

Target Market Statement & Fair Value Assessment Outcome

Product Oversight and Governance

Howden are both a co-manufacturer and a distributor of insurance products. We have always placed customers' best interests at the heart of what we do and have well-established product oversight and governance controls in place to ensure our products are designed, sold and managed to provide fair value and deliver good customer outcomes. Products are reviewed appropriately and where any barriers to good customer outcomes are identified, they are addressed accordingly in line with our regulatory obligations as well as in compliance with the overall views of Howden.

Howden's product oversight and governance processes ensure that our insurance products:

- are designed to meet the needs of customers whose insurance **needs and objectives** are aligned with the insurance products' features.
- designed to deliver **good outcomes** for the customer.
- are monitored on an ongoing basis to ensure the insurance products over their lifetime continue to be aligned with the **target market**.
- are monitored post-sale to validate performance and **fair value**.

Target Market Statement

Product Name: International Student Studying in the UK

This document intends to provide information on the product, the identified target market and the expected distribution strategy for this product.

Product type:

This product is a commercial group travel product.

Cover provided:

This product includes cover for unused and irrecoverable costs should a trip be unexpectedly cancelled or cut short as well as cover for emergency medical treatment, repatriation and the services of a medical assistance company should an international student suffer an accident, illness or injury while abroad. Cover for personal belongings is also included should they be lost, stolen or damaged and loss or theft of money and expenses to replace a passport or other important travel documents is also included.

To understand key features, benefits and exclusions of the product, please also refer to the insurance product information document. If needed, this can be obtained from your Howden representative.

Who is this product designed for?

The product has been designed for university pathway providers and language schools located in the UK. At group level, university pathway providers or language schools are group policy holder whilst international students attending college, university or a language school in the UK are beneficiaries of the product.

Who is this product not suitable for?

The product is not suitable for any organisation who are not a university pathway provider or language school located in the UK. The product does not provide cover for individuals who are not an international student attending college or university in the UK.

The product is not suitable for anyone aged over 66 years of age at the time of their trip departure or anyone with a pre-existing medical condition who wish to have insurance in place for the pre-existing medical condition as defined in the policy wording.

The product is not suitable for anyone who is not registered with a GP in their home country and for those studying in the UK for 6 months or more where they are not registered with a GP in the UK.

Are there any customer vulnerabilities to be aware of?

This product does not have any features which would impact vulnerable customers unfairly.

Beneficiaries of the product are international students who could be considered vulnerable due to potential limited understanding of the English language, and they will also be residing outside their home country, potentially alone and in a different environment from home.

Individual customers may present or disclose vulnerabilities in which case appropriate support should be provided in with in accordance with Howden's Vulnerable Customers Policy.

How should this product be distributed?

On a non-advised basis, the product should be distributed to university pathway providers or language schools for the benefit of their international students. The product can be offered to international students on a non-advised basis by university pathway providers or language schools to be included at an additional cost as part of their travel and study package. The product can also be provided to international students as an inclusive part of their travel and study package.

What are the distributor responsibilities?

When distributing this product, distributors in the chain should adhere to all Consumer Duty requirements when dealing with policyholders and beneficiaries. They must ensure there is no duplication of cover as a result of any add-on products sold where appropriate cover is already provided by the product. Commission, administration fees, or charges added and passed onto the customer as part of the distribution process must be proportionate to services provided. Administration fees must not be applied by more than one party in the distribution chain. Third-party distributors are not permitted to apply any unauthorised commission, fees or additional charges.

Fair Value Assessment Outcome

Product Name: International Student Studying in the UK

This document intends to provide information to explain the approach and methodology taken to assess the value of this product and to provide a summary of the outcome of the assessment made.

Product information:

This product is a commercial group travel product. The product includes cover for unused and irrecoverable costs should a trip be unexpectedly cancelled or cut short as well as cover for emergency medical treatment, repatriation and the services of a medical assistance company should an international student suffer an accident, illness or injury while abroad. Cover for personal belongings is also included should they be lost, stolen or damaged and loss or theft of money and expenses to replace a passport or other important travel documents is also included. The product is designed for end customers who are international students attending college or university in the UK.

Distribution strategy:

On a non-advised basis, the product is distributed to university pathway providers or language schools for the benefit of their international students. The product can be offered to international students on a non-advised basis by university pathway providers or language schools to be included at an additional cost as part of their travel and study package. The product can also be provided to international students as an inclusive part of their travel and study package.

How does Howden review products and assess fair value?

To ensure Howden meet regulatory requirements and deliver the best outcomes for our customers, we have well-established product oversight and governance controls in place to manage products from initial design and throughout their lifecycle. Product governance and oversight processes require quarterly assessment of product performance data as well as a full review of all products at least annually to make sure they remain suitable for customers in the identified target market and to produce an assessment of fair value.

These reviews consider the nature of the product, the cover it provides, the target market, distribution strategy, premium paid, costs associated with providing the product, remuneration received, product performance, product wordings, the quality of services provided, and any feedback received from customers. We consider the needs of vulnerable customers at all stages throughout the product lifecycle. The product performance assessment considers key metrics such as sales volumes, cancellations, claims frequencies, declinatures, average claim costs, satisfaction surveys and customer complaints data.

Does this product provide fair value?

The governance activities undertaken for this product have determined it remains consistent with the needs of the identified target market, it is being distributed to the correct target market and the distribution strategy remains consistent with their characteristics.

The value assessment for this product found that it does provide appropriate customer outcomes and delivers fair value. There are no immediate or anticipated changes to the product, therefore it is expected that fair value will be maintained for a reasonably foreseeable period.

Any actions or recommendations to further improve governance or enhance the delivery of overall value will be taken forward and reviews will continue to take place every twelve months.

Distributor feedback:

Distributors are asked to provide feedback on the performance of this product, particularly if any circumstances indicate that it is failing to deliver fair value to customers. This feedback can be provided to the distributor's Howden representative and appropriate action will then be taken.