

# The Public Service Pension Plan

A Future You Can Count On

2025-2028 Strategic Plan

## Our Place in Alberta's Pension Landscape.

The Public Service Pension Plan (PSPP) has been providing a secure lifetime retirement to Albertans for almost 80 years. Established in 1947, the PSPP is a defined benefit pension plan that serves members including eligible employees of the Government of Alberta and its agencies, boards, and commissions. As of December 31, 2023, the Plan has 27 participating employers and serves over 90,000 members.

PSPP Corporation is the trustee and administrator of the Plan and has a duty to act in the best interests of members. PSPP's strategic plan guides the work of fulfilling that duty.

A pension plan is by its nature a long-term investment. PSPP Corporation's exceptional track record of member service, pension administration, and excellence in investment decision-

making has ensured that the Plan is well-funded. We are advancing strategies to bolster Plan security. By understanding the evolving context of the investment landscape, we are taking action to ensure our investment policies continue to be relevant and provide clear direction in critical areas, including with respect to environmental, social, and governance (ESG) considerations.

Driven by our obligation to our members, we have aspirations to enhance our ability to serve our members and employers and ensure the Plan continues to provide attractive benefits. Thinking critically and realistically about how we evolve the Plan, we also recognize that we operate within statutory realities that mandate how we deliver services, pursue changes to plan design, and fulfill our governance obligations.

This strategic plan builds on that foundation and considers those statutory realities, outlining our aspirations for future improvement and areas of focus that we will prioritize to achieve our purpose and fulfill our promise to our members.

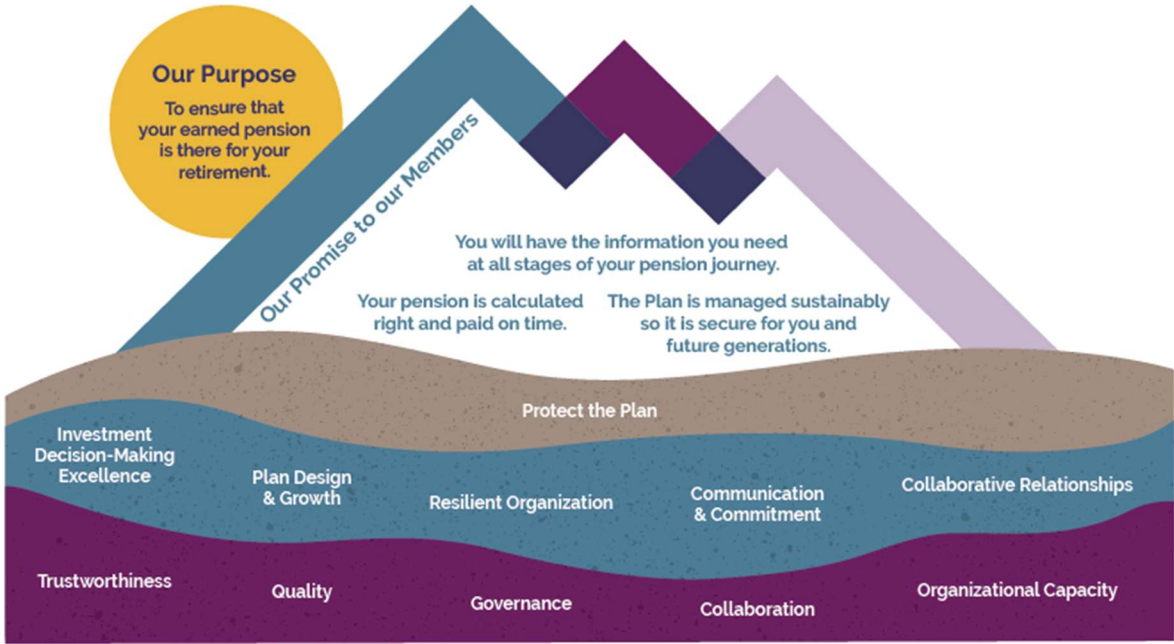
We are proud to be an organization that has touched so many lives and we are committed to ensuring that a defined benefit pension is there for our members' retirement today and for future generations. By working together, members, employers, unions, and PSPP Corporation have built a future that can be counted upon.

### ***Defined Benefit Plan***

*A defined benefit pension offers predictability and security. The amount of your pension is predictable because it's based on a formula, not how much you paid into the Plan. This means the amount of your pension won't be affected by market adjustments and downturns in the economy.*

# Overview of the 2025-2028 Strategic Plan

## Our Strategy 2025 - 2028 A Future You Can Count On



## Our Purpose

To ensure that your earned pension is there for your retirement.

## Our Promise to Our Members

- You will have the information you need at all stages of your pension journey.
- Your pension is calculated right and paid on time.
- The Plan is managed sustainably so it is secure for you and future generations.

## Values & Organizational Pillars

All our work is grounded in these commitments.

**Trustworthiness:** We will earn your trust through integrity and transparency.

**Quality:** We will take action to achieve service, operational, and investment excellence.

**Governance:** Good governance puts the Plan's members first and ensures that our fiduciary duties are met.

**Collaboration:** Productive relationships with our partners, service providers, and government are crucial to delivering on our purpose and promise.

**Organizational Capacity:** We realize our promise by having the right team, with the right skills, and an organizational culture aligned with our values.

## Strategic Guiding Principle: Protect the Plan

No matter what specific initiatives we are focusing on, our strategic priorities always revolve around protecting the Plan.

Our core focus is on serving the interests of our members and employers and ensuring the Plan meets their needs now and into the future. PSPP is well-funded and our focus on the sustainability and health of the Plan ensures our members can feel secure in their retirement.

To protect the Plan, all the decisions we make – be it a focus on a strong system of governance, excellence in our investment decision-making, how we work with service providers, what services we offer, or in investing in organizational capacity – will contribute to ensuring that the Plan continues to have sufficient assets to pay the costs of all future benefits that have been earned to date.

## Strategic Areas of Focus

All our strategic areas of focus must continually reflect a commitment to deliver a secure retirement benefit for our members. PSPP will continue to strive for excellence in the fundamental work we do to protect the Plan and make thoughtful investment choices. PSPP will strive to innovate and collaborate so that we can maximize our effectiveness in serving members and employers in a dynamic, evolving global context.

### **Investment Decision-Making Excellence**

Risk-reward decisions are some of the most important decisions we make. To deliver on our promise, we deliver sound investment policy development and oversight processes. Excellence in this area is essential.

A productive relationship with our legislated service provider, Alberta Investment Management Corporation (AIMCo), is crucial to achieving our priorities within this area of focus. PSPP Corporation has made significant investments in building a relationship with AIMCo that supports a mutual commitment to deliver investment decisions that put our members first, demonstrate our shared accountability to them, and is responsive to their needs.

To continue to deliver an increasing level of excellence in our investment decision-making, we will:

- Make investment decisions that serve the interests of our members and protect the Plan.
- Collaborate with AIMCo to enhance transparency in reporting.
- Foster a productive relationship with AIMCo to raise the bar on our investment management, particularly with respect to the recent reset of the board and executive management of AIMCo, and to continue to innovate collaboratively.

### **Plan Design & Growth**

Our Plan has a successful track record when it comes to providing a secure retirement benefit for thousands of members, but best practices in pension plan design are continually evolving. We are committed to meeting the needs of a changing workforce and ensuring plan sustainability in a complex and volatile global investment environment. We must actively monitor these developments and innovate to ensure the design of our Plan remains relevant and attractive to members and employers. The Corporation will support the PSPP Sponsor Board by

providing the information that they need to enhance plan design to ensure the Plan is equitable, modern, and serves our members now and for the future.

To build a Plan that grows with the changing demographics and needs of our members, we will:

- Support the PSPP Sponsor Board in exploring opportunities to modernize the Plan and be responsive to changes in the broader pension landscape.
- Collaborate to thoughtfully and strategically identify opportunities to expand the Plan, supported by a strong business case.

## **Resilient Organization**

To meet the challenges of a continuously evolving pension landscape, PSPP Corporation must enhance its staff capacity and resources to proactively navigate change and protect the Plan. We are seeing rapid shifts in the needs and dynamics of the local and global workforce that must inform how we deploy organizational resources and prioritize service enhancements for members and employers. A resilient PSPP focuses on strong governance and the organizational culture and resources needed to adapt and thrive in the face of uncertainty.

To build an increasingly resilient organization positioned to adapt to a dynamic local and global landscape, we will:

- Maintain a strong focus on a thriving and member-oriented organizational culture. Our staff and leadership team are committed to creating a collaborative culture that listens to diverse views and puts the needs of our members first.
- Ensure we have the tools to recruit and retain the talented team we need to deliver on our promise. This means continuing to refine our organizational structure, building organizational capacity, and engaging in conversations with the government to build a shared understanding of our needs and opportunities to enhance our competitiveness.
- Ensure we have the staff capacity and resources needed to deliver relevant services to members and employers.
- Invest in a system of governance that holds leadership and the organization accountable and fulfills our fiduciary duties.

## **Communication and Commitment**

We want our employers and members to be actively committed to the Plan and have the information they need to recognize and communicate the significant value of the pension benefit. To bolster commitment to the Plan, we will seek

opportunities to connect with members and to advocate for the pension benefit. PSPP will share targeted, timely and tailored communications with our audiences and then listen to the diverse perspectives of our members and employers to evolve our communications.

To ensure our members and employers have access to the information they need, we will:

- Invest in outreach to our members and refine communications based on their feedback.
- Explore opportunities to connect our members to personalized information and communications.
- Provide timely, relevant information to members and employers that is tailored to meet their needs and supports members at each stage of their pension journey.

## **Collaborative Relationships**

Collaborative relationships with service providers, employers, member-serving unions, members, peer pension organizations, and government are essential for PSPP Corporation to deliver our purpose and promise. PSPP Corporation has invested heavily in building mutually productive relationships with key stakeholders and ensuring that government policy makers and our service providers understand members' needs. Strong partnerships with service providers also enable the Corporation to secure responsive, high-quality, and cost-effective services, enhancing its overall effectiveness in protecting the Plan.

To continue to proactively build on key relationships that benefit the long-term outcomes of the Plan, we will:

- Build our reputation as a key advisor to government, providing policymakers with the information they need to understand our members' needs and develop policies that foster improvements in Alberta's pension landscape.
- Emphasize strong relationships with service providers to ensure responsive, high-quality, and cost-effective services, further reinforcing the Corporation's ability to serve its members effectively.
- Collaborate with our peers in the sector to advance overall governance effectiveness within the Alberta public pension sector.
- Develop our external profile as a trusted subject matter expert and leader in the sector.

## Ensuring your pension is there for you

Over the past 78 years, the Public Service Pension Plan has grown into a robust and very well-managed plan that provides thousands of members with a secure, reliable retirement income. Building on our strengths and successes, we will continue to protect the Plan, invest in excellence, and ensure that the services we offer are continually evolving to meet the needs of a diverse and changing workforce.