



# Mongolian Sustainable Stock Exchange Initiative

## Sustainable Capital Markets Roadmap for Mongolian Stock Exchange (2022-2024)

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## SUSTAINABLE CAPITAL MARKETS ROADMAP

	Strategic direction	Activities	Timeline	Implementors
1	<b>Implementation of ESG reporting standards</b>	<b>Regulatory approval and enforcement</b>		
		Approval of the ESG reporting standards by the MSE Board of Directors (integrated into the newly drafted Disclosure and Transparency Regulations)	2022	MSE
		Introduce ESG reporting as one of the criteria for inclusion in the Tier I listed companies into the MSE listing rules	2022	MSE
		Mandate listed companies to appoint a sustainability officer (part-time/full-time)	2022	MSE
		Mandate listed companies to appoint at least 1 Board director with oversight responsibility over sustainability issues	2022	MSE
		System configurations on the MSE website for ESG reporting by listed companies	2022	MSE
		Develop ESG reporting toolkit and resources as part of MSE website (create dedicated page)	2022	MSE, MSFA
		Practical guidance and help desk on ESG reporting	2022	MSE, MSFA
		Engage with pioneer companies on the development of demonstration ESG reports	2022	MSE, MSFA
		Mandate Tier I companies compliance with ESG reporting standards	2023	MSE
		Mandate Tier II and III companies compliance with ESG reporting standards	2023-2024	MSE
		Review of ESG report submissions of listed companies	2023	MSE
		Conduct assurance on submitted ESG reports	2023	MSFA
		Creation of ESG database of listed companies (to ease of access by investors)	2023-2024	MSE, FRC
		Publication of the joint ESG report of listed companies with recommendations for improvement	2023	MSE
		Inclusion of ESG assessment report as part of the prospectus for companies issuing new securities	2023-2024	MSE, FRC
		Mandatory compliance of prospective issuers with the ESG assessment requirement	2024	MSE, FRC
		<b>Capacity building</b>		
		Develop ESG reporting training curriculum for listed companies	2022	MSE, FRC, MSFA, IFC
		Conduct Train-the-Trainer program on ESG reporting	2022	MSE, FRC, MSFA, IFC
		Training for listed companies on the ESG reporting standards and use of guidelines	2022	MSE, FRC, MSFA, listed companies, MASD, IFC
		Training for listed companies on data generation and measurement for ESG indicators	2022	MSE, FRC, MSFA, listed companies, MASD, IFC



		Training for investors and securities companies on ESG reporting	2022	MSE, FRC, MSFA, MASD, IFC	
		Development of online ESG reporting training course for issuers	2022-2023	MSE, FRC, MSFA, IFC	
		Roll out ESG reporting training among issuers	2023	MSE	
		Organize study tour to learn from global best practices	2022/2023	MSE, MSFA	
		Inclusion of ESG requirements and sustainable finance into the accreditation curriculum for securities markets officials	2023	MSE, MASD, MSFA	
		<b>Awards &amp; recognition</b>			
		Official recognition and certificate for the best ESG standards compliers (and publication of the list of ESG reporters on website and social media)	2022-2024	MSE, FRC, MSFA	
		Organize annual ESG forum for listed companies to exchange and promote best practices among listed companies	2022-2024	MSE, FRC, MSFA, listed companies, MASD	
		<b>Communications</b>			
		Promote ESG reporting through MSE's social media channels	2022	MSE	
		Develop dedicated webpage	2022	MSE	
		Issue sustainability newsletter to highlight issuer best practices and raise awareness among the public	2023	MSE	
	2	<b>Implementation of SDG finance taxonomy and impact measurement system</b>	Inclusion of SDG finance taxonomy and impact measurement system into the listing rules	2022	MSE, FRC
			Conduct SDG impact measurement training for MSE & FRC staff, issuers, and investors	2022	MSE, FRC, MSFA
Start tracking the primary markets issuances according to the SDG taxonomy			2023	MSE, FRC	
Creation of SDG financing statistics of the capital markets			2023	MSE, FRC	
Monitor the implementation of the SDG taxonomy in practice and develop a set of recommendations to enhance its importance and role in tracking SDG financing			2023-2024	MSE, FRC	
Facilitate the procedure for raising funds for companies that will implement projects in line with the SDG finance taxonomy			2023-2024	MSE, FRC	
Support the pilot of SDG project capital raising (i.e SDG bond issuance)			2023-2024	MSE, FRC, underwriter companies	
Measure the SDG impact of the pilot project and publicly report and disseminate the results			2023-2024	MSE, FRC, MSFA	
3			<b>Introduction of SDG Impact Standards</b>	Training for MSE and FRC officials on SDG impact standards for Enterprises, Bonds and Private Equity Funds	2022
	Develop guidelines for introduction	2022-2023		MSE, FRC, UNDP, MSFA	



		Implement pilot on bond issuers	2022-2023	MSE, FRC, UNDP, MSFA
		Implement pilot on listed companies	2022-2023	MSE, FRC, UNDP, MSFA
		Implement pilot on an investment fund	2022-2023	MSE, FRC, UNDP, MSFA
		Revise listing and ongoing obligations regulations to incorporate the adoption of SDG impact standards	2023-2024	MSE, FRC
		Capacity building for issuers and companies to adopt SDG impact standards	2022-2024	MSE, FRC, UNDP, MSFA
		Creation of incentives to adopt SDG impact standards	2023-2024	MSE, FRC, UNDP, MSFA
		Inclusion of SDG impact standards into the accreditation curriculum for securities markets officials	2023-2024	MSE, MASD, MSFA
		Inclusion of SDG impact considerations as standard component of advice to companies by financial advisors	2024	FRC, MSE, MASD
<b>4</b>	<b>Creation of a sustainability index</b>	Development of a methodology on sustainability index	2023-2024	MSE
		Revision into the index calculation regulations	2023-2024	MSE
		Automation of index calculation into the MSE trading system	2023-2024	MSE
		Create the initial basket of companies for sustainability index	2024	MSE
		Introduce sustainability index based on successful pilot	2024	MSE
		Promote / support asset managers to create Sustainable ETF	2024	MSE, AMCs
<b>5</b>	<b>Gender equality through the capital market</b>	Develop guidelines on incorporating gender issues into companies	2022-2023	MSE, MSFA
		Develop sample policies, guidelines and tools to be adopted by listed companies	2022-2023	MSE, MSFA
		Integration of gender issues into the listing and ongoing obligations regulations	2022-2023	MSE, FRC
		Require compliance from all companies on gender integration into their operations	2023-2024	MSE, FRC
		Conduct capacity building on gender integration for listed companies and market practitioners	2022-2024	MSE, MSFA
<b>6</b>	<b>MSE – Lead by Example</b>	Appoint a sustainability officer	2022	MSE
		Provide GRI training to MSE technical and senior officers	2022-2023	MSE, MSFA
		Develop and adopt sustainability policy	2022	MSE, MSFA
		Develop and adopt gender policy	2022	MSE, MSFA
		Strengthen MSE's internal sustainability reporting system and capacity	2022-2023	MSE, MSFA, IFC, UNDP
		Start issuing MSE sustainability report	2023	MSE
		Engage in dialogue and exchange with UN Sustainable Stock Exchange Initiative and other development partners	2022-2024	MSE



