

# Information about your 2026 policy bonuses

## Resolution Life Whole of Life and Endowment Australian policies

### Annual and End/Terminal bonus

Customers holding participating Whole of Life or Endowment (Conventional) policies share in the profits earned on the underlying assets, with those profits distributed to policies through bonuses.

There are two types of bonuses:

1. Annual bonus; and
2. End/Terminal bonus.

For this bonus year, we are maintaining End/Terminal bonus rates at the same levels as declared last year for almost all policies. Slightly higher rates will apply for a small number of policies from 1 April 2026 or 1 May 2026 (based on policy type).

We are also declaring "normal" Annual bonus rates at the same levels as last year for almost all policies (a small number of policies will receive slightly higher rates). The Annual bonus rates will apply on the policy anniversary from 1 April 2026 or 1 May 2026 (based on policy type).

From time to time, we may declare "one-off" Annual bonuses in addition to normal Annual bonuses. For this bonus year, former AMP Life and National Mutual Life Association of Australasia (NMLA) policies will receive a one-off special bonus of 3% - 6% of Sum Insured and existing Annual Bonuses. This one-off Annual bonus will be added to policy benefits on the policy anniversary alongside the normal Annual bonus.

Your Annual Statement will show the impact of this bonus declaration on your policy. For a further explanation of the bonus rate declarations, see 'Setting bonus rates for 2026'.

**Note:** The bonus rates declared may impact any recent estimates you may have received on your maturity value.

### Setting bonus rates for 2026

The investment performance of the assets supporting your policy is an important factor for the levels of bonuses that can be declared.

As market values fluctuate over time, we analyse investment performance since the last bonus declaration and update bonus rates to reflect the impacts of changes to investment markets and expected future earnings rates. Bonus rates are reviewed throughout the year, although changes normally occur from 1 April or 1 May each year.

When setting Annual bonus rates, Resolution Life considers both past returns and estimates of future investment returns, with the aim of declaring rates that are sustainable and fair to our policyholders over the lifetimes of their policies.

Long term bond yields influence our expectations for future investment returns and impact the amounts we need to set aside to ensure we can meet our contractual obligations to our policyholders. These obligations include paying guaranteed benefits (sum insureds and any previously accrued Annual bonuses) on claim and on policy maturity.

Historically, movements in Annual bonus rates have broadly aligned with long-term bond yield trends. Over 2025, Australian medium-to-long-term bond yields ended the year slightly higher than at the start.

End/Terminal bonuses are a way of passing on a greater level of capital appreciation, usually from growth-oriented assets such as equities (shares) and property. We aim to set End/Terminal bonus rates that distribute portfolio investment returns fairly to our policyholders over the lifetimes of their policies.

Underlying investment portfolios performed slightly ahead of expectations over 2025, with good returns driven mainly by the performance of global/overseas equities (shares).

We aim to set bonus rates that are supportable and fair to our policyholders over the lifetimes of their policies. Overall, market conditions support the decision to largely maintain bonus rates at the same levels as last year and, for many policies, to apply a one-off special bonus for 2026. This special bonus increases the guaranteed proportion of maturity and claim benefits for eligible policyholders.

The impact of this bonus declaration on your policy's benefits and the bonuses for your policy are shown on your Annual Statement.

### Annual bonuses

Like interest on a bank account, Annual bonuses accumulate and compound over time.

Annual bonuses are declared annually, added to your policy once a year and, once accrued, Annual bonuses are guaranteed and are payable in full when your base sum insured becomes fully payable (e.g. on claim or on policy maturity). From time to time, we may also declare supplementary "one-off" Annual bonuses in addition to "normal" Annual bonuses.

**Note:** Annual bonuses that are yet to accrue are not guaranteed.

On your Annual Statement, your Annual bonuses are typically expressed in two parts:

1. The existing accrued Annual bonuses that your policy earned until your last Annual Statement, and
2. The new Annual bonus earned in the current policy year, up until the Annual Statement date.

## End/Terminal bonuses

An End/Terminal bonus is normally paid upon claim or on maturity of your policy. If you do not wish to continue your policy, a partial End/Terminal bonus is typically included in the Withdrawal benefit paid to you.

**Important:** Unlike Annual bonuses, End/Terminal bonuses are not guaranteed (the value of End/Terminal bonuses can rise or fall).

End/Terminal bonuses reflect past investment returns that have not yet been guaranteed within your policy. They are used to pass on investment returns to you, usually from more volatile assets such as equities (shares). As they have a greater recognition of current investment returns and market values, End/Terminal bonuses are normally more volatile than Annual bonuses.

The End/Terminal bonus on your Annual Statement represents the End/Terminal bonus that you would have received if a claim was paid on the date the Annual Statement was produced.

**Note:** Your End/Terminal bonus can increase or decrease over time for various reasons (e.g. actual investment returns being different than expected).

Any change you make to your policy terms (e.g. ceasing premium payments) may also affect the amounts of both your Annual and End/Terminal bonuses.

## Withdrawal benefit

If you do not wish to continue with your policy, you will normally be entitled to take a proportion of your full benefit. The amount payable is called the Withdrawal benefit or Surrender value.

As with your claim and maturity values, the Annual bonus declared each year will usually increase your Withdrawal benefit. Your Withdrawal benefit will also generally increase or decrease as End/Terminal bonus rates change.

An increase in End/Terminal bonus rates will typically increase your Withdrawal benefit and vice versa — a decrease in

End/Terminal bonus rates will typically reduce your Withdrawal benefit.

If bonus rates remain unchanged and premiums are paid on time as scheduled, your Withdrawal benefit will typically increase as your policy ages.

**Important:** The full value of your sum insured and bonuses are only payable in full when the sum insured becomes payable, usually on claim or maturity. Therefore, the Withdrawal benefit of a policy will generally be less than the amount you would receive upon claim or when the policy matures.

## Does your policy still match your needs?

Your policy is a valuable financial asset for your future. Your objectives or needs may have changed since your policy began and you may want to review your policy to cater for these changes.

Options are available to help keep your policy in line with your changing needs. For example, you can typically:

- increase your level of cover to help protect your policy value against the effects of inflation
- cash part of your Annual bonuses from your policy, but maintain an additional insurance cover
- convert to an endowment policy (in certain cases), or
- alter your premiums or your policy term (within certain restrictions).

### For more information

To discuss the options available to you or any questions about your policy contact your financial adviser or contact us. If you need to contact us, you can chat with us online at [resolutionlife.com.au](https://resolutionlife.com.au), submit an online enquiry at [resolutionlife.com.au/enquiry](https://resolutionlife.com.au/enquiry), or call us on **1800 007 292**.

Visit [resolutionlife.com.au/whole-life-and-endowment](https://resolutionlife.com.au/whole-life-and-endowment) for more information about Whole of Life and Endowment products.

### What you need to know

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