Construction Project Policy

Target Market Statement

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

Date of most recent Product Review and Fair Value Assessment	**September 2025**
Date of next Product Review and Fair Value Assessment 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.

Outcome of the Product Review and Fair Value Assessment

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

1. **The product meets the needs of the identified target market**
2. **The product provides fair value to the target market, including policy stakeholders if applicable**
3. **The distribution strategy remains appropriate**

Product Description	This product is multi-sectional and can cater for customers requiring a single section of cover or the full range of available covers for the product, including property cover for Existing Structures, Contractors All Risks, Own and Hired in Plant, Delay in Start Up cover, Terrorism, Public Liability and Non Negligence liability covers in respect of a specifc construction project.
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 business. Policies are issued for the whole contract period and are extendable in the event of the contract period overrunning the expected completion date. The policy is not renewable.
Who is the product designed for?	Commercial customers who are undertaking a construction project located within Great Britain, the Channel Islands and the Isle of Man
Who is the product not appropriate for?	Non commercial customers, and any other customer not undertaking a specific construtcion project
What are the mandatory product features that will meet the needs, characteristics, and goals of the target market?	This product can provide the following covers as a single section or multiple section solution for specific construction projects. • Property Damage All Risks cover for existing building structures undergoing refurbishment or alteration. Contractors All Risks cover for contract works being undertaken at the project site, together with own and hired in plant cover for plant linked to the project. Delay in Start up Cover - cover is optionally available for Advanced Loss of Profit, Rent, Income, Additional Interest Charges or Alternative Accommodation, following damage which delays the project's completion date. • Legal Expenses - this provides insurance against exposure to legal expenses in connection with a variety of specified events including employment disputes, criminal prosecutions, property disputes and Tax/VAT disputes. • Money and Personal Assault - this cover is to protect business money. • Public Liability - this cover gives protection in respect of legal liability for injury to third parties or for damage to their property. • Non-negligence Liability - this cover meets the requirements of JCT building contracts clause 6.5.1 to protect the Employer from claims arising from the project • Terrorism – to protect your property and any subsequent business interruption from acts of terrorism. Each cover has its own significant exclusions and conditions but policies will generally exclude war, cyber losses, radioactive contamination, communicable disease and deliberate acts from most sections.

Does the product include optional covers?	There are no set mandatory covers on this product – all covers are selectable.
How should this product be distributed?	This product should be sold with the active assistance and guidance of an Insurance Intermediary to select the appropriate level of cover. This product should not be sold 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	Customers with characteristics of vulnerability are within the target market. Vulnerable customer objectives are consistent with those of non-vulnerable customers and can benefit from the product in the same way. Vulnerable customers have different characteristics to non-vulnerable customers and may require additional support. Our colleagues are trained and equipped to identify and support vulnerable customers. We closely monitor vulnerable customer outcomes to ensure our products and services continue to meet their needs and deliver good outcomes.
Additional Product Literature	Please read this document alongside the product policy wording, available through the AXA Connect broker portal. Detail on all limits, conditions and exclusions have not been included, this information can be found within the policy wording and schedule.

Further information about the Product Review and Fair Value Assessment

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

Where indicators and measures were outside AXA Commercial's tolerance, we investigated these to ensure that the product continues to remain suitable for the target market, delivers value for customers and operates in line with customer expectations. Details of any key actions taken can be found below.

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.