ANNUAL REPORT
2022-2023

CBC Radio-Canada

CBC/RADIO-CANADA'S COMMITMENT TO TRANSPARENCY AND ACCOUNTABILITY

As Canada's national public broadcaster, we take very seriously our obligation to be transparent and accountable to Canadians. Our corporate website provides information about our activities and the way we manage our public resources.

HR COMPLIANCE

- Annual Review on Implementation of Section 41 of the *Official Languages Act* to Canadian Heritage
- Annual Review on Parts IV, V and VI of the *Official Languages Act* to Treasury Board of Canada Secretariat
- Annual Report on Employment Equity to Employment and Social Development Canada (ESDC)
- Annual Report on Multiculturalism to Immigration, Refugees and Citizenship Canada
- Triennial Diversity and Inclusion Plan

RESPONSES TO ACCESS TO INFORMATION AND PRIVACY (ATIP) REQUESTS

POLICIES AND PRACTICES

- Journalistic Standards and Practices
- Code of Conduct
- Corporate policies

OMBUDS REPORTS

- Board must respond to Ombuds Reports and table responses with the CRTC

VALUES AND ETHICS COMMISSIONER ANNUAL REPORT

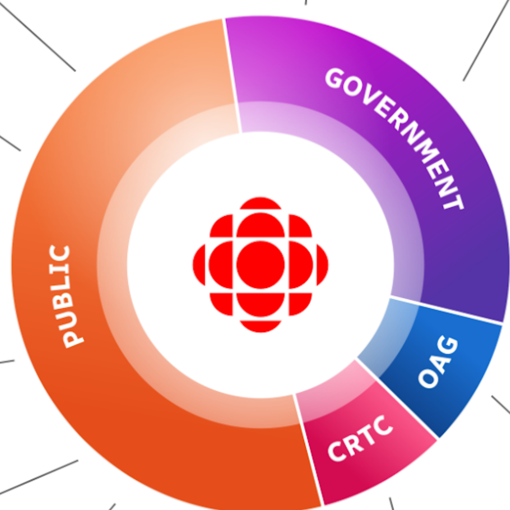
- Reports on the implementation of our Code of Conduct and the Policy on Conflicts of Interest, and outlines how complaints regarding employee behaviour are handled

PROACTIVE DISCLOSURE

- Travel and hospitality expenses of the Chair, Board members and Executives
- Board meeting documents

STRATEGY

- Corporate Strategy
- Equity, Diversity and Inclusion Plan
- Environmental Strategy



ANNUAL PUBLIC MEETING

CRTC

- Periodic licence renewals
- Detailed reporting to monitor the broadcasting activities of radio, television and digital platforms

OFFICE OF THE AUDITOR GENERAL (OAG)

- Annual OAG Attest Audit
- OAG Special Examinations

APPEARANCES BEFORE PARLIAMENTARY COMMITTEES

CORPORATE REPORTS

- Annual Report
- Quarterly financial reports
- Corporate Plan and Corporate Plan Summary
- CBC Pension Plan Annual Report
- Public Accounts of Canada
- Environmental sustainability reports
- Reports on the implementation of the *Access to Information Act* and *Privacy Act*, and on any disclosure of wrongdoings (under the *Public Servants Disclosure Protection Act*)
- Employment Equity Reports
- Task Force for Climate-related Financial Disclosure

MESSAGES

From the Chair

This past year has reconfirmed how essential public broadcasting is to inform and connect people across the country. Canadians turned to CBC/Radio-Canada for trusted news and verified information on important stories about their communities, the country and the world, including the devastating impact of post-tropical storm Fiona on Canada's East Coast, the occupation of downtown Ottawa and the war in Ukraine.

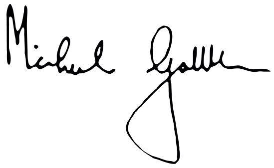
For more than 80 years, our national public broadcaster has brought everyone living in Canada together through its award-winning news, current affairs and entertainment programming. CBC/Radio-Canada continues to serve Canadians across all platforms, reflecting their realities and perspectives in its programming and putting the spotlight on our homegrown creative talent.

The Board of Directors supports the work of CBC/Radio-Canada's management teams as they strive to reflect contemporary Canada. We are especially proud to support *Progress in Progress*, the Corporation's 2022-2025 Equity, Diversity and Inclusion Plan. And there's more to come, as CBC/Radio-Canada gets set to launch its first National Indigenous Strategy and its first National Accessibility Plan, based on engagement sessions in communities across the country over the last year.

In a time of decline in trust in public institutions and media, CBC/Radio-Canada became the first Canadian broadcast media company to be certified by Reporters Without Borders for the transparency and editorial practices of our news services. This Journalism Trust Initiative certification underscores the foundational protections that Canadians count on in their public broadcaster. At a time of rising disinformation and polarization, the role of the public broadcaster in connecting all Canadians to the news at home and abroad has become more essential than ever.

Another highlight of 2022 was the official opening of the new Maison de Radio-Canada in Montreal. This new multiplatform content creation and media production centre is one of the first fully Internet protocol-based digital broadcast facilities in the world, cementing the role of CBC/Radio-Canada as a public broadcasting leader.

As Canada's media and creative sectors continue to grapple with fast-paced technological and societal change, Canadians can continue to count on their national public broadcaster to lift their voices and tell their stories, to each other and to the world.



Michael Goldbloom
Chair of the Board

From the President and CEO

After three years of a pandemic, CBC/Radio-Canada continued to serve and bring everyone in Canada together through our news, information and entertainment programming on all platforms. However, it has been a challenging year. Foreign digital services continue to saturate the market and this is hurting the Canadian media ecosystem. All Canadian media are struggling to adapt and CBC/Radio-Canada is not immune to these challenges.

The year kicked off with the CRTC's five-year renewal of our broadcast licences, which recognizes the significant and growing contribution of our digital streaming services and our commitment to reflecting Canada's diversity in our workforce and in the Canadian content ecosystem.

Keeping Canadians informed with accurate and reliable information is a cornerstone of our mandate. That is why, in 2022, CBC/Radio-Canada strengthened its local, national and international news offering. In Asia, we opened a permanent CBC bureau in Mumbai and appointed a Radio-Canada correspondent in Taipei. While we were forced to withdraw from Russia and China, it has not diminished our determination to continue to bring Canadians the important stories involving these countries. Here at home, we have new permanent bureaus in Grande Prairie and Lethbridge, Alta., and in Cranbrook and Nanaimo, B.C. We also marked the first anniversary of our Library Partnership Program. Through activities and workshops in local public libraries, we have been strengthening our connections with people in more than 80 communities across the country. And this is just the beginning of our efforts to deepen our relationship with new Canadians, youth and other hard-to-reach audiences.

On the digital front, we launched CBC News Explore, a free streaming news service to satisfy streaming audiences' growing demand for high-quality, fact-based Canadian journalism. We also introduced 10 new editions of the *Vidéojournal*, a French-language digital newscast for mobile users, for a total of 18 newscasts across the country, notably in Alberta, northern Ontario and Nova Scotia.

And we continued to showcase programming that has been recognized as some of the best in the world — programming that highlights the diverse realities of life in our country. As just two examples, *Sort Of,* the CBC dramedy about a gender-fluid millennial in Toronto, received a prestigious Peabody Award, while Radio-Canada's first-ever Indigenous-led drama *Pour toi Flora* won the best miniseries prize at Content London's International Drama Awards.

As always, I want to acknowledge the dedication of our news, programming, technical and corporate teams that bring all of this to life. Our vision for the future is clear: making CBC/Radio-Canada the most inclusive, innovative and accessible media company in the country, and making Canadians proud of their national public broadcaster.

Catherine Tait
President and CEO

Business Highlights

2022-2023 marked a milestone year for CBC/Radio-Canada as we initiated a series of projects and strategies aimed at maintaining high-quality journalism, responsible and transparent business practices, and equity, diversity and inclusion in both our programming and workforce. We launched a resource guide to help journalists and newsrooms manage the emerging threat of online harm and held events at Simon Fraser and Carleton universities to discuss trust in news with both practising and aspiring journalists.

Recognizing the role we should play to mitigate the impact of climate change, we have developed our first Task Force on Climate-related Financial Disclosure (TCFD). These disclosures bring transparency to our climate-related risks and opportunities on business decisions that will help facilitate the transition to a sustainable low-carbon economy, a commitment we announced in June 2023.

Furthermore, we announced the development of our National Indigenous Strategy and our National Accessibility Plan, designed to ensure that we are truly reflecting contemporary Canada in the stories we tell and how we tell them.

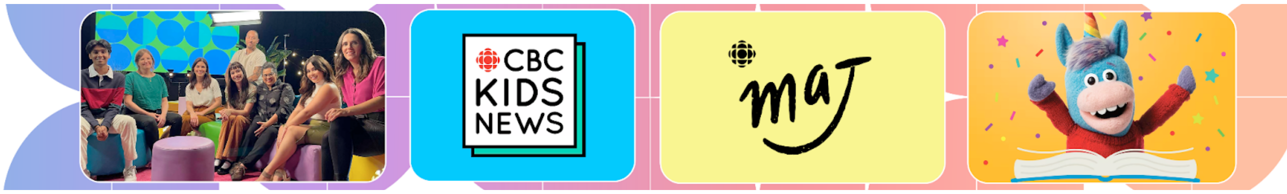
We also worked hard to bring everyone living in Canada the content that mattered to them from at home and around the world — from coverage of Pope Francis's visit to Canada, to the war in Ukraine, to the death of Queen Elizabeth II. We also secured the Canadian broadcast rights for the Olympic Games until 2032 and the Paralympic Games until 2026, ensuring that the high-quality, accessible coverage of these events that Canadians have come to expect from their public broadcaster will continue for the next several years.

To find out how else we've been working to better serve everyone living in Canada, take a look at some of our highlights from the last year.

1 CUSTOMIZED DIGITAL SERVICES

- Our commitment to supporting journalism and news professionals online was highlighted by the publication of our digital Newsroom Guide for Managing Online Harm.
- The Canadian Radio-television and Telecommunications Commission (CRTC) renewed our five-year broadcast licences in a landmark decision that recognized, for the first time ever, the contributions of our digital streaming services to the Canadian content ecosystem.
- We launched CBC News Explore, a free 24/7 streaming channel offering audiences a new way to discover original news-focused shows, along with the best news, current affairs and documentary videos by CBC journalists across the country and around the world.
- To allow greater access and discoverability of our content, ICI TOU.TV is now available to Helix TV customers directly via the Helix app.

2 ENGAGING WITH YOUNG AUDIENCES



- Our 2022 Annual Public Meeting highlighted a panel discussion on the best ways to inform and connect with the next generation and featured CBC Kids News, Street Cents, MAJ and Rad teams tackling head-on the issues facing Canada's youth.
- Radio-Canada welcomed elementary and high school students to the new Maison de Radio-Canada to work in teams to record a podcast, produce a news report or create a TV commercial.
- CBC solidified its commitment to kids programming by launching CBC Kids Reads, an invitation for a new generation of book lovers to participate in the literary celebration that is Canada Reads.
- We also rebooted a classic with the return of Street Cents, making financial literacy relevant, relatable and entertaining by presenting daily short-form video content on TikTok.

3 PRIORITIZING OUR LOCAL CONNECTIONS

- We proudly announced the opening of permanent bureaus in Cranbrook and Nanaimo in British Columbia and Grande Prairie and Lethbridge in Alberta as part of our efforts to strengthen local connections. We also expanded our coverage with pop-up bureaus in Quebec and the Atlantic, including the communities of Laval, Rouyn-Noranda, Sheshatshiu and Listuguj.
- This year CBC expanded its commitment to local news, creating 14 new journalism positions focused on deepening community connections across the country. The positions included community producers, permanent reporters, video journalists and positions to support Indigenous-language programming in the North and to increase the telling of Indigenous stories in the West through the expansion of the CBC Indigenous team.
- Across the country, our teams partnered with public libraries to bring exciting new programs, events and content to Canadians, and we launched CBC Corner, which is a digital space developed for public libraries that brings together the wide variety of CBC and Radio-Canada program offerings.

4 REFLECTING CONTEMPORARY CANADA

- We continued to work toward our goals outlined in the 2022-2025 EDI Plan, *Progress in Progress*.
- As part of our goal to build a National Accessibility Plan, we held 27 consultations with over 900 people around the country, each one an opportunity for Canadians facing accessibility barriers to express their concerns and ideas.
- CBC partnered with BIPOC TV & Film and the Canadian Film Centre to create a new accelerator program, the CBC-BIPOC TV & Film Showrunner Catalyst, which will support the career advancement of senior writers who identify as Indigenous, Black or People of Colour through hands-on and personally tailored on-set experience.
- Radio-Canada offered remarkable productions showcasing Black stories and experiences, including the four-part documentary series *Afro Canada* and the podcast *Résistance*, which evokes the tumultuous history of slavery in both the United States and Canada. Similarly, CBC's multiplatform offer included the CBC News' Being Black in Canada series *Friends and Allies* and the expansion of last year's Quebec-based *Black Changemakers* series into Atlantic Canada for 2023.
- In September, CBC News also broke new ground when Adrienne Arsenault became the first woman to be appointed chief correspondent for CBC and took the helm of CBC's flagship newscast *The National*.
- In support of our commitment to reflecting contemporary Canada, Radio-Canada launched its new dramatic series *Pour toi Flora*, broadcast on ICI TÉLÉ in prime time, which was directed and produced by Indigenous creators.

5 TAKING CANADA TO THE WORLD

- In partnership with international public service media organizations RTBF (Belgium), SRG SSR (Switzerland) and ZDF (Germany), we launched the new Public Spaces Incubator, an initiative that will develop and test innovative solutions that encourage accessible and meaningful online conversations on issues of public interest.
- We joined forces with Radio France to promote our French-language podcasts as we aim to take Canada to the world. A brand new co-production, the podcast *Mesrine : l'orgueil et le sang*, is available exclusively on Radio-Canada's OHdio and Radio France's platforms.
- CBC Podcasts and BBC World Service launched their first collaboration, a new original true crime podcast, *Love, Janessa*, which premiered January 23 on BBC Sounds, CBC Listen and most podcast apps. This world-spanning, in-depth investigative series demonstrates CBC's commitment to rich narrative storytelling and creating work for global audiences.

2023 Canadian Screen Awards

66 Awards

The Porter
12 Awards

Sort Of
7 Awards

Record for the most-awarded Canadian film

Brother
12 Awards

37e Prix Gémeaux

70 Awards

Infoman

Bye bye 2021

Découverte

2023 New York Festivals Radio Awards

39 Awards

The Outlaw Ocean Podcast earned the Grand Award in the Narrative/Documentary Podcast category.

Radio-Canada	CBC News	CBC
2 Gold 2 Silver 2 Bronze	2 Bronze	1 Grand 3 Gold 3 Silver 3 Bronze

2023 Gracie Awards

2 Awards

CBC News
Compass (PEI)

CBC Radio
The House

CBC Year in Review

Expanding our programming

CBC Entertains joins our strong CBC News brand as a new way to introduce audiences to the wide variety of our program offerings on all platforms. Just like everybody knows that CBC News is where Canadians turn whenever there's a big story, CBC Entertains will serve as a headline to help Canadians explore the amazing amount of entertaining content across TV, CBC GEM, CBC Listen and podcasts. The first CBC Entertains public campaign hit public spaces in January.

The winter season saw the launch of two exciting new unscripted series for CBC TV and CBC GEM. *Push* takes audiences into the inner world of the "Wheelie Peeps," an unlikely group of friends and wheelchair users, bonded by their shared experience of navigating life on wheels. *Bollywed* is a heartwarming docu-series centred around the Singh family, who have been operating the iconic bridal shop, Chandan Fashion, in Toronto's Little India for the last 37 years. The series shines a fascinating light on the booming and glamorous world of Bollywood culture and fashion, and offers an authentic glimpse into an intergenerationally run business.

Bollywed | CBC

CBC reinforced its status as Canada's go-to destination for Canadian comedy with the renewal of our original series *Sort Of* and *Run the Burbs*, which join *This Hour Has 22 Minutes* as part of CBC's 2023-2024 comedy slate. CBC comedies were recently recognized with 54 Canadian Screen Award nominations, including Best Comedy Series for the Peabody Award-winning comedy *Sort Of*, and Best Sketch Comedy Program or Series for *This Hour Has 22 Minutes*.

Finally, tied to our environmental strategy, CBC News climate stories were branded under *Our Changing Planet* in July 2022 and became available on CBC News, CBC Radio One and CBC TV, as well as on our new Climate and Environment site, which features all of the climate journalism happening across the organization. Susan Ormiston also became our first International Climate Correspondent.

Radio-Canada Year in Review

Offering our programming across multiple platforms

In 2022-2023, Radio-Canada continued to expand its digital programming.

This winter season, we celebrated the return of many series on ICI TOU.TV, including the second season of *Sans rendez-vous* and the third season of *Les mecs*. In February, ICI TOU.TV also welcomed AMI-télé, the first and only French-language channel to present content entirely with videodescription.

The first seasons of *Ça ne se demande pas*, *Des familles comme les autres* and the series *Viens souper* and *Ces animaux qui nous veulent du bien* have been added to ICI TOU.TV to showcase the perspectives and experiences of people in Canada living with disabilities.

We have expanded the scope and breadth of content on our OHdio app, offering users increased customizable offerings to better meet their individual interests and needs. In March, we launched OH! ENFANTS À BORD, a brand new content section designed for parents. *Instinct paternel* and *Destination bébé* help parents navigate family life.

On ICI TÉLÉ, New Year's Eve programming once again featured a slate of specials. The 4.7 million viewers of *Bye bye 2022* made it the second most-watched French-language show in Canadian history.[1] *STAT*, the new daily series that replaced *District 31*, was also a huge success on ICI TÉLÉ and on ICI TOU.TV this year.

At the heart of international news

Radio-Canada is committed to providing a firsthand view of the world through its foreign bureaus and correspondents, and its journalists and reporters deployed in the field, wherever current events require. To understand international stories and their impact on the world, our media professionals travelled to 36 countries in 2022.

We brought our foreign correspondents together for two live interviews at the Maison de Radio-Canada in Montreal in January. Anne-Marie Dussault hosted a special *En direct du monde* broadcast on ICI TÉLÉ, ICI RDI, ICI TOU.TV, Radio-Canada.ca, Radio-Canada's Facebook and YouTube pages, and Alec Castonguay hosted a special edition of *Midi info* on ICI PREMIÈRE.

En direct du monde | Radio-Canada

[1] Source: Numeris TV PPM, francophones in Quebec aged 2+, December 31, 2022, average minute audience

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In this management's discussion and analysis of financial condition and results of operations (MD&A), "we", "us", "our" and "the Corporation" mean CBC/Radio-Canada. Refer to CBC/Radio-Canada's audited consolidated financial statements for the year ended March 31, 2023 when reading this MD&A. All amounts in this MD&A are in thousands of Canadian dollars, except where noted.

To help you better understand this MD&A, note the following:

SEASONALITY

The majority of our revenue comes from advertising, which follows seasonal patterns based on our programming schedule. It also varies according to market and general economic conditions, as well as schedule performance. Subscriber-based revenue is more stable on a quarter-by-quarter basis. Operating expenses tend to follow a seasonal pattern because they are also influenced by the programming schedule. Government appropriations are recognized in income based on the annual budget, which reflects seasonal impacts on expenditures and revenue.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements regarding objectives, strategic initiatives, and expected financial and operational results. Forward-looking statements are typically identified by words such as "may", "should", "could", "would" and "will", as well as expressions such as "believe", "expect", "forecast", "anticipate", "intend", "plan", "estimate" and other similar expressions. Forward-looking statements are based on the following broad assumptions: CBC/Radio-Canada's government funding remains consistent with amounts announced in the federal budget, and the broadcasting regulatory environment will not change significantly. Key risks and uncertainties are described in the Risk Management and Governance section of this report. However, some risks and uncertainties are by definition difficult to predict and are beyond our control. They include, but are not limited to, economic, financial, advertising market, technical and regulatory conditions. These and other factors may cause actual results to differ substantially from the expectations stated or implied in forward-looking statements.

PERFORMANCE INDICATORS

We rely on data from both internal tools and third parties to measure our performance metrics. While these data are based on what we believe to be reasonable calculations for the applicable periods of measurement, there are inherent challenges in collecting this information, particularly as the media industry undergoes a digital transformation. For example, Canadians now consume media content on multiple devices from an ever-growing array of content providers. As media consumption habits change, we are, together with audience measurement suppliers, refining methodologies and introducing new measurement technologies to ensure the accuracy and completeness of data gathered. As a result, changes in the way data are collected could result in certain information provided in future periods not being comparable with information disclosed in prior periods. Since some of these data are used to measure our strategic and operational indicators, we may be required to make adjustments to targets and historical results to enhance comparability of the data and follow industry best practices.

CHANGES IN PRESENTATION

This year, we have streamlined both the MD&A and consolidated financial statements in order to improve the overall readability of the report and help better summarize our financial results. As a result, we discontinued the use of our non-IFRS measure 'Budget Results' from the *Financial Highlights* and *Year in Review - Our Results* sections. This non-IFRS measure was introduced in 2013 following the adoption of the revised IFRS Pension Standard (IAS 19R - *Employee Benefits*). Upon reassessment of the metric, management believes that readers now understand the impacts of IAS 19R on our net results, and the metric is no longer useful.

ABOUT US

WHO WE ARE	OUR MISSION	OUR VISION	OUR VALUES
We are Canada's national public broadcaster and we are guided by the *Broadcasting Act.*	CBC/Radio-Canada celebrates Canadian culture and supports democratic life through a wide range of content that informs, enlightens and entertains.	*Your Stories, Taken to Heart*	Integrity Creativity Relevance Inclusiveness

Our legislated mandate is to inform, enlighten and entertain all Canadians. The *Broadcasting Act* further states that our programming should:

- Be predominantly and distinctively Canadian;
- Reflect Canada and its regions to national and regional audiences, while serving the special needs of those regions;
- Actively contribute to the flow and exchange of cultural expression;
- Be in English and in French, reflecting the different needs and circumstances of each official language community, including the particular needs and circumstances of English and French linguistic minorities;
- Strive to be of equivalent quality in English and in French;
- Contribute to a shared national consciousness and identity;
- Be made available throughout Canada by the most appropriate and efficient means and as resources become available for the purpose; and
- Reflect the multicultural and multiracial nature of Canada.

We pay special attention to the needs and reflection of the Indigenous Peoples in Canada. We offer programming in eight Indigenous languages (Chipewyan, Cree, Gwich'in, Inuktitut, Inuvialuktun, Sahtu Got'ine Godi, Dehcho Dene Yati and Tlicho) via CBC North.

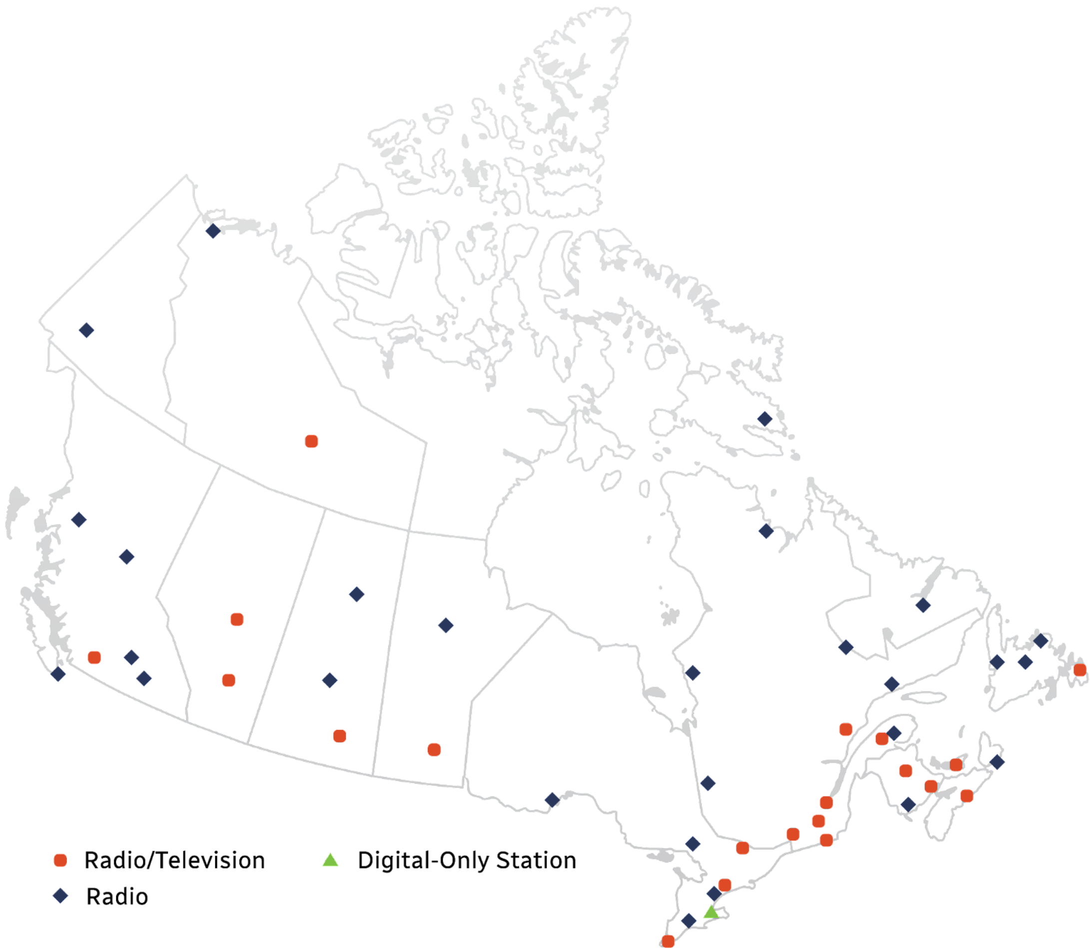
We are required by section 46(2) of the *Broadcasting Act* to provide an international service, Radio Canada International (RCI). RCI (rcinet.ca) is currently available in seven languages: English, French, Spanish, Arabic, Chinese, Punjabi and Tagalog.

We are required to comply with licensing and other regulatory obligations established by the Canadian Radio-television and Telecommunications Commission (CRTC), as well as any requirements under the *Radiocommunication Act* that may apply to our use of the radiocommunication spectrum.

Our organizational values are at the core of how we work. These values support our strategic plan and underpin the behaviours and culture needed to achieve our mission and vision. Our values articulate the best of what we are and how we want to be recognized by Canadians, and they guide the implementation of our strategic plan and initiatives.

Our Operations

As of March 31, 2023, we employed 6,597 permanent employees, 2,065 temporary employees[2] and 767 contract employees. Our people come from a multitude of backgrounds and cultures. They are an integral part of our success in reflecting contemporary Canada.



This map shows the locations of our CRTC-licensed radio and television stations across Canada, as well as our designated digital station and our affiliate station. Note that digital services are also offered in the other stations. The map does not include our additional newsgathering locations and international news bureaus, whether permanent or pop-ups.

As Canada's national public broadcaster, we are inspired daily by our mission, vision and values to connect all Canadians and to showcase our stories, culture and news to Canada and the world. Our head office is in Ottawa. Our two main networks are based in Toronto (English) and Montreal (French), with community-based locations across the country, including 27 television stations, 88 radio stations and one digital-only station. We have five discretionary television channels and four Canada-wide radio networks, two in each official language. Internationally, we have five permanent foreign bureaus, and we have the capacity to set up pocket bureaus in other locations as needed.

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[2] Starting this fiscal year, temporary employees also include short-term employees (i.e., employees hired for a period of less than 13 weeks) due to the change in data reporting of our new Human Resources solution.

Our Services

Listeners across North America can access both CBC Radio One and ICI PREMIÈRE through SiriusXM Satellite Radio. We also partner with other francophone public broadcasters to broadcast French-Canadian video content internationally through TV5MONDE.

Our Operating Environment

Every year, CBC/Radio-Canada produces an overview of the Canadian media industry that identifies key shifts and emerging trends. This allows the Corporation to adjust strategies to best meet its mandate to serve all Canadians. Key highlights of the 2022 Enviroscan are summarized below.

INCREASING DIGITAL MEDIA CONSUMPTION

Audiences are engaging with media in a multitude of ways and are maintaining high levels of interest and demand for audio and audiovisual services in Canada. Younger Canadians are embracing mobile platforms, streaming services and other digital platforms. Overall, audiences continue to move to digital services.

After decades as the most popular and lucrative audiovisual medium, linear TV is in decline as consumers continue to move to streaming services. And while AM/FM radio is still used by most Canadians as an audio source in-car, people have access to a near limitless amount of online audio content. Consumption of digital video and audio continues to rise, as do the number of digital streaming services and online entertainment subscription options available to our audiences. Additionally, it is clear that the trend toward a mobile-first society continues, with most Canadians using their phones to access the Internet in 2022. The bottom line is that Canadians are increasingly choosing digital platforms for their viewing and listening needs.

In June, the CRTC recognized, for the first time ever, the significant contribution of our digital streaming services – CBC Gem, ICI TOU.TV, CBC Listen and Radio-Canada OHdio – to the Canadian regulated system. And while we have no intention of abandoning linear services, the reality is that a growing number of Canadians now choose to consume content exclusively on digital platforms. These audiences are the future, and we are committed to growing our digital content offer in order to put CBC/Radio-Canada front and centre.

FOSTERING AN OPEN AND INCLUSIVE SOCIETY

The media industry has been changing to adopt more inclusive, diverse and equitable representation in Canada. Media plays a critical role in helping to build and support Canadian identity in all its forms, and CBC/Radio-Canada is at the forefront of this change as we continue our work to improve the reflection and representation of equity-deserving groups: Indigenous Peoples, racialized people, persons with disabilities and members of the LGBTQ2+ communities. Our 2022-2025 Equity, Diversity and Inclusion (EDI) plan, *Progress in Progress*, has targets to spur action to ensure everyone has the same access to opportunities at CBC/Radio-Canada. With its guidance, we will share regular highlights and lessons learned along the way. We have been rolling out an Inclusive Newsrooms training program to help leaders understand what inclusion means, how to implement it in production and storytelling, and how it can reflect and connect with diverse audiences. By 2025, all new original scripted and unscripted series commissioned from independent producers will require at least one of the key creative roles to be held by those who self-identify as Indigenous, racialized persons or persons with disabilities. We launched our first three-year National Accessibility Plan on May 29, 2023. We are also working on developing a National Indigenous Strategy to deepen our relationships with Indigenous Peoples, creators, journalists, suppliers, communities and employees across the country. The work has involved leaders in areas across the organization and dialogue with Indigenous communities across Canada.

2022-2025 Equity, Diversity and Inclusion Plan

BUILDING TRUST AND COMBATTING ONLINE HARM

Recent surveys from numerous sources around the globe indicate that trust in governments, some select institutions and even some professions is in decline. Trusted sources of news and information for Canadians are vital to our democracy. News and current affairs are one of the core competencies for public service media, informing citizens with independent, impartial, accurate and relevant news and helping them to better understand the world. This critical trust relationship is something CBC/Radio-Canada strives for in all its interactions with everyone living in Canada. For example, CBC News and Radio-Canada Info services are the first Canadian broadcast media to be awarded the Journalism Trust Initiative (JTI) certification by Reporters Without Borders (RSF). JTI scrutinizes a news service's transparency and editorial practices and makes its compliance public.

The ongoing rise of online harm targeting media professionals – particularly women and racialized Canadians – remains a serious concern. In addition to its emotional toll, such harm threatens to drive out the very voices and perspectives we need for a well-informed, democratic society. This last year, CBC/Radio-Canada's successful *#NotOK* campaign launched the publicly available Newsroom Guide for Managing Online Harm, which provides advice on how to support news media professionals who experience incidents of online harm. We stand firmly together with media organizations across the country to condemn the threat of online harm, and continue to work to ensure the safety of our journalists as they do their important work for Canadians.

DIGITAL SPOTLIGHT

The Harmonization Project

This year, CBC/Radio-Canada declared a mission accomplished for an enormous project years in the making: the harmonization of ICI TOU.TV and CBC GEM, our French and English-language streaming services.

The two services have always shared a common goal: to deliver great content to as many Canadians as possible. However, they were also technically distinct products, each with their own back-end processes and support systems in place. Seeing opportunities to build on each other's expertise, optimize resources and leverage common features, our digital teams made it a priority to work together to harmonize the technology driving the platforms in a huge technical undertaking that required unprecedented levels of collaboration and cooperative problem solving.

Visitors will note that the services now have a new, mirrored look and feel, but the parallels run much deeper than that. Led by CBC Digital Strategy and Products and Radio-Canada Digital Media (Médias numériques), the harmonization project has merged the two platforms by blending multiple systems, including the CMS, subscription and billing system, the ad engine, and more. The teams involved created components that will eventually see the services supported on over 20 apps, greatly increasing their availability.

Our digital teams truly delivered on what was a tremendously ambitious technical vision, bringing a sleeker and more refined user experience to Canadians accessing content on CBC GEM and ICI TOU.TV.

CBC Gem and ICI TOU.TV: Streaming in perfect harmony

MEASURING OUR PERFORMANCE

Our Performance – Mandate and Vision

Tracking and assessing the perception of our performance is essential to demonstrating our accountability to Canadians. The Mandate and Vision Perception Survey allows us to monitor Canadians' perceptions of their national public broadcaster and how well they believe our services fulfill the Corporation's mandate. The data are collected via surveys conducted with representative samples of Canadians.

Highlights based on the 2022-2023 survey results follow.

70% of Canadians use at least one of our services in a typical month

78% of Canadians say it is important for Canada to have a national public broadcaster like CBC/Radio-Canada

63% + 15%

76% of Canadians agree that there is a clear need and role for CBC/Radio-Canada in the future

59% + 17%

Our Overall Strengths
The vast majority of Canadians agree that CBC/Radio-Canada...

	Strongly Agree (8-10)	Agree (6-7)	Total
Is informative	56	23	79
Supports the creation of original Canadian content	54	23	77
Offers national news and information programming that helps me understand what's going on in other parts of Canada	52	24	76

Our Programming Strengths
The vast majority of our users agree that CBC/Radio-Canada's programming*...

	Strongly Agree (8-10)	Agree (6-7)	Total
Reflects regions of Canada	64	23	87
Is of high quality	63	23	86
Reflects diversity of Canada	58	25	83

Strongly Agree (8-10) + **Agree (6-7)** = **Total**

Source: The Mandate and Vision Perception Survey, 2022-23 – Leger. Each perception result represents the percentage of Canadians who agree (i.e., 6 or 7 on a 10-point scale) and who strongly agree (i.e., 8, 9 or 10 on a 10-point scale) with each statement.

** Users of CBC/Radio-Canada's main services (i.e., CBC Television, CBC Radio One, CBC.ca, ICI TÉLÉ, ICI PREMIÈRE or ICI Radio-Canada.ca).*

Our Performance – *Your Stories, Taken to Heart*

Below are the key performance indicators that measure and track our progress with respect to our strategic plan, *Your Stories, Taken to Heart*, and its five strategic priorities: customized digital services, engaging with young audiences, prioritizing our local connections, reflecting contemporary Canada and taking Canada to the world.[3] These priorities continue to shape our strategic initiatives until 2024.

Targets are specific to the markets we operate in and consider a number of factors such as market realities, competition and service penetration rate. In 2022-2023, we aimed to sustain the growth in digital engagement and reach achieved during the pandemic. Instead, some of our metrics and targets were only partially met due to continued fragmentation of audiences in an ever more competitive media environment combined with news fatigue after two years of the COVID-19 crisis.[4]

INDICATORS	RESULTS 2021-2022	TARGETS 2022-2023	RESULTS 2022-2023	PERFORMANCE AGAINST TARGET[5]	TARGETS 2023-2024	EXPLANATION
CUSTOMIZED DIGITAL SERVICES						
Digital reach (Monthly average unique visitors)[6]						
CBC/Radio-Canada	24.2M	22.1M	**21.4M**	●	19.7M	This year, the target for digital reach was partially met. This is because the forecast for the target under-estimated both the number and the competitive threat of new entrants to the market, in particular foreign streaming and gaming services.
CBC	20.7M	18.8M	**17.4M**	●	16.5M	
Radio-Canada	6.1M	5.5M	**5.2M**	●	4.9M	
Digital engagement (Monthly average minutes per visitor)[7]						
CBC/Radio-Canada	48 min/vis	43 min/vis	**40 min/vis**	●	37 min/vis	Digital engagement partially met the target. High engagement that we saw from audiences during the pandemic was not sustainable; and intense competition in the digital space has contributed to lower than anticipated engagement.
CBC	33 min/vis	31 min/vis	**28 min/vis**	●	27 min/vis	
Radio-Canada	57 min/vis	52 min/vis	**50 min/vis**	●	45 min/vis	
ENGAGING WITH YOUNG AUDIENCES						
Digital visits to kids content (Monthly average visits)[8]						
CBC/Radio-Canada	3,642K	3,777K	**2,858K**		2,463K	While still above pre-pandemic results, digital visits to kids content were lower than projected. Increased competition for kids' attention among digital giants, social platforms and gaming are contributors.
CBC	3,187K	3,322K	**2,450K**		2,145K	
Radio-Canada	454K	455K	**407K**		318K	

● Target met or exceeded ● Target partially met

Our performance data is evolving as the media industry continues to undergo a digital transformation. Canadians consume media content on multiple devices from an ever-growing array of content providers. As media consumption habits change, measurement suppliers and the Corporation are refining and introducing new methodologies to ensure accuracy and completeness of data. Since some of these are used to measure our strategic and operational performance, adjustments to targets and historical results may be required to enhance comparability.

[3] Our fifth strategic priority – taking Canada to the world – is measured via an internal KPI.
[4] The most recent data from the Media Technology Monitor (MTM) shows that over three quarters of Canadians report that they actively avoid news at least some of the time. This jumps to over 8 in 10 among those under the age of 50 (MTM 18+, Fall 2022).
[5] A target is considered 'partially met' if the result falls within 90-99% of the target and is considered 'met or exceeded' if it falls at 100% or above the target. Anything below 90% of the target is considered 'not met'.
[6] **Source**: Comscore Media Metrix® Multi-Platform, total audience (desktop 2+, mobile 18+), average of monthly unique visitors, April to March, Canada. Unduplicated reach of CBC/Radio-Canada | CBC | Radio-Canada digital platforms.
[7] **Source**: Comscore Media Metrix® Multi-Platform, total audience (desktop 2+, mobile 18+), average of monthly minutes per visitor to CBC/Radio-Canada | CBC | Radio-Canada digital platforms | CBC News/Regions | Radio-Canada Info/Régions, April to March, Canada.
[8] **Source**: Adobe Analytics, average of monthly visits to kids content on CBC (CBC Kids sites, CBC Kids News and CBC Gem) and Radio-Canada (Appli des petits, Zone Jeunesse and ICI TOU.TV), April to March. CBC/Radio-Canada is the sum of CBC and Radio-Canada visits.

INDICATORS	RESULTS 2021-2022	TARGETS 2022-2023	RESULTS 2022-2023	PERFORMANCE AGAINST TARGET[9]	TARGETS 2023-2024	EXPLANATION
PRIORITIZING OUR LOCAL CONNECTIONS						
Digital engagement with News/Regions (Monthly average minutes per visitor)[7]						
CBC	23 min/vis	23 min/vis	**20 min/vis**		19 min/vis	CBC fell below target for digital engagement with News/Regions as interest in news was lower than anticipated and has decreased since the pandemic. Radio-Canada partially met its target for the same reasons noted above.
Radio-Canada	14 min/vis	13 min/vis	**12 min/vis**	○	12 min/vis	
REFLECTING CONTEMPORARY CANADA						
Employment equity representation (% of new external hires)[10]						
CBC/Radio-Canada	44.5%	43.0%	**45.2%**	●	41.0%	Due to the transition to our new Human Resource system in February 2023, we have actual results to Q3 2022-2023. The final quarter and year result is a projection based on the results observed in the past three years.
CBC	64.7%	55.0%	**60.2%**	●	50.0%	
Radio-Canada	29.0%	26.0%	**26.8%**	●	26.0%	

● Target met or exceeded ○ Target partially met

Our Performance – Media Lines

We use Media Lines reporting to measure performance against our operational targets, which mostly focus on audience reach and share through our various platforms and revenue across all our services. While the Corporation continues to monitor the performance of its discretionary television services, we have not reported our subscriber data for competitive reasons.

INDICATORS	RESULTS 2021-2022	TARGETS 2022-2023	RESULTS 2022-2023	PERFORMANCE AGAINST TARGET[9]	TARGETS 2023-2024	EXPLANATION
TELEVISION (Audience Share)[11]						
CBC Television	5.8%	4.9%	**4.4%**		4.1%	CBC Television fell below target as both CBC audiences and total available audiences across the segment declined.
CBC News Network	2.1%	1.8%	**2.0%**	●	1.7%	CBC News Network exceeded the annual target, due to a few major news stories in the year, such as the death of the Queen and the war in Ukraine.
ICI TÉLÉ	24.8%	22.5%	**23.2%**	●	22.8%	ICI TÉLÉ's audience share exceeded its target for the year, driven largely by new offerings such as the first season of *STAT*.
ICI RDI, ICI ARTV and ICI EXPLORA	5.6%	5.2%	**5.8%**	●	5.4%	The combined share of our discretionary TV services exceeded its target for the year mostly due to ICI RDI's coverage of major news stories, including the war in Ukraine.

● Target met or exceeded ○ Target partially met

[9] A target is considered 'partially met' if the result falls within 90-99% of the target and is considered 'met or exceeded' if it falls at 100% or above the target. Anything below 90% of the target is considered 'not met'.
[10] This metric is made up of three groups: Indigenous Peoples, persons with disabilities and racialized people.
[11] Source: Numeris PPM, persons aged 2+, CBC Television: September to April (regular season); CBC News Network (April-March). Francophones in Quebec aged 2+, ICI TÉLÉ: September to April (regular season); ICI RDI, ICI ARTV and ICI EXPLORA (April-March).

INDICATORS	RESULTS 2021-2022	TARGETS 2022-2023	RESULTS 2022-2023	PERFORMANCE AGAINST TARGET[12]	TARGETS 2023-2024	EXPLANATION
RADIO						
CBC Radio One and CBC Music[13]	16.2%	15.8%	**14.2%**	○	**13.5%**	CBC Radio and CBC Music partially met targets in both share and reach as Canadians spend less time listening to terrestrial radio and CBC Music.
CBC Radio One and CBC Music[14]	10.9M	10.9M	**10.4M**	○	**10.0M**	
ICI PREMIÈRE and ICI MUSIQUE[15]	22.1%	20.7%	**23.4%**	●	**22.4%**	The combined audience share for ICI PREMIÈRE and ICI MUSIQUE is well above the target driven by flagship shows and also new offerings such as *La journée (est encore jeune)*.
REVENUE (Conventional, discretionary, online)[16]						
CBC	$368M	$218M	**$223M**	●	$221M	Revenue target was achieved or slightly above target due to sustained post-pandemic demand by advertisers.
Radio-Canada	$376M	$225M	**$225M**	●	$222M	

● Target met or exceeded ○ Target partially met

[12] A target is considered 'partially met' if the result falls within 90-99% of the target and is considered 'met or exceeded' if it falls at 100% or above the target. Anything below 90% of the target is considered 'not met'.
[13] Source: Numeris Radio PPM, persons aged 2+ in the Toronto, Vancouver, Calgary, Edmonton and Montreal-anglophone markets.
[14] Source: Numeris Radio PPM, persons aged 2+, total Canada.
[15] Source: Numeris Radio PPM, Montreal central francophones aged 2+, September to March (regular season).
[16] Includes advertising revenue, subscription revenue and other revenue (e.g., content sales).

Measuring our Canadian Content

Regulatory requirements for Canadian content on television are specified by the Canadian Radio-television and Telecommunications Commission (CRTC), which sets conditions of license for ICI TÉLÉ and CBC Television. As shown in the table below, in the previous two broadcast years, ICI TÉLÉ and CBC Television met or exceeded the CRTC's Canadian content conditions of license, both over the whole day and in prime time.

	YEARLY CONDITIONS OF LICENSE	RESULTS SEP 1, 2020 TO AUG 31, 2021	RESULTS SEP 1, 2021 TO AUG 31, 2022
ICI TÉLÉ			
Broadcast day	75%	82%	**78%**
Prime time	80%	95%	**94%**
CBC Television			
Broadcast day	75%	76%	**75%**
Prime time	80%	83%	**81%**

The Library Partnerships

PEOPLE

Our Workforce

We value the relationships with our employees and aim to provide the best employment experience for them. As required by the *Employment Equity Act*, we are committed to providing equal employment opportunities to the four designated groups. We also strive to ensure that our equity, diversity and inclusion efforts involve and represent a range of experiences, identities, abilities and perspectives, both in our content and in the workplace.

BREAKDOWN OF DESIGNATED GROUPS AMONG OUR WORKFORCE AS OF JANUARY 1, 2023[17]				
	WOMEN	INDIGENOUS PEOPLES	PERSONS WITH DISABILITIES	RACIALIZED PEOPLE
CBC/Radio-Canada Workforce	49.4%	2.3%	4.0%	17.9%
Available Labour Force	41.9%	2.5%	8.2%	19.2%

Year in Review

Supporting our employees

As of March 2023, we announced the end of our internal COVID-19 crisis response and returned to regular leave procedures. Although we've wrapped up our pandemic activities, our teleworking policy remains as we continue to move forward with our flexible approach. We've also implemented our new Human Resource system, Workday, to improve and simplify our processes and enhance our people analytics capacities to support data-driven decision making. We also launched our new well-being portal on April 3, 2023. Well-being is vital to our employees and to our business success. This new portal provides one-stop access to a wide range of health, well-being and lifestyle resources, including physical, financial, emotional/mental and family/social support, creating a better employee experience.

We are also pleased to go into this new year following successful negotiations with the Association of Professionals and Supervisors (APS) and the Syndicat des travailleuses et travailleurs de Radio-Canada (STTRC), resulting in agreements in place until 2025. These negotiations were dedicated to achieving a collaborative, effective and productive relationship between management and unions as we move forward, and aimed to solidify this relationship ahead of the upcoming negotiations between CBC/Radio-Canada and the Canadian Media Guild in 2024.

Fostering an equitable, diverse and inclusive workplace

Guided by our EDI Plan, we continue to deliver on our commitment in our workforce. Through targeted initiatives aimed primarily at members of under-represented groups such as DEL (leadership training), INSPIRE (mentorship) and the EDI Development Fund (development and internships), we invested in our employees to create a better employee experience.

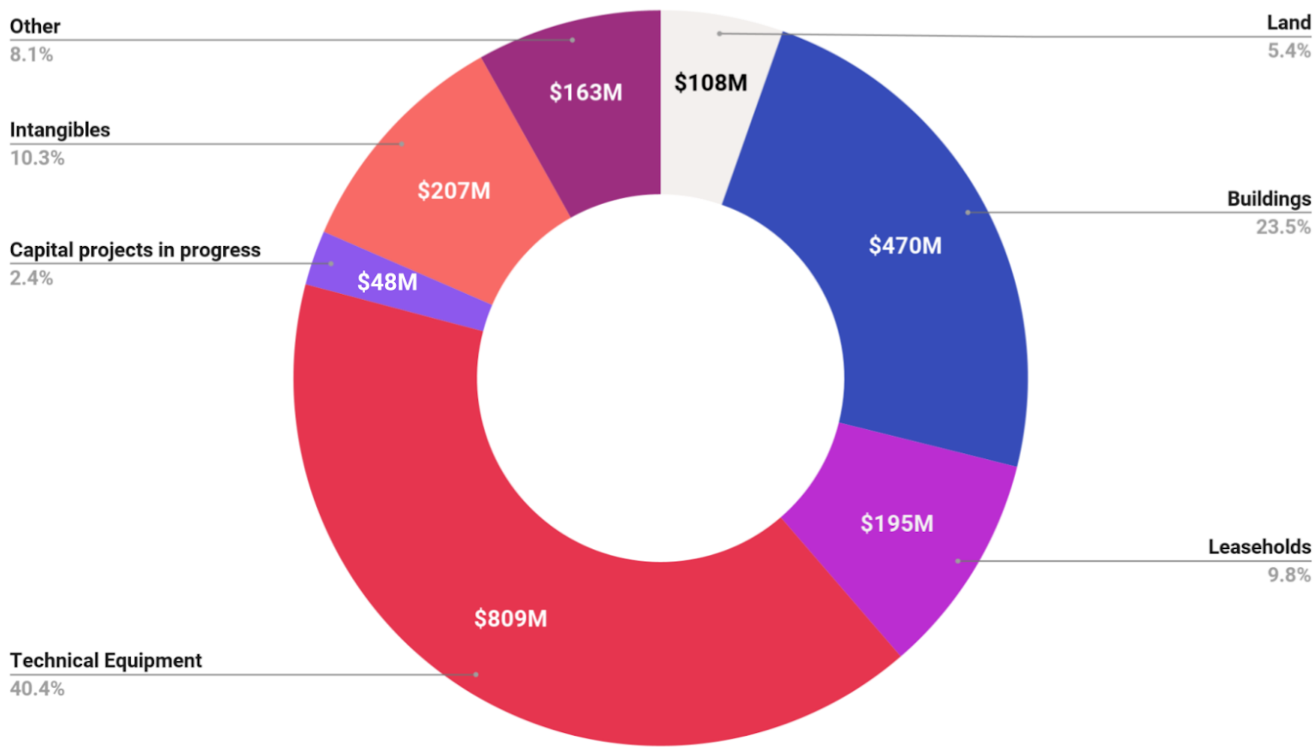
[17] Due to the transition to our new Human Resources Information Management System, the results are as at January 1, 2023.

TECHNOLOGY AND INFRASTRUCTURE

Our Assets

With 74 content production sites, one of the world's largest broadcast transmission networks (727 radio transmitters and 27 digital television transmitters distributed across 520 sites) and a real estate portfolio of 2.7 million square feet, CBC/Radio-Canada has a wide range of capital assets; $2.0 billion on a historical cost basis (with a net book value of $786 million) as at March 31, 2023. We also have a finance lease for the new Maison de Radio-Canada (MRC) with a net book value of $185 million.

Our infrastructure costs by asset type



CBC/Radio-Canada has a base capital appropriation from the Government of Canada of $85.9 million per year. As required by subsection 54(4) of the *Broadcasting Act*, we present our capital budget to the Minister of Canadian Heritage in our Corporate Plan and then submit it to the government for approval.

Year in Review

Attracting top talent

In this tough job market, we're actively on the lookout for engaged, tech-savvy and motivated people to join the great teams that make up Technology & Infrastructure (T&I). To this end, we participated in jobs fairs this last year at FCTM, Concordia University and McGill University, where we engaged students looking to kick-start their careers. They learned about what it would be like to join T&I at CBC/Radio-Canada as we shared information about the kinds of projects we take on and work we do fulfilling our mandate and serving the Canadian public. We also shared news and information that would be of potential interest to those looking to join our organization at a seminar delivered to students from the École de Technologie Supérieure Optical Communication course.

Group of students from École de technologie supérieure at the new Maison de Radio-Canada

Modernizing our facilities

The new Maison de Radio-Canada headquarters in Montreal meets the highest standards of sustainable development, equivalent to LEED Silver certification, and includes environmentally responsible management of residual materials, water consumption and electricity. It also uses advanced methodologies with respect to content production.

This year, our teams were involved in organizing various tours of the facility for stakeholders interested in learning more about the work that went into this milestone project, and about how the cutting-edge technologies we integrated into its design have enhanced how we work and made new ways of working together possible. These clients included groups from organizations such as the Canadian Armed Forces and CoreNet.

On top of this, some of T&I's work was showcased in various media recently, including when CBC/Radio-Canada received an AudioAward for the new Maison de Radio-Canada project, and when the Transmission Team was recognized for their work in remote locations on the Midday Cafe podcast with Leonard Linklater.

LOOKING AHEAD

As we move into 2023-2024, we are excited to push forward with several important initiatives aimed at making CBC/Radio-Canada as innovative, sustainable and inclusive as possible. This year, we look forward to adding our National Indigenous Strategy, which is the result of an extensive consultation process and will guide the way we work and build relationships with Indigenous Peoples, and our National Accessibility Plan, which also follows a public consultation process and will inform how we will address the representation of people with disabilities in media, the barriers they face when consuming our content and how we can improve our relationships with different communities. Our current strategic plan, *Your Stories, Taken to Heart*, ends in 2024 and in anticipation of this, work is underway to develop our new corporate strategy.

The Journey Forward — The National Indigenous Strategy

On the programming side, we are happy to continue as Canada's Olympic and Paralympic broadcasters for the next Games, with those rights being secured until 2032 and 2026, respectively. Following the CRTC's renewal of our broadcast licences, for the first time, we will be permitted to include some program expenditures on certain digital services toward our regulatory requirements, including our video streaming services, CBC GEM and ICI TOU.TV. As well, a certain percentage of our spending on independent production will now be dedicated to Indigenous producers and to producers located in Official Language Minority Communities (OLMCs), and there will be an overall spending requirement related to independent producers and production companies from the following groups: Indigenous Peoples, OLMCs, racialized people, LGBTQ2+, and persons with disabilities.

FINANCIAL HIGHLIGHTS

For the year ended March 31	**2023**	2022	% change
Revenue	515,584	651,417	(20.9)
Government funding	1,271,846	1,240,014	2.6
Expenses	(1,906,598)	(2,011,475)	(5.2)
Results before other gains and losses and taxes	**(119,168)**	**(120,044)**	**(0.7)**
Other gains and losses	(8,440)	(680)	N/M
Results before income taxes	**(127,608)**	**(120,724)**	**5.7**
Income tax recovery	2,499	28,651	(91.3)
Net results under IFRS for the year	**(125,109)**	**(92,073)**	**35.9**

N/M = not meaningful

Net results under IFRS for the year were a loss of $125.1 million compared to a loss of $92.1 million last year. These results are further explained below.

REVENUE

2022-2023: $516M
2021-2022: $651M
TOTAL DECREASE
-$135M (-21%)

This year revenue decreased by 20.9%, mainly because last year's results included additional advertising and licensing revenue from the coverage of the Tokyo 2020 and the Beijing 2022 Olympic Games, held in a single fiscal year due to the pandemic.

Excluding the impact of the Olympic Games, our revenue from ongoing activities increased, primarily due to higher digital advertising revenue and financing income.

GOVERNMENT FUNDING

2022-2023: $1,272M
2021-2022: $1,240M
TOTAL INCREASE
+$32M (+3%)

Government funding recognized in income increased by 2.6%.

Last year's funding was comparatively lower due to an advance of $36.7 million made to 2020-2021 funding to assist with anticipated risks during the pandemic.

EXPENSES

2022-2023: $1,907M
2021-2022: $2,011M
TOTAL DECREASE
-$104M (-5%)

Our expenses decreased by 5.2% as last year's results included the rights and costs to cover the Tokyo 2020 and the Beijing 2022 Olympic Games.

Excluding the impact of the Olympic Games, our expenses from ongoing activities increased mainly due to inflationary pressures and higher content spend on our conventional platforms.

These increased operating costs were partly offset by the effect of our pension fund contribution holiday and a lower pension expense.

FINANCIAL SUSTAINABILITY

CBC/Radio-Canada depends on both its parliamentary appropriation and commercial revenue, including advertising, to support the programs and services it provides to Canadians. While we expect the post-pandemic revenue to be sustained in the short-term, the medium-term prospects are subject to market conditions. Advertising revenue will continue to be under pressure as big digital players attract a larger share of this revenue.

Revenue and Other Sources of Funds

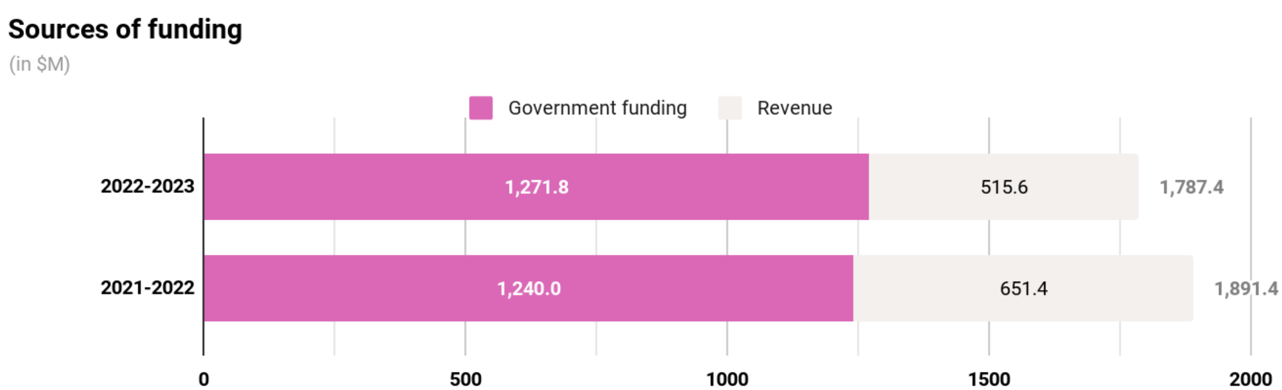
CBC/Radio-Canada has four sources of direct funding: government appropriations for operating and capital expenditures, advertising revenue, subscriber fees, and financing and other income:

Government funding: This year, operating funding was $1,174.9 million, capital funding recognized in income was $92.9 million and working capital was $4.0 million.

Advertising revenue: This includes ongoing sales of advertising on our conventional television channels, digital platforms and discretionary television services. Advertising revenue driven by events, such as the Olympic Games, can have a material impact on the Corporation's self-generated revenue. Over the long term, TV advertising revenue is decreasing as a proportion of our total source of funds, mainly as a result of the market's shift to digital advertising platforms.

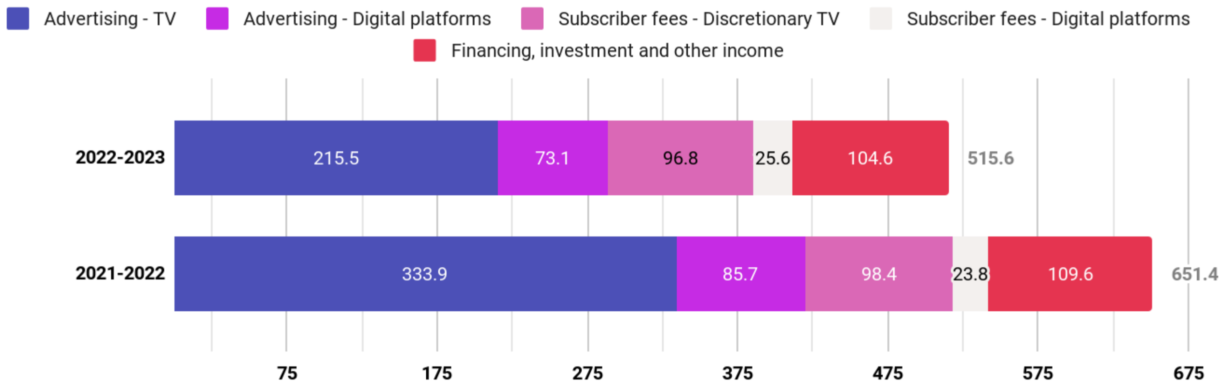
Subscriber fees: These are fees from our discretionary services: CBC News Network, *documentary*, CBC Gem, ICI EXPLORA, ICI ARTV, ICI RDI, ICI TOU.TV EXTRA and Curio.ca. Subscriber fees from our traditional platforms are experiencing downward pressure from the continuing cord-cutting and cord-shaving trends. Online entertainment subscriptions to our digital platforms are increasing.

Financing and other income: This includes ongoing income from activities such as the rental of real estate assets, content sales, leasing of space at transmission sites and host broadcasting sports events.



Revenue

(in $M)



Financial Condition, Cash Flows and Liquidity

We rely on parliamentary appropriations and the cash generated from our operations to fund our operating activities and our capital needs in an environment highly dependent on technology. Specifically, our main sources of liquidity are parliamentary appropriations for operating, capital and working capital requirements, and revenue such as the sale of advertising on our various platforms. Our cash flows from operating, investing and financing activities for the year are summarized below.

Our cash balance at March 31, 2023 was $108.8 million, compared to $83.0 million on March 31, 2022.

Cash position

For the year ended March 31	**2023**	2022	% change
Cash – beginning of the year	**82,960**	**90,107**	**(7.9)**
Changes in the year			
Cash from (used in) operating activities	53,771	(27,228)	N/M
Cash from (used in) investing activities	47,015	92,051	(48.9)
Cash (used in) from financing activities	(74,938)	(71,970)	4.1
Net change	**25,848**	**(7,147)**	**N/M**
Cash – end of the year	**108,808**	**82,960**	**31.2**

N/M = not meaningful

Cash from (used in) operating activities

Cash from (used in) operating activities includes cash inflows from our drawdowns of parliamentary appropriations for operating expenditures and working capital. Fluctuations in working capital have a significant impact on cash received or disbursed in the course of our operations.

Cash from operating activities was $53.8 million this year, compared to $27.2 million used in operating activities last year. Changes in cash from operating activities were mostly driven by the payment of income taxes in the first quarter of 2021-2022 and higher trade receivables in last year's results related to the Beijing 2022 Olympic Games.

Cash from (used in) investing activities

Cash from (used in) investing activities includes cash from our drawdowns of parliamentary appropriations for capital expenditures.

Cash from investing activities was $47.0 million, a decrease of $45.0 million relative to last year. Our purchases and redemptions of Canada Mortgage Bonds resulted in a net cash outflow of $11.0 million, compared to a net cash inflow of $46.9 million in the previous year. In addition, we had lower additions to property and equipment and intangible assets by $8.6 million.

Cash from (used in) financing activities

Cash from (used in) financing activities includes cash outflows for interest payments, repayments of the Broadcast Centre Trust bonds, payments of notes payable and payments to meet obligations under our leases.

Cash from financing activities was $74.9 million this year, an increase of $3.0 million compared to last year. This increase was mainly due to a final lease payment in the first quarter of 2022-2023.

Borrowing plan

The *Broadcasting Act*, section 46.1, confers on CBC/Radio-Canada the authority to borrow up to $220.0 million, or such greater amount as may be authorized by Parliament, subject to approval of the Minister of Finance. Section 54 (3.1) of the *Act* requires that our borrowing plan be included in our Corporate Plan. Borrowing to meet working capital purposes is prohibited.

When we sold long-term accounts receivable in 2009 as part of our Financial Recovery Plan, which addressed the impact of the global economic slowdown and declining television advertising revenue, we provided a guarantee to investors to obtain the best possible value for selling the receivables. This guarantee was deemed to be borrowing. The outstanding amounts against the borrowing authority are as follows:

Total borrowing authority available	220,000
Authority used as at March 31, 2023	
Guarantee on accounts receivable monetization	(48,405)
Remaining authority	**171,595**

Under the *Broadcasting Act*, section 47 (1), we are an agent of the Crown and therefore have the constitutional immunities, privileges and prerogatives that are enjoyed by the Crown. The Crown is also fully liable and financially exposed for all our actions and decisions while we are operating within our mandate. Therefore, our assets and liabilities are the assets and liabilities of the Government of Canada.

Year in Review – Our Results

Revenue

For the year ended March 31	**2023**	2022	% change
Advertising			
English Services	139,532	248,969	(44.0)
French Services	149,108	170,581	(12.6)
	288,640	**419,550**	**(31.2)**
Subscriber fees			
English Services	61,265	61,659	(0.6)
French Services	61,060	60,575	0.8
	122,325	**122,234**	**0.1**
Financing, investment and other income			
English Services	31,049	45,667	(32.0)
French Services	26,811	23,163	15.7
Corporate Services	46,759	40,803	14.6
	104,619	**109,633**	**(4.6)**
TOTAL	**515,584**	**651,417**	**(20.9)**

Our revenue decreased (↓ 20.9%) compared to last year, with the main variances by revenue streams noted below.

Advertising (↓ 31.2%)

Our advertising revenue depends on the different events of significant importance we cover throughout the year, the overall health of the economy and advertising market, and the success of our programming schedule.

For the year ended March 31	**2023**	2022	% change
TV advertising	215,501	333,856	(35.5)
Digital advertising	73,139	85,694	(14.7)
	288,640	**419,550**	**(31.2)**

Our total advertising revenue decreased by $130.9 million (↓ 31.2%).

Ongoing activities	TV advertising revenue remained stable since last year while digital advertising revenue continued to benefit from sustained demand, mainly in video advertising.
Olympics	Most of the decrease in revenue is due to additional amounts recognized last year from our broadcast of the Tokyo 2020 and Beijing 2022 Olympic Games, held in a single fiscal year due to the pandemic.

Subscriber fees (↑ 0.1%)

Our subscriber revenue is driven by the rates for our discretionary services, digital platforms, and our subscriber base. Our discretionary TV services are declining year over year due to the adverse effects of the cord-shaving trend affecting the cable industry and as a result, the market is seeing a shift to online entertainment subscriptions.

For the year ended March 31	**2023**	2022	% change
Discretionary TV platforms	96,775	98,399	(1.7)
Digital platforms	25,550	23,835	7.2
	122,325	**122,234**	**0.1**

Our subscriber revenue was stable (↑0.1%) when compared to last year as our continued subscriber growth on our digital platforms more than offset subscriber volume declines on our discretionary channels.

Financing, investment and other income (↓ 4.6%)

Financing, investment and other income depends on the different events and transactions that take place throughout the year, as it includes production revenue from host broadcasting services and revenue from the sale of content. It also reflects revenue from our rentals, sponsorships and retransmission rights. More information about our revenue streams is provided in note 15 Revenue *of our Consolidated Financial Statements.*

Key variances of financing, investment and other income are as follows:

Ongoing activities	Higher other income arising from increased demand for our production services, higher content sales and higher financing income.
Olympics	Last year, we generated additional licensing revenue from covering the Tokyo 2020 and Beijing 2022 Olympic Games.

Operating expenses

For the year ended March 31	**2023**	2022	% change
Television, radio and digital services costs			
English Services	996,570	1,101,080	(9.5)
French Services	816,114	816,807	(0.1)
	1,812,684	1,917,887	(5.5)
Other operating expenses			
Transmission, distribution and collection	60,162	58,387	3.0
Corporate management	11,980	11,054	8.4
Finance costs	21,772	24,147	(9.8)
	93,914	93,588	0.3
TOTAL	**1,906,598**	**2,011,475**	**(5.2)**

Our total operating expenses decreased by $104.9 million (↓5.2%) compared to last year, with the main variances noted below.

Television, radio and digital services costs (↓ 5.5%)

Television, radio and digital services costs depend on the different events of importance we cover throughout the year and on our ongoing programming schedule. They represent the costs we incur in relation to the production of our programs, including the cost of our technical labour and facilities.

Our television, radio and digital services costs decreased by $105.2 million (↓5.5%).

Ongoing activities	Our costs were higher due to inflationary pressures and incremental content spend on our conventional platforms. In addition, there were additional costs incurred to cover a heavy news cycle marked by, amongst others, the war in Ukraine, the Ontario and Quebec elections, Guy Lafleur's national funeral, the Royal Specials, and Queen Elizabeth II 's funeral. This was partly offset by lower operating costs due to the pension fund contribution holiday and a lower pension expense.
Olympics	Last year's costs were higher as they included additional programming rights and production costs for the coverage of the Tokyo 2020 and Beijing 2022 Olympic Games.

Other operating expenses (↑ 0.3%)

Other operating expenses include costs related to the broadcasting of the Corporation's programs ("transmission, distribution and collection costs"), corporate management costs, and finance costs.

Other operating expenses remained stable (↑0.3%) compared to last year.

Government funding

For the year ended March 31	**2023**	2022	% change
Parliamentary appropriations for operating expenditures	1,174,971	1,139,694	3.1
Parliamentary appropriations for working capital	4,000	4,000	-
Amortization of deferred capital funding	92,875	96,320	(3.6)
TOTAL	**1,271,846**	**1,240,014**	**2.6**

Parliamentary appropriations for operating expenditures *are recognized based on the amounts voted by Parliament.*

Capital funding is recorded as ***deferred capital funding****. It is amortized and recognized as revenue over the same periods as the related property, equipment and intangible assets are used in CBC/Radio-Canada's operations.*

Parliamentary appropriations for operating expenditures increased by $35.3 million (↑3.1%) in 2022-2023.

In both 2022-2023 and 2021-2022, we recognized an additional $21.0 million investment made by the Government of Canada to help CBC/Radio-Canada manage its critical operating requirements during the pandemic.

Last year's government funding was comparatively lower since $36.7 million had been transferred to our 2020-2021 appropriation for operating expenditures due to the uncertain impact of the pandemic on our cash flows.

Amortization of deferred capital funding was lower by $3.4 million (↓ 3.6%), consistent with our lower asset base.

Other gains and losses

For the year ended March 31	**2023**	2022	% change
Loss on disposal of property and equipment and intangibles	(8,440)	(680)	N/M
TOTAL	**(8,440)**	**(680)**	**N/M**

N/M = not meaningful

In 2022-2023, our loss on disposal is mainly due to net losses from the retirement of the old Maison de Radio-Canada (MRC) assets and from the regular course of our operations.

Last year's loss on disposal of $0.7 million was mainly due to net losses from the retirement of assets in the regular course of our operations.

Income tax

For the year ended March 31	**2023**	2022	% change
Income tax recovery	2,499	28,651	(91.3)
TOTAL	**2,499**	**28,651**	**(91.3)**

In 2022-2023, we recovered the remaining amount of income taxes paid in 2020-2021. In 2020-2021, we recognized a $31.1 million income tax expense due to our positive taxable net results.

Last year, we recognized a $28.7 million income tax recovery as a result of our tax loss.

Total comprehensive income (loss)

For the year ended March 31	**2023**	2022	% change
Net results for the year	(125,109)	(92,073)	35.9
Other comprehensive income (loss)			
Remeasurements of defined benefit plans	(239,561)	813,426	N/M
Total comprehensive income (loss) for the year	**(364,670)**	**721,353**	**N/M**

N/M = not meaningful

Remeasurements of defined benefit plans are driven by significant non-cash fluctuations in our pension plan's obligations and assets that occur when actual results or interest rates differ from our actuarial assumptions. We recognize these movements immediately in other comprehensive income each year.

Total comprehensive loss recognized this year was $364.7 million, compared to a comprehensive income of $721.4 million in the prior year. In addition to our net results, total comprehensive income includes remeasurements of defined benefit plans as described above.

A loss of $239.6 million was recognized this year on remeasurements of defined benefit plans. This was mostly due to a loss on plan assets of $601.2 million, resulting from a lower return on plan assets than estimated in our actuarial assumptions. In addition, we recognized a loss of $429.5M for the effect of the asset ceiling on our funded pension plan asset. These losses were partly offset by a 90 basis-point increase in the discount rate, which decreased the defined benefit obligation by $791.2 million.

A gain of $813.4 million was recognized last year on remeasurements of defined benefit plans. This was mostly due to a 70 basis-point increase in the discount rate, which decreased the defined benefit obligation by $599.6 million and a gain on plan assets of $213.8 million, resulting from a higher return on plan assets than estimated in our actuarial assumptions.

Seasonality and quarterly financial information

The following table shows condensed financial data for the previous eight quarters. This quarterly information is unaudited, but has been prepared on the same basis as the annual Consolidated Financial Statements. Analysis of our results by quarter is available in our quarterly reports available here.

	2022-2023				
	Q1	Q2	Q3	Q4	**Total**
Revenue	131,358	112,287	141,989	129,950	515,584
Government funding	288,559	307,211	320,316	355,760	1,271,846
Expenses	(414,382)	(433,814)	(496,873)	(561,529)	(1,906,598)
Results before other gains and losses and taxes	**5,535**	**(14,316)**	**(34,568)**	**(75,819)**	**(119,168)**
Other gains and losses	40	(159)	(1,011)	(7,310)	(8,440)
Results before income taxes	**5,575**	**(14,475)**	**(35,579)**	**(83,129)**	**(127,608)**
Income tax recovery	-	-	2,412	87	2,499
Net results under IFRS for the period	**5,575**	**(14,475)**	**(33,167)**	**(83,042)**	**(125,109)**

	2021-2022				
	Q1	Q2	Q3	Q4	Total
Revenue	118,052	182,043	147,147	204,175	651,417
Government funding	273,756	294,582	300,237	371,439	1,240,014
Expenses	(398,138)	(480,726)	(492,853)	(639,758)	(2,011,475)
Results before other gains and losses and taxes	**(6,330)**	**(4,101)**	**(45,469)**	**(64,144)**	**(120,044)**
Other gains and losses	10	812	(801)	(701)	(680)
Results before income taxes	**(6,320)**	**(3,289)**	**(46,270)**	**(64,845)**	**(120,724)**
Income tax recovery	-	-	-	28,651	28,651
Net results under IFRS for the period	**(6,320)**	**(3,289)**	**(46,270)**	**(36,194)**	**(92,073)**

Our operating results are subject to seasonal fluctuations that materially impact quarter-to-quarter results. The seasonality of our **revenue** is reflective of general market, economic and viewership patterns affecting all conventional broadcasters. Revenue from our ongoing activities generated during the first half of the year is usually lower because the summer season attracts fewer TV viewers. In contrast, revenue from our ongoing activities in the third quarter is comparably higher as TV audiences are larger and more advertisers purchase airtime in anticipation of the holiday season.

Government funding is recognized in the Corporation's income based on budgeted net expenses for the quarter. Monthly and quarterly budgets are established from the annual budget approved by the Board of Directors at the beginning of each year and reflect expected funding for the year and seasonal impacts on expenditures and revenue.

Expenses from our ongoing activities also tend to follow a seasonal pattern because they are influenced by the programming schedule. Operating costs tend to be higher in the fourth quarter as the Corporation incurs costs preparing for the fall broadcast season and completes project deliverables due by the end of the fiscal year.

Other factors may impact net results from quarter to quarter. These may include foreign exchange gains or losses, asset write-offs and sales. When appropriate, these are recorded as other gains and losses.

Our results of 2021-2022 were impacted by our broadcast of the Tokyo 2020 Olympic Games and the Beijing 2022 Olympic Games.

Outlook

Advertising revenue post COVID-19

Total advertising revenue has surpassed pre-pandemic levels with growth in digital revenue outpacing television revenue decline. The decline of conventional TV audiences is challenging to predict; however, sustaining overall advertising revenue in the long term is dependent on digital revenue.

Budget reductions

On March 28, 2023, the government proposed to phase in a three per cent reduction of eligible spending by departments and agencies by 2026-2027. Additionally, the government announced that they will work with federal Crown corporations to ensure comparable spending reductions. Following this announcement, we will work toward integrating the corresponding changes in our strategic planning as more information becomes available.

Modernizing of broadcasting legislation

The Government of Canada has committed to modernizing Canada's media legislation: the *Broadcasting Act*, the *Telecommunications Act* and the *Radiocommunication Act*. Any changes could affect our financial outlook, including new and proposed legislation, such as the *Online Streaming Act,* and *Bill C-18, Online News Act*. We are working with the government to ensure a healthy media ecosystem that continues to support the public broadcaster and its ability to serve all Canadians.

Olympic and Paralympic Games

In early April 2022, the International Olympic Committee (IOC) announced that CBC/Radio-Canada secured the exclusive broadcast rights in Canada for the following Olympic and Paralympic Games: Milano Cortina 2026, Los Angeles 2028, Winter Games 2030 (the host of which is yet to be selected) and Brisbane 2032. Including the Olympic Games Paris 2024, for which we have already been awarded the rights, we will continue to serve as Canada's Olympic network for the next five Olympic Games.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

The environment matters to Canadians, and it matters to their public broadcaster. There is a global call for responsible and meaningful action on climate change, and CBC/Radio-Canada is playing a leading role in greening the Canadian media industry, transforming itself into a world class, sustainable public service media company.

Our Strategy and Commitments

Greening Our Story is CBC/Radio-Canada's first ever corporate strategy on environmental sustainability. As the public broadcaster, we recognize that we have a responsibility to take action against climate change. Our mission is to build an environmentally sustainable public service media company that current and future generations can be proud of, with a vision of embedding environmentally sustainable thinking in all we do.

In June 2023, we committed to the Environment and Climate Change Canada's Net Zero Challenge, an initiative that will lead us on the path to carbon neutrality by 2050.

Refer to *Greening Our Story*, for more information about the strategy and our commitments. Progress made in relation to the strategy are outlined in our Annual Environmental Sustainability Reports.

Our TCFD Report

As the public broadcaster, we recognize the role we must play to mitigate the impact of climate change on both society and our operations. We are therefore supportive of the recommendations of the TCFD and are pleased to share our first set of TCFD disclosures for the year ended March 31, 2023.

The TCFD promotes a series of recommendations that encourages companies to transparently disclose climate-related risks and opportunities in support of financial stability. Through 11 disclosure recommendations, covering four different pillars (governance, strategy, risk management, and metrics and targets), the recommendations establish comparable and consistent guidelines for organizations to disclose (and manage) climate impacts on business and investment decisions.

Peyto Lake, Alberta

RISK MANAGEMENT AND GOVERNANCE

Risk Management

We occupy an important place in the Canadian broadcasting system and face a unique set of risks. Like all broadcasters, we must adapt to accelerated technological changes, shifts in demographics, evolving consumer demands, increasing regulatory scrutiny and structural changes in the media ecosystem. We are seeing media professionals confront intimidation and harm, as well as continued sources of disinformation and misinformation. Moreover, given our mandate to serve all Canadians, we also face a unique set of public expectations and financial challenges.

It is our policy to develop, implement and practise effective risk management to ensure risks and opportunities that impact our strategies, objectives and operations are identified, assessed and managed appropriately.

Our Risk Management Program is integrated into business processes across the Corporation. Responsibility for risk management is shared among the following groups:

1 BOARD	2 AUDIT COMMITTEE OF THE BOARD	3 SENIOR EXECUTIVE TEAM	4 MEDIA AND SUPPORT BUSINESS UNITS
The Board oversees our key risks at a governing level, obtains a quarterly update on key risk status, approves significant policies, and ensures that the processes and systems required to manage risks are in place.	The Audit Committee monitors key risks, discussing their status with management at quarterly meetings and ensuring that management has programs for evaluating the effectiveness of internal controls.	The Senior Executive Team identifies and manages risks, reports on our key risks to the Audit Committee and the Board, recommends policies, and oversees financial reporting and internal control systems.	Media and support business units initially identify and assess risks through the annual business plan process, and develop and execute detailed plans to manage risks. Risks are prioritized based on their potential impacts and their likelihood of occurring.

In addition, our Internal Auditor plans its audits in accordance with the results of a risk assessment process and provides assurance that major risks are covered on a rotational basis in its annual audit plan.

The following table discusses the key risks we face as at March 31, 2023 and looking forward.

1. CHANGING MEDIA LANDSCAPE

Key Risks	Risk Mitigation	Future Impacts
The media and entertainment sector remains under pressure from a rapidly changing media ecosystem and changing audience consumption patterns. ● Content will be increasingly prioritized to streaming services over traditional distribution, further accelerating the decline in the traditional distribution model. ● Users are always looking for new features, interactivity and flexibility, which requires sustained investments. ● The development of a scalable and robust platform is costly. Capacity constraints and retention of staff may impact ongoing development timelines. The impact of major international players on the digital market increases the pressure on our share of advertising spend.	Continue our focus on digital content. Increase discoverability through marketing and cross-promoting content on our own platforms. Maintain a harmonized over-the-top streaming platform between CBC and Radio-Canada with a single data pool, competitive user experiences and functionalities. Ensure alignment of objectives for revenue between the digital strategy and the potential revenue monetization. Adapt our performance measurement indicators to optimize decision making based on audience consumption habits and revenue pacing and trends.	Serve audiences on the platforms they want to increase engagement with our content, increase the public value and relevance of our services, and increase advertising and subscription revenue.

2. EMPLOYEE EXPERIENCE AND WELL-BEING

Key Risks	Risk Mitigation	Future Impacts
The capacity to deliver on our new People Strategy may not align with employees' and candidates' expectations. It could cause disengagement and retention issues, and make it difficult to attract top talent. There is high demand for the job skills necessary to carry out our strategies and a gap in compensation with the market in certain job categories, impacting our retention and ability to attract top talent. The actions we undertake to ensure the health and safety of our employees, including continuously monitoring the physical security and online harm of our media professionals and providing tools and training, can be perceived as insufficient. Stress and workload may further contribute to this issue. This may slow, delay or impact the achievement of objectives. Under-representation of the country's demography in our workforce composition could pose reputational risk and decrease our relevance. Reflecting contemporary Canada is critical to our overall strategy.	Launch and implement the People Strategy framework, which will comprise an Expanded Working Group mobilized to plan the strategy deployment. People and Culture's strategy encompasses (among other initiatives): ● supporting a Future of Work (FoW) Advisory Committee ● rolling out a well-being roadmap ● conducting strategic workforce planning ● implementing a Talent Acquisition (TA) model and a retention roadmap ● succession planning ● conducting the annual engagement survey to monitor engagement levels and address areas of concern. Monitor the impact of influenza and respiratory viruses in our workplace. Continue to work with the government on including legislative protection for media professionals. The cross-functional operational Committee on Online Harm of Professional Media continues to implement new initiatives to support our media professionals Continue our work related to our EDI Plan, as well as on our new three-year National Accessibility Plan and our first National Indigenous Strategy.	The well-being of our employees, including our media professionals, is an ongoing priority that impacts retention, productivity and our ability to achieve our objectives. The modernization of the employee experience is an important aspect of remaining relevant, meeting our objectives and being an employer of choice, which supports our recruitment and retention initiatives. Reflecting contemporary Canada is critical to advancing our overall strategic plan.

3. LEGISLATIVE, REGULATORY AND FUNDING CONTEXT

Key Risks	Risk Mitigation	Future Impacts
The government has committed to modernizing the *Broadcasting Act*, the *Telecommunications Act* and the *Radiocommunication Act*. Since our mandate is defined by the *Broadcasting Act*, any legislative changes could affect our services. Any legislative changes to our mandate, independence or business model could profoundly impact our future and our opportunity to address our challenged business model. While our CRTC licences were renewed until August 31, 2027, the Governor in Council referred parts of the licence renewal decision back to the CRTC for reconsideration.	Promote and share our strategic plan with stakeholders, both internally and externally. Continue to demonstrate our value and relevance to stakeholders and reinforce the need for adequate stable funding with parliament. Work with the government on the next steps to help build a media ecosystem that puts audiences first and serves all Canadians. Monitor and participate in the various processes launched by the government. Retain flexibility when making operating decisions to enhance agility. Develop, implement or modify strategies and contingency plans, as required.	Continue implementing our strategic plan to ensure that the public media services we provide, and the operating model that supports those services, evolves in parallel with the changing expectations of Canadians and the shifts within our industry.

4. REPUTATION AND BRAND MANAGEMENT

Key Risks	Risk Mitigation	Future Impacts
CBC/Radio-Canada is among the most prominent and most discussed brands in the country. It is a sign of our importance that Canadians have opinions about their public broadcaster. At any time, our activities can generate public and media attention. There is a risk that negative perceptions of us, if unaddressed, could undermine credibility and public support.	Increase the credibility and trust Canadians have in us by acting responsibly and being accountable to Canadians. Continue to work with other public broadcasters to underscore the importance of public media in combatting misinformation and encouraging democratic debate around the globe. Build a positive work culture by continuing to promote a safe, respectful and inclusive workplace through our Code of Conduct and mandatory training on a variety of topics. Ensure our issues management and crisis management is responsive and responsible, and that it supports transparency and decisive action.	Ensure that our behaviour improves our credibility and public support.

5. FINANCIAL SUSTAINABILITY AND PRIORITIZATION

Key Risks	Risk Mitigation	Future Impacts
Given that our parliamentary appropriations are not fully indexed for cost increases, and traditional advertising and subscription revenues are declining, significant risks are posed to the sustainability of our traditional business. Our capital funding envelope is insufficient to address all capital demands, such as large infrastructure projects, equipment refresh and leasehold improvements, resulting in the continual prioritizing of key projects and project timelines within our available capital budget. Our operating environment remains challenged as conventional television advertising and subscription revenues decline. Record inflation, interest rate increases and a potential recession may increase the pressure on revenue as advertisers and consumers manage their discretionary spending.	Continue to invest in prime-time television, which is still the biggest driver of earned revenue for the company, while managing the shift from traditional to digital services. Develop budgets that reflect the underlying economic trends and incorporate conservative assumptions and prepare realistic contingency plans for various scenarios and for major capital, operational or production projects. Continue tight monitoring of revenue targets, control of costs and reallocation of funding to areas of strategic priorities. Monitor revenue pacing and trends to support revenue optimization strategy. Continue to leverage new partnerships and accelerate our focus on digital revenue opportunities. Continue to demonstrate the value and importance of public broadcasting to parliamentarians and key government decision makers to secure funding.	Mitigate the effects of lower revenues, inflation and other cost increases that reduce resources available for our strategic priorities. Adjust our strategic plan as necessary to respond to further advertising weakening and lower subscription revenue.

6. INFORMATION & TECHNOLOGY SECURITY AND DATA GOVERNANCE

6a) Emerging Cyber Issues

Key Risks	Risk Mitigation	Future Impacts
The number, cost and complexity of cyber incidents for all companies worldwide continue to grow despite increased awareness of and attention to cybersecurity. Recruiting and retaining individuals skilled in cybersecurity is a challenge as demand greatly exceeds supply. The "work from home" paradigm leads to more complexity in controlling remote access to CBC/Radio-Canada's information and technology assets. Threat actors are targeting CBC/Radio-Canada media professionals online.	Monitor and assess network security, cloud technologies and system vulnerabilities, and continuously update incident response playbooks based on emerging attack techniques. Ensure vendor security controls remain adequate during the full contract period. Deliver an Identity and Access Management (IAM) roadmap to better control access to information and technology assets. Develop new targeted cybersecurity awareness training. Increase the frequency and scope of phishing campaign simulations. Continue to improve cybersecurity training for media professionals. Support the online harm program and online incident reporting process.	Continue to implement and refine identified strategies to minimize disruption to our online services, broadcast operations and the audience experience.

6b) Vulnerabilities

Key Risks	Risk Mitigation	Future Impacts
The exploitation of internet protocol (IP) vulnerabilities has the potential to significantly disrupt operations and damage our brand. The growing number of unverified or unapproved end-user cloud and software applications used by employees may lead to data leakage or breach or to non-compliance with licensing terms and financial penalties. The refresh/replacement of obsolete equipment or devices is impacted by supply chain issues, which are exacerbated by a surge in demand for consumer devices and digital transformations. Obsolete computers, mobile devices and underlying operating systems may lead to compatibility and security issues.	Monitor, assess and enhance IP vulnerability governance and mitigation strategies, including updating tracking tools and developing contingency plans. Enhance the sourcing initiation process to ensure that new end-user cloud and software applications require Information Security reviews. Continue to deploy methods or tools to monitor for unverified cloud and software applications or vulnerable software. Continue the computer replacement/refresh as a part of asset management activities. Onboard corporate mobile devices into the new mobile device management solution to improve security on mobile devices and reduce obsolescence. Review vulnerabilities due to obsolete equipment and devices and develop mitigation strategies to minimize impacts.	Continue to implement and refine identified strategies to minimize disruption to our online services, broadcast operations and the audience experience.

6c) Data Management and Governance

Key Risks	Risk Mitigation	Future Impacts
Data management needs to be properly aligned with the business to efficiently mitigate data risks and support business intelligence. Important aspects of data governance are data integrity for business decisions and reporting, data protection for compliance with regulations and legislation, and the security of data to ensure that it is used and shared appropriately.	Implement the records management policy to support classification obligations that address personal information. Train employees tasked with applying the new policy. Continue to develop data loss protection processes to detect and avoid poor practices mainly in the use of payment cardholder information and personal information.	Continue to implement and refine identified strategies to ensure our data management practices mitigate risks while aligning with business needs.

6d) Privacy

Key Risks	Risk Mitigation	Future Impacts
With increased societal vigilance on privacy matters and related ethical considerations, our activities and decisions might see increased scrutiny. Expectations of users with regards to how institutions handle their information and communicate with them are constantly evolving. This, along with a regulatory framework that is in flux, shapes our monetization strategies. There is a risk that personal information is used without appropriate consent or that a breach occurs on information that has been collected.	Continue to assess the risks associated with collecting, handling and storing personal information. Establish guidelines on privacy and processes to ensure our response to digital ecosystem changes do not expose the Corporation. Pursue the Consent Management Platform project. Monitor, assess and develop strategies to implement proposed changes from the Privacy Commissioner to digital rights or powers.	Continue to implement and refine identified strategies to ensure how the Corporation collects, handles and stores personal information meets stakeholder expectations while supporting the achievement of the personalization pillar of the strategic plan.

7. HIGH-PROFILE PROJECTS

Human Resources (HR) System Project – Workday Project

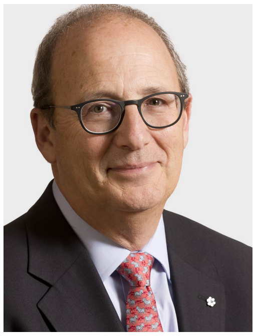
Key Risks	Risk Mitigation	Future Impacts
There is a risk that the new HR system, Workday, will not achieve desired objectives to transform the employee user experience, deliver streamlined and value-added business processes, and be agile and flexible to evolve with changing business needs, and that it could be over budget or negatively impact essential payroll functions. Workload and capacity continue to impact the project timelines and uncertainty and stress may increase.	Continue to ensure a strong governance structure is in place to lead the HR system project. Continue to refine mitigation measures to reduce the overall impact on the timeline, costs and/or payroll processing when in production. Implement action plans for deficiencies identified in internal audits conducted to provide an independent assessment of risks and controls of the project. Continue to provide change management activities.	Monitor the pre- and post-implementati on activities and refine as needed to minimize the impacts to the people programs and payroll processing and cost pressures while ensuring that the new HR system achieves its desired objectives.

8. LABOUR RELATIONS

Key Risks	Risk Mitigation	Future Impacts
Conversations are underway with unions to implement and negotiate new collective agreements. There is a risk of disruption to operations due to: • jurisdictional claims between bargaining units, resulting in reduced flexibility • labour stoppage.	Continue transparent communications to employees and unions and involve employees in the development of strategic initiatives. Implement clear negotiation mandates that ensure flexibility in working conditions and reduce the jurisdictional barriers between bargaining units, where applicable. Develop a strategy to address jurisdictional claims by unions. Update contingency plans in case of labour disruption. Work collaboratively with unions, where possible, to better understand the issues and work towards mutually satisfactory solutions.	Continue both ongoing conversations with unions and identified strategies.

Board and Management Structure

Board of Directors



Michael Goldbloom [1, 2]

Chair of the Board
Lennoxville, QC

Catherine Tait [2]

President and CEO
Ottawa, ON

Guillaume Aniorté [2, 4, 5]

Montreal, QC

Sandra Mason [1, 2]

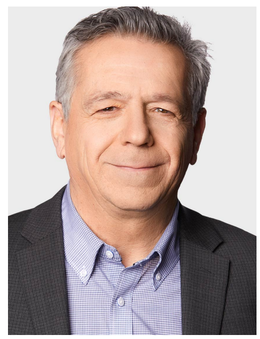
Toronto, ON

Rita Shelton Deverell [2, 3, 5]

Coldwater, ON

Bill Tam [1, 2, 3]

Vancouver, BC



René Légère [2, 4, 5]

Moncton, NB

Jennifer Moore Rattray [1, 2, 4, 6]

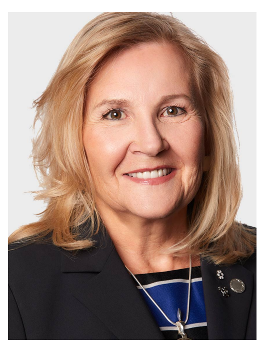
Winnipeg, MB

François R. Roy [1, 2]

Montreal, QC

Sandra Singh [2, 4, 5]

Vancouver, BC



Marie Wilson [2, 3, 5]

Yellowknife, NWT

[1] Member of the Audit Committee
[2] Member of the Broadcasting and Innovation Committees
[3] Member of the Technology and Infrastructure Committee
[4] Member of the Strategic Planning Committee
[5] Member of the Human Resources and Governance Committee
[6] Jennifer Moore Rattray is currently on leave of absence as of February 24, 2023.
[7] Suzanne Guèvremont resigned on November 18, 2022.

Senior Executive Team

Catherine Tait

President and CEO

Michel Bissonnette

Executive Vice-President, Radio-Canada

Daniel Boudreau

Executive Vice-President, Technology and Infrastructure

Miguel Baz

Vice-President, Legal Services, General Counsel and Corporate Secretary

Claude Galipeau

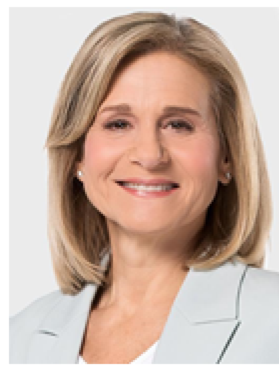
Executive Vice-President, Corporate Development

Marco Dubé

Vice-President, People and Culture

Carol Najm

Vice-President and Chief Financial Officer



Barbara Williams

Executive Vice-President, CBC

Committee Mandates

Audit Committee – Assists the Board in discharging its stewardship and oversight responsibilities by monitoring the integrity of our financial information that will be provided to Parliament and other stakeholders, our systems of internal controls and risk management (which management and the Board have established), the audit process, and our financial performance against business and corporate plans.

Broadcasting and Innovation Committees – Assist the Board in discharging its stewardship and oversight responsibilities with respect to the fulfillment of our public broadcasting mandate and innovation as it relates to programming and services of our media components. The Standing Committees on English and French Language Broadcasting are established pursuant to the *Broadcasting Act*.

Technology and Infrastructure Committee – Assists the Board in discharging its stewardship and oversight responsibilities with respect to our infrastructure assets, including real estate, fleet and transmission holdings, as well as broadcasting, telecommunications and technology solutions.

Strategic Planning Committee – Assists the Board in discharging its stewardship and oversight responsibilities with respect to our strategic direction.

Human Resources and Governance Committee – Assists the Board in discharging its stewardship and oversight responsibilities on matters relating to human resources strategies, compensation, corporate governance, the conduct of the Board's affairs and other related matters.

Year in Review

Access to information and proactive disclosure

During 2022-2023, the Corporation answered 133 *Access to Information Act* (*ATIA*) requests, involving the review of more than 20,000 pages provided by business areas across the company. The average time taken to answer these requests was 50 days, equal to our average response time over the last five years. Of these 133 requests, 89 (67%) were closed in under 50 days.

The Corporation’s deemed refusal rate for 2022-2023 was 1.70%. This is an improvement on last year’s rate of 2.04%, and keeps us well under the 5% threshold set by the Office of the Information Commissioner (OIC) for an A-rating. By the end of 2022-2023 the number of requests with active complaints registered against them by the OIC stood at seven. This is the lowest this measure has been since 2007, when the Corporation became subject to the *ATIA*.

Since 2011, the Corporation has proactively posted records of general interest released under the *ATIA.* The Corporation also posts records related to meetings of its Board of Directors as if they had been asked for under the *ATIA.* In the year just ended, 5,093 and 1,882 pages were posted to these sites respectively, where they were visited a combined total of 11,321 times. Each of these visits represents a transaction with a member of the public that was completed electronically without requiring individuals to engage formally to obtain records and information. All of this translates into significant resource savings for the Corporation and substantial time savings and transparency for the public.

Annual Public Meeting

Our annual public meeting (APM) took place on September 28, 2022. The hybrid event, themed "News for the Next Generation," focused on discussing the best ways to inform and connect with younger audiences, which included a myth-busting real talk on how the public broadcaster engages with them. The event was broadcast live on social media and YouTube. Closed captions, ASL (American Sign Language) and LSQ (Quebec Sign Language) were offered to make the event even more accessible to Canadians.

Journalistic Standards and Practices

CBC/Radio-Canada has an extensive code of Journalistic Standards and Practices and editorial control mechanisms to guide employees and to ensure that our programming remains balanced and accurate, particularly in today's social media environment. You can view CBC/Radio-Canada's Journalistic Standards and Practices on our corporate website.

Ombuds

Public complaints, expressions of concern or communications about News and Current Affairs programming are dealt with through the offices of both ombuds: Pierre Champoux, the Radio-Canada Ombudsman, and Jack Nagler, the CBC Ombudsman. Complainants dissatisfied with responses from programs may have their concerns resolved through the ombuds review process. The ombuds are completely independent of programming staff and programming management, and report directly to the President and CEO and, through the President and CEO, to the Board of Directors. The role of the ombuds is pivotal in strengthening our accountability and transparency to Canadians. Communications not directly related to our News and Current Affairs programming were forwarded to the relevant programming departments or Audience Relations.

	HANDLED COMPLAINTS, EXPRESSIONS OF CONCERN OR OTHER COMMUNICATIONS	WITHIN MANDATE	HANDLED LAST YEAR (2021-2022)
CBC (English Services)	3,296	2,552	8,457
Radio-Canada (French Services)	1,817	1,378	2,343
TOTAL	**5,113**	**3,930**	**10,800**

Values and Ethics Commissioner

The Office of the Values and Ethics Commissioner continued to provide advice and guidance on ethical issues and to offer alternative options for employees to raise concerns and/or file complaints under the Code of Conduct and/or related policies. The role of the Office has continued to evolve with the addition of a senior mediator whose mandate is to lead and facilitate a wide range of expert conflict resolution interventions for CBC/Radio-Canada, including mediation, facilitated conversations and group intervention for various types of issues.

NUMBER OF REQUESTS FOR ADVICE WITHIN MANDATE APRIL 2022 TO MARCH 2023	122
NUMBER OF INTERNAL COMPLAINTS WITHIN MANDATE	22
NUMBER OF COMPLAINTS FROM THE PUBLIC WITHIN MANDATE	91
NUMBER OF INTERVENTIONS BY THE MEDIATOR	35

Director Compensation

The Chair of the Board and the President and CEO are compensated in accordance with the terms of the Order-in-Council appointing them. The President and CEO receives an annual salary as a senior executive of the Corporation, but no additional compensation to serve as a Director. The Chair of the Board receives an annual retainer (from $14,500 to $17,100) and a per diem fee (from $565 to $665) for meetings, travel time and special executive, analytical or representational responsibilities. Directors are entitled to receive only one meeting fee for each day of work (24 hours) even if they attend more than one meeting during that period.

MEETINGS		BOARD OF DIRECTORS	AUDIT COMMITTEE	OTHER COMMITTEES
Regular Meetings	Attendance in person (including meetings by video-conference)	For the first 6 regular meeting days: $2,000/day	For the first 6 regular meeting days: $1,300/day for members and $1,550 for the Chair	For the first 4 regular meeting days: $1,000/day for members and $1,250 for the Chair
		Thereafter: $625/day	Thereafter: $625/day	Thereafter: $625/day
	Participation by telephone	$625/day or $312.50/half-day	$250/day	$250/day
Conference Call Meetings		$250/day	$250/day	$250/day

Compensation data for our Directors is summarized in Note 22 *Related parties* to the annual Consolidated Financial Statements.

Board of Directors Attendance

BOARD MEMBERS	BOARD	AUDIT COMMITTEE	BROADCASTING AND INNOVATION COMMITTEES	TECHNOLOGY AND INFRASTRUC-TURE COMMITTEE	STRATEGIC PLANNING COMMITTEE	HUMAN RESOURCES AND GOVERNANCE COMMITTEE
# of regular meetings	8	5	2	4	2	4
Michael Goldbloom[1]	8/8	1/1	2/2			
Catherine Tait	8/8		2/2			
Guillaume Aniorté	6/8		2/2		2/2	4/4
Suzanne Guèvremont[2]	6/6	3/3	1/1	2/2		
René Légère	8/8		2/2		2/2	4/4
Sandra Mason	8/8	5/5	2/2			
Jennifer Moore Rattray[3]	5/7	3/4	2/2		1/1	
François R. Roy	6/8	4/5	1/2			
Rita Shelton Deverell	8/8		2/2	4/4		4/4
Sandra Singh	6/8		2/2		1/2	4/4
Bill Tam	8/8	5/5	2/2	4/4		
Marie Wilson	8/8		2/2	4/4		4/4

**Regularly scheduled in-person meetings were held by videoconference.

There were no conference call meetings held this year.

1. Michael Goldbloom joined the Audit Committee in February 2023.
2. Suzanne Guèvremont resigned November 18, 2022.
3. Jennifer Moore Rattray is currently on leave of absence as of February 24, 2023.

ACCOUNTING MATTERS

Our Consolidated Financial Statements for the year ended March 31, 2023 were prepared in accordance with IFRS. They were approved by the Corporation's Board of Directors on June 27, 2023. Discussion and analysis of our financial condition and results of operations are based upon our Consolidated Financial Statements.

Accounting Developments

There were no new accounting standards that impacted our Consolidated Financial Statements for the year ended March 31, 2023.

Key Accounting Estimates and Critical Judgments

Our key significant accounting estimates and critical judgments are disclosed in the relevant notes to our Consolidated Financial Statements for the year ended March 31, 2023. The preparation of financial statements in accordance with generally accepted accounting principles (GAAP) requires management to make estimates, assumptions and judgments that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Our critical accounting estimates and significant judgments are disclosed to, and discussed with, the Audit Committee on a regular basis.

Transactions with Related Parties

Transactions with defined benefit plans

Starting on April 21, 2022, CBC/Radio-Canada has been required to take a contribution holiday in accordance with the *Income Tax Act*, as discussed in Note 13. We provided management and administrative services to our defined benefit pension plans.

FINANCIAL REVIEW

Internal Controls

The Corporation has an internal control program based on the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework, which requires periodic reviews of key controls over financial reporting. This program is consistent with industry best practices, with an aim to maintain and strengthen policies and procedures that ensure the reliability of financial information and the safeguarding of assets. A dedicated internal control team reviews and evaluates key internal controls over financial reporting on an ongoing basis.

This program is supported by the Corporation's internal auditors who conduct audits and reviews (some of which relate to financial reporting and operations) using a risk-based approach and agreed upon through discussions with the Senior Executive Team and the Audit Committee.

In 2022-2023, the Corporation assessed the design and operating effectiveness of key internal controls over financial reporting. The assessment did not identify any material weaknesses in the operating effectiveness of the internal controls, but identified some opportunities for improvements for which management has developed an action plan. The Corporation will continue to address opportunities for improvement in the coming year.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements and all other information presented in this Annual Report are the responsibility of management and have been reviewed and approved by the Board of Directors of the Corporation. Some of the information in the Consolidated Financial Statements is based on management's best estimates and judgment, and gives due consideration to materiality. These Consolidated Financial Statements have been properly prepared in accordance with International Financial Reporting Standards. Management considers that the financial statements fairly present the Corporation's financial position, results from operations and cash flows.

Management of the Corporation maintains books of accounts, records, financial and management controls, and information systems that are designed to provide reliable and accurate financial information on a timely basis. The controls are designed to provide reasonable assurance that assets are safeguarded, that resources are managed economically and efficiently in the attainment of corporate objectives, that the operations of the Corporation are carried out effectively, and that transactions are in accordance with the applicable provisions of Part X of the *Financial Administration Act* and regulations, Part III of the *Broadcasting Act*, and the bylaws of the Corporation.

The Corporation's Internal Auditor has the responsibility for assessing the Corporation's systems, procedures and practices. The Auditor General of Canada conducts an independent audit of the annual Consolidated Financial Statements and reports on her audit to the Minister of Canadian Heritage.

The Board of Directors' Audit Committee, consisting of independent Directors, reviews and advises the Board on the Consolidated Financial Statements and the Auditor General's report thereto. The Audit Committee oversees the activities of Internal Audit and meets with management, the internal auditor and the Auditor General on a regular basis to discuss the financial reporting process, as well as auditing, accounting and reporting issues.

Catherine Tait President and Chief Executive Officer	Carol Najm Vice-President and Chief Financial Officer

Ottawa, Canada
June 27, 2023

Office of the Auditor General of Canada
Bureau du vérificateur général du Canada

INDEPENDENT AUDITOR'S REPORT

To the Minister of Canadian Heritage

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of the Canadian Broadcasting Corporation and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 March 2023, and the consolidated statement of income (loss), consolidated statement of comprehensive income (loss), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statement*s section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Compliance with Specified Authorities

Opinion

In conjunction with the audit of the consolidated financial statements, we have audited transactions of the Canadian Broadcasting Corporation coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are the applicable provisions of Part X of the *Financial Administration Act* and regulations, Part III of the *Broadcasting Act* and the by laws of the Canadian Broadcasting Corporation.

In our opinion, the transactions of the Canadian Broadcasting Corporation that came to our notice during the audit of the consolidated financial statements have complied, in all material respects, with the specified authorities referred to above. Further, as required by the *Financial Administration Act*, we report that, in our opinion, the accounting principles in IFRSs have been applied on a basis consistent with that of the preceding year.

Responsibilities of Management for Compliance with Specified Authorities

Management is responsible for the Canadian Broadcasting Corporation's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the Canadian Broadcasting Corporation to comply with the specified authorities.

Auditor's Responsibilities for the Audit of Compliance with Specified Authorities

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the consolidated financial statements are in compliance with the specified authorities referred to above.

N. Chartrand

Nathalie Chartrand, CPA, CA
Principal
for the Auditor General of Canada

Ottawa, Canada
27 June 2023

CONSOLIDATED FINANCIAL STATEMENTS

2022-2023

CBC Radio-Canada

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of Canadian dollars)	*NOTE*	As at March 31 **2023**	2022*
ASSETS			
Current			
Cash		108,808	82,960
Restricted cash		1,954	-
Bonds		74,476	59,692
Trade and other receivables	*4*	138,554	233,041
Income tax receivable	*18*	87	24,428
Programming	*6*	291,947	300,433
Prepaid expenses		45,372	41,834
Other assets*	5	12,926	12,297
		674,124	**754,685**
Non-current			
Property and equipment	*7*	748,256	776,467
Intangible assets	*8*	37,315	40,056
Right-of-use (ROU) assets	*9*	307,968	324,544
Programming	*6*	51,874	48,156
Bonds		10,280	14,422
Pension plan asset	*13*	1,318,529	1,621,166
Deferred charges		34,034	29,049
Other assets*	*5*	32,853	41,873
		2,541,109	**2,895,733**
TOTAL ASSETS		**3,215,233**	**3,650,418**
LIABILITIES			
Current			
Accounts payable and accrued liabilities	*10*	119,024	107,111
Financial obligations	*11*	38,230	36,938
Deferred income and other liabilities*		12,628	18,477
Lease liabilities	*12*	18,047	22,285
Employee-related liabilities	*13*	206,010	217,607
Provisions	*14*	18,076	25,057
		412,015	**427,475**
Non-current			
Financial obligations	*11*	136,592	170,109
Deferred income and other liabilities		17,923	24,482
Lease liabilities	*12*	290,625	298,688
Deferred capital funding	*16*	528,340	512,889
Pension and post-employment benefits plans	*13*	203,015	225,382
		1,176,495	**1,231,550**
TOTAL LIABILITIES		**1,588,510**	**1,659,025**
EQUITY			
Retained earnings		1,625,836	1,990,558
Total equity attributable to the Corporation		**1,625,836**	**1,990,558**
Non-controlling interests	*2*	887	835
TOTAL EQUITY		**1,626,723**	**1,991,393**
TOTAL LIABILITIES AND EQUITY		**3,215,233**	**3,650,418**

Commitments (Note 23) and Contingencies (Notes 14 and 24)

The accompanying notes form an integral part of the consolidated financial statements.

* Certain comparative figures have been reclassified to conform to the current year presentation.

APPROVED BY THE BOARD OF DIRECTORS AND AUTHORIZED FOR ISSUANCE ON JUNE 27, 2023

DIRECTOR　　　　DIRECTOR

CONSOLIDATED STATEMENT OF INCOME (LOSS)

(in thousands of Canadian dollars)	NOTE	For the year ended March 31 2023	2022*
REVENUE	15		
Advertising		288,640	419,550
Subscriber fees		122,325	122,234
Other income*		104,619	109,633
		515,584	**651,417**
GOVERNMENT FUNDING	16		
Parliamentary appropriation for operating expenditures		1,174,971	1,139,694
Parliamentary appropriation for working capital		4,000	4,000
Amortization of deferred capital funding		92,875	96,320
		1,271,846	**1,240,014**
EXPENSES			
Television, radio and digital services costs		1,812,684	1,917,887
Transmission, distribution and collection costs		60,162	58,387
Corporate management costs		11,980	11,054
Finance costs	17	21,772	24,147
		1,906,598	**2,011,475**
Results before other gains and (losses) and income taxes		**(119,168)**	**(120,044)**
OTHER GAINS AND (LOSSES)			
Loss on disposal of property and equipment and intangibles		(8,440)	(680)
Results before income taxes		**(127,608)**	**(120,724)**
Income tax recovery	18	2,499	28,651
Net results for the year		**(125,109)**	**(92,073)**
Net results attributable to:			
The Corporation		(125,161)	(92,153)
Non-controlling interests	2	52	80
		(125,109)	**(92,073)**

The accompanying notes form an integral part of the consolidated financial statements.

* Certain comparative figures have been reclassified to conform to the current year presentation.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)

(in thousands of Canadian dollars)	NOTE	For the year ended March 31 2023	2022
COMPREHENSIVE INCOME (LOSS)			
Net results for the year		(125,109)	(92,073)
Other comprehensive income (loss) - not subsequently reclassified to net results			
Remeasurements of defined benefit plans	13	(239,561)	813,426
Total comprehensive income (loss) for the year		**(364,670)**	**721,353**
Total comprehensive income (loss) attributable to:			
The Corporation		(364,722)	721,273
Non-controlling interests	2	52	80
		(364,670)	**721,353**

The accompanying notes form an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in thousands of Canadian dollars)	*NOTE*	Retained earnings and total equity attributable to the Corporation	Non-controlling interests	**Total**
Balance as at March 31, 2022		**1,990,558**	**835**	**1,991,393**
Changes during the year				
Net results for the year		(125,161)	52	(125,109)
Remeasurements of defined benefit plans	*13*	(239,561)	-	(239,561)
Total comprehensive income (loss) for the year		**(364,722)**	**52**	**(364,670)**
Balance as at March 31, 2023		**1,625,836**	**887**	**1,626,723**

(in thousands of Canadian dollars)	*NOTE*	Retained earnings and total equity attributable to the Corporation	Non-controlling interests	Total
Balance as at March 31, 2021		**1,269,285**	**755**	**1,270,040**
Changes during the year				
Net results for the year		(92,153)	80	(92,073)
Remeasurements of defined benefit plans	*13*	813,426	-	813,426
Total comprehensive income (loss) for the year		**721,273**	**80**	**721,353**
Balance as at March 31, 2022		**1,990,558**	**835**	**1,991,393**

The accompanying notes form an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of Canadian dollars)	*NOTE*	For the year ended March 31 **2023**	2022*
OPERATING ACTIVITIES			
Net results for the year		(125,109)	(92,073)
Adjustments for:			
Depreciation and amortization	*7,8,9*	115,863	110,584
Financing and investment income	*15*	(9,791)	(5,789)
Finance costs	*17*	21,772	24,147
Pension and other post-employment plans expenses	*13*	62,673	117,655
Employer's contribution for Pension and other post-employment plans	*13*	(21,964)	(75,075)
Income tax recovery	*18*	(2,499)	(28,651)
Income taxes received (paid), net of refund		26,840	(26,926)
Net change in programming asset [non-current]		(3,195)	(10,668)
Amortization of deferred capital funding	*16*	(92,875)	(96,320)
Loss on disposal of property and equipment and intangibles		8,440	680
Net gains from the change in fair value of financial instruments		(141)	(451)
Change in deferred charges		(4,985)	484
Change in deferred income and other liabilities [non-current]		(7,082)	(6,521)
Amortization of bond premium		362	652
Change in Restricted Cash		(1,954)	-
Net change in non-cash working capital	*19*	87,416	61,044
Cash from (used for) operating activities		**53,771**	**(27,228)**
INVESTING ACTIVITIES			
Acquisition of property and equipment and intangible assets	*7,8*	(67,101)	(75,724)
Parliamentary appropriations for capital funding	*16*	108,326	106,730
Acquisition of bonds		(70,763)	(105,068)
Acquisition of other assets*	*5*	(3,852)	(3,814)
Collection of bonds		59,758	151,973
Collection of other assets*	*5*	12,055	11,484
Net proceeds from disposal of property and equipment		215	1,370
Interest received		8,377	5,100
Cash from investing activities		**47,015**	**92,051**
FINANCING ACTIVITIES			
Payment of lease liabilities	*12*	(21,457)	(18,343)
Repayment of financial obligations	*11*	(31,412)	(29,408)
Interest paid		(22,069)	(24,219)
Cash used for financing activities		**(74,938)**	**(71,970)**
Change in cash		25,848	(7,147)
Cash, beginning of the year		82,960	90,107
Cash, end of the year		**108,808**	**82,960**

The accompanying notes form an integral part of the consolidated financial statements.

* Certain comparative figures have been reclassified to conform to the current year presentation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

BUSINESS AND ENVIRONMENT

This Section sets out the Corporation's accounting policies that relate to the entire financial statements. Where an accounting policy is specific to one note, the policy is described in the note to which it relates. This section also shows new and future changes in policies, if any, and whether they are effective in 2023 or later years. We explain how these changes are expected to impact the financial position and performance of the Corporation.

1. GENERAL INFORMATION

CBC/Radio-Canada ("the Corporation", "We", "Us", "Our") was first established by the 1936 *Broadcasting Act*. The Corporation, a federal Crown Corporation domiciled in Canada, is an agent of His Majesty and all assets and liabilities are those of the Government. Our registered office is located at 181 Queen Street, Ottawa ON K1P 1K9. The Corporation is accountable to Parliament through the Minister of Canadian Heritage and in accordance with section 85(1.1) of the *Financial Administration Act*, the Corporation is exempt from certain sections of this *Act*[1].

As the national public broadcaster, we provide radio, television and digital services in both official languages, delivering predominantly and distinctly Canadian programming to reflect Canada and its regions to national and regional audiences.

We hold licences, granted by the Canadian Radio-television and Telecommunications Commission (CRTC), for all our conventional television, radio and specialty services. We are required to meet specific regulatory obligations in return for the privilege of holding these broadcasting licences and have elected to record these non-monetary grants at their nominal value of nil.

2. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

These consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as adopted by the Accounting Standards Board Canada. We have consistently applied the same accounting policies throughout all periods presented, as if these policies had always been in effect. These consolidated financial statements were prepared on a historical cost basis, except for pension plans and post-employment benefits which are measured on an actuarial basis.

All amounts are in Canadian dollars, which is our functional currency, and rounded to the nearest thousand, unless otherwise noted.

Changes in Presentation

We have undertaken a review of our consolidated financial statements and corresponding disclosures this year. The objective of this review was to provide more useful information to our financial statements users, while also summarizing key financial information in a clearer and simplified manner.

[1] The Corporation is exempt from *Divisions I to IV of Part X of the Act, except for sections 89.8 to 89.92, subsection 105(2) and sections 113.1, 119, 131 to 148 and 154.01.*

As a result, we made a number of changes. In the Consolidated Statement of Financial Position we combined Marketable securities, Promissory notes receivable, Investment in finance lease and Assets as held for sale under the new line title Other assets and we combined Derivative financial instrument with Deferred revenue and other liabilities. In the Consolidated Statement of Income (Loss), we combined Financing and investment income with Other income. These changes impacted the presentation of some items in the Consolidated Statement of Cash Flows. We also removed certain accounting policy information and note disclosures that were deemed not material, as they did not include any significant additional information. We removed note disclosures related to Cash, Bonds, and Deferred income and other liabilities. Additionally, we have combined certain financial information to improve the relevance and clarity of the information presented. The changes are identified with an asterisk (*) throughout the consolidated financial statements.

B. Basis of Preparation

This section includes accounting policies that relate to the basis of preparation of these consolidated statements as a whole. It also describes estimates Management developed and critical judgments made in the process of applying our policies, and how they affect the amounts reported in the consolidated financial statements. These critical accounting estimates and judgments could have a significant effect on the amounts reported since materially different amounts could result from different conditions or using different assumptions. Where an accounting policy is applicable to a specific note to the financial statements, the policy is described within that note, together with any related estimates and judgments.

i) Principles of Consolidation

ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS
We consolidate the financial statements of our subsidiary (Documentary Channel "*documentary*") and structured entities (the Broadcast Centre Trust and the CBC Monetization Trust) from the date we gained control. The subsidiary and structured entities are entities we continue to control. Control is achieved by having each of the following: ● Power over the investee through giving us the right to direct the relevant activities of the investee; ● Exposure, or rights, to variable returns from involvement with the investee; and ● The ability for us to exercise our power over the investee to affect the returns of the investee. The accounting policies of the subsidiary and structured entities are consistent with our accounting policies. All inter-company transactions, balances, income and expenses are eliminated on consolidation. Changes in our interests in the subsidiary that do not result in a loss of control are accounted for as equity transactions.	We consolidate the CBC Monetization Trust and the Broadcast Centre Trust, as we assess that we control these investees, as defined in IFRS 10 *Consolidated Financial Statements*.

Information about our Subsidiary and Structured Entities

Subsidiary

Our Canadian subsidiary is *documentary*:

documentary	
Ownership	2023 & 2022: 82%
Principal Activity	Discretionary television service broadcasting documentaries
Our determination of control over the entity	Majority interest and active participation on *documentary*'s Board of Directors and Board sub-committees.

Since *documentary*'s fiscal year end is August 31, additional financial statements corresponding to our reporting period are prepared for consolidation purposes.

There are no significant restrictions imposed on our ability to access or use assets and settle the liabilities of *documentary*. Specifically, there are no significant restrictions imposed on us or our subsidiary relating to the ability to transfer funds to investors.

Consolidated Structured Entities

We have two structured entities:

The Broadcast Centre Trust (BCT) – In order to finance the construction of the Canadian Broadcasting Centre ("the building"), the BCT issued $400 million of bonds on January 30, 1997 maturing in May 2027, which are guaranteed by the rent payments for the premises that we occupy. The rent payable by us to the BCT covers all interest and principal on the bonds, all other payments on the bonds and all operating expenses and liabilities of the BCT. The BCT is:

- A lessee under a long-term lease with us for the land on which the building is located in Toronto and for which rent was paid in the amount of one dollar on October 1, 1988; and
- A lessor under a long-term sub-lease with us for the building.

Through our rent payments to the BCT, we also guarantee the bonds payable. See Note 11 for further details.

The Broadcast Centre Trust	
Nature of Trust	Charitable trust
Our determination of control over the entity	Entity designed to conduct a narrow well-defined leasing activity on our behalf, while CBC/Radio-Canada management holds ultimate decision making powers over relevant activities.
Other Information	March 31 year-end

The CBC Monetization Trust – In 2003, we sold two parcels of land to Ontrea Inc. in exchange for the consideration of two promissory notes receivable. The CBC Monetization Trust was created in 2009 for the purpose of acquiring our interest in the promissory notes receivable.

Through the CBC Monetization Trust, we have two promissory notes receivable and an investment in a finance lease relating to the sale and rental of parcels of land. These notes receivables are pledged as collateral for their total carrying value to our borrowings through notes payable. See Notes 5 and 11 for further information.

CBC Monetization Trust	
Nature of Trust	Charitable trust
Our determination of control over the entity	We bear the majority of the risks associated with the collection of the Trust's receivables through the guarantee we have provided. Entity designed to conduct a narrow well-defined activity to monetizing long-term receivables as part of the Recovery Plan implemented to manage budgetary shortfalls in 2009-2010. Predefined contractual arrangement gives us the majority of decision making powers over relevant activities that expose us to variable returns.
Other Information	December 31 year-end Additional financial statements prepared for consolidation purposes.

We do not have interests in joint arrangements or unconsolidated structured entities.

During the current year, we have not provided, and have no current intention to provide any further financial and other support to our consolidated structured entities.

ii) Operating Expenses

Television, Radio and Digital Services Costs

Television, radio and digital services costs are expensed when incurred or amortized and include all costs related to the production of programs, including direct out-of-pocket expenditures, departmental and administration expenses, the cost of activities related to technical labour and facilities. A portion of our indirect expenses that are attributable to the costs of generating programming (such as services provided by People and Culture, Finance, Technology and Infrastructure (T&I), as well as a portion of depreciation and amortization) are also included in the related program costs. Television, radio and digital services costs also include other programming-related activities, such as Marketing and Sales, Merchandising and Communications.

Transmission, Distribution and Collection Costs

Transmission, distribution and collection costs are expensed when incurred and include all costs related to the broadcasting of our programs, including direct out-of-pocket expenditures, departmental and administration expenses, and the cost of activities related to technical labour. A portion of the expenses that are attributable to the cost of transmission and distribution, such as services provided by People and Culture, Finance, T&I, as well as a portion of depreciation and amortization are included in the related expenses.

iii) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. For financial reporting purposes, fair value measurements are categorized as Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs. Our fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value.

The three levels of the fair value hierarchy are:

Level 1 – Fair value measurement derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Fair value measurements derived from inputs that are directly (i.e. as prices) or indirectly (i.e. derived from prices) observable other than Level 1 inputs.

Level 3 – Fair value measurements derived from valuation techniques that require inputs which are both based on unobservable market data and significant to the overall fair value measurement.

iv) Asset Impairment

The carrying amounts of our property and equipment, intangible assets, right-of-use (ROU) assets and programming assets are reviewed at each reporting date at the cash-generating unit (CGU) level to determine whether there is any indication of impairment. For the purpose of impairment testing, a CGU is the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. Assets are tested at the CGU level when they cannot be tested individually.

Assets that are not yet available for use are tested for impairment at every reporting period regardless of whether an impairment indicator exists.

Under our business model, no assets are considered to generate cash flows that are largely independent of the cash flows of other assets and liabilities. Instead, all assets interact to create the “broadcast network production operation” which includes real estate, equipment and intangible assets. These operations are funded by overall parliamentary appropriations, national and local advertising and other commercial revenue. Overall levels of cash flows reflect public policy requirements and decisions. They reflect budgetary funding provided to us in its entirety. If there are indicators of impairment present, the asset’s recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount.

v) Deferred Charges

Deferred charges are primarily composed of services paid in advance that will be received in a period that exceeds twelve months from the date of our Consolidated Statement of Financial Position.

vi) Deferred Income

Deferred income relates to considerations received in advance for facilities, production, and other services not yet provided.

vii) Additional Significant Accounting Policies

To ease the reading of these consolidated financial statements, additional significant accounting policies, estimates and judgments (with the exception of those identified in Note 2) are disclosed throughout the notes, with the related financial disclosures. See table below for reference purposes:

ACCOUNTING AREA	PAGE	ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENT	ACCOUNTING AREA	PAGE	ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENT
Trade and Other Receivables (Note 4)	63	✓	✓	Provisions and Contingent Liabilities (Note 14)	86	✓	✓
Programming (Note 6)	65	✓	✓	Revenue (Note 15)	87	✓	✓
Property and Equipment (Note 7)	67	✓	✓	Government Funding (Note 16)	93	✓	✓
Intangible Assets (Note 8)	69	✓	✓	Finance Costs (Note 17)	94	✓	
Right-of-Use (ROU) Assets (Note 9)	71	✓	✓	Income Taxes (Note 18)	95	✓	✓
Accounts Payable and Accrued Liabilities (Note 10)	72	✓		Financial Instruments (Note 20)	97	✓	✓
Lease Liabilities (Note 12)	74	✓	✓	Related Parties (Note 22)	102	✓	
Pension and Post-employment benefits plans (Note 13)	76	✓	✓	Commitments (Note 23)	104	✓	✓

3. NEW AND FUTURE CHANGES IN ACCOUNTING POLICIES

A. Adoption of New and Revised International Financial Reporting Standards

At the date of this report, there were no new pronouncements issued by the IASB or the IFRS Interpretations Committee that materially impacted these consolidated financial statements.

B. Future Accounting Changes

At the date of this report, there were no future accounting standards or amendments issued by the IASB that are expected to significantly impact our consolidated financial statements.

ASSETS AND LIABILITIES

This section shows the assets used to fulfill our mandate and the liabilities incurred as a result. On the following pages there are notes covering working capital, non-current assets and liabilities, provisions and pension.

4. TRADE AND OTHER RECEIVABLES

Trade and other receivables represent amounts we expect to collect from other parties. Our trade and other receivables are mainly derived from the sale of broadcast advertising and subscriptions.

ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS
Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost less a provision for expected credit losses. We recognize a provision for expected credit losses for receivables based on a lifetime expected credit loss determined in accordance with Note 20 *Financial Instruments.* Before accepting new advertising customers, we conduct a credit assessment. An external credit scoring agency may be used to assess the potential customer's credit quality and define credit limits by customer. Limits and scoring attributed to customers are reviewed at least once a year to determine whether adjustments are required. In addition, we monitor our customers throughout the year for any indications of deterioration in credit quality. When a trade receivable is deemed to be uncollectible, it is written off against the provision for expected credit losses. Subsequent recoveries of amounts previously written off are credited to the Consolidated Statement of Income (Loss) in Television, radio and digital services costs.	Determining when there is reasonable expectation that we will not be able to collect some amounts due requires judgment.

Supporting Information

	March 31, 2023	March 31, 2022
Trade receivables	127,838	201,373
Parliamentary appropriations receivable (Refer to Note 16)	-	21,000
Provision for expected credit losses (Refer to Note 20.B)	(476)	(473)
Other receivables	11,192	11,141
Total	**138,554**	**233,041**

5. OTHER ASSETS

	March 31, 2023	March 31, 2022
Investment in Finance Lease	21,785	26,204
Promissory Notes Receivable	20,088	24,106
Marketable securities	3,852	3,814
Assets classified as held for sale	54	46
Total	**45,779**	**54,170**
Current	12,926	12,297
Non-current	32,853	41,873

A. Investment in Finance Lease

The investment in finance lease, which is held by CBC Monetization Trust, relates to the rental of two parcels of land in Toronto that bear an implicit annual interest rate of 7.15% and with terms ending in May 2027. These receivables are pledged as collateral for their total carrying value to our borrowings through notes payable.

B. Promissory Notes Receivable

At March 31, 2023, through the CBC Monetization Trust, a structured entity, we hold two promissory notes receivable relating to the sale of parcels of land. These notes, which mature in May 2027, bear a fixed annual interest rate of 7.15%, with payments made in arrears in equal blended monthly installments.

The notes have a carrying value of $20.1 million as at March 31, 2023 ($24.1 million - March 31, 2022) and are pledged as collateral for their total carrying value to our borrowings through notes payable (see Note 11.B).

6. PROGRAMMING

Programming consists of programs that require our involvement during the production and acquired licence agreements for programming material.

ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS
Completed programming and programming in the process of production (excluding acquired licence agreements) is recorded at cost less accumulated amortization and accumulated write-offs, on an individual basis. Costs include materials and services, labour and other direct expenses applicable to programming. A portion of our indirect expenses that are attributable to the costs of generating programming (such as services provided by People and Culture, Finance and Technology and Infrastructure as well as a portion of depreciation and amortization) are also included in the related program costs. Programming comprises inventory programs produced with our involvement ("produced programming") and licence agreements acquired from third parties ("purchased programming"). Payments made under the terms of each acquired licence agreement are recorded as either current or non-current programming. Produced programming is usually recorded as current since the programs are available for immediate use once completed, unless noted otherwise in the agreement. Licence agreements are recorded as current programming if the rights to broadcast start within the next twelve months and as non-current programming if the right to broadcast starts beyond twelve months. Non-current programming rights are transferred to current programming once they are expected to be broadcast within the next twelve months. Programming costs are recognized as television, radio and digital services costs on the Consolidated Statement of Income (Loss), according to the amortization schedule in this section or when deemed unrecoverable.	We are required to determine an appropriate amortization rate for each type of programming. Management's intended use for each program-type considers program contract terms, broadcast experience, past audience experience and future telecast plans when determining the amortization schedule for programming. The intended use of programming is reviewed at each year-end. There are a number of uncertainties inherent in estimating management's foreseeable use of its programming assets, particularly as they relate to assumptions regarding viewership patterns and consumption habits. Management periodically reviews amortization rates. Changes in these assumptions could result in adjustments to amounts recognized in the Consolidated Statement of Financial Position and Consolidated Statement of Income (Loss).

Amortization Schedule

Management primarily uses the following recognition basis for our programming:

CATEGORY	DESCRIPTION	AMORTIZATION SCHEDULE BY TELECAST	
		CBC rates	**Radio-Canada rates**
Conventional television programming	Broadcast rights for all programming categories	Between 80% / 20% and 20% for each of the first five telecasts	Between 100% and 20% for each of the first five telecasts
Discretionary television programming	Broadcast rights for all programming categories	Between 70% / 30% and 50% / 30% / 20%	Evenly over the contract period up to a maximum of 3 years
Digital programming	Streaming rights for all programming categories	100% once the program is made available online	

Supporting Information

A. Programming by Category

	March 31, 2023	March 31, 2022
Completed programs	167,468	173,601
Programs in process of production	91,601	90,663
Broadcast rights available for broadcast within the next twelve months	32,878	36,169
Total current programming	**291,947**	**300,433**
Broadcast rights not available for broadcast within the next twelve months	51,874	48,156
Total programming	**343,821**	**348,589**

B. Movement in Programming

	March 31, 2023	March 31, 2022
Opening balance	348,589	421,219
Additions	1,170,061	1,334,348
Programs broadcast	(1,174,829)	(1,406,978)
Balance, end of year	**343,821**	**348,589**

7. PROPERTY AND EQUIPMENT

ACCOUNTING POLICIES

Property and equipment are recorded at cost less accumulated depreciation and accumulated impairment losses. Costs include expenditures that are directly attributable to the acquisition of the items. The cost of assets we constructed include materials, direct labour and related overheads. Amounts included in uncompleted capital projects are transferred to the appropriate property and equipment classification upon completion.

Depreciation of property and equipment is calculated using the straight-line method and rates are based on the estimated useful life of the property and equipment, beginning when an asset becomes available for its intended use. Where major parts of an asset have useful lives different from the asset as a whole, they have been componentized and depreciated according to the major components to which they pertain. The cost of replacing a part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to us and its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

We classify an asset as held for sale if its carrying amount will be recovered principally through a sale rather than through continuing use. Assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell and are included as other current assets in the Consolidated Statement of Financial Position.

We derecognize an item of property and equipment on disposal, or when no future economic benefits are expected from its use. The gain or loss arising from the disposal or retirement of an item of property and equipment is determined as the difference between the sale net proceeds and the carrying amount of the asset, and is recognized as other gains and losses in the Consolidated Statement of Income (Loss).

Useful lives used in the calculation of depreciation are as follows:

Buildings	15 to 65 years
Leasehold improvements	The lesser of the lease term and the economic useful life of the asset
Technical equipment	
Transmitters and towers	20 years
Electrical equipment	16 years
Other	8 years
Computer, office equipment and other	
Computers and other hardware	
Servers	5 years
Personal computers	3 years
Automotive	
Specialized vehicles	20 years
Television and radio news trucks, 5-ton and 10-ton heavy trucks	12 years
Snowmobiles, all terrain vehicles	10 years
Utility vehicles, vans	8 years
Automobile and minivans	5 years
Furnishings and office equipment	10 years

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

We are required to estimate the expected useful lives of our property and equipment. In determining the expected useful lives of these assets, we take into account past experience, industry trends and specific factors, such as changing technologies and expectations for the in-service period of these assets.

The appropriateness of useful lives of these assets and depreciation method are assessed annually, with the effect of any changes in estimate accounted for on a prospective basis.

When an item of property and equipment comprises specific components for which different depreciation methods or rates are appropriate, judgment is used in determining the appropriate level of componentization.

The property and equipment carrying amounts are as follows:

	Land	Buildings	Leasehold improvements	Technical equipment	Computer, office equipment and other	Uncompleted capital projects	Total
Cost as at March 31, 2022	107,864	466,969	191,133	1,038,201	189,352	41,831	2,035,350
Additions	8	66	3,610	10,587	6,982	40,085	61,338
Transfers (refer to Note 8)	-	4,935	1,076	23,001	5,401	(33,750)	663
Assets classified as held for sale	(31)	311	-	(369)	-	-	(89)
Disposals and write-offs	(11)	(2,613)	(788)	(262,334)	(38,889)	-	(304,635)
Cost as at March 31, 2023	**107,830**	**469,668**	**195,031**	**809,086**	**162,846**	**48,166**	**1,792,627**
Accumulated depreciation as at March 31, 2022	-	(291,434)	(58,482)	(785,050)	(123,917)	-	(1,258,883)
Depreciation expense	-	(11,146)	(9,724)	(44,636)	(16,473)	-	(81,979)
Reclassification of depreciation on assets classified as held for sale	-	(289)	-	369	-	-	80
Disposals and write-offs	-	1,826	788	255,443	38,354	-	296,411
Accumulated depreciation as at March 31, 2023	**-**	**(301,043)**	**(67,418)**	**(573,874)**	**(102,036)**	**-**	**(1,044,371)**
Net carrying amount as at March 31, 2023	**107,830**	**168,625**	**127,613**	**235,212**	**60,810**	**48,166**	**748,256**

	Land	Buildings	Leasehold improvements	Technical equipment	Computer, office equipment and other	Uncompleted capital projects	**Total**
Cost as at March 31, 2021	107,816	461,017	183,779	976,219	157,700	129,864	2,016,395
Additions	48	92	-	7,761	4,724	42,272	54,897
Transfers (refer to Note 8)	-	7,834	7,415	84,526	31,988	(130,305)	1,458
Disposals and write-offs	-	(1,974)	(61)	(30,305)	(5,060)	-	(37,400)
Cost as at March 31, 2022	**107,864**	**466,969**	**191,133**	**1,038,201**	**189,352**	**41,831**	**2,035,350**
Accumulated depreciation as at March 31, 2021	-	(272,920)	(49,816)	(775,605)	(116,117)	-	(1,214,458)
Depreciation expense	-	(19,710)	(8,695)	(38,514)	(12,857)	-	(79,776)
Disposals and write-offs	-	1,196	29	29,069	5,057	-	35,351
Accumulated depreciation as at March 31, 2022	**-**	**(291,434)**	**(58,482)**	**(785,050)**	**(123,917)**	**-**	**(1,258,883)**
Net carrying amount as at March 31, 2022	**107,864**	**175,535**	**132,651**	**253,151**	**65,435**	**41,831**	**776,467**

The depreciation for the year has been recorded in our Consolidated Statement of Income (Loss) as follows:

For the year ended March 31	**2023**	2022
Television, radio and digital services costs	68,372	66,208
Transmission, distribution and collection costs	13,260	13,184
Corporate management costs	347	384
Total	**81,979**	**79,776**

8. INTANGIBLE ASSETS

Intangible assets are identifiable non-monetary assets without physical substance, represent future economic benefits and are controlled by us. Our intangible assets comprise software acquired separately and internally developed software for internal use.

ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS
Software acquired separately is recorded at cost at the acquisition date. Expenditures relating to internally developed computer software applications are capitalized when the following criteria are met: ● The software application is technically feasible; ● We intend to complete the intangible asset and to use it; ● We have the ability to use the intangible asset; ● Expenditures attributed to the intangible assets during its development can be reliably measured; ● We have adequate technical, financial and other resources to complete the development of the intangible asset and to use it; and ● It is probable that the intangible asset will generate future economic benefits. The amount initially recognized for internally developed software is the total of the directly attributable costs incurred from the date the intangible asset first meets the recognition criteria listed above. Capitalization ceases when the developed asset is ready for use. Subsequent expenditures on an intangible asset after its purchase or completion are recognized as expenses when incurred, unless it is probable that these expenditures will enable the intangible asset to generate future economic benefits in excess of its originally assessed standard of performance, and the expenditure can be measured and attributed to the intangible asset reliably. Where no internally developed software can be recognized, development expenditures are recognized in our Consolidated Statement of Income (Loss) in the period in which they are incurred. Subsequent to initial recognition, software acquired separately and internally developed software are intangible assets reported at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over the estimated useful lives (three to five years) and the amortization expense is allocated between the various functions in our Consolidated Statement of Income (Loss), for presentation purposes. We derecognize an intangible asset on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the disposal or retirement of an intangible asset is determined as the difference between the sale net proceeds and the carrying amount of the intangible asset and is recognized as other gains and losses in our Consolidated Statement of Income (Loss).	We use judgment to determine whether expenditures we made on intangible items meet the recognition criteria for capitalization. Since intangible assets are accounted for at cost and amortized on a straight-line basis over their estimated useful lives, we are required to estimate the expected useful lives of these assets. In determining the expected useful lives of these assets, we take into account our experience, industry trends and internally-specific factors, such as changing technologies and expectations for the in-service period of these assets. The appropriateness of useful lives of these assets and their amortization method are assessed annually with the effect of any changes in estimate being accounted for on a prospective basis. Changes to useful life estimates would affect future amortization expenses and future carrying values of intangible assets.

Intangible assets carrying amounts are as follows:

	Internally developed software	Acquired software	Uncompleted capital projects	**Total**
Cost as at March 31, 2022	127,933	81,420	1,761	211,114
Additions	-	1,088	9,498	10,586
Transfers (refer to Note 7)	247	4,316	(5,226)	(663)
Disposals and write-offs	(6,220)	(7,885)	-	(14,105)
Cost as at March 31, 2023	**121,960**	**78,939**	**6,033**	**206,932**
Accumulated amortization as at March 31, 2022	(124,863)	(46,195)	-	(171,058)
Amortization expense	(975)	(11,250)	-	(12,225)
Disposals and write-offs	5,861	7,805	-	13,666
Accumulated amortization as at March 31, 2023	**(119,977)**	**(49,640)**	**-**	**(169,617)**
Net carrying amount as at March 31, 2023	**1,983**	**29,299**	**6,033**	**37,315**

	Internally developed software	Acquired software	Uncompleted capital projects	**Total**
Cost as at March 31, 2021	136,068	54,661	15,964	206,693
Additions	-	922	16,603	17,525
Transfers (refer to Note 7)	1,868	27,480	(30,806)	(1,458)
Disposals and write-offs	(10,003)	(1,643)	-	(11,646)
Cost as at March 31, 2022	**127,933**	**81,420**	**1,761**	**211,114**
Accumulated amortization as at March 31, 2021	(134,039)	(40,217)	-	(174,256)
Amortization expense	(827)	(7,621)	-	(8,448)
Disposals and write-offs	10,003	1,643	-	11,646
Accumulated amortization as at March 31, 2022	**(124,863)**	**(46,195)**	**-**	**(171,058)**
Net carrying amount as at March 31, 2022	**3,070**	**35,225**	**1,761**	**40,056**

The amortization for the year has been recorded in our Consolidated Statement of Income (Loss) as follows:

For the year ended March 31	**2023**	2022
Television, radio and digital services costs	11,448	7,935
Transmission, distribution and collection costs	720	460
Corporate management costs	57	53
Total	**12,225**	**8,448**

9. RIGHT-OF-USE (ROU) ASSETS

ROU assets consist primarily of real estate leases for the rental of office space and technical equipment to carry our transmission activities. The lease of office space typically runs for periods between 2 and 37 years, and lease of technical equipment (including transmission assets) between 3 and 35 years.

ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS
Contracts are considered to be a lease when the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. ROU assets are initially measured at cost which comprise the amount of the initial measurement of the lease liability (see Note 12) plus any lease payments made at or before the commencement date and any initial direct costs less any incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses. IAS 36 is applied to determine whether the ROU asset is impaired. Our lease terms will include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. The ROU asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. We do not recognize a ROU asset or a lease liability for short-term leases that have a lease term of 12 months or less, nor for low-value assets (i.e. assets below $5,000). As a practical expedient, these types of leases are expensed as incurred.	We use judgment to determine if a contract is a lease at inception and to assess its term. The determination of the lease term corresponds to the non-cancellable period and options of renewal or termination which are reasonably certain. We seek to exercise renewal options or not to exercise termination options in new leases when there is an economic incentive within the terms of our lease agreement.

Supporting Information

As at March 31, 2023	Land	Buildings	Leasehold improvements	Technical equipment	**Total**
Net carrying amount for the year	2,156	291,023	-	14,789	**307,968**
Depreciation charge for the year	359	17,192	-	4,108	**21,659**

As at March 31, 2022	Land	Buildings	Leasehold improvements	Technical equipment	**Total**
Net carrying amount for the year	2,099	300,263	3,609	18,573	**324,544**
Depreciation charge for the year	349	17,320	602	4,089	**22,360**

Additions to the ROU assets during the year ended March 31, 2023 were $9.1 million ($8.1 million - March 31, 2022).

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities mainly consist of amounts owed to suppliers and employees that have been invoiced or accrued.

ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS
Accounts payable and accrued liabilities are recognized initially at fair value and subsequently measured at amortized cost.	There are no critical accounting estimates or judgments related to accounts payable and accrued liabilities.

Supporting Information

	March 31, 2023	March 31, 2022
Trade payables	49,420	49,622
Accruals	66,972	54,639
Other	2,632	2,850
Total	**119,024**	**107,111**

11. FINANCIAL OBLIGATIONS

Financial obligations consist of bonds payable and notes payable.

	March 31, 2023	March 31, 2022
Current financial obligations		
Bonds payable	28,031	27,015
Notes payable	10,199	9,923
	38,230	**36,938**
Non-current financial obligations		
Bonds payable	100,017	124,153
Notes payable	36,575	45,956
	136,592	**170,109**
Total	**174,822**	**207,047**

A. Bonds Payable

The bonds are secured by the assets of Canadian Broadcasting Centre, which have a carrying value of $104.6 million ($109.9 million - March 31, 2022). They bear a fixed interest rate of 7.53% annually and require blended semi-annual payments of $16.5 million.

The following table presents the contractual maturity profile of the bonds payable based on carrying value:

	March 31, 2023	March 31, 2022
Less than one year	28,031	27,015
Later than one year but not later than five years	100,017	108,233
More than five years	-	15,920
Total	**128,048**	**151,168**

Interest expense related to bonds payable and presented as Finance costs totaled $9.9 million for the year ($11.6 million - 2022).

B. Notes Payable

The CBC Monetization Trust held notes payable which mature in May 2027 and bear interest at an annual rate of 4.688%. Blended semi-annual payments are made in May and November of each year.

The notes are redeemable at the CBC Monetization Trust's option in whole or in part from time to time before maturity, on not less than 30 days and not more than 60 days prior notice. The redemption price is the greater of the outstanding principal amount of the notes to be redeemed and the net present value of all scheduled semi-annual payments on the notes from the date of redemption to the date of maturity, using the Government of Canada yield plus 0.30% on such date, together, in each case, with accrued but unpaid interest to, but excluding, the redemption date. The notes payable are secured by the promissory notes receivable and the investment in finance lease described in Note 5.

The following table presents the contractual maturity profile of the notes payable based on carrying value:

	March 31, 2023	March 31, 2022
Less than one year	10,199	9,923
Later than one year but not later than five years	36,575	40,337
More than five years	-	5,619
Total	**46,774**	**55,879**

Interest expense related to notes payable and presented as Finance costs totaled $2.4 million for the year ($2.8 million - 2022).

12. LEASE LIABILITIES

ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS
Lease liabilities are calculated as the present value of the remaining lease payments as of the commencement date discounted using our incremental borrowing rate when leases do not provide an implicit interest rate. We remeasure the lease liability (and make a corresponding adjustment to the related ROU asset) whenever the lease term has changed, there is a change in the assessment of exercise of a purchase option, the lease payments change due to changes in an index or a rate or a lease contract is modified and when the lease modification is not accounted for as a separate lease. Lease payments associated with short-term leases (defined as leases with a term of 12 months or less) and leases of low value assets are recognized as an expense under “Television, radio and digital services costs” and “Transmission, distribution and collection costs” on a straight line basis over the term of the lease. The lease liability is subsequently measured using the effective interest method. The finance cost is charged to our Consolidated Statement of Income (Loss) over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. For a contract that contains a lease component and one or more additional lease or non-lease components, we allocate the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. Some real estate leases in which we are the lessee contain variable lease payments that are linked to an index or rate. These types of payments are common in the real estate industry.	We use judgment to estimate Corporation’s incremental borrowing rate when the implicit interest rate to the lease cannot be readily determined.

Supporting Information

	March 31, 2023	March 31, 2022
Land	2,125	2,050
Buildings	290,791	295,250
Leasehold improvements	-	4,010
Technical equipment	15,756	19,663
Lease liabilities included in the Consolidated Statement of Financial Position	**308,672**	**320,973**
Current	18,047	22,285
Non-current	290,625	298,688
Lease liabilities included in the Consolidated Statement of Financial Position	**308,672**	**320,973**

Maturity Analysis

	March 31, 2023	March 31, 2022
Contractual undiscounted cash flows		
Less than one year	25,787	30,226
One to five years	90,834	92,190
More than five years	297,479	311,049
Total undiscounted lease liabilities	**414,100**	**433,465**

Amounts recognized in our Consolidated Statement of Cash Flows

For the year ended March 31, 2023, total cash outflow for leases amounted to $30.4 million ($27.5 million - 2022). Interest expense related to lease liabilities and presented as Finance costs totaled $9.0 million for the year ($9.1 million - 2022).

13. PENSION PLANS AND EMPLOYEE-RELATED LIABILITIES

We provide pension and long-term service retirement benefits based on the length of service and final average earnings of our employees, and other defined benefit post-employment benefit plans to our employees such as post-employment life insurance.

PENSION PLANS AND OTHER POST-EMPLOYMENT BENEFITS (OPEB)

ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS
<u>Defined benefit pension plans</u> The cost of the defined benefit retirement plans is determined on an actuarial basis using the projected unit credit method and management's best assumptions, with actuarial valuations being carried out at the end of each annual reporting period. The components of defined benefit costs are categorized as follows: ● **<u>Service cost</u>** - includes current service cost and past service cost. We recognize it as part of net results for the period. Past service costs, generally resulting from changes in the benefits payable for past services under an existing plan, are recognized in the Consolidated Statement of Income (Loss) in the period of a plan amendment. ● **<u>Net interest expense or income</u>** - recognized as part of net results for the period. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. These two components, in aggregate, are allocated between the various functions in our Consolidated Statement of Income (Loss). ● **<u>Remeasurements</u>** - comprises actuarial gains and losses, the return on plan assets (excluding interest) and changes in the asset ceiling (if applicable). These are reflected immediately in our Consolidated Statement of Financial Position with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurements recognized in other comprehensive income are never subsequently reclassified to net results. We transfer all remeasurements directly from other comprehensive income to retained earnings as a policy choice. The liability recognized in our Consolidated Statement of Financial Position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rate determined by reference to market yields at the end of the reporting period on high quality Canadian corporate bonds that have terms to maturity approximating the terms of the related defined benefit obligation. When the actuarial calculation results in a benefit asset, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan (asset ceiling). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any of our plans. An economic benefit is available if it is realizable during the life of the plan, or on settlement of the plan liabilities.	Accounting for defined benefit pension plans and OPEB requires that assumptions be made to help value benefit obligations and pension assets. The primary assumptions and estimates include the discount rates, health care cost trend rates, long-term rate of compensation increase, indexation of pensions and mortality of members. These assumptions are of a long-term nature, which is consistent with the nature of post-employment benefits. We use the Fiera Capital curve ('CIA curve') to determine the discount rate for calculating the defined benefit obligation. Changes to these primary assumptions and estimates would impact amounts recognized in net results and amounts recognized in other comprehensive income, as applicable. A sensitivity analysis of these changes in primary assumptions is disclosed in Note 13 D.

OPEB AND EMPLOYEE BENEFITS OTHER THAN POST-EMPLOYMENT BENEFITS

ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS
<u>OPEB</u> OPEB liabilities are recognized as follows: ● For long-term disability and workers' compensation when the event that obligates the Corporation occurs; ● For continuation of benefit coverage for employees on long-term disability and the non-contributory long-term benefit plan, the provision is determined on an actuarial basis using discount rates and assumptions consistent with those used for post-employment benefits and the related expense is recognized over the period the employees render the services. Actuarial gains (losses) and past service costs are recognized immediately in our Consolidated Statement of Income (Loss) in the period they occur. <u>Employee benefits other than post-employment benefits</u> We recognize the expense relating to short-term benefits including short-term compensated absences as follows: ● For salaries, social security contribution, bonuses and vacations in the period the employees render the services; ● For employee health, dental and life insurance plans in the period the expenses are incurred; and ● For short-term non-accumulating compensated absences such as sick leave, parental leave, short-term disability and workers' compensation in the period the absence occurs. Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if we have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.	There are no critical accounting estimates or judgments related to employee benefits other than those for the primary actuarial assumptions discussed previously.

TERMINATION BENEFITS

ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS
We recognize termination benefits at the earliest of the following dates: (a) when we can no longer withdraw the offer of those benefits; and (b) when we recognize costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of a voluntary departure, we can no longer withdraw an offer of termination benefits when either the employee accepts the offer, or when a restriction on our ability to withdraw the offer exists. In the case of an involuntary departure, we can no longer withdraw an offer of termination benefits when we have communicated to the affected employees a plan of termination.	There are no critical accounting estimates or judgments related to termination benefits.

Supporting Information

A. Employee-Related Liabilities

Employee-related liabilities recognized and presented in our Consolidated Statement of Financial Position are as follows:

	Current	
	March 31, 2023	March 31, 2022
Vacation pay	77,408	78,082
Termination benefits	4,717	4,960
Salary-related liabilities	123,885	134,565
Total employee-related liabilities	**206,010**	**217,607**

B. Defined Benefit Pension and Other Post-Employment Benefit Plans

The following tables present information about the defined benefit plans.

		Pension expense recognized in net results									
	April 1, 2022	Current service cost	Interest income (cost)	Admin fees	Other	**Sub-total included in net results**	Benefits paid	Remeasurements of the net defined benefit plans incl. in OCI[1]	Employees' contributions	Employer's contributions	**March 31, 2023**
Funded Pension benefit plan											
Fair value of plan assets	8,430,477	-	331,826	(8,000)	-	**323,826**	(326,415)	(601,195)	60,172	-	7,886,865
Defined benefit obligation	(6,809,311)	(101,514)	(269,010)	-	-	**(370,524)**	326,415	774,787	(60,172)	-	(6,138,805)
Pension plan surplus (liability)	**1,621,166**	**(101,514)**	**62,816**	**(8,000)**	**-**	**(46,698)**	**-**	**173,592**	**-**	**-**	**1,748,060**
Effect of the asset ceiling	-	-	-	-	-	-	-	(429,531)	-	-	(429,531)
Pension benefit plan asset (liability)	**1,621,166**	**(101,514)**	**62,816**	**(8,000)**	**-**	**(46,698)**	**-**	**(255,939)**	**-**	**-**	**1,318,529**
Unfunded Pension benefit plan											
Fair value of plan assets	-	-	-	-	-	**-**	(6,330)	-	-	6,330	-
Defined benefit obligation	(122,115)	(2,617)	(4,813)	-	-	**(7,430)**	6,330	11,222	-	-	(111,993)
Unfunded Pension benefit plan asset (liability)	**(122,115)**	**(2,617)**	**(4,813)**	**-**	**-**	**(7,430)**	**-**	**11,222**	**-**	**6,330**	**(111,993)**
Other post-employment benefit plans											
Fair value of plan assets	-	-	-	-	-	**-**	(15,634)	-	-	15,634	-
Defined benefit obligation	(103,267)	(5,203)	(3,885)	-	543	**(8,545)**	15,634	5,156	-	-	(91,022)
Other post-employment benefit plan asset (liability)	**(103,267)**	**(5,203)**	**(3,885)**	**-**	**543**	**(8,545)**	**-**	**5,156**	**-**	**15,634**	**(91,022)**
Total	**1,395,784**	**(109,334)**	**54,118**	**(8,000)**	**543**	**(62,673)**	**-**	**(239,561)**	**-**	**21,964**	**1,115,514**

[1]The detailed breakdown of remeasurement gains and losses on defined benefit plans included in OCI is found in additional tables below.

		Pension expense recognized in net results									
	April 1, 2021*	Current service cost*	Interest income (cost)*	Admin fees	Other*	Sub-total included in net results*	Benefits paid*	Remeasurements of the net defined benefit plans incl. in OCI*[1]	Employees' contributions	Employer's contributions*	March 31, 2022*
Funded Pension benefit plan*											
Fair value of plan assets	8,163,234	-	265,819	(8,000)	-	**257,819**	(321,609)	213,769	61,854	55,410	8,430,477
Defined benefit obligation	(7,294,973)	(125,322)	(238,370)	-	-	**(363,692)**	321,609	589,599	(61,854)	-	(6,809,311)
Pension benefit plan asset (liability)	**868,261**	**(125,322)**	**27,449**	**(8,000)**	**-**	**(105,873)**	**-**	**803,368**	**-**	**55,410**	**1,621,166**
Unfunded Pension benefit plan*											
Fair value of plan assets	-	-	-	-	-	**-**	(6,067)	-	-	6,067	-
Defined benefit obligation	(128,163)	(2,665)	(4,177)	-	-	**(6,842)**	6,067	6,823	-	-	(122,115)
Unfunded Pension benefit plans asset (liability)	**(128,163)**	**(2,665)**	**(4,177)**	**-**	**-**	**(6,842)**	**-**	**6,823**	**-**	**6,067**	**(122,115)**
Other post-employment benefit plan											
Fair value of plan assets	-	-	-	-	-	-	(13,598)	-	-	13,598	-
Defined benefit obligation	(115,160)	(5,848)	(3,248)	-	4,156	**(4,940)**	13,598	3,235	-	-	(103,267)
Other post-employment benefit plan asset (liability)	**(115,160)**	**(5,848)**	**(3,248)**	**-**	**4,156**	**(4,940)**	**-**	**3,235**	**-**	**13,598**	**(103,267)**
Total	**624,938**	**(133,835)**	**20,024**	**(8,000)**	**4,156**	**(117,655)**	**-**	**813,426**	**-**	**75,075**	**1,395,784**

[1]The detailed breakdown of remeasurement gains and losses on defined benefit plans included in OCI is found in additional tables below.

* Certain comparative figures have been reclassified to conform to the current year presentation

We maintain a contributory defined benefit pension plan and non-contributory long-term benefit plans as defined below:

<u>Contributory defined benefit pension plan (Funded Pension benefit plan)</u>

The Canadian Broadcasting Corporation Pension Plan (the "Plan") covers substantially all our employees. The Plan is administered by the CBC Pension Board of Trustees, including the management of the Plan's assets and the payment of benefits promised to Plan members and their survivors. The Plan is federally regulated and is governed by the provisions of the Pension Benefits Standards Act (the Act), and other applicable regulations.

Retirement benefits are based on the length of pensionable service and on the average of the best five consecutive years of pensionable salary in the last 10 years of employment. Employees are required to contribute a percentage of their pensionable salary to the Plan and we provide the balance of the funding, as required, based on actuarial valuations. The amounts included in these consolidated financial statements reflect the latest funding valuation which was performed as of December 31, 2022.

The measurement date for the Plan's assets and the defined benefit obligation is March 31, 2023.

The risks associated with our Plan are as follows:

- <u>Funding risk</u>: One of the primary risks that Plan sponsors face is funding risk, which is the risk that the investment asset growth and contribution rates of our Plan will not be sufficient to cover the pension obligations, resulting in unfunded liabilities. When a funding deficit exists, regulatory authorities require that special payments be made over specified future periods.
  The major contributors to funding risk are the declines in discount rates and investments failing to achieve expected returns. In addition, the pension obligations are affected by non-economic factors like changes in member demographics.
  Funding risk is managed by monitoring and reviewing the funded ratio on an ongoing basis and ensuring that investment decisions are made in accordance with established investment policies and procedures and applicable legislation. The Statement of Investment Policies and Procedures (SIPP) is reviewed annually by the CBC Pension Board of Trustees with a view to provide the Plan with a long-term rate of return sufficient to assist the Plan in meeting its funding objectives and the ongoing changes in pension obligations.

- <u>Other risks</u>: The Plan's assets are also subject to a variety of financial risks because of investment activities. These risks include credit risk, market risk (interest rate, currency risk and other price risk) and liquidity risk. In addition, the defined benefit obligation and costs are subject to measurement uncertainty due to the use of actuarial assumptions (see below). The impact of these factors on the remeasurement of the pension benefit asset can be significant and volatile at times.

<u>Unfunded non-contributory defined benefit pension plans (Unfunded Pension benefits plans)</u>

We also maintain unfunded non-contributory defined benefit pension arrangements. All plans are subject to an annual actuarial valuation.

<u>Non-contributory long-term benefit plans (OPEB plans)</u>

We provide the following long-term employee benefits to our employees:

- A non-contributory long-term benefit plan for certain employees hired prior to the various plan closure dates which vary by category of employees between April 1, 2005 and October 1, 2007. Under the plan, employees retiring with more than three years of service with us can choose to receive a cash award upon retirement or improve their pension benefits. The benefits are based on the length of pensionable service and on the salary rate at March 2005, July 2005 or at retirement/death, depending on the category of employees.
- Other employee future benefits such as long-term disability and workers' compensation, continuation of benefits coverage for employees on long-term disability and post-retirement life insurance.

The last actuarial valuations for the non-contributory long-term benefit plans and the continuation of benefits coverage plan were made as at December 31, 2022.

The following table presents further detailed information on the various sources of remeasurement in OCI included in the prior table.

March 31, 2023	Return on plan assets (excluding interest income)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from plan experience	Change in asset ceiling[1]	**Total remeasurement (gains)/losses included in OCI**
Pension benefit plans						
Fair value of plan assets	601,195	-	-	-	429,531	**1,030,726**
Defined benefit obligation	-	(16,307)	(801,824)	32,122	-	**(786,009)**
Pension benefit plans asset (liability)	**601,195**	**(16,307)**	**(801,824)**	**32,122**	**429,531**	**244,717**
Other post-employment benefit plans						
Defined benefit obligation	-	(2,321)	(2,835)	-	-	**(5,156)**
Defined benefit plans asset (liability)	**-**	**(2,321)**	**(2,835)**	**-**	**-**	**(5,156)**

[1]Under IFRIC 14, *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*, we must assess whether each pension plan's asset has economic benefit to the Corporation through future contribution reductions, payment of the plan expenses, or cash refunds; in the event we are not entitled to a benefit, a limit or asset ceiling is required on the balance.

March 31, 2022	Return on plan assets (excluding interest income)	Actuarial changes arising from changes in demographic assumptions*	Actuarial changes arising from changes in financial assumptions*	Actuarial changes arising from plan experience*	**Total remeasurement (gains)/losses included in OCI***
Pension benefit plans					
Fair value of plan assets	(213,769)	-	-	-	**(213,769)**
Defined benefit obligation	-	-	(652,357)	55,935	**(596,422)**
Pension benefit plans asset (liability)	**(213,769)**	**-**	**(652,357)**	**55,935**	**(810,191)**
Other post-employment benefit plans					
Defined benefit obligation*	-	(1,454)	(4,106)	2,325	**(3,235)**
Defined benefit plans asset (liability)	**-**	**(1,454)**	**(4,106)**	**2,325**	**(3,235)**

* Certain comparative figures have been reclassified to conform to the current year presentation

The total expense recognized in net results has been recorded in our Consolidated Statements of Income (Loss) as follows:

For the year ended March 31	**2023**	2022
Television, radio and digital services costs	60,166	112,949
Transmission, distribution and collection costs	1,880	3,530
Corporate management costs	627	1,176
Total	**62,673**	**117,655**

For the year ending March 31, 2023, total employee benefits, which includes all salary and related costs, were $1,042.9 million ($1,081.9 million - 2022).

Retained earnings include $1,953.7 million of cumulative actuarial gains as at March 31, 2023 (gains of $2,193.2 million - March 31, 2022).

C. Significant Actuarial Assumptions

The significant actuarial assumptions used for the purposes of determining the defined benefit obligation and pension benefit costs were:

Assumptions – annual rates	**March 31, 2023**	March 31, 2022
Assumptions for the calculation of pension benefit costs:		
Discount rate	4.00%	3.30%
Assumptions for the calculation of the benefit obligation:		
Discount rate - pension	4.90%	4.00%
Discount rate - long service gratuity	4.77%	3.81%
Discount rate - LTD benefit	4.77%	3.81%
Discount rate - life insurance	4.84%	3.97%
Mortality	CBC 2019 Pensioner mortality table based on CBC experience with CPM projection scale B	CBC 2019 Pensioner mortality table based on CBC experience with CPM projection scale B
Long-term rate of compensation increase, excluding merit and promotion	2.50%	1.50% in 2023 to 2024 2.50% thereafter
Health care cost trend rate	5.56% for 2023-2026, decreasing linearly to 4.81% in 2029 and grading down to an ultimate rate of 3.57% per annum in 2040 and thereafter	5.56% for 2022-2026, decreasing linearly to 4.81% in 2029 and grading down to an ultimate rate of 3.57% per annum in 2040 and thereafter
Indexation of pensions	2024: 2.70% 1.86% thereafter	2023 to 2024: 2.70% 1.86% thereafter

D. Sensitivity Analysis

The sensitivity analysis of the significant actuarial assumptions would show the following changes in the present value of the defined benefit obligations:

	Pension plans		Other post-employment plans	
	March 31, 2023	March 31, 2022	**March 31, 2023**	March 31, 2022
Discount rate sensitivity				
100 basis points higher	-11.6%	-12.5%	-6.2%	-6.5%
100 basis points lower	14.6%	15.9%	7.2%	7.6%
Expected rate of future salary increases				
100 basis points higher	2.3%	2.3%	4.2%	3.9%
100 basis points lower	-2.1%	-2.1%	-3.9%	-3.4%
Expected rate of future indexation of pensions				
100 basis points higher	12.0%	13.1%	1.4%	1.2%
100 basis points lower	-10.0%	-10.8%	-1.2%	-1.0%
Mortality sensitivity				
Pensioners live an extra year	2.9%	3.1%	-1.5%	-1.5%
Pensioners die a year before	-2.9%	-3.1%	1.7%	1.8%
Health care cost trend rates sensitivity				
100 basis points higher	N/A	N/A	1.6%	1.4%
100 basis points lower	N/A	N/A	-1.4%	-1.2%

N/A = not applicable

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some assumptions may be correlated.

When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognized within our Consolidated Statement of Financial Position.

For the contributory defined benefit pension plan, a Strategic Asset Allocation (SAA) review is performed periodically to review the risks and rewards associated with the existing long-term asset mix policy, analyze the risk/reward profile that would result from alternative asset mix policies, and consider the impact of various economic environments on both the assets and liabilities (pension obligations). The most recent SAA review was completed in 2022 with a focus on the Plan’s liability hedging assets. Main highlights were:

- To refine the Plan’s Liability Driven Investment (LDI) strategy that focuses on reducing the interest rate and inflation risk mismatch between the Plan’s assets and liabilities;
- To reduce the interest rate hedging ratio to provide a better balance between the Plan’s solvency and going concern funded status objectives.

The Plan is funded on the basis of actuarial valuations, which are calculated annually by an independent actuarial firm. Employees are required to contribute a percentage of their pensionable salary to the Plan and we provide the balance of the funding, as required, based on actuarial valuations.

E. Contribution Rate

The contribution rate for employees that are covered by the Plan are as follows:

	March 31, 2023	March 31, 2022
For earnings up to the maximum public pension plan earnings[1]		
April 1 to June 30	8.44%	8.27%
July 1 to March 31	8.19%	8.44%
For incremental earnings in excess of the maximum public pension plan earnings[1]		
April 1 to June 30	11.10%	10.87%
July 1 to March 31	10.77%	11.10%

[1]The maximum public pension earnings for 2023 is $66,600 (2022: $64,900, 2021: $61,600)

The current service cost-sharing between employees and employer for pension contributions for all members is 50:50.

We expect to make a contribution of $6.5 million to the unfunded pension plans and none to the funded pension plan during the next fiscal year. Starting on April 21, 2022, CBC/Radio-Canada has been required to take a contribution holiday in accordance with the *Income Tax Act*.

F. Maturity Profile

The maturity profile of our benefit plans obligation and other post-employment benefits is as follows:

	Pension plans		Other post-employment plans	
	March 31, 2023	March 31, 2022	**March 31, 2023**	March 31, 2022
Average duration of the benefit obligation	13.1 years	14.2 years	7.4 years	8.1 years
Active members	19.3 years	20.5 years	7.4 years	8.1 years
Deferred members	20.6 years	21.5 years	N/A	N/A
Retired members	9.6 years	10.3 years	7.2 years	7.7 years

N/A = not applicable

G. Fair Value of Plan Assets

The fair value of the plan assets can be allocated to the following categories:

Assets Categories		Quoted market price in an active market	Not quoted market price in an active market	**Total as at March 31, 2023**
Investment assets				
Fixed income	Cash and short-term investments	230,983	-	230,983
	Canadian bonds	-	2,611,026	2,611,026
	Fixed income alternatives	-	280,051	280,051
Equities	Canadian	410,608	-	410,608
	Global	2,195,100	154,115	2,349,215
Strategic	Property	-	1,413,521	1,413,521
	Private investments	-	631,658	631,658
Other	Derivatives	-	6,353	6,353
Total investment assets		**2,836,691**	**5,096,724**	**7,933,415**
Investment liabilities				
Other	Derivatives	-	(8,583)	(8,583)
Total investment liabilities		**-**	**(8,583)**	**(8,583)**
Total investment assets less liabilities		**2,836,691**	**5,088,141**	**7,924,832**
Liabilities less non-investment assets				**(37,967)**
Fair value of plan assets				**7,886,865**

Assets Categories		Quoted market price in an active market	Not quoted market price in an active market*[1]	Total as at March 31, 2022
Investment assets				
Fixed income	Cash and short term investments	343,070	-	343,070
	Canadian bonds	-	3,050,962	3,050,962
	Fixed income alternatives	-	194,446	194,446
Equities	Canadian	454,871	-	454,871
	Global	2,054,712	376,151	2,430,863
Strategic	Property	25,161	1,260,140	1,285,301
	Private investments	-	672,733	672,733
Other	Derivatives	-	7,903	7,903
Total investment assets		**2,877,814**	**5,562,335**	**8,440,149**
Investment liabilities				
Other	Derivatives	-	(39,764)	(39,764)
Total investment liabilities		**-**	**(39,764)**	**(39,764)**
Total investment assets less liabilities		**2,877,814**	**5,522,571**	**8,400,385**
Non-investment assets less liabilities				**30,092**
Fair value of plan assets				**8,430,477**

* Certain comparative figures have been reclassified to conform to the current year presentation.

[1] Level 2 and Level 3 have been combined since they are not quoted in an active market. In our 2021-2022 consolidated financial statements, Level 2 and Level 3 were presented separately.

The actual return on plan assets was $-211.3 million or -2.55% ($555.4 million or 6.93% - 2022).

14. PROVISIONS AND CONTINGENT LIABILITIES

ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Provisions are recognized when:

- We have a present obligation (legal or constructive) as a result of a past event;
- It is probable that we will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

In situations where the amount of the obligation cannot be measured with sufficient reliability or the cash outflows are not probable, a contingent liability is disclosed.

When it has been determined by management that we should record a provision, assumptions about the amount and likelihood of outflows and their timing are considered in determining a reliable estimate for the obligation. Factors affecting these assumptions include the nature of the provision, the existence of the claim amount, opinions or views of legal counsel and other advisors, experience in similar circumstances, and any management decision as to how we intend to handle the obligation.

Supporting Information

Provisions

As at March 31, 2023	Claims and Legal Proceedings	Other	Total
Opening balance	24,832	225	25,057
Additional provisions recognized	4,403	-	4,403
Provisions utilized	(7,146)	-	(7,146)
Reductions resulting from remeasurement or settlement without cost	(4,210)	(28)	(4,238)
Total	**17,879**	**197**	**18,076**

Various claims and legal proceedings have been asserted or instituted against us. Some of these claims or legal proceedings demand large monetary damages or other forms of relief, and could cause significant expenditures. They include ongoing legal, compensation, employment matters and copyright tariffs against CBC/Radio-Canada.

Other provisions consist of environmental decommissioning liabilities and probable costs for reorganizations, relocations and redundancies at CBC/Radio-Canada.

All provisions are classified as current because we are working to resolve these matters within 12 months.

Contingent Liabilities

CBC/Radio-Canada's contingent liabilities consist of claims and legal proceedings, and restoration obligations for which no provision was recorded.

- Claims and legal proceedings: As at March 31, 2023, there were various legal claims outstanding against CBC/Radio-Canada. We do not expect any of those (individually or in aggregate) to result in a settlement that could have a material adverse effect on our financial results.
- Restoration obligations: CBC/Radio-Canada identified contingent liabilities associated with the restoration of some of its non-standard leasehold improvements contractually required under lease agreements. Since it is not probable that an outflow of economic resources will be required to settle these legal obligations, and the timing of such settlement is unknown, no provision has been recorded in the consolidated financial statements. Should management's assessment change in the future, a provision would be established. At this point of time, the estimated undiscounted cash flow required to settle these liabilities is $8.9 million.

INCOME, EXPENSES AND CASH FLOWS

This Section focuses on our results and cash flows. On the following pages you will find disclosures describing our revenue and government funding for the year, finance costs, income taxes and supplemental cash flow information.

15. REVENUE

ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS
Revenue is recognized when control of the promised goods and services is transferred to our customers in an amount that reflects the consideration expected in exchange for those goods and services. Our primary revenue streams are: ● Advertising; ● Subscriber fees; ● Production revenue; and ● Program licence sales. The transaction price of a contract for any of these revenue streams can include fixed and variable consideration and, infrequently, non-monetary compensation that is measured at its fair value. If we cannot reasonably estimate the fair value of the non-monetary compensation, we measure the consideration received indirectly by reference to the stand-alone selling price of the goods or services transferred. Consistent with other organizations in the industry, sales of advertising airtime are primarily made through agencies. These agencies typically remit their payment within 90 days. For other revenue streams, payment is typically received within 30 days, which are our average credit terms. Detailed accounting policies are presented below for these primary revenue streams. Our contracts with customers may include multiple performance obligations. For such arrangements, we allocate the transaction price to each identified performance obligation based on its relative standalone selling price. We generally determine standalone selling prices based on the prices charged to customers of the same class in similar transactions. We have elected to use the following practical expedients: ● We do not disclose the value of unsatisfied performance obligations for contracts with an original expected length of one year or less. ● We do not adjust the amount of consideration for the effects of a significant financing component since the period between when we provide a service and obtain payment from a customer is usually one year or less.	Judgment is required in the identification of performance obligations in each of the major revenue streams. Furthermore, judgment is required in the determination of the stand-alone selling price of some performance obligations for purposes of allocating the transaction price. All of the above have the potential to result in a different timing of revenue recognition arising from the estimates and judgments made. For more details about our critical judgments by revenue stream, refer to the tables below.

Supporting Information

For the year ended March 31	**2023**	2022*
Advertising		
TV advertising[1]	215,501	333,856
Digital advertising	73,139	85,694
Total advertising	**288,640**	**419,550**
Subscriber fees	**122,325**	**122,234**
Other income		
Production revenue[2]	22,555	20,584
Program licence sales	23,385	35,395
Canadian retransmission rights	4,200	4,200
Other services*	11,457	11,122
Revenue from contracts with customers	**472,562**	**613,085**
Other income		
Leasing income	31,239	32,186
Financing and investment income	9,791	5,789
Other retransmission rights	1,624	1,688
Net gains (losses) on foreign exchange and change in fair value of financial instruments*	368	(1,331)
Revenue outside the scope of IFRS 15 - *Revenue from Contracts with Customers*	**43,022**	**38,332**
Total Revenue	**515,584**	**651,417**

* Certain comparative figures have been reclassified to conform to the current year presentation.

[1] For the year ended March 31, 2023, TV advertising included revenue from exchange of services of $1.3 million ($1.0 million - 2022).
[2] For the year ended March 31, 2023, Production revenue included revenue from exchange of services of $11.2 million ($9.9 million - 2022).

Contract Balances with customers

Contract assets with customers are presented under “Trade and Other Receivables” in our Consolidated Statement of Financial Position. Trade and Other Receivables include $17.9 million of contract assets as at March 31, 2023 ($13.7 million - March 31, 2022). There was no impairment loss on contract assets for the periods considered.

Contract liabilities with customers are presented as current liabilities under “Deferred Income and other liabilities” in our Consolidated Statement of Financial Position. Deferred Income includes $3.2 million of contract liabilities as at March 31, 2023 ($9.0 million - March 31, 2022).

ACCOUNTING POLICIES - ADVERTISING

NATURE OF PERFORMANCE OBLIGATIONS	HOW WE RECOGNIZE REVENUE
We offer advertising services through our television and digital platforms. Advertising sales revenue arises from the sale of advertising placements in exchange for monetary and/or non-monetary compensation, based on negotiated rates with agencies and direct advertisers. Each advertising placement represents a performance obligation under advertising sales agreements. An advertising placement can either be provided in exchange for compensation or provided for free as part of a sales incentive. We also offer creative services to our advertising customers. They range from the conception to the production and integration of advertisements for television and digital platforms. Though bundled with advertising services in a contract, creative services are considered separate performance obligations.	Revenue from the provision of advertising services is recognized when the advertising placement has been broadcast and when the guaranteed level of audience or ratings has been achieved. When the guaranteed level of audience or ratings has not been achieved, the performance obligation is not satisfied until a compensational spot has been broadcast and when the guaranteed level of audience or ratings has been achieved. The standalone selling price of each advertising spot is determined based on observable inputs such as those listed in published rate cards. Revenue from creative services is recognized when the service is provided to the customer.

Supporting Information

For the year ended March 31	**2023**	2022
Advertising revenue		
English services	139,532	248,969
French services	149,108	170,581
Total	**288,640**	**419,550**

ACCOUNTING POLICIES – SUBSCRIBER FEES

NATURE OF PERFORMANCE OBLIGATIONS	HOW WE RECOGNIZE REVENUE
We provide ongoing delivery of programming to: ● Cable, national direct to home satellite, or internet protocol television service providers (commonly referred as Broadcast Distribution Undertakings or "BDUs") through discretionary channel subscriptions; and ● Individual customers through online monthly subscriptions. The performance obligations under subscription agreements consist of a right to access the programming which is provided on a monthly basis.	Discretionary Channels Subscriptions The performance obligation is satisfied as we make our discretionary TV signal available to the BDU as required by the contract. Consideration consists of a fixed fee for the subscription period and at times also includes usage-based variable fees. The fixed fee is recognized as revenue on a straight-line basis because performance occurs evenly over the subscription period. The variable fees are recognized as revenue in the period the usage is incurred. Online Entertainment Subscriptions The performance obligation is satisfied as we make our content available to customers online. Consideration consists of a fixed fee for the subscription period and revenue is recognized on a straight-line basis because performance occurs evenly over the subscription period.

Supporting Information

For the year ended March 31	**2023**	2022
Subscriber revenue		
English services	61,265	61,659
French services	61,060	60,575
Total	**122,325**	**122,234**

ACCOUNTING POLICIES - OTHER INCOME

NATURE OF PERFORMANCE OBLIGATIONS	HOW WE RECOGNIZE REVENUE
Production revenue comprises mainly revenue from: • Facilities and services rental to independent producers in exchange for monetary and/ or non-monetary compensation. These service arrangements generally include the use of our facilities, equipment and labour hours. • Host broadcasting services – We enter into agreements to sell broadcasting feeds to third party networks in exchange for monetary and/or non-monetary compensation, most notably during major sporting events such as the Olympic Games. Services provided under a facilities and services rental contract or a host broadcasting arrangement are accounted for as a single performance obligation since the services are provided concurrently to the customer over the contract term.	**Production revenue is recognized:** • Over time as the independent producer simultaneously receives and consumes the benefits of our facilities and services rental. We are compensated for each day of service based on agreed upon daily rates. Consideration for any additional services provided is recognized as revenue in the period it is provided. Revenue is recognized on a monthly basis at the applicable daily rates as the services are provided to the customer in accordance with contract terms. • Over time as the broadcasting feed is provided to the customer in accordance with the contract terms. Advance payments received are recorded as a contract liability and reallocated to revenue when performance obligations have been satisfied. Consideration for host broadcasting services consists of fixed prices stated in the contract.
Program licence sales are earned when we enter into programming agreements to sell content in the domestic market and overseas. These licences grant rights to third parties for them to use existing CBC/Radio-Canada's programs that have either ended (commonly referred to as "syndicated content") or are still in production (commonly referred to as "current content"). For both syndicated and current content licensing arrangements of a season of programs, the bundle of licence rights of individual episodes represent a single combined performance obligation since the licences are delivered concurrently and the right to use has commenced for all licences within a bundle.	**Program licence sales** are recognized when each episode is delivered, and the right-to-use licence period has commenced, in the amount equal to the individual episode price stated in the contract. Consideration consists of fixed prices stated in the contract for the content or licence.

Income-Generating Leases

ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS
We are a lessor in several leasing arrangements, which requires management to determine whether the lease is a finance lease or an operating lease.	The determination that an arrangement to lease a portion of a building that we own meets the criteria of an operating lease and that the leased portion of the building does not qualify as investment property under IAS 40 *Investment Property*.

Operating leases relate to buildings and transmission towers that we own with remaining lease terms between one to 87 years. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

The future aggregate minimum lease receivables under non-cancellable operating leases are as follows:

	March 31, 2023	March 31, 2022
Less than one year	12,210	11,138
Later than one year but not later than five years	44,894	45,554
More than five years	294,215	304,101
Total	**351,319**	**360,793**

In addition to the amounts presented above, we expect to receive amounts related to operating expenses and property taxes under building leases for a total of $62.7 million (March 31, 2022 - $63.7 million).

16. GOVERNMENT FUNDING

We receive a substantial portion of our funding from the Government of Canada.

ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS
Parliamentary appropriations for operating expenditures and Parliamentary appropriations for working capital are recognized as government funding in our Consolidated Statement of Income (Loss) in the fiscal year for which the appropriations were approved. Parliamentary appropriations for property and equipment and intangible assets that are subject to depreciation and amortization are recorded as deferred capital funding in our Consolidated Statement of Financial Position, with income being recognized in our Consolidated Statement of Income (Loss) over the average useful life of assets acquired using the appropriations in a given year. Parliamentary appropriations for the purchase of land are recorded in our Consolidated Statement of Income (Loss).	We are required to make estimates in determining the amount of government funding to be recognized in income related to capital expenditures. The amount recognized in income each year is based on the estimated useful lives and proportion of our property and equipment, and intangible assets purchased using government funding for capital expenditures.

Supporting Information

A. Government funding

Parliamentary appropriations approved and the amounts we received are as follows:

For the year ended March 31	**2023**	2022
Operating funding		
Reference levels	1,176,213	1,176,214
Permanent transfer to capital funding for capital lease	(22,416)	(20,820)
Vote transfer from 2021-2022 operating funding to 2020-2021	-	(36,700)
Total Operating appropriations received (Vote 1)	**1,153,797**	**1,118,694**
Funding for critical operating requirements (Vote 1b for 2023, Vote 1c for 2022)	21,000	21,000
Compensation allocations - Allotment Adjustments	174	-
Total Operating funding	**1,174,971**	**1,139,694**
Capital funding		
Reference levels	85,910	85,910
Permanent transfer from operating funding for capital leases	22,416	20,820
Total Capital appropriations (Vote 10)	**108,326**	**106,730**
Total Working capital appropriations (Vote 5)	**4,000**	**4,000**
Total	**1,287,297**	**1,250,424**

Voted transfers are requests made to and approved by Parliament.

Transfers to capital/from operating funding are consistent with business cases submitted for capital projects through operations and are usually partly offset by transfer of proceeds from the sale of capital assets where it has been deemed that the proceeds would be used in operations.

The total funding approved and received for the year is not the same as the total government funding presented in our Consolidated Statement of Income (Loss).

B. Deferred capital funding

Capital funding received is recorded as Deferred Capital Funding in our Consolidated Statement of Financial Position, with income being recognized in our Consolidated Statement of Income (Loss) over the same basis and over the same periods as the assets acquired using the appropriations.

	March 31, 2023	March 31, 2022
Opening balance	512,889	502,479
Government funding for capital expenditures	108,326	106,730
Amortization of deferred capital funding	(92,875)	(96,320)
Balance, end of year	**528,340**	**512,889**

17. FINANCE COSTS

Finance costs comprise the interest attributable to bonds payable, notes payable, lease liabilities and the accretion of liabilities.

ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS
Finance costs are recognized in our Consolidated Statement of Income (Loss) in the period in which they are incurred using the effective interest method.	There are no critical accounting estimates or judgments related to finance costs.

Supporting Information

Finance costs include the following:

For the year ended March 31	**2023**	2022
Interest on financial obligations (Note 11)	12,287	14,355
Interest on lease liabilities (Note 12)	8,962	9,116
Other non-cash finance costs	523	676
Total	**21,772**	**24,147**

18. INCOME TAXES

CBC/Radio-Canada is a prescribed federal Crown Corporation under Reg. 7100 of the *Income Tax Act (ITA)* and is subject to federal income tax as a prescribed corporation for purposes of subsection 27(2) of the *ITA*. Our activities are not subject to provincial taxes.

ACCOUNTING POLICIES

Management uses the liability method of accounting for income taxes. Under this method, Deferred Income Tax Assets and Liabilities are recognized based on the estimated tax effect of temporary differences between the carrying value of assets and liabilities on the financial statements and their respective tax bases.

<u>Current tax</u>

Taxable net results differ from net results as reported in our Consolidated Statement of Income (Loss) because of items of income or expense that are taxable or deductible in other years or because of items that are never taxable or deductible. Our income tax receivable (payable) is computed using tax rates that have been enacted or substantively enacted by the end of the reporting period.

<u>Deferred tax</u>

As a federal Crown Corporation that receives a substantial portion of its funding from the Government of Canada, we operate within a specific operating structure to match cash expenses with available resources, and to break even over the long term. We use appropriations only to the extent required to fund our operating expenses, and may not borrow to fund working capital shortfalls. Therefore, we do not expect to generate material taxable income or losses in the periods that temporary differences are scheduled to reverse. Accordingly, a deferred tax asset or liability is not recognized in our consolidated financial statements as long as these specified operating conditions are met at the end of the reporting period.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Management has used judgment to determine that, as of the reporting date, deferred taxes should not be recognized because we do not expect to generate material taxable income or losses in the periods temporary differences are scheduled to reverse due to its specific operating structure.

Supporting Information

A. Income Tax Recognized in Net Results

The income tax recovery for the year can be reconciled to the income tax recovery that would be computed by applying our federal statutory tax rate of 25.00% (25.00% - 2022) to accounting profit as follows:

For the year ended March 31	**2023**	2022
Income tax recovery at federal statutory rate	31,902	30,181
Permanent differences	(775)	752
Adjustments to reflect the expected income tax (payable) in future periods in respect of taxable and deductible temporary differences	(28,628)	(2,282)
Income tax recovery	**2,499**	**28,651**

In 2022-2023, we reported a $2.4 million current tax adjustment relating to a prior year (March 31, 2022 $4,2M).

The tax rate used for the 2023 reconciliation above is the corporate tax rate payable by a corporation that is a prescribed Federal Crown Corporation under Part LXXI of the *Income Tax Regulations* and is subject to the provisions of the *Income Tax Act* (Canada). An adjustment to reflect the expected income tax receivable (payable) in future periods in respect of taxable and deductible temporary differences is reflected above. The Corporation’s loss carry forward balance will expire in 2043.

B. Temporary Differences

For the year ended March 31	**2023**	2022
The sources of the deductible (taxable) temporary differences for which no deferred tax asset or liability was recognized were as follows:		
Accrued liabilities	21,613	28,777
Lease liabilities	308,672	320,973
Pension plans	(1,206,536)	(1,499,051)
Employee-related liabilities	91,022	103,267
Loss carry-forward	87,409	-
Non-current receivables and investments	747	993
Deferred income for tax purposes related to the sale of receivables	(15,472)	(19,185)
Property and equipment	(252,660)	(246,822)
Right-of-use (ROU) assets	(287,158)	(303,200)
Other	(22,219)	(21,134)
Total	**(1,274,582)**	**(1,635,382)**

19. SUPPLEMENTAL CASH FLOW INFORMATION

A. Movements in Working Capital

For the year ended March 31	**2023**	2022
Changes in Working Capital are comprised of:		
Trade and other receivables	95,598	(54,263)
Programming asset [current]	8,486	83,974
Prepaid expenses	(3,551)	6,012
Accounts payable and accrued liabilities	10,710	22,027
Provisions	(6,981)	5,176
Employee-related liabilities	(11,597)	(1,802)
Deferred income and other liabilities [current]	(5,249)	(80)
Total	**87,416**	**61,044**

B. Changes in Liabilities Arising from Financing Activities

		Cash flows		Non-cash changes	
	April 1, 2022	Capital	Interest and other changes	Other changes	**March 31, 2023**
Repayment of lease liabilities (Note 12)	320,973	(21,457)	(8,969)	18,125	308,672
Repayment of financial obligations (Note 11)	207,047	(31,412)	(13,100)	12,287	174,822
Distributions to non-controlling interests	835	-	-	52	887
Total liabilities from financing activities	**528,855**	**(52,869)**	**(22,069)**	**30,464**	**484,381**

OTHER

This section discloses information related to our financial instruments, capital management, related parties, commitments and contingent assets.

20. FINANCIAL INSTRUMENTS

Outlined below are our financial instruments and related financial risk management objectives, our policies and our exposure and sensitivity to financial risks.

ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS
Financial assets and financial liabilities are recognized when we become a party to the contractual provisions of the instrument. Financial assets are classified and subsequently measured at amortized cost or fair value through profit or loss based on both the Corporation's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Our financial assets are classified and measured as follows: ● Financial assets held for the purpose of collecting contractual cash flows (''held to collect'') that represent solely payments of principal and interest (''SPPI'') are classified and measured at amortized cost; ● Financial assets that are not considered to be solely payments of principal and interest are classified and measured at fair value through profit or loss (''FVTPL''). Financial liabilities are classified and subsequently measured at amortized cost. Derivative financial instruments are classified and subsequently measured at FVTPL. See table below for classification of our financial instruments. The impairment model is an expected credit loss ("ECL") model, which implies both an earlier recognition of impairment losses and a disclosure of more timely and forward-looking information. Additionally, it is no longer necessary for a loss event to occur before an impairment loss is recognized. The simplified approach is applied to trade receivables and contract assets that result from transactions within the scope of IFRS 15. Under the simplified approach, a provision based on lifetime ECL is determined by historical loss rates, adjusted for current conditions and forward looking information, and applied to segments of receivable balances at each reporting date. The ECL for all other financial assets is determined by the present value of the cash shortfalls over the upcoming 12-month period.	The measurement of the provision for expected credit losses ("ECL") for our financial assets measured at amortized cost requires the use of complex models and significant assumptions about future economic conditions and credit behaviour.

Supporting Information

A. Classification and Risks Overview

Our activities are exposed to a variety of financial risks: credit risk, liquidity risk and market risk. Our overall risk management program focuses on the unpredictability of financial and economic markets and seeks to minimize potential effects on our financial performance. Risk management is carried out through financial management practices in conjunction with our overall governance practices. The Board of Directors is responsible for overseeing the management of financial risk.

Our financial instruments, the classification, and the nature of certain risks to which they may be subject are as set out in the following table:

	Risks			
			Market Risks	
	Credit	Liquidity	Currency	Interest rate
Measured and classified at amortized cost				
Bonds	X			X
Promissory notes receivable	X			X
Trade and other receivables	X		X	
Investment in finance lease	X			X
Accounts payable and accrued liabilities		X	X	
Financial obligations		X		X
Lease liabilities		X		X
Measured and classified at fair value through profit and loss (FVTPL)				
Cash	X		X	X
Restricted cash	X		X	X
Derivative financial instruments	X		X	
Marketable securities	X		X	X

B. Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss. Our maximum exposure to credit risk at March 31, 2023 and March 31, 2022 is the carrying value of these assets. The Corporation minimizes risk on marketable securities, bonds and derivative financial instruments by dealing only with reputable and high-quality financial institutions. We do not believe that we are subject to any significant concentration of credit risk.

<u>Trade and other receivables</u>

Credit risk concentration for trade and other receivables is limited and managed through a program of credit evaluation and by restricting the amount of customer credit where deemed necessary.

We established a provision for ECL that reflects the lifetime ECL of our trade and other receivables as permitted under IFRS 9 simplified approach. We have a specific policy on credit and collections and guidelines that provide for how the provision should be determined. This is determined by considering our historical loss rates by customer type, adjusted for current conditions and forward looking information. At each reporting period, the amount of expected credit losses is updated to reflect any significant changes in credit risk of trade and other receivables since inception.

Consistent with others in the industry, our trade and other receivables are mainly derived from the sale of advertising airtime through agencies. These agencies typically remit their payment over a period exceeding our average credit term of

30 days. As such, a significant portion of our trade receivables are past due but not impaired and the collection period is not necessarily an indicator of credit risk.

The tables below provide an aging of our customer trade and other receivables and additional information related to the provision for ECL.

Trade and other receivables over 30 days	**March 31, 2023**	March 31, 2022
31 - 60 days	23,381	110,863
61 - 90 days	16,863	2,480
Over 90 days	15,967	18,150
Total	**56,211**	**131,493**

Movement in provision for expected credit losses	**March 31, 2023**	March 31, 2022
Opening balance	(473)	(507)
Amounts written off during the year as uncollectible	98	178
Net increase in provision for new impairments	(101)	(144)
Balance, end of year	**(476)**	**(473)**

C. Liquidity Risk

Liquidity risk is the risk that we will experience difficulties in meeting our financial obligations associated with financial liabilities.

Our approach to managing liquidity risk is to ensure, as far as possible, that we will have sufficient liquidity to meet our liabilities when due, under both normal and stressed conditions without incurring losses. We also manage liquidity risk by continuously monitoring actual and budgeted cash flows. The Board of Directors reviews and approves our operating and capital budgets, and large transactions.

We do not have the authority to obtain a line of credit or non-current debt without the prior approval of the Minister of Finance.

The following table presents a maturity analysis of our financial liabilities based on the expected cash flows from the date of our Consolidated Statement of Financial Position to the contractual maturity date. The amounts are the contractual undiscounted cash flows.

		Contractual cash flows			
	Carrying amount of liability at March 31, 2023	**Total**	Within 1 Year	2 to 5 Years	Over 5 Years
Financial Obligations (Note 11)	174,822	200,303	44,512	155,791	-
Lease Liabilities (Note 12)	308,672	414,100	25,787	90,834	297,479
Total	**483,494**	**614,403**	**70,299**	**246,625**	**297,479**

		Contractual cash flows			
	Carrying amount of liability at March 31, 2022	**Total**	Within 1 Year	2 to 5 Years	Over 5 Years
Financial Obligations (Note 11)	207,047	244,814	44,512	178,047	22,255
Lease Liabilities (Note 12)	320,973	433,465	30,226	92,190	311,049
Total	**528,020**	**678,279**	**74,738**	**270,237**	**333,304**

D. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk. We are mainly exposed to currency and interest rate risks.

a. Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. We are exposed to limited foreign exchange risk on revenue and expenses denominated in a foreign currency. The majority of these transactions are denominated in US dollars, Euros and British Pounds. The policy on currency risk requires us to minimize currency risk to protect the value of foreign cash flows, both committed and anticipated, from the negative impact of exchange rate fluctuations.

We mitigate this risk by entering into forward exchange contracts. Accordingly, we have limited sensitivity to changes in foreign exchange rates.

In terms of net foreign currency exposure, we are mostly exposed to the US dollar (expressed in Canadian equivalent dollars) as follows:

	March 31, 2023	March 31, 2022
Cash	5,725	4,203
Trade and other receivables	376	165
Accounts payable and accrued liabilities	(2,832)	(4,845)
Net exposure	**3,269**	**(477)**

Exposure to other foreign currencies is not significant (not significant - 2022).

b. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Our notes receivable, bonds, investment in finance lease, bonds payable, obligations under finance leases and notes payable bear fixed interest rates and, as such, are subject to interest rate risk because the fair value of the financial instruments will be affected by changes in the market rates. However, a change in fair value would not impact our profit or loss.

For our short-term cash balances, we have a policy of maximizing interest revenue. We may place our cash in interest bearing accounts with Schedule I Canadian banks. Consequently, the interest rate risk associated with the cash balances is directly tied to the movements of the Bank of Canada's Key Overnight Lending Rate and to the banks' prime rates. To manage interest rate risk, we deal with a number of banks to obtain competitive rates and to mitigate our exposure to any one particular investment vehicle.

E. Fair Value

The carrying values and fair values of our financial assets and financial liabilities are listed in the following table:

	March 31, 2023		March 31, 2022*			
	Carrying values	Fair values	Carrying values	Fair values	Method[1]	Note
Financial instruments measured at fair value through profit and loss on a recurring basis:						
Cash	108,808	108,808	82,960	82,960	Level 1	(a)
Restricted cash	1,954	1,954	-	-	Level 1	(a)
Marketable securities	3,852	3,852	3,814	3,814	Level 2	(c)
Financial assets	**114,614**	**114,614**	**86,774**	**86,774**		
Derivative financial instruments	-	-	141	141	Level 2	(d)
Financial liabilities	**-**	**-**	**141**	**141**		
Financial instruments measured at amortized cost:						
Current						
Bonds	74,476	74,533	59,692	59,834	Level 2	(b)
Promissory notes receivable	4,306	4,306	4,018	4,018	Level 2	(a)
Investment in finance lease	4,714	4,714	4,419	4,419	Level 2	(a)
Trade and other receivables	138,554	138,554	233,041	233,041	Level 2	(a)
Other assets	54	54	46	46	Level 2	(a)
Non-current						
Bonds	10,280	10,170	14,422	14,029	Level 2	(b)
Promissory notes receivable	15,782	16,279	20,088	21,537	Level 2	(c)
Investment in finance lease	17,071	19,484	21,785	25,216	Level 2	(c)
Financial assets	**265,237**	**268,094**	**357,511**	**362,140**		
Current						
Accounts payable and accrued liabilities	119,024	119,024	107,111	107,111	Level 2	(a)
Financial obligations	38,230	38,230	36,938	36,938	Level 2	(a)
Non-current						
Financial obligations	136,592	145,772	170,109	190,914	Level 2	(d)
Financial liabilities	**293,846**	**303,026**	**314,158**	**334,963**		

* Certain comparative figures have been reclassified to conform to the current year presentation.
[1]Method refers to the hierarchy levels described in Note 2 B iii). Each level is based on the availability of observable inputs used to measure the fair values of assets and liabilities.

There have been no transfers between levels during the year ended March 31, 2023.

(a) The fair values approximate their carrying value due to the current nature of these instruments.

(b) The fair values for bonds that trade in markets that are not considered to be active are based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs.

(c) The fair values related to the various amounts receivable were determined using the expected future cash flows and discounted using published Government bond rates with similar terms and characteristics, adjusted by a factor that reflects the credit worthiness of the various counterparties.

(d) The fair values related to our various financial liabilities were determined using the expected future cash flows and were discounted using published Government bond rates with similar terms and characteristics, adjusted by a factor that reflects our credit worthiness.

21. CAPITAL MANAGEMENT

We are subject to Part III of *the Broadcasting Act*, which imposes restrictions on borrowings and requires authorization from Parliament and approval from the Minister of Finance.

We define capital that we manage as the aggregate of our equity, which consists of retained earnings.

Our objectives in managing capital are as follows:

- To safeguard our ability to continue as a going concern;
- To fund our asset base; and
- To fulfil our mission and objectives for the Government of Canada to the benefit of Canadians.

We manage our capital by performing a formal review on a regular basis of the actual results against set budgets, and share this information with the Audit Committee and Board of Directors. Our overall strategy with respect to capital management includes the balancing of our operating and capital activities with our funding on an annual basis. We make adjustments to our capital management strategy in light of general economic conditions, the risk characteristics of the underlying assets and our working capital requirements.

Our objectives, policies and processes for managing capital are consistent with those in place throughout 2021-2022.

We are not subject to externally imposed capital requirements.

22. RELATED PARTIES

Our related parties consist mainly of government departments, agencies, Crown Corporations, subsidiaries, our key management personnel or close family members of these individuals, private companies over which we have significant influence, and the CBC Pension Plan. We are related in terms of common ownership to all Government of Canada created departments, agencies and Crown corporations.

ACCOUNTING POLICIES	CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS
We enter into transactions with these related parties in the normal course of business, on normal trade terms applicable to all individuals and enterprises and at market prices. We record these transactions at fair value. We have elected to take an exemption under IAS 24 *Related Party Disclosures* which allows government related entities to limit the extent of disclosures about related party transactions with government and other government related entities.	There are no critical accounting estimates or judgments related to related parties.

Supporting Information

A. Transactions with Related Parties Excluding Government-Related Entities

The transactions carried out with related parties were at fair value and are not significant.

In addition, cash payments for our contributions to the defined benefit plans are disclosed in Note 13B.

There are no significant amounts owing to related parties at March 31, 2023 (not significant - March 31, 2022) and no expense was recognized in the current or prior periods for bad or doubtful debts in respect of the amounts owed by related parties.

B. Transactions with Government-Related Entities

We are a Federal Crown Corporation that operates in an economic environment dominated by entities directly or indirectly controlled by the federal government through its government authorities, agencies, affiliations and other organizations (collectively referred to as "government-related entities"). We have transactions with other government-related entities including but not limited to sales and purchases of goods and rendering and receiving of services.

Canada Mortgage Bonds

$84.8 million was invested in Canada Mortgage Bonds (CMB) during the year ($74.1 million - March 31, 2022). CMBs are issued by Canada Housing Trust (CHT), a special purpose trust guaranteed by Canada Mortgage and Housing Corporation (CMHC), another Crown Corporation, and backed by the Government of Canada.

C. *Compensation of Key Management Personnel*

Key management personnel are those people that have authority and responsibility for planning, directing and controlling our activities. This includes the President and CEO, the Vice-Presidents and the Board of Directors.

The remuneration of the President and CEO and the Vice-Presidents during the year was as follows:

	March 31, 2023	March 31, 2022
Short-term benefits[1]	4,573	4,536
Post-employment benefits[2]	2,206	2,459
Other benefits[3]	281	353
Total	**7,060**	**7,348**

[1]Short-term benefits include wages, salaries, social security contributions, paid annual leave, short-term disability, incentive pay (if payable within twelve months of the end of the period) and other benefit packages (healthcare, life insurance, dental and accident insurance) for current employees.

[2]Post-employment benefits such as pensions and post-employment life insurance.

[3]Other benefits include long-term incentive pay, long-term disability, worker's compensation and termination benefits. Termination benefits that are payable due to the Corporation terminating employment before the normal retirement date or an employee's decision to accept an offer of voluntary departure. Termination benefits include termination payments, severances and long-service gratuity.

The total compensation paid to members of the Board of Directors, excluding the President and CEO, during the year was $0.2 million ($0.2 million - 2022).

The remuneration of key management personnel is determined as follows:

- **Members of the Board of Directors**, except the President and CEO, receive meeting fees for Board and Committee meetings based on a fee schedule established by Corporations' by-laws (as approved by the Minister of Canadian Heritage). The Chair of the Board also receives an annual retainer.
- **The Vice-Presidents'** remuneration is approved by the Board of Directors upon recommendation of the Human Resources and Governance Committee, having regard to the performance of individuals and market trends.
- **The President and CEO** is compensated in accordance with the terms of the Order-in-Council appointing her.

23. COMMITMENTS

A commitment is an agreement that is enforceable and legally binding to either make or receive a payment in the future for the purchase or provision of goods and services. These amounts are not recognized in these consolidated financial statements since we have yet to receive or provide the goods or services contractually agreed upon.

A. Program Related and Other

This note shows amounts to which we are contractually committed, but which do not meet the criteria for inclusion in our Consolidated Statement of Financial Position.

	March 31, 2023	March 31, 2022
Facilities Management	54,665	63,982
Programming	293,390	328,927
Transmission and distribution	52,287	11,891
Maintenance and support	83,279	72,991
Property and equipment and intangibles[1]	13,688	2,770
Other	54,825	54,530
Total	**552,134**	**535,091**

[1]Property and equipment and intangibles does not include any amount related to contractual commitments for the acquisition of intangible assets as at March 31, 2023 (Nil - March 31, 2022).

The future aggregate payments are as follows:

	March 31, 2023	March 31, 2022
Less than one year	159,756	138,324
Later than one year but not later than five years	247,687	240,619
More than five years	144,691	156,148
Total	**552,134**	**535,091**

Commitments related to financial obligations are disclosed in Note 20 C.

B. Non- Lease components

IFRS 16 *Leases* requires non-lease components, such as other operating expenditures, to be excluded from the lease liabilities. The non-lease components are recognized as expenses on a straight-line basis and the future aggregate payments of these non-lease components are presented below.

	March 31, 2023	March 31, 2022
Less than one year	21,326	19,591
Later than one year but not later than five years	78,922	71,417
More than five years	312,122	322,041
Total	**412,370**	**413,049**

The amounts presented above include a total of $404.9 million (2022 - $412.5 million) representing operating costs and property taxes payable.

24. CONTINGENT ASSETS

Additional consideration may be payable to the Corporation with respect to some of our retransmission rights for past periods. The receipt of this additional consideration is probable, however no contingent asset has been recognized as a receivable at March 31, 2023 as the receipt of the amount is dependent on the outcome of legal proceedings. Management determined that it is not practicable to make an estimate of the potential impact of this contingent asset.