AXA Commercial Fair Value Assessment Outcome and Target Market Statement

Product: Landlords

Date of Fair Value Assessment and Target Market Statement	September 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 Insurance 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 Insurance 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: Landlords

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 provides cover for buildings let for investment purposes, including cover for consequential loss such as loss of rental income. The insured can be a corporate entity, managing agent, trust, or individual landlord, while tenants may be either commercial businesses or private residents.
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.

Who is the product designed for?

This product is designed and suitable for:

• Commercial or residential landlords with businesses based within Great Britain, Northern Ireland, the Channel Islands, and the Isle of Man who own and let out residential, commercial, or mixed property portfolios.
• Landlords with up to 10 property locations.
• Landlords requiring cover for rental properties against damage caused by events such as fire, flood, escape of water and storm, up to specified limits for buildings, including outbuildings, tenant improvements, electric vehicle charge points, and the cost of providing alternative accommodation for residential tenants.
• Landlords requiring cover for property owner's liability, which protects against damages the insured is legally liable to pay to third parties for property damage or bodily/personal injury in connection with the business of letting out properties.

Who is the product not appropriate for?

This product is not suitable for:

• Customers who do not let out properties
• Landlords with a portfolio of 11 or more properties
• Owner-occupied properties
• Houses in Multiple Occupation
• Properties occupied by students
• Landlords who do not have control over tenant placement
• Landlords with property portfolios located outside Great Britain, Northern Ireland, the Channel Islands, and the Isle of Man

What are the mandatory product features that will meet the needs, characteristics, and goals of the target market?

This product has been designed to meet the needs of commercial and residential landlords requiring cover for:

• Damage caused by events such as fire, flood, escape of water, storm, and similar perils, up to specified limits, including buildings, outbuildings, tenant's improvements, electric vehicle charge points, and the costs of providing alternative accommodation for residential tenants.
• Property owner's liability covers the amount of damages the insured is legally liable to pay to third parties for property damage or bodily/personal injury arising in connection with the business of letting out properties.

Examples of some significant exclusions and conditions.

Examples of some significant exclusions and conditions include:

• Risk improvement requirements must be completed within the timeframe advised. All such risk improvements must remain in place throughout the policy period.
• Property at the premises must be maintained in a good state of repair.
• Damage resulting from gradual deterioration or change is excluded.
• Cover excludes losses due to communicable diseases and fungal pathogens.
• The policy excludes coverage for illegal activities.
• Cyber and data-related risks are not covered.

Does the product include optional covers?

The following optional covers are available on this product:

• Employers' Liability provides cover for damages the insured is legally liable to pay in respect of bodily injury to any employee arising out of and in the course of their employment in connection with the business of letting properties
• Landlord's Contents provides cover for fixtures and fittings not forming a permanent part of the structure, including furniture, furnishings, utensils, and domestic appliances belonging to, or the responsibility of, the insured as landlord
• Legal Expenses provides cover for advisory costs up to the limit of indemnity in respect of contract and debt recovery, criminal prosecution, property infringement, and recovery of rent arrears
• Terrorism extends the cover provided under the Buildings and Rental Income sections, where shown as covered in the schedule, to include damage caused by acts of terrorism
• Rental Income provides cover up to the sum insured for loss of rental income where the property insured under the Buildings section is damaged and the insured's business is interrupted as a result
• Subsidence extends the cover provided under the Buildings section to include damage to buildings and loss of rental income caused by subsidence, ground heave, or landslip
• Accidental Damage extends the cover provided under the Buildings and Landlord's Contents sections, where shown as covered in the schedule, to include damage to buildings, landlord's contents, and loss of rental income caused by accidental damage

How should this product be distributed?	This product should be distributed via an authorised or fully regulated insurance broker or intermediary. • Only within Great Britain, Northern Ireland, the Channel Islands, and the Isle of Man. • With active support and guidance from an Insurance Intermediary to help customers choose the appropriate level of cover or; • by Insurance Intermediaries directly to customers without additional assistance. Residential Multi-Occupancy Requirements: In relation to residential multi-occupancy risks, distributors should provide the required information and disclosures to policyholders in a timely manner to share with long leaseholders, and efficiently deal with any queries received from leaseholders directly. Support options must be available at all stages of the customers interaction, ensuring that additional assistance is readily available whenever needed.
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, 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 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.

Where indicators and measures were outside AXA Insurance'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.

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