

# N&V

NEWS & VIEWS H1/2019

## Wealth in progress

**How changes in culture and attitudes affect company performance**

**ALSO IN THIS ISSUE:**

Why we should listen to politicians

A taste of Hotel Chocolat

Our new Wealth Online app

A year of #cando



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Genuity**  
Wealth Management

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# Welcome



**As our clients' lives and financial needs are ever changing, and for some of you becoming increasingly complex, we are always looking at how we can evolve and enhance our service. We have aptly themed this edition of News & Views around the idea of progress – to tell you more about some of the exciting developments taking place at CGWM, as well as those in the world of investing.**

These include our recent acquisitions of wealth firms McCarthy Taylor in Worcester and Thomas Miller in the UK and Isle of Man – both helping to broaden our fully integrated wealth management offering to better serve our clients and build on our existing financial planning expertise. If you are interested in learning more about our financial planning service in the UK, including inheritance tax and retirement planning, please contact your Investment Manager.

I am particularly pleased to report that, after months of designing and testing, our new Wealth Online portal is live and ready to use via the app or on your desktop. It is important that we are easily accessible in a way that suits you, hence our continued investment in technology. Of course, this does not mean we are any less available via the phone or face-to-face. The new portal offers an easy way for you to see up-to-date information about your investments and provides a secure place for important documents and messaging. You can read more about it on page 21 and I would encourage you to sign up if you haven't done so already.

Our investment analysts are regularly exposed to new ideas and industry-leading trends, which are helping companies to be sustainable over the long term. A good example is the growing evidence around how diversity within a company improves its performance, and you can read more on this in Patrick Thomas' article on page 14. Company diversity is something we consider when investing on behalf of our clients however, it is important to us as a business too. There is a lot more to do but we are committed to making progress in this area as ultimately, we believe a diverse and balanced workforce leads to better decision making, client outcomes and performance.

In this edition of News & Views, it would be almost impossible not to mention what has felt like a severe lack of progress in the UK's political arena, having spent the last few months in a painful, limbo-like holding state during Brexit talks. Where 10 years ago we might have said investors should not pay much attention to politics, we are now wondering if this still holds true. On page 4, Michel Perera analyses this question and discusses the unprecedented changes taking place in politics now.

This edition also includes our very first investee company CEO interview with Angus Thirlwell of Hotel Chocolat. As one of Hotel Chocolat's first investors, thanks to our specialist small-cap team, we were able to ask Angus about the company's growth story and its exciting plans for the future. We hope you enjoy reading this insight into a very successful and unique British company, now an almost global brand.

As ever, we would greatly value any feedback you have on this issue of News & Views, or indeed our new Wealth Online portal and app; if you would like to get in touch with me or your Investment Manager/Wealth Adviser, we would be delighted to hear from you.

**David Esfandi, Chief Executive Officer CGWM**



Michel Perera,  
Chief Investment  
Officer

# Read their lips

## Why investors should start to pay attention to politicians and what they say

Investment firms use disclaimers in documents. Our disclaimer comes right here: we are investors and, as a firm, do not espouse any political opinion. Instead, we judge political events by the impact they have on markets.

If investment firms had been asked a few years ago: "Should we pay attention to politicians?" the chances are they would have answered "No". As we all know, politicians are good at campaigning and promising but once

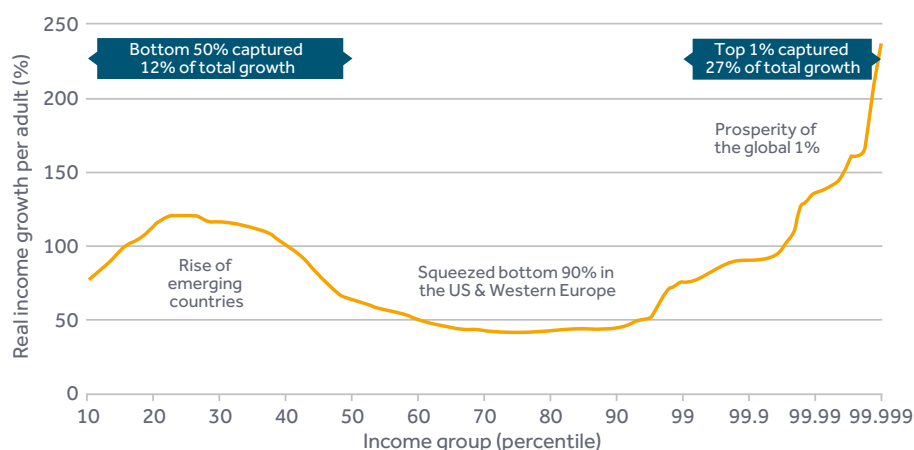
they face the cold reality of power, they deliver only what they can. Politics is the art of the possible.

The things that really affect investors and markets are businesses, economies and policies. Occasionally, stark political changes have affected the economic picture, e.g. the Thatcher-Reagan era of tax-cutting and deregulation, but overall, investors have been better off looking at fundamentals rather than politics.

We can no longer say this with impunity. Recently, voters have delivered crushing verdicts on traditional expectations and this could be the beginning of a trend. Politicians are now promising unpredictable and nonconformist changes and actually starting to deliver on them. Markets are often baffled by these policies, but only because they don't listen to politicians and are thus surprised when they carry out their promises.

### The elephant curve

Total income growth by percentile across all world regions, 1980-2016



Past performance is not necessarily a guide to future performance.

Source: CGWM, World Inequalities Report 2018

### Why is this happening?

Globally, over the last three decades, the share of wealth taken by the top 1% has soared, while the bottom 90% in the US and Europe has seen shrinking living standards.

This should have triggered the historical switch to left-wing redistributive policies, except for one twist: in the eyes of the 'squeezed 90%', looking at countries outside the US and Europe, people in the lowest income groups have tended to do better. Emerging markets have come out of the cold with hundreds of millions of people taken out of poverty into the middle class, often thanks to an aggressive 'Asian tiger' export drive. Simultaneously, migration has risen across the world, particularly into the EU and the US. Some are refugees from conflicts, oppressive regimes or gang wars. Others are just seeking a better life for themselves in a richer land.

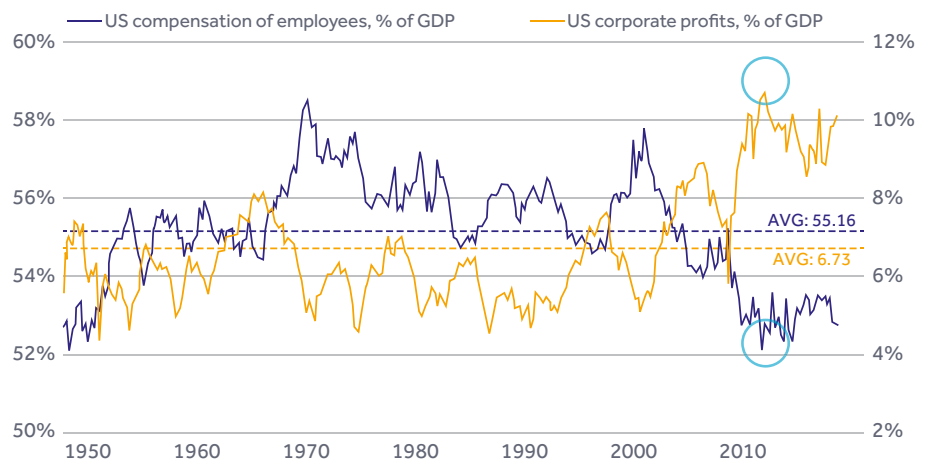
*Recently, voters have delivered crushing verdicts on traditional expectations and this could be the beginning of a trend. Politicians are now promising unpredictable and nonconformist changes and actually starting to deliver on them. Markets are often baffled by these policies, but only because they don't listen to politicians and are thus surprised when they carry out their promises.*

This has led to a surge in right-wing politicians advocating immigration controls, protectionism and confrontation with other countries.

Another way to look at this is through the share of labour and capital in the economy. In the US, the labour share of corporate GDP has fallen from 65% in 2001 to 55% in 2015, barely recovering since. Capital's share of the economy has grown faster than the share of employees.

Voters have responded by electing populist right-wing politicians offering simple, even simplistic, solutions: restrict immigration, cut imports, fight central governments.

**Corporate profit margins and employee compensation**



Past performance is not necessarily a guide to future performance.

Source: CGWM, FactSet, US Bureau of Economic Analysis

## How is this likely to evolve?

First, there is a massive chasm between populist parties and the political establishment. The so-called 'rules-based' post-WWII consensus aimed for centrist policies to bring together a majority of the population. This is what populists want to destroy, mostly by promoting policies that are unacceptable to that consensus. In most countries, coalitions between populists and the centrist establishment are shunned, leading to gridlock (Sweden) or a coalition of extremes (Italy).

Second, the agenda is being driven by populists, by making sure that their

proposals take front and centre stage over everything else: building a wall, reducing the trade deficit, fighting with Brussels; with the naysayers' protests often branded as 'fake news'. President Trump has 50 million Twitter followers compared to CNN's two million viewers.

Interestingly, these proposals seem to be stepping-stones to an ultimate objective, rather than the objective itself. Conventional political objectives such as job creation, job security, standards of living, safety, healthcare, education, etc, are not part of the populist agenda, which focuses instead on a symbolic conflict with

the establishment. This assumes that populist voters are satisfied if this fight is carried out, even without any improvement to their own wellbeing.

This begs the question of whether the electorate will give populists the benefit of the doubt for long. What happens after the whole agenda has been carried out? What if income is lagging behind prices, unemployment is rising and businesses are closing down? Will voters still favour the populist politicians gloating that they have done everything they promised?

## Consider the alternatives

Investors should look at what alternative politicians are offering. In the US and the UK there is a battle between populist views and a more traditional force: the left. In countries where two main political parties dominate the scene, they are increasingly absorbing extreme elements.

Left-of-centre parties are veering further left towards an idea that many people had long forgotten: socialism. The concept is no longer taboo in the US, where most young people prefer it to capitalism. Likewise, young voters in the UK have increasingly identified with Jeremy Corbyn's more extreme-left policies. It is illuminating to watch the debate within the US Democratic Party: the youngest and newest congresswoman from New York started a trend by proposing 70% marginal tax rates, unleashing a torrent of one-upmanship on income and wealth taxes.

It seems that these left-wing politicians are ready to pick up the pieces if (or when) right-wing populists fail. The difficulty for investors is twofold: gauging which parts of a populist or socialist agenda are likely to be implemented and how damaging they could be to the economy and markets.

President Trump is a case in point: his campaign showcased ideas that scared markets (trade wars, border walls), but after his election he was seen as a tax-cutting, regulation-slashing, pro-business conservative, which investors loved. Last year, his agenda switched back to these worrisome proposals, jolting risk markets. Investors

are not always clear whether a right-wing populist will deliver pro-business reforms or have damaging and futile confrontations that pander to voters' visceral prejudices. The new Brazilian leader, Jair Bolsonaro, fits that mould: markets are still uncertain which way he will go.

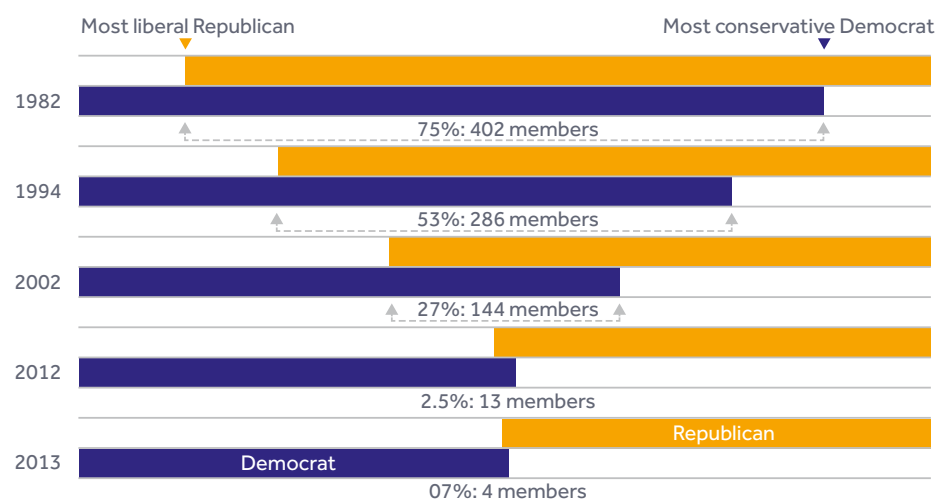
When it comes to socialism, however, the markets' verdict is clear. They don't like it. Punitive taxes, nationalisations and overregulation do not appeal to investors. While 70% marginal tax rates being bandied about among Democratic Party candidates may concern markets, we mustn't forget history. George Harrison sang "There's one for you, 19 for me" in the Beatles song Taxman, bemoaning 95% tax rates in the 1960s,

which were often blamed for the 'brain drain' from the UK. Even in the capitalistic US, marginal tax rates of 80% plus were prevalent in the 1950s and 1960s and the economy suffered.

Before selling all your investments and moving to a Pacific Island, though, you may want to consider that, if populists are now finding it difficult to implement their programme, any future socialist government could find itself in the same predicament. Even if they've been elected on a platform to "tax the rich until the pips squeak" they might not have the majority they need to enact it. The market's initial swoon on the election result could be followed by a relief rally.

## The ideological overlap in US Congress

Voting records show that the number of Congress members who shared votes across the aisle has fallen close to 0 since 1982



Source: National Journal analysis of voting records as reported by Mehlman Vogel Castagnetti, Standard Chartered Research

## What hope for centrist parties?

What about the so-called 'liberal elite', currently maligned by populists? Are they likely to get back into power? If history is any guide, the answer is no.

The political struggle could swing from one extreme to another until all options are exhausted before returning to the discredited liberal elite. The Merkel-Macron front is likely to be eclipsed by louder voices from right-wing populists, until they in turn are replaced by left-wingers. A quick look at US presidents since 1980 shows that Democrats went from centrist (Carter, Clinton) to more left-wing (Obama, or the current crop of 2020 hopefuls) and Republicans followed the same route rightward (from George Bush senior to junior and now Trump). The next Democratic president could be well to the left of Obama.

Given how deep seated the economic problems are today (inequality and

lack of skills), it is hard to see how any political movement will solve them to the satisfaction of its voters and then move towards the centre ground in politics. There could well be volatility to accompany sharp shifts from one extreme to another, but the existing populist parties could also become more mainstream and apply traditional market-friendly conservative policies.

Either way, investors should become more tactical in their asset allocation, and also emphasise investments that could prosper under varying scenarios (Asian companies, which are less vulnerable to the populist craze; or secular changes such as artificial intelligence, cyber-security, longer life expectancy, etc).

More importantly, they should learn not to dismiss politicians' rants as mere bluster and ask themselves

what would happen if these proposals were to become law. Keeping one's eyes open and being ahead of the game is the best way to preserve and grow one's wealth, rather than simply assuming that voters will see sense in the end.

As ever, you can expect us to keep a very close eye on political developments and the currency markets – and carefully manage your portfolios accordingly. With our depth of analysis and actively managed approach, whichever political scenarios play out we will be there to guide and support you, and seek out the most promising investment opportunities on your behalf.

If you have any questions or want to find out more about our investment views, please contact us: +44 20 7523 4500.

*Left-of-centre parties are veering further left towards an idea that many people had long forgotten: socialism. The concept is no longer taboo in the US, where most young people prefer it to capitalism.*



Angela Lloyd-Read,  
Wealth Adviser

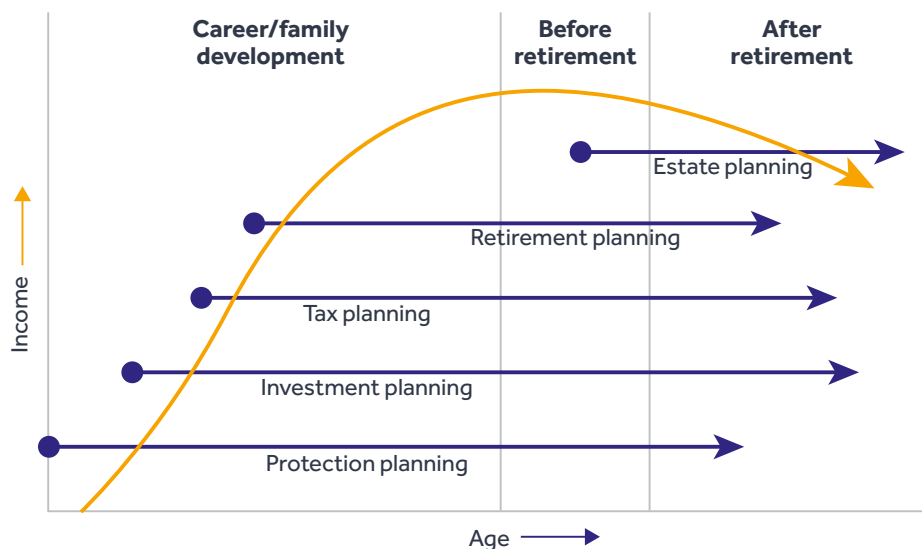


# Spring clean your finances

**April: the first full month of spring, and a time for new beginnings. With January's resolutions now a distant memory, this is an ideal time to spring clean your finances and start the new financial year on the right foot.**

**Whether you are building wealth for the future, preserving wealth for yourself or your beneficiaries, or enjoying spending the fruits of your labour, making a plan can greatly improve your chances of meeting your goals.**

## Life-stage financial planning for the new tax year



### Protection planning

Are you and your family protected in the case of illness or death? If you currently rely on your spouse to stay at home and look after your children, what would you do without their help? You might have to reduce your working hours. If so, an insurance policy could provide the extra money to cover your ongoing expenditure.

Have you moved to a more expensive home without increasing your life cover? How would your mortgage be paid off if anything happened to you? Where would your family live?

If you have an old policy that includes critical illness cover, does it have an up-to-date conditions list? Old policies can cover as few as 12 illnesses, but more modern policies can cover more than 60. It's also important to make sure your list of beneficiaries is up to date.

### Investment planning

Are you investing enough to meet your goals? Do you know when you can afford to retire? If you are already retired, are you depleting your capital or taking income generated from your investments? How would changes in investment performance affect your ability to meet day-to-day expenditure?

Regular reviews will ensure that your investments are in keeping with your attitude to risk and your future objectives.

### ISAs

The new financial year brings new allowances. Rather than rushing to use your £20,000 ISA allowance at the end of the tax year, use it now, and any growth or dividends in the coming tax year will be free of taxes. If you don't have the cash available immediately, talk to your investment manager about moving some of your investment holdings into your ISA.

Keep a close eye on your cash ISAs. They often offer a higher promotional rate in the first year, which then falls to a lower standard rate with minimal returns.

Check what rates you're currently getting. If they're poor, move your money. It may be worth converting your cash ISA into a stocks and shares ISA to make the most of the tax advantages that ISAs attract.

## Pensions

Do you know where all your pensions are? It's easy to amass a collection of pension pots, with different companies, and let them stagnate in funds which may no longer be suitable.

Are the beneficiary nominations up to date? You may wish grandchildren to benefit from receiving pension funds in an inheritance tax friendly way. Older policies may not have all the options available to newer policies, so even if you think that you don't 'need' your pension pot, check it is fit for purpose.

If you have excess income, could you make higher contributions and benefit from tax efficiencies? Making company contributions could make the most of allowances for the self-employed and save on corporation tax. Gather your pension statements together and ask a financial adviser to review their suitability, charges and investments.

## Retirement planning

Planning ahead is the best way to ensure you'll enjoy the retirement you want. To maximise flexibility and tax efficiency, your retirement income should come from other sources as well as a pension. Cash flow planning can help you visualise the impact of the financial decisions you make now on your future goals and objectives. Saving more now could turn your dreams of an earlier retirement into reality.

When you are deciding on a retirement date, consider retiring at the end of a tax year – then you can take advantage of the following tax year with nil PAYE income to reorganise your finances. Surrendering an investment which may otherwise suffer tax at a higher rate may be more agreeable at a lower rate.

## Estate planning

Do you have an up-to-date Will? Have you completed Powers of Attorney covering your health and welfare, or your financial circumstances? Is all of your financial information in one location, to make things easier for those dealing with your affairs in the event of your death? Powers of Attorney aren't just for old people, or those fearing dementia. What if you have an accident and need someone to look after your affairs?

If your estate will be liable to inheritance tax, can you afford to make lifetime gifts now and potentially reduce the tax liability later? If you have excess income, can you afford to purchase a whole of life policy, which will pay out on your death and could be used to cover some, or all, of an inheritance tax bill? These policies can help your family to keep assets like the family home, instead of selling them to meet tax burdens.

Make the most of an opportunity to sort out your finances and start the new tax year with a spring in your step!



Mark Chadwick,  
Investment Director,  
small-caps  
investment team

## The CEO interview: Angus Thirlwell, CEO, Hotel Chocolat

Small companies can offer excellent investment opportunities. However, they're often ignored by investment and wealth management companies, who may lack the expertise and experience to evaluate them, spot opportunities and invest on your behalf. At Canaccord Genuity Wealth Management, we do have that expertise. In fact, we are among the most experienced independent UK wealth managers in this area and have invested in Hotel Chocolat on behalf of clients since its IPO in 2016.

The very first Hotel Chocolat shop opened its doors in North London in 2004. Two entrepreneurs, Angus Thirlwell and Peter Harris, were on a mission to make chocolate exciting again.

Today, the company has 103 shops as well as cafés and restaurants, they've opened their first three boutiques in Copenhagen and they run a hotel on their working cocoa plantation in the Caribbean.

They are committed to giving cocoa farmers respect and a fair deal, and to reducing waste, by using every part of the cocoa bean and not throwing away misshapen chocolates.

We interviewed Hotel Chocolat CEO Angus Thirlwell, to find out more.



### **What inspired you to start a chocolate business? Why chocolate?**

Chocolate is the most powerful word in the food lexicon. When I saw how even the word affected people, I knew we could create something in this field. Especially when I looked around and saw what else was on offer: sugar-loaded confectionery, rather than cocoa-fuelled chocolate.

### **What did you hope to achieve when you first started the business?**

We started by building a viable online delivery chocolate gift model. We designed chocolate boxes that slotted easily through letterboxes, with a message card. In the late 90s this was revolutionary and changed the way people enjoyed chocolate.

### **Do you really approve every single new recipe?**

Some things are really important. The weekly tasting meeting is one of them.

### **Hotel Chocolat now boasts its own cocoa plantation, hotel, restaurants and cook book – which part of the business excites you the most?**

The Velvetiser is my current obsession. In-home, barista-grade hot chocolate, as served in our cafés.

### **Where would you rather be – the factory, the School of Chocolate in Covent Garden or the cocoa plantation in Saint Lucia?**

In the dappled sunshine of the cocoa groves. I always come away from our Saint Lucian bolthole feeling deeply inspired and energised.

### **What are you most proud of?**

Right now – the Velvetiser business model. Longer term, I am immensely proud of the culture and brand we have created. No matter how much we grow, Hotel Chocolat will always be rooted in authenticity, ethics and originality.

### **What's next on the agenda for Hotel Chocolat?**

World leadership in premium chocolate and the chance to redefine what premium means as we get there.

### **What's your favourite Hotel Chocolat product?**

For eating: Going Nuts.  
For drinking: 100% Mayan Red.  
For an experience: dinner at Rabot 1745 in Borough Market.

### **What do you think has made Hotel Chocolat so successful?**

There isn't enough space to do this question justice. The short answer is a long-term, never-ending focus on our core principles, but also an ardent, unwavering obsession with cocoa.

### **Why do you believe consumers should be more educated when it comes to chocolate?**

Growing cocoa should garner the same respect as growing grapes for fine wines. Consumers' senses have been dulled for years with cheap fillers in their chocolate – mainly sugar. Always check the ingredients. If sugar leads, rather than cocoa, that's confectionery, not real chocolate. Good chocolate has the power to make you feel good.

### **What's the most important lesson you've learnt as CEO?**

Culture starts from within your business. Values come from people. Get the right culture and you will build a dynamic workforce.

### **What would you be doing if you weren't running a chocolate business?**

Film producer.

### **Where would you like Hotel Chocolat to be in 10 years' or even 20 years' time?**

Exactly here.

### **How do you think the industry is changing?**

There is a real focus on wellness as well as a growing desire among consumers for experiences rather than things. The way we shop has been transformed; much of it is slickly done in a few taps from our palms. Consumers are also looking for a depth of integrity and emotional engagement with brands – which is all great news for us.

### **How does Hotel Chocolat encourage innovation?**

The right culture fosters innovation and creativity. If you've got the wrong culture, you can forget about repeatable innovation.

### **You decided to list the business in 2016 – what made you take this step and how has it benefited the business?**

We floated one third of our business, resulting in a great balance of long-term brand custodianship and value participation. It also allowed us to reward our talented team.

### **Your shareholders have enjoyed phenomenal success – what would you like to say to them?**

Stay with us, this is just the beginning.

### **If you could give a single piece of advice to today's young entrepreneurs, what would it be?**

Do it now.



# The difference in diversity



Patrick Thomas,  
Head of ESG  
Investments

## Why we believe diversity and inclusion are essential for success

**If we suggested that diversity and inclusion (D&I) within a company improve its culture, performance and even national GDP, we think you would probably want to hear more. And if we explained that there are still huge improvements that need to be made in this area, we think you would agree with us that it should be prioritised.**

'Diversity' and 'inclusion' are no longer just buzzwords. They can have a profound impact on investment returns which is hard to ignore.

The IMF (International Monetary Fund) believes that less diversity leads to a loss in GDP. It has calculated that if female labour participation rose to match that of males, there would be a GDP increase of 5% in the US, 9% in Japan and 34% in Egypt. In an interview to celebrate International Women's Day, Christine Lagarde, Head of the IMF, said some countries with discriminatory laws could boost the size of their economies by as much as 35% if they abandoned those laws and took advantage of women's skills.

In the US, the Fortune list of the 100 best companies to work for looks at opportunities, benefits and diversity. Between 1984 and 2009, a value-weighted index of those companies outperformed the S&P 500 Index.

There is significant evidence of the benefits of a diverse corporate board and a diverse workforce (for example, MSCI research concluded that companies with at least three women on the board perform better than those without any women).

Diversity is not complex and can be defined succinctly. It means a mix of different genders, ethnicities and cultures and this needs to be present at both board and workforce level.

## Why increased diversity can improve a company's performance

The research points to two key conclusions:

- Diversity promotes creativity and capacity for problem solving
- Inclusive environments attract and retain talent better than non-inclusive ones.

## The benefits for problem solving

The idea that individuals with different thought processes and experiences could improve a team's ability to solve problems makes intuitive sense. A diverse group has more collective wisdom than a set of individuals thinking about a problem in the same way.

Recent data provides empirical backing for this. Investigations have shown that, looking at research and development expenditure, if you increase female representation on a board by 10%, you achieve 6% more patents and 7% more citations<sup>1</sup>.

## How D&I helps organisations to attract and retain talent

Positive, supportive policies towards D&I have been linked with higher stock returns, share price valuations, productivity and profits<sup>2</sup>.

One argument is that more gender equality increases a firm's labour market competitiveness. Consider flexi-working and day care services, and how helpful these are for new parents or those taking care of others. Companies without sympathetic policies can lose talented employees over these issues.

<sup>1</sup> 'Female board representation, corporate innovation and firm performance' Jie Chen, Woon Sau Leung and Kevin P. Evans (2018)

<sup>2</sup> 'Corporate sexual equality and firm performance' Liwei Shan, Fu Shihe, Lu Zheng (2017), 'Do LGBT-supportive corporate policies enhance firm performance?' Shaun Pichler, Janell L Blazovich, Kirsten A Cook, Janet M Huston, William R Strawser (2017), 'Soapbox: why women managers shine' Michel Ferrary (2009)

Further research is needed into these links, and whether they're due to correlation or causation, but the evidence seems to be telling us something. We know that employee satisfaction, good training and a progressive culture help to recruit and retain talent. It makes sense that gender equality helps too.

## Has progress been made?

Women and minorities remain underrepresented, especially in leadership positions:

- McKinsey found that women account for an average of 16% of senior leadership positions in the US and 12% in the UK
- And a study by FundFire found ethnic and racial minorities similarly underrepresented in the US asset management industry: 88% of professionals at the executive committee level are white, while just 6.7% of such professionals are Asian, 2.4% are black, and 2.4% are Hispanic.

At board level:

- A Harvard study into why diversity matters found that "the percentage of women on boards overall in the United States is between 11% and 12% and has barely increased in the last decade"
- The October 2018 issue of the Harvard Business Review found that the number of Fortune 500 companies "with even a single racial or ethnic minority director has declined over the past 10 years."

## Changing attitudes

There are clearly real improvements to be made and consumers might be the catalyst to push this. Companies are increasingly expected to make a positive contribution to social inclusion.

High-profile companies like Gillette and Nike are slanting their advertising to appeal to people in a more diverse way. For example, the latest Gillette adverts are anti 'toxic masculinity' and targeted beyond the usual 'alpha male'. Nike has been even more explicit in its social message, focusing its campaigns on athletes like Colin Kaepernick and Raheem Sterling, who

have highlighted racial discrimination in their respective sports. It's no coincidence that both Procter & Gamble (which owns Gillette) and Nike have very diverse workforces.

This aggressive marketing is an important part of these companies' brand strategies and has been well received. The effect is spreading to more companies, particularly those targeting millennial consumers, who want to see advertisements that reflect their own beliefs and concerns.

## How diversity plays an important role in life at CGWM

Diversity of thought is extremely important to us at CGWM, and we achieve it through an active diversity committee and recruiting and employing a variety of people of different backgrounds. It also influences our team structures and decision making.

## Making sure our investment portfolios are diverse and inclusive

Our in-house fund selection committee always considers environmental, social and governance (ESG) factors when choosing funds on behalf of our clients.

Within our ESG portfolios themselves, D&I is part of the 'social' criteria we use to assess fund strategies. We measure each fund's positive impact, and search for those that are good at navigating social opportunities and risks.

We look at how a company balances the needs of its shareholders against its other stakeholders, including its employees and local community. This often has a positive impact on portfolio performance and is a good indicator of a management team that is concerned and paying attention.

We will continue to assess D&I factors alongside more traditional financial metrics, as we believe they will become an increasingly important influence on long-term returns.

**Please note, this is not a recommendation to invest in any of the companies mentioned above. Names of companies are included for illustrative purposes only.**



David Esfandi,  
Chief Executive  
Officer

# We #cando it

At Canaccord Genuity Wealth Management we have an unwavering commitment to building long-term relationships with our clients and the community. One of the ways we do this is by supporting a busy programme of events and sponsorships throughout the year. In 2018 we introduced our #cando theme to help focus all our corporate social responsibility (CSR) activity.

# #cando



The Oxford English Dictionary defines 'can do' as 'having or showing a determination or willingness to take action and achieve results' and this is an ethos we have wholly embraced, whether it's in managing clients' wealth or in living life. Recognising the benefits of an active lifestyle, both on mental wellbeing and performance in the workplace, #cando has become a rallying cry, encouraging people to get active and achieve their personal best.

Several studies indicate that mental capacity is directly linked to physical regime and this is especially true of a person's performance at work. Lack of energy is one of the greatest and most expensive problems facing the business world. By supporting many sports organisations and events, CGWM is staying one step ahead in helping to tackle this issue.

People who regularly take part in sport can concentrate for longer, have sharper memories, are quicker to learn, are more creative and have lower stress levels. Just 10 minutes of daily exercise can make a huge difference in your day-to-day life and work productivity. Whether it's a 10-minute jog, yoga practice, swimming session or heading outside for a cycle, it doesn't matter as long as you get moving.

Our CGWM programme of local community events and sponsorships – all of which fall under the #cando umbrella – includes:

## Isle of Man Sportive

2019 will be the third year we have supported the Isle of Man Sportive. It is a community-focused, non-competitive mass participation cycling event suitable for all ages and abilities. Participants can cycle the Isle of Man TT circuit 'route of



Dermot Hamill, Head of Wealth Management Isle of Man, on the TT circuit 'route of champions'

champions', including a closed-roads section on the mountain, and enjoy a day outdoors with friends and family cheering them on.

## Jersey Corporate Cup Race Series

The Corporate Cup is a 5km race series designed to help businesses promote and encourage a healthy way of life to all their employees.



Tom Brown taking part in the 2018 Jersey Corporate Cup Race Series

These lunchtime races give local corporate runners an opportunity to take a break from their working day, get away from their desks and enjoy healthy exercise with their co-workers and peers.

## Guernsey Rugby Development Officer

This year we celebrate our 10th year sponsoring the role of Rugby Development Officer (RDO) in Guernsey. The role was created in 2009 in response to a desire to develop local rugby, particularly in



Youngsters from Notre Dame Junior School and Vauvert Junior School play in the Guernsey Junior Schools' Rugby Festival

schools. Directed by the Guernsey Rugby Association with the help of the Guernsey Sports Commission and our sponsorship, the RDO's impact and success have been widely recognised.

## Guernsey Inter-firm Relay

2019 will be our 16th year of supporting this event, which is a popular and gruelling annual race through the centre of St. Peter Port. The teams of four can comprise men, women or both, with teams fiercely competing for the trophy in each category.

# A year of #cando

Colleagues from our  
12 UK and offshore offices  
clocked up an immense

**125,166 miles**

They travelled more than  
**5 times around  
the world**



**More than 100**  
colleagues got involved

## Colleagues participated in 8 different sports



### Our top 3 #cando heroes

Stephen Prout – 3,416 miles

Julie Sebire – 3,063 miles

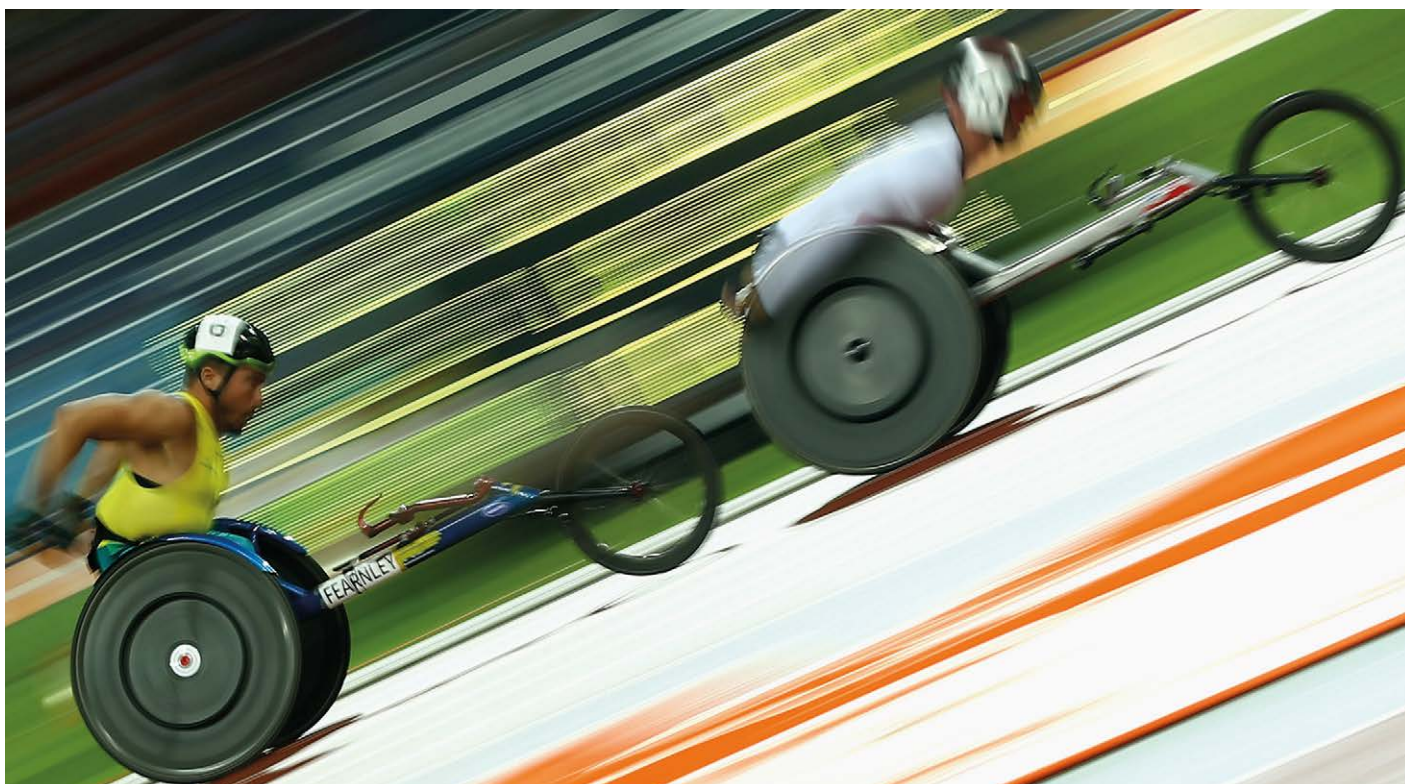
Ross Cowdrey – 2,968 miles



# Moving forward with #cando

Having completed the first 12 months of the #cando staff challenge, we are delighted to be partnering UK-based TeamedUp to support 10 athletes as they prepare for the next Olympics and Paralympics in Tokyo 2020. TeamedUp\* has been working with elite British athletes and business supporters since 2009, using the inspiration of sport to achieve business goals.

One of the most inspiring athletes we've met is **Richard Chiassaro**, wheelchair racer, who is a Paralympian, European champion, world bronze medallist and coach.



Richard Chiassaro of England leads Kurt Fearnley of Australia in the Men's T54 1500m at the Gold Coast 2018 Commonwealth Games

When I was younger, all I wanted to do was play football with my friends. Unfortunately, this was rather difficult because I was in a wheelchair and schools were not as inclusive as they are now. So I turned to wheelchair basketball. Competing in a team sport was particularly important to me because of the social aspect and camaraderie that team sports provide.

There was a period where I strayed off the tracks and gave up basketball. This is something I continue to regret, though there is no doubt that it led me to where I am today. Thankfully, I found my way back to sports. After a nasty surgery and recovery that really had an impact on my mindset, I signed up to a lower league basketball team, gained my strength, improved, made my way

up to the Premier Division in the UK, and got faster and faster. But I wanted to do more.

And that's how I found myself at a local disability club, aiming to try athletics. I decided I wanted to help coach the children and I also gave wheelchair racing a go. Originally, this decision was just to try a new sport. But I loved it and took to it like a duck to water. I kept going. It's a lot harder than basketball and I liked that extra challenge. My goal soon became reaching the Paralympics.

I believe I can do anything I set my mind to and achieve great things through dedication and commitment. Every time I reach one of my goals, a new one opens up and that's what I love about this sport. It's a continuous journey.

I'm living proof that you can turn your life around and learn from your mistakes. It's about being bold enough to take the chance and set your mind to something.

Anyone can do anything. That is a lesson I try to share and an attitude I encourage through my squad for disabled children and adults. I love coaching and helping them, not only in the sport itself but also in their everyday life. Being a child with a disability is very hard and adapting to life can be even harder. I show them how to race and how to do things differently to make living with their disability easier. I managed to turn my life around and succeed, and they can too.

\*If you are interested in learning more about TeamedUp's excellent work, please contact Dominic John at [dominic@teamedup.co.uk](mailto:dominic@teamedup.co.uk)



# Launching our new online platform and client app

Following its launch earlier this year, we wanted to give you some information about our new Wealth Online portal and app, and how they will help to enhance our service to you.



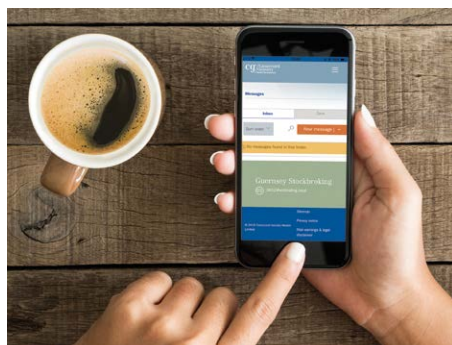
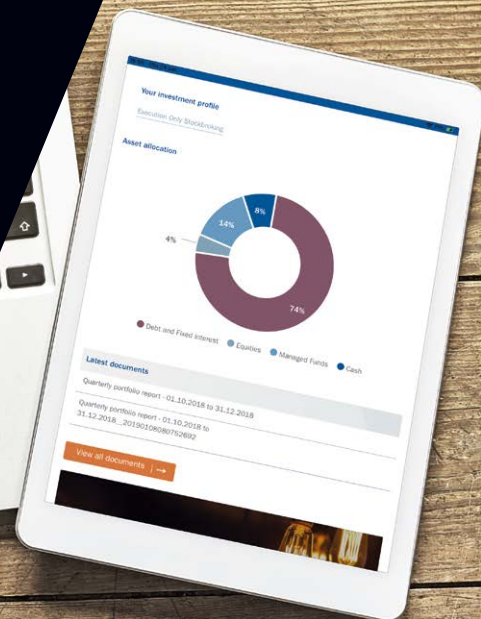
Peter Hall,  
Group Chief  
Operating Officer

## An online platform and app where you can access up-to-date information about your investments

Our new platform gives you easy access to as much or as little information as you want, any time, anywhere. The key features include all this:

- An interactive dashboard providing a daily snapshot of your portfolio, its current value, performance (where applicable) and asset allocation; you can access this on your desktop as well as via your mobile or tablet
- The ability to see all your underlying holdings however you like; for example, if you want to see the yield on all your alternative investments or the total value of your North American equities
- With one click, you can move the information in Wealth Online into an Excel file, which may be useful if you want to do more analysis
- Cash statements – we've made it much easier to see money going in and out of your dealing and income accounts
- A transactions page – where you can check purchases and sales of your holdings
- A secure facility containing all the important documents relating to your account, so they will always be available when you need them; this includes your quarterly valuations and contract notes where applicable
- Data is pulled directly from our internal systems each evening; Wealth Online will reflect the latest changes within your accounts and all prices are up-to-date as of the previous day's market closing prices.

If you want to look at your account on our new app, you will see the same full version on your tablet or a slightly summarised version on your smartphone to accommodate viewing on a smaller screen.



### About secure messaging

An important new feature is our secure messaging capability, which allows you to quickly send a message to your Investment Manager, or our client services team, without having to open up your email inbox separately or hunt around for an email address.

Your data privacy and security are of paramount importance to us, so of course we've ensured the app's messaging functionality is completely secure. As all messages are sent, received and stored within our own internal systems, the security is better than via normal email routes, which can be more easily intercepted.



### How do I download the app?

If you haven't already done so you should start by registering for Wealth Online. Simply visit our website at [canaccordgenuity.com/wealth-management-uk](https://canaccordgenuity.com/wealth-management-uk) and click on 'Client login' in the top right-hand corner.

Once you have done this and set your username, password and PIN, you can download the CGWM Wealth Online app, which is available free from the app store on your smartphone or tablet.

We hope you will make use of the new online platform and app. If you have any problems activating your account or downloading the app, please get in touch with your Investment Manager, who will be happy to help you. If you have any feedback about the online platform or app, please share it with us so we can continue making improvements.

# How can we help?

If you'd like to talk to us about any of the topics or issues discussed in News & Views, please contact your Wealth Manager, or email us at [marketing@canaccord.com](mailto:marketing@canaccord.com).

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