

Approach to Product Development and Distribution

Purpose and scope

Hollard Insurance Partners Limited (Hollard) sells its general insurance products directly and across retail and digital distribution channels within the Commonwealth Bank of Australia Group (CBA), including Bankwest.

The purpose of this document is to explain to you how Hollard (we) develop and distribute our products to make sure they meet our customers' needs.

Our approach aims to reduce the risk of developing and distributing products that do not meet the likely objectives, financial situation and needs of our customers.

Failure to properly develop and distribute our products can cause financial loss to our customers, Hollard and CBA, customer complaints and associated remediation impacts, reputational damage.

This applies to Employees, Seconded and Contractors who develop and/or distribute Products on behalf of Hollard.

Approach to Product Design and Distribution

Development Principles

Our products are designed for customers who own a domestic building, contents, portable contents or private cars in Australia and have the likely objectives and needs of wanting to insure against loss or damage if an Insured Event occurs.

Hollard considers the financial situation for our customers when developing our products and our target are those who:

- Want protection against unexpected financial loss as a result of loss or damage to a building, contents or a car they own;
- Are willing to pay the costs associated with the insurance cover (including premiums and excesses).

When developing (and distributing) our products, we:

- Meet genuine and market demand and/or customer needs and interests;
- Comply with applicable laws, industry codes and regulations;
- Align with business strategic objectives and risk appetite;
- Consider the circumstances of customers including their financial literacy, potential vulnerabilities, accessibility requirements and whether they are experiencing hardship;
- Take steps to reduce the risk of customer harm from the development and distribution of our products;
- We manage change in-line with Hollard requirements and make sure customer outcomes are considered;

- We make sure all required approvals are in place before we launch a product;
- We define remuneration arrangements, targets, bonus and incentive schemes for products which align with the Hollard Remuneration Policy.

Distribution Principles

The distribution of our product is subject to the following conditions and restrictions:

- Hollard and CBA (including Bankwest) staff that distribute this product must meet minimum qualification requirements.

The product can only be distributed through:

- Hollard customer contact centre;
- CBA's third party channels (e.g. in branch or online;); Hollard views that these distribution conditions are appropriate and are of a nature that it is likely that the product will be distributed to the appropriate customers;
- The policy acceptance criteria are built into each distribution channel, with high risk customers referred to the underwriter for manual review; and
- Hollard will have oversight of how the product is promoted and issued, including that staff are appropriately trained to discuss the features of the product with customers.

Product Monitoring and Governance Principles

Our products are subject to ongoing management, monitoring, assurance and governance to ensure they remain appropriate for our customers. Any risks and controls are captured and regularly tested with any issues or incidents identified and remediated appropriately.

- Products are regularly reviewed to confirm they are appropriately targeted, remain fit-for-purpose, meet customer and business objectives and are approved to continue, change or discontinue;
- Our distributors and associated arrangements are regularly reviewed to ensure they are meeting the needs and interests of the customer and their distribution responsibilities;
- When concerns about products and their distribution are identified, timely action is taken including, where necessary, any remediation action;
- When the outcome of a product review is to close the product, the reason must be understood and clearly documented. The impact on customer financial wellbeing is considered, ensuring needs and interests are met. All obligations to customers in relation to the product to be closed must be met; and
- Emerging customer experience and pain points will be addressed via changes to policy wording, assessing and claims management, underwriting rules and/or premium rates.

For further information on our Product please see our **Home or Car Insurance** information booklet for a list of the Insured Events, the Additional Benefits, and Optional Covers which vary based on the cover chosen. Alternatively, for the full terms and conditions please see our **Home or Car Insurance** Product Disclosure Statement.

Dated: 1 October 2022