



Product name: **Employers' liability**

Target Market statements and Fair Value Assessment

This document has been designed to support distributors in understanding the target markets for our products. Distributors should consider this information when deciding whether the product is suitable for their clients. It is important to be aware that underwriting and risk acceptance criteria will be applied during the quote process, this may result in some customers within the target market not being eligible for a quote.

Important product information

Full information on product features and significant exclusions can be found in the Policy Summary and Policy Wording documents which should be read in conjunction with the Policy or Quote Schedule.

Customer needs and objectives

The Employers' Liability (Compulsory Insurance) Act 1969 requires all employers carrying on business in Great Britain and Northern Ireland to insure against their legal liability for injury or disease to employees in the course of work or them. Employers can be fined up to £2,500 by the Health and Safety Executive (HSE) for each day they are without suitable EL insurance. In addition, many small employers would suffer significant financial difficulties if required to pay large sums as compensation in the event of a claim.

Product design

Following the latest product review and fair value assessment the product has been approved as providing the expected value to customers. The metrics and other insight reviewed suggest the product is understood and well utilised by customers. For information on the key benefits and any notable exclusions please see the relevant policy summary, or contact your local Hiscox underwriter.

Eligibility

- Policyholder should be SME or mid-market business, or non-profit organisations based in the United Kingdom.
- Policyholder should not have had insurance previously refused, declined or cancelled.

Target market

Employers' liability insurance is a commercial product designed for UK-based SME businesses who purchase professional indemnity or office combined policies from us. The target market are those who own work in or use clinics, culture, leisure and events venues, shops and offices.

Non-target market

This product is not designed to support customers who are not running a commercial enterprise and are without employees. It is also not designed for abattoirs, slaughterhouses, airside or trackside locations, fairgrounds, funfairs and amusement parks or those who are not based in the UK.

Recommended distribution strategy

This product may be sold on an advised or non-advised basis. It is suitable to be sold face-to-face, through telephony sales or via a quote-and-buy website.

Fair value assessment

Date of last fair value assessment: June 2025

Expected date of next assessment: within 12 months of the above date

As a result of our fair value assessment, we have concluded our employers' liability product is providing the expected value to customers.

1. The product is compatible with the needs of the target market.
2. The distribution and remuneration strategy remains appropriate, we are not aware of any distribution and remuneration arrangements having a detrimental effect on the overall value of the product.
3. The quality of the service provides the expected value.

When completing our fair value assessments, we consider all information that is available and relevant including information provided by our distributors. We also continually monitor key metrics throughout the year to give us ongoing assurance that products are providing the value expected. Where information is outside of our tolerance levels, we may review the product outside of the scheduled timeline.

Assessment	Indicators and measures	Assessment
Product overview	<ul style="list-style-type: none"> Product summary. Target market. Vulnerable customers. Competitor analysis/external benchmarking. Product research. 	Our fair value assessment for this product demonstrates it is offering the expected value. The range of metrics show a good level of understanding by our customers. The customer testing illustrates the usage and benefit of the covers purchased.
Product design/performance	<ul style="list-style-type: none"> Average premium. Persistency. Claims analysis. Tenure. Price walking. 	The distribution of this product remains aligned with our broader distribution strategy. The distribution metrics reviewed do not indicate any concerns or areas for investigation.
Remuneration and distribution arrangements	<ul style="list-style-type: none"> Distribution chain. Distribution strategy. Commission, fees and any other remuneration arrangements. Add-ons. 	The service level metrics reviewed for this product show no negative impact on the ability of the customer to utilise the product.

	<ul style="list-style-type: none">• Premium finance.	
Service	<ul style="list-style-type: none">• Key indicators.• Complaints analysis + RCA.• Training.	