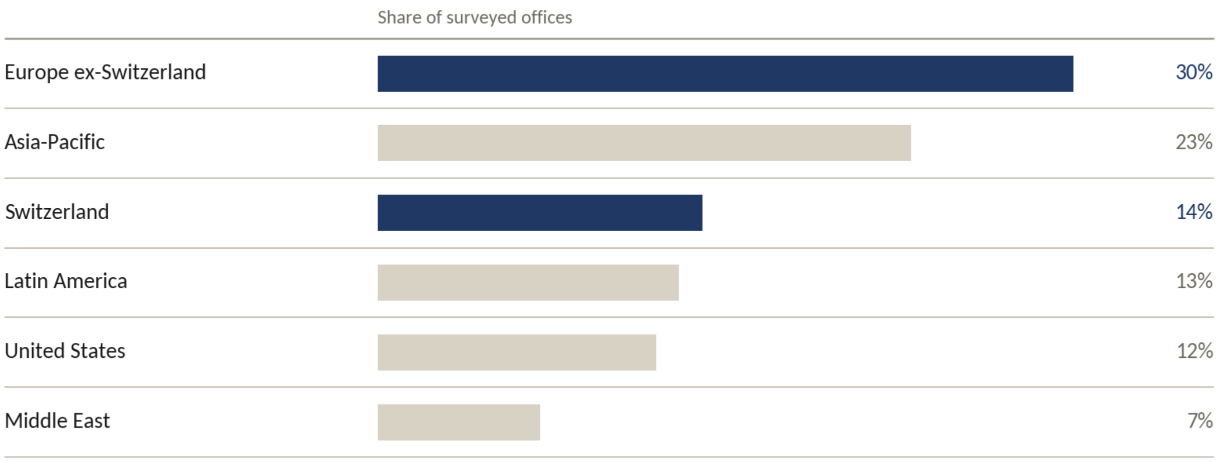


Exhibit 4. UBS 2026 survey sample composition by region (n = 307). Author-constructed from UBS Global Family Office Report 2026 data [1].

The strategic moment

UBS Global Family Office Report 2026 [1]; Campden/HSBC 2024 [4]

60%	€1.70bn	35%
Plan SAA changes in 2026	Average AUM per European office	Have a defined succession plan
Highest reading on record; 35% a year earlier	Campden/HSBC 2024; sample-composition driven	Against an €83tn generational transfer

Exhibit 3. Headline survey indicators. Author-constructed from UBS 2026 [1] and Campden/HSBC 2024 [4].

The organisational profile of European family offices reflects the breadth of their mandate. Most serve the founding and second generations simultaneously: 56% of surveyed families involve the first generation in family office activities and 58% the second. Critically, 77% of surveyed families operate an active underlying business, with real estate (17%), consumer goods (11%) and banking or financial services (10%) the most common sectors. This business-owner concentration explains much that is distinctive about European family offices: their governance structures, succession pressures, and the interplay between operating company and investment portfolio that sets them apart from purely investment-driven endowments.

2,020	~700	30%	€1.70BN
SFOS IN EUROPE	MFOS IN EUROPE	UBS SURVEY SHARE	AVERAGE AUM
DELOITTE 2024 [7]	FAMILYOFFICEHUB 2026 [15]	LARGEST REGIONAL COHORT [1]	CAMPDEN 2024 [4]

1.2 Principal Hubs and Recent Developments

The market is concentrated in a small number of centres. London is the largest city by family office count. Zurich, Geneva, Luxembourg, Amsterdam, Munich, Frankfurt, Paris, and Milan are all significant hubs. The acquisition of Stonehage Fleming and Stanhope Capital by US-based Corient — agreed in September 2025 and completed on 1 June 2026 — created a combined platform of approximately USD 430 billion in assets at announcement (approximately USD 508 billion at completion), illustrating the accelerating institutionalisation of the European multi-family office market.

1.3 Structural Characteristics: SFO and MFO

The 2,020 single-family offices and approximately 700 multi-family offices active in Europe operate under different structural logics. SFOs exist to serve one family exclusively; their governance, staffing and service scope are shaped entirely by that family’s priorities. MFOs serve two or more unrelated families, requiring a more standardised service proposition balanced against meaningful customisation.

The distinction matters analytically because the two models differ in cost structure, governance maturity and investment approach. MFOs typically show more formalised investment processes and lower per-family costs, while SFOs retain greater flexibility to concentrate in family-specific opportunities such as co-investments alongside the founding operating business. Published data does not yet permit a rigorous European SFO/MFO comparison — this is among the most significant analytical gaps in the field, as noted in §10.

Both models share a strong orientation toward active internal management. The UBS 2026 survey records that approximately 86% of family offices handle strategic asset allocation internally, and 80% manage portfolio risk in-house — even where execution is delegated to external managers. Preserving decision-making authority within the structure, rather than outsourcing it to a private bank or discretionary manager, is a defining characteristic of the family office model.

SECTION 02

Macroeconomic and Regulatory Context

2.1 Euro Area Economic Conditions

The ECB's March 2026 projections forecast euro area real GDP growth of 0.9% for 2026, revised down from 1.2% in December 2025; the June 2026 staff projections subsequently trimmed 2026 growth further to 0.8%. Headline inflation was revised up to 2.6% from 1.9%, driven by the Middle East conflict. The June 2026 projections (published alongside the 11 June rate decision) subsequently revised 2026 headline inflation up further to 3.0%. On 11 June 2026 the ECB Governing Council raised its deposit facility rate by 25 basis points to 2.25% — the first increase since 2023 — effective 17 June 2026, citing persistent energy-price-driven inflation and robust medium-term price risks.

INDICATOR	2025 ACTUAL/EST.	2026 FORECAST	2027 FORECAST	SOURCE
Real GDP growth (euro area)	1.4%	0.9% ↓	1.3%	ECB March 2026 [9]
Headline inflation (HICP)	2.1%	2.6% ↑ (March); 3.0% (June)	2.0%	ECB March 2026 [9]
Core inflation	~2.4%	~2.3%	~2.2%	Conference Board [11]
ECB deposit facility rate	2.0%	2.25% (raised 11 Jun 2026)	—	ECB [27]
Next scheduled ECB meeting	—	23 July 2026	—	ECB calendar

Table 1. Author-constructed euro area macroeconomic summary. All figures paraphrased from cited sources [9][11][12][27]. ↑/↓ indicate direction of revision from prior projections.

2.2 Regulatory Environment

SFDR 2.0

On 20 November 2025, the European Commission proposed a comprehensive revision of SFDR. The proposal introduces three product categories — Transition, Sustainable, and ESG Basics — each requiring a 70% aligned investment commitment, and simplifies disclosure templates to two pages. The co-legislative process is expected to continue through 2026–2027.

CSRD

CSRD was significantly revised by the Omnibus I Directive, adopted 24 February 2026 and in force from 18 March 2026. The revised regime narrows mandatory scope broadly to companies above approximately 1,000 employees and €450 million turnover; Wave 2 reporting (previously due from FY2026) is deferred to FY2027, with first reports in 2028; Wave 3 is deferred to FY2028–2029. European family offices with qualifying operating businesses are directly subject to CSRD reporting obligations.

Defence, ESG and the EU Taxonomy

The continental rearmament cycle has created pressure to reclassify defence sector investments within the EU Taxonomy and SFDR frameworks. The European Commission is reviewing this classification.

PART II

The Investment Picture

SECTION 03

Risk Environment

3.1 Key Risk Findings

All three major surveys identify major geopolitical conflict as the primary risk over both short- and long-term horizons, cited by approximately two-thirds of family offices.

Over the five-year horizon the risk profile shifts materially. Concerns about a debt crisis (~31% at 12 months, ~56% at five years), financial market crisis (~27% → ~51%), and global recession (~17% → ~50%) each rise substantially. Cyberattack risk also increases over the longer horizon. Trade war concerns are expected to ease over time.

RISK CATEGORY	12-MONTH (APPROX.)	5-YEAR (APPROX.)	TREND	SURVEYS
Major geopolitical conflict	~64%	~61%	→ Elevated	UBS [1]; GS [2]; JPM [3]
Global trade war	~49%	~36%	↓ Easing	UBS [1]
Higher inflation	~36%	~40%	↑ Slight	UBS [1]
Cyberattack	~32%	~43%	↑ Growing	UBS [1]
Debt crisis	~31%	~56%	↑ Sig. rise	UBS [1]
Financial market crisis	~27%	~51%	↑ Sig. rise	UBS [1]
Global recession	~17%	~50%	↑ Long-term	UBS [1]; GS [2]
Climate change	~9%	~34%	↑ Long-term	UBS [1]

Table 2. Author-constructed risk summary. Approximate figures paraphrased from UBS Global Family Office Report 2026 [1].

3.2 Jurisdictional Diversification as Risk Response

The UBS 2026 survey reports that 88% of all global family offices hold bankable assets in two or more jurisdictions. Only approximately 12% of European offices hold assets in a single jurisdiction, compared with approximately 35% of US offices.

The distribution across jurisdictions is more nuanced than the headline figure suggests. Of European family offices holding assets in multiple jurisdictions, approximately 20% operate across two, 31% across three, 21% across four, and a further 13% span five or more. The modal European family office — spread across three jurisdictions — reflects a considered institutional structure: typically combining a home-country operating base, a major financial centre such as Zurich, Luxembourg, or London for investment infrastructure, and a third jurisdiction for specific asset classes or regulatory diversification. This stands in sharp contrast to the United States, where single-jurisdiction concentration is far more prevalent.

SECTION 04

Strategic Asset Allocation

4.1 Portfolio Composition

European family offices allocate approximately 28% to developed market equities on the consensus derivation — UBS reports 29% for Europe against 27% globally — with private equity at approximately 21% (the two principal sources agree on a consistent basis), real estate at 9–11%, and cash at 7–12%.

ASSET CLASS	UBS [1]	GS/C [2][4]	GLOBAL [1]	DIRECTIONAL SIGNAL
DM Equities	29%	27%	27%	Stable; technology overweight maintained
EM Equities	4%	4%	5%	Modest increase planned
DM Fixed Income	13%	9%	14%	Stable; EUR govts and IG corp
EM Fixed Income	3%	2%	3%	Declining
Private Equity	21%	21%	17%	Stable-to-increase; 39% plan additions [13]
Private Credit	2%	4%	3%	Fastest-growing; target 5–6% [13]
Hedge Funds	5%	6%	6%	Stable
Real Estate	11%	9%	11%	Reduction planned; sector rotation
Infrastructure	2%	2%	1%	Increase; 19% plan additions [14]
Gold	2%	—	2%	Increase; USD hedge
Cash	7%	12%	9%	Reduction; dry powder deployment

Table 3. Author-constructed allocation summary. European and Global columns paraphrased from UBS [1]; the GS column shows the Goldman Sachs Family Office Investment Insights 2025 primary release [2], with coarser buckets (total equities; total fixed income; real estate and infrastructure) apportioned pro rata to the UBS European split, and no separate gold figure reported. Prior editions used a secondary GS/Campden synthesis; restated in v17.0.

4.2 Propensity to Change Allocation

The UBS 2026 survey records that 60% of all global family offices plan to change their strategic asset allocation over the next 12 months — the highest figure in any edition of this annual report. European family offices record 67%, the second-highest of any region.

Figure 1. Strategic allocation change intentions by region, 2026. Author-original chart. Source: UBS Global Family Office Report 2026 [1]. Europe highlighted; vertical line marks the global average of 60%.

4.3 Cross-Survey Divergence

The primary surveys in this compendium span a three-year data collection window (2023–2026). Differences in reported allocations therefore reflect both genuine portfolio changes and methodological variation between surveys. These factors cannot be fully separated from the available data.

ASSET CLASS	UBS [1]	GS/C [2] [4]	DIFF.	EXPLANATION
Cash	7%	12%	9pp	UBS sample skews to larger institutionally managed offices; GS/Campden broader mid-tier with more precautionary liquidity
Private equity	21%	21%	0pp	On a consistent basis — UBS European allocation against Goldman's primary global release — the apparent divergence disappears (21% in both)
Real estate	11%	15%	4pp	UBS reports strategic target; sector data includes legacy direct property
Private credit	2%	4%	2pp	GS/Campden reflects a more recent snapshot; both directionally consistent
AI engagement	65%	86%	21pp	GS counts incidental AI exposure via broad equities; UBS counts deliberate thematic allocation only

Table 4. Author-constructed cross-survey discrepancy analysis. All figures paraphrased from original sources. Differences in reported allocations reflect both genuine changes in family office positioning over the 2023–2026 data window and methodological differences between surveys; these factors are not fully separable. See footnote [29] for detail on survey dates and methodology.

4.4 Allocation Trends: A Seven-Year Perspective

The 2026 snapshot acquires richer meaning set against the trajectory of the past seven years. The UBS survey has tracked global family office SAA annually since 2019, revealing structural shifts that the current allocation alone cannot convey.

The most significant trend is the rise of developed-market equities, from 23% in 2019 to 29% in the 2025 actual — a 6-percentage-point increase over seven years reflecting the sustained performance of US equity markets and an unwinding of the defensive positioning adopted during 2022. Real estate has been progressively trimmed from 14% in 2019 to 11% in 2025, with those planning changes targeting 8% in 2026, reflecting valuation concerns, rising financing costs, and structural disruption in office and retail property.

The most structurally important trend is the emergence of private debt as a distinct portfolio asset class — not tracked separately in 2019 or 2020, reaching 3% globally by 2025. This reflects the opening of private credit markets to family office capital through dedicated vehicles and the rapid growth of ELTIF 2.0-compliant structures. Cash has been reduced from 13% in 2019 to 6% in plan year 2026 as balances accumulated during 2020–2022 are deployed into longer-dated opportunities.

ASSET CLASS	2019	2025 ACTUAL	2026 PLAN
DM Equities	23%	27%	27%
EM Equities	6%	5%	6%
DM Fixed Income	11%	14%	14%
EM Fixed Income	6%	3%	3%
Private Equity	16%	17%	17%
Private Debt	n/a	3%	3%
Hedge Funds	5%	6%	6%
Real Estate	14%	11%	8%
Infrastructure	0%	1%	2%
Gold	3%	2%	3%
Cash	13%	9%	8%

Table 4a. Global family office strategic asset allocation, selected years 2019–2026 plan. Figures paraphrased from UBS Global Family Office Report 2026 [1]. 2026 figure reflects planned allocations among those intending to change SAA. European 2025 figures are shown in §11.

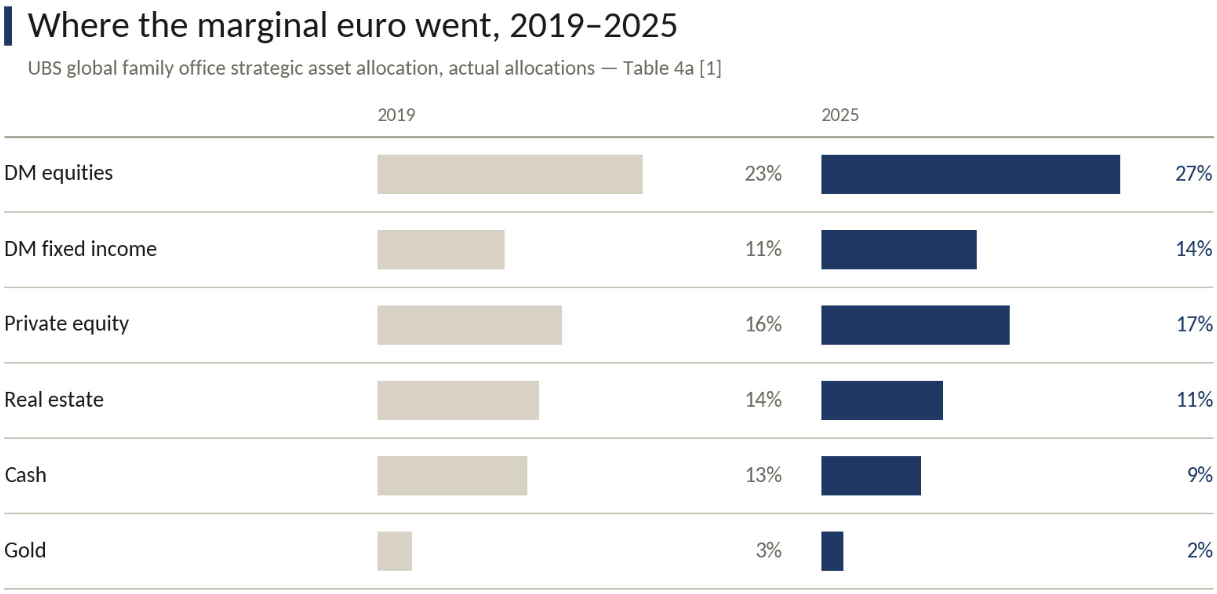


Exhibit 2. UBS global family office strategic allocation, 2019 versus 2025 (actual allocations), corresponding to Table 4a. Author-constructed from UBS Global Family Office Report 2026 data [1].

> **Key structural trends 2019–2026: DM equities +6pp; real estate −6pp; cash −5pp; private debt emerged from zero to 3% of allocations. These shifts are gradual — consistent with the long investment time horizons that distinguish family offices from institutions constrained by quarterly reporting cycles.**

SECTION 05

Regional Allocation and Currency Risk

5.1 Geographic Allocation

European family offices split their geographic allocation approximately equally between North America and Western Europe — approximately 45% and 41% respectively — in sharp contrast to US family offices at ~88% domestic. At the global level, North American allocation rose from 40% in 2021 to 53% in 2025, while Western Europe's declined from 33% to 26%. European offices are diverging from this global trend, retaining substantial Western European allocation.

This European divergence is sharpened by contrast with US family offices, whose home bias has not merely persisted but intensified: the share of US family office portfolios allocated to North America rose from 86% in 2025 to 88% in 2026. Under conditions of geopolitical uncertainty, investors tend to concentrate in familiar markets. For European offices, the structural starting point — near-equal exposure between North America and Western Europe — means that neither region constitutes the kind of overwhelming home base that characterises US allocation patterns, creating a natural hedge against single-country risk alongside a permanent currency complexity that purely USD-denominated portfolios do not face.

Figure 3. Regional asset allocation by family office domicile. Author-original chart. Source: UBS Global Family Office Report 2026 [1]. Values are % of total portfolio allocated to each destination region. Darker shading indicates higher allocation.

DESTINATION REGION	EUROPEAN FOS	SWISS FOS	US FOS	GLOBAL AVG	KEY OBSERVATION
North America	45%	37%	88%	52%	Dominant but under review for European/Asian offices
Western Europe	41%	50%	6%	26%	Home bias; Swiss favour strongly
Asia Pacific (excl. GC)	6%	5%	1%	7%	Growing; structural growth exposure
Eastern Europe	4%	2%	<1%	2%	Reflects European proximity
Greater China	2%	2%	1%	7%	Interest growing despite geopolitical risk
Latin America	1%	2%	2%	3%	Small; mainly relevant for LATAM-domiciled offices

Table 5. Author-constructed regional allocation summary. Figures paraphrased from UBS Global Family Office Report 2026 [1].

5.2 Currency Risk Management

The UBS 2026 survey records that approximately 65% of all global family offices expect confidence in the US dollar as a reserve currency to weaken over the next 12 months. The US dollar is identified as the only major currency in which a substantial share — approximately 47% globally — describe themselves as over-exposed.

The European response to dollar uncertainty is more active than the global average. Approximately 33% of European family offices have reduced or are considering reducing exposure to US dollar-denominated assets — compared with 14% of US offices, reflecting both greater currency consciousness and the structural reality that European families are not natural USD investors. European offices also show above-average use of currency hedging: approximately 28% employ strategic hedging frameworks and 30% use tactical hedging instruments, against 14% of US offices for each approach.

Within multicurrency frameworks, the Swiss franc and euro emerge as the primary diversification alternatives, consistent with European offices' geographic and regulatory context. A second tier — the Japanese yen and British pound sterling — is used less systematically. Approximately 21% of family offices hold or are considering cash reserves across multiple currencies, and 17% engage external currency specialists. Only 6% of all family offices expect confidence in the US dollar's reserve role to improve over the coming year, suggesting a durable rather than transient reassessment of currency risk.

Figure 4. Currency risk management actions taken or under consideration: Europe vs global, 2026. Author-original chart. Source: UBS Global Family Office Report 2026 [1].

SECTION 06

Thematic Investing

6.1 Artificial Intelligence

Artificial intelligence is the dominant thematic investment priority across all primary surveys. The UBS 2026 survey records approximately 57% of European family offices currently allocating to AI-related investments. Goldman Sachs 2025 records approximately 86% of family offices globally having some AI exposure, though the majority is incidental through broad equity holdings rather than deliberate thematic allocation.

AI METRIC	EUROPEAN FOS [1]	GLOBAL AVG [1]	SE ASIA [1]	NORTH ASIA [1]
Currently allocating to AI	~57%	~65%	~88%	~74%
Plan to increase AI exposure	~42%	—	~69%	~83%
Plan to maintain AI exposure	~52%	—	~31%	~10%
Consider AI 'definitely a bubble'	~19%	—	~47%	~12%
Say AI is not in a bubble	~62%	—	~53%	~59%

Table 6. Author-constructed AI investment summary. Figures paraphrased from UBS [1] and Goldman Sachs 2025 [2].

6.2 Other Thematic Priorities

THEME	EUROPE [1]	LATIN AMERICA [1]	SWITZERLAND [1]	GLOBAL [1]
Artificial intelligence	~57% (1st)	~77% (1st)	~59% (1st)	~65%
Infrastructure	~33% (2nd)	~55% (2nd)	—	~37%
Power and resources	~33% (3rd)	~45% (3rd)	~41% (2nd)	~37%
Automation and robotics	—	—	~38% (3rd)	~28%
AI in healthcare	—	—	—	~33%
Defence and security	—	—	—	~29%

Table 7. Author-constructed thematic summary. '—' indicates theme not in that region's reported top three. Figures paraphrased from UBS [1].

6.3 Digital Assets

Crypto and digital assets occupy a minor but growing position in family office portfolios. The UBS 2026 survey records that 24% of family offices globally have some exposure to crypto or digital assets; 76% have none.

Among those invested, allocations are typically modest — most commonly around 1% of total portfolio assets — and tend to reflect exploratory or opportunistic positioning. The more significant development is how these allocations are classified: 44% of family offices with crypto exposure now consider it part of their strategic asset allocation rather than a speculative satellite, indicating that for a meaningful subset, digital assets have crossed the threshold from novelty to considered portfolio ingredient.

The custody approach adopted by investing family offices is instructive from a governance perspective. Institutional channels — global banks, prime brokers, and specialist digital asset custodians — dominate, with self-custody remaining rare. Families willing to accept illiquidity in private equity or concentration in a co-investment are typically unwilling to accept the operational and security risks of direct key management. The governance standards applied to conventional asset custody are being applied consistently to digital ones.

> **24% of family offices have some crypto or digital asset exposure; 76% have none. Allocations average approximately 1% and are held predominantly through institutional custodians rather than self-custody. 44% of those invested now treat crypto as part of strategic asset allocation — a shift from opportunistic to structural positioning for a meaningful minority.**

PART III

Operations And Technology

SECTION 07

Operations and Technology

7.1 Cost Structure

J.P. Morgan's 2026 survey records an average annual operating cost of approximately €2.8 million (USD 3.0m) across all family offices, rising to approximately €6.1 million (USD 6.6m) for offices with more than €940 million (USD 1bn) in assets. X1 Wealth (2026) aggregates cost data from multiple surveys and reports a cost-to-AUM ratio of approximately 30–120 basis points, with staff accounting for 50–67% of total expenditure.

COST METRIC	REPORTED FIGURE	SOURCE
Average annual operating cost (all FOs)	~€2.8m (USD 3.0m)	J.P. Morgan [3] (2026)
Average cost for offices >€940m AUM	~€6.1m (USD 6.6m)	J.P. Morgan [3] (2026)
Cost as % of AUM	30–120 basis points	X1 Wealth [19] (2026)
Staff as % of total cost	50–67%	X1 Wealth [19]; UBS [1]
Non-investment staff as % of headcount	~40%	UBS [1] (2026, global)
Average total staff (global)	~12	UBS [1] (2026, global)
FOs outsourcing some portfolio management	~80%	J.P. Morgan [3] (2026)
European FOs increasing staff (2024)	~40%	Campden Wealth [4] (2024)
European FOs expanding technology spend	~56%	Campden Wealth [4] (2024)

Table 8. Author-constructed cost structure summary. All figures paraphrased from cited sources.

Within the total cost base, pure operating costs — staff, premises, technology, and administration — account for approximately 53% of total family office expenditure. Staffing costs remain the largest component within this but have eased slightly as a share of the total over recent years. Information technology and systems costs have fallen more clearly, reflecting both the commoditisation of portfolio management software and migration to cloud platforms that reduce per-unit infrastructure cost. These changes amount to gradual tightening of the operating cost base rather than structural reordering: the hierarchy of cost drivers remains unchanged, with people firmly at its centre.

7.2 Operating Model: In-House and Outsourced

A consistent pattern emerges in how family offices divide activities between internal teams and external providers. Decision-making authority and activities closely tied to family relationships are kept internal; specialist legal, tax, and technical functions are outsourced.

Strategic asset allocation is the most jealously guarded function: 86% of family offices handle it internally, with only 12% delegating it externally. Portfolio risk management (80% in-house) and financial reporting (75% in-house) follow closely. These three form the investment governance core that family offices almost universally retain within the organisation.

The specialist functions that are predominantly outsourced form a distinct cluster: legal services (65% outsourced), cybersecurity (64% outsourced), and tax planning (62% outsourced). The cybersecurity figure is significant in context: only 41% of family offices have formal cybersecurity controls in place (see §8.2), yet 64% outsource the function entirely. This combination suggests that many offices address cyber risk through external vendor engagement rather than embedded internal capability — a gap that technical outsourcing alone does not fill.

Activities closely tied to family dynamics show the most concentrated in-house retention: art and collection management (~75% in-house), preparation of the next generation for future roles, and succession planning. Philanthropy is provided internally where offered, but is not universal — approximately 37% of family offices do not offer it at all.

ACTIVITY	IN-HOUSE	OUTSOURCED
Strategic asset allocation	86%	12%
Portfolio risk management	80%	14%
Financial reporting (consolidated)	~75%	Minority
Art and collection management	~75%	Minority
Legal services	~35%	65%
Cybersecurity	~36%	64%
Tax planning	~38%	62%
Philanthropy	~37%	Minority (37% N/A)
Next-gen preparation / succession	Vast majority	Minimal

Table 8a. Operating model: selected activities by management approach. Figures paraphrased from UBS Global Family Office Report 2026 [1]. N/A = service not offered.

7.3 Leverage

Leverage is a significant but often underappreciated element of family office portfolio management. The UBS 2026 survey records that 65% of family offices globally continue to use some form of leverage, while 35% employ none.

Usage takes several forms, frequently in combination. The most common is indirect — through investment in funds or vehicles that themselves use leverage (hedge funds, private equity funds, structured products) — reported by 31% of family offices. Asset-level leverage, typically secured on real estate or private equity investments, is used by 29%. Portfolio-level borrowing against the overall asset base is employed by 25%, and margin lending or lines of credit for liquidity management or tactical investment by 24%. Of those using leverage, 51% manage risk by regularly monitoring leverage ratios.

Leverage has become somewhat less prevalent over the past five years, attributable to the rising interest rate environment of 2022–2024. In the current environment, family offices appear to be placing greater weight on financial flexibility and downside protection than on return enhancement through borrowed capital — consistent with the broader posture of building resilience across a wider range of outcomes.

> **65% of family offices use some form of leverage; 35% use none. Most common form: indirect leverage through funds (31%). Usage has declined gradually over five years, reflecting a post-rate-rise recalibration toward balance sheet strength. Of those using leverage, 51% monitor ratios regularly.**

PART IV

Governance

SECTION 08

Governance

8.1 Investment Governance

Strong investment governance is a defining characteristic of the mature family office. The UBS 2026 survey shows that the foundational practices — financial performance measurement, investment committees, and annual budgeting — are now adopted by clear majorities: approximately 68%, 60%, and 58% of family offices respectively. These three form a self-reinforcing core: performance measurement creates accountability, investment committees provide deliberative oversight, and budgeting aligns investment activity with forward-looking financial planning.

The investment policy statement and documented investment process — widely regarded as the professional baseline for institutional investors — has been adopted by approximately 50% of family offices globally. This means a substantial proportion of offices holding sophisticated alternative portfolios do so without a formally documented framework governing asset class ranges, risk limits, rebalancing triggers, or liquidity requirements. The gap between investment sophistication and investment process formalisation is one of the most consequential governance deficiencies in the sector.

Board or governance framework adoption stands at approximately 49% — marginally below the majority. While investment committees are common, the broader architecture that would provide independent oversight of the family office's own activities — including conflicts of interest, fee structures, and service quality — is absent in the majority of offices. A formal board provides structural accountability that an investment committee composed of family members and trusted advisers cannot provide in the same way.

8.2 Family Governance: the Critical Gaps

The picture changes materially when governance is assessed at the family and continuity level. Three practices — succession planning for the family office itself, next-generation preparation, and non-investment risk management — each show adoption rates below 35%, indicating that the majority of family offices operate without formal structures in these areas despite their strategic importance.

A succession plan for the family office as an institution — covering continuity of key staff, service delivery, and institutional knowledge — exists in only approximately 35% of offices. This is structurally distinct from the wealth succession plan for family members (adopted by ~57%), which concerns asset transfer rather than the operational continuity of the management structure itself. As the UBS 2026 Senior Family Adviser observes, while succession planning for family members is improving, institutional succession remains critically underdeveloped.

An organised process to prepare the next generation for future roles is in place in only approximately 27% of offices, despite broad recognition that generational transition is the dominant long-term challenge facing the sector. Non-investment risk management processes — covering reputational risk, private property, personal security, and medical emergency planning — are present in only approximately 28% of offices. This narrow conception of risk management leaves families exposed to operational hazards that would be standard considerations for any institutional entity of comparable complexity and public profile.

Cybersecurity controls, at 41% adoption, represent a particular concern. Cyberattack as a risk concern rises from approximately 32% over a 12-month horizon to 43% over five years — one of the sharpest upward shifts in the risk profile. Family offices combine characteristics that make them high-value targets: concentrated wealth, limited internal cybersecurity staff, proprietary investment data, and often a small administrative team as a single point of digital failure. The 64% of offices that outsource cybersecurity entirely may have external technical capacity, but external vendors rarely substitute for the internal culture and vigilance that effective cyber risk management requires.

GOVERNANCE PRACTICE	ADOPTION (GLOBAL)	ASSESSMENT
Financial performance measurement	~68%	Majority; standard practice
Investment committee	~60%	Majority practice
Annual budgeting process	~58%	Majority practice
Wealth succession plan (family members)	~57%	Majority, but 43% without
Regular operational review	~55%	Majority practice
Annual staff performance review	~53%	Majority practice
Financial reporting software (external)	~52%	Majority practice
Documented investment process / IPS	~50%	Exactly half only
Board / governance framework	~49%	Majority without
Job descriptions for FO roles	~49%	Majority without
Cybersecurity controls	~41%	Minority — gap given rising cyber risk
FO strategy / operating manual	~37%	Minority
Succession plan for the FO itself	~35%	Critical gap
Process to select/review external parties	~31%	Minority
Risk management beyond investments	~28%	Critical gap
Cash flow reporting per nuclear household	~27%	Critical gap
Organised next-gen education process	~27%	Critical gap

Table 9a. Governance practice adoption: full suite. Figures paraphrased from UBS Global Family Office Report 2026 [1]. IPS = investment policy statement.

> **Three critical governance gaps: succession plan for the family office itself (35% adoption), organised next-generation preparation process (27%), and non-investment risk management (28%). These are not peripheral concerns — each is directly relevant to the USD 83 trillion wealth transfer now under way and the 60% of family offices expecting to hand leadership to the next generation within a decade.**
>
> Cybersecurity tension: concern rises sharply over a five-year horizon (32% → 43%), yet formal controls exist in fewer than half of offices. External outsourcing addresses technical capability; it does not substitute for internal security culture.

8.3 Family-Level Governance Structures

The governance practices surveyed in §8.1 and §8.2 primarily address how the family office functions as an institution. A distinct and equally important layer concerns how the family governs itself — the structures, documents, and processes through which family members as a collective exercise authority, resolve disagreements, define shared values, and manage the relationship between family identity and investment capital. This family-level governance is typically the last to be formalised and the first to become inadequate when wealth transfers between generations.

The Family Constitution and Charter

The foundational family governance document goes by several names — family constitution, family charter, family protocol — but its function is consistent: it codifies the principles, values, and rules that govern the family's relationship with its shared wealth and the office that manages it. A well-constructed constitution addresses the purpose of the family office (wealth preservation, income generation, impact, or some combination), the rights and responsibilities of family members as beneficiaries, rules for admission of new family members through marriage or adoption, processes for exit or buyout, and the boundaries between family matters and office matters.

In European family offices, the family constitution tends to reflect the civil law traditions of the founding jurisdiction and often interacts directly with trust deeds, shareholder agreements, and corporate governance documents. The constitution is not a legal instrument in itself, but it gives weight and legitimacy to the formal legal structures that surround it. Where no constitution exists, disputes that arise between family members — over liquidity needs, investment horizon, risk appetite, or the role of in-laws — are resolved informally or expensively. The absence of a constitution is typically invisible until it matters enormously.

The Family Council

The family council is the deliberative body through which family members exercise collective oversight of the office and family affairs. It typically operates above the investment committee — setting strategic direction, ratifying major decisions, managing family member relations with the office, and serving as the forum for succession planning. Where an investment committee addresses what the portfolio does, the family council addresses what the family wants the portfolio to do, and why.

Council composition varies significantly by family size and structure. In smaller family offices serving one or two generations, the council may be the family itself meeting formally on a regular schedule. In larger multi-generational structures, the council may include elected representatives from different family branches, independent advisers, and defined terms and rotation policies. The key governance principle — that the council operates by defined rules rather than by whoever commands the most influence at any given moment — distinguishes a functioning council from an informal family meeting.

A family assembly or forum sits alongside or beneath the council in larger families: a broader gathering that includes all family members regardless of their formal role, designed to maintain connection to shared purpose and values across the family as it grows. The assembly is not a decision-making body but a cohesion mechanism, and its neglect is a common early sign of family fragmentation in multi-generational wealth structures.

Separation of Family and Office Roles

One of the most practically consequential governance questions in a family office is where the family ends and the institution begins. Family members may simultaneously be beneficiaries, directors, employees, investment committee members, and informal advisers — often without clear delineation of which role they are exercising at any given moment. This role confusion creates accountability gaps: decisions made informally by a family member in their capacity as a principal may be executed by the office without proper governance process, while the absence of formal authority makes it difficult to challenge or reverse them.

Effective family-level governance establishes clear written role definitions: which decisions require formal family council approval, which fall within the investment committee's mandate, which are delegated to the CIO or CEO of the office, and which family members are entitled to information access versus voting rights versus veto rights. The UBS 2026 survey finding that only 49% of family offices have a formal governance framework and only 49% have written job descriptions for office roles — even at this foundational level — indicates that role ambiguity remains the norm rather than the exception.

Philanthropic Governance

Approximately 37% of European family offices manage philanthropy in-house, yet the UBS data confirms that the scale, strategy, and governance of philanthropic activity remain largely unpublished and understudied. Where it exists, philanthropic governance raises a distinct set of questions from investment governance: How are causes selected? Who has authority to commit philanthropic capital? How is impact measured? How are family members' divergent values accommodated when priorities conflict?

In well-governed structures, philanthropy is integrated into the family constitution as an explicit expression of family values, with a philanthropic committee or foundation board providing oversight. In poorly governed structures, charitable giving is driven by individual family members' preferences and becomes a source of both financial inefficiency and interpersonal friction — particularly as the second and third generations bring different priorities and a stronger expectation that wealth should serve identifiable social or environmental purposes. The absence of philanthropic governance is one of the clearest early indicators that a family has not yet formed a collective identity around its capital.

Education, Values, and the Governance Pipeline

Family-level governance is ultimately a pipeline problem: the structures, values, and decision-making norms that govern a family office today must be transmitted to the people who will govern it tomorrow. The UBS 2026 data shows that only 27% of family offices have an organised process to prepare the next generation for future roles, and that the barriers cited are not primarily motivational but structural — gaps in financial and governance education, and an unwillingness in the current generation to share information and responsibility.

Preparation for family governance is categorically different from preparation for investment management. A next-generation family member who understands portfolio construction but has never participated in a family council meeting, read the family constitution, or understood the basis on which distributions are determined is not prepared for the governance responsibilities they will inherit. The most effective programmes combine technical financial education with explicit governance education — how decisions are made, by whom, under what rules, and how to change those rules through legitimate process rather than informal pressure.

Several European family offices are addressing this through graduated involvement: observation of investment committee meetings in their twenties, advisory or non-voting participation in their thirties, and full decision-making authority phased in ahead of a planned transition. The UBS data supports this sequencing: family offices most commonly view 18–29 as the appropriate preparation window and 30–39 as the active engagement phase. What is missing in the majority of cases is not an understanding of the correct sequence but a formal programme to execute it.

> **Family-level governance operates at a distinct layer from institutional governance: it governs how the family as a collective exercises authority over the office, not how the office manages money. The four foundational elements — a family constitution, a family council, clear separation of family and office roles, and a defined philanthropic governance framework — are each well understood in the advisory literature but remain minority practices in European family offices.**
>
> The most consequential risk is temporal: governance structures adequate for one generation are rarely adequate for two, and rarely built with three in mind. The USD 83 trillion wealth transfer under way is not primarily an investment challenge. It is a governance one.

PART V

Succession And The Next Generation

SECTION 09

Succession Planning and the Next Generation

9.1 Next-Generation Involvement

European family offices have the highest rate of eligible non-involvement: approximately 31% of European offices report that the next generation is of sufficient age but is currently not participating — the highest of any region surveyed — compared with approximately 21% globally.

Figure 5. Next-generation involvement in family office decision-making, by region, 2026. Author-original chart. Source: UBS Global Family Office Report 2026 [1]. Red segment = 'eligible but not involved'; Europe shows highest rate (31%) of any region.

INVOLVEMENT LEVEL	EUROPE	SWITZERLAND	MIDDLE EAST	NORTH ASIA	US	GLOBAL
Fully involved	~10%	~14%	~28%	~15%	~5%	~13%
Partially involved	~31%	~43%	~33%	~39%	~33%	~32%
Too young to participate	~26%	~21%	~28%	~32%	~33%	~32%
Eligible but not involved	~31%	~18%	~11%	~15%	~29%	~21%
Will not serve next generation	~1%	~4%	~0%	~2%	~0%	~2%

Table 10. Author-constructed next-generation involvement summary. Figures paraphrased from UBS Global Family Office Report 2026 [1].

9.2 Barriers and Planned Responses

The UBS 2026 survey identifies gaps in financial and governance education as the most frequently cited barrier, followed by the current generation's unwillingness to hand over responsibilities. Only approximately 27% of family offices have an organised process to educate or prepare the next generation. Among offices where the next generation is not fully involved, approximately 52% plan to introduce financial education programmes, approximately 40% plan investment committee involvement, and approximately 33% plan engagement through philanthropic initiatives.

9.3 Wealth Transfer Context

The UBS Global Wealth Report 2025 projects a global wealth transfer of approximately €77 trillion (USD 83tn) over the next 20 to 25 years. Deloitte (2024) reports that approximately 60% of family offices globally expect to hand leadership to the next generation within the coming decade.

PART VI

Consensus Portfolio And Research Agenda

SECTION 10

Research Gaps and Primary Research Agenda

10.1 Identified Gaps

GAP	WHY IT MATTERS
Country-level breakdown within Europe	Regulatory regimes, currencies, and allocation practices may differ materially across jurisdictions; all major surveys aggregate into a single European category
SFO vs. MFO disaggregation	Governance, cost, and technology adoption differ substantially between single- and multi-family structures
Investment return / performance data	Return expectations cited (~7–10% per JPM [3]) but actual realised returns are not published in any survey
ESG integration depth and SFDR compliance	No survey measures SFDR Article 8/9 fund usage or compliance rates for European family office investors
CSRD compliance cost and portfolio effect	Direct compliance burden on FOs with qualifying operating businesses is unquantified
Staffing composition (gender, seniority, function)	~40% of European FOs increased staff in 2024 [4] but composition data is not published
Philanthropy scale and structure	~37% handle philanthropy in-house [1]; scale, strategy and allocation to philanthropy unreported for Europe

Table 11. Author-identified research gaps.

10.2 Primary Research Questions

How do allocation strategies, governance structures, and technology adoption differ between UK-domiciled family offices (post-Brexit) and those domiciled within EU member states?

To what extent does SFDR 2.0 change portfolio construction for European family offices, and what is the associated compliance cost?

How are European family offices structuring private credit exposures — via funds, managed accounts, or proprietary origination?

What governance changes are being implemented in anticipation of generational transitions?

How are European family offices navigating the intersection of the defence sector opportunity and pre-existing ESG exclusion mandates?

SECTION 11

Consensus Median Portfolio

11.1 Derivation and Base Portfolio Correction

The consensus median portfolio is an original analytical construct derived from two verified primary survey sources: the UBS Global Family Office Report 2026 (European ex-Switzerland strategic asset allocation, 2025) and the Goldman Sachs Family Office Investment Insights 2025 (global allocations, as published in Goldman Sachs' own release). Where both sources report a class, the arithmetic midpoint is taken; where Goldman reports at coarser granularity, its bucket is apportioned pro rata to the UBS European split before the midpoint; where only one source reports, that figure is used directly. All allocations are rounded to the nearest integer, with cash as the balancing figure so the column sums to exactly 100%. The consensus median does not appear in any single source publication.

Table 12 presents the full 12-class consensus median, including a 1% Art sleeve sourced from the "other assets" category reported across source surveys. For quantitative analysis in Annex B, the Art sleeve is retained at cash-equivalent return and risk characteristics — an effective 10.0% cash weight alongside the 9% cash allocation — so the twelve-class consensus maps one-to-one onto the eleven investable proxy series. This treatment is designated the Analysis Base Portfolio (ABP) throughout the companion Quantitative Annex.

Figure C4. Survey divergence: key asset class allocations. Author-original chart. Dots show UBS [1] and GS/Campden [2][4][13] values; diamonds show the consensus median. No source charts reproduced.

Figure C1. Consensus median asset allocation. Author-original chart derived from data in [1][2][4][13]. No source charts reproduced.

ASSET CLASS	UBS [1]	GS/C [2] [4]	MEDIAN	DIRECTIONAL SIGNAL
DM Equities	29%	27%	28%	Stable; technology overweight maintained
EM Equities	4%	4%	4%	Modest increase; tilt toward Asia Pacific
DM Fixed Income	13%	9%	11%	Stable
EM Fixed Income	3%	2%	3%	Declining
Private Equity	21%	21%	21%	Stable-to-increase; 39% plan additions [13]
Private Credit	2%	4%	3%	Increase; fastest-growing alternative
Hedge Funds	5%	6%	6%	Stable
Real Estate	11%	9%	10%	Reduction planned; sector rotation
Infrastructure	2%	2%	2%	Increase; 19% plan additions [14]
Gold	2%	—	2%	Increase; USD hedge
Cash	7%	12%	9%	Reduction; dry powder deployment
Art	n/a	n/a	1%	Non-replicable via liquid instruments; treated as cash-equivalent for analytical purposes — see note²
TOTAL	~99%	~97%	100%	Discrepancy explained in §4.3

Table 12. Consensus median asset allocation. Author-derived from two verified primary sources: the UBS Global Family Office Report 2026 European (ex-Switzerland) strategic asset allocation for 2025 [1], and the Goldman Sachs Family Office Investment Insights 2025 global allocations as published in Goldman Sachs' own release [2]. Where Goldman reports at coarser granularity (total equities; total fixed income; real estate and infrastructure combined), the bucket is apportioned pro rata to the UBS European split before the arithmetic midpoint is taken. Goldman reports no separate gold figure; the UBS figure is used directly. Medians are rounded to the nearest integer, with cash as the balancing figure (9%; unrounded midpoint 9.5%) so the 12-class column sums to exactly 100% after the 1% Art sleeve — sourced from the surveys' "other" category — is included. Column totals differ from 100% because Goldman's commodities line (1%) is outside the 12-class scheme and gold and art are not separately reported. Art ([2]): carried at cash-equivalent return and risk characteristics for all quantitative purposes, producing an effective cash weight of 10.0%; the portfolio so defined is the Analysis Base Portfolio (ABP), which sums identically to 100%, and every published backtest statistic reproduces exactly from the annual return matrix in Annex B Table B10.1. The derivation was restated in v17.0 against the primary publications; prior editions mixed European and global UBS figures and used a secondary GS/Campden synthesis — see the Suite Revision Note.

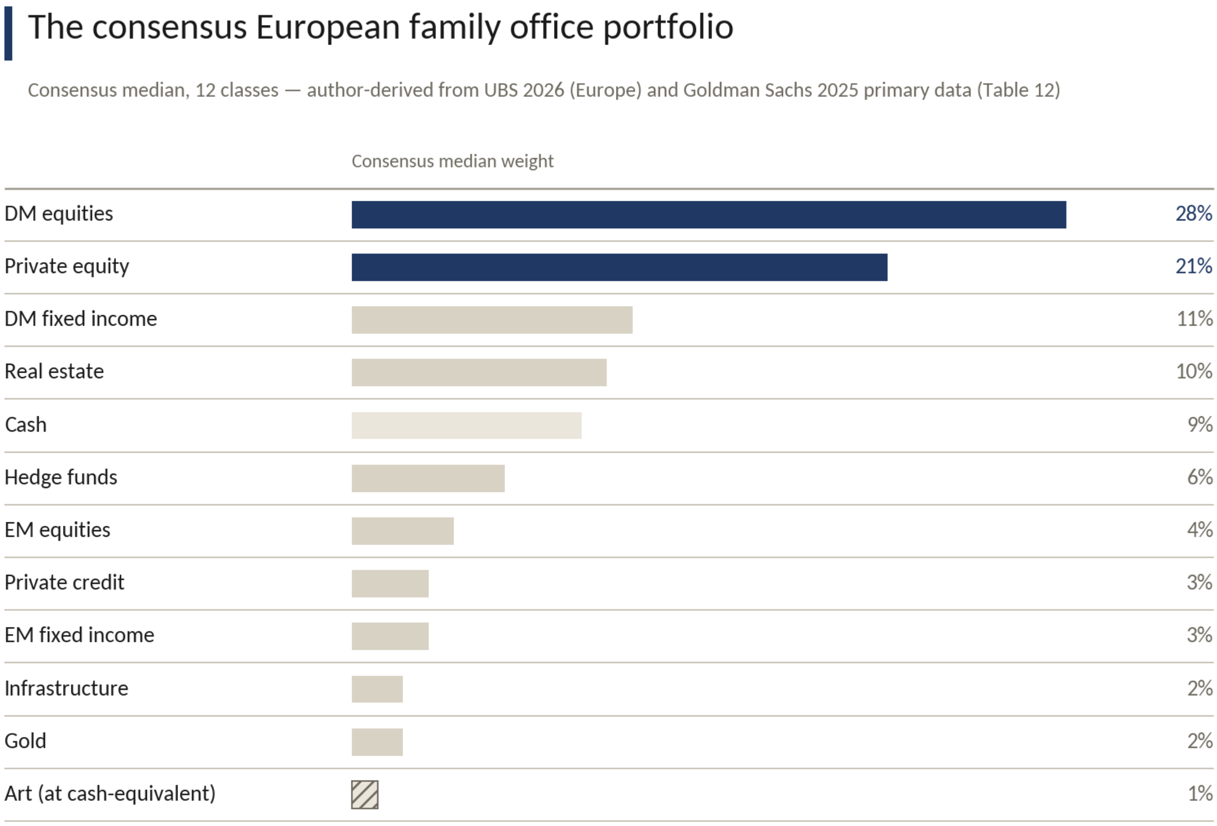


Exhibit 1. Consensus median allocation across twelve asset classes, corresponding to Table 12. Author-constructed from UBS 2026 European data [1] and Goldman Sachs 2025 primary data [2].

Figure C3. Consensus median portfolio decomposition. Author-original chart. Sources [1][2][4][13].

Figure C2. Consensus median geographic allocation. Author-original chart derived from UBS [1].

11.2 Limitations

Sample heterogeneity: the two source surveys differ in composition, size, and asset class definitions; the midpoint may not represent any individual office's portfolio.

Point-in-time: survey data reflects allocations at a specific moment; market movements alter effective allocations continuously.

Private market valuation lag: PE, credit, and real estate allocations in surveys use lagged appraisal valuations, potentially over- or under-stating shares relative to public market movements.

The consensus median should be read as a plausible central estimate of the range of European family office positioning, not a target or recommendation.

APPENDIX A

A. Sources, Methodology and Copyright

A.1 Copyright and Originality

All tables, charts, and figures in this document are original works authored by the compilers. Numerical statistics cited from third-party survey publications are paraphrased in the authors' own words and attributed by footnote reference number. No tables, charts, diagrams, or visual outputs from any source publication have been reproduced. The use of individual published statistics for research commentary is consistent with fair dealing for research and private study.

A.2 Primary Survey Sources

REF	PUBLISHER	REPORT	YEAR / N	KEY SAMPLE DETAIL
[1]	UBS GWM	Global Family Office Report	2026 / 307	Avg NW €2.55bn (USD 2.7bn); 30+ mkts
[2]	Goldman Sachs	Family Office Investment Insights	2025 / 245	67% ≥€940m AUM; global
[3]	J.P. Morgan PB	Global Family Office Report	2026 / 333	Avg NW €1.51bn (USD 1.6bn); 30 ctrs
[4]	Campden/HSBC	European Family Office Report	2024 / ~100	Avg AUM €1.70bn (USD 1.84bn); Europe
[5]	Campden/AlTi	Operational Excellence Report	2025 / 146	42 European respondents
[6]	Campden/Van Lanschot	Benelux Family Office Report	2025 / 59	Avg wealth €1.4bn; Benelux
[7]	Deloitte	Global Family Office Report	2024	Count data: 2,020 EU SFOs
[8]	PwC Italy	Family Office Survey	2026	Italian single-family offices
[9]	ECB	Macro Projections, March 2026	2026	Euro area; cut-off 11 Mar 2026
[10]	ECB	Economic Bulletin, Issue 2	2026	Euro area commentary

Table A.1. Author summary of primary survey sources. NW = net worth; AUM = assets under management.

A.3 Supplementary Sources

REF.	PUBLISHER	TITLE	DATE
[11]	Conference Board	Economic Forecast for the Euro Area	June 2026
[12]	Eurostat / EC	Eurostatistics — Short-Term Data	May 2026
[13]	Dakota Marketplace	European FO Allocation Trends 2026	Jan. 2026
[14]	Alea Global Group	Where European Family Offices Are Investing	Mar. 2026
[15]	FamilyOfficeHub	Family Offices in Europe: Complete Guide 2026	June 2026
[16]	Dakota Marketplace	Top 10 Multi-Family Offices in Europe	Feb. 2026
[17]	Ocorian / Funds Europe	Family Offices Embrace AI for Operations	Apr. 2026
[18]	Simple (AndSimple Ltd)	FO Software & Technology Report 2025	Nov. 2025
[19]	X1 Wealth	Family Office Statistics 2026	Mar. 2026
[20]	European Commission	Proposal for Revision of SFDR (SFDR 2.0)	Nov. 2025
[21]	Crain Currency	What to Expect in 2026 for Family Offices	Jan. 2026
[22]	Campden Wealth	European Family Office Report 2023	2023
[26]	UBS GWM	Global Wealth Report 2025	2025
[27]	ECB	Monetary Policy Decisions, 11 June 2026	June 2026

Table A.2. Supplementary sources cited in this compendium.

A.4 Methodological Notes

The UBS 2026 survey treats European and Swiss family offices as separate sub-samples. Throughout this document, 'European' refers to the European ex-Switzerland cohort unless stated otherwise. Goldman Sachs 2025 does not publish a dedicated European sub-sample; European allocations attributed to that source are inferred from third-party synthesis [13]. J.P. Morgan 2026 groups Europe and the Middle East into a single EMEA category. All monetary figures are in US dollars unless otherwise noted.

Glossary

TERM	DEFINITION
ABP	Analysis Base Portfolio. The consensus median portfolio normalised to exactly 100% across 11 investable asset classes, used for quantitative analysis in Annex B.
AIF	Alternative Investment Fund. An EU-regulated collective investment vehicle that is not a UCITS, covering hedge funds, PE funds, real estate funds, and other alternatives.
AIFMD	Alternative Investment Fund Managers Directive (EU). The principal regulatory framework governing managers of alternative investment funds in the EU.
AUM	Assets under management. The total market value of assets a family office or investment manager actively manages.
CAGR	Compound Annual Growth Rate. The rate at which an investment grows over a period, expressed as a single annualised rate that accounts for compounding.
CSRD	Corporate Sustainability Reporting Directive. EU legislation requiring companies above certain size thresholds to publish detailed sustainability reports. Significantly revised by the Omnibus I Directive (adopted February 2026), which narrowed scope and deferred Wave 2 reporting to FY2027.
CVaR	Conditional Value at Risk. The expected (average) loss in the worst (1 − confidence level) % of outcomes; also called Expected Shortfall.
DM	Developed markets. Countries with well-established capital markets, high income, and advanced economic infrastructure (e.g. US, Europe, Japan, Australia).
ELTIF	European Long-Term Investment Fund. An EU fund structure designed to channel retail and professional investor capital into long-term illiquid assets. ELTIF 2.0 (in force 2024) substantially expanded access and introduced semi-liquid structures.
EM	Emerging markets. Countries with developing economies and capital markets (e.g. China, India, Brazil, South Africa).
EU Taxonomy	The EU Taxonomy for Sustainable Activities. A classification system establishing which economic activities qualify as environmentally sustainable under EU law.
FI	Fixed income. Debt instruments that pay a regular (fixed or floating) coupon to the holder, including government bonds, corporate bonds, and loans.
FO	Family office. A private wealth management firm serving one or more ultra-high-net-worth families.
HFRI	Hedge Fund Research Inc. The publisher of the HFRI Fund Weighted Composite Index, used in this document as the hedge fund proxy.
IPS	Investment Policy Statement. A formal document setting out a portfolio's investment objectives, constraints, guidelines, and asset class ranges.
IR	Information Ratio. Active return (portfolio return minus benchmark return) divided by tracking error; a measure of risk-adjusted active performance.
MFO	Multi-family office. A family office structure serving two or more unrelated families.
NW	Net worth. The total value of a family's assets minus liabilities.
PE	Private equity. Equity investment in private companies, typically through buyout, venture capital, growth equity, or secondary funds.
SAA	Strategic Asset Allocation. A long-term target allocation to asset classes, established by the investment committee or governing board.
SFDR	Sustainable Finance Disclosure Regulation. EU regulation requiring financial market participants to disclose sustainability risks and impacts. SFDR 2.0 refers to the November 2025 proposal to revise and simplify the framework.

SFO	Single-family office. A family office serving one family exclusively.
Sharpe ratio	A measure of risk-adjusted return: (portfolio return − risk-free rate) ÷ portfolio volatility.
Sortino ratio	A variant of the Sharpe ratio that uses downside deviation (the standard deviation of negative excess returns) rather than total standard deviation.
TER	Total Expense Ratio. The annual cost of holding a fund, expressed as a percentage of assets; includes management fee and other operating expenses but excludes transaction costs.
TE	Tracking Error. The standard deviation of the difference between portfolio returns and benchmark returns.
UCITS	Undertakings for Collective Investment in Transferable Securities. An EU regulatory framework for open-ended investment funds that may be sold to retail investors across the EU.
VaR	Value at Risk. The maximum expected loss at a specified confidence level over a given time horizon.
WAC	Weighted Average Cost. The aggregate annual cost of a portfolio, computed as the sum of each asset class's cost multiplied by its portfolio weight.

Glossary of key terms used in this compendium and companion documents.

Bibliography

Primary Survey Sources

[1] UBS Global Wealth Management (2026). Global Family Office Report 2026. UBS AG, Zurich. Survey conducted 22 January – 30 March 2026. n=307. Average family net worth USD 2.7 billion (approx. €2.55bn at Q1 2026 ECB rate).

[2] Goldman Sachs (2025). Family Office Investment Insights: Adapting to the Terrain. Goldman Sachs Group, Inc., New York. Released 10 September 2025. n=245.

[3] J.P. Morgan Private Bank (2026). 2026 Global Family Office Report. JPMorgan Chase & Co. Released 2 February 2026. n=333. 30 countries. Average net worth USD 1.6 billion.

[4] Campden Wealth / HSBC Global Private Banking (2024). The European Family Office Report 2024. Campden Wealth Limited, London.

[5] Campden Wealth / AlTi Tiedemann Global (2025). Family Office Operational Excellence Report 2025. n=146.

[6] Campden Wealth / Van Lanschot Kempen (2025). Benelux Family Office Report 2025. n=59.

[7] Deloitte Touche Tohmatsu Limited (2024). Global Family Office Report 2024.

[8] PwC Italy (2026). Family Office Survey 2026. PricewaterhouseCoopers Advisory S.p.A., Milan.

[9] European Central Bank (2026). ECB Staff Macroeconomic Projections for the Euro Area, March 2026.

[10] European Central Bank (2026). Economic Bulletin, Issue 2, 2026. ECB, Frankfurt.

Supplementary Sources

[11] Conference Board (2026). Economic Forecast for the Euro Area Economy, June 2026.

[12] Eurostat / European Commission (2026). Eurostatistics — Data for Short-Term Economic Analysis.

[13] Dakota Marketplace (2026). 'European Family Office Allocation Trends 2026.' 16 January 2026.

[14] Alea Global Group (2026). 'Where European Family Offices Are Investing.' 25 March 2026.

[15] FamilyOfficeHub (2026). 'Family Offices in Europe: The Complete Guide 2026.' June 2026.

[16] Dakota Marketplace (2026). 'Top 10 Multi-Family Offices in Europe (2026 Guide).' February 2026.

[17] Ocorian / Funds Europe (2026). 'Family Offices Embrace AI for Operations but Hold Back on Investment.' 7 April 2026.

[18] Simple / AndSimple Ltd (2025). Family Office Software & Technology Report 2025.

[19] X1 Wealth (2026). 'Family Office Statistics 2026.' Updated 14 March 2026.

[20] European Commission (2025). Proposal for Revision of SFDR (SFDR 2.0). COM(2025) final. Brussels, 20 November 2025.

[21] Crain Currency (2026). 'What to Expect in 2026 for Family Offices.' 4 January 2026.

[22] Campden Wealth (2023). The European Family Office Report 2023.

[23] Goldman Sachs (2025). Press Release: 'Nearly 40% of Family Offices Plan to Raise Allocations.' 15 October 2025.

[24] Morrison Foerster LLP (2025). 'EU Sustainable Finance: Commission Proposes Simplification of ESG Transparency Rules.' 2 December 2025.

[25] KEY ESG Ltd (2026). 'Your Need-to-Know Guide About EU ESG Regulations.' 3 March 2026.

[26] UBS Global Wealth Management (2025). Global Wealth Report 2025. UBS AG, Zurich.

[27] European Central Bank (2026). Monetary Policy Decisions, 11 June 2026. Press release ecb.mp260611. Deposit facility rate raised to 2.25%, effective 17 June 2026.

See companion Implementation Annex (v1.0) and Quantitative Annex B (v7.0) and Irish Execution Annex C (v1.1) for references [28]–[58] relating to fund vehicles, costs, tax, ELTIF 2.0, and quantitative methodology.

SMP FINANCIAL

Donal Milmo-Penny is a partner at SMP Financial where he leads the firm's investment research and portfolio strategy work. He holds the Qualified Financial Adviser (QFA) designation awarded by the Life Insurance Association of Ireland and is a Fellow of the Life Insurance Association (FLIA), reflecting over a decade of continuing professional development in financial planning, investment, and insurance.