

Media Release

28 June 2022

Colombo:

SEC, CSE, and the CFA Society SL aim to strengthen ESG Focus in the Sri Lankan Capital Market

The Securities and Exchange Commission of Sri Lanka (SEC), the Colombo Stock Exchange (CSE) and the CFA Society Sri Lanka (CFASSL) have entered into a Memorandum of Understanding (MoU) to further strengthen Environmental, Social, and Governance (ESG) focus in the Sri Lankan capital market.

The MoU will enable the institutions to jointly deliver initiatives focused on educating local investors on ESG and fostering effective ESG practices and communication by Listed Companies. Furthermore, the MoU will also pave the way for cooperation in improving ESG-related know-how of local market practitioners, encouraging the adoption of the CFA Institute's Global ESG Disclosure Standards for Investment Products and the introduction of ESG-related new products, standards and regulations.

Commenting on the development, Chairman of the SEC Mr. Viraj Dayaratne PC stated "Strengthening ESG focus in regulation, policy-making and in our advocacy efforts among investors, issuers and other market stakeholders is vital in ensuring that the Sri Lankan capital market benefits from the considerable interest in ESG investing observed globally. While capturing the knowledge and expertise of the CFA Society Sri Lanka in our ESG agenda offers considerable value, the MoU also offers a new avenue through which the SEC and CSE could strengthen ties with an institution that represents financial analysts and investment practitioners – professionals who are central to the development of the Sri Lankan capital market."

Chairman at CSE Mr. Dilshan Wirasekara commenting on the MoU said "CSE has over the years maintained a strong commitment to creating ESG related awareness and to encourage the greater adoption of ESG practices and communication by listed companies as it not only creates opportunities for the market, but also creates a positive impact to the environment and society at-large. This MoU offers CSE the opportunity to benefit from the strategic direction and guidance of the industry regulator the SEC and tap into the technical know-how and expertise of CFASSL and its international network during the process of delivering multiple progressive ESG related objectives. The CSE looks forward to creating positive ESG related outcomes for investors, listed issuers and our stakeholders as a result of this collaboration."

Mr. Dinesh Warusavitharana CFA, the President of CFASSL said "The local member society of CFA Institute, which is a global organization that provides education for investment professionals are pleased to collaborate with the SEC and CSE to educate capital market participants on ESG. As sustainable finance has grown rapidly in recent years, a growing number of institutional investors and funds now incorporate various ESG investing approaches to create better long-term financial value. We believe this tripartite collaboration

will facilitate knowledge enhancement of the key participants on ESG to prepare them to access global funds dedicated for ESG investing.”

Chairman Mr. Viraj Dayaratne PC and Director General Mr. Chinthaka Mendis were signatories of the MoU from the SEC while Chairman at CSE Mr. Dilshan Wirasekara and CSE CEO Mr. Rajeeva Bandaranaike signed on-behalf of the CSE. President CFASSL, Mr. Dinesh Warusavitharana CFA and Vice President CFASSL Mr. Aruna Perera CFA were the signatories from CFASSL. The signing ceremony which was held at the SEC was also attended by other senior officials from the three institutions.

Photograph



SEC, CSE and CFASSL Officials at the MoU signing

About the SEC

The Securities and Exchange Commission of Sri Lanka (SEC) is the apex regulator of the capital market. The SEC was established by the Securities and Exchange Commission Act No. 36 of 1987. The said Act has now been repealed and replaced by the Securities and Exchange Commission Act No. 19 of 2021.

About CSE

The Colombo Stock Exchange (CSE) operates the only stock market in Sri Lanka and is responsible for providing a transparent and regulated environment where companies and investors can come together. The CSE is a company that is limited by guarantee established under the Laws of Sri Lanka. The CSE is licensed by the Securities and Exchange Commission of Sri Lanka (SEC) and is a mutual exchange consisting of 15 Members and 13 Trading Members. All Members and Trading Members are licensed by the SEC to operate as Stockbrokers. For more information, please visit: www.cse.lk.
For more information:

About CFA Institute and CFA Society Sri Lanka

CFA Institute is a global association of investment professionals offering the Chartered Financial Analyst designation. Founded in 2001, CFA Society Sri Lanka is a not-for-profit organization supporting the professional development and advancement of CFA charterholders and candidates in Sri Lanka. Its membership of over 240 members consists of CEOs, CFOs, portfolio managers, equity analysts, banking

professionals, investment advisors, and other senior-ranking financial practitioners, and over 500 candidates, mainly in the financial sector.

Media Contact

Niroshan Wijesundere

Senior Vice President - Marketing

Colombo Stock Exchange

Level 4, West Block,

World Trade Center, Echelon Square,

Colombo 01.

Sri Lanka.

Direct + 94 112356510

Mobile + 94 777 819999

Fax + 94 112445279

.