

For immediate release

Sustainable Stock Exchanges Initiative: Exchanges listing over 4,600 companies commit to promoting sustainability

Rio de Janeiro, 18 June 2012 - A core group of five stock exchanges - NASDAQ OMX, BM&FBOVESPA, the Johannesburg Stock Exchange (JSE), the Istanbul Stock Exchange (ISE) and The Egyptian Exchange (EGX) - today announced a commitment to promote long-term, sustainable investment in their markets.

The announcement comes amid high-profile discussions among governments on the role of the private sector - including finance - in building a green economy and the importance of corporate sustainability reporting, on the eve of the United Nations Conference on Sustainable Development (Rio+20), taking place between 20-22 June.

These leading exchanges, with over 4,600 listed companies in developed and emerging markets, have voluntarily committed to work with investors, companies and regulators to promote long-term sustainable investment and improved environmental, social and corporate governance disclosure and performance among companies listed on their exchange.

"Going forward we would like to publicly recognize those exchanges that are committed to promoting sustainability," said **UNCTAD Secretary-General Supachai Panitchpakdi**, who announced the commitment in the presence of senior regulators, investors, and representatives from stock exchanges. "This is the first step of a larger global call to stock exchanges to publicly commit to promoting sustainability" explained **Georg Kell, Executive Director of the Global Compact**. "We take this opportunity to call on all stock exchanges around the world to join these leading exchanges in making this potentially transformative commitment."

The endorsements came today during the Sustainable Stock Exchanges (SSE) 2012 Global Dialogues, held at the Corporate Sustainability Forum in Rio de Janeiro. The SSE initiative, is co-organized by the Global Compact, UNCTAD, UN-backed Principles for Responsible Investment (PRI) and UNEP Finance Initiative, builds on three years of successful engagement with major stock exchanges. With these new commitments, the SSE initiative is moving into a new phase with a more robust programme of activities and support for greater engagement of stock exchanges with companies and investors.

Committed exchanges provided key insights behind their support for the SSE initiative.

"NASDAQ OMX is happy to be a founding signatory of the Sustainable Stock Exchanges commitment and will work together with the other founding signatories - BM&FBovespa, ISE, JSE and EGX - through the World Federation of Exchanges to encourage all exchanges to sign up to the new SSE commitment," said **Sandy Frucher, Vice-Chairman of NASDAQ OMX**.



"By encouraging companies to adopt good corporate governance practices where a social and environment dimension is taken into consideration, and by helping investors to make socially responsible decisions the SSE initiative can enhance transparency of information as regards capital markets and help creating more aware investors" said **Edemir Pinto, CEO of BM&FBOVESPA**.

"We believe that stock exchanges have to play a vital role in encouraging the companies to apply ESG practices to create a responsible investment environment where investors could reward sustainability sensitive companies. Therefore, we strongly support SSE initiative and invite other exchanges to be part of it" said **Ibrahim Turhan, Chairman and CEO of the Istanbul Stock Exchange**.

"Being one of the leading exchanges in the MENA region, we have been applying highly standardized listing and disclosure rules that are periodically updated to guarantee the highest transparency on ESG criteria. We therefore welcome this initiative as it will allow us to share our practice with other exchanges," said **EGX Chairman Dr. Mohammed Omran**.

The commitments were welcomed by UN and investor representatives.

"Stock exchanges are uniquely positioned at the intersection between investors, companies, and regulators" said **James Zhan, Director of UNCTAD's Division on Investment and Enterprise**. "As such, they can play a key role in promoting responsible investment and sustainable development."

"Since 2011, a group of PRI signatories led by Aviva Investors have been engaging with the 30 largest stock exchanges on ESG-related issues" said **James Gifford, Executive Director of PRI**, who was encouraged by the continued collaboration between investors and exchanges. "Commitment of stock exchange to sustainability is an important element of the PRI's mission to mainstream integration of ESG into financial markets."

This was echoed by Steve Waygood, Chief Responsibility Officer at Aviva Investors: "As a major institutional investor with over \$500bn in assets under management, we've been a big supporter of the SSE since the outset. We strongly welcome these public commitments by stock exchanges. For some years we have made it clear that Aviva Investors would prefer to trade on exchanges that embed better ESG disclosure in their listing rules."

The announcement follows a recent report by the SSE, *2012 Sustainable Stock Exchanges: A Report on Progress*, that underscores that the majority of exchange entities are interested in promoting greater corporate transparency and responsibility on sustainability issues.

Notes to Editors

For more information on the Sustainable Stock Exchanges initiative, please visit www.SSEinitiative.org



United Nations Conference on Trade and Development (UNCTAD) Division on Investment and Enterprise (www.unctad.org/DIAE)

The Division is recognized as a global centre of excellence on issues related to investment and enterprise for sustainable development. Built on several decades of successful experience, its staff provide international expertise in research and policy analysis, inter-governmental consensus-building, and technical assistance to over 150 countries. Its flagship product is the annual UNCTAD World Investment Report and its main global stakeholder event is the biannual UNCTAD World Investment Forum.

United Nations Global Compact

The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. By doing so, business, as a primary driver of globalization, can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere.

Principles for Responsible Investment

The United Nations-backed Principles for Responsible Investment Initiative (PRI) is a network of international investors working together to put the six Principles for Responsible Investment into practice. The Principles were devised by the investment community. They reflect the view that environmental, social and corporate governance (ESG) issues can affect the performance of investment portfolios and therefore must be given appropriate consideration by investors if they are to fulfil their fiduciary (or equivalent) duty. The Principles provide a voluntary framework by which all investors can incorporate ESG issues into their decision-making and ownership practices and so better align their objectives with those of society at large.

United Nations Environment Programme Finance Initiative (UNEP-FI)

UNEP-FI is a unique global partnership between the United Nations Environment Programme (UNEP) and the global financial sector. UNEP FI works closely with over 200 financial institutions who are Signatories to the UNEP FI Statements, and a range of partner organisations to develop and promote linkages between sustainability and financial performance. Through peer-to-peer networks, research and training, UNEP FI carries out its mission to identify, promote, and realise the adoption of best environmental and sustainability practice at all levels of financial institution operations.

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