



ΠΑΝΕΠΙΣΤΗΜΙΟ ΠΕΙΡΑΙΩΣ

**Professor Emmanuel
Tsiritakis**

**Sustainability and
Financing**

Bioeconomy & Bioenergy Forum 2019



ΠΑΝΕΠΙΣΤΗΜΙΟ ΠΕΙΡΑΙΩΣ
UNIVERSITY OF PIRAEUS

Sustainability and Financing



ΠΑΝΕΠΙΣΤΗΜΙΟ ΠΕΙΡΑΙΩΣ

'**Green finance**' generally refers to the process of taking due account of **environmental and social considerations** when making investment decisions, leading to increased investment in longer-term and sustainable activities.

More specifically:

- ❖ **Environmental considerations** refer to climate change effect mitigation and adaptation, as well as the environment protection more broadly and the related risks (e.g. natural disasters).
- ❖ **Social considerations** may refer to issues of inequality, inclusiveness, labour relations, investment in human capital and social capital.
- ❖ **Governance** of public and private institutions, including management structures, employee relations and executive remuneration, plays a fundamental role in ensuring the inclusion of social and environmental considerations in the decision-making process.

All three components – **environmental, social and governance (ESG)** – are integral parts of sustainable economic development and finance.

Professor Emmanuel
Tsiritakis

Sustainability and
Financing



ΠΑΝΕΠΙΣΤΗΜΙΟ ΠΕΙΡΑΙΩΣ
UNIVERSITY OF PIRAEUS

Sustainability and Financing



ΠΑΝΕΠΙΣΤΗΜΙΟ ΠΕΙΡΑΙΩΣ

Today sustainability issues, also labelled environmental, social and governance (ESG) I



Become financially material



Companies, investors and regulators are designing strategies and policies to improve sustainability disclosure and performance.



“.....there are some predictable pathways and an emerging framework that could guide our thinking on how sustainability issues become financially material for companies and their investors. Misalignment of corporate behavior with societal needs is a critical initial condition for materiality.” Jean Rogers & Goerge Seraphim

Professor Emmanuel
Tsiritakis

Sustainability and
Financing



ΠΑΝΕΠΙΣΤΗΜΙΟ ΠΕΙΡΑΙΩΣ
UNIVERSITY OF PIRAEUS



ΠΑΝΕΠΙΣΤΗΜΙΟ ΠΕΙΡΑΙΩΣ

Firm's Sustainability and Financial Performance: Evidence from US IPO

Claire Economidou, Dimitrios Gounopoulos, Dimitris Konstantios, Emmanuel Tsiritakis

In a Nutshell

Research Question(s): Does Sustainability disclosed information prior to IPO matters for IPO underpricing? Do its effects vary across different time periods? Does it play a role in the post IPO performance? Does Sustainability increase firm's longevity?

Contribution: Impact of prior IPO Sustainability disclosed information on Underpricing, post IPO financial performance and longevity; thus far this is the first attempt in the literature.

❑ **Data:** We employ a wide range of data sources (Compustat , SDC "Securities Data Company", Thomson ONE, CRISP, RepRisk).

Findings: There is a negative association with the Sustainability disclosed information prior to IPO and underpricing and post-IPO valuation uncertainty
There is a positive association with the Sustainability disclosed information prior to IPO and longevity.

Their effect vary across different time periods; Sustainability disclosed has higher impact during crisis.

Professor Emmanuel
Tsiritakis

Sustainability and
Financing



ΠΑΝΕΠΙΣΤΗΜΙΟ ΠΕΙΡΑΙΩΣ
UNIVERSITY OF PIRAEUS



ΠΑΝΕΠΙΣΤΗΜΙΟ ΠΕΙΡΑΙΩΣ

**Professor Emmanuel
Tsiritakis**

**Sustainability and
Financing**

Σας ευχαριστώ!



ΠΑΝΕΠΙΣΤΗΜΙΟ ΠΕΙΡΑΙΩΣ
UNIVERSITY OF PIRAEUS