

Auto Sector Retiree Health Care Trust

GM Plan

2024 Annual Report



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Peter Kennedy
Chair, asrTrust



Lisa Callaghan, MSc., MBA, ICD.D
CEO, asrTrust

Update from the Chair and CEO

asrTrust's mission is to support the healthy aging of our members to help you live a fulfilling retirement. We do this by delivering a valuable, comprehensive and sustainable health benefits program that considers your evolving needs and preferences to enhance your health and quality of life.

In 2024 we continued to execute on this mission by launching a newly designed website at asrTrust.com, where we invite you to provide us with your email so we can send updates and articles to support your healthy aging. Some of the articles we have shared include how to help protect yourself from benefit provider fraud, the link between hearing loss and dementia, and things to consider when aging at home, among other topics.

We also completed our latest actuarial valuation in 2024. A valuation helps assess the plan's long-term sustainability by comparing future expenses to current assets and whether we're at risk of running out of money or not spending enough. Ideally, the valuation should be at or slightly above 100%, meaning we have enough funds to cover future expenses, although it does fluctuate from quarter to quarter.

As of Jan 1, 2024, the valuation was 96.7% - just shy of 100% and since that time it has been fluctuating between 96% and 100%. While the benefit spend is slightly higher than anticipated, strong market returns have balanced the plan, and we will continue to monitor the plan closely to determine if any changes are needed in the future to ensure its long-term sustainability.



We continue to focus on ensuring that the plan dollars we are spending are adding value and impact to your health, and that we are minimizing excess spending by putting a greater emphasis on benefit fraud and waste prevention strategies.

Within asrTrust, we welcomed new team members and with new talent are putting a bigger emphasis on efficient and effective operations and risk management. We implemented a business continuity plan, a new risk management process, and reviewed our third-party partner contracts, including stronger clauses to ensure that our partners' operations are managed soundly for your benefit.

Finally, we ended 2024 poised to launch a new solution for members who require the assistance of a Personal Support Worker as they age in their home. Through a partnership with GreenShield and SE Health, you now have the support of a case management nurse who will oversee your experience and make sure that you have an appropriate care plan, and that your needs are being met.

On behalf of the Board of Trustees and Staff, it is our honour and pleasure to manage asrTrust for you.



Membership

The GM asrTrust plan was created to support a defined population of individuals. At the end of 2024, 28,270 members were actively retired and part of the asrTrust plan with an additional 17,835 spouses and dependents. As well, there were 635 individuals who remain actively employed at GM and will be eligible to join the asrTrust plan upon their retirement. New retirees entering the plan are not replacing the number of individuals leaving the plan; therefore, the overall membership size will continue to decrease year over year.

| GM asrTrust Plan size as of Dec 31 | 2024 | Change from 2023 |
|--|--------|------------------|
| Number of Members | 28,270 | -420 |
| Number of Participants (Members + Spouses + Dependents) | 46,105 | -870 |

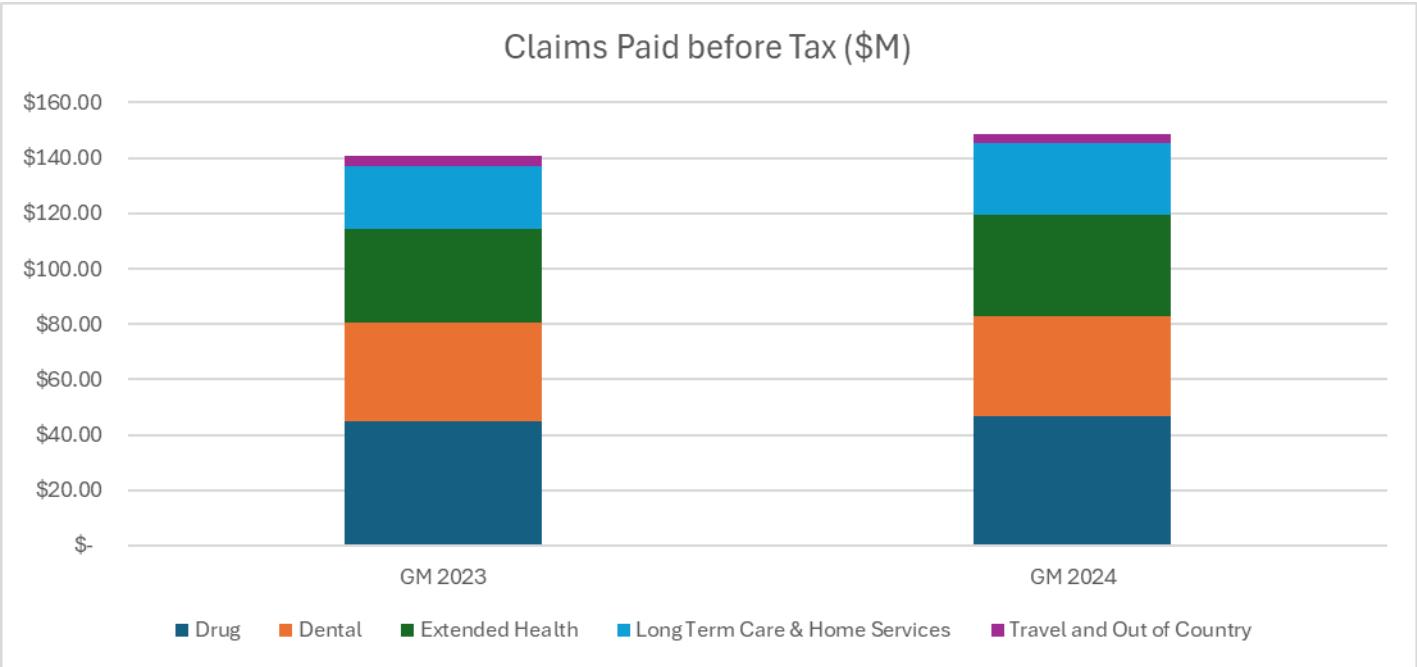
Benefit Claims

We now have three full years of experience with our enhanced plan design that was introduced Jan 1, 2022. Anecdotally, members are appreciative of the extra coverage and benefit claiming patterns have become more predictable which is important for assessing the long-term sustainability of the plan.

In 2024, asrTrust paid \$148.6 Million (M) of benefit claims (before taxes) to GM members compared to \$140.4M in 2023. This represents an average of \$3,225 claims paid per plan participant (members, spouses and dependents), an increase of 7.9% over 2023.

In 2024 drug claims costs grew 4% while dental claims costs remained flat to the prior year. Long Term Care, Personal Support Workers and Nursing claims costs together grew by 16% as members leveraged strategies to support aging at home. Audio benefits including hearing aids had a 12% growth in claims costs over 2023. All together, growth in claims costs is slightly above what we predicted, due to a combination of higher utilization by plan participants and higher growth of the underlying cost of some benefits.

Since its inception, asrTrust has now paid almost \$1.25 Billion (B) dollars in claims to GM members and their families.

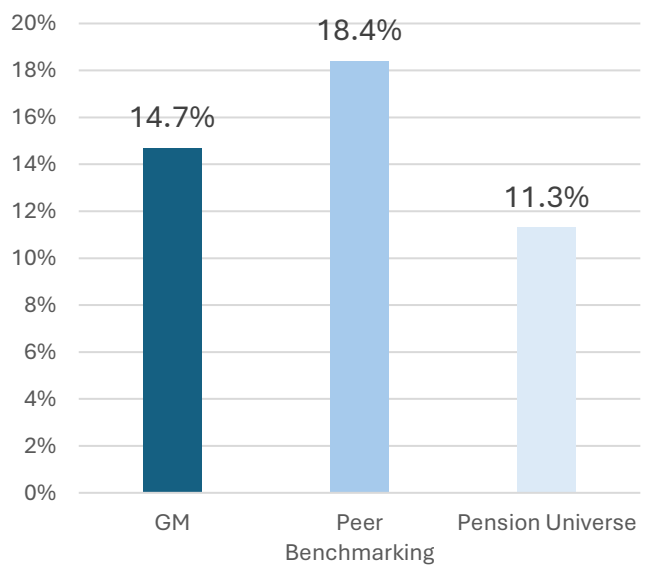




Investment Performance

2024 delivered spectacular investment returns of 14.7%. These results show the flexibility in our investment strategy, allowing us to achieve solid returns in up markets while still providing exceptional protection in down markets, like we experienced in 2022.

2024 Investment Performance



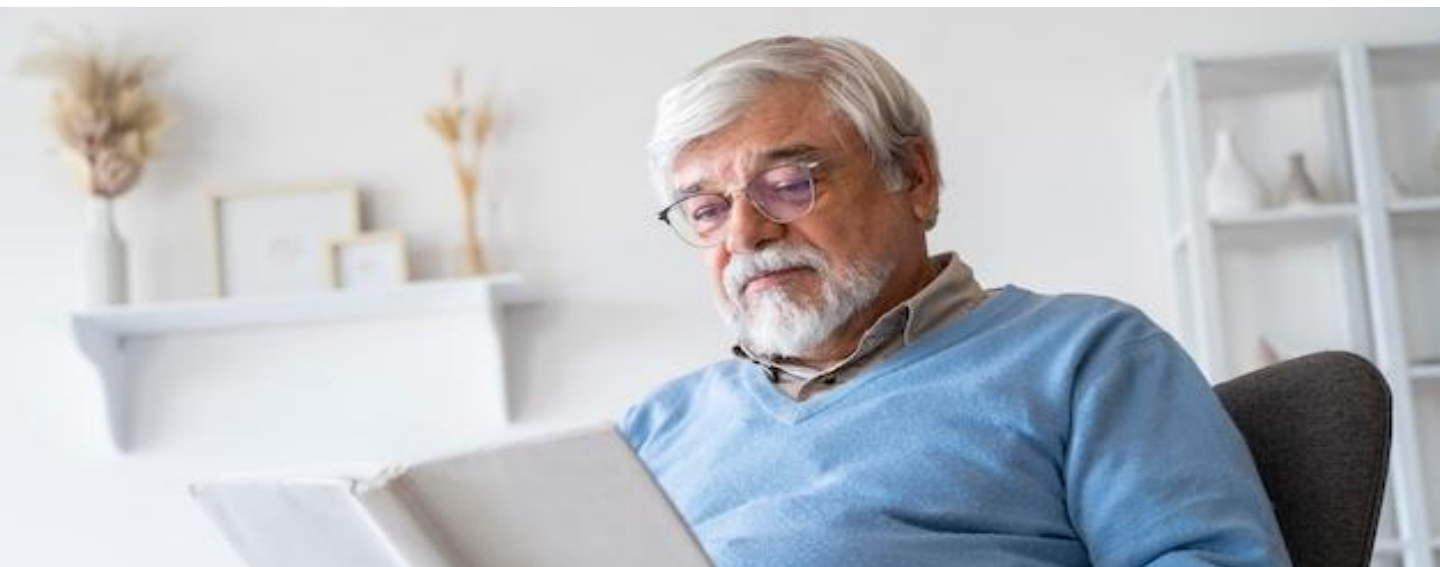
With two consecutive years of strong investment returns, our 4-year rolling net rate of return has increased to 7.9% as of Dec 31 2024, which is above the threshold of what is required, helping to offset the slightly higher claims costs we have been experiencing.

Financials

GM investments delivered strong revenue for the plan in 2024 which helps cover some of the growth in benefit claims. Professional and administrative costs continue to be in line with expected inflationary growth; however, overall expenses were lower in 2024 due to prudent financial management.

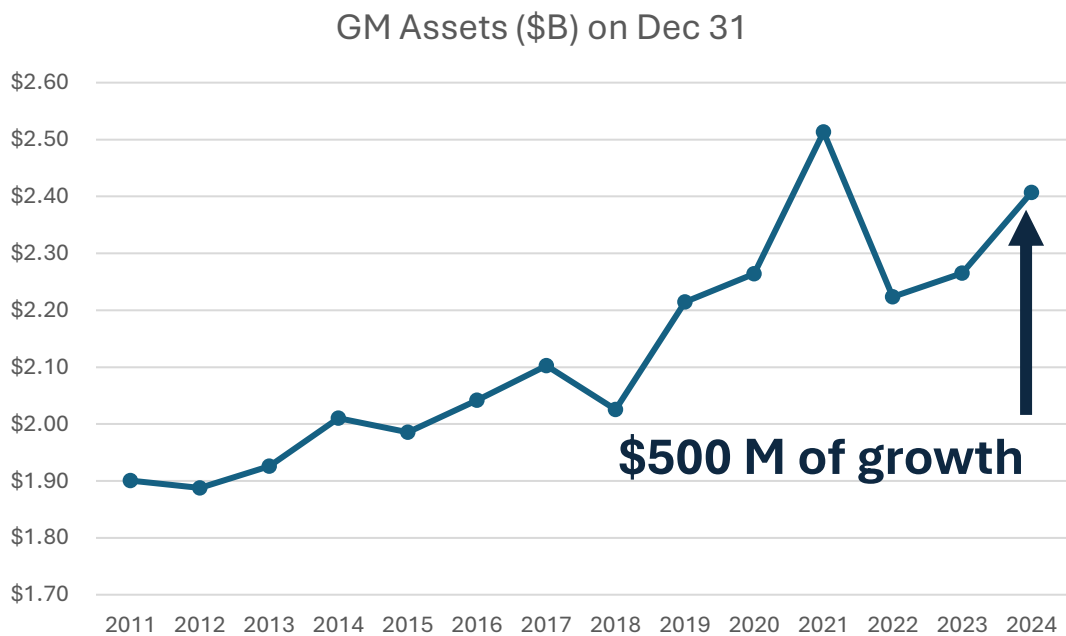
| | 2023 | 2024 |
|-------------------------------------|------------------------|------------------------|
| Starting assets | \$2,223,260,000 | \$2,265,380,000 |
| Realized investment gains (losses) | \$108,510,000 | \$105,380,000 |
| Unrealized gains (losses) | \$104,670,000 | \$216,560,000 |
| Total Investment Performance | \$231,180,000 | \$321,930,000 |
| Claims & Health administration fees | \$161,240,000 | \$170,660,000 |
| Investment management fees | \$8,190,000 | \$8,560,000 |
| Professional & Operational Fees | \$1,440,000 | \$1,270,000 |
| Total Expenses | \$171,060,000 | \$180,490,000 |
| Year End Assets | \$2,265,380,000 | \$2,406,830,000 |

Rounded to the nearest \$10,000



Financials

In 2024 our plan’s financial assets that are available to pay benefits grew by \$141.5M. Since inception, we have increased our assets by over \$500M and paid almost \$1.25B in claims (before tax) back to members and their families.





Plan Sustainability

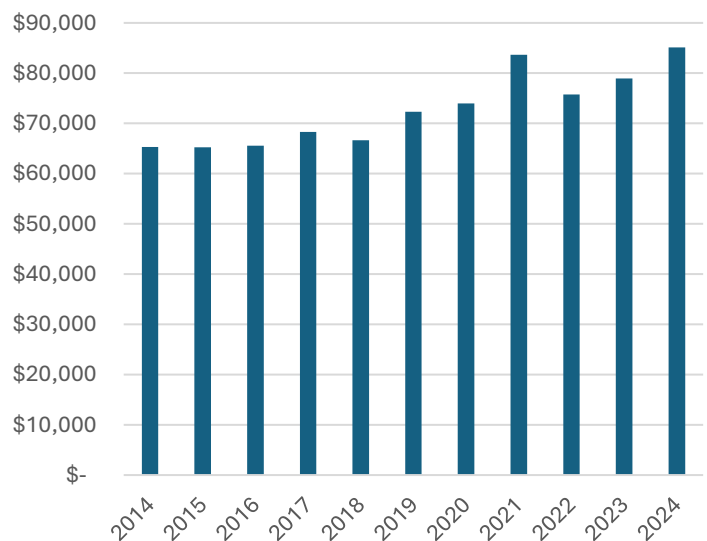
In 2024, Eckler, our actuarial partner, conducted a plan valuation to determine if we have enough money to maintain the current benefit plan for the lifetime of our members.

This is assessed by calculating a funding ratio. At 100%, we have exactly the right amount of money to maintain our current benefits without running out of money or being left with extra money in the Trust. The funding ratio fluctuates each quarter, and it is important to monitor it over time.

Our funding ratio as of Jan 1, 2024 was slightly lower than the ideal, at 96.7%. We monitor this ratio quarterly and it fluctuated between 96% and 100% throughout 2024. Plan changes are not required at this time, but we continue to assess opportunities to minimize waste and maximize the impact of the benefit dollars we are spending.

Assets / GM Member

(Values as of Dec 31)



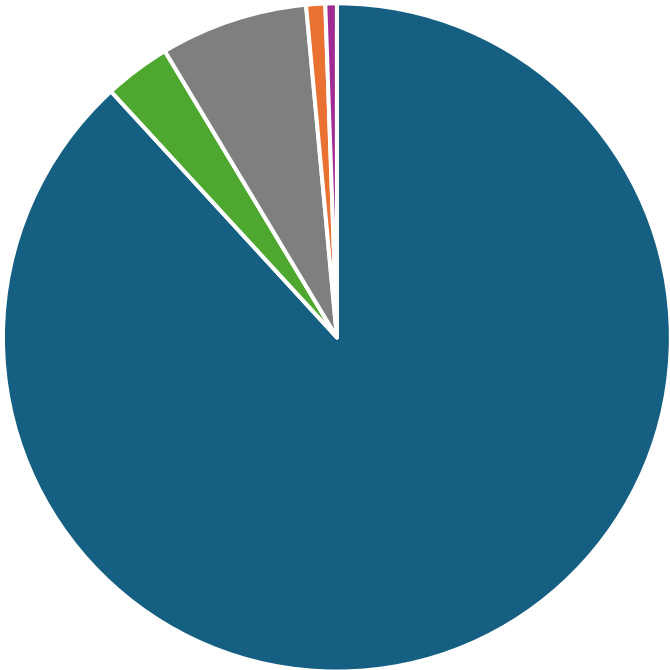


Value for Members

asrTrust wants to ensure we are putting as many dollars as possible back into your pockets, to pay for benefits that will support your healthy aging throughout your retirement.

Here is a breakdown of how we spent every \$100 in 2024:

| | |
|----------------|--------------------------|
| \$91.45 | paid Your Claims |
| \$3.11 | paid GreenShield fees |
| \$4.74 | paid Investment fees |
| \$0.22 | paid Professional fees |
| \$0.48 | paid asrTrust Operations |



■ Your Claims ■ GreenShield Fees ■ Investment Fees ■ Professional Fees ■ asrTrust Operations



asr TRUST
RETIREE HEALTH CARE

