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# Summary of Bupa's Fair Value Assessment for Bupa Fundamental Health Insurance

<b>Product</b>	Bupa Fundamental Health Insurance
<b>Fair Value Assessment Date</b>	December 2025
<b>Date of next Fair Value Assessment</b>	Routinely, the next fair value assessment will be in 12 months. However, due to revised product governance regulations, the date when the next fair value assessment takes place may change, depending on the risks of customer harm observed within the product. This may mean the fair value assessment is completed sooner or later than the indicated date.

Bupa Insurance Limited ('BINS') has undertaken a Fair Value Assessment (FVA) of this product, to ensure and demonstrate that this product continues to provide fair value to customers in the target market and will do so for a reasonably foreseeable period; and to fulfil our regulatory obligations as a product manufacturer ('PROD 4.2 Manufacture of Insurance Products').

Following a full assessment of the product we have concluded that it provides fair value and is expected to continue doing so for a reasonably foreseeable period.

This assessment considers all the elements which contribute to the total price paid by the customer and the quality of the product and services provided. However, this is subject to distributors completing their own assessment of value based on their position in the distribution chain, including (but not limited to):

- Reviewing any add on or ancillary products sold with the core product to ensure they do not impact the overall value.
- Reviewing any fees or remuneration charged to the client or customer to ensure they do not impact the product value.
- Ensuring no duplicate coverage exists caused by add-ons already covered by the core policy.
- If applicable, ensure that any net-rated commission arrangement demonstrates a fair value commission strategy.

As a result of the product governance undertaken across this product we can confirm:

1. The product remains consistent with the needs of the identified target market
2. The intended distribution strategy remains appropriate.

If there are significant changes to the BINS target market, distribution strategy and/or product features and benefits this position will be reviewed and communicated.

Review/Assessment area	Example indicators used	Summary
Product design, features and benefits	<ul style="list-style-type: none"> <li>▪ Target Market review</li> <li>▪ Product Risks and incidents</li> <li>▪ Product changes and enhancements</li> <li>▪ Product complaints</li> </ul>	<p>Our assessment of these measures confirmed the ongoing fair value of this product.</p> <p>Our Target Market Statement remains accurate and up to date.</p>
Price	<ul style="list-style-type: none"> <li>▪ Loss Ratio</li> <li>▪ Pricing Fairness assessment</li> <li>▪ Lapses</li> <li>▪ Total price breakdown</li> </ul>	<p>Our assessment of these measures confirmed the ongoing fair value of this product.</p>
Remuneration	<ul style="list-style-type: none"> <li>▪ Commission paid to distributors</li> <li>▪ Review of commission rates for renewing business</li> </ul>	<p>Our assessment of these measures confirmed the ongoing fair value of this product.</p>
Utility	<ul style="list-style-type: none"> <li>▪ Claims frequency</li> <li>▪ Claims outcomes</li> <li>▪ Claims complaints</li> <li>▪ Pre-authorisations outcomes</li> </ul>	<p>Our assessment of these measures confirmed the ongoing fair value of this product.</p>
Service	<ul style="list-style-type: none"> <li>▪ Claims service metrics</li> <li>▪ Operational service metrics</li> <li>▪ Operational complaints</li> <li>▪ Claims and operational risks and incidents</li> </ul>	<p>Our assessment of these measures confirmed the ongoing fair value of this product.</p>
Distributor value governance	<ul style="list-style-type: none"> <li>▪ Distributor oversight</li> </ul>	<p>Our assessment of these measures confirmed the ongoing fair value of this product.</p> <p>The core product we manufacture offers fair value, and it is our requirement that the distributor ensures any costs they pass on to the customer offer fair value for the service the distributor provides and/or the value of any add-ons.</p> <p>We continue to work with our partners to obtain and assess information, and agree actions as required, to ensure the ongoing value of this product.</p>