

Chubb's Policy on Retail Insurance Product Design and Distribution



At Chubb, we recognise the importance of developing insurance products which provide value, are easy to understand and meet the needs of the market they were designed for. This document provides an overview of our approach to the development and distribution of our retail insurance products.

Designing and Distributing our Insurance Products for Retail Customers

In developing our products, we strive to design products that:

- have a clearly defined target market;
- meet the likely objectives and needs of the customers in the target market they were designed for;
- provide financial protection for insurable risks; and
- are in line with legal and regulatory requirements.

In distributing our retail insurance products, we strive to:

- select quality distribution partners (following appropriate risk assessments) that will reach customers in the product's target market;
- promote our products using plain, fair and balanced language; and
- adopt remuneration and incentive structures which are fair and appropriate.

To achieve this, we have clearly defined internal frameworks, processes and policies in place, including a Product Design Panel made up of key stakeholders to oversee new product and distribution proposals from our product and distribution managers.

Reviewing and Monitoring our Retail Insurance Products and Distribution Channels

We are constantly monitoring the performance of our products to assess whether they meet the needs of the market they were designed for. Our internal policies provide for new products to undergo periodic reviews at various intervals depending on when the product was introduced into the market. Product reviews involve assessing the product for suitability for its intended target market against a list of specified criteria such as customer feedback including complaints and claims data.

We have established processes in place to gather and record complaints and disputes data and where appropriate to provide product feedback to our staff through 'learning points'.

In the event that a product is deemed to be 'unsuitable' for the intended target market we may modify the product or withdraw the product from distribution altogether.

If the distribution channel is deemed by us to no longer be appropriate for the target market, we may terminate our relationship with the relevant distribution partner.

Target Market Determinations

From 5 October 2021, we will have Target Market Determinations (TMD) publicly available on our website for each of our Retail Insurance Products*. The TMD is designed to assist customers, distributors and Chubb staff to understand who the product has been designed for and who it is not suitable for. The TMD sets out certain events which may suggest to us that the product is no longer suitable for the intended target market and should this occur we will undertake a review of the product's suitability. The TMD also sets out the conditions and restrictions on distribution of the product as well as the obligations of the distributors to report back on certain data to us so that we can assess the ongoing suitability of the product for the target market.

The TMDs will be available [here](#).

* Retail Insurance Product means one of following general insurance products:

- motor vehicle insurance;
- home building insurance;
- home contents insurance;
- sickness and accident insurance;
- consumer credit insurance;
- travel insurance;
- personal and domestic property insurance (as defined in the Corporations Act 2001 (Cth));

which is provided to an individual or a small business (less than 20 employees or less than 100 employees for manufacturing businesses).