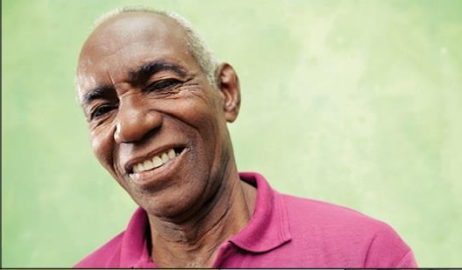


 **CBC Pension Plan**



TRUST



RELIABLE



Ready when **you** are

HIGHLIGHTS
CBC Pension Plan
Annual Report

2017



SECURE



The CBC Pension Board of Trustees understands the **TRUST** that is placed on them to deliver a **SECURE** and **RELIABLE** long-term benefit to the members.

READY
WHEN
YOU
ARE

We are committed to meeting the pension promise by ensuring you receive the pension benefits you've worked hard for and earned. In the report that follows, you will find details about 2017's Pension Plan activities and performance. We hope it provides reassurance that the plan is secure and reliable. We want you to understand and feel confident that your pension will be there when you need it.

2017 HIGHLIGHTS

Excerpts from the 2017 Annual Report



GOING CONCERN

Funding Surplus

+\$2.15

BILLION

Funding Ratio

143.4%



SOLVENCY

Funding Deficit

-\$10.62

MILLION

Funding Ratio

99.9%



\$7.11

BILLION

Net Assets



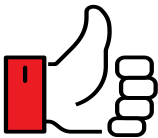
11.2%

2017 Rate of Return



11.4%

4-year Annualized
Rate of Return



96%

Member Service
Satisfaction Level



18,944

Total Membership

TRUSTEES REPORT



The CBC Pension Plan is focused on ensuring pension benefit security for you, our plan members. Everything we do is aligned with ensuring that whether you retire today, tomorrow or in 40 years or more from now, you will receive every dollar of pension benefits that you have earned. We are committed to providing a stable and secure pension plan that you can trust.

A Year of Progress

The Plan's funded status, or the size of the Plan's assets relative to its liabilities, is one of the primary ways we assess our ability to pay pensions today and in the future. As detailed on the previous page, 2017 marked another year of progress on this front. We ended the year with a going concern funded status of 143.4% and a solvency funded status of 99.9%. It is the goal of the Plan to have funded statuses at 100% or greater, a target we are very close to achieving.

We have also continued to make solid progress on our strategic goals in 2017. A key project was a complete reassessment of the Plan's strategic asset mix, or the Plan's overall investment in stocks, bonds, real estate and other asset classes. Studies estimate that greater than 80% of a pension plan's investment returns are determined by its strategic asset mix, so getting this right is critical so the Plan avoids risks that could undermine pension benefit security. I am pleased to report that the assessment reaffirmed the overall strategic asset mix the Plan had been following, while at the same time identifying some enhancements.

Governance

We strongly believe that good governance is critical to creating a reliable, secure, sustainable pension plan that members can trust. In our pursuit of best pension plan governance practices, the Trustees undertake annual Trustee self-assessments as well as detailed governance reviews on a regular basis. In 2017 we conducted a detailed review of our Trustee training and orientation programs to ensure that Trustees were receiving the ongoing training they needed to perform their duties effectively. I am confident that the enhancements we will be implementing in 2018 will allow us to serve you even better.

In 2017 the Board of Trustees bid farewell to Ms. Isabelle Doyon who left the Board at the end March after four years of service. I would personally like to thank Ms. Doyon for her service and contribution in making the CBC Pension Plan the organization it is today. Joining the CBC Pension Board of Trustees during the year were Mr. Alain Pineau and Ms. Marie-Andrée Charron. We look forward to their insight, knowledge and experience on the Board.

TRUSTEES REPORT

Thank You

While things may change around us, members can rest assured that the Board of Trustees remains committed to pension benefit security for members and to building a secure pension plan that members can rely upon. On behalf of the entire Board of Trustees, I would like to thank all pension plan members for the trust that they have placed in us.

On behalf of the CBC Pension Board of Trustees.



Maureen McCaw
Chair
CBC Pension Board of Trustees
February 16, 2018

MANAGING DIRECTOR / CEO REPORT



Are you retirement ready? Various surveys find that many Canadians are not financially ready for retirement. How you respond to this question may be a function of your age. The further away you are from retirement, the less important this may seem but the closer you are to retirement age, the more critical this readiness becomes. We understand that the financial focus of our younger members may be on starting a family or saving for a first home. For our mid-career members your focus may be on paying for children's university tuition. But eventually, (trust me, it comes sooner than you think) your focus will turn to retirement. Getting retirement ready is a long-term plan. You are a member of a defined benefit pension plan which is a powerful first step in being retirement ready. As a member of the CBC Pension Plan there is comfort in knowing that while you are working you are also accruing pension benefits that are predictable and secure.

I encourage you to read your annual pension statement, it lays out your retirement trajectory and can help you to have a better sense of your retirement readiness. The Pension Projection Tool on the Pension Administration Centre (PAC) website allows you to estimate your pension income from the Plan at various retirement ages. We continue to enhance the website so that you get the answers that you need. Our self-service options are available 24/7 and we encourage you to use the website (www.pensionadmin-cbc-src.ca) whenever possible.

Contributions from both members and CBC/Radio-Canada are submitted monthly to the Pension Plan towards this retirement goal. One of our key roles at the Board of Trustees is to invest these contributions in order to generate an investment return that, over time, will grow the assets sufficiently to pay the long-term pension benefit payments earned by Plan members. In 2017, our investment approach generated returns of 11.2% bringing our 4-year annualized return to 11.4%, both in excess of that required to support the long-term sustainability of the Plan. As a result, the Plan's going-concern funded ratio at year end further improved to 143.4% and the going concern surplus in excess of liabilities now rests at \$2.15 billion. This positive position indicates that the Plan continues to hold more than sufficient assets to meet all of the long-term obligations of the Plan. This provides peace of mind knowing that your pension benefits are secure and reliable. More information on the Plan's funded status on a going concern, as well as on a solvency basis can be found on page 15 of the Annual Report.

MANAGING DIRECTOR / CEO REPORT

2017 was also a productive year allowing us to accomplish strategic goals and annual activities. Our infographic on page 2 of the Annual Report provides a snapshot of these achievements. To accomplish these results, I am surrounded by a great team, dedicated to the careful management and oversight of the assets and pension benefits administration. We in turn are overseen and challenged by a Board of Trustees who understand the importance of their fiduciary responsibilities to you.

I have recently announced my retirement and so this will be my last annual report letter. I have been at this organization for twenty-one years including eleven years as Managing Director / CEO. It has truly been a privilege working here. I thank everyone who has supported me over the years and to those who placed their trust in my abilities. Although it will be hard saying goodbye, the decision to retire was facilitated by knowing that I am retirement ready. Whether you are close or far away from retirement age, having this knowledge is powerful because the CBC Pension Plan is here for you, ready when you are.

Sincerely,

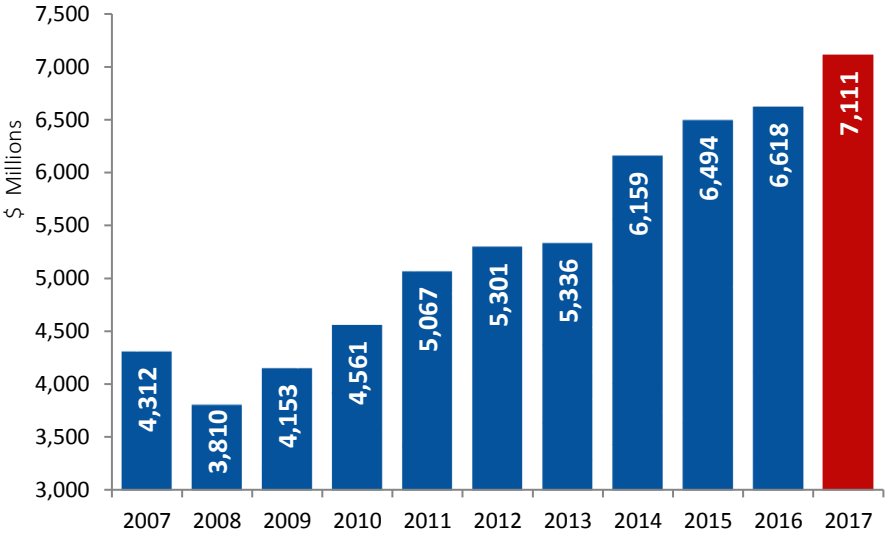


Debra Alves
Managing Director / CEO

FINANCIAL OVERVIEW

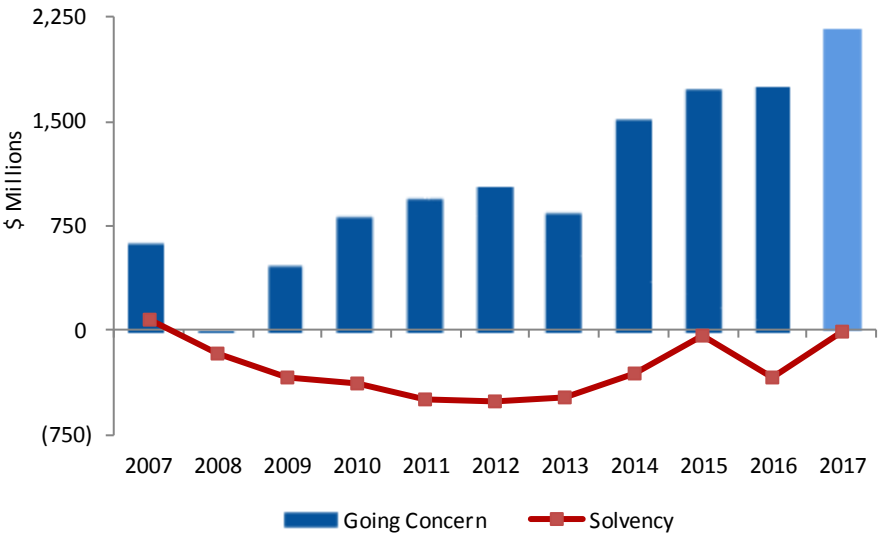
NET ASSET HISTORY

as at December 31



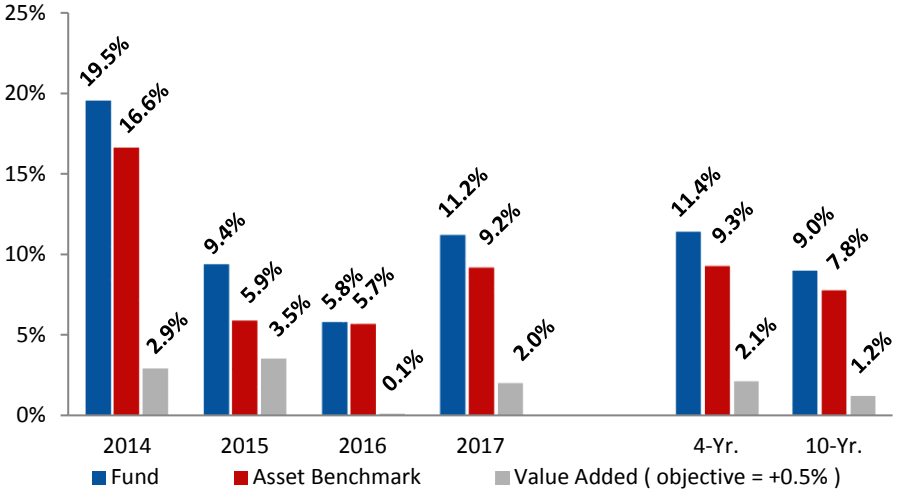
FUNDING SURPLUS / (DEFICIT)

as at December 31



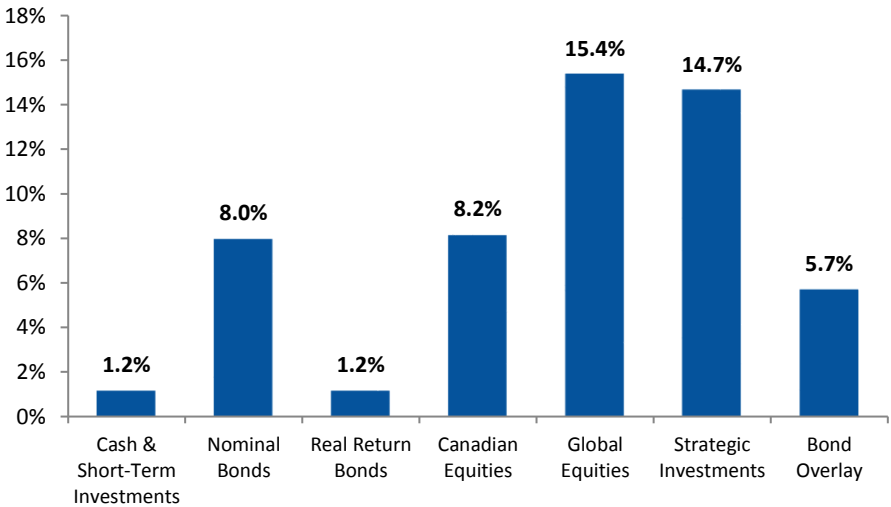
INVESTMENT OVERVIEW

ACTUAL FUND RATES OF RETURN vs. ASSET BENCHMARK



RETURNS BY ASSET CATEGORY

2017



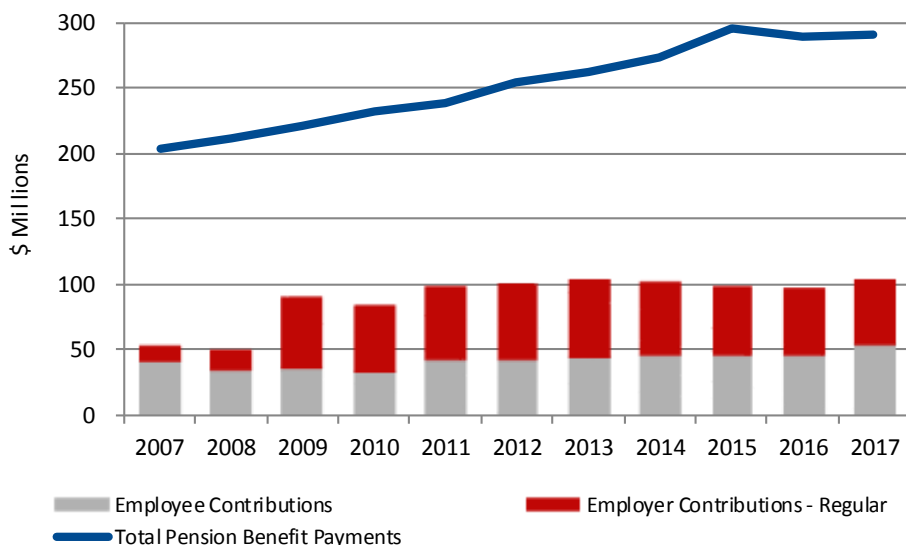
INVESTMENT OVERVIEW

INVESTMENT PERFORMANCE BY ASSET CATEGORY VS BENCHMARK

Asset Categories	Annualized Compounded Rates	1-Year Returns		4-Year Returns	
		Category as a % of Total Investments	Asset Returns	Benchmark Returns	Asset Returns
Fixed Income:					
Cash & Short-Term Investments	4.7%	1.2%	0.6%	1.1%	0.7%
Nominal Bonds	29.0	8.0	7.4	7.5	7.2
Real Return Bonds	11.8	1.2	1.2	5.0	5.0
Publicly Traded Securities:					
Canadian Equities	10.5	8.2	9.1	6.6	7.6
Global Equities	24.8	15.4	16.1	15.4	13.0
Strategic Investments:					
Property	9.2	7.0	4.0	8.6	4.1
Private Investments	9.2	24.9	4.0	19.4	4.1
Hedge Funds	0.6	4.6	4.0	4.6	4.1
Bond Overlay*	0.2	5.7	5.4	6.3	5.9
Total / Weighted Average	100.0%	11.2%	9.2%	11.4%	9.3%

* Bond Overlay total exposure is 26.8%

CONTRIBUTIONS vs. PENSION BENEFIT PAYMENTS



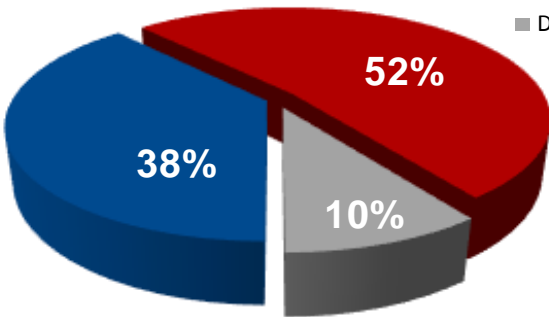
MEMBERS SERVICES

PENSION ADMINISTRATION SERVICES

	2017	2016
Member Services satisfaction level (rated as satisfied or very satisfied)	96%	95%
Pension Administration Centre		
Transactions processed	10,174	10,559
Online interactions	19,181	17,973

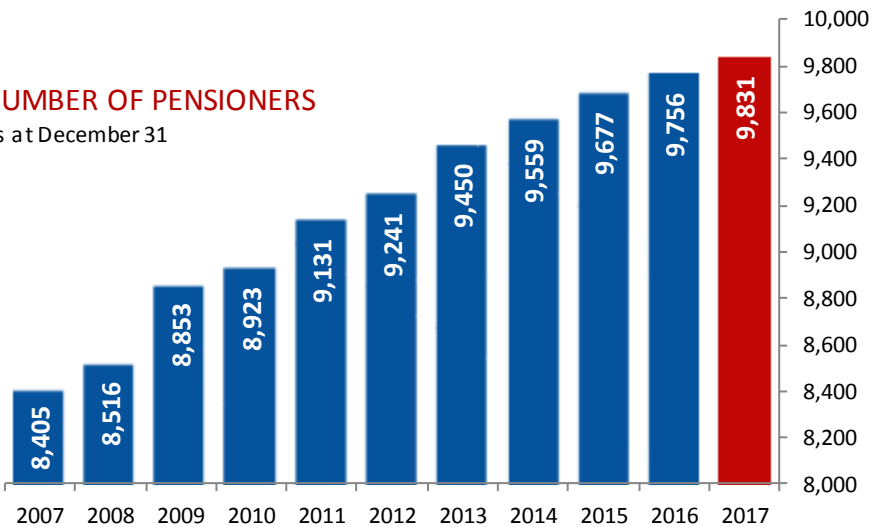
2017 MEMBERSHIP DISTRIBUTION

- Active Members
- Pensioners & Survivors
- Deferreds

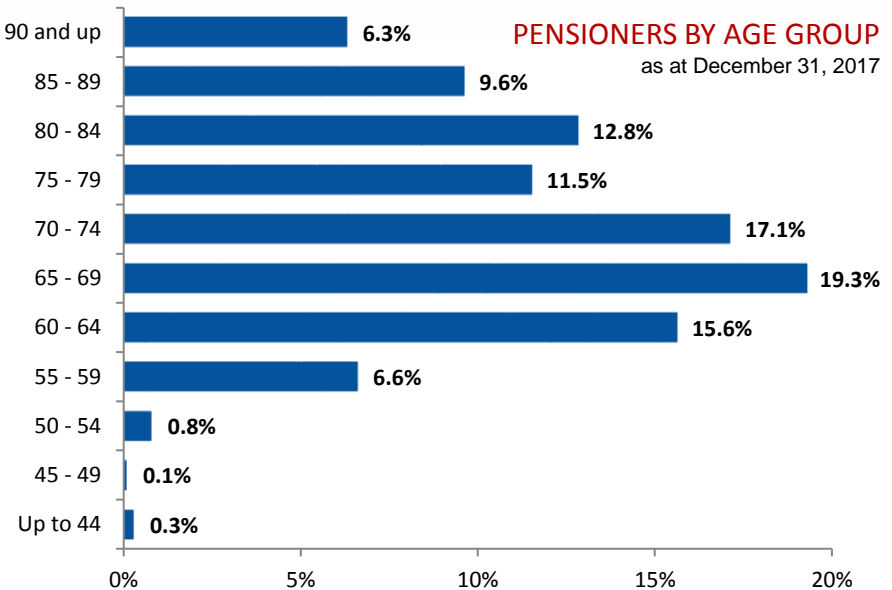
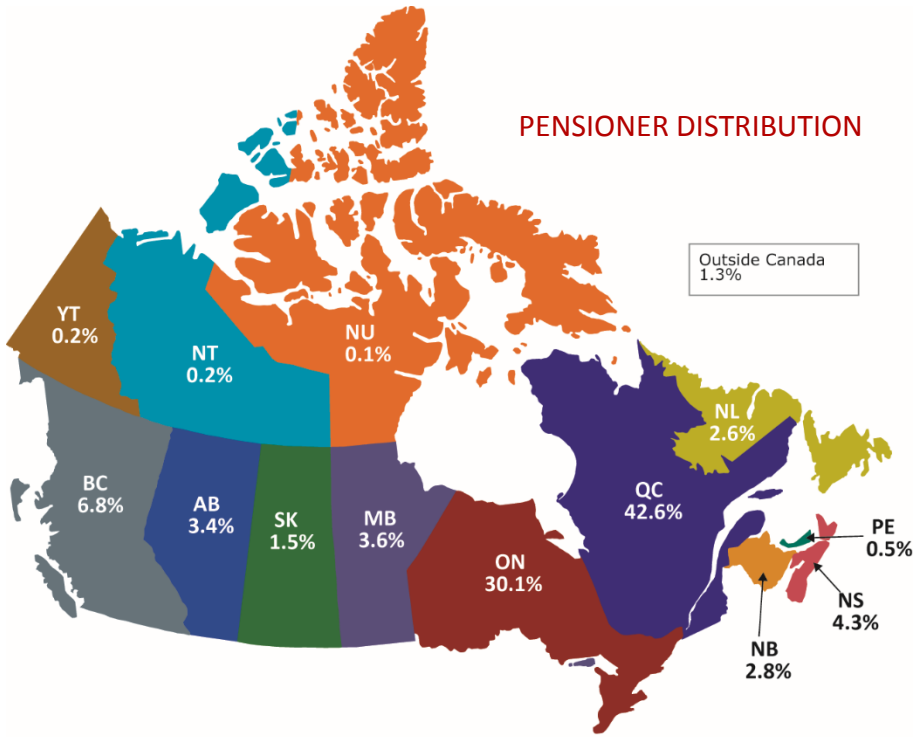


NUMBER OF PENSIONERS

as at December 31



MEMBERS SERVICES



BOARD OF TRUSTEES (as of December 31, 2017)



Maureen McCaw
(Chair)
Director
CBC/Radio-Canada



Judith Purves
Executive Vice-
President & CFO
CBC/Radio-Canada



Monique Marcotte
Vice-President,
People & Culture
CBC/Radio-Canada



Rob Jeffery
Director
CBC/Radio-Canada



Alain Pineau
Retiree
Representative



Jonathan Soper
Employee
Representative



Marie-Andrée Charron
Employee
Representative

MANAGEMENT

Debra Alves, CFA
Managing Director / CEO

Duncan Burrill, CPA, CMA
Secretary / Treasurer

ADMINISTRATION

Francesca Adibe, CPA, CGA
Senior Manager,
Risk Management
& Administration

Carole Bélanger, ASA
Director,
Pension Administration

Sheldon Sullivan, CPA, CA
Senior Manager,
Accounting Operations

INVESTMENT MANAGEMENT TEAM

Timothy Cairns, CFA
Portfolio Manager,
Property

Paul Gasperetti, CFA
Portfolio Manager,
Canadian Equity

Nadi Tadros, CFA
Portfolio Manager,
Global Equity

Miles Whittingham, CFA
Portfolio Manager,
Strategic Investments

Patrizia Cappelli, CFA
Portfolio Manager,
Domestic Bonds

Laura Hurst, CFA
Portfolio Manager,
Global Equity

Robert VandenBygaart, CFA
Portfolio Manager,
U.S. Equity

COMMUNICATION

You are invited to review the Annual Report on our internet site or request a hard copy at the addresses below. The main report contains:

- The Financial Report which includes the audited financial statements, auditor's report, actuary's opinion and management's letter of responsibility for financial reporting;
- Details on Pension Plan Governance practices of your Plan;
- Management Discussion and Analysis which assists in giving an appreciation of the Plan's financial position and performance over the past year.

We welcome your comments and suggestions for this annual report as well as other aspects of your communications program.

Please address your comments to:

CBC Pension Board of Trustees
99 Bank Street, Suite 919
Ottawa, Ontario K1P 6B9

Telephone: (613) 688-3900
Fax: (613) 688-3901
E-mail: pension@cbcpension.ca

Internet – general: www.cbc-radio-canada-pension.ca

Internet – CBC staff & pensioners: www.pensionadmin-cbc-src.ca
