

COMMUNIQUÉ

CBC PENSION PLAN QUARTERLY REPORT

Financial Health (unaudited)

Despite volatility in financial markets, the CBC Pension Plan continues to be in a sound financial position as its key measures of overall pension plan financial health remained positive in the quarter. We remain confident in our overall long-term investment strategy and its ability to deliver a secure and stable benefit to members.

The CBC Pension Plan had an estimated going-concern funding surplus of \$2.11 billion on September 30, 2022, a decrease of \$1.61 billion from the start of the year. The Plan's estimated going-concern funding ratio was 138.1% at quarter end, a decrease of 29.8% from the start of the year. This was primarily the result of volatility in bond and equity markets in 2022.

The Plan's estimated solvency (or windup basis) funded status was in a surplus of \$1.05 billion on September 30, 2022, a decrease of \$16 million since the start of the year. The Plan's estimated solvency funding ratio at quarter end was 115.9%, an increase of 2.8% for the year.

Please note that the current period results are based in 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.

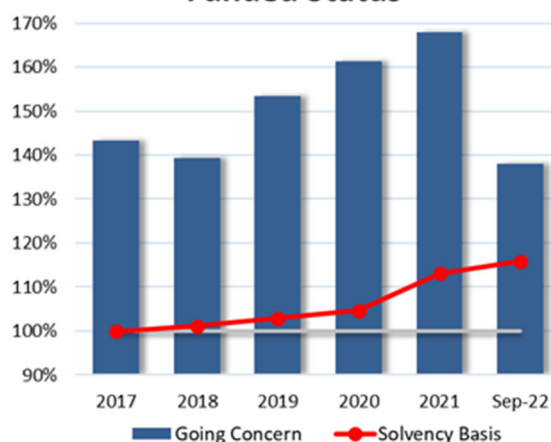
Get to Know Your Board Members

Marie-Andrée Charron
Pension Board Member since April 2017



Ms. Charron joined CBC/Radio-Canada in 2011 and is currently an Accounting Officer in Montreal. As the Equity, Health, and Safety Officer for the Syndicat des travailleuses et travailleurs de Radio-Canada (STTRC), she is actively involved in several CBC/Radio-Canada committees on diversity, workplace culture, employee health, and safety. Ms. Charron recently joined the audit committee of the Fédération nationale des communications et de la Culture (CSN). She brings a detailed understanding of pension plan member issues to the Board.

Funded Status



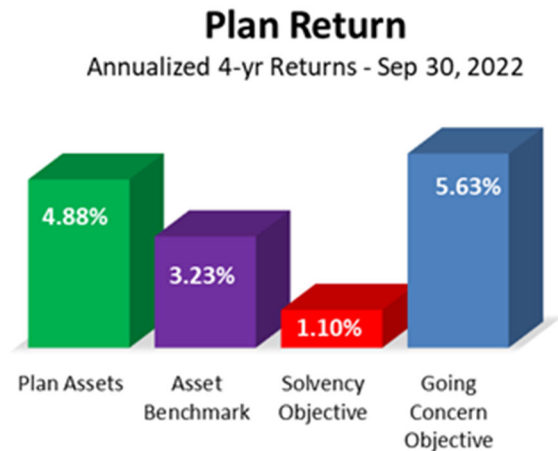
	September 30, 2022	December 31, 2021
NET ASSETS AVAILABLE FOR BENEFITS	\$ 7,658 million	\$9,192 million
Going Concern Funding Surplus	\$ 2,113 million	\$3,718 million
Solvency Funding Surplus	\$1,049 million	\$1,065 million
Number of Pensions Being Paid	10,231	10,164
Number of Plan Contributors	7,486	7,402

Financial Performance (unaudited)

The Plan had net assets of \$7.66 billion on September 30, 2022, a decrease of \$1.53 billion for the year. The decrease in assets from the start of the year was primarily due to the significant rise in interest rates that had a negative impact on the Plan's fixed income returns as well as a decline in the global equity markets.

Illustrating the mature nature of the Plan, the Plan made pension payments of \$245 million to pensioners and received contributions of \$65 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 4.88% outperformed its asset benchmark return and its solvency objective but underperformed its going-concern objective for the period.



Investment Strategy

While performance may fluctuate in any given year, the Plan remains committed to its Liability-Driven Investment strategy. 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. The Plan's Liability-Driven Investment strategy continues to perform as expected with both the Plan's funded status measures remaining positive. We regularly review our investment strategy to improve and refine as market conditions change, to ensure we can provide sustainable long-term returns and benefit security to our members.

Member Services

The Plan's members rated pension administration services with an overall satisfaction of 91% during the third quarter of 2022. 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.



We are continually looking for ways to improve the timeliness of member communications and reduce the costs to administer the Plan. If you are a retired member and you would prefer to receive your future communications such as the Pension News by e-mail, send an e-mail with your instructions to CBC Pension Payroll at pension@cbc.ca.

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 2022 Pension Board meeting, the Trustee's approved the Plan's 2023 objectives and operating budget.

The **2021 CBC Pension Plan Annual Report – Serving You for 60 Years**, 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 (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

2022 HIGHLIGHTS

✔ Achieved
 ⋯ Underway/Planned
 ✘ Incomplete/Not Met

STRATEGIC GOALS	KEY PERFORMANCE INDICATOR (KPI) as at September 30, 2022	STATUS	2022 ACTIVITIES as at September 30, 2022	STATUS	DESIRED OUTCOME BY 2025
<p>1 Deliver risk-adjusted net returns to support the financial viability and liquidity needs of the pension plan</p>	<ul style="list-style-type: none"> 4-year Fund return to exceed benchmark portfolio by 0.50%. 4-year Fund return to equal or exceed actuarial required return. * Surplus-at-Risk (SAR) volatility trades within Risk tolerance expectations. 	<ul style="list-style-type: none"> ✔ ✘ ✔ 	<ul style="list-style-type: none"> Invest in a way to ensure core fund return objectives are met. Implement 2022 asset mix changes. Expand private investment exposure towards strategic target allocation. Implement environmental, social and governance (ESG) policy. Evaluate new investment opportunities and approaches. 	<ul style="list-style-type: none"> ✔ ✔ ⋯ ⋯ ⋯ 	<ul style="list-style-type: none"> Plan maintains fully funded status. Our strategic asset allocation processes remain best in class. 
<p>2 Provide quality and efficient member pension services while continuously improving our communications with both members and stakeholders</p>	<ul style="list-style-type: none"> Make pension payments on time. Achieve member experience survey results of 80% or higher. Provide member services consistent with targets. Perform annual assessment of relationship with Sponsor. Provide timely, comprehensive, and clear communications to members. 	<ul style="list-style-type: none"> ✔ ✔ ✔ ⋯ ✔ 	<ul style="list-style-type: none"> Manage the provision of member services to meet agreed member service levels. Upgrade pension payroll system and in-source pension payroll processing. Begin development of an on-line pensioner portal to provide members access to benefit payment information. Provide updates to members and conduct annual presentations to stakeholders. 	<ul style="list-style-type: none"> ✔ ✔ ⋯ ✔ 	<ul style="list-style-type: none"> Deliver cost effective services that meet member expectations. Ensure members receive timely, comprehensive, and clear communications through their preferred medium. Improve communication with stakeholders. 
<p>3 Maintain effective governance and organizational structures to meet fiduciary obligations and business requirements</p>	<ul style="list-style-type: none"> Meet all regulatory requirements. Obtain an unqualified audit opinion free of any material adjustments. Achieve Trustee meetings and education evaluation grades of good or higher. Cost effective management measured by the benchmark. Achieve Trustee Self-Assessment rating of satisfactory. 	<ul style="list-style-type: none"> ✔ ✔ ✔ ⋯ ✔ 	<ul style="list-style-type: none"> Implement any new regulatory requirements and conduct 2021 actuarial valuation and audit. Undertake assurance review to evaluate the in-sourcing of pension payroll services. Assess service options for custody of the Plan's assets. 	<ul style="list-style-type: none"> ✔ ✔ ⋯ 	<ul style="list-style-type: none"> Ensure organization is well resourced with competent Trustees and management team capable of managing the organization into the future. Achieve best practices in plan governance and oversight. 
<p>4 Support a culture of diversity, innovation, continuous learning, and accountability</p>	<ul style="list-style-type: none"> Ensure continuing education items are regularly offered. 	<ul style="list-style-type: none"> ✔ 	<ul style="list-style-type: none"> Provide Trustees with continuing education items. Hire and integrate new personnel and plan for potential retirements. Support and grow a diverse and inclusive workforce. Reintegrate personnel back into the office and explore flexible work arrangements. 	<ul style="list-style-type: none"> ✔ ⋯ ⋯ ⋯ 	<ul style="list-style-type: none"> Attract and retain a highly motivated and diverse team that seeks innovative strategies that add value over the long-term. 

*The Plan's 4-year return continued to exceed its solvency objectives but did not meet its going-concern objectives. The Plan's significant exposure to fixed income investments has resulted in the Fund underperforming the going-concern return objectives as fixed income investments have posted negative returns over the last four years.