Target Market Determination (TMD)

This TMD is issued by St.George Bank - A Division of Westpac Banking Corporation ABN 33 007 457 141

Product: This TMD applies to:

- Basic Investment Loan
- Basic Home Loan

Effective date: 25 May 2025

Target market class of consumers

Product description and key attributes

Basic variable rate loans have been designed for borrowers who are looking for a home or investment loan that offers a low variable rate, with no Offset or Package. These products are for the purchase of a residential property, to use the equity in their property for other non-residential personal purposes or refinancing an existing loan.

The key product attributes (including the key eligibility requirements) to acquire these products:

Key attributes:

- A variable rate that could move both up and down;
- A basic loan that is not linked to an offset account or package;
- Flexibility of unlimited additional payments and access to surplus funds via redraw;
- No fees for loan establishment, monthly maintenance or redraw, however fees may apply to other selected features;
- Available for owner occupied or investment purposes;
- Principal & Interest (P&I) repayments with option (subject to eligibility) of an Interest Only period.*

*Note: Interest Only payments revert to P&I repayments after the Interest Only period. These P&I repayments will be set to reduce the loan balance over the shorter remaining term and will be higher than if P&I repayments were made from the start of the loan, that is, over a longer term.

Key eligibility requirements:

- Borrower must be an individual (18+years old); and
- Must meet credit criteria which includes demonstrating the ability to meet repayment obligations.
- Loan must be secured by Australian residential property.

Class of consumers

These products are designed for a class of consumers whose likely needs, objectives and financial situation (as set out below) are aligned with the product and the product's key attributes.

Needs, objectives and financial situation

These products are designed for consumers who:

- want a basic variable rate loan, with no offset, no package discounts and no ongoing fees;
- want repayment flexibility to make additional payments and access available funds via redraw;
- are looking to buy a residential property to live in or for investment purposes; or

- are looking to refinance a home or investment loan from another lender secured by residential property; or
- may be looking to use the equity in the security property for other non-residential purposes;
- are able to meet repayment obligations.

These products are not designed for consumers who:

- need a loan for predominantly business purposes;
- need a loan where the borrower or security is in the name of a company or incorporated trustee;
- need a loan for construction purposes;
- need repayment stability during a fixed rate period;
- are seeking a package and /or offset facility.

Alignment to target market

These products are likely to be consistent with the likely objectives, financial situation and needs of the class of consumers in the target market. This is based on an assessment of the key terms, features and attributes of the products and a determination that these are consistent with the identified class of consumers.

Distribution conditions and restrictions:

Distribution channels

These products are designed to be sold via the following means:

- Banker assisted channels including in branch, over the phone, mobile bankers, Relationship Managers;
- Online channels including our website, mobile app and online banking;
- Through an accredited mortgage broker.

Distribution conditions and restrictions

These products should only be distributed under the following circumstances:

- If a consumer meets the eligibility criteria for these products;
- Banker assisted channels including in branch, over the phone, mobile bankers, Relationship Managers, with bankers who:
  - are required to be trained to meet role-based accreditation requirements;
  - are able to discuss the product features, eligibility, interest rates, fees and charges including key differences from other home and investment loan products we offer;
  - have access to tools and resources such as product information and repayment calculators;
  - are required to follow the policies, procedures and systems including in relation to eligibility criteria and assessing the customer's ability to meet repayment obligations.
- Online channels including our websites, mobile app and online banking provide customers with access to:
  - information about the product's features, eligibility requirements, interest rates, fees and charges to assist customers to make an informed choice of the product;
  - tools and resources such as product information and repayment calculators to assist customers to make an informed choice of product;
  - an online application process, with applications directed to a banker assisted channel when the customer is ineligible for full digital processing due to product restriction, or where further information is required to assess eligibility criteria, including the customer's ability to meet repayment obligations.
- Approved mortgage aggregators, with brokers who:
  - meet our accreditation requirements, including completion of product and regulatory training;
  - hold required industry membership;

- meet the broking requirements outlined in the aggregator agreement in place with us;
- use our approved application systems to provide us with the customer's details and product requirements to be assessed by our systems and staff to ensure applications meet our eligibility criteria, including the customer's ability to meet repayment obligations.

- All distribution channels are subject to appropriate controls and/or monitoring.

Appropriateness of distribution conditions and restrictions

We have assessed that the distribution conditions and restrictions will make it likely that consumers who acquire the products are in the target market. We consider that the distribution conditions and restrictions are appropriate and will direct distribution towards the class of consumer for whom the products have been designed.

TMD reviews

We will review this TMD in accordance with the below:

Initial review	Within 2 years of the effective date.
Periodic reviews	At least every 2 years from the last review.

Review triggers	The review triggers (which reasonably suggest the TMD is no longer appropriate) that may result in an earlier review of the TMD include material changes to the design or distribution of the products including related documentation, material changes in law or taxation policy that may affect the operation of the products, or:
	• Significant changes in metrics and trends. These include;
	  • Customer complaints; e.g. relating to key product attributes, product suitability and sales conduct;
	  • Switching and closed account volumes;
	• Distribution conditions found to be inadequate;
	• Any direction from ASIC which requires us to cease distribution of the product;
	• Occurrence of a significant dealing.

Distribution information

We will collect the following information from our distributors directly or indirectly in relation to this TMD.

Complaints	Distributors will report all complaints in relation to the products covered by this TMD on a daily basis, and for all other complaints about the distribution of the product including conduct complaints, on a quarterly [ending March, June, September, and December] calendar basis. This will include written details of the complaints.
Significant dealings	Distributors will report, if they become aware of a significant dealing in relation to this TMD that is inconsistent with this TMD within 10 business days of the date of the distributor becoming aware of the significant dealing.