

PUBLIC SECTOR PENSION INVESTMENT BOARD

TERMS OF REFERENCE FOR THE CHAIRPERSON

INTRODUCTION

1. The *Public Sector Pension Investment Board Act*, (the “Act”) provides, among other things, that:
 - (a) The Governor in Council shall, on the recommendation of the President of the Treasury Board after the President of the Treasury Board has consulted with the Board of Directors (the “Board”) of the Public Sector Pension Investment Board (“PSP Investments”), the Minister of National Defence and the Minister of Public Safety and Emergency Preparedness, designate one of the directors of PSP Investments as Chairperson to hold office during good behaviour;
 - (b) The Governor in Council may remove the Chairperson for cause; and
 - (c) The Chairperson shall preside at all meetings of the Board and may exercise the powers and perform the duties and functions that are specified by the Board.

DUTIES AND RESPONSIBILITIES

2. The Chairperson shall:
 - (a) Work to ensure that the Board satisfies its duties and responsibilities as set forth in the Act and the Terms of Reference of the Board, and ensure that the Board complies with the By-Laws and the governance policies of the Board;
 - (b) Chair meetings of the Board, ensuring that such meetings are conducted in an efficient and productive manner;
 - (c) Guide the Board in establishing a consensus on critical issues and decisions, while allowing full and open debate;
 - (d) Establish the agenda and schedule for Board’s meetings in consultation with the Chief Executive Officer;
 - (e) Facilitate effective, open communications and liaise between the Board and the Chief Executive Officer and communicate with Management so that they are aware of the concerns of the Board and other stakeholders;
 - (f) Work to ensure the general cohesiveness and effectiveness of the Board as a policy and oversight body;
 - (g) Oversee the responsibilities delegated to all Board committees;
 - (h) Work with the Nominating Committee established pursuant to the Act, after consultation with the Board, to help ensure adequate succession planning in respect of the Board;
 - (i) Be available to the Chief Executive Officer as a principal source of advice and counsel;

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- (j) In collaboration with the Chief Executive Officer, ensure the proper co-ordination of presentations and reports to the Board, and ensure that the meeting facilities are conducive to effective deliberations and discussions;
- (k) Review and approve the expenses incurred by the Chief Executive Officer;
- (l) Assist the Governance Committee in the implementation of the procedures for evaluating the performance of the Board and its members;
- (m) Review the proposed appointment or termination of the Corporate Secretary and inform the Chief Executive Officer of any concerns or findings;
- (n) Represent PSP Investments to its stakeholders, or otherwise serve as spokesperson for PSP Investments, in collaboration with the Chief Executive Officer;
- (o) Review periodically in consultation with the Governance Committee the Terms of Reference for the Chairperson; and
- (p) Carry out such other functions and duties as are prescribed by the Board.

DEFINITIONS

3. “Management” refers to the officers of PSP Investments and the other members of the senior management team of PSP Investments as may be determined from time-to-time by the Chief Executive Officer and communicated to the Board.

These Terms of Reference were most recently reviewed and amended by the Board on February 10th, 2009.