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Cooperation prevails – through and beyond Covid-19

While no one with certainty can say when the human and financial impacts caused by the Covid-19 outbreak will start to subside, it is my sincere belief, and also hope, that we will begin looking toward and discussing our future rather than contemplating our present questions. The financial community across Europe and the world plays an important role in not just mitigating the effects of the current economic downturn – but also when helping the global economy to get back on its feet. And it will get there faster if we work together.

Right now, in the midst of the Covid-19 outbreak, the focus of the financial industry, governments and others are on making sure we are taking immediate necessary actions. For Nasdaq, this means to ensure the health and safety of our employees and also that the markets that we operate stay functional in order to enable investors to get in and out of positions and to provide companies with a possibility to continue raising capital.

Exchanges will also play a key role in the efforts to recover from the effects of Covid-19, as market places but also as hubs for cooperation through our roles as integrated parts of the wider financial and societal ecosystem.

Exchanges are able to facilitate recapitalizing companies through financial markets. More than ever, market financing should be envisaged as a possible tool to solving financing issues. In the Nordics, where Nasdaq operates most of its European markets, many listed small- and medium sized enterprises (SMEs) have been funded through financial markets and have from this way of financing obtained benefits allowing them to grow. And growth is more important than ever before.

Post-Covid-19, we hope that the visibility we support public companies with will allow them to recruit back talent, refinance themselves and in the longer term continue to grow and create more jobs. It is important that the opportunities that exchanges create are fully leveraged to help remedy the adverse consequences of the Covid-19 crisis.

Exchanges can also support recovery by providing financing for initiatives more directly linked to healing the effects of the virus outbreak, for example Covid-19 recovery bonds aimed at recovering the immediate impact of the pandemic on economies and societies. Even in the current crisis, companies involved in Covid-19 research or hospital supplies may need extra capital.

We expect to also continue working together with governments and regulators to discuss actions to help economies recover. States are

crucial to provide support for companies and employees affected by the Covid-19 outbreak, and we would also welcome a discussion on changes to the regulatory landscape that supervises the financial markets to remove barriers for recovery and capital raising for primarily SMEs. The unbundling of research and trading that was part of MiFID II and that has led to decreased visibility for smaller companies is one example of such hurdles.

This unprecedented moment in our history could also see already ongoing trends and shifts in our society accelerate. One such trend is sustainability. Today often discussed in terms of the environment, the social and governmental aspects of sustainability may have an enormous impact on companies' ability to recover and better support the societies in which they operate.

At Nasdaq, we try to do our part by enabling and encouraging companies and investors to make more sustainable choices by, for example, supporting sustainability reporting and data distribution, and also introduce initiatives to increase transparency and comparability between different investment products.

As we one day look back on this time in our history, I hope that we at least are able to say that we did our very best to come out of it as well as possible, and that we did it by working together toward a better and more sustainable future. ●