

## Our approach to meeting the Products & Services Outcome and Price & Value Outcome – Information for distributors of the Product

This summary document is being provided to you to fulfil our responsibilities under PRIN 2A.4.15R and PRIN 2A.3.12 R (2).

It is designed to support you to comply with your responsibilities under PRIN 2A.3.16 R and PRIN 2A.4.16 R. Please note that you are ultimately responsible for meeting your obligations under 'The Consumer Duty'.

**This information is intended for intermediary use only and should not be provided to clients / customers.**

### 1. Summary of our assessment

We have assessed that:

- Our Residential product range continues to meet the needs, characteristics, and objectives of customers in the identified target market which reflects the customer's circumstances.
- The intended distribution strategy remains appropriate for the target market.
- The Product provides fair value to customers in the target market (i.e., the total benefits are proportionate to total costs).

### 2. Product characteristics & benefits

The products are designed to meet the needs of the target group, most notably the need to secure finance on a first or subsequent home. The product features and criteria are designed to support these needs.

- Fixed or Variable products. Not all products or options mentioned in section 3 are always available.
- Mortgage Term up to 45 years.
- Products with a range of different Product Fees and incentives to suit different customer needs.
- Interest Only or Capital Repayments.
- Available on new or existing homes.
- Available for purchase or remortgage.
- Fee Saver options including fee free, free valuation and refund of legals costs may be available.
- Product Transfer available following maturity from the fixed or variable product period.
- Available on a wide range of property types including non-standard construction, flats adjacent to Commercial and ex-Local Authority.

Full eligibility criteria can be accessed on our intermediary website via this [link](#).

### 3. Target market assessment and distribution strategy

This target market assessment matrix segments the target customers for the Product, recognising their different needs to enable you to tailor the services you provide when you distribute the Product.

Customer Circumstances	Summary	Customer Needs & Objectives
First Time Buyers (FTBs) looking to purchase their first residential property in Great Britain.	Available through Intermediary* only	<ul style="list-style-type: none"> <li>• Access to high LTV lending</li> <li>• Access to high LTI lending</li> <li>• Option to fix their costs for a defined period</li> <li>• To repay the capital by the end of the mortgage term</li> <li>• Option to cover Interest only during initial product term</li> <li>• Become a homeowner for the first time</li> <li>• Receive support from the family through gifted deposits or Joint Borrower Sole Proprietor</li> <li>• Option to minimise upfront fees and costs</li> <li>• Accepting a wide range of income types and historic adverse</li> </ul>
Existing homeowners looking to move house	Available through Intermediary* only	<ul style="list-style-type: none"> <li>• Access to a range of LTV's, fixed and variable terms</li> <li>• Option to fix their costs for a defined period</li> <li>• To repay the capital by the end of the mortgage term</li> <li>• Option to cover Interest only during initial product term</li> <li>• Accepting a wide range of income types and historic adverse</li> </ul>
Existing homeowners looking to remortgage	Available through Intermediary* only	<ul style="list-style-type: none"> <li>• Access to a range of LTV's, fixed and variable terms</li> <li>• To fix their costs for a defined period</li> <li>• To repay the capital by the end of the mortgage term</li> <li>• Option to cover Interest only during initial product term</li> <li>• Accepting a wide range of income types and historic adverse</li> <li>• Access to capital raise</li> </ul>
<p>*Intermediary distribution through:</p> <ul style="list-style-type: none"> <li>• Networks and their Appointed Representatives</li> <li>• Mortgage Clubs</li> <li>• Packagers</li> </ul> <p>All intermediaries must be registered with us. Product Transfers available through intermediaries and, on an execution only basis, direct to customers online.</p>		

The Product is not designed for customers who:

- Do not meet our lending or property criteria.
- Are purchasing or remortgage a property that they are intending to let out.
- Are residing outside of Great Britain

#### 4. Customers with characteristics of vulnerability

The Product is designed for Residential home finance, which is likely to include some customers with characteristics of vulnerability or who will experience vulnerability over time.

First Time Buyers are less likely to have a comprehensive understanding of the residential mortgage market. Therefore, they may require additional advice and support to ensure they understand the information being presented to them and the implications of the arrangement they are entering into to reduce the risk of harm occurring.

We considered the needs, characteristics, and objectives of customers with characteristics of vulnerability at all stages of the design process for this Product to ensure the Product meets their needs.

We have in place a framework to achieve good outcomes for vulnerable customers, which includes:

- Regular education and training for our staff to ensure they have the appropriate skills and experience to recognise and respond to the needs of vulnerable customers.
- Suitable customer service provision and communications.
- Flexible policies, where appropriate, to support vulnerable members. These policies are reviewed regularly along with associated procedures to reflect our recent experience.
- Monitoring to ensure we continue to meet and respond to the needs of customers with characteristics of vulnerability.

Intermediaries should continue to comply with your obligations to ensure that you treat customers in vulnerable circumstances fairly. A guide on identifying [Vulnerable Customers](#) is available on our [website](#), along with a form to notify us in the event of a vulnerability being [identified](#).

Please contact us if you need any further information about how we support the needs of all our customers in relation to the Product.

## 5. Our assessment of value

We have developed a comprehensive and robust assessment process which evaluates several aspects of our business to determine the value of our mortgage product. This analysis is used to ascertain whether the Product delivers fair value for customers and is supported by a set of Pricing Principles agreed at our Customer Committee, one of our formal Executive Committee meetings.

The outcomes of the assessment process are presented to our Pricing Committee (Executive Sub-Committee), allowing for challenge and further investigation before we sign-off the outcomes and share the summary of our assessment with you.

<b>Benefits</b>
The range of features that the Product provides, the quality of the Product, the level of broker service that is provided and any other features that the Product may offer
<b>Prices</b>
The interest rate, fees and charges customers pay for the Product, and any incentives received (e.g., free valuation), comparable market rates, advice fees paid to intermediaries and non-financial costs associated with operating the Product.
<b>Costs</b>
The cost of funding the Product and any other reductions in costs to the customer made possible by economies of scale. Potential credit losses due to customers defaulting on the mortgage.
<b>Limitations</b>
Any limitations on the scope and service we provide or the features of the Product

### Results of our assessment

Our assessment concluded that the Product continues to deliver fair value for customers in the target market for the Product.

### For intermediary use only. Not intended for retail consumer use.

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