

Delivering Results for Canadians

Annual Report 2024–2025



Canada 



Table of Contents

1

Year at a glance

6

Message from
CCC's Board Chair

8

Message from CCC's
President and CEO

10

Government to
government approach

18

Strategic Pillars
and Results

Growing Canadian exports
through inclusive trade

Operational Excellence –
Investing for growth
in people, systems, technology

Environmental, Social
and Governance



34

Management's
Discussion and Analysis

62

Financial
statements

104

Corporate governance
and leadership

113

Glossary

For more information

Canadian Commercial Corporation
350 Albert Street, 11th floor
Ottawa, Ontario K1A 0S6

T: 613-996-0034 | F: 613-995-2121

Toll-free in Canada: 1-800-748-8191

Website > ccc.ca

Sign up to access the Global Bid Opportunity

Finder > gbof.ca

Questions about our services

Marketing department

Email > info@ccc.ca

Media inquiries

Email > communications@ccc.ca

Canadian Commercial Corporation and the Canadian Commercial Corporation logo are trademarks of the Canadian Commercial Corporation. All other trademarks are the property of their respective owners. The information presented is subject to change without notice. The Canadian Commercial Corporation assumes no responsibility for inaccuracies contained herein. Copyright © 2025 Canadian Commercial Corporation. All rights reserved.

Unless otherwise indicated, all monetary values are in Canadian dollars.

Year at a glance

- 2 Delivering more of Canada to the world
- 3 CCC's impact on Canada's economy in 2024–2025
- 4 Delivering on Canada's international agenda
- 4 Reaching markets around the world



Delivering more of Canada to the world >

Operating at the crossroads of commerce and international relations, CCC helps Canadian businesses succeed in complex, highly competitive foreign government procurement markets. The Corporation facilitates exports from diverse sectors to deliver positive economic benefits to Canadian businesses and their employees through international revenue streams and by creating and maintaining Canadian jobs.

CCC had an outstanding year in 2024–2025, with the Corporation signing **\$6.1 billion** in new export contracts with Canadian exporters and foreign governments, in addition to successfully delivering **\$2.8 billion** in goods and services from Canadian exporters to countries around the world. These exports helped create or sustain more than 12,000 jobs in Canada and are expected to sustain more than 25,000 jobs over the next several years as CCC delivers on major contracts signed this year.

CCC supported more than 1,200 Canadian businesses¹ overall (approximately 80% small and medium-sized enterprises) through contracts and advisory and referral services.



CCC's five-year impact on the Canadian economy

(April 1, 2020 to March 31, 2025)

\$14.3 billion

in new export contracts signed with Canadian exporters

\$15.4 billion

in goods and services delivered on behalf of Canadian exporters to governments around the world

¹ This document refers to Canadian businesses and Canadian customers. CCC's reach to Canadian industry extends far beyond the Canadian customers it has under contract (146), several of which draw services from more than one CCC business line. The 1,214 Canadian businesses referenced includes exporters that CCC supported on various international pursuits not yet under contract, as well as Canadian companies to which CCC has provided a referral or an advisory service.

CCC's impact on Canada's economy in 2024–2025 >

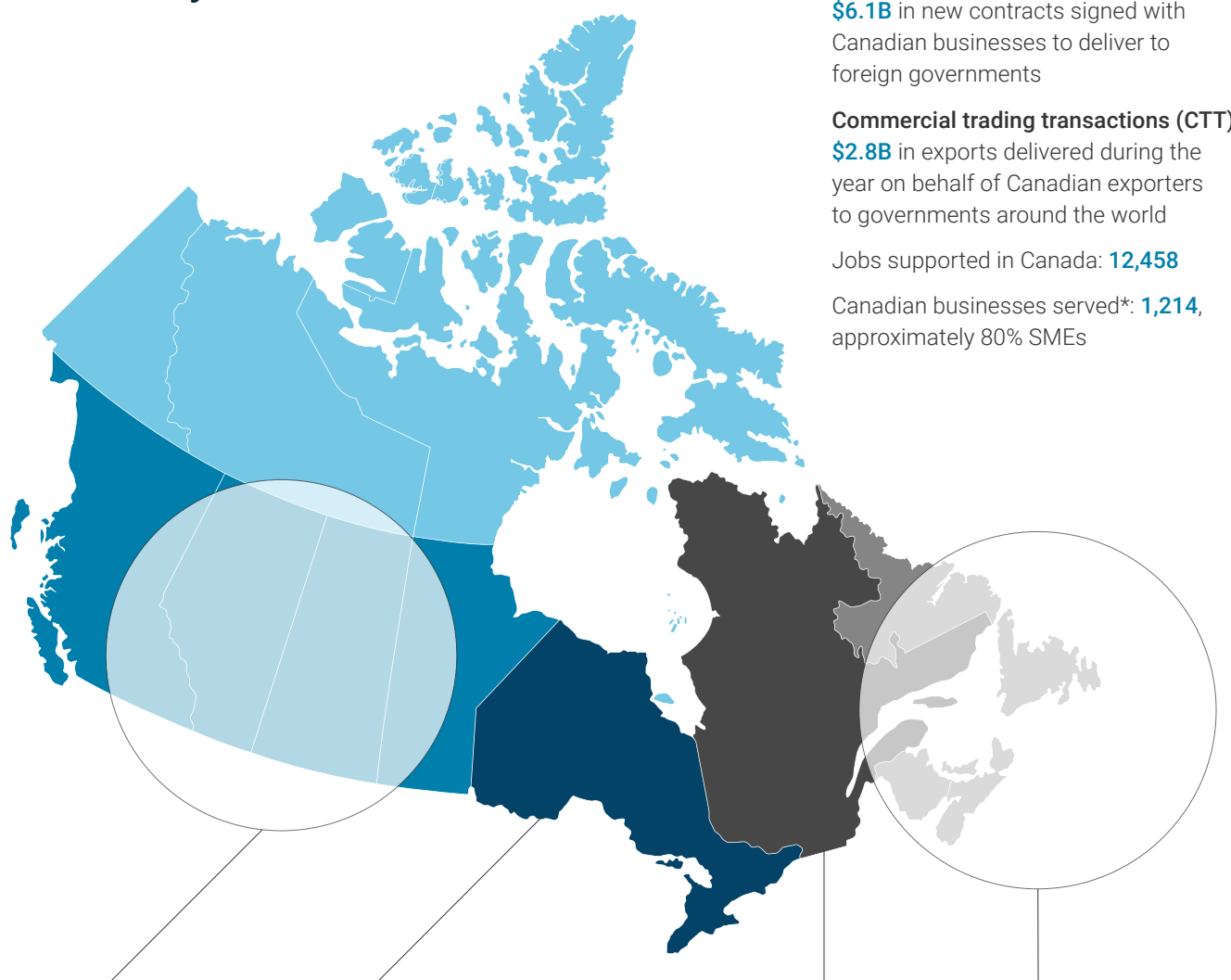
CCC's overall impact

Value of contracts signed (VCS):
\$6.1B in new contracts signed with Canadian businesses to deliver to foreign governments

Commercial trading transactions (CTT):
\$2.8B in exports delivered during the year on behalf of Canadian exporters to governments around the world

Jobs supported in Canada: **12,458**

Canadian businesses served*: **1,214**, approximately 80% SMEs



Western Canada

VCS: **\$1.9B**

CTT: **\$277.4M**

Estimated jobs supported: **1,224**

Customers served: **26**

Ontario

VCS: **\$2.9B**

CTT: **\$1.8B**

Estimated jobs supported: **7,872**

Customers served: **80**

Quebec

VCS: **\$1.3B**

CTT: **\$719.7M**

Estimated jobs supported: **3,176**

Customers served: **38**

Atlantic Canada

VCS: **\$46.3M**

CTT: **\$42.2M**

Estimated jobs supported: **186**

Customers served: **5**

* Businesses served refers to exporters under government-to-government contracts, businesses that CCC supported through various international pursuits but not yet under contract, and businesses for which CCC provided a referral or advisory service.

Delivering on Canada's international agenda >

CCC partners with Canadian businesses and Government of Canada departments and agencies to provide international contracting expertise in support of delivering foreign aid to governments around the world. In 2024–2025, CCC entered new contracts of \$1.3 billion and delivered \$558.2 million of foreign aid.

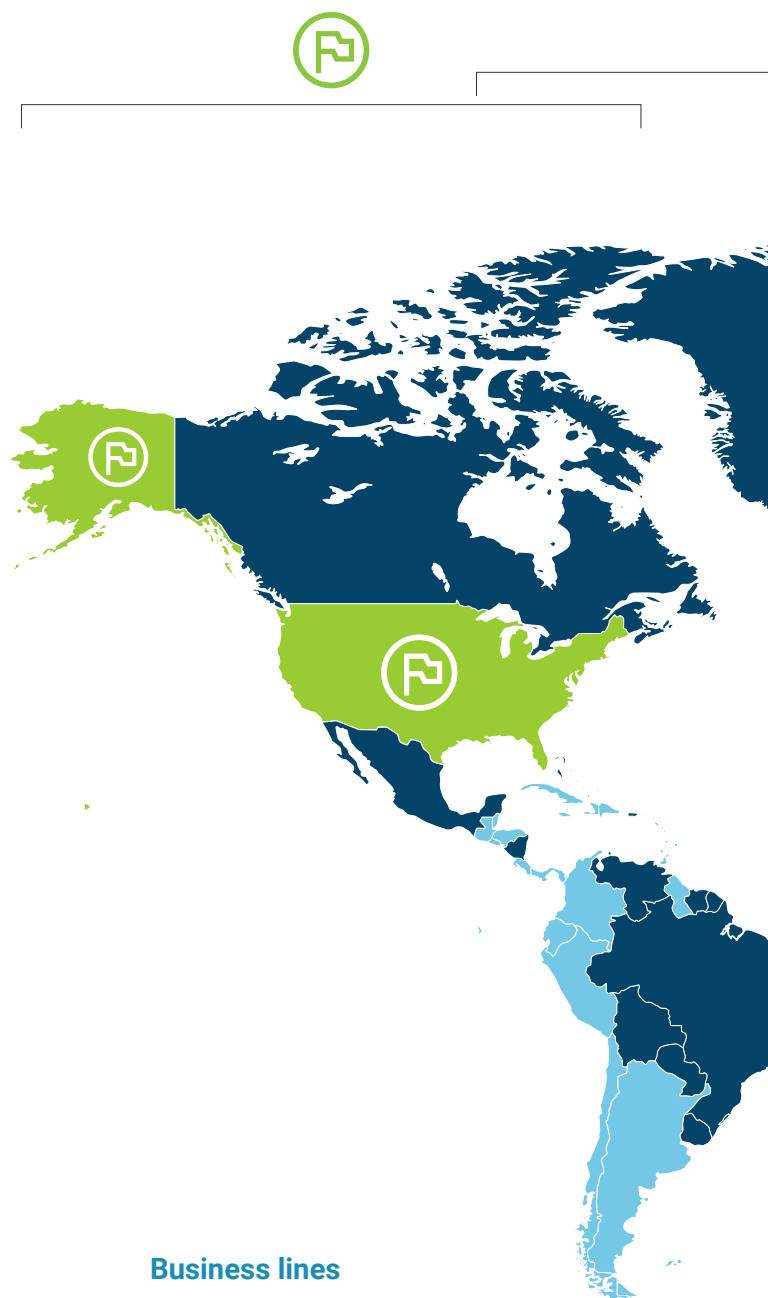
The Corporation is proud to continue working in partnership with Global Affairs Canada and the Department of National Defence to provide military equipment and other goods to support the Ukrainian government.

Reaching markets around the world >

CCC is the only Government of Canada agency offering international contracting expertise to forge commercial contracts between Canadian businesses and foreign governments, thereby strengthening bilateral commercial relations between Canada and buying governments.

For almost 80 years, governments around the world have entrusted CCC to reliably deliver made-in-Canada solutions for projects of national importance. The Corporation simplifies and expedites acquisitions by foreign governments from Canadian companies across a wide range of sectors, including aerospace, defence and security, information and communications technology, cleantech and energy, and public infrastructure.

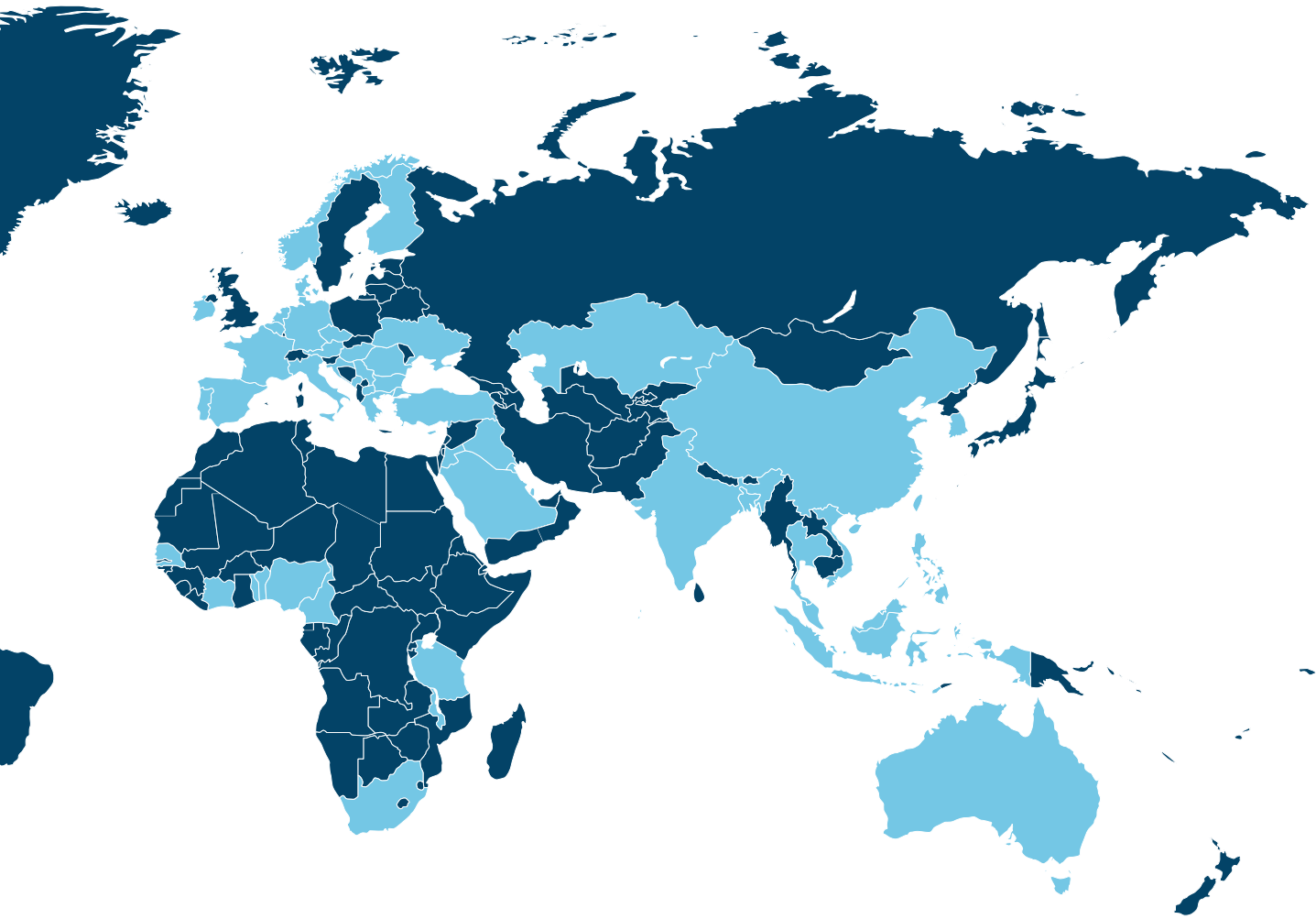
CCC was active in 74 foreign countries in 2024–2025.



Business lines

-  Defence Production Sharing Agreement (DPSA)
-  International prime contracting (IPC)
-  Sourcing for other government departments





Argentina	Costa Rica	Germany	Jamaica	North Macedonia	Serbia
Australia	Côte d'Ivoire	Greece	Jordan	Norway	Sierra Leone
Austria	Croatia	Grenada	Kazakhstan	Panama	South Africa
Bangladesh	Cuba	Guatemala	Kenya	Peru	South Korea
Barbados	Cyprus	Guyana	Kuwait	Philippines	Spain
Belgium	Czechia	Haiti	Malawi	Portugal	Thailand
Belize	Denmark	Honduras	Malaysia	Qatar	Togo
Benin	Dominican Republic	Hungary	Maldives	Romania	Trinidad and Tobago
Bulgaria	Ecuador	India	Mexico	Saint Kitts and Nevis	Turkey
Cameroon	El Salvador	Iraq	Montenegro	Saudi Arabia	Ukraine
Chile	Finland	Ireland	Morocco	Senegal	United States
China	France	Italy	Netherlands		Vietnam
Colombia			Nigeria		



Message from CCC's Board Chair

CCC's outstanding results in 2024–2025 are testimony to the Corporation's strategy to deliver results for Canadians. Now in its fourth year, the corporate strategy prioritizes service excellence, responsible business conduct, and engaging growing numbers of Canadian exporters.

CCC delivered more of Canada to the world this year by signing contracts with Canadian exporters and foreign governments worth \$6.1 billion — a 93% increase over last year's impressive results and a 60% increase over the Corporate Plan target.

This growth was represented across CCC's three lines of business. Contracts signed through our International Prime Contractor line include the historic sale of Canadair 515 aerial firefighters to six EU member states (see pages 26-27), the life extension of a CANDU nuclear reactor in Romania (see page 15), and ongoing annual potash exports to Bangladesh — the ninth G2G contract signed with the Bangladesh Agricultural Development Corporation over the past decade.

CCC continued to maximize the potential of our mandated business line, the Defence Production Sharing Agreement (DPSA). With CCC's deep knowledge and expertise of the U.S. Department of Defence, the Corporation signed a record \$2.1 billion in new DPSA contracts this year and delivered \$1 billion of goods and services. For every dollar of CCC's parliamentary appropriation, the Corporation signed \$150 of export contracts this year.

CCC is also proud to leverage our contracting expertise to support the Government of Canada in delivering humanitarian and military foreign aid through our Sourcing business line. This year, CCC signed contracts for foreign aid with a value of \$1.3 billion for goods and services ranging from pilot training to personal protective equipment. We continue to provide unwavering support to the Ukraine, signing 95 Sourcing contracts with a value of \$2 billion since the onset of the conflict in 2022.

Driven by higher than planned revenue and interest income, our exceptional year resulted in a net operating result of \$21.1 million — 135% over the Corporate Plan's net operating target of \$8.9 million. Additional investments, in excess of those budgeted in the Corporate Plan, were necessary to sustain strong business momentum, proactively manage emerging risks on select contracts, regulatory compliance work, organizational restructuring, and acceleration of the digital transformation agenda.

In view of CCC's impressive financial results and commitment to sound fiscal management, the Board of Directors was pleased to declare a dividend of \$10 million in June 2024 and of \$10 million in June 2025.

Maximizing the potential of our mandated business

\$150

of export contracts signed for every dollar of CCC's parliamentary appropriation this year.

\$2.1 billion

new DPSA contracts signed by CCC this year, a record achievement.

CCC remains committed to strong risk management and rigorous oversight of all export agreements. This year, the Corporation enhanced its enterprise risk management framework to ensure a more strategic, organization-wide approach that aligns more closely with our overall risk landscape. The updated framework is designed to address the increasing complexity of our projects and will be continuously refined to reflect evolving project-specific risk profiles.

Our Environmental, Social and Governance (ESG) strategy sets the foundation for stronger environmental stewardship, broadens engagement with all sectors of Canadian industry in international trade, and bolsters influence across the exporter community to conduct international business responsibly and sustainably. This year, through its membership with TRACE International, CCC extended compliance training to foster a greater understanding of risks and regulatory requirements among current and prospective CCC exporters.

I would like to thank Canada's former Minister of Export Promotion, International Trade, and Economic Development, the Honourable Mary Ng, for her support of CCC's mandate. We look forward to collaborating with Canada's new Minister of International Trade, the Honourable Maninder Sidhu, and with Canada's new Minister responsible for Canada-U.S. Trade, the Honourable Dominic LeBlanc, as we build upon this year's successes and continue to identify opportunities to deliver more of Canada to the world.

Thank you to my Board colleagues for their dedication and stewardship, to CCC's management team, and to all CCC employees for delivering more than \$15 billion in goods and services from Canada to governments around the world over the past five years.



Douglas Harrison
Chairperson





Message from CCC's President and CEO

Despite global economic and geopolitical uncertainty, CCC advanced its mission and mandate with aplomb this year. The core fundamentals of CCC's strategy helped us deliver a historic year that saw CCC meeting or exceeding almost every performance target.

We signed \$6.1 billion of new contracts with Canadian exporters — 60% over our Corporate Plan target. These results were years in the making and demonstrate our ability to sustain momentum for the long term by delivering results for Canadians through our employees' service excellence, developing relationships with Team Canada partners, and responding to the unique and complex needs of our exporters. Our portfolio of outstanding deliverables, to be performed by Canadian exporters in contracts already signed with foreign government buyers, grew by 35% this year to a value of \$9.3 billion.

Every contract that CCC undertakes is subject to the Corporation's due diligence process, a critical component of CCC's enterprise risk management program. These risk management processes and practices ensure Canadian exporters deliver on the terms and conditions of every contract as agreed upon with foreign buyers, thereby mitigating risks for the Government of Canada and by extension, all Canadians.

The Corporation continued its multi-year initiative to re-engineer business processes, enhance operational efficiency, and identify cost-saving opportunities

to deliver greater value to Canadian exporters. This year, CCC advanced its digital transformation by strengthening cybersecurity and launching a data strategy that will serve as a foundation for future business operations. The Corporation also relocated to a modernized office, consolidating space to reduce both our environmental footprint and operating costs. Accessibility, inclusivity, and state-of-the-art technology were central to the office's design.

People are at the heart of CCC's operations. Our exceptional results this year would not have been possible without the expertise and commitment of the entire CCC team. The Corporation's 128 employees delivered excellent value for Canadians: approximately \$47 million each for the Canadian economy, based on the \$6.1 billion of new contracts signed this year.

Our employees are our greatest asset, and our focus is increasingly on building a results-oriented, diverse and engaged workforce to support Canada's exporters. A new four-year collective bargaining agreement was signed this year that reflects the value we place on our people with a fair and competitive benefits program.



**Delivering excellent value
for Canadians**

\$6.1 billion

in new contracts were signed
this year, through which CCC's
128 employees generated
approximately

\$47 million

each for the Canadian economy.

The Corporation's achievements this year were only possible because of the hard work of the entire CCC team, leadership from the Senior Management Committee, the support of our Board of Directors, and close collaboration with Government of Canada stakeholders. Thank you for helping us deliver more of Canada to the world than ever before.

Although we are entering a new fiscal year marked by tariffs and sweeping geopolitical upheaval, there is opportunity for CCC to play a critical role in driving trade diversification, strengthening Canada's defence industrial base and deepening partnerships with Europe and other like-minded nations. I remain optimistic about CCC's ability to serve the evolving needs of Canadian companies and to support the Government of Canada's economic efforts and trade priorities.

Bobby Kwon
President and CEO

Government to government approach

12 Business lines

16 Additional services



Canada's government to government contracting agency >

A unique entity of the Government of Canada, CCC signs commercial contracts with governments around the world for the purchase of goods and services available for export from Canada. In turn, CCC signs contracts with Canadian companies who deliver on the terms and conditions of the government-to-government contracts signed by CCC.

CCC's contracts with foreign governments are backed by the Government of Canada and as such, carry a guarantee that contract terms and conditions will be met. This guarantee helps mitigate the buyer's risk and helps enable procurement from Canada. Government to government projects can be large, complex, and politically sensitive, requiring expertise that only an organization like CCC can offer. This collaboration on important acquisitions deepens bilateral relationships, reduces procurement risks for the supplier and the foreign buyer, and can strengthen the bankability of certain projects.

Who uses G2G contracting? >

- Canadian businesses who wish to expand by exporting internationally and in need of the experience and expertise offered by CCC in navigating foreign government procurement markets.
- Foreign government ministries responsible for major public infrastructure in need of urgent acquisitions that are low-risk and free of bribery and corruption.
- Ministries responsible for national security or defence, when competitive tendering is not feasible for urgency or national security reasons and exercising the national security exception to competitive tendering is feasible.
- State-owned enterprises and sub-national governmental entities, when scaling up or transforming the delivery of public services and expertise and technology is not available in their domestic supply base.

Canada's G2G >

Canada's G2G allows foreign government buyers to engage with the Government of Canada through CCC while helping Canadian exporters co-develop tailored solutions that meet the specific needs of foreign buyers. CCC carries out rigorous due diligence on its Canadian exporters that includes integrity, technical, managerial, and financial assessments to ensure the proposed Canadian supplier can successfully deliver on contract requirements.

CCC takes on the role of prime contractor, negotiating contract terms and overseeing the exporter's performance through all phases of the contract. CCC's G2G contracts are backed by the Government of Canada, thereby reducing risk and enabling the international sale of Canadian solutions.

Risk management for the Government of Canada >

In managing its multi-billion-dollar portfolio of G2G contracts, CCC ensures Canadian exporters deliver on the terms and conditions of every contract as agreed upon with foreign buyers. CCC's risk management processes and practices mitigate risks for the foreign government buyer, for the Government of Canada, and by extension, all Canadians. CCC remains committed to strong risk management and rigorous oversight of all export agreements. This year, the Corporation enhanced its enterprise risk management framework to ensure a more strategic, organization-wide approach that aligns more closely with our overall risk landscape. The updated framework is designed to address the increasing complexity of our projects and will be continuously refined to reflect evolving project-specific risk profiles.

The Corporation undertakes robust due diligence prior to negotiating and signing contracts. This due diligence is a critical component of CCC's enterprise risk management program and provides the foundation on which CCC's contract managers do their work. Business risks relevant to the foreign environment are assessed and documented in consultation with Global Affairs Canada officials, with ministerial approval required for transactions over a certain dollar threshold.





Defence Production Sharing Agreement: Canada's G2G channel for the U.S. Department of Defense

Canada and the United States have a unique G2G contracting relationship for military acquisitions from Canada, which is anchored in the Canada-U.S. Defense Production Sharing Agreement (DPSA). Established in 1956, the DPSA allows Canadian companies to compete for Department of Defense (DoD) business on equal footing with their U.S. counterparts. This is by virtue of including Canada as part of the U.S. domestic supply base in DoD procurement legislation. The DPSA establishes CCC as the contract management agency and prime contractor for defence contracts with the U.S. DoD with a value above \$250,000.

Stemming from Budget 2021, a parliamentary appropriation was reinstated in 2022–2023 for CCC to administer Canada's obligations under the DPSA at no charge to Canadian companies. This provides:

- strengthened Canada-U.S. defence procurement cooperation under the U.S.-Canada Defence Production Sharing Agreement;
- support to an expanded defence supply base and enhanced U.S. DoD access to products and services from Canadian industry; and
- reduced barriers to the contracting process to help Canadian businesses sell their products and services to DoD.

SPOTLIGHT >



Delivering sustainable and efficient energy solutions to the U.S. Army Corps of Engineers

Together with Reivax North America, CCC was awarded a USD\$14 million contract by the United States Department of Defense to remove and replace 16 excitation systems. The contract will also provide training to operate and maintain the new exciter components.

The U.S. Army Corps of Engineers employs excitation systems to maintain stable and efficient electricity in their hydroelectric power plants. These systems regulate the voltage and reactive power of generators and are crucial for ensuring reliable power output across the grid.

Located in Montreal, Reivax North America specializes in high-quality excitation systems designed to optimize the performance and reliability of generators in power plants.

SPOTLIGHT >

Protective gear to safeguard first responders and military forces

Together with Newmarket, Ontario-based Airboss Defense Group (ADG), CCC signed a contract worth up to \$82.3 million to supply the U.S. military with specialized footwear that protects against contaminants. The molded Airboss lightweight overboot reduces the risk of exposure to chemical and biological agents and a wide range of toxic industrial chemicals.

To date, CCC and ADG have worked together on contracts with the U.S. military worth over \$400 million. ADG is a leading supplier of the integrated Canada-U.S. defence industrial base, specializing in protective equipment and response technologies designed to safeguard military forces, first responders, and industrial workers. The Canadian division of ADG is renowned for its expertise in products such as chemical, biological, radiological, and nuclear protective gear.

The DPSA broadens the supply base for DoD buyers by facilitating seamless access to Canadian industry. It also reduces their supply chain risk because of the due diligence process that CCC conducts on its Canadian exporters, including integrity, technical, managerial and financial assessments. The DPSA also streamlines contract administration, provides assurance of value for money, and carries the backing of the Government of Canada.

CCC's DPSA services are offered free of charge to Canadian companies. The DPSA offers expertise to support Canadian exporters in selling their products and services to the U.S. military. This assistance includes interpreting complicated DoD acquisition language and helping smaller companies navigate the large and complex DoD acquisitions system.



Photo: Airboss Defense Group



International Prime Contractor: Canada's G2G service for foreign governments

CCC's International Prime Contractor (IPC) service offers end-to-end service, from contract negotiation to final delivery, to strengthen Canadian business success in foreign government markets and in support of developing and diversifying Canada's bilateral commercial relationships. The IPC service scopes made-in-Canada solutions to satisfy foreign buyer requirements by engaging foreign government buyers in a collaborative process with the Government of Canada and the Canadian private sector.

The integrity, technical, financial and managerial capabilities of the Canadian exporter and their ability to successfully deliver on the contract are fully assessed and vetted before CCC delivers an unsolicited proposal — a process that significantly reduces procurement risks and increases successful project delivery. The pursuit arrangement offered by the IPC service allows CCC to advocate on behalf of Canadian businesses, to seek the right terms and conditions for contract success, and to troubleshoot throughout the process, from project development to final payment. CCC charges a fee for this service.



Sourcing: Supporting the Government of Canada's delivery of assistance

CCC is an executing agency for the Government of Canada's humanitarian and military foreign aid delivery. The Corporation leverages its international contracting expertise to support Government of Canada departments and agencies on a range of initiatives such as:

- delivering Canada's military aid contribution to Ukraine;
- providing urgent disaster relief support from Canada;
- equipping governments to fight cross-border crime, such as fraud and human trafficking;
- supporting international and domestic anti-terrorism efforts; and
- facilitating international endeavours, including scientific and medical collaborations.



Positioning Canada to lead a nuclear renaissance

In a contract win that is helping to cement Canada's leadership in the nuclear energy sector, CCC and AtkinsRéalis, with partners from Italy and South Korea, signed on to complete an additional phase of work related to the refurbishment of the CANDU® C1 reactor, operated by the Romanian Societatea Națională Nuclearelectrică. AtkinsRealis/CCC will provide engineering and procurement services during the construction phase of the project.

This contract follows last year's international prime contract between CCC, AtkinsRéalis, and the Societatea Națională Nuclearelectrică to provide engineering support and reactor components to extend the life of the Unit 1 CANDU reactor at the Cernavoda Nuclear Power Plant in Romania. Together, the contracts are valued at more than \$1.4 billion.

This project will extend Unit 1's operational life by 30 years and support Romania's decarbonization goals as the country transitions to dependable and low-carbon energy. The refurbished CANDU® reactor will provide an emissions-free, low-cost and uninterrupted flow of power that

is expected to phase out coal from Romania's energy grid and position the country as a hub for clean and secure energy in eastern Europe. Maximizing energy security is a priority in the region, particularly as countries reduce their reliance on Russian energy.

With approximately 85% of CANDU's project scope to be executed in Canada, this contract also supports well-paying jobs at home. "As the stewards of Canadian-owned CANDU® technology, we are immensely proud to be playing a role in powering Romania well into the end of the 21st century," commented Ian L. Edwards, President and Chief Executive Officer, AtkinsRéalis.

As a Tier 1 nuclear nation with significant expertise, Canadian companies are well placed to benefit from renewed global interest in nuclear energy. Canada has more than \$15 billion-worth of opportunities in its line of sight over the next ten years, and CCC is working with Global Affairs Canada, Export Development Canada, and other Team Canada players to position Canada as a leader in this global nuclear energy renaissance.



Global Bid Opportunity Finder

4,164

registered users
in 2024–2025

43%

owned or led by persons
self-identifying as part of an
underrepresented group

90%

small and medium-
sized enterprises
(under 500 employees)

CCC supported more than 1,200 Canadian exporters in their trade journey in 2024–2025, including through contracts and advisory and referral services.

Global Bid Opportunity Finder

The Global Bid Opportunity Finder (GBOF) promotes Canadian participation in international tenders issued by governments globally. With a single sign-on in either English or French, Canadian businesses can search 2,500 new daily business opportunities compiled from over 51 sources and 166 jurisdictions around the world.

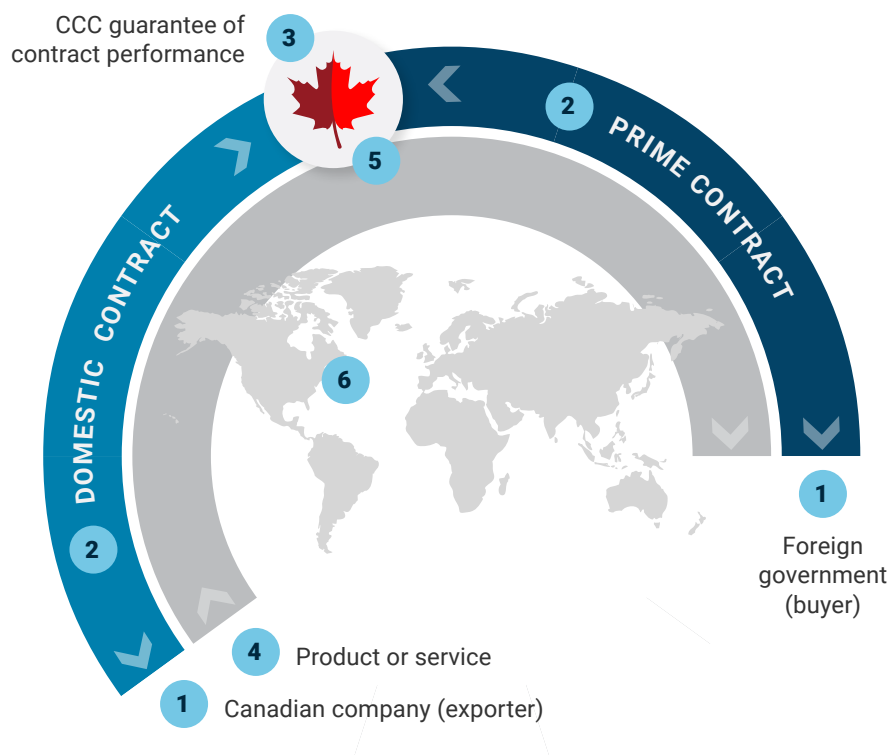
Advisory services

CCC's export advisors meet with Canadian businesses to learn about their products and services, understand their challenges, and refer them to relevant services across the Government of Canada business support ecosystem. Advisors work with these businesses to find opportunities in government markets around the world.




Knowledge products

CCC publishes eBooks and blogs to increase Canadian export knowledge and capacities. The focus of these publications is on empowering small and medium-sized enterprises.

How CCC's G2G contracting works



Business lines

-  Defence Production Sharing Agreement (DPSA)
-  International prime contracting (IPC)
-  Sourcing for other government departments

Additional Services

- Global Bid Opportunity Finder (GBOF)
- Knowledge products
- Advisory services

- 1** CCC performs due diligence on the Canadian company that has products and/or services to sell to any level of foreign government. Once due diligence processes are complete, CCC enters into a service level agreement. Jointly, CCC and the Canadian company negotiate an agreement with the foreign government.
- 2** CCC enters a prime contract with a foreign government buyer and enters a simultaneous domestic contract with a Canadian company to supply those goods and services.
- 3** CCC provides a guarantee of contract performance backed by the Government of Canada.

- 4** The Canadian company supplies products and/or services directly to the buyer.
- 5** CCC manages contract performance and the administration of payments from the foreign government. CCC's oversight reduces contracting risks and provides additional options to resolve unforeseen issues.
- 6** Through these activities, CCC embeds key elements of Canada's trade and foreign policy into contractual terms and obligations with both Canadian suppliers and foreign governments. This approach strengthens bilateral ties between Canada and countries around the world.

Strategic **Pillars** and **Results**

- 21 Growing Canadian exports through inclusive trade
- 28 Operational Excellence – Investing for growth in people, systems, technology
- 30 Environmental, Social and Governance

CCC's strategy to deliver results for Canadians includes three main pillars: growing Canadian exports through inclusive trade, delivering value to Canada by investing in operational excellence, and enhancing CCC's impact through environmental, social and corporate governance.

Together, these pillars increase the number of Canadian businesses that are actively exporting, strengthen the number of Canadian jobs created and sustained through exports, and reinforce the recognition and reliability of the Canada brand, which ultimately delivers a competitive advantage for Canadian exporters over sellers of similar products or services.



PILLAR 1:

Growing Canadian exports through inclusive trade



Grow and maximize the benefits of the DPSA by increasing industry awareness of both the DPSA and its companion, the Defence Development Sharing Agreement (DDSA); and by enhancing collaboration across the Government of Canada's defence trade portfolio partners to fully leverage the DPSA.

Drive IPC demand in a targeted manner by enhancing the approach to customer management, strengthening creative collaboration with partners and stakeholders, sharpening the Corporation's value proposition for buyers and exporters, streamlining business with CCC for exporters, and continuing to support Canadian small and medium-sized enterprises.



PILLAR 2:

Operational excellence – Investing for growth in people, systems, technology



Strive for execution excellence and cost savings by optimizing a mobile workforce, automating workflow, and improving business tools. Investments in support of operational excellence include upgrades to enterprise resource planning; maintaining robust cybersecurity; mitigating the risks of data sharing to reduce paper waste and minimize information storage costs while enabling better analysis, planning and results reporting; generating cost savings and efficiencies by optimizing business processes; and implementing an accessible learning and development platform for employees.

Continue to evolve CCC's sustainable business model centered on customer engagement, targeted and disciplined business development pursuits, and increased service offerings, where doing so makes economic sense.



PILLAR 3:

Enhancing CCC's impact through environmental, social and corporate governance



Environmental: Support the Government of Canada's Greening Government Strategy by scoping and implementing an emissions reduction plan.

Social: Support inclusive economic participation by implementing measures to address CCC's gender parity challenges and engage with underrepresented exporter groups to diversify CCC's exporter base.

Governance: Promote responsible business conduct with Canadian exporters to uphold Canada's reputation through CCC's *Code for Exporters* and reporting the Corporation's transactional disclosures.



Delivering impact for Canadians in 2024–2025

\$6.1 billion

of new export contracts signed between CCC, Canadian exporters, and governments globally in 2024–2025

\$2.8 billion

in goods and services successfully exported from Canada to countries around the world

1,214

Canadian businesses supported

12,458

jobs created or sustained in Canada, and an expected 25,000 jobs sustained over the next several years as CCC delivers on major contracts signed this year



PILLAR 1:

Growing Canadian exports through inclusive trade

CCC delivered a record-breaking year in delivering its transformational strategy to support export growth for Canadian businesses, now in its fourth year. A total of \$6.1 billion of new business contracts were signed across CCC's three business lines in 2024–2025, a 93% increase over last year's results. CCC's growth strategy aligns with Canada's inclusive trade priorities to ensure the benefits and opportunities that flow from trade are shared by all.

As Canada's steward of the Defence Production Sharing Agreement (DPSA), CCC supports Canadian businesses in accessing opportunities to sell to the United States Department of Defense (U.S. DoD). CCC expanded the volume of exports contracted through the DPSA this fiscal year, signing a record \$2.1 billion of new contracts with Canadian exporters (compared to \$1.1 billion in 2023–2024).

CCC also signed 14 new G2G contracts and increased its outreach to foreign governments with a view to identifying more G2G opportunities for Canadian exporters. In support of a "No Wrong Door" approach to accessing government services, CCC served the needs of small and medium-sized enterprises by continuously collaborating with other Government of Canada entities to provide accessible solutions to Canadian companies of all sizes.

Delivering value for Canada

For every dollar of CCC's parliamentary appropriation, \$150-worth of DPSA contracts were signed this year.



DPSA business line

The Canada-United States Defence Production Sharing Agreement (DPSA) is CCC's public policy mandate, and the Corporation plays the primary role of promoting its growth and relevance. CCC fosters key relationships across Government of Canada departments and the Trade Commissioner Service network to improve coordination and maximize benefits for both Canadian exporters and the U.S. buyer.

This year, CCC continued to prioritize the DPSA by collaborating with Canadian exporters, strengthening awareness of DPSA across the U.S. Department of Defense, and by driving new and diverse sources of supply and capabilities in areas of rising DoD demand. In addition to military goods, every year the U.S. military purchases massive volumes of food, medical equipment, and construction supplies. CCC works with Canadian companies, including small and medium-sized enterprises, to meet these needs, which can vary from navigation and nautical systems to chartered passenger flights, surgical instruments, and even snow removal equipment.

The value of DPSA contracts signed grew to \$2.1 billion in 2024–2025. This impressive growth built upon last year's efforts to strengthen collaboration with Canadian exporters, to increase awareness of the DPSA across the U.S. DoD, and to drive new and diverse areas of Canadian supply to meet DoD demand. CCC received a \$13.8 million parliamentary appropriation to run its DPSA business line in 2024–2025, up from \$13.0 million in 2021–2022. Over the four-year period, the value of contracts signed under the DPSA increased from \$867.8 million in 2021–2022 to \$2.1 billion in 2024–2025, enabling 139% opportunity growth for Canadian exporters. Given that CCC does not receive fees for service on DPSA contracts, the parliamentary appropriation funds the operating and administrative expenses incurred for the DPSA.

Outreach over the past year included engaging with Space Force on a strategy to include Canadian space companies in the industrial base. Space Force attended Space Canada's annual conference and provided a panelist, in addition to meeting with CCC and NRCAN regarding Canada's approach to developing critical minerals. CCC's expertise in Canadian and U.S. acquisition regulations and policies was recognized with an invitation to conduct a workshop for the Space Force Acquisition Workforce about integrating international partners into future space programs. The invitation underscores the value of Canada's perspective in shaping defence acquisition strategies.

SPOTLIGHT >

Navigation systems that ensure crew and vessel safety

With headquarters in Burnaby, B.C., OSI Maritime Systems (OSI) has been delivering advanced navigation and tactical solutions for naval and maritime security for more than 20 years.

OSI's Electronic Chart Precise Integrated Navigation System (ECPINS) software is a leading information system that integrates electronic charts, GPS, and radar into a singular cohesive interface to enhance situational awareness and crew and vessel safety.

This year, the U.S. Department of Defense awarded CCC and OSI a contract to deliver two ECPINS training programs on U.S. Navy bases. The training will support the ship-to-shore landing craft program, which plays a crucial role in military operations by facilitating the transportation of vehicles, personnel, and cargo from sea to shore and shore to shore.

DPSA: Canada's G2G channel for the U.S. Department of Defense

New export contracts signed (VCS)

2024–2025:

\$2.1 billion

2023–2024:

\$1.1 billion

2022–2023:

\$885 million

Exports by Canadian companies (CTT)

2024–2025:

\$1 billion

2023–2024:

\$870.5 million

2022–2023:

\$764.9 million



International Prime Contracting business line

The Government of Canada's backing of the International Prime Contracting (IPC) business line provides added incentive for foreign governments to procure Canadian expertise, often to address priority strategic projects in various sectors. The IPC service is designed to support Canadian business success in selling to foreign governments with end-to-end service from contract negotiation to final delivery. The pursuit arrangement offered by the IPC service allows CCC to advocate on behalf of Canadian businesses, to seek the right terms and conditions for contract success, and to troubleshoot throughout the process, from project development to final payment.

CCC serves a range of industries, from the defence, aerospace, and security sectors to infrastructure, agriculture, and sustainable energy. Through strong collaboration with other Government of Canada stakeholders in international trade, CCC's IPC business

grew by approximately 50% this year to \$2.7 billion in the value of contracts signed (from \$1.8 billion in 2023–2024). This growth is due in part to a historic multi-year aerial firefighter contract ([see pages 26-27](#)), a sustainable energy infrastructure project in Romania ([see page 15](#)), and potash exports to Bangladesh – the ninth G2G contract signed with the Bangladesh Agricultural Development Corporation over the past decade.

Many of these contracts are years in the making and require disciplinary expertise from across CCC. Prospects require a whole-of-government approach to move through CCC's robust business development pipeline. This includes developing G2G relationships with foreign governments in strategic sectors that align with Canada's foreign and international trade policies and exploring product and market priorities for the Canadian G2G model. At the end of the 2024–2025 fiscal year, CCC's pipeline of international contracts included active pursuits at varying stages with Canadian exporters, totalling almost \$1 billion.



ENHANCING CCC'S SUPPORT FOR INTERNATIONAL TRADE

CCC supported more than 1,200 Canadian companies in their exporting journeys in 2024–2025. Most of these companies (80%) are small and medium-sized enterprises.

CCC continued its close collaboration across the trade portfolio, specifically with respect to the Minister's Business, Economic and Trade Recovery (BETR) initiative. The Corporation demonstrated active leadership in promoting the BETR framework and worked closely with Team Canada to prepare for trade missions to Vietnam, South Korea, Indonesia and the Philippines, and Australia. CCC played a leadership role in developing the Early Project Support Program (EPSP), which aims to support project feasibility studies and other early project requirements and to prove project "bankability". This program will be critical if Canada is to realize meaningful opportunities in the infrastructure/clean energy sector.

International Prime Contracting: Canada's G2G service for foreign governments

New export contracts signed (VCS)

2024–2025:

\$2.7 billion

2023–2024:

\$1.8 billion

2022–2023:

\$903.8 million

Exports by Canadian companies (CTT)

2024–2025:

\$460.3 million

2023–2024:

\$796.5 million

2022–2023:

\$984.8 million



Sourcing

CCC's Sourcing service provides procurement expertise and responds to a need across the federal government to quickly and effectively support international aid or assistance programs.

CCC's Sourcing line delivered exceptional results on behalf of the Government of Canada in 2024–2025, signing contracts worth \$1.3 billion — five times more than the year prior.

In June 2024, CCC renewed its memorandum of understanding (MOU) with the Department of National Defence (DND) to extend support provided to Ukraine. This renewal provides a vehicle for CCC to provide Sourcing services to the Military Training and Cooperation Program (MTCP) within DND, and to assist in their objective of providing support to the defence departments and military forces of non-NATO member countries around the world. CCC has already coordinated MTCP-related support to Malaysia, Haiti, Ukraine, and other countries in 2024–2025.

In addition to the MOU with DND, CCC renewed its funding agreement with Global Affairs Canada to provide procurement support under a long-standing agreement that provides in-kind contributions to foreign governments in support of the Counterterrorism and Anti-Crime Capacity Building Programs (CTCBP/ACCBP) and the Weapons Threat Reduction Program (WTRP). Over the course of the year, this work has supported donations to several countries, including Ukraine and Haiti.

CCC is proud to continue providing unwavering support to the Ukraine. Since the onset of the conflict in Ukraine in 2022, CCC has signed 95 Sourcing contracts with a value of \$2 billion.

Several significant contracts were either signed or became active this year in support of Ukraine, including contracts for refurbished light armoured vehicles, women's uniforms, and personal protective equipment. In support of DND's Air Force Capacity Coalition, CCC signed contracts with the International Test Pilots School Canada for a five-year contract for fighter pilot training services and a contract with CAE for the supply of new and refurbished F-16 simulators.

Sourcing: Supporting the Government of Canada's delivery of assistance programs

New export contracts signed (VCS)

2024–2025:

\$1.3 billion

2023–2024:

\$255.7 million

2022–2023:

\$476.5 million

Exports by Canadian companies (CTT)

2024–2025:

\$558.2 million

2023–2024:

\$354.7 million

2022–2023:

\$331.0 million



Historic contract with European Commission relaunches aircraft production line

Following more than five years of consultations and negotiations, CCC delivered a historic contract this year, cementing strong ties with the European Union and relaunching an iconic Canadian aerial firefighter.

Photos: De Havilland Canada



CCC signed purchase agreements with Croatia, France, Greece, Italy, Portugal and Spain for 22 amphibious firefighting aircraft from De Havilland Canada (DHC). Collectively, these buyers are the launch customers for DHC's production of a new aerial firefighting aircraft, the DHC-515 (marketed as Canadair 515).

The new Canadair model, developed by DHC following its acquisition of the rights to the CL-415 program from Bombardier in 2016, is being reintroduced to the market at a time when wildfires have become increasingly critical as they intensify due to climate change and threaten biodiversity, endanger human communities, and release carbon into the atmosphere.

The Canadair 515 is a market leader in aerial firefighting that features outstanding take-off and landing performance to access remote wildfire locations, exceptional maneuverability, and the ability to operate in waves up to 2m high. The Canadair 515 can deliver nearly 700,000 litres of water into fire zones each day — more than double that of its closest competitor. With tanks that can be refilled in a 12-second scoop, the Canadair 515 is especially suited to combat wildfires because it can continuously operate by refilling from nearby rivers, lakes, and oceans, unlike land-based aircraft that require refilling at an airport after each drop.

The European Commission is financing twelve aircraft (two per country) through direct contributions to the member states via the rescEU program, a strategic reserve of European disaster response capabilities and stockpiles fully funded by the EU. Spain and Greece ordered an additional five aircraft each.

By the end of 2025, DHC expects to employ more than 500 on the DHC-515 program, primarily in Calgary, Victoria, and Toronto. Overall, DHC anticipates that the program will positively impact more than 3,000 direct and indirect jobs for Canadians working in aerospace. The economic impact will extend through Canada's supply chain, generating an anticipated \$2 billion in secondary markets including aerostructure, powerplants, aerospace systems and engineering services, including with key supplier Pratt and Whitney Canada, who will supply the engines. The future establishment of a production facility at De Havilland Field in Wheatland County, Alberta, will further solidify Canada's position as a hub for aircraft manufacturing, assembly, and distribution.

The contract journey was formally launched in 2022 when CCC signed letters of intent with the six European countries for the first 22 DHC-515 aircraft. Since then, a cross-functional CCC team was deployed from the Corporation's contract management, business development, finance, and legal teams to develop the contract and to ensure the successful delivery of each aircraft, from the first, expected from the manufacturer in 2028, to the last in 2031.

The program's strong governance structure includes monthly CCC-DHC meetings and quarterly Monitoring Committee Meetings that are jointly chaired by CCC and the European Commission, with the participation of DHC and all member states.

This program cements Canada's reputation as a leading global supplier of aerial firefighting aircraft, bringing important economic benefits to Canada and building on common Canada-EU goals to be reliable, longstanding partners for the betterment of both Canada and the EU.



PILLAR 2:

Operational Excellence – Investing for growth in people, systems, technology

CCC continues to deliver value to Canada by investing in operational excellence. The Corporation is committed to simplifying business with CCC for Canadian exporters; managing and reducing costs; and implementing efficiencies, all while supporting the Corporation's significant revenue growth.

This year, CCC continued to invest in re-engineering business processes and streamlining technology to deliver operational efficiencies for Canadian exporters. In 2024–2025, the Corporation's enterprise resource planning system was upgraded and migrated to the cloud – an important measure to ensure that key business applications are kept highly functional.

Another important investment in operational efficiency was the launch of CCC's data strategy. With a scope to develop data architecture, appropriately label assets, and create robust policies, the data program will be foundational to supporting CCC's business strategy.

The Corporation also strengthened its cybersecurity by providing training for all employees, investing in cyber and incident response training for leadership, and improving CCC's monitoring capabilities.

CCC moved into new office facilities in the summer of 2024, with every consideration made to the physical environment to ensure that it is fully accessible and inclusive. This space continues to balance the Corporation's approach to workplace flexibility with design that supports a hybrid environment while consolidating space to reduce the Corporation's environmental footprint.

Measuring CCC's customer impact

CCC used a 365-day rolling average net promoter score to measure customer intent and loyalty. In 2024–2025, CCC's **net promoter score** was 62 out of a possible range of -100 to 100, slightly lower than CCC's target of 67. The result is partially attributable to the DPSA business line, where the nature of contracting with the U.S. DoD resulted in fewer promoters.

To enhance the measurement of customer experience, CCC is adding a **customer satisfaction score**, which tracks the degree of customer satisfaction with CCC interactions and highlights possible areas for improvement. This year CCC had a customer satisfaction score of 89%

CCC's Enterprise Risk Management framework was enhanced in 2024–2025 to provide a strategic and corporation-wide approach to risk management and to respond to the complexities of our projects. The revised framework, which reflects the requirements set out by both the Treasury Board Secretariat and the Minister of Finance, delivers sharper risk definitions and greater coherence with overall risk mapping. This strategic and corporation-wide approach to risk management will be continuously updated to reflect risk profiles. Details of the framework are available on pages 54-61.

The Corporation also advanced HR strategy commitments. CCC counts its employees as its greatest asset, with talent retention and acquisition remaining key areas of focus in 2024–2025. CCC is implementing a robust knowledge transfer strategy to bring in the right talent and skills to the Corporation at the right time. The strategy includes an on-boarding program that provides an overview of CCC's operations, policies, and procedures, which supports knowledge transfer and cross-functional collaboration.

One of the HR strategy's priorities is ensuring CCC's workforce has the skills to satisfy evolving exporter needs in an increasingly competitive international trade environment. All employees have access to a learning and development allowance, in addition to online learning tools and in-house skills development opportunities to make the most of CCC's tools and processes.

CCC is also focused on aligning with several legislative initiatives that the Government of Canada has underway, including the *Pay Equity Act* requirement for a pay equity plan and the revised *Official Languages Act*. The Corporation also made progress implementing the Accessibility Plan under the *Accessibility Canada Act*, including moving forward with accessible work tools.

A four-year collective bargaining agreement, ratified in February 2025, offers a compensation and benefit program that rewards and recognizes employees fairly and competitively. The agreement includes comprehensive health and wellness benefits, leave provisions that account for the realities of modern life and families today, and a leave allowance for employees who self-declare as Indigenous to engage in traditional practices.

The Corporation prioritized increasing the number of touchpoints with employees this year. Active listening sessions and periodic engagement surveys provide regular insights into employee concerns and inform organizational improvement initiatives. In response to employee feedback, CCC launched several efforts to improve the internal flow of information, including among the extended leadership team.





PILLAR 3:

Environmental, Social and Governance

The third pillar of CCC's strategy focuses on enhancing the Corporation's impact through environmental, social and corporate governance (ESG).

Launched last year, CCC's ESG strategy was built on years of responsible business conduct leadership across the federal family. Responsibilities and oversight of the ESG strategy rests with the Board of Directors' Operations, Audit, and Governance and Human Resources Committees. The ESG strategy sets the foundation for increased oversight and transparency to deliver stronger environmental stewardship, broaden engagement with all sectors of Canadian industry in international trade, and strengthen influence across the exporter community to conduct international business responsibly and sustainably.

The ESG strategy will guide emissions-reduction activities, flowing from a climate risk assessment conducted as part of building CCC's greening plan. This will inform CCC's future reporting in alignment with the recommendations of the Government's Task Force on Climate-related Financial Disclosures (TCFD). CCC expects to commit to targets in the next TCFD reporting.



Government of Canada Workplace Charitable Campaign

With loads of enthusiasm and a dash of competitive spirit, CCC's employees raised \$25,000 for charities across Canada via the Government of Canada's Workplace Charitable Campaign (GCWCC). A scavenger hunt, cake decorating, and yoga classes were just some of the events that had employees rolling up their sleeves to make a difference.



CCC's ESG strategy aligns with Canada's net-zero 2050 objectives. Future international G2G business will uphold the Government's support for the Glasgow Statement on eliminating support for unabated development in the fossil fuels industries. This includes reducing emissions from business activities by at least 2% per year to align with Canada's net-zero objectives.

The Corporation continued to enhance its due diligence framework, using a risk-based approach that improves efficiency while ensuring that transactions with the highest risk profiles are appropriately scrutinized. In the 2024–2025 reporting period, CCC's due diligence process had a greater focus on supply chain risks, the beneficial ownership and governance of exporters, and heightened risks due to armed conflict. This process supported 23 exporters in implementing or making improvements to their existing integrity policies, procedures, or training programs for employees. In a 2022 report by the United Nations Office of the Commissioner for Human Rights, CCC was recognized for applying UN guiding principles (UNGPs) to the defence sector and for adopting a human rights due diligence questionnaire for defence companies that complies with the UNGPs².

Over the past year, CCC extended compliance training to exporters through its membership with TRACE International. These trainings have fostered a greater understanding of risks and regulatory requirements among current and prospective CCC exporters. Training modules available to exporters were extended beyond integrity to include forced labour in supply chains. The Corporation also submitted its second *Supply Chains and Risk Mitigation* report, aligning with the new *Fighting Against Forced Labour and Child Labour in Supply Chains Act* requirement to submit a report to the Minister of Public Safety.

CCC launched its own *Code for Exporters* in March 2023, which has since been acknowledged by 154 Canadian exporters. The Code outlines CCC's expectations in areas related to responsible business, human rights, labour and human trafficking and responsible supply chains. Its acknowledgement is an important part of CCC's objective to build awareness across the exporter community regarding the importance of responsible business conduct.

² <https://www.ohchr.org/en/documents/tools-and-resources/responsible-business-conduct-arms-sector-ensuring-business-practice>

Supporting women in the workplace

CCC marked International Women's Day with a speaker's panel focused on accelerating actions in the workplace that support women.

Board members Dyanne Carenza and Mylène Tassy spoke about their own careers, with a focus on actions and experiences that have supported their success.

The event also supported an employee clothing drive for the not-for-profit organization Dress for Success Ottawa, which seeks to support women entering or re-entering the workforce.



CCC broadened its canvassing of under-represented groups in international trade in 2024–2025 to ensure that services remain accessible to all members of Canada's exporting community. This year, 57 new under-represented group (URG) exporters were engaged, with 13 companies currently at varying stages of lead identification and one DPSA contract signed with a company owned or operated by an individual from an underrepresented group. These efforts underscore CCC's growing role in enabling equitable access to international markets for Canada's diverse exporters. Outreach activities to URG-led companies included a webinar with the Canadian Council of Indigenous Businesses, participating in the Indigenous Trade Symposium in Ottawa and the Canadian Council of Indigenous Businesses Supply Chain events in Enoch, Alberta, and delivering CCC information sessions to business networks and councils of underrepresented groups across Canada.

CCC believes that a thriving workplace is built upon a commitment to support the unique strengths, talents, and perspectives of a diverse workforce. A robust Diversity, Equity and Inclusion (DEI) strategy contributes to corporate success and innovation while building community inside and outside of CCC's doors. During the first year of CCC's DEI strategy implementation, the focus was on inclusivity, both through a modern, accessible and inclusive workspace and in celebrating our diversity. In recognition of the office's location on unceded territory, each of CCC's conference rooms and meeting spaces is named in three languages: Anishinaabemowin, French, and English.

CCC's workforce >

128 employees including staff, management and senior executives

- **1%** of CCC employees self-identify as Indigenous
- **27%** of CCC employees self-identify as a member of a visible minority group
- **7%** of CCC employees self-identify as a person with a disability
- **75** employees are members of the Professional Institute of the Public Service of Canada

All employees

 **58%** female

 **42%** male

Executives

 **60%** female

 **40%** male

Management

 **34%** female

 **66%** male

Board of directors

 **56%** female

 **44%** male



Management's Discussion and Analysis

- 35 Executive Summary
- 36 Basis of preparation and disclosure
- 38 Business line reporting structure
- 38 Value of contracts signed (VCS)
- 40 Commercial trading transactions (CTT)
- 42 Summary of financial results
- 45 Fees for service revenue
- 46 Government funding
- 47 Operating and administrative expenses
- 48 Statement of Financial Position discussion
- 49 Corporate plan discussion
- 51 Historical Information
- 55 CCC'S Commitment to Risk Management
- 59 Climate Related Financial Risk Disclosures



Executive Summary

CCC operates at the crossroads of commerce and international relations to help Canadian businesses succeed in complex and highly competitive foreign government procurement markets. CCC's corporate strategy positions the Corporation to provide Canadian exporters with services that support the growth of their international revenue streams, align business with the Government of Canada's international priorities, and adhere to the highest standards of ethical business conduct.

The Corporation's financial results are grounded in the three-pillar strategy articulated in the 2024–2025 Corporate Plan (Plan), which seeks to support Canadian exporters to respond to growing international demand for their goods and services; deliver value by investing in operational excellence; and enhance CCC's impact through environmental, social and corporate governance. CCC continues to advance its multi-year transformation initiative focused on re-engineering core business processes, improving operational efficiency, and identifying opportunities for cost savings. These efforts are enhancing the Corporation's capacity to deliver greater value to Canadian exporters, while driving a more agile and results-driven organization that is well-positioned to support Canada's international trade objectives.

Given the timing of specific contract requirements and associated delivery schedules, significant variations in CCC's income and operations are expected when comparing period-over-period results.

Despite a year marked by global instability and volatility, CCC posted a very strong performance in helping Canadian exporters obtain opportunities around the world by signing a significant value of contracts in the 2024–2025 fiscal year. These multi-year contracts position Canadian exporters to significantly contribute to the Canadian economy and create high-quality jobs over the next five to eight years.



Pillar 1: Supporting Canadian exporters through inclusive trade

CCC supports Canadian exporters across three business lines: the Defence Production Sharing Agreement, Sourcing, and International Prime Contracting.

During the year-ended March 31, 2025, CCC helped Canadian businesses secure **\$6.1 billion** in new contracts signed (value of contracts signed, or VCS³), exceeding Corporate Plan targets (by \$2.3 billion and 60%) and prior year results (by \$3.0 billion and 93%). These multi-year contracts were primarily signed with European countries in the defence and clean energy sectors. Our portfolio of outstanding deliverables, to be performed by Canadian exporters in contracts already signed with foreign government buyers, grew by 35% this year to a value of \$9.3 billion.

CCC also delivered **\$2.8 billion** in commercial trading transactions (CTT⁴), reflecting goods and services exported under CCC contracts. This exceeds Corporate Plan targets (by \$400.5 million and 16%), but represents a decrease compared to prior year results (by \$768.5 million and 21%) given the timing of specific contract requirements and associated delivery schedules.

The Corporation earned \$21.3 million in fees for service revenues, which was a minor decrease compared to Corporate Plan targets of \$21.8 million (by \$0.5 million and 3%), and prior year results (by \$5.9 million and 22%), due to the timing of contractual commitments.

3 VCS is a non-GAAP measure that represents the value of contracts and amendments signed during a reporting period. It measures the total value of goods and services to be delivered over the entire duration of a contract and hence represents the full contract value when the contract is signed.

4 CTT is a non-GAAP measure of economic activity that represents the value of goods and services delivered under contract during the reporting period.



Pillar 2: Delivering value to Canadians through operational excellence – Investing for growth in people, systems, technology

Delivering value to Canada by investing in operational excellence involves continuously streamlining business for CCC and its customers by optimizing and transforming processes, systems, and the workforce. For the year ended March 31, 2025, CCC continued to enhance operational effectiveness by making strategic investments in innovation and digital transformation, including enhanced cybersecurity and data management, in addition to workplace transformation and related compliance initiatives (*Pay Equity Act* and *Accessibility Act*).

CCC achieved a net profit of \$21.1 million in 2024–2025, which exceeds the Corporate Plan target of \$8.9 million (by \$12.1 million), but represents a decrease compared to prior year results (by \$2.4 million). This profit is attributable to higher than anticipated income earned on cash balances, partially offset by the greater than planned operating and administrative investments needed to support the higher value of contracts signed, contracts under execution, and organizational transformation.

CCC maintained its workforce of 128 FTE within the Plan of 132 FTE.

These results increased retained earnings to \$65.1 million and enabled CCC's Board of Directors to declare a dividend of \$10.0 million.



Pillar 3: Enhancing CCC's impact through Environmental, Social and Corporate Governance

With a focus on enhancing the Corporation's impact through environmental, social and corporate governance (ESG), CCC launched an ESG strategy that builds on years of responsible business conduct leadership across the federal family. It sets the foundation for increased oversight and transparency to deliver stronger environmental stewardship, broaden engagement with all sectors of Canadian industry in international trade, and strengthen influence across the exporter community to conduct international business responsibly and sustainably.

CCC launched its own *Code for Exporters* in March 2023 to outline expectations in areas related to responsible business, human rights, labour and human trafficking, and responsible supply chains. As at March 31, 2025, the *Code* was acknowledged by 154 Canadian exporters, an important part of CCC's objective to build awareness of responsible business conduct across the exporter community. This year CCC supported 23 exporters in implementing or making improvements to their existing integrity policies, procedures, or training programs for employees.

The Risk Management section of the MD&A offers additional details of CCC's application of ESG principles.

Basis of preparation and disclosure

Management's discussion and analysis (MD&A) should be read in conjunction with the Corporation's audited annual financial statements and accompanying notes for the year ended March 31, 2025. All amounts presented are in Canadian dollars unless otherwise specified.

Forward-looking statements

This document contains projections and other forward-looking statements that require management to make assumptions subject to risk and uncertainty. Consequently, actual results may differ materially from expectations expressed in forward-looking statements. These risks and uncertainties are discussed in the risk section.

International Financial Reporting Standards

The financial statements are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board. Under IFRS, the Canadian Commercial Corporation's (CCC or the Corporation) financial results are presented on an agent basis. However, as a prime contractor, CCC remains contractually obligated to ensure completeness of contracts with foreign buyers, ensuring that the terms of the contract are fulfilled regardless of performance by the Canadian exporter.

Non-GAAP measures

The Corporation also uses certain non-GAAP financial measures to evaluate its performance. Non-GAAP measures are defined and qualified when presented.

Large material contracts

Historically, large contracts have materially affected the Corporation's financial statements. These may cause significant variations in certain year-over-year amounts on the Statement of Financial Position and the Statement of Comprehensive Income (Loss). The most significant of these contracts is the multi-billion-dollar multi-year Armoured Brigade Program (ABP) contract. The magnitude of the contract is such that the ABP is presented separately in some sections of the MD&A (as indicated).

Foreign exchange

The Corporation's contracts with foreign buyers are currency matched to offset contracts with Canadian exporters. Currency-matching for contractual receipts and payments limits CCC's foreign exchange risk. In cases where payment between parties is made in different currencies, the Corporation may enter forward contracts. The majority of CCC transactions are conducted in U.S. dollars (USD). Since CCC's reporting currency is the Canadian dollar, reported results may be impacted due to fluctuations in foreign exchange rates.

Business line reporting structure

CCC works with exporters from across Canada's industrial sectors through its three main lines of business.

Defence Production Sharing Agreement (DPSA)

The DPSA enables Canadian exporters to compete for contracts as part of the United States Department of Defense (DoD) domestic supply base.

CCC does not charge fees for services provided under the DPSA business line. An annual appropriation of \$13.8 million is received to administer the DPSA.

Sourcing services for other Government of Canada Departments (Sourcing)

CCC assists Government of Canada departments and agencies to fulfill urgent and complex procurement needs related to international commitments or programming needs. A fee is charged to cover CCC's costs to manage these programs.

International Prime Contracting (IPC)

IPC, including concessions, is a fee-based service that establishes government-to-government contracts with foreign government buyers and concurrent contracts with Canadian exporters. CCC charges a fee for this service.

These lines of business are discussed in greater detail on pages 12 to 14 of the Annual Report.

Value of contracts signed (VCS)

CCC uses VCS (a non-GAAP measure) to represent the value of contracts and amendments signed during a reporting period. It measures the total value of goods or services to be delivered over the entire duration of a contract, therefore it represents the full contract value at the time the contract is signed.

The sales cycle for international government contracting is often measured in years and subject to impacts related to international political and economic events. Consequently, significant variations in VCS are normal when comparing year-over-year results and results in a business cycle that can be difficult to predict and repeat consistently.

Year-over-year comparison

Significant variations in VCS are normal when comparing period-over-period results given the variation of the timing of signing contracts.

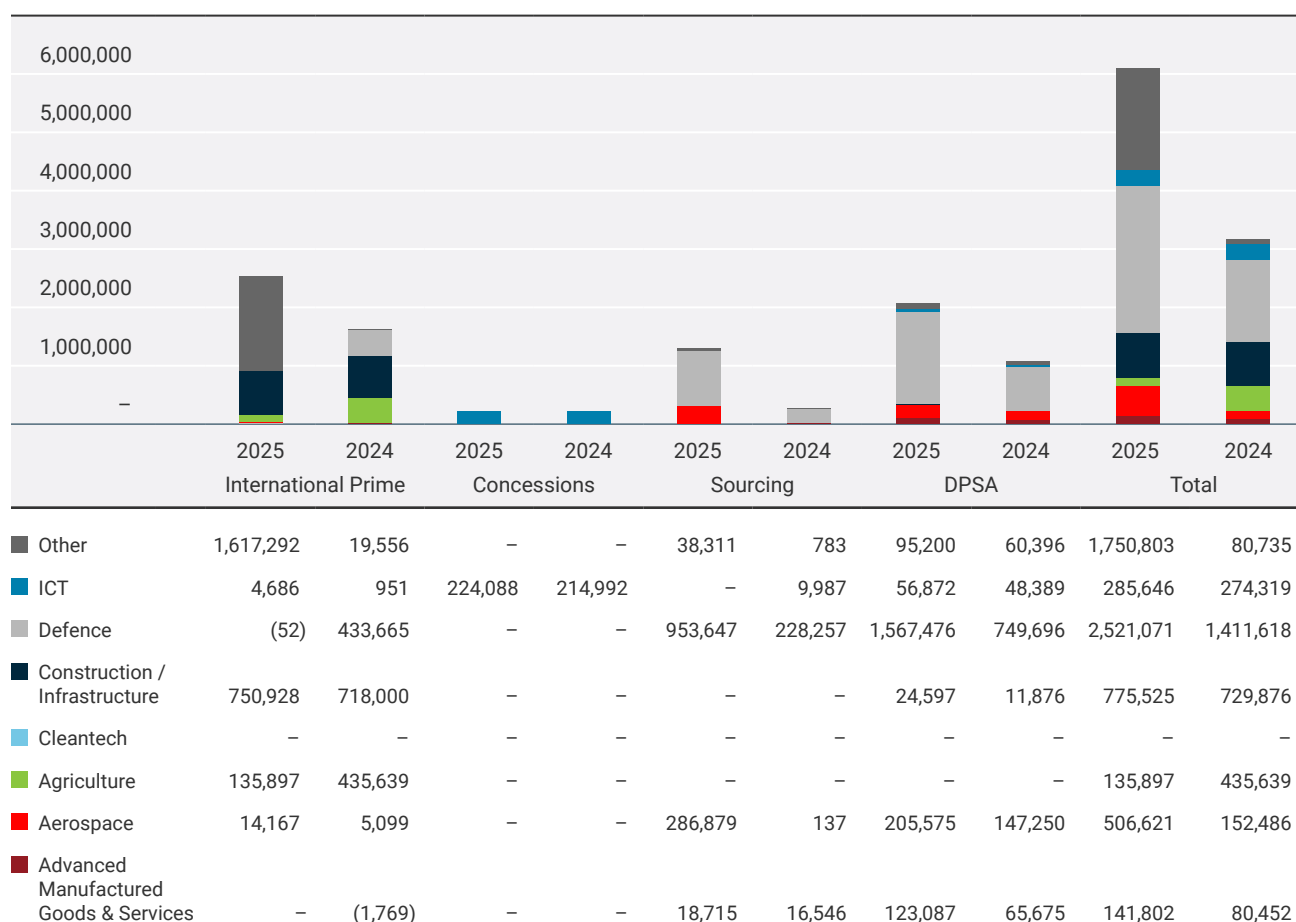
The VCS for all three business lines is \$6.1 billion for the year ended March 31, 2025. The increase of \$3.0 billion (approximately 93%) over the \$3.2 billion reported for the year ended March 31, 2024 is due to several factors, of which the following are noteworthy:

- Higher VCS in IPC, excluding concessions (increase of \$911.8 million over the prior year), attributable to signing several multi-year contracts, including the contract with the European Commission to deliver firefighting aircrafts to six European nations. This contract is expected to be delivered over the next seven years, with first milestone payments made during Q2 and Q3 of the current fiscal year;
- Higher VCS in DPSA (increase of \$989.5 million over the prior year), attributable to an increase in contracts signed in comparison to the prior year. This result aligns with the proactive strategy to continue strengthening the results of this mandated business line, administered on behalf of the Government of Canada; and
- Higher VCS in Sourcing (increase of \$1.0 billion over the prior year), primarily attributable to increased contracts signed with Canada's Department of National Defence in support of international assistance to Ukraine.

VCS by business line for the years ended March 31, 2025 and March 31, 2024

VCS by business line (\$000s)	For the year ended March 31					
	2025	2024	\$ Change	% Change	% of Total	
					2025	2024
International Prime	\$ 2,522,918	\$ 1,611,141	\$ 911,777	57%	41%	51%
Concessions	224,088	214,992	9,096	4%	4%	7%
Total International Prime	2,747,006	1,826,133	920,873	50%	45%	58%
DPSA	2,072,807	1,083,282	989,525	91%	34%	34%
Sourcing	1,297,552	255,710	1,041,842	>100%	21%	8%
Total	\$ 6,117,365	\$ 3,165,125	\$ 2,952,240	93%	100%	100%

VCS by business line and sector for the years ended March 31, 2025 and March 31, 2024



As the chart above indicates, there were substantive gains made in the Other sector with the signing of contracts with De-Havilland-European Commission for the supply of aerial firefighting equipment, as well as the defence sector within DPSA and Sourcing.

Commercial trading transactions (CTT)

CCC uses CTT (a non-GAAP measure of economic activity) to represent the value of goods and services delivered under contract during the reporting period.

Given the Corporation's status as an agent for reporting under IFRS Accounting Standards, CTT is not recognized as revenue. CTT data is captured to measure the Corporation's impact on the Canadian economy and as the main driver of the fees for service revenue. CCC's fees for service revenues are generally commensurate with CTT. The variance detailed in this section also applies to the Fees for service variance discussion.

Year-over-year comparison

Given the timing of specific contract requirements and associated delivery schedules, significant variations in CTT are expected when comparing period-over-period results. As planned, the total CTT for the year ended March 31, 2025 was \$2.8 billion (a \$768.5 million decrease compared to the previous year). These results were driven by:

- the ABP program's \$803.7 million decrease in CTT compared to the prior year, attributable to anticipated reduction in deliveries due to the planned winding down of the program; and
- the IPC, excluding concessions, \$342.3 million CTT decrease compared to the prior year, primarily attributable to a decline in the value of deliveries in the agricultural sector (caused in part by market prices of potash, which affected the value of deliveries under the Canpotex project with Bangladesh).

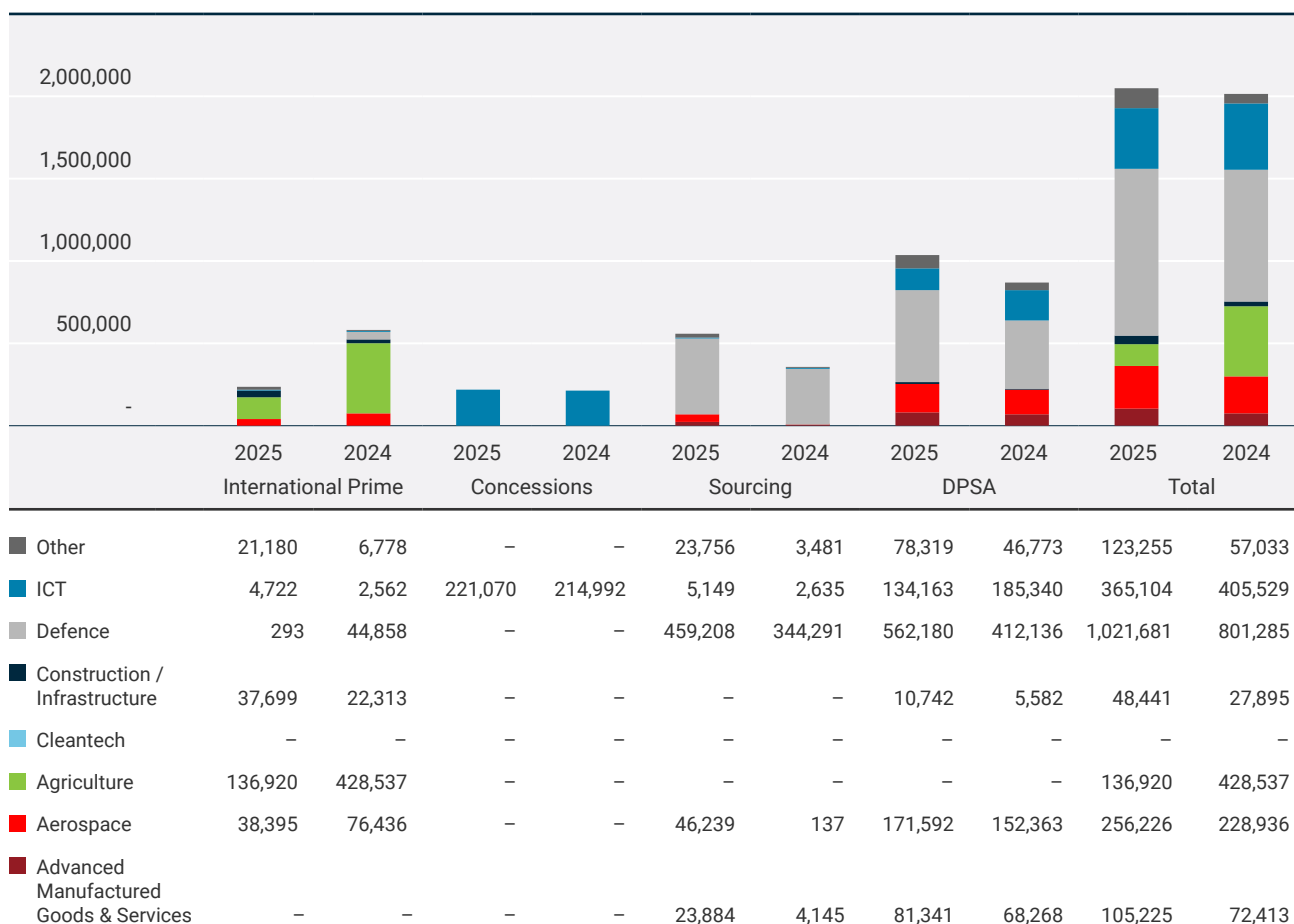
These decreases were partially offset by:

- an increase in Sourcing (\$203.5 million over the prior year), primarily attributable to the increased support to the Department of National Defence to provide international assistance to Ukraine; and
- an increase in DPSA (\$167.9 million over the prior year), attributable to increased deliveries in the year.

CTT (excluding ABP) by business line and sector for the years ended March 31, 2025 and March 31, 2024

CTT by business line (\$000s)	For the year ended March 31					
	2025	2024	\$ Change	% Change	% of Total	
					2025	2024
International prime	\$ 239,209	\$ 581,484	\$ (342,275)	(59%)	8%	16%
Concessions	221,070	214,992	6,078	3%	8%	6%
Total International Prime	460,279	796,476	(336,197)	(42%)	16%	22%
Sourcing	558,236	354,689	203,547	57%	20%	10%
DPSA	1,038,337	870,462	167,875	19%	37%	24%
Total excluding ABP	\$ 2,056,852	\$ 2,021,627	\$ 35,225	2%	73%	56%
ABP	776,807	1,580,490	(803,683)	(51%)	27%	44%
Total including ABP	\$ 2,833,659	\$ 3,602,117	\$ (768,458)	(21%)	100%	100%

CTT (excluding ABP) by business line and sector for the years ended March 31, 2025 and March 31, 2024



Summary of financial results

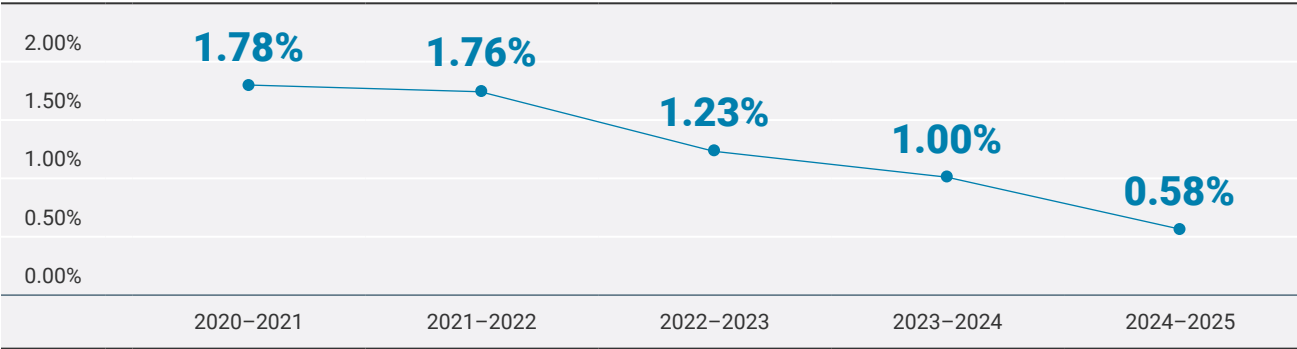
The Corporation had favourable financial results in 2024–2025 when compared to Corporate Plan targets and prior year financial results. These results are primarily due to significant variances in income earned on cash balances held by CCC, partially offset by greater than budgeted operating expenses.

Over the course of five years, CCC delivered 355% growth in the value of contracts signed on behalf of Canadian exporters, growing from \$1.3 billion in 2020–2021 to \$6.1 billion in 2024–2025. CCC's workforce grew by 15% (from 111 employees in 2020–2021 to 128 in 2024–2025) to accommodate this tremendous growth. Over the same five-year period, CCC's revenue increased from \$18.8 million to \$44.6 million, delivering \$347,000 per employee this year and enabling CCC to earn \$21 million in net results of operations in 2024–2025 – 135% over the Corporate Plan's \$8.9 million target.

Given the volume and magnitude of contracts and projects this year, additional resources were required to execute effectively while managing risk and deliverables. These outputs included organizational restructuring and retirement transitions; investments in IT and digital modernization; travel related to complex and multi-year contracts, including the historic CCC-De Havilland Canada-European Commission aircraft program; and compliance-related spending for collective bargaining, pay equity, climate disclosures, and data governance.

CCC is committed to delivering more opportunities for Canadian exporters by spending efficiently on its operations. The Corporation’s admin efficiency ratio, a measure of operating expenses as a proportion of the value of contracts signed in a year, has steadily declined over the past five years. The declining ratio indicates increasing efficiencies in the pursuit of new opportunities and in the delivery of existing contracts under management, despite the increasing scale and complexity of those contracts. The ratio represents significant achievements in two areas over the course of the five years: topline growth that ultimately serves more customers and supports more Canadian jobs, and concerted measures to manage costs and improve efficiencies.

CCC’s admin efficiency ratio



CCC received a \$13.8 million parliamentary appropriation to run its DPSA business line in 2024–2025, up from \$13.0 million in 2021–2022. Over the four-year period, the value of contracts signed under the DPSA increased from \$867.8 million in 2021–2022 to \$2.1 billion in 2024–2025, enabling 139% opportunity growth for Canadian exporters. Over the course of the four-year period, CCC signed \$4.9 billion of contracts under the DPSA and received funding of \$53.8 million of parliamentary appropriations, representing a 1.1% admin efficiency ratio.

Financial Management Policy

CCC plans for financial sustainability and manages surpluses and deficits across multi-year horizons. This approach addresses the lengthy sales cycle of international government contracting and the effects of geopolitical and economic events.

CCC's Financial Management Policy defines the requirements to maintain a financial self-sustainability model over the long term. It requires CCC to maintain sufficient equity to meet its commitments and undertake appropriate capital investments to ensure operational effectiveness and efficiency and to sustain the Corporation's workforce, facilities, systems, and processes.

The framework considers four factors for managing capital and monitoring financial sustainability: the timing of contractual revenues and expenses, net results of operations, working capital requirements, and equity position.

Comprehensive income discussion

For the year ended March 31, 2025, the Corporation recorded a net profit of \$21.1 million, a decrease of \$2.4 million over the prior year's net profit of \$23.5 million. The Corporation achieved lower CTT (as outlined in the previous sections) as planned, resulting in fees for service revenue of \$21.3 million. This revenue is also lower than the prior year, as planned.

The variance in net profit was attributable to increased finance income resulting from higher cash balances due to the timing differences of Sourcing commitments. This was offset by decreased fees for service revenue and higher expenses to support the pursuit and delivery of complex and multi-year contracts.

Comprehensive Income (\$000s)	For the year ended March 31			
	2025	2024	\$ Change	% Change
Fees for service revenue	\$ 21,262	\$ 27,128	\$ (5,866)	(22%)
Finance and other income	23,306	12,087	11,219	93%
Government funding	13,792	13,962	(170)	(1%)
Expenses*	38,130	29,685	8,445	28%
Gain (loss) on foreign exchange	828	(59)	887	>100%
Net profit	\$ 21,058	\$ 23,433	\$ (2,375)	(10%)
Other comprehensive income	–	27	(27)	(100%)
Total comprehensive Income	\$ 21,058	\$ 23,460	\$ (2,402)	(10%)

* Included in depreciation is accelerated depreciation on right-of-use assets and leasehold improvements resulting from the termination of the lease of \$1,707 (2024 – \$1,138) and \$777 (2024 – \$518), respectively, \$2.5 million in total.

CCC achieved \$47.8 million in VCS per FTE in 2024–2025, an increase of \$21.0 million from 2023–2024. Despite the higher expenses incurred in 2024–2025, CCC generated \$162 in VCS per dollar of operating expense, up from \$107 in the prior year, indicating increased efficiency in the delivery of contracts under management and in the pursuit of new opportunities.

Fees for service revenue

The Corporation charges Fees for service on its IPC and Sourcing programs. IPC fees are generally calculated as a percentage of the contract value, with fees negotiated on a contract-by-contract basis. They are generally reflective of a project's risk profile and competitive market conditions.

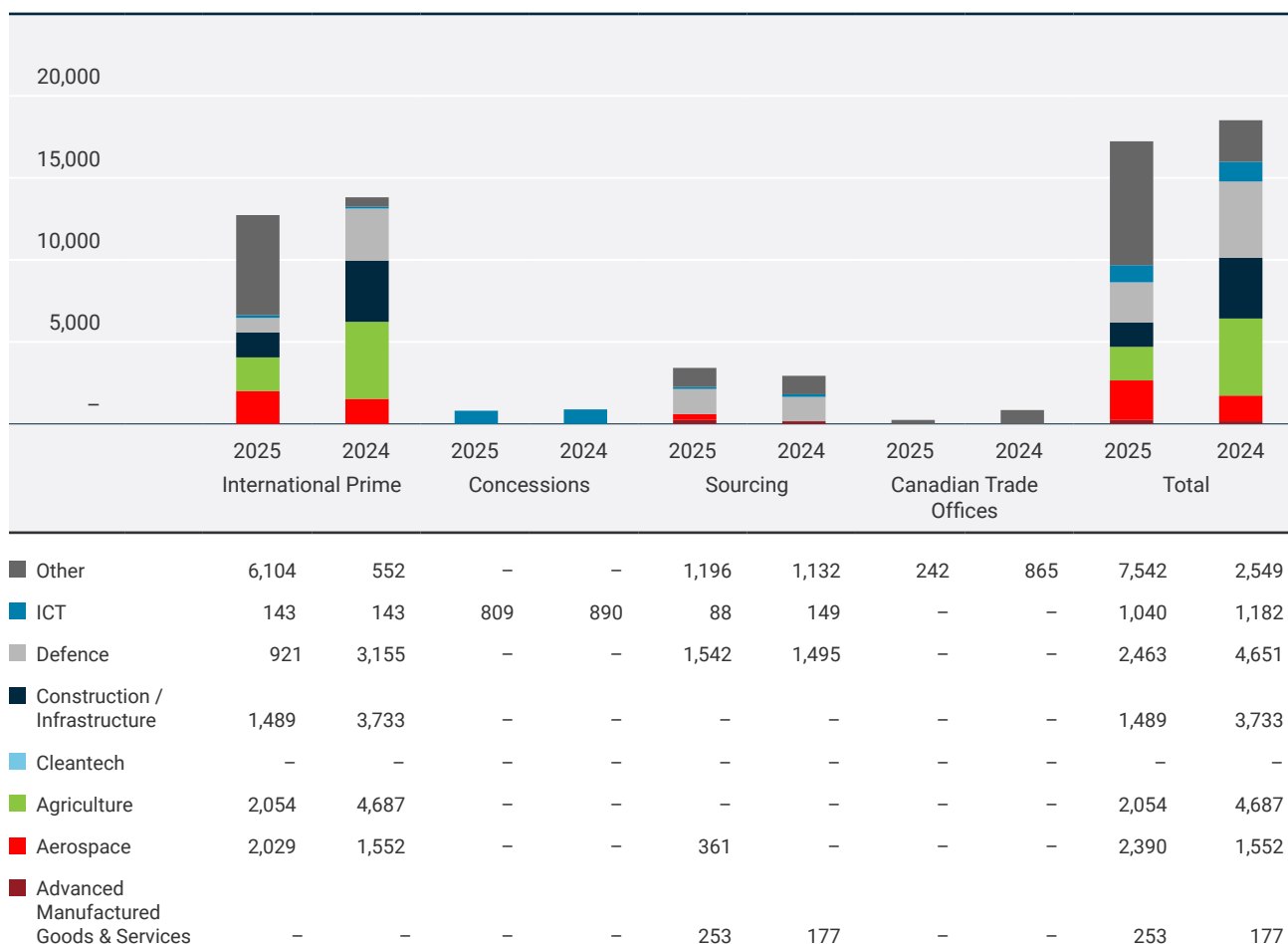
Fees may be recognized as revenue differently, depending on the performance obligations related to the various business lines. However, the majority are recorded based on the performance of activities required for the Canadian exporter to obtain the right to payment under the terms and conditions of the prime contract. This is generally commensurate with CTT. Fees for Sourcing are recognized on a straight-line basis over the term of the contract.

For the year ended March 31, 2025, the fees for service revenue of \$21.3 million was \$5.9 million lower, as planned, than the prior year. Fees for service are generally correlated with CTT.

As discussed above, the overall decrease is primarily attributable to decreases seen in the ABP project, as well as the IPC business line. The table below shows that the year over year change in total is roughly 22%, which is consistent with that observed in the variance in CTT.

Fees for service by business line (\$000s)	For the year ended March 31					
	2025	2024	\$ Change	% Change	% of Total	
					2025	2024
International Prime	\$ 12,740	\$ 13,823	\$ (1,083)	(8%)	60%	51%
Concessions	809	890	(81)	(9%)	4%	3%
Total International Prime	13,549	14,713	(1,164)	(8%)	64%	54%
Sourcing	3,440	2,953	487	16%	16%	11%
Canadian Trade Offices	242	865	(623)	(72%)	1%	3%
Total excluding ABP	\$ 17,231	\$ 18,531	\$ (1,300)	(7%)	81%	68%
ABP	4,031	8,597	(4,566)	(53%)	19%	32%
Total including ABP	\$ 21,262	\$ 27,128	\$ (5,866)	(22%)	100%	100%

Fees for service (excluding ABP), by business line and sector for the year ended March 31, 2025 and March 31, 2024



Government funding

Federal Budget 2021 recognized the importance of CCC's role in administering the DPSCA and restored an annual parliamentary appropriation of \$13.0 million, commencing in fiscal year 2022–2023. This appropriation was increased to \$13.8 million for 2023–2024 onwards.

Given that CCC does not receive Fees for service on DPSCA contracts, this appropriation funds the operating and administrative expenses incurred for the DPSCA. For the year ended March 31, 2025, the Corporation recognized government funding of \$13.8 million, a decrease of \$0.2 million over the prior year, as an offset to costs incurred for DPSCA administration. The modest decrease is due to a 2022–2023 appropriation, which was retroactively awarded in 2023–2024.

Operating and administrative expenses

The Corporation's \$37.9 million in operating and administrative expenses for the year ended March 31, 2025 increased by \$8.4 million over the previous year's \$29.5 million. This includes a \$3.3 million year-over-year variance stemming mainly from timing differences in relation to CCC terminating its previous office lease, with a \$2.5 million gain on lease termination being recognized in the 2023–2024 fiscal year and resulting in long-term cost savings.

The remaining increase of \$5.1 million included costs necessary to support the VCS growth of 93% over the prior year (and 60% over Plan) through a planned expanded workforce that grew from 118 FTE in the prior year to 128 FTE at March 31, 2025. The Board supported additional investments to support these growth opportunities, at times employing specialized professional services to support contract structuring required of complex and multi-year contracts. Other investments in professional services support long-term cost-savings and efficiencies, including IT and digital modernization; organizational restructuring and retirement transitions; and compliance-related spending for collective bargaining, pay equity, climate disclosures, and data governance.

The Corporation remains committed to delivering operational excellence while employing cost savings measures and prioritizing efficiencies in all aspects of service delivery.

Operating and administrative expenses (\$000s)	For the year ended March 31					
	2025	2024	\$ Change	% Change	% of Total	
					2025	2024
Workforce compensation and related expenses	\$ 22,703	\$ 19,382	\$ 3,321	17%	60%	65%
Consultants**	4,050	2,699	1,351	50%	11%	9%
Depreciation*	3,319	2,276	1,043	46%	9%	8%
Contract management services	2,818	2,638	180	7%	7%	9%
Travel and hospitality	1,826	1,704	122	7%	5%	6%
Software, hardware and support	1,178	809	369	46%	3%	3%
Rent and related expenses	925	1,043	(118)	(11%)	2%	4%
Communications	578	675	(97)	(14%)	2%	2%
Other expenses	473	735	(262)	(36%)	1%	2%
Sub-total excl. gain on lease termination	\$ 37,870	\$ 31,961	\$ 5,909	18%	100%	108%
Gain on lease termination*	–	(2,488)	2,488	(100%)	0%	(8%)
Total Operating and administrative expenses	\$ 37,870	\$ 29,473	\$ 8,397	28%	100 %	100%

* Included in depreciation is accelerated depreciation on right-of-use assets and leasehold improvements resulting from the termination of the lease of \$1,707 (2024 – \$1,138) and \$777 (2024 – \$518), respectively, \$2.5 million in total.

** Consultants with specialized expertise are engaged on a short-term basis to support targeted initiatives, such as enterprise-wide IT modernization and advanced cybersecurity. These expenditures are reviewed quarterly by the Audit Committee to ensure oversight and alignment with project objectives.

CCC continuously assesses expenditure levels to ensure sound resource management and stewardship. Budgets are reviewed on a continuous basis from the outset of the year with a view to managing expenditures relative to forecasted business volumes and revenues.

Statement of Financial Position discussion

Assets and liabilities include payments made to Canadian exporters prior to collecting from foreign buyers and amounts received from foreign and other buyers that have not yet been transferred to Canadian exporters. As contractual performance obligations are fulfilled, balances for cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities, which represent amounts at a specific point in time, can fluctuate widely.

Asset and Liability positions

As at March 31, 2025, total assets of \$679.2 million increased by \$380.9 million or 128% from the prior year-end. The increase is mainly attributable to:

- an increase in cash and cash equivalents of \$315.3 million, driven primarily by higher receipts of advance payments from Government of Canada departments in the Sourcing business line and foreign buyers in other business lines. This was bolstered by timing differences between cash receipts from foreign buyers and the related payments to Canadian exporters, favourable exchange rate fluctuations on CCC cash balances, and higher yields earned on balances held on deposit; and
- an increase in accounts receivable of \$60.8 million from amounts owing from the Government of Canada relating to recoverable taxes, and timing differences between payment to the Canadian exporter and a cash receipt from a foreign buyer (as explained above).

Total liabilities of \$604.1 million increased by \$369.9 million, or 158% from the year-end prior. This increase is primarily driven by:

- an increase in advances of \$409.3 million, primarily driven by advance payments received from Government of Canada departments in the Sourcing business line; and
- an offsetting decrease in accounts payable and accrued liabilities of \$42.2 million, from timing differences between cash receipts from foreign buyers and payments to Canadian exporters, as explained above.

The offsetting increases in both total assets and liabilities reflect the nature of the contracts under management and the effect on balances due to the timing of receipts and payments.

Equity position

Equity for the period increased by \$11.1 million, reflecting year-to-date net profit of \$21.1 million, reduced by the dividend of \$10.0 million declared and paid during the year. The improved equity position will further support CCC's financial sustainability model. These balances include shareholder Contributed Surplus of \$10 million.

As at (\$000s)	March 31, 2025	March 31, 2024	\$ Change	% Change
Total assets	\$ 679,242	\$ 298,302	\$ 380,940	>100%
Total liabilities	604,113	234,231	369,882	>100%
Total equity	75,129	64,071	11,058	17%
Total liabilities and equity	\$ 679,242	\$ 298,302	\$ 380,940	>100%

Dividend declaration

On June 4, 2025, in alignment with its Financial Management Policy and Dividend Policy, the Corporation's Board of Directors approved the issuance of a dividend of \$10.0 million payable to its shareholder.

Corporate plan discussion

The Corporation operates in challenging global markets where government budgets are dynamic and subject to frequent changes. Demand for Canadian-made solutions varies with economic and geopolitical factors, which increases the complexity of G2G export sales and the duration of the sales cycle. In the face of these uncertainties, the Corporation is committed to continuing to work with Canadian exporters to ensure efficiency in services provided so they can pursue international export opportunities. To this end, CCC engages in prudent financial management, including rigorous risk management processes, strategically invests in critical capabilities, and focuses on creating value for Canadian stakeholders.

Comparison of financial results to 2024–2025 Corporate Plan

CCC's 2024–2025 to 2028–2029 Corporate Plan was approved by the Corporation's Board of Directors and submitted, as required, to the Minister of Export Promotion, International Trade and Economic Development. The following analysis reflects the revised Plan, as approved by the Board of Directors, and reflects the expense reduction measures stemming from the Federal Budget 2023.

In fiscal year 2024–2025 CCC achieved a net profit of \$21.1 million, marking a significant positive variance of \$12.1 million compared to the \$8.9 million net profit budgeted in the Plan. The Corporation's record \$6.1 billion in VCS (60% greater than Plan) in 2024–2025 demanded additional investments that exceeded those budgeted in the Corporate Plan. CCC managed its increased VCS performance through its workforce of 128 FTE (planned 132 FTE).

Several factors contributed to these results:

- higher finance and other income (\$16.6 million) compared to the Plan, as a result of higher cash balances and favourable interest rates; and
- higher expense than anticipated (\$4.8 million) compared to the Plan. This variance was driven by growth — a 93% increase in VCS over last year's results and a 60% increase over the Corporate Plan target — related to complex and multi-year contracts, including the historic CCC-De Havilland Canada-European Commission aircraft program and the refurbishment of the Unit 1 CANDU reactor at the Cernavoda Nuclear Power Plant in Romania; investments in IT and digital modernization; organizational restructuring and retirement transitions; and compliance-related spending for collective bargaining, pay equity, climate disclosures, and data governance.

The table below presents financial results compared to the Corporate Plan for the year ended March 31, 2025. It also presents a forward-looking view of the 2025–2026 Corporate Plan.

	2024–2025	2024–2025	Variance		2025–2026
	Actual	CP Target	\$	%	CP Target
VCS (\$000s)	\$ 6,117,365	\$ 3,811,500	\$ 2,305,865	60%	\$ 2,190,000
CTT (\$000s)	\$ 2,833,659	\$ 2,433,197	\$ 400,462	16%	\$ 3,172,885

Net profit (\$000s)	Actual (YTD)	CP Target (YTD)	\$	%	CP Target
Revenues					
Fees for service	\$ 21,262	\$ 21,838	\$ (576)	(3%)	\$ 18,482
Finance and other income	23,306	6,659	16,647	>100%	7,154
	44,568	28,497	16,071	56%	25,636
Government funding	13,792	13,792	(0)	(0%)	13,792
Expenses					
DPSA expenses, recurring	14,534	14,433	101	<1%	14,052
DPSA expenses, non-recurring	1,998	1,486	512	34%	–
Non-DPSA expenses	21,598	17,424	4,174	24%	17,736
	38,130	33,343	4,787	14%	31,788
Gain (loss) on foreign exchange	828	–	828	>100%	–
Net profit	\$ 21,058	\$ 8,946	\$ 12,112	>100%	\$ 7,639

Outlook on the Corporate Plan 2025–2026

CCC's 2025–2026 to 2029–2030 Corporate Plan was approved by the Corporation's Board of Directors and submitted, as required, to the Minister of Export Promotion, International Trade and Economic Development in 2024–2025. It is pending approval.

The current degree of geopolitical volatility around the world introduces a high level of uncertainty to CCC's success in securing new opportunities for Canadian exporters and delivering successfully on signed contracts. CCC is working closely with all stakeholders to assess and mitigate the risk that this uncertainty brings. The Corporation will leverage its competitive advantage and relationships using a risk-conscious approach to identifying opportunities in new markets and key sectors of defence and clean-technology for Canadian exporters.

Over the upcoming five-year planning period, CCC seeks to enable more than \$11 billion in new export opportunities for Canadian exporters.

CCC expects revenues to decrease in the early years of the plan as the ABP program comes to the end of its lifespan in the fiscal year 2025–2026, impacting both CTTs and revenues. However, CCC expects that contracts signed in 2024–2025 and 2025–2026 and their related delivery commitments will replace the gap created by the ending of the ABP program over the planning horizon.

Although CCC will maintain a relatively steady workforce level at 132 FTE throughout the planning period, overall expenses are expected to increase with inflation and regular salary adjustments over the same timeframe, which will be partially offset by efficiencies and cost reduction plans. This increase is largely a reflection of the impact of increased labour costs, balanced with CCC's prudent approach to resource and expenditure management. This includes \$6.1 million in reductions mandated by the Government of Canada as part of its Budget 2023 expenditure reduction requirement for Crown corporations and agencies.

In light of the record VCS performance in 2024–2025, as well as ongoing emerging opportunities for Canadian companies in the defence and clean energy infrastructure sectors identified in early 2025–2026, CCC may face budget pressures to deliver on these growing opportunities and newly signed contracts under management within the 2025–2026 Corporate Plan targets. CCC may be required to make future expenditures to support its risk conscious approach to contract structuring opportunities and to execute those contracts.

Historical Information

The five-year trends in selected financial metrics (VCS, CTT and Fees for service) presented below are followed by five-year trends in Comprehensive Income and Equity.














Value of Contracts Signed, Commercial Trading Transactions, and Fees for service

CCC uses the value of contracts signed (VCS) to represent the value of contracts and amendments signed during a reporting period. It measures the total value of goods or services to be delivered over the entire duration of a contract, therefore it represents the full contract value at the time the contract is signed.

Commercial trading transactions (CTTs) are not recognized as revenue. CTT data is captured to measure the Corporation's impact on the Canadian economy and as the main driver of the fees for service revenue. CCC's fees for service revenues are generally commensurate with CTT.

Management's Discussion and Analysis as at March 31, 2025

Over the five-year period starting April 1, 2020, and ending March 31, 2025, CCC signed \$14.3 billion in new export contracts with Canadian companies and facilitated the delivery of \$15.4 billion in goods and services from Canada to governments around the world. During the period, CCC earned \$108.4 million in fees for service. Of note, CCC's fees from the ABP program account for \$36.9 million (34%) of the total fees earned over the period. As this program winds down, CCC continues to invest in targeted growth and efficiencies to offset the expected revenue loss. Generally, trends in VCS and CTTs are correlated and subject to contract-by-contract timing differences between when contracts are signed and deliveries under contract are made. Trends in CCC's Fees for service are typically commensurate with CTT deliveries.

VCS, CTT, Fees for service (\$'000s)	Trend	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	5 Year Total
VCS		\$ 1,345,669	\$ 1,393,517	\$ 2,265,295	\$ 3,165,125	\$ 6,117,365	\$ 14,286,971
DPSA		921,685	867,839	884,989	1,083,282	2,072,807	5,830,602
International Prime		402,245	465,775	903,806	1,826,133	2,747,006	6,344,965
Sourcing		21,739	59,903	476,500	255,710	1,297,552	2,111,404
CTT		\$ 2,921,315	\$ 2,445,487	\$ 3,551,502	\$ 3,602,117	\$ 2,833,659	\$ 15,354,080
DPSA		850,043	803,913	764,928	870,462	1,038,337	4,327,683
International Prime		376,526	380,552	984,775	796,476	460,279	2,998,608
ABP Program		1,674,629	1,200,810	1,470,830	1,580,490	776,807	6,703,566
Sourcing		20,117	60,212	330,969	354,689	558,236	1,324,223
Fees for service		\$ 18,400	\$ 14,076	\$ 27,497	\$ 27,128	\$ 21,262	\$ 108,363
International Prime		6,619	4,795	16,140	14,713	13,549	55,816
ABP Program		9,666	6,841	7,768	8,597	4,031	36,903
Sourcing		2,115	2,440	3,589	3,818	3,682	15,644

Disaggregation of five-year total VCS

These contracts were signed across CCC's three main lines of business, with exporters from across Canadian industrial sectors, to meet the needs of government buyers from around the world.

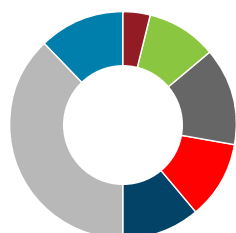
By business line



Business line	\$ millions	%
International Prime	6,345	44%
Sourcing	2,111	15%
DPSA	5,831	41%
	14,287	100%

Over the five-year period, CCC signed 41% of new contracts (totaling \$5.8 billion) under the DPSA business line. Of new business, 59% (totaling \$8.5 billion) was conducted under the IPC and Sourcing business lines with the Government of Canada and various governments around the world.

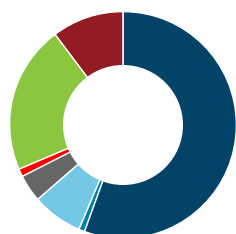
By Canadian exporter industry sector



Industry sector	\$ millions	%
Advanced Manufactured Goods & Services	585	4%
Agriculture	1,424	10%
Other	2,022	14%
Aerospace	1,505	11%
Construction / Infrastructure	1,567	11%
Defence	5,448	38%
ICT	1,736	12%
	14,287	100%

CCC entered into export contracts with Canadian exporters from various industrial sectors. Of the new contracts (totaling \$14.3 billion), 61% were concentrated in the Defence, Aerospace, and Information, Communications and Technology sectors.

By foreign government buyer region








Buyer region	\$ millions	%
North America	7,909	55%
North America (Caribbean)	128	1%
North America (Central America)	986	7%
South America	596	4%
Africa	171	1%
Europe	3,064	21%
Asia	1,431	10%
	14,287	100%

Buyers in North America and Europe accounted for the majority of new contracts signed during the five-year period. Buyers in North America accounted for 63% (\$9.0 billion) and buyers in Europe accounted for 21% (\$3.1 billion).

Comprehensive Income and Equity position

Over the five-year historical period, CCC earned positive Comprehensive Income in four of five years and increased its equity from \$22.1 million in 2020–2021 to \$75.1 million in 2024–2025. CCC intends to maintain an equity base that will withstand the effects of the current economic and trade environment, international business headwinds, and contractual timing differences that can result in potential revenue shocks and/or operating losses. When considering the issuance of a dividend to the Government of Canada, CCC's Board of Directors considers these matters and the Corporation's financial sustainability, working capital or cash position, and future financial requirements related to capital investments and risk coverage.

Total comprehensive income (loss) (\$000s)	Trend	2020–2021	2021–2022	2022–2023	2023–2024	2024–2025
Revenues						
Fees for service		\$ 18,400	\$ 14,076	\$ 27,497	\$ 27,128	\$ 21,262
Finance and other income		395	443	7,053	12,087	23,306
		18,795	14,519	34,550	39,215	44,568
Government funding						
		4,000	13,000	13,000	13,962	13,792
Expenses						
Administrative expenses		23,746	24,228	27,577	29,473	37,870
Finance costs		228	229	217	212	260
		23,974	24,457	27,794	29,685	38,130
Gain (loss) on foreign exchange		(658)	(111)	762	(59)	828
Net profit (loss)		(1,837)	2,951	20,518	23,433	21,058
Other comprehensive income (loss)		14	30	21	27	–
Total comprehensive income (loss)		\$ (1,823)	\$ 2,981	\$ 20,539	\$ 23,460	\$ 21,058

Equity (\$000s)	Trend	2020–2021	2021–2022	2022–2023	2023–2024	2024–2025
Equity – beginning of the year		\$ 23,914	\$ 22,091	\$ 25,072	\$ 44,611	\$ 64,071
Total comprehensive income (loss)		(1,823)	2,981	20,539	23,460	21,058
Dividends paid to Government of Canada		–	–	(1,000)	(4,000)	(10,000)
Equity – end of the year		\$ 22,091	\$ 25,072	\$ 44,611	\$ 64,071	\$ 75,129

CCC'S Commitment to Risk Management

CCC's Enterprise Risk Management (ERM) program and framework were enhanced in 2024–2025 to provide a more robust and strategic corporation-wide approach that reflects the increasing complexities of our multi-year projects. The revised framework, which will be continuously updated to reflect new and emerging risk profiles, delivers sharper risk definitions and greater coherence with overall risk mapping. The Corporation also added capacity to the Risk Management team, including a Senior Director of Risk Management, to oversee CCC's risk management program.

Changes to the framework include more robust project-level risk registers and an enhanced approach to transactional risk assessments that establishes clear accountabilities for each risk category and reinforces mitigation strategies, plans, and measurable actions. These changes were supported by comprehensive, organization-wide training to ensure consistent understanding and application across all departments.

CCC monitors fifteen risks under three broad risk categories: entity-wide, corporate, and contracting. Reviewed by the Board of Directors on an annual basis, the renewed ERM framework includes guidance on risk governance, strategic objective setting, performance, communications, and reporting.

Risk Governance

Enterprise risk management (ERM) within CCC begins with engaging the Board of Directors in the Corporation's ERM program. The fifteen risks outlined in CCC's ERM framework are regularly reviewed and monitored by Board committees.

Prior to Board review, risk is principally managed through the Senior Management Committee's (SMC) monthly meetings and the separate bi-weekly Risk and Opportunities Committee (ROC) meeting to review contracting risks facing the organization. ROC also reviews export transactions based on contract size and the inherent risk present in the transaction.

CCC's portfolio of export transactions present risks that are managed within the business units (first line of defence), monitored through the Legal and Risk teams (second line of defence), and ultimately audited by internal and external auditors (third line of defence).

Key risks facing CCC

The risks discussed below exist within the context of a complex business environment that reflects the continued war in Ukraine, global instability, and the tendency towards greater protectionism within CCC's key markets.

FINANCIAL (ENTITY-WIDE)

This risk relates to the possibility that CCC fails to maintain a financial position sufficient to meet its liquidity requirements or long-term sustainability goals, resulting in financial losses, damage to reputation, legal exposure, and CCC's inability to continue operating as a going concern.

CCC receives an appropriation for its activities in support of the DPSA, however all other business lines must generate sufficient income to be financially sustainable. A revenue gap may develop if new and recurring fee-generating business is not secured. While expected forecasts show revenue stability, the timing and certainty of export contract awards can swing significantly due to events outside of CCC's control. CCC manages this volatility through sound financial forecasting and expense management.

REPUTATION (ENTITY-WIDE)

This risk relates to the possibility that CCC fails to conduct its activities in a manner that protects CCC's reputation with stakeholders or that fails to mitigate events, incidents, or transactions that give rise to ministerial-level concerns resulting in financial losses, legal exposure, or going concern issues.

CCC conducts its activities in a manner that protects its reputation with domestic and international stakeholders and mitigates events, incidents, or transactions that could raise ministerial-level concerns. The Board is informed of these situations as they arise. This risk is also reduced through strong contracting due diligence that integrates environmental, social and governance (ESG) best practices, including responsible business conduct (RBC).

DATA GOVERNANCE (CORPORATE)

This risk relates to the possibility that CCC fails to effectively protect its commercial, defence-related, employee or other sensitive information (electronic and paper based), resulting in unauthorized access or distribution of information leading to injury or loss, buyer or exporter damages, security breaches, financial losses, damage to reputation, and legal exposure.

CCC manages sensitive information acquired from exporters and foreign buyers. It also generates its own sensitive information through corporate activities such as those related to human resource management. In 2024, an updated Enterprise Data Governance program was launched to ensure that sensitive corporate and stakeholder data continues to be identified, collected, organized, protected and stored to prevent unauthorized access. Governance over this information falls to the cross-functional Information Management/Information Technology Steering Committee, which meets monthly and is focused on implementing the Corporation's Information Management and Data Governance program.

HUMAN RESOURCES (CORPORATE)

This risk relates to the possibility that CCC fails to attract, retain, develop and motivate highly skilled employees with the required skill sets to effectively deliver its services (external and internal facing), resulting in inability to achieve its corporate objectives, inability to operate, financial losses, damage to reputation, and legal exposure.

In 2023, CCC launched a strategic three-year Human Resources plan to ensure appropriate skill sets and staff levels are available to support CCC's operations. CCC maintains its retention target at or above 85%. CCC actively manages this risk through enhanced human resource management, reporting and oversight. The Corporation regularly reviews its talent requirements and capabilities and makes workforce adjustments as needed to ensure the right capability is in place to respond to increasingly complex contracts.

In addition, CCC performs ongoing workforce review to ensure any retirement or succession risks are effectively managed and mitigated.

Other risks managed by CCC

In addition to the risks discussed above, the Corporation's ERM program manages the following risks.

ENTITY-WIDE RISKS

The following entity-wide risks are those that may impede the Corporation's ability to meet its overall objectives.

Mandate

This risk relates to CCC operating beyond its legislated mandate. Ministerial direction, through the annual *Statement of Priorities and Accountabilities*, provides the general framework around which the Corporation's Corporate Plan is developed.

The Corporate Plan outlines the business activities and corporate strategies to be undertaken over the course of the five-year planning period. The SMC and the ROC provide the internal governance structures that ensure the Corporation remains within these parameters.

Responsible business conduct (RBC)

This risk relates to the possibility that CCC's activities may lead to a) issues related to bribery, corruption, or fraud; b) human rights impacts; and/or c) environmental degradation, resulting in any or all of the following: financial losses, damage to reputation, and legal exposure to stakeholders.

CCC manages responsible business conduct risks by aligning with Government of Canada policy on human rights issues; conducting due diligence that mitigates bribery, corruption, or fraud in CCC's operations; and adhering to the Canadian Impact Assessment Act and, where appropriate, requirements of international financial institutions and foreign government in CCC's prime contracts. During the year, CCC continued to promote its "Code for Exporters", reflecting CCC's commitment to ESG principles and support for the UN Sustainable Development Goals. The Code outlines CCC's expectations with respect to labour and human rights, health and safety, environmental protection, transparent and responsible supply chains, and compliance with laws including those prohibiting bribery and corruption. It applies to all exporters working with CCC, their employees, and subcontractors. In addition, CCC's Integrity Compliance and Human Rights Committees continue to mature their processes to mitigate the possibility of negative consequences of entering into problematic export transactions. Lastly, ongoing RBC training for employees ensures that ESG principles remain top of mind while CCC looks to undertake new export contracts.

CORPORATE RISKS

This refers to risks related to CCC's data governance, information systems, people, policies/procedures, and business continuity planning. The following corporate risks are managed at the business and functional unit level and are the responsibility of the vice-presidents.

Facility and personnel security

This risk relates to the possibility that CCC fails to effectively safeguard its people, facilities, and continuous delivery of essential services, resulting in personal injury or loss of life, financial losses, damage to reputation, and legal exposure.

CCC secures its facility and personnel in accordance with the Government of Canada's *Policy on Government Security*. Regardless of the external situation, CCC has multiple redundancies in place to either work remotely or leverage our Government of Canada partner's offices.

Information systems availability and resilience

This risk relates to the possibility that CCC fails to maintain access to critical business information systems, interrupting business operations, resulting in financial losses, damage to reputation, and legal exposure.

In the event of an interruption to CCC's critical business information systems, CCC ensures availability of all critical business information systems within two days of the event.

Cybersecurity

This risk relates to the possibility that CCC fails to protect its information technology systems from cyberattack, resulting in the inability to continue operations, loss of sensitive information, financial losses, damage to reputation, and legal exposure. CCC's security threat level reflects its role in supporting the Government of Canada's Ukrainian aid program, which could lead to increased foreign interference.

CCC ensures its enterprise cyber risk management maintains a maturity Level 2.5 (Managed) on the NIST cybersecurity framework. The objective is to increase to maturity Level 3.5 (over three years/by 2026–2027) by implementing CCC's Cybersecurity Roadmap and as measured through periodic reviews and audits. In addition, CCC's membership in the Canadian Centre for Cybersecurity Awareness ensures the Corporation is notified of any threats, real or perceived, and amplifies CCC's ongoing evaluation and adaptation of systems and processes.

Ongoing cybersecurity and information management training and exercises aim to ensure that employees well-informed and able to manage these risks appropriately.

Fraud

This risk relates to the possibility that a CCC employee(s) conducts an intentional act for personal benefit while conducting CCC business (including collusion and corruption) and that CCC's internal controls framework is not designed or operating effectively to prevent and detect these fraudulent activities from occurring, resulting in financial losses, damage to reputation, and legal exposure.

CCC has robust internal controls in place to limit risks related to fraud, including a whistleblower policy. Furthermore, the Corporation regularly engages in tabletop exercises to evaluate security preparedness. This includes regular training campaigns with all CCC employees to detect and avoid external and internal fraudulent activities.

Climate

This risk relates to the possibility that CCC is unable to deliver services or maintain its own internal operations due to climate-related events or to achieve net-zero emissions by 2030, resulting in financial losses, damage to reputation, and legal exposure.

CCC has implemented procedures (e.g., new BCP and enhanced remote work capabilities) that support business continuity to mitigate the impact of climate related disruptions.

CONTRACTING RISKS

This category of risk managed by CCC reflects the risks related to export transactions. CCC understands the need to protect its shareholder by effectively and prudently managing these risks. The following contracting risk is assessed prior to entering export contracts.

Policies, processes, and contracting

This risk relates to the possibility that CCC fails to establish effective policies and processes to deliver on its mandate, which results in the ineffective delivery of CCC's services (internal and external facing) leading to financial losses, damage to reputation, and legal exposure. This risk is mitigated through effective onboarding and enhanced training, supervision, and monitoring.

Although CCC manages its operations in compliance with its policies as assessed through reviews and audits, management is also undertaking a review of CCC's contracting processes to ensure that optimal efficiencies are in place.

Contract execution

This risk relates to the possibility that CCC fails to execute necessary lead qualification, contract structuring, and contract management requirements in accordance with its policies and processes.

CCC undertakes significant pipeline monitoring, which includes a HR ramp-up plan to move forward with planned staffing, directed training related to professional qualifications, internal job shadowing, and collaboration to share experience (e.g., a lessons learned matrix). Likewise, CCC has effective pursuit teams. CCC ensures that its staff is trained and has the capability to effectively carry out their duties related to contract execution.

Senior management provides appropriate supervision and risk-mitigation oversight throughout the various contract execution phases.

Supplier performance

This risk relates to the possibility that a supplier fails to deliver the contracted goods and/or services to CCC as per the terms and conditions of the domestic contract, resulting in financial losses, damage to reputation, and legal exposure.

CCC conducts a thorough risk assessment of the managerial, technical, and financial capacity of each supplier. Management closely monitors and reports on exporter performance on a risk-based approach for each contract.

Foreign buyer and/or third-party performance

This risk relates to the possibility that a foreign buyer or third party (e.g. financial institution) fails to execute as per the terms and conditions of their contract, resulting in financial losses, damage to reputation, and legal exposure.

Through monitoring and mitigation as needed, CCC facilitates foreign buyer and/or third-party performances. The Board shall be notified when an Issues Management Team is created pursuant to the Contract Management Instruction.

Climate Related Financial Risk Disclosures

Governance

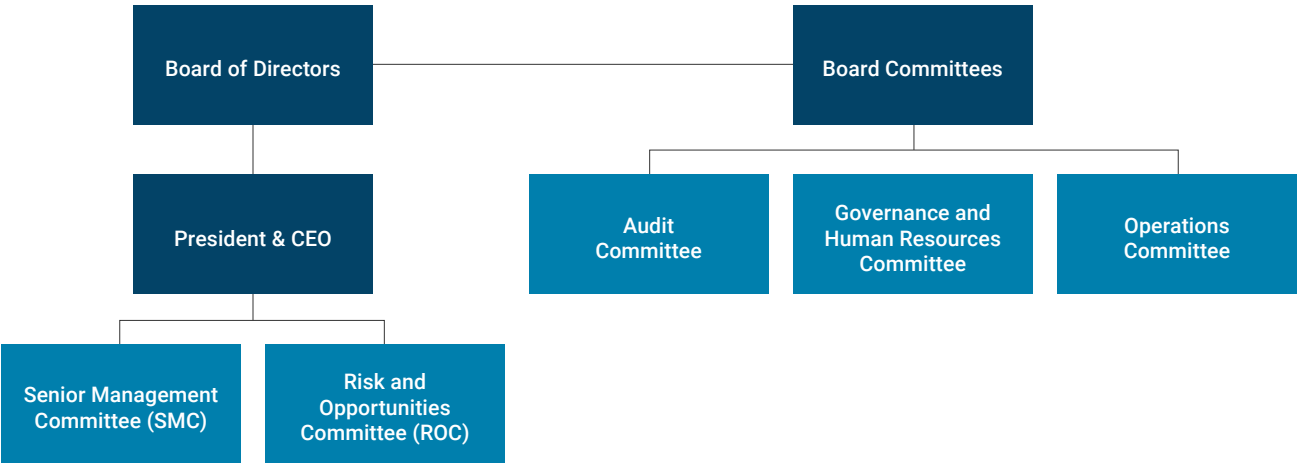
Robust governance is a critical part of CCC's objectives. These include embedding strong ESG practices into every aspect of the Corporation's activities.

The Corporation's governance approach incorporates stakeholders at all levels of the organization, beginning with the Board of Directors, which oversees ESG efforts and contributes to the evolution of CCC's strategy.

The Board is responsible for setting the strategic direction of CCC, ensuring that ESG considerations are woven into the Corporation's long-term goals. This includes regular reviews of ESG initiatives, assessing their alignment with corporate strategy, and providing guidance on best practices to enhance sustainability efforts.

Management, through the Risks and Opportunities Committee (ROC), establishes the risk management program and related structures that are essential for identifying, assessing, and mitigating risks associated with climate change. The ROC is composed of members with diverse expertise, allowing for a well-rounded approach to risk management. This committee collaborates closely with other departments to ensure that climate change considerations are integrated into operational practices and that the Corporation is prepared to address emerging challenges.

CCC has integrated its Climate Change Risk Assessment Framework into its existing policy framework. CCC's governance is defined in its Enterprise Risk Management Framework Policy.



Strategy

Due to CCC’s nature to act mostly as a commercial intermediary, the risks and opportunities discussed below are largely indirect. CCC’s options to influence the risks directly will be limited, however the Corporation is exploring secondary measures to help mitigate these risks, including finding new markets and diversifying the current portfolio of offerings.

CCC has identified the following as primary climate-related risks and opportunities impacting the Corporation.

RISKS

Increased pricing of GHG emissions, enhanced emissions reporting requirements, and increased regulation of products and services will all threaten the competitiveness of Canadian goods and services in the international markets.

Increased scrutiny towards certain sectors may also contribute to increased reputational risk for CCC.

OPPORTUNITIES

The availability and emergence of new products/services and green energy sources may provide opportunities for CCC to grow its existing portfolio and access new markets.

Risk Management

CCC’s climate risk management is incorporated into its existing Enterprise Risk Management (ERM) framework, as well as into the ROC’s mandate.

The ERM framework seeks to manage risk through the following steps:



Each new project opportunity is presented to and assessed by the ROC for potential risks (including climate-related risks), likelihood and impact. These risks are then assessed against CCC's range of tolerance and risk appetite. Based on these factors, the ROC recommends to SMC and/or the Board on whether the contract should be accepted, rejected, or modified to reduce the Corporation's exposure. Once assessed, the ROC prioritizes and ranks the risks and develops mitigation strategies which are submitted to Management and/or the Board for further consideration.

All identified risks (including climate-related risks) are captured in the Corporation's risk registers, and aggregated into a quarterly risk management report, which is presented to the Audit Committee and Board of Directors.

Metrics and Targets

In alignment with directives from the Treasury Board of Canada Secretariat and the current federal government strategy to reduce its environmental impact and transition to low carbon, climate resilient operations, the Corporation is committed to improving our environmental footprint.

CCC calculates its greenhouse gas (GHG) emissions in alignment with the Greenhouse Gas Protocol. The Corporation is currently in the process of establishing targets to manage climate-related risks.

Scope	Activities	Tonnes of carbon dioxide equivalent (tCO ₂ e)	
		2023–2024	2024–2025
Scope 1	Stationary Combustion	–	–
Scope 2	Electricity	–	–
Scope 3	Purchased Goods and Services	691	649
	Capital Goods	2	1
	Fuel and Energy	42	33
	Waste	9	4
	Business Travel	275	246
	Employee Commuting	31	55
	Upstream Leased Assets	24	26
Total		1,074	1,014

For the base year 2023–2024, Purchased Goods and Services were the largest contributors to CCC's emissions, representing 64%. This is primarily driven by consulting services (32%), rent and related expenses (26%) and the contract management services of Public Services and Procurement Canada (20%).

Results distribution for the year 2024–2025 were consistent with that identified in the base year, with slight improvements made throughout the different activities.

CCC is committed to net-zero, climate resilient operations in line with government of Canada Commitments. The Corporation is working to evaluate and establish targets in significant areas of operations that will be reported in the 2025–2026 Annual Report.

Financial statements

63 Management responsibility for financial statements

64 Independent Auditor's Report

68 Financial Statements as at March 31, 2025

Statement of Financial Position 68

Statement of Comprehensive Income 69

Statement of Changes in Equity 70

Statement of Cash Flows 71

72 Notes to the Financial Statements

1. Nature, organization and funding 72

2. Basis of preparation 72

3. Material accounting policy information 76

4. Cash and cash equivalents 87

5. Accounts receivable 88

6. Other assets 88

7. Property and equipment 89

8. Right-of-use assets 90

9. Accounts payable and accrued liabilities 90

10. Deferred revenue 91

11. Lease liabilities 91

12. Employee benefits 93

13. Capital management 94

14. Risk management and financial instruments 95

15. Revenue from contracts with customers 98

16. Other income 99

17. Government funding 99

18. Operating and administrative expenses 100

19. Related party transactions 100

20. Contingencies 103



Management responsibility for financial statements

The financial statements of the Canadian Commercial Corporation and all information presented in this annual report are the responsibility of management. The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, using management's best estimates and judgments, where appropriate. Financial information presented elsewhere in the annual report is consistent with the financial statements.

In support of its responsibility, management has developed and maintains books of account, records, financial and management controls, information systems and management practices. These are designed to provide reasonable assurance as to the integrity and reliability of financial information, that assets are safeguarded and controlled, and that transactions of the Corporation are in accordance with the *Financial Administration Act* (FAA) and regulations and, as appropriate, the Canadian Commercial Corporation Act, the by-laws of the Corporation, and the directives issued pursuant to Section 89 of the FAA.

The Audit Committee of the Board of Directors oversees management's responsibilities for maintaining adequate control systems and the quality of financial reporting. The Audit Committee meets with management and the internal and external auditors to review the manner in which these groups are performing their responsibilities and to discuss auditing, internal controls and other relevant financial matters. The Audit Committee has reviewed the financial statements with the external auditor and has submitted its report to the Board of Directors. The Board of Directors has reviewed and, on recommendation by the Audit Committee, has approved the financial statements.

The Corporation's external auditor, the Auditor General of Canada, conducts an independent audit of the financial statements in accordance with Canadian generally accepted auditing standards, and expresses an opinion on the financial statements.



Bobby Kwon
President and
Chief Executive Officer



Juliet Woodfield
Vice-President of Corporate Services
and Chief Financial Officer

Ottawa, Canada
June 4, 2025



Office of the
Auditor General
of Canada

Bureau du
vérificateur général
du Canada

INDEPENDENT AUDITOR'S REPORT

To the Minister of International Trade

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Canadian Commercial Corporation (the Corporation), which comprise the statement of financial position as at 31 March 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at 31 March 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

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

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a

material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Compliance with Specified Authorities

Opinion

In conjunction with the audit of the financial statements, we have audited transactions of the Canadian Commercial Corporation coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are Part X of the *Financial Administration Act* and regulations, the *Canadian Commercial Corporation Act*, the by-laws of the Canadian Commercial Corporation, and the directives issued pursuant to Section 89 of the *Financial Administration Act*.

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

Responsibilities of Management for Compliance with Specified Authorities

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

- 4 -

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

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

A handwritten signature in black ink, appearing to read 'Sophie Bernard', with a stylized, cursive script.

Sophie Bernard, CPA
Principal
for the Auditor General of Canada

Ottawa, Canada
4 June 2025



Statement of Financial Position

As at March 31	Notes	2025	2024
ASSETS			
Current assets			
Cash and cash equivalents	4	\$ 595,248	\$ 279,922
Accounts receivable	5, 14	72,431	11,586
Other assets	6	1,683	901
		669,362	292,409
Non-current assets			
Property and equipment	7	7,543	1,564
Right-of-use assets	8	2,337	4,329
		9,880	5,893
Total assets		\$ 679,242	\$ 298,302
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	9, 14	\$ 50,030	\$ 92,269
Advances		545,262	136,005
Deferred revenue	10	3,762	2,529
Lease liabilities	11	294	171
Employee benefits	12	467	685
		599,815	231,659
Non-current liabilities			
Lease liabilities	11	4,298	2,572
		4,298	2,572
Total liabilities		604,113	234,231
EQUITY			
Contributed capital		10,000	10,000
Retained earnings		65,129	54,071
Total equity		75,129	64,071
Total liabilities and equity		\$ 679,242	\$ 298,302
Lease commitments	11		
Contingencies	20		

The accompanying notes are an integral part of the financial statements.

Authorized for issue by the Board of Directors on June 4, 2025



Douglas J. Harrison
Chair, Board of Directors



Guy Desrochers
Chair, Audit Committee

Statement of Comprehensive Income

For the year ended March 31	Notes	2025	2024
REVENUES			
Fees for service	15	\$ 21,262	\$ 27,128
Finance income		23,152	11,956
Other income	16	154	131
		44,568	39,215
GOVERNMENT FUNDING			
Parliamentary appropriation	17	13,792	13,962
		13,792	13,962
EXPENSES			
Operating and administrative expenses	18	37,870	29,473
Finance costs	11	260	212
		38,130	29,685
Net profit before gain (loss) on foreign exchange		20,230	23,492
Gain (loss) on foreign exchange		828	(59)
Net profit		\$ 21,058	\$ 23,433
OTHER COMPREHENSIVE INCOME ITEMS THAT WILL NOT BE RECLASSIFIED TO NET PROFIT			
Actuarial gain on employee benefits obligation		–	27
Total comprehensive income		\$ 21,058	\$ 23,460

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Equity

For the year ended March 31, 2025	Note	Contributed Capital	Retained Earnings	Total
BALANCE MARCH 31, 2024		\$ 10,000	\$ 54,071	\$ 64,071
Net profit			21,058	21,058
Total comprehensive income			21,058	21,058
Dividend	13		(10,000)	(10,000)
BALANCE MARCH 31, 2025		\$ 10,000	\$ 65,129	\$ 75,129

For the year ended March 31, 2024	Note	Contributed Capital	Retained Earnings	Total
BALANCE MARCH 31, 2023		\$ 10,000	\$ 34,611	\$ 44,611
Net profit			23,433	23,433
Actuarial gain on employee benefits obligation			27	27
Total comprehensive income			23,460	23,460
Dividend	13		(4,000)	(4,000)
BALANCE MARCH 31, 2024		\$ 10,000	\$ 54,071	\$ 64,071

The accompanying notes are an integral part of the financial statements.

Statement of Cash Flows

For the year ended March 31	Notes	2025	2024
OPERATING ACTIVITIES			
Net profit		\$ 21,058	\$ 23,433
Adjustments to determine net cash from (used in) operating activities:			
Depreciation property and equipment	7	1,327	816
Depreciation right-of-use assets	8	1,992	1,460
Employee benefit recovery		(195)	(167)
Employee benefit payments		(23)	(128)
Foreign exchange gain on cash and cash equivalents		(4,530)	(788)
Gain on lease termination	11, 18	–	(2,488)
Change in working capital from:			
Accounts receivable	5, 14	(60,845)	1,484
Other assets	6	(782)	(137)
Accounts payable and accrued liabilities	9, 14	(42,001)	65,737
Advances		409,257	(53,552)
Deferred revenue	10	1,233	1,169
Cash provided by operating activities		326,491	36,839
INVESTING ACTIVITIES			
Acquisitions of property and equipment	7	(7,544)	(361)
Cash used in investing activities		(7,544)	(361)
FINANCING ACTIVITIES			
Principal repayment of lease liabilities	11	(352)	(535)
Lease incentive	11	2,201	–
Lease termination fee	11	–	(2,846)
Dividend paid	13	(10,000)	(4,000)
Cash used in financing activities		(8,151)	(7,381)
Effect of exchange rate changes on cash and cash equivalents		4,530	788
Net increase in cash and cash equivalents		315,326	29,885
Cash at the beginning of the year		279,922	250,037
Cash and cash equivalents at the end of the year		\$ 595,248	\$ 279,922
Supplementary disclosure of cash flows from operating activities			
Amount of interest received		\$ 22,505	\$ 11,834
Amount of interest paid		\$ 190	\$ 137

The accompanying notes are an integral part of the financial statements.

1. Nature, organization and funding

The Canadian Commercial Corporation (the Corporation) was established in 1946 by the *Canadian Commercial Corporation Act* (CCC Act). The Corporation is wholly owned by the Government of Canada and is an agent Crown corporation listed in Part I of Schedule III of the *Financial Administration Act* (FAA). The Corporation is accountable for its affairs to Parliament through the Minister of International Trade (the Minister). The Corporation is domiciled and operates in Canada with a head office located at 350 Albert Street, Ottawa, Ontario.

The Corporation acts as the prime contracting agency for Canadian exporters when foreign governments, international organizations, or foreign private sector buyers wish to purchase products and services from Canada through the Government of Canada. The Corporation enters into prime contracts with these foreign buyers and into corresponding domestic contracts with Canadian exporters. Additionally, the Corporation enters into certain sourcing services agreements to procure goods and services for international end users on behalf of the Government of Canada and foreign governments.

The Corporation's operations are funded by Fees for service, supplemented by parliamentary appropriation from the Government of Canada.

In September 2008, the Corporation, together with a number of other Crown corporations, was issued a directive (P.C. 2008-1598) pursuant to Section 89 of the FAA, entitled *Order giving a direction to parent Crown corporations involved in commercial lending to give due consideration to the personal integrity of those they lend to or provide benefits to in accordance with Government's policy to improve the accountability and integrity of federal institutions*. The Corporation implemented the directive effective January 1, 2010, and has remained compliant with the directive since then.

In July 2015, the Corporation was issued a directive (P.C. 2015-1110) pursuant to section 89 of the FAA to align its travel, hospitality, conference and event expenditure policies, guidelines and practices with Treasury Board policies, directives and related instruments on travel, hospitality, conference and event expenditures in a manner that is consistent with its legal obligations, and to report on the implementation of this directive in the Corporation's next corporate plan. The Corporation implemented the directive in August 2016 and has remained compliant with the directive since then.

The Corporation is not subject to the provisions of the *Income Tax Act*.

2. Basis of preparation

a) Compliance with IFRS Accounting Standards

These financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board as at, and for the year ended March 31, 2025.

b) Basis of measurement

The financial statements have been prepared on the historical cost basis, except for, as permitted by IFRS and to the extent material, the following items:

- Accrued employee benefit liabilities for post-employment and other long-term employee benefit plans are recognized at the present value of the defined benefit obligations.

c) Use of estimates and judgments

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities, the disclosure of contingent assets and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results may differ significantly from estimates, resulting in significant differences in the related financial statement balances.

Estimates and underlying assumptions are reviewed on an ongoing basis and in detail as at the date of the financial statements. Any changes in estimates are reflected in the financial statements in the period in which they become known and in any future periods affected.

KEY SOURCES OF ESTIMATION UNCERTAINTY

The key sources of estimation uncertainty during the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year, are discussed below:

i) Impairment of accounts receivable and unbilled revenue

When measuring expected credit loss for its accounts receivable and unbilled revenue, the Corporation uses historical credit loss experience as well as assesses whether there are any changes in the foreign buyers' credit risk by incorporating forward-looking information that is available without undue cost or effort. Changes such as a significant deterioration in the foreign buyers' external credit rating, adverse changes in the foreign buyers' financial or economic conditions or the impact of any unresolved contract issues would affect the amount of expected credit loss and the carrying value of accounts receivable and unbilled revenue. Further information on the Corporation's determination of expected credit loss is provided in note 3(g).

ii) Property and equipment

Property and equipment with finite useful lives, are depreciated over their useful lives. Useful lives are significant inputs used in developing management's estimates of the periods of service and subsequent depreciation of the assets. The useful lives of these assets are reviewed annually for continued appropriateness. Changes to the useful life inputs would affect the timing of future depreciation expense and the future carrying value of assets. The carrying amounts of the property and equipment as at the end of the reporting periods are included in note 7.

iii) Assumptions used to determine the carrying value of employee benefits

The determination of the Corporation's employee benefit obligation depends on certain assumptions, which include selection of the discount rate, seniority and promotional salary increases, withdrawal rates, rates of retirement, pensionable disability, mortality, and longevity improvement factors, taken from the actuarial report on the pension plan for the Public Service of Canada. The underlying assumptions adopted in measuring the employee benefit obligation are reviewed annually by management. Changes in these assumptions can have a significant impact on the carrying value of the Corporation's employee benefits liability. Further information on the Corporation's employee benefits is provided in note 12.

iv) Unsatisfied (or partially unsatisfied) performance obligations

Unsatisfied, or partially unsatisfied, contractual performance obligations are mostly due to services which are yet to be provided by the Corporation over the remaining duration of the contract. The actual amounts may differ from the estimated transaction prices allocated to unsatisfied, or partially unsatisfied contracted performance obligations due to a variety of factors, including the unpredictable nature of customer behaviour, industry regulation, and the economic and political environments in which the Corporation operates. Further information on the Corporation's unsatisfied or partially unsatisfied performance obligations is provided in note 15(b).

v) Provisions and contingent liabilities

The need for a provision for contract remediation expenses or other contract related liabilities is analyzed as at the date of the Statement of Financial Position. A provision is recognized when the Corporation has a present obligation (legal or constructive) as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate can be made of the amount of the obligation. The Corporation may also need to disclose a contingent liability, which is a possible legal or constructive obligation that arises from a past event, or a present legal or constructive obligation that arises from a past event but is not recognized because it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the obligation cannot be made. In determining a reliable estimate of the obligation, management must make assumptions about the amount and likelihood of outflows, the timing of outflows and the discount rate to use. Should the actual amount or timing of the outflows deviate from the assumptions made by management, there could be a significant impact on the Corporation's liabilities. Further information on the Corporation's provisions and contingent liabilities is provided in note 3(j).

vi) Allocation of expenses to administer the DPSA

The allocation of expenses to administer the Defence Production Sharing Agreement program (DPSA) is based on resources utilized for its administration. The estimation of how the Corporation utilizes its resources across its various business lines is reviewed periodically for continued appropriateness. Changes to how the Corporation utilizes its resources would affect the allocation of expenses to the DPSA and therefore, could impact the amount of revenue recognized related to parliamentary appropriation from the Government of Canada as the funding is to be used exclusively for the costs of administering the DPSA. Further information on the allocation of expenses to the DPSA and the related parliamentary appropriation from the Government of Canada is provided in the "Judgments" section of the current note, in note 3(b) and note 17.

JUDGMENTS

The following are critical judgments that management has made in applying the Corporation's accounting policies and that have the most significant effect on the amounts recognized in the financial statements:

i) Determination of the accounting, amount and timing of revenue recognition and related expenses

Management uses judgment in determining that the Corporation is acting as an agent in its revenue transactions as goods and services are delivered directly from the Canadian exporter to the foreign buyer, without the Corporation controlling them prior to the transfer to the foreign buyer. Reporting as an agent results in the most faithful representation of the economic benefit to the Corporation from these transactions.

The Corporation has also determined that it has one performance obligation in its contracts with customers and that revenue is recognized over time as performance obligations are satisfied to earn Fees for service. Management has also determined that its performance obligations recognized over time are measured using an output method based on contract milestone events or time elapsed depending on the terms and conditions of contracts. For additional information on the accounting policies impacted by these judgments, refer to note 3(a).

ii) Cost recovery transactions

Management uses judgment in determining the most appropriate method of accounting for cost recovery components of certain contracts. Reporting as an agent, in situations whereby the Corporation receives funds for reimbursement of expenses on a cost recovery basis, the funds received are accounted for as an offset to expenses.

iii) Allocation of indirect expenses related to the administration of DPSA

Management uses judgment in determining that the most appropriate method of allocating indirect expenses to the administration of the DPSA is based on the DPSA's proportionate share of direct salaries and benefits. Indirect expenses allocated to the DPSA, which are included in the Corporation's Operating and administrative expenses, impact the recognition of revenue related to parliamentary appropriation from the Government of Canada, as revenue is recognized in the period when the related expenses are incurred, and the current year funding is to be used exclusively for the costs of administering the DPSA (see note 3(b) and note 17).

iv) Impairment of accounts receivable and unbilled revenue

The Corporation measures a loss allowance on accounts receivable and unbilled revenue equal to the lifetime expected credit loss. The amount of expected credit loss is updated at each reporting date to reflect changes in credit risk and judgement is required in assessing whether the credit risk on a financial asset has increased or decreased significantly. In its assessment, management considers the risk of a default occurring on the accounts receivable and unbilled revenue at the reporting date by considering the Corporation's history of credit losses with the foreign buyer, the ageing of the accounts receivables, the impact of any unresolved contract issues related to accounts receivable and unbilled revenue, as well as determining the potential impact of an improvement or deterioration of a foreign buyer's credit rating or changes in the foreign buyer's financial or economic condition on the Corporation's expected credit loss. Further information on the Corporation's determination of expected credit loss and the corresponding allowance is provided in note 3(g) and note 14(a).

v) Right-of-use assets and lease liabilities

Management has used judgment when determining the following for right-of-use assets and lease liabilities:

- Whether a contract contains a lease or a service, and whether it conveys the right to control the use of an identifiable asset for a period of time in exchange for consideration. Factors used by management to determine whether a contract meets the definition of a lease include, but are not limited to:
 - Whether an identified asset exists – the asset may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset cannot be identified;
 - Whether a right exists to obtain substantially all the economic benefits, and;
 - Whether the Corporation has the right to direct the use of the asset. The Corporation has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.
- The appropriate lease term, in consideration of early termination or extension options, is to be considered in measurement of the lease liability. In making this assessment, management considers a number of factors, including past practice, market conditions, recent leasehold improvements, the economic benefits of exercising the options and contract specific termination clauses. The Corporation reassesses whether or not an option would be reasonably certain to be exercised when a significant event or significant change in circumstances occurs.

- The appropriate incremental borrowing rate (IBR) to discount the lease payments, when the interest rate implicit in the lease is not readily determinable. The IBR is the rate of interest that the Corporation would have to pay to borrow funds over similar terms and with similar security to obtain an asset of similar value to the underlying asset of the lease. The Corporation's IBR is based on the yields of zero-coupon Government of Canada bonds with durations approximating the lease term adjusted for the Corporation's financing spread.
- The appropriate term over which the right-of-use asset should be depreciated; and whether existing right-of-use assets are subject to impairment. Some indicators of impairment that management may consider include changes in the current and expected future use of the right-of-use asset and obsolescence or physical damage to the right-of-use asset. Further information on the Corporation's lease liabilities and right-of-use assets are provided in note 3(i).

vi) Provisions and contingent liabilities

In determining whether an item is recognized in the financial statements as a provision or disclosed as a contingent liability in the notes, management must exercise judgment. Such judgments include whether the obligation is a present obligation or a possible obligation, whether it is probable that an outflow of resources will be required to settle the obligation, and whether a reliable estimate of the obligation can be made. In making this determination, management may use past experience, prior external precedents and the opinion and views of legal counsel. Further information on the Corporation's provision and contingent liabilities are provided in note 3(j).

d) Functional and presentation currency

The Corporation's functional and presentation currency is the Canadian dollar.

3. Material accounting policy information

The material accounting policy information of the Corporation are summarized below. These policies have been consistently applied to all periods presented, unless otherwise stated.

The Corporation operates under a unique business model. The Corporation is the prime obligor on all contracts with foreign government buyers (prime contract), in order to provide them with the Government of Canada guarantee on performance. Canadian exporters, through a domestic contract which includes all specifications of the prime contracts, perform the execution of the work specified in those prime contracts. The funds received from the foreign buyer, except the Fees for service portion, are remitted by the Corporation to the Canadian exporters. Since goods and services are delivered directly from the Canadian exporter to the foreign buyer, without the Corporation controlling them prior to transfer to the foreign buyer, management has concluded that the Corporation is an agent for the purposes of financial reporting under the *IFRS 15 – Revenue from contracts with customers (IFRS 15)* accounting standard. Although reporting as an agent, the Corporation maintains its performance guarantee towards foreign buyers. For Government of Canada initiatives, the Corporation also reports as an agent when entering into sourcing services contracts on behalf of other government organizations.

a) Contracts

The following section discusses revenue recognition policies for contracts generating Fees for service for the Corporation.

FEES FOR SERVICE REVENUE

Performance Obligations

The Corporation has performance obligations to earn Fees for service revenue. These performance obligations, as well as other revenue recognition related items and balances, by type of contract are described as follows:

International Prime Contracts

International Prime Contract performance obligations are established via the domestic contracts with Canadian exporters. For these contracts, the Corporation has identified one performance obligation, which is the promise to perform all activities required for the Canadian exporter to obtain payment under the terms and conditions of the prime contract. Since the Corporation has concluded that it has one performance obligation on these contracts, there is no requirement for allocation of the transaction price to multiple performance obligations.

The transaction price for the Fees for service revenue is generally established as a percentage of the value of the prime contract. Fees for service are negotiated with Canadian exporters and represent the transaction price to satisfy the performance obligation the Corporation has towards the Canadian exporter.

Fees for service are recognized over time as the Corporation performs activities required to satisfy its performance obligation to the Canadian exporter. This occurs throughout the life of the contracts as the Canadian exporters receive the benefits from the Corporation's services. Fees for service are measured as a percentage of amounts billed to the foreign buyer once the Corporation has completed all its activities required for the Canadian exporter to obtain payment. Once a payment is received from the foreign buyer, the Corporation flows the funds to the Canadian exporter, net of Fees for service, based on the payment terms stipulated within the domestic contract. Any amounts received from a foreign government buyer which are due to the Canadian exporter at the end of the reporting period are included in Accounts payable as a liability.

Accounts receivable primarily represent amounts due to the Corporation from foreign buyers. These amounts can include fees earned for services provided to Canadian exporters which are collected from the payments made by foreign buyers. Accounts receivable also includes amounts not related to fees but rather amounts that the Corporation has paid to Canadian exporters prior to receiving the corresponding amount from foreign buyers.

As part of International Prime Contracts, the Corporation has Concessions contracts for electronic lotteries provided by a Canadian exporter in various countries. Under this program, the Corporation has one performance obligation to the Canadian exporter, which is to leverage its capacity as a Government of Canada organization to manage prime contracts for electronic lotteries with foreign governments over the term of the contract, allowing the Canadian exporter to benefit from these operations abroad and earn revenues.

The transaction price for the lottery programs contains a fixed and variable consideration portion. The fixed portion is included in the transaction price at contract inception and recognized as revenue over time and measured on a straight-line basis. Since the variable consideration portions depend on future ticket sales performance and cannot be reliably estimated at contract inception, the revenues are assessed at the end of each reporting period and recognized as a change in the transaction price. Since there is only one performance obligation, there is no allocation of the transaction price to multiple performance obligations.

Sourcing

The Corporation acts as an agent on behalf of Government of Canada departments or agencies to provide sourcing services in support of international assistance programs and for procurement contracts with other Government of Canada entities.

The Corporation has identified one performance obligation to Government of Canada departments or agencies to earn Fees for service, which is to provide ongoing assistance and maintain resources available over the term of Supply Arrangement Agreements (SAAs).

The transaction price for these agreements contains a fixed portion and, in some cases, a variable portion. The fixed portion and the variable portion, for which the likelihood of a revenue reversal arising from uncertain future events is low, are included in the transaction price at contract inception. Other variable considerations, for which the likelihood of a revenue reversal is uncertain, are assessed at the end of each reporting period with revenue recognized as changes in the transaction price in the period when the amount becomes certain. Since the Corporation has one performance obligation under SAAs, there is no requirement for allocation of the transaction price to multiple performance obligations.

Due to the nature of these contracts, Fees for service revenue is recognized over time and measured on a straight-line basis, in the year they are earned as the Corporation's performance obligation is satisfied.

DPSA

The Corporation administers, on behalf of the Government of Canada, the Defence Production Sharing Agreement (DPSA), a bilateral defence trade agreement with the United States of America. Reporting as an agent, the Corporation does not report the sale of goods and provision of services from DPSA contracts. However, the Corporation still reports the flow of funds between the foreign buyer and Canadian exporters under these contracts. This may impact the Corporation's balances of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and advances at the end of a reporting period as a result of timing differences between the receipt of cash from the foreign buyer and payment to the Canadian exporters. Additionally, per terms and conditions of the DPSA agreement, the Corporation does not receive Fees for service on DPSA contracts. Operating and administrative expenses incurred by the Corporation in administering the DPSA are funded by the Government of Canada.

UNBILLED REVENUE ASSETS AND DEFERRED REVENUE LIABILITIES

Unbilled revenues are financial assets representing the Corporation's right to receive Fees for service for the completion of performance obligations that are not yet billed as at the reporting date. Unbilled revenues are included in Other assets on the Statement of Financial Position.

Deferred revenue liabilities represent consideration for amounts invoiced to customers for which Fees for service revenue have not yet been earned and are accounted for as non-monetary balances.

When the same contract has both Unbilled revenue assets and Deferred revenue liabilities, they are presented on a net basis.

ADVANCES

Advances are financial liabilities and represent funds received from foreign buyers and others being held by the Corporation for future payments to Canadian exporters and others. The Corporation recognizes the advances received from foreign buyers and others as advance liabilities which are reduced as amounts become payable to Canadian exporters and others.

b) Government funding

PARLIAMENTARY APPROPRIATION

A parliamentary appropriation that is not in the nature of contributed capital is recognized as revenue in the year for which it is appropriated, once authorized by the Parliament of Canada. An appropriation that is restricted by legislation and related to expenses of future periods is deferred and recognized as revenue in the period when the related expenses are incurred.

The parliamentary appropriation is to be used exclusively for expenses related to the administration of the DPSA. Any unused appropriation at the end of a fiscal year is to be returned to the government.

An authorized parliamentary appropriation used for the purchase of property and equipment is deferred and amortized on the same basis as the related asset.

c) Finance income

Finance income represents interest earned on cash and cash equivalent balances held during the year, and interest charged to foreign buyers related to late payments. Finance income is presented net of interest paid on cash and cash equivalent balances held on behalf of foreign buyers or Canadian exporters as per terms and conditions of the underlying contract with the Corporation.

d) Other income and early payments made to exporters

Other income is comprised mainly of income from early payments made by the Corporation to Canadian exporters for work performed but not yet due for payment by the foreign buyer. Early payments are made primarily to DPSA related exporters but can also be made to non-DPSA exporters as well. The early payments are paid to Canadian exporters at discounted amounts and recorded as an accounts receivable in the Statement of Financial Position, at which time the discounting income is also recognized by the Corporation as earned. The accounts receivable is reduced as amounts are collected from the foreign buyer or recovered from the Canadian exporter. The amount that early payments are discounted is determined by applying a varying percentage based on the number of days of early payment. Additionally, other income also includes miscellaneous amounts mostly related to contract related adjustments.

e) Foreign currency translation

Monetary assets, liabilities and period-end accruals denominated in foreign currencies are translated into Canadian dollars at the period-end exchange rates. Revenues and expenses are translated at the average monthly exchange rate. Non-monetary liabilities denominated in foreign currencies that are measured at historical cost using the exchange rate at the date of the transaction are not retranslated. Revenues recognized from the derecognition of non-monetary liabilities are translated using exchange rate in effect at the time the related non-monetary liabilities were recognized. Any gains or losses on foreign currencies are recorded as a gain or loss on foreign exchange within profit or loss in the Statement of Comprehensive Income.

f) Fair value measurement

All financial assets and liabilities are initially recognized on the Statement of Financial Position at fair value. The fair value of a financial asset or liability is the price that would be received to sell an asset or paid to transfer a liability between market participants at the measurement date. Subsequent to initial recognition, fair value is determined by using observable market data based on a three-level hierarchy as follows:

Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Corporation has the ability to access at the measurement date.

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3 – Inputs that are unobservable as a result of little if any market activity. Inputs into the determination of fair value that require significant management judgment or estimation.

The fair value of accounts receivable, unbilled revenues, advances and accounts payable and accrued liabilities approximates their carrying value due to their relative short-term nature.

g) Financial instruments

The term "financial instrument" is defined as any contract that gives rise to a financial asset of one party and a financial liability or equity instrument of another party.

All financial assets and liabilities (including assets and liabilities designated at amortized cost or fair value through profit or loss) are recognized initially on the date at which the Corporation becomes a party to the contractual provisions of the instrument.

The Corporation derecognizes a financial asset when the contractual rights to receive the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Corporation is recognized as a separate asset or liability.

The Corporation derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial assets and liabilities are offset, and the net amount is presented in the Statement of Financial Position only when the Corporation has a legal right to offset the amounts and intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

NON-DERIVATIVE FINANCIAL INSTRUMENTS

i) Cash and cash equivalents

Cash and cash equivalents held during the year include cash, demand deposits and temporary investments, maturing in less than three months from acquisition date and are recorded at fair value, net of any bank overdrafts. When applicable, the cash equivalents are considered to be highly liquid, readily convertible to cash and are subject to an insignificant risk of changes in value. All interest income, and realized gains and losses are recognized in finance income in the period in which they arise. The fair value of cash and cash equivalents approximates their carrying value, due to their short-term maturity, and are held to manage cash flow requirements. The Corporation earns income on cash balances not required for immediate operational needs. The Corporation has designated its cash and cash equivalents as financial assets at fair value through profit or loss. The changes in fair value of cash and cash equivalents denominated in foreign currencies are recognized in the period incurred as a gain or loss on foreign exchange within profit or loss in the Statement of Comprehensive Income.

ii) Accounts receivable

Accounts receivable are classified at amortized cost, which are initially recognized at fair value. Subsequent to initial recognition, the carrying value of accounts receivable are measured at amortized cost using the effective interest method, less any impairment losses. The Corporation has contractual recourse, in all material respects, whereby the Canadian exporter assumes the risk of non-payment from the foreign buyer for goods and services on contracts.

However, in the unlikely event a foreign buyer would default on contractual payments, the Corporation would not collect Fees for service from Canadian exporters until a favourable settlement has been received from the foreign buyer. As a Crown corporation created to support Canadian exporters, the Corporation shares the risk of non-payment from foreign buyers with the Canadian exporters that directly impacts the Corporation's collectability of Fees for service. The Corporation monitors the ageing of accounts receivable as well as the impact of any unresolved contract issues on accounts receivable and should a provision become necessary, it would be recognized in the Corporation's financial statements.

iii) Accounts payable and accrued liabilities, and advances

Accounts payable and accrued liabilities, and advances are classified at amortized cost and are initially recognized at fair value. Subsequent to initial recognition the carrying value of these financial liabilities are measured at amortized cost using the effective interest method.

IMPAIRMENT OF ACCOUNTS RECEIVABLE AND UNBILLED REVENUES

The Corporation measures a loss allowance on accounts receivable and unbilled revenues equal to the lifetime expected credit loss. Lifetime expected credit loss represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. The amount of expected credit loss is updated at each reporting date to reflect changes in credit risk of the respective financial asset. The expected credit losses on accounts receivable and unbilled revenues are estimated based on the Corporation's historical credit loss experience adjusted for factors specific to foreign buyers or other entities including credit risk rating, general economic conditions, an assessment of both the current and forecasted direction of conditions at the reporting date, as well as the impact of any unresolved contract issues on the collectability of accounts receivable and unbilled revenue. The allowance for expected credit loss is related to credit risks identified that are associated to individual accounts receivable balances.

i) Changes in credit risk

In assessing whether the credit risk on a financial instrument has increased or decreased significantly, the Corporation considers the risk of a default occurring on the financial instrument at the reporting date. In making this assessment, the Corporation considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes actual and forecasted economic information from various external sources regarding the foreign buyer.

In particular, the following information is taken into account when assessing whether credit risk has increased or decreased significantly:

- An actual or expected significant improvement or deterioration in the foreign buyer's external credit rating;
- Existing or forecast changes in financial or economic conditions that are expected to cause a significant increase or decrease in the foreign buyer's ability to meet its contractual obligations; and
- Any unresolved contract issues that may impact the settlement of financial assets.

In relation to the foreign environment in which it operates, it is normal for the Corporation to encounter delays in collecting certain accounts receivable, therefore, the Corporation has rebutted the presumption that there have been significant increases in credit risk when its accounts receivable are more than 30 days past due.

ii) Write-off policy

The Corporation writes off a financial asset when there is information indicating that there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Corporation's recovery procedures. Any recoveries made are recognized within profit or loss in the Statement of Comprehensive Income.

h) Property and equipment

Property and equipment are recorded at cost less accumulated depreciation and accumulated impairment losses. When components of an item of property and equipment have different useful lives, they are accounted for as separate items of property and equipment.

Property and equipment include costs associated with information systems hardware and operating systems, leasehold improvements, and furniture and equipment. These amounts include any costs directly attributable to bringing the asset to the Corporation and in the condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is calculated based on the cost of an asset less its residual value over the useful life of the asset. Information systems hardware and operating systems as well as furniture and equipment are depreciated, once available for use, on a straight-line basis over their estimated useful life of three to four years and five years respectively. Leasehold improvements are depreciated on a straight-line basis over the lesser of the useful life and the remaining term of the lease agreement.

Gains and losses on the disposal of an item of property and equipment are determined by comparing the proceeds with the carrying amount and are recognized within profit or loss in the Statement of Comprehensive Income for the period.

The useful life and depreciation method of an asset is reviewed at each fiscal year-end and, if expectations differ from previous estimates, the resulting change(s) in depreciation will be accounted for as a change in an accounting estimate.

IMPAIRMENT OF PROPERTY AND EQUIPMENT

Property and equipment with finite useful lives are reviewed for impairment at each reporting date to determine if there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated, and an impairment loss is recognized to the extent the carrying amount of the asset exceeds the estimated recoverable amount. The recoverable amount is calculated as the higher of an asset's fair value less costs to sell and its value in use.

Impairment losses recognized in prior periods are assessed at the end of each reporting period to determine if there is any indication that the impairment no longer exists or has decreased. If there is indication that it decreased or is eliminated, then the Corporation will estimate the new recoverable amount, and an impairment reversal will be recognized. The increased carrying amount attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset(s) in prior years. This reversal amount will be recognized within profit or loss in the Statement of Comprehensive Income.

i) Right-of-use assets and lease liabilities

RIGHT-OF-USE ASSETS

At the inception of a contract, the Corporation assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period in time in exchange for consideration. If a lease is identified, the Corporation recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured as the sum of:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the lease commencement date, less any lease incentives received;
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset, or to restore the underlying asset or the site on which it is located to the condition required by the terms and conditions of the lease.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for certain remeasurement of the lease liability, if any.

The right-of-use asset is depreciated over the lesser of the estimated useful life of the underlying asset or the lease term on a straight-line basis. The lease term includes periods covered by an option to extend the lease if the Corporation is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Corporation is reasonably certain not to exercise that option.

LEASE LIABILITIES

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Corporation's incremental borrowing rate (IBR).

The lease payments included in the measurement of the lease liability are comprised of the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- fixed payments (including in-substance fixed payments, if any), less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under residual value guarantees;
- the exercise price of a purchase option if it is reasonably certain that the Corporation will exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Corporation exercising an option to terminate the lease.

Variable lease payments that do not depend on an index or rate, and are not in-substance fixed, are not included in the measurement of the lease liability and, subsequently, the right-of-use asset. These payments are recognized as an expense in the period in which they occur.

The IBR is the rate of interest that the Corporation would have to pay to borrow funds over similar terms and with similar security to obtain an asset of similar value to the underlying asset of the lease. The Corporation's IBR is based on the yields of zero-coupon Government of Canada bonds with durations approximating the lease term adjusted for the Corporation's financing spread.

The lease liability is subsequently measured at amortized cost using the effective interest rate method. It is remeasured whenever:

- There is a change in the lease term, including a change in the assessment of whether an extension option will be exercised, in which case the lease liability is remeasured by discounting the revised lease payments on the basis of the revised lease term using a revised discount rate;
- The payments change due to changes in an index or rate, or a change in expected payments under a residual value guarantee, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate; and
- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The Corporation has elected to apply the following practical expedients:

- Apply a single discount rate to a portfolio of leases with similar characteristics.
- Not recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.
- Account for lease components and non-lease components as a single lease component.

j) Provisions and contingent liabilities

The need for a provision for contract remediation expenses or other contract related liabilities is analyzed as at the date of the Statement of Financial Position. Contract remediation expenses may be incurred by the Corporation if the Canadian exporter fails to fulfill its domestic contract obligations to the Corporation. The Corporation is responsible for ensuring that the terms of the prime contract with the foreign buyer are fulfilled regardless of the performance by the Canadian exporter. Contract remediation expenses and the associated provision are determined on a contract-by-contract basis, and may include completion, re-procurement, associated legal and other costs that are based on quotes or reliable estimates.

A provision is recognized when the Corporation has a present obligation (legal or constructive) as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate can be made of the amount of the obligation.

To the extent material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability. If it is determined that an outflow of resources is no longer probable to settle the obligation, then the provision will be reversed.

k) Employee benefits

POST-EMPLOYMENT BENEFITS

Substantially all of the employees of the Corporation are covered by the public service pension plan (the "Plan"), a contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the Corporation to cover current service costs. Pursuant to legislation currently in place, the Corporation has no legal or constructive obligation to pay further contributions with respect to any past service or funding deficiencies of the Plan. Consequently, contributions are recognized as an operating and administrative expense within profit or loss in the Statement of Comprehensive Income in the year when employees have rendered service.

The Government of Canada holds a statutory obligation for the payment of benefits relating to the Plan. Pension benefits generally accrue up to a maximum period of 35 years at an annual rate of 2% of pensionable service times the average of the best five consecutive years of earnings. The benefits are coordinated with Canada/Québec Pension Plan benefits, and they are indexed to inflation.

OTHER LONG-TERM EMPLOYEE BENEFITS

As provided under labour contracts and conditions of employment, employees are permitted to accumulate unused sick leave. However, such leave entitlements are non-vesting and can only be used in the event of illness. The cost of this other long-term employee benefit is accrued as employees render the services necessary to earn them. The valuation of the liability is based on a discount rate determined by reference to market yields at the end of the reporting period on high-quality corporate bonds. Actuarial gains or losses are considered workforce compensation and related expenses and are recognized as incurred in operating and administrative expenses within profit or loss in the Statement of Comprehensive Income.

A full actuarial valuation of the outstanding sick leave benefits obligation is performed annually.

OTHER EMPLOYEE BENEFITS

The federal government sponsors a variety of other future benefit plans from which employees and former employees may benefit during employment or upon retirement. The Public Service Health Care Plan and the Corporation's Dental Plan are the two principal plans available to employees and retirees of the Corporation. The Corporation's responsibility with regard to these two plans is limited to its contributions, which are considered workforce compensation and related expenses and are recorded as operating and administrative expenses within profit or loss in the Statement of Comprehensive Income.

I) Application of new and revised International Financial Reporting Standards

STANDARDS ADOPTED EFFECTIVE APRIL 1, 2024

There was no impact on the Corporation's financial statements as a result of amendments adopted in the current year.

STANDARDS AND AMENDMENTS NOT YET IN EFFECT

The following new standards, amendments and annual improvements issued by the IASB have been assessed as having a potential effect on the Corporation in the future.

In April 2024, the IASB issued a new standard, *IFRS 18 – Presentation and Disclosure in Financial Statements*. This standard sets out the requirements for the presentation and disclosure of information in the general-purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. This standard is effective for annual periods beginning on or after January 1, 2027, and may result in the presentation of additional subtotals in the statement of comprehensive income, as well as additional disclosure, especially as it relates to management-defined performance measures.

In May 2024, the IASB issued amendments to *IFRS 9 – Financial Instruments* and *IFRS 7 – Financial Instruments: Disclosures* which clarify the classification of financial assets with environmental, social and corporate governance and similar features, and clarify the treatment of the settlement of liabilities through electronic payment systems. The amendments are effective for annual periods beginning on or after January 1, 2026, and are not expected to have a significant impact on the Corporation's financial statements.

4. Cash and cash equivalents

Cash and cash equivalents balances include advances received from foreign buyers and others not yet paid to Canadian exporters and, when applicable, amounts held back from Canadian exporters to be remitted at later dates in accordance with the terms and conditions of contracts. Also, see note 14 for a description of the Corporation's revolving line of credit.

The components of cash and cash equivalents were as follows as at March 31:

	2025	2024
Cash	\$ 568,740	\$ 254,734
Notice deposits	26,508	25,188
Cash and cash equivalents	\$ 595,248	\$ 279,922

As of March 31, 2025, in connection with agreements with foreign buyers, CCC holds cash of \$66.6 million (2024: \$58.6 million) in separate bank accounts for the benefit of those foreign buyers. The Corporation has judged that although it has certain contractual responsibilities regarding the administration of these bank accounts, it does not have control of the future economic benefits relating to this cash. As such, the Corporation has not recognized this cash as an asset of the Corporation nor has it recorded a corresponding advance amount within liabilities. In addition, the Corporation does not recognize any interest income earned on this cash balance.

Cash and cash equivalents had the following balances by currency as at March 31:

	2025		2024	
	Original currency	Canadian dollars	Original currency	Canadian dollars
Canadian dollars	545,193	\$ 545,193	140,188	\$ 140,188
U.S. dollars	33,275	47,837	101,282	137,217
Euros	1,390	2,159	931	1,360
Chinese renminbi	300	59	6,178	1,157
		\$ 595,248		\$ 279,922

5. Accounts receivable

Accounts receivable include amounts that are due to the Corporation for Fees for service invoiced and yet to be collected, amounts due from foreign buyers related to amounts already paid to Canadian exporters and other amounts primarily from Canadian government organizations. These amounts are based on normal international trade terms and are generally non-interest bearing.

The Corporation's accounts receivable consisted of the following as at March 31:

	2025	2024
Accounts receivable	\$ 71,769	\$ 10,314
Accrued receivables	662	1,272
	\$ 72,431	\$ 11,586

The currency profile of the Corporation's accounts receivable was as follows as at March 31:

	2025		2024	
	Original currency	Canadian dollars	Original currency	Canadian dollars
Canadian dollars	37,498	\$ 37,498	5,312	\$ 5,312
U.S. dollars	24,299	34,933	4,631	6,274
		\$ 72,431		\$ 11,586

Credit and market risks related to accounts receivable are disclosed in note 14.

6. Other assets

The Corporation's other assets included the following as at March 31:

	2025	2024
Unbilled revenues	\$ 1,193	\$ 141
Prepaid expenses	490	760
	\$ 1,683	\$ 901

7. Property and equipment

For the year ended March 31, 2025	Furniture and Equipment	Leasehold improvements	Information systems-hardware	Total
Cost				
Balance March 31, 2024	\$ 1,001	\$ 3,232	\$ 995	\$ 5,228
Additions*	694	6,557	55	7,306
Disposals	(1,001)	(2,802)	–	(3,803)
Balance March 31, 2025	\$ 694	\$ 6,987	\$ 1,050	\$ 8,731
Accumulated depreciation				
Balance March 31, 2024	\$ 1,001	\$ 1,981	\$ 682	\$ 3,664
Depreciation	69	1,143	115	1,327
Disposals	(1,001)	(2,802)	–	(3,803)
Balance March 31, 2025	\$ 69	\$ 322	\$ 797	\$ 1,188
Carrying amounts				
Balance March 31, 2024	–	\$ 1,251	\$ 313	\$ 1,564
Balance March 31, 2025	\$ 625	\$ 6,665	\$ 253	\$ 7,543

* Included in additions are non-cash transactions of \$33.

For the year ended March 31, 2024	Furniture and Equipment	Leasehold improvements	Information systems-hardware	Total
Cost				
Balance March 31, 2023	\$ 1,001	\$ 2,802	\$ 793	\$ 4,596
Additions*	–	430	202	632
Balance March 31, 2024	\$ 1,001	\$ 3,232	\$ 995	\$ 5,228
Accumulated depreciation				
Balance March 31, 2023	\$ 1,001	\$ 1,289	\$ 558	\$ 2,848
Depreciation		692	124	816
Balance March 31, 2024	\$ 1,001	\$ 1,981	\$ 682	\$ 3,664
Carrying amounts				
Balance March 31, 2023	–	\$ 1,513	\$ 235	\$ 1,748
Balance March 31, 2024	–	\$ 1,251	\$ 313	\$ 1,564

* Included in additions are non-cash transactions of \$271.

8. Right-of-use assets

The Corporation's leasing activities relate to office space.

A reconciliation of the Corporation's right-of-use assets is as follows:

	2025	2024
Balance at the beginning of the year	\$ 4,329	\$ 2,644
Additions	–	2,546
Remeasurement	–	599
Depreciation	(1,992)	(1,460)
Balance at the end of the year	\$ 2,337	\$ 4,329

9. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities represent amounts due related to the Corporation's operating and administrative expenses, amounts due to Canadian exporters from amounts received from foreign buyers and other miscellaneous amounts due. These amounts are due on normal trade terms.

The Corporation's accounts payable and accrued liabilities consisted of the following as at March 31:

	2025	2024
Accounts payable	\$ 45,583	\$ 88,138
Accrued liabilities	4,447	4,131
	\$ 50,030	\$ 92,269

The currency profile of the Corporation's accounts payable and accrued liabilities was as follows as at March 31:

	2025		2024	
	Original currency	Canadian dollars	Original currency	Canadian dollars
Canadian dollars	37,785	\$ 37,785	6,903	\$ 6,903
U.S. dollars	8,516	12,243	62,970	85,311
Chinese renminbi	8	2	30	6
Euros	–	–	33	49
		\$ 50,030		\$ 92,269

Market and liquidity risks related to accounts payable and accrued liabilities are disclosed in note 14.

10. Deferred revenue

A reconciliation of the Corporation's deferred revenue is as follows:

	2025	2024
Balance at the beginning of the year	\$ 2,529	\$ 1,360
Plus: additional deferred revenue	4,391	3,403
Less: amounts recognized as Fees for service	(3,159)	(2,230)
Impact of netting unbilled and deferred revenue from same contract	1	(4)
Balance at the end of the year	\$ 3,762	\$ 2,529

11. Lease liabilities

The Corporation's leasing activities relate to office space.

In November 2014, the Corporation entered into a fifteen-year lease agreement for office space at the Corporation's current location. The lease payments commenced on December 1, 2016, and the lease was set to expire at the end of November 2031 with options to either terminate earlier or extend the term of the lease. These options were not included in the initial measurement of the right-of-use asset and lease liability, since at contract inception, CCC was not reasonably certain to exercise either option.

Notes to the Financial Statements as at March 31, 2025
(in thousands of Canadian dollars, unless otherwise indicated)

On February 2, 2024, the Corporation executed a termination lease agreement for its existing office space concurrently entering into a twelve-year lease agreement for new office premises. The new office space was made available for use in March 2024, and the lease expires on June 30, 2036.

As at March 31, 2025, the Corporation has vacated its previous office space, and all associated leasehold improvements and the right-of-use asset have been fully depreciated, and the lease liability has been entirely settled. The new lease has been appropriately reflected in the current lease liability balance.

A reconciliation of the Corporation's lease liabilities is as follows:

	2025	2024
Balance at the beginning of the year	\$ 2,743	\$ 5,467
Additions	–	2,546
Remeasurement	–	(1,889)
Lease termination fee payment	–	(2,846)
Leasehold improvement allowance reimbursement	2,201	–
Interest expense	190	147
Lease payments	(542)	(682)
Balance at the end of the year	\$ 4,592	\$ 2,743

Interest expense related to lease liabilities are included in finance cost. The Corporation's operating and administrative expenses include \$577 (2024 – \$838) related to variable lease payments not included in the measurement of lease liabilities. For the year ended March 31, 2025 and March 31, 2024, there were no significant expenses related to leases of low-value assets and short-term leases for which the recognition exemption has been applied.

The maturity profile of the Corporation's lease liabilities was as follows as at March 31, 2025:

	Total
Less than 5 years	\$ 1,655
5 to 12 years	\$ 2,937
	\$ 4,592

The Corporation is exposed to estimated future cash outflows (undiscounted) of \$6,526 related to variable lease payments. These amounts are not included in the measurement of the Corporation's lease liabilities.

12. Employee benefits

a) Post-employment benefits

Substantially all of the employees of the Corporation are covered by the public service pension plan (the "Plan"), a contributory defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the Corporation. The President of the Treasury Board of Canada sets the required employer contributions based on a multiple of the employee required contributions. The Corporation's current contribution rates effective at year end were 1.01 times the employees' contribution to the Plan for plan members who were participating in the plan prior to January 1, 2013 (2024 — 1.02 times) and 1.0 times for plan members who were participating in the plan on or after January 1, 2013 (2024 — 1.0 times). The Corporation's total contributions for 2025 of \$1,839 (2024 — \$1,675) were recognized as workforce compensation and related expenses under operating and administrative expenses within profit in the Statement of Comprehensive Income in the year when employees have rendered service.

b) Other long-term employee benefits

The Corporation provides accumulating, non-vested sick leave benefits to its employees, as provided for under labour contracts and conditions of employment.

This benefit plan is unfunded and thus has no assets, resulting in plan deficits equal to the accrued benefit obligations.

Information about the sick leave long-term benefit plan is as follows as at March 31:

	2025	2024
Accrued benefit obligations		
Balance at beginning of year	\$ 685	\$ 929
Current service cost	91	119
Past service cost	(372)	—
Interest cost	34	46
Benefits paid	(23)	(57)
Actuarial (gains) losses	52	(352)
Total accrued benefit obligations at end of year	\$ 467	\$ 685

The net actuarial gains for the sick leave benefit plan are included within profit in the Statement of Comprehensive Income.

The reduction in the employee sick leave benefits over the next twelve months are expected to be \$139 (2024 — \$113).

	2025	2024
Economic assumptions		
Accrued benefit obligations as of March 31		
Discount rate	4.39%	4.77%
Rate of economic salary increase	2.00%	2.00%
Benefit costs for year ended March 31		
Discount rate	4.77%	4.81%
Rate of economic salary increase	2.00%	2.00%

13. Capital management

The Corporation's objective with respect to capital management is to operate on a financially self-sustaining basis and deliver on its legislated mandate as a going-concern. This objective, and the implementation of strategies to optimize operating surpluses, ensures that capital is available to meet commitments as they become due; undertake investments to ensure the efficiency and effectiveness of operations; sustain the Corporation's workforce, facilities, systems and processes; and ensure that the Corporation maintains sufficient capital to backstop financial exposures to potential losses related to operational, performance and credit risks.

The Corporation defines capital as its contributed capital received from the Government of Canada and its retained earnings.

The Corporation is not subject to externally imposed capital requirements.

CCC considers four factors in managing its capital and determining financial sustainability: The timing of contractual revenues and expenses, net profit, working capital requirements, and equity position. Key strategies used by the Corporation to manage its capital base include minimizing contract remediation expenses, balancing growth with operating expenses, minimizing foreign exchange exposure and optimizing interest income.

On an annual basis, CCC's Board of directors considers the issuance of a dividend, or other forms of repatriation of capital, to the Government of Canada based on an analysis of CCC's financial sustainability, working capital or cash position, and future financial requirements for investments and risk coverage. As well, at the discretion of the Government of Canada, the Corporation may be required to return to the Government of Canada any part of capital deemed to be in excess of the amount required for the purposes for which the Corporation was constituted.

In June 2024, the Corporation's Board of Directors approved the issuance of a dividend of \$10.0 million which was paid during the current fiscal year.

On June 4, 2025, the Corporation's Board of Directors approved the issuance of a dividend of \$10.0 million payable to its shareholder.

The Corporation's breakdown of the equity was as follows as at March 31:

	2025	2024
Contributed capital	\$ 10,000	\$ 10,000
Retained earnings	65,129	54,071
	\$ 75,129	\$ 64,071

14. Risk management and financial instruments

The Corporation is exposed to credit risk, market risk and liquidity risk as a result of holding financial instruments. The Board of Directors has responsibility for the oversight of the Corporation's risk management framework and the review, approval and monitoring of the Corporation's risk management policies. This includes the development of an Enterprise Risk Management program, which involves establishing corporate risk tolerance, identifying and measuring the impact of various risks and developing risk management action plans to mitigate risks that exceed corporate risk tolerance.

The Audit Committee of the Board of Directors provides oversight of management's compliance with the Corporation's risk management policies and procedures and periodically reviews the adequacy of the risk management framework in relation to the risk exposure of the Corporation. The Audit Committee is assisted in its oversight role by the Internal Audit function of the Corporation. Internal audits of the Corporation are performed as both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The following section is a description of the most significant risks associated with financial instruments and how the Corporation manages its risk exposure.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The credit risk arises principally from the Corporation's cash and cash equivalents, accounts receivable and unbilled revenue which includes Fees for service due to the Corporation. The carrying amount of financial assets recorded in the financial statements represents the maximum exposure to credit risk.

CASH AND CASH EQUIVALENTS

The Corporation invests surplus funds to earn investment income with the objective of maintaining safety of principal and providing adequate liquidity to meet cash flow requirements. During the year, the Corporation's exposure to credit risk from investing cash and cash equivalents is minimized through compliance with the Corporation's Board of Directors approved investment policy, which specifies approved investment instruments and portfolio limits. Per the investment policy, the Corporation is permitted to invest cash and cash equivalents in highly liquid demand deposits and temporary investments with a Canadian chartered bank. Investments must maintain credit ratings at, or above, thresholds identified from at least two of the agencies listed below:

- Moody's rating of P1
- Standard and Poor's (S&P) rating of A1
- Dominion Bond Rating Service (DBRS) rating of R1 (low)

ACCOUNTS RECEIVABLE

The Corporation has credit risk related to accounts receivable which includes Fees for service revenue and other amounts owed to the Corporation. Other amounts include situations where the Corporation may agree to pay DPSA and non-DPSA invoices at the request of Canadian exporters prior to receiving funds from the U.S. Department of Defence or other foreign buyers.

Since the DPSA foreign buyer is rated AAA by recognized rating agencies, the credit exposure is minimized to acceptable levels. For non-DPSA foreign buyers, the Corporation assesses the credit risk to ensure it is also within acceptable levels.

As at March 31, 2025, 98% (March 31, 2024 – 89%) of the Corporation's accounts receivable were from AAA credit rated counterparties.

The Corporation recognized a loss allowance for expected credit loss of nil (2024 – nil), as well as bad debt expense of \$100 (2024 – \$146) related to accounts receivable from foreign buyers and other entities arising from contracts with customers. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The maximum exposure to credit risk for accounts receivable by geographic region was as follows as at March 31:

	2025	2024
Canada	\$ 38,991	\$ 6,655
United States	32,344	3,683
Asia*	1,045	484
Central America and Caribbean	39	135
South America	8	525
Europe	4	–
Africa	–	104
	\$ 72,431	\$ 11,586

* Includes Middle East

Accounts receivable are considered past due when the payer has failed to make the payment by the contractual due date. The ageing profile of the Corporation's past due accounts receivable was as follows as at March 31:

	2025	2024
< 30 days	\$ 19,907	\$ 1,381
> 30 days and < 180 days	36,571	1,555
> 180 days	1,507	281
	\$ 57,985	\$ 3,217

All overdue accounts receivable are considered fully collectable as at March 31, 2025, as it is normal for the Corporation to encounter delays in collecting certain accounts receivable as a result of the foreign environment in which it operates.

b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Corporation is not exposed to significant interest rate risk or other price risk, however, as noted below, does have currency risk exposure.

CURRENCY RISK

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Corporation is exposed to foreign currency risk on its accounts receivable and accounts payable denominated in foreign currencies due to timing differences between their initial recognition and the actual receipt or payment of cash. To address foreign exchange risks, contracts with foreign buyers and corresponding contracts with Canadian exporters are generally transacted in the same currency. In some cases where payment between parties is made in a different currency, the Corporation may enter into forward contracts. Generally, the Corporation uses these strategies to effectively transfer the currency risk to the Canadian exporter.

INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation's exposure to fair-value interest rate risk arises from investing in cash and cash equivalents. The risks associated with fluctuations in interest rates are minimized by investing in highly liquid demand deposits and temporary investments with a reputable chartered bank. The Corporation is not exposed to any significant interest rate risk.

c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is minimized through compliance with the Corporation's investment policy whereby cash and cash equivalents are invested in highly liquid demand deposits and temporary investments with a Canadian financial institution in order to meet financial obligations on a timely basis.

A potential claim for damages for non-performance of outstanding contracts could create liquidity risk for the Corporation. To mitigate this risk, the Corporation has contractual recourse that consists of, in all material respects, back-to-back contractual obligations from Canadian exporters in an amount equal to the value of the contract. In addition, the Corporation receives an indemnity from the exporter against any additional costs incurred by entering into the back-to-back contractual relationship. In order to further mitigate its overall liquidity risk exposure from non-performance on contracts, the Corporation may supplement this recourse by requiring the Canadian exporter to provide commercial securities including holdbacks, bank guarantees, surety bonds, parent guarantees, insurance assignments, property liens, personal guarantees and shareholder cash to be held in trust with the Corporation.

As part of the normal course of business, management assesses the likelihood of any contingent liabilities. Contingent liabilities with respect to certain unresolved contract issues are disclosed in note 20(b).

Under contract terms, other than DPSA related contracts, payments to Canadian exporters are usually not made in advance of receipt of payment from foreign buyers and therefore do not expose the Corporation to liquidity risk.

The CCC Act permits the Corporation to borrow from the Consolidated Revenue Fund or enter into other credit arrangements or indemnities from other sources for an amount not to exceed \$90.0 million.

The Corporation has a revolving credit facility providing access to funds in the amount of \$40.0 million (March 31, 2024 – \$40.0 million) Canadian or its U.S. dollar equivalent. The credit facility is used exclusively for the Corporation's working capital requirements to facilitate payments to Canadian exporters under the DPSA business line.

As per contractual terms in the DPSA business line, the Corporation commits to payments to Canadian exporters within thirty days on most contracts. For the International contracts, the Corporation commits to payments within two to five business days from receipt of payments from the foreign buyer. At times, collection of amounts from the foreign buyer on DPSA contracts can take more than thirty days. This can occasionally result in the Corporation using the credit facility in the normal course of operations. Indebtedness under this agreement is unsecured and this credit facility has an expiry date of June 30, 2025, subject to extension by the Minister of Finance or the approval of a corporate plan. As at March 31, 2025, the draw on this line of credit was nil (March 31, 2024 – nil).

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities are due on normal trade terms. The maturity profile of the Corporation's accounts payable and accrued liabilities was as follows as at March 31:

	2025	2024
< 1 year	\$ 50,030	\$ 92,269
	\$ 50,030	\$ 92,269

15. Revenue from contracts with customers

a) Disaggregation of Fees for service revenue

For the year ended March 31, the sources of the Corporation's Fees for service revenue were as follows:

	2025	2024
International business	\$ 16,771	\$ 22,419
Lottery programs	809	890
	\$ 17,580	\$ 23,309
Government of Canada initiatives	3,682	3,819
	\$ 21,262	\$ 27,128

b) Unsatisfied (or partially unsatisfied) performance obligations

Unsatisfied, or partially unsatisfied, contractual performance obligations are mostly due to services which are yet to be provided by the Corporation over the remaining duration of the contract. The following table sets out the estimated transaction prices allocated to unsatisfied, or partially unsatisfied contracted performance obligations of the Corporation to be met in the future and the estimated timing of revenue recognition as at March 31, 2025. Actual amounts may differ from these estimates due to a variety of factors, including the unpredictable nature of customer behaviour, industry regulation and the economic and political environments in which the Corporation operates.

	2025
< 1 year	\$ 10,168
> 1 year	50,673
	\$ 60,841

The above amounts do not include the variable consideration portions that cannot be reliably estimated.

16. Other income

The Corporation earns other income from various sources which are typically not from international business activities. The table below illustrates the sources of other income for the year ended March 31:

	2025	2024
Discounting income	\$ 87	\$ 72
Miscellaneous income	67	59
	\$ 154	\$ 131

17. Government funding

A parliamentary appropriation of \$13.8 million was authorized for the 2024–2025 fiscal year. This funding is provided through Global Affairs Canada (GAC) and is to be used exclusively for the costs of administration of the DPSA. DPSA costs amounted to \$16.5 million for the 2024–2025 fiscal year.

18. Operating and administrative expenses

Operating and administrative expenses for the year ended March 31 are as follows:

	2025	2024
Workforce compensation and related expenses	\$ 22,703	\$ 19,382
Consultants	4,050	2,699
Depreciation*	3,319	2,276
Contract management services	2,818	2,638
Travel and hospitality	1,826	1,704
Software, hardware and support	1,178	809
Rent and related expenses	925	1,043
Communications	578	675
Other expenses	473	735
Sub-total excl. gain on lease termination	\$ 37,870	\$ 31,961
Gain on lease termination	–	(2,488)
Total Operating and administrative expenses	\$ 37,870	\$ 29,473

* Included in depreciation is accelerated depreciation on right-of-use assets and leasehold improvements resulting from the termination of the lease of \$1,707 (2024 – \$1,138) and \$777 (2024 – \$518), respectively, \$2.5 million in total.

19. Related party transactions

The Corporation is related in terms of common ownership to all Government of Canada departments, agencies and Crown corporations. The Corporation enters into transactions with these entities in the normal course of business, under the same terms and conditions that apply to unrelated parties, and as such the transactions approximate fair value.

The Corporation had the following transactions with related parties in addition to those disclosed elsewhere in the financial statements.

The table below presents related party transactions amounts as at March 31:

	2025	2024
Accounts receivable	\$ 36,600	\$ 4,622
Accounts payable and accrued liabilities	\$ 769	\$ 1,039
Advances from Government of Canada departments and agencies	\$ 507,851	\$ 91,135
Deferred revenue	\$ 3,479	\$ 2,083

Individually significant transactions and transactions that are collectively significant are listed below:

a) Public Services and Procurement Canada (PSPC)

PSPC provides contract management and other administrative services to the Corporation at negotiated rates. The cost of these services included in operating and administrative expenses was as follows for the year ended March 31:

	2025	2024
PSPC	\$ 2,818	\$ 2,638
	\$ 2,818	\$ 2,638

b) Other Government of Canada departments and agencies

Fees for service, arising from the Corporation's facilitation of sales of Canadian goods to foreign buyers and other international activities, include the following transactions with related parties for the year ended March 31:

	2025	2024
Global Affairs Canada	\$ 1,388	\$ 2,012
Department of National Defence	2,293	1,748
Invest in Canada	–	59
	\$ 3,681	\$ 3,819

Advances received from related parties are provided for future projects where the Corporation, acting as agent, will use these funds to compensate suppliers delivering goods or services to other government entities. The Corporation held funds from the following entities as at March 31:

	2025	2024
Department of National Defence	\$ 493,293	\$ 70,315
Global Affairs Canada	14,558	20,820
	\$ 507,851	\$ 91,135

c) Transactions with Canadian exporters solely or jointly governed by key management personnel

The Corporation may enter into supply contracts with Canadian exporters whose financial and operating policies are solely or jointly governed by key management personnel of the Corporation. The Corporation enters into transactions with these Canadian exporters in the normal course of business, under the same terms and conditions that apply to unrelated parties, and as such the transactions approximate fair value.

There were no transactions outstanding with Canadian exporters solely or jointly governed by key management personnel as of March 31, 2025 or March 31, 2024.

d) Key management personnel compensation

IFRS requires disclosure of key management personnel compensation in total and by component. Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Corporation, directly or indirectly. The key management personnel of the Corporation are members of the Board of Directors and the Corporate Officers (President and Vice-Presidents).

Components of compensation are defined as short-term benefits, post-employment benefits, other long-term benefits and termination benefits. Short-term benefits include retainers, per diems, salaries, social security contributions, paid annual leave and bonuses (if payable within twelve months of the end of the reporting period). Post-employment benefits include employer contributions relating to pensions, and premiums paid for post-employment life insurance and medical care. Other long-term benefits include sick leave benefits, long-service leave or sabbatical leave, long-term disability benefits and any bonuses or deferred compensation that are not payable within twelve months after the end of the reporting period. No termination benefits were incurred for key management personnel.

Key management personnel remuneration for the year ended March 31 was as follows:

	2025	2024
Board of Directors		
Short-term benefits	\$ 196	\$ 205
	196	205
Corporate Officers		
Short-term benefits	1,681	1,609
Post-employment benefits	419	363
	2,100	1,972
	\$ 2,296	\$ 2,177

20. Contingencies

a) Collateral

The value of outstanding deliverables to be performed by Canadian exporters for which the Corporation, on behalf of the Government of Canada, has guaranteed performance to foreign government buyers as at March 31, 2025 was \$9.3 billion (March 31, 2024 — \$6.9 billion).

To manage performance risk of outstanding deliverables, the Corporation has contractual recourse that consists, in all material respects, of corresponding deliverables from Canadian exporters in the same amount. The collateral pledged by Canadian exporters is to mitigate counterparty risk to the deliverables guaranteed by the Corporation in the event of non-performance claims against the Corporation for reasons related to the Canadian exporter failing to perform per the terms and conditions of contracts. The types of collateral the Corporation may require the Canadian exporter to provide are various commercial securities including holdbacks, bank guarantees, surety bonds, parent guarantees, insurance assignments, property liens, personal guarantees and shareholder cash held in trust with the Corporation.

As at March 31, 2025, commercial securities that have been pledged to the Corporation as collateral by Canadian exporters in the unlikely event of their contractual non-performance are in the form of parent guarantees totalling \$4.4 billion (March 31, 2024 — \$5.9 billion in the form of parent guarantees) which approximate their fair value.

b) Other contingent liabilities

As part of the normal course of business, management assesses the likelihood of any contingent liabilities. As of March 31, 2025, the Corporation has certain unresolved contract issues that are being actively managed towards resolution. Any financial impact on the Corporation, including the potential for future contract remediation expenses, cannot be reasonably estimated at this time.

Corporate **governance** and **leadership**

- 105** Corporate governance structure
- 105** Board of Directors
- 110** Management team
- 111** Management committees
- 112** Internal audit
- 113** Glossary

CCC maintains a high standard of corporate governance to ensure the prudent management of the resources entrusted to it by the Government of Canada. As a Crown corporation, CCC is governed by a Board of Directors and is accountable to Parliament through the Minister of International Trade.



Corporate governance structure >



Board of Directors >

The Board is responsible for the stewardship of the Corporation and ensures the delivery of its statutory mandate and public policy objectives on behalf of the Government of Canada. It provides leadership and guidance to the Corporation's management team and ensures that the Corporation's long-term strategic direction is in alignment with the Minister of International Trade's annual Statement of Priorities and Accountabilities.

- The Board reviews the Corporate Plan and the Annual Report and submits both to the Minister for review. The Corporate Plan is recommended for approval and once approved by the Treasury Board, the summary of the Corporate Plan and budgets are tabled in Parliament.
- The Board meets quarterly to review the Corporation's overall performance, receive committee reports and discuss CCC's results. The Board bi-annually reviews its performance using outside governance expertise and a defined assessment process.

- The Board has incorporated responsible business conduct considerations, including human rights, into its governance and oversight responsibilities at both the committee and Board level.
- The Board has the legal responsibility to act in the best interests of the Corporation and to exercise due care and diligence. The conduct and actions of Board members are also governed by the > [Ethical and Political Activity Guidelines for Public Office Holders](#). The Board conducts its oversight function through the Operations Committee, the Governance and Human Resources Committee, the Environmental, Social and Governance Committee, and the Audit Committee.

Board membership

The Board is composed of the Chairperson, the President and Chief Executive Officer (CEO), and up to nine directors. Three members of the Board constitute a quorum.

- The Chair, the directors and the President and CEO are appointed by the Governor in Council.
- Board appointments are renewable and there are no term or age limits.

CCC's Board of Directors (alphabetical by first name)



Douglas J. Harrison, Chair
Burlington, Ontario
February 7, 2018
Reappointed: February 7, 2022
Committee(s): Audit (*ex officio*),
Operations (*ex officio*), Governance
and Human Resources (*ex officio*)



Christa Wessel, Director
Toronto, Ontario
July 1, 2019
Reappointed: July 1, 2020
Reappointed: July 1, 2023
Committee(s): Governance and
Human Resources (Chair), Audit



Dyanne Carenza, Director
Montreal, Quebec
June 25, 2018
Reappointed: June 22, 2023
Committee(s): Operations



Guy Desrochers, Director
Candiac, Quebec
December 13, 2021
Committee(s): Audit (Chair)



Julian Ovens, Director
Ottawa, Ontario
December 11, 2020
Reappointed: December 17, 2024
Committee(s): Operations



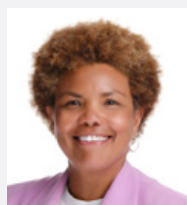
Mark Dienesch, Director
Burlington, Ontario
March 31, 2023
Committee(s): Operations
(Chair, as of Sept. 14, 2023)



Michael Johnson, Director
Whitehorse, Yukon
July 1, 2019
Reappointed: July 1, 2023
Committee(s): Operations,
Governance and Human Resources



Mora Johnson, Director (Note 1)
Ottawa, Ontario
July 1, 2019
Committee(s): Operations,
Governance and Human Resources



Mylène Tassy, Director
Montreal, Quebec
March 22, 2023
Committee(s): Operations



Bobby Kwon Director, President and CEO
Toronto, Ontario
March 8, 2021
Committees: Operations (*ex officio*),
Governance and Human Resources
(*ex officio*)

Board member biographies are available on CCC's website > ccc.ca/en/about/leadership-and-governance/.

As at March 31, 2025

Notes:

1. Although the terms have expired, a director continues to hold office until they are renewed or a successor is appointed. As per section 105 (4) of the FAA, "despite subsection (1), if a director of a parent Crown corporation is not appointed to take office on the expiration of the term of an incumbent director, other than an officer-director, the incumbent director continues in office until his or her successor is appointed."

Board committees

The Board conducts its oversight function through the following committees:

- Audit Committee
- Governance and Human Resources Committee
- Operations Committee

The Board of Directors has sharpened its focus on governance, risk management and strengthening the Corporation's focus on responsible business conduct to assist the Corporation in responding to the evolving risks and opportunities in the global marketplace. In this context, the Board has incorporated human rights into its governance and oversight responsibilities within all committees, as well as the governance oversight provided by the full Board of Directors.

As at March 31, 2025



Audit Committee >



Number of meetings
2024–2025: 6

Chair
Guy Desrochers

Members

Christa Wessel, Douglas Harrison (*ex officio*)

Committee duties:

- Oversees the Corporation's financial affairs, including the financial management of resources, risk management, accurate reporting, and appropriate audit support.
- Evaluates the effectiveness of CCC's enterprise risk management program and recommends enhancements to the Board of Directors for approval.
- Oversees the annual financial audit conducted by the Office of the Auditor General (OAG).
- Oversees the internal audit function, including the annual Internal Audit Plan (CCC's Internal Audit Group reports to the Audit Committee).
- Conducts confidential in camera sessions with the OAG.
- Evaluates and addresses audit findings provided by the OAG and Internal Audit.
- Reports to and collaborates with full Board of Directors to implement key recommendations from audit findings and special examinations.

Key items reviewed in 2024–2025:

- Financial results
- Risk-based internal audit recommendations

Management's actions on risk-based internal audit recommendations

Governance and Human Resources Committee >



Number of meetings
2024–2025: 5

Chair
Christa Wessel

Members

Mora Johnson, Michael Johnson, Douglas Harrison (*ex officio*), Bobby Kwon (*ex officio*)

Committee duties:

- Oversees the development and implementation of strategies, practices and procedures related to the effective operation of the Board, corporate communications, corporate performance management, human resources, and responsible business conduct.
- Annual education and compliance with:
 - *Ethical Guidelines for Public Office Holders and Guidelines for Political Activities of Public Office Holders*, including each director's signing an annual Conflict of Interest Certificate.
 - CCC's *Code of Conduct and Business Ethics*, including written attestation by employees.
- Performs an annual Board self-assessment to identify opportunities to strengthen Board effectiveness and seek further efficiencies.
- Reviews and makes recommendations on corporate officer appointments and compensation.
- Examines human resource policies to ensure the Corporation has an inclusive culture with an engaged and diverse workforce that promotes and ensures the health and wellness of its employees.
- Develops a Board of Directors skills matrix to identify capabilities needed for effective governance and to inform Notice of Opportunity for future directors.

Operations Committee >



Number of meetings
2024–2025: 5

Chair
Mark Dienesch

Members

Dyanne Carenza, Julian Ovens, Mora Johnson, Michael Johnson, Mylene Tassy, Douglas Harrison (*ex officio*), Bobby Kwon (*ex officio*)

Committee duties:

- Oversees development of new commercial business initiatives, including new services.
- Reviews all projects in excess of \$100 million, in addition to other projects submitted by management for consideration.
- Reviews risk profiles of ongoing projects, including human rights implications.
- Makes recommendations to the Board of Directors for project approval.
- Note: Significant Project Instruction approval by the Minister of International Trade, with concurrence of the Minister of Finance, is required for all infrastructure projects in excess of \$100 million and for all projects of any nature in excess of \$300 million.

Board compensation, committee membership and attendance for fiscal year 2024–2025

Directors and the Chairperson are paid annual retainers and per diems set by the Governor in Council and pursuant to the *Financial Administration Act*.

- The annual retainer for all directors is \$4,700. An additional retainer of \$1,500 is provided to directors that chair a committee. The Chairperson receives an annual retainer of \$9,400.
- Per diems are paid at a rate of up to \$375 for all directors, including the Chairperson and committee chairs, for time spent preparing for and attending meetings, as well as events such as conferences, courses and trade shows with durations exceeding two hours. Half per diems were introduced in 2020.
- Board members are also reimbursed for expenses related to travel, accommodation and meals while performing their duties. These expenses are posted monthly on CCC's website.

Board member (alphabetical by last name)	Total compensation (retainer plus per diem payments)	Audit Committee meeting	Operations Committee meeting	Governance and Human Resources Committee meeting	Board of Directors meeting (Note 2)
Douglas J. Harrison (Chair) (Note 3)	\$ 30,587	5	4	4	6
Dyanne Carena	\$ 12,012	n/a	5	n/a	6
Guy Desrochers	\$ 24,387	6	n/a	n/a	7
Mark Dienesch	\$ 26,450	n/a	5	n/a	7
Michael Johnson	\$ 18,950	n/a	5	5	7
Mora Johnson	\$ 13,325	n/a	5	5	6
Julian Ovens	\$ 12,387	n/a	5	n/a	7
Mylène Tassy	\$ 13,137	n/a	5	n/a	6
Christa Wessel	\$ 31,887	6	n/a	5	7
Bobby Kwon (President) (Note 4)	n/a	n/a	4	4	6
Total	\$ 183,125	6	5	5	7

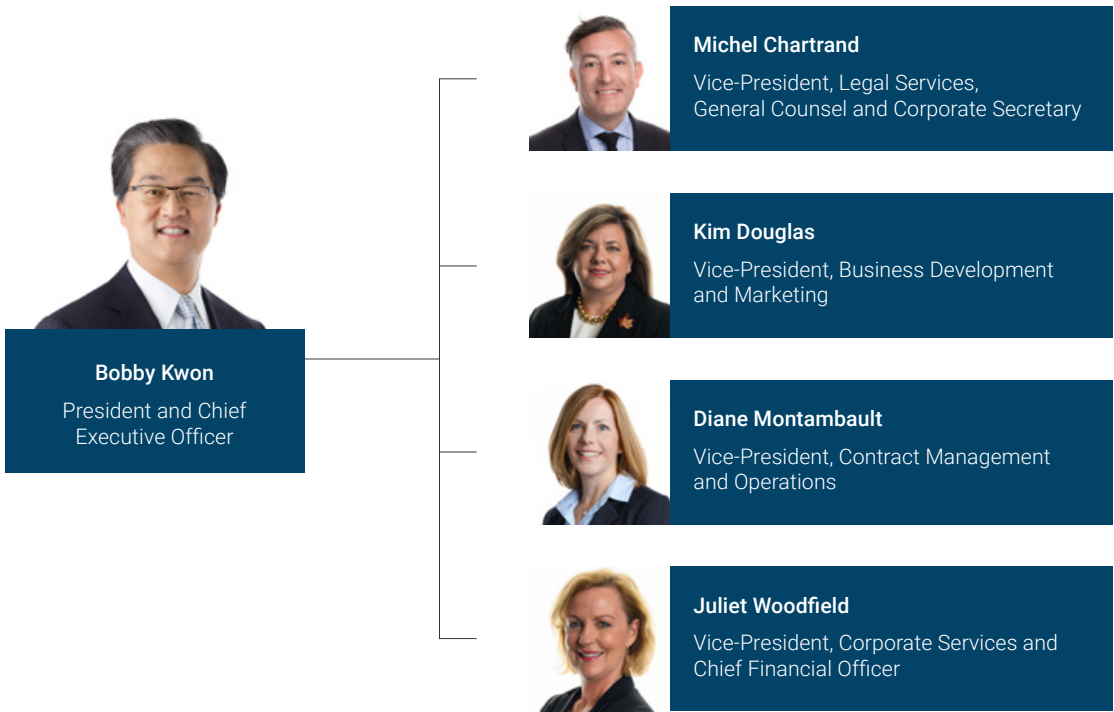
Notes:

1. The total represents the number of meetings held in 2024–2025. Attendance may be affected by the date a member joined or left the Board.
2. Includes two full-day strategy sessions.
3. The Chair is a member of all committees. Several committees run concurrently, therefore decisions regarding which committee meeting to attend are made based on agendas. Given scheduling, the Chair is not expected to attend all committee meetings.
4. Except for the Audit Committee, the President is a member of all committees. Several committees run concurrently, therefore decisions regarding which committee meeting to attend are based on agendas. Given scheduling, the President is not expected to attend all committee meetings.

Management team >

The following individuals hold key senior executive positions within the Corporation. Management team biographies are available on CCC's website at > ccc.ca/en/about/leadership-and-governance/.

As at March 31, 2025



Management committees

The President and CEO is accountable for directing and managing the Corporation's business and is assisted by the Senior Management Committee, the Risk and Opportunities Committee, the Integrity Compliance Committee, and the Human Rights Committee.

Senior Management Committee >

Committee duties

The Senior Management Committee is composed of CCC's President and CEO and four vice-presidents. With the approval of the Board of Directors, the committee proposes and executes on the corporate strategy and related strategic objectives. Bound by CCC's *Code of Conduct and Business Ethics*, the committee adheres to the highest ethical standards of professional conduct. The Committee is chaired by the CEO, with meetings held weekly.

The committee oversees issues at the entity-wide, corporate, and transactional risk levels, as defined by the Corporation's enterprise risk management framework.

Human Rights Committee >

Committee duties

This cross-functional committee completes due diligence assessments for human rights risks and reports its findings to the ROC. Members of the HRC are from the risk, business development, legal, and contract management teams. The HRC reviews transactions and provides recommendations on projects, acting as an advisory function within the Corporation for these issues. This review involves identifying and assessing transactional risks and proposing measures to mitigate those risks throughout the project lifecycle, in line with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. The committee is chaired by the Legal Counsel, Compliance. The HRC meets on a bi-weekly basis, or more frequently depending on business circumstances.

Risk and Opportunities Committee >

Committee duties

The Risk and Opportunities Committee (ROC) was established as an advisory body to the President and CEO to ensure that prudent risk management practices are in place and reflect the Corporation's operational needs. It balances business opportunities against the risks they present and provides a forum for discussion. ROC reviews issues at the transactional risk levels, as defined by the Corporation's recently approved enterprise risk management framework. The committee is chaired the Chief Financial Officer, with meetings held bi-weekly or as necessary.

ROC key roles and responsibilities include:

- Ensures the Corporation's enterprise risk management framework remains relevant and reflects leading industry practices;
- Reviews and assesses export transactions at various stages to ensure risk and opportunities are balanced and the Corporation's risk tolerance is respected, including as it pertains to integrity and human rights risks; and
- Reviews all fee-generating export transactions to ensure proposed fees cover expected resource requirements and risks.



Integrity Compliance Committee >

Committee duties

CCC continues to enhance its approach to responsible business conduct. This includes the conduct of integrity and compliance due diligence, in efforts to combat bribery and unethical business practices. The Integrity Compliance Committee's (ICC) work helps to ensure that integrity issues are identified at the earliest stage of business activity in potential transactions and develops strategies to mitigate potential risks. The committee is chaired by the Legal Counsel, Compliance. The ICC meets on a bi-weekly basis, or more frequently depending on business circumstances.

ICC key roles and responsibilities include:

- Ensuring alignment of the Corporation's integrity framework with corporate best practices in anti-bribery and corruption;
- Maintaining the Corporation's integrity compliance due diligence processes against bribery and corruption of foreign public officials; and
- Reviewing the integrity profiles of Canadian exporters and foreign buyers in the context of specific export opportunities and making recommendations to the Risk and Opportunities Committee.

In keeping with the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, as adopted by the Government of Canada, the ICC encourages Canadian exporters to develop and adopt policies and processes aimed at preventing and detecting bribery and corruption, and to promote employee awareness of and compliance with policies through training programs.

Executive compensation

Executive compensation policies are approved by the Board and are set as follows:

- Senior executives, with the exception of the President, are aligned with market comparators for the private and public sectors. They are paid within the range of \$190,600 to \$246,700.
- The President and CEO's compensation is in the range of \$271,700 to \$319,600. It is governed by the Performance Management Program for Order in Council appointees and is approved by the Governor in Council on the recommendation of the Board.

Internal audit >

Internal audit ensures risk management practices are in place and functioning as intended and provides objective assurance on the internal controls set by senior management and the Board of Directors to achieve corporate objectives. CCC has fully outsourced its internal audit function to benefit from independent external expertise, to receive insights and recommendations, and to obtain a risk-based audit plan that is approved by CCC's Audit Committee.

Glossary >

ABP:	Armoured Brigades Program	IFRS:	International Financial Reporting Standards
ASEAN:	Association of Southeast Asian Nations	IPC:	International Prime Contracting
BETR:	Business, Economic and Trade Recovery team	ISED:	Innovation, Science, and Economic Development Canada
CCC:	Canadian Commercial Corporation	MTCP:	Military Training and Cooperation Program
CEAA:	Canadian Environmental Assessment Act	NATO:	North Atlantic Treaty Organization
CTCBP/	Counterterrorism and Anti-Crime	OAG:	Office of the Auditor General
ACCBP:	Capacity Building Programs	OECD:	Organization for Economic Co-operation and Development
CTT:	Commercial trading transaction	PSPC:	Public Services and Procurement Canada
DEI:	Diversity, equity and inclusion	RBC:	Responsible business conduct
DND:	Department of National Defence	ROC:	Risks and Opportunities Committee
DoD:	United States Department of Defense	S&P:	Standard and Poor's
DPSA:	Defence Production Sharing Agreement	SAA:	Supply Arrangement Agreement
EDC:	Export Development Canada	SMC:	Senior Management Committee
FAA:	Financial Administration Act	SME:	Small and medium-sized enterprise
GAAP:	Generally Accepted Accounting Principles	SPA:	Statement of Priorities and Accountabilities
GAC:	Global Affairs Canada	TCFD:	Task Force on Climate-Related Financial Disclosures
GBOF:	Global Bid Opportunity Finder	VCS:	Value of contracts signed
HRC:	Human Rights Committee	WTRP:	Weapons Threat Reduction Program
IASB:	International Accounting Standards Board		
ICC:	Integrity Compliance Committee		

For more information

Canadian Commercial Corporation
350 Albert Street, Suite 1100
Ottawa, Ontario K1A 0S6

T: 613-996-0034 | F: 613-995-2121
Toll-free in Canada: 1-800-748-8191
Website > ccc.ca

Sign up to access the
Global Bid Opportunity Finder > gbof.ca

Questions about our services

Marketing department
Email > info@ccc.ca

Media inquiries
Email > communications@ccc.ca

