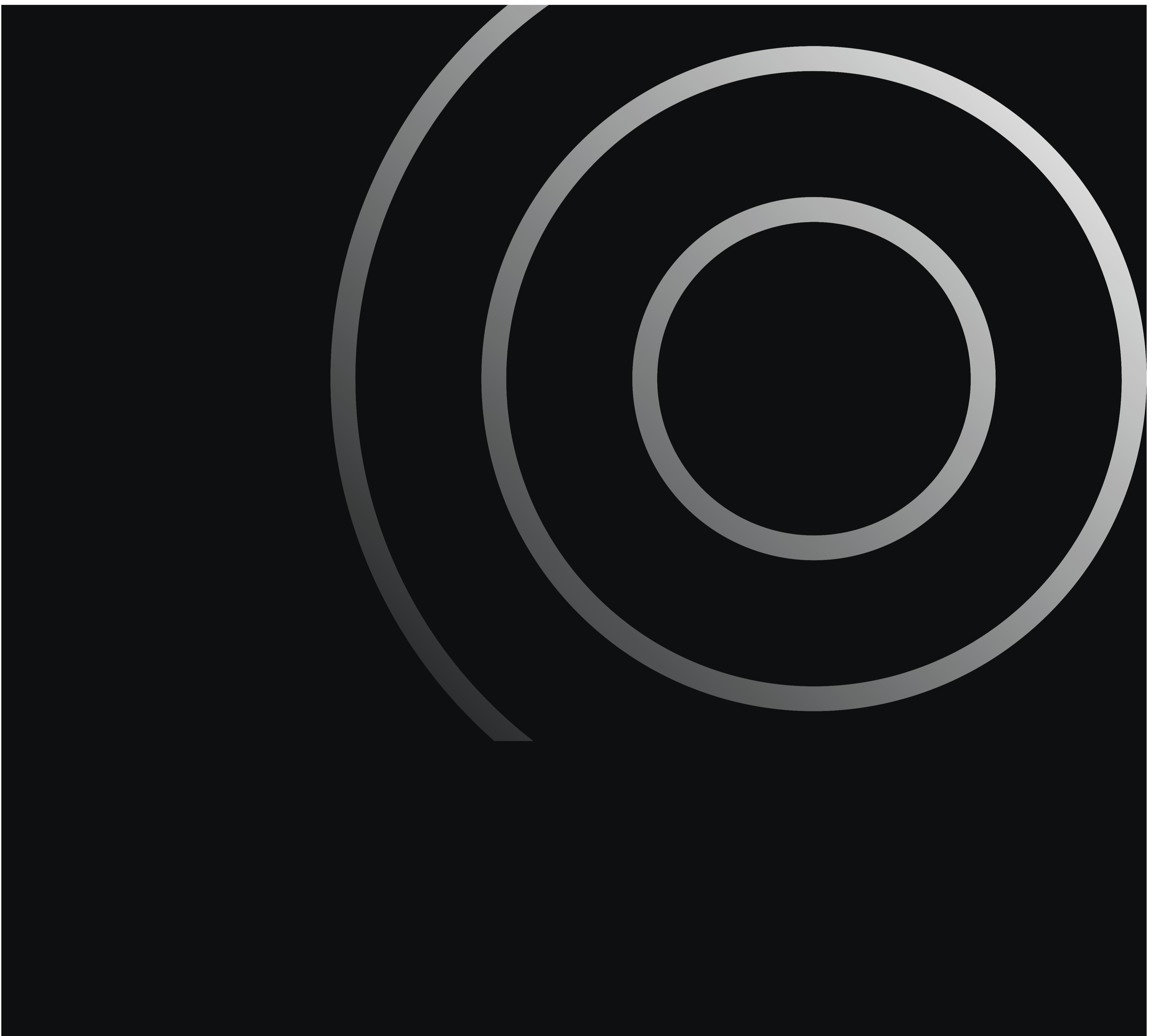


I Our Investment Philosophy





SOUND INVESTMENTS. ADVICE YOU TRUST.

At Sound Financial we believe smart asset allocation and optimal tax planning are fundamental to achieving sustainable long-term investment performance.

We also believe in a kinder world where investments meet environmental, sustainable and ethical objectives.

These beliefs shape the investment decisions we make on your behalf and give focus and discipline to the oversight of your investment goals.

Why do we invest this way?

Securing the most advantageous tax outcome is our initial priority in your investment planning

We adopt an evidence based approach to investing

Financial markets deliver great long-term returns

Diversification works

We are mindful of the impact our investment choices make on the world

How do we achieve this?

We know that investors can't control short-term market movements.

So instead we focus on factors in our control such as:

- Understanding your attitude towards risk and return to develop a personalised investment strategy
- Diversifying your investments across a wide range of assets such as cash, fixed interest, property, shares and alternatives.
- Choosing the right blend of investments styles—index and active—to achieve your goals
- Reducing the cost of investing where possible by implementing tax-smart investment strategies
- Rebalancing your investments back to your target asset allocation to keep you on track to achieve your goals
- And most importantly, identifying kinder investments that are ESG focused



A Sound Financial plan helps you stay focused on the factors you can control rather than reacting to newspaper headlines and media speculation.

We believe that clear and realistic goals help protect you from making common mistakes that can block your path to investment success.

This involves designing personalised investment solutions that align with your life plans.

Helping you to achieve your goals



Environmental, Social and Governance (ESG) Investment Preferences



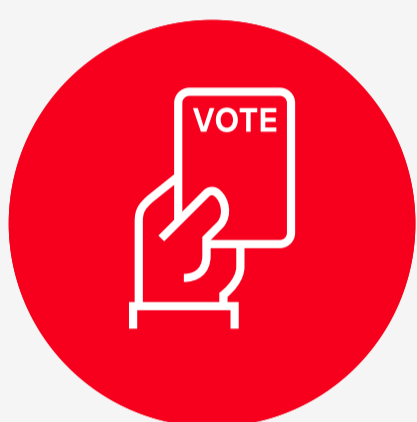
Environmental

- Climate change
- Greenhouse emissions
- Natural resource depletion
- Waste and Pollution
- Deforestation



Social

- Working conditions including slavery and child labour
- Local communities including indigenous communities
- Health & safety
- Conflict
- Employee relations & diversity



Governance

- Executive Pay
- Bribery & corruption
- Political lobbying & donations
- Board Diversity & structure
- Tax strategy

We believe it is important to understand your beliefs, environmental or social opinions and preferences.

By understanding your views we can accommodate these preferences within your portfolio by adopting the appropriate environmental, social and governance (ESG) approach.



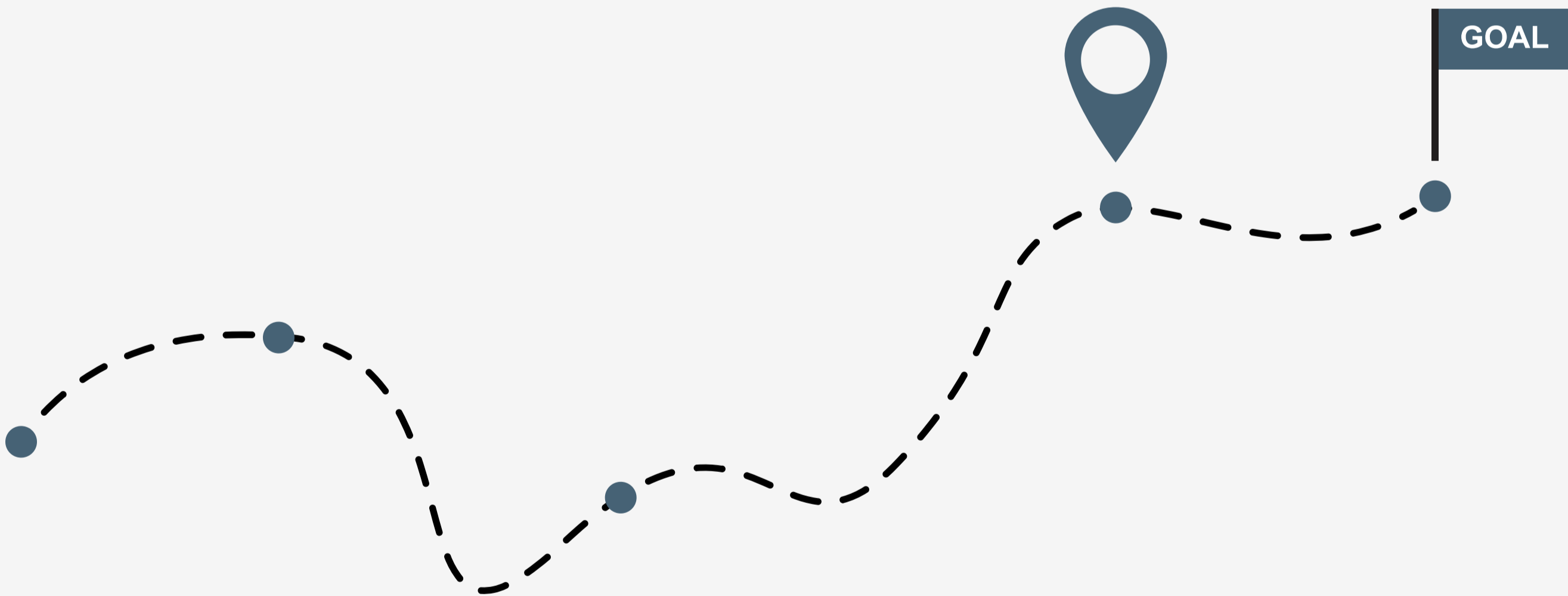
Goals

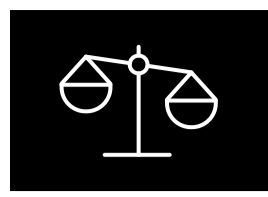
We understand that your personal lives and goals change over time.

So do investment markets, legislation and financial products.

That's why we meet with you regularly to make sure you stay on track.

Keeping you on track to achieving your goals

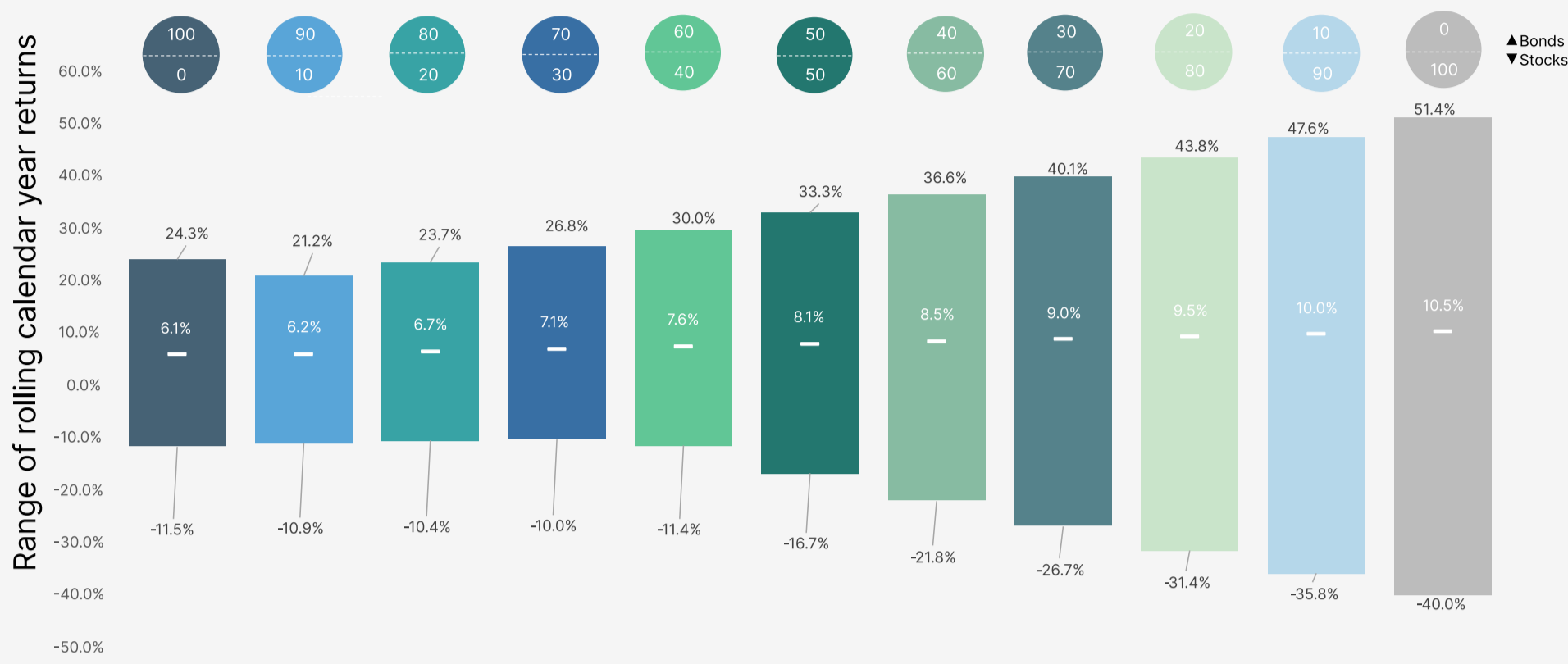




Asset Allocation

Asset allocation defines return and risk

Larger allocation to equities can deliver higher returns, with a wider range of outcomes.



Note: Equities are represented by ASX 200 TR Index, and bonds are represented by the Bloomberg AusBond Composite 0+Y Total Return AUD Index. Data from January 1993 to December 2023. Source: Lonsec iRate

We believe that smart asset allocation is what drives long-term returns.

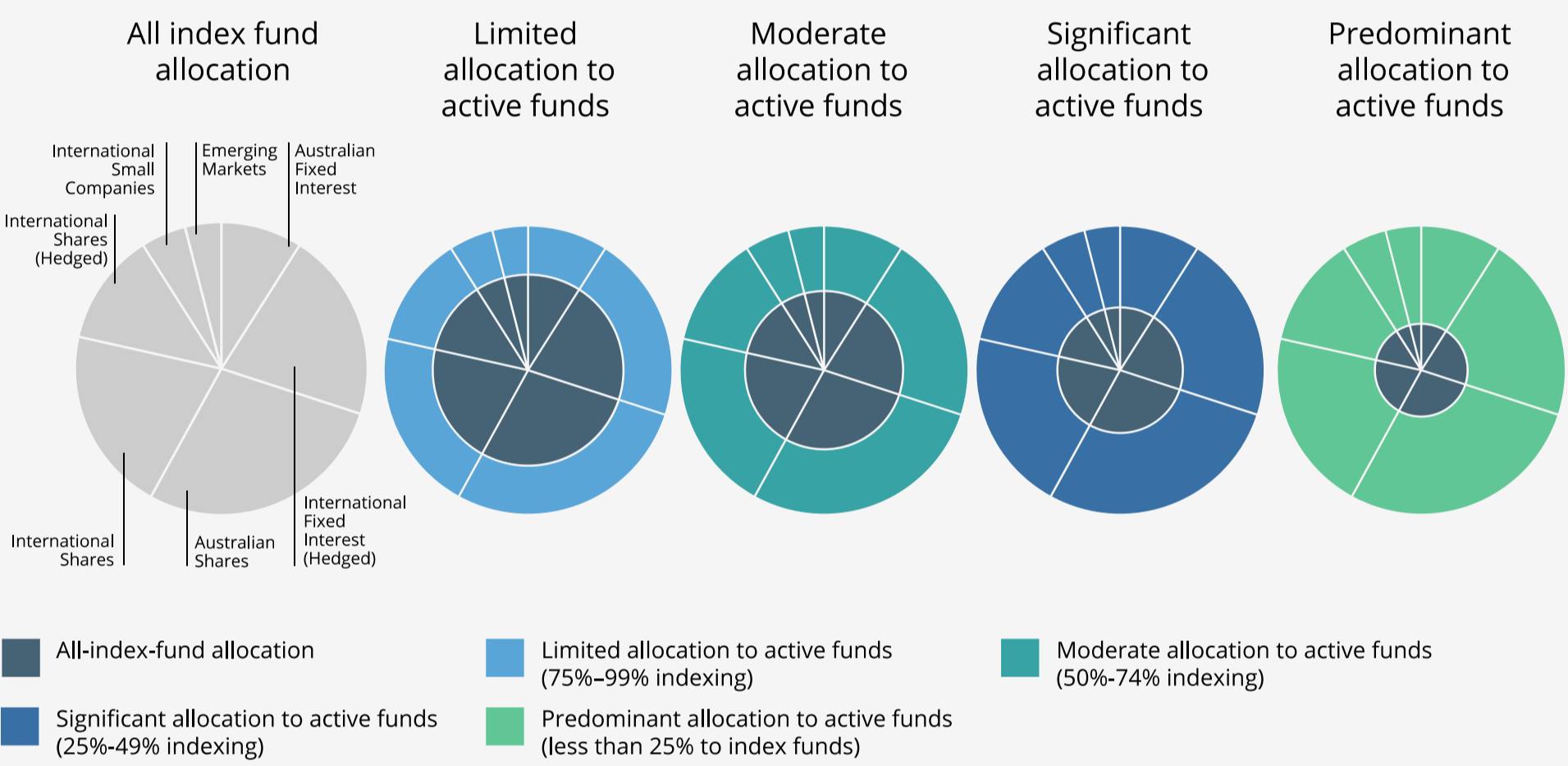
Our commitment is to design a tailored investment approach that balances potential rewards with your personal risk comfort level, helping you achieve your long-term financial goals with peace of mind.

Once we understand your risk profile, we offer a range of core-satellite portfolio solutions to help you meet your investment goals.

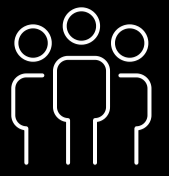
The core represents the foundational part of your portfolio which typically provides broad market exposure at a low cost.

Satellites represent the dynamic portion of your portfolio which are actively managed and provide potential outperformance.

Range of core-satellite solutions



For illustration purposes only.



Investment Management

Manager selection considerations



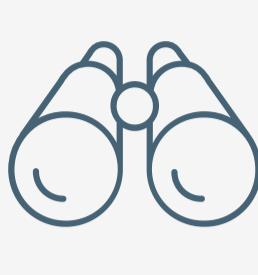
Talent

Carefully select managers with a proven process and demonstrable ability



Cost

Don't let high fees destroy fund performance



Patience

Accept that there will be periods of underperformance

Our investment philosophy centers on principled, methodical decision-making that prioritises ethical considerations.

We collaborate with expert asset allocation advisers and fund managers to deliver superior investment solutions tailored to your financial goals.

Framework for selecting active investment managers

Emphasis on quality, not short-term performance

Drivers



Firm

- Ethics
- Stability
- Ownership structure
- Account and asset trends
- Steady-to-growing client base
- Incentives that drive appropriate behavior



People

- Deep investment team
- Succession/contingency
- Limited turnover of key professionals
- Tenure and experience
- Proven expertise in subject matter
- Demonstrated ability to handle required mandates



Philosophy

- Shared by investment professionals
- Enduring
- Easily articulated



Process

- Understandable
- Stable/proven
- Repeatable
- Unambiguous decision-making

Outcomes



Portfolio

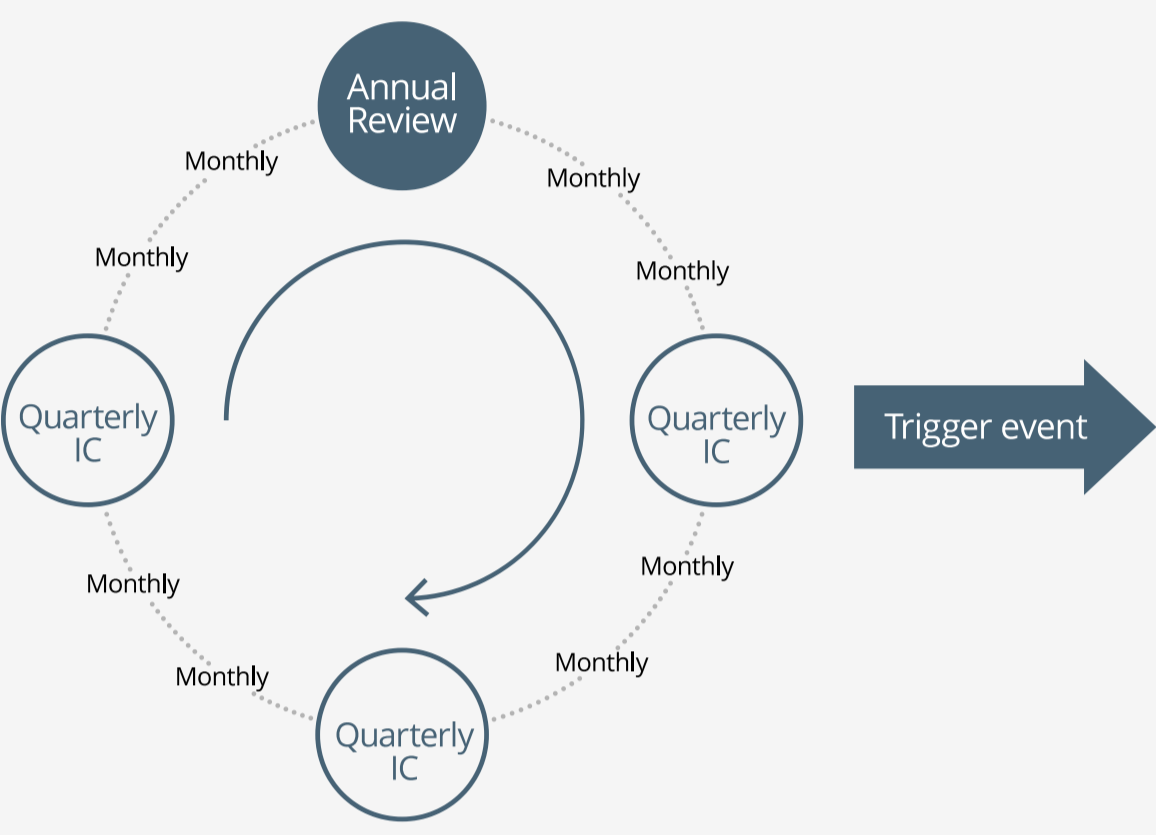
- Is it a clear reflection of philosophy and process?
- Are the characteristics consistent with expectations?
- The risk profile is aligned with the investment strategy?



Performance

- Is there a long-term history of competitive results vs benchmarks and peers?
- Is performance consistent with the investment approach?

Investment review process



Stages

- 1 Awareness of need**
A 'trigger' event creates awareness of a need to change
- 2 Assessment of the need**
Defining the broad requirements to address the need
- 3 Investigation of options**
Researching different ways of solving the need
- 4 Due diligence on options**
Assessing accessibility of options
- 5 Decision to act**
Review of business case for change and confirming intention to make a change
- 6 Selection of solution**
Evaluation of final pitches and confirming the choice of a preferred solution/fund manager
- 7 Implementation**
Preparing of resources to implement and engaging investors
- 8 Portfolio review**
Reviewing performance and changes



Discipline

We empower you to:

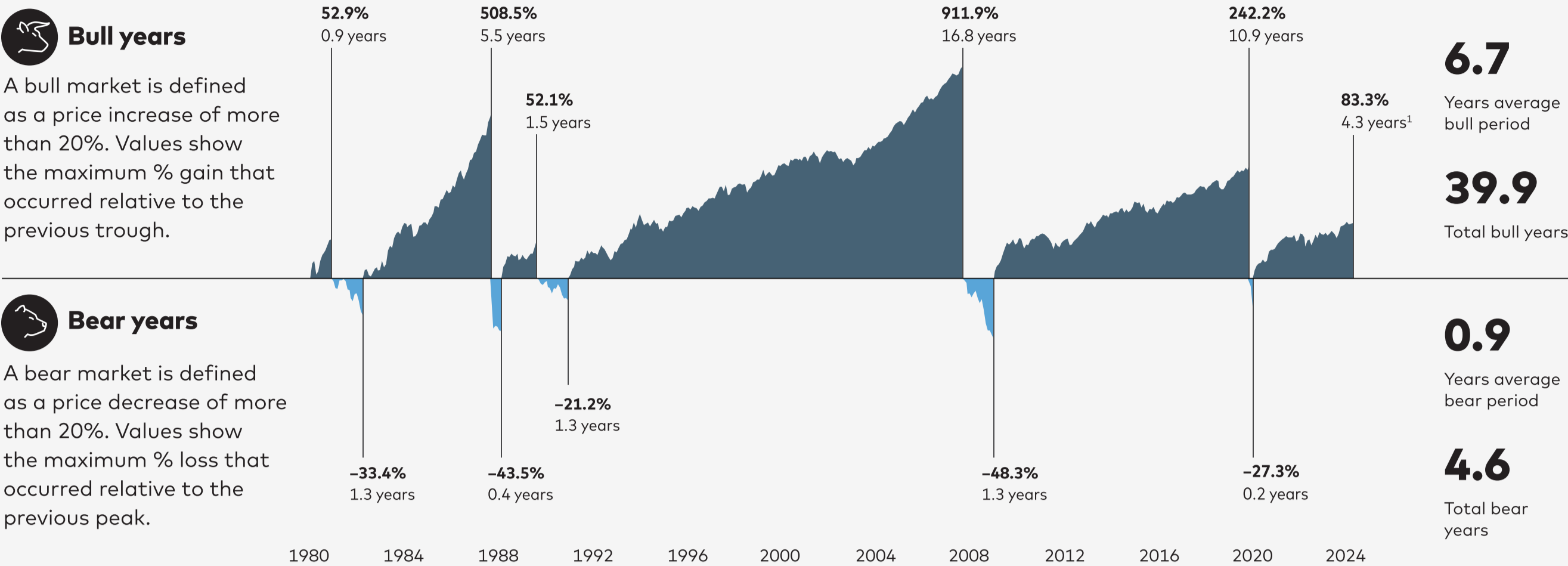
- Strategically increase your investment contributions
- Harness the power of compound growth
- Transform modest increases into significant long-term wealth

The key is simple:

- Invest more
- Invest smarter
- Let time and compound growth work in your favor

Importance of staying invested

How bull and bear markets have impacted returns over the past 40+ years.



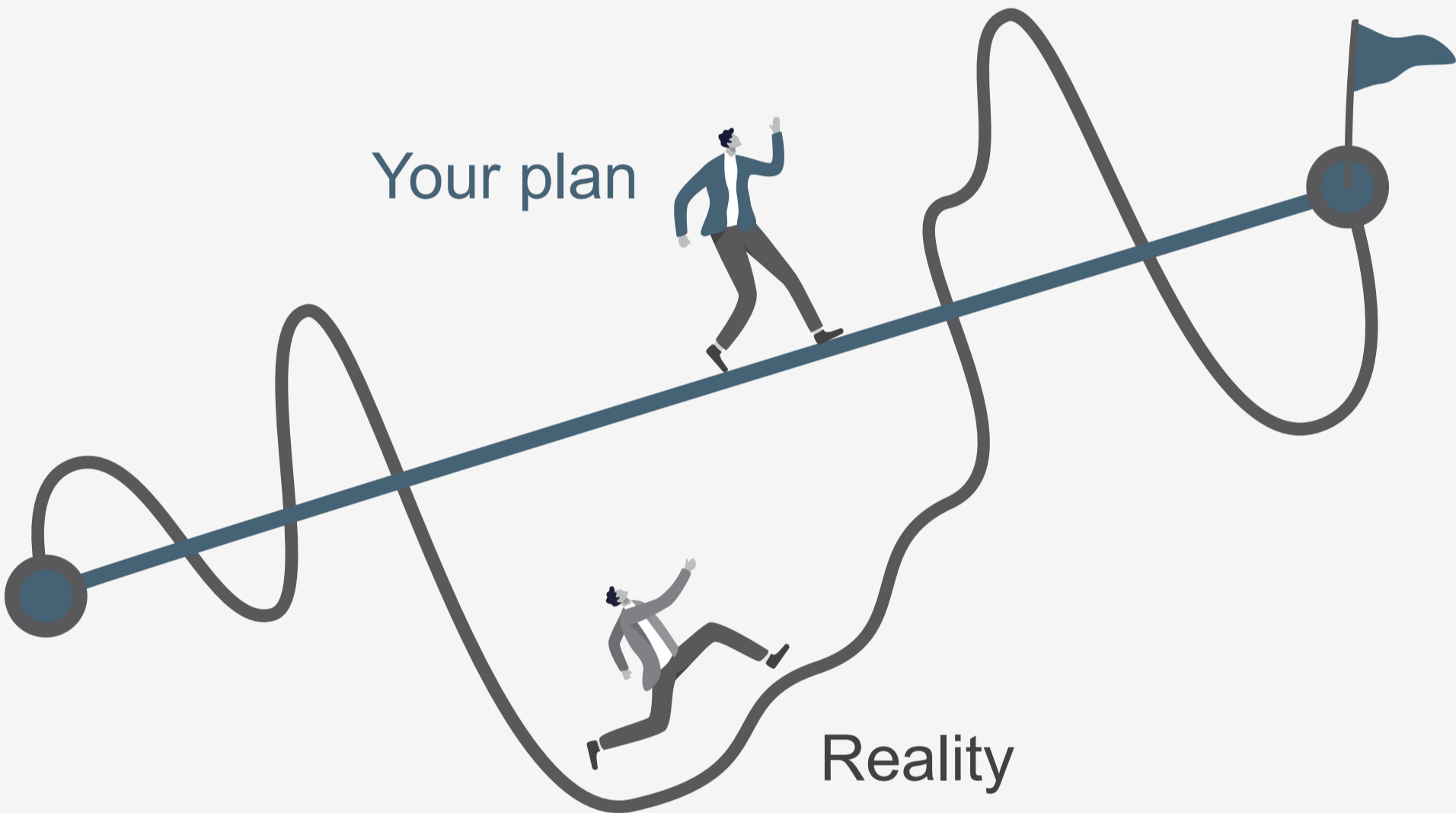
Notes: 1. The latest bull run is still ongoing. Calculations are based on S&P/ASX All Ordinaries Total Return Index. A bear (bull) market is defined as a price decrease (increase) of more than 20%. The plotted areas depict the losses/gains ranging from the minimum following a 20% loss to the respective maximum following a 20% appreciation in the underlying index. Time period: 31/12/1979 to 30/6/2024. Calculations based on monthly data. Logarithmic scale on y axis. Sources: Vanguard, Global Financial Data, Refinitiv.

When markets shift, we're by your side—offering clarity, perspective, and actionable strategies to help you stay confident and focused on your long-term financial goals.

Whether that is growing your wealth, protecting your wealth or just getting financially organised, we want the same outcome as you do.

We value your success - it is our ultimate goal!

Stay the course



Having read through our Investment Philosophy, you'll now be aware of the framework we will be using to make recommendations and investment decisions on your behalf.

We're committed to guiding you toward your financial goals through our proven, strategic approach.



Important information

1. Tristan Godfrey and Sound Financial Solutions Pty Ltd ABN 56 397 659 419 are Authorised Representatives of Dirigere Advisory Pty Ltd trading as Intelligent Planning AFSL Number 524371.



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