BNY | WEALTH

ANALYSIS

SHAPING THE FUTURE

Single Family Offices *in the Gulf Region*

ANALYSIS

A BNY WEALTH STUDY

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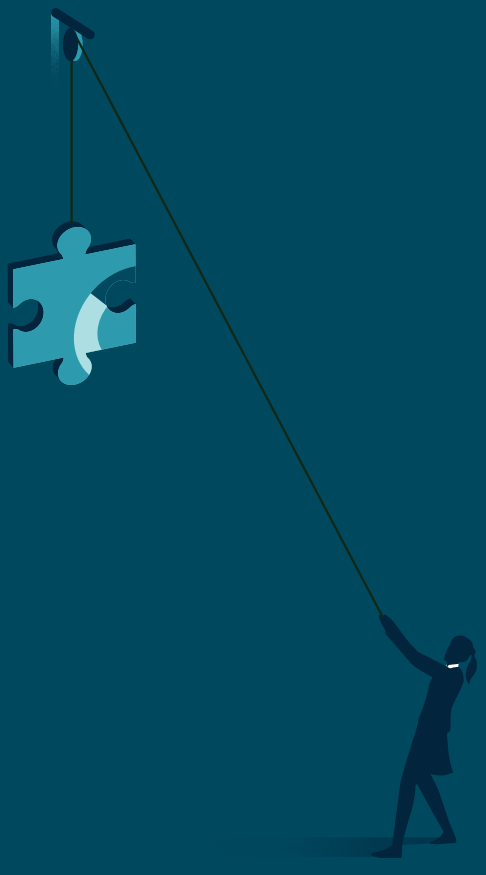
FOREWORD

This comprehensive family office report focused on Gulf Cooperation Countries (GCC) provides a data-driven view into the investment strategies, operational practices and priorities of family office decision-makers in the region.

Conducted in partnership with The Harris Poll, our survey captures the perspectives of leaders who oversee some of the most significant pools of private capital in Saudi Arabia, the United Arab Emirates (UAE) and Kuwait. [1]

Family offices throughout the region continue to adapt to a complex and rapidly evolving environment marked by shifting economic conditions, new geopolitical developments and technological change. Stewardship remains foundational but it's being paired with an appetite for innovation, direct investing, global expansion and mission-driven strategies.



Based on this study, young leaders are playing a prominent role in shaping the strategic and investment priorities of GCC family offices, bringing fresh perspectives while building on the vision and experience of established professionals.

Our findings highlight where capital is flowing, investment themes that are drawing the most attention and the operational capabilities that are being developed to support the ambitions of family offices in the region. These decision-makers report sustained interest in sectors tied to long-term regional priorities, alongside selective expansion into new markets and asset classes.

Operationally, technology adoption and risk management remain top of mind, as offices look to combine efficiency with the flexibility to quickly seize new opportunities.

We thank the family office leaders who shared their insights for this study. Their perspectives provide a valuable view into the strategies, structures and priorities that will shape the future of GCC family offices.

[1] In addition to Saudi Arabia, the UAE and Kuwait, the GCC also includes Qatar, Bahrain and Oman, all of which represent one of the world's most dynamic hubs of family wealth. Our study focuses specifically on Saudi Arabia, the UAE and Kuwait.

EXECUTIVE SUMMARY

Younger leaders are running the show

More than half (56%) of GCC family office decision-makers are 25-34 years old, which contrasts with only 8% in other parts of the world. These young leaders are increasingly focusing on strategies that emphasize regional expansion, innovation and global opportunities.

GCC family offices are balancing stability with flexibility

Many are deploying an investment approach that enables them to blend stable, long-term core exposures with more agile, opportunistic investments.

Developed market public equities and private equity are key to their plans

Family office leaders are positioning for growth, with 52% planning to increase exposure to developed market public equities over the next 18 months, while 45% are aiming to boost allocations to private equity.

Values-based investing matters

Values are a point of emphasis, with 93% of family offices noting that Shariah compliance is either “very” or “moderately” important to their investment strategy, while 38% said impact investing is integrated into their overall portfolio.

Liquidity management and risk oversight are critical investment concerns

With alternative investments playing a central role in many portfolios, decision-makers cite risk oversight (45%) and liquidity management (40%) as two of their biggest challenges in managing investments.

Cybersecurity and privacy are significant operational and infrastructure challenges

In an environment where portfolios span multiple asset classes, regions and digital platforms, cybersecurity and privacy concerns are the most frequently cited operational challenges for GCC family offices.

Technology adoption is widespread and about to deepen

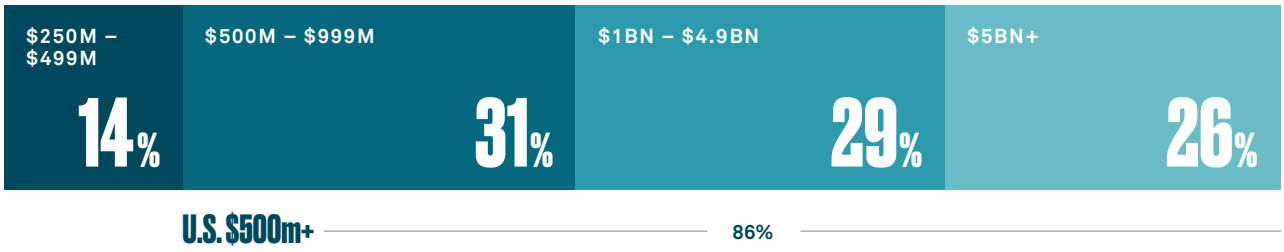
95% of family offices use specialized investment accounting or performance reporting software and nearly all are considering implementing new technologies or systems in the next 12-18 months.

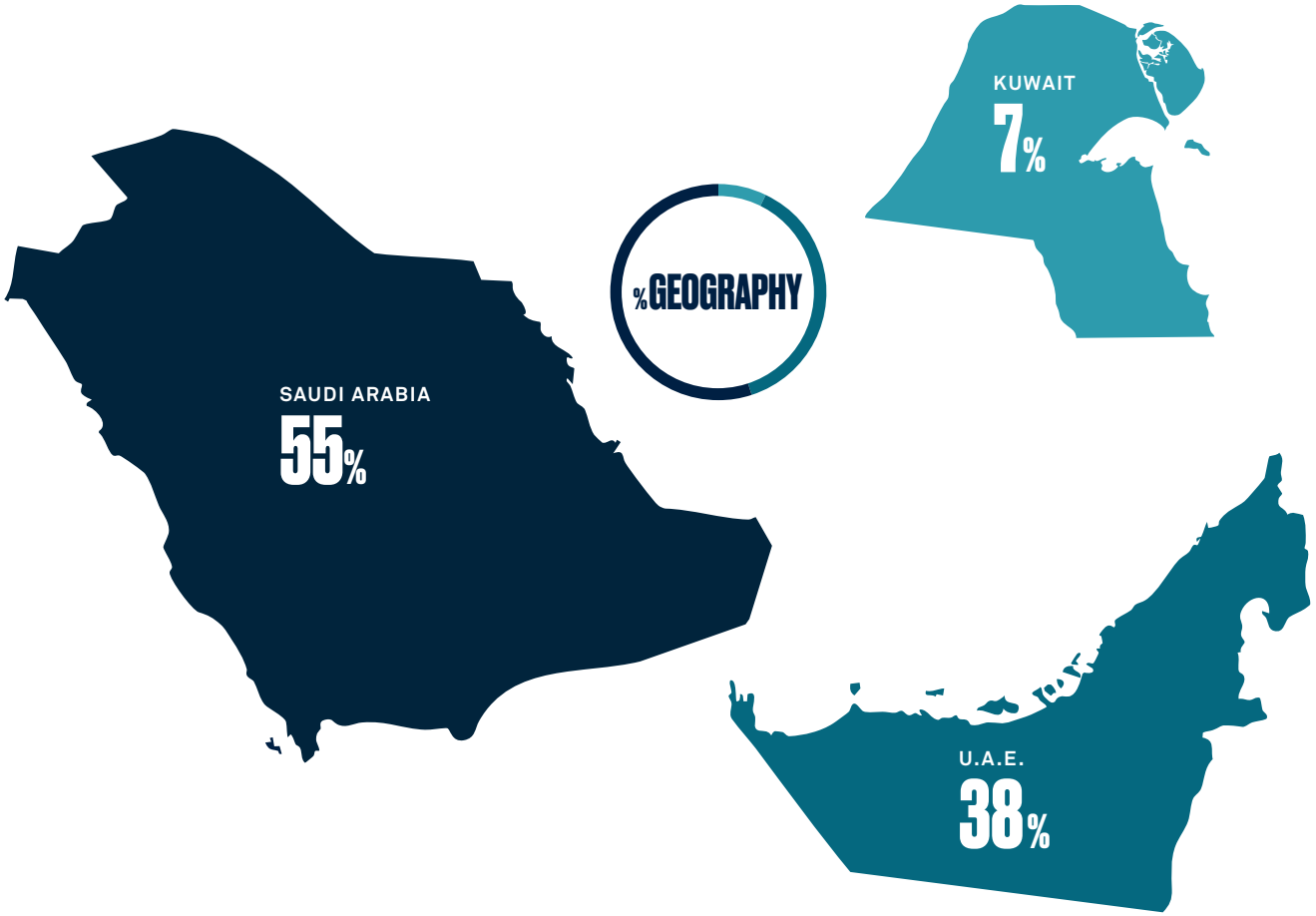
Source: BNY Wealth: 2025 Investment Insights for Single Family Offices

RESPONDENT PROFILE

We surveyed professionals at 58 single family offices in the GCC (*Saudi Arabia, the UAE and Kuwait*), with AUM ranging between $250 million to $5 billion and beyond.

ASSETS UNDER MANAGEMENT





01

ORGANIZATIONAL BLUEPRINT

GCC family offices are now operating in a professional, institutionalized capacity. 98% describe their operations as either "*formalizing*" or "*fully established*," reflecting a decisive shift toward formal governance, structure and long-term sustainability.

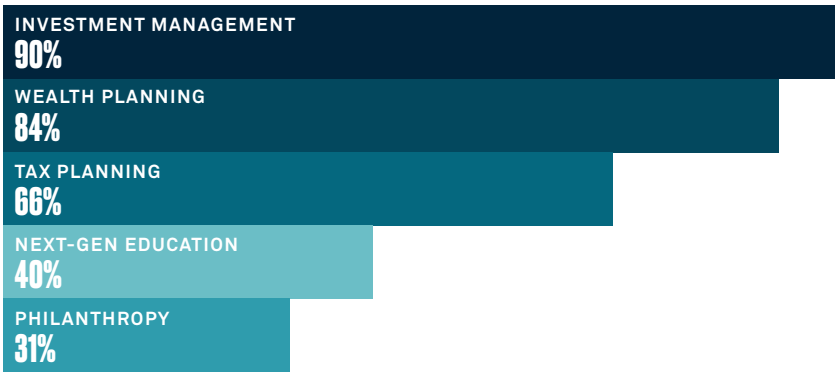
These are broad, sophisticated institutions that are providing a diverse array of offerings to the families they serve, with 64% revealing they employ 50 or more employees and 55% managing at least $1 billion in assets. This level of capital requires capabilities comparable to institutional investment firms, which is driving demand for more sophisticated reporting systems, compliance frameworks and governance processes.

Another defining characteristic is the breadth of investing and operational functions they're managing in-house. Many offices retain direct control over investment oversight, consolidated performance reporting and tax structuring. This hands-on approach reflects a desire for control, confidentiality and close alignment with family priorities.

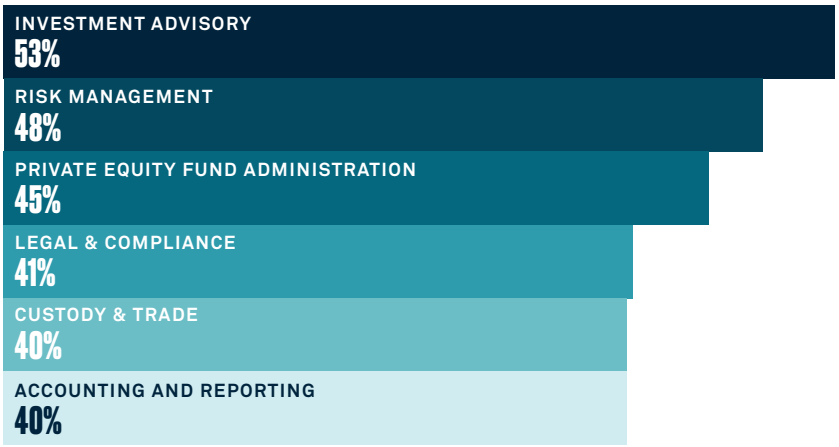
At the same time, certain specialist roles, such as Technology/IT and Legal & Compliance are outsourced to leverage external expertise without diluting strategic oversight.

Finally, the service mix of GCC family offices underscores a holistic view of wealth stewardship, with philanthropy, next-generation education and legacy planning integral to their service offerings. By integrating these services alongside investment management, GCC family offices are building operating models that are not only equipped to manage assets, but also to preserve values, prepare future leaders and strengthen the family's influence for generations to come.

WHAT SERVICES DO YOU PROVIDE TO YOUR FAMILY MEMBERS?

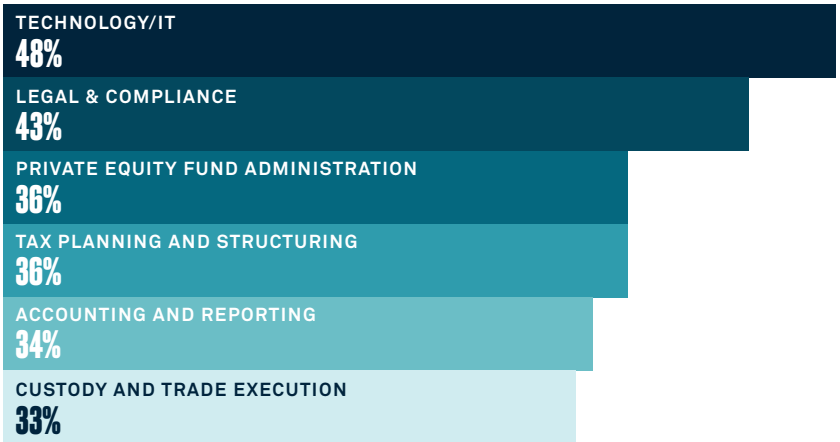


WHICH FUNCTIONS ARE MANAGED IN-HOUSE?



The service mix of Middle East family offices underscores a holistic view of wealth stewardship, with philanthropy, next-generation education and legacy planning integral to their service offerings.

WHICH FUNCTIONS ARE OUTSOURCED?



*Respondents were asked to select multiple options, hence combined percentages total over 100%.

The Family Office Road Map

OPERATING COMPANY

- Operating results
- Liquidity
- Governance
- Business succession
- Pre-sale gift planning

EMERGING FAMILY OFFICE

- Family office structure
- Family office mission
- Custody platform and information reporting
- Investment structures and managers
- Trust structures and fiduciaries
- Credit needs

ESTABLISHED FAMILY OFFICE

- Customized reporting for family members
- Performance measurement and reporting
- Monitoring investment managers
- Accounting analysis and tax preparation
- Estate planning and wealth transfer structures and strategies

MULTI-GENERATIONAL FAMILY OFFICE

- Educating future generations
- Revitalizing family mission
- Determining philanthropic intent
- Family foundation management and administration
- Estate settlement
- Ensuring family legacy

Key Considerations *When Establishing a Family Office*

Start with a plan
Define the mission, goals and structure before a liquidity event or major wealth transfer.

Secure custody early
Choose a trusted custodian to safeguard assets and streamline reporting.

Mix in-house and outsourced
Begin lean, then expand capabilities as the office matures.

Prioritize governance
Clarify decision-making roles, formalize policies and involve future leaders.

Invest in talent and technology
Hire skilled staff, protect systems and ensure data security.

Adapt over time
Evolve services and structure as family needs and market conditions change.

02

WHERE THE CAPITAL FLOWS

GCC family offices are making deliberate choices about how and where they deploy capital, blending stability and long-term appreciation with emerging opportunities. Allocation trends point to a strong focus on alternatives, including private markets, as well as developed market equities, and private market investments — choices that reflect both long-term objectives and evolving strategic priorities.

The most popular approach to designing portfolios among family office professionals is the core-satellite structure, which anchors their investments in "core" stable and long-term growth assets such as fixed income, developed market equities, and real estate, while allocating "satellite" portions to opportunistic areas within private equity, as well as venture capital. This approach enables families to safeguard their wealth while pursuing investments that can aim to generate higher returns and enhance overall portfolio performance.

WHICH INVESTMENT MODEL BEST REFLECTS YOUR PORTFOLIO STRATEGY?

38% — **CORE-SATELLITE MODEL**
Average market returns from core, and alpha generated through satellite allocations

12% — **TRADITIONAL 60/40**
Equity/fixed income

17% — **ENDOWMENT MODEL**
Diversified, alternatives-heavy

10% — **BARBELL STRATEGY**
Balance of no-risk and high-risk assets

14% — **INCOME-ORIENTED**
Structured to generate constant stream of income

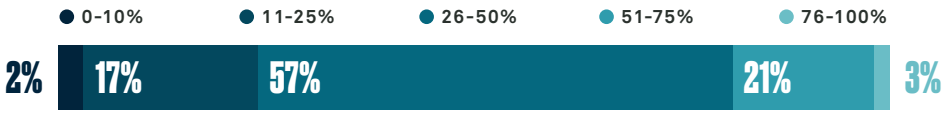
9% — **OPPORTUNISTIC/ TACTICAL ALLOCATION**
Takes advantage of short-term market shifts

Private Markets Take Center Stage

Alternative investments, particularly private markets, are central pillars of Middle East family office portfolios. From private equity and venture capital to real estate and private credit, families are deploying capital into opportunities that offer potential return benefits and diversification. Private equity, in particular, stands out: 24% of family office professionals report allocating more than half their total assets to this category, underscoring a strong regional preference for direct ownership and long-term value creation. Alongside these allocations, many are also looking to increase exposure to developed market public equities over the next 18 months, signaling a dual focus on global market exposure and access to long-term growth potential.

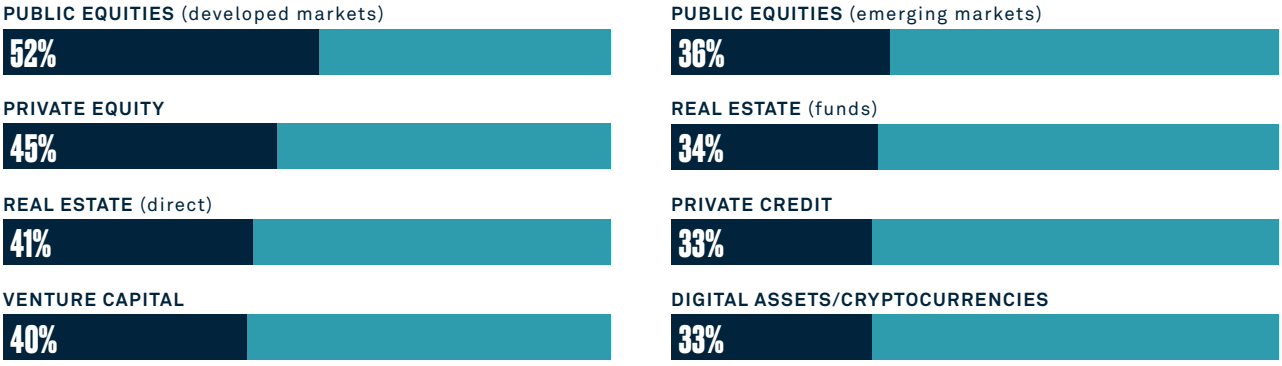
WHAT PERCENTAGE OF YOUR TOTAL ASSETS UNDER MANAGEMENT IS ALLOCATED TO ALTERNATIVES?

Private equity, hedge funds, real estate, etc.



These allocations are driven not only by return potential, but also by the ability to invest in businesses that align with family interests, regional priorities and strategic influence. Direct real estate plays an important role here as well, with many offices indicating plans to expand allocations in the next 18 months — underscoring the asset class's dual appeal as both an income generator and a store of long-term value.

OVER THE NEXT 18 MONTHS, WHICH ASSET CLASSES ARE YOU PLANNING TO INCREASE EXPOSURE TO?



How Family Offices Stand to Benefit from the Shift into Private Markets

Potential for higher returns
Top-tier private market investments have historically delivered stronger performance than comparable public market assets.

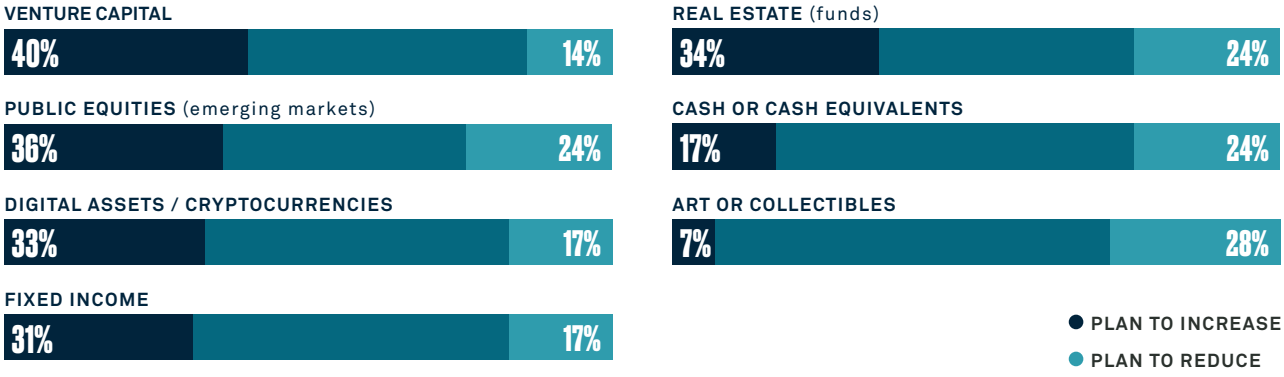
Direct investment advantages
Greater control, lower costs and enhanced transparency by bypassing fund fees and working directly with companies.

Private credit growth
The expanding market fills gaps left by banks, offering attractive yields and stronger protections than public credit.

Access to high-growth opportunities
Exposure to companies in their most value-creating stage, often before IPO.

Alignment with family strengths
Entrepreneurial expertise, patient capital and industry networks provide a competitive edge in sourcing and executing deals.

WHICH ASSET CLASSES ARE YOU PLANNING TO ADD/REDUCE EXPOSURE TO OVER THE NEXT 18 MONTHS?



Planned allocation shifts over the coming year show a clear tilt toward diversification. Developed-market public equities are at the top of the list for increases, while some higher volatility or lower-yielding segments — such as art and collectibles and excess cash holdings — are primarily seeing planned reductions.

While certain asset classes with a greater share of planned reductions, such as art and collectibles, could be less popular because they are not experiencing as favorable of an environment as they have in the past, these moves broadly suggest a disciplined, forward-looking approach to capital deployment.

Best practices for Capital Deployment

Family offices face no shortage of opportunities, but disciplined capital deployment separates the most resilient portfolios from the rest.

Balance long-term and tactical allocations

Anchor portfolios in core exposures like developed market equities while selectively deploying capital to higher-growth opportunities such as private equity and venture investments.

Prioritize due diligence

Assess managers, direct deals and co-investments rigorously to avoid concentration risk and performance drag.

Align with family values

Integrate Shariah compliance and impact principles to ensure investments reflect both purpose and performance.

Plan for liquidity

Maintain sufficient liquid reserves to support operations, distributions and new commitments without straining the portfolio.

Leverage scale, wisely

Use the family office's patient capital and networks to negotiate favorable terms and access to exclusive opportunities.

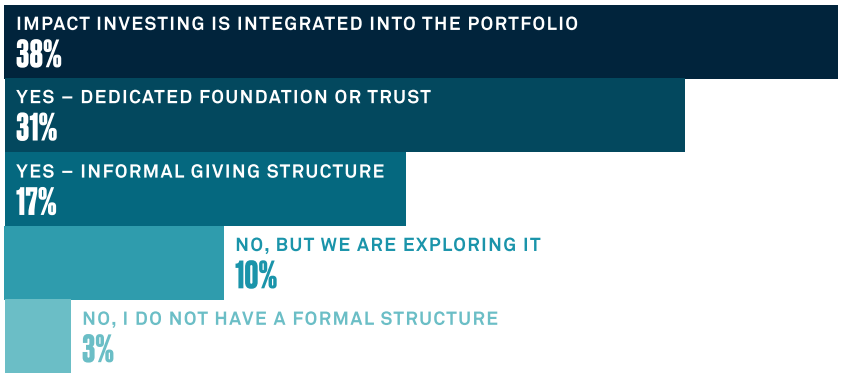
03

ALIGNING CAPITAL WITH VALUES

From impact investing to Shariah-compliant frameworks, family office leaders are embedding values into decision-making in ways that honor both cultural traditions and global best practices.

Ethical and purpose-driven frameworks are playing a key role in the investment strategies of GCC family offices. 38% of family office professionals are integrating impact investing into their portfolios, with another 10% actively exploring it. This points to a focus on aligning capital with long-term mission, social outcomes and family values, rather than viewing investments solely through a financial-return lens.

DO YOU HAVE A FORMAL IMPACT INVESTING OR PHILANTHROPIC FRAMEWORK IN PLACE?



The Role of Shariah Compliance

Shariah compliance remains a central consideration for many. In addition to prohibiting investments in certain industries, such as alcohol, gambling and weapons, Shariah principles promote transparency, risk-sharing and tangible asset-backed transactions. These guidelines often parallel the ethical criteria used in broader values-based investing, creating natural alignment between traditional frameworks and contemporary impact strategies.

For family offices, this alignment enables them to honor cultural and religious priorities while also meeting global best practices for responsible investing.

HOW IMPORTANT IS SHARIAH COMPLIANCE IN YOUR INVESTMENT STRATEGY?

What is Shariah-compliant investing?

Prohibition of interest
Investments cannot earn income through interest-bearing instruments.

Avoid excessive uncertainty
Contracts and transactions must be transparent and based on clear, fair terms.

Ethical screening
Portfolios are screened to exclude prohibited industries and ensure compliance with Islamic ethics.

Profit-and-loss sharing
Many Shariah-compliant investments are structured so that investors share in both the risks and rewards.

04 STRENGTHENING THE OPERATIONAL CORE

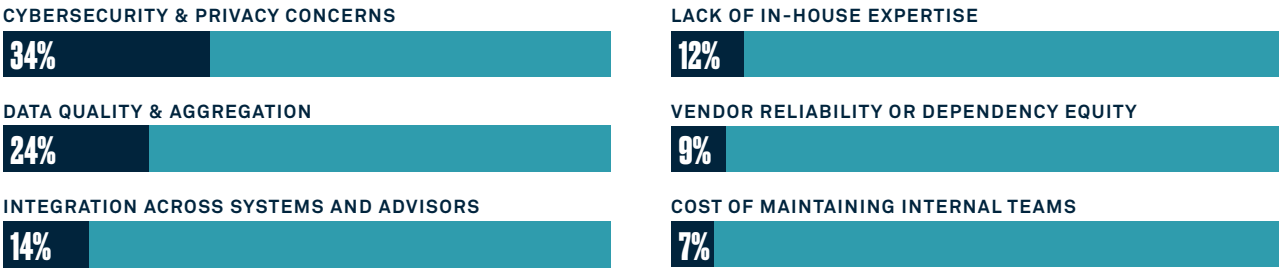
As their portfolios grow in complexity, family office leaders are focusing on the systems, processes and safeguards that will help keep their operations running smoothly.

GCC family offices are expanding their investment reach and strategic ambitions, but their ability to execute depends heavily on the infrastructure supporting them. While their structures may already be formalized, the systems, processes and partnerships that keep these offices running are still evolving to meet new demands.

Cybersecurity and privacy concerns stand out as the top operational challenge, cited by more than a third of family office leaders. As offices expand their use of artificial intelligence and other technologies, their exposure to cyber threats has increased. Protecting sensitive financial and personal data has become not only an information technology issue but a core governance priority.

WHAT IS YOUR BIGGEST OPERATIONAL CHALLENGE?

97% are considering implementing new technology or systems to support operations in the next 12-18 months.



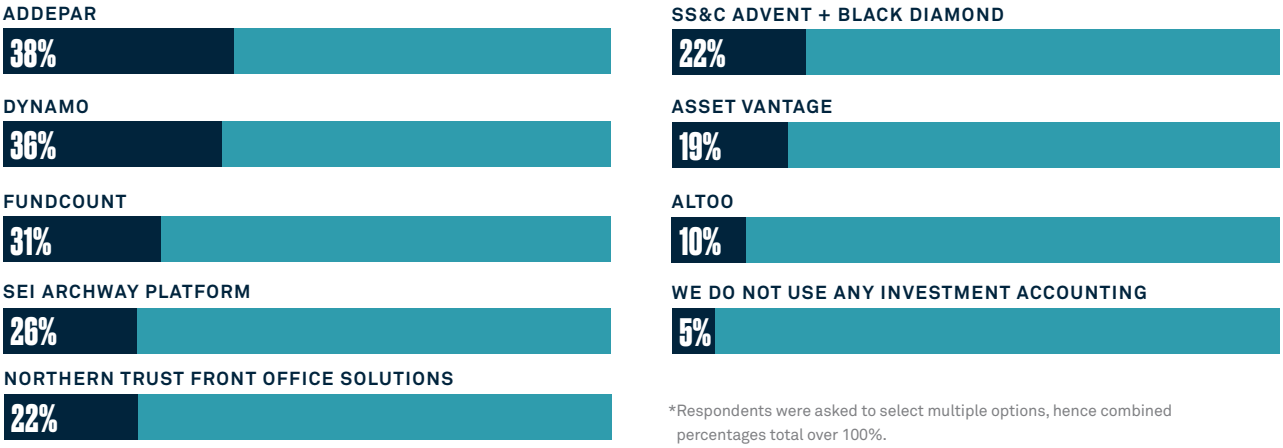
Data quality and aggregation ranked as the second-most cited challenge. With holdings spread across asset classes, geographies and legal structures, many offices struggle to consolidate accurate, real-time data into a single, actionable view. Without that visibility, it becomes more difficult to monitor exposures, evaluate performance and make timely decisions.

Many family offices are responding by investing in dedicated reporting systems. The most commonly used investment accounting and performance reporting platforms that family office decision-makers are turning to include Addepar, Dynamo and FundCount.

These systems can play a critical role in enabling accurate performance tracking, risk management and consolidated reporting — functions that are increasingly essential as portfolios continue to grow in size and complexity.

Partnering with a global custodian can further strengthen this infrastructure. By using a secured platform that integrates custody with advanced investment accounting, aggregation and performance reporting, family offices gain both operational efficiency and strong cyber safeguards. This integration reduces the need for multiple, overlapping systems layered on top of custodial services, creating a streamlined environment that enhances transparency, improves security and minimizes operational risk.

DO YOU USE ANY INVESTMENT ACCOUNTING OR PERFORMANCE REPORTING SOFTWARE? IF SO, WHICH ONE(S)?



*Respondents were asked to select multiple options, hence combined percentages total over 100%.

Cybersecurity Best Practices

Controls around data traffic, email services on- and off-premises, identity and access are important to monitor. Such services include multi-factor authentication, system scanning, patching and configuration.

Training and awareness of staff is critical, as employees are the last line of defense. Activities could include exercises and unannounced phishing tests.

Incident response plans inclusive of information such as offline backups, printed copies, communication alerts for clients and regulators, backup communication channels and system access and oversight of third-party data can be helpful to establish prior to an actual incident.

It's possible to retain external services such as incident response specialists, law firms and public relations consultants who can step in and assist in the midst of an incident.

Review coverage offered by your cyber insurance.

05

INTERNAL VOICES, CLEAR CHOICES

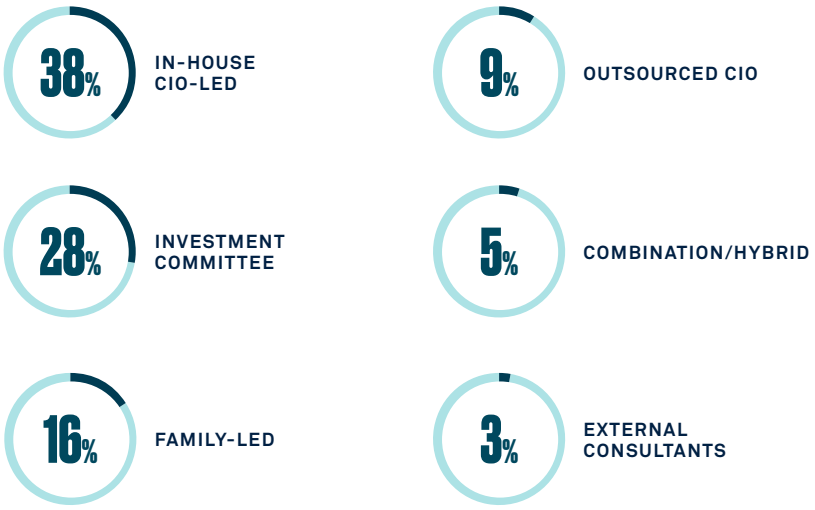
GCC family offices are employing a wide range of approaches to decision-making, with no single model dominating across the region.

Investment governance among GCC family offices varies widely, with respondents reporting a range of approaches to how investment decisions are structured and executed. The data reflects a mix of internal leadership, formal committees and limited use of external advisors or outsourced models.

The most common approach, cited by 38% of family office professionals, is in-house, staff-led decision-making, where a dedicated internal team is responsible for evaluating and executing investments. This model suggests that many family offices have developed sufficient internal capacity to manage investments without relying heavily on outside input.

Nearly one-third of family office leaders say their investment decisions are made by an investment committee, which may include family members, internal professionals, or both. This structure allows for shared input and oversight while creating a formalized process for evaluating opportunities.

HOW ARE INVESTMENT DECISIONS MADE IN YOUR FAMILY OFFICE?



In scenarios in which investment decisions are family-led, decision-making authority is often concentrated among principals or senior family members, without a separate professional or committee-based process.

On the other end of the spectrum, less than 10% of families are outsourcing their investment leadership to external managers or platforms, while an even smaller share (3%) turns to external consultants or advisors to guide investment decisions rather than manage the process internally.

Conversely, our 2025 study of family offices around the world revealed that the majority of family offices surveyed (61%) outsourced their investment advisory services.

The data highlights the operational diversity at work across family offices throughout the region.

Nearly one-third of family office leaders say their investment decisions are made by an investment committee, which may include family members, internal professionals, or both.

Best practices for Investment Governance

Family offices throughout the GCC employ a variety of governance models, but the most effective approaches share common features:

Build strong in-house capability

With 38% of offices relying on internal CIOs or staff-led teams, investing in skilled professionals ensures decisions are made with speed, control and alignment to family objectives.

Formalize decision-making

Nearly one-third of offices use investment committees, striking a balance between professional rigor and family oversight. Committees help avoid concentration of authority and provide structured evaluation of opportunities.

Define family roles clearly

Where principals or senior family members lead (16%), clarity around decision rights and risk parameters helps prevent conflicts and ensures continuity.

Use external expertise selectively

While outsourcing is less common in the region (9% outsourced CIOs, 3% consultants), engaging trusted specialists for niche areas such as private credit or emerging markets can complement internal teams without ceding overall control.

Benchmark globally, act locally

Globally, many peers outsource a majority of their investment advisory services. GCC family offices can differentiate by blending global best practices with the region's preference for internal leadership and proximity.

Key Takeaway

The strongest governance models emphasize in-house leadership, supported by committees and selective internal input, creating both accountability and agility.

Source: BNY Wealth: 2025 Investment Insights for Single Family Offices

CONCLUSION

Based on insights from 58 distinguished family offices across Saudi Arabia, the UAE and Kuwait, the picture is clear: leadership is sharpening strategy, portfolios are tilting toward private markets and operations are scaling fast.

Many offices pair core holdings with satellite investments, maintain sizable private equity exposure, and plan to add developed market equities and direct real estate. Values remain central — Shariah considerations and impact frameworks guide capital — while technology adoption accelerates to tackle data, integration and security risks. The mandate ahead is practical and ambitious — improve resilience, pursue growth and institutionalize governance, so decisions travel well across time, people and markets.

BNY WEALTH

We have been helping clients grow wealth and secure it for generations for over 240 years. Building on those achievements, across a span of five decades, our Global Family Office practice has become one of the largest in the world and now serves over 300 family office clients. By being a collaborative partner in the truest sense of the word, we build enduring relationships that last.

For deeper analysis and additional global insights, visit:
bny.com/GFOinvestmentstudy

APPENDIX

Methodology & Respondent Profile

The first edition of this study was a collaborative effort between BNY Wealth and the Harris Poll. The survey design was conceptualized by BNY Wealth, while Harris Poll took charge on recruiting participants and executing the online survey. Both firms contributed to crafting the insights and findings. The statistics in this report reflect the feedback of 58 single family office respondents surveyed and they do not reflect the views of BNY. Certain outcomes may be derived from small sample sizes and should be used for directional purposes only.

Job Title	Total
CEO - Chief Executive Officer	43%
Executive Director	24%
CIO - Chief Investment Officer	19%
CFO - Chief Financial Officer	14%
COO - Chief Operating Officer	10%
Principal	7%
Finance Director	7%
Vice President	7%
Family Counselor	7%
Director of Investments	5%
Portfolio Manager	5%
Director of Operations	2%
Head of Fiduciary	2%

*Respondents were asked to select multiple options, hence combined percentages total over 100%.

Country	
Saudi Arabia	55%
UAE	38%
Kuwait	7%

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