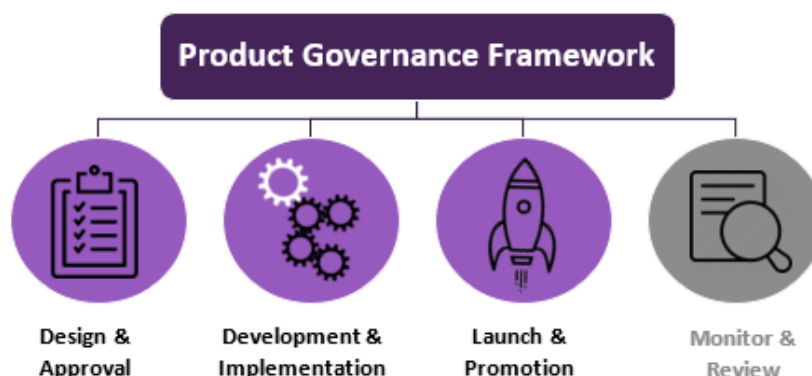


# Hollard Product Development and Distribution Policy.

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## Purpose of this document

As an insurer, we want to make sure that our products are likely to be suitable for the customers who buy them. This document outlines Hollard's guiding product governance design and distribution principles. These principles help us to create customer focussed products that offer value to our target market customers. There are four phases to this policy which are explained below.



## Product governance framework

### Design and approval

In the first phase, we identify and analyse our customers' needs. We use internal and external data sources, such as customer data and insights along with industry research and knowledge, to make sure the product meets these needs. We also assess and identify the target market where a product will meet the likely customer's objectives, financial situation and needs.

We have Product Governance Committees (PGC) responsible for overseeing the end to end lifecycle of products. During product review and design, our PGC will review proposed product changes and new products to make sure any products we produce will provide good value to customers in the target market for the product.

## Development and implementation

In this phase, we test the product to make sure that it meets the likely needs of customers in the target market. We also decide how the product will be measured and monitored to make sure it is being distributed appropriately to our target market customers.

We use customer testing to explore different scenarios and to make sure that the product design is suitable for a range of customer situations. This is also where we seek to understand the risks for poor customer outcomes, so we can make changes if there is a need to.

An essential part of this phase is the training of selected Hollard Partners. This training will be done in accordance with the Hollard Partner Framework.

## Launch and promotion

At this phase, we design our marketing strategy and other means to inform our consumers about the product before, during and after the sale of the product. We tailor our distribution plan to only distribute the products to the target market for that product. This includes developing a marketing strategy for both ourselves and our Partners. Where possible, our distribution channels will ask questions during the application process to make sure the product is only sold within our target market for the product.

## Monitor and review

In this phase, we regularly review any new or significantly changed products using a range of data we collect. Each product has an internal product owner responsible for regular product and customer review and monitoring for events or circumstances that reasonably suggests that a product may need to change. In carrying out the review, product owners must at a minimum consider:

- whether the insurance product is consistent with the likely objectives, financial situation and needs of consumers of the intended target market; and
- whether the intended distribution strategy remains consistent with the target market determination.

Depending on the results of the review the PGC will:

- continue with no change in the product or the way it's distributed;
- change the design of a product;
- modify the target market determination;
- change the distribution of a product; or
- cease offering the product.

A products' performance will be reported to Hollard's Risk Management Committee and Board to make sure management are aware of and take reasonable steps to address any identified issues of non-compliance.