



Trends in philanthropy 2026

Three ways that family offices are shaping
philanthropy, impact, and wealth



Summary

The role of philanthropy and investing for impact in the context of stewarding family wealth is becoming more strategic. At the same time, we're seeing the great wealth transfer accelerate. In response, family offices are not just adapting; they're starting to shape how capital is deployed to address social and environmental challenges. Drawing on insights from the UBS Global Family Office Report 2025 and our conversations with clients, this publication highlights three factors which show some of the ways that the role and capabilities of family offices are evolving, enhancing their ability to drive meaningful, lasting change on behalf of their clients.

Philanthropy is becoming more professional, requiring family offices to support families with more sophisticated tools, expertise, and strategic guidance. In turn, family offices are expanding their role, moving from grant administration to coordinating impact across businesses, investments, and philanthropy. As a result, we're seeing impact move from being siloed to being integrated, with family offices acting as the link between values and execution, aligning mandates, reporting, and partnerships to deliver measurable, long-term value.

Sophisticated family offices are:

- redefining the field, moving beyond traditional investment roles to shape capital, governance, and philanthropic strategy with business-level discipline.
- embedding impact across the entire ecosystem, using blended structures, catalytic capital, and coordinated strategies to address systemic challenges and measure progress more holistically.
- becoming influential ecosystem players, investing in specialist talent and leveraging networks, policy influence, and “poly-capital” to drive financial and societal outcomes.

Governments, meanwhile, are actively courting family capital: Policymakers worldwide are creating tax incentives, residency schemes, innovation hubs, and co-investment platforms; making family offices increasingly attractive partners for advancing national priorities in sustainability, health, and technology.

Family offices are responding by engaging in structured public-private partnerships, with some of the most sophisticated establishing or expanding presences in jurisdictions like Singapore, Hong Kong, the UAE, Switzerland, and parts of the US to access professionally designed, de-risked channels for impact and investment.

These partnerships can unlock scalable, systemic impact. By participating in blended finance vehicles and government-backed programs, family offices can deploy patient, flexible capital into sectors traditionally dominated by public funding; sharing risk, scaling innovative solutions, and extending the reach of their impact.

Introduction

As philanthropy and impact investing take on a more strategic role in how families steward their wealth, and as the great wealth transfer accelerates, family offices are not only adapting; they're beginning to shape how capital is deployed to address social and environmental challenges.

Drawing on insights from the UBS Global Family Office Report 2025 and our conversations with clients, this publication highlights **three emerging trends** that show how these shifts are redefining the role and capabilities of family offices, in turn enhancing their ability to drive meaningful, lasting change on behalf of their clients.



Trend 1

As philanthropy becomes more sophisticated, families' expectations of their family offices are growing

Philanthropy and impact remain deeply personal for many families, grounded in the vision and values of the principal. At the same time, the field is becoming increasingly professionalized, with the emergence of sophisticated tools such as outcome-based financing, blended finance mechanisms, and more rigorous impact measurement frameworks. This, in turn, requires family offices to translate ambition into clear, evidence-based strategies.

“In many families, the commitment to create positive impact starts at the top,” says Grégoire Muhr, UBS Head of Sustainability and Impact Insights and Solutions. “What’s also changing is that delivering on this ambition increasingly requires specialist expertise, whether built in-house or accessed through external partners, to develop clear strategies and measurable results.”

The remit of family offices is also expanding beyond grant administration, with a growing number now coordinating capital, capabilities, and partnerships in service of a family’s mission.¹ While philanthropy remains the primary impact channel for many families (41% globally), more are starting to embed impact across their operating businesses (30%) and investment portfolios (26%).² This reflects a shift from siloed initiatives to a holistic, portfolio-wide approach aligned with values and long-term objectives.

So, what does this mean in practice? The family office increasingly represents the interface between purpose and execution: setting mandates, aligning reporting, and connecting investment, philanthropy, and external engagement. Some families already operate philanthropic foundations within their family office, supported by dedicated specialists that position them well for this shift.

For others, this evolution requires new skills as family officers with financial or legal backgrounds are asked to oversee philanthropic activity, only to encounter a range of technical complexities.

In some cases, family offices are turning to external expertise as they build out the necessary skills in-house. But many of those who are managing philanthropy in-house – some 68% in fact – are building their own impact expertise alongside more traditional legal, tax, and financial competencies.² And for the more advanced offices, the role extends even further, convening peers, policymakers, entrepreneurs, and communities to co-design solutions so that capital, influence, and partnerships reinforce one another. The outcome is a more coordinated, mission-led operating model in which every action across the family’s ecosystem contributes to sustained, measurable value.

Key takeaways:

- 1 Philanthropy is becoming more professional
- 2 Family offices are expanding their role
- 3 Impact is shifting from siloed to integrated across the entire portfolio of family assets

Case study

When philanthropy and investment decisions align

UBS refers to this shift as the move from “silo to spectrum,” where impact is not a standalone activity, but a feature embedded across the entire balance sheet.¹ For example, one Europe-based multi-generational family office described to UBS how it aligned its investment arm, foundation and real estate activities around a shared objective related to sustainable urban development. This included combining philanthropic grants to housing-access initiatives with investments in environmentally focused construction companies, alongside upgrades to energy and sustainability standards across its own property portfolio. As their approach matured, they also began convening city officials, developers, researchers, and fellow family offices to co-design shared solutions – illustrating how some families are not only aligning their own assets but actively aiming to orchestrate a broader ecosystem.

The experience of the Tsao family illustrates how philanthropic intent and investment strategy can be aligned rather than operating at cross purposes.

For the Tsao family, each deployment of capital enables some form of economic activity, whether that’s from a business, a consumer or both. This makes it essential to understand who or what is being enabled, and to ensure that investment decisions by the Family Office do not inadvertently undermine its impact investing objectives or the philanthropic goals pursued by the Foundation. In this context, the Family Office treats ESG not as a compliance requirement, but as a disciplined method for minimizing harm while still pursuing returns.

This is not always easy. The Tsao Family Office CEO Bryan Goh describes the overlap between the two as “a small intersection,” one that requires more rigorous due diligence, deeper analytical work, longer investment horizons, and a willingness to accept trade-offs where necessary. But the overarching intention is clear: “Investment returns should not come at the expense of those impact outcomes which we seek to advance.”

A long-term orientation on the part of the family office is central to meeting these expectations. As multigenerational stewards of wealth, the Tsao family view time horizon as a decisive element: short-term investors might ignore impact, but when investing over five- to ten-years, doing so becomes equivalent to investing with incomplete information. At these longer horizons, they find that commercial and impact considerations tend to converge, a principle which drives how sophisticated family offices like Tsao approach integrated mandates.

At the same time, they are modest about the limits of private capital in addressing public goods like environmental quality or social equity, noting that these ultimately rely on robust regulatory frameworks. The result is a pragmatic philosophy: use capital responsibly, remain attentive to consequences, and recognize the role of policy in enabling systemic change.

By embedding this discipline across investment decisions, the Tsao family demonstrates what families increasingly expect from their family offices: a coherent, professionalized approach in which positive impact and investment strategy reinforce one another.

Trend 2

Leading family offices are challenging traditional philanthropy and shaping the impact space

Family offices have a key role to play in today's impact landscape. Their values, long-term vision and investment horizons, and ability to deploy both philanthropic and investment capital put them at the vanguard of financing impact. They can deploy patient, flexible, values-aligned capital, unconstrained by short funding timelines. This allows them to take early risks, back innovative ventures, and provide catalytic funding where traditional investors may hesitate or be prohibited from doing so by their investment frameworks (e.g., pension funds). They can also move quickly and structure investments creatively, helping to de-risk opportunities and crowd in additional capital from institutions and peers. This gives them a unique ability to support early-stage models and stay invested for the long term. Unlike institutional investors, they can prioritize mission alignment and long-term outcomes over short-term performance pressures, positioning them as powerful partners in driving meaningful, systemic change.

Under the impulse of principals, and increasingly through the vision of their family office leadership, the most sophisticated family offices have moved far beyond their traditional remit of investment management and administration. They are redefining how families organize capital, governance, and decision-making to deliver both financial and societal value. They are also reshaping the philanthropy landscape itself, applying business discipline, seeking return on impact with the same rigor used in

investment decisions, and deploying catalytic capital to finance innovative ideas. Their coordination role extends beyond the family's internal affairs to influencing and challenging the broader impact ecosystem.

While this level of sophistication is not yet universal, leading family offices are investing heavily in talent and specialist advisory capabilities. They increasingly operate as influential nodes across the impact landscape, maintaining close ties with public, private, and philanthropic actors. Their ability to convene these partners – and deploy multiple forms of capital cohesively – positions them as important contributors to sector-wide innovation.

At the same time, many families are broadening their definition of wealth. In addition to financial assets, they now recognize human capital, networks, reputation, intellectual property, and policy influence as powerful levers for change. This concept of “poly capital” helps sophisticated family offices orchestrate financial resources alongside expertise, access, and convening power to unlock new forms of prosperity and resilience.

For these families, impact is no longer confined to a foundation or grant program. Instead, it flows across every layer of the family's ecosystem, from operating companies and venture funds to real assets and advocacy platforms. Rather than choosing between donor-advised funds (DAFs)

Key takeaways:

- 1 Sophisticated family offices are redefining the field beyond traditional administration and investment roles
- 2 Increasingly they are embedding impact across the entire family ecosystem and becoming influential players in the impact space

and private foundations, many are combining them: using foundations to anchor long-term strategy and DAFs for agile, rapid response giving. This “strategy meets speed” approach preserves robust governance while delivering flexibility and, when needed, anonymity, integrating impact into how the family office routinely makes decisions and takes action.

UBS Head of Philanthropy Services, Americas, Sarah Salomon, notes that mentorship, structured learning, and values-based dialogue are turning philanthropy into a shared family practice, strengthening purpose and accountability across generations. Similarly, Renee Neri and colleagues from Heidrick & Struggles highlight a shift in the way that sophisticated families view legacy: not as the sum of what is left behind, but as what is actively built today through investments that generate both financial returns and measurable social and environmental outcomes.¹

A growing proportion, 27% of family offices globally, are pioneering integrated models designed to address complex, systemic challenges. This is exemplified by the Tsao Family Office and Builders Vision who demonstrate how foundations, venture investing, and policy influence can operate in concert, often grounded in regenerative economic principles. Their approaches illustrate a broader trend: the most forward-looking family offices are leveraging not just capital, but influence, expertise, and networks in a coordinated, mission-led manner.

This evolution is also reshaping how success is measured. Leading families are asking more sophisticated questions: Are we addressing root causes or symptoms? Are we unlocking systemic levers or influencing policy? And do the various tools across our portfolio reinforce one another? These inquiries are driving the next wave of innovation in how family offices deliver impact.

Case study

A systemic approach to stewardship

A US-based in-house advisor at a multi-billion-dollar family office describes how the family’s philanthropic approach has evolved from supporting individual organizations to understanding the systems in which they operate. Rather than beginning with specific causes, the family now starts by examining how public funding, policy frameworks, and institutional structures influence outcomes at scale. In one instance, when reviewing its education strategy, the family started by analyzing how federal and municipal budgets were allocated across a major US school system, how resources were distributed, and where outcomes were falling short. This analysis helped to inform where philanthropic capital could be deployed most effectively – not to replicate public funding, but to complement it.

This shift has also changed how the family defines its role. Philanthropic decisions are increasingly guided by questions of sustainability, leverage, and long-term effects rather than short-term outputs. Capital is directed towards areas where it can support innovation, address structural gaps, or enable approaches that sit outside the remit of public institutions. The advisor notes that this has brought greater clarity when selecting partners and shaping strategy: whether the objective is to strengthen an organization, test new solutions, or scale existing systems.

For the family, impact is no longer understood primarily as the act of giving, but as a deliberate and analytical process, that treats philanthropy as a form of disciplined, mission-driven capital within a wider ecosystem.

Trend 3

Government incentives are accelerating family office engagement in public-private partnerships for good

As governments around the world design more sophisticated frameworks to attract private capital into national priority areas, family offices are emerging as highly sought-after partners. Their ability to deploy patient, flexible, multi-generational capital, combined with increasingly professionalized structures and impact capabilities, is positioning them as natural participants in public-private initiatives. This trend reflects a broader convergence: policymakers seeking long-term, values-aligned capital providers, and family offices looking for structured, de-risked pathways to scale their impact across sectors such as sustainability, health, and innovation.

So, it is perhaps not surprising that we see family offices engaging more actively with government-led incentives and partnership models. Recent industry studies¹ show that many are establishing or expanding operations in jurisdictions with favorable regulatory regimes and tax structures, such as Singapore and Hong Kong. Policymakers globally are developing integrated ecosystems of tax incentives, residency schemes, innovation hubs, and co-investment platforms to attract family capital and align it with national development objectives.

Singapore and Hong Kong illustrate this trend. In Singapore, the Monetary Authority of Singapore (MAS) and the Singapore Economic Development Board (EDB) have launched a dedicated Family Office Development Team (FODT) and expanded the 13O and 13U tax incentive schemes to encourage capital deployment into priority sectors.³ In Hong Kong, 2022 legislation introduced profits tax exemptions for qualifying family investment entities, reinforcing its position as a leading regional wealth hub.⁴

A similar model is emerging in the United Arab Emirates (UAE). The Dubai International Financial Centre (DIFC) established the Family Wealth Centre in 2023 to formalize regulatory support for family offices and private wealth management,⁵ pairing long-term residency options with family business councils and directing capital toward national diversification and sustainability priorities.

In Switzerland, long a center for family office services, Swiss federal authorities are partnering with private investors in blended finance structures, particularly in life sciences and sustainable infrastructure. The SDG Impact Finance Initiative (SIFI), initiated by the Swiss federal government and UBS Optimus Foundation, exemplifies this approach. Using risk-tolerant capital to de-risk

Key takeaways:

- 1 Governments are actively courting family capital
- 2 Family offices are responding by engaging in structured public-private partnerships
- 3 These partnerships can unlock scalable, systemic impact

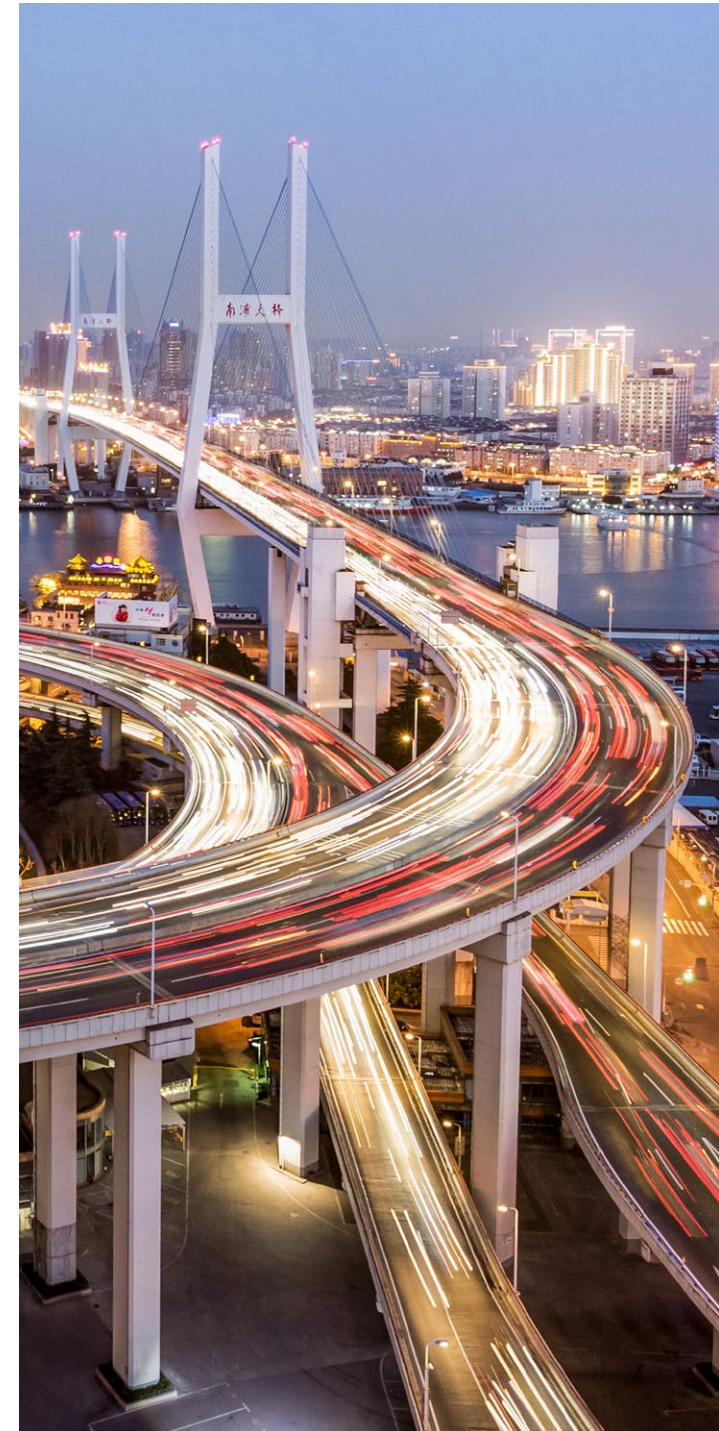
investments, it aims to mobilize up to CHF 1 billion for impact. Recently Luxembourg's Ministry of Finance and Korea's International Cooperation Agency (KOICA) have joined this initiative, illustrating its appeal.⁶

In the United States, several state-level initiatives are creating new opportunities for private capital participation in public innovation programs. NY Green Bank (NYGB) and California's Climate Catalyst Program collaborate with institutional investors to derisk clean energy solutions.⁷ In Texas, Arnold Ventures and Houston's The Way Home work with city and county housing authorities to scale homelessness reduction efforts. In Arkansas, the Alice L. Walton Foundation and Mercy Health partnered with the Cleveland Clinic on a USD 350 million, 30-year plan

to build a regional heart health campus. Collectively, these developments signal a clear shift: governments are creating structured channels for patient, flexible private wealth to complement areas traditionally dominated by public spending. By participating in well-designed public-private partnerships, family offices are helping scale innovative solutions, share risk across sectors, and expand the reach of their impact.

Disclaimer

This section is provided for informational purposes only and does not constitute investment advice, tax guidance, or a recommendation to engage in any particular jurisdiction, structure, or investment strategy. References to jurisdictions and policies are based on publicly available information as of October 2025 and are subject to change.





Conclusion

The family office landscape is not changing in one single direction, nor at the same pace for all. Taken together, the different factors highlight a shift toward more integrated ways of organizing capital and aligning wealth, enterprise, and philanthropy.

For some family offices, this has meant looking beyond portfolio construction alone and thinking more deliberately about alignment – across governing structures, investment strategies, and operating businesses. Others are placing greater emphasis on internal coordination, with the family office increasingly acting as the connective tissue between entities, advisors, and decision-makers. In practice, this is less about adopting a particular ideology and more about responding to growing complexity with better governance, clearer mandates, and stronger execution.

Collaboration has emerged as another common theme. Whether working with peers, co-investors, public institutions or philanthropic partners, family offices are looking to operate in more networked ways. The ability to convene and contribute within partnerships is becoming as important as financial expertise.

While technology and AI are not yet widely embedded in family office philanthropy or governance, many families recognize their longer-term potential – particularly to improving transparency, comparability, and insight across increasingly complex structures. Over time, digital capability is likely to become an important support to decision-making, alongside judgement and experience.

Ultimately, the next chapter for family offices will not be defined by one operating model, but by adaptability. The offices best positioned for what comes next will be those that combine disciplined execution with openness to new ways of working – those that treat alignment, collaboration, and continuous learning as essential capabilities. For families seeking to steward wealth with purpose and influence, this moment offers an opportunity: to shape their own legacy, but just as importantly, the broader systems in which their capital operates.

Considerations for family offices

Against a background of profound change, what do the three trends we highlight mean in practice for family offices, and how might they start to think about next steps in the context of their own operations? We've summarized some practical considerations and actions which we observe.

- 1. Broadening the mandate:** Shifting from siloed philanthropic activity to a portfolio-wide impact approach and mapping where the family's mission can be embedded across operating businesses, investment strategy, and philanthropy, setting clear priorities and execution pathways for each.
- 2. Building advanced impact capability:** By adding practical skills in project due diligence, partner selection, and impact measurement to existing legal, tax, and investment competencies, families are strengthening in-house expertise. For multifamily offices, formalizing these capabilities can become a key competitive differentiator.
- 3. Using the full spectrum of "poly-capital" to drive systemic outcomes:** Deploying the full spectrum of the family's assets – financial capital, operating businesses, networks, influence, and convening power – to address the root cause of the issues the family cares about. Ensuring decision-making, accountability, and measurement frameworks support a coherent, mission-led strategy.
- 4. Treating government incentives as strategic opportunities:** Governments are actively building ecosystems to attract long-term private capital. Mapping which jurisdictions offer incentives aligned with the family's priorities (e.g., sustainability, innovation, health) and assessing whether establishing or expanding presence there could unlock strategic advantages.
- 5. Strengthening institutional relationships to shape emerging ecosystems:** As family offices are increasingly recognized as long-term partners, relationship-building matters. For instance, participating in government-investor forums and industry groups to stay ahead of evolving opportunities and influence sector direction .
- 6. Positioning the family office as a "bridge" between private capital and public priorities:** Families that take part in these initiatives can influence sector outcomes and shape emerging ecosystems. Engaging selectively in sectors where the family has expertise (e.g., health, education, clean tech) and using the family office to align capital, knowledge, and partnerships in ways that amplify both financial and societal outcomes.
- 7. Using structured partnerships to scale impact efficiently:** Structured vehicles like blended finance funds or state-backed co-investment platforms are allowing family offices to participate in large, systemic projects without needing deep, in-house development finance expertise. This means prioritizing structures with clear governance and professional risk-sharing, while strengthening internal assessment, or using specialist advisors, and supporting alignment with the family's risk appetite, impact goals, and regulatory requirements.

Sources

1. UBS Global Family Office Report 2025
2. UBS Family Office Quarterly. Q4 2025. UBS Family Office Solutions.
3. KPMG Singapore, Establishing a Family Office in Singapore: Structure Considerations and Tax Incentive Schemes. (Singapore: KPMG Services Pte, 2024).
4. Ogier, New Tax Regime Makes Hong Kong an Attractive Jurisdiction for Family Offices. (Hong Kong; Ogier, 2023).
5. DIFC, Launch of Family Wealth Centre Strengthens Dubai's Position as a Global Hub for Family Businesses. (Dubai: DIFC Authority 2023).
6. SDG Impact Finance Initiative (SIFI) Overview and program description. (Bern/Geneva: SDG Impact Finance Initiative, 2022)
7. NY Green Bank Annual Report, 2024

Contributors

Gillian Dexter
Lisa Michel
Grégoire Muhr
Richard Mylles
Sarah Salomon



Design

Agata Wacinska

Start the conversation

Talk to one of our Social Impact experts today.



Global disclaimer

These materials have been prepared by UBS Group AG and/or a subsidiary or affiliate thereof, which are altogether referred to below as "UBS." They have not been prepared with regard to any specific investment objectives, financial situation or particular needs of any specific recipient, current client or prospective client. These materials are published solely for informational purposes and are not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments or services of UBS or to participate in any particular trading strategy endorsed or not endorsed by UBS. Any recipient of these materials should not consider their contents to be either legal, tax, accounting, regulatory, or other specialist or technical advice or service, or investment advice, or a personal recommendation of any kind, whatsoever. No representation or warranty, either express or implied, is provided in relation to the accuracy, completeness or reliability of the information contained in these materials, nor is any of the information herein intended to be a complete statement or summary of the securities markets or other developments referred to in these materials. The information in these materials should not be regarded by any recipient as a substitute for the exercise of their own judgment and any opinions expressed in these materials are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or groups of UBS, which may make different assumptions or rely on different criteria. UBS is under no obligation to update or keep current the information contained in these materials. Neither UBS nor any of its directors, officers, employees, or agents accept any liability for any loss or damage arising out of the use of all or part of these materials or reliance upon the information contained therein. These materials are not for distribution or redistribution, except under such circumstances as may be permitted by UBS and or applicable law. UBS specifically prohibits the redistribution or reproduction of these materials in whole or in part, without the written permission of UBS and UBS accepts no liability whatsoever for the actions of third parties in this respect.

United Kingdom: Social Finance offered through the UBS Optimus Foundation does not refer to an investment product or tradable security. Social Finance products offered through the foundation were created for the sole purpose of philanthropic activities within the UBS Optimus Foundation UK.

© UBS 2026. The key symbol and UBS are among the registered and unregistered trademarks of UBS Group AG. All rights reserved.

KPMG source disclaimer

All information provided is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the facts of a particular situation.

For additional news and information, please access KPMG's global Web site on the Internet at <http://home.kpmg>.

Review code: IS5124015
Approval date: 14.01.2026

