

STONEHAGE FLEMING SUMMARY OF VULNERABLE CLIENT POLICY

January 2023

Policy Owner: UK Risk & Compliance



STONEHAGE
FLEMING

NOW AND FOR FUTURE GENERATIONS

CONTENTS

1. INTRODUCTION.....	3
2. WHY IS THIS IMPORTANT?.....	3
3. DEFINING VULNERABILITY	3
4. IDENTIFYING VULNERABILITY	4
5. PROVIDING ADDITIONAL SUPPORT	4
6. EMPLOYEE TRAINING.....	4
7. OUR APPROACH TO VULNERABILITY	4
Version Control.....	4



1. INTRODUCTION

This document outlines Stonehage Fleming's (SF) approach to dealing with vulnerable clients and applies to all employees of the following entities:

- Stonehage Fleming Investment Management Ltd (SFIM)
- Stonehage Fleming Wealth Planning Ltd (SFWP)
- Stonehage Fleming Financial Services Limited (SFFSL)
- Stonehage Fleming Advisory Limited (SFAdv)
- Stonehage Fleming Wealth Services (ex-Maitland)

We must recognise when clients become, or exhibit signs of becoming, vulnerable, so we can protect their interests. An awareness of these issues is important so we can take a consistent approach to treating our all our clients fairly, including those who are vulnerable. Under the Consumer Duty, Firms must ensure they act in the best interests of Vulnerable Clients and this Policy sets out how SF will ensure that this happens.

2. WHY IS THIS IMPORTANT?

Vulnerable Clients may be less able to represent their own interests. Due to the complex and important nature of Financial Services, we must recognise when a client may be vulnerable and take appropriate steps to support them and ensure they continue to receive the best possible service and outcomes.

Treating clients fairly is at the heart of our firm and culture.

3. DEFINING VULNERABILITY

The FCA defines a "vulnerable client" as: *"Someone, who, due to their personal circumstances, is especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care"*.

This definition will mean different things to different people and there is no single definition of vulnerability. Rather, employees must be aware of the factors that indicate vulnerability. The following vulnerabilities may affect clients:

Health	Life event	Resilience	Capability
Physical disability	Caring responsibilities	Lack of support structure	Low knowledge or confidence in managing financial matters
Severe or long-term illness	Bereavement	Low emotional resilience	Language barriers
Hearing or visual impairments	Income shock/financial distress	Over indebtedness	Poor or non-existent digital skills
Poor mental health	Relationship breakdown	Low income	Learning impairments
Low mental capacity or cognitive disabilities	Having non-standard requirement		Poor literacy or numeracy skills
Long-term addiction: alcohol, drugs, gambling	Domestic violence/abuse		



The drivers of vulnerability are likely to be complex, overlapping and may be transient. For example, a life event such as a separation or divorce may lead to further vulnerability such as mental ill-health. Vulnerability can arise in a range of ways and can be perpetuated, including by the actions, or inaction, of the employee.

It is important to note that vulnerability is not necessarily permanent – it can be temporary, sporadic or permanent. It is not just at client take-on that we should be aware of the issue: any client could become vulnerable during the course of their relationship with Stonehage Fleming. It follows therefore, that a client can also cease being in a state of vulnerability.

4. IDENTIFYING VULNERABILITY

By picking up on key signs at an early stage, we are able to take appropriate action to support our clients.

5. PROVIDING ADDITIONAL SUPPORT

Identifying that a client is vulnerable is the first step. We would then aim to amend to provide additional support where needed and/or requested by the client.

We may offer any combination of additional support measures that are suitable to the client’s individual circumstances. We will discuss and agree any measures with our clients to ensure their requirements are being met.

6. EMPLOYEE TRAINING

Employees must have the appropriate skills and capability to deal effectively with vulnerable clients. Employees who interact with vulnerable customers should be sensitive to their needs, and consider how to adapt to meet these. It is vital that employees understand what additional support is available to help vulnerable clients, and when it is appropriate to offer this support. To ensure that this happens, we provide regular training to client facing employees.

7. OUR APPROACH TO VULNERABILITY

We have a close personal relationship with our clients and a deep understanding of their circumstances and needs, providing families with a range of services, from wealth management to family office. In consequence, we can identify those clients that have vulnerable characteristics and provide an appropriate level of support tailored to their needs.

If you feel like you would benefit from additional support, please speak to your relationship manager.

Version Control

Date of review	Brief summary of changes	Person(s) that made changes
11/01/2023	Created for publication on SF website.	Shivani Desai and Peter Rogerson



