

2027-32 Strategic Plan Development Session

July 15, 2026

Today's Agenda

Overview and Timeline

Progress and Insights

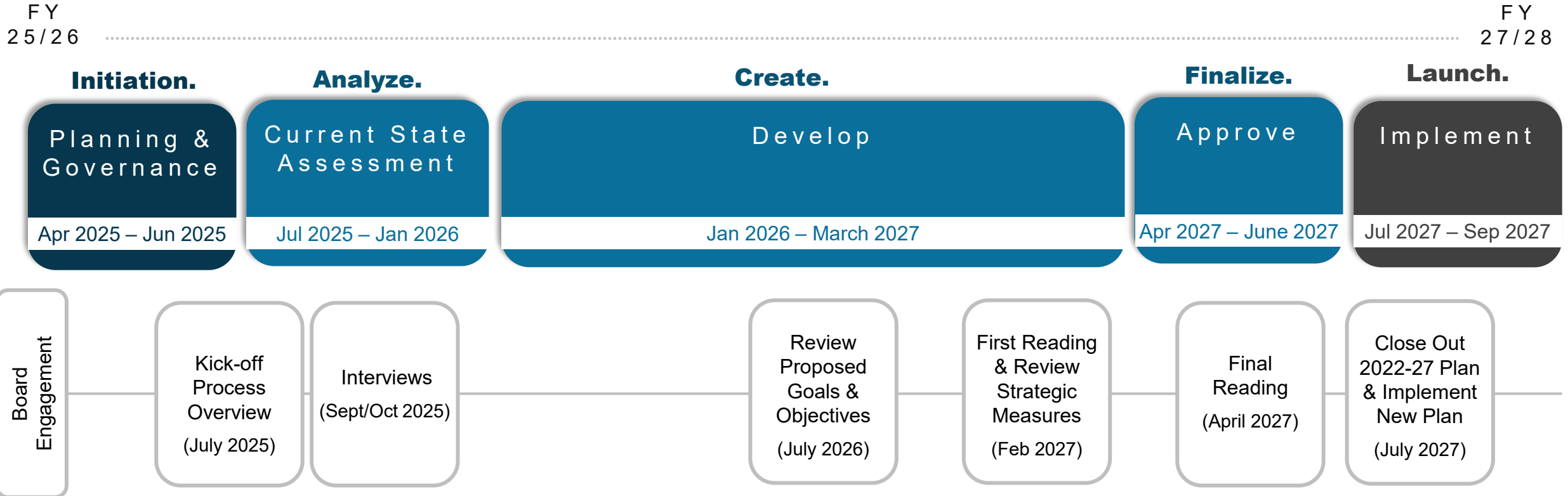
Draft Goals and Objectives

Measures Discussion

Vision and Mission

Next Steps

Project Overview & Timeline



Strategic Planning Framework



Progress & Insights

INPUTS

- CURRENT BUSINESS STATE
- ENVIRONMENTAL SCAN
- STAKEHOLDER INPUT



ANALYSIS

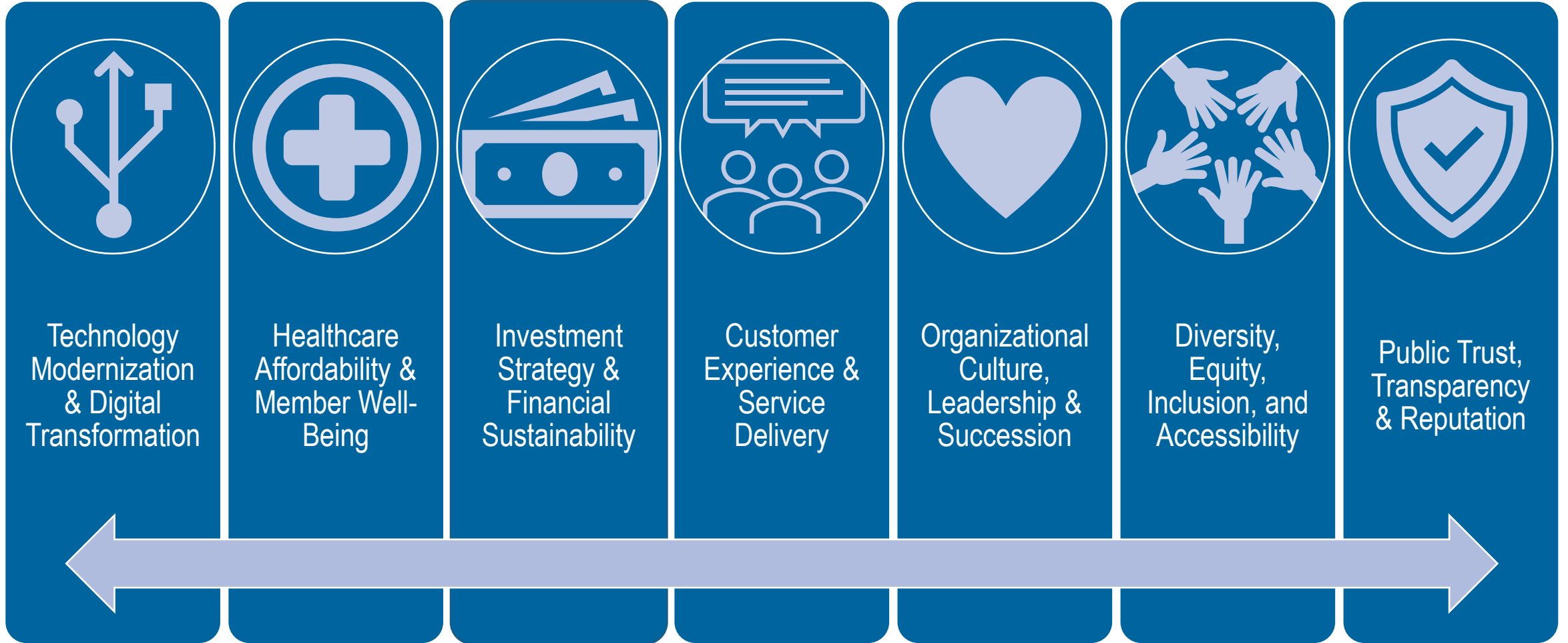
SWOT
DESIRED FUTURE STATE
GAP



STRATEGIC THEMES



Strategic Themes



| 2022-27 Strategic Goals | 2027-32 Strategic Goals <i>(Draft)</i> |
|--|---|
| <p>Pension Sustainability Strengthen the long-term sustainability of the pension fund</p> | <p>Pension Sustainability Strengthen the long-term sustainability and resilience of the pension fund</p> |
| <p>Exceptional Healthcare Ensure our members have access to equitable, high-quality, affordable healthcare</p> | <p>Healthcare Excellence Strengthen access to timely, high-quality, equitable, affordable healthcare while transforming California’s healthcare system</p> |
| <p>Member Experience Ensure member satisfaction through accuracy, responsiveness, and respect</p> | <p>Member Experience Enhance customer service and benefits delivery by advancing efficiency, accuracy, and security</p> |
| <p>Stakeholder Engagement Promote collaboration, support, and transparency</p> | <p>Stakeholder Connection Build trust and strong relationships through communication, transparency, and collaboration</p> |
| <p>Organizational Excellence Cultivate a diverse, risk-intelligent, and innovative culture through our team and processes</p> | <p>People and Organizational Innovation Thrive through a culture of belonging and resilience</p> |

Interactive Activity

Executives present goals and objectives

Board provides feedback

Vote using Mentimeter

Strategic measures discussion

Mentimeter Voting

Best practices

- ✓ Use your smartphone
- ✓ Use the Wi-Fi connection to ensure a speedy interaction

Tips

- ✓ Make sure to click on the submit button to have your input counted for each question
- ✓ If you are out of sync in the voting, go to the top of your screen and there will be a button to take you to the current slide

Troubleshooting

- ✓ If you receive an error message, close your browser and re-open

Pension Sustainability

Strengthen the long-term sustainability and resilience of the pension fund

- Advance sustainable investment strategies
- Balance the costs of future pension payments with the expected future investment risks and returns through the Asset Liability Management process
- Modernize investment operations and analytics for real-time decision-making

Healthcare Excellence

Strengthen access to timely, high-quality, equitable, affordable healthcare while transforming California's healthcare system

- Advance high-quality, equitable care and reduce member disparities
- Enhance our members' healthcare experience and simplify healthcare system navigation
- Improve members' timely access to primary, behavioral, and specialty care
- Advance strategies to lower healthcare costs for members, employers, and California
- Positively transform California's healthcare system through advocacy, innovation, and partnership

Health Strategic Goal Evolution

2022 – 2027 Goal



Ensure our members have access to equitable, high-quality, affordable healthcare

2027 – 2032 Goal



Strengthen access to timely, high-quality, equitable, affordable healthcare while transforming California's healthcare system



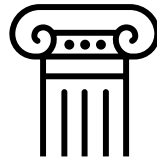
Quality



Access



Affordability



Equity



Quality



Access



Affordability



Equity



Transformation

- Focused primarily on *member access* and *care quality*
- Emphasizes *affordability* and *equity* as core pillars
- Scope centers on the **member experience within the existing system**

- Retains focus on *quality, equity, and affordability*
- Adds important element of **timeliness** to access
- Broadens scope to include **system transformation**, signaling a more proactive, statewide leadership role

Health Strategic Objective Shifts



2022–2027 Objectives

★★★ Ensure our members receive high-quality healthcare



Ensure our members have access to care when and where they need it



Ensure the care we provide is affordable



Ensure all members receive equitable care

Overall: Centered on delivering consistent, equitable, affordable care to members.



2027–2032 Objectives



Advance high-quality, equitable care and reduce member disparities



Enhance our members' healthcare experience and simplify healthcare system navigation



Improve members' timely access to primary, behavioral, and specialty care



Advance strategies to lower healthcare costs for members, employers, and California



Positively transform California's healthcare system through advocacy, innovation, and partnership

Overall: Broader, more ambitious, and more systemic – expands to include improving member experience and transforming the larger healthcare ecosystem.

Member Experience

Enhance customer service and benefits delivery by advancing efficiency, accuracy, and security

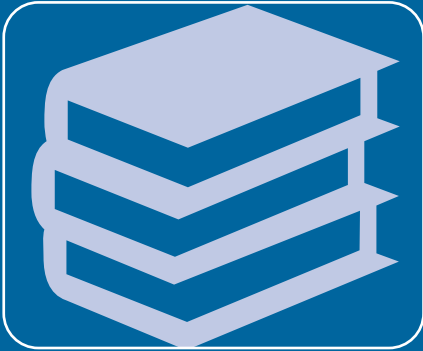
- Enhance digital self-service platforms and inclusive communications to provide equitable, real-time support and transactions
- Advance new technologies to deliver accurate, timely benefits and services to members and employers
- Strengthen fraud prevention and data security

Stakeholder Connection

Build trust and strong relationships through communication, transparency, and collaboration

- Strengthen stakeholder understanding and participation by providing timely, clear information across multiple channels
- Foster and maintain partnerships to address shared goals and improve outcomes

Stakeholder Goal Evolution



2022-27 Stakeholder Engagement - Promote collaboration, support, and transparency

Objectives

- Educate and engage stakeholders on system impacts including policy and program changes, risks, and mitigations
- Enhance services, communication, and education tools for our partners

Focus

- Stakeholder education and engagement
- Enhance communication and tools



2027-32 Stakeholder Connection - Build trust and strong relationships through communication, transparency, and collaboration

Objectives

- Strengthen stakeholder understanding and participation by providing timely, clear information across multiple channels
- Foster and maintain partnerships to address shared goals and improve outcomes

Focus

- Relationship building, trust, shared values, and purpose
- Enhance cross-collaboration with internal and external stakeholders

People and Organizational Innovation

Thrive through a culture of belonging and resilience

- Cultivate a diverse and sustainable future-ready workforce
- Advance diversity, equity, inclusion, and accessibility integration to drive lasting impact and improve organizational performance

People and Organizational Innovation

Objective: Cultivate a diverse and sustainable future-ready workforce



2022-27 Lesson Learned: Lasting workforce progress requires connected systems

2027-2032 STRATEGY FOCUS AREAS



Better People Data

- myHR System Implementation
- Employee Engagement and Lifecycle Surveys
- Workforce Planning
- People Data Project



Expand Talent Pathways

- Relationship-driven and digital recruitment and outreach
- Student Assistant Program
- Talent Review and Succession Management



Strengthen Workforce Support

- Learning and development program updates
- HR Business Partner model
- ACE Recognition Nomination System



Connected Strategy: People data informs pathways, pathways expand opportunity, and workforce support sustains belonging, performance, and resilience

Proposed Vision/Mission

Current Vision

A respected partner, providing a sustainable retirement system and health care program for those who serve California.

Current Mission

Deliver retirement and health care benefits to members and their beneficiaries.

Proposed Vision

A *trusted leader in* providing a sustainable retirement system and healthcare program for those who serve California.

Proposed Mission

Deliver retirement and healthcare benefits to CalPERS members and their beneficiaries.

Strategic Plan Development - Next Steps

FY 2026-27

- Refine Draft Goals and Objectives
- Develop Strategic Measures
- 1st Reading – Review Draft Goals, Objectives and Measures
- 2nd Reading – Final Approval

FY 2027-28

- Closeout 2022-27 Strategic Plan
- Launch 2027-32 Strategic Plan



Open Forum