Passing the torch:

Building lasting legacies in Asia

Executive summary

In the coming decade, Asia will experience the largest intergenerational wealth transfer in its history. With an estimated US$5.8 trillion set to be passed on from the first generation of wealth creators to the next by 2030[1], this raises profound questions about how families across the region should prepare – not only in terms of financial assets, but in the preservation of values, traditions, and opportunities for future generations.

Intergenerational wealth transfer in Asia is deeply influenced by cultural values, particularly the importance of family and filial duty. In many Asian cultures, wealth transfer is guided not only by financial considerations but also by the desire to preserve family harmony and uphold a sense of duty to future generations.

With a long, rich history of family-owned businesses forming the backbone of many Asian economies, effective succession planning is a crucial element in preserving not just wealth but also business legacies.

Our survey of more than 3,000 respondents from Hong Kong, Indonesia, Malaysia, the Philippines, Singapore and Vietnam reveals the attitudes, behaviours and aspirations surrounding legacy planning in Asia, as families navigate evolving cultural norms, rising wealth, and changing expectations among younger generations. It also captures unique perspectives of family business owners and their sentiments on the challenges involved in passing on enterprises to the next generation.

Key insights

Families put financial security first

Legacy planning is deeply personal, yet there are certain hopes and aspirations that are shared by many respondents. For most, legacy planning is about ensuring financial security, passing on values and creating opportunities for the next generation.

Seven in 10 respondents (70%) say having protection in place to ensure their family's financial security is the most important factor in legacy planning. People want reassurance that if something were to happen to them, their loved ones would be financially secure. This is closely followed by estate clarity (53%) — having a smooth and clearly communicated estate plan to reduce confusion, disputes or legal challenges among family members — and the goal of building wealth (48%).

Legacy is not just about money — it's about meaning

Across Asia, respondents define their legacy in multidimensional terms. While passing on wealth remains the top priority (41%), families are equally focused on the intangible inheritance of family traditions (15%) and making a lasting personal impact on the lives of family and friends (13%). Legacy planning today is more than just a financial transfer. It's about safeguarding stability while preserving identity and purpose for the next generation.

People take a holistic view of legacy planning. Protecting families, empowering the next generation and combining financial preparedness with values and traditions that endure are all vital components in a complete legacy plan.

Turning wealth into opportunity for the next generation

Most respondents would prefer the wealth they leave behind to fuel long-term growth, with 59% favouring investments in financial assets, life insurance or the family business.

The same number of respondents (59%) want their legacy to cover essentials like housing and healthcare, reflecting the growing cost of living pressure on families. Education also stands out, with 56% seeing funding education — from school, to college or vocational training — as the most valuable gift they could leave for the next generation. At a generational level, 60% of Gen Z prefer to see the inheritance they leave behind grow, compared with just 46% of Baby Boomers, who prioritise education as their lasting impact.

Yet people fear their legacy won't last a generation
Many people are concerned that the wealth and values they have built over a lifetime will not survive the next generation. Only 31% are confident their children will uphold their wishes around wealth transfer, preserve assets and continue to grow them.

1. https://www.mckinsey.com/industries/financial-services/our-insights/asia-pacifics-family-office-boom-opportunity-knocks

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Nearly two-thirds (60%) fear their wealth may not be preserved beyond their children's generation, underscoring the urgent need for better financial literacy, open family dialogue about money matters, and professional guidance in legacy planning.

More than half (55%) are concerned their heirs won't be financially equipped to manage the wealth they inherit, a gap that risks undoing years of hard work. Another 53% fear family disputes could arise over assets, while 45% cite market volatility as a growing threat to preserving value.

The concern is most pronounced among the affluent: 28% describe themselves as "very concerned" about wealth preservation, suggesting greater wealth brings greater responsibility, and more to lose.

Regional differences are also striking. In the Philippines, 88% of respondents say they fear their wealth won't last beyond the next generation, compared with 44% in Hong Kong, where confidence is higher.

Beyond money, families also worry about the erosion of values. Fewer than one third (31%) believe their children will uphold the values and traditions they pass down. Affluent respondents are more optimistic (45%) than those with fewer assets (26%), but overall confidence remains low.

The research highlights a growing gap between generations, not just in wealth but in understanding. As families evolve, legacy planning must now go beyond financial structures to include education, communication and shared values.

Asia's wealth builders recognise the need for legacy planning, but few are ready

Even as awareness of legacy planning grows across Asia, most families remain unprepared. Few have documented plans in place, and many are yet to even start, leaving wealth at risk of erosion and family assets vulnerable to tax, legal, and emotional complications.

Despite recognising the importance of legacy planning for wealth preservation, most people are far from ready. While people typically start planning at age 44, nearly six in 10 (59%) of those who haven't begun say they haven't even considered how to start.

Only 19% of respondents feel fully prepared in terms of legacy arrangements if they were to pass away — a figure that rises modestly to 29% among the affluent compared to 19% of mid-income, and 11% of asset poor respondents. When it comes to documentation, just one in 10 have completed and communicated their legacy plans. Nearly half (45%) have only partial plans, and 31% admit to having nothing at all. Even among the wealthiest, preparedness remains low: only 37% have fully documented their plans, leaving fortunes at risk to future conflict and confusion.

While awareness of tools like wills, trusts and advisors is high, uptake is low. Seven in ten (70%) know about wills and estate planning documents, yet just 38% use them. Similarly, 67% are aware of financial advisors but only 36% have sought professional advice.

When asked about the ideal setting for legacy planning, 57% of respondents favour formal family meetings, followed by 41% who prefer one-on-one discussions. There is also increased interest in the involvement of professional advisors in the conversation.

Affluent and younger generations lead a new wave of legacy planning engagement

The study reveals a growing recognition of the value of professional guidance in legacy planning, particularly among affluent and younger generations who are more willing to seek expert support.

There is a growing appetite for advice: 37% of respondents have already sought professional help for legacy planning, while another 42% plan to do so.

Over half of affluent individuals (58%) have engaged advisors, more than twice the rate of asset poor respondents (23%). Nearly half of Gen Z respondents (47%) intend to seek professional advice, compared with only (27%) of Baby Boomers. A quarter of Baby Boomers don't see the need for advice, the highest of any generation.

As younger and more affluent individuals seek trusted support in managing their legacies, financial institutions and advisors have a critical role to pay to guide them with confidence and clarity.

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The findings show that while families recognise the need for open dialogue about wealth transfer, many still lack a structured setting, leaving legacy decisions to chance rather than careful coordination.

Financial literacy becomes the new family legacy with younger generations closing the legacy gap

Families are turning financial education into the next form of inheritance, passing on wisdom as well as wealth. Older generations are taking active steps to prepare their heirs, not just financially but intellectually, to manage wealth responsibly. Many are driven by concerns over financial literacy gaps and a desire to protect their family legacy.

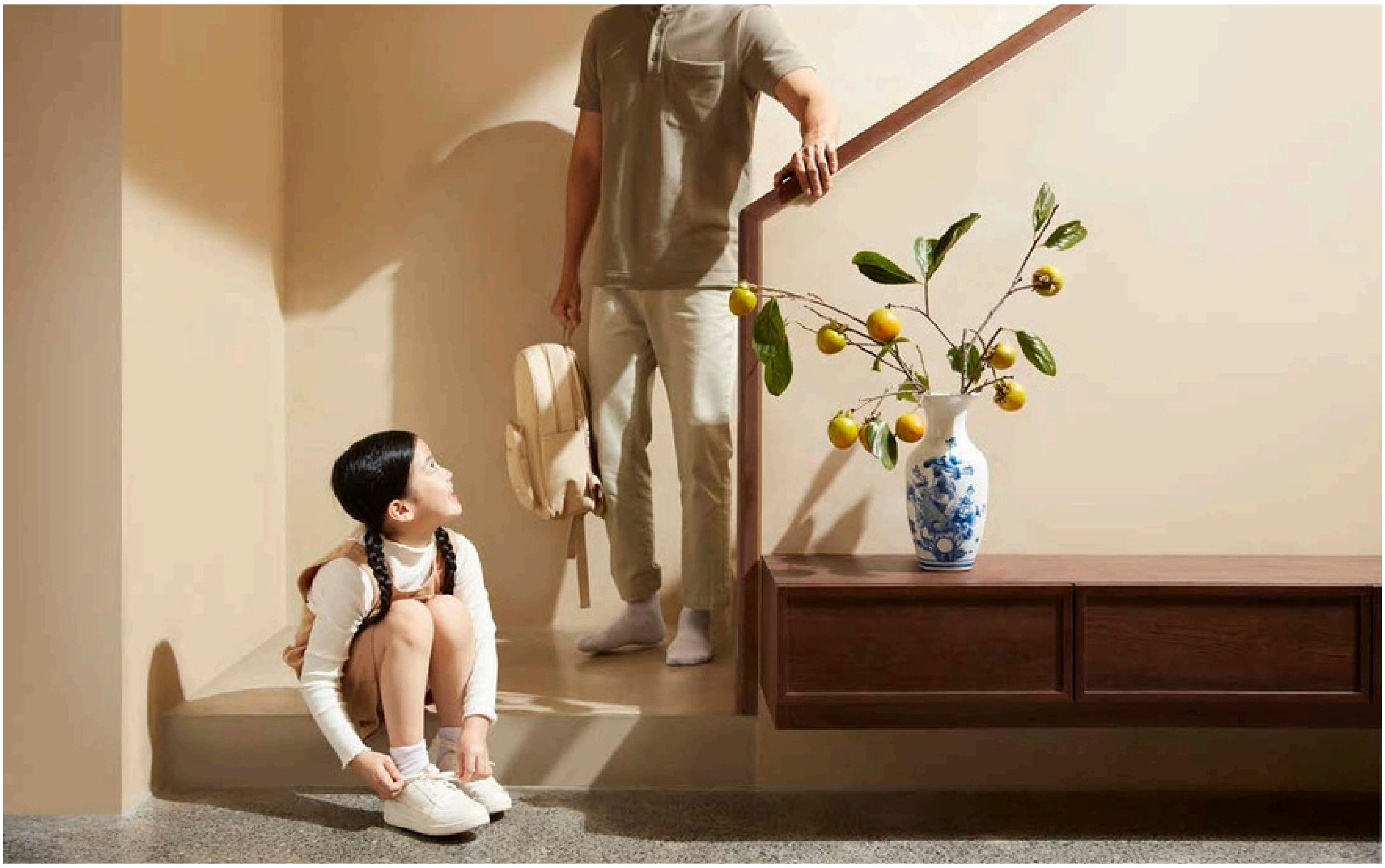
Before transferring assets, families are prioritising financial knowledge-sharing. When asked what actions they have taken, or plan to take to strengthen the next generation's confidence, the majority say they are sharing personal financial experiences (54%), followed by engaging in open financial discussions and teaching financial basics, both at 53%.

Confidence in financial management remains low

Nearly three-quarters (74%) of respondents lack confidence when it comes to managing their finances, with only one in four (26%) feeling fully confident. While 36% plan to manage their retirement finances independently, a majority (64%) expect help from their family or children.

A greater proportion of affluent respondents (44%) plan to manage their retirement funds on their own compared to the asset poor (34%). Yet even among the affluent, confidence is limited: only 38% feel fully capable of managing their finances effectively, falling to 25% among mid-income and 19% among lower income respondents.

The findings highlight a clear gap between financial knowledge and confidence. Families are taking steps to prepare the next generation but many still feel uncertain managing wealth independently. Closing this gap will require both stronger financial education and trusted professional financial advice to ensure wealth is not only preserved but grows across generations.



Key findings

Financial security the most important factor in legacy planning

Having the protection to ensure family financial stability — 70%

Ensuring a clear estate plan to reduce family disputes — 53%

Building enough wealth to pass down to the next generation — 48%

Educating future generations about financial responsibilities — 46%

Creating a clear will, trust and/or other legal documents — 27%

Respondents prefer legacy they leave behind to be utilised for wealth creation

Invest in long-term wealth creation	59%
Support essential family needs	59%
Fund educational growth	56%
Philanthropy	42%
Enable cultural experiences	31%

Concerns around legacy and values not lasting beyond the next generation

31% are confident children will uphold wishes around wealth transfer and preserve assets

60% fear wealth may not be preserved beyond the next generation

55% concerned heirs won't be financially equipped to manage their inheritance

Only 31% believe their children will uphold the values and traditions they pass down.

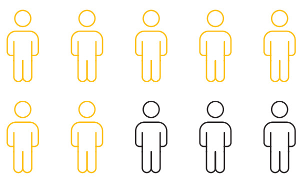
Passing on wealth is top legacy goal

#1	Leaving behind wealth	41%
#2	Family traditions	15%
#3	Personal influence on family and friends	13%

Awareness of legacy planning grows yet few are ready

People typically start planning at age 44.

Yet nearly six in 10 of those who haven't begun say they haven't even considered how to start.



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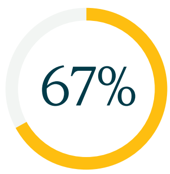

67% are aware of financial advisors, yet only 36% have sought professional advice.

Affluent and younger generations more willing to seek professional advice in legacy planning

58% **of affluent individuals have engaged** advisors (overall average: 37%)

47% of Gen Z intend to seek professional advice (compared to 27% of Boomers)

Recommendations for individuals seeking to secure their legacies for future generations

1. Building a holistic legacy plan

Develop a detailed estate plan to ensure your assets are distributed according to your wishes. Engage professional financial advisors who specialise in wealth management and succession planning and are able to guide you and your heirs. Sun Life offers various financial advisory services that can assist in this process.

2. Draft a comprehensive will

Without a will, the allocation of wealth may not align with your intentions. Disharmony caused by disputed or incomplete wills can negatively impact your personal legacy.

3. Have early and frequent conversations with your family

Create an open forum to talk about wealth, values, and expectations with your loved ones. This can help align family members and ensure a smooth transition of wealth and values to the next generation, as well as prepare them for life with their inheritance.

4. Invest in financial education for your heirs

Equip your heirs with financial education to help them manage their wealth. This can include formal education, workshops, or one-on-one mentoring. Products like financial literacy courses or subscription services to financial planning platforms can be beneficial.

5. Consider a variety of legacy planning solutions

Explore legacy planning solutions that offer lifetime insurance coverage, guaranteed cash benefits, and flexible withdrawal options to help secure your loved ones' futures.

Consider investing in assets that can grow and provide long-term value, such as real estate or stocks. Sun Life's investment products can help you diversify and grow your wealth in a sustainable manner.

6. Review and update your legacy plan regularly

Review your estate plan at least once a year, and reassess your arrangements following significant life events such as marriage, having a child, or changes in asset value. An out-of-date estate plan can cause complications down the line.

7. Incorporate philanthropy into your legacy

Think about including charitable giving as part of your legacy. Establishing a family foundation or donating to causes you care about can create a lasting impact, honour your legacy, and inspire future generations to give back. Sun Life's advisors are able to work with you on various charitable giving solutions you can consider to achieve this goal.