

Global Principles for Sustainable Securities Lending Progress Report #7-2021

Governance decision

Strategic appointment



This decision was made by Dr Radek Stech (CEO)
in collaboration with key stakeholders on 3rd June 2021.

Dear Stakeholders

Blue Orca joins Global PSSL

I'm pleased to announce that Soren Aandahl, of Blue Orca Capital LLC, has joined Global PSSL and is lending his support to the Global PSSL voluntary ESG Standard on Short Activism. Soren is a premier short activist investor with a proven track record of successful investments in the U.S., Asia and Australia, so we're delighted to have his knowledge and experience on board. He will co-chair our workstream on Short – Long Investments and ESG.

Global PSSL voluntary standard on ESG and short activism

Across all industries, environmental and social harm and misrepresentation are often embedded into broader poor governance and fraud. Global PSSL encourages transparency and a more holistic approach to campaigns. Through its [A.C.T.I.O.N](#)¹ Guidelines, short sellers not only assure their due diligence but also contribute to the ongoing development of Global PSSL and, in turn, the global sustainable finance agenda. This approach encourages people to be mindful of environmental/social matters without expressly focussing on them.

Many organisations are keen to get on the ESG bandwagon and often make false or exaggerated claims about their levels of environmental/social commitment. These instances of serious greenwashing, social washing, or governance failure are what activist short sellers may also look for during their research. Global PSSL offers a voluntary mechanism that adds a new ESG layer to existing due diligence and encourages people to feed their experiences back and further develop this initiative. We will be working on improving this standard in the coming months.

Global PSSL enriches and stimulates the debate

I discussed the key objectives with Soren in the context of the Global PSSL voluntary ESG Standard on Short Activism. I thought his response summed it up quite nicely:

“You've formed Global PSSL as a non-profit initiative to bring together a variety of voices from the broader community of practitioners, thought leaders, regulators and international organisations. Rather than just sketch out a list of rules or a code of conduct through lobby groups, you seek to build a new impartial platform, bring key stakeholders together, learn from them and jointly figure out solutions as the markets themselves evolve. In this respect, what you're doing is unique”.

I very much thank Soren for his recognition, and I look forward to working with him in the coming months.

Kind regards

Radek Stech
Founder and CEO

¹ Awareness (of ESG), Critical (of malfeasance), Test (against criteria), Implement (the plan), Observe (the result), Notify (Global PSSL of lessons learnt).