June 2026 Pension Report

The Pension Committee meeting was held in Montreal on Tuesday May 26. We were provided with the fully audited fund report from Mercer and the highlights of that report as of Dec 31, 2025 were:

- Plan currently stands at $17.8 B
- The Fund earned 6.5% ($1.1B) in 2025 and paid out $934 million in pensions
- Going Concern ratio improved from 144% to 146% (continuation of the Plan)
- Solvency ratio improved from 133% to 138% (termination of the Plan))
- Both are solid indicators that the Fund is well funded above any payout requirements
- CPI (inflation) was calculated to be 2% and because the funding level in the Escalation Account exceeds 5% of pensioner liability, the indexation factor for 2027 is set at 60% of CPI, or 1.2%

- **Minimum monthly increases to pensions** remain at $9.00/month for pensioners and $4.50/month for surviving spouses

- **Maximum monthly increase to pensions** will be $39.00/month

- The **Pension Committee Annual Repor**t will be delivered in July. It will include all of the above information as well as some background and information on numbers of employees and pensioners.

Pension Information Sessions

The CN Pension Committee out of town Pension Information Sessions were held in Moncton on June 2nd and St. John’s Newfoundland on June 3rd. The Pension Committee will confirm at the September 2026 meeting, the location(s) for the 2027 sessions.