

## Target Market Determination – Expatriate Medical Expenses and Emergency Evacuation Insurance

### What is a Target Market Determination?

- This Target Market Determination (**TMD**) seeks to offer customers, distributors and our own staff with an understanding of the classes of customers the product has been designed for, having regard to the needs, objectives and financial situation 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.
- When making a decision about this product, customers must refer to the Product Disclosure Statement (PDS) and any supplementary documents which outline the Expatriate Medical Expenses and Emergency Evacuation Insurance terms and conditions

### What does this TMD relate to?

- This TMD is for our Expatriate Medical Expenses and Emergency Evacuation Insurance (**Expat Medical**) Policy.
- The TMD is effective as at 5 October 2021.

### Overview of our Expatriate Medical Expenses and Emergency Evacuation Insurance

- Our Expat Medical Policy is designed to enable employers to purchase medical and related insurance covers for a group of nominated persons (the nominated persons are employees, their accompanying spouse and dependent child(ren) and referred to in the policy as covered persons).
- The covered persons are third party beneficiaries under the issued policy. We do not enter in to the insurance with the covered persons directly (we do issue an individual A&H product not covered by this TMD).
- The Expat Medical policy will respond in the event of injury or sickness to a covered person, subject to the terms and conditions of each policy wording.
- It provides employees with financial protection in the event of injury and/or sickness and the incursion of inpatient and outpatient medical expenses and other agreed covered events while the employee is working on foreign assignment.
- There are some general restrictions and limitations in the policy which may not be included in individually underwritten medical expense cover. Some exclusions and conditions apply to all covered events and some exclusions and conditions apply to particular covered events.
- One example is the cover for mental health claims is qualified or restricted. Another example is there is no cover for pre-existing conditions generally.
- The Expat Medical policy has been developed and modified over a period of years to ensure it is sufficiently broad to cover most claims, within the confine of the premium paid. We acknowledge that not every cover is suitable for each member of a group or organisation covered and that factor is considered in our ongoing product development.
- If a cohort of claims is identified as not being covered under the policy, as part of our regular review, we will consider covering that cohort of claims, at an appropriate premium, determined using actuarial and statistical data.

### Who are our target market customers?

- Our target market is singles, couples, and families employed by an Australian entity and seconded for business outside of their country of residence, for a duration of 180 plus consecutive days.
- The target market **excludes** employees on foreign assignment in the United States of America.

### Target Market Eligibility requirements and restrictions

- The employer/policy holder must be an Australian entity. Exemptions can be sought for entities outside of Australia.

### Distribution restrictions

- Our products are not able to be acquired directly from us and products can only be acquired through AFS licenced brokers.
- We continually interact with brokers to ensure our products are consistent with their client's likely objectives, financial situation and needs and we continue to monitor the adequacy of the target market and the adequacy of the product with brokers.

### Monitoring and Review

- We monitor our Expat Medical product, its ease of acquisition, customer satisfaction and claims paid to ensure the product continues to meet our target market objectives, and the financial situation and needs of the insured. We also monitor that each product delivers what we promise and whether there has been less than satisfactory or poor outcomes for clients.
- Our monitoring is a continuous process based on outcomes. A written record of our ongoing monitoring will be maintained and will be part of the minutes of each quarterly product review.
- Our monitoring and review of the product also has regard to distributor considerations and involves continuous liaison with the broker market.
- Our initial review of the product will take place on or before 5 December 2021.
- The product will thereafter be reviewed on a quarterly basis.
- The review committee will consist of the Underwriting Operations and Compliance Manager, Product Specialist, A&H Underwriting Manager and the Claims Manager.
- Our review process will include:
  - continuous monitoring of issues raised by brokers as to the adequacy of the product for the target market or generally,
  - Identification of any issues that arise out of regular communication with brokers which is inconsistent with the target market, the suitability of the product for the target market, the performance of the product or the manner the product is marketed.
  - Identifying recurrent issues, such as claims or service issues and whether they give rise to a need to review the target market or the product itself.

- Identifying any poor outcomes and whether they impact the target market and create a need to review the product.
- Confirmation of the ongoing adequacy of the TMD or identifying what changes are required to be made.
- Immediately following a review (not less than 10 working days after the review) we will amend, if required, the target market for the product and, if necessary, create a product review plan to ensure the products ongoing suitability for the target market.

**Record keeping**

- Written minutes of the initial review and each quarterly review will be made and kept as part of our compliance record.

**Reporting to Underwriters**

- A copy of the minutes of each quarterly TMD review will be provided to underwriters together with a record of timelines for any action agreed to be taken arising out of the quarterly review meeting.
- Any underwriter feedback will be reviewed at quarterly meetings.