

# Product Development and Distribution Policy

Apia aims to provide products that are consistent with the likely objectives, financial situation and needs of customers in the target market.

To do this, we put the customer at the centre of all stages of the product lifecycle – from when we first design and develop a new product to when we decide to end or decommission a product. This is reflected in how we train our people and in our systems and policies.

We will have in place Target Market Determinations which guide the distribution of our products for appropriate target markets. The Determinations will be available on our website from October 2021.

Product Lifecycle Stage	Our general approach to the Development & Distribution of our Products
<p>01 <b>Design</b></p> <p>The Stage in which a new product is devised.</p>	<p>We typically start by assessing the likely objectives, financial situation and needs of a class of consumers and develop a market proposition for the new product leveraging (e.g. customer research and insights, experience and expertise, industry data/insights and other metrics.)</p> <p>Then, we consider the distribution channel and identify what controls need to be in place to support distribution of the product within the target market.</p>
<p>02 <b>Delivery</b></p> <p>The Stage in which a product has been designed or modified is prepared ready for distribution, whether direct by us or a Partner.</p>	<p>This stage involves a number of steps which may include:</p> <ul style="list-style-type: none"><li>• confirming how customer outcomes will be measured and monitored (e.g. customer value metrics) and embedding a regular reporting rhythm.</li><li>• preparation of clear, concise and effective disclosure documents.</li><li>• testing of the new product to ensure it is operating as intended and in a manner that is aligned to the likely objectives, financial and needs of the target market.</li><li>• training of staff and distributors and review of systems and processes to support distribution of the new product within target product.</li></ul>
<p>03 <b>Review</b></p> <p>The Stage in which a product is reviewed to ensure it is operating as designed.</p>	<p>We undertake regular product reviews to assess whether the product is operating the way it was designed, that it continues to meet customer needs and that it is being distributed within target market.</p> <p>Data such as customer value metrics, complaints and other claims data and feedback are leveraged as part of the review stage. We also draw on the experience of dedicated teams who proactively look at customer behaviour and market changes relevant to the product.</p>
<p>04 <b>Enhance/Modify</b></p> <p>The Stage in which changes are made to an existing product to align with business requirements/ industry or customer needs &amp; expectations.</p>	<p>Depending on the outcome of the Review stage, a possible outcome may be to amend the design of the product or the method of distribution. There may also be other reasons the Enhance/Modify stage is triggered e.g. to meet regulatory change requirements. In either case, the Enhance/Modify stage broadly follows the same steps outlined in the Design and Delivery stages.</p>
<p>05 <b>Decommission</b></p> <p>The Stage in which a product comes to an end and is no longer available.</p>	<p>A further potential outcome of the Review stage is the potential decommission of a product. This might occur if the product is not delivering the expected customer value, if for commercial or other reasons we decide to withdraw the product or if we cannot reasonably conclude the product is being distributed within the target market.</p>

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