

Auto Sector Retiree Health Care Trust

CCI Plan

2025 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.

Engaging with members: Supporting you is at the center of our purpose. In 2025 we implemented our first virtual call with local leaders, to share insights and hear directly about concerns that are raised to them from the membership. These discussions along with annual visits to each local, help to inform the board of opportunities and articles that we post monthly on asrTrust.com/ccf/news-library. We invite you and your families to visit the site for relevant information.

Eliminating waste: We are always focused on reducing waste, ensuring every dollar spent is adding value to you. In 2025 we commissioned a fraud audit to review the controls at GreenShield. Results of the findings will be actioned in 2026.

Oversight of Partners: We rely heavily on our partnerships – including our benefits administrator, investment managers, lawyers, actuaries, custodian, and IT partners – and in 2025 we further strengthened our approach to overseeing their operations. This includes annual reviews where we dig into their risk management plans, insurance coverage and use and evolution of Artificial Intelligence in their business. We are applying best practices to ensure that our partnerships are continuing to work in your best interest.



New support programs: We started the new year with a new program to support members transitioning to use Personal Support Workers (PSW). The partnership between GreenShield and SE Health provided us the opportunity to have a nurse case manager work with members and their families to best design a care plan to meet your unique needs. Through this partnership, asrTrust has a stronger and deeper understanding of our member needs and how the PSW service is being accessed and used.

Plan Sustainability: Our number one job is to ensure that the plan remains sustainable. To do this, we use actuaries – who as experts forecast claims costs for decades into the future - to determine if we have enough money to cover these costs. It is a well-established approach to help the board make the best decisions possible. These valuations occur approximately every 3 years.

While our assets have been higher than predicted, our claims costs have more closely aligned with the actuarial forecast. As a result, the plan sustainability has been strengthened and we are well positioned to withstand future shocks, including poor market returns, an unexpected influx of new members, plan participants living longer, or growth in benefit costs. The next valuation will occur on January 1, 2027, with results being available later that year. We will continue to monitor performance until that valuation is complete.

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



Membership

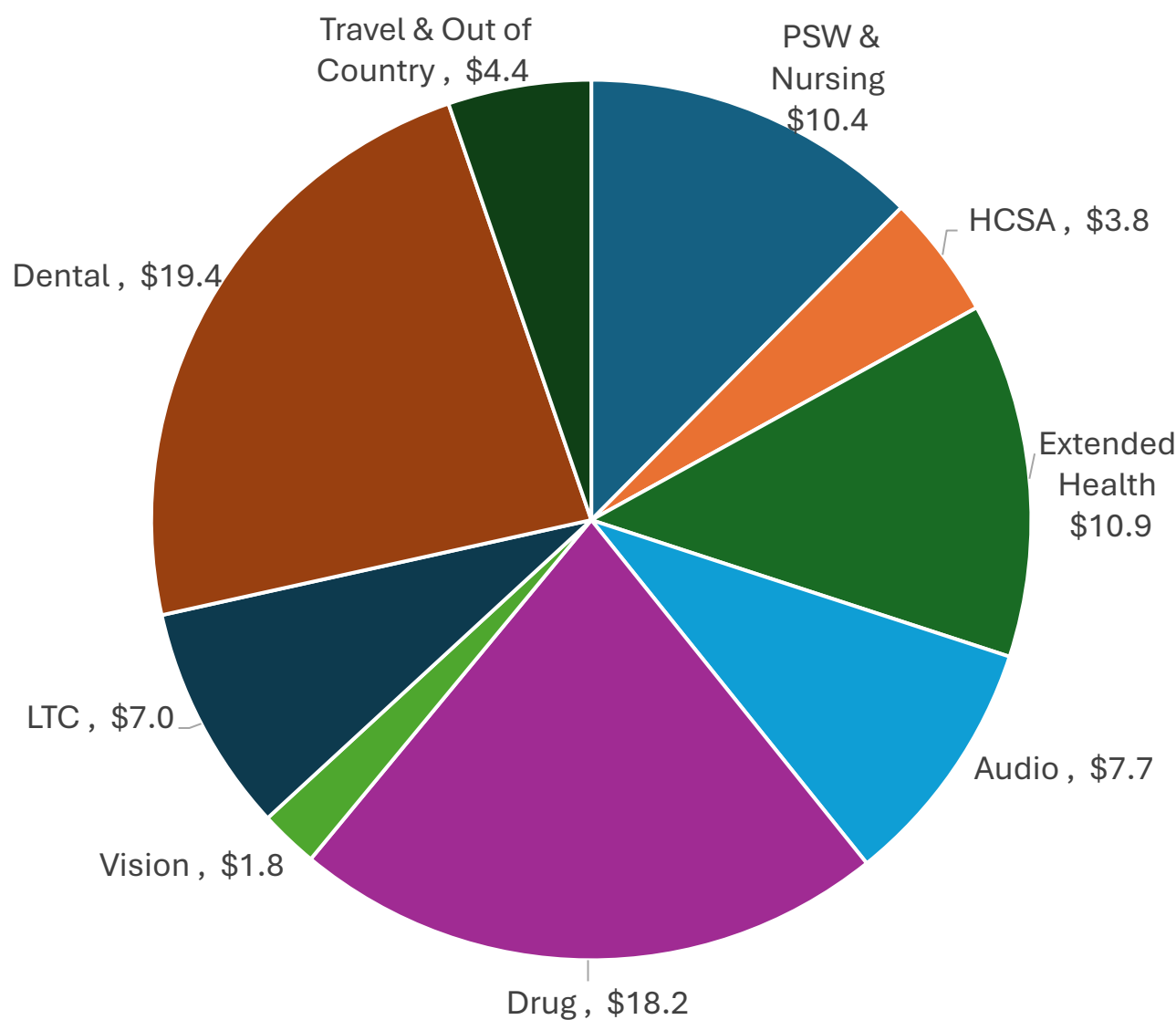
The CCI asrTrust plan was created to support a defined population of individuals. At the end of 2025, 11,915 former CCI unionized employees were actively retired and part of the asrTrust plan as members. There remain 3,495 individuals who are currently employed at CCI and will be eligible to join the asrTrust plan upon their retirement. New retirees entering the plan are generally replacing the number of individuals leaving the plan, so the overall membership size continues to remain relatively flat. The population of the CCI asrTrust plan is anticipated to remain flat unless there is an employment event that triggers mass retirement.

CCI asrTrust Plan size as of Dec 31	2025	Change from 2024
Number of Members	11,915	-65
Number of Participants (Members + Spouses + Dependents)	19,880	-175

Benefit Claims

In 2025, asrTrust paid \$83.6 Million (M) in paid benefit claims (before taxes) to CCI members compared to ~\$80.0M in 2024. This represents an average of \$7,015 in claims paid per member for the year (or \$4,205 per plan participant). While Drugs and Dental claims continue to be the largest two areas where we pay claims, PSW & Nursing and Extended Health Claims continue to grow, rounding out the top 4 categories of spend.

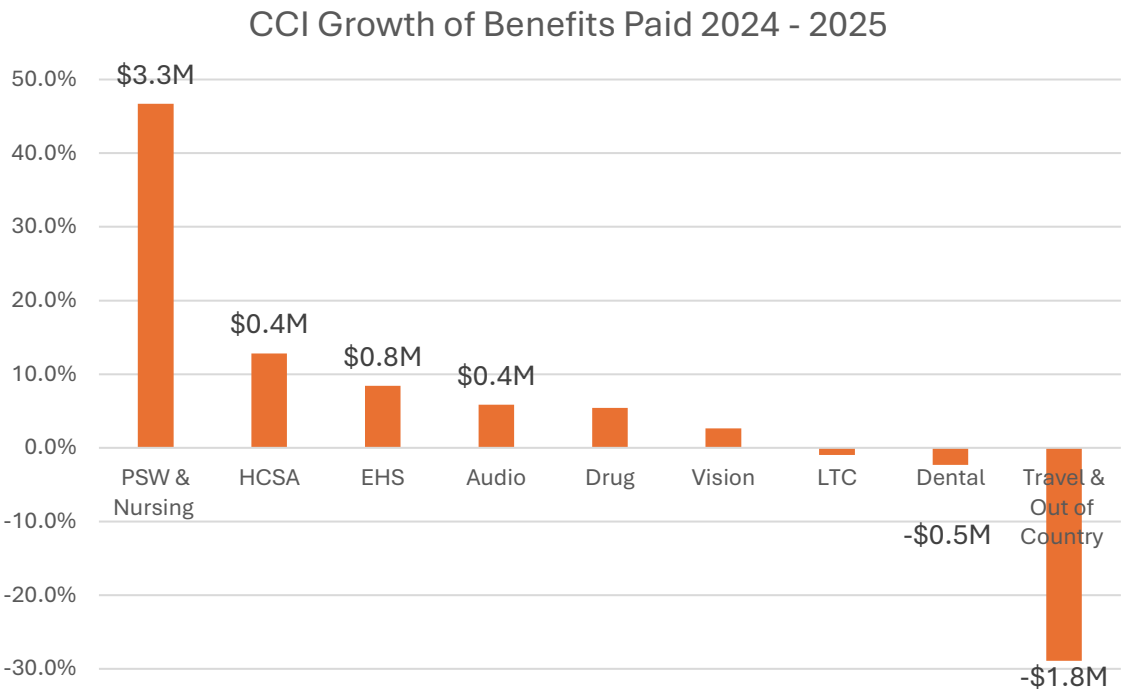
CCI 2025 Paid Claims by Benefit \$M



Claims Paid: \$83,600,000

Benefit Claims

Below we highlight the benefits that are growing the most year-over-year. PSW & Nursing services are experiencing very high growth with 2025 claims paid 47% higher than 2024, adding an additional \$3.3M to paid benefit claims. HCSA also had double digit growth at 13% but only added \$400,000 to overall spend. In contrast, Long-term care and dental both decreased from 2024 to 2025. Travel and out of country was also significantly less in 2025 as there was the first \$1M travel claim in 2024. This is a rare occurrence, and our travel and out of country experience in 2025 was more typical.

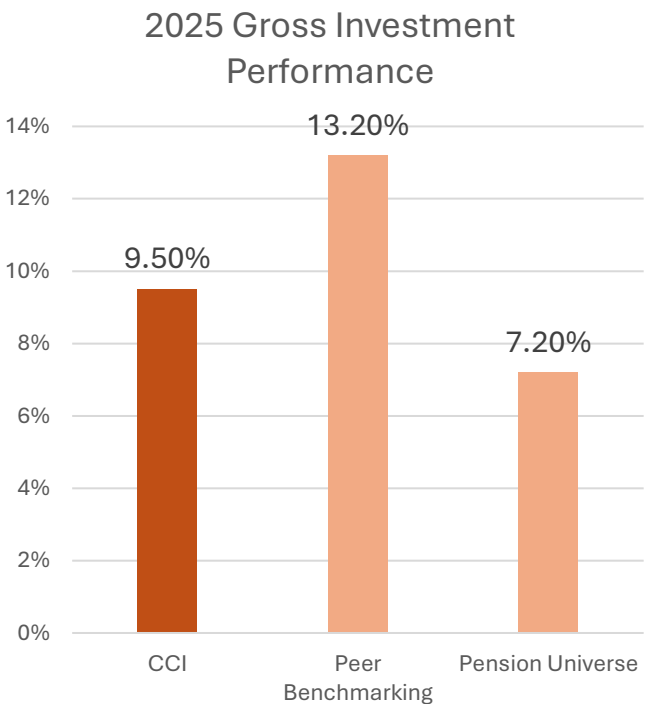




Investment Performance

2025 delivered strong investment returns, capping 3 years of very strong growth. These results demonstrate our unwavering strategy to maintain a well diversified yet conservative portfolio that delivers well in rising markets and provides very strong protection in down markets.

While peer benchmarking outperformed our results, this benchmarked portfolio was more concentrated in technology stocks that also come with more volatility and risk that we seek to avoid.



With three consecutive years of strong investment returns, our 4-year rolling net rate of return is well positioned at 6.5% as of December 31, 2025. It is higher than the long-term rate used in our actuarial valuation and has helped to strengthen the plan sustainability.

Financials

CCI investments delivered strong revenue for the plan in 2025 which helps to cover some of the growth in benefit claims, taxes and health administration fees.

Investment management fees rose as the overall portfolio grew. Professional and operational costs were slightly down from 2024 due to prudent management and less demand for some professional services.

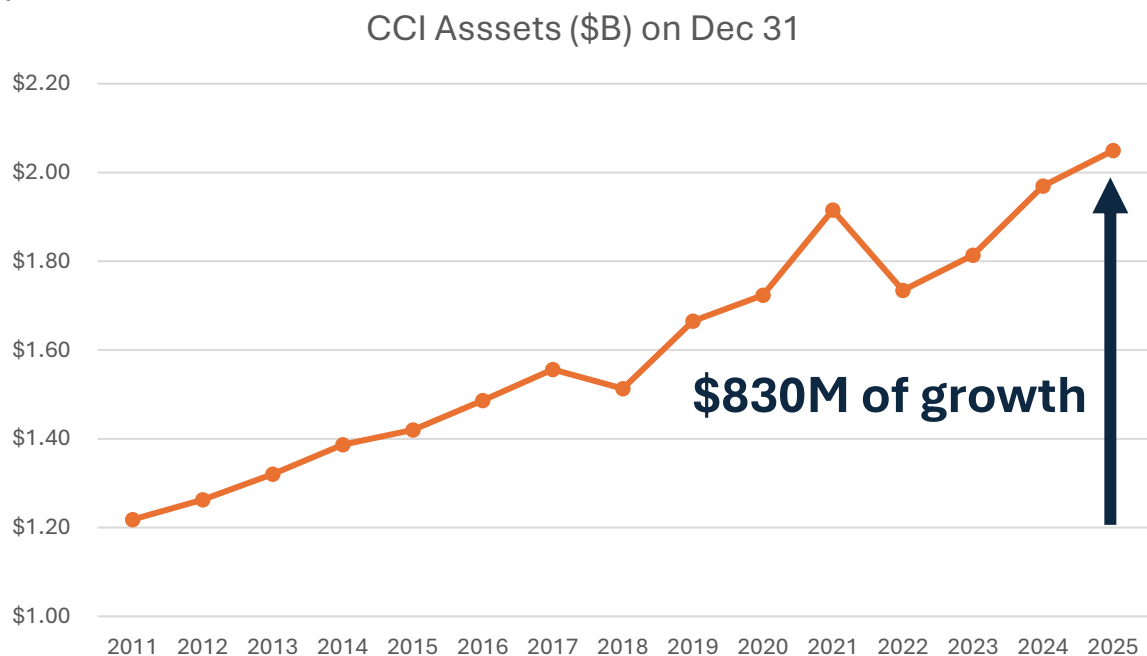
	2024	2025
Starting assets	\$ 1,809,800,000	\$ 1,969,920,000
Realized investment gains (losses)	\$ 84,690,000	\$ 200,390,000
Unrealized gains (losses)	\$ 174,420,000	\$ (17,520,000)
Total Investment Performance	\$ 259,110,000	\$ 182,870,000
Claims & health administration fees	\$ 90,980,000	\$ 95,080,000
Investment management fees	\$ 6,940,000	\$ 7,320,000
Professional & Operations fees	\$ 1,070,000	\$ 1,040,000
Total Expenses	\$ 98,990,000	\$ 103,440,000
Year End Assets	\$ 1,969,920,000	\$ 2,049,350,000

Rounded to the nearest \$10,000



Financials

On the back of strong investment performance, assets grew in 2025 over 2024. Since plan inception, the funds have grown a total of \$830M, and we have paid out over \$720M in paid claims (before taxes). Growth of the asset base remains critical to offset the impact of inflation and to accommodate future members into the plan.



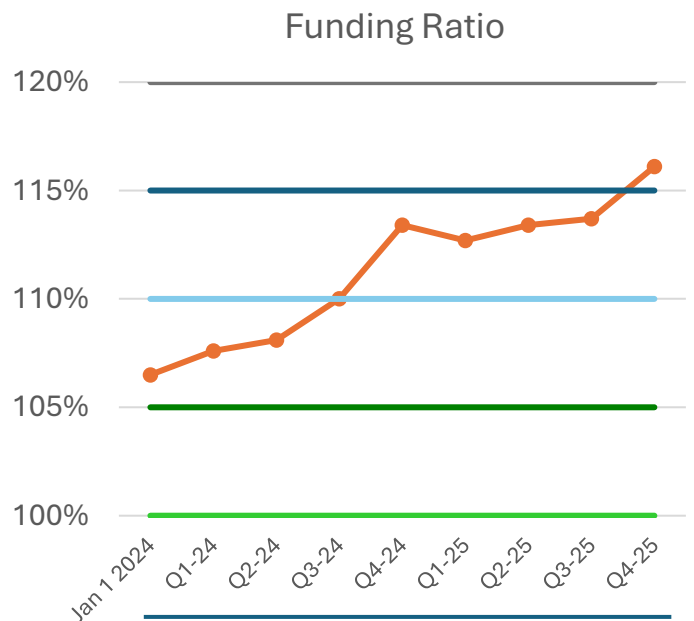


Plan Sustainability

In 2024, Eckler, our actuarial partner, did a plan valuation to determine if we have enough money to maintain our current benefit plan for the lifetime of our members. At 100% we would have just enough money to reach this goal. Your plan was at a healthy 106.5%

We track this ratio quarterly and adjust for actual claims experience and changes to our assets. While we expect this number to fluctuate quarter to quarter, we keep a close eye on this figure to ensure it doesn't drift too far from 100% in either direction.

With 2 years of very strong investment returns, and claims costs that were close to forecasts, the funding ratio has strengthened to just over 115%. The next valuation is scheduled for January 2027, after which we will reassess if the current plan design should be strengthened, maintained, or modified.



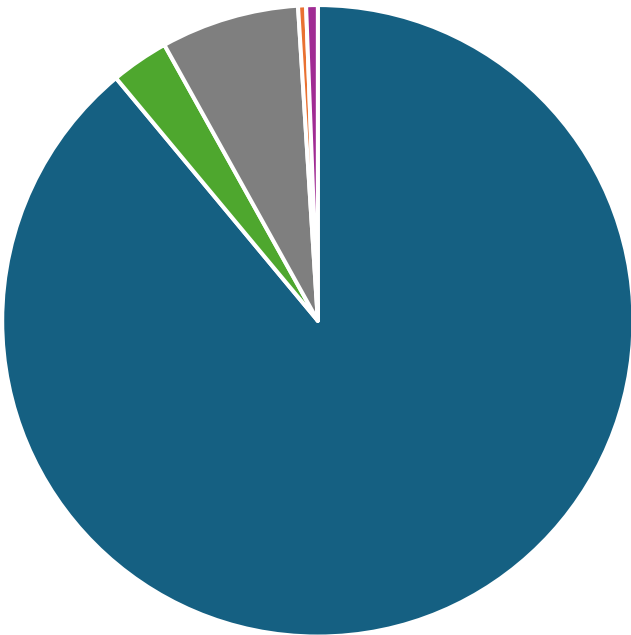


Value for Members

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 2025:

- \$88.96 paid **Your Claims**
- \$2.96 paid **GreenShield fees**
- \$7.08 paid **Investment fees**
- \$0.41 paid **Professional fees**
- \$0.59 paid **asrTrust Operations**



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



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RETIREE HEALTH CARE

