mn8 wealth

Illuminating your financial future

# Investment Philosophy

# Investing with you in mind

In an increasingly complex world, it's vital that you know how we approach investing and what that means for you.

Our philosophy is set out in these seven investment principles. We use these principles to guide our thinking, behaviour and decision making, every step of the way, ensuring that your goals, life stage and situation are all considered.

**We put investors first.** We believe the firms that put investors first win in the long term because their investors win.

**We're independent-minded.** To deliver results, we think it's necessary to invest with conviction, even when it means standing apart from the crowd.

**We invest for the long term.** Taking a patient, long-term view helps people ride out the market's ups and downs and take advantage of opportunities when they arise.

**We're valuation-driven investors.** Anchoring decisions to an investment's fair value – or what it's really worth – can lead to greater potential for returns.

**We take a fundamental approach.** Powerful research is behind each decision we hold, and we understand what drives each investment we analyse.

**We strive to minimise costs.** Controlling costs help investors build wealth by keeping more of what they earn.

**We build portfolios holistically.** To help manage risk and deliver better returns, truly diversified portfolios combine investments with different underlying drivers.

# A new way of thinking about return and risk

## Return

We're outcome-focused investors. Our goal is to beat inflation. We do this because inflation diminishes the value of your savings: $1 today is worth less than $1 in 1999. By keeping up with inflation, we can preserve the purchasing power of your money.

On top of this, we look to add an amount expressed as a percentage (for example, inflation +2.5%) to help grow your wealth in line with your risk capacity. We define success by measuring progress toward your goals over the longer term, as opposed to a comparison against an arbitrary benchmark, like the S&P/ASX 2000, or peers in the market. We take this approach because beating a benchmark in a volatile market doesn't necessarily mean material growth or returns for you.

## Risk

We define risk as losing money that can't be made back. In doing so, we focus on preserving your capital and invest with a margin of safety into the opportunities that truly stack up.

Your portfolios have the flexibility to invest with conviction in opportunities that we view favourably, while limiting investment in those assets with less appeal. We invest where and when it makes sense to do so, looking to deliver more consistent returns for our clients over the long term.

# Putting it all together

We look for investment portfolios with robust strategies and strong management to achieve your investment goals. Portfolio construction is largely about risk management. Superior returns are the outcome of disciplined long-term investment strategies.

The structure or investment vehicle can have a significant impact on the tax consequences of investing. By incorporating these investment principles, we can implement the investment strategy via the most appropriate vehicle for you to achieve your financial goals.

### Making your goals our goals

At MN8 Wealth, we work with you to identify thoughtful long-term goals, and match you to the investment strategy to help you get there. In doing so, we strive to achieve consistent returns over the rate of inflation, focused on reaching your goals and aspirations.

*"To invest successfully over a lifetime does not require a stratospheric IQ, unusual business insights, or inside information. What's needed is a sound intellectual framework for making decisions, and the ability to keep emotions from corroding that framework."*

Warren Buffett

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