2027 – 2031 Strategic Plan

Delivering Value – Today and Tomorrow

Terrie, Sturgeon Community Hospital

Land Acknowledgement

The Local Authorities Pension Plan (LAPP) respectfully acknowledges the traditional territories of the many First Nations, Métis and Inuit in Alberta. As Albertans, we are located on Treaty 4, 6, 7, 8 and 10 territories, the travelling route, gathering place and meeting grounds for many Indigenous Peoples, who have lived on, and cared for this land for centuries. In that spirit LAPP honours the cultures and histories of the Indigenous Peoples of this land who continue to enrich our community and help us move forward on our reconciliation journey.

Strategic Plan Contents

About LAPP

01

Joelle, Edmonton Valley Zoo

Who We Are

For **more than 60 years**, LAPP has helped the people who serve Alberta retire with confidence. From the first day of participation in LAPP to every year of retirement, LAPP provides ongoing support at every stage of the journey.

LAPP is a defined benefit pension plan, **established in 1962**. A defined benefit means your pension is a predictable, lifetime retirement income based on your salary and years of service, not on how markets perform in any given year.

We are proud to **serve over 326,000 members** and **more than 460 employers** across Alberta's healthcare, municipal, education, and not-for-profit sectors. That makes LAPP the largest pension plan in the province.

The Plan is simple at its core. Members and employers contribute together. Those contributions are pooled and invested carefully over decades. That fund, now over $76 billion, pays secure, inflation-indexed pensions to current retirees while continuing to grow for everyone still working toward retirement.

Wynne, Sturgeon Community Hospital

1962
Established

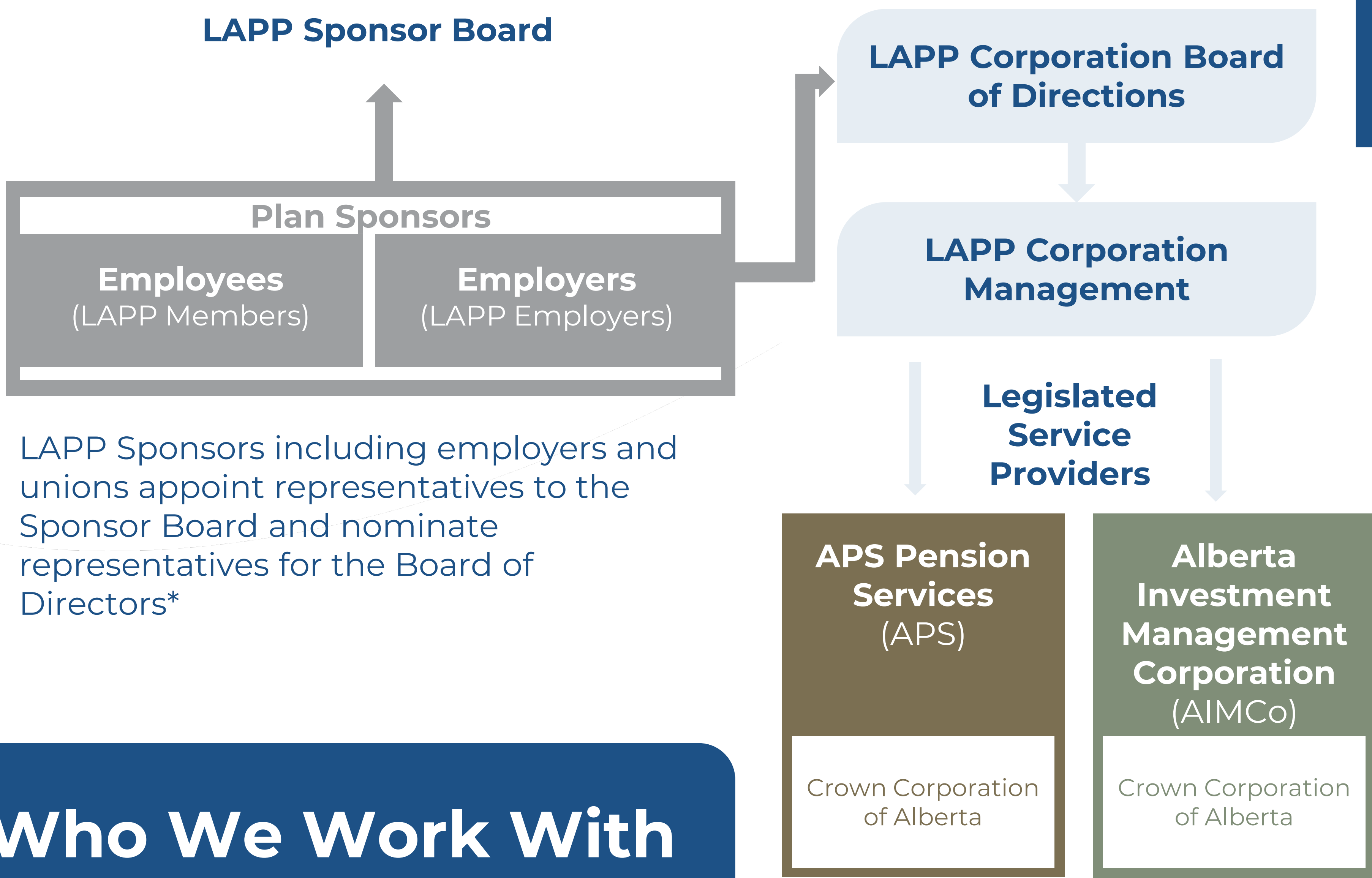
Over
326,000
Members

$76.1B
Fund
As at Dec. 31, 2025

460+
Employers

How We Are Governed

LAPP is jointly governed, a model established in 2019 under Alberta's *Joint Governance of Public Sector Pension Plans Act*. Joint is the keyword. Employers and employees share responsibility for the plan side by side. Two boards guide LAPP, and LAPP Corporation serves as the Plan's trustee and administrator.



LAPP Sponsors including employers and unions appoint representatives to the Sponsor Board and nominate representatives for the Board of Directors*

Who We Work With

AIMCo

AIMCo manages LAPP investments, generating long-term returns and working with LAPP to protect and grow the fund for members.

APS

APS is the partner for member and employer services, handling enrolment, contributions, and retirements with expertise and strong service commitment.

Government of Alberta

Government of Alberta sets legislation for LAPP, supporting joint governance and service providers.

The World Around Us

LAPP operates in an environment that is changing quickly, and we are paying close attention. Our membership continues to grow, which is positive. At the same time, the balance between contributing members and retirees is gradually shifting. This is expected in a mature plan and is why we focus on long-term thinking and careful cash-flow management.

Beyond our own plan, several broader forces are shaping how leading pension plans operate today:

Global Capital Markets

Global capital markets that move faster and connect more tightly than ever.

Advances in AI & Technology

Advances in artificial intelligence, changing how organizations work and invest.

Rising Expectations

Members expect more from their plan: convenient, digital experiences.

Member Demographics

Our membership is evolving with broader demographic changes.

Looking Ahead

Taken together, these dynamics define both the opportunity and the responsibility before us. Over the next five years, LAPP will:

01 **Nurture the partnerships at the core of the Plan**

02 **Engage thoughtfully across Alberta's pension community**

03 **Bring foresight and discipline to a changing world**

Kevin, Town of Devon

Our Foundation

02

Our Vision and Mission

LAPP operates within a **complex ecosystem** of core interest holders, plan governance and delivery partners, and the broader environment who shape and are impacted by the Plan. Our **vision and mission** provide a **clear and consistent anchor** for decision-making across this environment.

Our Vision

A pension plan that delivers value, today and tomorrow.

Our Mission

We govern responsibly and steward the Plan in the shared interests of members and employers, ensuring pensions earned are delivered.

Our Guiding Principles

Meshkin, City of Edmonton

LAPP's guiding principles **align decision-making** with long-term sustainability and the **best interests of members and employers.**

01

Securing the benefits earned

We steward the Plan by managing funding, investments, and risk as an integrated system to ensure members receive the pension they have earned.

02

Governing with excellence

We pursue excellence in joint governance and seek diverse perspectives to make decisions in the best interests of those we serve.

03

Creating value that matters

Every decision we make is anchored in the best interests of our members and employers.

04

Operating with intent

We work together and with our partners, bringing diverse perspectives to deliver the pensions members have earned.

Our Organizational Values

LAPP's organizational values **define the behaviours and culture** that guide how we **deliver on our commitments to members and employers.**

Trusted

We act honestly, transparently, and with care to maintain trust in the Plan's governance and management.

Plan Stewards

We take a long-term view and are accountable for protecting the pensions our members have earned.

Balanced in Our Perspective

We take a balanced, respectful approach and recognize the value of diverse perspectives.

Committed to Excellence

We are a distinct organization that drives exceptional performance through leadership and innovation.

Our Strategic Direction

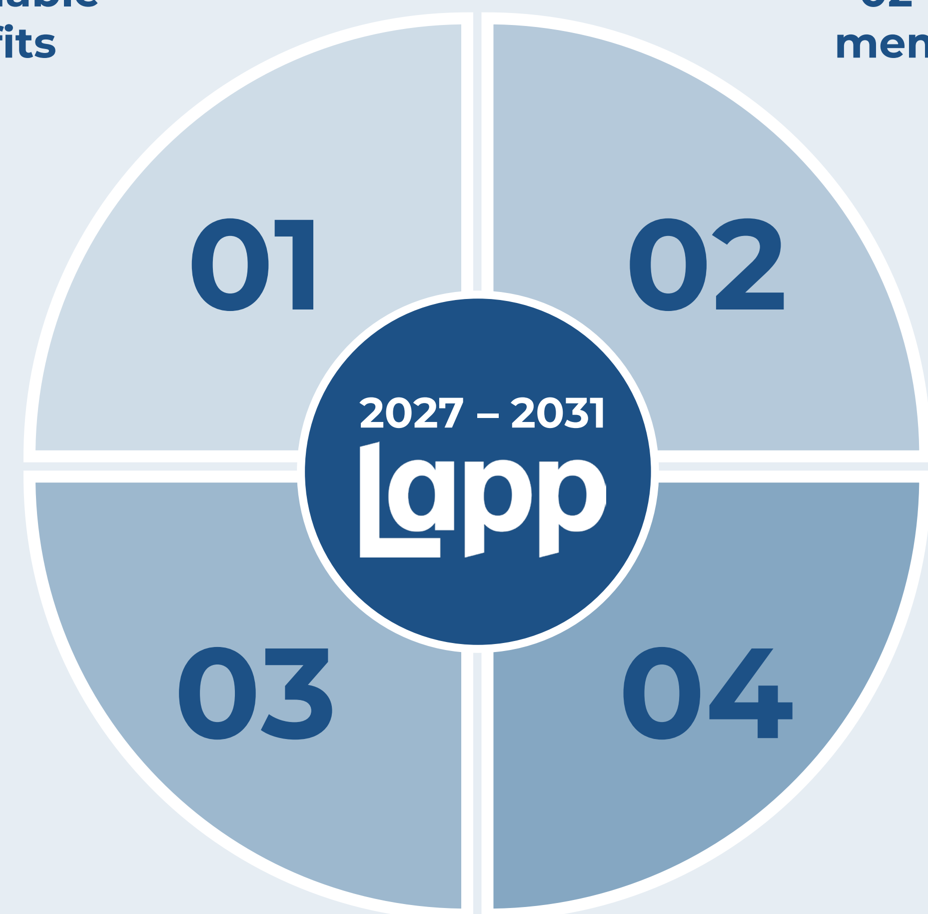
03

Strategic Goals at-a-Glance

LAPP's strategic goals **translate the vision and mission into clear priorities and actions.** Together, they focus efforts across the Plan to **deliver sustainable outcomes, strengthen relationships, and ensure the organization continues to meet the evolving needs** of all interest holders.

01 Deliver sustainable and secure benefits

Maintain long-term sustainability and benefits security through prudent funding and investment strategies, integrated risk management, and deliberate growth.



02 Create exceptional member and employer experiences

Pioneer a fundamentally new approach to how members and employers experience the pension plan that is grounded in research, drives enthusiasm, and helps mitigate current and emerging risks to continued participation.

03 Strengthen the Plan through governance

Pursue excellence in governance through collaborative stewardship, building trust through alignment, strong relationships, and a distinct Plan identity.

04 Build a high-performing, future-ready organization

Build a future-ready, high-performing organization that leverages strong relationships, people, data, and technology to deliver sustained operational effectiveness, efficiency, and agility.

STRATEGIC GOAL ONE

Deliver sustainable and secure benefits

Maintain long-term sustainability and benefits security through prudent funding and investment strategies, integrated risk management, and deliberate growth.

We will advance this goal through the following objectives:

Objective 1.1

Maintain an investment policy that supports LAPP's long-term funding objectives while remaining within the Plan's risk appetite and tolerance.

Objective 1.2

Advance an integrated asset-liability risk management approach to support disciplined, long-term decisions that protect benefit security and Plan sustainability.

Objective 1.3

Surplus allocation is governed through proactive, principle-based oversight that supports deliberate, forward-looking decisions across market cycles.

Objective 1.4

Grow membership in a deliberate and sustainable manner by expanding within existing and adjacent sectors and increasing participation among eligible employees, aligned with LAPP's long-term sustainability objectives.

STRATEGIC GOAL TWO

Create exceptional member and employer experiences

Pioneer a fundamentally new approach to how members and employers experience the pension plan that is grounded in research, drives enthusiasm, and helps mitigate current and emerging risks to continued participation.

We will advance this goal through the following objectives:

Objective 2.1

Reimagine the active member experience as a strategic differentiator that improves continued participation.

Objective 2.2

Redesign the employer experience to strengthen Plan commitment, deepen partnership, and deliver appreciated value.

Objective 2.3

Build an alignment-focused APS oversight model centred on improving the Plan experience.

Objective 2.4

Unify the LAPP experience ecosystem into one seamless experience.

STRATEGIC GOAL THREE

Strengthen the Plan through governance

Pursue excellence in governance through collaborative stewardship, building trust through alignment, strong relationships, and a distinct Plan identity.

We will advance this goal through the following objectives:

Objective 3.1

Strengthen the bicameral governance of the Plan by improving inter-Board collaboration; continuously building Board and Management capabilities; and regularly evaluating and refining LAPP governance processes.

Objective 3.2

Build member and stakeholders' trust in LAPP's governance, stewardship, and long-term plan sustainability by enhancing awareness of LAPP's governance framework and decision-making processes.

Objective 3.3

Strengthen LAPP's identity and independence with the public and stakeholders to build the Plan's reputation as an authority on public sector pensions.

Objective 3.4

Strengthen relationships with government decision-makers to support informed consideration, meaningful consultation, and fair evaluation of policies affecting the LAPP Plan and Alberta's pension environment.

STRATEGIC GOAL FOUR

Build a high-performing, future-ready organization

Build a future-ready, high-performing organization that leverage strong relationships, people, data, and technology to deliver sustained operational effectiveness, efficiency, and agility.

We will advance this goal through the following objectives:

Objective 4.1

LAPP, as an employer of choice, attracts, develops, and retains talent by fostering a healthy, engaging workplace supported by strong employee experience.

Objective 4.2

LAPP is future-ready and positioned to embrace new opportunities, continuously adapting its technology, skills, and capacity to remain effective, scalable, and responsive over time.

Objective 4.3

LAPP proactively identifies, assesses, and manages enterprise-level risks, including security, operational, and strategic risks, and is prepared to respond, adapt, and recover from disruptions while maintaining confidence in plan administration and governance.

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