




Outcomes Assessment  
for Financial Year 2020/2021:  
**Bendigo SmartStart Pension**

## Through Bendigo SmartStart Pension (BSSP), we want to help you prosper in retirement, by keeping our fees low and delivering strong investment returns.

The Outcomes Assessment is an important review on how we are delivering across areas that impact member's retirement savings. This includes investment performance, fees and costs, insurance, benefits, and facilities.

The process of this review and results of our outcomes assessment is outlined below in three parts. Firstly, we present the key data we used to compare ourselves across the assessment factors outlined above. We then present an analysis of each of these assessment factors, followed by a final summary (determination) around whether we have met our obligations to promote the financial interest of our beneficiaries. We used the following symbols to show whether we met an objective, partially met it, or did not meet it at all.

Objective was met	
Objective was partially met	
Objective was not met	

After completing a thorough assessment, we are pleased to report that we have continued to deliver members a simple low-cost retirement solution with strong investment performance and customer service. Below details the process of this review and our results.

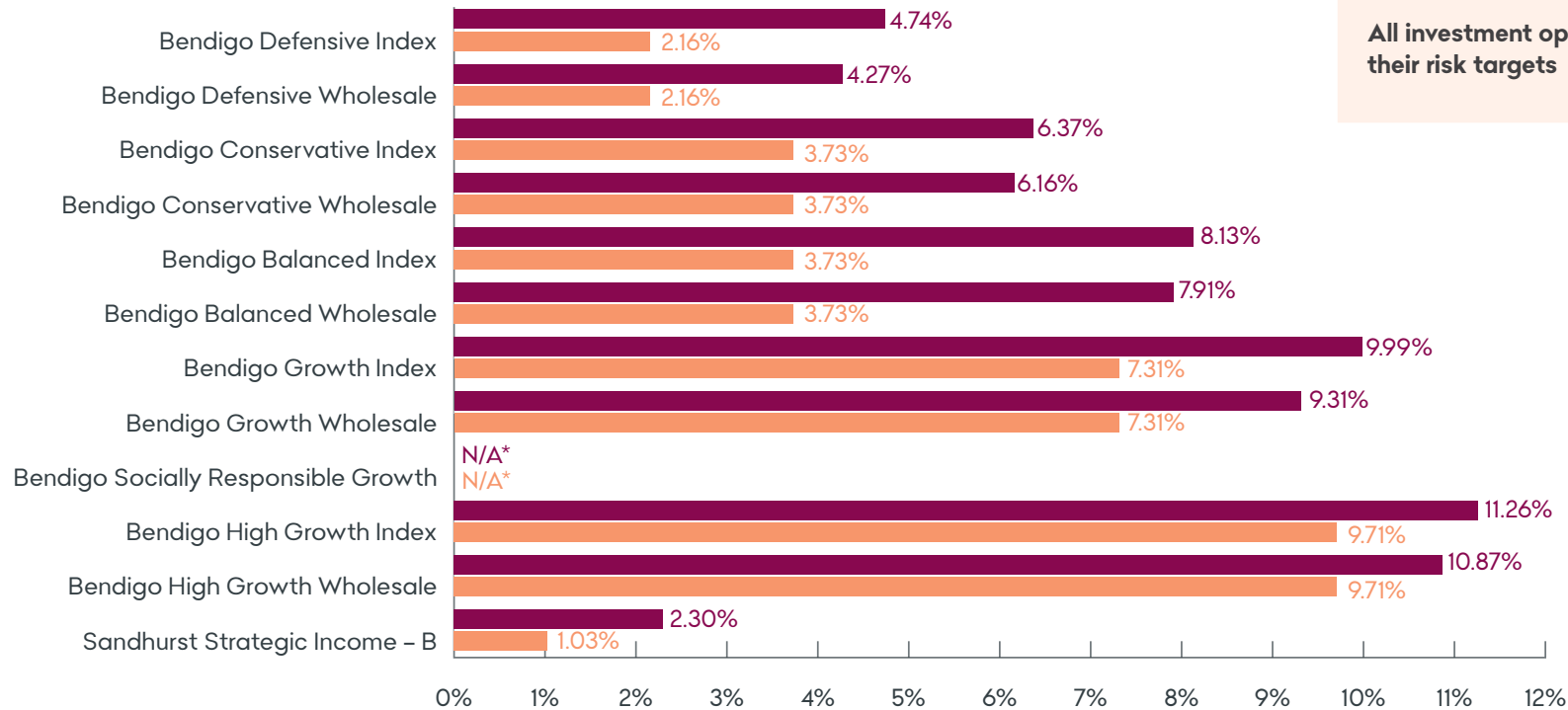
### How we compare

We used comparison data as at 30 June 2021, from sources such as APRA, as well as third party research agencies such as Chant West and Morningstar.

Industry data for pension products was not widely available. Investment comparisons were conducted using industry data across a large sample of peers with the same investment option/age group profile.

# Investment returns and risk

## BSSP Retirement Options



\* The Bendigo Socially Responsible Growth Fund was added to the investment menu on 21/11/2016.

Net Investment Return 5yr p.a.  
 Morningstar Superannuation Peer group average (p.a.)

### Objectives

Achieve net investment returns above the industry average over rolling five-year periods for all investment options

### Results



All investment options within their risk targets



- All investment options **exceeded** the average net investment return of the industry over rolling five-year periods.
- All investment options were within their investment risk targets.

## Member fees

The average member fees per annum are higher than the peer group we compared against.

Against the average of the selected comparable products, the Pension administration fee fixed dollar component of \$98 is more expensive than the peer group average of \$93.40. Against the average of the selected comparable products, the administration fee percentage component of 0.20% is higher than the peer group average of 0.18%.

We note that the peer group for our Pension product consists of 5 funds that are some of the lower cost funds in the industry. Therefore,

### Objectives

**Member fees no more than the peer group average**

### Results



although we didn't meet our objectives for member fees, the comparison indicates that our Pension administration fees are competitive.

However, we will review our Pension administration fees in light of these results.

## Analysis of each of the assessment factors

An important part of this review is how we comply as a trustee in promoting the financial interests of our members across investment returns, risk, fees, costs, and what options are offered.

### Investment returns and risk

**Our determination:** The investment strategy, including the risk and return targets promotes the financial interests of members.

We considered the Pension investment strategies and compared the risk and return across each investment option against industry/peer group averages.

#### We reached this conclusion based on the following:

- The Pension product exceeded the objective of having 75% of investment options in the product meet their investment objectives, with 100% of options exceeding their investment return objectives.
- All investment options exceeded their peer average across investment returns for the rolling 5-year period.

### Fees and costs

**Our determination:** The basis for setting fees and costs charged are appropriate for pension members.

We looked at the impact of fees and operating costs across each investment option and how these compared with the industry average across different member segments.


The representative member fee is comprised of administration and investment fees. This assessment has highlighted that our administration fees whilst not overly expensive, did not meet our internal objectives when compared to the peer group. We will review our Pension administration fees in light of these results.

### Insurance

There is no insurance offered in the Pension product. This is appropriate for members in the retirement phase.

## Benefits & facilities

Bendigo Pension is designed to be simple and cost effective. As such, our objective is to ensure that services we offer and how we engage with members is relevant and beneficial.

Objectives	Results
Adequate level of customer service	
Providing effective members' education and engagement	

Overall, we are mostly meeting our objectives of obtaining satisfactory customer service experience and providing effective member education and engagement.

Only one out of four measures around customer service, our Net Promoter Score was lower than the industry median, which we will focus on improving.

### Scale

**Our determination:** Members and their retirement outcomes are not disadvantaged by our scale

We considered whether our size and ability to continue to attract Bendigo and Adelaide Bank customers hinders our ability to negotiate competitive fees, pool investments and risk. Our assessment showed that we are able to offer a competitively priced product, with strong investment performance and an appropriate insurance offering.

## Bendigo Pension Trustee Determination

The Pension Product is an account-based pension which aims to provide a low-cost and easy-to use solution to provide members with a flexible and potentially tax effective income stream in their retirement or as they transition into retirement.

Investment performance achieved the set investment objectives for each option, with the majority of investment options maintaining their investment risk objectives. The representative member fees did not meet our objective of being no more than the peer group. Basic (yet adequate) tools and facilities are offered to members to assist with keeping costs low, noting that member sentiment indicates that additional tools are not desired.

Through undertaking the member outcome comparisons and assessments and in accordance with the requirements of section 52(9) – 52(11) of the SIS Act, we as Trustee, have determined that we are promoting the financial interests of the beneficiaries in the Pension product. However, we acknowledge that this assessment has highlighted that our administration fees could be more competitive. We will continue to regularly review our administration and investment fees and investigate ways to make them more competitive.

The comparisons and assessments undertaken for the member outcomes assessment show that the Pension product is sustainable in terms of investment returns, fees and costs and scale.

We have balanced the comparative and assessment steps under sections 52(10A) and 52(11) of the SIS Act by considering the key factors as returns, investment strategy, fees and operating costs. Secondary key factors are any disadvantages from scale, followed by consideration of options, benefits and facilities.

Based on the comparison data and corresponding analysis of the assessment factors have informed this determination. The Trustee has determined that the following are appropriate to members / beneficiaries in the Pension product:

- (a) the options, benefits and facilities offered under the product;
- (b) the investment strategy for the product, including the level of investment risk and the return target;
- (c) the fees and costs; and
- (d) scale.

This determination is made for the financial year to 30 June 2021.

Bendigo SmartStart Super (ABN 57 526 653 420) (the Fund) is issued by Sandhurst Trustees Limited ABN 16 004 030 737 AFSL 237906 (Sandhurst) a subsidiary of Bendigo and Adelaide Bank Limited (the Bank) ABN 11 068 049 178 AFSL 237879. Sandhurst and the Bank receive remuneration on the issue of the Fund or the service they provide, full details of which are contained in the Product Disclosure Statement (PDS). Investments in the Fund are not deposits with, guaranteed by, or liabilities of the Bank or any of its related entities. Past performance is not an indication of future performance. Awards and ratings are only one factor to be taken into account when deciding whether to invest in a financial product. This document contains general advice only. You should consider your situation and read the Product Disclosure Statement, available at [www.bendigobank.com.au/pension](http://www.bendigobank.com.au/pension), before making an investment decision. For target market determination: [www.bendigobank.com.au/TMD](http://www.bendigobank.com.au/TMD)

