

## **SED21: Towards Digital Capital Markets with Impact and Purpose**

**Luxembourg 24 March 2021:** The Luxembourg Stock Exchange (LuxSE) celebrated the first-ever virtual edition of its popular, annual event *Stock Exchange Day* on Tuesday 23 March. Organised every year since 1983 – with the exception of 2020 due to the COVID-19 pandemic – the event has become a yearly highlight for the capital market industry in Luxembourg and beyond.

This year's edition carried the tagline *Towards Digital Capital Markets with Impact and Purpose* and zoomed in on three of the main drivers shaping capital markets today, namely Brexit, Sustainability and Technology. The event featured industry experts, political leaders and tech start-up founders, who all shared thought-provoking insights into how capital markets are likely to evolve in the future and what the impact will be for Luxembourg's financial centre.

### **From Brexit to science**

Robert Scharfe, CEO of LuxSE, and Julie Becker, Deputy CEO of LuxSE both addressed the audience during the event.

Robert Scharfe shared his perspectives on Brexit: "The medium-term consequences of Brexit bear the potential to boost international capital markets. Europe can still remain the centre of international debt markets, as it has been for the past 60 years. No one has anything to gain from jeopardising a close and successful cooperation that has lasted for decades and brought clear benefits to all participants, and we remain optimistic that Luxembourg and London will find ways to continue to work together."

Julie Becker highlighted the increasing role that science will play in sustainable finance: "Based on and characterised by transparency, sustainable finance creates the link between science, the economy and finance. Sustainable finance will become science-based finance, and science will play an essential role in the definition of new products and standards. This requires a wide array of scientific and technical expertise previously not present in the financial world, because we need to be able to translate scientific impact indicators into practical guidance for finance and industry."

## **A changing industry**

Next to LuxSE's leadership team, the event featured prominent guest speakers. In an interesting dialogue, Luxembourg Minister of Finance Pierre Gramegna and British Ambassador to Luxembourg John Marshall discussed how Brexit may impact European capital markets and the financial cooperation between Luxembourg and the UK, and what role sustainable finance plays in the two countries' sustainability strategies.

Sustainability was next on the programme. Justine Leigh-Bell, Deputy CEO of Climate Bonds Initiative, a not-for-profit organisation working to mobilise the USD 100 trillion bond market for climate change solutions, gave a keynote speech on sustainable finance. In her speech, Leigh-Bell stressed the need for more clarity around transition finance to build investor trust in new transition products, which support the transition to a low-carbon economy.

The third focus area of the programme was dedicated to technology and featured the four promising start-ups that the Luxembourg Stock Exchange has invested in since 2019: Origin, StarTalers, FundsDLT and Tetrao. One after another, Raja Palaniappan, Co-Founder and CEO of Origin, Gaelle Haag, Co-founder and CEO of StarTalers, Olivier Portenseigne, CEO of FundsDLT and Christian Gillot, Founder and CEO of Tetrao explained how their companies use technology to improve specific areas of capital markets. By streamlining bond issuance, making capital markets more inclusive, simplifying distribution operations with blockchain or collecting vast amounts of data with artificial intelligence; the four start-ups painted a compelling picture of how technology are transforming capital markets operations and powering finance.

### **About the Luxembourg Stock Exchange**

The Luxembourg Stock Exchange (LuxSE) is the gateway to access international investors. With more than 37,000 listed securities, including 33,000 debt instruments, from 2,000 issuers in 100 countries, LuxSE is one of the world's leading exchanges for the listing of international, financial securities and offers a unique and integrated service offering covering listing, trading and information services.

In 2016, LuxSE launched the Luxembourg Green Exchange (LGX) and became the first exchange in the world to operate a platform dedicated entirely to sustainable securities. LGX has become a meeting place for impact-conscious issuers and investors, and has a leading global market share of listed green, social and sustainability bonds worldwide.

LuxSE also operates a specialist subsidiary, Fundsquare, which provides services to support and standardise cross-border distribution of investment funds.

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