

AESRP - A Quick Guide to COLA Determination and Award (For Active Members - Applied to Accrued Pensions)

Maximum COLA that can be granted on January 1, 2026

Every year, the maximum COLA is determined based on inflation in Canada. Inflation is based on the average change in Consumer Price Index (CPI) over the 12 months prior to the previous June 30 (i.e., July 1, 2024 to June 30, 2026). Over time, the Board can grant all or portions of that maximum COLA depending on the financial position of the Plan.

2.00%

Amount available to provide COLA on January 1, 2026

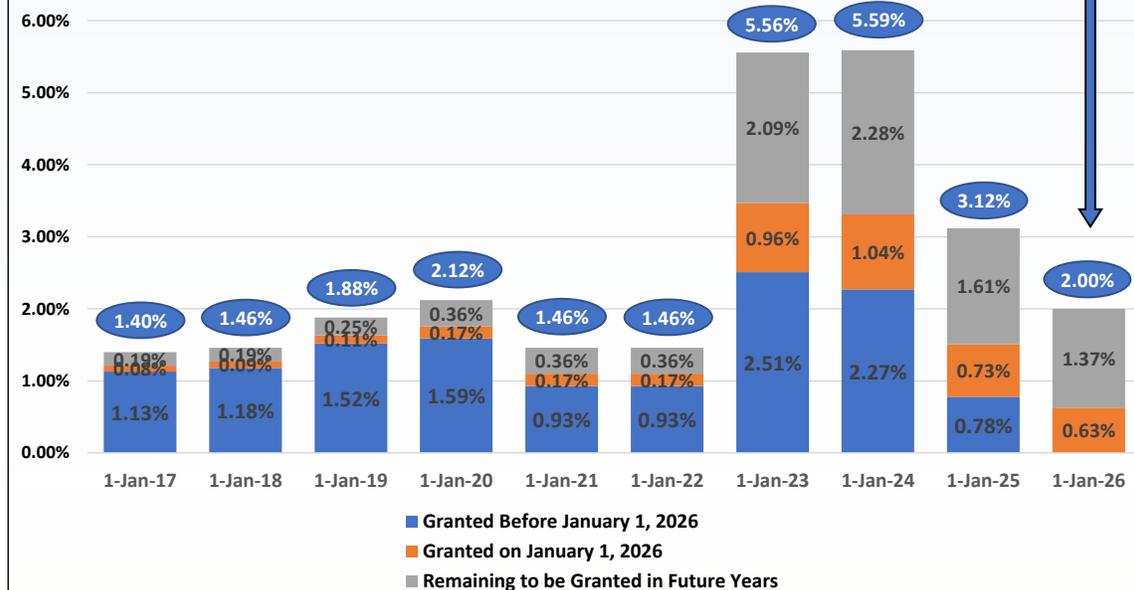
If the Plan passes its risk management test at the valuation date, as reported by the Plan's actuary, then the Plan can afford to award all or a portion of the maximum COLA. To calculate the proportion, the dollar amount available for awarding COLA is determined and then divided by the sum of all outstanding COLA amounts up to and including the current year. That proportion is 31.40% for January 1, 2026.

The Plan can afford to provide:

31.40% of current year maximum COLA; and

31.40% of the portion of maximum COLA still not granted from prior years

**Portion of Maximum COLA Granted Before January 1, 2026,
Granted on January 1, 2026, and
Remaining to be Granted in Future Years**



The amount in the circle at the top of each column is the maximum COLA calculated for each year since January 1, 2017. The maximum COLA for each year before January 1, 2017 has been granted.

The grey area represents COLA that has yet to be awarded and could be granted in future years, should the financial position of the Plan allow for it.

The orange area represents the percentage of COLA granted on January 1, 2026 (being 31.40% of the amount still not granted from prior years). For example, for January 1, 2024, 1.04% is being granted on January 1, 2026 which is 31.40% of what had not been previously granted (5.59% minus 2.27%).

The blue area of each column represents the COLA that has been granted over the years prior to January 1, 2026.