This document is for insurance intermediaries/brokers only and must not be provided to customers.

# Ageas TELEMATICS

## Value Statement

This document is created for advisers and distributors to provide a summary of our annual Fair Value Assessment, and the outcome of that review.

Fair Value Assessments are conducted using a number of metrics to determine value; including loss ratios, claims and complaints frequency. Ageas's intent is for this document to meet the requirements under the FCA PROD rules.

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**The Telematics scheme can be distributed online via aggregators and through intermediaries, face-to-face or over the phone. The product is sold via few brokers. Telematics is a core Ageas product where Ageas controls the policy wording. Ageas acts as the manufacturer of the telematics insurance but does not provide any add-ons which are sourced separately by the brokers. There is no indication the product is being sold outside of the target market.**

## Products and services

The products policy count and policy sales have reduced within the review period, and are attributed to market conditions. Cancellation frequency exceeds desired tolerances, with enhanced validations at inception and telematic intervention models influence cancellation rates. Complaint volumes for Broker and Claims are comfortably below desired tolerance and as such there are no concerns regarding consumer support or understanding. A slight increase in Underwriting complaints, although volumes remain low and do not present any concerns.

## Consumer support

Customer satisfaction remains robust, evidenced by a strong retention rate, with Financial Ombudsman Service (FOS) complaint volumes remain low across Underwriting, Broker and Claims. Complaint reasons included declined claim, incorrect advice and general customer service/delays and do not raise any concerns. Upheld FOS complaints present themselves in singular figures, this positive as it indicates that young and inexperienced drivers are happy with the product and claims handling.

## Price and value

The average claim payout vs premium paid demonstrates robust coverage and value for customers. With a significant average claim pay-out vs the average premium paid, it would take a customer two years to recoup the loss of an average claim. The COR viewed as a rolling three year view satisfies any poor value concerns. Claims frequency and acceptance rates are high, showing that customers are utilising the product effectively. The total pre-policy remuneration fees for the top leading brokers all remain within tolerance. The average commission for the product is reasonable and demonstrates that the product itself does not generate excessive profits.

## Consumer understanding

Claims Frequency, Claim Repudiation Rates and Claim Acceptance Rates are all within tolerance and indicates that customers are utilising the products effectively, as well as the products offering value at the point of claim. Average Claim Settlement Time is within Ageas' desired tolerance. Analysis of claims data highlights a correlation between higher settlement times and higher average claims payments. It is to be expected that due to their more complex nature that these claims may take longer to close. An average key-to-key days reporting at 15 days, indicating reasonable repair time. The claim walkaway percentage remains comfortably within tolerance. indicating that there are no unnecessary barriers to making a claim.

## Cohort analysis

Furthermore, cohort analysis, including monitoring of customer vulnerability, tenure, age, and claim type, has also been completed. No concerns have been identified, and value is delivered consistently across all customer groups. The fair value assessment for Telematics is aligned to the four Consumer Duty outcomes and confirms that the product continues to deliver value for a reasonably foreseeable period.

## Summary

Overall, customers are receiving good outcomes at the point of claim, supported by strong utilisation and acceptance metrics. Based on the information above, the product continues to demonstrate fair value and is suitable for ongoing distribution over the next 12 months.