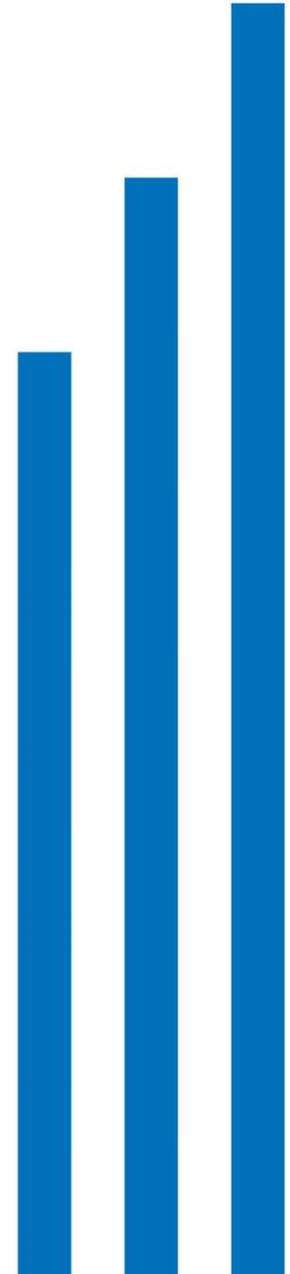


How CPP Investments is implementing CAPSA's CAP guideline across a global DC framework

Marina Lodyga

Director, Pension & Benefits Programs

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The problem we were solving

THE CONTEXT

Global DC plans operating across different jurisdictions

THE SHIFT

CAPSA raised expectations around **explicit governance and accountability**

THE TENSION

Strong practices existed but were not always **clearly articulated**

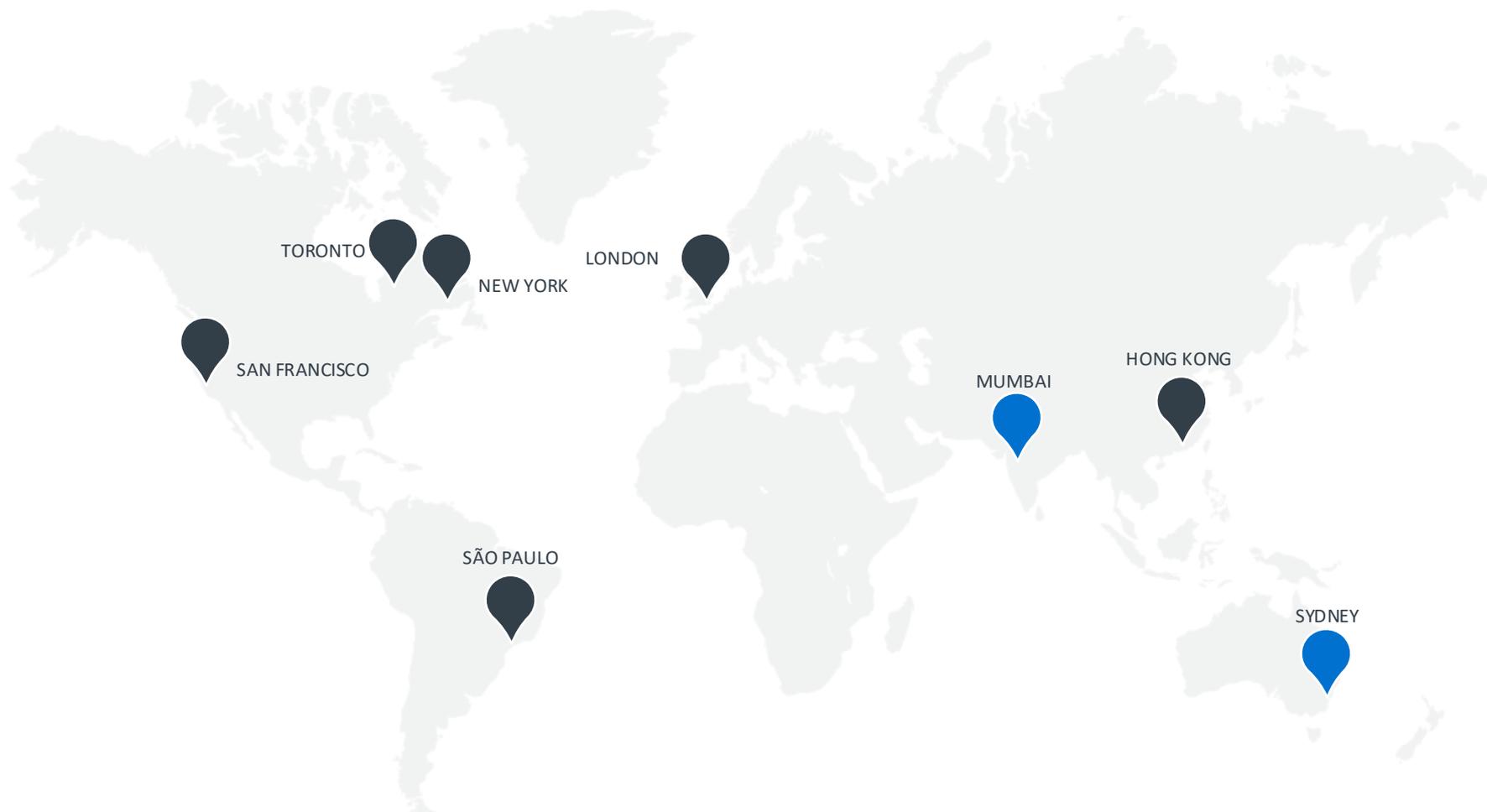
THE QUESTION

How do you meet those expectations **without forcing global uniformity?**

WHO WE ARE

A global DC plan sponsor governed by shared principles, not identical rules

CPP Investments-sponsored pension plans



Why CAPSA matters beyond compliance

CAPSA'S UPDATED CAP GUIDELINE:

- ✓ Raises expectations for governance, accountability, and oversight
- ✓ Shifts focus from process compliance to demonstrable outcomes
- ✓ Makes governance and risk explicit expectations, not assumptions
- ✓ Creates implications that extend beyond Canada for global sponsors

CAPSA as a catalyst for governance evolution

WHAT CHANGED IN PRACTICE:

- ✓ Clarified expectations around accountability and oversight
- ✓ Elevated governance risk as an explicit consideration
- ✓ Reduced reliance on implicit practices and assumptions
- ✓ Prompted reassessment of governance frameworks and documentation

From local compliance to global governance
consistency

Equivalent governance outcomes

≠

Identical rules

Clarifying accountability: oversight vs. execution

What the ToR establishes	What CAPSA sharpened	What we tightened in practice
Committee mandate and scope	Ultimate sponsor accountability	Made accountability explicit, not assumed
Delegated authority (and limits)	Delegation ≠ transfer of responsibility	Clarified oversight vs. execution language
Oversight responsibilities	Clear distinction between: <ul style="list-style-type: none"> • oversight, • execution, • service delivery 	Reinforced sponsor accountability
Reporting and escalation expectations		Reduced ambiguity across jurisdictions

Strengthening global governance through policy

KEY AREAS WE STRENGTHENED IN OUR GLOBAL GOVERNANCE POLICY:

- ✓ Clarified global vs. local governance expectations
- ✓ Reinforced sponsor accountability across all DC plans
- ✓ Embedded governance and risk oversight requirements
- ✓ Formalized escalation and reporting expectations

Making governance risk explicit – and proportionate

OUR APPROACH TO GOVERNANCE RISK:

- ✓ Embedded explicit governance risk in the Canadian-based SIPP
- ✓ Reflected CAPSA-driven expectations where they are most relevant
- ✓ Maintained consistent governance principles globally — without forcing identical risk standards

Lessons learned from implementation

Explicit accountability matters more than mature practice

Global governance works best when principles—not rules—are scaled

Governance risk is most effective when applied proportionately

What other global plan sponsors may want to consider

MAKE ACCOUNTABILITY EXPLICIT BEFORE ADDING FRAMEWORKS

SCALE GOVERNANCE THROUGH PRINCIPLES, NOT UNIFORM RULES

APPLY GOVERNANCE RISK WHERE IT ADDS THE MOST VALUE



THANK YOU!