



RSP Financial Insights Fiscal Q1 2026

For the fiscal quarter January 31, 2026

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As expected	
Moderately different than expected	
Significantly different than expected	

RSP Headlines

Projected 2026 Fiscal Year-End RSP Operating Deficit: \$ 729.9 million
Projected 2026 Fiscal Year-End RSP Operating COR: 175.6% (see slide 5)

2026 Fiscal Outlook Operating Deficit: \$716.3 million
2026 Fiscal Outlook Operating COR: 175.4%

Financial Highlights

- We have updated the **full-year 2026 fiscal year business projections** as at the end of the fiscal quarter:
 - **Written premium is \$1.46 billion for the combined 6 RSPs** which represents a 1% increase (or \$20.8 million increase) compared to prior year, and 2% increase (or \$30.8 million increase) compared to The Outlook.
 - **Average written premium** is 4% higher compared to prior year, and 1% higher compared to Outlook.
 - **Vehicle counts** are lower compared to prior year, mainly driven by decrease in Alberta Grid and lower than expected counts in Ontario pool off set with an increase in Alberta Non-Grid. When compared with the Outlook, counts came in higher coming from all jurisdiction expect for the Ontario, Nova Scotia, and Newfoundland pools where counts came in slightly lower.
- Adjustments to the Alberta Grid premiums effective Jan 01, 2026 including a 20% base rate increase outlined in the [AIRB Order 01-2025](#). We expect this to considerably improve the operating result of the Grid risk sharing pool in 2026, and decrease the number of Grid-rated vehicles in the province of Alberta and in the Grid risk sharing pool.
- The fiscal year-to-date COR is 387.8% which represents an 80 percentage point improvement compared to prior year and is fairly in line with the Outlook. The improvement compared to prior year is driven by Alberta Grid since no risk as been booked for AY 2027 as no further vehicles will be eligible for transfer to the Grid RSP as of Jan 01, 2027.

RSP YTD Operating Results

YTD operating deficit is in line with the Outlook, and shows an improvement compared to the prior year primarily driven by the larger increase in loss component recognized in the prior year result

FISCAL YEAR (\$000s)	Actual RSP	Actual RSP	Outlook RSP	Change 2026 - 2025		Change from Outlook	
	YTD 3 mths to Jan 2026	YTD 3 mths to Jan 2025	YTD 3 mths to Jan 2026	\$	%	\$	%
Premium written	346,151	330,419	330,763	15,732	5%	15,387	5%
Premium Earned	368,131	328,735	365,972	39,396	12%	2,159	1%
Earned Expense Allowance	(127,336)	(111,662)	(126,664)	(15,674)	14%	(672)	1%
INSURANCE REVENUE	240,795	217,073	239,308	23,722	11%	1,487	1%
Claims incurred	393,187	368,411	384,464	24,777	7%	8,723	2%
Adjustment to liabilities for incurred claims	(11,028)	(13,340)	(13,159)	2,312	(17%)	2,130	(16%)
Change in loss component	518,611	628,955	516,651	(110,344)	(18%)	1,960	0%
Administration expenses	3,483	2,873	3,408	610	21%	74	2%
INSURANCE SERVICE EXPENSES	904,253	986,898	891,365	(82,646)	(8%)	12,888	1%
INSURANCE SERVICE RESULTS	(663,458)	(769,825)	(652,057)	106,368	(14%)	(11,401)	2%
Finance income/expense - Discount Unwind	(29,609)	(28,725)	(29,476)	(884)	3%	(133)	0%
Finance income/expense - Yield Impact	-	-	-	-	0%	-	0%
Net finance income/expense from insurance	(29,609)	(28,725)	(29,476)	(884)	3%	(133)	0%
OPERATING SURPLUS (DEFICIT)	(693,067)	(798,550)	(681,533)	105,483	(13%)	(11,534)	2%
KEY PERFORMANCE METRICS							
Growth Indicators							
Vehicle Counts	109,623	108,937	105,509	686	1%	4,115	4%
Average Premium	3,158	3,033	3,135	125	4%	23	1%
Profitability Metrics							
Claims Ratio (CY)	163.3%	169.7%	160.7%	-	(6.4%)	-	2.6%
Claims Ratio (PY)	-4.6%	-6.1%	-5.5%	-	1.6%	-	0.9%
Total Claims Ratio (CY+PY)	158.7%	163.6%	155.2%	-	(4.9%)	-	3.5%
Onerous Contract Ratio	215.4%	289.7%	215.9%	-	(74.4%)	-	(0.5%)
Admin Expense Ratio	1.4%	1.3%	1.4%	-	0.1%	-	0.0%
Insurance Service Result Ratio	375.5%	454.6%	372.5%	-	(79.1%)	-	3.1%
Net Insurance Finance Income/Expense - Discount Unwind Ratio	12.3%	13.2%	12.3%	-	(0.9%)	-	(0.0%)
Net Insurance Finance Income/Expense - Yield Impact Ratio	0.0%	0.0%	0.0%	-	0.0%	-	0.0%
Net Insurance Finance Income/Expense Ratio	12.3%	13.2%	12.3%	-	(0.9%)	-	(0.0%)
Combined Ratio	387.8%	467.9%	384.8%	-	(80.0%)	-	3.0%

Key Messages:

- Increase in revenue compared to prior year and Outlook primarily driven by higher average premiums in Ontario and Alberta Grid, the latter due to increases in the Grid rate over the 2026 fiscal year.
- YTD **onerous contract ratio improved** (215.4% versus prior year 289.7%), driven by lower projected premium volumes for the future year 2027, particularly for Alberta Grid RSP, as well as better than expected loss ratios (LR) for Ontario. Decrease in LRs for Ontario is driven by continued improvement in the Comprehensive loss ratio. This is partially offset by higher expected loss ratios in Alberta Bodily Injury.
- Change in loss component is lower than prior year but higher than Outlook. The loss component varies based on the premium volume and expected loss ratio of the unexpired business.
- Increase in insurance finance expense compared to prior year is due to more discount unwinding.

RSP Latest Fiscal Year-End 2026

Fiscal Year-End 2026 (\$000s)								FY2026 Outlook
	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	Newfoundland & Labrador	Total	Total
Written Premium	805,411	233,453	318,008	33,966	42,442	23,949	1,457,230	1,426,420
Received Premium	792,251	250,448	325,199	33,488	41,909	23,388	1,466,683	1,435,971
Earned Premium	778,140	299,406	310,507	30,234	37,939	18,174	1,474,401	1,450,009
Earned Expense Allowance	(254,008)	(109,487)	(113,065)	(11,933)	(13,593)	(6,325)	(508,412)	(500,409)
Insurance Revenue	524,132	189,919	197,442	18,301	24,346	11,849	965,990	949,600
Total Claims Incurred	914,142	224,240	374,520	26,852	33,618	17,707	1,591,079	1,562,048
<i>Claims incurred (CAY)</i>	932,751	237,653	386,588	27,553	34,399	17,915	1,636,858	1,615,083
<i>Adjustments to Liabilities for Incurred Claims (PAYs)</i>	(18,609)	(13,413)	(12,068)	(700)	(781)	(208)	(45,779)	(53,035)
Administrative Expense	2,410	1,895	2,178	1,681	1,552	1,586	11,301	10,870
<i>Losses and Reversals of Losses on Onerous Contracts</i>	481,381	2,668	167,193	12,851	15,443	9,970	689,506	671,202
<i>Reversal of Expected Claims and Expenses</i>	(432,272)	(50,429)	(199,727)	(9,997)	(12,329)	(7,620)	(712,374)	(705,009)
Change in Loss Component	49,109	(47,761)	(32,533)	2,854	3,114	2,350	(22,868)	(33,807)
Insurance Service Expenses	965,660	178,374	344,164	31,387	38,284	21,642	1,579,512	1,539,111
Insurance Service Result	(441,528)	11,545	(146,722)	(13,086)	(13,938)	(9,793)	(613,522)	(589,511)
Insurance Finance Expense from PV FCF	(36,177)	(19,159)	(18,293)	(1,167)	(1,261)	(390)	(76,447)	(86,555)
Insurance Finance Expense from Risk Adjustment	(2,679)	(1,588)	(1,505)	(102)	(78)	(24)	(5,976)	(6,690)
Insurance Finance Expense from Loss Component	(21,601)	(2,308)	(8,498)	(496)	(622)	(382)	(33,906)	(33,570)
Insurance Finance Income (Expense)	(60,457)	(23,055)	(28,296)	(1,765)	(1,961)	(796)	(116,329)	(126,816)
2026 Operating Result	(501,985)	(11,510)	(175,018)	(14,850)	(15,899)	(10,589)	(729,852)	(716,327)
Ratios								
<i>Claims incurred (CAY)</i>	178.0%	125.1%	195.8%	150.6%	141.3%	151.2%	169.4%	170.1%
<i>Adjustments to Liabilities for Incurred Claims (PAYs)</i>	(3.6%)	(7.1%)	(6.1%)	(3.8%)	(3.2%)	(1.8%)	(4.7%)	(5.6%)
Loss Ratios (% Insurance Revenue)	174.4%	118.1%	189.7%	146.7%	138.1%	149.4%	164.7%	164.5%
<i>Earned Expense allowance</i>	32.6%	36.6%	36.4%	39.5%	35.8%	34.8%	34.5%	34.5%
<i>Change in Loss Component (excluding IFE)</i>	9.4%	(25.1%)	(16.5%)	15.6%	12.8%	19.8%	(2.4%)	(3.6%)
<i>Administrative Expenses</i>	0.5%	1.0%	1.1%	9.2%	6.4%	13.4%	1.2%	1.1%
Insurance Service Ratio	184.2%	93.9%	174.3%	171.5%	157.2%	182.6%	163.5%	162.1%
Combined Operating Ratio	195.8%	106.1%	188.6%	181.1%	165.3%	189.4%	175.6%	175.4%

Note: This forecast is a projection of future events based on models and assumptions believed to be realistic simplifications of the real world, but as simplifications, inherent uncertainty exists in relation to how actual events will unfold relative to these projections. **The user of this Outlook should recognize that future Operating Results may deviate from these projections by material amounts.** Materiality is a relative concept. As used here, material deviations are those that could reasonably be expected to influence decisions by users of this Outlook. The initial Outlook published in Dec 2025 for Calendar Year 2026 can be found [here](#) for your reference.

RSP FY 2026 Outlook Versus FY 2026 Latest Projection

	Ontario	Alberta Grid	Alberta Non-Grid	New Brunswick	Nova Scotia	Newfoundland & Labrador	Total
WRITTEN PREMIUM (\$000s)							
The Outlook	793,768	215,698	317,021	31,767	43,073	25,093	1,426,420
Latest Projection	805,411	233,453	318,008	33,966	42,442	23,949	1,457,230
Change (\$)	11,643	17,755	987	2,199	(631)	(1,144)	30,810
Change (%)	1.5%	8.2%	0.3%	6.9%	(1.5%)	(4.6%)	2.2%
WRITTEN VEHICLE COUNT							
The Outlook	214,015	53,582	126,179	17,825	21,474	12,827	445,903
Latest Projection	213,387	56,709	126,742	18,498	21,408	12,395	449,140
Change (%)	(0.3%)	5.8%	0.4%	3.8%	(0.3%)	(3.4%)	0.7%
LOSS RATIOS (%)							
The Outlook CAY Loss Ratio	178.4%	125.1%	196.2%	150.4%	141.0%	151.4%	170.1%
Latest Projection CAY Loss Ratio	178.0%	125.1%	195.8%	150.6%	141.3%	151.2%	169.4%
Change	(0.4%)	(0.0%)	(0.4%)	0.1%	0.3%	(0.2%)	(0.6%)
The Outlook PAY Loss Ratio	(4.5%)	(7.6%)	(7.1%)	(5.0%)	(4.1%)	(2.0%)	(5.6%)
Latest Projection PAY Loss Ratio	(3.6%)	(7.1%)	(6.1%)	(3.8%)	(3.2%)	(1.8%)	(4.7%)
Change	1.0%	0.5%	1.0%	1.2%	0.9%	0.2%	0.8%
EARNED EXPENSE ALLOWANCE RATIO (%)							
The Outlook	32.7%	36.6%	36.4%	39.5%	35.8%	34.8%	34.5%
Latest Projection	32.6%	36.6%	36.4%	39.5%	35.8%	34.8%	34.5%
Change	(0.1%)	0.0%	0.0%	(0.0%)	(0.0%)	(0.0%)	(0.0%)
COMBINED OPERATING RATIO (%)							
The Outlook	194.7%	105.0%	189.8%	176.5%	164.7%	186.1%	175.4%
Latest Projection	195.8%	106.1%	188.6%	181.1%	165.3%	189.4%	175.6%
Change	1.1%	1.0%	(1.2%)	4.7%	0.6%	3.2%	0.1%
OPERATING RESULT (\$000s)							
The Outlook	(491,949)	(9,061)	(175,432)	(13,314)	(15,878)	(10,694)	(716,327)
Latest Projection	(501,985)	(11,510)	(175,018)	(14,850)	(15,899)	(10,589)	(729,852)
Change (\$)	(10,036)	(2,449)	413	(1,536)	(21)	104	(13,525)

RSP Premium Drivers

Written Premium (\$000s)	Fiscal Year to Date			Projected Fiscal Year End		
	Current Year	Prior Year	The Outlook	Current Year	Prior Year	The Outlook
Ontario	169,034	189,949	171,341	805,411	779,368	793,768
Alberta Grid	82,695	65,826	66,850	233,453	296,365	215,698
Alberta Non-Grid	74,046	60,060	72,334	318,008	280,744	317,021
New Brunswick	7,521	5,902	6,432	33,966	28,126	31,767
Nova Scotia	8,698	6,346	8,701	42,442	37,351	43,073
Newfoundland	4,157	2,337	5,105	23,949	14,443	25,093
Total	346,151	330,419	330,763	1,457,230	1,436,398	1,426,420

Fiscal Year to Date Change				Projected Fiscal Year-End Change			
Current vs. Prior		Current vs. Outlook		Current vs. Prior		Current vs. Outlook	
(20,915)	(11%)	(2,308)	(1%)	26,043	3%	11,643	1%
16,869	26%	15,845	24%	(62,912)	(21%)	17,755	8%
13,986	23%	1,713	2%	37,265	13%	987	0%
1,619	27%	1,089	17%	5,840	21%	2,199	7%
2,352	37%	(3)	(0%)	5,091	14%	(631)	(1%)
1,820	78%	(948)	(19%)	9,505	66%	(1,144)	(5%)
15,732	5%	15,387	5%	20,832	1%	30,810	2%

Written Vehicle Count	Fiscal Year to Date			Projected Fiscal Year End		
	Current Year	Prior Year	The Outlook	Current Year	Prior Year	The Outlook
Ontario	46,253	53,594	47,072	213,387	215,485	214,015
Alberta Grid	20,733	19,556	17,937	56,709	78,494	53,582
Alberta Non-Grid	31,304	27,708	29,849	126,742	120,718	126,179
New Brunswick	4,316	3,562	3,668	18,498	16,853	17,825
Nova Scotia	4,493	3,249	4,294	21,408	19,518	21,474
Newfoundland	2,525	1,267	2,689	12,395	7,998	12,827
Total	109,623	108,937	105,509	449,140	459,066	445,903

Fiscal Year to Date Change				Projected Fiscal Year-End Change			
Current vs. Prior		Current vs. Outlook		Current vs. Prior		Current vs. Outlook	
(7,341)	(14%)	(820)	(2%)	(2,099)	(1%)	(628)	(0%)
1,176	6%	2,796	16%	(21,784)	(28%)	3,127	6%
3,596	13%	1,456	5%	6,024	5%	563	0%
754	21%	648	18%	1,645	10%	673	4%
1,244	38%	199	5%	1,890	10%	(66)	(0%)
1,258	99%	(164)	(6%)	4,397	55%	(432)	(3%)
686	1%	4,115	4%	(9,927)	(2%)	3,237	1%

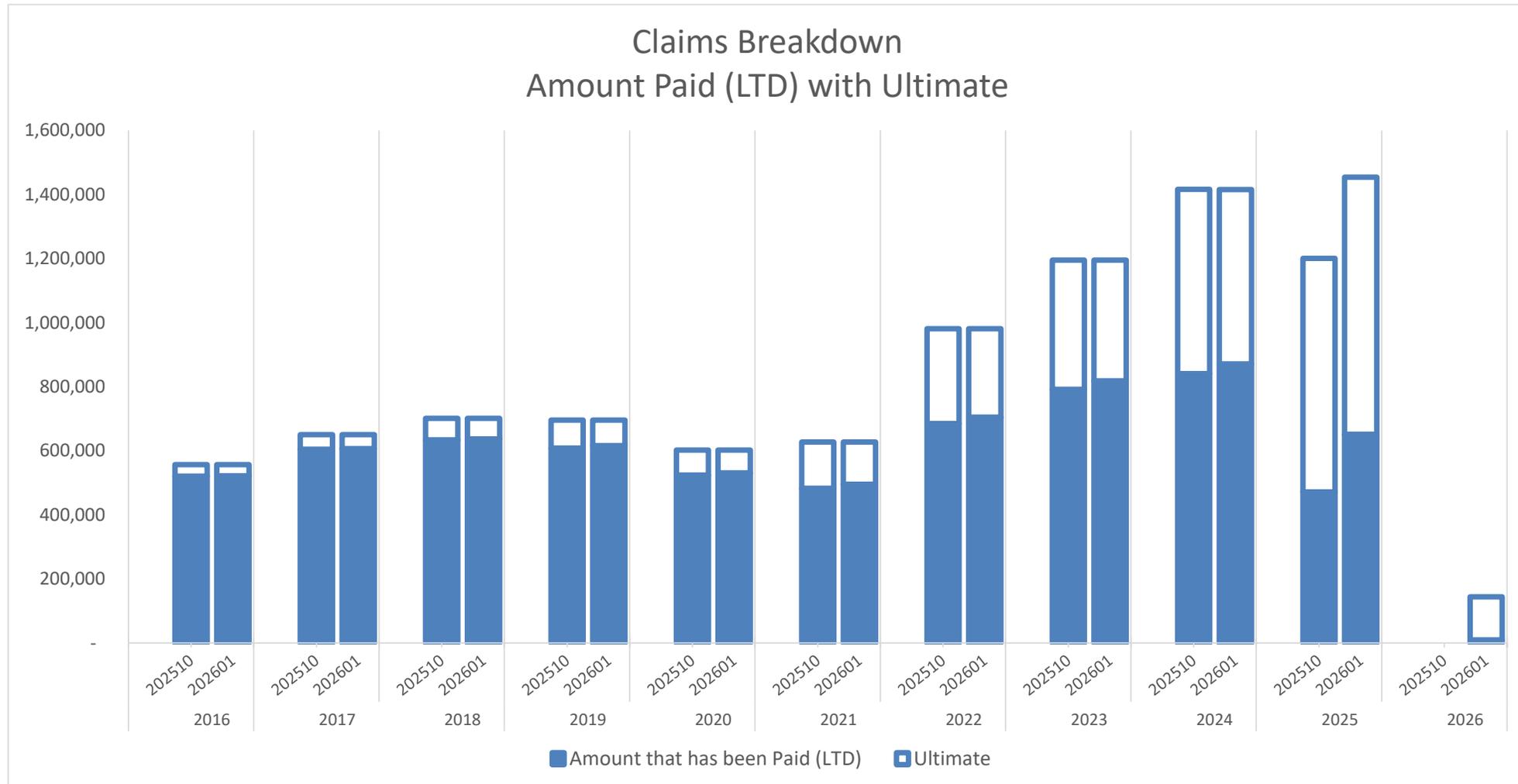
AWP	Fiscal Year to Date			Projected Fiscal Year End		
	Current Year	Prior Year	The Outlook	Current Year	Prior Year	The Outlook
Ontario	3,655	3,544	3,640	3,774	3,617	3,709
Alberta Grid	3,989	3,366	3,727	4,117	3,776	4,026
Alberta Non-Grid	2,365	2,168	2,423	2,509	2,326	2,512
New Brunswick	1,743	1,657	1,754	1,836	1,669	1,782
Nova Scotia	1,936	1,953	2,026	1,983	1,914	2,006
Newfoundland	1,646	1,844	1,899	1,932	1,806	1,956
Total	3,158	3,033	3,135	3,244	3,129	3,199

Fiscal Year to Date Change				Projected Fiscal Year-End Change			
Current vs. Prior		Current vs. Outlook		Current vs. Prior		Current vs. Outlook	
110	3%	15	0%	158	4%	65	2%
623	18%	262	7%	341	9%	91	2%
198	9%	(58)	(2%)	183	8%	(3)	(0%)
86	5%	(11)	(1%)	167	10%	54	3%
(17)	(1%)	(90)	(4%)	69	4%	(23)	(1%)
(197)	(11%)	(252)	(13%)	126	7%	(24)	(1%)
125	4%	23	1%	116	4%	46	1%

Key Messages:

- The written premiums for Fiscal Year-End 2026 is \$1.46bn, or **5% increase** compared to prior year and **2% increase** compared to Outlook.
- To-date, there has been **premium volume growth in Alberta** primarily driven by increases to average written premium and counts off-set by a decrease in Ontario premium and counts. Overall **average written premium is up 4%** compared to PY, driven by both rate increases and changes in the mix of business ceded to the RSP.
- Alberta Grid average written premium increased significantly** due to premium hikes (+20% in Jan 2026), rating differential changes, and the upcoming Grid withdrawal on Jan 1, 2027. This has led to fewer eligible vehicles, reducing projected cessions to the Grid RSP through the remainder of 2026.
- Volume growth is also observed across all Atlantic pools, in particular Newfoundland has seen large count growth compared to prior year as more members make use of the pool. *See Focus Area #1 and #2 for more detail.*

RSP Movement in Unpaid Loss During the Quarter

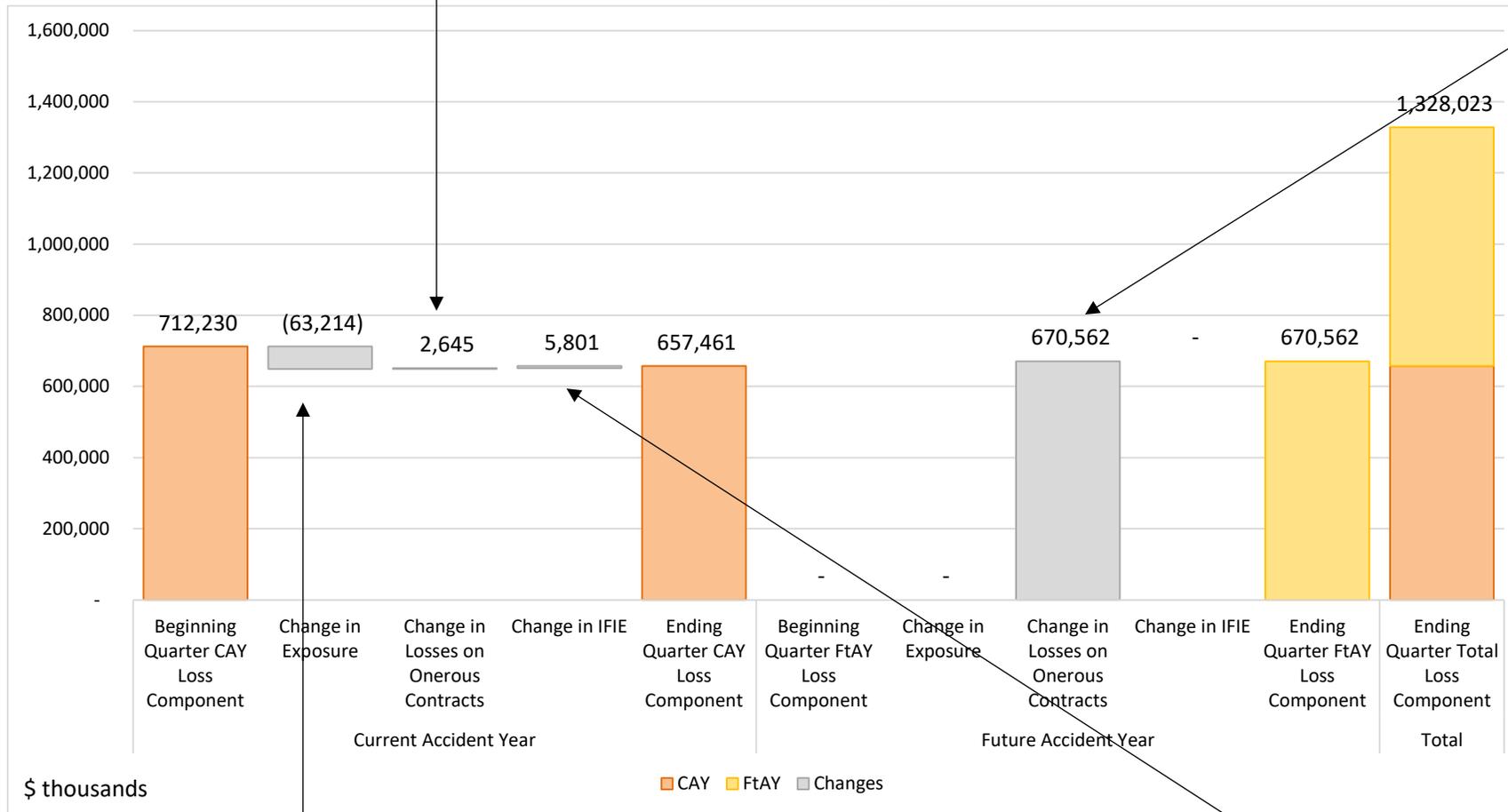


Key Messages:

- Unpaid losses **increased** slightly from \$2.27B to \$2.36B (3.6%), driven by the additional 3 months of exposure from the latest fiscal quarter.
- This quarter the total paid amount is \$299.4 million compared to \$355.1 million projected in Oct 2025
- This slide shows the change in the incurred claims and paid claims during the quarter for claims from the last 10 accident years; there is a minimal amount of unpaid claims and claims payments related to years before 2016.

RSP Change in Loss Component During the Quarter

Change in losses on onerous contracts **increased** by \$2.6 million for AY 2026, driven by changes in projected written premiums for Accident Year 2026 during the quarter.



For AY 2027, change in losses on onerous contacts **increased by \$670.6 million**; of which **\$474.43 million** in Ontario and **\$160.2 million** in Alberta **Non-Grid** while Alberta Grid booked **no loss component for AY 2027**. This is the annual initial recognition of the future year loss component which occurs in January each year.

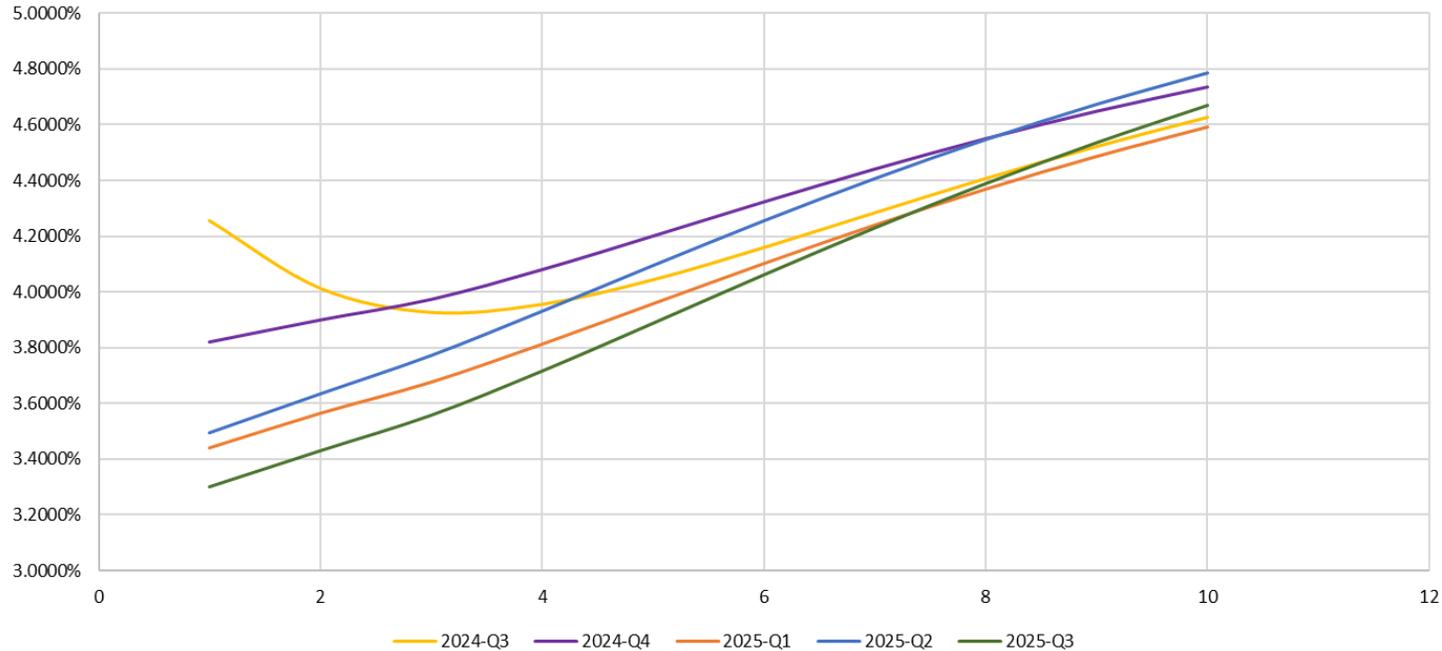
Change in exposure represents the change in the loss component arising from the portion of the LRC earned during the period for the AY 2026 cohort during the fiscal quarter.

Unfavorable change in IFIE by \$5.8M primarily driven by discount unwinding of liabilities during the quarter (see next slide for more information on discount rates).

RSP Discount Rates and Yield Curve Over Time

Yields have been more volatile since 2022 due to inflation shock. Yields have fallen from an average of 4.16% to 3.65% in the last year which reduced the discounting benefit and caused insurance finance expenses to be incurred.

Fiera IFRS 17 Yield Curves Over Time



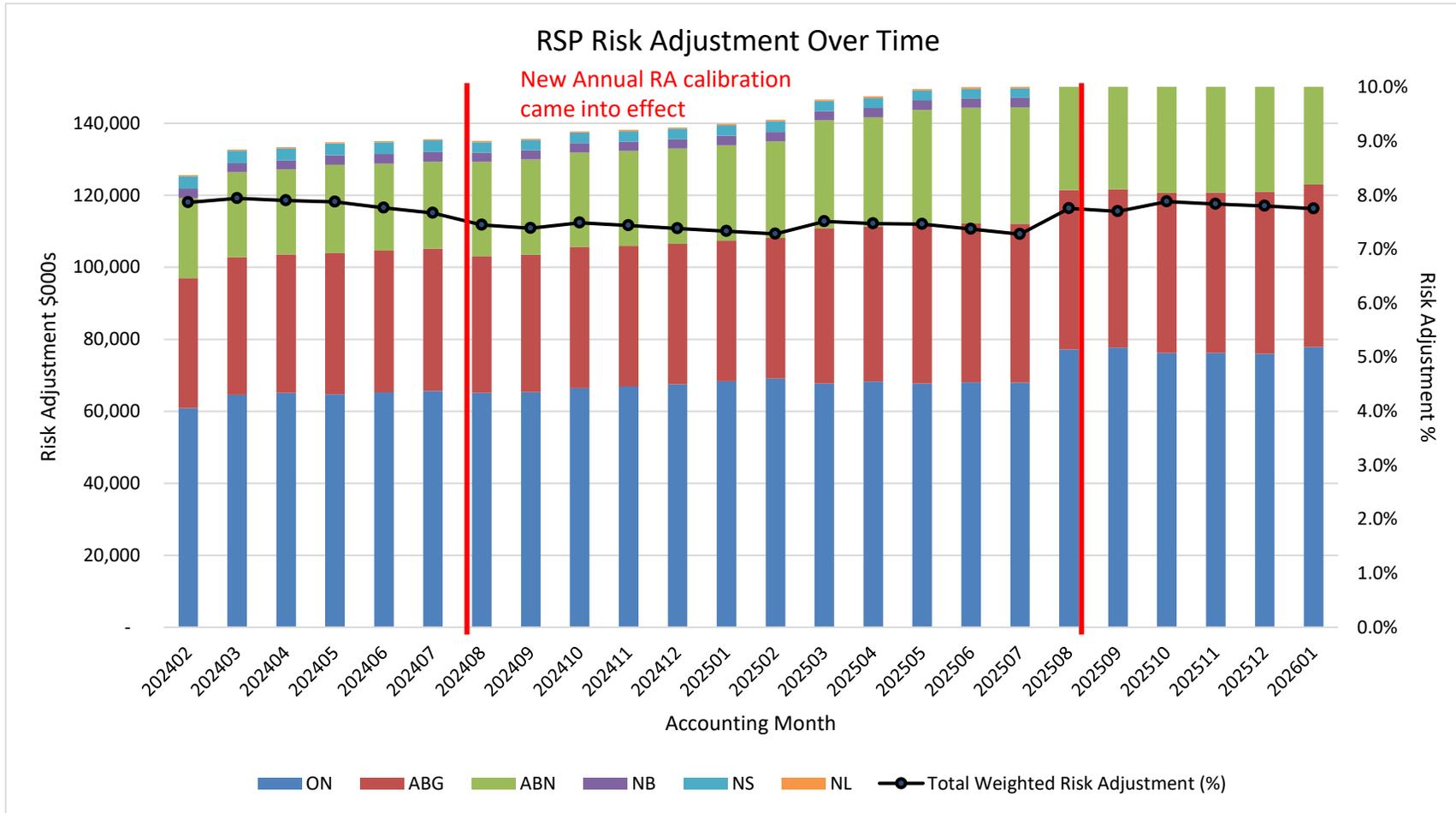
Key Messages:

- Table shows the impact of yield curve movements on the RSP liabilities for the most recent implementations.
- Yields began to decline in late 2023 and continued into 2024 and 2025.
- Decrease in yield curve from 2025-Q2 to 2025-Q3 is recognized in the fiscal quarter 3 result, resulting in a \$17.8 million insurance finance expense (similar with \$78.6 million insurance finance expense in fiscal quarter 3 of 2024 from the 2024-Q3 yield impact).
- Yield assumptions were not updated during the latest fiscal quarter. The yield curve as of 2025-Q4 will be implemented in the March financials (fiscal quarter 2)

	2024-Q3	2024-Q4	2025-Q1	2025-Q2	2025-Q3
Average RSP discount rate	4.15%	4.16%	3.71%	3.83%	3.65%
Change from prior	-0.87%	0.01%	-0.45%	0.12%	-0.18%
Yield Impact LIC	(42,328)	5,980	(11,967)	10,288	(9,143)
Yield Impact PV FCF	(39,413)	5,556	(11,295)	9,611	(8,480)
Yield Impact Risk Adjustment	(2,915)	424	(671)	677	(662)
Yield Impact Loss Component	(36,285)	(6,959)	(17,775)	5,761	(8,662)
Total Yield Impact	(78,613)	(979)	(29,742)	16,049	(17,804)

RSP Risk Adjustment Over Time

The total weighted risk adjustment is 7.8% as at January 2026, versus 7.3% as at January 2025 and versus 7.8% projected in The Outlook.



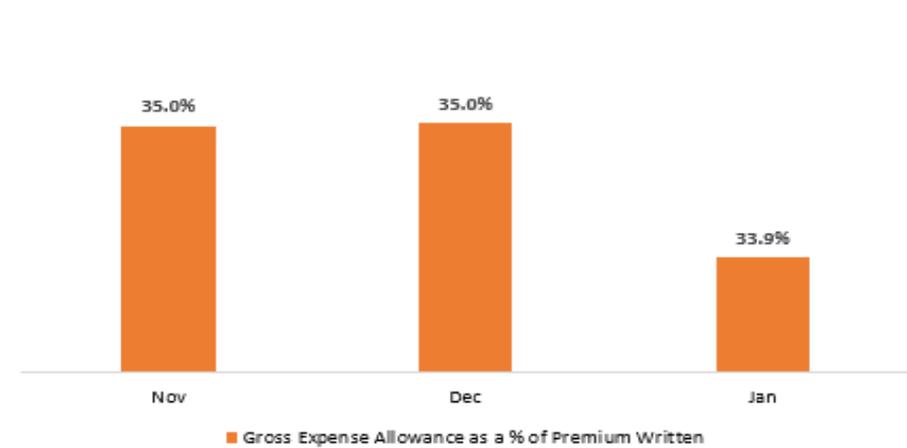
Key Messages:

- Risk adjustment is calibrated annually at the coverage level and fluctuates throughout the year based on the mix of claim liabilities by coverage.
- Calibration uses cost of capital approach; factors at the time of calibration are carried forward until the next calibration.
- The latest calibration was reflected in the August 2025 Operational Report.
- The next calibration will be reflected in the August 2026 Operational Report.

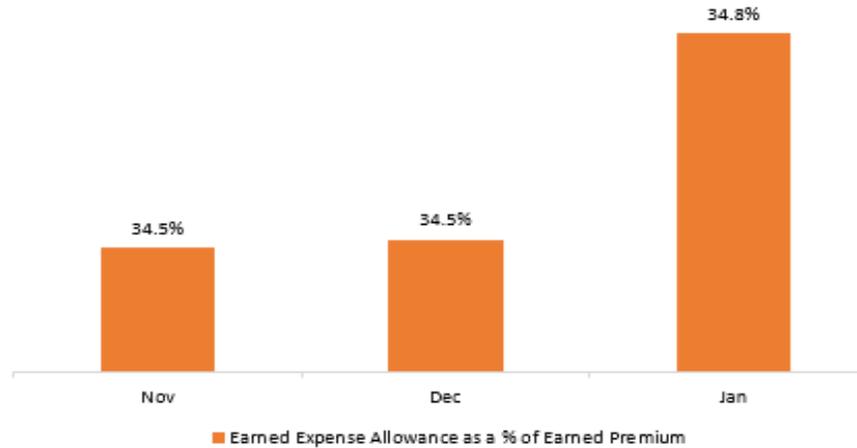
RSP Expenses

Low expense ratio averaging 1.4% driven by low administration expenses in relation to Insurance Revenue

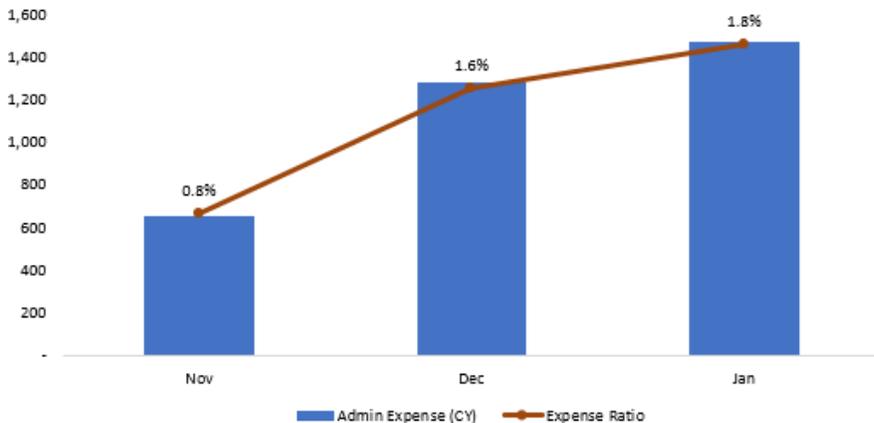
Gross Expense Allowance



Earned Expense allowance



Admin Expense



	Actual YTD 2026	Actual YTD 2025	Variance (\$)	Variance (%)
Impact on Expense Ratio				
Written Premium	346,151	330,419	15,732	4.8%
Earned Premium	368,131	328,735	39,396	12.0%
Insurance Revenue	240,795	217,073	23,722	10.9%
Total FACO Expenditure	8,555	7,468	1,087	14.6%
Administration Expense allocated to Mechanism	3,570	2,993	577	19.3%
% Allocated to RSP	41.7%	40.1%		
Interest Income (Offsets admin expenses)	-87	-120	34	-27.9%
Gross Administration Expense Ratio	1.5%	1.4%		
Net Impact to Industry	1.4%	1.3%		

Key Messages:

- Gross Expense Allowance Ratio (also called Expense Factor) calculated as Gross Expense Allowance divided by Premium Written is trending at 34.6% which is within the approved 2026 maximum of 34.2% - 39.3% for all members across all RSP pools.
- Earned Expense Allowance Ratio (calculated as Earned Expense Allowance divided by Earned Premium) is trending at 34.6% across the RSP pools and is in line with the change in Premium.
- The Admin Expense Ratio is calculated as Admin Expense (net of Interest Income) divided by Insurance Revenue, and has been rising, trending at an average of 1.4%.

RSP Financial Position

Increase in liabilities driven by recognition of the future accident year loss component combined with volume growth. Amounts due from members represents the future obligations of members for these liabilities.

RISK SHARING POOLS - IFRS 17 (\$000s)			Change	
	January 31, 2026	October 31, 2025	(\$)	(%)
Assets				
Cash in bank	5,363	5,138	225	4%
Prepaid expense allowance	34,089	49,099	(15,010)	(31%)
Accounts receivable from members	35,523	39,229	(3,706)	(9%)
Amounts due from members	4,132,057	3,531,654	600,403	17%
Total Assets	4,207,032	3,625,120	581,912	16%
Liabilities				
Liability for remaining coverage	1,752,424	1,217,575	534,849	44%
Liability for incurred claims	2,313,206	2,223,123	90,083	4%
Premium received	100,503	140,039	(39,536)	(28%)
Accounts payable to members	37,386	41,327	(3,941)	(10%)
Payable to FARM & other pools	3,513	3,056	457	15%
Total Liabilities	4,207,032	3,625,120	581,912	16%

Key Messages:

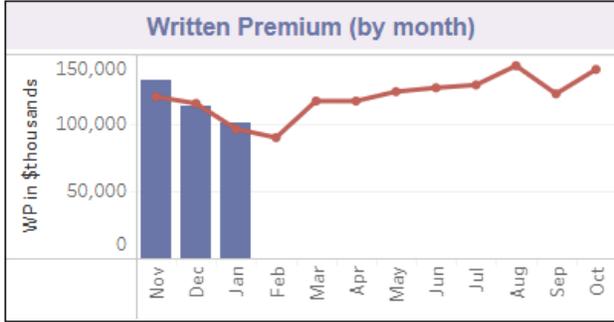
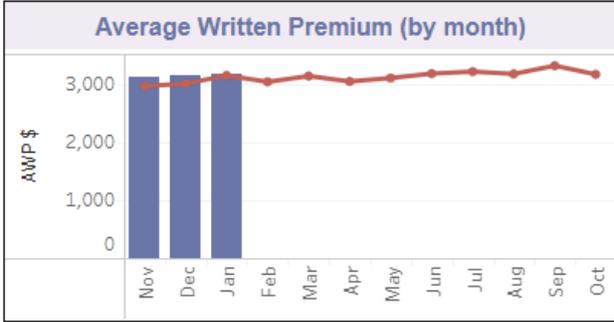
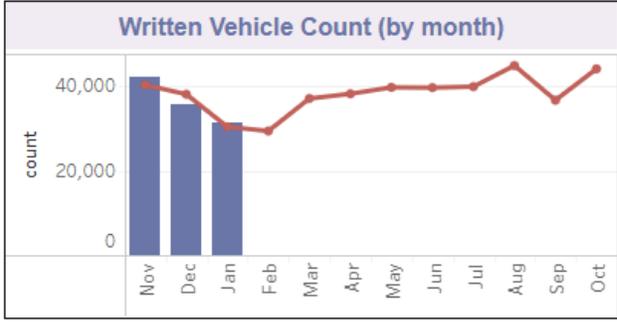
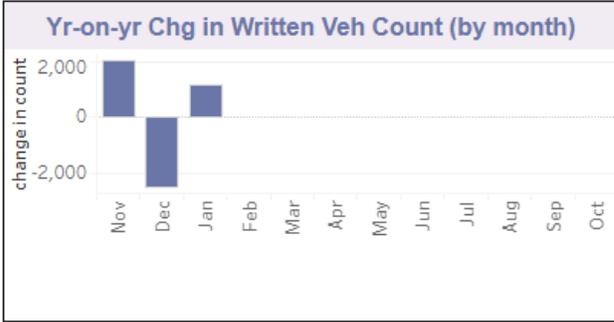
- Prepaid expense allowance represents the current month of expense allowance which can fluctuate from month-to-month depending on member activity and premium received.
- The LIC has grown due to volume growth and loss ratio trend for the combined RSPs, so we continue to increase IBNR and case reserves at a faster rate than claims are paid.
- The LRC has increased due to recognition of the loss component of \$672 million for accident year 2027.
- Premium received decreased from year-end driven by lower premiums in the current month \$101M vs \$140M as at October 2025 mainly due to Ontario and Alberta.

Focus Area #1: Premium Drivers

RSP Premium Drivers

Current Year Legend

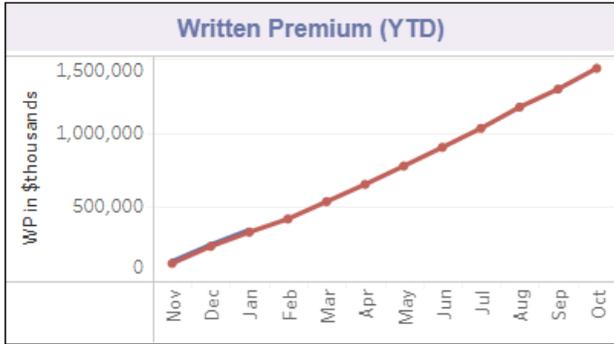
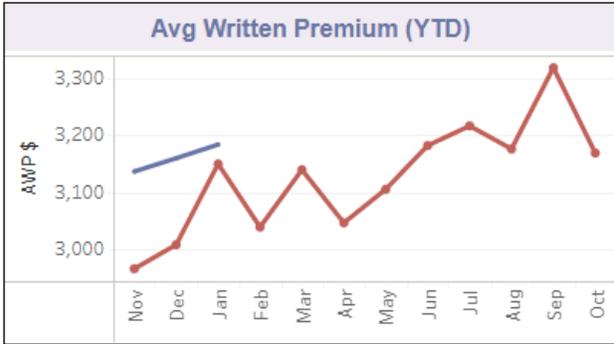
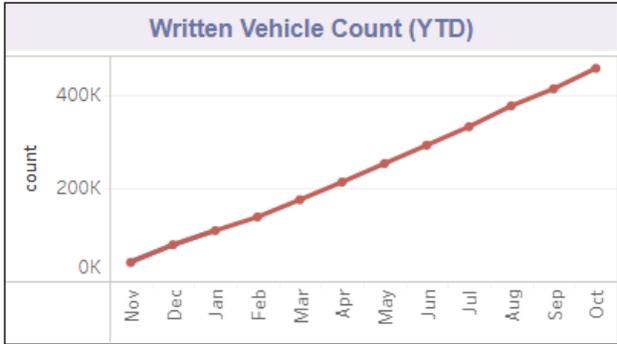
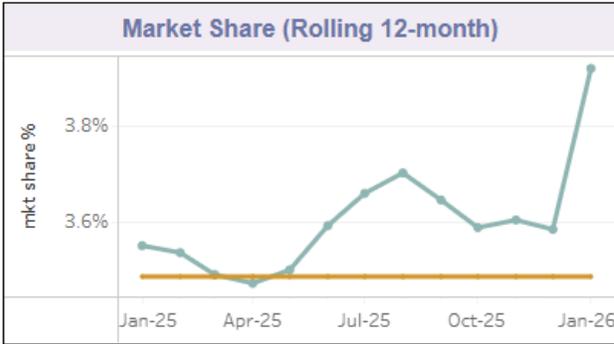
Prior Year Legend



	Jan-25	Jan-26
W. Veh curr mth	30,436	31,570
Amt Chg (curr mth W. Veh)		1,134
% Chg (curr mth W. Veh)		3.7%

	Jan-25	Jan-26
AWP curr mth	3,149	3,183
Amt Chg (AWP curr mth)		34
% Chg (AWP curr mth)		1.1%

	Jan-25	Jan-26
WP (\$000s) curr mth	95,857	100,503
Amt Chg (WP curr mth)		4,646
% Chg (WP curr mth)		4.8%



Mkt Shr 3-yr mkt share

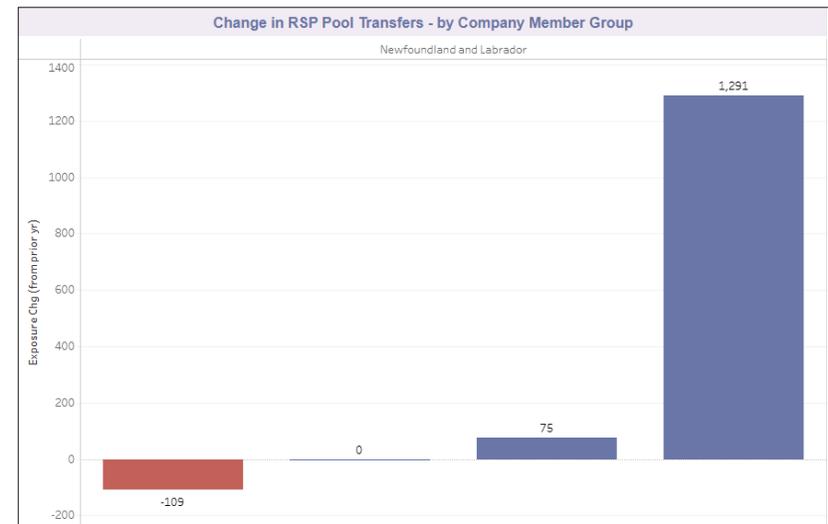
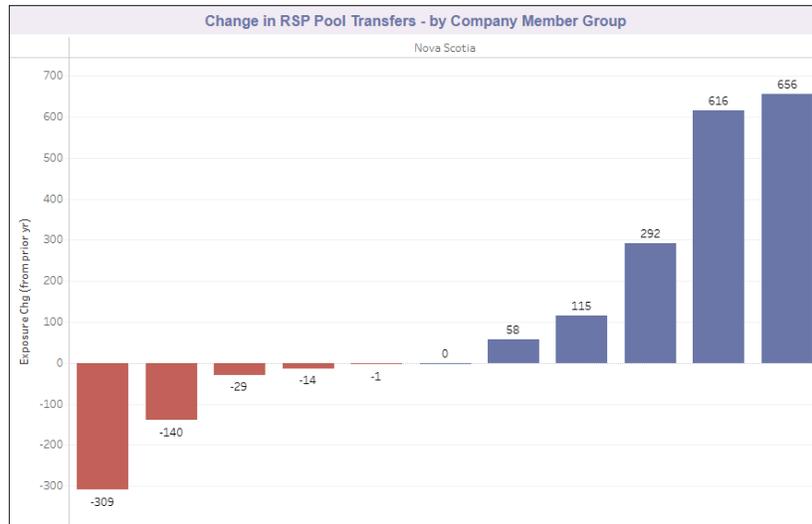
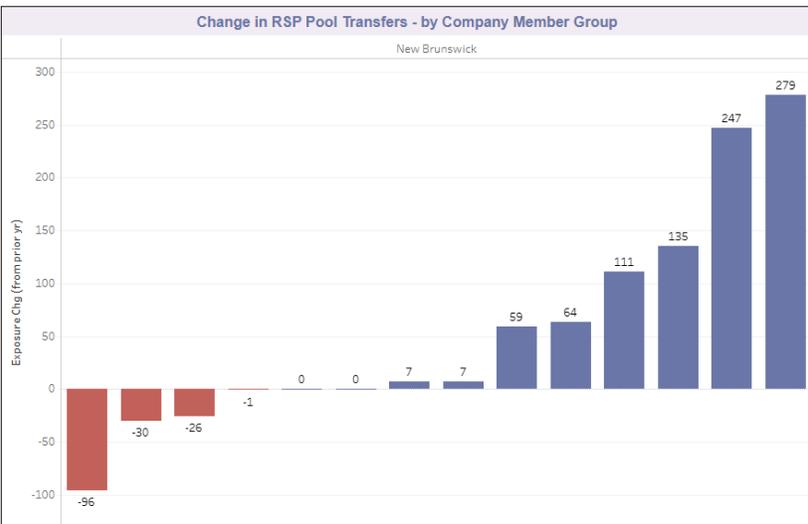
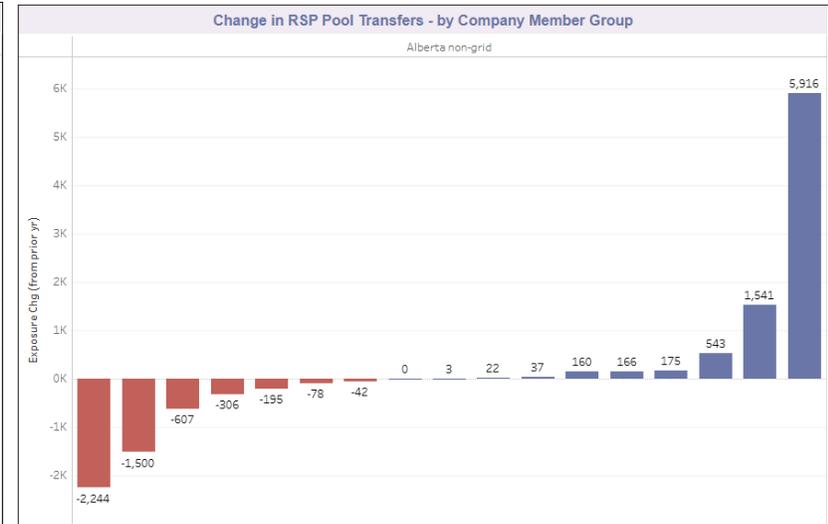
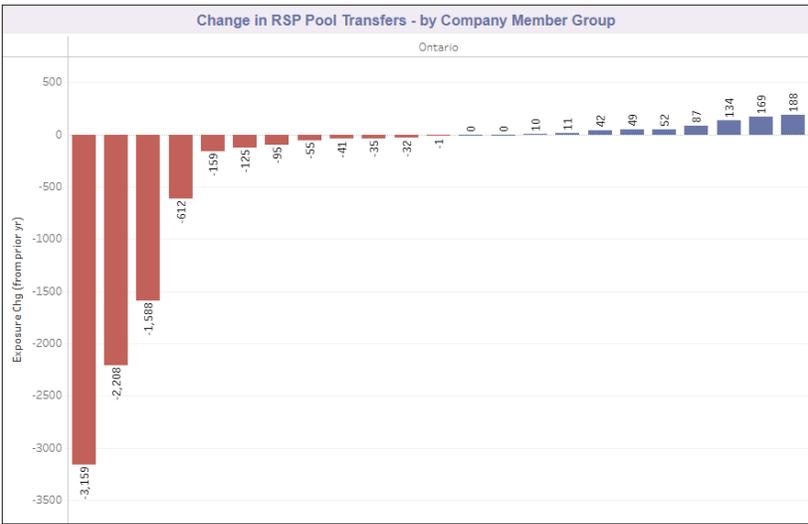
	Jan-25	Jan-26
Mkt Shr	3.6%	3.9%
Amt Chg		0.4%
% Chg		10.4%

	Jan-25	Jan-26
YTD W. Veh	108,973	109,633
Amt Chg (YTD W. Veh)		659
% Chg (YTD W. Veh)		0.6%

	Jan-25	Jan-26
AWP W. Prem YTD	3,032	3,157
Amt Chg (AWP W. Prem YTD)		125
% Chg (AWP W. Prem YTD)		4.1%

	Jan-25	Jan-26
WP (\$000s) YTD	330,419	346,151
Amt Chg (WP YTD)		15,732
% Chg (WP YTD)		4.8%

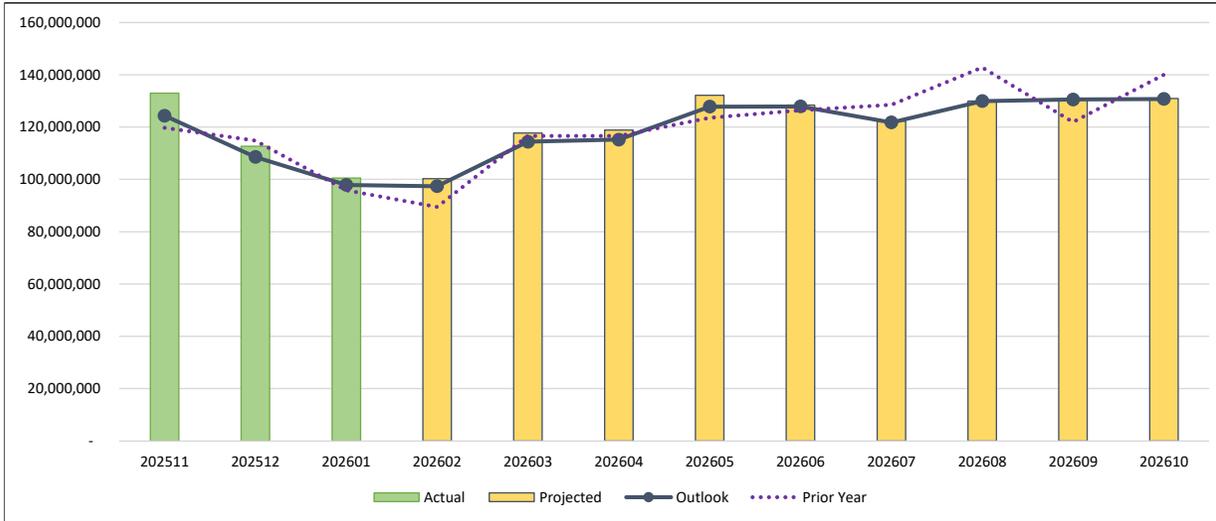
RSP Premium Drivers – FY YTD change in RSP transfers by member



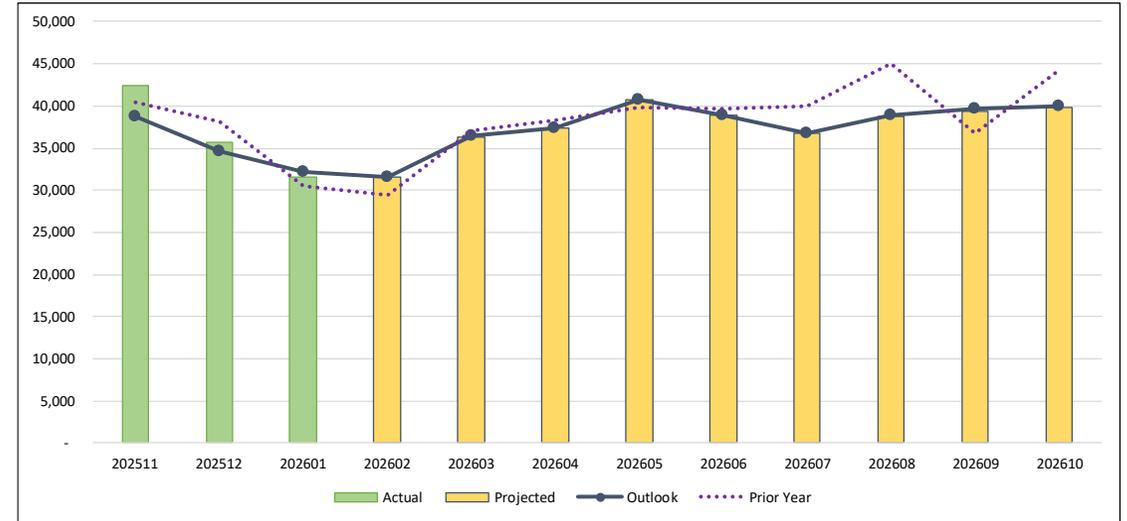
Considerable decline fiscal year-to-date in Ontario across most member company groups. Nova Scotia, New Brunswick, and Alberta Non-Grid pools also seeing growth overall. Alberta Grid has increased slightly in counts year to date.

RSP Premium - Total

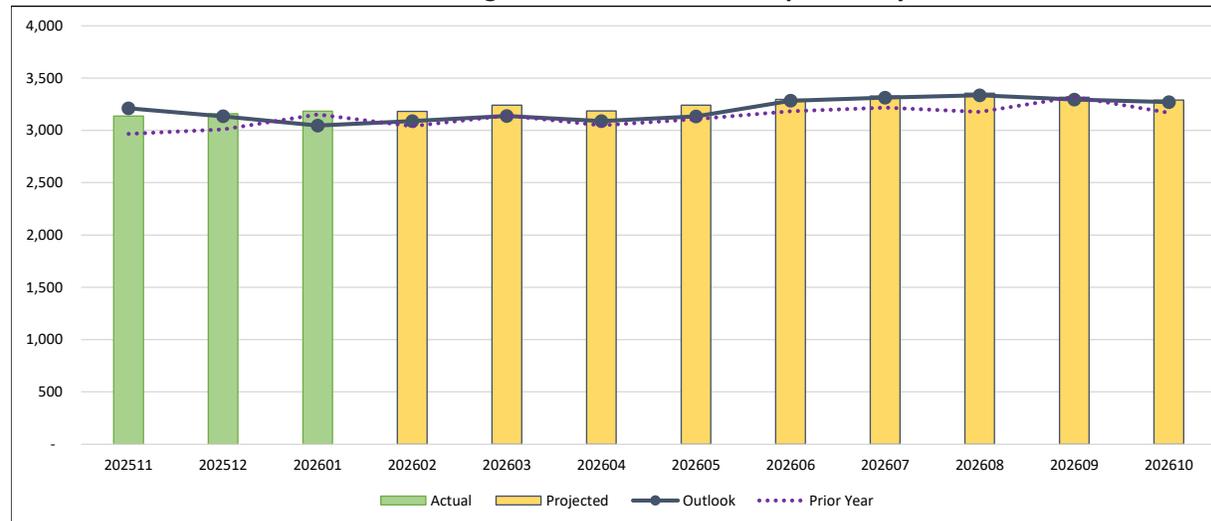
Fiscal Total - Written Premium Comparison by Month



Fiscal Total - Written Count Comparison by Month

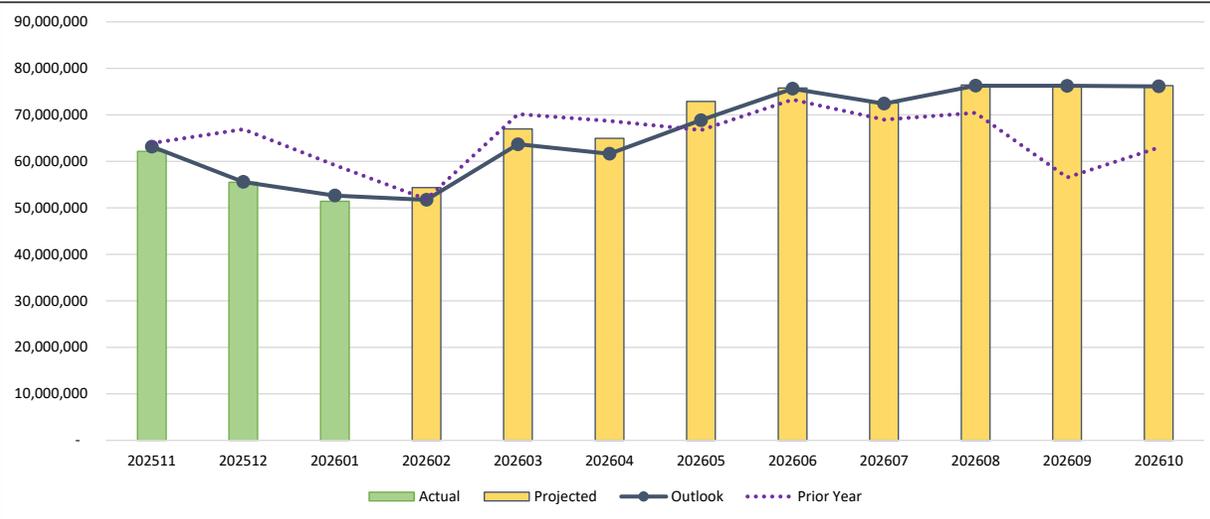


Fiscal Total - Average Written Premium Comparison by Month

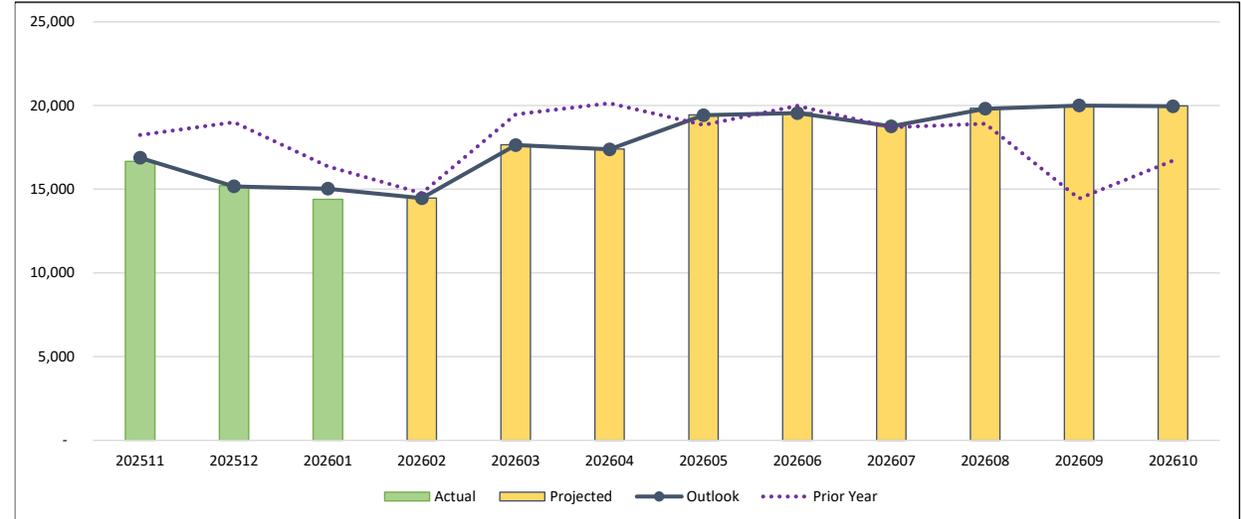


RSP Premium - Ontario

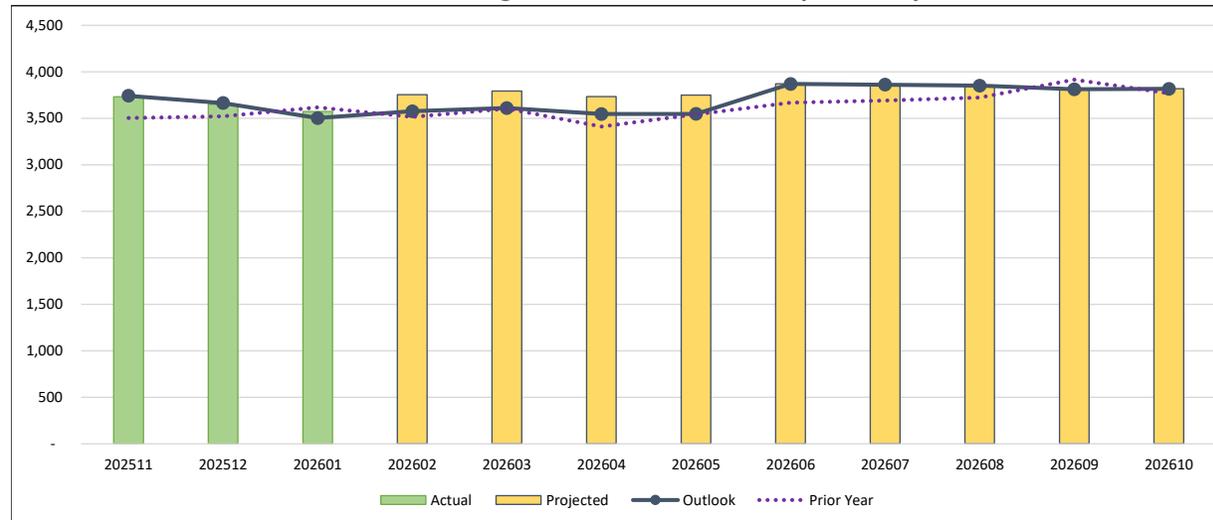
Fiscal Ontario - Written Premium Comparison by Month



Fiscal Ontario - Written Count Comparison by Month

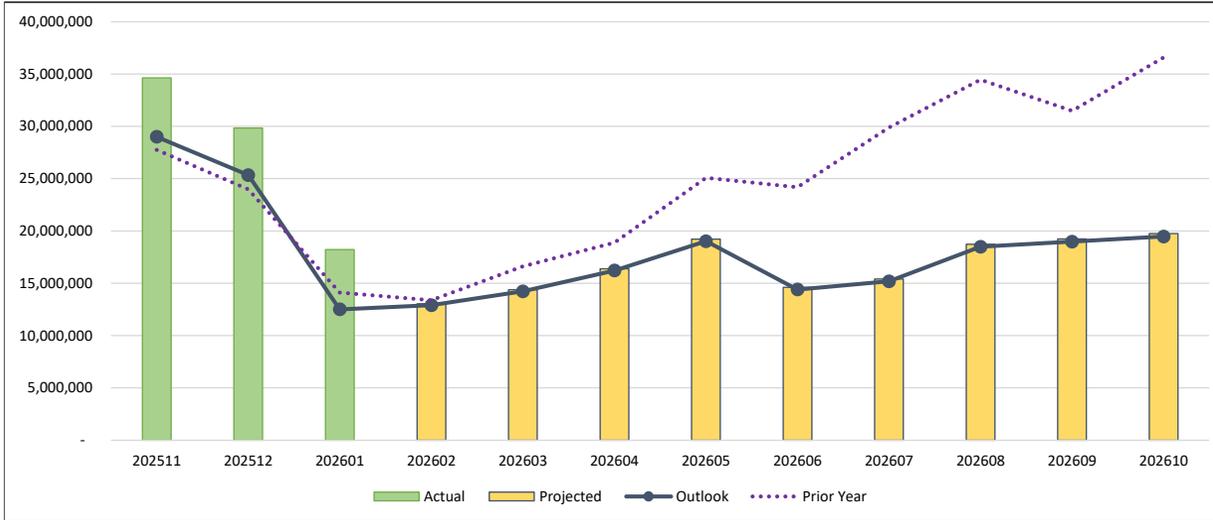


Fiscal Ontario - Average Written Premium Comparison by Month



RSP Premium – Alberta Grid

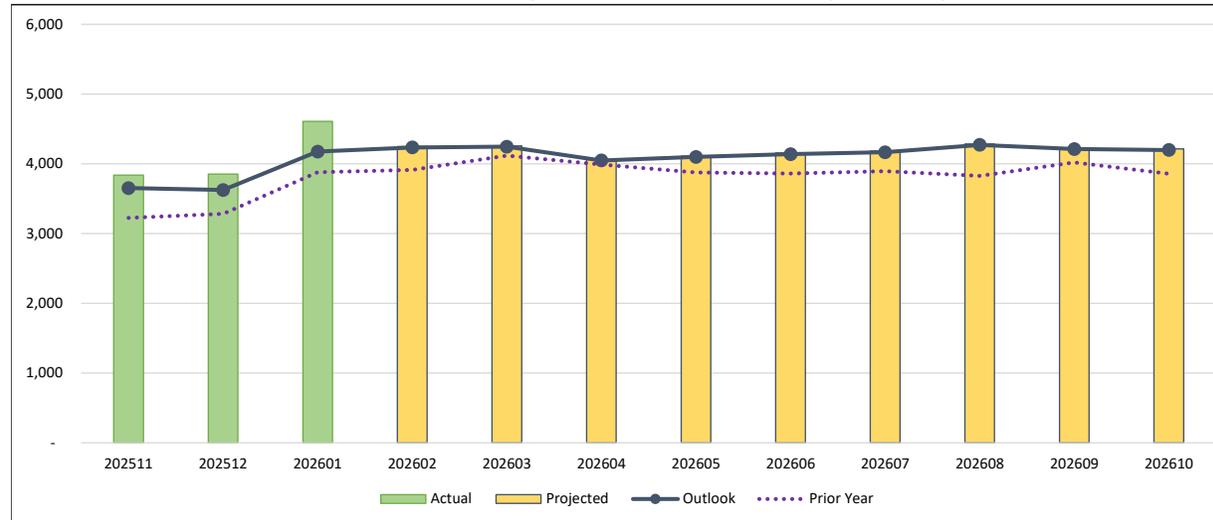
Fiscal Alberta Grid - Written Premium Comparison by Month



Fiscal Alberta Grid - Written Count Comparison by Month

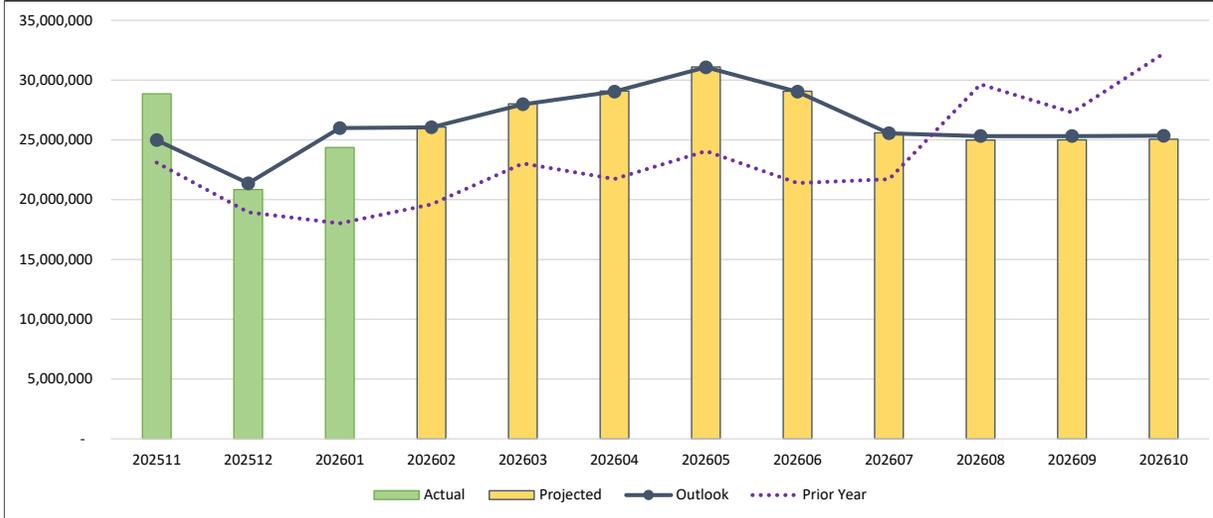


Fiscal Alberta Grid - Average Written Premium Comparison by Month



RSP Premium – Alberta Non-Grid

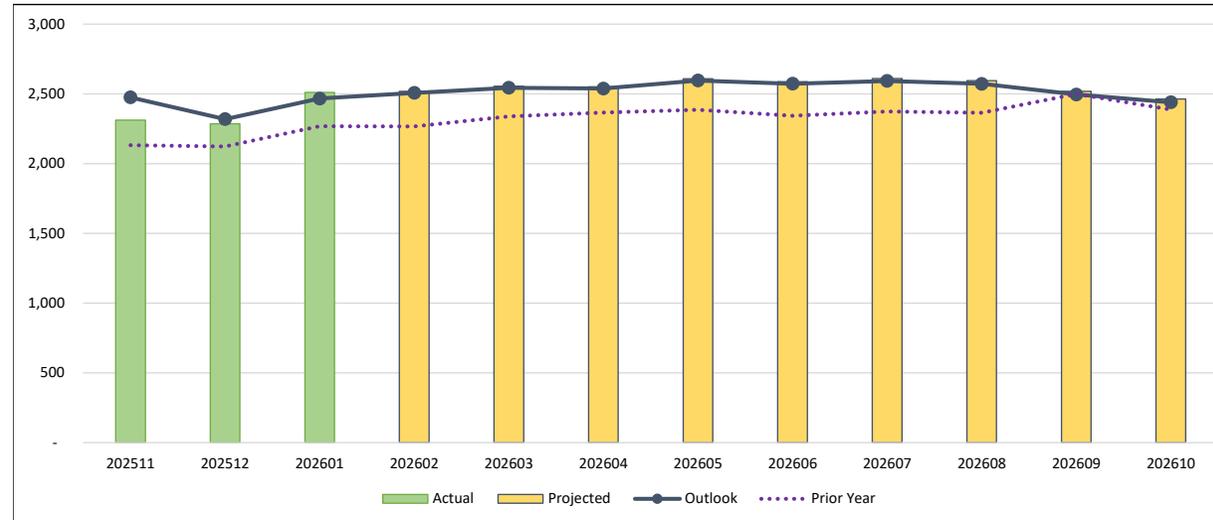
Fiscal Alberta Non-Grid - Written Premium Comparison by Month



Fiscal Alberta Non-Grid - Written Count Comparison by Month

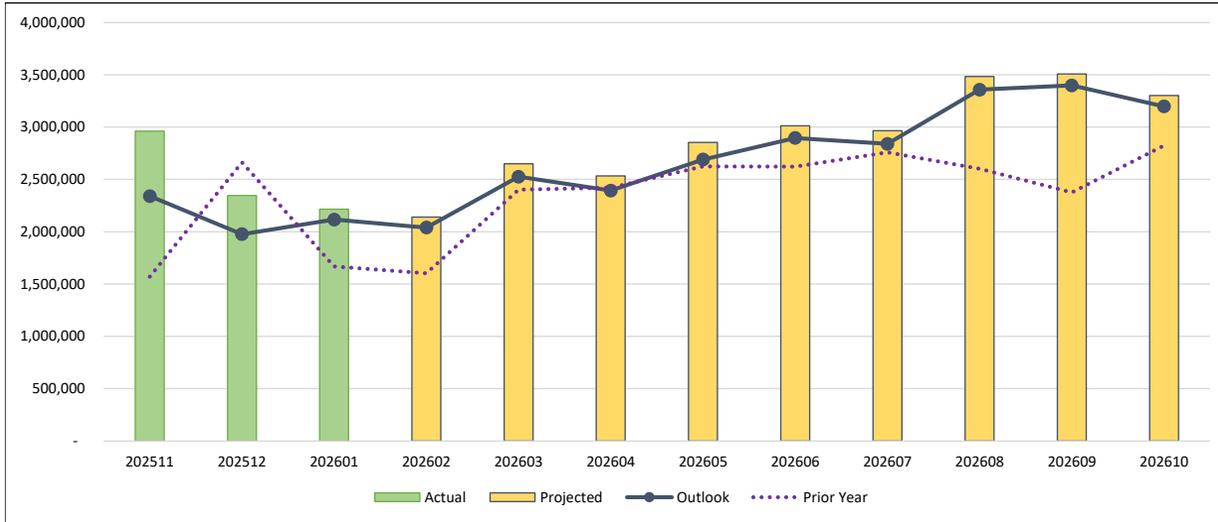


Fiscal Alberta Non-Grid - Average Written Premium Comparison by Month

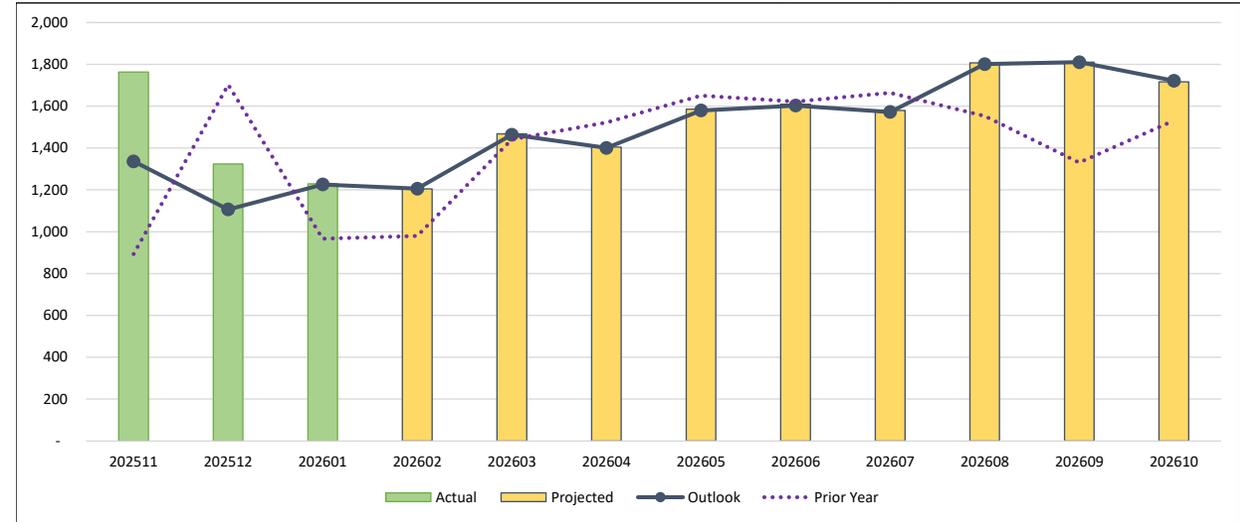


RSP Premium – New Brunswick

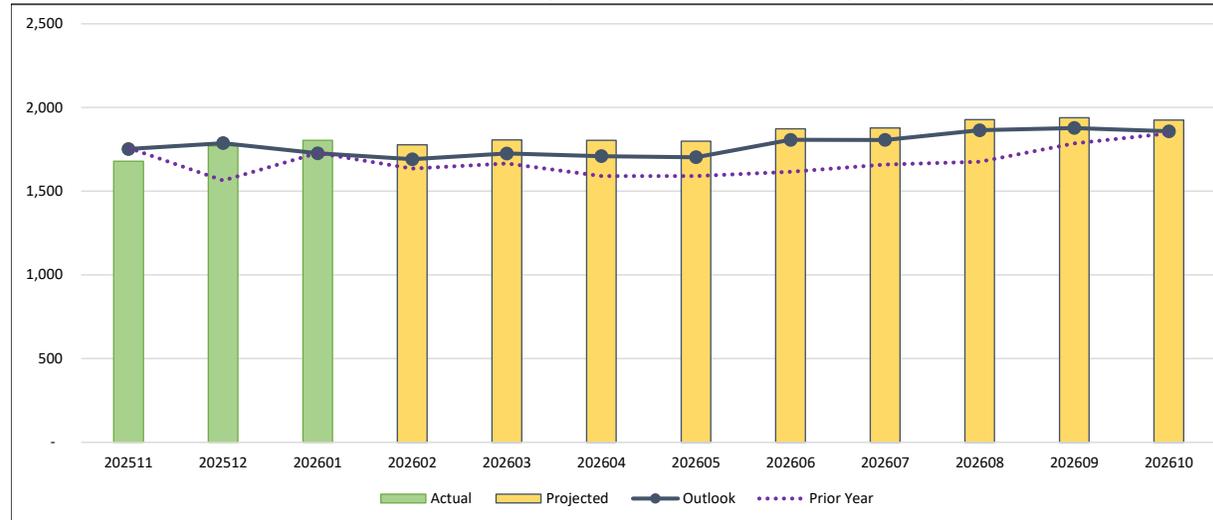
Fiscal New Brunswick - Written Premium Comparison by Month



Fiscal New Brunswick - Written Count Comparison by Month

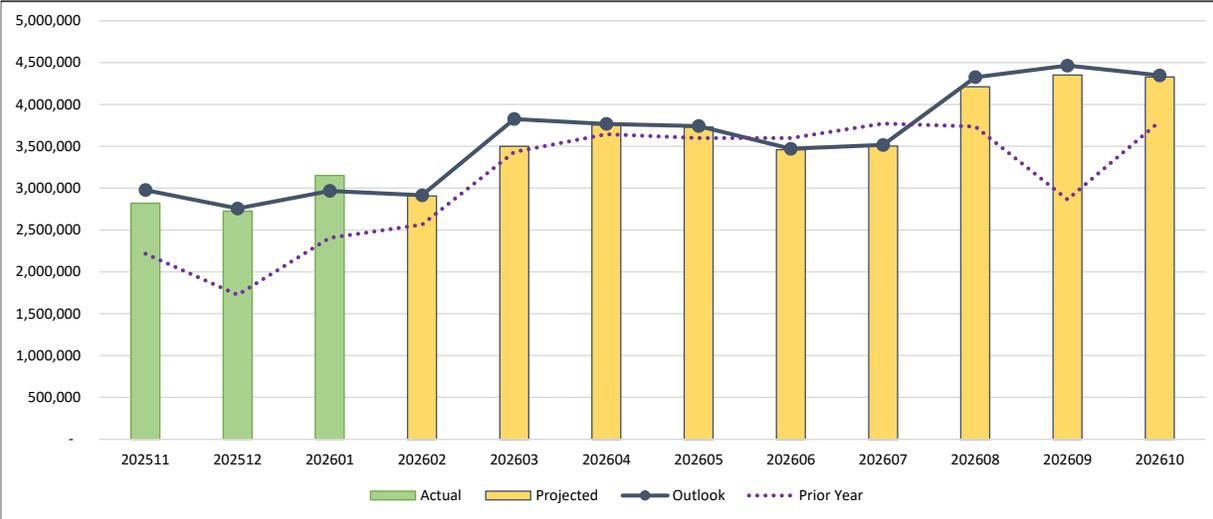


Fiscal New Brunswick - Average Written Premium Comparison by Month

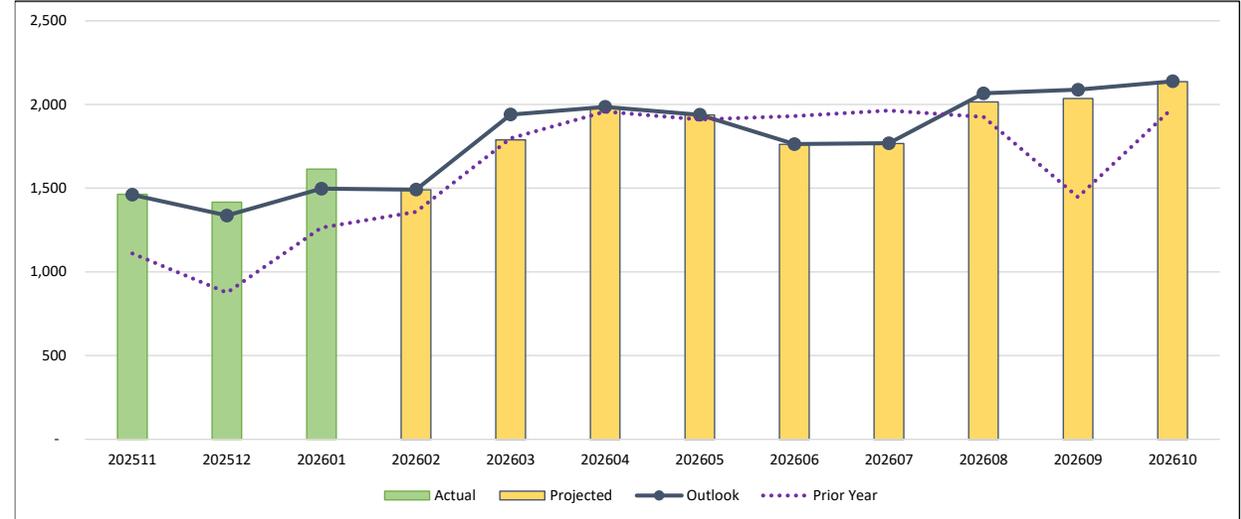


RSP Premium – Nova Scotia

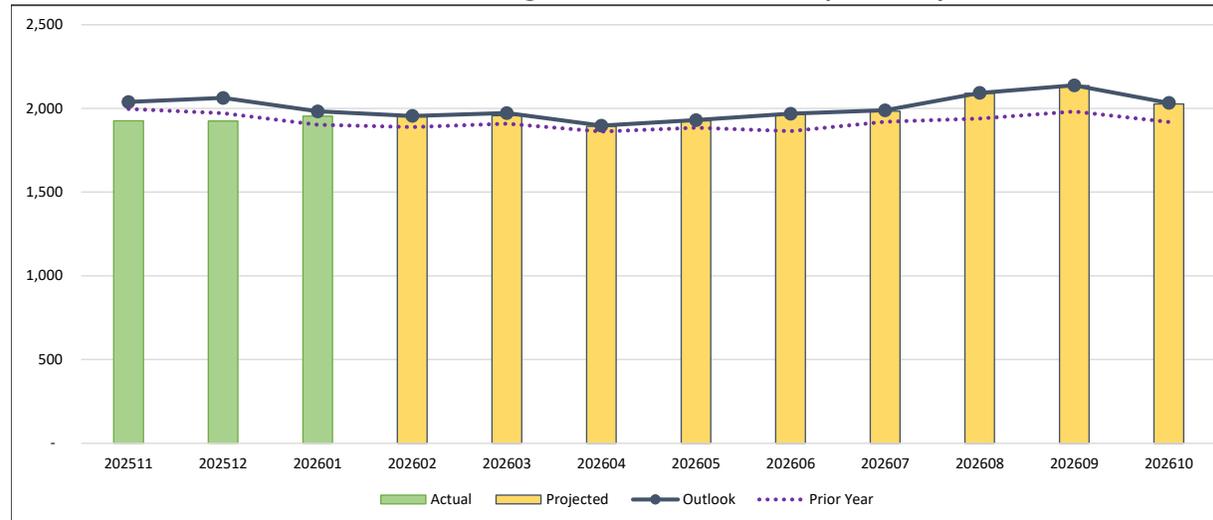
Fiscal Nova Scotia - Written Premium Comparison by Month



Fiscal Nova Scotia - Written Count Comparison by Month

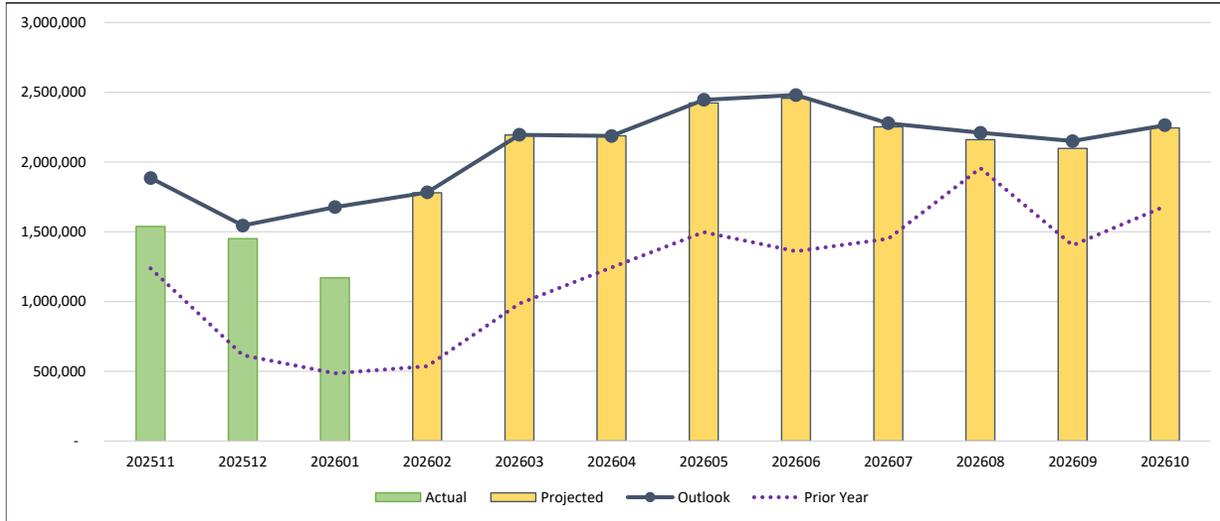


Fiscal Nova Scotia - Average Written Premium Comparison by Month

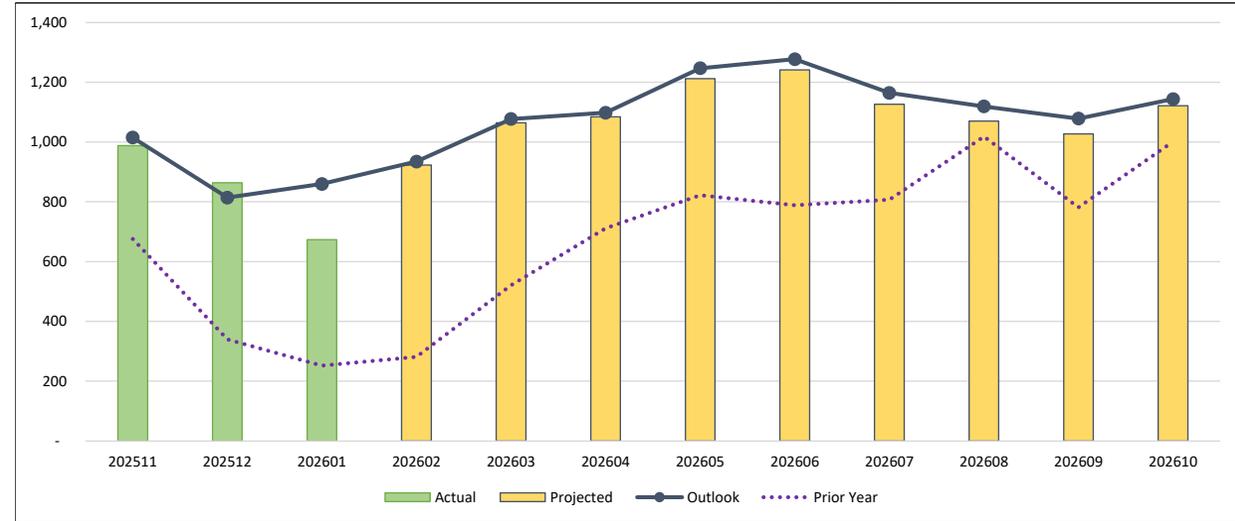


RSP Premium – Newfoundland and Labrador

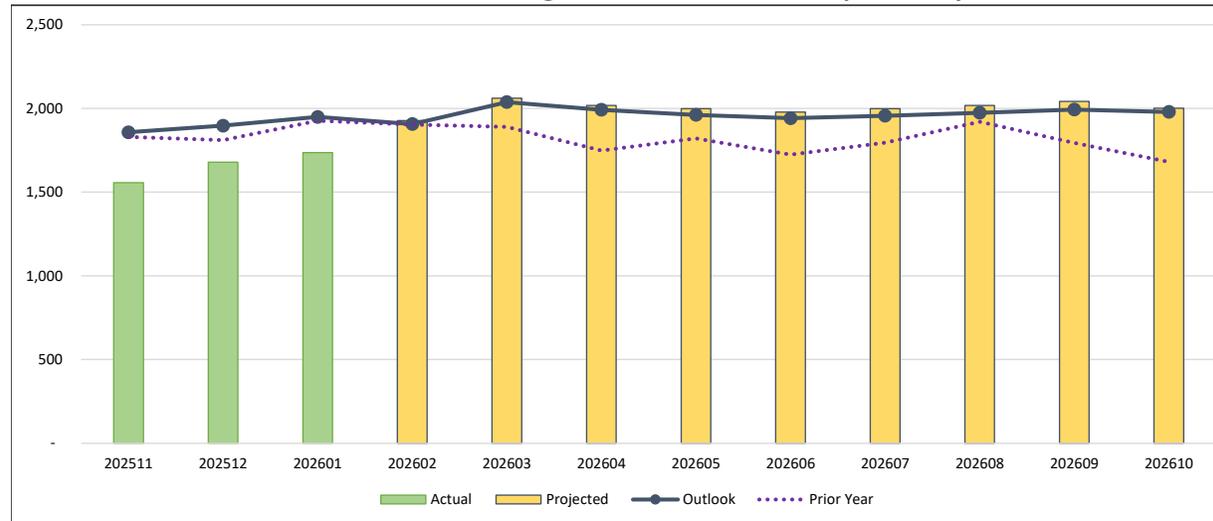
Fiscal Newfoundland - Written Premium Comparison by Month



Fiscal Newfoundland - Written Count Comparison by Month



Fiscal Newfoundland - Average Written Premium Comparison by Month



Focus Area #2: Industry Grid Capped Vehicles

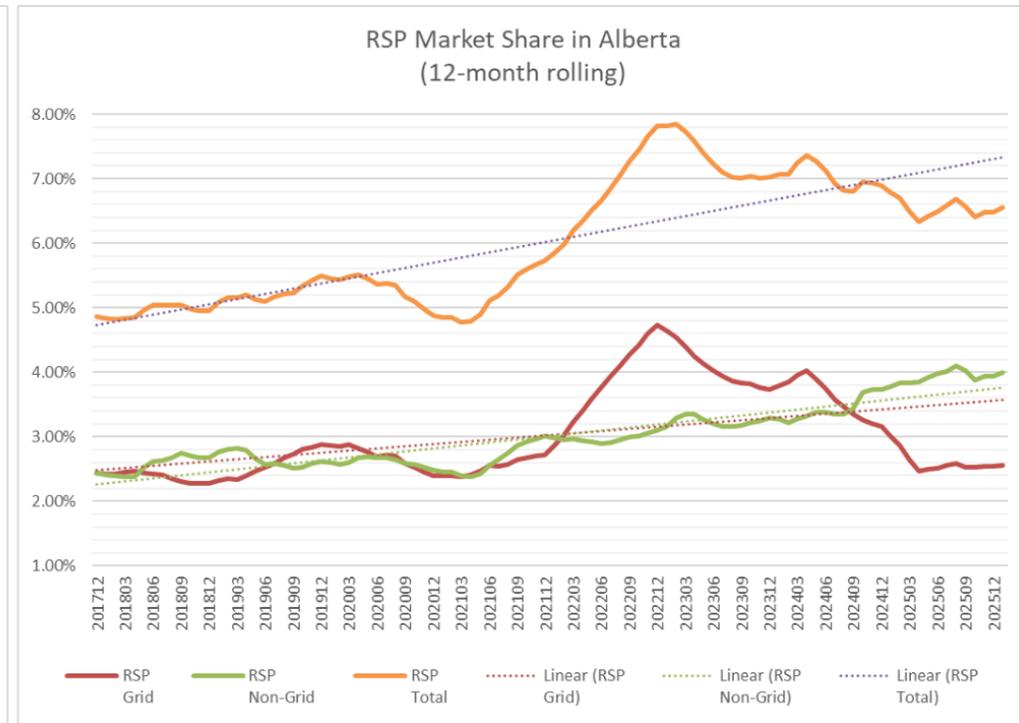
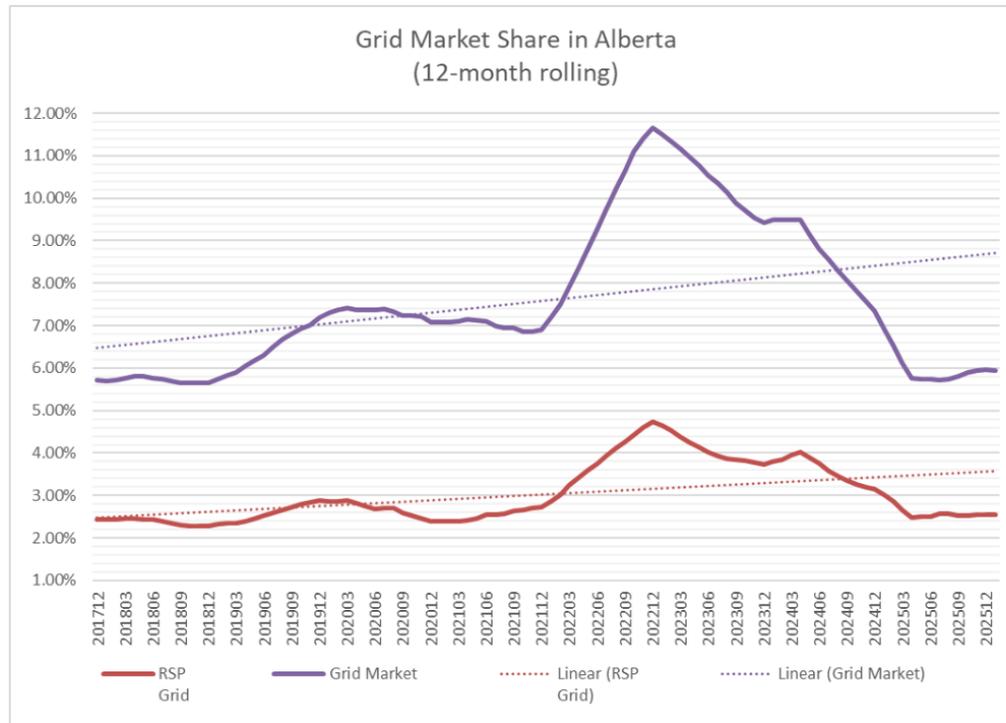
Alberta Market Update

Recent announcements in Alberta include:

- **UPDATE:** Adjustments to the Grid premiums effective Jan 01, 2026 including a 20% base rate increase outlined in the [AIRB Order 01-2025](#)
- Auto insurance rate hikes capped: 7.5% limit for good drivers in 2025–2026, with an overall average cap of 12.5% for all policyholders—up from 10%. See further detail [here](#)
- The Grid system will be formally withdrawn on Jan 01, 2027. As well, Alberta will introduce a “care-first” accident benefits system to replace the current injury tort liability system with an expected go-live date of Jan 01, 2027. See further detail [here](#)

These measures are expected to result in continued reductions to the Grid RSP vehicle counts and potentially a further increase in the Non-Grid RSP vehicle counts. The graphs on the following slides show the market shares of Grid and the RSPs over time.

Current Results – Industry Grid Capped Vehicles



Key Messages:

- Given the high growth observed in 2022 in the Grid RSP, we have been tracking Industry data on the proportion of Grid-capped vehicles.
- Since the beginning of 2023, we have seen a decrease in the proportion of written vehicles in Alberta capped to Grid rates, most likely due to the increase in Grid rates effective January 2023 which reduces the proportion of vehicles capped at the maximum rate.
- The Grid market share was level at the beginning of 2024, but since the Grid rate change in May 2024, the market share has begun to decrease further.
- In Jan 2026, further changes to Grid rates became effective. Our expectation was that this will further reduce the Grid RSP market share, and may cause more growth in the non-Grid pool, but this growth is unlikely to exceed the declines in Grid as there is a limited number of risks which can be ceded to the non-Grid RSP.
- Since the Grid changes effective on May 1st 2024, the Grid Market has significantly decreased i.e. from a market share starting point of **9.49% in April 2024** to **5.93% in January 2026** (Peak of **11.65% in December 2022**). As you can see, despite the 20% increase in the Grid Premium effective January 1st 2026, the Grid market has only marginally **decreased (-0.04%)** compared to December 2025. The RSP Grid has been also decreasing but at a lower rate i.e. **from 4.03% in April 2024** to **2.56% in January 2026**. January (2.56%) is slightly higher than December (2.55%). You will notice that Grid RSP has been hovering between **2.50-2.60% since May 2025**. On the other side, the RSP Non-Grid has been increasing at a steady pace going from **3.32% in April 2024** to **3.99% in January 2026**. Overall, the total RPS footprint in Alberta has been increasing in January 2026 (from 6.48% to 6.55%)

Glossary

RSP Glossary of Acronyms/Legends

Acronyms	Definition
AB	Alberta
AccBen	Accident Benefits
AB-G	Alberta Grid RSP
AB-N	Alberta Non-Grid RSP
Atlantics	New Brunswick, Nova Scotia, Newfoundland & Labrador (combined)
AvP/AvsP	Actual versus Projection
AY	Accident Year
BI	Bodily Injury
CAT	Catastrophe
CAY	Current Accident Year
CM	Comprehensive
CY	Calendar Year
ELR	Expected Loss Ratio
FACO	Facility Association Central Office
FtAY	Future Accident Year
IBNR	Insured but not Reported
IFIE/IFE	Insurance Finance Income/Expense
Insurance Revenue	(Earned Premium – Earned Expense Allowance). This is the denominator of the loss ratios/operating ratios shown in this presentation unless otherwise noted.
IU	Interurban Vehicle
LIC	Liability for Incurred Claims

Acronyms	Definition
LL	Large Loss
LR	Loss Ratio
LRC	Liability for Remaining Coverage
NB	New Brunswick
NL	Newfoundland & Labrador
NS	Nova Scotia
ON	Ontario
PY	Prior Year
RA	Risk Adjustment
SP	Specified Perils
TX	Taxis/Limos
YTD	Year to Date

Supplementary Information

Additional exhibits and data files available in the monthly bulletins:

<https://www.facilityassociation.com/Members/MemberBulletins>