



BMO Global Asset Management

Impact in Listed Equities – the power of shareholder engagement

Impact is emerging as a key concept for responsible investors. It is based on the idea that investments can be made which target both a financial return and a social and environmental improvement.

The concept of impact originates in the not-for-profit charitable sector where efficient use of financial resources to achieve outcomes and measuring outcomes have become important practices. These practices have increasingly been adopted by leading socially responsible investors in asset classes such as early-stage private equity and green bonds. As a result, impact investment in these asset classes have grown rapidly in recent years. Last year, issuances of green bonds nearly doubled to more than 150 billion dollars.

But achieving social and environmental change on the scale required to meet the UN Sustainable Development Goals – a set of global goals on sustainability to be achieved by 2030 – requires investment at a scale which goes well beyond these specialist markets. There has been a rapid growth in interest in applying the principles of impact investing to listed equities, through identifying and investing in companies which are providing solutions the world's sustainability challenges.

But this shift has not been without challenges. The dividing lines between responsible, sustainable and impact investing have become blurred. Understanding, measuring and reporting the environmental and social impacts of a portfolio of listed companies is much more challenging than in the more limited context of project finance or green bonds. And there is little consistency in how different investors are reporting on their progress.

Yo Takatsuki



Yo leads BMO Global Asset Management's responsible investment institutional solutions offering. This includes the responsible engagement overlay (**reo**) service which provides engagement and proxy voting services to institutional investors around the world. He is responsible for engaging and voting with the pharmaceutical industry and Japanese corporations across a range of ESG issues. Yo is a member of the Access to Medicine Index's Expert Review Committee. He is also an expert on impact investment and leads our green bond investment strategy. This has more than 300 million euros invested from institutional investors. Prior to joining the team in 2011, Yo spent a decade as a finance and business journalist for the BBC, Bloomberg and CNBC. He produced high-profile TV news shows and reported from war zones including Iraq. He also worked in Tokyo for the Asahi Shimbun newspaper. Yo holds a MBA, with Distinction, from Cass Business School in London and an undergraduate degree from the University of Cambridge. He holds the CFA Investment Management Certificate. Yo speaks fluent Japanese.

Contact details:

Contact: Rochus Appert
Phone: +41 44 488 19 51
E-Mail: rochus.appert@bmogam.com