



Insurance Australia Limited Policy on Developing and Distributing Retail Insurance Products

Why this is important

1. This Policy sets out Insurance Australia Limited (IAL)'s approach to developing and distributing Retail Insurance products for appropriate target markets. This Policy supports IAL's purpose and strategy by helping us to provide products that meet our customers' likely objectives and needs and protect them from the risk of unexpected financial loss.
2. This Policy is designed to produce these outcomes:
 - a) Our products are developed in line with our Product Design Principles (see Section 7),
 - b) Our products are sold in a way that is appropriate and accessible to their target market, and
 - c) IAL meets its legislative and regulatory requirements.

Who this applies to and when

3. This Policy applies to our people, when they are developing or distributing Retail Insurance products underwritten by Insurance Australia Limited.

How we Develop and Distribute Retail Insurance Products

Our Commitments and Approach

4. We are committed to providing products that meet the likely objectives and needs of our customers.
5. We recognise that there are a range of complex and multi-faceted interests that must be considered in the development of products. When we develop new products, or update existing products, we aim to balance the likely objectives and needs of our customers, and the interests of our shareholders, regulators and the broader community.
6. We strive to make it easy to access product information and to provide product information that is simple to understand.
7. To help us meet our commitments, we have adopted Product Design Principles, which inform the development of new products and updates to existing products. Each Product Design Principle is supported by detailed requirements and data points, that we use to assess our products on an ongoing basis.
8. Our Product Design Principles aim to ensure:
 - i. We design our products, services and propositions to meet the likely objectives and needs of our customers.
 - ii. Our products and services deliver fair value for money and protect our customers from the risk of unexpected financial loss.
 - iii. Our products and services are easy to understand and we communicate with customers and other stakeholders in a clear and simple way.
 - iv. Our sales and distribution practices support our purpose and deliver outcomes in line with the likely objectives and needs of our customers.
 - v. Our reward and performance incentives promote professional sales practices that deliver customer outcomes aligned to their likely objectives and needs.

- vi. We use verifiable data in the design and pricing of our products. Where we make assumptions, we will regularly test these as data becomes available to ensure they remain valid.
9. We regularly monitor and review our products in line with our Product Design Principles and make sure that our products:
 - a) Are developed, sold and marketed in line with the likely objectives and needs of our customers,
 - b) Are monitored, reviewed and managed over their product life cycles, and
 - c) Deliver outcomes in line with the likely objectives and needs of our customers.
 10. If we identify from a review that a product may no longer meet the likely objectives and needs of the customer group for which it was developed, or is no longer in line with IAL's purpose or strategy, we will change or remove the product as appropriate.
 11. If we identify the need for additional (new) products, we will ensure these are developed and distributed in line with this Policy.

Developing Products

12. We will publish information about the intended customers (target market) for each of our Retail Insurance products. This is called the Target Market Determination (**TMD**) for each product.
13. We will make sure that the TMDs are publicly available and are referred to in the promotional material for our Retail Insurance products.
14. We will monitor and review our Retail Insurance products and TMDs to make sure they remain appropriate for their target markets and will make adjustments to our products or TMDs if necessary.

Distributing Products

15. Our Retail Insurance products are distributed to customers through different distribution channels:
 - a) Directly by us, including through branch and agency networks, call centres and online facilities; and
 - b) Indirectly, by other parties including insurance brokers, authorised representatives and financial institutions (**Distributors**).
16. We will take reasonable steps to make sure our Retail Insurance products are distributed in line with their TMDs, including:
 - a) Working out the most appropriate distribution channels for our products;
 - b) Setting distribution conditions that Distributors of our products must follow, including distributing our products in line with their TMDs;
 - c) Collecting distribution information from Distributors;
 - d) Monitoring and reviewing feedback from customers and taking appropriate action in response; and
 - e) Following our Product Design Principles and regulatory requirements.

Definitions

17. In this Policy: "**Retail Insurance**" means a general insurance product that is provided to, or to be provided to, an individual or for use in connection with a small business, and is one of the following types:
 - a) motor vehicle insurance product;
 - b) a home building insurance product;
 - c) a home contents insurance product;
 - d) a sickness and accident insurance product;
 - e) a consumer credit insurance product;

- f) a travel insurance product;
- g) a personal and domestic property insurance product as defined in the Corporations Act 2001 (Cth) and the relevant regulations.

“**Target Market Determination**” or “**TMD**” means a determination about the class of customers that is the target market for one of our retail insurance products.

Contacts for questions and more information

18. If you have any questions or would like more information about this Policy, please refer to your brand website below:

Brands		
<u>NRMA Insurance</u>	<u>Coles Insurance</u>	<u>ShareCover</u>
<u>SGIO</u>	<u>SWANN Insurance</u>	<u>Lumley Special Vehicles</u>
<u>SGIC</u>	<u>WFI</u>	<u>IAL</u>
<u>CGU</u>	<u>Rollin'</u>	<u>Insurance 4 That:</u> <ul style="list-style-type: none"> • <u>NRMA</u> • <u>Bendigo Bank</u> • <u>Bicycle NSW</u> • <u>Bitsy Cover</u> • <u>Bupa Valuables</u> • <u>Raiz Insure</u>
