

Aviva Immediate Life Annuity Target Market Statement & Value for Money Assessment

Aviva Life & Pensions UK Limited is the manufacturer of this product. Full details are contained in the policy documentation.

Aviva's product oversight and governance

Under FCA rules, we're required to inform you that we have governance processes in place to oversee the design, approval and review of our products.

Our well-established governance processes help us:

- formalise approval of new product developments and changes to existing products
- identify target markets for each product
- test customer understanding
- consider needs of vulnerable customers
- monitor post-sales performance

Target Market Statements

If the target market isn't adequately defined, the product could be sold to customers who are unlikely to get fair value or achieve good outcomes from the product. Distributors must also understand the target market and distribution strategy and ensure that the product is distributed accordingly.

When designing products, we:

- specify an identified target market for a typical group of potential customers
- identify relevant risks to the target market
- make sure that the intended distribution strategy is appropriate for the identified target market
- take reasonable steps to make sure we distribute the product in line with the target market for specified distribution channels

What does this mean for me?

We've developed Target Market Statements to give you clarity on who the product is (and isn't) intended for and how customers can buy it.

They should help you in your consideration of:

- how the distribution strategy aligns with the target market statement
- the demands and needs of the customer, including their risk appetite
- what limitations, exclusions or alternative cover in place might inhibit a customer from getting full value from the product
- whether any of the customers may be outside of the target market due to eligibility or exclusions
- whether fees and charges are appropriate to the service being delivered for customers
- vulnerable customers and the target market, focusing on whether they may require additional support in their decision making

Can I sell outside the target market?

You shouldn't assume a product is appropriate simply because the customer is in scope. Equally, a customer may benefit from the product even if they're out of scope. During the sale, you'll be closest to the customer in identifying their demands and needs and your judgement will decide what's right.

If you believe you could use an alternative distribution channel to those we set, please get in touch so we can consider this.

Value for Money Assessments

We regularly review our products to check whether changes are needed. The Value for Money Assessment considers a range of indicators and measures which contribute to the overall value delivered to our customers.

The measures include:

- Target Market and Distribution Strategy – ensuring the target market is defined at a sufficiently granular level and distribution approaches are appropriate.
- Costs and Charges – reviewing those incurred by retail customers to ensure they're fair and appropriate, when considering the features and benefits of the product.
- Commission and Adviser Charging – confirming these are appropriate for the service received.
- Complaints – analysing customer complaints to identify and resolve root causes, particularly where the product fails to deliver as expected.
- Service Delivery – checking service levels are in line with those we've led customers to expect.
- Communications – to ensure customers continue to receive communications which are clear, transparent and timely.

We base our level of insight on the type and complexity of each product, our identified target markets and the level of financial understanding.

What does this mean for me?

We monitor the performance of our products to make sure they meet the needs of customers in their identified target markets.

Immediate Life Annuity Target Market Statement

What customer needs does the product meet?

The Immediate Life annuity provides customers, between the age of 55 and under 95, a way to invest a lump sum in exchange for a guaranteed regular income for life. The income can be level or increase at a fixed rate.

The Immediate Life Annuity has a guarantee and value protection period that can be extended ensuring that in the event of death any remaining payments will be paid as set out in the customers will. Additionally, it can provide a customer's dependant with a guaranteed income in the event of their death.

Who is the product designed for?

This product is designed for customers who are:

- are age 55+
- aren't older than 95 minus 1 day
- are resident of the UK (UK tax-payer) for tax purposes
- want to purchase the plan using non-pension monies
- either have a pot size of:
 - £7.5k or greater after any applicable adviser charging or;
 - £100k or greater after any applicable adviser charging, if purchased via a will or trust.

It's suitable for customers who:

- are looking for a guaranteed income for life
- want the security of a regular income with no investment risk
- want the security of a guaranteed income that's level or increases at a fixed rate
- want to be able to provide a guaranteed income for a dependant once they die
- want to have an element of capital protection

Who's the product not designed to support?

It isn't designed for customers who:

- who want to retain access to their capital
- who want flexibility in their retirement product
- who may want to change the level of regular income as their circumstances change over time
- where the Immediate Life Annuity would be funded by a third-party company (except via a trust or settlement)
- where the Immediate Life Annuity would be funded by a pension fund.

It may not be suitable for customers who have a short life expectancy of 12 months or less.

The product has a 30 day cancellation period, after which it can't be changed, deferred, transferred, or cashed in, even if a customer's circumstances change.

Can I sell the product without advice?

Yes, this product can be sold on an advised or non-advised basis.

Immediate Life Annuity Value for Money Assessment

The below table outlines when the last assessment took place, when the next assessment is due and the outcome of the most recent assessment.

Product Name	IMMEDIATE LIFE ANNUITY
Date Value for Money Assessment was completed	August 2025
Expected date of next Assessment	August 2026
Outcome	Continues to provide good value for the target market

Need more information on Consumer Duty?

Visit our Consumer Duty Hub at connect.avivab2b.co.uk/adviser/consumer-duty

Feedback

If you have any feedback on these statements, please get in touch with your usual Aviva contact.

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