

# Global Principles for Sustainable Securities Lending Progress Report

Annual meeting

CEO actions

Global PSSL  
College of  
Advisors



This progress report was issued by Global PSSL in consultation with all contributors.

## Meeting participants:

### Present in their personal capacity

Kenneth Cutwillig	Executive Director of the College of Advisors (Chair)
Professor Julia Black	Advisor
Piotr Dmuchowski	Advisor
Ken LaRoe	Advisor
Professor Onyeka K. Osuji	Advisor
Meagan Ringel	Advisor
Pat Sharman	Strategic Advisor
Anne Stevenson-Yang	Strategic Advisor
Roy Zimmerhansl	Strategic Advisor (attended through a follow up with the CEO)

### Present in their organisational capacity

AFM (Eward Sonneveld)	Observer
Secretary Ela Slota	Global PSSL Secretariat
CEO Radek Stech	Global PSSL Secretariat

## Meeting agenda (6 July 2022):

1. Greetings to Advisors and Guests
2. Brief summary of Companies House Requirements
  - a. Annual Report
  - b. Community Interest Test
3. Global PSSL Finances
  - a. Current Situation and Anticipated Future Growth
  - b. Discussion: Breaking the Chain of Self-Funding—  
Towards Greater Corporate Involvement
4. The State of ESG
  - a. The evolution of ESG
  - b. Discussion: The Greenwashing Conundrum. Is it an  
Inevitable Consequence of ESG? Or can it be  
Prevented with Thoughtful Regulation and Applied  
Principles?
5. Global PSSL projects
6. Closing Remarks

## Meeting Opening

The Global PSSL College of Advisors meeting was called to order at 17:30 BST on the 6<sup>th</sup> July 2022 by the Global PSSL Secretariat. This formal meeting followed discussions between Kenneth Gutwillig (Executive Director of the College of Advisors) and Dr Radek Stech (in line with the [Global PSSL Ts&Cs – s.7 and Annex 1](#)).

Global PSSL is delighted to have organised this meeting and appreciates that some advisors may have chosen to take a more proactive approach. None of the individual advice should be understood as collective advice. The meeting participants received more detailed minutes, which were accepted.

## Key discussion points

1. The community interest company (CIC) is the appropriate vehicle for Global PSSL. Global PSSL is a not-for profit social enterprise that has public interest at heart, is regulated by the [CIC Regulator](#), and also needs to pass an annual 'community test'.
2. The conception and development of Global PSSL was possible due to the publicly funded and independent Economic and Social Research Council grant supported by the University of Exeter (overall funding in excess of £290,000 which was used for several research-driven activities, including Global PSSL). Radek Stech received this grant as principal investigator following several rounds of national peer review. Further small funding was received through sponsorships and, most importantly, support from the most active stakeholders for the "Global PSSL for UN Pathways" project.
3. Further funding is needed. (Strategic) advisors suggested a few solutions (confidential).
4. Despite funding issues, Radek Stech emphasized the need for diversity of funding and mentioned that some recent external financial proposals to Global PSSL had to be rejected in order to protect the impartiality and independence of Global PSSL.
5. Pat Sharman suggested that we approach the International Sustainability Standards Board (ISSB) in addition to an ongoing dialogue with the UN and the World Bank Group officials.
6. One advisor expressed the need for a Global PSSL business strategy / plan for short and long term Global PSSL outcomes. This clarity of purpose would help organisations to understand our goals and encourage them to support Global PSSL. Radek Stech explained such plans are in place and align with the long-term objectives set out in the early developmental stages (2018-2019). The UN Pathways Project was presented with a clear long-term plan. There is also a fear of 'copycatting' by some organisations/special interest groups. Radek Stech agreed with a suggestion that Global PSSL should link the past with the future and explain what the value proposition of the CIC is.

## CEO Statement on actions taken following the College of Advisors meeting

Dear Executive Director, Strategic Advisors and Advisors,

Thank you for taking the time to attend the annual meeting of the College of Advisors. Please see a summary of the key actions I have taken following your advice:

1. I have decided to approach the International Sustainability Standards Board (ISSB) with a view to explaining the value proposition of an independent and impartial Global PSSL for the broader sustainable finance markets. I am delighted that Pat Sharman agreed to help with this key communication and attend any meetings with me that may result from this.
2. I have decided to introduce a new internal rule on the diversity of funding that will be included in [Annex 2 of our consolidated Ts&Cs](#). The rule will be introduced by early 2023 and I confirm that Global PSSL currently relies on a healthy mix of funding that enables it to continue on an impartial and independent basis.
3. I have decided to consolidate our CIC key objectives and milestones into one document and release it by early 2023. I also wanted to clarify that we will not be publishing detailed internal plans which will be kept by the Secretariat. As needed, we can share detailed plans with our Regulator of the CICs and Observers (international organisations and regulators). I think that this will constitute a healthy balance between discretion and transparency and prevent 'copycatting' by well-resourced stakeholders.
4. I made relevant links between the past and the future with my research paper titled: ["Towards Enhanced Governance for Transparent and Sustainable Global Securities Lending."](#) (1<sup>st</sup> November 2022). This paper was submitted to the US SEC and was well received by seven reviewers at the formative stage. I intend to build upon this research paper and include all key stakeholders that share the objective to improve 'polycentric' securities lending.

Thank you, once again, for your continuing commitment and support of Global PSSL. I very much look forward to our ongoing collaboration.

Kind regards,

Radek Stech



CEO, Global PSSL