



Wealth Advisory

Investment **Philosophy**





4 Purpose-driven investment philosophy

5 A focus on your objectives

6 Managing risk to produce out performance

7 Portfolios built to last

8 A deeper look at the investment management process

10 Your dedicated portfolio management team

Purpose-Driven Investment Philosophy

Our Investment Philosophy defines how we add client value and decrease investment risk through the delivery of a professionally managed investment portfolio service.

Our strategic investment services partnership

Saward Dawson has partnered with the award-winning team at Akambo Investment Management to deliver a boutique managed investment portfolio service, providing our clients with a unique investment edge.

The Akambo partnership provides Saward Dawson Wealth with a dedicated 'in-house' team of highly experienced investment professionals, with access to global research, investment markets, unique investment opportunities and wide-ranging investment expertise.

In line with our clients' investment objectives, our advice and investments team design tailored portfolio strategies for client investment and superannuation accounts. We proactively manage portfolio risks and opportunities, plus deliver comprehensive portfolio administration, valuation, performance, and tax reporting.

With deep investment expertise and a reliable performance record, our wealth and investments team is trusted to manage portfolios for individuals looking to grow their wealth, high-net-worth families, for-profit and non-for-profit businesses, plus charitable groups both large and small.



Focus on Your Objectives

From strategy planning through to portfolio design, our sole focus is meeting your objectives.

- Tailored investment strategies
- Enhanced investment returns
- Proactive risk management
- Stable income streams
- Flexible tax management
- Wholesale investment opportunities
- Liquid access to capital
- Portfolio transparency

We take a direct investment approach. Using a discretionary Managed Portfolio Account structure, you are the direct beneficial owner of the investments in your portfolio account.

Direct ownership provides you with more certainty of income and liquidity, portfolio transparency, design flexibility, tax planning opportunities, plus the benefit of enhanced returns with direct access to franking credits, buy-backs and other corporate actions.

We employ rigorous governance and risk controls to protect your invested capital and proactively manage your portfolio considering the prevailing business cycle, economic outlook and financial conditions.

In line with your investment strategy, your portfolio can include a range of direct investment options including direct equities (domestic and international), direct bonds, enhanced yield investments, plus specialist funds to access unique opportunities and markets both locally and around the globe.

For investors that qualify, we also offer a range of wholesale investment opportunities not widely available.

To reduce your administrative burden, our team manages all investment execution and corporate actions, plus valuation, performance, and tax reporting on your behalf.



Managing Risk to Produce Outperformance

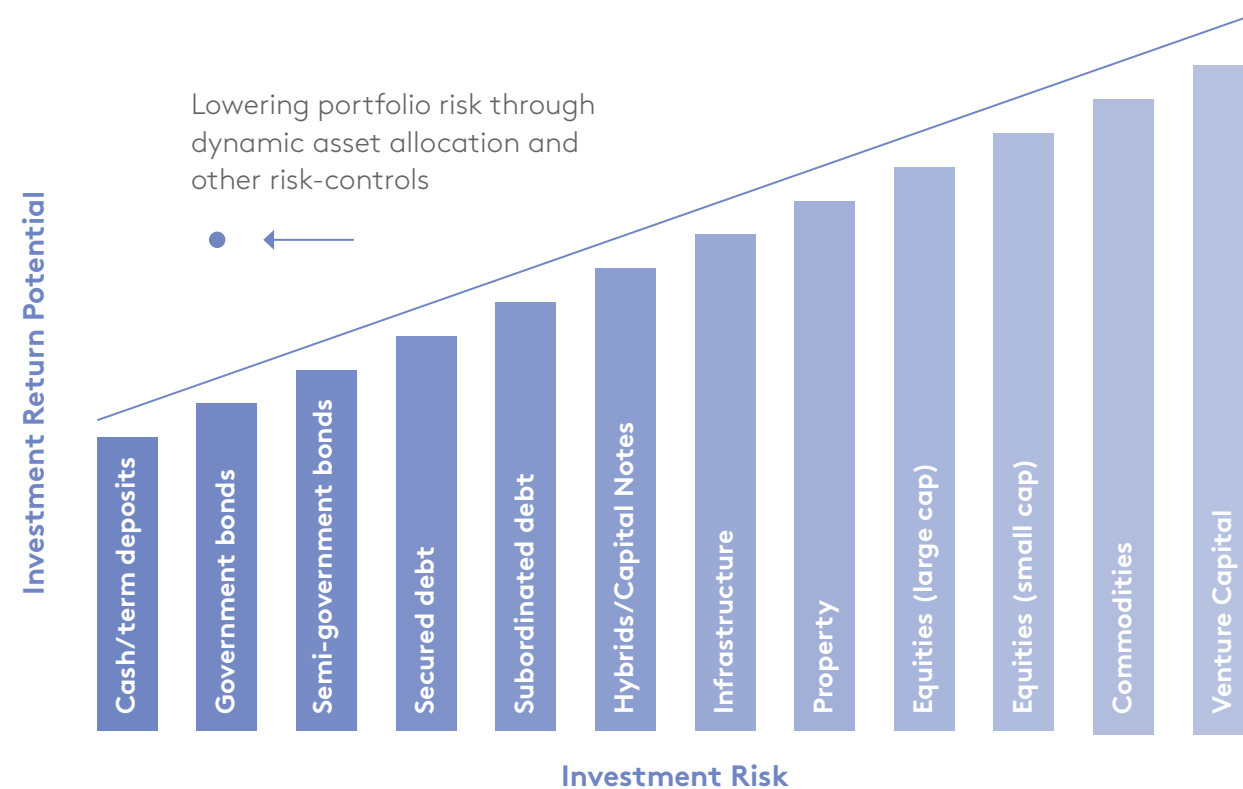
Through experience we know that above-market investment performance is underpinned by proactively managing portfolio risk.

We favour a direct investment approach (as opposed to pooled managed funds) to optimise risk controls, targeted asset allocation, portfolio liquidity and income stability.

Superior risk protection through our direct investment approach

By taking a direct investment approach, we can more clearly assess the "risk versus return" potential across a range of investment options to optimise the design of targeted portfolio strategies.

A highly liquid portfolio structure allows us to take a dynamic asset allocation approach, proactively managing risk and opportunities in response to changing market conditions.



In addition to dynamic asset allocation, we employ several other risk-control measures

- Diversification across geography, asset class, industry and individual investments.
- Progressive portfolio implementation.
- Ethical investment filters.
- Stop-loss price monitoring.
- A disciplined investment review process.

Our proactive risk-management methodology and direct investment approach improves portfolio transparency and overcomes the risks inherent in pooled managed fund or direct-broker models.

Portfolios Built to Last

Our unique portfolio structure is designed to meet your specific objectives, to better manage risk in challenging investment markets, and to deliver tax-effective

inflation-adjusted portfolio returns. We do this by managing your portfolio across custom sub-accounts with an income and quality control overlay.

Cash Portfolio

Designed to meet short-term funding or pension payments, with investments in at-call or short-term wholesale credit accounts.

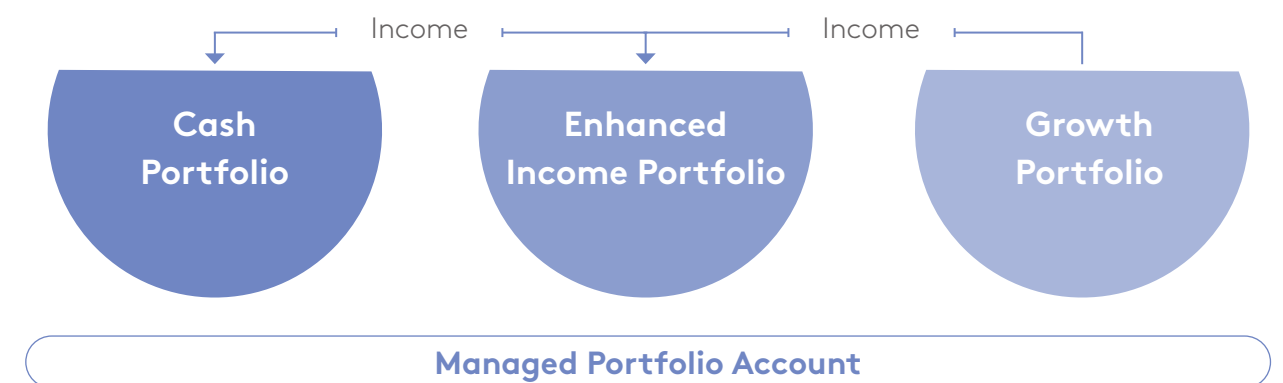
Enhanced Income Portfolio

Designed to provide capital stability plus meet medium-term income and liquidity requirements, with investments in high-yielding low-risk assets.

Growth Portfolio

Designed to achieve long term tax-effective capital and income growth, including Australian and international shares, property, infrastructure and alternative investments.

Your Wealth and Investment Strategy



A better way to invest

Holding direct investments (e.g. direct shares, bonds, cash) via a Managed Portfolio Account structure provides more flexibility and agility to navigate challenging markets, quarantine risk, plus improve liquidity and certainty of income.

Portfolio income can be flexibly directed to cash or re-invested to maximise long-term investment returns. When markets are strong, profits can be harvested from the Growth Portfolio and re-allocated to the Enhanced Income or Cash portfolios.

If markets experience a downturn, volatility risk can be largely quarantined in the Growth Portfolio avoiding the untimely draw-down of growth assets to fund income and pension requirements.

Our innovative portfolio management approach consistently delivers great long-term outcomes because we design investment strategies to achieve our clients' objectives, supported by proactive risk-controls and dedicated expertise.

A Deeper Look at the Investment Management Process



Portfolio design and risk-control structure

The investment process starts with a top-down approach to assess the macroeconomic environment and stage of the business cycle. From this point, the investment team applies a dynamic asset allocation blend within the framework of the client's broad investment strategy and objectives.

Cash levels and capital allocation across industry sectors are set accordingly, and a range of target investments identified according to risk-adjusted return potential and Environmental, Social and Governance (ESG) considerations.

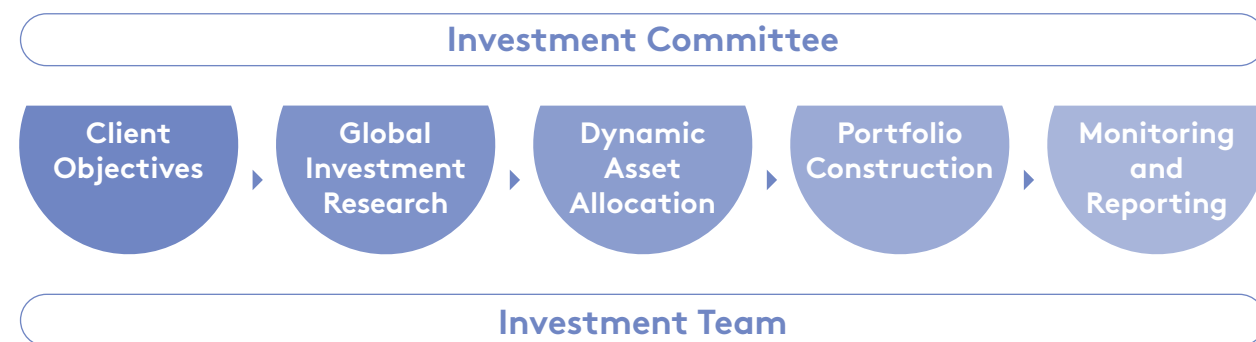
Individual investment opportunities are researched and assessed in accordance with this framework before they are selected for the appropriate portfolio.

Risk is managed at both single security (investment) and portfolio levels. Security level risk management includes ongoing research and analysis of portfolio holdings and "focus list" stocks, for which dynamic price targets are maintained.

Portfolio risk metrics are measured at least weekly, including volatility, beta, correlation, risk-adjusted returns, drawdown, factor exposures and tracking error. As risks emerge stress testing of scenarios is conducted.

Risk management is enhanced via oversight of the investment process by the Investment Committee, which includes external members with high levels of expertise in asset allocation and credit markets. The Manager of Portfolio Risk and Operations meets regularly with the Chair of the Investment Committee to discuss attributes of the portfolio from a risk perspective.

Investment committee determinations are implemented quickly and consistently across client portfolios large and small using our Managed Portfolio Account technology.



Proactive Portfolio Management Approach

The investment team employs a proactive approach to managing risk and opportunities

- Dynamic asset allocation – ability to vary strategic asset allocation 10%+/- at an individual asset class level or 20%+/- at a broad growth/defensive allocation level.
- A focus on direct investments (as opposed to managed funds).
- Investment positions – 10 to 30 per sub-portfolio to achieve optimised diversification.
- Low turnover – 30% on average. This can be impacted by highly volatile market conditions.
- Liquidity – a focus on large-cap, stable balance sheet investments from around the globe.
- Proactive cash management – cash is used to reduce systemic risk and volatility plus retain the ability to invest counter-cyclically if required.
- Progressive portfolio implementation to build into portfolio positions.
- Sell discipline – an investment will be sold or trimmed on noticeable deterioration in earnings quality or balance sheet metrics.

A Disciplined Investment Review Process

The investment team meets regularly to assess portfolio risks and opportunities.

- Daily brief – performance attribution and price target review.
- Weekly brief – review of key economic and company events, plus dividend/income analysis.
- Monthly brief – performance review, ESG review and market force analysis.
- Investment committee meeting – review of asset allocation, position changes, risk and performance attribution, plus external manager review.
- Risk meeting – assessment of key risk parameters and compliance.

Oversight of the investment team is provided by Akambo's Investment Committee. The committee includes independent external committee members with high levels of expertise in asset allocation, credit markets and governance. The committee provides valuable input and oversight on all aspects of the investment process.

Your Dedicated Portfolio Management Team

Our partnership with the Akambo investment team enhances our service offering with an objectives-based approach to investment management, delivering best-in-class investment solutions to our clients.

The Akambo investment team and investment committee include the following key members:

Name	Responsibility	Years in Team	Years in Industry
Chris Willaton	Chief Investment Officer	14	32
Bernard O'Connor	Senior Investment Manager	15	39
Robert Makdissi	Investment Manager	4	24
Greig Barrow	Investment Manager	2	19
Daniel Basic	Manager – Portfolio Risk and Operations	9	9
Anthony Kapetanovic	Akambo MD/Investment Committee Member	15	25
Chad Brendish	Independent Investment Committee Member	5	30
Andrew Papageorgiou	Independent Investment Committee Member	5	20

The investment team is led by CIO Chris Willaton, who joined Akambo Financial Group close to its founding in 2007. He is the Akambo executive responsible for developing its investment processes and building its investment team. Chris is one of the main owners of the business.

While each of the CIO and investment managers are involved in all aspects of the investment process, there is specialisation across the team. Chris Willaton and Investment Manager Robert Makdissi are focused on developing the teams' macroeconomic view. Senior Investment Manager Bernard O'Connor and Investment Manager Greig Barrow are focused on company research.

The team is "investment style agnostic" which helps avoid behavioural biases. Portfolio themes and investments are thoroughly stress-tested. All team members contribute to debate on portfolio positioning across the spectrum of possible investments. The extensive relevant experience of each team member is of benefit in this regard.

Stability is very high within the investment team. The respective equity stakes in the business ensures the team maintains a vested interest, and alignment with investors, in the long-term outcome of the portfolio manager's success.

Investment Account Administration and Security

To achieve investment portfolio security, management efficiency and comprehensive reporting, we use several best-in-class investment platforms with client portfolios held on custody in accordance with the Australian Securities and Investment Commission's (ASIC's) regulatory requirements.

The custody arrangement establishes a trust in which the custodian holds assets for the direct benefit of the client. The custodian holds no title to the assets, cannot borrow funds or do anything other than deal with the assets (i.e. transfer, buy, sell) under instruction by the client and their appointed investment manager and adviser.

The custody structure eliminates "counterparty risk" and is independently audited. Clients own their individual account(s) and are the direct beneficial owners of all assets, with 24/7 portfolio access and full portfolio portability if they wish to transfer their portfolio(s).

Portfolio Transparency and Reporting

The Managed Portfolio Account structure provides clients with full transparency of the underlying investments in their tailored portfolio. 24/7 access is provided via the Seward Dawson Client Portal.

In addition to Client Portal access, we produce a Weekly Investment Snapshot and Monthly Portfolio View to keep clients informed of relevant market events and key portfolio updates.

Custom market and portfolio reporting can also be provided to meet the needs of for-profit, non-for-profit, charity and family office clients.

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Wealth Advisers Pty Ltd

Saward Dawson Wealth Advisers Pty Ltd | ABN 74 620 432 790

Corporate Authorised Representative of Akambo Pty Ltd t/a Accountants Private Advice

20 Albert St, Blackburn VIC 3130 | T +61 3 9894 2500 | F +61 3 9894 1622

E contact@sawarddawson.com.au | W sawarddawson.com.au



**ACCOUNTANTS
PRIVATE ADVICE**
by akambo

Akambo Pty Ltd t/a Accountants Private Advice

ABN 16 123 078 900 | AFSL 322056 | Principal address Level 9, 90 Collins Street Melbourne VIC 3000

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