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WHAT YOU NEED TO KNOW...

A quick glance at the information you'll find in your newsletter.

YOUR COST-OF-LIVING ADJUSTMENT

Good news! A cost-of-living adjustment (COLA) will be provided to members of the Plan on January 1, 2027. The amount granted is:

2.33%

More information about this year's cost-of-living adjustment can be found on page 6.

CHECK-UP ON THE PLAN'S HEALTH



More information about the Plan's health for 2025 can be found on page 4.

RECENT FUNDING RESULTS

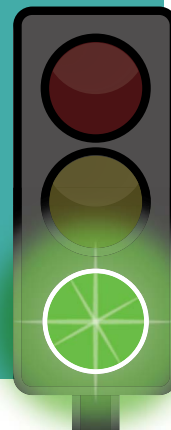
TERMINATION VALUE
FUNDED RATIO

117.4%

OPEN GROUP
FUNDED RATIO

143.5%

More information can be found on page 5.



2025 IN NUMBERS

The CBE Pension Plan Annual Report is available on your Plan website at cbe-nb.ca. It provides a full recap of the CBE Pension Plan in 2025. It includes financial information and expenses, Board activities, details about how the Plan operates on a day-to-day basis, and more!

Learn more about how the CBE Pension Plan meets its goals:

- To provide members with a secure, lifetime pension upon their retirement.
- To provide members with additional benefits, such as cost-of-living adjustments, provided that the Plan has the funding to do so.

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Investment Income

\$253.6
million

Contributions Collected

\$140.7
million

Benefits Paid Out

\$140.9
million

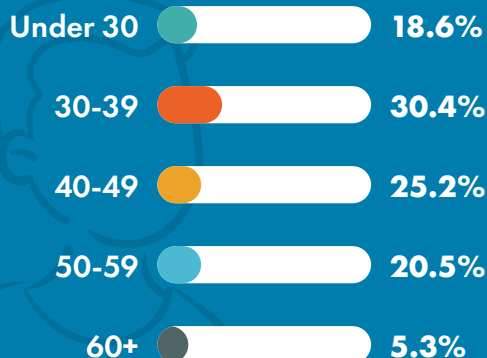
Plan Expenses

\$8.3
million

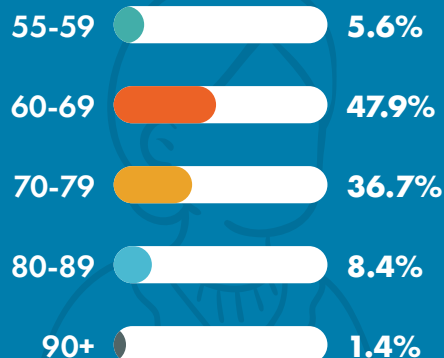
AGE DISTRIBUTION



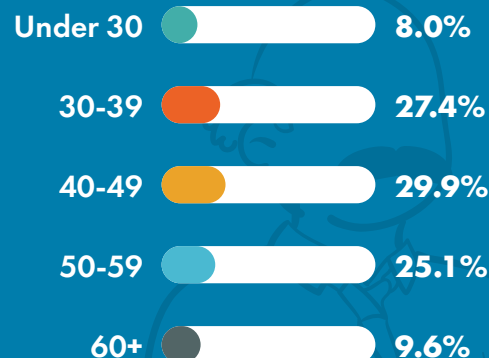
ACTIVE MEMBERS



RETIRED MEMBERS



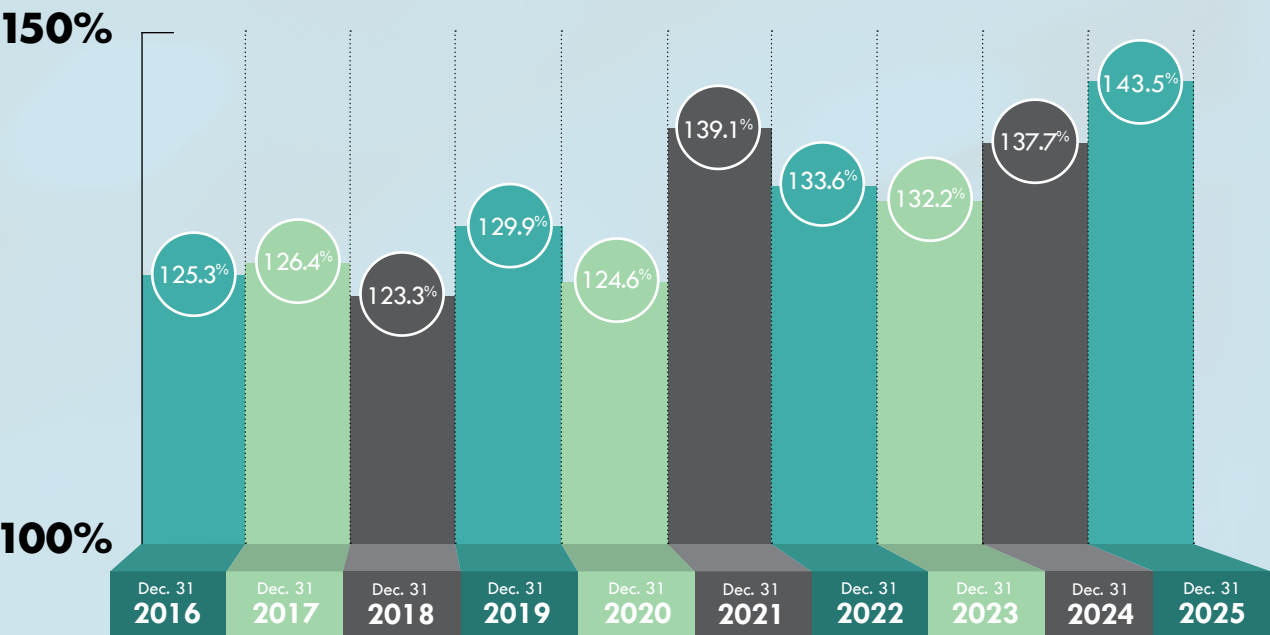
DEFERRED MEMBERS



21,655 total members

Funded Status of the CBE Pension Plan Over the Past Decade

See page 5 for more information on the funding of the Plan



INVESTMENT PERFORMANCE

Learn about the Plan's performance so far in 2026 on page 10.

10-year average returns of
7.00%
since January 1, 2016

The Plan grew to
\$3.61 billion
in investment assets at
December 31, 2025

\$246.9 million
increase in net assets
in 2025



CHECK-UP ON THE PLAN'S HEALTH

ACTUARIAL VALUATION



Each year, your Board of Trustees and the Plan's independent actuary, TELUS Health, review the Plan's financial health to make sure it can pay benefits now and in the future. They look at how much money the Plan has in assets, the risks it faces, and what may happen over time. Your Board then uses this information to decide on potential improvements for members like you. These improvements include the cost-of-living adjustments (COLA) provided each year to members.

RISK MANAGEMENT RESULTS



PRIMARY RISK MANAGEMENT GOAL

Achieve 97.5% probability that the base benefits earned by members will not be reduced over the next 20 years.

99.8%
MET



1ST SECONDARY RISK MANAGEMENT GOAL

Expect to provide COLA on the benefits earned by members that is more than 75% of the indexation provided under the former plan over the next 20 years.

100.0%
MET



2ND SECONDARY RISK MANAGEMENT GOAL

Expect to provide at least 75% of the value of ancillary benefits (e.g., bridge benefits) over the next 20 years.

99.3%
MET

The full Actuarial Valuation Report is available at cbenb.ca. Look under "About the CBE Pension Plan", then "Financial Results: Actuarial Valuation Reports".

DISCLAIMER: This newsletter is a publication on behalf of the Board of Trustees of the Shared Risk Plan for Certain Bargaining Employees of New Brunswick Hospitals. This publication is intended to provide information about the Shared Risk Plan for Certain Bargaining Employees of New Brunswick Hospitals, also referred to as the CBE Pension Plan or CBE. If there is a discrepancy between the information contained herein and the Pension Plan Text or other appropriate governing documents, the latter will prevail.

RECENT FUNDING RESULTS

To determine the CBE Pension Plan's funding level, the Plan's actuary, TELUS Health, compares what the Plan owns (its assets) with what it owes (its liabilities). See the results below.

TERMINATION VALUE FUNDED RATIO

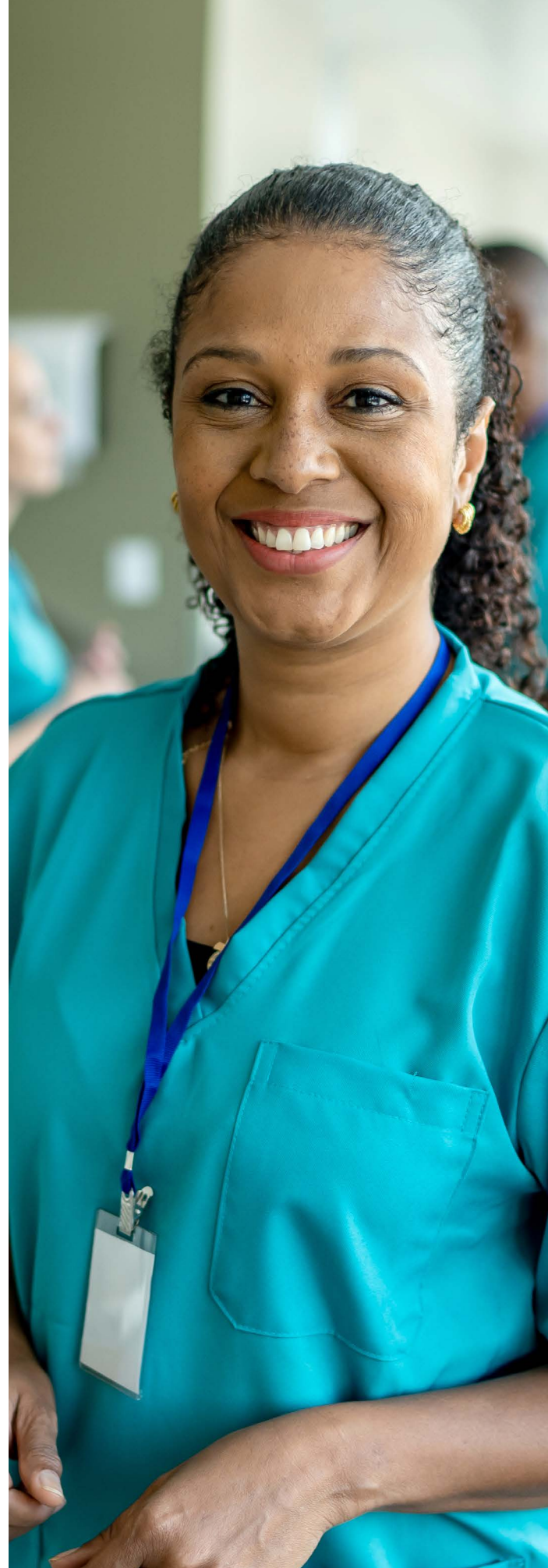
117.4%

The termination value funded ratio compares the Plan's assets against its liabilities on the date of the actuarial valuation, in this case, December 31, 2025. This ratio is used to calculate a member's termination value if they leave their employment, pass away, or experience the end of a marriage or common-law relationship.

OPEN GROUP FUNDED RATIO

143.5%

The 15-year open group funded ratio is similar to the termination value funded ratio in that it compares the Plan's assets against its liabilities. However, unlike the termination value funded ratio, it also considers the next 15 years of the Plan. Specifically, it takes into account the present value of excess contributions over the next 15 years and the expected return on investments. This measure helps the Board determine benefits that can be granted, such as cost-of-living adjustments (COLA).



YOUR COST-OF-LIVING ADJUSTMENT

Cost-of-living adjustments (COLA) help your pension keep up with inflation. Without COLA, your pension would lose its buying power each year as goods and services become more expensive. Whether you are an active member saving for your future retirement or a retired member drawing a pension, COLA is one of the most important benefits of your Plan.

This year's COLA granted to all CBE Pension Plan members is:

2.33%

This matches the average increase in the Consumer Price Index (CPI), as calculated by Statistics Canada. The CPI is the most widely used tool for measuring inflation in Canada.



If you're a **retired member**, the increase will be applied to your monthly pension benefit beginning in January 2027. You'll receive a written notification of this increase in December 2026.

If you're an **active** or **deferred member**, the increase is applied to the pension you've earned up to December 31, 2025. Each increase you receive will continue to grow your pension until you retire. That means the pension you earn today will keep its value, even if your retirement is decades away. As the cost of goods has risen, the value of your future pension has risen with them.

Visit the “Cost-of-Living Adjustments” section of cbebenb.ca for more information.



Did you know that nearly half of the members of similar pension plans in Canada do not receive COLA?

2027

PENSION PAYMENT CALENDAR

JANUARY 01	FEBRUARY 01	MARCH 01	APRIL 01	APRIL 30 (FOR MAY)	JUNE 01
JUNE 30 (FOR JULY)	JULY 30 (FOR AUGUST)	SEPTEMBER 01	OCTOBER 01	NOVEMBER 01	DECEMBER 01

YOUR BOARD OF TRUSTEES

Tom Maston
Chairperson

Matt Hiltz
Vice-Chairperson

Paula Doucet
Trustee

Mark Gaudet
Trustee

Catherine Little
Trustee

Richard Luton
Trustee

Ben Mersereau
Trustee

Susie Proulx-Daigle
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Marilyn Quinn
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Lisa Watters
Trustee

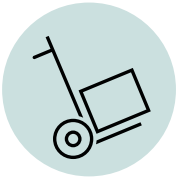
Debbie Carpenter
Observer

Leigh Sprague
Observer



TIPS FOR RETIRED MEMBERS

UPDATING YOUR INFO



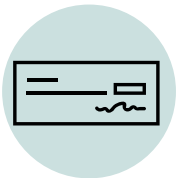
Is there a move in your future?

Head over to cbenb.ca/address to update your address. If you would rather call, you can contact Vestcor, the Plan's chosen administrator, at 1-800-561-4012.



Have you owed money after filing your income tax return in the past few years?

You may want to consider increasing the amount of tax withheld from your monthly pension benefit. By doing so, you can reduce how much money you owe when you file your tax return next year. Find the form you need to make this change at cbenb.ca/incometax. You may want to contact a tax specialist before making any decisions about your income tax deductions.



Have you opened a new bank account?

Go to cbenb.ca/banking to find the form you need to update your banking information. You can also contact Vestcor at 1-800-561-4012. Remember to keep your old account open until you've seen a payment deposited in your new account.



THIS YEAR'S **ANNUAL** **INFORMATION MEETING**

Do you have questions about one of your most important sources of retirement income?

For over ten years, the CBE Pension Plan has been there for our members, building strong pensions and helping them achieve a rewarding retirement.



WHEN?



NOVEMBER 18, 2026
7:00 P.M. AST



WHERE?



ONLINE WEBCAST



WHO?

All members of the Plan. Whether you are actively contributing, are a retired member, have deferred your pension, or are a survivor or beneficiary, this is for you!

WHY ATTEND?



Gain valuable insights about your Pension Plan and how it works for you.



Get in-depth answers to your questions from the people who know the CBE Pension Plan best.

Register at [**cbenb.ca/2026aim**](https://cbenb.ca/2026aim).

MID-YEAR INVESTMENT UPDATE

A SNAPSHOT OF WHERE YOUR PENSION FUND STOOD AT JUNE 30, 2026

HIGHLIGHTS

CBE PENSION PLAN
MID-YEAR RETURN

5.34%

AT JUNE 30, 2026
(GROSS)

NET INCREASE OF

\$211.1 million

SINCE DEC. 31, 2025

INVESTMENT
ASSETS ARE

\$3.82 billion

CBE PENSION PLAN
FOUR-YEAR RETURN

9.71%

(GROSS)

Key Takeaways

- The CBE Pension Plan earned a strong investment return for the start of 2026 amid periods of higher volatility.
- It has been more challenging recently for some private market investment returns to outpace their public market benchmark due to the recent strength of public market returns.



We are pleased to report that the Plan's investments earned a strong positive return of 5.34% in the first six months of 2026. Over the longer term, both the four-year annualized return of 9.71% and the ten-year annualized return of 7.17% are in excess of the 5.00% discount rate recommended by the Plan's independent actuary and approved by the Board, and continue to exceed the respective benchmark returns of 8.94% and 5.86%.

Global economic growth remains steady, supported by continued investments in artificial intelligence, although conflicts in Eastern Europe and in the Middle East continue to create uncertainty and put pressure on energy prices. Interest rates in Canada and the United States are expected to remain fairly stable, while stock markets have continued to rise despite ongoing risks. However, a small number of large technology companies now make up a large share of the market, increasing concentration risk and highlighting the importance of maintaining well-diversified investment portfolios.

Look for terms with a dotted underline in this Investment Report. You can find definitions of these terms and others relevant to the CBE Pension Plan by scanning the code to the right with your mobile device, or by visiting vestcor.org/glossary.

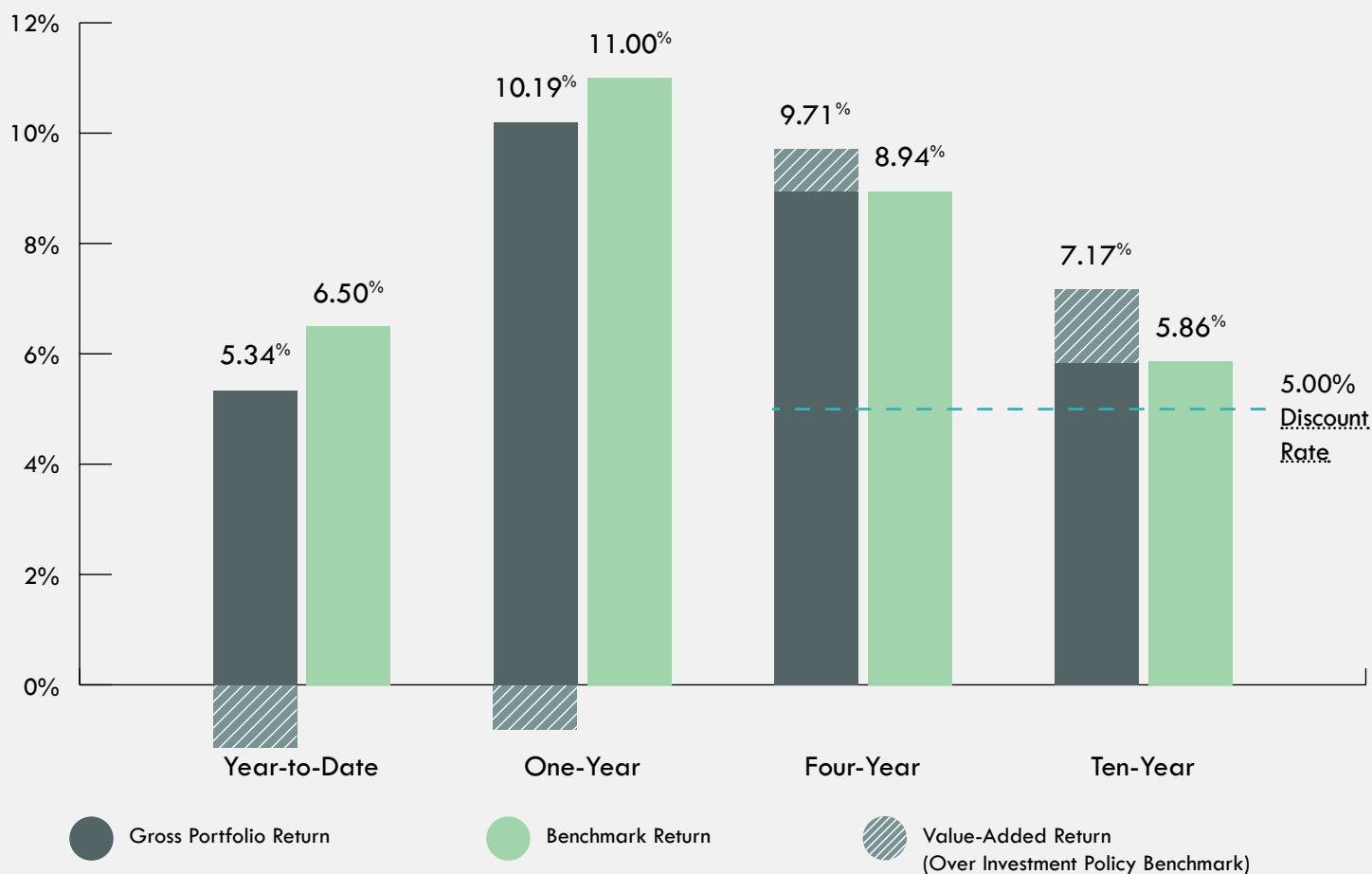


MID-YEAR INVESTMENT UPDATE

A SNAPSHOT OF WHERE YOUR PENSION FUND STOOD AT JUNE 30, 2026

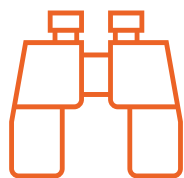
INVESTMENT RETURNS (AS AT JUNE 30, 2026)

Annualized returns for periods greater than one year.



INVESTMENT ASSETS

The fair value of the CBE Pension Plan investment assets on June 30, 2026 was \$3.82 billion, an increase of \$211.1 million from the fair value on December 31, 2025.



For more information, including a summary of the market outlook for this period, visit the Quarterly Market Updates provided by Vestcor at vestcor.org/marketupdates.

AMENDMENTS TO GOVERNING DOCUMENTS

The New Brunswick *Pension Benefits Act* requires that Plan members be provided with an update on any Plan amendments. As such, the Board of Trustees would like to inform you of the following amendment which was filed with the Superintendent of Pensions:

- The CBE SRP Statement of Investment Policies was amended following a review of the Plan's investment strategy. Key changes include updates to asset allocation, investment benchmarks, and other investment guidelines designed to support the Plan's long-term sustainability while maintaining a prudent approach to risk management. The amendments were filed with the Superintendent of Pensions on September 25, 2026.

In other news:

- The CBE SRP Actuarial Valuation Report as at December 31, 2025 and Financial Statements as at December 31, 2025 were filed with the Superintendent of Pensions on September 25, 2026.

The governing documents of the CBE Pension Plan are available at cbenb.ca, and include the Funding Policy, the tool used by the Board of Trustees to manage the inherent risks of the Plan. It is a document that provides guidance and rules regarding decisions that must, or may, as applicable, be made by the Board of Trustees around funding level, contributions, and benefits. The Funding Policy is accessible at cbenb.ca/fp. A quick summary of some of the main provisions of the Funding Policy of the CBE Pension Plan is available at cbenb.ca/sfp.



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Contact us at info@vestcor.org or by calling 1-800-561-4012.

CBE PENSION PLAN
cbenb.ca



WRITE:
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Board of Trustees
c/o Vestcor
PO Box 6000
Fredericton, NB E3B 5H1



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