



# Virgin Money Super Annual Outcomes Assessments

MARCH 2021

Each year Virgin Money Super is required to assess our performance against other super funds and determine whether our products promote the financial interests of our customers.

When carrying out our assessment, we consider a number of factors including:

- investment options
- investment performance
- costs and fees
- insurance options and fees
- overall size and scale of our fund

The annual assessment is split into two stages for Virgin Money MySuper. Stage 1 looks at our Investment options, performance and fees. Stage 2 focuses on the product structure, operational set up and Insurance offering. We've decided to place equal weighting on both assessment stages when making its determinations for Virgin Money MySuper.

Both assessment stages examine outcomes according to various different factors. We've summarised each outcomes assessment in the table below. Green indicates it is clear financial interests are promoted, Amber indicates financial interests are mostly promoted, and Red indicates that further improvement is required to ensure financial interests are promoted.

Overall we've assessed our performance for the year ending 30 June 2020 and are pleased to confirm we believe the Virgin Money Super products promote the financial interests of our customers.

## MySuper Assessment

We've assessed the performance of Virgin Money MySuper and determined that it's promoting the financial interests of our customers as at 30 June 2020 based on the below factors and assessment outcomes:

Factor	Rating
<b>Stage 1</b>	
<b>Investment returns</b>	<p><b>Customers' financial interests are promoted.</b></p> <p>Investment returns, after deduction of all fees, costs and taxes, are above average over 1, 3 and 5 years for the majority of customers compared to other super funds.</p> <p>However, some customers have received lower returns where we have designed investments to be less volatile.</p>
<b>Investment risk</b>	<p><b>Customers' financial interests are promoted.</b></p> <p>Consistent with the Virgin Money LifeStage Tracker investment strategy, the level of investment risk is higher relative to other MySuper products for younger customers and lower for older customers.</p>
<b>Fees</b>	<p><b>Customers' financial interests are promoted.</b></p> <p>Virgin Money MySuper fees are amongst the cheapest when ranked against other MySuper products.</p>

## Stage 2

<b>Options, benefits and facilities</b>	<b>Customers' financial interests are promoted.</b> Customer services rated top 3 in 2020 by Chant West compared to all other retail and industry funds. Overall Net Promoter Score of +13 compared with the industry average of -10.
<b>Investment strategy</b>	<b>Customers' financial interests are promoted.</b> Annual review of investments completed and small adjustments made to the investment strategy to improve customer outcomes. Overall, the investment strategy was concluded to be appropriate and in line with customers' circumstances.
<b>Insurance strategy</b>	<b>Customers' financial interests are promoted.</b> We compared our insurance design to our competitors and found our insurance strategy supports customer needs.
<b>Insurance fees</b>	<b>Customers' financial interests are promoted.</b> All customers are expected to have insurance fees (premiums) less than 1% of salary which will better ensure insurance fees do not inappropriately erode the retirement income of customers.
<b>Scale</b>	<b>Customers' financial interests are promoted.</b> Scale has been obtained given the product forms part of the Mercer Super Trust. This allows access to significant staffing levels, bargaining power and risk pooling.
<b>Operating cost</b>	<b>Customers' financial interests are promoted.</b> Outsourced service providers have contracts negotiated regularly and benchmarked to other potential providers. Latest benchmarking concluded that all providers met the market standards on pricing, service levels and quality for similar funds.
<b>Fee structure</b>	<b>Customers' financial interests are promoted.</b> Fees charged to customers are directly linked to underlying investment costs and outsourced service providers costs.

## We're here to help

If you have any questions we'd love to hear from you. Call us on **1300 652 770** Monday to Friday from 8am to 6pm AEDT.



### Important Information

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