



Product Governance Review

Fair Value Assessment – Environmental Impairment Liability

Fair Value Assessment Outcome: Environmental Impairment Liability

Key findings

Product Overview	
<p>The product provides pollution cover for statutory liabilities (arising from governmental bodies to comply with statutory law), gradual incidents and own land clean up. It can be included as part of a combined policy or as a standalone policy. Where part of a combined policy, it is designed to fill gaps within existing farm combined policies. For standalone policies, it is designed to cover any gaps in an existing Public Liability policy.</p> <p>See the detailed Target Market Statement for information on the range of customers the product is designed for, as well as the groups of customers for whom the product is not appropriate and will not provide the intended value.</p>	
Year Fair Value Assessment Completed	2024
<p>Fair Value Assessment Outcome</p> <p>AXA XL has conducted a comprehensive review of this product against the specified metrics, considering whether the insurance product remains consistent with the needs of the identified target market and whether the intended distribution strategy remains appropriate. The review has determined that this product continues to provide fair value in compliance with the FCA’s Product Intervention and Product Governance Sourcebook (PROD). This product will therefore be monitored as per BAU and reviewed again in 12 months as per PROD 4.2.34 requirement to undertake regular product reviews.</p> <ul style="list-style-type: none">• Claims Repudiation Rate• Claims Complaints as a % of Total Claims• Policy Cancellation Frequency• Gross Loss Ratio• Total Acquisition Ratio <p>Our approach to this product review has utilised data and MI readily available to AXA XL to conduct a quantitative analysis. Additionally, we have also performed a qualitative review. As a distributor, you may wish to consider metrics you hold in conjunction with this assessment. On conducting your own review, where issues are identified that are not identified within this review, please notify us so we can consider the impact on the product in our capacity as carrier.</p>	
Other factors which may be relevant to distributors	
n/a	

