

The background is a teal color with a subtle, repeating geometric pattern of interlocking lines. Scattered across the entire page are various geometric shapes, including semi-circles, circles, and triangles, in shades of red, orange, and purple. Some of these shapes overlap the main title text.

CORPORATE PLAN SUMMARY

2018-2019
TO 2022-2023

CBC  Radio-Canada



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Note Regarding Forward-Looking Statements

The Corporate Plan Summary 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* section in Appendix C. 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.

Note Regarding Performance Measurement

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, audience measurement suppliers and the Corporation are 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.

Message From The President and CEO

2017 was a wonderful year for Canadians. Across the country, we celebrated 150 years of Confederation. We shared our stories of what it means to be part of this great country.

All year long, the public broadcaster brought these stories to Canadians. Bringing Canadians together – at times like this, and every day – is integral to what we do. On Canada Day alone, 11 million Canadians joined us through television.¹ Others followed the celebrations through radio and our digital platforms. Hundreds of Canadians contributed to our *What's Your Story* initiative; an incredible digital yearbook of their passions, their community and their country at this moment in our history. Reflecting Canadians to each other in 2017 is an important example of what public broadcasting does for the people it serves.

This was also a big year in the digital transformation of the public broadcaster. When we launched our *Strategy 2020* in 2014, we set a target that 18 million Canadians, almost half the population, would use our digital sites each month by 2020. We passed that target this year – two and a half years early – and we're not stopping.² Every month, our digital platforms are helping millions of Canadians find new programs to enjoy, like *Trop* on ICI TOU.TV and the *Baroness von Sketch Show* on CBC.ca. During the PyeongChang 2018 Olympic Winter Games, 31 million Canadians – more than 87% of the population – tuned in to cheer on our athletes on the screen of their choice, no matter what schedule they were on.³ They were even able to experience the Opening and Closing Ceremonies, as well as some competitions, as if they were right there with our athletes via virtual reality.

You will find more information about how we are engaging with Canadians in the *Strategic Initiatives* section of this report.

By now, you've heard about the disruption in the traditional broadcasting industry; how advertising revenue is moving from television to a few digital giants; the struggles facing local newspapers; the challenges facing Canadian culture in a digital world. In this report, we provide our view on this new environment and how CBC/Radio-Canada is responding to the challenge.

We look forward to working with our new Chair and President and CEO as we continue to modernize our services and deepen our connection with Canadians in the digital world. On behalf of everyone at CBC/Radio-Canada, I'd like to congratulate Michael Goldbloom, our new Chair, Catherine Tait, the new President and CEO, and the new Board Members on their appointments. I would also like to express our thanks to outgoing Chair, Rémi Racine, for his service to the public broadcaster and to Canadians.

This is a pivotal time for our culture and our creators. It is also an incredible opportunity for Canada to build on the power of culture, for jobs and growth, and for the country's economic prosperity. Around the world, strong public broadcasters help ensure a strong and vibrant cultural sector. That can be true for Canada too. CBC/Radio-Canada is ready to play its part.



Hubert T. Lacroix
President and CEO



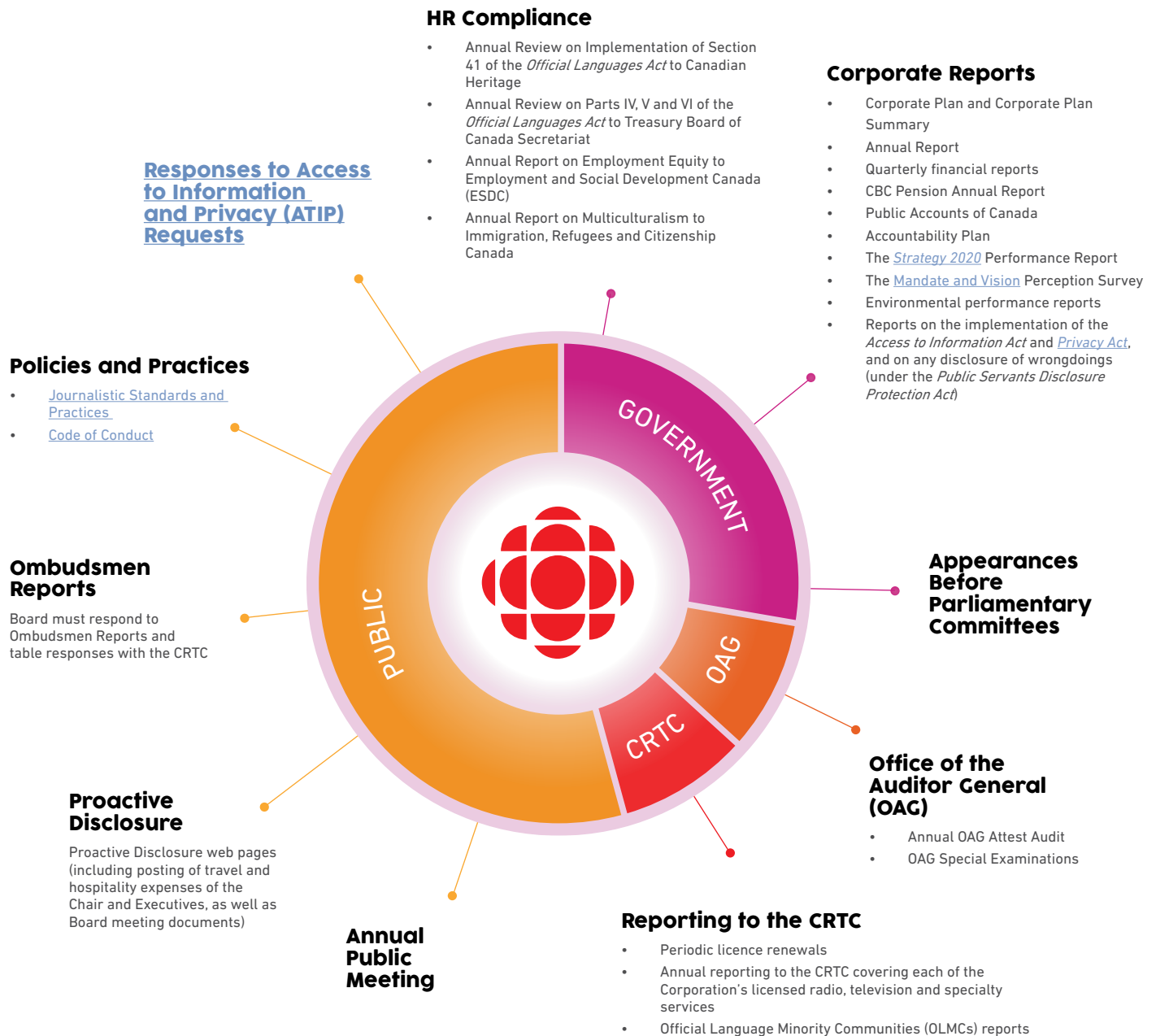
1 Source: Numeris, Portable People Meter (PPM), persons aged two years and older, July 1, 2017.

2 Source: Unduplicated reach of CBC and Radio-Canada digital platforms. comScore, multiplatform measurement, monthly average unique visitors.

3 Source: Numeris, Portable People Meter (PPM), persons aged two years and older.

CBC/Radio-Canada's Commitment to Transparency and Accountability

As the national public broadcaster, we take very seriously our obligation to be transparent and accountable to Canadians. To meet our responsibilities, we provide access on our [corporate website](#) to information about our activities and the way we manage our public resources.



Who We Are and Our Services



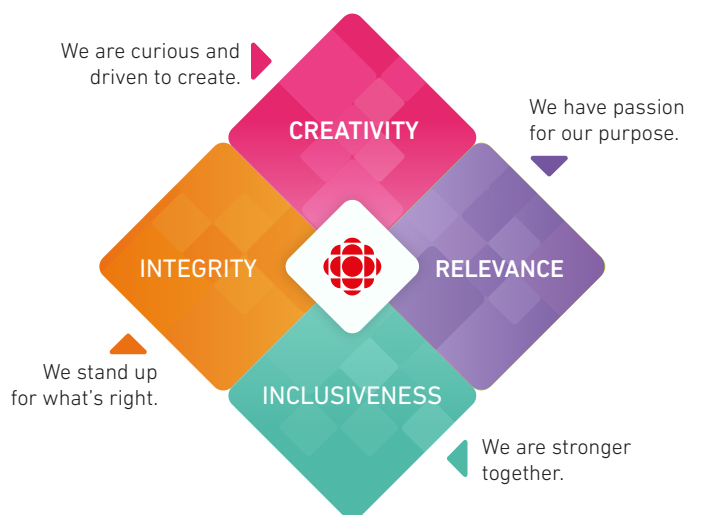
In a world of limitless global content, our mandate is more relevant now than ever before. The 1991 *Broadcasting Act* states that our programming should:

- 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.

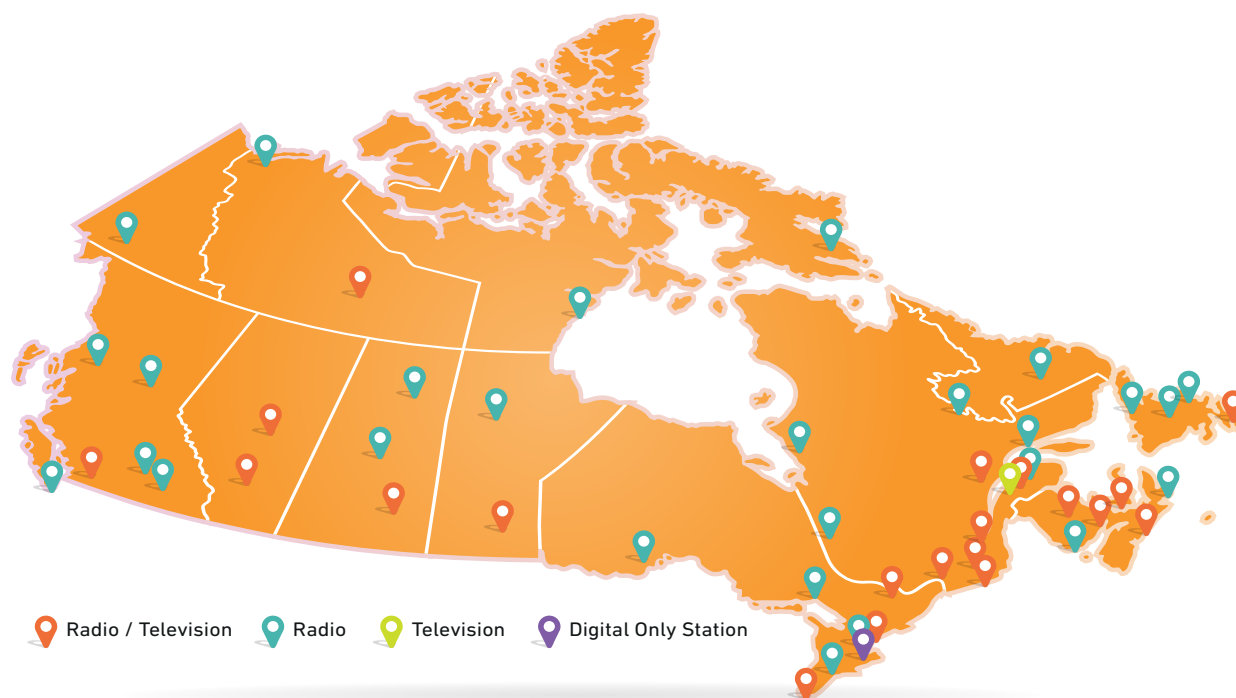
In addition to our domestic mandate, we are also required by section 46(2) of the *Act* to provide an international service, Radio Canada International (RCI). In keeping with that requirement, RCI.net.ca is available in five languages: English, French, Spanish, Arabic and Mandarin.

In establishing and operating our broadcasting activities, we are expected to comply with licensing and other regulatory requirements 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. They support our strategic plan and underpin the behaviours and culture needed to achieve our mission and vision. These values are not just words. They articulate the best of what we are already and how we want to be recognized by Canadians, and they guide the implementation of our strategic initiatives.



WE SERVE CANADIANS FROM COAST TO COAST¹



As of March 31, 2018, we employed 6,377 permanent employees, 432 temporary employees and 635 contract employees.

Our head office is located in Ottawa, with main network operations in Toronto and Montreal. We integrate content across multiple digital platforms and we originate local programming from 27 television stations, 88 radio stations and one digital-only station. We have two main television networks – one in English and one in French – five specialty television channels, and four Canada-wide radio networks, two in each official language. Internationally, CBC/Radio-Canada has seven permanent foreign bureaus in Washington, New York, Los Angeles, London, Moscow, Jerusalem and Beijing. We also have the capacity to set up pocket bureaus in key locations if we determine the international situation warrants it.

Deeply rooted in the regions, we are the only national broadcaster to offer diverse regional and cultural content in English, French and eight Indigenous languages (Chipewyan, Cree, Dogrib, Gwich'in, Inuktitut, Inuvialuktun, North Slavey and South Slavey) via CBC North, as well as five languages (French, English, Arabic, Mandarin and Spanish) for international audiences via RCInet.ca (Radio Canada International). In addition, we currently partner with SiriusXM Satellite Radio to offer six channels of CBC/Radio-Canada content. We also join forces with other Francophone public broadcasters to broadcast French-Canadian content internationally through TV5MONDE.



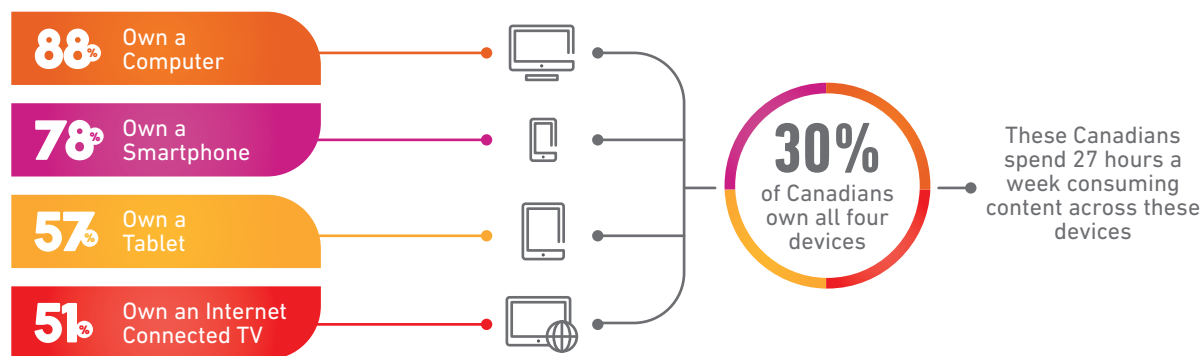
¹ Source: Map of CBC/Radio-Canada stations (including affiliates) (March 2018). This map shows the locations of our CRTC-licensed and affiliated radio and television stations across Canada, as well as our designated digital station. Note that digital services are also offered in the other stations. The map does not include our additional newsgathering locations and international news bureaus, whether permanent or pop-ups.

Our Strategic Context: The Environment in Which We Operate

New technologies are changing the way Canadians access content. Alternative content providers have emerged, increasing competition through the introduction of new – and constantly evolving – products and services in the Canadian market. All at a time when the industry's policy framework needs to be reviewed to keep pace. This has created significant market uncertainty, yet CBC/Radio-Canada continues to push forward to better serve Canadians in a digital world.

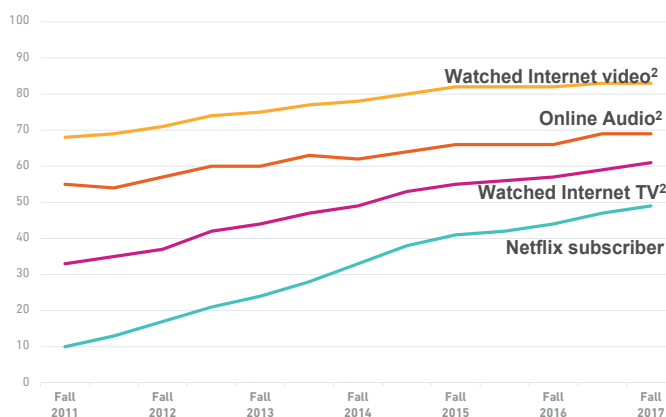
The Digital Citizen is Embracing the Online World

Canadians continue to engage with content by accessing it on many devices and sharing it across many platforms. Media consumption patterns are evolving and Canadians are more connected than ever, thanks to the proliferation of digital devices and platforms. In fact, 30% of Canadians now own four digital screens and, on average, these Canadians spend 27 hours a week consuming content across these devices, which is six hours a week higher than the average Canadian.¹



Growth in usage of online audio and video content also continues as options and choices increase. Almost half of Canadians have access to Netflix, and many others watch or listen to the array of online offerings currently available. In the fall of 2017, 61% of Canadians watched TV on the Internet and 69% listened to audio online.¹ In the future, the growth in adoption of smart, voice-activated assistants will further expand and build experiences for audiences.

How Canadians Are Consuming Media¹
Canadians 18+ (%)



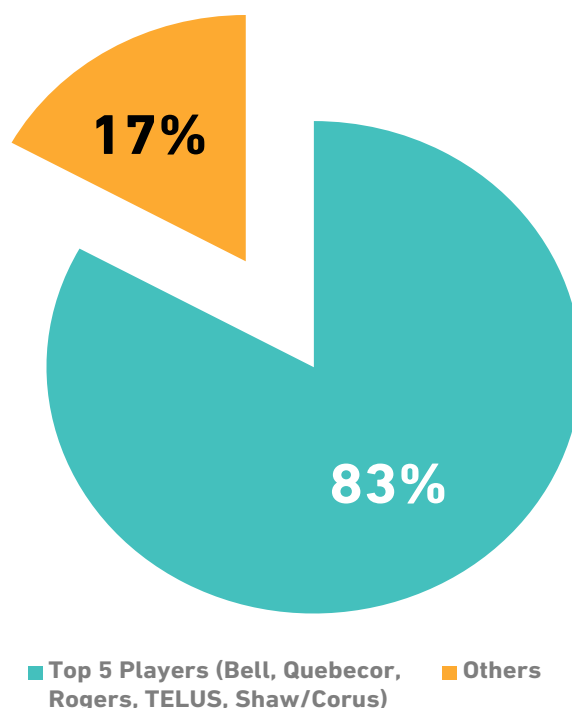
A Competitive Industry

Canada has one of the most concentrated media markets in the world. 83% of Canadian market revenues go to the top five domestic players (Bell, Quebecor, Rogers, TELUS and Shaw/Corus).¹ These highly vertically integrated companies have interests in distribution, broadcast and content creation. These companies are regulated and are required to contribute to the support and creation of Canadian content, helping to ensure the overall health and diversity of the Canadian media industry.

Yet competition among these players within our borders is no longer the major challenge. Large global players – operating unregulated services that aren't contributing financially to the Canadian media ecosystem – have entered the market and are threatening its foundation. These companies are not simply distributors of content; they are major investors in and creators of content, substantially increasing production budgets. They have access to combined potential markets 100 times greater than that of Canada and can use economies of scale to monetize their programming and infrastructure investments.² They have access to massive amounts of data, allowing them to effectively develop and curate content for their audiences. All of this makes it harder for domestic regulated companies to compete.

In addition, competition is expected to increase as more services and content (both audio and video) are being made available online. Smart TVs, Internet-connected devices, virtual Broadcast Distribution Undertakings, direct-to-consumer models and user-generated content will continue to expand and increase offerings in the online world.

Broadcasting and Telecommunications Revenues
By Ownership Groups¹



Modernizing Communications Policy in Canada

No industry or organization can ignore the opportunities and disruptions of evolving digital technologies or the transformation in how Canadians are embracing and engaging with them. The communications industry is no exception.

The existing communication policy and regulatory framework has not been revised since the *Broadcasting Act* was last updated in 1991. The arrival of global players into the system with services, distribution platforms and content offerings challenges the current regulatory framework. This, and other changes, has led to a re-examination of the broadcasting landscape. From the review of policy, to the assessment of future models, to setting a new vision and approach for the creative industries, the government is working to bring public policy on broadcasting into the digital age.

CBC/Radio-Canada recognizes that the policy framework in which we operate needs to be reviewed to address the changing media environment and to continue to strengthen Canadian culture. Placing the national public broadcaster at the heart of a modern communications policy framework should be an important goal.

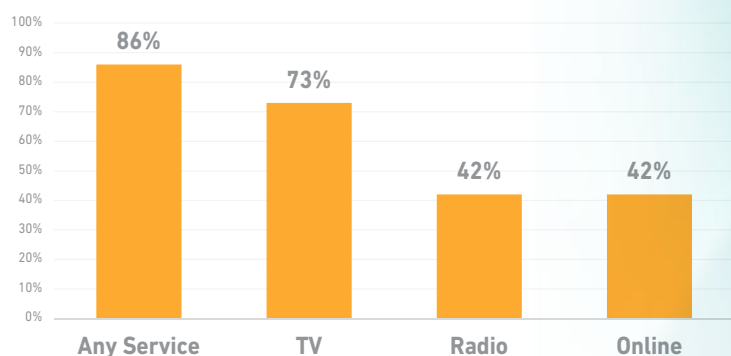
¹ Source: CRTC 2017 Communications Monitoring Report.

² Based on total Canadian population and estimate of Internet users worldwide.

CBC/Radio-Canada is Transforming

With our [Strategy 2020](#), we are addressing this digital shift by evolving with Canadians to deliver content where and when they want it. CBC/Radio-Canada continues to reach the vast majority of Canadians (86%) on a monthly basis by whatever means they prefer, through our TV, radio and online offerings in English, French and eight Indigenous languages.

CBC/Radio-Canada Monthly Reach¹ Canadians



We will continue to learn, iterate, transform and innovate. The next section highlights our strategic focus to increase and deepen our engagement with Canadians.

5

Strategic Initiatives

At CBC/Radio-Canada, we have been transforming the way we engage with Canadians. Since we launched our strategic plan – *Strategy 2020* – in June 2014, we have come a long way in making the public broadcaster more local, more digital and financially sustainable, and Canadians are seeing the difference. Many are engaging with us, and with each other, in ways they could not have imagined a few years ago, making our connections with Canadians more personal and more relevant. Our continued commitment is that CBC/Radio-Canada will remain a vibrant public space for Canadians.

The following section shows the progress we have made in implementing *Strategy 2020*. It highlights the strategic focus and results for 2017-2018 initiatives, as well as the strategic focus for 2018-2019. The success of the strategy is measured against key strategic and operational indicators, which are presented in the section *Measuring Our Performance* on page 26.



2017-2018 Strategic Focus and Results

We've made good progress towards achieving the goals of *Strategy 2020*. We've enhanced our programming and expanded the ways that our audiences can access it; celebrated and experienced Canada 150 alongside Canadians; successfully covered the PyeongChang 2018 Olympic and Paralympic Winter Games; and formed new local, national and global partnerships across the industry. We've also consolidated our infrastructure and reduced our space, as well as delivered leadership, diversity and inclusion initiatives. These achievements – among others – are presented in the following tables.

1. Content and Services: The Cornerstone of *Strategy 2020*

1.1 Engaging Canadians in the Public Space

Smart, unique and distinctly Canadian programming is at the core of our plan to increase and deepen our engagement with individual Canadians. We must create the conditions necessary to provide our audience with a wide range of high-quality and impactful content that informs, enlightens and entertains on all platforms: be creatively ambitious, sometimes risky, and continue to build on diversity and inclusion.

Arts and Entertainment

2017 was a memorable year for Canada and Canadians. CBC/Radio-Canada was at the heart of these festivities, offering special programming and unifying events across the country to commemorate Canada 150.

ARTS AND ENTERTAINMENT – CANADA'S 150TH ANNIVERSARY

FRENCH AND ENGLISH SERVICES

► 2017-2018 STRATEGIC FOCUS

Produce and present event-making programming around Canada's 150th anniversary.

► 2017-2018 RESULTS

Created a distinctive and engaging joint multiplatform offering, through CBC and Radio-Canada collaboration, that reflects the diversity of Canada's people and geography:

- Shared Canadians' stories, ideas and perspectives with *Canada Day 150! From Coast to Coast to Coast*, which featured performances in every Canadian province and territory (11 million Canadians tuned in to CBC/Radio-Canada); *What's Your Story – A Canada 2017 Yearbook*, which offered over 150 stories and photographs from Canadians across the country; *Canada: A People's History* documentaries that shared a variety of personal Canadian stories, covering topics ranging from Indigenous experiences to LGBTQ equality.
- Experienced Canada 2017 right alongside Canadians through partnerships with cultural regional events and activities: MOSAÏCANADA 150/Gatineau 2017; 150Alliance regional gatherings held in St. John's, Toronto, Winnipeg, Edmonton and Richmond.

Integrated the Canada 150 theme into CBC and Radio-Canada's regular television and radio programming:

- On Radio-Canada, *Infoman* travelled across Canada to present five special episodes; *Découverte* presented the documentary *Les premiers Canadiens*; two special episodes of *La petite séduction* were recorded in French communities; *Aujourd'hui l'histoire* presented five special episodes on Canada's history; on radio, *La soirée est encore jeune* and *À la semaine prochaine* were recorded from the Ottawa-Gatineau region; *Les grands reportages* presented *La 3^e colonisation*, a documentary on First Nations' experiences following colonization by the Europeans.
- On CBC, *22 Minutes* highlighted Canada's 150th with their special *Sesqu-whatever: A 22 Minutes Special*; *The Walrus Talks Conversations about Canada: We Desire a Better Country*, along with broadcast partner CBC Radio, toured across the country and held talks in every province and territory; *Searchlight 2017* invited Canadian musicians to write a new song celebrating Canada 2017; CBC aired a number of comedy specials for Canada's 150 such as *Air Farce Canada 150* and *Just For Laughs Presents: Stand-Up On Guard For Thee*.

Produced and presented original programming that highlighted our collective national identity, our diversity, and the values and beliefs that bind us:

- On Radio-Canada, the docuseries Stanley Vollant : *de Compostelle à Kuujjuaq*; *La Grande Traversée* showcased the experience of men and women as they followed their ancestors' crossing from La Rochelle, France to Quebec City; *La route des 20* and *Jeunes reporters RDV2017* gave young Canadians from across the country the opportunity to express themselves on current issues and act as reporters in sailing boats; *Chœurs d'ici*, *Prise de son* and *Chanson d'ici* invited choirs and solo artists, from coast to coast to coast, to perform Francophone music; *NoteRythme* showcased artistic performances of primary school students from across the western provinces that reflected the special characteristics of their region; the youth television program *Parka* helped children discover parks and historic sites; *Jeunes leaders d'ICI* put the spotlight on young Canadians who have had a major impact in their communities.
- On CBC, *Extraordinary Canadians* provided portraits of distinguished Canadian writers; *Becoming Canadian* explored what it means to be Canadian through the experiences of new citizens; *CBC Short Docs: Indigenous* presented a collection of short digital documentaries by emerging Indigenous storytellers; *True North Calling* showcased Canadians living in the country's northern territories; *The Wild Canadian Year* celebrated wildlife and natural wonders from across the country; CBC Radio One's *Hear We Are* project featured four Indigenous voices from Winnipeg telling their respective stories; *Your Special Canada*, starring Jonathan Torrens, marked Canada's 150th anniversary from Charlottetown with a tribute to our uniquely Canadian spirit.

In addition to our Canada 150 programming, CBC/Radio-Canada also offered many other arts and entertainment programs and initiatives.

ARTS AND ENTERTAINMENT – REGULAR PROGRAMMING

FRENCH SERVICES

► 2017-2018 STRATEGIC FOCUS

Produce and present event-making programming around Montreal's 375th.

Implement Radio-Canada's cultural strategy, maximizing the use of all available platforms.

Enhance ICI TOU.TV and ICI TOU.TV EXTRA offering, strengthening their positioning as the cornerstone of the multiplatform strategy.

Develop Radio-Canada's strategic data analysis capacity to propose the best experience to audiences.

► 2017-2018 RESULTS

Produced special programs for the 375th anniversary (e.g., ICI RADIO-CANADA PREMIÈRE in Montreal parks: programming produced out of a mobile studio in Montreal neighbourhoods; broadcast the Jacques-Cartier bridge illumination ceremony on ICI RDI).

Rolled out the multiplatform cultural strategy's action plan:

- Created *Viva culture* in December, a new annual event on ICI RADIO-CANADA TÉLÉ.
- Covered the tribute concert *Tower of Song: A Tribute to Leonard Cohen* on multiple platforms (on CBC and Radio-Canada).
- Showcased iconic Canadian events and performers through original programming such as the performance and backstage moments of *The Nutcracker* (Les Grands Ballets Canadiens).
- Offered on ICI TOU.TV: *blanc : beauté nordique*, a 360° immersive experience based on a recent creation by Marc Séguin.
- Announced a \$12 million investment in the French-Canadian film industry to support the creation and promotion of movies.

Enhanced ICI TOU.TV and ICI TOU.TV EXTRA:

- Defined the respective positionings of Radio-Canada's free (ICI TOU.TV) and subscription-based (ICI TOU.TV EXTRA) offerings.
- Confirmed ICI TOU.TV EXTRA's strategy for premieres and exclusives (e.g., *Cheval-Serpent*; *Trop*; *L'âge adulte*), especially for homegrown drama series.
- Rolled out a new ICI TOU.TV zone jeunesse that also includes a dedicated space for parents.

Set up the Audience Insights team. First analyses delivered to support ICI TOU.TV and ICI TOU.TV EXTRA, as well as relationship marketing and technology development initiatives.

ENGLISH SERVICES

► 2017-2018 STRATEGIC FOCUS

Maximize the audience use of content on all platforms.

Commission premium scripted entertainment.

Offer documentaries that are bold, thought-provoking, point-of-view programs.

Provide factual entertainment programming that focuses on revealing and reflecting Canadians to each other.

► 2017-2018 RESULTS

Received critical acclaim and achieved international success for distinctly Canadian programming. CBC's scripted programming earned 86 Canadian Screen Awards nominations in 2018 and has four of the five top-nominated shows (*Anne*, *Kim's Convenience*, *Alias Grace* and *Schitt's Creek*).

Brought Canadians together through uniquely Canadian nation-building signature event programs (e.g., Canadian Screen Awards; the JUNO Awards; New Year's Eve).

Expanded the audience use of content on all platforms by launching the CBC TV App, investing in over 20 digital original productions, expanding the Creator Network and increasing engagement of the Feed (130 million visits, across digital feeds, including Arts, Comedy, Kids).

Collaborated with Radio-Canada to bring audiences the *Tower of Song: A Tribute to Leonard Cohen* special on all CBC/Radio-Canada platforms (television, digital and radio).

Created a programming lineup of dramas, comedies, factual and kids programming that offered a blend of broad, entertaining and uplifting content that showcased different aspects of our country, engaging with and generating conversations among Canadians (e.g., *Kim's Convenience*; *Rick Mercer Report*).

Offered thought-provoking, risk-taking and national conversation-starter programming in documentaries (e.g., *Sled Dogs*; *Angry Inuk*; *Twilight Dancers*). Highlighted the perspectives of emerging and diverse filmmakers through digital documentaries that were shareable on social media platforms.

Nurtured and showcased traditionally under-represented voices and talent (e.g., Breaking Barriers Film Fund; Creator Network; digital docs; Arts Feed).

NEWS

FRENCH SERVICES

► 2017-2018 STRATEGIC FOCUS

Evolve TV offering with the view on the latest TV News and Information consumption trends.

Enhance international in-the-field coverage.

Continue designing an integrated digital offering, based on detailed knowledge of audiences, particularly with an eye to attracting younger audiences.

► 2017-2018 RESULTS

Re-packaged the *Téléjournal 22 h* on ICI RADIO-CANADA TÉLÉ – now focused on providing analysis and insight, as well as leading a discussion of the day's top stories. Impact and solution-oriented journalism, long formats, and commentary will be featured. Audiences have responded positively: the average minute audience is increasing.

Offered continuous news in an integrated, complementary way, especially between digital and ICI RDI. On the news network, news is also interspersed with scheduled programs hosted by news personalities (e.g., Patrice Roy; *Les Éx*; Anne-Marie Dussault).

Introduced *La vérif*, an original journalism format: half newscast, half newsmagazine.

Explored new methods for producing multiplatform international coverage: a correspondent deployed alone in the field (e.g., Thomas Gerbet in India).

Conducted extensive R&D work to tackle digital journalism issues head-on: social media use and how to develop story angles and formats to attract younger audiences. This resulted in a number of highly innovative proposals (e.g., *RAD*; *Corde sensible*; Raif Badawi : *Rêver de liberté* (ICI Estrie)).

LOCAL

FRENCH SERVICES

► 2017-2018 STRATEGIC FOCUS

Provide a consistent, core service for all communities.

Offer content specific to the needs of each region.

Accelerate the shift to digital and mobile, reflecting audience needs.

► 2017-2018 RESULTS

Rolled out the *Complete Local Service* strategy to connect with audiences throughout the day. Implementation has focused on the following priorities: strong digital presence, partnerships, association with major cultural events and cultural and social programming.

Delivered results as per strategy and investments: all key regional performance indicators are up (see the *Measuring Our Performance* section on page 26).

Pursued impactful partnerships with local organizations and events (e.g., Up Here Festival in Sudbury; Conseil jeunesse provincial in Manitoba).

ENGLISH SERVICES

► 2017-2018 STRATEGIC FOCUS

Inform Canadians through fearless and independent reporting that's national in scope and deeply personal in relevance.

Extend CBC News service and international coverage.

Continue the focus on digital content production and distribution.

► 2017-2018 RESULTS

Relaunched *The National*, our flagship news program, in November with new hosts, new sets, and a truly national team that represents the country in which we live and excels in the crafts of journalism and storytelling. A place for innovation in how we tell stories, and what stories we tell, *The National* is all day long, on social media and digital. Relaunched *World At Six* and *The World This Hour*. Launched *The Weekly with Wendy Mesley*, a politics and influence show.

Bolstered enterprise, investigative, and in-depth and context journalism, and integrated it across CBC News Network, radio and digital main network. Embraced new techniques for storytelling to Canadians (e.g., virtual reality project on Halifax explosion; Veteran Twitter takeover).

Created the central desk to advance the story-first organization and streamline duplication.

Produced relevant in-the-field international coverage through foreign bureaus.

Developed news offering for kids with CBC Kids.

Expanded presence of CBC in key platforms off network, particularly voice-activated services (e.g., Instagram; Amazon Alexa; Google Home).

ENGLISH SERVICES

► 2017-2018 STRATEGIC FOCUS

Deepen presence in and connection with the communities we serve, including the use of community events as our "fifth platform."

Embed the 2020 local strategy for mobile first in local markets.

Extend local services where financially feasible.

► 2017-2018 RESULTS

Formulated newsgathering and presentation for continuous local news.

Initiated successfully various community engagement strategies and activities (e.g., Future 40; local brand activations; public forums for community issues).

Continued enterprise/data journalism focused on local issues (e.g., housing/rent control (Toronto); earthquake risk (Vancouver); Indigenous cultural appropriation (Saskatchewan); opioid crisis (Ottawa)).

Continued focus on generating "mobile first" content, compatible with complementary platforms, increasing digital content overall.

Initiated review of supertime news hours in context of performance of "mobile first."

Opened a new radio/digital station in London, Ontario.

TALK RADIO

FRENCH SERVICES

► 2017-2018 STRATEGIC FOCUS

Continue developing the schedule, reducing the number of repeats, building a succession pool and training talent.

► 2017-2018 RESULTS

Consolidated a schedule that now contains fewer repeats.

Developed talent to continue strengthening the public radio's distinctive tone: series hosted by "new" radio personalities (e.g., *Bienvenue en 2067*; *5 à 7 aux Îles... avec Julie*; *Le plus beau jour de ma vie*).

Broadened our teams of contributors to provide a wider range of views and opinions, while building new talent (e.g., *La route des 20*; morning shows in Montreal and Ottawa-Gatineau).

Enhanced ICI RADIO-CANADA PREMIÈRE (site and app) and Première PLUS with a focus on mobile formats (e.g., popular podcasts and docuseries such as *Disparues* and *J'aime Hydro*; audiobooks of French-Canadian writers such as *Naufrage*; archive content).

ENGLISH SERVICES

► 2017-2018 STRATEGIC FOCUS

Develop new forms of storytelling to connect with audiences on multiple platforms.

Offer content in new and relevant ways, including digital audio on demand.

Improve reflection and connection through diversity and inclusion.

► 2017-2018 RESULTS

Experimented with new forms of storytelling such as through the development of podcasts for diverse audiences (e.g., daily news; fictional podcast) and high-impact Talk series (e.g., *Facing Race*).

Prioritized creation of cross-platform content (e.g., *Out in the Open* online and over the air; *Canada Reads* features on social, radio and television).

Incorporated diversity and the authentic reflection of Canada today into all aspects of CBC Radio's offering, something that continues to be a priority in hiring and content development (e.g., *Unreserved*; *Reclaimed*; *Afterdark*; *Marvin's Room*; *Weekend Mornings* with Angeline Tetteh-Wayoe; *Fresh Air*; *Cross Country Checkup*).

Created compelling social video to attract audiences for new podcast and audio on-demand offers (e.g., *Someone Knows Something*; *On Drugs*), broaden the conversation to more Canadians, and complement over-the-air programs.

MUSIC

FRENCH SERVICES

► 2017-2018 STRATEGIC FOCUS

Evolve and support the digital offering, in particular for mobility.

Renew the classical music offering.

► 2017-2018 RESULTS

Stabilized the ICI MUSIQUE app launched last year.

Introduced the Chromecast compatibility requested by app users.

Implemented personalization features ("My Favourites") in the iOS environment.

Developed content to promote mobile consumption (e.g., *Je pars au chalet*; *Je jardine*).

Hired three new network hosts (over-the-air) and initiated a plan for developing succession talent.

Launched Muse: 24-7 digital radio (hosted) with new production resources.

Partnered with Médias francophones publics to broadcast classical music for younger audiences.

ENGLISH SERVICES

► 2017-2018 STRATEGIC FOCUS

Celebrate and privilege Canadian music artists with Canadian audiences.

Align and grow audiences with an emphasis on digital and mobile first while keeping over-the-air radio strong.

► 2017-2018 RESULTS

Continued to own the Canadian music experience, making it a place of discovery for Canadian content through high-profile initiatives (e.g., *Searchlight* contest; CBC Music Festival) and a robust digital content offering.

Maintained our strong radio offering and continued to position our audio content for digital on demand (e.g., JUNO Awards).

Enjoyed record reach in over-the-air radio through reinvestment in returning shows (e.g., *The Sunday Edition*; *White Coat Black Art*) and development of new programs (e.g., *Saturday Night Jazz*; *Seat at the Table*).

Integrated the CBC Music and Talk development teams in preparation for the fall 2018 launch of CBC Listen, positioning our audio content in a conversational interface world with Alexa Echo, Apple Home Pod and Google Home.

SPORTS

FRENCH SERVICES

► 2017-2018 STRATEGIC FOCUS

Continue building on the collaborative approach between Radio-Canada and CBC to bring a unique Olympic/Paralympic Games' (PyeongChang 2018) experience to Canadians.

Develop multiplatform sports journalism further by introducing a new, Radio-Canada distinctive digital offering.

► 2017-2018 RESULTS

Produced and delivered distinctive, visually compelling programming for the 2018 PyeongChang Olympic and Paralympic Winter Games across all platforms. Through CBC/Radio-Canada and partners' coverage (Bell Media and Rogers Media), the Olympic Games delivered exceptional audience results, including a television reach of 31 million Canadians (87%) and close to 279 million page views on websites and apps. The Paralympic Games also attracted large audiences, reaching 10 million Canadians.¹

Launched *Podium*: an impact sports journalism space "to tell the story behind the performance."

Rolled out content and brands (e.g., *Les héros du samedi*; *Podium*) on Radio-Canada and third-party platforms to connect with sports fans.

Covered events via Facebook Live (e.g., IAAF World Championships in Athletics; World Short Track Speed Skating Championships).

ENGLISH SERVICES

► 2017-2018 STRATEGIC FOCUS

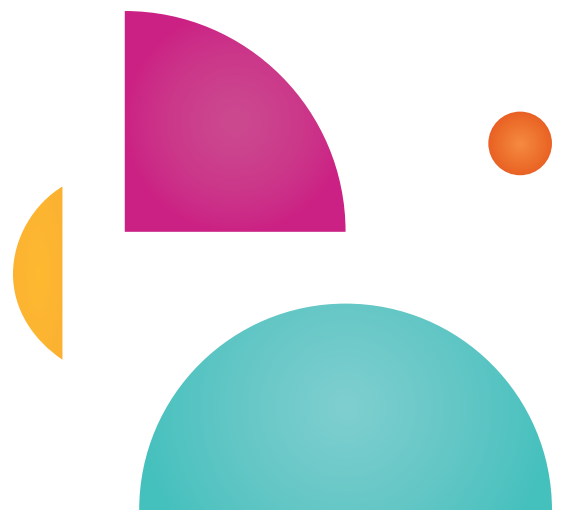
Continue to be a world-class Rights Holding Broadcaster (RHB) on traditional broadcast platforms and with a significant digital presence, pioneering partnerships with Canadian sports organizations, and the ability to adapt with the necessary tools, resources and people to deliver the strategy.

► 2017-2018 RESULTS

Added a variety of high-performance sport offerings to broadcasts and grew our digital presence considerably.

Supported the 2017 North American Indigenous Games – a first for sports and the network – showcasing an under-represented cultural market. We provided more coverage and elevated awareness to record levels. We also helped amplify the important Truth and Reconciliation Commission of Canada's Call to Action recommendations.

¹ Source: Numeris, Portable People Meter (PPM), persons aged two years and older.



1.2 Content Support Strategy

Production

CBC/Radio-Canada's production infrastructure was established at a time when only broadcasters had the financial means to both produce and distribute content. Public policy and funding mechanisms have evolved and now mostly provide financing to independent producers for the making of television programs. Accordingly, to reflect this reality, CBC/Radio-Canada is significantly adapting internal production across the organization, excluding News, Current Affairs and Radio. By partnering with independent producers, we support a broader range of Canadian creators and producers and leverage other financial sources such as tax credits and the Canada Media Fund. Maintaining a limited in-house production capability also allows us to preserve some flexibility and expertise.

ADAPT IN-HOUSE PRODUCTION

Project Objective: The Corporation will focus on content commissioning and significantly adapt internal production, excluding News, Current Affairs and Radio.

FRENCH SERVICES

► 2017-2018 STRATEGIC FOCUS

Continue to optimize production resources and workflows.

Maximize return on investment and protect business relationships, programming and revenue streams.

Continue maximizing hosting of programs without adding to infrastructure costs.

Start executing the new Maison de Radio-Canada (MRC) building project, controlling and mitigating impacts and risks on production – current and planned – as well as business partnerships.

Develop strategically, through mobilization of employees' creativity and expertise, the layout of the new MRC building to maximize space and production functionalities.

► 2017-2018 RESULTS

Closed two studios, a control room and all in-house production sets.

Reduced closed-captioning infrastructure, which is now taken on by our independent production partners.

Managed operational change and transformation in anticipation of new production spaces in 2020.

ENGLISH SERVICES

► 2017-2018 STRATEGIC FOCUS

Maintain status quo – continue to evaluate production capacity plans in light of programming needs and costs of external outsourcing.

► 2017-2018 RESULTS

Utilized studio space through rental agreements with external clients.

Invested in production infrastructure through implementation of automated control rooms in Toronto.

Applied new technologies to reduce cost, improve workflow and provide greater efficiencies (e.g., Sports/Olympics; News/Elections).





1.3 Music Digital Infrastructure Consolidation

CBC and Radio-Canada have been collaborating to develop and maintain a joint digital music platform and back-end digital service in order to build a strong digital future for music. Our goal is to continue to deepen our audience knowledge and expand our digital reach to increase Canadian consumption of digital music by 2020.

MUSIC DIGITAL INFRASTRUCTURE CONSOLIDATION

Project Objective: Develop a consolidated infrastructure for CBC Music.ca and ICI MUSIQUE.ca.

FRENCH AND ENGLISH SERVICES

► 2017-2018 STRATEGIC FOCUS

Continue deploying and optimizing existing and new functionalities, back-end and front-end, in order to keep pace with audiences' highest and newest expectations.

Pursue the work of the governance committee for prioritization and allocation of joint and separate media-specific resources in line with business objectives.

► 2017-2018 RESULTS

Launched the new non-Flash player.

Added over 50 genre streams to CBC Music.ca and ICI MUSIQUE.ca.

Consolidated back-end tools (WAM, Scoop).

Note: The Music Digital Infrastructure Consolidation project is now completed. At this stage, in addition to deploying and optimizing functionalities, CBC and Radio-Canada continue to pay special attention to coordination and governance pertaining to the Music Digital Infrastructure.

2. The Strategy Enablers

2.1 Infrastructure Strategy: Modernize, Optimize and Scale

CBC/Radio-Canada's current infrastructure was established at a different time, with different market factors and with a different view of service offerings. As part of *Strategy 2020*, the Corporation is reimagining how it works, as well as the tools and infrastructure required to build flexibility, transfer risk and leverage technology to reduce costs and ensure consistent decision making across the Corporation.

INFRASTRUCTURE CONSOLIDATION

Project Objective: Identify potential infrastructure synergies within the Corporation.

► 2017-2018 STRATEGIC FOCUS

Continue with the infrastructure optimization strategy that was developed in 2016-2017. In addition, based on the data centre study recommendations, selective application and infrastructure initiatives will be undertaken on a project-by-project basis.

► 2017-2018 RESULTS

Designed a state-of-the-art data centre, which will be deployed as part of the new Maison de Radio-Canada project, slated for completion in 2020.

Completed scenarios for the consolidation of data centres at the Canadian Broadcast Centre in Toronto. Evaluations are underway.

Aligned both consolidation projects with the Technology Strategy that was updated for the 2018-2022 period, which cites technology centralization in Toronto and Montreal as integral to the Corporation's target infrastructure model.

Real Estate

When *Strategy 2020* was launched, CBC/Radio-Canada's real estate portfolio totalled approximately four million square feet. The real estate strategic plan aims to reduce the Corporation's footprint by 50 per cent by 2020, transferring whenever possible the risks associated with real estate ownership to third parties and maximizing proceeds from its existing properties through the sale of assets.

For more information on how we're meeting our real estate footprint reduction target, see the *Strategy 2020* Performance Report on page 27.

REAL ESTATE FOOTPRINT REDUCTION

Project Objective: Reduce real estate portfolio.

► 2017-2018 STRATEGIC FOCUS

Obtain government approval, close transactions for the sale with both bidders (sale of property and building solution), and obtain appropriate approvals and permits from the City of Montreal for the Maison de Radio-Canada.

Take the opportunity provided by space consolidation projects to implement new workplace solution standards in selected stations.

Consolidate our space and lease or surrender surplus space in selected stations.

Close sale transactions for the Halifax building (Bell Road) and the Calgary building (Westmount Boulevard NW).

► 2017-2018 RESULTS

Continued progress on the Maison de Radio-Canada project in Montreal:

- Obtained government approval in April 2017.
- Closed two sale transactions in July 2017:
 - Eastern lot to Broccolini for the construction of the new Maison de Radio-Canada.
 - Current facilities to Groupe Mach for a redevelopment project.

Consolidated space:

- Completed the project in Calgary (for a reduction of 40,000 rentable square feet).
- Began the project in Quebec City (surrender of 9,000 rentable square feet).
- Began the project in Ottawa (closing of Carling Avenue building for a reduction of 20,000 rentable square feet).

Marketed surplus space in the Canadian Broadcast Centre in Toronto for lease (400,000 rentable square feet).

Closed sale transactions (for a reduction of 100,000 rentable square feet):

- Halifax building (Bell Road) in October 2017.
- Calgary building, approved by CBC/Radio-Canada's Board of Directors and by government, with final closing planned for June 2018.

2.2 People and Culture Strategy

The strategy aims to ensure that human resources practices meet the current and future needs of every part of CBC/Radio-Canada. We will achieve this by undertaking diversity and inclusion initiatives, simplifying and increasing responsiveness, alignment and empowerment.

To learn more about our employee indicators' progress, see the *Strategy 2020* Performance Report on page 27.

CULTURE CHANGE

Objective: Provide effective change programs to help leaders and individuals manage the significant change that *Strategy 2020* entails.

► 2017-2018 STRATEGIC FOCUS

Enable the transformation of the business.

Simplify structures, systems and processes to add value and improve efficiency and effectiveness.

Build a diverse and high-performance workforce, enabling people to be and do their best.

Fuel a values-driven, psychologically healthy culture that cares and that motivates and recognizes performance.

► 2017-2018 RESULTS

Enabled and operationalized transformation to ensure delivery of *Strategy 2020*:

- Provided strategic talent management to deliver on high-value business needs.
- Supported organizational design and change management needs.
- Focused on growing workforce diversity.

Continued to evolve and develop our relationships with our unions to enable workforce flexibility. Negotiations with the Syndicat des Communications de Radio-Canada (SCRC) are ongoing.

Continued evolution of our total compensation strategy to remain competitive and provide frameworks that support our hiring/talent strategies.

Deepened our pool of key talent through various sourcing and outreach strategies:

- Established partnerships with external organizations to improve our understanding of diversity and inclusion and expand our potential candidate network.
- Established partnerships with recruitment agencies and participated in external events focused on connecting with larger pools of diverse potential candidates.

Continued to offer learning initiatives to support evolving business needs with an overall focus on digital skills.

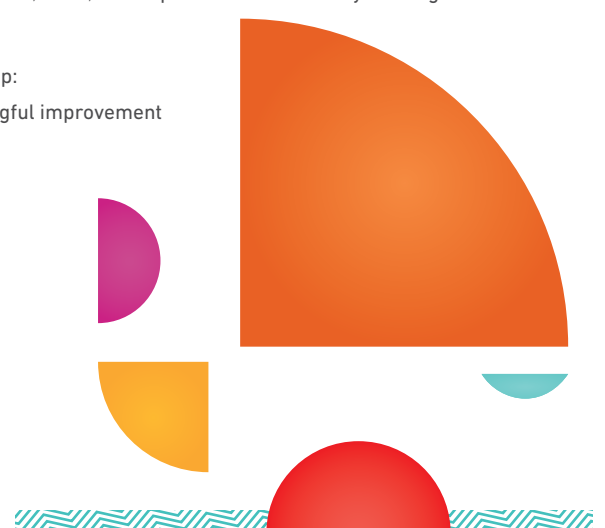
Implemented activities from the new three-year Diversity and Inclusion plan:

- Completed the first year of the Diverse Emerging Leaders program successfully at CBC.
- Implemented unconscious bias training across CBC/Radio-Canada.
- Supported the launch of seven Employee Resource Groups.

Launched our revised Code of Conduct and Policy on Conflicts of Interest on October 1, 2017, and implemented mandatory training for both managers and employees on the Code.

Conducted our third annual Dialogue engagement survey in partnership with Gallup:

- Obtained a record participation of 75% and a record consecutive year of meaningful improvement on all questions.



2018-2019 Strategic Focus

We will continue to focus on achieving the goals and objectives of *Strategy 2020* in 2018-2019. As shown in the following tables, its initiatives cover programming, production, infrastructure, and People and Culture.

1. Content and Services: The Cornerstone of *Strategy 2020*

1.1 Engaging Canadians in the Public Space

PROGRAMMING

Objective: Make the public broadcaster more digital, more local and even more ambitious in its Canadian programming and, in doing so, increase our value to Canadians.

2018-2019 STRATEGIC FOCUS		LONG-TERM EXPECTED OUTCOMES
FRENCH SERVICES	ENGLISH SERVICES	
<p>ARTS AND ENTERTAINMENT</p> <p>Drive ICI TOU.TV and ICI TOU.TV EXTRA to the next level with premium content: original or through partnerships.</p> <p>Deliver a high-performance multiplatform offering so as to expand reach and impact (e.g., drama series; kids; cultural strategy; Indigenous programming; positioning of ICI ARTV and ICI EXPLORA).</p>	<p>Maximize the audience use of content on all platforms.</p> <p>Commission premium scripted entertainment.</p> <p>Offer documentaries that are bold, risk-taking, thought-provoking, point-of-view programs.</p> <p>Provide factual entertainment programming that reflects the diversity of Canada and generates conversation.</p> <p>Grow digital audiences by releasing high-calibre digital original series and social content while diversifying feed content.</p>	<p>Intensify CBC/Radio-Canada's relationship with Canadians through the delivery of relevant, distinctly Canadian content and services, offered through modern distribution methods, with an emphasis on digital and mobile services.</p>
<p>NEWS</p> <p>Accelerate the News and Current Affairs digital shift, leveraging 2017-2018 R&D initiatives such as Rad and mobile application enhancements.</p> <p>Continue rolling out the two strategic multiplatform thrusts: continuous news and impact journalism.</p> <p>Increase the profile and impact of <i>Espaces autochtones</i>, producing more live-streamed radio shows and themed digital broadcasts on topical stories.</p> <p>Support conventional platforms and establish targeted positioning of the offering to respond to news consumption throughout the day.</p> <p>Roll out a documentary strategy, carving out a dedicated space in the ICI RADIO-CANADA TÉLÉ grid for current affairs topics that matter to Canadians.</p>	<p>Fortify CBC News as the trusted platform for news, informing Canadians through fearless and independent reporting with a focus on enterprise, original, investigative and in-depth/contextual journalism. Launch new products to engage with younger Canadians.</p> <p>Support the continued development process of <i>The National</i> and the redevelopment work with <i>The Fifth Estate</i> for its new Sunday time. Refresh the CBC News Network channel strategy in light of shifts in the cable news universe.</p> <p>Build reach and focus on engagement and time spent with Canadians on owned and operated properties. Continue to focus on digital content production and distribution. Innovate and lead in spaces where Canadians are consuming (e.g., voice-activated smart speakers, podcasts).</p>	
<p>LOCAL</p> <p>Continue upgrading digital production capacity at each station.</p> <p>Implement community-focused social and cultural production capacity.</p> <p>Continue developing the digital journalism training centre.</p> <p>Continue developing Radio-Canada's presence in the North so as to be active in all 10 provinces and 3 territories.</p> <p>Help promote and amplify regional reflection through various content types and on each of Radio-Canada's platforms.</p>	<p>Deepen presence in and connection with the communities we serve, including the enhancement of engagement through community outreach.</p> <p>Materialize newly developed Local Services vision and strategy with a "full-station" integrated approach to programming and service delivery.</p> <p>Expand local coverage and impact.</p>	

PROGRAMMING (CONT.)

Objective: Make the public broadcaster more digital, more local and even more ambitious in its Canadian programming and, in doing so, increase our value to Canadians.

2018-2019 STRATEGIC FOCUS		LONG-TERM EXPECTED OUTCOMES
FRENCH SERVICES	ENGLISH SERVICES	
<p>TALK RADIO</p> <p>Roll out the digital audio strategy through original content and innovative formats. Form partnerships and explore monetization opportunities.</p> <p>Optimize digital distribution and amplify audio content, leveraging new platforms such as voice-activated devices.</p> <p>Pursue continuous improvement of the network with an eye to audience renewal, creating shows that will be conducive to on-demand listening.</p> <p>Continue to reflect regions in the radio content, presenting a dedicated themed series on Canada's North.</p>	<p>Launch a consolidated music, talk and podcast offer – CBC Listen – in beta in 2018.</p> <p>Maintain leadership in original podcasting.</p> <p>Continue to position CBC Radio and Audio for a voice-activated smart speaker world (e.g., Amazon Alexa; Google Home).</p> <p>Complete implementation of metadata strategy to improve information on car dashboards.</p> <p>Deliver radio content to Digital First and continue to develop cross-skilled and cross-platform teams.</p>	<p>Intensify CBC/Radio-Canada's relationship with Canadians through the delivery of relevant, distinctly Canadian content and services, offered through modern distribution methods, with an emphasis on digital and mobile services.</p>
<p>MUSIC</p> <p>Develop and strategically deliver the entire music content offering, leveraging the full range of platforms (e.g., TV; radio; websites; apps; social networks) and musical genres.</p> <p>Develop and strengthen an effective over-the-air offering, inseparable from our digital presence.</p> <p>Continue the ongoing and timely enhancement of the digital offering.</p>	<p>Lead strategic thinking in Audio on Demand committee and continue to explore partnerships with third-party aggregators.</p> <p>Implement interactive live streaming of JUNO Awards.</p>	
<p>DIGITAL</p> <p>Drive ICI TOU.TV and ICI TOU.TV EXTRA to the next level with the objective of an enhanced audience experience and rolling out a strategic partnership approach.</p> <p>Shape the future by developing our flagship digital services, standardizing the quality of technological developments and honing our knowledge of digital audiences.</p> <p>Encourage a culture of innovation by continuing the various lab spaces and repeating major innovation gatherings.</p>	<p>Integrate audience-centric digital thinking, planning and execution into all areas of CBC.</p> <p>Build a stronger relationship with Canadians by understanding their digital preferences and behaviours and responding through continuous learning, iteration and improvement.</p> <p>Improve user experience and features of the CBC TV App to increase audience engagement.</p>	
<p>SPORTS</p> <p>Play a key role in developing Olympics coverage, in collaboration with external partners, with an eye to "filling the Olympics space" continuously, pre- and post-Olympic Games.</p> <p>Continue developing a multiplatform sports offering, launching a Sports app and further deploying web-exclusive coverage of amateur sports competitions.</p> <p>Enrich <i>Podium</i> content to tell athlete stories beyond sports, exploring new formats and distribution strategies.</p>	<p>Continue to make CBC Sports the recognized home of high-performance and Olympic sport through a deepened relationship with audiences and affordable, original and engaging content.</p> <p>Prioritize digital platforms with innovative and compelling content and by using data analytics to determine how audiences are consuming sports content and adjust accordingly to maximize use of resources and our return on investment.</p>	

1.2 Content Support Strategy

ADAPT IN-HOUSE PRODUCTION

Project Objective: The Corporation will focus on content commissioning and significantly adapt internal production, excluding News, Current Affairs and Radio.

2018-2019 STRATEGIC FOCUS		LONG-TERM EXPECTED OUTCOMES
FRENCH SERVICES	ENGLISH SERVICES	
Maximize hosting opportunities with the Services for Independent Producers department. Complete the moving plan to the new MRC so as to be ready to swiftly execute next fiscal year, controlling and mitigating impacts and risks on production – current and planned – as well as business partnerships.	Ensure balance of resources with production demand. Maximize efficiencies in applying new technologies (e.g., IP remote production structure; centralized control rooms) to achieve a high level of versatility, with the appropriate resources to optimize the delivery of content required for all platforms. Maximize revenues through effective marketing of available resources. Continue digitization of content to maximize efficiencies in sharing content and reducing our footprint.	Reduce in-house production significantly, while continuing to promote acquired or commissioned entertainment content from Canada's independent creative sector. Lighten the technology and real estate footprint across the country, focusing efforts and resources on content rather than infrastructure. Become scalable, adaptable and flexible, with the appropriate tools, resources and people to deliver the strategy. Develop long-term, sustainable ways to manage financial health and the ability to invest in the future as market conditions and audience habits evolve.

1.3 Music Digital Infrastructure Consolidation

MUSIC DIGITAL INFRASTRUCTURE CONSOLIDATION

Project Objective: Develop a consolidated infrastructure for CBC Music.ca and ICI MUSIQUE.ca.

2018-2019 STRATEGIC FOCUS	LONG-TERM EXPECTED OUTCOMES
FRENCH AND ENGLISH SERVICES	
Continue deploying and optimizing existing and new functionalities, back-end and front-end, in order to keep pace with audiences' highest and newest expectations.	Lighten the technology and real estate footprint across the country, focusing efforts and resources on content rather than infrastructure. Become scalable, adaptable and flexible, with the appropriate tools, resources and people to deliver the strategy.

2. The Strategy Enablers

2.1 Infrastructure Strategy: Modernize, Optimize and Scale

INFRASTRUCTURE CONSOLIDATION

Project Objective: Identify potential infrastructure synergies within the Corporation.

2018-2019 STRATEGIC FOCUS	LONG-TERM EXPECTED OUTCOMES
<p>Leverage opportunities presented by the ongoing shift of broadcast infrastructure towards IT-centric, software-based technology to:</p> <ul style="list-style-type: none">• Reduce the overall number of systems and workflows that must be supported.• Define standardized workflows for managing the life cycle of media through infrastructure.• Encourage the use of common platforms and workflow harmonization between services.• Leverage equipment pooling.	<p>Modernize and make the Corporation's infrastructure more suited to meet the changing needs of the business.</p> <p>Continue optimization or initiatives to contribute to the goal of costs savings.</p>

REAL ESTATE FOOTPRINT REDUCTION

Project Objective: Reduce real estate portfolio.

2018-2019 STRATEGIC FOCUS	LONG-TERM EXPECTED OUTCOMES
<p>Complete, through the mobilization of employees' creativity and expertise, as well as proactive change management, the layout of the new MRC building to ensure best-in-class, strategic occupation of space.</p> <p>Pursue the Corporation's goal of reducing its real estate footprint through real estate consolidation projects in select stations.</p> <p>Leverage opportunities provided by space consolidation projects to implement new workplace solution standards in selected stations.</p>	<p>Implement a reduction of two million square feet of space in the overall portfolio by 2020.</p> <p>Implement a new workplace solution standard (open plan and collaborative) across the Corporation.</p> <p>Reduce total cost of occupancy in all locations.</p> <p>Transfer risk (leasing solutions).</p> <p>Maximize proceeds from existing assets.</p>

2.2 People and Culture Strategy

CULTURE CHANGE

Objective: Provide effective change programs to help leaders and individuals manage the significant change that *Strategy 2020* entails.

2018-2019 STRATEGIC FOCUS	LONG-TERM EXPECTED OUTCOMES
Enable the transformation to the public broadcaster of the future. Continue to develop an inclusive, high-performance workforce. Encourage a culture that is strengths-based, values-driven, engagement-oriented and outcome-focused.	Create an engaged and outcome-focused culture that is values-driven, strengths-based, engagement-oriented and outcome-focused to drive business strategy and performance.

2.3 Financial Sustainability

CBC/Radio-Canada's future success is tied to our financial sustainability. And, to be financially sustainable, we must create a viable financial model with a manageable cost structure, adequate and reliable income streams, and enough free-cash flow to invest in the future, as well as more efficient and streamlined operations. *Strategy 2020's* initiatives, listed above, lay out the direction CBC/Radio-Canada needs to take in order to be financially sustainable in the long term.

In 2016-2017, the government reinvested \$150 million in CBC/Radio-Canada on an ongoing basis. This reinvestment is an important vote of confidence by government and by Canadians in our programs, our people and our vision for the future. It is also recognition that CBC/Radio-Canada faces some significant financial challenges, in addition to a unique set of risks, which are outlined in Appendix C. The funding will provide an element of flexibility as we assess the progress of our digital strategy and make the necessary investments in the future.

Measuring Our Performance

The tools that measure and assess CBC/Radio-Canada's performance are an important part of *Strategy 2020*. We do this in two ways: by measuring the perceptions of Canadians and by tracking our success against specific measurable targets. The performance measurement framework covers four areas: Mandate and Vision (perception survey indicators), *Strategy 2020* (strategic indicators), Reinvestment impact indicators, and Media Lines (operational indicators).

Our Performance – Mandate and Vision

As Canada's national public broadcaster, the establishment of metrics to track and assess the perception of our performance is essential to demonstrate our accountability to Canadians. The Mandate and Vision perception survey allows us to monitor how well Canadians believe our services fulfill both the Corporation's mandate under the 1991 *Broadcasting Act* and the vision of *Strategy 2020*. The data are collected via surveys conducted among representative samples of Anglophone and Francophone Canadians.¹

This survey provides us with valuable information on Canadians' perceptions of CBC/Radio-Canada. Highlights based on the 2017-2018 survey results follow. More detailed results can also be found on our online [interactive dashboard](#).



Our Performance – Strategy 2020

The *Strategy 2020* Performance Report tracks the corporate-wide objectives of our current strategic plan. We established long-term targets we aim to meet by 2020. Each year, we track our progress against annual targets. Eight key indicators measure progress in four key areas: audience, infrastructure, people and financial sustainability.

Our goal is to increase our value and deepen our relationship with all Canadians. With this in mind, four of the eight indicators measure our connection to our audience. When we originally launched our strategy, by 2020 we wanted:

- Three out of four (75%) Canadians to consider one or more of our services to be very important to them (indicator 1);
- Canadians to continue to strongly agree that CBC/Radio-Canada's information programming reflects a diversity of opinions and covers issues in a fair and balanced way (indicator 2); and
- To increase our digital reach so that 18 million Canadians will use our digital platforms each month and to grow the number of digital interactions they have with our services (indicators 3 and 4).

To support our audience goals, we are transforming our infrastructure, including reducing our real estate footprint by 50% (indicator 5). We are also transforming our workplace, focusing on employee engagement (indicator 6) and better reflecting Canadian diversity (indicator 7). We are becoming more financially sustainable through cost reductions (indicator 8).

The table below highlights the progress we have made on these indicators.

Strategy 2020 Indicators	Results 2014 2015	Results 2015 2016	Results 2016 2017	Targets 2017 2018	Results 2017 2018	Targets 2018 2019	Targets 2020
Audience / Market							
1. Importance to Canadians (% very important) ^{1,2}	58.6%	56.6%	54.5%	58.0%	57.1% ●	58.8%	75.0%
2. Information programming has diverse opinions and is objective (% who strongly agree) ¹	56.8%	56.2%	53.2%	57.0%	52.7% ○	55.0%	57.0%
3. Digital reach of CBC/Radio-Canada (millions) ³	12.4	14.6	16.9	18.8	18.5 ●	18.0	18.0
4. Monthly digital interactions with CBC/Radio-Canada (millions) ⁴	79.7	103.8	140.4	159.5	159.1 ●	145.2	95.0
Infrastructure							
5. Reduce real estate footprint (millions of rentable square feet) ⁵	4.0	3.9	3.9	3.8	3.8 ●	3.7	2.0
People							
6. Employee engagement (% proud to be associated) ⁶	N/A	69.0%	82.0%	84.0%	85.0% ●	87.0%	90.0%
7. Employee diversity (% new employees) ⁷	16.1%	18.5%	23.0%	23.2%	27.8% ●	25.4%	23.2%
Financial							
8. Achieve cost reduction target (\$ million)	N/A	\$62.0	\$87.5	\$93.1	\$93.1 ●	\$104.0	\$106.3 ⁸
N/A = not available ● Target met or exceeded ● Target partially met ○ Target not met							

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

Audience/Market

Indicator 1: CBC/Radio-Canada continues to be positively perceived by Canadians. Close to six out of ten strongly believe that we are important to them, a result that has significantly increased from last year and nearly reached its 2017-2018 target.

Indicator 2: Perception results of our information programming remained relatively stable compared to last year, but fell below target.

Indicator 3: Our digital reach continued to grow significantly this year and passed a major milestone, meeting its 2020 target two and a half years early. With 18.5 million unique visitors, we now reach roughly half of all Canadians through our digital platforms; more than ever before. This result is, however, slightly below our annual target.

Indicator 4: Driven by the success of our digital coverage of the PyeongChang 2018 Olympic Winter Games, monthly digital interactions continued to increase significantly this year, almost achieving its annual target.

¹ Source: Mission Metrics Survey, 2017-2018, TNS Canada. This is the percentage of Canadians who give us top marks (i.e., 8, 9 or 10 on a 10-point scale). Information programming (Indicator 2) is the average of two questions: CBC/Radio-Canada's information programming "reflects a diversity of opinions on a wide range of issues" and "covers major issues in a fair and balanced way."

² In fall 2017, the word 'personally' was removed from the end of the question that now reads: How important would you say the CBC is to you?

³ Source: Unduplicated reach of CBC and Radio-Canada digital platforms. comScore, multiplatform measurement, monthly average unique visitors.

⁴ Source: comScore, multiplatform measurement, monthly average visits.

⁵ Our rentable square feet (RSF) results exclude foreign offices (e.g., bureaus), transmission sites, parking lots and leases for the sole purpose of storage (i.e., no broadcasting activity).

⁶ Source: Gallup Consulting, Dialogue 2017 Survey. This is the percentage of employees who are proud to be associated with CBC/Radio-Canada. This is measured as the percentage of employees who responded four to five on a scale of one to five in a representative survey of employees.

⁷ This metric is made up of three groups: Indigenous and Inuit peoples, persons with disabilities, and visible minorities. It is calculated as a percentage of new external hires for positions of 13 weeks or more.

⁸ Target updated to reflect the continuation of our broadcasting of Hockey Night in Canada on Saturday night and playoff hockey beyond 2020.

Infrastructure

Indicator 5: With the sale of our Halifax building in October 2017, CBC/Radio-Canada's real estate footprint met its annual target level of decreasing to 3.8 million rentable square feet. A sizeable reduction in our real estate footprint is expected following the move from the current Maison de Radio-Canada into a new leased facility on a portion of the same site, scheduled for 2020.

People

Indicator 6: Employee engagement surpassed its annual target by one percentage point as a result of our organizational climate and work environment continuing to improve.

Indicator 7: Employee diversity continued to significantly increase, outperforming its 2017-2018 annual target and last year's record result, as we include a wider range of faces, voices, abilities, experiences and perspectives in our workplace. Inspired by our successes in becoming a gender parity leader in the Canadian media industry, we will continue to implement our Diversity and Inclusion Plan to attract a broader pool of external candidates and improve the retention and advancement of diverse employees.

Financial

Indicator 8: Cost reductions met the 2017-2018 target, with a cumulative \$93.1 million of costs reductions now achieved.

Reinvestment Impact Indicators

In 2016-2017, we introduced additional performance indicators to measure the incremental impact of the government's reinvestment in two key areas: expanding our digital presence and increasing services to local markets. Two targets were established to measure our performance against expectations: one at the beginning of the reinvestment period in 2016-2017 ("Year 1") and one in 2020-2021 ("Year 5") of the reinvestment.

2017-2018 Performance Update

Additional monthly digital interactions (indicator 1): Driven by the enhancements to our digital services, and by this year's major events such as the PyeongChang 2018 Olympic Winter Games, our platforms are attracting more visits by more Canadians. As a result, we are currently tracking above our 2020-2021 target with 15 million additional monthly digital interactions.

Additional monthly digital interactions with CBC/Radio-Canada local services (indicator 2): With 10.3 million additional monthly digital interactions to go, we are also drawing closer to our local 2020-2021 target as we continue to increase services to markets across the country.

The government reinvestment allows us to strengthen our digital and local presence. As a result, we continue to progress towards our long-term targets with our platforms attracting more visits by more Canadians. In 2017-2018, the total number of interactions with CBC/Radio-Canada and local services increased year-over-year, recording 13.3 million and 0.9 million more visits on average each month respectively since last year.

	YEAR 1 Targets	YEAR 1 Results	YEAR 5 Targets	YEAR 2 Results Against YEAR 5 Targets
1. Additional monthly digital interactions with CBC/Radio-Canada ¹	3.0 M	21.3 M	5.1 M	15.0 M
2. Local service - Additional monthly interactions with CBC/Radio-Canada ¹	750 K	4.3 M	3.8 M	10.3 M to go

Note: The digital audience measurement cannot quantify the proportion of additional visits that is attributable solely to reinvestment.

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

¹ Source: comScore, multiplatform measurement, monthly average visits.

² Source: comScore, multiplatform measurement, monthly average visits; Adobe SiteCatalyst, monthly average visits.

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 self-generated revenue across all our services.

While the Corporation continues to monitor the performance of its specialty television channels, we have not reported our subscribers' results for competitive reasons.

French Services' Results	Results 2014 2015	Results 2015 2016	Results 2016 2017	Targets 2017 2018	Results 2017 2018	Targets 2018 2019
Radio Networks						
ICI RADIO-CANADA PREMIÈRE and ICI MUSIQUE All-day audience share ¹	21.4%	21.8%	23.3%	22.9%	24.4% ●	23.7%
Television						
ICI RADIO-CANADA TÉLÉ Prime-time audience share ²	19.8%	19.9%	20.9%	20.2%	22.7% ●	21.8%
ICI RDI, ICI ARTV and ICI EXPLORA All-day audience share ³	4.8%	4.7%	4.8%	4.6%	4.7% ●	4.4%
Regional						
ICI RADIO-CANADA PREMIÈRE Morning show audience share ¹	19.2%	19.9%	18.7%	19.0%	21.6% ●	19.5%
Téléjournal 18 h Average minute audience ³	325 K	319 K	324 K	320 K	356 K ●	330 K
ICI Radio-Canada.ca Regional Offering Monthly average unique visitors ⁴	0.722 M	0.712 M	1.4 M	1.5 M	1.9 M ●	N/A ⁵
Digital						
Radio-Canada Digital Offering Monthly average unique visitors ⁶	1.9 M	3.0 M	3.8 M	4.0 M	4.1 M ●	4.1 M
Revenue⁷						
Conventional, Specialty, Online	\$234 M	\$216 M	\$211 M	\$207 M	\$218 M ●	\$215 M

N/A = Not Applicable

● Target met or exceeded ● Target partially met ○ Target not met

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

1 Source: Numeris, fall survey (diary), Francophones in Quebec, aged 12 years and older. Morning show: Monday-Friday, 6:00-9:00 AM.

2 Source: Numeris, Portable People Meter (PPM), Francophones in Quebec, aged two years and older. ICI RADIO CANADA TÉLÉ regular season (September to March).

3 Source: Numeris, Portable People Meter (PPM), Francophones in Quebec, aged two years and older, April to March.

4 Source: comScore Media Metrix, unique visitors, desktops (aged two years and older) and mobile devices (aged 18 years and older), April to March. Prior to 2015-2016, the Radio-Canada.ca regional offering measure was desktop only. Starting in 2015-2016, the measure for Radio-Canada's digital offering is multiplatform, but desktop only for regional digital content. The regional metric was multiplatform as of 2016-2017.

5 This measurement will continue to be monitored internally but it is not a Key Performance Indicator in 2018-2019.

6 Source: comScore Media Metrix, unique visitors, desktops (aged two years and older) and mobile devices (aged 18 years and older), April to March. Radio-Canada digital offering: Radio-Canada.ca, ici.tou.tv, icimusique.ca, rcinet.ca, ici.artv.ca, ici.explora.ca and rad.ca.

7 Includes advertising revenue, subscription revenue and other revenue (e.g., content distribution). Excludes revenue from the Olympics. Revenue for ICI ARTV is reported at 100%, although Radio-Canada owned only an 85% share prior to March 31, 2015. Since that date, Radio-Canada has been the sole owner of ICI ARTV.



Radio

The combined all-day audience share of ICI PREMIÈRE and ICI MUSIQUE reached a new record level, surpassing the target for the year. Building on last year's successes, our schedule retained loyal listeners, while efforts to attract new listeners with original programming enabled us to make gains across our radio markets.

Television

ICI RADIO-CANADA TÉLÉ recorded its best prime-time audience share since the launch of the measure by Numeris in 2004. While the industry continues to experience declines in conventional TV audiences, we succeeded again this year to attract audiences' attention and increase our market share. This growth in viewership can be attributed to both returning top performers, such as *District 31*, *Tout le monde en parle* and *En direct de l'univers*, and new drama series, such as *Hubert et Fanny*, *Cheval-Serpent* and *Olivier*. During the winter, our new variety show *1^{res} fois*, an original Canadian format hosted by audience favourite Véronique Cloutier, saw viewership grow weekly and led its time slot.

On specialty channels, our combined audience share of 4.7% finished the year above target. ICI RDI's performance was driven by the coverage of unprecedented floods in Quebec and international climatic events throughout the spring and summer. Local elections in Quebec and Montreal's 375th anniversary also helped achieve strong audiences. ICI ARTV's performance was particularly strong during the winter, with the return of the nostalgia series *Le temps d'une paix* and the premiere TV broadcast of the digital drama *Fatale-Station*. ICI EXPLORA maintained its audience share thanks to the return of shows closely associated with the brand such as *Sexplora* and *Les aventures du Pharmacien*.

Regional

Regional morning radio show results exceeded target, with ICI PREMIERE ranking first in three markets.¹

The weekly supper-hour newscasts exceeded target and last year's result, with out-of-Montreal markets performing particularly well this year.

Digital

More and more Canadians use Radio-Canada's digital properties as their destinations for compelling and diverse content. Our digital platforms achieved a monthly average of 4.1 million unique visitors. A revamped mobile-friendly Radio-Canada.ca, with innovative and distinct regional content, also contributed to these results. 65% of unique visitors accessed our digital content with their mobile devices, an increase from 53% last year.² Both all-property and regional reaches surpassed targets in 2017-2018.

Revenue

Although operating in a challenging advertising market for traditional media, Radio-Canada managed to significantly grow self-generated revenue and exceeded target. Advertisers increased their spending on ICI RADIO-CANADA TÉLÉ by 5% over the past year, while our digital properties grew advertising revenue by 18%.³ These impressive results are mainly due to our strong media performance, which enabled us to reach a higher volume of impressions on both television and digital screens.

¹ Source: Numeris, fall survey (diary), Francophones in Quebec aged 12 years and older. Morning show: Monday-Friday, 6:00-9:00 AM.

² Source: comScore Media Metrix, unique visitors, desktops (aged two years and older) and mobile devices (aged 18 years and older), April to March. Radio-Canada digital offering: Radio-Canada.ca, ici.tou.tv, icimusique.ca, rcinet.ca, ici.artv.ca, ici.explora.ca and rad.ca.

³ Our target for 2017-2018 excludes PyeongChang 2018 Olympic Winter Games revenue.

English Services' Results

	Results 2014 2015	Results 2015 2016	Results 2016 2017	Targets 2017 2018	Results 2017 2018	Targets 2018 2019
Radio Networks						
CBC Radio One and CBC Music 5-PPM Market Share All-day audience share in the 5-PPM markets ¹	– ²	– ²	– ²	11.1%	12.8% ●	11.3%
CBC Radio One National Reach Monthly average national reach ³	– ²	– ²	– ²	7.7 M	7.7 M ●	7.7 M
CBC Music National Reach Monthly average national reach ³	– ²	– ²	– ²	4.5 M	4.5 M ●	4.5 M
Television						
CBC Television Prime-time audience share ³	6.0%	5.8%	5.5%	5.8%	7.6% ●	5.6%
CBC News Network All-day audience share ³	1.5%	1.7%	1.6%	1.5%	1.4% ●	1.2%
Regional						
Television Local 6 PM News Average minute audience ³	375 K	345 K	313 K	335 K	269 K ○	230 K
CBC.ca Regional Offering Monthly average unique visitors ⁴	4.0 M	4.3 M	10.6 M	10.8 M	9.8 M ○	N/A ⁵
CBC Radio One 5-PPM Market Share Morning show audience share in the 5-PPM markets ¹	– ²	– ²	– ²	14.5%	15.1% ●	14.7%
CBC Radio One National Reach Morning show audience, monthly average national reach ³	– ²	– ²	– ²	3.5 M	3.5 M ●	3.5 M
Digital						
CBC Digital Offering Monthly average unique visitors ⁶	10.6 M	12.4 M	14.8 M	16.3 M	16.1 M ●	15.6 M
Revenue⁷						
Conventional, Specialty, Online	\$321 M	\$260 M	\$228 M	\$303 M	\$295 M ●	\$213 M

N/A = Not Applicable

● Target met or exceeded ● Target partially met ○ Target not met

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

¹ Source: Numeris, Portable People Meter (PPM), persons aged two years and older, in the Toronto, Vancouver, Calgary, Edmonton and Montreal-Anglophone markets. Local Morning Shows: Monday-Friday, 6:00-8:30 AM.

² This indicator was introduced in 2016-2017 and results are available as of 2017-2018.

³ Source: Numeris, Portable People Meter (PPM), persons aged two years and older.

⁴ Source: comScore, Media Metrix, unique visitors, desktops (aged two years and older) and mobile devices (aged 18 years and older), April to March. Our multiplatform measure was introduced in 2016-2017. Because of limited availability of multiplatform data between April 2016 and July 2016, results for the year ended 2016-2017 reflected the monthly average unique visitors from August 2016 to March 2017.

⁵ This measurement will continue to be monitored internally but it is not a Key Performance Indicator in 2018-2019.

⁶ Source: comScore Media Metrix, unique visitors, desktops (aged two years and older) and mobile devices (aged 18 years and older), April to March.

⁷ Includes advertising revenue, subscription revenue and other revenue (e.g., content distribution). Excludes revenue from arrangements with Rogers Communications Inc. for the continued airing of *Hockey Night in Canada* for Saturday night and playoff hockey. Toronto 2015 Pan American Games revenue included in 2015-2016 results reflects joint English and French Services revenue. Revenue for documentary is reported at 100%, although CBC/Radio-Canada owns 82% of this channel. As of 2017-2018, the CBC Television regular season target includes the Olympics.

Radio

It was a strong year for CBC Radio, with audience shares either meeting or exceeding targets, driven by the high audience levels of CBC Radio One, CBC Music local morning shows, and network programs such as *The Current*, *q* and *Drive*.

Reach for CBC Radio One and CBC Music met their respective targets.

Television

Due to Canadian programming success in new original series during the regular season, such as *Frankie Drake Mysteries*, *The Great Canadian Baking Show* and *Burden of Truth*, as well as the PyeongChang 2018 Olympic Winter Games, CBC TV's prime-time audience share ended the year well above target at 7.6%.

CBC News Network's performance softened in the latter half of the fiscal year, resulting in audience share dipping below target despite strong audience levels in the summer from coverage of the British Columbia wildfires and the Canada 150 events.

Regional

Audience levels for the TV local 6 PM news ended the regular season below target and prior year due to softening across markets, most notably in Toronto and Vancouver.

Our local digital performance was below target and prior year due to industry-wide impacts of reduced referral traffic from third party social media sites. There was also an increase in consumption of local news through an App vs desktop which is currently not included in this measure of unique visitors.

During the morning when CBC Radio One offers the most local content, radio share and reach were well above and on par with targets, respectively, contributing to the overall positive performance of the network. CBC Radio morning programs were #1 in 20 out of 27 markets.

Digital

Despite year-over-year growth in many aspects of our digital offer, the number of monthly average unique visitors was below target due to industry-wide impacts of reduced referral traffic from third-party social media sites that specifically impacted news publishers. These were partly offset by the diversification of our digital offering such as the December launch of the CBC TV App as well as Digital Radio.

Revenue

Results ended the year below target due to the continued softening of the advertising market and declines in subscriber revenues due to the ongoing cord-shaving trend.

Canadian Content and Results¹

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 RADIO-CANADA TÉLÉ and CBC Television. As shown in the table below, for the past five years ICI RADIO-CANADA TÉLÉ and CBC Television exceeded the CRTC's Canadian content conditions of license, both over the whole day and in prime time.

Canadian Content Results - September 1 to August 31²

	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	Yearly Conditions of Licence
ICI RADIO-CANADA TÉLÉ						
Broadcast day	84%	89%	82%	84%	82% ●	75%
Prime time	91%	90%	91%	94%	96% ●	80%
CBC Television						
Broadcast day	93%	94%	92%	84%	81% ●	75%
Prime time	86%	91%	87%	85%	87% ●	80%

● Conditions met or exceeded ○ Conditions not met

¹ As defined in CBC/Radio-Canada's new licences, effective since September 1, 2013, Canadian content levels are conditions of license. In the previous regulatory framework, Canadian content levels were expectations.

² The broadcast day covers Monday to Sunday, from 6 AM to 12 AM. Prime time covers Monday to Sunday, from 7 PM to 11 PM.



7 Financial Plan

Financial Overview

The *Financial Overview* in Appendix A presents the Corporation's financial picture for 2017-2018 through to 2022-2023. The balanced position presented between 2018-2019 and 2022-2023 in Appendix A is achieved by matching expenditures to expected resources. Items of interest impacting, or that could impact, this *Financial Overview* are discussed below.

In March 2016, the Government of Canada announced an important reinvestment in us by increasing our funding by an additional \$75 million in 2016-2017, growing to \$150 million in the following years. This is an important vote of confidence by the government and by Canadians in our programs, our people and our vision for the future.

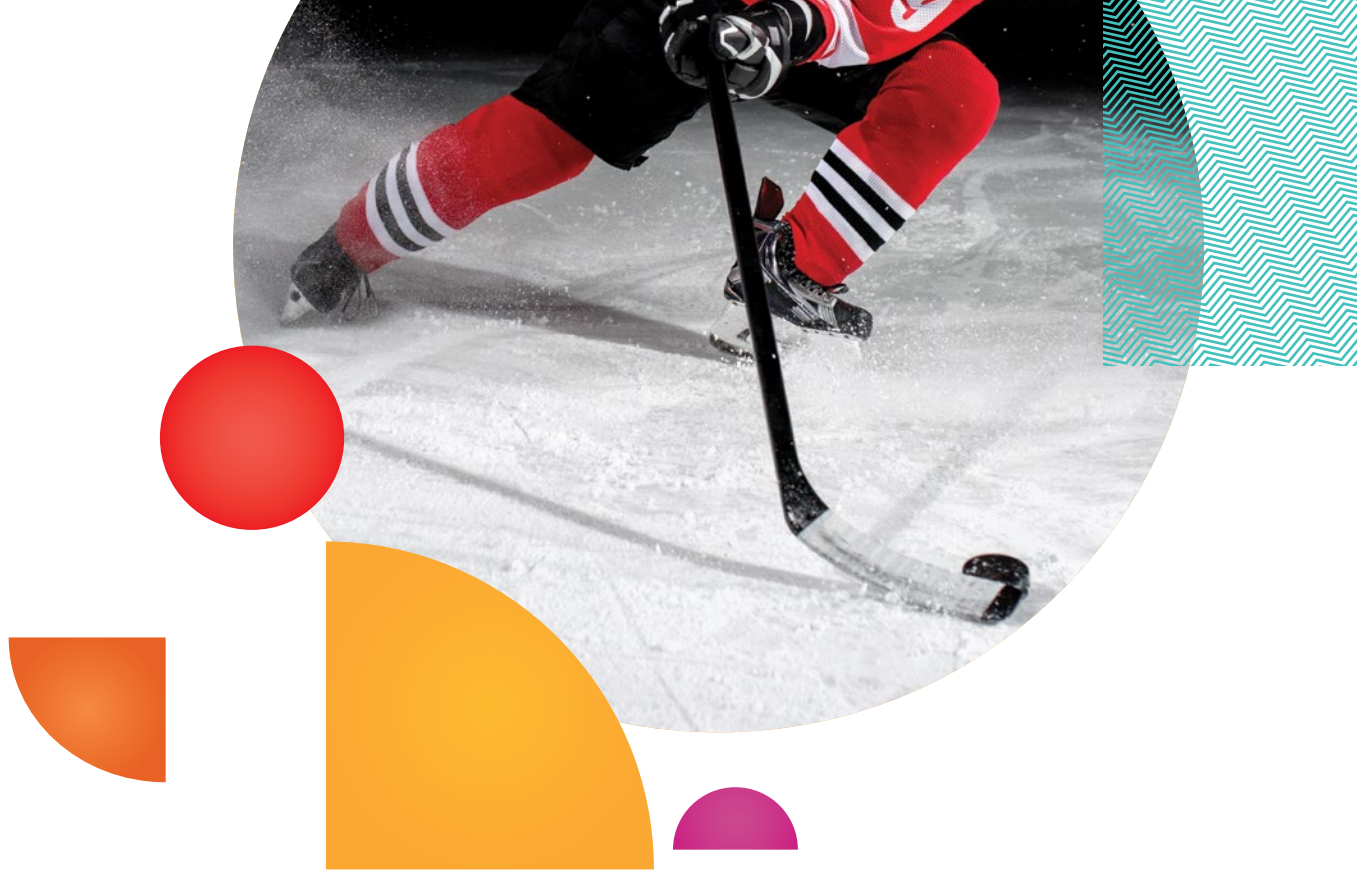
The continued funding of salary inflation beyond 2017-2018 is a critical component of our financial strategy. Since this funding has yet to be confirmed for 2018-2019 to 2022-2023, it is not reflected in the *Financial Overview* in Appendix A.

Material Risks to Financial Plan and Outlook

Our revenue continues to be exposed to the industry-wide softening of advertising markets and the shift of advertising away from traditional television to digital platforms. We are closely monitoring the situation, as we expect the advertising market to remain challenged.

On September 28, 2017, the Honourable Mélanie Joly, Minister of Canadian Heritage, announced the Government of Canada's vision for culture. As part of the earlier public consultation, we proposed removing advertising from our platforms and receiving replacement funding. This was part of our submission "A Creative Canada: Strengthening Canadian Culture in a Digital World." The government has not made a decision on that proposal. There is a continued risk that our organization will not remain sustainable as we anticipate the Canadian conventional TV advertising market to remain under pressure and the media industry to continue to be disrupted. Without a solution, program spending in future years will have to be reduced to match available resources, and some services will have to be cut.





Looking Forward

On October 21, 2015, the International Olympic Committee (IOC) announced that we had been awarded the Canadian broadcast rights for the Beijing 2022 Olympic Winter Games and the Paris 2024 Olympic Games. We're now Canada's Olympic Network and official broadcaster for the next three Olympic Games, including Tokyo 2020, along with our broadcast partners Bell Media and Rogers Media. This will significantly increase both revenue and expenses in 2020-2021 and 2021-2022.

Borrowing Plan

The *Broadcasting Act*, Section 46.1, confers on CBC/Radio-Canada the authority to borrow up to \$220 million by any means, or such greater amount as may be authorized by parliament, subject to the approval of the Minister of Finance. Section 54(3.1) of the *Act* requires that the Corporation's borrowing plan be included in its Corporate Plan for the approval of the Minister of Finance.

When the Corporation sold long-term receivables as reported in the 2010-2011 Corporate Plan, it provided a guarantee to the investors in order to obtain the best possible value for the sale. This guarantee was deemed to be borrowing.

In accordance with the terms of the approval from the Minister of Finance for this borrowing authority, CBC/Radio-Canada hereby provides a status report showing the outstanding amounts against the borrowing authority.

Total borrowing authority	\$220,000,000
Authority used as at March 31st, 2018 Guarantee on long-term receivables	\$(106,491,000)
Remaining authority	\$113,509,000

Pursuant to the provisions of sections 46.1(1) and 54(3.1) of the *Broadcasting Act*, the Corporation seeks the approval in principle of the Minister of Finance to borrow money not exceeding the remaining borrowing authority. CBC/Radio-Canada will submit specific borrowing proposals as required by the Minister of Finance for approval.

A

APPENDIX A

Financial Overview (\$ 000)¹

	2017-2018	Projection 2018-2019	Projection 2019-2020	Projection 2020-2021	Projection 2021-2022	Projection 2022-2023
SOURCES OF INCOME						
Parliamentary appropriation for operating expenditures	1,110,262	1,097,769 ⁷	1,096,489 ⁷	1,095,111 ⁷	1,093,628 ⁷	1,092,031 ⁷
Amortization of deferred capital funding and working capital funding ²	97,487	100,000	100,000	100,000	100,000	100,000
Advertising ³	318,282	248,176	247,213	307,663	309,166	242,813
Subscriber fees, financing and other income	254,793	236,119	223,074	218,237	215,867	208,568
TOTAL SOURCES OF INCOME	1,780,824	1,682,064	1,666,776	1,721,011	1,718,660	1,643,412
EXPENDITURES						
Television, radio and digital services costs ⁴	1,730,059	1,581,084	1,565,588	1,619,553	1,616,872	1,541,236
Transmission, distribution and collection	68,332	69,357	70,397	71,453	72,525	73,613
Corporate management	9,690	9,835	9,983	10,133	10,285	10,439
Finance costs	22,815	21,788	20,808	19,872	18,978	18,124
TOTAL EXPENDITURES	1,830,896	1,682,064	1,666,776	1,721,011	1,718,660	1,643,412
OTHER GAINS AND LOSSES:						
Net (loss)/gain on disposal of assets ⁵	37,508					
TOTAL OTHER GAINS AND LOSSES	37,508	-	-	-	-	-
NET POSITION⁶	(12,564)	-	-	-	-	-

¹ Results are based on International Financial Reporting Standard (IFRS) and exclude Other Comprehensive Income items such as actuarial gains and losses.

² Parliamentary appropriations received for capital expenditures are recognized on the same basis and over the same period as the depreciation and amortization of the capital assets purchased with the funds. The capital budget is discussed in more detail in Appendix B.

³ Reflects advertising revenues from television and digital services, and includes revenues from the PyeongChang 2018 Olympic Winter Games, the Tokyo 2020 Olympic Games and the Beijing 2022 Olympic Winter Games. Includes advertising revenue from specialty services (CBC News Network, ICI RDI, documentary, ICI ARTV and ICI EXPLORA).

⁴ Expenditures (including amortization of property, equipment and intangibles) related to CBC/Radio-Canada's main services, digital services and specialty services. Reflects expenditures related to the PyeongChang 2018 Olympic Winter Games, the Tokyo 2020 Olympic Games and the Beijing 2022 Olympic Winter Games.

⁵ Includes the gain on the sale of our remaining interest in SiriusXM following its privatization in May 2017, partly offset by a loss mostly due to the remeasurement of assets sold during the disposal of our MRC premises in Montreal.

⁶ Reflects the net results before Other Comprehensive Income or Loss. IFRS results include non-cash expenses not expected to require operating funds in the short term. A balanced net position is assumed for future years. The 2017-2018 loss in regular operations is mainly due to non-cash pension and other employee future benefits expenses.

⁷ Excludes salary inflation funding increases from Treasury Board that have not been announced for fiscal years 2018-2019 to 2022-2023. It is assumed that salary inflation funding received will match the actual increase in salary expenditures. The small reductions in Operating Appropriations in future years reflect the annual transfer to the Capital Appropriation for bond payments and do not represent a reduction in government funding.

APPENDIX B Capital Budget

CBC/Radio-Canada is highly dependent on technology and technology-based assets in the production and delivery of its various services. In addition, the Corporation operates one of the world's largest broadcast transmission and distribution systems, with 529 active transmission sites located throughout Canada (190 of these sites are owned, with the remaining 339 sites leased). The Corporation also manages a real estate portfolio of approximately 3.8 million square feet, including 14 owned buildings and 60 leased properties in locations across Canada. In total, the Corporation employs \$791 million of net assets for its operations.

Capital assets are essential to the production and delivery of CBC/Radio-Canada services. The Corporation is committed to ensuring that these assets are acquired, managed and eventually disposed of in the most strategic and cost-effective manner possible. Achieving this goal in today's world of rapid technological change, shifting demographics and fast-evolving economic realities calls for new ideas and approaches. The capital budget investment plan is consistent with *Strategy 2020*.

Capital Governance and Process

To ensure that capital investments are implemented strategically and within available resource constraints, the Corporation maintains detailed project planning over a five-year planning horizon. Consequently, from one year to the next, most changes in the capital plan typically represent refinements to project estimates or shifts in the timing for project implementation between fiscal periods.

The governance framework around capital investments is tightly integrated among two management committees:

- **Capital Executive Team** – Responsible for strategic planning and governance of the overall capital process.
- **Capital Round Table** – Responsible for the development, execution and management of an integrated Corporation-wide project plan that responds to priorities within available resources.

CBC/Radio-Canada's capital process is based on industry best practices for project management and project portfolio management. As part of this process, all projects are rationalized and approved based on submission of a business case, which includes an in-depth financial analysis and detailed cost estimate. Tools and templates employed in the capital process follow industry best practices.

The volume and size of individual projects can vary from year to year. On average, there are some 300 projects in any single year, with nearly half of the projects running over two or more years. For projects where there is return on investment, net present value or payback analysis is required; these calculations are part of the justification and are included in the business case. For other types of projects, the justification for investment is based on legal and regulatory requirements or mission-critical investments to maintain operations where assets have reached end-of-life and are at risk of failure.

The Corporation is an agent of Her Majesty, except in respect to the Corporation's international service and the Corporation's employees (section 47(1) of the *Act*). As such, the Corporation may enter into contracts (47(2)) and acquire property (47(3)) in the name of Her Majesty (48(2)(a)), subject to a \$4,000,000 limit with regard to the acquisition of real property or the disposition of real or personal property (other than program material or rights), as well as a \$15,000,000 (modified by Governor in Council approval) (48(2)(b)) expenditure limit for the lease of real property. Transactions involving greater amounts require the approval of the Governor in Council.

Context for the Capital Investment Plan

Several of the Corporation's larger capital challenges are highlighted below.

Methods of Production and Delivery of Service

The broadcast industry assets employed in the production chain for radio, television, Internet streaming and mobile devices are increasingly moving toward integrated solutions and computer- and software-based tools. These tools demand much faster refresh rates than traditional assets of less than a decade ago. At the same time, High-Definition television production technology will be implemented in the regions as related assets come up for normal refresh in the production chain.

Real Estate Strategy

Representing 51% of the \$791 million in net assets as at September 30, 2017, the Corporation has developed a strategy to optimize management of its real estate facilities. The real estate asset base is aging and has a growing maintenance deficit. The key goals of the strategy are to reduce operational costs, transfer real estate risk and maximize proceeds from the portfolio. The target, under *Strategy 2020*, is to reduce the real estate footprint by two million square feet by 2020. Further details on CBC/Radio-Canada's real estate objectives for *Strategy 2020* are discussed on pages 19 and 24.

The Corporation will also vacate and sell owned facilities and move into leased facilities where appropriate.

MRC Project Update

Governor in Council approval for the MRC Project was granted in April 2017. The sale of the existing MRC was closed in July 2017 and construction of the new MRC started in the fall of 2017. The project has essentially moved into the initiating stage.

Capital Plan Overview

With a base capital budget that has remained unchanged since the 1990s, innovative solutions have necessarily been employed to address funding challenges for priority capital investments.

The Corporation's capital budget investment plan is an integral part of the long-term strategy. Planned projects support the strategy by ensuring that our production, distribution and other facilities are able to meet our operational requirements. Annual updates will be made to accommodate new investments and unforeseen priorities that will be defined as the strategy is implemented.

Capital Investment Plan

Subsection 54(4) of the *Broadcasting Act* requires that CBC/Radio-Canada submit its capital budget to the Minister of Canadian Heritage in its Corporate Plan, and that the Capital Budget for the upcoming year be submitted to the government for approval. As such, the Corporation's 2018-2019 Capital Budget was approved by the government on May 31, 2018, for \$213.5 million. A summary of the 2018-2019 five-year Capital Investment Plan follows.

Sources and Use of Funds (\$ 000s)

AVAILABLE CAPITAL FUNDING	Budget 2018- 2019	Forecast			
		2019- 2020	2020- 2021	2021- 2022	2022- 2023
Base capital appropriation	92,331	92,331	92,331	92,331	92,331
Capital leases (from operating to capital transfers and operating revenues)	17,233	18,526	19,916	21,412	26,326
Carryover of MRC land and building proceeds	38,100				
Carryover projects	12,800				
Funding from sales of fixed assets	11,710	10,500			
Funding from self-generated revenues	41,340	44,008	2,188	811	811
MRC capital to operating transfers		(1,605)	(6,421)	(6,421)	(6,421)
TOTAL AVAILABLE CAPITAL FUNDING	213,514	163,760	108,014	108,133	113,047

CAPITAL INVESTMENT PLAN	Budget 2018- 2019	Forecast			
		2019- 2020	2020- 2021	2021- 2022	2022- 2023
Production infrastructure: digital, television and radio services	69,791	85,473	51,931	52,808	56,001
Enterprise systems and technology infrastructure	26,859	15,664	18,891	10,230	8,805
Presentation, collection, distribution and delivery	19,036	12,523	8,881	13,823	14,635
Property management	94,093	46,970	24,076	27,037	29,371
Fleet and minor capital purchases	3,735	3,130	4,235	4,235	4,235
TOTAL AVAILABLE CAPITAL FUNDING	213,514	163,760	108,014	108,133	113,047

Following are highlights of the larger and more strategic initiatives in 2018-2019. Some of these initiatives are currently underway following previous years' approvals.

Production Infrastructure

Project Description	2018-2019 Expenditure
• Maison de Radio-Canada project.	\$64.2 million
• Control room and regional News infrastructure refresh to support centralized remote production workflow and conversion to High Definition.	\$4.1 million
• Investments to improve services through production facility improvements.	\$1.5 million
TOTAL	\$69.8 million

Enterprise Systems and Technology Infrastructure

Project Description	2018-2019 Expenditure
<ul style="list-style-type: none"> Maison de Radio-Canada project (Telephony; LAN/WiFi; WAN). 	\$10.9 million
<ul style="list-style-type: none"> Critical infrastructure and network upgrades (security; identity management; server and storage; infrastructure hardening for disaster recovery). 	\$6.7 million
<ul style="list-style-type: none"> Update various business applications and technical upgrades (e.g., resource management systems replacement; enterprise systems upgrades and enhancements; enhancement to contracts and rights management systems). 	\$5.3 million
<ul style="list-style-type: none"> Updates to major systems, including broadcast management systems. 	\$4.0 million
TOTAL	\$26.9 million

Presentation, Collection, Distribution and Delivery

Project Description	2018-2019 Expenditure
<ul style="list-style-type: none"> Various projects related to transmitter and tower investments needed to maintain the coverage of our TV and radio services, maintain infrastructure, and comply with codes and regulations. 	\$10.6 million
<ul style="list-style-type: none"> Maison de Radio-Canada project (transmission). 	\$5.0 million
<ul style="list-style-type: none"> Projects related to radio centralized presentation, distribution, and improving English and French radio coverage. 	\$3.4 million
TOTAL	\$19.0 million

Property Management

Project Description	2018-2019 Expenditure
<ul style="list-style-type: none"> Maison de Radio-Canada project (leasehold improvements). 	\$63.9 million
<ul style="list-style-type: none"> Current portion of Canadian Broadcast Centre in Toronto and Halifax Broadcast Centre long-term lease payments. 	\$17.2 million
<ul style="list-style-type: none"> Canadian Broadcast Centre in Toronto (consolidation of operations, landlord work, washroom and other obsolete facility refresh). 	\$8.1 million
<ul style="list-style-type: none"> Consolidation/relocation projects (Ottawa and to complete Calgary). 	\$3.5 million
<ul style="list-style-type: none"> Regional building maintenance projects required to comply with building codes, regulations, health and safety, and replacement of obsolete assets. 	\$1.4 million
TOTAL	\$94.1 million

Fleet and Minor Capital Purchases

Project Description	2018-2019 Expenditure
<ul style="list-style-type: none"> Annual refresh of the Corporation's vehicle fleet. 	\$1.5 million
<ul style="list-style-type: none"> Minor capital purchases to address unforeseen and urgent operational equipment. 	\$2.2 million
TOTAL	\$3.7 million



Appendix C Risk Management

As Canada’s national public broadcaster, we occupy an important place in the Canadian broadcasting system and face a unique set of risks to its plans and operations. Like all broadcasters, we must adapt to technological changes, shifts in demographics and evolving consumer demands, as well as structural changes in the industry. Given our statutory mandate to serve all Canadians, we also face unique public expectations and financial challenges.

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

Our Risk Management Program is part of an enterprise-wide approach integrated into business processes. Responsibility for risk management is shared among our Board of Directors, the Board’s Audit Committee, our Senior Executive Team and our operational units.

BOARD	AUDIT COMMITTEE	SENIOR EXECUTIVE TEAM	MEDIA AND SUPPORT BUSINESS UNITS
The Board oversees our key risks at a governing level, approves major policies, and ensures that the processes and systems required to manage risks are in place.	The Audit Committee of the Board discharges its stewardship and oversight responsibilities over risk management by monitoring key risks, discussing their status with management at quarterly Audit Committee 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.

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

The following table discusses the key risks we faced this year, and their ongoing impact into next year.

Key Risks	Risk Mitigation	Future Impact
1. Government's Cultural Policies Modernization and Regulatory Initiatives		
<p>Our ability to deliver our mandate is challenged by a shift from traditional television to specialty television and digital platforms, rapid technology evolution, changing media consumption habits, and industry fragmentation.</p> <p>The government's modernization of Canada's cultural policies consists of simultaneous initiatives that could profoundly affect our future business model or our mandate. Initiatives launched include the Broadcasting and Telecommunications legislative review and reviews of the <i>Copyright</i> and <i>Radiocommunication Acts</i>.</p> <p>Our position paper in response to the government's 2017 consultation on how to strengthen Canadian culture in a digital world explains the benefits of exiting all advertising platforms and receiving replacement funding of \$318 million.</p> <p>Competing priorities may lead the government to narrow our mandate, lessen our independence and/or change our business model, which would have a profound impact on the future of the organization and impact our opportunity to fix our broken business model.</p>	<p>Continue to promote and share strategic plan information with stakeholders both internally and externally.</p> <p>Continue to promote our position paper and the benefits of exiting all advertising platforms and receiving replacement funding with stakeholders both internally and externally. Reinforce the need for adequate stable funding with all levels of government.</p> <p>Retain flexibility when making operating decisions, with alternative plans associated with a potential advertising-free environment.</p> <p>Develop proactive and reactive communication plans, as required.</p> <p>Monitor and participate in the various processes launched.</p> <p>Develop, implement or modify strategies and contingency plans, as required.</p>	<p>The strategic plan positions what we need to succeed now, as well as in an age beyond traditional broadcasting. It will ensure that the services we provide, and the operating model that supports those services, evolve in tandem with the changing expectations of Canadians and the movements of our industry.</p> <p>The uncertainty of our future direction may impact self-generated revenues, operating decisions, morale and the retention of key staff.</p>
2. New Distribution Methods / Industry Disruption		
<p>Competition for the attention of audiences is intensifying. Various media groups, domestic and international, have significant financial strength and are investing heavily to capture the attention of audiences with quality content on various platforms.</p> <p>Our digital frameworks, including distribution methods and platforms, must be robust and scalable in order to be able to withstand the continued accelerated adoption of distribution methods, evolving audience and partner demands, and disruption in the media landscape.</p> <p>New distribution methods have led to industry disruption and new revenue models. We must adapt to new realities, often outside traditional industry relationships.</p>	<p>Continue our focus on content on digital platforms, either content shared with broadcast or with digital original content.</p> <p>Continue and expand partnerships with experienced and successful Over-The-Top (OTT) providers (as long as branding is assured).</p> <p>CBC and Radio-Canada to offer enhanced advertising-free OTT, with competitive user experiences and functionality.</p> <p>Align performance measurement to incent optimal decisions by adapting performance indicators to audience content consumption patterns.</p> <p>Continually evolve the technology to meet audience expectations.</p> <p>Negotiate rights agreements to ensure access to popular content on feasible financial terms.</p> <p>Continue to develop and implement data management tools and strategies to enhance our ability to track, personalize and customize content for audiences.</p>	<p>The ability to serve audiences on platforms or through distribution channels they want will impact overall consumption of our content and influence the public value of our services, our advertising and subscription revenue, and our relevance.</p>

Key Risks	Risk Mitigation	Future Impact
3. Budget Concerns		
<p>We face financial challenges that include an industry-wide softening of the advertising market and a shift of advertising dollars from linear television to digital platforms.</p> <p>Regulatory changes may negatively impact subscriber numbers, channel carriage and revenue.</p> <p>Audience consumption patterns such as cord shaving are reducing broadcast distribution undertakings (BDU) cable and satellite subscriptions.</p> <p>Financial performance of the various Canadian media groups is putting downward pressure on prices and leading to a more aggressive approach to advertising volumes.</p> <p>Changes to independent production funds' eligibility rules may impact the availability and pricing of our independent productions.</p>	<p>Continue to invest primarily in prime-time television, which is the biggest driver of audience and conventional television revenue.</p> <p>Develop additional compelling, distinctly Canadian programming.</p> <p>Maximize our multiplatform/multiscreen strategy when broadcasting, acquiring or distributing content.</p> <p>Leverage new kinds of partnerships or deals to grow new revenue streams or offer new value to existing customers.</p> <p>Play a leadership role in driving the advertising industry transformation around audience measurement and automation, and reinforce the value and effectiveness of TV advertising.</p> <p>Continue to implement cost-containment measures established in <i>Strategy 2020</i>.</p>	<p>Further advertising weakening and reduced subscriber revenue may require changes to our strategic plan.</p> <p>A reduction in independent production funds means less original programming.</p>
4. Morale, Recruitment and Retention		
<p>The retention and engagement of a strong workforce is essential to achieve strategic objectives.</p> <p>There is a risk that negative workplace culture incidents, controversy and uncertainty may erode gains around staff engagement and morale and create challenges in recruiting and retaining talent.</p> <p>Challenge of meeting 2020 diversity targets.</p>	<p>Continue with enterprise change management plan, including support activities linked to major projects that enable <i>Strategy 2020</i>.</p> <p>Rollout annual engagement survey results and implement action plans to address areas of concern.</p> <p>Develop action plan and road map for joint initiatives with the Joint Working Group with all unions on workplace culture to address common issues.</p> <p>Implement Year 3 of the Culture Roadmap, including an awareness campaign for the cultural census.</p> <p>Develop and implement the 2018-2021 Diversity and Inclusion Plan.</p>	<p>We will maintain our momentum to train people for this new digital world, train leaders to better support their teams and continue building a strong foundation of business skills across the Corporation.</p>

Key Risks	Risk Mitigation	Future Impact
5. Union Relations and Negotiations		
<p>Negotiations are underway for the collective agreement for the new merged French union represented by the Syndicat des Communications de Radio-Canada (SCRC), and the discussions are ongoing with the Canadian Media Guild (CMG) to address key issues during the life of the current agreement expiring March 31, 2019 and for a new collective agreement.</p> <p>There is a risk that prolonged proceedings to negotiate the first collective agreement could negatively affect the working relationship between management and employees.</p> <p>There is a risk of disruption to operations due to labour stoppage.</p>	<p>Continue transparent communications to employees and unions, as well as the involvement of employees in the development of strategic initiatives.</p> <p>Implement clear negotiation mandates that ensure flexibility in working conditions and the reduction of jurisdictional barriers between bargaining units, where applicable.</p> <p>Update contingency plans in case of labour disruption.</p>	<p>Negotiations with CMG to begin in fall 2018.</p>
6. Reputation and Brand Management		
<p>CBC and Radio-Canada are among the most prominent and most discussed brands in the country. In addition, they are brands on which every Canadian feels rightly justified in having and expressing an opinion. At any time, an event or an incident, large or small, can touch a nerve and instigate a controversy of national proportions.</p> <p>Like all organizations, CBC/Radio-Canada is not immune to the #MeToo movement, and the number of allegations of inappropriate behaviour involving staff may increase.</p> <p>Other types of ethical issues, such as conflicts of interest, may also have an impact on our reputation.</p> <p>There is a risk that negative perceptions of CBC/Radio-Canada may undermine credibility and stakeholder support.</p>	<p>Continue to promote a safe, respectful and inclusive workplace through the Code of Conduct and mandatory training on ethics, the prevention of bullying and harassment, and unconscious bias. Work with stakeholder groups to identify initiatives to continuously improve the workplace and address complaints in an objective and timely way.</p> <p>The Office of the Values and Ethics Commissioner will develop and put in place an online biannual declaration process for situations that might lead to a conflict of interest (real or perceived) for directors, senior directors, executive directors, vice presidents and, in certain sensitive areas, managers and confidential employees.</p> <p>Use a comprehensive issue management system that:</p> <ul style="list-style-type: none"> • Monitors and tracks the environment; • Identifies potential issues and the stakeholder groups they could affect; • Prepares for them; and • Provides proactive and reactive messaging and guidance to senior leaders, line managers and communications staff across the system. <p>Ensure a strong crisis management response that stresses transparency and decisive action is implemented to address critical issues.</p>	<p>Clear and transparent action plans to deal with critical issues will improve credibility and stakeholder support.</p>

Key Risks	Risk Mitigation	Future Impact
7. Maison de Radio-Canada (MRC) Project		
There is a risk that the project may not achieve expected operational efficiencies, meet construction timelines, meet technical requirements or stay within budget, leading to increased costs and impacting the attainment of strategic objectives.	<p>Develop and maintain constructive business relationships with partners.</p> <p>Ensure tight project management: proactively monitor, assess and control risks, and establish realistic schedules and budgets, contingency plans, and adequate planning in order to minimize changes during execution.</p> <p>Enhance consultation and coordination with staff to help them prepare for the move to the new building.</p> <p>Obtain change management expertise on an as-needed basis, to support the Corporation's major change efforts.</p>	Continue to monitor the project planning, in particular for the technical infrastructure and the reimagining of work processes and work spaces.
8. Information Security		
<p>Despite heightened awareness and attention to cyber security, the number, cost and complexity of cyber incidents for all companies worldwide continue to grow. While CBC/Radio-Canada is investing in managing information security risks, evolving cyber threats have the potential to significantly disrupt operations (e.g., capacity to be on air; availability of our digital services) and/or damage our brand.</p> <p>There is a risk that personal information is disclosed or used without clear consent.</p>	<p>Monitor and assess network security, cloud technologies and system vulnerabilities.</p> <p>Implement enhanced information security rules, guidelines and procedures, and increase staff awareness and training on information security topics and protection of personal information.</p> <p>Review and augment, as necessary, the Crisis Management Response Plan for information security incidents.</p>	<p>Following the recent theft of a piece of computer equipment that contained personal financial information of current and former employees and outside contractors, we are reviewing our policies and procedures on information security and physical security to identify and implement measures to mitigate against future similar incidents.</p> <p>Continue and refine identified strategies.</p>
9. Governance Leadership Changes and Impact to Strategy		
<p>On December 19, 2017, the Minister announced the appointment of five new Directors. On April 3, 2018, the Minister announced the appointment of the President and CEO, the Chairman of the Board, and three new Directors. The President and CEO assumes her post in July 2018.</p> <p>CBC/Radio-Canada is entering year four of <i>Strategy 2020</i>, launched in June 2014. The development of a strategic road map beyond 2020 is important considering the unprecedented disruption in the communications and media industries, the upcoming licence renewals, and the modernization of Canada's cultural policies as we continue our transformation into the digital public space.</p> <p>There is a risk that a high turnover of directors or change in leadership at the Senior Executive Team may negatively impact decision-making processes, as well as the continuity and stability of <i>Strategy 2020</i>, and may delay the launch of the development of <i>Strategy 2025</i>.</p>	<p>Continue rigorous onboarding process for new directors or change in leadership.</p> <p>Develop transition plan and overlap with current President and any change in leadership at the Senior Executive Team.</p>	The high turnover may delay the launch of the development of <i>Strategy 2025</i> .



APPENDIX D

CBC/Radio-Canada's Mandate and Governance

Corporate Mandate

The Canadian Broadcasting Corporation/Société Radio-Canada ("CBC/Radio-Canada" or the "Corporation") was established by an *Act* of Parliament in 1936. The Corporation's current legislative mandate and programming requirements, corporate powers and governance mechanisms are set out in the 1991 [Broadcasting Act](#) (the *Act*).

Section 3 of the *Broadcasting Act* outlines the broadcasting policy for Canada, and includes provisions specifically addressing the role of the Corporation in the Canadian broadcasting system. It states that CBC/Radio-Canada should provide radio and television services incorporating a wide range of programming that informs, enlightens and entertains. In addition to its domestic mandate, the Corporation is required by the *Act* to provide an international service.

The Corporation must also comply with licensing and other regulatory requirements established by the Canadian Radio-television and Telecommunications Commission ("CRTC") and must meet requirements under the *Radiocommunication Act* that apply to the Corporation's use of the radiocommunication spectrum.

Arm's-length relationship with government

CBC/Radio-Canada's governance model differs from the traditional corporate model and the model followed by other Crown Corporations. This reflects a deliberate policy choice from parliament to protect and enhance the freedom of expression and the journalistic, creative and programming independence enjoyed by the Corporation. The *Broadcasting Act* addresses the independence of the public broadcaster. It goes as far as protecting the Corporation from having to provide any information to the government that could reasonably be expected to compromise or constrain the journalistic, creative or programming independence of the Corporation or limit the ability of the Corporation to exercise its journalistic, creative or programming independence. This is key to the public broadcaster in the pursuit of its objects and in the exercise of its powers.

The *Broadcasting Act* also indicates that officers and employees employed by the Corporation are not officers or servants of Her Majesty.

Regulatory Requirements

CBC/Radio-Canada's broadcasting licences for its conventional television, radio and discretionary services expire on August 31, 2019. In addition, CBC News Network and ICI RDI must be distributed on the basic package by licensed Canadian cable and satellite providers in their respective Official Language Market Communities, and ICI ARTV must be offered to subscribers in French-language markets across the country pursuant to orders issued under section 9(1)(h) of the *Broadcasting Act*. These distribution orders run concurrently with CBC/Radio-Canada's licence term.

Governance

CBC/Radio-Canada has a Board of Directors comprising 12 Directors, including the Chairperson and the President and CEO (CEO), all of whom are appointed by the Governor in Council. Directors are appointed for a term of up to five years. The Chairperson and the CEO may be re-appointed any number of times, but all other Directors are limited to two consecutive terms, unless the third term is as Chair or CEO. Directors, including the Chairperson and the CEO, perform their duties until they resign, until the end of their term or until a new Director has been appointed to replace them if they are willing and able to continue. The tenure of Board appointments is "during good behaviour," and Board members may be removed by the Governor in Council for cause.

The Board needs to hold a minimum of six regularly scheduled meetings each year at which it reviews and approves plans and budgets, and discusses the overall performance of the Corporation, as well as immediate issues facing the Corporation.

In accordance with the *Broadcasting Act*, the Board is responsible for the management of the businesses, activities and other affairs of the Corporation. The role of the Board is one of oversight and, consistent with this principle, the Board has delegated the management of the Corporation's day-to-day business, activities and other affairs to the CEO. The Board also ensures that the Corporation operates at all times within applicable laws and regulations and to the highest ethical and moral standards.

Under the *Broadcasting Act*, the CEO is delegated exclusive authority in respect of the "supervision over and direction of the work and staff of the Corporation." The Board does not have the authority to direct or restrict the CEO in the discharge of this aspect of the CEO's authority.

The CEO and the Senior Executive Team formulate the strategies and plans for the Corporation and present them to the Board for approval. The Board approves the strategic plans, as well as significant projects, transactions and policies, and then, consistent with its oversight role, monitors and evaluates management's performance.

Managerial and Organizational Structure

As stated in the *Broadcasting Act*, CBC/Radio-Canada's head office is located in Ottawa. There are two main network offices in Toronto and Montreal and regional offices across the country in major cities such as Halifax, Quebec City, Winnipeg, Calgary and Vancouver.

Seven components report to the President and CEO through their respective component heads as illustrated below. The Senior Executive Team is responsible for ensuring that the Corporation delivers on its mandate effectively, efficiently and responsibly by working together to continually assess best practices in order to ensure that the maximum amount of the Corporation's overall funding be applied to the creation of content.

OFFICE OF THE PRESIDENT

President and CEO
Chief of Staff

MEDIA

English Media
French Media
Media Technology and Infrastructure Services

PARTNERS

Finance
Legal Services, General Counsel and Corporate Secretary
People and Culture
Strategy and Public Affairs

