

## Value For Money (VFM)

Value for money (VFM) is **subjective** and may mean different things to different people depending on what they consider important at the time.

It is a balance between cost versus benefits and may be judged by looking at all costs paid by the policyholder against the benefits and services provided from the policy.

It may also include a comparison where possible of the costs and benefits of the product with similar products from similar providers.

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B E N E F I T S

Canada life measures the effectiveness of the following customer outcomes as part of the value for money assessment:

### Outcomes (benefits offered to policyholders)

- ✓ Investments (performance & governance)
- ✓ Communications & support
- ✓ Administration
- ✓ Barriers to exit
- ✓ Risk, Security, Governance and Control environment.

VS

### Charges

- ✓ The overall impact of charges including different types, focusing on reduction in yield (RIY) and estimated returns



Taking into account **other features** as appropriate, including for example:

- ✓ Original product design and features
- ✓ On-going suitability
- ✓ Actual customer outcomes

Value for money (VFM) assessment