

INSIGHT INTO THE WEALTHY INDIVIDUALS WHO OWN PRIVATE AIRCRAFT

Following a recent update and expansion of its global database, Wealth-X now covers more than \$40bn in private aviation assets matched to wealthy individual owners¹. Here we take a look at jet owners across a range of characteristics, enabling a deep understanding of who they are as a group.

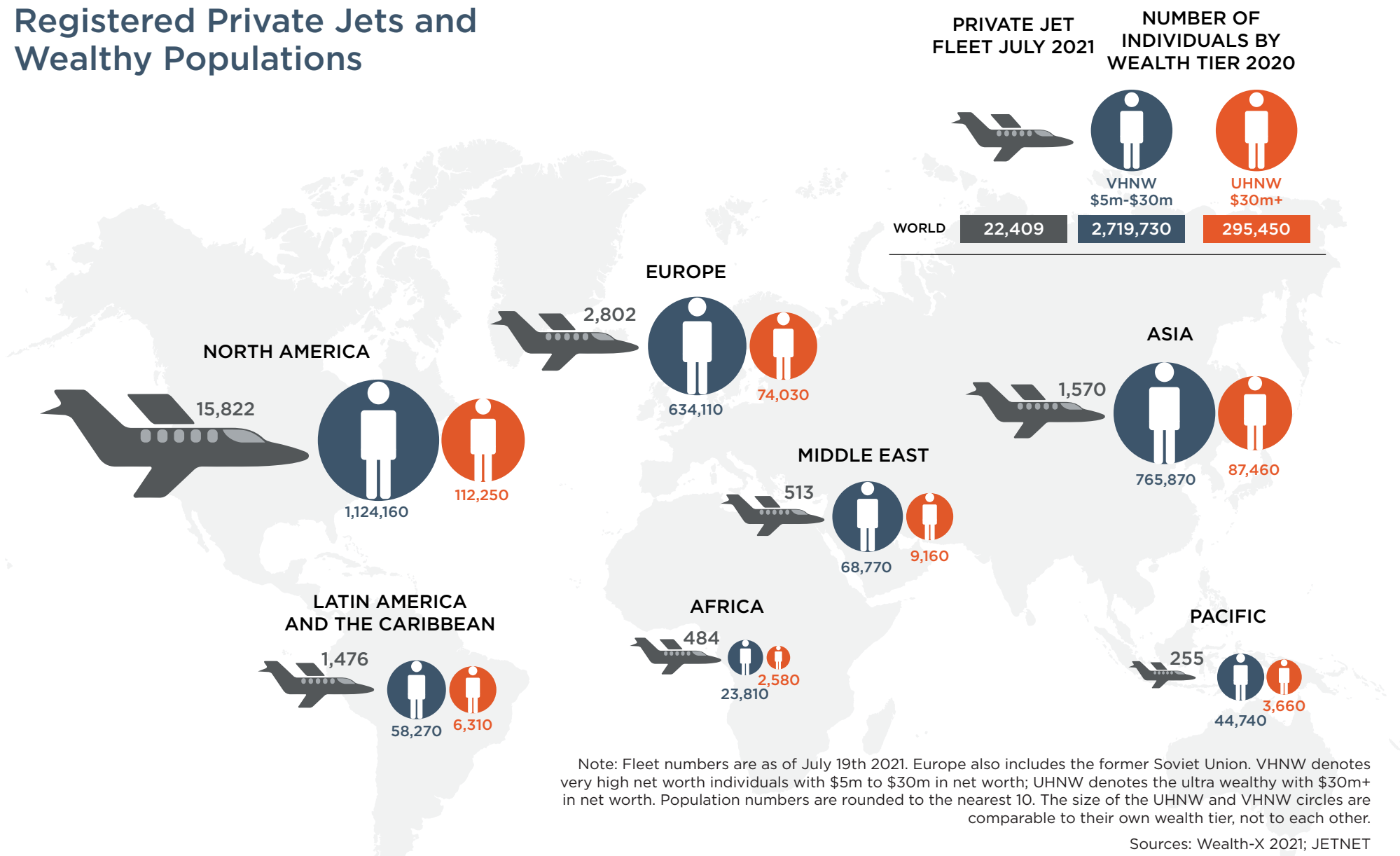
A RESILIENT MARKET

Despite the Covid-19 pandemic and its associated economic and social developments, the market for private aviation has been largely resilient, though not without its ups and downs. The wealthy use private aviation for both business and leisure travel, benefiting from the flexibility, security, privacy and status it confers.

Depending on their needs and preferences, the wealthy can access private aircraft in four major ways: wholly owning an aircraft, fractional ownership (a share of a jet), membership programs and on-demand private chartering. Our analysis here focuses specifically on the former two, shining the spotlight on jet owners.

¹ The Wealth-X Database has matched thousands of jets to their individual owners and offers by far the most extensive insight on jet owners available.

Registered Private Jets and Wealthy Populations








NORTH AMERICA DOMINATES

The private jet market is very much dominated by North America, chiefly the US, with Europe the second largest area and Asia demonstrating strong potential in recent years. While wealth growth is an important driver of private jet demand, other factors such as the development of the market, level of infrastructure, tax treatment and culture of private flying are key.

This helps to explain the regional disparity in jet numbers, which stands in contrast to a closer alignment in the population of wealthy individuals. Asia, for example, has the second highest number of wealthy people by region, but it still remains a relatively small — if fast growing — market for private aviation.

Top Five Countries by Number of Private Jet Owners

-  United States
-  Brazil
-  Canada
-  Mexico
-  Germany

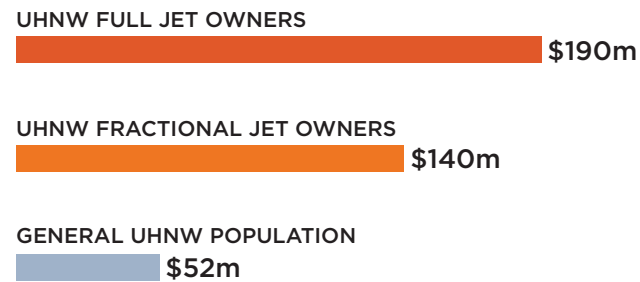
Note: Includes outright and fractional ownership.
Source: Wealth-X 2021

FULL AND FRACTIONAL UHNW JET OWNERS HAVE DISTINCT CHARACTERISTICS

FULL JET OWNERS ARE SIGNIFICANTLY WEALTHIER THAN FRACTIONAL JET OWNERS.

This is by far the major difference between the two types of jet owners, taking other characteristics into account. Full jet owners have a median net worth of \$190m — this is \$50m more than that of their fractional jet-owning counterparts and far more than that of the average ultra high net worth (UHNW) individual. For such individuals, the benefits of full ownership, such as full control, access and customization, outweigh some of the financial risks associated with this type of ownership, which include depreciation and the cost of ongoing maintenance.

MEDIAN WEALTH



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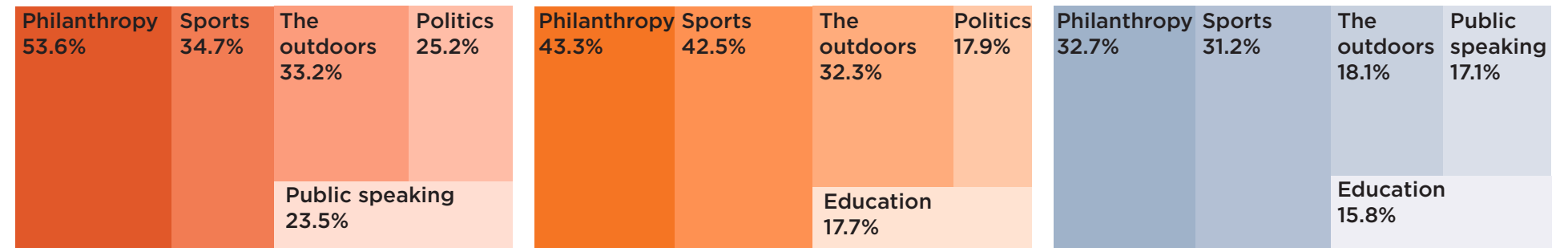
UHNW Jet Owners by Type of Ownership

■ UHNW FULL JET OWNERS ■ UHNW FRACTIONAL JET OWNERS ■ GENERAL UHNW POPULATION

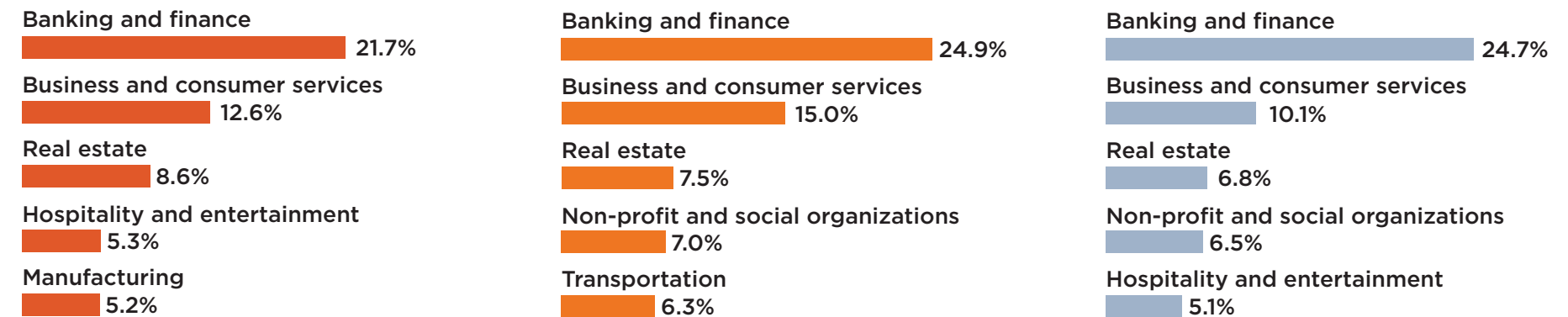
JET OWNERS HAVE A GREATER INTEREST IN PHILANTHROPY THAN THE AVERAGE ULTRA WEALTHY INDIVIDUAL.

Although philanthropy is the top interest among the ultra wealthy population as a whole², jet owners — especially those with full ownership — show a particular passion for it. This is likely to be explained, in part, by this group's high level of wealth, which gives them a greater freedom to engage in major philanthropic initiatives while, possibly, feeling a greater obligation to engage with benevolent causes. Jet owners are also more involved across a wider range of interests, shown by the higher share of interest in each of the top five hobbies (as well as those further down the rankings).

TOP FIVE INTERESTS, PASSIONS OR HOBBIES



TOP FIVE PRIMARY INDUSTRIES*



*Primary industry refers to the industry to which the wealthy devote most of their time, not necessarily the industry by which they created their wealth, although they are often one and the same.

Note: The totals may not add up to 100% as a result of rounding.

Sources: Wealth-X 2021; Wealth-X's World Ultra Wealth Report 2021

² See Wealth-X's *Interests, Passions and Hobbies of the Wealthy 2021*.

FULL AND FRACTIONAL UHNW JET OWNERS HAVE DISTINCT CHARACTERISTICS

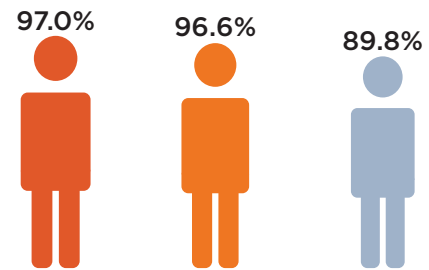
MORE JET OWNERS ARE MALE AND SELF-MADE, AND THEY ARE SLIGHTLY OLDER THAN THE AVERAGE UHNW INDIVIDUAL.

While the typical ultra wealthy individual is male, in his early 60s and self-made, these characteristics are particularly pronounced among the jet-owning population. With jet ownership often combining both commercial and leisure pursuits, UHNW women's higher propensity towards inheritance as a source of wealth³ comes to explain their low representation among jet owners. Wealth takes time to accrue so, given the expense of jet ownership, it is often the older ultra wealthy who can afford to own their own plane.

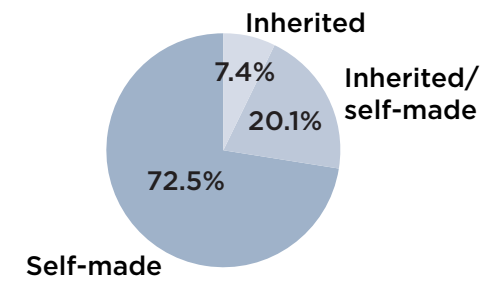
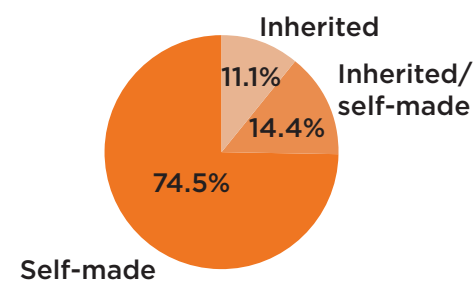
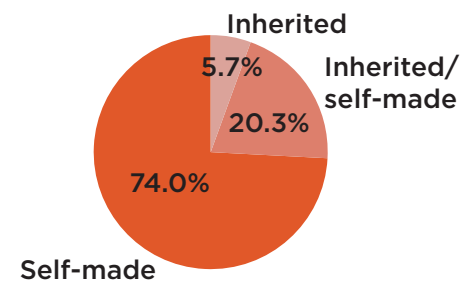
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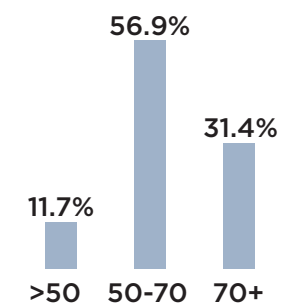
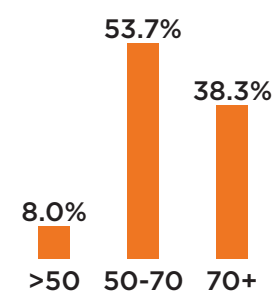
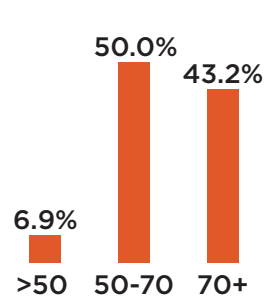
MALE POPULATION



SOURCE OF WEALTH



AGE BY POPULATION



Note: The totals may not add up to 100% as a result of rounding.

Sources: Wealth-X 2021; Wealth-X's World Ultra Wealth Report 2021

97% of UHNW jet owners are male, in contrast to 90% among the general UHNW population

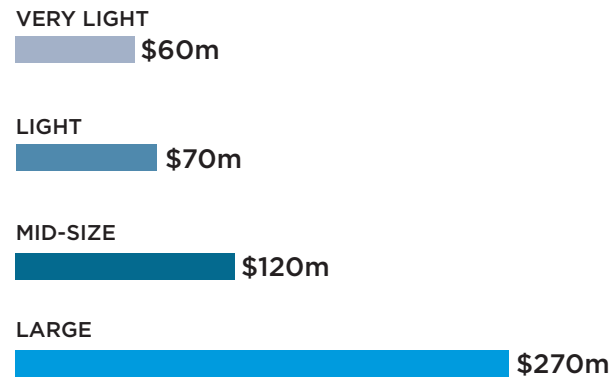
³ See Wealth-X's World Ultra Wealth Report 2021.

JET SIZE MATTERS

MEDIAN WEALTH JUMPS AS THE SIZE OF JET INCREASES.

The level of wealth matters and there are sizeable differences in wealth by jet type. The larger the jet, the higher the individual owner's median wealth — those owning large jets have a median wealth of \$270m compared with \$60m for those owning very light jets. More often than not, the larger the jet, the higher its price; and while those among the upper tiers of ultra wealth will not always choose a more expensive jet, they have the freedom to do so.

MEDIAN WEALTH of UHNW jet owners by size of jet



UHNW owners of large jets have a median wealth of \$270m, far more than \$60m among very light jet owners

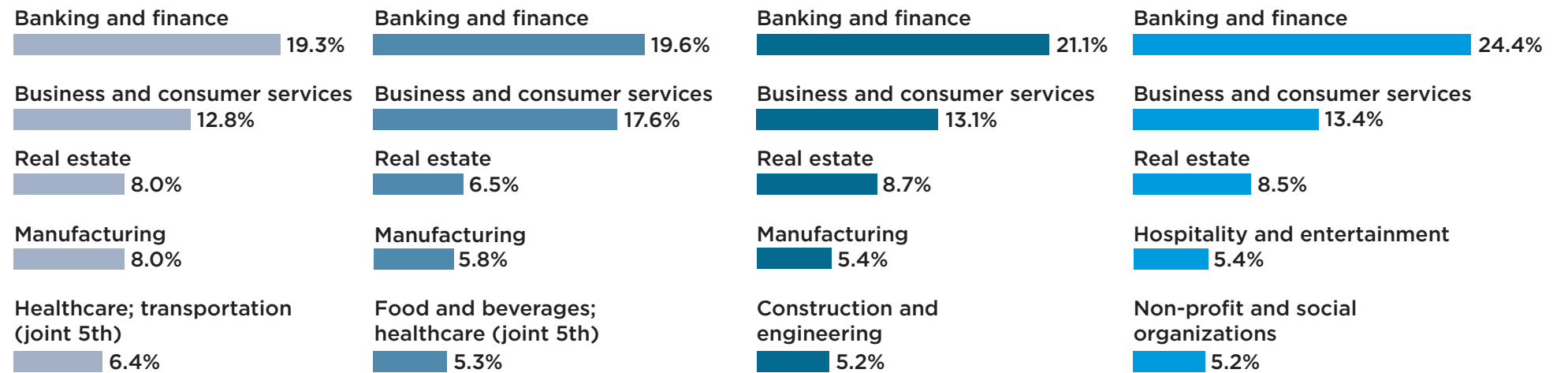
UHNW Jet Owners by Size of Jet



BANKING AND FINANCE IS THE DOMINANT INDUSTRY AMONG OWNERS OF LARGE JETS.

A quarter of all UHNW large jet owners have banking and finance as their primary industry. This reflects the sector's long-running role in generating wealth over recent decades. Those in banking and finance have been able to accrue a higher level of wealth and the industry has a greater cultural disposition towards large jet use. The not-for-profit sector appears in the top five solely among large jet owners. This gives a nod to those owners who are now spending most of their time on philanthropic initiatives while possessing enough wealth to make use of a large jet.

TOP FIVE PRIMARY INDUSTRIES*



Note: We have selected four jet types based on their prominent use within the industry, although other categorizations are possible, such as by price, passenger capacity, engine, range, among others. Full and fractional jet owners are grouped together. The totals may not add up to 100% as a result of rounding.

*Primary industry refers to the industry to which the wealthy devote most of their time, not necessarily the industry by which they created their wealth, although they are often one and the same.

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JET SIZE MATTERS

VERY LIGHT AND LARGE JETS ARE OWNED BY PEOPLE WITH A YOUNGER PROFILE.

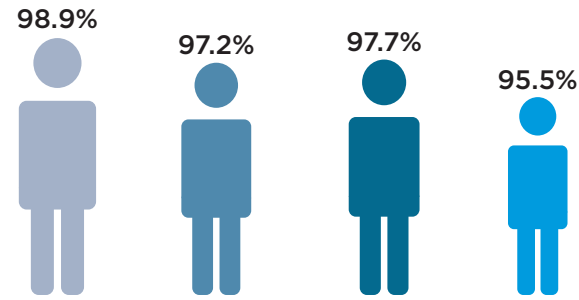
Though the majority of UHNW owners are aged between 50 and 70, those with very light jets are the youngest, making up over a 10th of UHNW owners under the age of 50. Very light and light jets are often an entry point for first-time jet owners; as they become wealthier, they may choose to upgrade to a larger model. Interestingly, however, large jets have a slightly younger owner profile than light and mid-sized jets. Very wealthy younger individuals appear to opt for the larger models straight away, if they can afford them.

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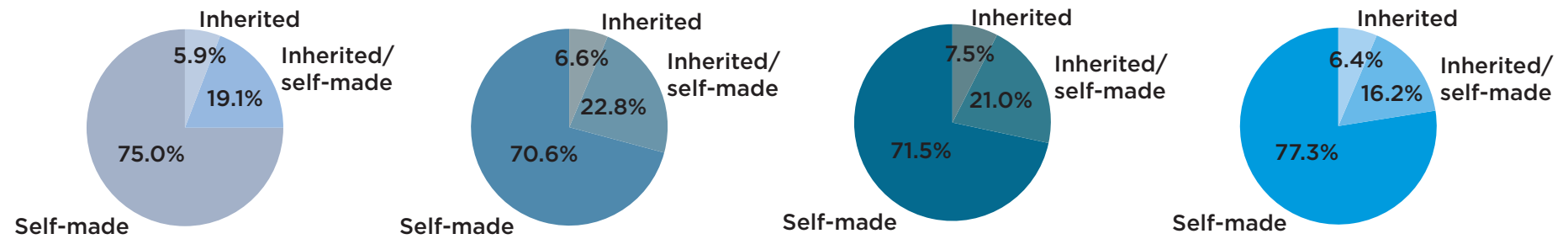
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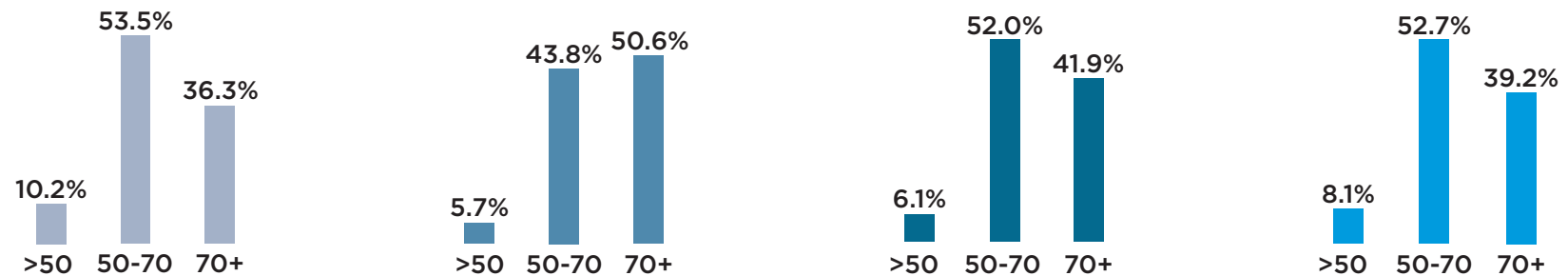
MALE POPULATION



SOURCE OF WEALTH



AGE BY POPULATION



Note: The totals may not add up to 100% as a result of rounding.
 Sources: Wealth-X 2021; Wealth-X's World Ultra Wealth Report 2021

WEALTH-X ANALYTICS

Analysis of the data and additional insights in this report were provided by the Wealth-X Analytics team. Leveraging the Wealth-X Database and its own data models, Wealth-X Analytics provides customizable data assets tailored to your organization's needs. Wealth-X Analytics is uniquely positioned to provide market-level data and analysis to inform strategies across the financial services, luxury, not-for-profit and education industries.

The Wealth-X Analytics team is composed of experienced analysts, economists and thought leaders, armed with deep sector knowledge and unique skills. The team regularly collaborates with clients across industries to provide:

- Market sizing and forecasting
- Profiling/archetyping
- Indexing
- Inputs for thought leadership

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