Target Market Determination

HSBC Personal Loan

Effective: 23 September 2025
Next periodic review due: 7 August 2026
Maximum period between periodic reviews: 12 months

HSBC | Opening up a world of opportunity

Target Market

Product Description and Key Attributes

The HSBC Personal Loan is an unsecured credit facility that provides customers with a lump sum of funds to achieve various life goals (e.g., buying a car, paying for a wedding). The loan is provided over a fixed term with a fixed interest rate and fixed monthly repayments.

The following table sets out the key attributes of the HSBC Personal Loan, which HSBC has assessed as being consistent with the likely needs, objectives, and financial situation of customers in the target market for this product:

Customers with any one or more of the following needs and objectives	Key attributes
Require a personal loan to: • achieve various life goals e.g., buying a car, property renovation, paying for a wedding, education, or holiday. • consolidate debts. • help manage cash flow.	The loan can be used for one or more of the loan purposes listed. A minimum credit limit of $5,000 and maximum credit limit of $50,000 A loan term between 1 – 5 years
Seeking an unsecured loan	The loan does not require any type of security over any assets.
Require interest rate and repayment stability	The loan allows a customer to make fixed monthly repayments, with a fixed interest rate for the duration of the loan term.
Ability to pay off the loan over a chosen time frame and make additional repayments without requiring the ability to access or redraw available funds	No extra charges apply for making additional payments. An Early Termination Fee applies if a personal loan is repaid with more than 6 months remaining on the loan term. No redraw facility or access to additional repayments made

Financial Situation

The financial situation of customers in the target market for this product are customers that:

- earn a regular income
- require a credit facility with a limit between $5,000 to $50,000.
- have a good credit rating and are not experiencing financial hardship or financial stress as identified through credit assessment checks carried out at the time of application
- can make the fixed monthly repayment each month on their account over the duration of their loan term without experiencing financial hardship
- be able to service the proposed loan in accordance with the HSBC's lending criteria and responsible lending obligations at the time of application

Consistency with the Target Market

HSBC has assessed this product, including its key attributes, and determined that they are consistent with the likely needs, objectives, and financial situation of the target market. The product is designed for individual customers who are seeking an unsecured personal loan with a fixed interest rate and fixed repayments which will not change for the duration of the loan term. HSBC considers that its processes in place, including credit assessment and other suitability checks carried out at the time of application, will mean that the product will likely be consistent with the financial situation of customers within the target market.

Negative Target Market

The HSBC Personal Loan is not targeted at customers who:

- do not meet the key eligibility requirements outlined below
- are unable to service the credit facility
- want a revolving line of credit
- want a redraw facility to access any additional repayments made on the loan
- want a variable interest rate that may change over the loan term
- require a loan for purposes that are not set out above or for business purposes

Key Eligibility Requirements

To hold a personal loan, customers must be able to satisfy certain eligibility criteria, including that customers must:

- be aged 18 years or older;
- be an existing HSBC Australia customer for at least 12 months; or have an existing Mortgage with HSBC; or hold HSBC Premier status at the time of application.
- be an Australian citizen, permanent resident, or hold an eligible visa
- earn at least AUD40,000 per year before tax;
- have a good credit rating

Distribution Conditions

This product is distributed through the following channels:

- staff assisted channels including in an HSBC branch, over the phone and via Relationship Managers
- online channels including our websites, mobile banking and online banking;

HSBC has control over the distribution and marketing of all products within these channels. This product is not designed to be sold via third parties.

Channel	Distribution of this product is subject to the following conditions and restrictions
Staff-assisted	HSBC staff who distribute this product: • are appropriately trained to discuss the key features, eligibility requirements, interest rates and fees associated with this product • have access to resources and materials including up to date product information • are required to follow HSBC's procedures including in relation to assessing eligibility, suitability and affordability. This includes collecting the necessary information from the customer at the time of application in order to apply our suitability assessment checks and • are subject to supervisory oversight, continuous monitoring and customer feedback surveys These distribution conditions and restrictions will make it more likely that the customers who acquire the product are in the target market because: • staff who are appropriately trained and have access to product information will be able to provide clear and accurate information about the product to customers, including whether they are eligible for the product • staff will only discuss this product where it is likely to match the likely needs, objectives and financial situation of those customers within the target market, in accordance with approved conversations frameworks and • customers will not be issued this product unless they have completed the suitability assessment checks in accordance with HSBC's procedures to assess that the product is likely to be consistent with their likely needs, objectives and financial situation

Channel	Distribution of this product is subject to the following conditions and restrictions
Online	HSBC's online channels including our website, online banking and mobile banking: • provide customers with access to clear and accurate information about the key attributes, eligibility requirements, interest rates and fees associated with this product Customers can only apply for the HSBC Personal Loan through online banking or mobile banking. These channels: • provide access to an application for the product. The necessary information is collected from customers at the time of application in order to apply our suitability assessment checks These distribution conditions and restrictions will make it more likely that the customers who acquire the product are in the target market because: • accessible product information will likely support informed decision-making by assisting customers in assessing whether the product is consistent with their needs and objectives and • customers will not be issued this product unless they have completed the suitability assessment checks in accordance with HSBC's procedures to assess that the product is likely to be consistent with their likely needs, objectives and financial situation

Review Triggers

This Target Market Determination (TMD) will be reviewed if any of the below triggers occur, where they reasonably indicate that the TMD for the product is no longer appropriate:

- a trend or trends in customer outcomes that are significantly inconsistent with the intended product usage, for example:
  - customers terminating the loan shortly after account opening
  - the number of accounts in default or customers in hardship arrangements
- a trend or trends in complaints received from customers regarding the design or distribution of the product that are unexpected, for example:
  - suitability of product (e.g. customers unable to service the limit provided at origination);
  - distribution of product (e.g. misrepresentation of the product benefits or sales conduct).
- any significant dealing in the product to customers who are outside the Target Market, that is not consistent with the TMD;
- a material change to the product (e.g. to its key attributes or distribution channels) or the terms and conditions of the product;
- a product intervention power order is made by ASIC in relation to the product

For more information about HSBC's personal loans, please visit www.hsbc.com.au/loans/