

SECTION 2: INFORMATION TO BE SHARED WITH DISTRIBUTORS

This information should be shared with the relevant distributor(s) to enable them to understand the intended value of the insurance product(s) manufactured or co-manufactured by QBE.

1	CARRIER NAME	QBE UK Ltd QBE Europe SA/NV Lloyd's Syndicate 386 (QBE Underwriting Ltd)
2	PRODUCT NAME	Advantage (EL/GL) Advantage (Contractors' Liability) Combined Liability Insurance (non-Advantage) Contractors' Combined Liability Insurance Security Service Insurance Asbestos Liability Insurance Rail Contractors' Liability Insurance Waste and Environmental Liability Contractors' Insurance UK Combined EL/PL DUA/Facilities
3	NAME OF ANY CO-MANUFACTURERS	Not applicable
4	DETAILS OF PRODUCT APPROVAL PROCESS	<p>The QBE EO Insurance Product Development and Review Policy approved by the Board sets out the Product Governance Framework.</p> <p>The Insurance Product Development Guidelines detail the Product Development approval process for new products and any significant adaptation of an existing product. This includes identification of the product development scenarios triggering the process and requires the completion of various forms by the underwriters proposing the product development.</p> <p>The Product Leaders within the Chief Underwriting Office are responsible for determining whether a product development falls within the scope of the Policy and Guidelines and monitor and agrees the initial assessment and business case.</p> <p>Following development of a business case, a full risk assessment should be conducted and a fair value assessment completed. These take into account various considerations, including:</p> <ul style="list-style-type: none"> the nature of the product; the main characteristics of the target market; the proposed distribution strategy; and the expected total price to be paid by the customer. <p>Where a product is considered High Product Risk (HPR), underwriters are required to complete a HPR Questionnaire (HPRQ) and present this to the QBE EO Conduct Risk Group for customer challenge. The HPRQ includes consideration of target market, distribution strategy, product testing and post-sales barriers.</p> <p>The Product Oversight Group (POG), co-chaired by the Head of Product Leaders and the Head of Governance, Sustainability and Standards is responsible for providing oversight of and adherence to the Product Governance Framework. This includes reviewing, challenging and approving the business case for a product development prior to this going to the Divisional CUO and MD for sign-off and for ensuring that all pre-launch activities are suitably completed.</p> <p>The Divisional CUO and MD are responsible for providing final approval to proceed with all proposed product development based on the Business Case, Risk Assessment and Fair Value Assessment presented to them.</p> <p>The Product Leaders will oversee post-launch reviews within 6 months of the launch of a product development. For those products within the appropriate scope, an annual product review will be conducted and then reviewed and challenged by the POG.</p>
5	PRODUCT INFORMATION	<p>Employers Liability product meets the insureds statutory obligations under the Employers Liability (Compulsory Insurance Act 1969 by providing indemnity for:</p> <p>A) liability at law to compensate employees following bodily injury (inc occupational disease) in the workplace B) defence costs following an event which is or may be subject of indemnity under the Section</p> <p>General Liability product provides an indemnity for legal liability to pay damages or compensation arising from personal injury, damage, denial of access or nuisance arising out of, from or in connection with a product (Product Liability), the business (Public liability) and pollution (Pollution Liability) The GL product provides protection of the balance sheet against legal liabilities to third parties. This risk transfer allows the business to concentrate on its core activities and manage their risk. Additional services, if applicable are detailed and included for all insureds on that type of wording. Brokers are responsible for advising insureds on the suitability of coverage.</p>
6	TARGET MARKET	The product provides coverage that is sufficient to satisfy the UK compulsory Employers' Liability requirements and Insureds' needs relating to their third party exposures, with the capability to provide bespoke coverage for Public and Products Liability if required. Most clients are medium sized however there are a minority of small clients. Suitable for a large range of activities/trades. Small would generally include Insureds with less than £ 5m turnover and medium those with turnover of between £ 5m and £ 350m.
7	TYPES OF CUSTOMER FOR WHOM THE PRODUCT WOULD BE UNSUITABLE	<p>Larger clients where a more bespoke coverage is sought Consumer and micro categorised as high conduct risk Multinational customers</p> <p>Years of trading with these policies has meant that we understand who is interested in buying standard and non-standard policies. We know that large insured require bespoke cover and this gets more "standardised" as insured businesses become simpler. We target the markets we have knowledge of.</p>
8	ANY NOTABLE EXCLUSIONS OR CIRCUMSTANCES WHERE THE PRODUCT WILL NOT RESPOND	No exclusions or limitations that are not standard in an EL/GL policy. In recent years we have introduced affirmative cyber coverage to our policies and this has now largely become standard across the market in our class. Communicable disease coverage within GL policies continues to be provided as expiring, on a case by case basis, and depending upon the sector of our insured. For Employers' Liability coverage provides is largely determined by legislation. These updates provide greater clarity for our Insureds.
9	OTHER INFORMATION WHICH MAY BE RELEVANT TO DISTRIBUTORS	QBE produce policy summary information which is provided along with the policy documentation however as all of our policies are mediated by Brokers it is likely that they too would provide advice to the client about policy coverage.
10	DATE FAIR VALUE ASSESSMENT COMPLETED	06/12/2023
11	EXPECTED DATE OF NEXT ASSESSMENT	06/12/2024

EXECUTIVE SUMMARY

RAG	Requirement	Rationale
	Target Market - the product is fit for purpose and remains consistent with the needs, characteristics and objectives of the identified target market	The product provides coverage that is sufficient to satisfy the UK compulsory Employers' Liability requirements and Insureds' needs relating to their third party exposures, with the capability to provide bespoke coverage for Public and Products Liability if required. Most clients are medium sized however there are a minority of small clients. Suitable for a large range of activities/trades. Small would generally include Insureds with less than £ 5m turnover and medium those with turnover of between £ 5m and £ 350m.
	Fair Value - the product provides fair value for customers, when considering the relationship between the overall price and the quality of the product(s) and/or services provided	The product continues to represents value to our Insureds. The product is consistent with the customer needs, and we have the ability to amend cover to meet the sectors/customers' needs to provide added value where requested. This could be in relation to additional covers or the structure of the policy via endorsement or deductibles. The coverage has not materially changed since 2022/23 and it remains competitive in the UK market. The low level of customer complaints, and cancellations demonstrates a general satisfaction with this product.
	Distribution strategy - the distribution strategy remains appropriate and distribution arrangements do not have any detrimental impact on value for customers	No changes to distribution strategy during 2022/23 and business continues to be transacted via UK Brokers or Coverholders. This remains appropriate as QBE has no direct-selling capabilities, and is not authorised to advise Insureds.
	Customer Understanding - the information provided to the customer enables them to make informed decisions	Broker & Coverholders will provide advice to the customer on suitability of the product and comparison against other available similar products in the market. QBE produce a Policy Summary which is provided along with the policy documentation however as all of our policies are mediated by Brokers it is likely that they too would provide advice to the client about policy coverage.
	Customer Support - support provided to the customer allows them to fully utilise the product they purchase, e.g. make a claim, complain, cancel or amend cover	All processes and procedures are in place to provide full support to the end customer. Claims notification and complaints processes are set out within the policy documentation provided to the customer.