

Annual Public Meeting

Presented by the Public Sector Pension Investment Board (PSP Investments)

Martin Glynn

*Chair
of the Board*

Neil Cunningham

*President and
Chief Executive Officer*

September 28, 2021

PSP



Welcome and Governance Overview

— Martin Glynn, Chair of the Board

Public Sector Pension Plans: Stakeholders

Pension Advisory Committees

Public Service

Canadian Forces

RCMP

Composed of representatives of the employer and active and retired plan members appointed by the respective Ministers. Provides advice and assistance to their respective Ministers on matters affecting the operation of their Superannuation Acts.

Government of Canada

President of the Treasury Board

Responsible for Public Service Pension Plan accounts and for the funding and overarching policy of all four plans

Minister of Public Safety and Emergency Preparedness

Responsible for RCMP Pension Plan account

Minister of National Defence

Responsible for Canadian Forces and Reserve Force pension plan accounts

Public Services and Procurement Canada (PSPC)

Manages the day-to-day administration of the plans (determines eligibility, calculates and pays benefits, etc.)

Office of the Chief Actuary

Performs periodic actuarial valuations for funding purposes and calculates yearly obligations

Plan members



Contributions



Benefits

Fund



Transfers

PSP

Responsible for:

- managing the funds transferred by the Government of Canada in the best interest of contributors and beneficiaries, and
- maximizing investment returns without undue risk of loss, having regard to the funding, policies and requirements of the pension plans.

Governance Overview

Parliament

- Establishes legislative governance framework (*PSPIB Act*)

Government of Canada

- Funding Policy
 - Asset Liability Committee
- Communicates the Government's risk tolerance (Reference Portfolio)
- Appoints 11 non-executive directors, Pension Advisory Committee members and the Nominating Committee
- Tables the annual report

Arm's length relationship



PSP

(Non-agent, parent Crown Corporation wholly owned by the Government of Canada)

Board of Directors

- Makes key decisions, including the determination of PSP's asset mix
- Exercises oversight: supervises management and oversees risks
- Provides insights and advice to management
- Appoints the CEO

Management & Employees

- Develops and implements PSP's investment strategy

Update from the President & CEO

— Neil Cunningham

PSP Investments

- Celebrated 20 years of operations
- One of Canada's largest pension investment managers, with \$204.5 billion of net assets under management as of March 31, 2021
- Nearly 900 professionals in Ottawa, Montréal, New York, London and Hong Kong
- Diversified across asset class, geography, industry and sector
- Connecting to what matters
- One of Montreal's Top Employer for the fourth consecutive year



PSP Forward | Our Next Strategic Plan

Be an insightful global investor and valued partner that is selective across markets and focused on the long-term.

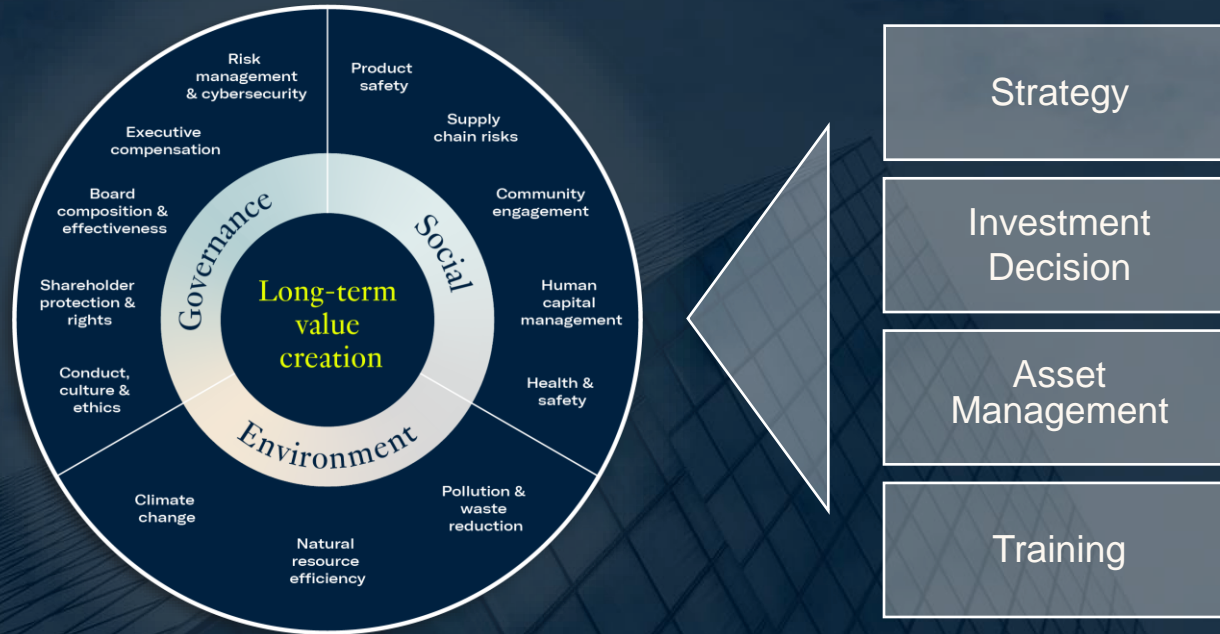
The three strategic pillars that will anchor our evolution going forward...





Responsible Investing & ESG

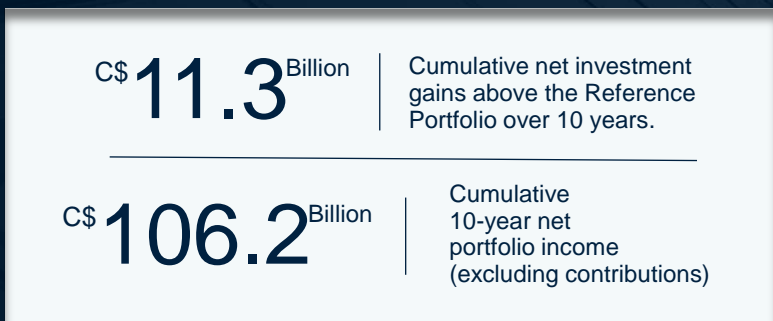
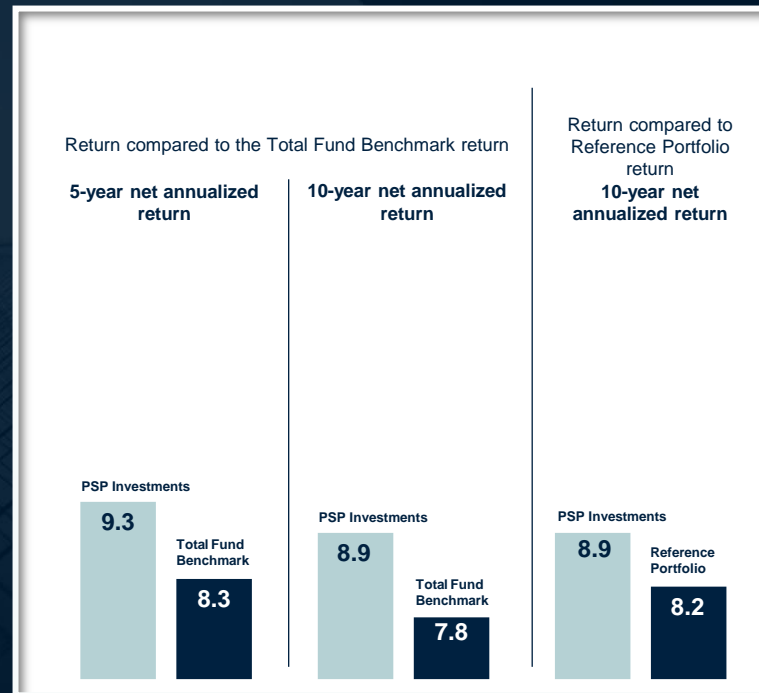
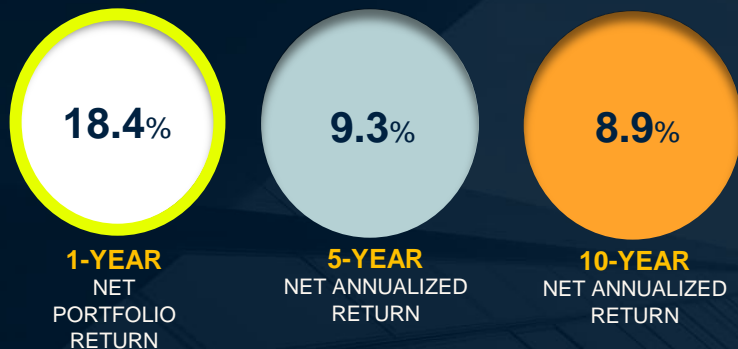
We expect to enhance investment performance through addressing ESG risks and opportunities





FY21 Annual Results

Financial Highlights – FY21



Asset Class Overview

PSP
Investments

C\$ **204.5** Billion
Net AUM

Capital Markets*



26.6 %

1-year rate of return

10.0 %

5-year annualized return

Private Equity



28.4 %

1-year rate of return

11.3 %

5-year annualized return

Credit investments



10.5 %

1-year rate of return

11.7 %

5-year annualized return

Real Estate



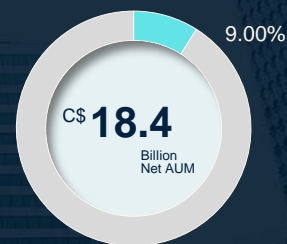
3.8 %

1-year rate of return

6.1 %

5-year annualized return

Infrastructure



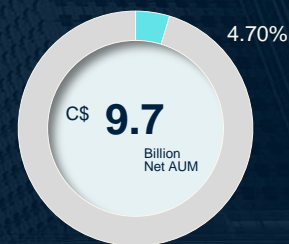
4.5 %

1-year rate of return

10.5 %

5-year annualized return

Natural Resources



10.6 %

1-year rate of return

9.0 %

5-year annualized return



Questions?