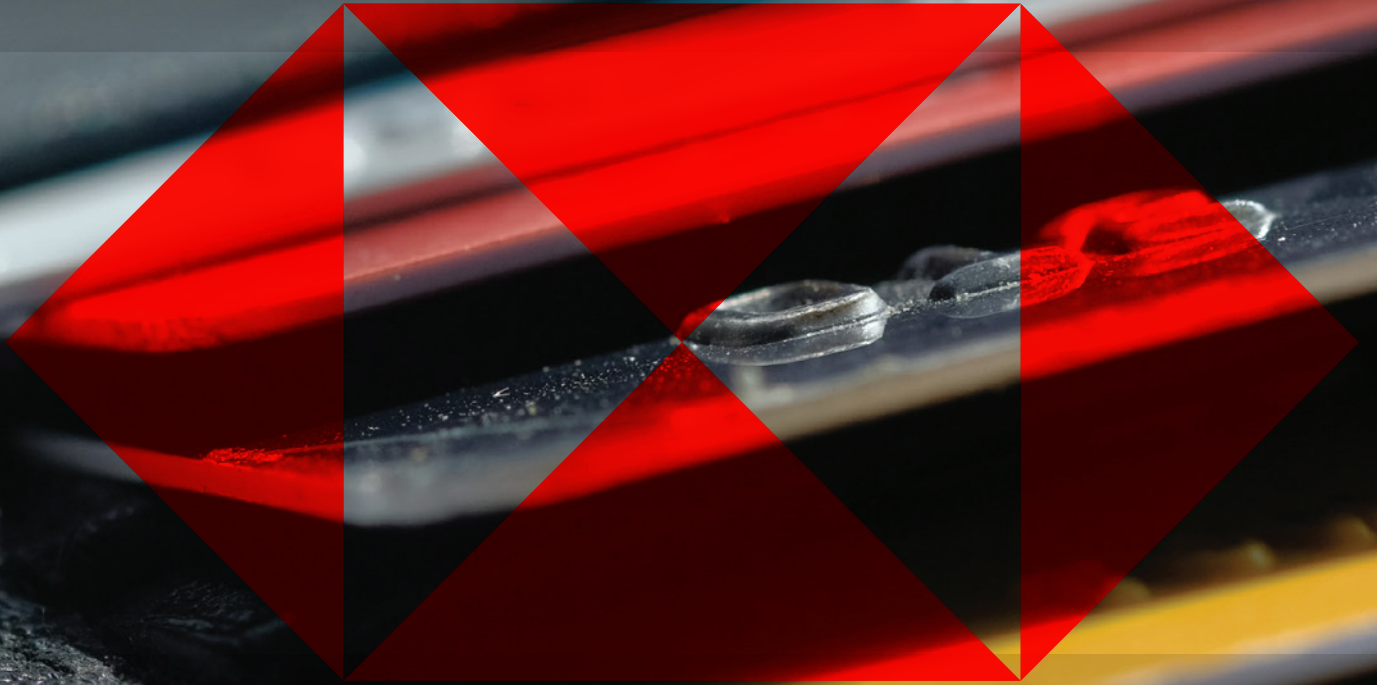


Target Market Determination



HSBC Premier World Mastercard

Date: 9 February 2024



HSBC

| Opening up a world of opportunity

Target Market

Product description and key attributes

The HSBC Premier World Mastercard is a credit card with no annual fee, and offers customers a choice of two rewards programs, the HSBC Rewards Plus program or the Qantas Rewards program.

The following table sets out the key attributes of the HSBC Premier World Mastercard, 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
<p>Require a revolving credit facility with a convenient way to manage cash flow by having the ability to make regular or one-off purchases as well as perform other transactions.</p>	<p>The credit facility can be accessed by using the credit card anywhere Mastercard is accepted to:</p> <ul style="list-style-type: none">• make card present transactions (including point of sale);• make card not present transactions (including online and over the phone);• make digital wallet payments (including point of sale and online);• set up recurring payments; and• access cash.
<p>Ability to earn reward points on eligible purchases with the choice of two rewards programs.</p>	<p>This credit card offers customers a choice of two rewards programs in order to earn rewards points:</p> <ul style="list-style-type: none">• the HSBC Rewards Plus program, which allows customers to earn HSBC Rewards Plus points on eligible purchases which can then be redeemed for special rewards including cashback and e-gift cards or converted to award miles or points in a Frequent Flyer Program of a participating airline; or• the Qantas Rewards program, which allows customers to earn Qantas Points on eligible purchases which are then credited to a customer's Qantas Frequent Flyer account.
<p>Ability to consolidate credit card debts by utilising a balance transfer facility to move balances from one or multiple non-HSBC credit or store cards to an HSBC credit card.</p>	<p>Special balance transfer promotional rates.</p>
<p>Access to complimentary insurance benefits.</p>	<p>This credit card provides access to the following complimentary insurances subject to certain eligibility conditions:</p> <ul style="list-style-type: none">• International Travel Insurance;• Overseas Transit Accident Insurance;• Domestic Travel Insurance;• Rental Vehicle Excess Insurance in Australia;• Purchase Protection Insurance; and• Extended Warranty Insurance.
<p>Access to card spend and security controls.</p>	<p>Spend and security control options include locking a credit card, setting transaction limits and applying temporary blocks to certain transaction types.</p>

Customers in all of the following financial situations	Key attributes
Require a credit card facility with a limit of at least \$10,000.	A minimum credit limit of \$10,000.
Time to make repayments before incurring interest on purchases.	Receive up to 55 days interest free on purchases if cardholders pay their full monthly closing balance (excluding any balance transfers, cash transfers and promotional purchases) by their statement due date. Cash advances incur interest immediately.
Earn a regular income.	Minimum monthly repayments are required to be made on this credit card, and takes into account the following: <ul style="list-style-type: none"> • minimum monthly repayments of 3% of the outstanding balance or \$20, whichever is higher; and • interest charges.
Have a good credit rating and not be experiencing financial hardship or financial stress as identified through credit bureau checks carried out at the time of application.	
Be able to make at least the minimum repayment each month on their account without experiencing financial hardship.	
Likely to be able to repay their credit limit within 3 years without experiencing financial hardship.	

Key eligibility requirements

To hold this credit card, customers must be able to satisfy certain eligibility criteria, including that customers must:

- be aged 18 years or older;
- be an Australian resident;
- earn a regular income of at least \$75,000 p.a. before tax;
- meet the HSBC Premier eligibility criteria as set out in the HSBC Premier Service Guide;
- have a good credit rating and not be experiencing financial hardship or financial stress as identified through credit bureau checks carried out at the time of application; and
- be able to service the proposed credit limit in accordance with the bank'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.

Distribution Conditions

This product can only be distributed through the following channel:

- staff assisted channels including in an HSBC branch, over the phone and via Relationship Managers
- HSBC online banking channel via written invitation only.

Channel	Distribution of this product is subject to the following conditions and restrictions
Staff assisted	<p>HSBC staff must:</p> <ul style="list-style-type: none"> • be 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 and product comparison tools to be able to discuss the key difference between our products; and • collect the necessary information from the customer at the time of application in order to apply our suitability assessment checks. <p>This condition is appropriate as HSBC has control over the distribution and marketing of all products contained within this channel. Staff are required to follow an approved conversation framework. This seeks to ensure that HSBC staff will only discuss products that are likely to match the needs, objectives and financial situation of those customers likely to be within the target market for this product. Staff assisted channels are subject to supervisory oversight, continuous monitoring and customer feedback surveys.</p>
Online Banking (via written invitation only)	<p>Online banking channel and the written invitations must:</p> <ul style="list-style-type: none"> • provide customers with clear and accurate information about the key attributes, eligibility requirements, interest rates and fees associated with this product; • provide access to an easy to navigate product comparison tool which assists customers in identifying the key difference between our products; and • collect the necessary information from the customer at the time of application in order to apply our suitability assessment checks. • This condition is appropriate as HSBC has control over the distribution and marketing of all products contained • within this channel (including our invitations), ensuring that information about this product including key attributes, eligibility requirements, interest rates and fees are accessible on HSBC's online channels in an easy to navigate format

Review Triggers

The following review triggers, which reasonably suggest that the Target Market Determination for the product is no longer applicable, apply where there is:

- significant dealing outside the target market;
- a significant number of exceptions outside the target market, for example, a significant number of exceptions in relation to the minimum age requirement or the financial hardship or financial stress requirements;
- a significant number of material complaints in relation to the product;
- a material change to the product or the terms and conditions of the product;
- a significant increase in the number of defaults within the first year of issuing the product to customers; and/or
- a significant number of customers making only minimum monthly repayments for a number of months.

Review Periods

Unless a review trigger occurs:

- **periodic reviews:**
 - next review completed by 5 October 2024
 - maximum period between reviews: 12 months
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Distribution Information Reporting Requirements

These are not applicable as all distribution channels are proprietary channels (and not through third party channels).

For more information related to HSBC credit cards, please visit www.hsbc.com.au/credit-cards.
