AXA Commercial Fair Value Assessment Outcome and Target Market Statement

Product: Q Underwriting - Contractors Combined

Date of Fair Value Assessment and Target Market Statement	June 2026
Date of next Fair Value Assessment and Target Market Statement to be completed by	Within the next 12 months*

** We continuously monitor our products and apply a risk-based approach to our product governance; the next review and assessment may take place before this date and this document updated accordingly.*

Product Oversight and Governance

AXA UK's Product Governance Policy sets out the standards that AXA Commercial is required to implement to ensure the achievement of fair value and good customer outcomes by having robust product oversight and governance arrangements, systems, policies and procedures in place, which encourage a business culture with customers' interests at its core.

- We identify, define and assess our target markets at an appropriate level, based on the nature and complexity of our products.
- We undertake appropriate testing of our new products before launch, to make sure they meet our customers' needs and provide fair value.
- The design and performance of all our new, existing and legacy products are subject to regular assessment and review to ensure products provide fair value and that there is a continuing customer-centric focus, achieving good customer outcomes.
- The features, nature and complexity of our products are carefully matched to our intended distribution channels to ensure they reach our identified target market.

These requirements are in place in order to ensure that all AXA UK customers receive fair value and that good customer outcomes are delivered in line with AXA UK's defined customer outcome statements.

Fair Value Assessment Outcome

AXA Commercial has undertaken a Fair Value Assessment as the manufacturer of this product, in accordance with our obligations under PROD 4.2.

As a result of the product governance activities undertaken across this product we can confirm:

- The product meets the needs of the identified target market
- The product provides fair value to the target market for both now and for the forseeable future
- The distribution strategy remains appropriate

Target Market Statement

The purpose of this Target Market Statement is to explain the identified target market, intended value, expected distribution strategy for this insurance product manufactured by AXA Insurance.

Product Description	This product is multi-sectional with a mixture of mandatory covers, comprising Public and Products Liability and/or Contractors All Risks and several optional covers allowing the customer to make choices about the cover they require. This product is sold via the AXA scheme Insurance intermediary.
Product Type	This is a Commercial Lines general insurance product which is suitable for commercial customers only.
Product Status	This product is open to new and renewal business – on our Schemes business only.
Who is the product designed for?	This product is suitable for Commercial customers comprising contracting and construction related trades based within Great Britian, Northern Ireland, the Channel Islands and Isles of Man.

Who is the product not appropriate for?	Non-commercial customers. Customers involved in high risk trades such as asbestos removal or offshore contracting.
What are the mandatory product features that will meet the needs, characteristics, and goals of the target market?	• Public and Products Liability, and/or • Contractors All Risks
Does the product include optional covers?	• Employers' Liability • Financial Loss • JCT Clause 6.5.1 • Goods in Transit • Property Damage • Business Interruption • Money • Specified Articles • Terrorism • Directors and Officers Liability • Legal Expenses
How should this product be distributed?	This product can be sold with the active assistance and guidance of an Insurance Intermediary to select the appropriate level of cover. This product can also be sold by an Insurance Intermediary directly to customers without this assistance.
What should distributors do to ensure the product provides fair value to the end customer?	To ensure the customer receives fair value for this product, care must be taken to ensure no duplicate cover exists or is caused by an add-on where that cover is already provided by the policy. Commission, fees, or charges passed onto the customer must be proportionate to the service provided and provide fair value. The distributors should ensure that the sums insured are adequate for the risk insured.
Vulnerable Customers	This product and services are designed for a broad customer base, but we recognise that any customer could become vulnerable at any time. We ensure that: • Products remain accessible and understandable for all customers • Communications are clear, jargon-free, and available in alternative formats • Where reasonable, processes are flexible to accommodate individual needs. • Staff are trained to identify and respond to signs of vulnerability sensitively and empathetically Support Measures • Offering multiple communication channels to ensure accessibility • Allowing extra time for decision-making and supporting customer understanding, including but not limited to their comprehension of the product in question. • Providing tailored repayment or service arrangements, where appropriate, to meet individual needs • Signposting to specialist support services when needed
Additional Product Literature	Please read this document alongside the product policy wording, and policy summary which is available via your AXA scheme referral contact. Detail on all limits, conditions and exclusions have not been included, this information can be found within the policy documentation.

Further information about the Fair Value Assessment

When completing our Fair Value Assessments we used all available information relevant to the product, and information provided by our distribution partners.

Review / Assessment Area	Key Indicators and Measures	Summary outputs and actions
Product Performance	• Target Market Assessment • Customer vulnerability considerations • Cancellation metrics • Claims metrics • Complaints metrics • Product fees/charges • Consumer Value Measures Data * *Consumer Value Measures products only	Our assessment of these measures confirmed the ongoing fair value of this product. We have made some updates to the overall Target Market Statement to ensure the information provided is clear.
Price	• Pricing metrics • Remuneration • Loss ratios • Expense ratios • Combined Operation ratio (COR) • Customer Tenure • Customer usage • Add on Metrics • Premium Finance metrics	Our assessment of these measures confirmed the ongoing fair value of this product.
Service Delivery	• Claims Service • Complaints Service (including FOS) • Operational Service • Customer Feedback	Our assessment of these measures and the ongoing actions in place, confirmed the ongoing fair value of this product.
Distribution	• Review of Distribution Strategy and oversight • Review of the Distribution Strategy • Review the value provided by the distribution chain	Where distribution partners responded to our information request, our assessment of these measures confirmed that the distribution strategy for this product remains appropriate. This is subject to all distributors ensuring that the costs they pass on to customers and any add-ons sold do not adversely impact the value of this product. We continue to work with our partners to obtain and assess information, and agree actions as required, to ensure the ongoing value of this product.
Assurance Activity	• Previous assessments of this product • Review of any product changes or Significant Adaptations • Review of Incidents associated with this product • Review of other relevant Monitoring and Oversight activity relating to this product	Our assessment of these measures confirmed the ongoing fair value of this product.

Commercially sensitive data, such as remuneration details, cannot be shared here. Information will continue to be shared with you as part of our relationship.

AXA Insurance UK plc. Registered in England and Wales No. 78950. Registered Office: 20 Gracechurch Street, London EC3V 0BG. A member of the AXA Group of Companies. AXA Insurance UK plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Telephone calls may be monitored and recorded.