

# End of year 2025 With-profits bonus review

## Questions and Answers - February 2026

### These Q&As relate to the following with-profits sub-funds:

- Old and New With-Profits Sub-Funds (includes ex-CGU, CGNU, Commercial Union and General Accident policies)
- With-Profits Sub-Fund (includes ex-Norwich Union policies)
- Provident Mutual Sub-Fund
- Stakeholder With-Profits Sub-Fund
- FLAS With-Profits Sub-Fund (includes ex-Sun Life Assurance Society policies)
- FLC With-Profits Sub-Fund (includes ex-AXA Sun Life and AXA Equity and Law Life Assurance Society policies)
- FP With-Profits Sub-Fund (includes ex-Friends Provident policies)
- FPLAL With-Profits Sub-Fund
- Secure Growth Fund.

Following the 2025 end of year with-profits review, bonus rates have now been set for 2026, subject to major shifts in asset values.

#### When are the new rates effective from?

The new bonus rates are effective from 1 January 2026.

#### What's changed for unitised life and pension business?

#### Regular bonus Rates

The table below shows some of the regular bonus rates for 2026. If you'd like regular bonus rates for any product not listed, these are available by using the contact information provided on page 3.

Product	Rates 2025	Rates 2026
Bonds - Old & New WPSF - explicitly charged <sup>1</sup>	4.50%	4.50%
Pensions - Old & New WPSF - explicitly charged <sup>1</sup>	5.50%	5.50%
Stakeholder Pensions - Old & New WPSF	5.25%	5.25%
FLAS WPSF - Pensions (With-Profits Pensions RP accumulation)	6.75%	7.00%
FLAS WPSF - Bonds (Life Contracts)	5.50%	6.50%
FLC WPSF - Pensions (FLAS <sup>2</sup> style: With-Profits Pensions RP accumulation)	6.50%	6.50%
FLC WPSF - Bonds (Investment & Flexible bonds; Fund 55)	5.75%	5.75%
FP WPSF - Pensions (Main Series 21, 22 & 24)	5.75%	5.75%
FP WPSF - Bonds (Investment Portfolio Bond - Main Series 14)	5.75%	5.75%
Secure Growth Fund	4.00%	5.00%

<sup>1</sup>For the Old & New With-Profits Sub-Funds, the bonus rates are before management charges.

<sup>2</sup>FLAS style is used to describe the fund series applicable to a range of UWP Pensions products invested in the FLC With-Profits Sub-Fund which were sold by "Friends Life Company - formerly AXA Sun Life".

## Final bonus rates

The table below shows the average changes in pay-out values resulting from the bonus rates declared on 1 January 2026. Other than the values for the Old & New WPSF (marked as \* in the table), the average changes in pay-outs include the relevant Estate Distribution uplift.

Sub-Fund	Legacy business	Life	Pensions
Old & New WPSF	CGNU	+3.3%*	+4.7%*
Old & New WPSF	Commercial Union	+4.5%*	+4.3%*
Old & New WPSF	RBS	+4.3%*	N/A
UKLAP WPSF	Norwich Union	+5.0%	+5.1%
FLAS WPSF	Sun Life Assurance Society	-0.2%	-0.4%
FLC WPSF	AXA Sun Life / AXA Equity & Law	+0.2%	+0.0%
FP WPSF	Friends Life Limited	+1.8%	+1.7%

\* the values exclude any Estate Distribution uplift.

## Market Value Reductions

There are currently no market value reductions on any Aviva Life & Pensions business.

## With-Profit Income bonus rates

Regular bonus rates for CGNU and JV are unchanged.

Changes to Additional bonus rates vary depending on the year units were purchased.

## What's changed for conventional life, pension and annuity business?

### Regular bonus rates

We've made some increases of up to 1% for FLAS, FLC and FP **Life business**, and also for h-Aviva and FLAS **pension business**. All other conventional regular bonus rates remain unchanged.

### Final bonus rates

The table below shows the average changes in pay-out values resulting from the bonus rates declared on 1 January 2026. Other than the values for the Old & New WPSF (marked as \* in the table), the average changes in pay-outs include the relevant Estate Distribution uplift.

Sub-Fund	Legacy business	Life	Pensions
Old & New WPSF	General Accident	+4.0%*	+4.2%*
Old & New WPSF	Commercial Union	+4.8%*	+3.1%*
UKLAP WPSF	Norwich Union	+4.6%	+4.4%
PM SF	Provident Mutual	+4.7%	+4.1%
FLAS WPSF	Sun Life Assurance Society	-3.3%	+1.9%
FLC WPSF	AXA Sun Life / AXA Equity & Law	+3.9%	+2.4%
FP WPSF	Friends Life Limited	-2.1%	+1.8%
FPLAL WPSF	FP Life Assurance	+3.9%	+4.3%

\* the values exclude any Estate Distribution uplift.

### Annuity bonus rates

Regular bonus rates for CGNU and NU business have increased from 5.0% to **6.0%**.

Additional bonus rates have also been increased: for CGNU business by **6%**, and for NU business by between **2%** and **7%** depending on the year the policy commenced.

For PM business, the changes to regular bonus for tranches of individual with-profits annuities are mixed.

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**Contact information and online valuation service**

You can view the impact of the bonus rates on your client's policy by using the [online valuation service](#), or by calling our Adviser Helpdesk on **0800 015 5064**. This online service is not available for ex-Friends Life policies.

For information on ex-Friends Life policies you can call the [dedicated team](#).

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**Have you advised clients of the change to rates?**

The change to rates will be reflected in the client's annual statement, where the information will be specific to their policy.

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**Future bonus reviews**

The next change in bonus rates is expected to be on 1 July, in line with the normal timetable.

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## Mortgage Endowment Promise applicable for the following sub-funds:

- Aviva Life & Pensions UK Limited Old and New With-Profits Sub-Funds
  - Aviva Life & Pensions UK Limited With-Profits Sub-Fund
  - Aviva Life & Pensions UK Limited Provident Mutual Sub-Fund.
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**What is the impact of this announcement on the mortgage endowment promise?**

Our commitment to the mortgage endowment promise is unchanged. We have put aside capital to meet future anticipated promise payments. This is on our realistic reporting basis based on stochastic projections of future outcomes.

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**How does the 'promise' work?**

In 2000, we provided illustrations for all with-profit mortgage endowment policyholders showing what they might get back at the end of the policy term. These illustrations used actual investment returns to 31 December 1999 and assumed returns from then on of 4%, 6% and 8%. If the projected payment from a policy at the 6% assumed rate was below the target amount to repay the mortgage, that customer may benefit from our Promise.

Our Promise was to cover any actual shortfall at the maturity of these policies up to a maximum of the 31 December 1999 projected shortfall at the 6% assumed return. The maximum amount is shown in the regular review letters sent to customers.

If a policy qualifies for a promise payment the review letters and the maturity letter (sent 8 weeks before the maturity date) will show the maximum amount we will add to the policy. The promise is subject to a number of conditions which are set out in our regular update letters to customers. These included:

- Your client has paid all the premiums on their policy at the time of maturity.
- Your client hasn't materially changed their policy since we announced the promise. (For example, by reducing their premium or fully or partially cashing in bonuses.)
- Your client hasn't sold their policy through the second-hand endowment market.
- Your client's policy has been continually invested 100% in the With-Profit Fund since we announced our promise.

## Here are two examples of how the promise might apply when your client's policy matures:

**Example 1:** If the maturity value is lower than projected in December 1999, we'll pay the maximum amount under the promise, which will reduce the shortfall from the target figure.

**Example 2:** If the maturity value is higher than projected in December 1999, we'll make a payment under the promise to increase your maturity payment up to the target amount. However, the amount we pay will be lower than the maximum promise amount.

		Example 1	Example 2
A	Target amount of policy	£50,000	£50,000
B	Maximum amount payable under our promise*	£5,000	£5,000
C	Actual value at maturity	£42,000	£48,000
D	Payment under our promise	£5,000	£2,000
E	Total maturity payout (C+D)	£47,000	£50,000

\* We show the maximum promise payment applicable to your policy in your maturity letter.


### Who does the 'promise' cover?


Those who showed a shortfall based on the 6% mid-rate projection as at 31/12/1999 may benefit from the 'promise' providing they were fully invested in with-profits and had not already sold their policy on the second-hand endowment market.


## Need this in a different format?

Please get in touch if you'd prefer this document (**GN07064**) in large print, braille, audio, or in a different colour.

## How to contact us

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 [aviva.co.uk](http://aviva.co.uk)

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