

# COMMUNIQUÉ

## CBC PENSION PLAN QUARTERLY REPORT

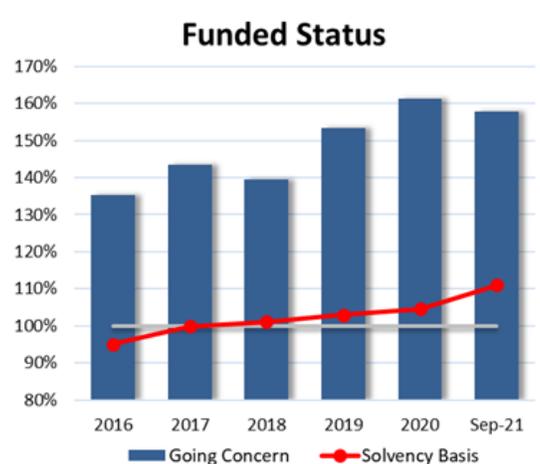
### Financial Health (unaudited)

The CBC Pension Plan continues to be in a sound financial position with the Plan’s key measures of overall pension plan financial health remaining positive in the quarter. With the COVID 19 pandemic still unresolved, financial markets could be volatile and cause fluctuations in our rate of return and funded statuses in the near-term. We remain confident in our overall long-term investment strategies and its ability to deliver a secure and stable benefit to members.

The CBC Pension Plan had an estimated going-concern funding surplus of \$3.2 billion on September 30, 2021, a slight decrease of \$0.1 billion from the start of the year. The Plan’s estimated going-concern funding ratio was 157.9% at quarter end, a decrease of 3.5% from the start of the year.

The Plan’s estimated solvency (or windup basis) funded status was in a surplus of \$853 million on September 30, 2021, an increase of \$472 million since the start of the year. The Plan’s estimated solvency funding ratio was 111.0% at quarter end, an increase of 6.4% for the year. This represents the highest solvency funded status in 20 years.

Please note that the current period results are based on estimates and do not include changes in membership assumptions or the impact of any regulatory changes that may result in further adjustments to the Plan’s funded status.



### Get to Know Your Board Members

#### Alain Pineau

Pension Board Member since January 2017



Mr. Pineau is a former journalist and executive with CBC/Radio-Canada who retired from the corporation in 2005. During his 34-year career with CBC/Radio-Canada he was both a journalist in Canada and overseas, as well as a senior manager in the head office. He brings to the Board a deep knowledge of CBC/Radio-Canada and pensioner issues through his involvement with the CBC Pensioners National Association (PNA). In 2021, Mr. Pineau was elected President of the CBC PNA.

	September 30, 2021	December 31, 2020
NET ASSETS AVAILABLE FOR BENEFITS	\$8,612 million	\$8,706 million
Going Concern Funding Surplus	\$3,157 million	\$3,313 million
Solvency Funding Surplus	\$853 million	\$381 million
Number of Pensions Being Paid	10,123	10,092
Number of Plan Contributors	7,412	7,377

### Financial Performance (unaudited)

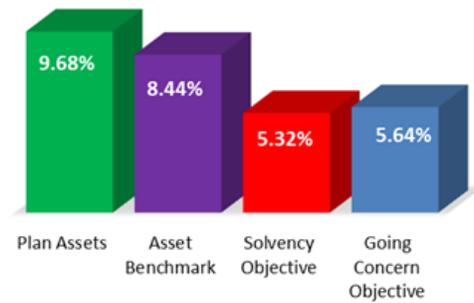
The Plan had net assets of \$8.6 billion on September 30, 2021, a decrease of \$94 million year to date. The decrease in assets was the result of the Plan paying more in pension payments than the investment returns and contributions received in the period.

Illustrating the mature nature of the Plan, the Plan made pension payments of \$243 million to pensioners and received contributions of \$88 million from CBC/Radio-Canada and employees year to date.

The Plan focuses on longer-term measures of performance in assessing our success in achieving our mission. The Plan's annualized 4-year return of 9.68% outperformed its asset benchmark return and its solvency and going-concern objectives for the period.

### Plan Return

Annualized 4-yr Returns - Sept 30, 2021



### Investment Strategy

The Plan's Liability-Driven Investment strategy continued to perform well. The strategy targets returns that match the growth in the Plan's pension obligations over the long term. This results in more stable funded positions and enhances benefit security. While performance may fluctuate in any given year, the Plan remains committed to its Liability-Driven Investment strategy.

### COVID 19 Update: A Message to Members

To keep employees and communities safe, the Pension Fund, the Pension Administration Centre and the Pension Payroll teams continue to work remotely with only essential work being performed at the offices. Pensions continue to be paid on the first business day of the month and new pensions will commence on time if all the required documents are received. Our focus is to provide the same high-quality service to our members.

### Member Services

The Plan's members rated pension administration services with an overall satisfaction of 94% during the second quarter of 2021. This was based on a survey of members who called the pension administration center. The Plan strives to deliver a high-quality pension administration service to Plan members in a cost-effective manner.



### Governance Matters

One of the key responsibilities of the Pension Board is to develop annual objectives that are aligned with the Plan's Strategic Plan, as well as to review progress against current year objectives. At the December 2021 Pension Board meeting, the Trustees approved the 2022 annual objectives and operating budget.

The **2020 CBC Pension Plan Annual Report - Building a Foundation For Your Future**, is available on the Plan's website at: <http://cbc-radio-canada-pension.ca/publications/annual-reports/>

A summary of the Pension Board's 2021 - 2025 Strategic Plan and the status of key objectives is included in the infographic on the next page.

A glossary of common pension terms can be found at [cbc-radio-canada-pension.ca/help/glossary-of-terms](http://cbc-radio-canada-pension.ca/help/glossary-of-terms) (under the "Help" tab on the Plan's web site)

*Communiqué is the CBC Pension Board's quarterly report to Plan members. For more information on the Plan and operations of the CBC Pension Plan please visit the Pension Board website – [cbc-radio-canada-pension.ca](http://cbc-radio-canada-pension.ca)*

# Committed to Benefit Security

FOR SIXTY YEARS... AND BEYOND



STRATEGIC GOALS	KEY PERFORMANCE INDICATOR (KPI) as at September 30, 2021	STATUS	2021 ACTIVITIES as at September 30, 2021	STATUS	DESIRED OUTCOME BY 2025
<p><b>1</b> Deliver risk-adjusted net returns to support the financial viability and liquidity needs of the pension plan</p>	<ul style="list-style-type: none"> <li>4-year Fund return to exceed benchmark portfolio by 0.50%.</li> <li>4-year Fund return to equal or exceed actuarial required return.</li> <li>Surplus-at-Risk (SAR) volatility trades within Risk tolerance expectations.</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>Invest in a way to meet core fund return objectives.</li> <li>Expand investment exposure as per the new strategic asset mix policy.</li> <li>Develop an updated investment approach to Environmental, Social and Governance (ESG) issues.</li> <li>Evaluate new investment opportunities and approaches.</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>Plan maintains fully funded status.</li> <li>Our strategic asset allocation processes remains best in class.</li> </ul> 
<p><b>2</b> Provide quality and efficient member pension services and effective communications to members and stakeholders</p>	<ul style="list-style-type: none"> <li>Make Pension payments on time.</li> <li>Member experience survey results of 80% or higher.</li> <li>Provide pension admin service consistent with targets.</li> <li>Annual assessment of relationship with Sponsor.</li> <li>Provide timely, comprehensive, and clear communications to members.</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>•••</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>Manage the provision of member services to meet agreed member service levels.</li> <li>Evaluate opportunities to enhance pension payroll services and provide members with improved digital services.</li> <li>Further enhance the functionality and information available to members through the member services website.</li> <li>Provide updates to members and complete annual presentations to stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>Provide cost effective delivery of services that meet member expectations.</li> <li>Members receive timely, comprehensive, and clear communications through their preferred medium.</li> <li>Improve communication with stakeholders.</li> </ul> 
<p><b>3</b> Maintain effective governance and organizational structures to meet fiduciary obligations and business requirements</p>	<ul style="list-style-type: none"> <li>Meet all regulatory requirements.</li> <li>Obtain an unqualified audit opinion free of any material adjustments.</li> <li>Trustee meetings and education evaluation grades of Good or higher.</li> <li>Cost effective as measured by the benchmark.</li> <li>Trustee Self Assessment rating of satisfactory.</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> </ul>	<ul style="list-style-type: none"> <li>Maintain service levels and effectiveness of operations during the Covid-19 pandemic.</li> <li>Implement any new regulatory requirements and conduct 2020 actuarial valuation.</li> <li>Evaluate the Plan's entity level controls and enhance cybersecurity practices.</li> <li>Develop data management strategy that supports organizational objectives.</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> <li>•••</li> </ul>	<ul style="list-style-type: none"> <li>Organization is well resourced with competent Trustees and management team capable of managing the organization into the future.</li> <li>Achieve best practices in plan governance and oversight.</li> </ul> 
<p><b>4</b> Support a culture of diversity, innovation, continuous learning, and accountability</p>	<ul style="list-style-type: none"> <li>Continuing education items are regularly offered.</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>✓</li> <li>•••</li> </ul>	<ul style="list-style-type: none"> <li>Provide for orientation for incoming Trustee(s).</li> <li>Provide Trustee continuing education items.</li> <li>Provide training and development opportunities for staff.</li> <li>Reintegrate staff back into the office and explore flexible work arrangements.</li> </ul>	<ul style="list-style-type: none"> <li>✓</li> <li>✓</li> <li>✓</li> <li>•••</li> </ul>	<ul style="list-style-type: none"> <li>Attract and retain a highly motivated and diverse team that seeks innovative strategies that add value over the long-term.</li> </ul> 