

Global Principles for Sustainable Securities Lending Progress Report 7/2020

Governance decision

Strategic appointments



This decision was made by Dr Radek Stech (CEO)
in collaboration with key stakeholders on 10th November 2020.

Date: 10 November 2020

Governance Decision and Strategic Appointments

Dear Stakeholders

A fundamental component of Global PSSL is the tremendous value it draws from the collective wisdom of its participants. As promised during our roundtable meetings in August and October, I have created terms of reference (attached) for the new Global PSSL College of Advisors. This body will harness and channel expertise to the applicable workstreams.

I have invited Kenneth Gutwillig to be Executive Director of the College of Advisors and Roy Zimmerhansl to serve as our first Strategic Advisor, in charge of Global Practice and Outreach. I am delighted that both agreed to these important roles.

Ken is a highly respected financial advisor based in New York. We worked together when he was a partner on the International Securities Lending Association (ISLA) Council for Sustainable Finance and I feel his wealth of experience and positive approach will be great assets in this role. During his distinguished career, Ken has forged strong relationships with key stakeholders around the world (e.g. Bretton Woods Committee, the Economic Club of New York), so Global PSSL will benefit from his market reach as well.

Roy, through his extensive expertise in securities lending and collateral management, brings a diverse and agile skillset to this initiative, having worked with ISLA, Pan Asia Securities Lending Association (PASLA), and the Bank of England Securities Lending and Repo Committee. Furthermore, I am struck by Roy's highly proactive approach towards generating real impact within finance – never afraid to challenge the big players and ask the important questions.

These appointments are a key step in the establishment of Global PSSL. Please take a moment to review the attached terms of reference, wherein you'll understand why Ken and Roy are such good fits for their respective roles.

I look forward to catching up with you all in the near future. Until then, thank you again for your commitment and dedication.

Kind Regards,

Dr Radek Stech



CEO, Global PSSL



Global PSSSL College of Advisors Terms of Reference

1. Purpose

This document describes the objectives and structure of the Global Principles for Sustainable Securities Lending College of Advisors.

2. Objectives

Global PSSSL CIC is committed to co-creating the Global Principles for Sustainable Securities Lending market standard with industry leaders (practitioners), but we also recognize and embrace the value of expertise from thought-leaders in other branches of finance, technology, regulation, and academia. The College of Advisors will take an inclusive approach by bringing together independent advisors to provide impartial advice to the Global PSSSL CEO and to the practitioners co-creating the Global PSSSL market standard. As is the case with Observers, advisors can choose to be more active participants in the focussed workstreams run by Global PSSSL CIC.

3. Leadership and Structure

The College of Advisors is composed of an Executive Director of the College, Strategic Advisors, and Advisors:

- I. The Global PSSSL CEO nominates the Executive Director of the College.
- II. The Executive Director of the College then nominates Strategic Advisors by engaging the Global PSSSL CEO. Collectively, the Executive Director of the College and Strategic Advisors form the College Executive.
- III. The College Executive then appoints Advisors.
- IV. All appointments are made in consultation with the Global PSSSL CEO, who is also an ex officio member of the College of Advisors.

4. Meetings

As a general guide, the College Executive should meet at least three times per calendar year to discuss, review and recommend their advice for the Global PSSSL CEO and the practitioners co-creating the Global PSSSL market standard (or future Executive Committee). The College Executive meeting is convened by the Executive Director of the College and receives support from the Global PSSSL Secretariat.

5. Advice and Recommendations

Through its Executive, the College of Advisors should remain in frequent contact with the Global PSSSL CEO and provide advice regarding executive decisions, as required. Global



Global Principles for Sustainable Securities Lending

PSSL CEO will also act as a conduit between the practitioners and the College of Advisors so that the former can receive best advice on specific subjects. The College Executive determines each appointment of Advisor through mutual agreement. The Executive Director of the College has final decision if a consensus is not forthcoming, provided the Executive Director acts in accordance with the Global PSSSL community interest test.

6. Impartiality

The College of Advisors shall act on an impartial basis by focusing on global interests. It must emphasise joint community interest per the Global PSSSL community interest test. The Executive Director of the College and the College Executive commit to working with the Global PSSSL CEO and reporting on their progress through joint progress reports and in the Global PSSSL Annual Report.

7. Remuneration

The College of Advisors will provide their advice free of charge. However, it is envisaged that some of this advice may need to take the form of formal papers, expertise etc. The Global PSSSL CEO will consult the forthcoming Remuneration Committee to set remuneration rates.

8. Term

The College of Advisors is a long-term body without an expiry date. The members of the College Executive commit to an initial three-year term, with an optional two-year extension if mutually agreed upon with the CEO. The College Executive can nominate additional advisors and set the term no longer than three years.

9. Changes to these Terms of Reference

Any proposed changes to these terms must be discussed with and approved by the Global PSSSL CEO in the first instance, as the Global PSSSL governance structure is still being developed progressively.