

A photograph of a family of four (a man, a woman, and two children) sitting in a car, smiling and looking towards the camera. The car is parked near a body of water, and the scene is lit with warm, golden light, suggesting sunset or sunrise. The man is in the driver's seat, the woman is in the passenger seat, and two children are visible in the back seat.

AXA Retail Product Strategy Document:  
**AXA Car, Car Plus**



# AXA Car, Car Plus



The AXA Retail Product Strategy Document will be reviewed at least annually or earlier where required following regulatory changes that affect Product Governance, or changes in business structure or roles and responsibilities outlined in the Retail Product Governance Policy

## Target Market and Product Fair Value Statement

The purpose of this document is to explain the identified target market and the expected distribution strategy for the Insurance product manufactured by AXA Insurance. It also outlines our approach to Product Oversight and Governance to demonstrate how we design, monitor, and review our products to ensure they continue to provide fair value and meet the needs, characteristics and objectives of the target market including vulnerable customers.

## Product Oversight and Governance

AXA UK's Product Governance Policy sets out the standards that AXA Retail 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
- 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
- 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
- Providing tailored repayment or service arrangements, where appropriate, to meet individual needs
- Flexing our processes to support vulnerable customers and remove barriers to access
- Signposting to specialist support services when needed

These requirements are in place 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.

## Target Market Statements

Target Market Statements provide information about all the AXA Insurance products distributed.

This includes:

- The key features and optional covers associated with our products
- Who our products are designed for and who they are not designed for
- How our products should be distributed
- The complexity of our products
- How to ensure that our product provides fair value to customers as intended
- The controls and testing in place for our products
- Whether the target market is inherently more likely to be vulnerable



Product Overview	Product Type	Personal Lines insurance designed for individuals seeking to insure their private motor vehicle
	Product Status	Live (open to new and renewal business)
Target Market	Who is the product designed for?	<p>This product is designed for individuals seeking to insure their private motor car to ensure that they have the cover, required by law, in place in the event of causing damage to third parties or third-party property and, if they select Comprehensive Cover, are protected in the event of loss or damage to their car. It would therefore appeal to a target market which has:</p> <ul style="list-style-type: none"> <li>▪ An interest in protecting their vehicle against accidental damage and theft;</li> <li>▪ A need to remain mobile for either pleasure or work purposes; and</li> <li>▪ The financial resources to pay for such cover</li> </ul> <p><b>This product is designed for UK residents who:</b></p> <ul style="list-style-type: none"> <li>✓ Are aged between 25 to 79 at the time of sale</li> <li>✓ Are aged between 25 to 98 at renewal</li> <li>✓ Who hold a Full UK/EU or provisional UK driving licence</li> <li>✓ Who have no major driving convictions within the last 5 years</li> <li>✓ Who have no more than 2 minor convictions in the last 5 years</li> <li>✓ Have two or less fault claims in the last 3 years</li> <li>✓ Have no unspent criminal convictions</li> </ul> <p><b>This product:</b></p> <ul style="list-style-type: none"> <li>✓ Provides cover up to the specified limits for Loss and Damage</li> <li>✓ Provides settlement that will not exceed the market value of the vehicle, in the event of a total loss.</li> <li>✓ Provides up to £20,000,000 for liability for others</li> <li>✓ Provides up to £300 for personal belongings</li> <li>✓ Provides cover for vehicles up to £75000</li> <li>✓ Provides driving up to 15000 miles annually</li> <li>✓ Own a standard manufactured car</li> <li>✓ Provides cover for use for SDP&amp;C and class 1 &amp; 2 business use</li> <li>✓ Provides cover people who required breakdown cover (AXA Car Plus only)</li> </ul>
	Who is the product not designed for?	<p><b>This product is not designed for:</b></p> <ul style="list-style-type: none"> <li>▪ Customers who do not live in the UK</li> <li>▪ Customers who want to insure motorbikes, motorhome, and commercial vehicles</li> <li>▪ Customers who own a vehicle which is worth more than £75000</li> <li>▪ Customers who want to pay more than £500 voluntary excess Customers who want to insure more than one vehicle on the policy.</li> <li>▪ Customers who want temporary cover only</li> <li>▪ Customer who used their vehicle primarily for business other than class 1 or 2 – e.g., taxi driver, couriers and driving instructors.</li> <li>▪ Customers who already have breakdown cover in place (AXA Car Plus only)</li> </ul>



<b>Product Features</b>	What are mandatory product features that will meet the needs, characteristics, and goals of the target market?	<p><b>The product provides the following cover, up to agreed specified limits:</b></p> <ul style="list-style-type: none"> <li>▪ Fire and theft damage</li> <li>▪ Third party liability</li> <li>▪ Vehicle damage (Comprehensive only)</li> <li>▪ Glass repair/replacement (Comprehensive only)</li> <li>▪ Accessory cover (child car seats, EV charging cables, audio visual equipment) (Comprehensive only)</li> <li>▪ Uninsured driver cover (Comprehensive only)</li> <li>▪ Replacement car cover</li> </ul>	<ul style="list-style-type: none"> <li>▪ Personal accident cover (Comprehensive only)</li> <li>▪ Medical expenses (Comprehensive only)</li> <li>▪ Personal belongings (Comprehensive only)</li> <li>▪ Foreign use (up to 90 days)</li> <li>▪ Courtesy car (standard on 'Direct Car Plus' only)</li> <li>▪ Hotel expenses</li> <li>▪ Misfuelling cover</li> <li>▪ Loss and theft of keys cover</li> </ul>
	Does the product include optional covers?	<p><b>The following optional cover can be added:</b></p> <ul style="list-style-type: none"> <li>▪ Protected No Claims Discount</li> </ul>	<p><b>The following add-ons can also be selected:</b></p> <ul style="list-style-type: none"> <li>▪ Breakdown cover ( AXA Car Plus only)</li> </ul>
<b>Distribution Strategy</b>	How should this product be distributed?	<p>Broker-led</p> <p><i>The distribution strategy is considered appropriate for the target market with customers having the option to purchase these products through the distribution channel of their choice. These products are considered suitable for non-advised sales by suitably skilled agents via telephone, face-to-face or an appropriately designed on-line journey.</i></p>	
<b>Providing Fair Value</b>	How does AXA ensure the product provides fair value to the end customer (PROD) rules.	<p>AXA Retail continually monitors our product performance in line with the Financial Conduct Authority (FCA) Product Intervention and Product Governance Sourcebook (PROD) rules. AXA Retail operates a multi-layered Product Approval Process, a detailed annual Customer Fair Value Assessment (CFVA) programme &amp; monthly Conduct Key Risk Indicator (KRI) reporting covering value measures which is governed through a formal committee structure.</p>	
<b>Controls and Testing</b>	What controls are in place?	<ul style="list-style-type: none"> <li>▪ Formal product approval process where all new products or adaptations are presented for approval at one of formal governance committees (Customer &amp; Product Committee, Customer and Trading Risk and Approvals Committee or Conduct Risk Committee) depending on materiality</li> <li>▪ Annual CFVA'S (may be more frequent where required)</li> <li>▪ Quarterly Pricing Ethics Committee</li> <li>▪ Weekly Retail Pricing and Underwriting Committee</li> <li>▪ The product is integrated into a platform using business rules, which ensure we only target customers within the intended target market</li> </ul>	
	What testing is in place?	<ul style="list-style-type: none"> <li>▪ Full end to end product lifecycle testing before any new scheme or product is launched to assess whether it will meet the identified needs, characteristics, and objectives of the target market, including customers who have characteristics of vulnerability</li> <li>▪ Ongoing pricing and business rule testing for all products, including regression testing</li> <li>▪ Market benchmarking using industry data</li> <li>▪ Voice of the customer (VOC) insights used to measure customer outcomes &amp; tracked via Claims VOC Committee</li> <li>▪ All General insurance Value Measures (GIVM) are reviewed annually via ongoing Product Testing through Customer Fair Value Assessments governed under PROD, with supplementary monthly Conduct KRI's reporting at product level via the Customer &amp; Product Committee. This includes a quarterly review of any KRI's performing outside of expected parameters (data is available within the AXA Retail Product Governance SharePoint site – Customer &amp; Product Committee)</li> <li>▪ Customer Outcome Testing targeted at key risk areas either proactively or reactively based on findings from the above.</li> </ul>	

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