SECURE AND SUSTAINABLE

PENSION NEWS

FALL 2025 | VOLUME 10

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Email info@vestcor.org or call 1 800 561 4012.

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, 2026. The amount granted is:

2.01%

More information about this year's cost of living calculation can be found on page 4.

FOUR-YEAR INVESTMENT RETURN

6.75%

More information on the CBE Pension Plan's investments can be found on page 6.

WHAT WERE THE FUNDING RESULTS IN 2024?

Termination Value Funded Ratio
114.7%

Open Group Funded Ratio
137.7%

More information can be found on page 3.

YOUR **CBE PENSION PLAN** TODAY

THE CBE PENSION PLAN'S GOALS ARE SIMPLE:

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.

THE SUCCESS OF THESE GOALS DEPENDS ON THE FINANCES OF THE PLAN. HOW IS THE CBE PENSION PLAN DOING?

IN 2024 THE PLAN GREW BY

$341.4 million

SO FAR, IN 2025 THE PLAN HAS GROWN BY

$90.0 million

THE CBE PENSION PLAN NOW HAS **$3.45 BILLION** IN ASSETS.

For more information on the investments of the Plan, see page 6.

YOUR PENSION PLAN REMAINS IN EXCELLENT FINANCIAL HEALTH.

With an open group funded ratio of 137.7% the Board of the CBE Pension Plan has the green light to once again grant all members of the Plan a full cost of living adjustment (COLA), matching the rate of inflation as determined by Statistics Canada. More information on this year's COLA can be found on page 4.

For more information on the funding of the Plan, see the next page.

CHECK-UP ON THE PLAN'S HEALTH

ACTUARIAL VALUATION

The Plan's health is reviewed each year by your Board of Trustees and the Plan's independent actuary. An actuary in an expert in the mathematics of finance. Together, they look at the funding level and risk management of the Plan. They measure the Plan as it is today, and what can be reasonably expected in the future. Then, the Board uses these findings to make decisions on the next COLA and other improvements for members like you.

RISK MANAGEMENT RESULTS

Primary Risk Management Goal Achieve 97.5% probability that past base benefits earned will not be reduced over the next 20 years.	99.55% Met
1st Secondary Risk Management Goal Provide indexing in excess of 75% of CPI to members over the next 20 years.	100.0% of CPI Met
2nd Secondary Risk Management Goal Achieve at least 75% probability that ancillary benefits (e.g., early retirement benefits) can be provided over the next 20 years.	98.6% Met

For more information on the CBE Pension Plan's funding level and risk management, see the Actuarial Valuation Report available at cbenb.ca under "About the CBE Pension Plan", then "Financial Results: Actuarial Valuation Reports".

FUNDING RESULTS IN 2024

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

TERMINATION VALUE FUNDED RATIO

114.7%

The termination value funded ratio compares the fair market value of the assets of the Plan to its liabilities at the date of the actuarial valuation, in this case, December 31, 2024.

This ratio is used in calculating a member's benefits upon termination of employment, death, or marriage breakdown.

OPEN GROUP FUNDED RATIO

137.7%

The 15-year open group funded ratio compares the fair market value of the Plan's assets, plus the present value of excess contributions over the next 15 years, to the Plan's liabilities.

It is used in determining the COLA to be granted and in making other Board decisions.

YOUR COST OF LIVING ADJUSTMENT

Cost of living adjustments (COLA) are meant to help you keep up with inflation – whether you are an active member saving for your future retirement or a retiree drawing a pension. The CBE Pension Plan has been able to grant a full cost of living adjustment matching the rate of inflation every year since conversion. This year is no different - the COLA granted to all CBE Pension Plan members is:

2.01%

If you're a retiree, the increase will be applied to your monthly pension benefit as of January 1, 2026. You'll receive written notification of this increase in December 2025. If you're an active or deferred member, the increase will be applied to the benefits you've earned up to December 31, 2024. Each increase you receive will continue to compound until you retire.

Visit the "Cost of Living Adjustments" section of cbenb.ca for more information.

Cost of Living Adjustments (COLA) Awarded Since Plan Conversion

Year Awarded (January 1)	CBE Pension Plan COLA	Canadian CPI*
2026	**2.01%**	**2.01%**
2025	3.11%	3.11%
2024	5.59%	5.59%
2023	5.56%	5.56%
2022	1.46%	1.46%
2021	1.46%	1.46%
2020	2.12%	2.12%
2019	1.88%	1.88%
2018	1.47%	1.47%
2017	1.40%	1.40%
2016	1.49%	1.49%
2015	1.43%	1.43%
2014	0.96%	0.96%
2013	2.40%	2.40%

**Maximum COLA that can be granted based on the percentage change in the average Canadian Consumer Price Index (CPI).*

THIS YEAR'S ANNUAL INFORMATION MEETING

LEARN ABOUT YOUR PLAN FROM THE PEOPLE WHO KNOW IT BEST!

WHEN?
November 19, 2025, 7:00 p.m. AST

WHERE?
Webcast (phone-in option also available)

WHO?
All members of the Plan, whether you are actively contributing, are a retiree, have deferred your pension, or are a surviving spouse.

WHY SHOULD YOU ATTEND?
Join the Board of Trustees and the Plan's key service providers to receive:

- Key updates and insights on the performance and management of the Plan.
- Important facts and information to help you better understand your pension benefits – whether you're contributing to the Plan or receiving a pension.
- Answers to your questions from the source. Engage in conversation with the Board and service providers, who will answer your questions live.

Sign up for reminders at **cbenb.ca/2025aim**.

Missed last year's meeting? Scan the code below with your mobile device to watch highlights, or visit **cbenb.ca/2024aim**

EMPLOYEE SESSIONS

DID YOU KNOW?

The Plan's chosen administrator, Vestcor, offers educational sessions to help members better understand the CBE Pension Plan.

There is no better way to learn about how the CBE Pension Plan works for its members than a session tailored to you. Vestcor will cover all the basics of the Plan and answer your questions.

Katelynn Barton, from Vestcor's Member Services Team, presenting to members.

Ask your employer today to schedule a session with Vestcor for you and your colleagues.

VESTCOR

MID-YEAR INVESTMENT UPDATE

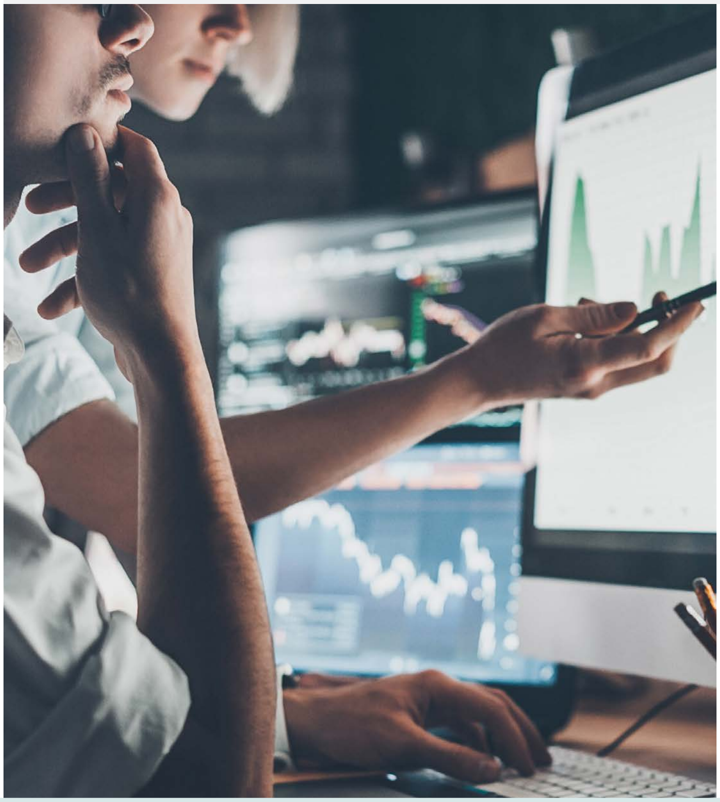
A SNAPSHOT OF WHERE YOUR PENSION FUND STANDS AT JUNE 30, 2025

HIGHLIGHTS

CBE PENSION PLAN MID-YEAR RETURN	NET INCREASE OF	INVESTMENT ASSETS ARE	CBE PENSION PLAN FOUR-YEAR RETURN
2.80% AT JUNE 30, 2025 (GROSS)	**$90.0 million** SINCE DEC. 31, 2024	**$3.45 billion**	**6.75%** (GROSS)

Key Takeaways

- The CBE Pension Plan earned a good return in the midst of significant uncertainty regarding trade negotiations and monetary policy.
- Long-term returns continue to exceed the Plan's value-added return target of 50 basis points. In simple terms, one of the objectives of Vestcor, the CBE Pension Plan's investment manager, is to earn returns that exceed the benchmark by at least 0.50%.



We are pleased to report that the Plan's investments earned a positive return of 2.80% in the first six months of 2025. Over the longer term, both the four-year annualized return of 6.75% and the ten-year annualized return of 6.67% are in excess of the 5.00% discount rate, which is recommended by the independent actuary and approved by the Board. These longer-term returns continue to exceed the respective benchmark returns of 4.99% and 5.32%.

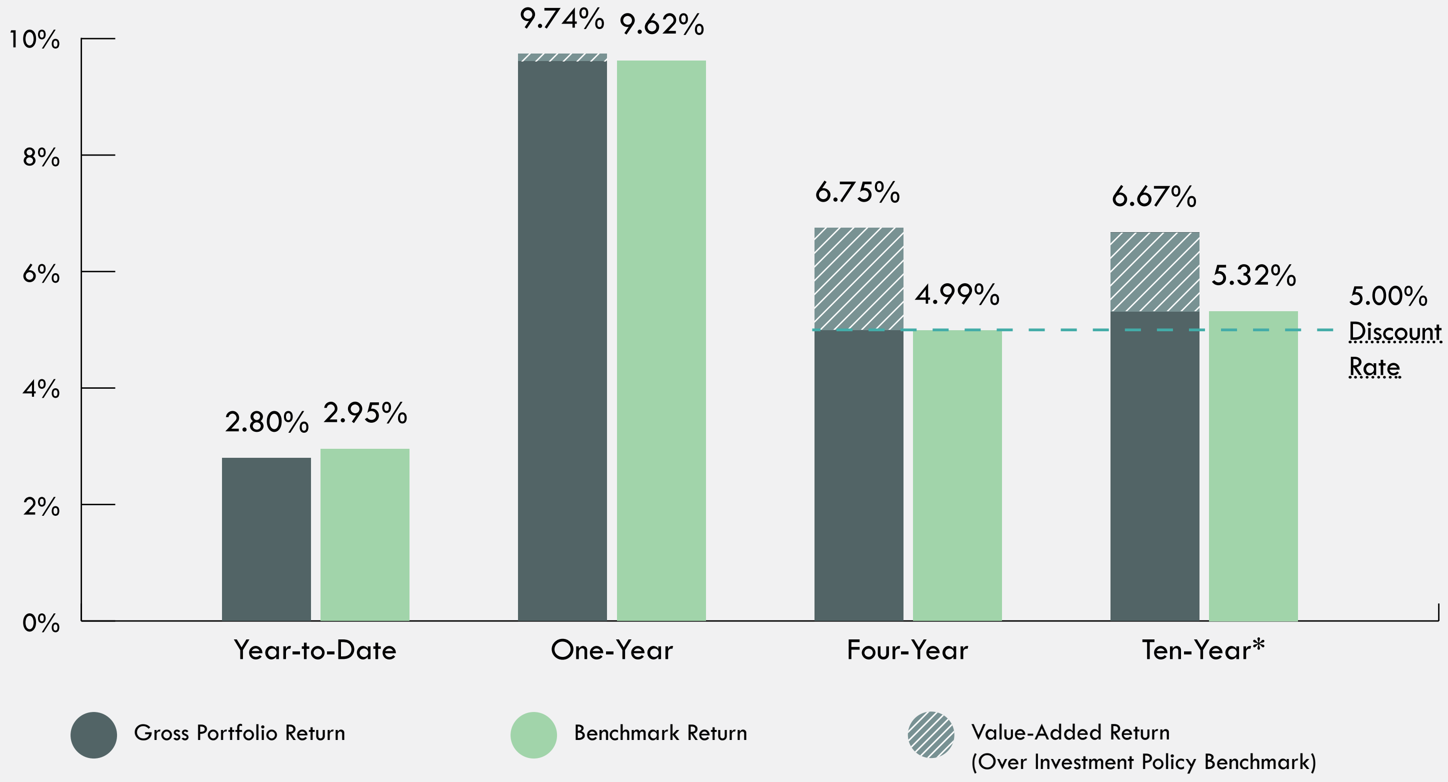
Trade negotiations and U.S. domestic macroeconomic policy continue to dominate market news headlines as of mid-year, with continued uncertainty about the ultimate path of both tariff policy and interest rates clouding the growth, employment, and inflation outlook for investors. Despite the uncertainty, risk assets have continued to rise throughout the late spring and early summer, and overall measures of market risk have settled back into longer-term average positions as stock markets have recovered from earlier losses.

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 STANDS AT JUNE 30, 2025

INVESTMENT RETURNS (AS AT JUNE 30, 2025)



* Vestcor's investment mandate began on September 1, 2016. Includes periods prior to full transition to Vestcor's management.

INVESTMENT ASSETS

The fair value of the CBE Pension Plan investment assets on June 30, 2025 was $3.45 billion, an increase of $90.0 million from the fair value on December 31, 2024.

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**.

2026 PENSION PAYMENT CALENDAR

01 JANUARY	30 JANUARY (FOR FEBRUARY)	27 FEBRUARY (FOR MARCH)	01 APRIL	01 MAY	01 JUNE
30 JUNE (FOR JULY)	31 JULY (FOR AUGUST)	01 SEPTEMBER	01 OCTOBER	30 OCTOBER (FOR NOVEMBER)	01 DECEMBER

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 amendments which were filed with the Superintendent of Pensions:

- The CBE SRP Statement of Investment Policies was amended to ensure consistent language is being used, and to change the calculation of the benchmark return from using daily actual portfolio weights to using the Policy Portfolio weights. The amendment was filed with the Superintendent of Pensions on September 29, 2025.
- The CBE SRP Funding Policy was amended to clarify that a cost of living adjustment (COLA) also applies to the bridge benefit, and to clarify the exact version of final average earnings calculation that is needed in the application of Steps 2 and 3 of the Funding Excess Utilization Plan. The changes do not modify the practice that has been applied to date. The amendment was filed with the Superintendent of Pensions on October 1, 2025.

In other news:

- The CBE SRP Actuarial Valuation Report as at December 31, 2024 and Financial Statements as at December 31, 2024 were filed with the Superintendent of Pensions on September 29, 2025.

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**.

2025 BOARD OF TRUSTEES

CBE PENSION PLAN

cbenb.ca

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ISBN 978-1-4605-4583-6