

Communiqué

Financial Health (unaudited)

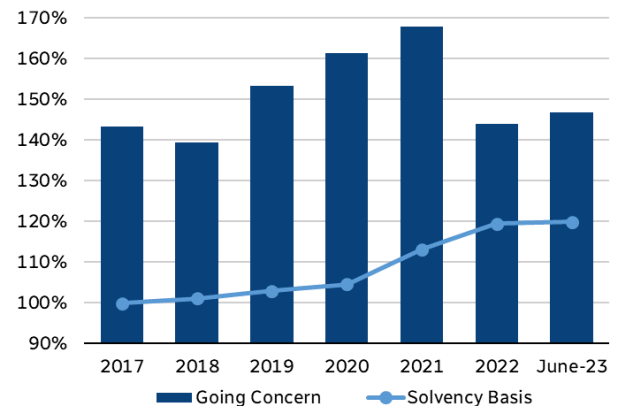
The CBC Pension Plan continues to be in a sound financial position with the Plan’s key measure of overall pension plan financial health strengthening in the quarter. We remain committed to careful management and oversight of the Plan’s investments to ensure your pension remains secure.

The Plan had a going-concern funding surplus of \$2.54 billion on June 30, 2023, an increase of \$177 million from the start of the year. The Plan’s going-concern funding ratio was 146.8% at the end of the second quarter, an increase of 2.9% from the start of the year.

The Plan’s solvency (or windup basis) funded status was in a surplus of \$1.32 billion on June 30, 2023, an increase of \$64 million since the start of the year. The Plan’s solvency funding ratio at the end of the second quarter was 119.9%, a slight increase of 0.5% from the start of the year.

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.

Funded Status



Investment Officer of the Year



The third annual Pension Leadership Awards celebrates plan sponsors and pension investors who showed exceptional leadership and have been working tirelessly to ensure strong investment outcomes for their plan members.



The CBC Pension Board of Trustees would like to congratulate Duncan Burrill, CEO/Managing Director, who was awarded Investment Officer of the Year. This award is presented to an Investment Officer who has demonstrated leadership when it comes to pension investing and made demonstrable improvements to their organization’s investment process.

“We work hard as a team to secure a solid future for our members.” – Duncan Burrill

	June 30, 2023	December 31, 2022
Net Assets Available for Benefits	\$ 7,955 million	\$ 7,728 million
Going Concern Funding Surplus	\$ 2,536 million	\$ 2,359 million
Solvency Funding Surplus	\$ 1,321 million	\$ 1,257 million
Number of Pensions Being Paid	10,249	10,252
Number of Plan Contributors	7,640	7,556

Asset Performance (unaudited)

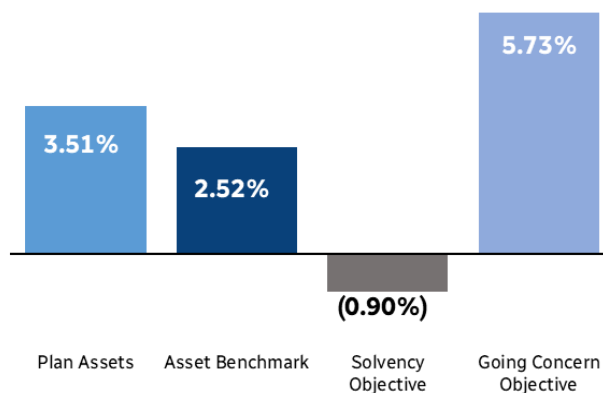
The Plan had net assets of \$7.95 billion on June 30, 2023, an increase of \$227 million for the year. The increase in the Plan's assets was a result of positive fixed income and equity market returns in the first half of the year.

The Plan made pension payments of \$163.5 million to pensioners and received contributions of \$29.7 million from employees in the first half of 2023. Due to the Plan's high funded status, CBC/Radio-Canada is currently required to suspend employer contributions.

The Plan focuses on long-term measures of performance when assessing our success in achieving our mission. The Plan's annualized 4-year return of 3.51% outperformed its asset benchmark return of 2.52% and its solvency objective but underperformed the going-concern objective.

The going-concern objective is set as part of the annual actuarial valuation and is determined by estimating the expected rates of returns from the Plan's investments over the long-term. Given the forward-looking nature of this objective, it does not account for interim periods where actual investment returns may vary significantly from the long-term estimates. Negative market returns, as experienced in 2022, will impact the Plan's ability to meet this return estimate in the short-term. The Plan continues to have healthy going-concern and solvency funded ratios. Members can rest assured their pension remains secure.

Plan Return Annualized 4-yr Returns - June 30, 2023



Member Services

In Q2 2023, the Plan welcomed 184 new active and 72 newly retired members.

The Plan's members rated pension administration services with an overall satisfaction of 97% during the second quarter. 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 of administering 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, please send an e-mail to pension@cbc.ca.

Governance Matters

One of the Pension Board's essential practices under its governance framework is to hold regular Trustee education sessions. As part of the September meeting, Trustees attended the Association of Canadian Pension Management (ACPM) National Conference "Better Retirement Outcomes". Key presentations included a focus on governance, an update on legal and regulatory developments, and a review of the population and economic trends affecting the retirement system.

The **2022 CBC Pension Plan Annual Report – Investing for YOUR Future**, is available on the Plan's website at: <https://cbc-radio-canada-pension.ca/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

Activity 2023 HIGHLIGHTS

✔ Achieved
 ⋯ Underway/Planned
 ✘ Incomplete/Not Met

STRATEGIC GOALS	KEY PERFORMANCE INDICATOR (KPI) As at June 30, 2023	STATUS	2023 OBJECTIVES As at June 30, 2023	STATUS	DESIRED OUTCOME BY 2025
<h2 style="font-size: 48px; margin: 0;">1</h2> <p style="color: white; margin: 0;">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"> Invest in a way to exceed the benchmark portfolio by 50 bps net of costs over a 4-year period. Implement 2023 strategic asset allocation changes. Increase private debt exposure towards strategic target allocation. Continue to refine our responsible investment processes. 	✔ ✔ ⋯ ⋯	<ul style="list-style-type: none"> Plan maintains fully funded status. Our strategic asset allocation processes remain best in class. Internal investment processes are enhanced. <div style="text-align: center; margin-top: 20px;">  </div>
<h2 style="font-size: 48px; margin: 0;">2</h2> <p style="color: white; margin: 0;">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"> Manage the provision of member services to meet agreed service levels. Explore opportunities for expanding digital services to members. Coordinate with CBC/Radio-Canada on the upgrade of their human resource management system. Provide updates to members and conduct annual presentations to stakeholders. 	✔ ⋯ ⋯ ✔	<ul style="list-style-type: none"> Deliver cost effective services that meet member expectations. Members receive timely, comprehensive, and clear communications through their preferred channel (e.g., opt in for digital only delivery). Improve communication with stakeholders. <div style="text-align: center; margin-top: 20px;">  </div>
<h2 style="font-size: 48px; margin: 0;">3</h2> <p style="color: white; margin: 0;">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"> Implement any new regulatory requirements and conduct 2022 actuarial valuation and audit. Transition the Plan's custody and accounting services to a new financial institution. Assess upgrading the Plan's cloud information technology infrastructure. 	✔ ⋯ ✔	<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. <div style="text-align: center; margin-top: 20px;">  </div>
<h2 style="font-size: 48px; margin: 0;">4</h2> <p style="color: white; margin: 0;">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"> Provide continuing education for existing trustees as well as orientation for incoming Trustee(s). Support and grow a diverse and inclusive workforce. Provide training and development opportunities for staff to support our goal of being a learning organization. 	✔ ⋯ ⋯	<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. <div style="text-align: center; margin-top: 20px;">  </div>

* 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.