

Allianz Guaranteed Income for Life (AGILE) Target Market Determination

1. About this document

When to use this target market determination

This target market determination (TMD) applies to Allianz Guaranteed Income for Life (**AGILE**). It provides consumers distributors and Allianz Australia Life Insurance Limited (**Allianz Retire+**) staff with an understanding of the class of consumers for whom this product has been designed, including the key attributes of the product having regard to the features, benefits and risks of the product.

This document is not a PDS and is not intended to provide financial advice and is not a summary of the product features or terms. Before making any investment decisions, consumers should refer to the Product Disclosure Statement (PDS) and any supplementary document(s), which outline the relevant terms and conditions applicable to the product.

Product Disclosure to which this target market determination applies

This TMD applies to the AGILE product referred to in the following PDS:

- AGILE Product Disclosure Statement dated 6 March 2023

Date from which this target market determination is effective

6 March 2023

2. Product description and key attributes

Allianz Guaranteed Income for Life ("AGILE") is a retirement income solution which is designed to provide both the flexibility of continued access to your savings and the financial certainty that comes with guaranteed income for life. AGILE is a long-term retirement solution that enables the growth of your retirement savings, ensures you have control and flexibility over your savings, and gives you a guaranteed regular income for the rest of your life.

AGILE is designed for investment by individuals and other consumers using personal savings (including investment by a non-superannuation trustee or company); and superannuation trustees (including self-managed superannuation funds), IDPS or other platforms, each in respect of underlying consumers to whom AGILE (and the AGILE PDS) has been made available.

AGILE has two phases and the available protected investment options vary between them:

- The **Growth Phase** during which the investment will provide Australian or Global equity market-linked returns (up to a Maximum Return) while offering protection against adverse market movements.
- Any time after the third year, consumers can start the guaranteed lifetime income by commencing the **Lifetime Income Phase**. The guaranteed lifetime income is determined by multiplying their Investment Value on the Lifetime Income Commencement Date by their Lifetime Income Rate. At this time, consumers will have a choice of either Lifetime Income Fixed or Rising Income payment options. Consumers will continue to receive their income payments for life, guaranteed by Allianz Retire+ even after their Investment Value falls to zero. During the Lifetime Income Phase, the Australian Equity Index – Total Protection is the only protected investment option available.

AGILE has the flexibility for consumers to access and withdraw their money at any time subject to a Free Withdrawal Amount which sets the amount that can be withdrawn free of charge each year. Withdrawals greater than the Free Withdrawal Amount (where applicable) will attract a Market Value Adjustment (MVA). The MVA is only applicable in the first 10 years. On death of the relevant person, the Investment Value will be paid with no MVA applicable.

3. Class of consumers that fall within this target market

The table below summarises the class of consumers that fall within the target market for AGILE.

Allianz Guaranteed Income for Life ("AGILE")	
Class of consumers	<p>AGILE is designed for consumers who are:</p> <ul style="list-style-type: none"> • Superannuation trustees, and platform entities, in respect of underlying consumers to whom AGILE (and the AGILE PDS) has been made available; • Superannuation trustees who are classified as retail clients. These will predominantly be SMSF trustee consumers (but only those who are classified as retail); and • Individuals and other consumers using personal savings who are classified as retail clients, <p>that want a guaranteed lifetime income in relation to the relevant individual who is either in the pre or post retirement stage.</p> <p>People want the flexibility to decide when to start the guaranteed lifetime income whilst still retaining access to their Investment Value throughout retirement. AGILE is designed to offer exposure to market linked returns (up to a maximum return), with exposure to a lower level of volatility than other types of equity style investment products throughout the course of the lifetime investment. AGILE is long term investment that is designed to be held for life.</p>
Needs and objectives	<p>AGILE is relevant for people who:</p> <ul style="list-style-type: none"> • Are aged 50 to 80 years; and • Are wanting to secure a guaranteed lifetime income; and • Are wanting flexibility to access money; and • Have one or more of the following investment objectives: <ul style="list-style-type: none"> - Capital growth or Portfolio preservation with medium volatility; - Capital protected or Portfolio preservation with low volatility. <p>See Section 7 for further details</p>
Financial situation	<p>AGILE is relevant for people who:</p> <ul style="list-style-type: none"> • Seek to convert a lump sum investment into a Guaranteed Lifetime Income stream which they may commence any time after a minimum period of 3 years; • Have access to additional capital and other sources of income outside of the AGILE, as AGILE is not designed to be a whole of portfolio solution; and • Are comfortable that withdrawals in excess of the Free Withdrawal Amount within the first 10 years are possible but will be subject to a Market Value Adjustment.
Appropriateness of the target market	<ul style="list-style-type: none"> • AGILE is likely to be consistent with the likely objectives, financial situation and needs of the class of consumers in the target market. This is because the objectives, financial situation and needs of the target market have been defined in a way that aligns with the key objectives, terms, features and attributes of AGILE.

4. How this product is to be distributed

Permitted Distribution Channel	Distribution Description
Licensed financial advisers who have been authorised by Allianz Retire+ to distribute AGILE	The consumer has been provided with personal advice in relation to AGILE from a licensed financial adviser who has been authorised by Allianz Retire+ to distribute AGILE.

Select superannuation funds or platforms with distribution arrangements in place	Distribution of AGILE via a superannuation fund or platform if the superannuation fund or platform provider has an arrangement with the issuer governing their relationship with the issuer with appropriate target market provisions.
Direct (non-advised) retail (i.e. the Allianz Retire+ website)	Direct non-advised consumers must complete the suitability questions on the application form.

Adequacy of distribution conditions and restrictions

Allianz Retire+ has determined that the distribution conditions and restrictions will make it likely that consumers who purchase AGILE are in the target market because:

- Allianz Retire+ has implemented relevant criteria for determining when to approve a relevant financial adviser, superannuation fund or platform to distribute AGILE and has therefore considered whether the financial adviser, superannuation fund or platform is suitable to distribute AGILE;
- The Allianz Retire+ website contains clear information about the key features of AGILE and suitability questions, such that consumers who apply for AGILE via the Allianz Retire+ website are likely to be within the target market; and
- For a consumer to access AGILE they must read and accept the PDS.

Allianz Retire+ consider that the distribution conditions and restrictions are appropriate and will assist distribution in being directed towards the target market for whom AGILE has been designed.

5. Reviewing this target market determination

Allianz Retire+ will review this TMD in accordance with the below:

Initial review	Within 1 year of the effective date.
Periodic reviews	At least every 2 years from the previous review.
Review triggers or events	<p>Any of the following events or circumstances to the extent that they reasonably suggest to Allianz Retire+ that the TMD is no longer appropriate:</p> <ul style="list-style-type: none"> • A material change to the design, distribution, objective or purpose of AGILE, including related documentation; • The commencement of significant changes in legislation or regulatory requirements that affect AGILE or the distribution of AGILE; • External events such as adverse media coverage or regulatory attention relating to AGILE's design or distribution (e.g. defective PDS or product stop orders); • Significant dealings outside of the TMD; • Significant changes in metrics which indicate that the TMD may no longer be appropriate, including unusually high number of complaints (as defined in Section 994A(1) of the Corporations Act relating to AGILE's design or distribution), sales volumes, Guaranteed Lifetime Income activation rates, Market Value Adjustment (MVA) activation rates and policy cancellations. <p>In addition to the review triggers above, Allianz Retire+ will also review this TMD if any other events or circumstances occur which would reasonably suggest to Allianz Retire+ that the TMD is no longer appropriate.</p>

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

6. Reporting and monitoring this target market determination

Allianz Retire+ requires the following information from all the distributors of AGILE in relation to this TMD. All distributors are required to report this information to Allianz Retire+ by the times specified below.

	Reporting Requirement	Reporting Frequency
Complaints	Complaints as defined in Sec 994A(1) of the Corporations Act in relation to AGILE. This includes: <ul style="list-style-type: none"> The substance of each complaint; and The total number of complaints received in relation to AGILE. 	Within 10 business days following the end of each calendar quarter.
Significant dealings	Any significant dealing that is inconsistent with the TMD.	As soon as practicable, and in any case within 10 business days after the distributor becomes aware of the significant dealing.
Regulatory contact	Any direct communication from ASIC which relates to AGILE.	As soon as practicable, and in any case within 10 business days after the communication is received.
Sales data	Each dealing that is outside of target market, including reason why dealing is outside of target market, and whether the dealing occurred under personal advice.	Within 10 business days following the end of the calendar quarter.

In addition to the reporting information in the table above, Allianz Retire+ will also consider sales metrics relating to AGILE, including sales volumes, Guaranteed Lifetime Income activation rates, Market Value Adjustment (MVA) activation rates and policy lapses. Distributors will not be required to report this information to Allianz Retire+.

7. Key Concepts

The following section describes how the investment objectives and key terms relate to the various AGILE protected investment options.

Volatility is a statistical measure of the dispersion of returns for a given security or market index over a given period of time. Different ranges of volatility (low and medium) can be related to the various protected investment options within the AGILE product, offering different ranges of returns.

AGILE Protected Investment Option	Related Investment Objective
<p>Partial Protection: Initial 10% (<i>Only available in Growth Phase</i>)</p> <p>The consumer is willing to accept annual returns which are subject to a maximum return and the first 10% of any market losses will be protected, but losses beyond 10% will be reflected (i.e. if the market return is -15%, the annual return will be -5%).</p>	Capital growth or Portfolio preservation with medium volatility
<p>Total Protection (<i>Available in Growth and Lifetime Income Phase</i>)</p> <p>The consumer is willing to accept annual returns between 0% and the respective maximum return.</p>	Capital protected or Portfolio preservation with low volatility

This material is issued by Allianz Australia Life Insurance Limited, ABN 27 076 033 782, AFSL 296559 (trading as **Allianz Retire+**). Allianz Retire+ is a registered business name of Allianz Australia Life Insurance Limited.

This information is current as at **6 March 2023** unless otherwise specified and is for general information purposes only. It is not comprehensive or intended to give financial product advice. Any advice provided in this material does not take into account your objectives, financial situation or needs. Before acting on anything contained in this material, you should speak to your financial adviser and consider the appropriateness of the information received, having regard to your objectives, financial situation and needs.

Allianz Retire+ and its related entities, agents or employees do not accept any liability for any loss arising whether directly or indirectly from any use of this material. Allianz Retire+ does not authorise any additions or modifications to this material. Past performance is not a reliable indicator of future performance.

Use of the word "guarantee" in relation to the Allianz Guaranteed Income for Life (AGILE) refers to an assurance that certain conditions or contractual promises will be fulfilled by Allianz Retire+ from the available assets of its Statutory Fund No.2, noting that Allianz Retire+ may terminate the product in certain limited circumstances as outlined in the Product Disclosure Statement referred to below.

Allianz Australia Life Insurance Limited is the issuer of AGILE. Prior to making an investment decision, consumers should consider the relevant Product Disclosure Statement (PDS) which is available on our website (www.allianzretireplus.com.au).

PIMCO provides investment management and other support services to Allianz Retire+ but is not responsible for the performance of any Allianz Retire+ product, or any other product or service promoted or supplied by Allianz. Use of the POWERED BY PIMCO trademark, or any other use of the PIMCO name, is not a recommendation of any particular security, strategy or investment product.

AR2023-03_IGOT-C8599-T