

# How families can be better prepared



## Embrace a dual strategy

One way to bridge a desire to keep the business in the family and let the next generation explore other opportunities, is to pursue a dual strategy while both sides decide what the long-term future should be – the current generation continues running the core business, while the next generation undertakes complementary ventures within it. This could involve setting up a new business division; devising new products and services; leading digitalisation drives; or diversifying into new regions.

## Establishing a Single-Family Office

SFOs provide a sandbox for the next gen to build skills away from the direct family business where the costs and visibility of failure tend to be much higher. Equipping the next generation with the right financial education and decision-making skills can also begin at a young age and in tandem with formal education. Active involvement in family finance, mentorship programmes, financial literacy and corporate governance training all help to prepare and support the successor generation. It may even make them more likely to step into leadership roles within the family-owned business or its SFO.

# 78%

of entrepreneurs stated it is important to them to keep the business in the family and preserve it's legacy.

# 35%

suggest they do not have enough confidence in the next generation to take over the business. Running a business is never simple, and ensuring a smooth transition to the next generation adds further complexity. How can families navigate this complexity?

## Family-owned business succession planning checklist



### Open dialogue

- Hold regular family meetings to discuss succession and legacy
- Encourage honest sharing of aspirations, concerns, expectations and purpose



### Formalise a plan

- Document clear roles, timelines, and training requirements
- Develop contingency strategies for unexpected changes



### Seek external advice

- Consult legal, financial, and tax specialists
- Engage independent advisors for objective guidance



### Implement corporate governance

- Set up a family council, board or constitution with defined decision-making processes
- Schedule regular reviews and updates to keep the plan current



### Educate the next generation

- Establish mentorship and formal training
- Provide hands-on experience and exposure to best practices



### Honour the past and look to the future

- Preserve core values while exploring new ventures
- Support next-generation initiatives beyond the core business



### Integrate philanthropy

- Consider establishing a family foundation or donor-advised fund
- Involve younger members in charitable projects to reinforce shared values

Through collaboration with the next generation, considering all available options, and developing a constantly evolving succession plan, both the business and family wealth can be better positioned for long-term success.

Find out more about planning for future success. Visit [www.privatebanking.hsbc.com](http://www.privatebanking.hsbc.com) or contact your RM.

**Important notice**

This is a marketing communication issued by **HSBC Global Private Banking**. HSBC Global Private Banking is the principal private banking business of the HSBC Group. Private Banking may be carried out internationally by different HSBC legal entities according to local regulatory requirements. Different companies within HSBC Global Private Banking or the HSBC Group may provide the services listed in this document. Members of the HSBC Group may trade in products mentioned in this publication.

This document does not constitute independent investment research under the European Markets in Financial Instruments Directive ('MiFID'), or other relevant law or regulation, and is not subject to any prohibition on dealing ahead of its distribution. Any references to specific financial instruments or issuers do not represent HSBC Global Private Banking's views, opinions or recommendations, express or implied, and are provided for information only. The information contained within this document is intended for general circulation to HSBC Global Private Banking clients. The content of this document may not be suitable for your financial situation, investment experience and investment objectives, and HSBC Global Private Banking does not make any representation with respect to the suitability or appropriateness to you of any financial instrument or investment strategy presented in this document.

This document is for information purposes only and does not constitute and should not be construed as legal, tax or investment advice or a solicitation and/or recommendation of any kind from the Bank to you, nor as an offer or invitation from the Bank to you to subscribe to, purchase, redeem or sell any financial instruments, or to enter into any transaction with respect to such instruments. If you have concerns about any investment or are uncertain about the suitability of an investment decision, you should contact your Relationship Manager or seek such financial, legal or tax advice from your professional advisers as appropriate. You should not make any investment decision based solely on the content of any document.

HSBC Global Private Banking has based this document on information obtained from sources it believes to be reliable, but which may not have been independently verified. While this information has been prepared in good faith including information from sources believed to be reliable, no representation or warranty, expressed or implied, is or will be made by HSBC Global Private Banking or any part of the HSBC Group or by any of their respective officers, employees or agents as to or in relation to the accuracy or completeness of this document.

It is important to note that the capital value of, and income from, any investment may go down as well as up and you may not get back the original amount invested. Past performance is not a guide to future performance. Forward-looking statements, views and opinions expressed, and estimates given constitute HSBC Global Private Banking's best judgement at the time of publication, are solely expressed as general commentary and do not constitute investment advice or a guarantee of returns and do not necessarily reflect the views and opinions of other market participants and are subject to change without notice. Actual results may differ materially from the forecasts/estimates.

Foreign securities carry particular risks, such as exposure to currency fluctuations, less developed or less efficient trading markets, political instability, a lack of company information, differing auditing and legal standards, volatility and, potentially, less liquidity.

Investment in emerging markets may involve certain additional risks, which may not be typically associated with investing in more established economies and/or securities markets. Such risks include (a) the risk of nationalization or expropriation of assets; (b) economic and political uncertainty; (c) less liquidity in so far of securities markets; (d) fluctuations in currency exchange rate; (e) higher rates of inflation; (f) less oversight by a regulator of local securities market; (g) longer settlement periods in so far as securities transactions and (h) less stringent laws in so far the duties of company officers and protection of Investors.

Some HSBC Offices listed may act only as representatives of HSBC Global Private Banking, and are therefore not permitted to sell products and services, or offer advice to customers. They serve as points of contact only. Further details are available on request.

**In the United Kingdom,** this document has been approved for distribution by HSBC UK Bank plc whose Private Banking office is located at 8 Cork Street, London W1S 3LJ and whose registered office is at 1 Centenary Square, Birmingham, B1 1HQ. HSBC UK Bank plc is registered in England under number 09928412. Clients should be aware that the rules and regulations made under the Financial Services and Markets Act 2000 for the protection of investors, including the protection of the Financial Services Compensation Scheme, do not apply to investment business undertaken with the non-UK offices of the HSBC Group. This publication is a Financial Promotion for the purposes of Section 21 of the Financial Services & Markets Act 2000 and has been approved for distribution in the United Kingdom in accordance with the Financial Promotion Rules by HSBC UK Bank plc, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

**In Guernsey,** this material is distributed by HSBC Private Banking (C.I.), which is the trading name of HSBC Private Bank (Suisse) SA, Guernsey Branch, with registered office in Arnold House, St Julian's Avenue, St Peter Port, Guernsey, GY1 3NF. HSBC Private Bank (Suisse) SA, Guernsey Branch is licensed by the Guernsey Financial Services Commission for Banking, Credit, Insurance Intermediary and Investment Business. HSBC Private Bank (Suisse) SA is registered in Switzerland under UID number CHE-101.727.921, with registered office in Quai des Bergues 9-17, 1201 Geneva (GE), Switzerland. HSBC Private Bank (Suisse) SA is licensed as a Bank and Securities Dealer by the Swiss Financial Market Supervisory Authority FINMA.

**In Jersey,** this material is issued by HSBC Bank plc, Jersey Branch, HSBC House, Esplanade, St. Helier, Jersey, JE1 1HS. HSBC Bank plc, Jersey Branch is regulated by the Jersey Financial Services Commission for Banking, General Insurance Mediation, Fund Services and Investment Business. HSBC Bank plc is registered in England and Wales, number 14259. Registered office 8 Canada Square, London, E14 5HQ. HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

**In Isle of Man,** this material is issued by HSBC Bank plc, Clinch's House, Douglas, Isle of Man IM99 1RZ.. HSBC Bank plc is licensed and regulated by the Isle of Man Financial Services Authority. HSBC Bank plc is registered in England and Wales, number 14259. Registered office 8 Canada Square, London, E14 5HQ. HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

**In France,** this material is distributed by HSBC Private Bank Luxembourg French Branch - SIREN 911 971 083 RCS Paris. HSBC Private Banking in France is subject to approval and control by the Autorité de Contrôle Prudentiel et de Résolution [Prudential Control and Resolution Authority]. HSBC Private Banking is a Branch of HSBC Private Bank (Luxembourg) S.A. 18 Boulevard de Kockelscheuer L-1821 Luxembourg, Public Limited Luxembourg Company with share capital of : 160.000.000 euros, RCS Luxembourg : B52461, Trade and Companies Register of Paris Bank and Insurance Intermediary registered with the Organisme pour le Registre des Intermédiaires en Assurances [Organisation for the Register of Insurance Intermediaries] under no. 2011CM008 ([www.orias.fr](http://www.orias.fr)) - Intra-community VAT number: FR34911971083. HSBC Private Banking in France - Registered office: 38, avenue Kléber 75116 Paris-FRANCE

**In or from Switzerland,** this marketing material is distributed by HSBC Private Bank (Suisse) SA, a bank regulated by the Swiss Financial Market Supervisory Authority FINMA, whose office is located at Quai des Bergues 9-17, 1201 Geneva, Switzerland. This document does not constitute independent financial research and has not been prepared in accordance with the Swiss Bankers Association's "Directive on the Independence of Financial Research", or any other relevant body of law.

**In Abu Dhabi Global Markets (ADGM),** this material is distributed by, HSBC Bank Middle East Limited, ADGM Branch, Al Sila Tower, The Executive Center, Level 12, PO BOX 764648, Abu Dhabi, is regulated by the ADGM Financial Services Regulatory Authority (FSRA) and lead regulated by the Dubai Financial Services Authority (DFSA). Contents in this document are directed at FSRA defined Professional Clients and only a Person meeting this criteria should act upon it.



**In Dubai International Financial Centre (DIFC),** this material is distributed by HSBC Private Bank (Suisse) SA, DIFC Branch, P.O. Box 506553 Dubai, UAE which is regulated by the Dubai Financial Services Authority (DFSA) and FINMA. Contents in this document are directed at DFSA defined Professional Clients and only a Person meeting this criteria should act upon it.

**In South Africa,** this material is distributed by HSBC Private Bank (Suisse) SA, South Africa Representative Office approved by the South African Reserve Board (SARB) under registration no. 00252 and authorized as a financial services provider (FSP) for the provision of Advice and Intermediary Services by the Financial Sector Conduct Authority of South Africa (FSCA) under registration no. 49434. The Representative Office has its registered address at 2 Exchange Square, 85 Maude Street, Sandown, Sandton.

**In Bahrain,** this communication is distributed by HSBC Bank Middle East Limited, Bahrain Branch, a member of the HSBC Group, which comprises HSBC Holdings Plc and each of its subsidiaries and includes entities providing private bank services. HSBC Bank Middle East Limited, Bahrain Branch may refer clients to HSBC Group entities providing private banking services as well as, to the extent permissible, refer certain private banking financial products and services to clients in Bahrain. However, such private banking financial products and services shall be governed by the terms and conditions and laws and regulations applicable to relevant HSBC Group entity that will provide the financial products or services.

HSBC Bank Middle East Limited, Bahrain Branch, is regulated by the Central Bank of Bahrain and is lead regulated by the Dubai Financial Services Authority.

**In Qatar,** this communication is distributed by HSBC Bank Middle East Limited, Qatar Branch which is a member of the HSBC Group, which comprises HSBC Holdings Plc and each of its subsidiaries and includes entities providing private bank services.

HSBC Bank Middle East Limited, Qatar Branch, P.O. Box 57, Doha, Qatar, is licensed and regulated by the Qatar Central Bank and is lead regulated by the Dubai Financial Services Authority.

HSBC Bank Middle East Limited, Qatar Branch may refer clients to HSBC Group entities providing private banking services as well as, to the extent permissible, refer certain private banking financial products and services to clients in Qatar. However, such private banking financial products and services shall be governed by the terms and conditions and laws and regulations applicable to relevant HSBC Group entity that will provide the financial products or services.

**In Lebanon,** this material is distributed by HSBC Financial Services (Lebanon) S.A.L. ("HFLB"), licensed by the Capital Markets Authority as a financial intermediation company Sub N°12/8/18 to carry out Advising and Arranging activities, having its registered address at Centre Ville 1341 Building, 4th floor, Patriarche Howayek Street, Beirut, Lebanon, P.O. Box Riad El Solh 9597.

**In Hong Kong and Singapore,** THE CONTENTS OF THIS DOCUMENT HAVE NOT BEEN REVIEWED OR ENDORSED BY ANY REGULATORY AUTHORITY IN HONG KONG OR SINGAPORE. HSBC Private Banking is a division of Hongkong and Shanghai Banking Corporation Limited. In Hong Kong, this document has been distributed by The Hongkong and Shanghai Banking Corporation Limited in the conduct of its Hong Kong regulated business. In Singapore, the document is distributed by the Singapore Branch of The Hongkong and Shanghai Banking Corporation Limited. Both Hongkong and Shanghai Banking Corporation Limited and Singapore Branch of Hongkong and Shanghai Banking Corporation Limited are part of the HSBC Group. This document is not intended for and must not be distributed to retail investors in Hong Kong and Singapore. The recipient(s) should qualify as professional investor(s) as defined under the Securities and Futures Ordinance in Hong Kong or accredited investor(s) or institutional investor(s) or other relevant person(s) as defined under the Securities and Futures Act in Singapore. Please contact a representative of The Hong Kong and Shanghai Banking Corporation Limited or the Singapore Branch of The Hong Kong and Shanghai Banking Corporation Limited respectively in respect of any matters arising from, or in connection with this report.

Some of the products are only available to professional investors as defined under the Securities and Futures Ordinance in Hong Kong / accredited investor(s), institutional investor(s) or other relevant person(s) as defined under the Securities and Futures Act in Singapore. Please contact your Relationship Manager for more details.

The specific investment objectives, personal situation and particular needs of any specific persons were not taken into consideration in the writing of this document. To the extent we are required to conduct a suitability assessment in Hong Kong where this is permitted by cross border rules depending on your place of domicile or incorporation, we will take reasonable steps to ensure the suitability of the solicitation and/or recommendation. In all other cases, you are responsible for assessing and satisfying yourself that any investment or other dealing to be entered into is in your best interest and is suitable for you.

In all cases, we recommend that you make investment decisions only after having carefully reviewed the relevant investment product and offering documentation, HSBC's Standard Terms and Conditions, the "Risk Disclosure Statement" detailed in the Account Opening Booklet, and all notices, risk warnings and disclaimers contained in or accompanying such documents and having understood and accepted the nature, risks of and the terms and conditions governing the relevant transaction and any associated margin requirements. In addition to any suitability assessment made in Hong Kong by HSBC (if any), you should exercise your own judgment in deciding whether or not a particular product is appropriate for you, taking into account your own circumstances (including, without limitation, the possible tax consequences, legal requirements and any foreign exchange restrictions or exchange control requirements which you may encounter under the laws of the countries of your citizenship, residence or domicile and which may be relevant to the subscription, holding or disposal of any investment) and, where appropriate, you should consider taking professional advice including as to your legal, tax or accounting position. Please note that this information is neither intended to aid in decision making for legal or other consulting questions, nor should it be the basis of any such decision. If you require further information on any product or product class or the definition of Financial Products, please contact your Relationship Manager.

**In Thailand,** this material is distributed by The Hongkong and Shanghai Banking Corporation Limited, Bangkok branch. Registered and incorporated in Hong Kong SAR. Registered office: 1 Queen's Road Central, Hong Kong SAR and registered as a branch office in Thailand having registered number: 0100544000390. Bangkok branch registered office: No. 968 Rama IV Road, Si Lom Sub-district, Bang Rak District, Bangkok Metropolis. Authorized and supervised by the Bank of Thailand and the Securities and Exchange Commission, Thailand.

**In Luxembourg,** this material is distributed by HSBC Private Banking (Luxembourg) S.A RCS B52461, which is located at 18 Boulevard de Kockelscheuer L-1821 Luxembourg and is regulated by the Commission de Surveillance du Secteur Financier ("CSSF").

**In the United States,** HSBC Private Banking is the marketing name for the private banking business. In the United States, HSBC Private Banking offers banking products services through HSBC Bank USA, N.A. ("HSBC Bank"), Member FDIC. HSBC Bank provides banking products and services. Investment, annuities, and variable life insurance products are offered by HSBC Securities (USA) Inc. ("HSBC Securities"), member NYSE/FINRA/SIPC. In California, HSBC Securities conducts insurance business as HSBC Securities Insurance Services. License #: **OE67746**. HSBC Securities is an affiliate of HSBC Bank. Whole life, universal life, term life, and other types of insurance are offered by HSBC Insurance Agency (USA) Inc. ("HSBC Insurance"), a wholly owned subsidiary of HSBC Bank. Products and services may vary by state and are not available in all states. California license #: **OD36843**.

**Investments, Annuity and Insurance Products: Are not a deposit or other obligation of the bank or any of its affiliates; Not FDIC insured or insured by any federal government agency; Not guaranteed by the bank or any of its affiliates; and may lose value**

**All decisions regarding the tax implications of your investment(s) should be made in consultation with your independent tax advisor. In Australia,** the present communication is distributed by The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch (ABN 65 117 925 970, AFSL 301737). The present communication is for wholesale clients only and is not available for distribution to retail clients (as defined under the Corporations Act 2001). Any information provided in the present communication is general in nature only and does not take into account your personal needs and objectives nor whether any investment is appropriate for you.

The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch is a foreign Authorised Deposit-taking Institution ("foreign ADI") supervised by the Australian Prudential Regulatory Authority. Except for it and HSBC Bank Australia Limited (ABN 48 006 434 162, AFSL 232595), no other HSBC Group entity described in this document, is an authorised deposit-taking institution in Australia.

Transactions which you enter into with an entity or branch other than The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch, does not represent a deposit with, or a liability of, The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch. Unless expressly stated otherwise in any document, The Hongkong and Shanghai Banking Corporation Limited, Sydney Branch does not stand behind, or support by way of guarantee or otherwise, the obligations of any other related entity of the HSBC Group (including HSBC Bank Australia Limited). Transactions you enter into with a branch of The Hongkong and Shanghai Banking Corporation Limited other than the Sydney Branch, will not be booked in Australia and is not a transaction with the Sydney Branch.

The Hongkong and Shanghai Banking Corporation Limited also does not guarantee the performance of any products of another HSBC Group entity or branch.

Transactions you enter into with another HSBC Group entity is exposed to a variety of risks such as investment risk, including possible delays in repayment and loss of income and principal invested.

As a foreign ADI, provisions in the Banking Act 1959 (Cth) for the protection of depositors do not apply to The Hong Kong and Shanghai Banking Corporation Limited, Sydney Branch. For example, depositors with foreign ADIs do not receive the benefit of the following protections:

- Deposits are not covered by the financial claims scheme and are not guaranteed by the Australian Government.
- Deposits do not receive priority ahead of amounts owed to other creditors. This means that if a foreign ADI was unable to meet its obligations or otherwise is in financial difficulties and ceases to make payments, its depositors in Australia would not receive priority for repayment of their deposits from the foreign ADI's assets in Australia.

A foreign ADI is not required to hold assets in Australia to cover its deposit liabilities in Australia. This means that if the foreign ADI were unable to meet its obligations or otherwise is in financial difficulties and ceases to make payments, it is uncertain whether depositors would be able to access the full amount of their deposit.

**In mainland China,** this material is distributed by HSBC Bank (China) Company Limited ("HBCN") to its customers for general reference only. This document has no contractual value and is not and should not be construed as an offer or the solicitation of an offer or a recommendation for the purchase or sale of any investment or subscribe for, or to participate in, any services. HBCN is not recommending or soliciting any action based on it.

**In UAE,** this material is distributed by HSBC Bank Middle East Limited UAE Branch, which is regulated by the Central Bank of UAE, for the purpose of this promotion and lead regulated by the Dubai Financial Services Authority. In respect of certain financial services and activities offered by HSBC Bank Middle East Limited UAE Branch, it is regulated by the Securities and Commodities Authority in the UAE under license number 602004. The material contained in this document is for general information purposes only and does not constitute investment research or advice or a recommendation to buy or sell investments.

**In Kuwait**, this material is distributed by HSBC Bank Middle East Limited, Kuwait Branch (HBME KUWAIT) which is regulated by the Central Bank of Kuwait, Capital Markets Authority for licensed Securities Activities and lead regulated by the Dubai Financial Services Authority. This document is directed to clients of HBME KUWAIT and should not be acted upon by any other person. HBME KUWAIT is not responsible for any loss, damage or other consequences of any kind that you may incur or suffer as a result of, arising from or relating to your use of or reliance on this document. The content of this document is for general information purposes only and does not constitute the offering of advice or recommendation to invest and should not be used as the basis for any decision to buy or sell investments.

**In HSBC India**, this material is distributed by Hongkong and Shanghai Banking Corporation Limited, India ("HSBC India"). HSBC India is a branch of the Hongkong and Shanghai Banking Corporation Limited. HSBC India is a distributor of select mutual funds and referrer of investment products from third party entities registered and regulated in India. HSBC India does not distribute investment products to those persons who are either the citizens or residents of United States of America (USA), Canada or any other jurisdiction where such distribution would be contrary to law or regulation. HSBC India, will receive commission from HSBC Asset Management (India) Private Limited, in its capacity as a AMFI registered mutual fund distributor of HSBC Mutual Fund. The Sponsor of HSBC Mutual Fund is HSBC Securities and Capital Markets (India) Private Limited (HSCI), a member of the HSBC Group. Please note that HSBC India and the Sponsor being part of the HSBC Group, may give rise to real, perceived, or potential conflicts of interest. HSBC India has a policy in place to identify, prevent and manage such conflict of interest. HSBC India provides non-discretionary portfolio advisory services for select Private Banking customers under the SEBI (Portfolio Managers) Regulations, 2020 ("PMS Regulations") vide registration no. INP000000795. Performance of each portfolio may vary for each investor because of 1) the timing of inflows and outflows of funds; and 2) differences in the portfolio composition because of restrictions and other constraints. 'Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

#### **For SAA/TAA**

This is an illustrative approach of a globally diversified portfolio allocation strategy across asset classes; the strategy and the underlying fulfilment options are not applicable to India customers.

Where your location of residence differs from that of the HSBC entity where your account is held, please go to **HSBC Global Private Banking website > Disclaimer > Cross Border Disclaimer** for disclosure of cross-border considerations regarding your location of residence.

No part of this publication may be reproduced, stored in a retrieval system, or transmitted, on any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior written permission of HSBC.

A complete list of private banking entities is available on our HSBC Global Private Bank website.

©Copyright HSBC 2025

ALL RIGHTS RESERVED