

## Form ADV Part 3 – Customer Relationship Summary

### 31<sup>st</sup> March 2024

#### Item 1: Introduction

Stonehage Fleming Investment Management Limited (“SFIM”) is an investment adviser registered with the Securities and Exchange Commission offering advisory accounts and services. This document gives you a summary of the types of services and fees we offer. Please visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for free simple tools to research firms, and for educational materials about broker-dealers, investment advisers, and investing.

#### Item 2: Relationships and Services. What investment services and advice can you provide me?

**Services:** Our firm primarily offers the following investment advisory services to high net worth retail clients: discretionary portfolio management (we review the client’s portfolio, investment strategy, and investments); non-discretionary portfolio management (we assess the client’s financial situation and provide advice to meet the client’s goals). Depending on the client needs, we use stocks, bonds, cash, mutual funds, alternative funds (including private capital and hedge funds), and exchange traded funds, or a combination of these to construct portfolios. The Firm can also use Forward Currency Contracts for hedging purposes.

**Investment authority:** Prospective clients must enter into an investment management agreement (“IMA”) which details the services to be provided and the authority and discretion portfolio managers are given to manage the assets in the client’s portfolio. In each case, discretion can be limited through the client’s specific investment guidelines and restrictions, which is incorporated into the IMA. Clients should understand that some restrictions could be exceeded or compromised as a result of events beyond the control of SFIM. For non-discretionary portfolios, the retail investor makes the ultimate decision regarding the purchase or sale of investments.

**Monitoring:** All client accounts will be reviewed for suitability on at least an annual basis. This includes establishing whether the clients personal circumstances have changed and their investment objectives are reviewed in case any adjustments should be made to the portfolio as a result of a change in risk appetite or other circumstance. Additional reviews will usually be conducted if a change in personal circumstances occurs. Clients are responsible for updating the portfolio manager on any changes in their circumstances. Quarterly valuation reports are sent to clients. For more information about our services, please see Items 4, 7, 8 and 13 of our Form ADV2 Part 2A: <https://adviserinfo.sec.gov/firm/summary/313913>.

**Account minimums:** We generally require a minimum account size of \$10 million to receive services, but there could be situations where clients with similar accounts are subject to different minimums to establish the account.

#### Questions to ask us:

- *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- *How will you choose investments to recommend to me?*
- *What is your relevant experience, including licenses, education, and other qualifications? What do these qualifications mean?*

#### Item 3: Fees, Costs, Conflicts, and Standard of Conduct. What fees will I pay?

Our fees are based on a percentage of the value of assets under management, charged quarterly based on the current market value of the assets. We retain discretion to negotiate our fees, subject to applicable law, so our fees for a particular investment strategy or mandate can differ across clients. Client fees are generally negotiable for special circumstances, including specific servicing or reporting requirements, asset levels, or other factors, in our sole discretion. Our management fees generally do not include fees charged by client’s custodian and other expenses charged to or deducted from the assets of the client’s account. Additionally, the client’s account could incur third party brokerage costs associated with the buying and selling of securities in the account. SFIM does not receive compensation from third parties in connection with the purchase or sale of securities.

**You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. The more assets there are in a retail investor's account, the more a retail investor will pay in fees, and the firm may therefore have an incentive to encourage the retail investor to increase the assets in his or her account. Please make sure you understand what fees and costs you are paying.** For more information about our fees and costs, please see Item 5 of our Form ADV2 Part 2A: <https://adviserinfo.sec.gov/firm/summary/313913>.

**Questions to ask us:**

- *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

**What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.

- Because we make money based on the size of your account, there is an incentive for us to encourage you to invest more money (or to fund cash needs from other sources), in order to maintain or increase your account size (and, therefore, our fees). Because we receive higher fees from larger accounts, we also have an incentive to favor larger accounts over smaller ones.
- SFIM and its employees also have conflicts of interest in connection with our own trading activities. Employees may have personal investment accounts which can create a conflict with our trading activities for clients. SFIM has adopted a Personal Trading Policy and a Code of Ethics applicable to all individuals who provide services to it and its clients. The Code of Ethics defines the high standard of business conduct SFIM prides itself on in meeting its fiduciary duties to its clients. The procedures set out in these policies reduce the conflict of interest.

SFIM has implemented practices designed to identify and manage conflicts in a manner consistent with our fiduciary obligations. SFIM sources new business primarily through referrals from existing clients. No fees are paid by SFIM for such referrals. For more information about our conflicts of interest, please see Items 6, 11, 12, 14, and 17 of our Form ADV2 Part 2A.

**Question to ask:** How might your conflicts of interest affect me, and how will you address them?

**How do your financial professionals make money?**

SFIM employees are compensated by a regular salary and discretionary bonuses that are related to investment performance and for certain employees the amount of sales, client referrals or new accounts. There is also a share incentive scheme and options in the profit share of Stonehage Fleming Group available for certain employees. Consideration is also given to whether employees treated customers fairly and have acted in the clients' best interests. Compensation is not commission based, nor is it linked to sales of specific products. The firm seeks to ensure that employee compensation does not create conflicts of interest with clients.

**Do you or your financial professionals have legal or disciplinary history?**

We do not have legal and disciplinary events.

**Question to ask:** As a financial professional, do you have any disciplinary history? For what type of conduct?

**Additional Information**

You can find additional information about our investment advisory services by visiting <https://adviserinfo.sec.gov/firm/summary/313913>. You can request a copy of the up-to-date Relationship Summary by calling +44 20 70870000.

**Questions to ask:**

- *Who is my primary contact person? Is he or she a representative of an investment adviser?*
- *Who can I talk to if I have concerns about how this person is treating me?*