

Summary of the Corporate Plan 2025/2026 to 2029/2030

Including a Summary of the 2025/2026
Operating and Capital Budgets,
and Borrowing Plan



Canada

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You protect
what matters.
So do we.

About CDIC

The Canada Deposit Insurance Corporation (CDIC) was established as a federal Crown corporation in 1967 by an act of Parliament.

CDIC's mission is to protect depositors. It automatically protects eligible deposits up to \$100,000 per insured category at each member institution. Members include banks, federally regulated credit unions, and trust and loan companies. CDIC has handled 43 member failures to date, protecting \$26 billion in insured deposits held by more than two million depositors. The last member failure was in 1996.

CDIC's operations are funded by premiums paid by its members. It does not receive any public funds to operate.

For more information about CDIC

Please visit the CDIC website or consult CDIC's 2024 Annual Report at www.cdic.ca to learn more.

You can also reach CDIC by phone, e-mail or letter:

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Part 1

Executive summary



Part 1: Executive summary

Executive summary

The Canada Deposit Insurance Corporation (CDIC) has been protecting people's insured deposits for more than 50 years. The Corporation accomplishes this in three ways: it provides deposit insurance, resolves its member institutions in the event they fail, and promotes and contributes to Canada's financial system stability. CDIC does each of these things in a way that minimizes its financial loss.

In 2024, despite easing inflationary pressures, Canada's economic activity continues to be subdued. The overall financial condition of CDIC's membership remains acceptable. At the same time, the financial sector continues to evolve as new technologies shape the way depositors interact with and manage their money. In this context, it is important depositors stay informed about deposit insurance to optimize the safety of their hard-earned savings.

CDIC's 2025/2026 to 2029/2030 Corporate Plan is risk-informed, outcomes-based, and grounded in three strategic objectives: depositor trust and confidence, resolution readiness, and organizational strength.

For example, to enhance depositor trust and confidence, CDIC will continue executing its Public Awareness Strategy to maintain a high level of public awareness of deposit insurance, building on the 2024 gains among women. To be resolution ready in the event of a member failure, CDIC will advance its development of tailored resolution plans. Under its organizational strength strategic objective, CDIC will continue to drive innovation and further enhance efficiencies by reviewing its information technology service management program and reviewing business processes. CDIC will also seek to retain its Great Place to Work® Certification and National Capital Region Top Employer award to continue attracting top talent.

With so many uncertainties and pressures facing people today, CDIC plays a critical role in providing peace of mind that their insured deposits are safe. This plan lays out how it will continue to do so over the next five years.

Part 2

Overview of CDIC



Part 2: Overview

Overview

CDIC's vision: Guaranteeing the safety of your insured deposits to protect financial futures in Canada.

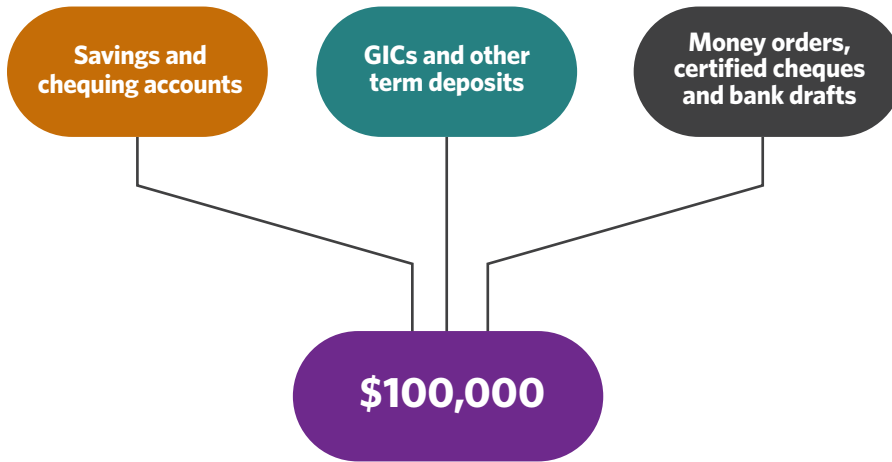
Purpose and mandate

CDIC was established as a federal Crown corporation in 1967 by Parliament through the *Canada Deposit Insurance Corporation Act* (CDIC Act). The following four objects in the CDIC Act define its mandate:

- To provide insurance against the loss of part or all of deposits
- To promote and otherwise contribute to the stability of the financial system in Canada
- To pursue these objects for the benefit of persons having deposits with member institutions and in such a manner as will minimize the exposure of the Corporation to loss
- To act as the resolution authority for its members

Part 2: Overview

**Eligible deposits can be held in Canadian dollars
or in a foreign currency, and include:**



** per category*

One name *

**More than
one name ***

In trust *

FHSA *



*** RESP**

*** RDSP**

*** RRIF**

*** RRSP**

*** TFSA**

🔒 COVERED



What's not covered?

- Mutual funds
- Stocks and bonds
- Exchange Traded Funds (ETFs)
- Cryptocurrencies

Part 2: Overview

Public policy roles

CDIC reports to Parliament through the Minister of Finance. The Corporation is governed by a Board of Directors, comprised of both public and private sector representatives, and appointed by the Government of Canada.

CDIC insures people's deposits up to \$100,000 (principal and interest combined), per member, per eligible deposit category. As of September 30, 2024, CDIC provides separate protection for eligible deposits in nine different categories (outlined above). People do not have to sign up for CDIC deposit protection. Coverage is free and automatic when they place their money with a CDIC member.

As a resolution authority, CDIC is responsible for handling the failure of its members, from the smallest to the largest. Its number one priority in the event of a member failure is to protect depositors, while contributing to financial stability.

CDIC has the authority to intervene using a range of resolution tools and powers under the CDIC Act. Depending on the scenario, CDIC can assist or force the sale of a troubled member, provide direct financial assistance, or create a bridge bank to continue operations of the non-viable member until a buyer can be found. In the case of a domestic systemically important bank (D-SIB), CDIC can temporarily take control of the bank and recapitalize it by converting certain debt instruments into common shares (i.e., a "bail-in"). If a financial institution closes, CDIC will promptly reimburse depositors their insured money.

Membership

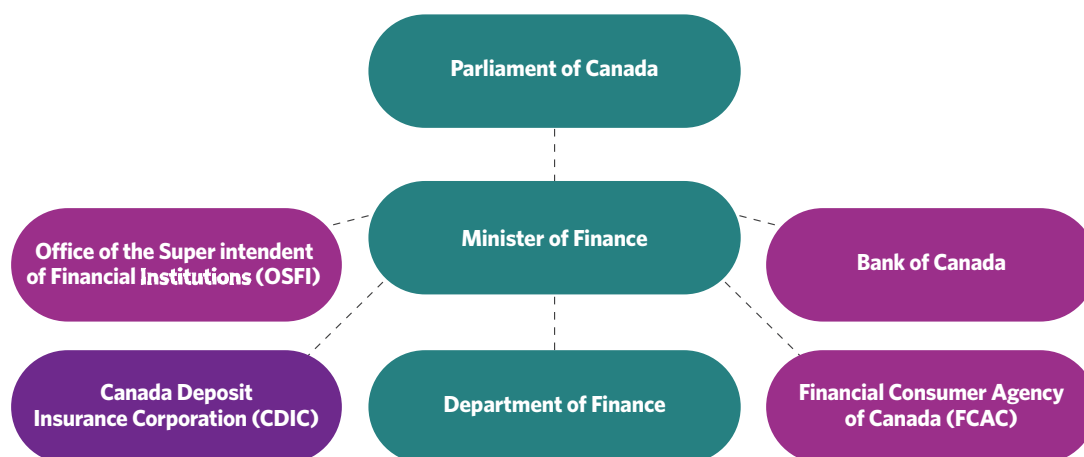
Every federally regulated financial institution in Canada that takes retail deposits must be a CDIC member. As of September 30, 2024, CDIC had a total of 84 members. The table below shows the distribution of members across the different types of institutions.

CDIC membership (as of September 30, 2024)	
Domestic banks and subsidiaries	53
Domestic trust and loan companies and associations	15
Federally regulated credit unions	3
Subsidiaries of foreign financial institutions	13
Total	84

Canada's six largest banks are CDIC members. Each one has been designated by the Superintendent of Financial Institutions as a D-SIB. Two of them have been designated by the Financial Stability Board as global systemically important banks (G-SIBs).

Trust and loan companies are financial institutions that conduct activities similar to that of a bank. Federal trust and loan companies are covered by CDIC.

Credit unions and caisses populaires are financial cooperatives that provide chequing and savings accounts, term deposits, and other financial services. In 2012, the Government of Canada introduced a framework that allows provincial credit unions and caisses populaires to apply and operate as federal credit unions across Canada and grow nationally. Once a credit union transitions to the federal level, it becomes a CDIC member and benefits from its deposit protection.

Part 2: Overview**Industry collaboration****Institutional Structure**

CDIC is one of the pillars of Canada's financial safety net, along with the Department of Finance, the Bank of Canada, the Office of the Superintendent of Financial Institutions (OSFI), and the Financial Consumer Agency of Canada (FCAC). CDIC works closely with these agencies who are responsible for overseeing its members, detecting and addressing risks early within the Canadian banking system, and considering economic vulnerabilities and related public policy options to support Canada's financial system stability.

To manage risks in its membership, CDIC regularly monitors the financial soundness and performance of its members using various sources of information, including member financial reports, market data, and environmental scans. CDIC also relies on OSFI's examinations of members on its behalf. CDIC may undertake a direct examination of its members if they pose an unacceptably high level of risk to CDIC and the financial system. This allows the Corporation to be ready to intervene to protect depositors and preserve financial stability.

CDIC also has strategic relationships with its provincial and international counterparts. CDIC engages with provincial regulators on best deposit insurance and resolution practices through a variety of forums, including the Federal-Provincial Deposit Insurance Forum launched by the Corporation in 2023. As co-founder of the International Association of Deposit Insurers (IADI), the Corporation regularly contributes to the development of international standards on deposit insurance and bank resolution.

Financial structure

CDIC's operations are funded by premiums paid by its members. It does not receive any public funds to operate. Premium revenues contribute directly to CDIC's deposit insurance fund, called the *ex ante* fund, which covers losses in the event of a member failure.

CDIC's operating expenses are generally paid by the revenue CDIC earns from its investment portfolio. CDIC is subject to federal income tax, with the primary source of taxable income being its interest income. If needed, the Minister of Finance may lend money to CDIC from the Consolidated Revenue Fund (see Appendix C: Borrowing Plan).

For more information on any of the sections covered in this chapter, please consult CDIC's website www.cdic.ca.



Part 3 Operating environment



Part 3: Operating environment

Operating environment

This chapter describes CDIC's external and internal environments, as well as the risks the Corporation currently faces. Together with its mandate, they inform its strategic objectives and direction.

External environment

Economy¹

The current state of Canada's economy presents a mixed outlook. On the one hand, inflation is abating, and interest rates are going down. On the other hand, unemployment rates remain elevated, reaching multi-year highs, excluding the pandemic period. Despite easing monetary policy, Canada's economic activity remains subdued. Higher borrowing costs, increasing business insolvencies, and weak demand are stifling investment.

Global economic growth is expected to remain stable through 2025. While the United States economy is showing resilience, growth in the Eurozone is expected to slow. Rising tensions globally continue to pose significant risks to global economic stability. Emerging markets, especially in Asia, are projected to experience growth supported by advancement in artificial intelligence. Inflationary pressures are easing, but sector-specific inflation may persist, particularly in services.

Despite ongoing economic uncertainty, Canada's financial system remains strong and well-positioned to adapt in this challenging operating environment.

Membership

The overall financial condition of CDIC's member institutions remains acceptable, with adequate levels of capitalization, funding, and liquidity. However, signs of stress in the financial sector continue to emerge, especially in residential and commercial real estate. At the same time, the number of non-financial risks CDIC members face, such as cyber vulnerabilities and weaknesses in governance practices, is becoming more prominent.

CDIC will continue to closely monitor the impact of both financial and non-financial risks on its members and strengthen its early risk identification capacity and resolution preparedness activities to maintain readiness.

Financial sector innovation

Technological innovations, including financial tools driven by artificial intelligence, continue to shape the financial sector and the way depositors manage their money. CDIC has seen significant growth in fintechs in recent years, as well as an increase in its members partnering with them to enhance their product offerings. While financial innovation can increase the speed and convenience of money management, it is essential for depositors to carefully understand the deposit protection associated with these new offerings.

The *CDIC Deposit Insurance Information By-law* exists to provide depositors with clarity and understanding about federal deposit protection. It prohibits anyone from making false, deceptive, or misleading representations about what is and is not covered, or who is a CDIC member. It also requires CDIC members to display CDIC's purple lock logo on their branch doors, ATMs, and mobile banking applications. This logo lets customers and depositors know that the establishment they are conducting their business in is, in fact, a CDIC member.

To bolster understanding about proper disclosure of CDIC deposit protection, the Corporation proactively engages with new and existing stakeholders through webinars and training tools.

¹ At the time of drafting the Summary of the Corporate Plan in September 2024.

Part 3: Operating environment

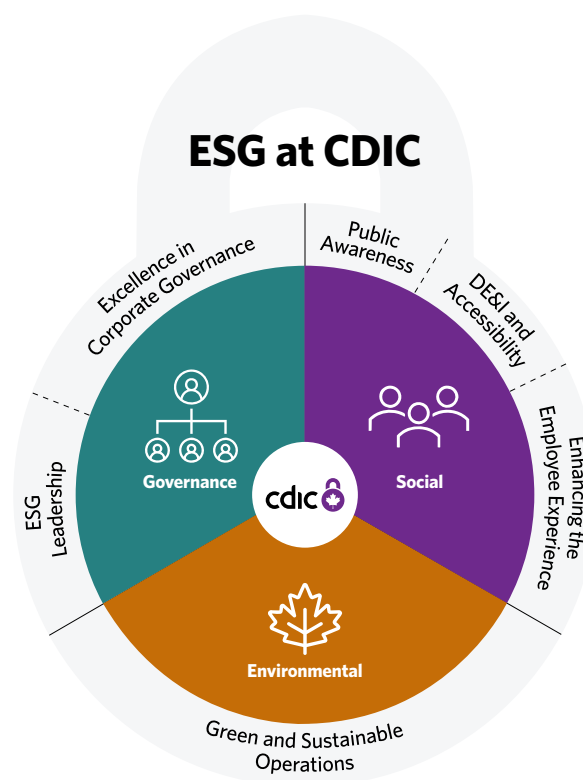
Depositor awareness

CDIC invests in public awareness of deposit protection to help people make informed decisions about their money. Studies show when people know their deposits are protected, they are less likely to withdraw their money in the event of a bank failure or financial crisis. Awareness of deposit coverage, in turn, supports public confidence in Canada's financial sector and promotes overall financial stability. The Corporation's own research also shows that people who are aware of CDIC are 74% more willing to purchase products from one of its members.

As of September 30, 2024, general public awareness of deposit insurance remained above target at 66%. CDIC also saw a record high among women under 50 – a key demographic that traditionally has lower awareness of deposit insurance – with 56% awareness. For more information, please see Part 4.

Sustainability

Environmental and social developments have an impact on the sustainability of CDIC's operations. CDIC's Environmental, Social and Governance (ESG) Strategy, anticipates and responds to changes in these areas. The strategy aims to make CDIC's operations even more sustainable through responsible, intentional, and inclusive actions. The strategy:



- Tracks CDIC's environmental impact to inform opportunities that could strengthen the sustainability of its operations over time.
- Fosters an engaged, high-performing and representative workforce, and helps people make informed financial decisions through CDIC's Public Awareness Strategy. This includes CDIC's Financial Literacy Month activities to promote open conversations about money and financial topics among the general population and key demographics.
- Strengthens CDIC's governance framework so it can continue to effectively fulfill its mandate. For example, CDIC continuously reviews and updates its policies and processes to ensure they reflect best good governance practices.

Going forward, CDIC will continue to mature its ESG Strategy and climate-related risk reporting in line with international and government standards. For more information, please see Part 4 or Appendix E.

Part 3: Operating environment

Internal environment

People and culture

CDIC is comprised of highly skilled professionals from a variety of disciplines, with one common goal: to serve depositors. While the labour market and availability of talent are improving, aligning the right skillsets to the expertise CDIC requires remains a priority.

CDIC continues to employ new recruitment strategies for competitive and specialized positions. It also remains committed to creating a distinct employer brand to attract and retain top talent through recognition as a top employer. For two consecutive years, CDIC has been certified a *Great Place to Work* by the Great Place to Work® Institute Canada. It was also named one of the National Capital Region's Top Employers for the first time in 2024.

CDIC's talented staff puts depositors at the heart of everything and is guided by its cultural framework



Part 3: Operating environment

CDIC recognizes the importance of supporting employee growth and retention by taking measures to enhance its professional development training and build more in-house capacity over the next five years.

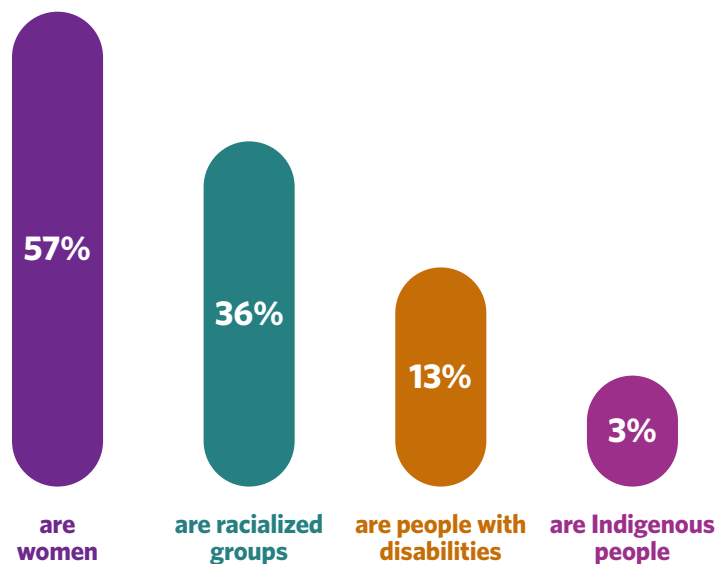
CDIC strives to have a workforce that is representative of the depositors it serves. The Corporation continues to meet or exceed the representation of women, racialized minorities, and persons with disabilities in its workforce, with 67% of its corporate officers identifying as women.

In 2025/2026, diversity, equity, and inclusion (DEI) efforts will remain at the heart of CDIC's People & Culture Strategy and leadership priorities, with a focus on supporting initiatives to increase the cultural awareness, inclusion and belonging of Indigenous Peoples and other Employment Equity Designated Groups: women, racialized groups, and people with disabilities.

See Appendix F for more information.

CDIC is committed to nurturing a workplace where all employees can grow, thrive, and bring their true selves to work. This is central to the promises and commitments of the organization's culture framework (outlined below). For more information, please see Part 4.

Self-Reported Gender and Diversity at CDIC



Data are collected through a voluntary self-identification form available to all employees. This graphic is based on self-identification responses from CDIC employees collected for the period ending in Q2 of fiscal 2024/2025. Individuals may be counted in one or several equity groups.

Part 3: Operating environment

Operational capacity

CDIC continuously monitors its allocation of resources against key priorities to ensure it can achieve its objectives. CDIC remains focused on optimizing existing resource capabilities. This includes providing additional training and development opportunities, facilitating knowledge transfer among employees, and investing in leadership for succession planning. It is anticipated that CDIC's staffing levels for the planning period will remain constant at an estimated 230 full-time employees.

Cyber security

Cyber events are the norm in today's digital landscape, requiring constant vigilance and proactive measures to safeguard systems and data. CDIC continues to advance its information technology (IT) management infrastructure and reduce cyber risk. In 2025/2026, the Corporation will continue to further reinforce its cyber security posture.

Risk environment

Enterprise Risk Management

Risk is inherently present in all CDIC activities. CDIC has a robust Enterprise Risk Management (ERM) framework that continues to increase its corporate awareness of the different types of risks inherent in its environment. This framework provides strong central oversight and management of the Corporation's risks, with clear accountability and ownership across business lines. It also enables risk owners to develop the policies, processes, and controls required to ensure risks are aligned with corporate strategy and the risk appetite statements set by the Board.

OAG Special Examination

The Office of the Auditor General (OAG) conducted a Special Examination of CDIC during the 2019/2020 fiscal year. A Special Examination is required at least once every 10 years under the *Financial Administration Act*. A Special Examination considers whether a Crown corporation's systems and practices provide reasonable assurance that its assets are safeguarded and controlled, its resources are managed economically and efficiently, and its operations are carried out effectively. The report by the OAG affirms CDIC has good practices for corporate governance, strategic planning, risk management, and operational management. There were no significant deficiencies noted. CDIC responded with management action plans to three OAG recommendations for improvement. The improvements have since been implemented for each of the three recommendations. The full OAG report, which includes the recommendations and CDIC's responses, is published on www.cdic.ca.

Performance against past plan

The following strategic objectives were the foundation of CDIC's previous Corporate Plan from 2024/2025 to 2028/2029:

1. Depositor trust and confidence
2. Resolution readiness
3. Organizational strength

CDIC's Corporate Scorecard (see Appendix G) provides further detail.

Part 4

Objectives and activities



Part 4: Objectives and activities

Objectives and activities

The Corporation proactively prepares for and adapts to internal and external changes to deliver effective and resilient deposit insurance and resolution regimes within the financial system. This chapter outlines CDIC's path ahead to achieve its three strategic objectives:

- 1. Depositor trust and confidence**
- 2. Resolution readiness**
- 3. Organizational strength**

1. Depositor trust and confidence

Essential to depositor trust and confidence is CDIC's ability to protect people's insured deposits in case of failure and maintain a high level of public awareness and understanding about its protection. This, in turn, contributes to the stability of Canada's financial sector. This work is underpinned by two key outcomes:

A. CDIC deposit insurance guarantees the safety of insured deposits.

Following a comprehensive review, CDIC decided not to move forward with its Payout Modernization Project in late 2024 – a large and complex technology initiative that aimed to enhance its communications and payout capabilities during a bank failure. The Corporation is currently taking stock of next steps necessary to meet the future needs of depositors. Meanwhile, CDIC will continue to use and bolster its current payout system, which provides fast, accurate, and secure reimbursement of insured deposits in case of a member failure. CDIC also remains ready to protect depositors through other powers and tools.

Over the planning period, CDIC will enhance its Differential Premiums System (DPS)² in two phases. Pending ministerial approval³, CDIC will increase the number of premium (or risk) categories from four to five in the 2025 premium year, with remaining changes to follow in 2026. These improvements will strengthen CDIC's ability to determine risk-based premiums for its members and send them early warning signals – with financial consequences – concerning their risk of failure and resolvability.

In Budget 2024, the Government of Canada announced a Deposit Insurance Review (DIR) to enhance financial stability and safeguard depositors. In 2025/2026, CDIC will continue to share findings from its Deposit Insurance Study, completed in 2024, with the Department of Finance for broader policy consideration.

B. CDIC deposit protection is understood and trusted by depositors.

As financial innovation advances, CDIC promotes awareness of deposit protection through its renewed three-year Public Awareness Strategy and its disclosure framework. Over the planning period, CDIC will maintain public awareness within the 60-65% target range, while building on the 2024 gains among women and increasing awareness for other key demographic groups. CDIC will also ensure its disclosure framework keeps pace with market changes by continually updating its website and consulting stakeholders to strengthen disclosure requirements.

² The DPS determines the annual premiums paid by member institutions to CDIC based on their risk rating.

³ At the time of drafting in 2024, these changes were subject to ministerial approval. Ministerial approval was received in 2025.

Part 4: Objectives and activities**2. Resolution readiness**

CDIC must be prepared to execute an orderly resolution of a member in the event of failure. At its core, resolution readiness means having the skilled talent, access to the necessary data and systems, and established preparedness practices to act swiftly in a failure scenario. This strategic objective is grounded in two key outcomes:

A. CDIC's availability of, and access to, tools, and data enhances its risk assessment and planning processes.

In a heightened risk environment, CDIC's early identification and surveillance of financial and non-financial risks remains paramount. In 2025/2026, CDIC will continue to enhance its data collection and analytics capabilities through the multi-year Data Collection Modernization (DCM) partnership initiative with the Office of the Superintendent of Financial Institutions (OSFI) and the Bank of Canada.

B. CDIC's preparedness practices are proactive and agile, allowing it to respond effectively to emerging member risks.

CDIC's ongoing readiness work ensures the Corporation can respond quickly in the event of a member failure – of any size – with tailored resolution plans based on the nature and severity of the risks posed to depositors and Canada's financial sector.

To remain resolution ready, CDIC will continue conducting testing exercises and simulations for a range of crises scenarios. This has proven to be an effective way to test the Corporation's resolution tools and decision-making, and to drive continuous improvements to its operational preparedness.

Part 4: Objectives and activities**3. Organizational strength**

CDIC's organizational strength is built on a foundation of effective leadership, teamwork, and a resilient infrastructure. Over the planning period, CDIC will keep investing in its people and systems to drive continuous improvement, reinforce cyber security, and remain agile in today's rapidly changing context. This objective is comprised of three key outcomes:

A. CDIC's employees develop and thrive in a dynamic operating environment.

In 2025/2026, CDIC will implement year two of its three-year People & Culture Strategy to attract and retain top talent, strengthen leadership, and enhance employee engagement. The Corporation will build internal capacity, support succession planning, and seek to retain its Great Place to Work® certification and National Capital Region Top Employer award. Regular employee engagement surveys will guide ongoing improvements.

B. CDIC fosters a strong, inclusive culture for its employees.

The foundation of CDIC's success is its people and diverse, inclusive culture. In 2025/2026, CDIC will refresh its Diversity, Equity, and Inclusion Strategy by leveraging feedback from its Inclusion Advisory Panel and supporting mentorships for Black, Indigenous, and People of Color (BIPOC) employees. CDIC will also continue to operationalize its Environmental, Social and Governance (ESG) Strategy to strengthen its sustainability practices, bolster governance, and better address environmental and social imperatives.

C. CDIC is an organization with resilient people, operational processes, and technology in place to mitigate enterprise risk and improve effectiveness.

CDIC's enterprise technology framework recognizes that information technology (IT) and cyber security are intrinsically connected. Over the planning period, CDIC will operationalize year two of its three-year Cyber Strategy and continue improving its IT service management program by enhancing asset management practices, streamlining service requests, and prioritizing workflows. The Corporation will also review its business processes and tools to improve the efficiency and effectiveness of its day-to-day operations.



Part 5

Financial overview

Part 5: Financial overview

Financial overview

The focus of the financial plan is to ensure that CDIC has the capacity, skills, and resources to carry out its mandate effectively. It reflects the operating environment, key corporate risks, strategies, and initiatives that CDIC will undertake to achieve its desired outcomes.

The projected condensed statement of financial position, statement of comprehensive income, statement of changes in equity, and statement of cash flows are presented in Appendix B. These projected financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

The key elements of CDIC's financial plan are: its insured deposit levels; *ex ante* funding level and target; provision for insurance losses; deposit insurance premiums paid by members; investment revenue; and operating and capital budgets. Each element is discussed below.

The financial plan reflects the planned spending reductions as a result of the Government of Canada's direction on expenditure reduction, outlined in Budget 2023. The details of the expenditure reduction requirements and the adjustments to CDIC's spending plan can be found in Appendix D.

A member institution failure or intervention, legislative change, or any other unplanned significant initiative that would have an impact on CDIC's resources has not been reflected in the financial plan.

If CDIC were required to intervene in the affairs of a member institution, Board approval would be sought for additional resources and budget.

Insured deposits

CDIC's members report their insured deposits each year as at April 30. Any growth in insured deposits impacts all the key areas of CDIC's financial plan. The assumed growth for the planning period is affected by a variety of factors, including: overall economic conditions; interest rates; disposable income growth; and the way in which income and financial savings are allocated by consumers among a variety of financial instruments. For fiscal 2025/2026, the assumed annual growth in insured deposits is 5%.

Ex ante funding and liquidity

CDIC maintains *ex ante* funding to cover possible losses from resolving member institutions. The amount of *ex ante* funding is represented by the aggregate of CDIC's retained earnings and its provision for insurance losses.

During the 2022/2023 fiscal year, the Corporation conducted a review of the *ex ante* funding framework and established a near-term *ex ante* fund target to exceed 85 basis points of insured deposits by the 2026/2027 fiscal year-end.

At the time of Plan development, the near-term target will guide CDIC's annual premium rate setting and related communication to member institutions on forward premium levels. CDIC will review the prudence of the near-term target in the context of prevailing risk factors at the earliest of either when the target of 85 basis points is exceeded or within five years from the establishment of the target. At the time of this Plan's development, the near-term *ex ante* fund target remains on track to exceed 85 basis points of insured deposits by the 2026/2027 fiscal year-end.

Investment revenue is derived from CDIC's investment portfolio, which is invested in low-risk, highly liquid debt securities issued by the Government of Canada and qualifying provinces.

Funding is also available through CDIC's authority to borrow under the CDIC Act. As at December 31, 2024, CDIC may borrow up to \$36 billion, subject to approval by the Minister of Finance. This borrowing limit is adjusted annually on December 31 to reflect the growth in insured deposits. Supplemental borrowing, if required, could be authorized by the Governor in Council and the Minister of Finance out of the Consolidated Revenue Fund, if, in the Minister's opinion, it is necessary to promote the stability or maintain the efficiency of the financial system in Canada. Supplemental borrowing could also be authorized by Parliament through an appropriation act.

It is assumed that no borrowing will be necessary during the planning period.

Part 5: Financial overview

Provision for insurance losses

The provision for insurance losses represents CDIC's best estimate of future losses it expects to incur as a result of insuring deposits and in its role as resolution authority.

The provision is estimated by assessing the aggregate risk of CDIC's member institutions based on: (i) the exposure to losses; (ii) the expectation of default derived from probability statistics; (iii) an expected loss given default; and (iv) CDIC's specific knowledge of its members.

The provision for insurance losses has been forecasted to increase in conjunction with the forecasted growth in exposure. All other inputs into the provision for insurance losses are based on information as at September 30, 2024.

This Plan assumes no failures of CDIC members during the planning period as any costs associated with such an event would depend on the circumstances at the time.

Premiums

Premiums charged to member institutions are based on the total amount of insured deposits held by member institutions as at April 30 each year and are calculated annually in accordance with the CDIC Act and CDIC's *Differential Premiums By-law*. CDIC estimates that premium revenue will increase 5% for fiscal 2025/2026 to \$1,029 million.

Premium rates for the 2025 premium year (CDIC's fiscal year 2025/2026) are expected to be as follows⁴:

	Premium rate
Category 1	7.5 basis points of insured deposits
Category 2	9.0 basis points of insured deposits
Category 3	13.5 basis points of insured deposits
Category 4	24.3 basis points of insured deposits
Category 5	33.3 basis points of insured deposits

⁴New Premium Rates were approved and in force as of 2025.

Part 5: Financial overview

Investment revenue

Significant financial risks that arise from transacting and holding financial instruments include credit, liquidity and market risks. Formal policies are in place to manage all significant financial risks to which CDIC is exposed. The policies are reviewed annually to ensure that they continue to be appropriate and prudent and that they comply with the Minister of Finance's *Financial Risk Management Guidelines for Crown Corporations*.

CDIC's investment portfolio consists of high-quality liquid investments on which interest income is earned. Investment revenue for fiscal year 2025/2026 is expected to be \$296 million based on an assumed average yield on cash and investments of 3%.

Operating budget

CDIC does not receive funding from the Government to operate. CDIC is funded by premiums that are assessed on the insured deposits of member institutions.

The 2025/2026 fiscal year operating budget is \$82.3 million, down from the \$86.8 million forecasted for fiscal 2024/2025. Planned operating expenditures for 2025/2026 continue to support CDIC's resolution readiness activities, Data Collection Modernization initiative, and ongoing investment in cyber security and information technology.

CDIC participates in the federal public service pension and benefits plans. Employees of CDIC are not unionized.

Operating expenditures are planned and projected to decrease in the fiscal years following 2025/2026. A summary of the operating budget for the full planning period is included in Appendix D, Figure 5.

Capital budget

The budget for capital expenditures in fiscal 2025/2026 is \$0.6 million, consistent with the \$0.6 million forecasted for fiscal 2024/2025.

Capital budgets are summarized in Appendix B, Figure 6.

Part 5: Financial overview**Fiscal year 2023/2024 actual to Plan****Statement of financial position**

Total assets as at March 31, 2024, were \$9,135 million, \$63 million (0.7%) higher than the planned amount of \$9,072 million. This increase is primarily due to higher than planned premium revenue, which also contributed to the increase in investment securities. Total liabilities as at March 31, 2024, were \$2,286 million, \$18 million (0.8%) higher than the planned amount of \$2,268 million.

Statement of comprehensive income

Net income for fiscal year 2023/2024 was \$819 million, compared to planned net income of \$775 million, a variance of \$44 million (6%) mainly due to higher than planned premiums and investment income of \$30 million and \$15 million, respectively.

Fiscal year 2024/2025 forecast to Plan

This section includes future-oriented financial information that is based on certain assumptions as at September 30, 2024. Actual results may differ from the forecasted information presented and such differences may be material. Forecasted net income for fiscal year 2024/2025 is \$959 million, compared to planned net income of \$928 million, summarized as follows:

(C\$ millions)	2024/2025		Variance Increase (Decrease)	
	Forecast	Planned	(\$)	(%)
Premium revenue	986	941	45	5%
Investment income	251	273	(22)	(8%)
Increase in provision for insurance losses	150	150	-	-
Operating expenses	87	90	(3)	(3%)
Income tax expense	41	46	(5)	(11%)
Net income	959	928	31	3%

Premium revenue

CDIC's 2024/2025 Plan budgeted premium revenue of \$941 million compared with Management's current forecasted revenue of \$986 million for the year. The Plan was based on certain assumptions regarding increases in the level of insured deposits and the classification of members under the Differential Premiums System at the time the Plan was developed. Results to date have differed from the assumptions, resulting in a variance of \$45M (5%) between the planned and forecasted amounts.

Investment and other income

Forecasted investment income is \$251 million, compared to the planned amount of \$273 million, a decrease of \$22 million (8%), primarily due to lower forecasted yields on investments than planned.

Provision for insurance losses

The forecasted provision for insurance losses is consistent with the planned amount.

Operating expenses

Operating expenses for fiscal 2024/2025 are forecasted to be \$87 million, \$3 million lower than the planned amount of \$90 million.

Appendices



Appendices

Appendix A—Corporate governance structure

More about governance

For additional information on how CDIC is governed, including Board and committee Charters and directors' biographies, please visit www.cdic.ca

CDIC is committed to a strong governance framework. This appendix presents information about the CDIC Board of Directors, including its committees and director attendance. It also outlines how CDIC works to meet the public's expectations regarding good governance.

As a Crown corporation with a public purpose, CDIC is committed to fulfilling its mandate in a manner that reflects the expectations of depositors and Parliament. To this end, CDIC continuously reviews and updates its structure, policies, and processes to ensure they reflect good governance and best practices.

Board of Directors

CDIC's Board of Directors is made up of:

- A chairperson
- Six private sector directors
- Six *ex officio* directors
 - The Chief Executive Officer (CEO) of CDIC
 - The Governor of the Bank of Canada
 - The Deputy Minister of Finance
 - The Commissioner of the Financial Consumer Agency of Canada (FCAC)
 - The Superintendent of Financial Institutions
 - A Deputy Superintendent of Financial Institutions or another officer of the Office of the Superintendent of Financial Institutions (OSFI), as appointed by the Minister of Finance

Under the CDIC Act, the *ex officio* directors, with the exception of CDIC's President and CEO and the Deputy Superintendent of Financial Institutions, may designate individuals as alternates, who are deemed to be members of the Board of Directors when acting on their behalf.

CDIC's Board of Directors is responsible for the overall stewardship of the Corporation and ensures that significant business risks are identified and well managed. The Board's commitment to effective stewardship and its overall mandate are outlined in its charter. An overview of the composition of CDIC's Board of Directors and of its supporting committees follows.

Annual Public Meeting

In accordance with the *Financial Administration Act* (FAA),⁵ CDIC held its Annual Public Meeting (APM) via a live webcast on November 6, 2024. CDIC President and CEO Leah Anderson was joined by the CDIC Board Chair Robert O. Sanderson to discuss how CDIC is protecting depositors and promoting financial stability through deposit insurance protection and resolution preparedness. The APM is an opportunity for CDIC to update its member institutions and the public on its activities and to answer any questions. CDIC plans to hold its next APM in the fall of 2025.

⁵ Financial Administration Act, s. 113.1

Appendices

Board of Directors composition

as of September 30, 2024



Robert O. Sanderson
Chair
June 2016-June 2025

Private sector directors



Tashia Batstone
Chartered Professional
Accountant
St. John's, NFLD
June 2023-June 2027



J. Martin Castonguay
Chartered Professional
Accountant
Montréal, Québec
May 2019-May 2026



Tanya van Biesen
Financial Executive
Toronto, Ontario
June 2024-June 2028



Jeffrey Heath
Business Executive
Toronto, Ontario
May 2023-May 2027



Andrew Kriegler
Financial Executive
Toronto, Ontario
Sept 2018-Dec 2025



Helen Ray del Val
Lawyer
Vancouver, BC
June 2023-June 2027

Ex officio directors



Tiff Macklem
Governor
Bank of Canada
Effective June 2020



Chris Forbes
Deputy Minister
of Finance
Effective Sept 2023



Werner Liedtke
Interim Commissioner
FCAC
Effective April 2024



Peter Routledge
Superintendent of Financial
Institutions
OSFI
Effective June 2021



Ben Gully
Deputy Superintendent
OSFI
Effective October 2022



Leah Anderson
President and CEO
CDIC
Effective June 2022

Alternates (for ex officio directors)



Carolyn Rogers
Senior Deputy Governor
Bank of Canada
Designated as alternate:
June 2022



Grahame Johnson
Assistant Deputy
Minister of Finance
Designated as alternate:
June 2023



Frank Lofranco
Deputy Commissioner
FCAC
Designated as alternate:
September 2021

Appendices

Board committees

Three standing committees support the Board in its activities: the Audit Committee, the Governance and Human Resources Committee, and the Risk Committee. The Board may also create ad hoc committees, as needed, to help fulfill its duties and to ensure a comprehensive review of key areas of interest or concern.

Audit Committee

The Audit Committee assists with the Board's oversight of the integrity of CDIC's financial statements, the financial reporting process, and annual operating and capital budgets. This includes budgeting for significant projects: the systems of internal accounting and financial controls; the performance of CDIC's internal audit function; and the performance of any special examinations pursuant to the FAA.

This committee is composed of:

- | | |
|---------------------------|---|
| ▪ J.M. Castonguay (Chair) | Member since June 2019; Chair since August 2021 |
| ▪ T. Batstone | Member since August 2023 |
| ▪ H.R. del Val | Member since August 2023 |
| ▪ J. Heath | Member since August 2023 |
| ▪ W. Liedtke | Member since August 2024 |
| ▪ P. Routledge | Member since August 2024 |

Appendices

Governance and Human Resources Committee

The Governance and Human Resources Committee assists with the Board's oversight of corporate governance issues, ensuring that appropriate processes, structures, and information necessary for effective direction are in place to contribute to CDIC's success. This includes oversight of director education and learning opportunities to ensure Board members are aware of emerging governance trends and can adapt appropriately. The committee also assists with succession planning for the Board chairperson, private sector directors, the President and CEO, and senior management; the review and recommendation of annual objectives for, and the performance and annual evaluation of, the President and CEO; and key human resources and compensation policies, processes, and strategies, including those relating to employee business conduct and ethical behaviour. The committee was also given responsibility for CDIC's Environmental, Social, and Governance commitments in 2023.

This committee is composed of:

- | | |
|-----------------------|---|
| ▪ T. Batstone (Chair) | Member since August 2023; Chair since August 2024 |
| ▪ J.M. Castonguay | Member since September 2019 |
| ▪ C. Forbes | Member since August 2024 |
| ▪ A. Kriegler | Member since August 2023 |
| ▪ R.O. Sanderson | Member since March 2019 |
| ▪ T. van Biesen | Member since August 2024 |

Risk Committee

The Risk Committee assists with the Board's oversight of CDIC's Enterprise Risk Management Framework, as well as CDIC's identification, assessment, management and recording of top risks. This includes any strategic, preparedness, operational, and financial risks that could impact CDIC's ability to carry out its mandate. The committee also oversees member risk assessments and recommends strategies for risk mitigation, preparedness, and resolution to the Board.

This committee is composed of:

- | | |
|-----------------------|---|
| ▪ A. Kriegler (Chair) | Member since March 2019; Chair since January 2023 |
| ▪ H.R. del Val | Member since August 2023 |
| ▪ B. Gully | Member since July 2022 |
| ▪ J. Heath | Member since August 2023 |
| ▪ T. Macklem | Member since July 2020 |
| ▪ T. van Biesen | Member since August 2024 |

Appendices

Board and committee meetings and attendance

(April 1 to September 30, 2024)

The table below summarizes Board members' attendance at the Board and committee meetings they are part of:

	Board committees ^d			
	Board of Directors ^b	Audit Committee ^c	Governance and HR Committee	Risk Committee
Number of meetings ^a	7	3	3	2
Attendance				
Private sector directors				
R.O. Sanderson — Chair	7	3	3	2
T. Batstone	7	3	3	N/A
J.M. Castonguay	7	3	3	N/A
T. van Biesen ^e	3	N/A	1	1
H.R. del Val	6	3	N/A	2
J. Heath	7	3	N/A	2
A. Kriegler	7	N/A	3	2
Ex officio directors (Alternates)				
Bank of Canada: T. Macklem (TM) (C. Rogers [CR])	2 (TM) 2 (CR)	N/A	N/A	2 (TM)
Canada Deposit Insurance Corporation: L. Anderson	7	3	3	2
Department of Finance: Chris Forbes (CF) ^d (G. Johnson [GJ])	6 (GJ)	N/A	1 (GJ)	N/A
Financial Consumer Agency of Canada: W. Liedtke (WL); Shereen Benzvy Miller (SBM) (F. Lofranco [FL]) ^f	6 (WL) 4 (FL)	1 (WL)	N/A	N/A
Superintendent of Financial Institutions: P. Routledge ^d	7	1 ^d	2	N/A
Deputy Superintendent of Financial Institutions: B. Gully	7	N/A	N/A	2
Directors who departed during the year				
L. Caty ^e	4	N/A	2	1

^a Also includes meetings attended virtually.

^b Includes Special Meetings, Board Tabletop Simulation Sessions and a Board Strategic Planning Session.

^c The Chair is invited to Audit Committee and Risk Committee meetings as an observer, but is not a committee member.

^d On July 22, 2024, the Board approved revised committee membership. With regards to the Governance and Human Resources Committee, Tashia Batstone became Chair of the Governance and Human Resources Committee while Chris Forbes (alternate: Grahame Johnson) and Tanya van Biesen joined as members. Peter Routledge ceased to be a member of the Governance and Human Resources Committee, and became a member of the Audit Committee, as well as Werner Liedtke as a replacement for Judith Robertson. Finally, Tanya van Biesen joined as a member of the Risk Committee.

^e Tanya van Biesen was appointed to CDIC's Board of Directors on June 21, 2024, for a four-year term. With this appointment, Linda Caty resigned from CDIC's Board of Directors, effective June 21, 2024.

^f Werner Liedtke became a member of CDIC's Board upon his appointment as the interim Commissioner of the Financial Consumer Agency of Canada on April 12, 2024. With his appointment, Judith Robertson retired from the agency, and as such, was deemed to have resigned from CDIC's Board of Directors. On October 11, 2024, Shereen Benzvy Miller was appointed as FCAC Commissioner, effective November 7, 2024.

Appendices

Directors' fees

2024/2025 — Fees for private sector directors (paid up to September 30, 2024)⁶

R.O. Sanderson	\$67,000
T. Batstone	\$14,040
J.M. Castonguay	\$14,460
T. van Biesen	\$6,538
J. Heath	\$13,620
A. Kriegler	\$13,620
H.R. del Val	\$12,360
Total	\$141,638

Corporate officers

CDIC has six corporate officers. The President and CEO is appointed by the Governor in Council, which also approves compensation for this position. The CEO's performance objectives are set and evaluated annually by the Board of Directors and submitted to the Minister of Finance. The Board of Directors appoints the remaining five corporate officers.

As of September 30, 2024, CDIC's corporate officers were:

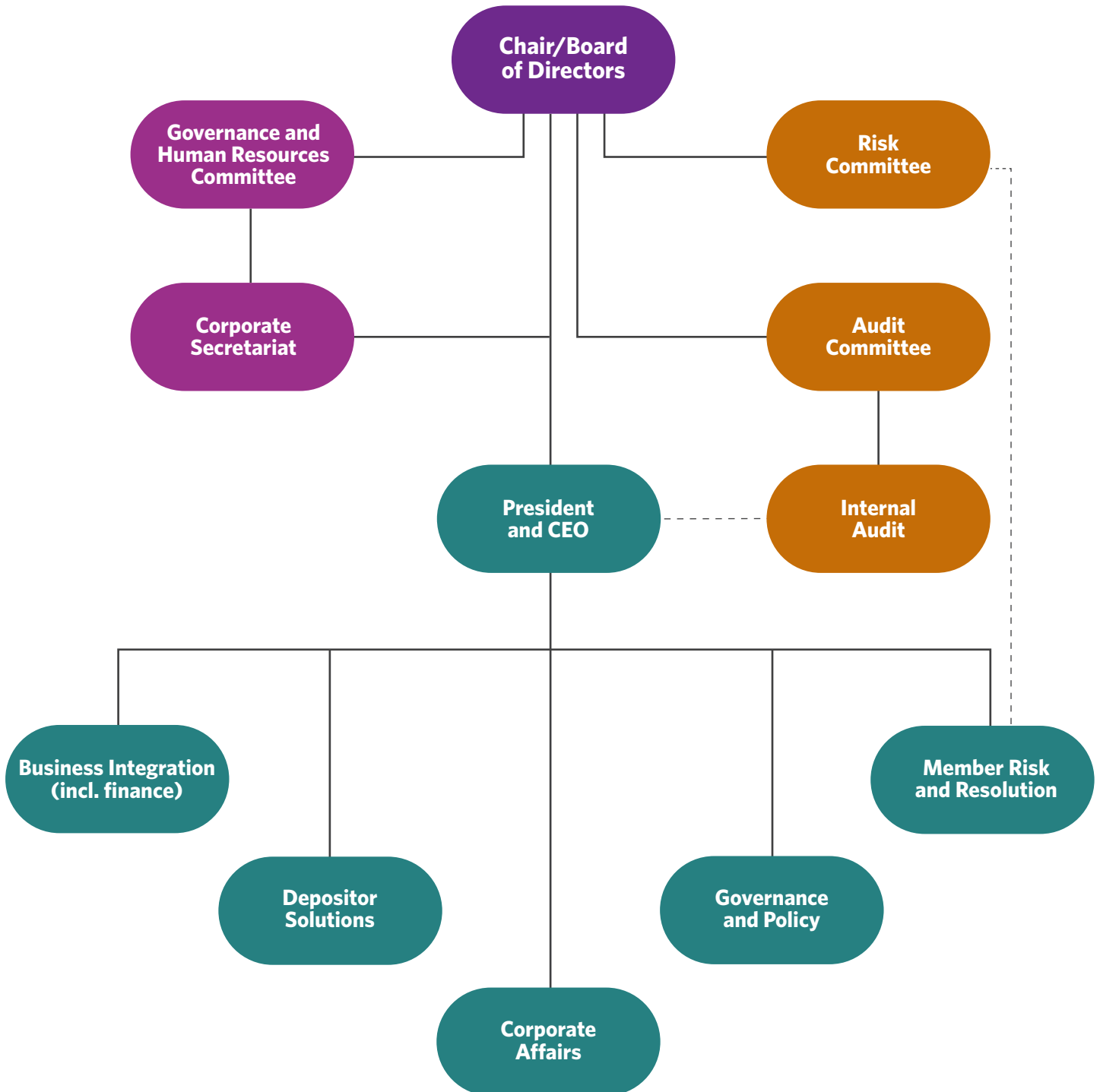
- Leah Anderson, President and Chief Executive Officer
- Gina Byrne, Vice-President, Member Risk and Resolution
- Michael Mercer, Vice-President, Depositor Solutions, Chief Data and Insurance Officer
- Angela Roberge, Vice-President, Corporate Affairs, and Chief of Staff
- Jordan Rosenbaum, Chief Financial Officer and Head, Business Integration
- Christa Walker, Chief Legal Officer, Corporate Secretary, and Head, Policy Integration

⁶ Ms. Linda Caty resigned from CDIC's Board of Directors effective June 2024. As a result, compensation paid to her prior to her resignation is not reflected.

Appendices

CDIC's organizational structure

as of September 30, 2024



----- Denotes administrative reporting relationship

Appendices

Appendix B—Financial statements and budgets

CDIC's projected condensed statement of financial position, statement of comprehensive income, statement of changes in equity, and statement of cash flows are presented as Figures 1 to 4. These projected financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). For a discussion of the assumptions and inputs that were used to prepare the financial statements below, please refer to Part 5—Financial Overview.

Figure 1

Projected condensed statement of financial position as at March 31 (C\$ millions)								
	Actual	Approved Plan	Forecast	Plan				
	2023/ 2024	2024/ 2025	2024/ 2025	2025/ 2026	2026/ 2027	2027/ 2028	2028/ 2029	2029/ 2030
Assets								
Cash	12	15	12	12	12	12	12	12
Investment securities	9,103	10,159	10,197	11,385	12,648	13,986	15,406	16,905
Capital assets	11	10	11	11	11	10	10	10
Right-of-use assets	6	5	6	4	5	4	2	1
Other assets	3	0	0	0	0	0	0	0
Total assets	9,135	10,189	10,226	11,412	12,676	14,012	15,430	16,928
Liabilities								
Trade and other payables	12	5	5	5	5	5	5	5
Provision for insurance losses	2,250	2,550	2,400	2,450	2,550	2,650	2,800	2,950
Lease liabilities	8	6	8	5	6	4	3	1
Other liabilities	16	5	5	5	5	5	5	5
Total liabilities	2,286	2,566	2,418	2,465	2,566	2,664	2,813	2,961
Equity								
Retained earnings	6,849	7,623	7,808	8,947	10,110	11,348	12,617	13,967
Total liabilities and equity	9,135	10,189	10,226	11,412	12,676	14,012	15,430	16,928

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Figure 2

Projected condensed statement of comprehensive income for the year ended March 31 (C\$ millions)								
	Actual	Approved Plan	Forecast	Plan				
	2023/ 2024	2024/ 2025	2024/ 2025	2025/ 2026	2026/ 2027	2027/ 2028	2028/ 2029	2029/ 2030
Revenue								
Premium	891	941	986	1,029	1,074	1,121	1,171	1,222
Investment income	189	273	251	296	331	367	406	446
	1,080	1,214	1,237	1,325	1,405	1,488	1,577	1,668
Expenses								
Operating	85	90	87	82	79	78	75	75
Increase in provision for insurance losses	150	150	150	50	100	100	150	150
	235	240	237	132	179	178	225	225
Net income before income taxes	845	974	1,000	1,193	1,226	1,310	1,352	1,443
Income tax expense	(26)	(46)	(41)	(54)	(63)	(72)	(83)	(93)
Total comprehensive income	819	928	959	1,139	1,163	1,238	1,269	1,350

Figure 3

Projected condensed statement of changes in equity for the year ended March 31 (C\$ millions)								
	Actual	Approved Plan	Forecast	Plan				
	2023/ 2024	2024/ 2025	2024/ 2025	2025/ 2026	2026/ 2027	2027/ 2028	2028/ 2029	2029/ 2030
Retained earnings and total equity								
Balance at beginning of the fiscal year	6,030	6,695	6,849	7,808	8,947	10,110	11,348	12,617
Total comprehensive income	819	928	959	1,139	1,163	1,238	1,269	1,350
Ending balance	6,849	7,623	7,808	8,947	10,110	11,348	12,617	13,967

Appendices

Figure 4

Projected condensed statement of cash flows for the year ended March 31 (C\$ millions)								
	Actual	Approved Plan	Forecast	Plan				
	2023/ 2024	2024/ 2025	2024/ 2025	2025/ 2026	2026/ 2027	2027/ 2028	2028/ 2029	2029/ 2030
Operating Activities								
Net income	819	928	959	1,139	1,163	1,238	1,269	1,350
Add (deduct) items not involving cash:								
Investment income	(189)	(273)	(251)	(296)	(331)	(367)	(406)	(446)
Tax expense/(recovery)	26	46	41	54	63	72	83	93
Other	3	-	-	-	-	-	-	-
Change in working capital:								
Increase in provision for insurance losses	150	150	150	50	100	100	150	150
Change in other working capital items	(3)	-	-	-	-	-	-	-
Interest received	184	273	251	296	331	367	406	446
Income tax paid	(16)	(46)	(41)	(54)	(63)	(72)	(83)	(93)
Net cash generated by operating activities	974	1,078	1,109	1,189	1,263	1,338	1,419	1,500
Investing Activities								
Acquisition of property, plant and equipment, and intangible assets	(2)	(1)	(1)	(1)	(1)	(1)	(0)	0
Purchase of investment securities	(3,034)	(3,608)	(3,170)	(3,250)	(3,324)	(3,402)	(3,483)	(3,563)
Proceeds from sale or maturity of investment securities	2,059	2,533	2,063	2,063	2,063	2,066	2,065	2,064
Net cash used in investing activities	(977)	(1,076)	(1,108)	(1,188)	(1,262)	(1,337)	(1,418)	(1,499)
Financing activities								
Principal payment of lease liabilities	(1)	(2)	(1)	(1)	(1)	(1)	(1)	(1)
Net cash used in financing activities	(1)	(2)	(1)	(1)	(1)	(1)	(1)	(1)
Net change in cash	(4)	-	-	-	-	-	-	-
Cash, beginning of year	16	15	12	12	12	12	12	12
Cash, end of year	12	15	12	12	12	12	12	12

Appendices

Figure 5

Operating budget (C\$ millions)								
	Actual	Approved Plan	Forecast	Plan				
	2023/ 2024	2024/ 2025	2024/ 2025	2025/ 2026	2026/ 2027	2027/ 2028	2028/ 2029	2029/ 2030
Operating expenses								
Salaries and other personnel costs	37.4	41.4	41.8	42.9	44.2	44.2	44.2	44.2
Other operating expenses:								
Professional fees	17.7	12.5	11.4	7.3	7.6	7.7	7.9	7.9
General expenses	7.5	8.0	7.9	7.3	6.8	6.9	7.0	7.1
Premises	2.4	2.5	2.6	2.6	2.7	2.8	2.8	2.9
Public awareness	6.7	6.5	6.5	6.5	6.5	6.5	6.5	6.5
Data processing	13.9	19.4	16.6	15.7	11.4	10.3	6.1	6.2
Total operating expenses	85.6	90.3	86.8	82.3	79.2	78.4	74.5	74.8

Figure 6

Capital budget (C\$ thousands)								
	Actual	Approved Plan	Forecast	Plan				
	2023/ 2024	2024/ 2025	2024/ 2025	2025/ 2026	2026/ 2027	2027/ 2028	2028/ 2029	2029/ 2030
Software development costs	1,164	-	-	-	-	-	-	-
Computer hardware	104	150	120	300	300	75	75	275
Furniture and equipment	100	-	-	-	450	250	100	100
Leasehold improvements	606	1,000	500	300	450	250	100	100
Total	1,974	1,150	620	600	1,200	575	275	475

Appendices

Appendix C—Borrowing plan

CDIC's funding activities are governed by section 10.1 of the *Canada Deposit Insurance Corporation Act* (CDIC Act) and section 127 of the *Financial Administration Act* (FAA). The activities must also comply with the Minister of Finance's *Financial Risk Management Guidelines for Crown Corporations*.

Pursuant to section 10.1(1) of the CDIC Act, at the Corporation's request, the Minister of Finance may lend money to CDIC from the Consolidated Revenue Fund (CRF) on such terms and conditions that the Minister may establish. If needed, CDIC would access funds from the CRF through the Crown Borrowing Program, and in accordance with the *Crown Borrowing Program Service Agreement* with the Department of Finance.

Section 10.1(2) of the CDIC Act provides that the Corporation can also borrow by means other than the CRF, including the issuance and sale of bonds, debentures, notes or any other evidence of indebtedness.

In accordance with section 127(3) of the FAA, CDIC requires the approval of the Minister of Finance to enter into any particular transaction to borrow money, including the time, terms and conditions of the transaction. As at December 31, 2024, the Corporation may borrow up to \$36 billion, subject to approval by the Minister of Finance. This borrowing limit is adjusted annually on December 31 to reflect the growth in insured deposits. Supplemental borrowing, if required, could be authorized by the Governor in Council and the Minister of Finance out of the CRF, if, in the Minister's opinion, it is necessary to promote the stability or maintain the efficiency of the financial system in Canada. Supplemental borrowing could also be authorized by Parliament through an appropriation act.

As at December 31, 2024, CDIC had no debt outstanding. The planning assumption is that no additional borrowing will be necessary; however, if an intervention were required for a failing member institution, or a member institution were to fail, then various funding options, including borrowing, would be available. Funding of intervention strategies would require a case-by-case analysis to determine optimal funding strategies. CDIC's investment portfolio may be used as a first call upon liquidity, depending on the funding strategy. Considerations in developing a funding strategy would include, among others, future liquidity requirements and asset/liability matching.

Leases

The *Crown Corporation General Regulations, 1995* requires CDIC to seek approval from the Minister of Finance on the specific terms and conditions of lease transactions that exceed the lesser of \$10 million or 5% of the total assets of CDIC.

CDIC does not have any new leases or renewals that exceed the ministerial threshold.

Appendices

Appendix D—Expenditure reduction summary

Budget 2023 announced government-wide spending reductions in planned administrative expenses by at least:

- 0.8% beginning in 2024/2025
- 1.7% beginning in 2025/2026
- 3.0% beginning in 2026/2027 and every year thereafter.

Budget 2023 also announced a 15% reduction in spending on consulting, other professional services, and travel from planned 2023/2024 discretionary spending in these areas.

The operating budgets over the planning period incorporate cost reductions to meet the government's expenditure reduction expectations. The adjustments to CDIC's spending plan are summarized in the following table:

* (\$ millions)

Type of spending	2025/ 2026	2026/ 2027	2027/ 2028	2028/ 2029	2029/ 2030	Total
Administrative	(1.0)	(1.7)	(1.7)	(1.7)	(1.7)	(7.8)
Consulting, professional services and travel	(1.5)	(1.5)	(1.5)	(1.5)	(1.5)	(7.5)
Total	(2.5)	(3.2)	(3.2)	(3.2)	(3.2)	(15.3)

* Savings on accrual basis

To achieve the cost savings, CDIC conducted a comprehensive review of priorities, resources, and reallocation opportunities. The primary sources of cost reductions were made to planned consulting and professional fee spend, public awareness, and travel.

Appendices

Appendix E—Compliance with legislative and policy requirements

CDIC has a compliance management process to ensure it adheres to legal requirements. CDIC assesses compliance with these requirements and reports the results to the Board and its committees on an annual basis.

In July 2015, CDIC was issued a directive (P.C. 2015-1107) pursuant to section 89 of the *Financial Administration Act* (FAA) to align its travel, hospitality, conference and event expenditure policies, guidelines, and practices with Treasury Board Secretariat's (TBS) expenditure policies and directives, in a manner that is consistent with its legal obligations. In 2023/2024, TBS published new guidance pertaining to amendments to the *Access to Information Regulations*, which require Crown corporations, including CDIC, to publish these expenditures on the Open Government website. CDIC is in compliance with the directive.

Ethical behaviour and integrity

CDIC strives to foster a working environment that embraces and promotes ethical behaviour, integrity, open dialogue, risk responsiveness, and collaboration. Adherence to CDIC's codes and ethics-related policies is a condition of employment, as is adherence to the *Values and Ethics Code for the Public Sector*, which is fully integrated into the Corporation's policies.

The Board of Directors and employees must complete ethics training and digitally attest their compliance with CDIC's codes and ethics-related policies on an annual basis, in addition to complying with the *Conflict of Interest Act* and similar laws. This includes CDIC's Code of Conduct, Conflict of Interest Code, and agreement to other policies, such as the Harassment and Violence Prevention Policy. Compliance with the codes and other ethics-related corporate practices is reported annually to the Board's Audit Committee, Governance and Human Resources Committee, and Risk Committee.

Access to Information Act and the Privacy Act

In line with established governance practices, CDIC's Chair of the Board has delegated the exercise of certain powers, duties and functions relating to the *Access to Information Act* and the *Privacy Act* to the following individuals:

- President and Chief Executive Officer (CEO)
- Chief Legal Officer, Corporate Secretary and Head, Policy Integration (the Access to Information and Privacy ["ATIP"] Coordinator)
- Director, Legal Services

ATIP requests are directed to the ATIP Coordinator who ensures they are processed in accordance with the provisions of each Act. CDIC submits reports to Parliament annually, as required.

Appendices

Official Languages Act

As a Crown corporation, CDIC's Official Languages Policy complies with the *Official Languages Act*, the *Official Languages (Communications with and Services to the Public) Regulations*, and the TBS Policy on Official Languages, including related directives.

Through its Official Languages Program (OLP), CDIC strives to provide a rich, open, and diverse environment, where employees can work in their official language of choice and serve the public in English and French. The program celebrates and promotes linguistic duality through one-on-one training, group training for beginners, mentorships, marquee events, and recognition awards.

CDIC's Official Languages Champion and the President and CEO oversee the program and ensure it is implemented within the organization. CDIC's Official Languages Champion is the Vice-President, Corporate Affairs & Chief of Staff.

CDIC is taking steps to align its OLP and policies with the modernized *Official Languages Act* on an ongoing basis, as new guidelines become available.

Pay Equity Act

The purpose of the *Pay Equity Act* is to achieve pay equity for employees in jobs that are commonly held by women by addressing gender-based discrimination in employers' pay practices and systems. CDIC evaluates its compensation policies and practices annually to ensure they are competitive, fair, and equitable. CDIC's 2024 review and analysis of its pay equity practices concluded the Corporation has no wage gaps and is compliant with the spirit and intent of the *Pay Equity Act* and its regulations.

Trade agreements

CDIC complies with the Canadian Free Trade Agreement, the Canada-European Union Comprehensive Economic and Trade Agreement, and the Canada-United Kingdom Trade Continuity Agreement. CDIC's procurement and contracting policies ensure a process that is fair, open and transparent, geographically neutral, free from perceived or actual preferential treatment, and able to withstand public scrutiny.

Employment Equity Act and Accessible Canada Act

CDIC complies with the *Employment Equity Act* and the *Accessible Canada Act* as described in Appendix F: Government priorities and direction.

Fighting Against Forced Labour and Child Labour in Supply Chains Act

CDIC aligns with best practices to ensure sound procurement processes, including robust procedures within CDIC's Third Party Risk work to identify actual or perceived conflicts of interest in the procurement process.

CDIC is also taking specific measures to comply with the *Fighting Against Forced and Child Labour in Supply Chains Act (the Act)*, which was enacted on January 1, 2024. As set out in the Act, CDIC submitted its first report to the Minister of Public Safety by May 31, 2024. The report outlined CDIC's Supplier Code of Conduct, which ensures that forced labour and child labour do not form part of suppliers' workplaces, activities, or supply chains. Going forward, CDIC will continue to identify supply chain risk areas, and review and update supplier agreements and other procurement and contractual templates relating to anti-forced labour and child labour, as guidelines are further developed.

Appendices

Appendix F—Government priorities and direction

Transparency and open government

CDIC supports transparency by providing access to information about deposit protection and resolution on its website, proactively publishing prescribed information on the Open Government website, and conducting outreach activities. This is in addition to adhering to statutory reporting processes.

As part of its commitment to transparency and accountability, CDIC:

- Submits formal reports to Parliament each year, including an Annual Report and a Summary of the Corporate Plan, which set out a five-year plan of strategic objectives and the resources required to achieve them.
- Prepares Quarterly Financial Reports, which provide consolidated financial statements for the fiscal quarter and year to date.
- Reports compliance with the *Access to Information Act* and *Privacy Act* on its website.
- Regularly publishes reports on travel and hospitality expenses for all corporate officers, Chair of the Board, and private sector directors. Information on CDIC's total annual expenses for each set of travel, hospitality and conference fees is provided annually.
- Publishes the above reports, as applicable, on the Open Government website at <https://open.canada.ca/en>, in line with Treasury Board Secretariat (TBS) regulations.
- Conducts quarterly surveys on public awareness of deposit protection and financial confidence, holds focus group sessions to assess marketing strategies, and conducts periodic public consultations on policy issues.

CDIC is committed to enhancing the information it provides to continue building public trust and confidence in its mandate and ability to contribute to financial stability.

Gender-based analysis plus (GBA+)

This analytical tool assesses how people of all genders experience policies, programs, and initiatives. The “plus” in GBA+ stands for diversity. It acknowledges that to fully understand the barriers that exist and how to eliminate them, it's critical to look beyond sex and gender and take into account other identity factors, such as race, ethnicity, religion, age, and mental or physical disability.

As a Crown corporation, CDIC conducts its mandate activities while meeting its obligations under the *Employment Equity Act* and the *Canadian Human Rights Act*. CDIC maintains an Employment Equity Plan that considers gender in its operations, among other things. Its ethics program includes regular gender equality and diversity training for its Board of Directors and employees.

In support of its mandate, CDIC works to maintain a high level of public awareness of deposit protection. While the campaigns are aimed at all depositors, research shows women between the ages of 18 and 49 have the lowest awareness levels. CDIC's public awareness activities target this demographic using digital and social media platforms that women under the age of 50 engage with the most.

In addition, CDIC conducts targeted qualitative research involving female audiences in both official languages to ensure its public awareness campaign messages reflect their concerns. CDIC also takes steps to ensure its corporate reports, website, and contact centre are accessible to all depositors.

Appendices

Culture and safe workspace

The workplace is an essential aspect of employees' work lives. CDIC prioritizes psychological health, wellness, and safety in the workplace through ongoing education sessions and augmented mental health supports, tools, and resources. The Corporation's hybrid work environment also provides flexibility to enhance employee wellness, work-life balance, and safety.

In addition, CDIC's values, such as working as one, are built into all of its employee programs, from recruitment to learning and development. CDIC's values are also built into its operational risk appetite statements.

CDIC has zero tolerance for harassment in the workplace or lack of respect for diversity and inclusion. It is of utmost importance that employees feel safe in the workplace, so they can serve depositors to the best of their abilities. The Board of Directors and employees must complete ethics training and digitally attest their compliance with CDIC's Harassment and Violence Policy, and other codes and ethics-related policies, on an annual basis.

Indigenous relations

Since 2020, CDIC has been supporting Indspire's Building Brighter Futures initiative—a bursary program that provides financial assistance to Indigenous women in Canada who want to pursue higher education. Indspire is a national Indigenous registered charity that invests in the education of First Nations, Inuit, and Métis people for the long-term benefit of these individuals, their families and communities, and Canada. CDIC works with Indspire to manage the application process for Indigenous students.

CDIC provides 10 bursaries each year, five of which are awarded to Indigenous students in fields related to the Corporation's work. These include, but are not limited to: economics and finance, administration and operations, and information technology (IT) and cyber security. CDIC informs bursary recipients of its employment opportunities in an effort to build a talent pipeline for marginalized groups and to promote reconciliation.

Indspire oversaw and approved all messaging about the bursary and provided all the images for CDIC's website and application page.

Appendices

Diversity, employment equity, and inclusion

CDIC's Diversity, Equity and Inclusion (DEI) Strategy continues to drive its work culture. It also ensures that CDIC meets its employment equity legislative requirements.

The Corporation is continually refining its practices to ensure the broadest range of candidates are aware of its employment opportunities, including the four employment equity designated groups: women, visible minorities, Indigenous populations, and persons with disabilities. See the "Diversity and Employment Equity at CDIC" table below for CDIC's representation in each of the four employment equity groups in 2024/2025. Candidates with visible or invisible disabilities are provided with the accommodations they require to fully participate during the recruitment process.

Formed as part of CDIC's Diversity, Equity and Inclusion Strategy, an Inclusion Advisory Panel (IAP), made up of employees, will continue its important work in 2025/2026. The panel's role is to influence organizational policies and processes, promote the recruitment and retention of diverse candidates, and enhance inclusion and cultural awareness. The panel advances and promotes DEI within the organization. It also advises the CEO and proposes solutions intended to create a more inclusive workplace for all employees.

CDIC's Employment Equity Report is revised and updated annually. The report details the numerous strategies and initiatives that ensure CDIC's workforce remains representative of Canada's diverse population.

As part of its Employment Equity Plan, and in an effort to make designated employment equity groups feel welcome, CDIC strives to connect with various marginalized groups where they gather. CDIC works with accredited institutions, agencies, and associations to increase awareness about its employment opportunities. The goal is to build a pipeline of talent that is truly diverse. CDIC's website reflects its commitment to diversity and accommodation of applicants.

CDIC continues to develop and maintain a workforce that reflects the diversity of depositors it serves and foster a culture that promotes a sense of belonging. The overall wellness, diversity and linguistic duality of employees are the foundation of CDIC's cultural framework. CDIC will continue to advance DEI through the following activities and education:

- Annual mandatory ethics training, comprising of diversity and inclusion, and attestation to its Code of Business Conduct and Ethical Behaviour
- Employee training regarding psychological safety, harassment and violence prevention, inclusion, and unconscious bias
- Demonstrable commitment to reconciliation and collaboration with Indigenous Peoples through in-depth training sessions with Indigenous partners NVision Insight Group Inc. and sponsorship of the Building Brighter Futures bursary program for Indigenous students
- Regular communications on CDIC's Intranet to create greater awareness of reconciliation and Indigenous history, Black history, LGBTQ2S+ issues, gender equality, ableism, accessibility, mental health, and other related topics
- Targeted Mentorship Programs for Official Languages and Black, Indigenous, and People of Colour (BIPOC) employees

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Diversity and employment equity at CDIC

All employees (including leadership)*

Group	Target	FY 2024/2025
Women	50%	57%
Racialized people	20%	36%
People with disabilities	5.2%	13%
Indigenous people	4.2%	3%

Leadership (VPs, Heads, Directors, and Managers)**

Group	FY 2024/2025
Women	49%
Racialized people	29%
People with disabilities	21%
Indigenous people	4%

Senior leadership (VPs and Heads)

Group	FY 2024/2025
Women	64%
Racialized people	29%
People with disabilities	29%
Indigenous people	7%

Board of Directors**

Group	FY 2024/2025
Women	31%
Racialized people	10%
People with disabilities	27%
Indigenous people	nil

Notes:

* Data was collected through CDIC's workforce self-identification form for the period ending in Q2 of fiscal 2024/2025. This is a voluntary employee self-identification form available to all employees. The targets in the table above are based on census data.

** The Board is currently comprised of a Chair, 12 directors, and three alternates for a total of 16 directors.

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Accessibility

CDIC complies with the *Accessible Canada Act* through the submission of an Accessibility Plan and Progress Reports. The Corporation does this in consultation with the experts on accessibility—persons with disabilities. Each year, CDIC holds consultations with an Accessibility Advisory Group, made up of people with a broad range of both visible and invisible disabilities. Their feedback is invaluable in helping CDIC understand their needs and develop the accessibility goals contained in its Accessibility Plan and Progress Reports. CDIC reports annually on the number of CDIC employees with disabilities through the Corporation's employment equity reporting.

In 2024, CDIC launched a new Accommodation Policy and related Accessibility Passport to make its workplace more accessible. The policy outlines the processes and procedures for accommodating employees. It also establishes accountability among supervisors, employees, and People & Culture regarding accessibility. The passport enables employees to identify any barriers they encounter and request the adaptive tools and accommodations they need to succeed in their jobs. Use of the passport is voluntary and confidential.

These developments are in addition to CDIC's office renovations to create barrier-free physical environments at its Toronto and Ottawa locations. Some of the most recent updates include automated doors and refurbished restroom facilities, ergonomically designed workstations, and a home office set-up budget.

Digital accessibility is another area where CDIC continues to make strides. In May 2024, CDIC launched its new CDIC.ca website using the most up-to-date accessibility standards. Users with disabilities can now customize their experience with the AccessiBe widget. A broad range of CDIC's public-facing documents and videos are also more accessible through plain language, accessible PDFs, closed captions, and transcripts. CDIC will continue to build on this progress in 2025/2026.

Sustainable development and greening government operations

Climate change presents a risk to all aspects of the economy, including the financial sector and CDIC's member institutions. CDIC collaborates with its financial safety net partners to collect climate-related financial information as part of its risk assessments. As part of CDIC's risk assessment methodology, CDIC will continue to monitor and assess how climate-related risks could impact its members and, in turn, CDIC's exposure to risk.

CDIC makes environmentally conscious decisions in an effort to increase sustainability across its operations and to reduce its climate-related impact. CDIC has adopted sustainable management of its IT assets, such as cloud migration, and is participating in end-of-life recycling programs whenever available.

In 2023, CDIC also developed its inaugural Environmental, Social and Governance (ESG) Strategy (see the sustainability section in Part 3). CDIC integrates ESG considerations into its strategic objectives, as well as throughout its everyday operations. For example, as part of its competitive procurement process, when relevant, CDIC includes environmental performance criteria requiring that potential suppliers meet environmental certifications and standards on a case-by-case basis.

In Budget 2021, the federal government asked Crown corporations with assets over \$1 billion, including CDIC, to develop and begin reporting on climate-related risks, in line with the guidelines from the Taskforce on Climate-related Financial Disclosures (TCFD). In 2022/2023, CDIC developed its inaugural TCFD report. The report was published as part of CDIC's 2023 Annual Report.⁷ As part of its TCFD reporting process, CDIC began developing its initial greenhouse gas inventory to serve as a baseline for informing emission reduction efforts that could contribute to the Government of Canada's commitment to achieve net zero emissions by 2050. CDIC will report on progress to meet the Government's commitment in its 2025 Annual Report. Going forward, CDIC will also look for opportunities to further mature its climate-related risk reporting as international accountings standards and guidelines are developed.

The TBS Centre for Greening Government is leading the federal government's operational strategy on sustainability, and ensuring federal entities move towards becoming net-zero, resilient, and green over the long-term. Crown corporations are encouraged to adopt the Greening Government Strategy or an equivalent set of commitments.

⁷ 2023 Annual Report - cdic.ca

Appendices

Appendix G—Corporate scorecard 2024/2025

(as of September 30, 2024)

The Corporate Scorecard reflects updates of progress made towards CDIC's planned initiatives and activities as laid out in the 2024/2025 to 2028/2029 Corporate Plan. It groups initiatives according to the three strategic objectives set out in that Corporate Plan.

Depositor trust & confidence Strategic Outcome: CDIC deposit protection ensures the safety of insured deposits		
Initiative	2024/2025 activity/outcome	Q2 update
CDIC anticipates and responds to the evolving financial sector risk environment and savings needs of depositors.	Strategic policy development is undertaken to ensure CDIC deposit insurance and coverages remain relevant to depositors' needs.	On track.
People are aware of deposit insurance protection and can make informed decisions about their deposits.	Maintain a high-level of public awareness of deposit insurance to reduce the risk of bank runs and promote financial stability.	On track. Public awareness at 66%.

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Resolution readiness Strategic Outcome: CDIC is prepared to execute the orderly resolution of Member Institutions to protect depositors and contribute to financial stability		
Initiative	2024/2025 activities/outcomes	Q2 update
CDIC identifies risks within the membership and the financial system and is ready to resolve member institutions for the benefit of depositors.	Strengthened data analytics promote the identification and surveillance of risks within the membership and across the financial system, and increase resolution readiness.	On track.
	Enhanced testing of deposit data at member institutions and nominee brokers and compliance programs support efficient payout capability for depositors.	On track.
	Resolution plans remain current.	On track.
	CDIC's risk-based simulation plan validates CDIC's level of preparedness and facilitates continuous improvement.	On track. The number of simulations and participation levels across CDIC expected to exceed targets by year-end.
	Operationalize / implement the new Differential Premiums System (DPS) framework.	On track.
CDIC provides depositors with fast and efficient access to their deposits in the event of a member failure.	CDIC has a modern platform for paying depositors.	A decision was made in 2025 to not move forward with the project (see update in Part 4).

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Organizational strength		
Strategic Outcome: CDIC is a resilient organization and an employer of choice		
Initiative	2024/2025 activity/outcome	Q2 update
CDIC reflects the people it serves and is an employer of choice.	CDIC's employment brand builds awareness both internally and externally to attract and retain top talent.	On track.
	CDIC's inclusive culture is fostered through continued focus on psychological safety, accessibility, diversity, and collaboration.	Delayed.
CDIC's enterprise technology and cyber capabilities are resilient.	CDIC has a secure and resilient cyber security program to manage cyber risks.	On track.