

## **SCOTIABANK NON-EXECUTIVE CHAIRMAN MANDATE**

The non-executive Chairman of the Board is appointed by the Board of Directors of the Bank to lead the Board to fulfill its duties effectively, efficiently and independent of Management.

The non-executive Chairman of the Board acts in an advisory capacity to the President and Chief Executive Officer and to other officers in all matters concerning the interests of the Board and relationships between Management and the Board.

The non-executive Chairman of the Board will be independent as determined by the Board within the meaning of the NYSE Corporate Governance Rules and the CSA's Corporate Guidelines, and with reference to the Bank's Director Independence Standards.

### **RESPONSIBILITIES**

The non-executive Chairman of the Board:

- (a) Chairs the Board and shareholders' meetings;
- (b) Chairs the independent sessions of any Board meeting and provides feedback to the President and Chief Executive Officer, as appropriate;
- (c) Reviews in advance the agendas for the Board meetings as prepared by the Secretary and President and Chief Executive Officer;
- (d) Plans and organizes the activities of the Board of Directors in consultation with the President and Chief Executive Officer including:
  - i. the quality, quantity and timeliness of the information that goes to the Board;
  - ii. the formation of committees and the integration of their activity with the work of the Board;
  - iii. the evaluation of the Board's effectiveness and implementation of improvements;
  - iv. the development of the Board, including Director recruitment, evaluation and compensation; and
  - v. the ongoing formal and informal communication with and among Directors.
- (e) Ensures that independent directors have adequate opportunities to meet to discuss issues without Management present;
- (f) Facilitates a candid and full discussion of all key matters that come before the Board;

- (g) Ensures the Board has adequate resources, especially by way of full, timely and relevant information to support its decision-making requirements;
- (h) Ensures a process is in place to monitor legislation and best practices which relate to the responsibilities of the Board to assess the effectiveness of the overall Board, its committees and individual directors on a regular basis;
- (i) Provides input to the Corporate Governance and Pension Committee on Board committee composition matters;
- (j) Invites Board approved candidates to join the Board, as requested by the Corporate Governance and Pension Committee;
- (k) Participates in the orientation of new directors and continuing education of all directors;
- (l) Ensures delegated committee functions are carried out and reported to the Board;
- (m) Conducts peer reviews through a process involving meeting with each director individually. These peer reviews will be conducted to coincide with the formal survey of board effectiveness, and the results of this survey are reviewed with the Chair of the Corporate Governance and Pension Committee;
- (n) May chair a Board committee if requested;
- (o) Participates in meetings of the Human Resources Committee in establishing the performance goals and assessments of the President and Chief Executive Officer in meeting agreed to targets;
- (p) Ensures issues raised by the Board on strategy will be included in agendas for Board strategy meetings;
- (q) Attends, as required, as a non-voting participant, all meetings of Board committees (other than those upon which he sits);
- (r) In conjunction with the President and Chief Executive Officer, facilitates effective communication between Directors and Management;
- (s) Carries out special assignments at the request of the President and Chief Executive Officer or the Board of Directors;
- (t) Upon request, represents the Bank at social, fundraising or industry association gatherings;
- (u) Meets with representatives of the Bank's regulators, as required, including the Office of the Superintendent of Financial Institutions Canada;
- (v) Acts as a resource for the President and Chief Executive Officer on major strategy issues, handling of major business issues or opportunities and matters of corporate governance;

- (w) In conjunction with Management, responds to shareholder concerns regarding governance issues or other matters relating to the Board; and
- (x) Provides guidance to the Board of Directors to ensure consideration of interests of various stakeholders of the Bank.

**This document was last reviewed and approved by the Board on June 28, 2011.**