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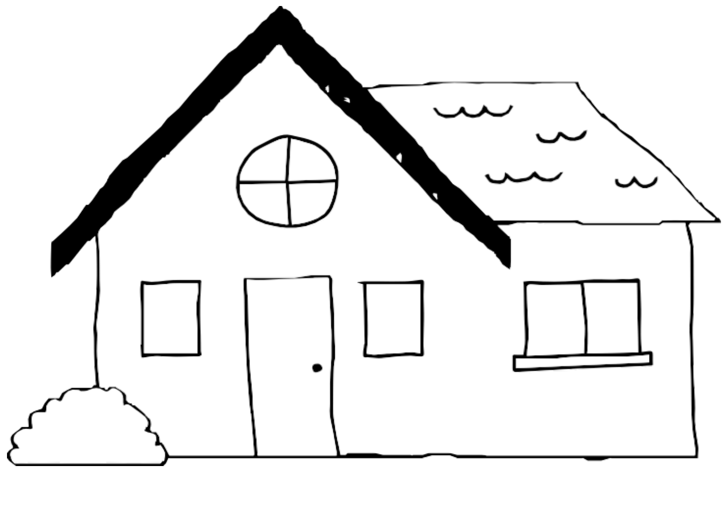
Target Market Determination (TMD)

for ahm Home & Contents Insurance



This document is the Target Market Determination (**TMD**) for ahm Home & Contents Insurance (**Product**) issued by the insurer, The Hollard Insurance Company Pty Limited ABN 78 090 584 473, AFSL 241436 (**Hollard**). This TMD is effective from 2 December 2025 for policies purchased on or after this date. For historical versions of this document, please click here www.ahm.com.au.

Open Insurance Pty Ltd, ABN 23 166 949 444, AFSL 451712 (**Open**) has binding authority from the insurer to issue, vary or dispose of this insurance. ahm health insurance, a business of Medibank Private Limited (ABN 47 080 890 259) (ahm), is the promoter of this insurance. ahm is an authorised representative (AR 286089) of Open. ahm and Open act as agents of Hollard and not on the customer's behalf.

Purpose of this document

As the insurer, Hollard wants to ensure that the Product is likely to be **suitable** for the customers who buy it. The purpose of this TMD is to set out how Hollard does this.

A product is suitable for customers if it would be reasonable for Hollard to conclude that the Product is likely to meet the likely objectives, financial situation and needs of those customers. This TMD describes the circumstances in which Hollard believes the Product is likely to be suitable. Customers who fit those circumstances are collectively referred to as Hollard's target market. The **target market** for this Product is set out in the text boxes throughout this TMD.

It is important to note that this TMD does not take anyone's personal circumstances into account. Even if a customer fits the description of Hollard's target market, and the Product is offered, that does not necessarily mean that the Product is appropriate for the customer's personal circumstances. No one knows a customer's situation better than themselves, so before making any decisions about the Product, the customer should read the Product Disclosure Statement (PDS) and any applicable Supplementary Product Disclosure Statement (SPDS) to understand the Product and decide if the Product is right for them.

Also, this TMD does not include all the factors that Hollard considers when deciding whether to issue a policy. For example, Hollard has a set of underwriting criteria that is used to assess whether a risk is of a type or level that Hollard wishes to insure. These factors may change over time or in different circumstances. These factors are applied when deciding whether to offer, issue, renew or agree to vary a policy.

What insurance does the Product provide?

The Product is designed to provide value and fulfill a well-founded need for home and/or contents insurance for the building and household goods owned by the customer, where they live within Australia.

The Product provides two types of cover (Home Insurance and Contents Insurance) and two levels of cover (Basic and Comprehensive).

What are the Objectives and Needs of the Target Market?

The table below provides a broad overview of the Product cover and matches the Product Attributes to the Objectives and Needs of the Target Market for this Product. Hollard has assessed that the Product including its key Product Attributes are likely to be consistent with the Objectives and Needs of the Target Market.

Before making any decisions about the Product, the customer should read the PDS. It provides complete information about the insurance, including coverage, exclusions, excesses, limitations, terms and rights and obligations.

Objectives and Needs	Product Attributes
Require insurance for loss of or damage to a home building and/or household goods or personal belongings as defined within the PDS and any applicable SPDS.	The Insured Events covered by the Product are: • Fire (including bushfire), explosion or lightning; • Malicious damage; • Theft; • Storm and rainwater; • Flood; • Accidental glass breakage; • Earthquake, tsunami or volcanic eruption; • Riot, civil commotion or industrial unrest; • Impact; • Escape of liquid; and • For Comprehensive Cover only- Accidental damage.
Require financial protection from legal liability for death or bodily injury to another person or loss or damage to	Provides cover (subject to exclusions) up to $20 million in total as a result of an accident caused by the policyholder(s) negligence.

Objectives and Needs	Product Attributes
another person’s property.	If the home is insured, it provides cover for legal liability which arises from occupancy and ownership of the home and its land and occurs within the home and the site on which it stands. If the contents are insured, provides cover for legal liability anywhere within Australia. Liability cover under contents insurance does not extend to liability arising out of ownership or occupancy of any residence, land or home unless the customer rents the home they live in, or the home the customer owns is a Strata Title property.
Require access to Additional Benefits subject to Hollard agreeing to pay a claim (unless stated otherwise).	***Additional Benefits if the home and contents are insured*** ***Emergency storage of contents:*** Reasonable costs up to 10% for Basic Cover and 15% for Comprehensive Cover of the contents sum insured for moving and storing contents while the home is being repaired or rebuilt as a result of a claim. ***Additional Benefits if the home and/or contents are insured*** ***Removal of debris:*** Cover up to 10% of the home and/or contents sum insured for the reasonable and necessary costs of removing any home debris when the home is insured and any contents debris when the contents are insured. ***Fire brigade charges:*** Reasonable costs up to $500 for Basic Cover and $750 for Comprehensive Cover if the fire brigade needs to be paid to protect the property against an actual fire or other emergency. A claim does not need to be accepted for this additional benefit to apply. ***Additional benefits if the home is insured*** ***Emergency accommodation:*** Lesser of 12 months’ rent or 10% of the home sum insured if the home cannot be safely resided in because of loss or damage that is covered under the policy. ***Replacement of locks:*** Reasonable costs up to $750 for Basic Cover and $1,500 for Comprehensive Cover if a claim for theft is covered and as part of that theft the

Objectives and Needs	Product Attributes
	key(s) to an external door(s) is stolen. ***Damage to landscaping:*** Cover up to $750 for Basic Cover and $1,500 for Comprehensive Cover for any landscaping features such as trees, plants or shrubs, rock features, fountains and ponds which are stolen, burnt, maliciously damaged or damaged by a vehicle. ***Paraplegia or quadriplegia assistance:*** Cover up to $2,500 for Basic Cover and $5,000 for Comprehensive Cover for the reasonable costs of modifications to the home or assisting in relocation to a new residence. This is available if as a direct result of loss or damage from a covered insured event an injury is sustained resulting in permanent paraplegia or quadriplegia to person(s) as defined as 'You, your' in the PDS. ***Funeral expenses:*** Contribution up to $7,500 for Basic Cover and $10,000 for Comprehensive Cover for funeral expenses of any person who dies while they were living at the home and the death occurred accidentally as a result of a covered claim. ***Environmental benefits:*** Reasonable costs up to $2,500 for Basic Cover and $5,000 for Comprehensive Cover to purchase and install environmental improvements at the site if the loss or damage to the home is covered under the policy and is a total loss. ***Additional benefits if contents are insured*** ***Visitor contents:*** Reasonable costs to repair or replace up to $2,500 for Basic Cover and $5,000 for Comprehensive Cover for visitor contents lost or damaged by an insured event at the site. ***Contents in the home office:*** Up to $2,500 for Basic Cover and $5,000 for Comprehensive Cover for loss or damage to contents in the home office caused by an insured event. ***Cover for strata title property owners (and occupiers):*** Cover for owned fixtures not insurable by the body corporate; replacement of locks (up to $750 for Basic Cover and $1,500 for Comprehensive Cover); and emergency accommodation up to the lesser of 12 months rent or 20% of the contents sum insured. ***Reproduction of documents:*** Up to $500 for Basic Cover

Objectives and Needs	Product Attributes
	and $1,000 for Comprehensive Cover towards the costs to reinstate, reproduce or restore documents damaged by an insured event contained in the home. ***Credit card:*** Up to $2,500 for Basic Cover and $5,000 for Comprehensive Cover if a credit or financial transaction card owned by person(s) as defined as 'You, your' in the PDS is stolen from the home and used fraudulently. ***Food spoilage:*** Up to $500 for Basic Cover and $1,000 for Comprehensive Cover for loss of or spoilage of frozen or refrigerated food caused by an unforeseeable failure of the public electricity supply to the home. ***Contents temporarily removed from the home:*** Cover up to 20% of the contents sum insured for loss or damage caused by theft, storm, flood, rainwater or impact while temporarily removed from the home to another building within Australia. ***Contents while in transit:*** Up to 20% of the contents sum insured for Basic Cover and up to the contents sum insured for Comprehensive Cover towards contents for loss or damage caused by fire, collision or overturning of the vehicle carrying the contents while moving to a new address in Australia. ***Contents in the new and old address:*** Cover up to the contents sum insured to cover contents in the home at both the new and old address for up to 14 days from the day moving starts. ***Contents in the open air at the home:*** Up to $1,000 per item and $4,000 per claim for Basic Cover, and up to $2,000 per item and $8,000 per claim for Comprehensive Cover for loss or damage to contents items left outside the home such as garden furniture and BBQ's.

When a claim is payable, a number of different excesses may apply in various circumstances. If more than one excess applies to a claim, they are added together to work out the total excess payable.

One type of excess is called the basic excess. When purchasing a policy, the basic excess can be chosen from a range of options to suit the customer's needs. A lower basic excess may save money at the time of a claim, but would normally increase the premium. A higher basic excess may reduce the premium but could cost more at time of a claim.

What is the target market for the Product?

The overall target market for the Product is customers who require insurance for their home and/or contents. In addition, each cover and option has its own target market.

The target market for home cover is customers who:

- own and occupy a home used primarily for domestic purposes (other than a home owned under a strata title, community or company title);
- have estimated the cost of replacement of the home buildings, fixtures and domestic structural improvements; and
- are comfortable that the Product appropriately balances or satisfies their need for affordable cover and want cover that is likely to help reduce their net financial loss in the event of a claim to a level they consider they would be able to manage.

The target market for **Comprehensive Cover** is customers who want cover for accidental damage and the higher limits of some additional benefits that come with Comprehensive Cover, as described in the PDS.

The target market for **Basic Cover** is customers who do not want cover for accidental damage and the higher limits of some additional benefits that come with Comprehensive Cover.

Some factors that may place customers outside of the target market for home cover:

- if the customer does not own the building as an owner occupier;
- if the customer uses the building primarily for business;
- if the building is under construction or major renovation;
- the building is not kept in good repair; and
- the building is likely to be unoccupied for more than 100 days.

The target market for contents cover is customers who:

- own contents in their home (which could include a person who:
  - owns their home;
  - occupies their home as a tenant, or
  - owns their home under strata titles, community title or company title);

- have estimated the cost of replacement of those contents; and
- are comfortable that the Product appropriately balances or satisfies their need for affordable cover and cover that is likely to help reduce their net financial loss in the event of a claim to a level they consider they would be able to manage.

The target market for **Comprehensive** level cover is customers who want cover for accidental damage and the higher limits of some additional benefits that come with Comprehensive cover, as described in the PDS.

The target market for **Basic** level cover is customers who do not want cover for accidental damage and the higher limits of some additional benefits that come with Comprehensive cover.

Some factors that may place customers outside of the target market for contents cover:

- if the customer lives within a manufactured or relocatable home;
- if the customer is under 18 years of age;
- if the building is sublet; or
- if the building is occupied by more than 3 unrelated people.

What is the target market for the relevant cover options?

Portable Valuables

Portable Valuables cover is an optional cover available for an additional premium with contents cover.

It covers most types of accidental loss or damage to eligible contents items (as listed and not excluded in the PDS or the Certificate of Insurance) if it occurs anywhere in Australia.

Eligible items and their value will need to be specified, and if Open agrees to insure those items at those values, they are individually itemised on the Certificate of Insurance. A $100 excess applies to this optional cover.

The target market for **Portable Valuables** cover is customers in the target market for contents cover who own eligible contents items limited to the amount specified for that item in the Certificate of Insurance, where those contents may be taken out of their home to other parts of Australia.

Eligibility criteria for the Product

To hold this Product, customers will need to satisfy certain eligibility criteria, including that customers must:

- (for Home cover) own a building used primarily for domestic purposes in Australia;
- (for Contents cover) own or are legally responsible for household goods or personal belongings usually kept in the home;
- have the ability to receive policy documents electronically and want to service their product through an online portal or webchat function; and
- meet Hollard's underwriting guidelines, which outline specific policy acceptance criteria. Some factors that increase the risk and may be unacceptable will be reviewed at the time of application or renewal, and may include the customers:
    - requested sum insured;
    - criminal history (such as fraud or dishonesty);
    - claims history (claims made prior to and during the period of insurance); and
    - insurance history (such as previous insurance refused).

Financial Situation

The target market for the Product is intended for customers who have all of the following financial criteria:

- want protection against unexpected financial costs that occur as a result of loss of or damage from a claimable event to their residential home and/or contents at the insured address;
- (for Home cover) own a residential property in Australia that they live in;
- (for Contents cover) want protection for contents contained in a domestic home they live in;
- have considered the potential loss outside of the fixed limits and maximum claim limits provided by this Product, and for any damage that may be excluded from cover;
- understand that the finalisation of claims payments are not immediate; and
- have the ability to pay (having regard to personal circumstances and vulnerability or hardship considerations):
    - the applicable excess at the time of a claim;
    - premiums, fees and government charges in advance at the time of policy inception, at renewal or by monthly payments;
    - if applicable, the Policy Arrangement Fee at the time of policy inception and renewal; and
    - for emergency work or temporary repairs upfront if this is required to mitigate loss.

If a customer does not meet the financial criteria then they are outside the target market. Hollard views that its processes in place before the Product is purchased and at renewal means that the

Product is likely to be consistent with the Financial Situation of the Target Market, providing a valuable product to the customer.

Distribution conditions

Hollard has a range of supervision and monitoring procedures and contractual arrangements with Open (and where necessary, appropriate remediation action is taken) to help ensure that customers purchasing and renewing the Product are only offered Products if they are likely to be in the target market for the relevant levels of cover and options.

New policies

The Product is sold through Open via an online quote-line.

Before purchasing the Product, a series of questions will be asked to help Open decide:

- if the customer is in the target market for the Product and the relevant levels of cover and options;
- if the customer meets Hollard's underwriting guidelines; and
- what premium should be charged.

Renewals

Before a policy expires, Open will consider:

- the information previously provided to Open;
- how long it has been since that information was provided or updated; and
- other potential changes.

Based on this information, Open will consider whether it is likely that the customer is in the target market for the current level of cover, whether renewal will be offered, and if so whether an offer to renew at the same level of cover or a different level of cover is made. In making this determination, regard to the likely impact on customers of offering cover to customers who are not in the target market and of other various alternatives will be given.

Open will then contact the customer to confirm the information held that is relevant to assessing whether they are in the target market, offer to renew the policy (or notify that renewal will not be offered), and ask to contact Open if there are any changes or questions. If Open determines that the customer is not likely to be in the target market for the current level of cover, or if Open offers a different level of cover on renewal, or if Open declines to renew, this will be explained clearly and prominently.

If, having been sent the renewal communication, the customer contacts Open with any changes or instructions, accepts the renewal offer and/or allows a renewal to proceed on the terms offered, this will be taken into account in determining whether the customer is likely to be in the target market.

TMD Reviews

Hollard will review this TMD within 24 months of the effective date or if there is a change in distribution conditions; or immediately following a significant dealing; or when a review trigger occurs to make sure it remains appropriate.

Effective date: 2 December 2025

Next review date: 2 December 2027

Additional reviews may be triggered if Hollard determines that there has been an event or circumstance that reasonably suggests that this TMD needs to change. This would be the case if it is no longer reasonable to conclude that:

- if the Product is issued to a customer in accordance with the distribution conditions, it would be likely that the customer is in the target market; or
- the Product is likely to be suitable for customers in the target market.

Review triggers could be identified from:

- changes to the Product terms;
- incidents, audit findings or significant dealings;
- information received from and/or in relation to distributors that fall outside of an established range (see below);
- changes to Hollard's underwriting guidelines; and
- feedback and policy from ASIC, AFCA, Code Governance Committee and/ or other relevant bodies.

Hollard takes reasonable steps to monitor relevant information (including the information referenced above) and other metrics to assess if our TMD needs to be reviewed and reassessed.

Reporting obligations

Open is required to report the following information to Hollard at the following times:

Reportable matter	When
The number of policies sold or renewed that are not within the target market.	As soon as practicable after becoming aware of the matter, and no later than 10 business days.
The number of policies sold.	On a monthly basis.
Lapse rates and cancellation rates.	On a monthly basis.
Product claim ratios including the numbers of claims lodged and the claim outcome.	On a monthly basis.
The Product is issued to a customer in breach of the distribution conditions or outside of the target market.	As soon as practicable after becoming aware of the matter, and no later than 10 business days.
The nature and number of complaints received about the Product in the reporting period.	On a monthly basis.
If there are any significant dealings that are inconsistent with the TMD.	As soon as practicable after becoming aware of the matter, and no later than 10 business days.
Any incident relating to the Product or its distribution.	As soon as practicable after becoming aware of the matter, and no later than 10 business days.