



BOARD OF DIRECTORS TERMS OF REFERENCE

Background

Founded in 2020, the Global Peer Financing Association (the “**Association**”) is a not-for-profit business association created by peers for peers, to promote knowledge sharing in a trusted environment to create value, inspire, and shape the securities finance industry and influence the broader investment markets.

Members of the Association are participants in the global financing industry that engages in securities lending activities, private equity investments, derivatives transactions, infrastructure funding and related investment activities. The members of the Association (“**Members**”) have a shared objective to enhance market efficiency (e.g., reducing or eliminating information asymmetries), by undertaking work for consistent and effective legislation and policy and exchanging best practices and knowledge.

Purpose

The role of the Board of Directors (“**Board**” and each a “**Director**”) is to oversee the stewardship, accountability and leadership of the Association. Directors are expected to exercise good business judgment in decision-making, bring a strategic focus to Board deliberations, provide appropriate oversight through monitoring, foster the long-term success of the Association and promote the Association’s values, vision and purpose.

Composition and General Powers

1. Structure, Composition and Appointment

The structure, composition and term of office of the Board is specified in the Certificate of Incorporation and the Statement of Sole Incorporator.

2. Powers of Board of Directors

Certain of the Board’s responsibilities may be delegated to Board committees. The responsibilities of those committees will be as set forth in their terms of reference, bylaws and other documents, as amended from time to time.

Strategic Planning

- a. Oversee the strategic planning process within the Association; and
- b. Review all strategy presented, support and monitor strategic plans.

Policies and Procedures

- a. Approve the terms of reference for the Board, the Chair, and the Directors;
- b. On recommendation of the Chair, appoint, determine the composition of and set the terms of reference for, Board committees; and
- c. Develop, approve and monitor all policies and related documents which govern the Association.

Corporate Governance

- a. Develop the Association’s approach to corporate governance, including a set of corporate governance principles and guidelines for the Association.

Board Effectiveness

- a. Review the skills and experience represented on the Board in light of the Association's strategic direction, for the purpose of recommending the criteria and potential candidates who meet the criteria and make recommendations regarding the criteria it should consider in making appointments to the Board.

Affairs of the Board

As a member of the Board, each Director shall:

- a. exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances;
- b. demonstrate high ethical standards and integrity in their personal and professional dealings and maintain confidentiality;
- c. advise Chair when introducing significant and/or previously unknown information or material at a Board meeting;
- d. identify potential conflict areas and ensure they are appropriately identified and reviewed;
- e. maintain an excellent Board and committee attendance record;
- f. prepare for Board and committee meetings by reading the agenda and background materials prepared for each meeting prior to the meeting; and
- g. participate fully and frankly in Board deliberations and discussions.

Meetings

1. Meeting Frequency and Conduct

The Board will meet a minimum of four times a year, either in person, by telephone or via video conference.

2. Notice of Meeting

Written notice of the time and place of every meeting shall be sent by electronic means to all Directors at least seven days prior to the meeting. With the consent of the Directors, the notice period may be shortened or waived.

3. Regular Meetings

The Board may appoint a day or days in any month or months for regular meetings at a place and hour to be named. A copy of any resolution by the Board fixing the time and place of regular meetings of the shall be sent to each Director forthwith after being passed, but no other notice shall be required for any such regular meeting.

4. Special Meetings

A meeting of the Board other than a regular meeting may be held at any time upon call provided that notice shall be given at least three (3) business days before the date of the meeting, unless notice is waived in writing by all members of the Board.

5. Quorum

A majority of Directors eligible to participate and vote on a matter shall constitute a quorum for the transaction of business at any meeting of the Board. Any meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under

the by-laws or pursuant to a resolution passed at a meeting of the Board at which a quorum was present or consented to by the signatures of all the Directors.

6. Attendance

All Directors are expected to attend Board meetings. The Board at all times retains the right to determine who may be present during a meeting of the Board.

7. Minutes

Minutes of all meetings shall be kept and provided to Directors in accordance with any Board policy covering minutes.

8. Voting

Each Director shall have one vote, which must be made in person at a meeting and cannot be made by proxy. At all meetings of the Board any question shall be decided by a majority of the votes cast on the question. Any question at a meeting of the Board shall be decided by a show of hands unless a ballot is required or demanded.

9. Action in Writing

A resolution in writing signed by hand or electronically by all of the Directors entitled to vote on that resolution at a meeting of the Directors or a committee of the Board is as valid as if it had been passed at a meeting of the Board or a committee of the Board.

Related Documents

Other documents to which this policy relates include the *Competition Guidelines*, *Consent Agenda Process*, *Minutes Policy*.

Policy Review

This policy shall be reviewed every five years.