



Outcomes Assessment
for Financial Year 2022/2023




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.

Bendigo SmartStart Pension (BSSP) members have the option to choose from 13 investment options with differing risk and return profiles. The choice investment options also allows a choice between indexed lower cost investment options or more expensive actively managed investment options.

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 long-term investment performance and satisfactory customer service. Below details the process of this review and our results.

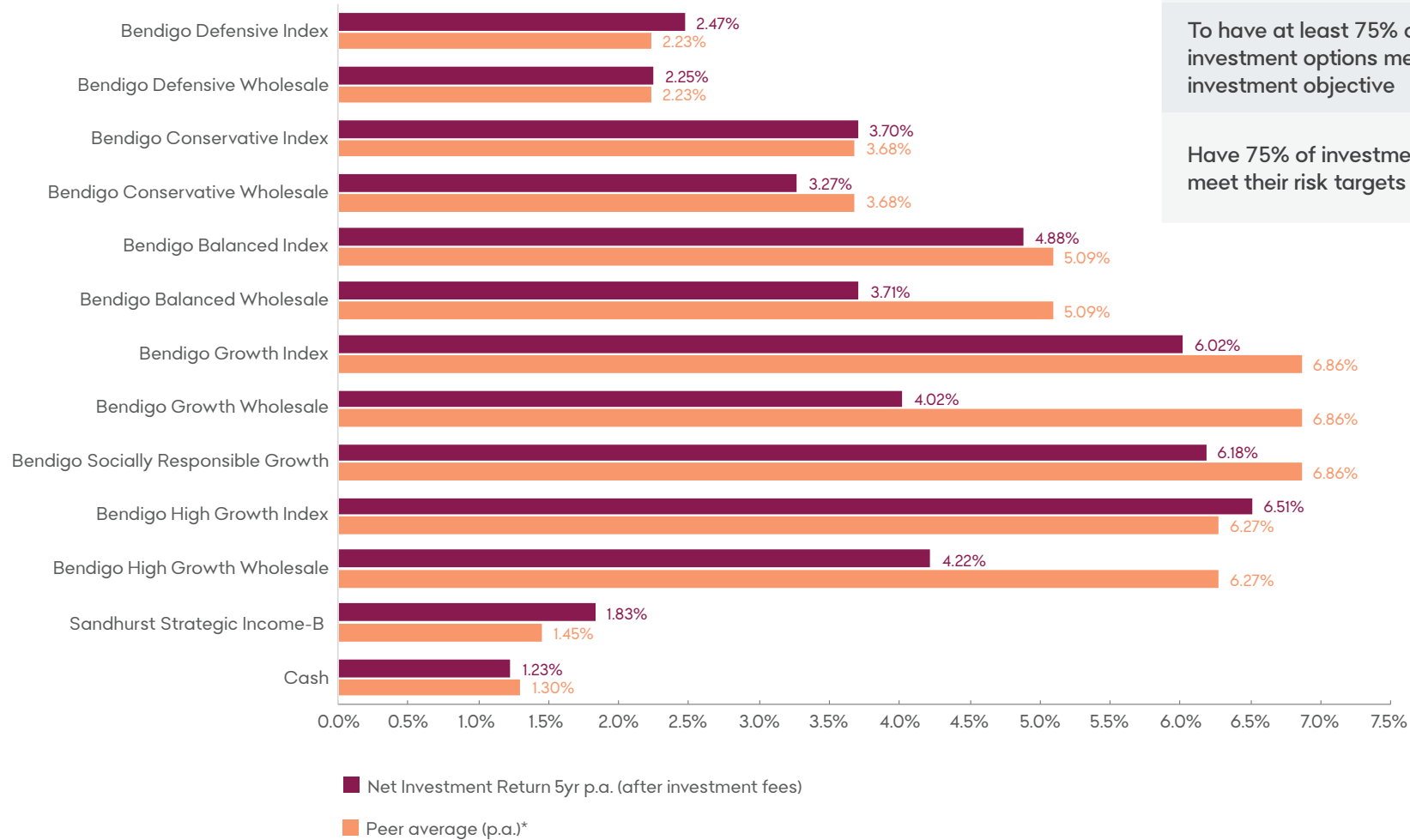
How we compare

We used comparison data as at 30 June 2023, from sources such as APRA, as well as third party research agencies such as Chant West and SuperRatings.

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, objectives and risk

BSSP investment returns



Objectives

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

Results



To have at least 75% of investment options meet their investment objective



Have 75% of investment options meet their risk targets

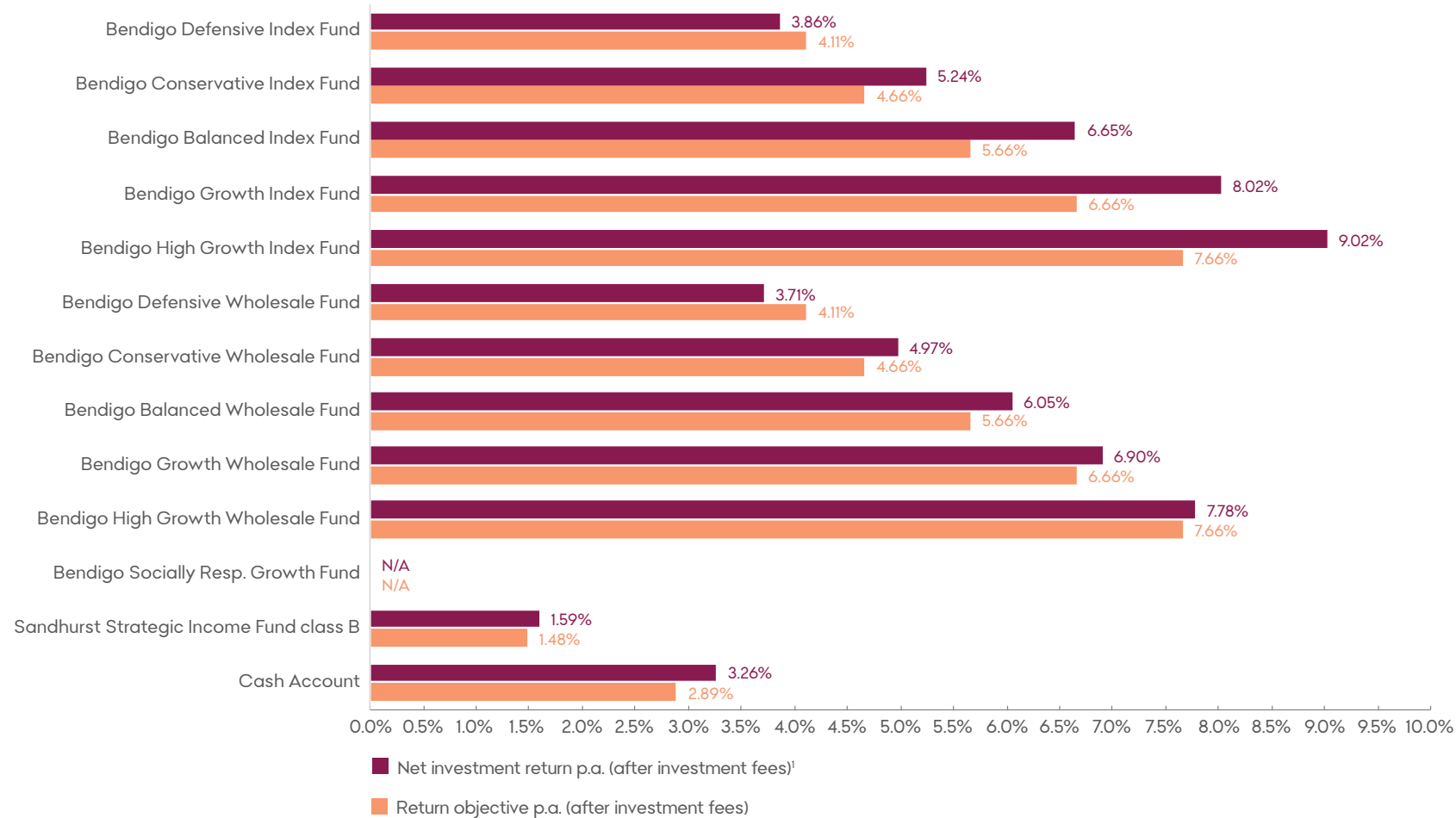


We have had mixed results with some investments options performing favorably or in line with peers and others performing below peers over 5 years.

* Source Custom SuperRatings peer group average.

Investment returns, objectives and risk

BSSP Choice investment option



All investment options met their investment return objective with the exception of the Defensive options. The Bendigo Socially Responsible Growth Fund has not operated long enough to be tested against its return objective.

The majority of investment options were within their investment risk targets.

¹ All investment options assessed over 10 years with the exception of the Sandhurst Strategic Income Fund and the Cash Account which are assessed over two and one year respectively.

Member fees (Admin and Investment fees based on a \$50,000 account balance)

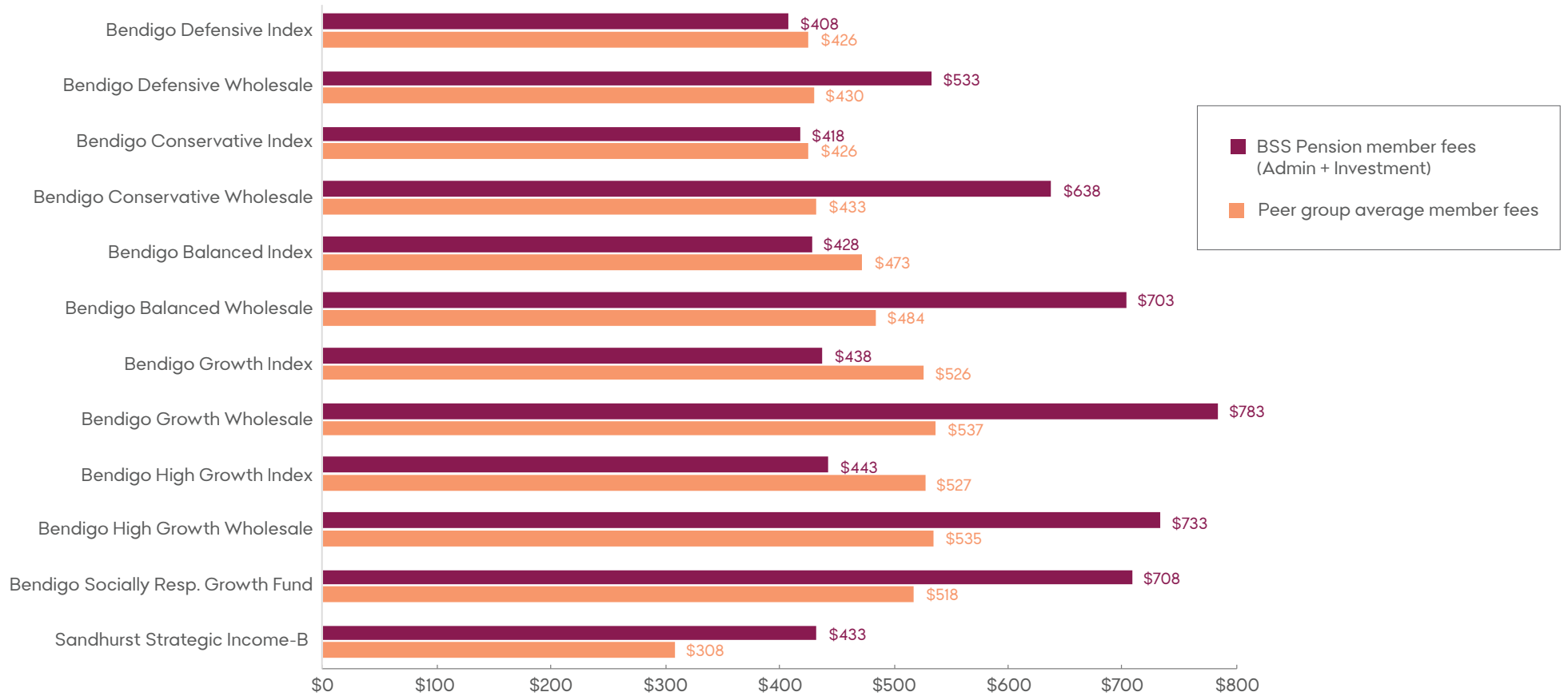
Objectives

Member fees no more than the peer group average

Results



BSSP Investment Options



Our administration fee appears to be higher than peers and so it will be reviewed.

Whilst our Index Funds are priced competitively and compared favourably to our peers, our actively managed wholesale funds had investment fees higher than peers. We are reviewing ways to improve net investment performance and we will continue to monitor the setting of our fees.

We have not undertaken a comparison of our Cash investment option, which is also used as the Cash Account, against peers due to inconsistent industry data. However we confirm that we do not charge any fees for our Cash Account with funds held on deposit with Bendigo Bank who calculate and apply interest on a monthly basis based on the average 90 day bank bill swap rate.

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 (and overall) against the investment return and risk objectives of BSSP and 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 over ten years.
- We continue to monitor our investments and review ways to improve investment performance.

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 fee whilst not overly expensive, did not meet our internal objectives when compared to peers. In planning the future direction of the Fund we will review our Pension administration fee to ensure it is set at an appropriate level. Additionally the investment fees for some investment options could be more competitive and we will take steps to review these.



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.

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

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

The key measures assessed for customer satisfaction were: Overall Satisfaction, Ease of Dealing, Net Promoter Score (NPS) and Likelihood to Switch. Of the four measures, only 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 the size of our Bendigo Pension product in the context of the services we are able to leverage from being part of the Bendigo and Adelaide Bank, together with the core services and features our members receive from our key service providers such as our member administrator. Our assessment showed that we are able to offer a default pension option and a range of diversified choice investment options with differing price points, and strong long-term investment performance.

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 return objectives for most options, with the majority of investment options meeting their investment risk objectives. The member fees only partially met our objective of being no more than the peer group average. 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.

We acknowledge that two of our investment options failed the APRA annual performance test and we are working through our assessment of the future state of these two investment options.

Through undertaking the member outcome comparisons and assessments 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 and the investment fees of some of the investment options could be more competitive. We will continue to regularly review our administration and investment fees and investigate ways to make them more competitive. We are also continually

monitoring our investments and making prudent changes where we have conviction it should improve long-term returns.

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 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 2023.

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Bendigo SmartStart Pension (the Fund) is issued by Bendigo Superannuation Pty Ltd (Bendigo Super) ABN 23 644 620 128 AFSL 534006, a subsidiary of Bendigo and Adelaide Bank Limited (the Bank) ABN 11 068 049 178 AFSL 237879. Bendigo Super 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. This document contains general advice only. You should consider your situation and read the Product Disclosure Statement, available at www.bendigobank.com.au/pension, before making an investment decision. For target market determination: www.bendigobank.com.au/TMD (1973649-1973595) (03/24)