

Essential Workers Home Loan – Owner Occupier Principal and Interest

1. ABOUT THIS DOCUMENT

This Target Market Determination (TMD) is a publicly available document required under section 994B of the Corporations Act 2001 (Cth). It seeks to provide consumers, distributors and staff with an understanding of the class of consumers and therefore the target market for which this product has been designed, having regard to the objectives, financial situation and needs of the target market.

This document is not to be treated as a full summary of the product's terms and conditions and is not intended to provide financial advice. Members must still refer to our Financial Services Guide (FSG) and any supplementary documents which outline the relevant terms and conditions relating to the product when making a decision about this product.

Please see the Terms & Conditions and Financial Services Guide (FSG) to which this Target Market Determination applies.

Date from which this Target Market Determination is effective: 12 January 2026

2. CLASS OF CONSUMERS THAT FALL WITHIN THIS TARGET MARKET

The information below summarises the overall class of consumers that fall within the target market for this product, based on the product key attributes and the objectives, financial situation and needs of our members that it has been designed to meet.

This product has been designed for consumers whose likely objectives, financial situation and needs (as listed below) are aligned with the product (including the key attributes):

This product is only available to Essential Service Workers, as defined by HOPE Housing. This includes:

- police officers, ambulance officers, firefighters, paramedics, rescue workers or other emergency service workers who are first responders; or
- nurses, allied health workers, school teachers, ministers of religion, social workers, transport workers, cleaners; or
- serving defence force personnel, border force, prison guards; or
- other classes of persons performing community services which HOPE Housing defines as essential for the purposes of the Essential Worker Home Owner Solution; and
- looking to buy an established residential property close to where they work.

The Essential Service Workers described above must purchase an established residential property as owner occupiers within 30 minutes commute of their workplace. This loan is provided with assistance from HOPE Housing Fund Management Limited, which acquires up to a maximum 50% of the purchase price and no more than the loan amount borrowed. The Essential Service Worker may also require Lender's Mortgage Insurance to fulfil the desired outcome. In some circumstances, the Essential Service Worker may seek HOPE Housing's written approval to temporarily transition the property from owner-occupier to investment. This approved variation does not alter the product's design as an owner-occupied solution.

Product description and key attributes

To qualify for the Essential Workers Home Loan, members must meet these requirements:

- Be an Essential Service Worker (as defined by HOPE Housing)
- Be an existing member of Police Bank or become a member
- Be living in Australia as:
 - an Australian citizen, permanent resident, or specified temporary Australian resident;
 - New Zealand citizen; or
 - overseas citizen co-borrowing with an Australian citizen or permanent resident; or
 - be living and working overseas as an Australian citizen
- 18 years of age or over
- Have a minimum deposit of 5%

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- Meet the Bank's credit assessment criteria
- Meet HOPE Housing suitability requirements
- Receive relevant approvals from HOPE Housing
- Intend to purchase a home to live in.

The key product attributes are:

- Minimum loan amount is \$50,000
- No monthly account keeping fee
- No annual fee
- Option to split home loan into variable and fixed rate options
- Repayment frequency options: Weekly, Fortnightly or Monthly
- LVR up to 95% available with Lender's Mortgage Insurance (required for LVR's over 80%). The loan cannot have Interest Only repayments. Principal and Interest (P&I) is the only option.
- If eligible and approved by HOPE Housing, they contribute a portion of the property purchase price, reducing the amount you need to borrow and making home ownership more affordable.

Variable rate - key attributes:

- Unlimited additional repayments
- Interest Only repayments not available
- Redraw available subject to approval by HOPE Housing.

Fixed rate - key attributes:

- 1-, 2-, 3- and 5-Year Fixed terms available
- Up to \$9,999 per calendar year for the fixed term.

Fixed and Variable key attributes:

- Members can get the best of both worlds and get the benefit of having both a variable or fixed loan, by splitting their loan amount.

Objectives, financial situation, and needs

This product has been designed for individuals who:

- Are buyers looking to purchase an established residential property to be lived in by the owner
- Are within 30 minutes commute of their work place
- Are looking to have a shared ownership with HOPE Housing Fund Management Limited
- Have a minimum of 5% deposit to contribute towards their purchase, and if LVR is at or above 80%, accepting Lenders Mortgage Insurance will be applicable & capitalised onto Police Banks portion of the loan amount.
- Are looking to establish residential security.

Fixed Rate

- Certainty around repayment whilst still reducing principal off loan balance
- Flexibility to make additional repayments up to \$9,999 per calendar year.

Variable Rate

- Flexibility to make unlimited additional repayments.

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Consistency between target market and the product

This product is likely to be consistent with the likely objectives, financial situation and needs of the class of customers in the target market. This is based on an analysis of the key terms, features and attributes of the product and a finding that these are consistent with the identified class of customers.

This product enables customers to take advantage of the flexibility of the product whilst making principal and interest repayments. These options include flexible repayment options, through the choice of variable rate, fixed rate, or a split between both options.

Excluded class of consumers

This product has not been designed for individuals who:

- Do not meet the criteria of HOPE Housing
- Have a deposit of less than 5%
- Members seeking Interest Only repayments
- Are not currently or becoming Members of the Bank
- Do not meet the Bank's Credit eligibility criteria at time of application
- Are seeking a loan for the primary purpose of property investment or immediate rental (this exclusion does not apply to Members granted prior approval by HOPE Housing and Police Bank).
- Are further than 30 minutes away from their workplace.

3. HOW THIS PRODUCT IS TO BE DISTRIBUTED

Distribution conditions

This product can only be distributed and/or in accordance with the relevant product terms and conditions as outlined in the Terms and Conditions and other relevant material (as amended from time to time). This product is designed to be distributed through:

- In-store Retail Branches
- Member Experience Team.

This product should only be distributed under the following circumstances:

- An existing member, or is becoming a member of the Bank
- Be 18 years of age and meets the Bank's credit criteria
- Access the product through the appropriate distribution channels.

Adequacy of distribution conditions and restrictions

The Bank's application process has been tailored to identify the Target Market described in this TMD as part of the eligibility criteria for the product covered by this TMD, and the use of the Bank's application process would make it more likely that a product covered by this TMD will be acquired by persons in the Target Market.

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4. REVIEWING THIS TARGET MARKET DETERMINATION

We will review this Target Market Determination in accordance with the below:

Periodic reviews	At least every 12 months from the effective date.
Review triggers or events	<p>Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but is not limited to):</p> <ul style="list-style-type: none"> • If we make a material change to the design or distribution of the product, including related documentation; • If significant inconsistencies occur while dealing in the product; • If any other event occurs indicating that this TMD may no longer be appropriate; • An alteration in the eligibility criteria, lending criteria or application process; • Identified systemic issues in the product or across the product lifecycle; • Relevant material external events such as relevant litigation, adverse media coverage or regulatory attention; • Relevant feedback, information or notification received from distributor, regulator such as ASIC or APRA or other interested parties; • Significant changes in metrics. These include sales, portfolio changes, risk tolerance, loss ratios and complaints; and • Any significant dealings that are inconsistent with the TMD

Where a review trigger has occurred, this Target Market Determination will be reviewed within 10 business days.

5. REPORTING AND MONITORING THIS TARGET MARKET DETERMINATION

We may collect the following information in relation to this TMD.

Complaints	The Bank will report all complaints in relation to the product covered by this TMD on a quarterly basis. This will include but not limited to the number and nature of complaints received regarding the product's design, key attributes and distribution.
Significant dealings	<p>The nature and the circumstances of the significant dealing (including why the dealings occurred outside the Target Market), the date range of when the significant dealing occurred, the number of consumers to whom the report relates and whether consumer harm or detriment has or likely occurred as a result of the significant dealing.</p> <p>The Bank will report if they become aware of a significant dealing in relation to this TMD within 10 business days.</p>
Sale and Transaction Data	We may collect from our distributors e.g., transaction data, outcomes from sale practices like promotions and monitoring on a monthly basis. Member data relevant to sale.