

COMMUNIQUÉ

CBC PENSION PLAN QUARTERLY REPORT

Financial Health

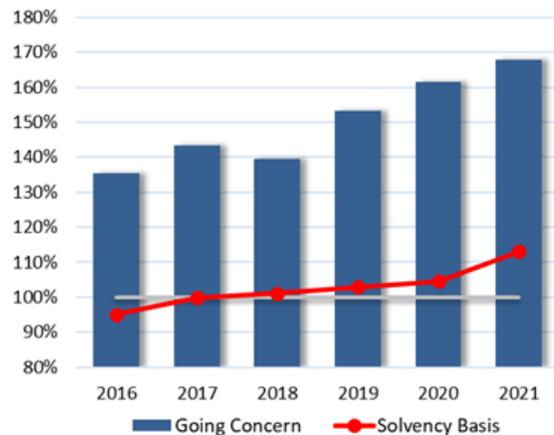
The CBC Pension Plan’s key measures of overall pension plan health continued to improve in 2021 and ended the year in the strongest financial position in more than two decades. The Plan ended the year fully funded under both of its funded status measures.

The CBC Pension Plan had a going-concern funding surplus of \$3.7 billion on December 31, 2021, an increase of \$405 million from the start of the year. The Plan’s going-concern funding ratio was 167.9% at year end, an increase of 6.5% from the start of the year.

The Plan’s solvency (or windup basis) funded status was in a surplus of \$1.1 billion on December 31, 2021, an increase of \$684 million since the start of the year. The Plan’s solvency funding ratio was 113.1% at year end, an increase of 8.5% for the year. This represents the highest solvency funded status in 20 years.

The Plan’s Liability-Driven Investment strategy continued to provide stable funded positions, member benefit security and low current service costs. We know that as we move forward into 2022, that global uncertainty means that financial markets will continue to be unpredictable. We are confident that the Plan has the right team and the right investment strategies to be successful in the long-term.

Funded Status



Get to Know Your Board Members

Calum McLeod

Pension Board Member since April 2018



Mr. McLeod joined CBC/Radio-Canada in 2002 and is currently a Supervisor of Digital Presentation in Toronto. He was National Treasurer of the Canadian Media Guild (CMG) before joining the Association of Professionals and Supervisors (APS) as Regional Director in 2018. He is also a member of the Consultative Committee on Staff Benefits (CCSB). He is a keen observer of financial markets, with an interest in macroeconomics, demographics, and new technologies. Mr. McLeod has a Bachelor of Arts (Honours) from the University of Melbourne.

	December 31, 2021	December 31, 2020
NET ASSETS AVAILABLE FOR BENEFITS	\$9,192 million	\$8,706 million
Going Concern Funding Surplus	\$3,718 million	\$3,313 million
Solvency Funding Surplus	\$1,065 million	\$381 million
Number of Pensions Being Paid	10,164	10,092
Number of Plan Contributors	7,402	7,377

Financial Performance

The Plan had net assets of \$9.2 billion on December 31, 2021, an increase of \$486 million for the year. The increase in assets was the result of strong equity market returns and strong performance from the Plan's private investments.

Illustrating the mature nature of the Plan, the Plan made pension payments of \$322 million to pensioners and received contributions of \$117 million from CBC/Radio-Canada and employees to the end of the year.

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 9.84% outperformed its asset benchmark return and its solvency and going-concern objectives for the period.



Member Services

The Plan's members rated pension administration services with an overall satisfaction of 90% during the fourth 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.



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

At the March 2022 Pension Board meeting, Sandra Mason was re-elected as the Chair of the CBC Pension Board of Trustees. The Board accepted and approved the Plan's 2021 actuarial and audit reports, as well as approved the Plan's 2021 Audited Financial Statements.

The **2021 CBC Pension Plan Annual Report – Serving You for 60 Years**, will be available shortly 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

Committed to Benefit Security

FOR SIXTY YEARS... AND BEYOND



STRATEGIC GOALS	KEY PERFORMANCE INDICATOR (KPI) as at December 31, 2021	STATUS	2021 ACTIVITIES as at December 31, 2021	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. Expand investment exposure as per the new strategic asset mix policy. Develop an updated investment approach to environmental, social and governance (ESG) issues. 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 remains best in class. 
<p>2 Provide quality and efficient member pension services and effective communications to 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 pension admin service consistent with targets. ¹ 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. Evaluate opportunities to enhance pension payroll services and provide members with improved digital services. Further enhance the functionality and information available to members through the member services website. Provide updates to members and complete 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 media. 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 plan administration measured by the benchmark. Achieve Trustee Self Assessment rating of satisfactory. 	<ul style="list-style-type: none"> ✓ ✓ ✓ ✓ ✓ 	<ul style="list-style-type: none"> Maintain service levels and effectiveness of operations during the Covid-19 pandemic. Implement any new regulatory requirements and conduct 2020 actuarial valuation. Evaluate the Plan's entity level controls and enhance cybersecurity practices. Undertake first phase of data management strategy. 	<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 orientation for incoming Trustees. Provide Trustees with continuing education items. Provide training and development opportunities for staff. Reintegrate staff 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. 

¹ The LifeWorks Pension Administration Centre was challenged to meet all minimum service levels due to COVID-related staffing impacts. We are monitoring and expect service levels to improve in the coming months.