

2nd Quarter 2021

CGWM Risk profile 6



Patrick Thomas
Investment Director

Patrick sits on the firm's Portfolio Construction Committee, Fund Selection Committee and Alternatives Committee.

He manages investment portfolios for intermediaries, trusts, charities and pension funds, specialising in discretionary mandates. Patrick is a chartered Wealth Manager and a Chartered Fellow of the CISI.



Paul Parker
Head of Intermediary
Portfolio Management
Team

Paul and his team manage CGWM's MPS models and inheritance tax portfolios. He has been with Canaccord Genuity since 2001 and is a Chartered Fellow of the Chartered Institute for Securities and Investment.

Benchmark

CGWM's Risk 6 benchmark has heavy exposure to equity markets and may incur larger losses for extended periods of time in pursuit of higher gains. It comprises 17.5% in bonds, 80% in equities and 2.5% in cash.

Contact us

+44 (0)20 7523 4597

intermediary@canaccord.com

canaccordgenuity.com

The value of investments and any income from them can go down as well as up and you may not get back the amount originally invested.

Past performance is not a guide to future performance.

Levels and bases for taxation may change.

Investors should note that actual portfolio returns may be different to the returns of the model portfolio.

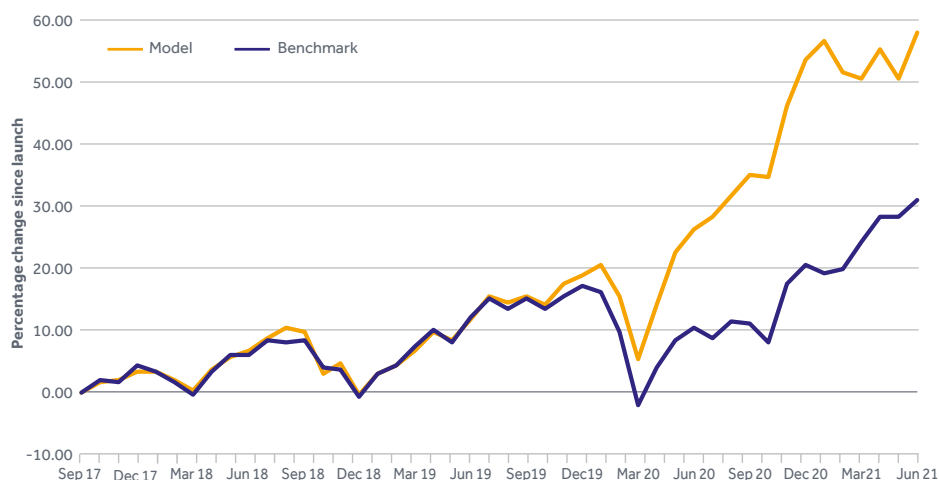
Figures represent performance of a model portfolio, individual account performance may differ.

ESG Growth Portfolio

Investment objective

This portfolio aims to produce capital appreciation over a typical investment cycle (i.e. 7-10 years) using investments that consider environmental, social and governance criteria alongside traditional financial metrics. An active screening approach is used to select potential portfolio allocations. This portfolio will have exposure to funds that focus on ESG factors (including resource efficiency, employee engagement and business culture), as well as focused thematic investments, such as environmental technology, and those that have measurable impact, such as social housing. The volatility profile could therefore differ from a traditional discretionary portfolio with the same asset allocation.

Performance since inception (30/09/2017)



Discrete performance (%)

Total return to end of last calendar quarter 30/06/2021.

	2020	2019	2018
Model	+29.4	+19.5	-3.7
Benchmark	+2.2	+18.2	-5.5

Cumulative performance (%)

Total return from inception to 30/06/2021.

	3 Months	1 Year	3 Years	Inception (30/09/2017)
Model	+4.8	+25.0	+48.3	+58.0
Benchmark	+5.5	+18.5	+23.5	+31.0

Source: Canaccord Genuity Wealth Management (CGWM).
Total return before fees and charges are deducted.

Risk & return since inception (%)

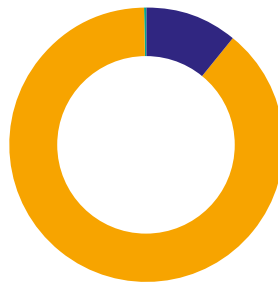
	Model	Benchmark
Annualised volatility	+11.8	+11.3
Maximum loss	-12.6	-16.5
Sharpe ratio	4.9	2.7

Annualised volatility: risk is measured by the variability of performance. The higher the standard deviation, the greater the variability (and therefore the risk) of the Fund or the index.

Sharpe ratio: measures the risk/return trade-off. It is the annualised return less the average risk-free rate, divided by the annualised volatility of the model.



ESG Growth Portfolio asset allocation (%)



	Model
Fixed Interest	11.0
Thematic Equity	88.8
Cash	0.2

This document is for professional advisers only and is not for onward distribution to private clients. It is for information purposes only and is not to be construed as a solicitation or an offer to purchase or sell investments or related financial instruments. This has no regard for the specific investment objectives, financial situation or needs of any specific investor. Investors should make their own investment decisions based upon their own financial objectives and financial resources and, if in any doubt, should seek advice from an investment adviser.

Investment involves risk. The value of investments and any income from them can go down as well as up and you may not get back the amount originally invested. Past performance is not a guide to future performance. Investors should note that actual portfolio returns may be different to the returns of the model portfolio. Levels and bases for taxation may change.

None of Canaccord Genuity Wealth Management, its directors, employees or officers makes any warranties, express or implied, that the products or services in this document are suitable to your needs, or are available in your jurisdiction; nor shall Canaccord Genuity Wealth Management be liable for any damages of any kind, including lost profits, arising in any way from this material. Information concerning a security, investment vehicle, investment manager or contact mentioned does not imply any endorsement or recommendation by Canaccord Genuity Wealth Management. Canaccord Genuity Wealth Limited is authorised and regulated by the Financial Conduct Authority (registered no. 194927) and is a wholly owned subsidiary of Canaccord Genuity Group Inc. Registered Office: 41 Lothbury, London EC2R 7AE. Registered in England & Wales no. 03739694.

The information contained herein is based on materials and sources that we believe to be reliable, however, Canaccord Genuity Wealth Management makes no representation or warranty, either expressed or implied, in relation to the accuracy, completeness or reliability of the information contained herein. All opinions and estimates included in this document are subject to change without notice and Canaccord Genuity Wealth Management is under no obligation to update the information contained herein.

Top 10 holdings (%)

RIZE UCITS ICAV SUSTAINABLE FUTURE OF FOOD ETF GBP ACC GBP	8.0
BAILLIE GIFFORD & CO POSITIVE CHANGE B ACC GBP	6.7
RIZE ETF ICAV CYBER SEC & DATA PRIVACY ETF GBP ACC GBP	6.2
NINETY ONE FUND MANAGERS UK LTD GLOBAL ENVIRONMENT K GBP ACC GBP	5.8
IMPAX FUNDS(IRELAND) ENVIRONMENTAL MKTS(IRE) X GBP GBP	5.8
FIRST TRUST GLOBAL FUNDS PLC CLOUD COMPUTING UCITS ETF A EUR GBP	5.8
LEGAL & GENERAL UCITS ETF PLC CLEAN WATER USD ETF GBP	5.7
LEGAL & GENERAL UCITS ETF PLC L&G BATTERY VALUE-CHAIN GO UCITS ETF USD	5.6
ROBECO CAPITAL GROWTH FUNDS FD-SAM SM.MA GBP	5.3
PICTET ASSET MANAGEMENT (EUROPE) SA PICTET TIMBER I INC GBP	5.2

Source: CGWM

Portfolio Manager commentary

While these portfolios are about both positive change and positive performance, we were pleased to observe another very strong quarter of returns for our ESG portfolios. The strategies performed in line with their benchmarks and we continue to see a virtuous circle at play. Companies making a product or service that helps alleviate a global sustainability challenge are seeing attractive profits, fund managers buying said companies are seeing attractive performance, and society and the planet should benefit from this.

Some of our favoured structural themes such as cloud, cyber security, genetic therapies and oncology saw a significant bounce with more cyclical areas like battery technology taking a pause for breath. We like all of our themes because they target companies with growth opportunities, competitive advantages and business models that are not only well placed to survive short-term pressures but should resume their positive trends when the current crisis is over. From a diversification perspective it is pleasing to see them perform differently at different times.

One new theme that was added this quarter was a sustainable timber fund. It plays on the sustainable forest management theme; carbon capture and storage and the rise in wood use in building and packaging. It also adds useful diversification to the significant overweight to healthcare and technology. We also added to our existing sustainable nutrition theme. It is obvious that consumer demand is shifting towards products that are not only better for us, but also better for the environment. A good example is milk substitutes. Instances of milk allergies and lactose intolerance, concerns over the use of hormones, pesticides and antibiotics in cows and the desire to reduce sugar and improve our health and wellbeing are driving greater adoption of dairy alternatives.