



## Form ADV Part 2A: Firm Brochure Schroder Wealth Management (US) Limited

September 2019

**Schroder Wealth Management (US) Limited**

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**Schroder Wealth Management (US) Limited is an investment adviser that is registered with the United States Securities and Exchange Commission. Registration with the United States Securities and Exchange Commission does not imply a certain level of skill or training.**

**This brochure provides information about the qualifications and business practices of Schroder Wealth Management (US) Limited. If you have any questions about the contents of this brochure, please contact us at +44 (0)20 7658 1000. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about Schroder Wealth Management (US) Limited also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Section 2            Material Changes**

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Since the previous version of this brochure, dated March 2019, we have made the following material change:

### **Section 1 – Cover Page & Part 2B Brochure Supplements**

Benedict Noah's contact details following his appointment as the firm's Chief Compliance Officer.

## Section 3 Contents

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Section 2	Material Changes .....	2
Section 3	Contents.....	3
Section 4	Advisory Business.....	4
Section 5	Fees and Compensation .....	6
Section 6	Performance-Based Fees and Side-by-Side Management.....	7
Section 7	Types of Client .....	8
Section 8	Methods of Analysis, Investment Strategies and Risk of Loss.....	9
Section 9	Disciplinary Information .....	15
Section 10	Other Financial Industry Activities and Affiliations.....	16
Section 11	Code of Ethics, Participation in Client Transactions and Personal Trading .....	17
Section 12	Brokerage Practices .....	18
Section 13	Review of Accounts.....	19
Section 14	Client Referrals and other Compensation .....	20
Section 15	Custody.....	21
Section 16	Investment Discretion .....	22
Section 17	Voting Client Securities.....	23
Section 18	Financial Information .....	24
Section 19	Requirements for State-Registered Advisers.....	25
	Form ADV Part 2B: Firm Brochure Supplements .....	26

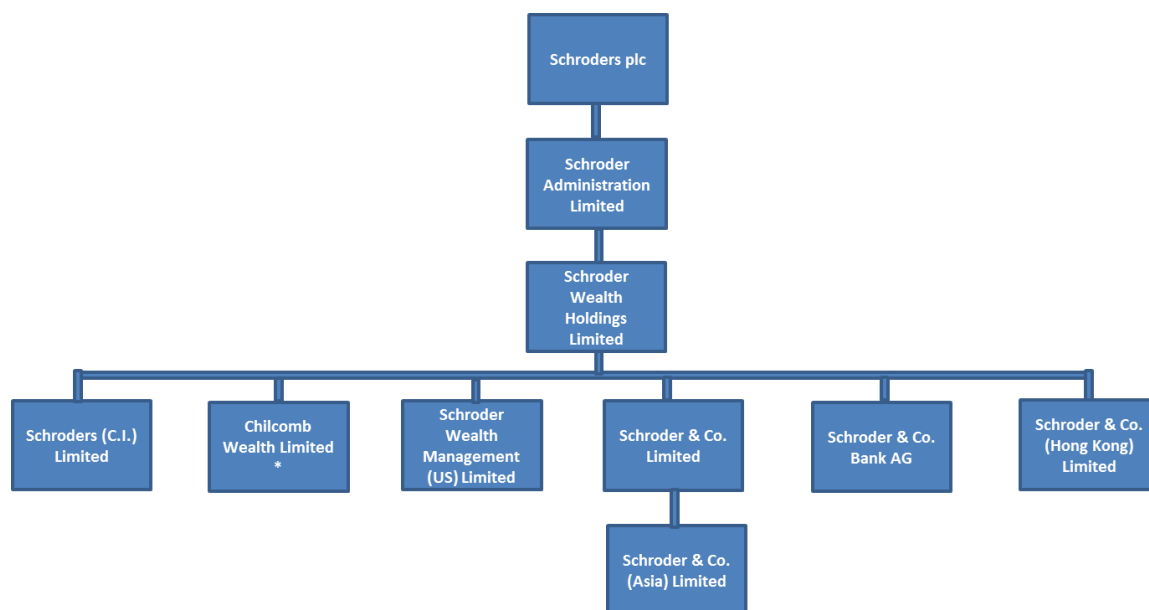
## Section 4      Advisory Business

As a global investment manager, the Schroder Group are responsible for £421.4 billion (€469.4billion/\$536.7 billion)<sup>1</sup> of assets for its clients. For over two centuries and more than seven generations Schrodgers has grown and developed its expertise in tandem with its clients' needs and interests.

### Corporate Structure

Schroder Wealth Management (US) Limited is a London-based subsidiary of Schroder Wealth Holdings Limited, part of the Wealth Management division of the Schroder Group.

The firm is wholly owned by and sits within the Schrodgers plc group of companies and operates in the Wealth Management division of the Group. Schroder Wealth Management (US) Limited is one of 7 operating companies within the Wealth Management division.



### Types of Advisory Services

Schroder Wealth Management (US) Limited provides investment management services to a wide range of clients. This includes both:

- US residents who are attracted by the financial standing and reputation of London as a centre of excellence for global wealth management; and
- US taxpayers living in the UK.

The firm provides discretionary portfolio management services, as well as advisory services at a client's request. The firm advises on investments and manages portfolios only.

The advice proposition is restricted as the same advisers are able to offer both a "whole of market" solution and/or a service restricted to the Schroder Group fund range. Additionally the firm does not advise on life, pension or derivative products.

The firm seeks to provide consistent, above-average returns over the long term by taking positions that reflect the firm's specialist investment views of global markets, tailored to each client's particular profile, investment objectives, benchmark and risk tolerance.

The firm's target clients include a wide range of high net worth clients, including entrepreneurs, corporate directors, professionals and other wealthy individuals, as well as their trusts, charitable foundations and retirement plans.

<sup>1</sup> As at 31 December 2018

The firm develops investment strategies to suit individual clients' risk profiles, investment preferences and investment objectives. Clients also appoint the firm to manage specialist mandates. The firm invests across a wide range of asset classes including equities, fixed income, property funds, hedge funds, commodities and private equity to ensure that client accounts are adequately diversified.

The investment process combines in-house investment expertise in the firm's key areas of specialization with a rigorous selection of suitable third-party managers including passive funds that specialize in investments in targeted geographic areas, including Asia and the United States or in specific sectors.

In addition, the firm usually works alongside clients' existing accountants and lawyers.

### **Who Regulates Schroder Wealth Management (US) Limited?**

Schroder Wealth Management (US) Limited is authorised and regulated by the Financial Conduct Authority pursuant to the UK Financial Services and Markets Act 2000 and is authorised to carry on investment management business in the UK. The firm's details can be found at <https://register.fca.org.uk/>

Schroder Wealth Management (US) Limited is registered as an Investment Adviser with the U.S. Securities and Exchange Commission pursuant to the Investment Advisers Act of 1940.

Such registrations do not imply that either the SEC or FCA has reviewed or approved the services as described in this brochure.

### **The UK Financial Services Compensation Scheme ("FSCS")**

Schroder Wealth Management (US) Limited is covered by the FSCS. Clients may be entitled to compensation from the scheme if Schroder Wealth Management (US) Limited cannot meet its obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered up to a maximum limit of £50,000. Further information is available from the FSCS.

## Section 5 Fees and Compensation

Schroder Wealth Management (US) Limited's charges vary depending upon the size of the client, the nature of the mandate and the level of service required. These charges are likely to be in the range of 0.50% per annum to 0.90% per annum.

Schroder Wealth Management (US) Limited's fees are on an all-in basis excluding the external custody fees and there are no additional commissions or transaction fees applied by Schroder Wealth Management (US) Limited.

Annual Management Fees	
Chargeable portfolio size	Rate % p.a.
First \$5m	0.90
Next \$3m	0.70
Thereafter	0.50

External custody and administration fees are approx. 0.10% per annum.

Additionally an ex-ante disclosure of information about the aggregated costs and charges is provided to clients at account opening. [For Illustration](#)

As a portfolio increases in size, so does the management fee although larger portfolios benefit from the lower management fee rate applicable to subsequent bands. For example, a portfolio with an average daily value of \$2 million is charged an annual management fee of \$18,000 representing a fee rate of 0.9%, while a portfolio with an average daily value of \$8 million is charged an annual management fee of \$67,000 representing a blended fee rate of 0.8375%.

### Further information

- The annual management fee is charged quarterly in arrears and is deducted from client's assets.
- Clients do not pay fees in advance.
- The custodian may pass on to clients any third party brokerage charges and other costs normally incurred on their behalf including transfer and registration fees, taxes and stamp duty.

Fees, charges and commissions are, where applicable, subject to VAT.

## **Section 6                      Performance-Based Fees and Side-by-Side Management**

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Schroder Wealth Management (US) Limited does not accept performance-based fee arrangements. In addition, in order to treat all accounts fairly, the firm has customer order priority policies, and follows these policies strictly.

## Section 7      Types of Client

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Schroder Wealth Management (US) Limited provides investment management services to a wide range of clients. These include both:

- US residents who are attracted by the financial standing and reputation of London as a centre of excellence for global wealth management; and
- US taxpayers living in the UK.

The focus is on ultra high net worth individuals, their families, personal investment vehicles and trusts. These clients typically have existing US wealth managers and are seeking diversity of managers or more specialised expertise in international markets.

Clients are typically large established families or business people resident in the United States of America. Clients in the UK are typically US expatriates whose work has brought them to the UK but they have a view to return to the US in the future.

Schroder Wealth Management (US) Limited determines, in its sole discretion, any requirements for entering into an investment advisory contract with a client, fund or otherwise opening or maintaining an account, including whether a private fund is large enough to implement its desired investment program. The firm generally requires a minimum account size of \$1 million.



## Strategy

House investment policy is driven by the Wealth Management Investment Committee (WMIC), chaired by the Wealth Management Chief Investment Officer. The WMIC sets guidance as to the expected outlook for different asset classes, sub-asset classes and regions. The remit of the WMIC is:

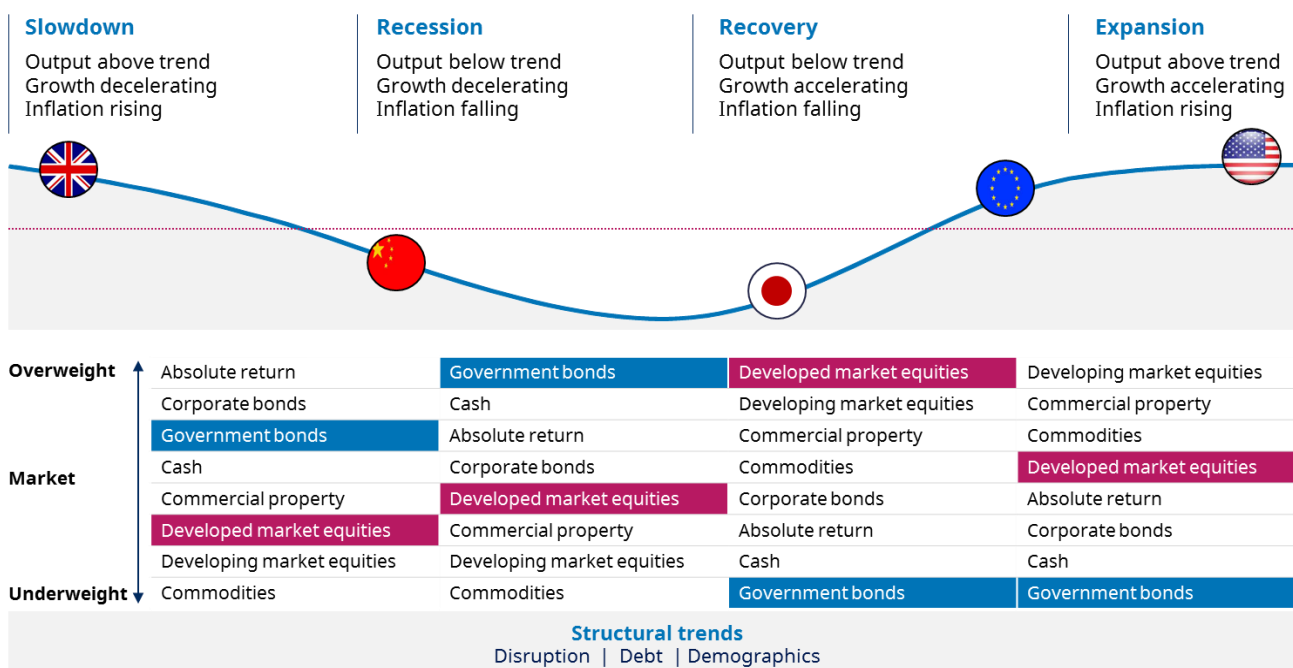
- To determine a central macro overview for the world's major economies, with a particular emphasis on current and anticipated changes in the business cycle; and
- To consider the implications of recent and prospective changes in monetary policy, fiscal policy and government regulation and geo-political developments.

The firm's approach to investing focuses on the business cycle and explicitly evaluates current and future economic and investment environments in order to take calculated views from a top down asset allocation perspective. Integral to the investment process is a belief that business cycles have an important influence on the future returns of all asset classes and that portfolio construction should tilt toward asset classes and investment styles that the firm believes will outperform at the identified stage of the business cycle. This means, for example, that in a period of anticipated economic growth, assets like equities and commodities are favoured, and in a period of anticipated low economic growth, there would be a higher allocation in cash and government bonds. The firm spends a good deal of time analysing the position in the economic cycle and how strong the recovery or contractions in the economy might be, and this helps determine tactical positions. The firm also considers structural trends such as demographics and technology which in the longer term are impacting global economies.

The firm takes inputs from the economics, strategy and multi-asset capabilities of the wider Schroder Group. The firm also makes use of third party research resources.

## Business cycle philosophy

## Making the right active asset allocation decisions



The firm's Investment Committee then has autonomy and responsibility for adapting the house policy and the exposure to different asset classes such that it is suitable for US clients.

It is also responsible for selecting appropriate underlying investments. These are drawn from the Group's deep and disciplined manager research capability and its significant global equity and fixed income research resources.

The firm's Investment Committee brings together the inputs from the WMIC and the outputs from the Group's investment research to ensure that Schroder Wealth Management (US) Limited model portfolios fully reflect current views on asset allocation and stock selection.

## Risks

This is a general description of the nature and risks inherent in a range of investments and strategies that may be available to clients, as well as more general risks associated with investment markets. It cannot disclose all the risks and other significant aspects of those investments, strategies or markets.

There are risks involved in relation to any investment. Set out below are some general risk warnings that are relevant to most asset classes and investment strategies and of which clients should be aware:

- clients should always remember that they may not get back the amount originally invested as the value of investments, and the income from them can go down as well as up and is not guaranteed;
- past performance is not a guide to future performance;
- exchange rate changes may cause the value of international investments to rise or fall relative to the base currency (as agreed with clients in the Investment Mandate of their Portfolio);
- the value of an individual investment or Portfolio may fall as a result of a fall in markets;
- with regard to investments designed to be held for the medium to long-term or with limited liquidity or with a fixed maturity date or with significant up-front costs, clients should be aware that early redemption may result in lower than expected investment returns, including the potential for loss to the amount invested;
- the real value (the value adjusted for the impact of inflation) of an investment will fall as a result of the rate of inflation exceeding the rate of return on the investment;
- investments in smaller companies, emerging markets, some hedge funds, derivatives, leverage funds, commodity funds, venture capital trusts (VCTs), property funds, enterprise investment schemes (EISs) and private equity involve a higher degree of risk;
- trading in off exchange investments, that is investments which are not traded under the rules of a Regulated Market or exchange or where there is no recognised market, and which are not settled through a regulated clearing house, exposes the investor to the additional risk that there is no certainty that market makers will be prepared to deal in such investments and as a consequence there may be no secondary market for such investments. There may also be restrictions in relation to access and liquidity, for example, investments may only be made or redeemed on certain dates or with prescribed periods of notice. Clients should be aware that it may be difficult to obtain reliable information about either the current value of such investments or the extent of the risks to which they are exposed;
- concentration risk may arise where there is an insufficient level of diversification such that an investor is excessively exposed to one or a limited number of investments;
- counterparty or credit risk arises if a party connected to a transaction is unable to meet its obligations. In certain circumstances these risks may mean that clients will not get back the sum invested or the return anticipated from such transaction;
- interest rate sensitivity means that prices change relative to current and future interest rate expectations. For example, if interest rates are expected to rise the price of a fixed rate bond may fall and consequently a sale of the bond at such time may crystallise a loss;
- liquidity risk is the inability to buy or sell an investment at the desired time. Such delay may affect the price at which such asset can actually be bought or sold; and
- volatility is a statistical measure of the tendency of an individual investment to feature significant fluctuations in value. Commonly, the higher the volatility, the riskier the investment.

Further information about the risks associated with particular investments or particular investment strategies is available on request.

### Equities or shares

Equities or shares represent a shareholder's rights and interests in a company. One share represents a fraction of a company's share capital and a shareholder may benefit from an increase in the value of the share, although this is not guaranteed. Shareholders may also qualify for dividend payments, but these are paid only at the discretion of the company's management. A shareholder has no right to the return of capital and the shares could become valueless in the event of the insolvency of the company. Dividend growth and the re-investment of those dividends are key to the long-term out-performance by equities against other asset classes and inflation.

The current market price of an equity is determined by a number of factors including, fundamentals relating to the company, such as its near term trading outlook, management quality, growth opportunities and sector outlook. Changes to these can influence all shares in a particular sector and the underlying movement in markets.

Shares in smaller companies may carry an extra risk of losing money as there can be a big difference between the buying price and the selling price of these securities. Investments in small and medium capitalization companies generally carry a greater risk than is customarily associated with larger companies, which may include, for example, less public information, more limited financial resources and product lines, greater volatility, higher risk of failure than larger companies, and less liquidity. If shares in smaller companies have to be sold immediately, clients may get back much less than they paid for them.

The price may change quickly and it may go down as well as up.

### Fixed interest or bonds

Fixed interest, bonds or debt securities are a payment obligation of a party, usually referred to as the issuer. Bonds may be issued by governments, quasi- governmental institutions and companies. The value of a bond can be adversely affected by a number of factors, such as:

- the issuer's credit rating, an assessment which reflects their ability to repay the amounts payable when they fall due;
- the market expectations about future interest and inflation rates;
- the amount of interest payable (the coupon);
- the length of time until the debt falls due for repayment; or
- the seniority of a bond within the capital structure of a company, and the quality of any security available.

The factors which are likely to have a major impact on the value of a bond are the perceived financial position of the issuer and changes to market interest rate expectations. Bonds issued by major governments or supranational bodies tend to be lower risk investments, while the risks of other debt securities (such as those of emerging market corporate issuers) can vary greatly. For example, if an issuer is in financial difficulty, there is an increased risk that it may default on their repayment obligations. In this event, little or no capital may be recovered and any amounts repaid may take a significant amount of time to obtain.

### Cash and near cash

Cash accounts held on deposit in the portfolio's base currency (as agreed in the Investment Mandate) or in the form of money market instruments or fixed net asset value money market funds are normally considered to be lower risk investments than bonds or equities as the nominal amount of cash deposited or held in this way should not, under normal circumstances, fall. A cash account will earn an income return or interest, the amount of which will generally be determined by the general level of interest rates. However, the investment returns from cash and near cash may be lower than for bonds or equities and at times of high inflation the real value of the cash deposited can fall.

Cash may also be invested in variable net asset value money market funds. These offer redemptions and subscriptions at a value that is equal to the fund's net asset value and may be more risky as, although clients

may increase the value of their cash investment, there is a risk that the value of their cash may decline if the value of the underlying investments held by the funds falls.

### Alternative investments

Alternative investments are a broad and diverse asset class and may be used to diversify the investment risks within client Portfolios. They may involve unique or unusual risks as a result of providing alternative sources of return for a Portfolio. Many alternative investments are structured as unregulated funds and it is important for an investor to understand the properties of the vehicle before investing. Whilst difficult to generalise, many alternative investment vehicles will have some or all of the following characteristics:

- they are often operated in offshore centres where the level of investor protection is unlikely to be equivalent to that available in the UK or US and they may be subject to less rigorous or no regulations;
- they may be unlisted, deal infrequently and may limit redemptions so it can be difficult to redeem an investment within a reasonable timeframe or to obtain reliable information about its value or the extent of the risks to which it is exposed;
- many are highly geared, leveraged or highly specialised and these may be considered to be more risky or require a longer holding period than equities, fixed interest securities, cash and near cash; and
- many will not have reporting fund status which means that they do not have to report income on shares to HM Revenue & Customs (HMRC), Internal Revenue Service (IRS) or investors in the fund. This may affect a client's tax position as, for example, a gain on a disposal of their holding will be taxed as income rather than capital gains.

### Commodities

Commodity based investments, whether made by investing directly in physical commodities, for example gold, or by investing in companies whose business is substantially concerned with commodities or through commodity linked products, may be impacted by a variety of political, economic, environmental and seasonal factors. These relate to real world issues that impact either on demand or on the available supply of the commodity in question. Their value can fall as well as rise..

Investment into commodities is often achieved either via a structured product over a commodities index or basket of different commodities, or by using a commodity derivative. Investments in commodity linked instruments may subject the strategy to greater volatility than investments in traditional securities.

### Units in collective investment schemes

A collective investment scheme is a scheme under which assets are held on a pooled basis on behalf of a number of investors. It may be structured in a number of ways, for example, in the form of a company, partnership or trust.

As an investor, clients buy shares, partnership interests or units in the scheme in the hope that the value rises over time as the prices of the underlying investments increase. The price of their investment depends on how the underlying investments perform and after any fees and charges have been deducted, and the quality of the research and investment skill of the manager.

The level of risk of investing in a scheme will depend on the underlying investments in which the scheme is invested and how well diversified it is. For example, a scheme which invests only in one industrial sector, such as energy, will invariably be more risky than schemes that invest across the whole range of companies in a market.

Some schemes are regulated which means that there are rules about (and limits on) the types of underlying investments in which the scheme can invest and the frequency and price at which investments in the scheme can be redeemed. In particular, the rules applicable to regulated schemes limit the extent to which they can invest in derivatives or leverage their portfolios. Regulated schemes include authorised unit trusts and open-ended investment companies, often referred to as "OEICs".

Other schemes, such as non-mainstream pooled investments (NMPIs), are unregulated which means that there are very few or no rules about the types of investments in which they can invest or the frequency at which they can be redeemed. Furthermore, all or most of the protections under the UK or US regulatory

system do not apply to unregulated schemes and compensation under the FSCS (for UK schemes) will not be available if an NMPI defaults. There are also strict rules about the types of investors that can be approached to invest in such funds. Examples of unregulated schemes include hedge funds, property funds, private equity funds, VCTs and EISs.

### Exchange Traded Funds (ETFs) and Exchange Traded Products (ETPs)

ETFs and ETPs are investment funds that are traded like shares and which invest in a diversified pool of assets such as shares, bonds or commodities. In general they track the performance of a benchmark or financial index and the value of the investment will fluctuate accordingly. They can track a wide variety of sector specific, country specific or broad market indices and can therefore be used to provide an inexpensive way of diversifying a Portfolio.

Some ETFs and ETPs employ complex techniques or hold riskier assets to achieve their objectives, for example they may invest in derivatives which carry, amongst other risks, counterparty risk.

ETFs can be complex instruments that carry significant risks with many having compounding, daily reset and leverage features that may increase the inherent risks of ETFs, particularly during periods of high market volatility. As such, ETFs are intended to be medium to long term investments.

ETPs are passive investments and aim to replicate the performance of a given market, generally by tracking an underlying benchmark.

### Commissions

Before clients trade, they should obtain details of all commissions and other charges for which they will be liable. If any charges are not expressed in money terms (but, for example, as a percentage of contract value), clients should obtain a clear and written explanation, including appropriate examples, to establish what such charges are likely to mean in specific money terms.

### Gearing or leverage

Gearing or leverage is a strategy, with a view to enhancing the return from, or the value of, an investment involving one or more of the following:

- borrowing money;
- investing in one or more instruments, such as warrants or derivatives, for which a relatively small movement in the value or price of the underlying rights or assets results in a larger movement in the value or price of the instrument;
- structuring the rights of holders of an investment so that a relatively small movement in the price or value of the underlying rights or assets, results in a larger movement in the price or value of the investment; and
- clients may lose more than they had initially invested.

Clients should be aware that the strategy used or proposed for the gearing may result in:

- movements in the price of the investment being more volatile than the movements in the price of underlying rights or assets;
- the investment being subject to sudden and large falls in value; and
- clients getting back nothing at all if there is a sufficiently large fall in value in the investment.

### International markets

International markets will involve different risks from the UK markets. In some markets the risks will be greater and where investments are made in emerging markets, investment may carry additional risks, for example:

- Political risk

A government's involvement in the economy may affect the value of investments and the risk of political instability may be high.

- Exchange rate risk

The currencies of emerging market countries may be subject to major, unpredictable swings in value. Furthermore some countries limit the export of their currency or can impose short-term restrictions. The potential for profit or loss from transactions on international markets or in contracts denominated in a currency other than the base currency (as agreed in the Investment Mandate) will be affected by fluctuations in currency exchange rates.

- Market risk

High volatility and large price differences are characteristic of emerging markets. These factors, combined with different requirements for monitoring financial markets can result in poor levels of market transparency, liquidity and efficiency.

- Legal risk

Companies in emerging markets may not be subject to rigorous accounting, auditing and financial reporting standards or may not be subject to the same level of government supervision and regulation as those in more developed markets. The development of a legal infrastructure may not be as developed as market activities and recognition of private ownership may not be as strongly upheld in comparison to developed countries. There may be a risk of failed or delayed settlement or registration of securities. As a consequence, our client's legal rights, including those of ownership, might be difficult or impossible to enforce.

## Section 9      Disciplinary Information

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Neither Schroder Wealth Management (US) Limited nor any management person has been involved in any criminal or civil actions in a domestic, foreign or military court.

Neither Schroder Wealth Management (US) Limited nor any management person has been subject to an administrative proceeding before the Securities and Exchange Commission, any other federal regulatory agency, any state regulatory agency or any foreign financial regulatory authority.

Neither Schroder Wealth Management (US) Limited nor any management person has been subject to a proceeding before any self-regulatory organization.

## Section 10 Other Financial Industry Activities and Affiliations

Schroder Wealth Management (US) Limited is a wholly owned subsidiary of Schroder Wealth Holdings Limited, and ultimately owned by Schroders plc, a company listed on the London Stock Exchange (SDR & SDRC).

Schroder Wealth Management (US) Limited is authorised and regulated by the Financial Conduct Authority in the UK. Schroder Wealth Management (US) Limited is registered as an Investment Adviser with the U.S. Securities and Exchange Commission.

Neither the firm nor any of the management persons is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither the firm nor any of the management persons is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or is an associated person of any of the above.

### Affiliations

Name	Regulator	Jurisdiction
Schroder & Co. Limited	Prudential Regulation Authority & Financial Conduct Authority	United Kingdom

Some of the firm's directors and executive officers are also directors or officers or employees of Schroder & Co. Limited and other entities within the Schroder Group. Any conflicts are mitigated because employees are subject to the firm's core values and various policies that require these employees to act in the best interests of clients and the needs of clients first at all times.

Schroder Wealth Management (US) Limited has entered into certain service arrangements with certain affiliates which permit it to use investment offerings, investment management capabilities and related services. This includes sharing premises with Schroder & Co. Limited.

Schroder Wealth Management (US) Limited may purchase or recommend shares in funds for which another entity in the Schroder Group serves as the investment manager.

Some clients may also be clients of the firm's affiliates directly and as such may be able to borrow money or receive wealth planning advice from other entities in the Schroder Group for personal or investment purposes.

The affiliations between Schroder Wealth Management (US) Limited and these companies do not create a material conflict of interest with clients as these entities are dedicated to separate client groups.

We do not have any arrangements with the following types of related persons that create a material conflict of interest:

- a broker-dealer, municipal securities dealer, or government securities dealer or broker;
- a futures commissions merchant, commodity pool operator, or commodity trading adviser;
- a banking or thrift institution;
- an accountant or accounting firm;
- a lawyer or law firm;
- an insurance company or agency;
- a pension consultant; or
- a real estate broker or dealer.

There are no material conflicts of interest, other than those previously described.



Schroder Wealth Management (US) Limited has policies addressing gifts and entertainment, personal dealing, market abuse and other areas where there is a possibility for a conflict of interest. Employees must avoid activities, interests and relationships that run contrary to the best interests of clients.

The policies mandate that employees will at all times:

- place clients' interests ahead of the interests of the firm;
- only engage in personal investing that is in full compliance with compliance policies, including the personal account dealing policy;
- abide by insider trading policies; and
- avoid taking advantage of the employee's position of employment by accepting investment opportunities, gifts or other gratuities from individuals seeking to conduct business with the firm, other than in accordance with the gift and entertainment policy.

Should anyone violate the policies, the compliance policies provide for a range of sanctions deemed appropriate by senior management. These sanctions include, but are not limited to, warnings, fines, disorgements, suspensions, or terminations of employment.

The paragraphs above only represent a summary of key provisions in the firm's code of ethics. A copy of the firm's code of ethics is available to a client or a prospective client on request.

The firm and its affiliates do not buy securities from or sell securities to its managed accounts.

The firm rarely engages in transactions in which one client fund purchases an investment from another client fund (known as a cross trade). In the event of a cross trade, a conflict of interest may exist in how the trade is allocated. Prior to executing a cross trade, the employee recommending the trade is responsible for preparing a brief memorandum setting forth the reasons why the transaction is suitable for each client involved (including, differences in invested positions, investment objectives, risk tolerances, and tax situations). All cross trades are executed at market price through an independent dealer.

The firm tries to ensure that any conflict of interest with regard to personal trading is resolved fairly. The firm mitigates this conflict through the personal account dealing policy for all employees. Any employee who has access to non-public information (that is, pre-trade) regarding clients' purchase or sale of securities, or someone who is involved with, has access to or makes recommendations to clients is subject to the personal account dealing policy for access persons. These employees include directors, members of the private client teams and the implementation team that manage or administer the firm's clients. No employee may disclose to any person any non-public information regarding transactions in any security being purchased or sold by, or on behalf of, a client, or being considered for such purchase or sale. This prohibition does not apply to disclosures among such persons in connection with their performance of duties for a client.

The firm requires its employees who are access persons to submit holdings and transactions reports for personal holdings in instruments (including units and shares of pooled investment vehicles managed or advised by the firm and its affiliates) in which he/she has or acquires either direct or indirect beneficial ownership, as follows:

- Holdings Report – within 30 days of the end of each calendar year a report, submitted to the compliance department at least once every 12 months, of the employee's current personal holdings.
- Transaction Report – within 30 days of the end of each calendar quarter, a report, submitted to the compliance department of the employee's transactions during the period.

## **Section 12      Brokerage Practices**

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Schroder Wealth Management (US) Limited is solely the Investment Adviser and undertakes no brokerage for its clients.

## Section 13      Review of Accounts

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Schroder Wealth Management (US) Limited undertakes an internal review of each discretionary investment managed and advisory account at least once a year. This review includes an update of the client's personal information to ensure the client's investment objectives and risk profile are up-to-date and their portfolio remains suitable.

All client accounts are formally reviewed for mandate compliance on a semi-annual basis independently from the client relationship teams. Exception reports are produced comparing each type of investment mandate against the model portfolios. The results of the review are presented to and reviewed by the firm's Management Committee.

Other events, such as client complaints, client queries, compliance testing and audits, trigger additional reviews.

The firm sends written account valuations, prepared in accordance with the rules of the Financial Conduct Authority, to clients on a periodic basis. Generally, clients receive quarterly reports of all transactions for the period, current portfolio listings and accounting summaries, as well as economic performance and investment overview reports.

## **Section 14      Client Referrals and other Compensation**

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Schroder Wealth Management (US) Limited does not receive commissions, nor pay for client referrals.

## Section 15 Custody

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Schroder Wealth Management (US) Limited does not act as custodian to its clients' assets.

All client accounts are held by unaffiliated third party custodians (with specific expertise in providing for the needs of US resident clients and US taxpayers). Clients contract with Schroder Wealth Management (US) Limited for investment advice and contract separately with the external custodian for all the custody, dealing and reporting services.

As part of the billing process, the client's custodian is advised by Schroders Wealth Management (US) Limited of the amount of our fee to be deducted and the custodian then debits the amount from the client's account. On at least a quarterly basis, the custodian is required to send a statement to the client that shows all transactions in the account during the reporting period. Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements and to compare the custody statement against any statement provided by us, to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may have been an error in the calculation of the Schroder Wealth Management (US) Limited fee or any other information provided in the statement/s.

## Section 16 Investment Discretion

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By entering into a discretionary agreement with Schroder Wealth Management (US) Limited, a client grants the firm discretionary authority to manage securities accounts on the client's behalf.

A client grants to Schroder Wealth Management (US) Limited complete discretion over the portfolio and, without limiting discretion, grants the firm authority without prior reference to the client to:

- instruct the client's custodian to:
  - buy, sell, retain, exchange or otherwise deal in investments and other assets;
  - make deposits;
  - subscribe to issues and offers for sale and accept placings, underwritings and sub-underwritings of any investments (including any issues, offers, placings, underwritings and sub-underwritings where our firm is acting as underwriter, sub-underwriter, broker or adviser to the issuing company or other entity concerned);
- advise on transactions on any markets;
- negotiate and execute counterparty and account opening documentation; and
- otherwise act as the firm thinks appropriate regarding the management of the client's account.

Subject to any restrictions set out by a client, the firm may instruct the investment of any amount it deems appropriate in a single investment and is not restricted in the proportion of the portfolio represented by a single security or issuer.

Advisory and non-discretionary investment management services are available, subject to status. For clients who select this option, the firm will provide advice on the firm's own initiative, or when asked, on the merits of buying or selling an investment in respect of the client's overall portfolio and perform any subsequent action.

Where the firm provides investment advice, the client has the final responsibility for the decision as to whether or not to act upon that advice.

Subject to any restrictions set out by a client, the firm may provide advice on any investment and is not restricted in the proportion of the portfolio represented by a single security or issuer.

## Section 17      Voting Client Securities

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In accordance with its fiduciary duty to clients and Rule 206(4)-6 of the Investment Advisers Act, Schroder Wealth Management (US) Limited has adopted and implemented written policies and procedures governing the voting of client securities.

All proxies that Schroder Wealth Management (US) Limited receives will be treated in accordance with these policies and procedures.

The firm's policy is to take an active approach to share ownership rights and responsibilities on behalf of our clients. Once the client has invested in a company, the firm continues to assess the performance of the management of the company and whether or not shareholder and management interests are aligned. The firm makes voting decisions internally, but clients (on request) may direct the firm on their voting preferences.

The firm generally votes other than in blocking markets where trading restrictions apply. In gathering information and making voting decisions, the firm endeavours to engage with investee companies. The firm also reports to clients, on a periodic basis, the nature of its stewardship and voting activities if clients request this information.

Clients may obtain a copy of proxy voting policies and procedures upon request.

## **Section 18**

### **Financial Information**

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Schroder Wealth Management (US) Limited has not been the subject of a bankruptcy petition. No financial conditions are likely to impair the firm's ability to meet contractual commitments to clients.

Schroder Wealth Management (US) Limited does not require pre-payment of fees.



## **Section 19**      **Requirements for State-Registered Advisers**

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Schroder Wealth Management (US) Limited has no additional disclosures to make.





## Form ADV Part 2B: Firm Brochure Supplement

**Martin Heale, FCSI**

September 2019

**Schroder Wealth Management (US) Limited**

1 London Wall Place  
London EC2Y 5AU  
United Kingdom  
Telephone: +44 (0) 20 7658 1000  
Attention: [ben.noah@schroders.com](mailto:ben.noah@schroders.com)  
Website: <http://www.schroders.com/uswealth>

**Schroder Wealth Management (US) Limited is an investment adviser that is registered with the United States Securities and Exchange Commission. Registration with the United States Securities and Exchange Commission does not imply a certain level of skill or training.**

**This brochure provides information about Martin Heale and supplements the full Schroder Wealth Management (US) Limited firm brochure. You should have received a copy of our brochure. Please contact Benedict Noah at +44 (0)20 7658 1000 if you did not receive the full Schroder Wealth Management (US) Limited firm brochure or if you have any questions about the contents of this supplement.**

**Additional information about Martin Heale is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## Section 1 Educational background and business experience

**Full Legal Name:** Martin John Heale

**Born:** 1963

**Education:** IMD business school in Lausanne, Switzerland

### Recent business experience:

Prior to joining Schroders in 2017, Martin was a Managing Director for Royal Bank of Canada Wealth Management International in the UK. Based in London, Martin was responsible for providing integrated wealth management solutions, primarily for high net worth US, select Latin American and Caribbean clients who wish for their wealth to be managed from London with an international focus.

Prior to joining Royal Bank of Canada in 2011, Martin had over 20 years' experience in leading client relationship teams and advising international clients on all aspects of preserving and growing wealth.

In the early part of his career, he worked as an Investment Manager and was elected a Member of The London Stock Exchange in 1990 with James Capel & Co before joining Barclays de Zoete Wedd (BZW) in 1992. Martin became a Director of BZW Portfolio Management Ltd in 1995 and the board gained the banking license to become Barclays Private Bank in 1996 (now Barclays Wealth). In 2005, Martin joined Kleinwort Benson and held various senior positions including UK Managing Director and Head of Private Wealth Management.

### Professional designations:

- Series 65 qualified
- The Securities Institute Diploma
- Fellow of the Chartered Institute for Securities and Investment

## Section 2 Disciplinary Information

Martin has not been, and is not, involved in any legal or disciplinary events.

## Section 3 Other business activities

### Investment related activities

Martin is not engaged in any other investment-related activities that provide substantial compensation or involves a substantial amount of his time.

### Non-Investment related activities

Martin is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

## Section 4 Additional Compensation

Martin does not receive any compensation for advisory activities other than those described in this brochure supplement and the full Schroder Wealth Management (US) Limited firm brochure.

## Section 5 Supervision

The Senior Management team of Schroder Wealth Management (US) Limited is responsible for the supervision of all employees and for the oversight of investment advice provided to clients. The Senior Management team includes Dominic Emmerson (Board Director), Martin Heale (Portfolio Director), Janette Saxer (Portfolio Director), Matthew Ayres (Deputy Financial Controller, Wealth Management), Hayley Kempshall (Head of UK Operations), Wilaf Moore (Portfolio Director) and Benedict Noah (Head of Compliance, Wealth Management).

Dominic Emmerson is responsible for monitoring the advice that Martin provides to clients. His telephone number is +44 (0)20 7658 1000.

We use the following key controls to monitor the advice given to clients, the output of which is reported to the Senior Management team:

- Tim Burrows, the firm's Head of Client Operations, periodically performs an independent review of the portfolio's asset allocation against the client's investment parameters;
- Dominic Emmerson periodically performs peer group reviews of client's portfolio performance ;
- We hire a firm of independent consultants that periodically assesses risk-adjusted performance and volatility against the industry peer group for the client's portfolio;
- Benedict Noah, the firm's Chief Compliance Officer, undertakes periodic reviews for compliance issues; and
- Alec Merrett of our Internal Audit Function performs periodic audits.



## Form ADV Part 2B: Firm Brochure Supplement

**Janette Saxer, FCSI**

September 2019

**Schroder Wealth Management (US) Limited**

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London EC2Y 5AU  
United Kingdom  
Telephone: +44 (0) 20 7658 1000  
Attention: ben.noah@schroders.com  
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**Schroder Wealth Management (US) Limited is an investment adviser that is registered with the United States Securities and Exchange Commission. Registration with the United States Securities and Exchange Commission does not imply a certain level of skill or training.**

**This brochure provides information about Janette Saxer and supplements the full Schroder Wealth Management (US) Limited firm brochure. You should have received a copy of our brochure. Please contact Benedict Noah at +44 (0)20 7658 1000 if you did not receive the full Schroder Wealth Management (US) Limited firm brochure or if you have any questions about the contents of this supplement.**

**Additional information about Janette Saxer is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## Section 1 Educational background and business experience

**Full Legal Name:** Janette Clare Saxer

**Born:** 1967

**Education:** High School

### Recent business experience:

Janette has over 30 years' experience in advising and growing clients' wealth and working in partnership with clients' other professional advisors. Prior to joining Schroders in 2017, Janette was Director at the Royal Bank of Canada Wealth Management International in London as a Relationship Manager for US centric clients and previous to that she was a Director at Barclays Private Banking.

### Professional designations:

- Series 65 qualified
- CISI Level 6 PCIAM
- Fellow of the Chartered Institute for Securities and Investment

## Section 2 Disciplinary Information

Janette has not been, and is not, involved in any legal or disciplinary events.

## Section 3 Other business activities

### Investment related activities

Janette is not engaged in any other investment-related activities that provide substantial compensation or involves a substantial amount of his time.

### Non-Investment related activities

Janette is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of her time.

## Section 4 Additional Compensation

Janette does not receive any compensation for advisory activities other than those described in this brochure supplement and the full Schroder Wealth Management (US) Limited firm brochure.

## Section 5 Supervision

The Senior Management team of Schroder Wealth Management (US) Limited is responsible for the supervision of all employees and for the oversight of investment advice provided to clients. The Senior Management team includes Dominic Emmerson (Board Director), Martin Heale (Portfolio Director), Janette Saxer (Portfolio Director), Matthew Ayres (Deputy Financial Controller, Wealth Management), Hayley Kempshall (Head of UK Operations), Wilaf Moore (Portfolio Director) and Benedict Noah (Head of Compliance, Wealth Management).

Dominic Emmerson is responsible for monitoring the advice that Janette provides to clients. His telephone number is +44 (0)20 7658 1000.

We use the following key controls to monitor the advice given to clients, the output of which is reported to the Senior Management team:

- Tim Burrows, the firm's Head of Client Operations, periodically performs an independent review of the portfolio's asset allocation against the client's investment parameters;
- Dominic Emmerson periodically performs peer group reviews of client's portfolio performance ;
- We hire a firm of independent consultants that periodically assesses risk-adjusted performance and volatility against the industry peer group for the client's portfolio;

- Benedict Noah, the firm’s Chief Compliance Officer, undertakes periodic reviews for compliance issues; and
- Alec Merrett of our Internal Audit Function performs periodic audits.





## Form ADV Part 2B: Firm Brochure Supplement

**Michael Greenwood, CFA**

September 2019

**Schroder Wealth Management (US) Limited**

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**Schroder Wealth Management (US) Limited is an investment adviser that is registered with the United States Securities and Exchange Commission. Registration with the United States Securities and Exchange Commission does not imply a certain level of skill or training.**

**This brochure provides information about Michael Greenwood and supplements the full Schroder Wealth Management (US) Limited firm brochure. You should have received a copy of our brochure. Please contact Benedict Noah at +44 (0)20 7658 1000 if you did not receive the full Schroder Wealth Management (US) Limited firm brochure or if you have any questions about the contents of this supplement.**

**Additional information about Michael Greenwood is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## Section 1 Educational background and business experience

**Full Legal Name:** Michael Geoffrey Greenwood

**Born:** 1986

**Education:** University of Southampton – BSc (Hons) Management and Economics

### Recent business experience:

Prior to joining Schroders in 2017, Michael worked at RBC Wealth Management International in London for 8 years. Whilst at Royal Bank of Canada, he was responsible for providing investment advice to ultra-high net worth American clients.

Michael's career started at Barclays Capital in its Corporate Lending team, with responsibility for debt origination, structuring and transaction execution. From there he moved to Fidelity International, where he dealt with high net worth private clients holding accounts directly with the organisation, investing in their platform of funds and strategies.

### Professional designations:

- Series 65 qualified
- Chartered Financial Analyst
- Level 4 Investment Management Certificate
- Member of the Chartered Institute for Securities and Investment

## Section 2 Disciplinary Information

Michael has not been, and is not, involved in any legal or disciplinary events.

## Section 3 Other business activities

### Investment related activities

Michael is not engaged in any other investment-related activities that provide substantial compensation or involves a substantial amount of his time.

### Non-Investment related activities

Michael is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

## Section 4 Additional Compensation

Michael does not receive any compensation for advisory activities other than those described in this brochure supplement and the full Schroder Wealth Management (US) Limited firm brochure.

## Section 5 Supervision

The Senior Management team of Schroder Wealth Management (US) Limited is responsible for the supervision of all employees and for the oversight of investment advice provided to clients. The Senior Management team includes Dominic Emmerson (Board Director), Martin Heale (Portfolio Director), Janette Saxer (Portfolio Director), Matthew Ayres (Deputy Financial Controller, Wealth Management), Hayley Kempshall (Head of UK Operations), Wilaf Moore (Portfolio Director) and Benedict Noah (Head of Compliance, Wealth Management)

Dominic Emmerson is responsible for monitoring the advice that Michael provides to clients. His telephone number is +44 (0)20 7658 1000.

We use the following key controls to monitor the advice given to clients, the output of which is reported to the Senior Management team:

- Tim Burrows, the firm's Head of Client Operations, periodically performs an independent review of the portfolio's asset allocation against the client's investment parameters;
- Dominic Emmerson periodically performs peer group reviews of client's portfolio performance ;
- We hire a firm of independent consultants that periodically assesses risk-adjusted performance and volatility against the industry peer group for the client's portfolio;
- Benedict Noah, the firm's Chief Compliance Officer, undertakes periodic reviews for compliance issues; and
- Alec Merrett of our Internal Audit Function performs periodic audits.

**Important Information:** This document is issued by Schroder Wealth Management (US) Limited which is part of the Schroder Group. Schroder Wealth Management (US) Limited is authorised and regulated by the Financial Conduct Authority. Registered office is at 1 London Wall Place, London EC2Y 5AU. Registered Number 10761882 England.

For the purposes of the Data Protection Act 1998, the data controller in respect of any personal data you supply is Schroder Wealth Management (US) Limited. Personal information you supply may be processed for the purposes of investment administration by the Schroder Group, which may include the transfer of data outside of the European Economic Area. Schroder Wealth Management (US) Limited may also use such information for marketing activities unless you notify it otherwise in writing.

For your security, communications may be recorded or monitored.