

Round table 2 Stock Exchanges: New drivers of Sustainable development and Responsible Investing?

Julie Muraco (Moderator), CEO, Managing partner TBLI group, United States, opens the discussion by introducing the growing trend of social capital exchanges in the world. These markets often the front office for the investors, however she mentions the challenges with backward integration. The other big challenge she introduces to the panel is about how national stock exchanges can move in this direction. Siobhan Cleary from World Federation of Exchanges, shares her insights on how the federation is opening up the discussion on sustainability, and among their 63 members, who have a combined market cap of 70 trillion USD there has been great progress on integrating the sustainability agenda. Yeon Lian Sim from the Singapore Exchange agrees with Siobhan and shares their bold step of making sustainability reporting mandatory for all its members by end of 2017. Yeon shared that most of their members have been very interested in the longevity of their investments and monitoring risks associated with ESG. Evan Harvey from Nasdaq Corporate Sustainability agreed with other members of the panel, however he shares that mid cap and small cap companies continue to be challenged by the ESG compliances, however more of them are understanding that this way of reporting and managing their operations would be better for the bottom line in the long run. Nasdaq itself has made some big steps to work on its sustainability impact, and recently entered the Dow Jones Sustainability Index.

Key take aways :

- a)** Green finance is mainstreaming, so we see growing players
- b)** Measuring social issues is still a big challenge, and we have a long way to go
- c)** We need a global baseline for reporting
- d)** We need to more profiling of sustainable companies
- e)** Green bonds are an emerging asset class