Aneevo

# Product Governance and Fair Value Statement

Ready2Go
Underwritten by

AIG

# AIG Fair Value Statement Personal Insurance:

# Just Travel

In compliance with FCA PROD and Consumer Duty rules, the purpose of this document is to explain AIG's approach to Product Oversight and Governance (POG) and to share information with our distributors (and co-manufacturers, where applicable). We have collaborated with the same to allow us to deliver insurance products which offer fair value and provide good customer outcomes in respect of AIG manufactured and co-manufactured insurance products.

It also outlines and provides information on how we design, monitor, and review our products to ensure they continue to provide fair value, whilst meeting the needs, characteristics and objectives of the target market including vulnerable customers.

## Product Oversight and Governance

AIG's POG monitors and assesses products to ensure AIG is delivering good outcomes and fair value for our customers aligned with our regulatory obligations. AIG have a robust product oversight and a governance framework of systems, policies, and procedures in place for oversight and escalation within AIG. Our product governance process for existing and new products includes the following:

- Identification of the target market.
- Assessing the price, quality and value the product provides to customers or groups in the target market now and in the foreseeable future (including specifically in relation to any customers that may have 'vulnerable' or 'protected' characteristics).
- Whether any features or add-ons of the product (and, additionally, the distribution arrangements) may give rise to concerns about fair value or customer outcomes.
- Appropriate testing including consideration of customer needs, support, understanding and outcomes.
- Consideration of the pricing structure, appropriateness of distribution and transparency of fees and charges.
- Consideration of other metrics and management information, including for example combined operating ratio, loss ratios, claims frequencies, claims acceptance, complaints and FOS data, Operational and customer MI and FCA Value Measures Reporting where appropriate.

## Key Output: Target Market and Fair Value Statement

AIG is satisfied that it is delivering good customer outcomes and confident that its policies and procedures are appropriate and satisfy relevant regulatory requirements enabling us to identify effectively whether our products offer fair value to our customers, both at product design stage and on an ongoing basis.

In summary, the templates below provides information about AIG insurance products and their distribution including:

- Product review and fair value assessment completion/expiry date.
- A Fair Value assessment outcome.
- Target Market (who our products are designed for and who our products are not suitable for) and key product information.
- Any notable exclusions or circumstances where the product will not respond (where applicable).
- The main features and optional covers associated with our products (where applicable).
- Whether the product is sold as part of a bundle/package.
- Fees and remuneration (where applicable).

## Consumer Duty and Customer Outcomes

AIG's POG takes account of and reflects our approach to Consumer Duty in respect of our insurance products. When communicating with distributers in relation to our product reviews and Fair Value Assessments we may also share information with them in respect of other Consumer Duty outcomes e.g., where there are changes in relation to a product, the target market or we otherwise become aware of changes that affect the delivery of good customer outcomes.

AIG carries out its product assessments of customer outcomes based on its role and influence over customer outcomes and using a wide variety of information it holds in respect of this product (which may include information obtained from previous assessments of this product, product benchmarking, research feedback, management information and any information provided to AIG in response to any data requests). In its ongoing monitoring of products and seeking to improve customer outcomes, AIG is continuously looking for further opportunities and avenues to obtain information and data on the performance of products and our customer's outcomes.

To the extent that a distributor holds additional information to which AIG is not privy (for example certain confidential or proprietary information such as relating to fee arrangements between the distributor and its customers) then it is the responsibility of the distributor to ensure that this additional information does not impact fair value for the customer. In addition, where a distributor is responsible for and/or have a material influence over customer outcomes, then the distributor will have responsibilities under Consumer Duty depending on its role and the extent of its influence over those customer outcomes.

For more information, please speak to your AIG representative.

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| Overview of product and distribution/administration chain | This is a personal lines general insurance cover.<br><br>AIG is the manufacturer of the insurance product and distributes the insurance product through an insurance intermediary who administers the insurance and engages with AIG.<br><br>Certain third parties are also involved in administering the insurance including in respect of claims and complaints.<br><br>AIG considers that it has a material influence over the Customer Outcomes of Customer Understanding and Customer Support in respect of the insurance product. |
| Fair Value Assessment Date: | **2025/2026 (Valid to 30 September 2026)** |
| Fair Value Outcome: | We have carried out a Fair Value assessment as described below and a Consumer Duty Outcome Assessment, including consideration of key metrics for example;<br><br>· Combined Operating Ratio<br>· Loss ratio<br>· Claims frequency<br>· Claims acceptance<br>· Complaints, claims complaints, uphold rates and FOS rates<br>· Retention rates<br>· Distributor remuneration<br>· Outsourcing level<br><br>AIG considers that this product provides fair value to policyholders. |
| Product Information:<br><br>(To include key features of the product which support and enhance its benefit to customers, please also refer to full policy wording) | Just Travel currently sell 3 products:<br><br>· Unity Travel<br>· Ready2Go<br>· Escape<br><br>The Escape product is a specific “staycation” product sold to customers wanting to travel within the UK and/or Channel Islands.<br><br>The other products are sold to UK residents as Single Trip (ST) and Annual Multi-Trip (AMT) policies for travel worldwide. The wording is the same for all products, however, the benefit limits vary by product and by level chosen by the customer, i.e.<br><br>· Gold<br>· Silver<br>· Bronze<br><br>For ST policies, a customer can choose their destination and the policies are rated accordingly. This includes trips within the UK only, Europe or Worldwide with/without winter sports.<br><br>Customers with a medical score of up to 15 can be offered one of the above products. Customers who exceed this score are signposted to BIBA for alternative cover that meets their needs. |

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| Target Market: | The Target Market for this product is:<br><br>Mass Market<br><br>The product is suitable for families and individuals under the age of 75 and who fits within the medical scoring and requires cover in the UK and/or Worldwide. |
| Types of customer for whom the product would be unsuitable: | · Customers aged 75 and over<br>· Customers with pre-existing medical conditions that result in a score of 15 or above |
| Any notable exclusions or circumstances where the product will not respond: | The travel insurance will not respond where customers have:<br><br>· Travelled to/through/from a sanctioned country<br>· Have travelled against FCDO advice<br>· Claims where the FCDO have changed their advice if the advice relates to an epidemic or pandemic. |
| Is the product sold as part of a bundle/package? | No |
| If yes, please include information about the outcome of the assessment of whether the bundle or package provides fair value overall? | N/A |
| Impact of distribution remuneration upon fair value | Commission/remuneration paid by AIG to its distribution partners is as agreed. Given your role and material influence on the distribution remuneration structure, if you are aware of fees or charges or other distributor remuneration being paid within the distribution chain for this product, which may impact the overall value of the product to the customer, you must factor this into your own review and/or notify AIG to the extent required and in accordance with regulations. AIG considers the impact of the commission/remuneration it pays to its distribution partners as part of its own Fair Value assessment. |
| Changes to the product (possible or potential changes) and next steps | We have not identified any material changes to this product at this time. |