



**STRATEGIC PLAN  
2025-2026 to 2027-2028**

April 23, 2025

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## Executive Summary

The 2025-2026 to 2027-2028 Strategic Plan for The Public Employees Pension Plan (the Plan, PEPP) outlines a forward-thinking roadmap that ensures long-term financial sustainability, enhances member engagement and stewardship, and embraces growth and innovation. Building on our history of providing retirement income and pension services and delivering retirement security, this strategic plan introduces new and existing initiatives designed to respond to evolving member needs, market conditions, and the organization's strategic priorities.

The Public Employees Pension Board's (the Board) strategic planning process includes the review of internal and external trends that might impact PEPP, its members or Plannera Pensions and Benefits (Plannera), the Plan administrator.

To support the Board, Plannera completed an Environmental Scan for 2025-2026, which provides valuable insights on trends and developments in the areas of demographics, technology, economy, politics, and regulations. The environmental scan identified three main areas of trends for consideration in the 2025-2026 to 2027-2028 planning cycles, and a high-level summary can be found in Appendix 1 of this document.

In the 2025-2026 to 2027-2028 Strategic Plan, the Board will build on existing initiatives while introducing new initiatives to support its strategic priorities and objectives. The Strategic Plan also informs the Board's work plan, outlining the specific tasks and actions needed to achieve each strategic priority and initiative.

## Strategic Direction

The **mission** is PEPP's core purpose and what it does.

The **vision** pictures the future and describes what long-term success looks like.

The Board's **principles** guide how it operates and the standards for how the Board behaves.

Together, PEPP's mission, vision, and the Board's principles guide the outlook for 2025-2026 and beyond.

### Who we are

PEPP is a defined contribution (DC) pension plan for eligible employees of the Government of Saskatchewan and other specified employers. It is the largest defined contribution pension plan in Canada.

The Board is responsible for managing the Plan and its investments in the best interests of members and their beneficiaries. It must act with care, skill, and diligence while considering members' diverse needs.

The Board has adopted a comprehensive governance process that includes regular strategic planning and risk assessment. This strategic plan has been developed within the context of the Plan's vision, mission and priorities.

### Mission

To provide members with a secure and stable defined contribution pension plan that delivers exceptional value.

### Vision

To be an industry-leading pension plan, recognized for innovation, member engagement and outstanding service.

## 2025-2026 to 2027-2028 Strategic Priorities and Initiatives

### **Investment: Achieve strong, risk-managed investment returns through a diversified portfolio**

- Strategic Investment Review (SIR)
- Private Markets Implementation
- CEM Investment Benchmarking

### **Stewardship: Deliver good governance and accountability through strong oversight**

- Plan Governance Enhancements
- Board Composition Review
- Legislation Review
- Investment Valuation System Replacement

### **Member Experience: Enhance member experience to support informed decision-making**

- Member Education
- Member Communication and Engagement
- Member Retention
- Employer and Union Engagement

### **Growth: Explore options for growth and innovation**

- Modernization of Products and Services
- Onboarding New Employers
- Enhance Financial Advisory Services
- Plan Flexibility

## **Investment: Achieve strong, risk-managed investment returns through a diversified portfolio**

PEPP members rely on their retirement investments to grow. When choosing an investment option, they take on risk based on their expectations and expect returns to match. The Board understands that strong long-term returns are key to helping members reach their retirement goals. Since members make their own investment choices, the Board ensures a range of options with different risk and return profiles. To support this, the Board regularly reviews investment options to ensure they meet members' needs.

### **Objectives:**

- Complete periodic reviews of PEPP's investment options to ensure that members have access to a portfolio of investments that are well-adapted to their retirement needs.
- Provide a range of investment options to meet the diverse needs of individual members while controlling their risks.

### **Initiatives:**

#### **Strategic Investment Review (SIR)**

Every four to six years, the Board has committed to conducting the SIR, a strategic review of the Plan's investment structure, investment options and asset mix to monitor and maximize member outcomes.

- The SIR will be completed in 2027-2028.

#### **Private Markets Implementation**

The Board approves the Private Markets Annual Plan which defines the parameters for individual and aggregated private markets investments for the coming year. This authorizes the Private Investment Committee to approve private market fund commitments in the coming year as recommended by Plannera and supported by Hamilton Lane consistent with the approved plan.

- Recommendations implemented annually.

#### **CEM Investment Benchmarking**

An independent and objective review of the Plan's investment performance, risk and costs compared to pension plans of similar size and type and CEM's universe of pension plans.

- The CEM Investment Benchmarking is completed annually.

## Stewardship: Deliver good governance and accountability through strong oversight

The Board strives to be an industry leader in its pension plan governance practices and recognizes that good governance is crucial to the long-term success of the Plan. Good governance requires appropriate controls that encourage good decision-making, proper and timely execution, and regular review and assessment. The Board believes that good governance requires a focus on accountability, the basis of which is the establishment of measurable objectives.

### Objectives:

- Appropriate plan governance structure to improve performance and efficiency.
- Appropriate oversight of service providers.

### Initiatives:

#### Plan Governance Enhancements

Enhancements to plan governance will ensure the Commission is following governance best practices and the Commission's work is accountable to members and employers.

- Research the feasibility of creating sub-committees and, if required, initiate any related legislative changes required.
- Implement exception-based reporting and dashboards.

#### Board Composition Review and Implementation

Under legislation, a Board Composition Review is required to be completed every five years to ensure the Board remains an accurate reflection of its membership to carry out its decision making and fiduciary responsibilities in the best interests of all members. The current review will be completed in March 2025.

- Review and implement recommendations from the Board Composition Review.
- Initiate any proposed legislation changes through the legislative amendment process.

#### Legislation Review

Plannera will undertake a full review of *The Public Employees Pension Plan Act* and *The Public Employees Pension Plan Regulations* to ensure the legislation is up-to-date and addresses any relevant policy or regulatory changes.

- Research, assess and prioritize potential legislative amendments in 2025-2026.
- Initiate the eighteen-month legislative review process.

## **Investment Valuation System Replacement**

The current system is reaching end-of-contract and research has shown there are superior options available. An RFP for a new system was issued in 2024-2025.

- Complete a fit-gap and undergo development and testing in 2025-2026.
- Implement system in 2026-2027.



## **Member Experience: Enhance member experience to support informed decision-making**

Members make important investment decisions in the Plan, but not everyone fully understands this responsibility or how PEPP can help. The Board works to ensure members are aware of their role and the support available, providing clear, proactive information and services that anticipate their needs and prioritizes two-way communication to gather feedback and enhance service delivery.

### **Objectives:**

- Support member understanding of the Plan, including individual member benefits, resources available and responsibilities for making informed decisions regarding the Plan.
- Provide useful information on asset retention and decumulation options so members understand the value of remaining in the Plan.

### **Initiatives:**

#### **Member Education**

Improving current member education and expanding the types of education offered ensures members have the necessary information to make informed decisions about their benefits and retirement planning, leading to choices that align with members' long-term needs and goals.

- Refresh workshops and webinar content and delivery options.

#### **Member Communication and Engagement**

Increasing awareness and usage of member resources and providing timely, appropriate information to Plan members to understand their benefits, build trust and enhance overall satisfaction with the Plan.

- Expand use of social media platforms to enhance communication with plan members.
- Develop a member journey map to analyze interactions with PEPP at key life stages - new/young member, retiring member, and estates and beneficiaries - to identify service improvement opportunities.
- Refresh member statements to enhance clarity and transparency.
- Improve measurement of member satisfaction by conducting a review of current software and processes for the Hosted Contact Centre, and implementing improvements based on the assessment.

## **Member Retention**

This effort is focused on maintaining engagement and loyalty among members of the Plan. It is meant to enhance member satisfaction, strengthen relationships and minimize members leaving the Plan by proactively addressing members' evolving needs and expectations.

- Increase engagement with members through proactive communication and the use of customer relationship management software.
- Assess opportunities to engage with inactive members.

## **Employer and Union Engagement**

This work is designed to build and maintain strong relationships with unions and employers who participate in the Plan. It is meant to ensure employers and unions understand and value the benefits offered to their employees and understand their role and responsibilities in the Plan.

- Develop and deliver seminars for employer's Human Resources staff.
- Engage with employers and unions to strengthen relationships and establish additional communications channels to provide members with pension information.

## **Growth: Explore options for growth and innovation**

The Board is committed industry-leading value-add services and exploring options for growth and innovation to ensure the Plan remains adaptable, competitive, and capable of meeting the evolving needs of members and employers. Prioritizing innovation and enhancing existing services enables the plan to respond proactively to regulatory changes, demographic shifts, and emerging risks while maintaining sustainability and value for stakeholders.

### **Objectives:**

- Maintain an up-to-date suite of products and services that meet evolving member needs, provide members with a reason to remain in the Plan, attract voluntary contributions from members and attract other public-sector employers to join the Plan.
- Investigate new opportunities to growth the Plan's membership and assets under management.
- Explore options to make the Plan more flexible and attractive for members to stay with the Plan through retirement.

### **Initiatives:**

#### **Modernization of Products and Services**

Modernizing products and services is essential to staying relevant, competitive and responsive to member needs.

- Implement and monitor the Lifetime Pension product.
- Roll-out secure messaging and document upload for members and employers and multi-factor authentication on PLANet.

#### **Onboarding New Employers**

As part of driving membership growth, PEPP will explore options for onboarding new employers and create a process for onboarding to occur.

- Research new employers who could be interested in joining PEPP, including how to make the Plan a more attractive option for new employers.
- Create a process to onboard new employers, including possible legislation changes.

## **Enhance Financial Advisory Services**

Enhancing financial advisory services is essential to improving member outcomes, increasing engagement and helping to ensure members' long-term financial security.

- Provide specialized training for Retirement Information Consultants in estate and tax planning in order to expand financial advisory services for members.
- Assess opportunities to enhance personalized consultation services.

## **Plan Flexibility**

Exploring options to make the plan more flexible for members and employers will help to ensure long-term sustainability, make the plan an attractive options for both employers and members and allow PEPP to respond to evolving member needs.

- Assess the viability of offering Tax Free Savings Accounts.
- Assess the viability of offering spousal accounts while a member is active, inactive or retired.
- Assess options to simplify fund consolidation for members.

## Timeline of Initiatives

	2025- 2026	2026- 2027	2027- 2028
<b>Investment: Achieve strong, risk-managed investment returns through a diversified portfolio</b>			
Strategic Investment Review (SIR)			
CEM Investment Benchmarking			
Private Markets Implementation			
<b>Stewardship: Deliver good governance and accountability through strong oversight</b>			
Plan Governance			
<ul style="list-style-type: none"> <li>Research the feasibility of creating sub-committees and, if required, initiate any related legislative changes required</li> </ul>			
<ul style="list-style-type: none"> <li>Implement exception-based reporting and dashboards</li> </ul>			
Board Composition Review and Implementation			
<ul style="list-style-type: none"> <li>Review and implement recommendations from the Board Composition Review</li> </ul>			
<ul style="list-style-type: none"> <li>Initiate any proposed legislation changes through the legislative amendment process</li> </ul>			
Legislation Review			
<ul style="list-style-type: none"> <li>Research, assess and prioritize potential legislative amendments</li> </ul>			
<ul style="list-style-type: none"> <li>Initiate the eighteen month legislative review process</li> </ul>			
Investment Valuation System Replacement			
<ul style="list-style-type: none"> <li>Complete a fit-gap and undergo development and testing</li> </ul>			
<ul style="list-style-type: none"> <li>Implement system</li> </ul>			
<b>Member Experience: Enhance member experience to support informed decision-making</b>			
Member Education			
<ul style="list-style-type: none"> <li>Refresh workshops and webinar content and delivery options</li> </ul>			
Member Communication and Engagement			
<ul style="list-style-type: none"> <li>Expand the use of social media platforms to enhance communication with plan members</li> </ul>			
<ul style="list-style-type: none"> <li>Develop a member journey map to analyze interactions with PEPP at key life stages - new/young member, retiring member, and estates and beneficiaries - to identify service improvements</li> </ul>			
<ul style="list-style-type: none"> <li>Refresh member statements to enhance clarity and transparency</li> </ul>			

	2025-2026	2026-2027	2027-2028
<ul style="list-style-type: none"> <li>Improve measurement of member satisfaction by conducting a multi-year review of current software and processes for the Hosted Contact Centre and implementing improvements based on the assessment</li> </ul>			
<b>Member Retention</b>			
<ul style="list-style-type: none"> <li>Increase engagement with members through proactive communication and the use of customer relationship management software</li> </ul>			
<ul style="list-style-type: none"> <li>Assess opportunities to engage with inactive members</li> </ul>			
<b>Employer and Union Engagement</b>			
<ul style="list-style-type: none"> <li>Develop and deliver seminars for employer's Human Resource staff</li> </ul>			
<ul style="list-style-type: none"> <li>Engage with employers and unions to strengthen relationships and establish additional communications channels to provide members with pension information</li> </ul>			
<b>Growth: Explore options for growth and innovation</b>			
<b>Modernization of Products and Services</b>			
<ul style="list-style-type: none"> <li>Implement and monitor the Lifetime Pension product</li> </ul>			
<ul style="list-style-type: none"> <li>Roll-out secure messaging and document upload for members and employers and multi-factor authentication on PLANet</li> </ul>			
<b>Onboarding New Employers</b>			
<ul style="list-style-type: none"> <li>Research new employers who could be interested in joining PEPP, including how to make the Plan a more attractive option for new employers</li> </ul>			
<ul style="list-style-type: none"> <li>Create a process to onboard new employers, including possible legislation changes</li> </ul>			
<b>Enhance Financial Advisory Services</b>			
<ul style="list-style-type: none"> <li>Provide specialized training for Retirement Information Consultants in estate and tax planning in order to expand financial advisory services for members</li> </ul>			
<ul style="list-style-type: none"> <li>Assess opportunities to enhance personalized consultation services</li> </ul>			
<b>Plan Flexibility</b>			
<ul style="list-style-type: none"> <li>Assess the viability of offering Tax Free Savings Accounts</li> </ul>			
<ul style="list-style-type: none"> <li>Assess the viability of offering spousal accounts while a member is active, inactive or retired</li> </ul>			
<ul style="list-style-type: none"> <li>Assess options to simplify member consolidation</li> </ul>			

## Appendix 1: Plannera Environmental Scan Summary

The environmental scan (E-Scan) provides insight into shifting trends in technology, demographics, politics, the economy and regulations. These trends may impact the strategic and operational goals of PEPP and its members. Key highlights from the 2025 E-scan are:

### Digital Evolution



#### **Rapid advancement in artificial intelligence and technology:**

- Creating exciting new opportunities to use technology to serve clients.
- Increasing risks of data mishandling and cybersecurity threats.
- A rise in the use of technology for malicious purposes.
- May cause difficulty keeping pace with evolving technologies.

#### **Implications:**

- Need to ensure members' data is secure.
- Opportunity to improve member services and reduce cyber risks by leveraging AI.

### Societal Dynamics



#### **Significant demographic trends and an affordability crisis:**

- Reduced spending, driven by high inflation and high interest rates.
- A rise in subscription-based consumption that emphasizes convenience, value for money and the ability to personalize offerings.
- A national crisis in housing affordability.
- A generational shift as Baby Boomers exit the workforce and Gen Z enters.
- Mental health conditions becoming a leading driver of long-term disability claims.
- Canada's economy vulnerable to stagnation and recession due to changing immigration policies.

#### **Implications:**

- A growing prevalence of job-hopping may lead to the Plan being increasingly composed of 'small pots' and experience more transfers between plans.
- Can enable easier consolidation for members by improving portability options and accommodating excess contributions effectively.
- A growing need to provide members with more financial education and services.

### Global Landscape



#### **Shifts in the global landscape, persistent inflation and ongoing global instability:**

- Continued global and economic instability with political uncertainty in major democracies, ongoing conflicts and continued economic recovery.
- Shifting values and interest in climate change and expectations to utilize responsible investment practices.
- Stabilizing inflation and lowering interest rates.

#### **Implications:**

- Investments may be impacted by market volatility and shifting interest rates.
- Currency risks due to political instability which can impact the value of international investments.
- Inflation and interest rate pressures resulting in higher costs can impact real returns on investments.