CFA Chicago Educational Event

ESG for Alpha - Integrating ESG Factors in the Investment Process

Date, Time, and Location:
Thursday, February 19, 2015
3:00 pm - 6:00 pm
The Conference Center at One North Wacker   One North Wacker Drive, 2nd Floor, Chicago, IL 60606

Program Description:
Responsible Investment (RI) integrates environmental, social, and corporate governance (ESG) risks and opportunities, along with the exercise of active ownership (voting and engagement)

The importance of responsible investing has increased notably in recent years and is gradually making a presence in the mainstream investment arena. Events such as the BP oil spill, accounting scandals, the collapse of an apparel factory in Bangladesh, and ongoing environment concerns such as water scarcity, climate change, and depletion of natural resources demonstrate that ESG factors can have a significant impact on a company's share price performance and hence on investment portfolios. Accordingly, integrating ESG factors into the investment process is essential for optimizing the risk-return characteristics of one's portfolio.

Panel 1 - Institutional Investor Perspective

- Goals/motivations for incorporating ESG views,
- how are these views implemented,
- what has changed in the past 5 years,
- what level of expertise do they require from their consultants and managers

Panel 2 - Asset Manager Perspective

- How can you incorporate these ideas without turning your investment process upside down?
- Do ESG concepts limit your ability to earn alpha?
- Specialized solutions or becoming more mainstream?
- How often do these topics appear in institutional RFPs?

You Will Learn:

- How are ESG considerations incorporated into a fundamental investment process? What are the risks, costs, and opportunities of ESG factors? What ESG metrics are incorporated?
- Nuances of how these views can be implemented - more than just social screens
- United Nations Principles for Responsible Investment - What is it? Who are the signatories? Why have they signed? How is it impacting the investment world?

Panelists:
Panel 1:
Kirsty Jenkinson - Managing Director, Sustainable Investment Strategies, Westpath
Bill Atwood - Executive Director, Illinois State Board of Investments

Panel 2:
Vicki Bakhshi - Head of Governance & Sustainable Investment team, F&C Investments, a part of BMO Global Asset Management
Bruno Bertocci - Portfolio Manager, Global Sustainable Equity strategy, UBS
Adam Straus, CFA - Co-CEO of Pekin Singer Strauss Asset Management, Co-PM of the Appleseed Fund

Moderators:
Linda-Eling Lee, PhD - Executive Director, Global Head of ESG Research, MSCI
Lucas W. Mansberger, CFA, CAIA - Consultant, Pavilion Advisory Group

Attire: Business Casual

Menu: Refreshments and light appetizers

Registration: Online

Agenda:
3:00 - 3:30 pm: Registration and Networking
3:30 - 4:30 pm: Panel 1
4:30 - 4:40 pm: Break
4:40 - 5:40 pm: Panel 2
5:40 - 6:00 pm: Informal Networking

Hosted by: Education Advisory Group

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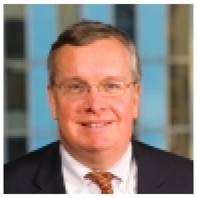
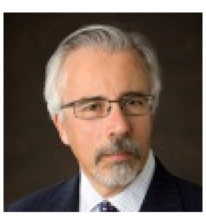
Speaker Biographies

Panelists:

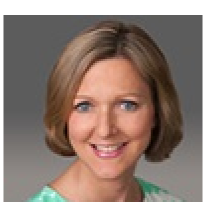


William Atwood has served as Executive Director of the Illinois State Board of Investment (ISBI) since March of 2003. ISBI is responsible for investing assets totaling approximately $13.9 billion for the State Employees' Retirement System of Illinois, Judges' Retirement System of Illinois, and General Assembly Retirement System of Illinois. Since joining ISBI, Atwood has managed the restructuring of its investment portfolio, established an emerging manager program, initiated the utilization of a general consultant, expanded the portfolio's exposure to alternative investments, increased the Board's shareholder activism, and made improvements to the State of Illinois' Deferred Compensation Plan. Atwood has professional experience in both the public and private sectors, including service on the staff of U.S. Senator Charles Percy and in the administrations of Governor Jim Thompson and Governor Jim Edgar, both of Illinois. In 1994 he joined Investment Counselors Incorporated, a money management firm in St. Louis where Atwood was Vice President for Business Development. At ICI he was responsible for marketing, client service, and corporate operations. Atwood formed Midwest Managed Money Services in 1997 through which he provided consulting services to money management firms working in the public and Taft-Hartley pension plan arenas. He worked closely with equity, fixed income, and real estate investment companies and a variety of institutional plan sponsors. Atwood served as a Director of the Chicago Stock Exchange and is a regular speaker at professional symposia. He received a Masters of Liberal Arts degree from the University of Chicago and a Bachelor of Arts Degree in Political Science from Southern Illinois University. Atwood lives in Downers Grove, IL with his wife, Reagen, daughter Ainsley, and son William.

Vicki Bakhshi is Head of Governance and Sustainable Investment at F&C. She joined the firm in November 2006, and previously had responsibility for leading the team’s shareholder engagement programme. Prior to joining F&C, Vicki spent five years in the UK government, including as the Prime Minister’s policy adviser on climate change, and as a senior member of the team responsible for the Stern Review on the Economics of Climate Change. She also spent three years as a leader writer at the Financial Times, and two years as an economist at the Bank of England. She is on the Board of the Institutional Investors Group on Climate Change. Vicki was named by Financial News in 2013 as one of the top 100 influential women in finance in Europe. Vicki holds an MSc in Economics from Warwick University and a BA in Philosophy, Politics and Economics from Oxford University.



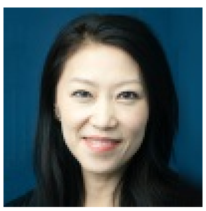
Bruno Bertocci is a member of the Global Equity team, which is responsible for constructing and managing global equity portfolios worldwide. He also has specific responsibilities for key US client relationships. Bertocci is also the Team Head of the Sustainable Equities team and is the lead Portfolio Manager of the Global Equity Sustainable strategy. He leads the cross-divisional sustainability marketing strategy effort and is based in Chicago. Oberlin College (US), BA; Harvard Business School (US), MBA. Prior to joining UBS Global Asset Management in 1998, Bertocci managed the global equity investment group at Stein Roe & Farnham.



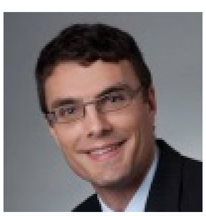
Kirsty Jenkinson joined the General Board's Wespath division in May 2014. She leads Wespath's sustainable investment strategy team, ensuring that environmental, social and governance (ESG) issues are integrated into Wespath's investment selection and monitoring process. She also directs Wespath's corporate engagement, portfolio screening and proxy voting activities. Previously, Jenkinson was director of the Markets and Enterprise Program at the World Resources Institute, a Washington, D.C.-based global research organization. She also spent eight years as a Director of Governance and Sustainable Investment at F&C Asset Management and six years in the Fixed Income division of Goldman Sachs International, London. Jenkinson currently sits on the board of the Business and Human Rights Resource Centre. She recieved an M.A. degree in International History from the University of Edinburgh, Scotland.

Adam Strauss, CFA is the Co-Chief Executive Officer of Pekin Singer Strauss Asset Management and Co-Portfolio Manager of the Appleseed Fund (APPLX, APPIX). Adam and his team are responsible for the construction and management of the firms portfolios and he leads its research analyst team efforts. The firm employs a go-anywhere value strategy that integrates environmental, social, and governance (ESG) into its process while investing in multiple asset classes from markets around the world. Adam earned a BA from Stanford University in 1991 and an MBA from the Stanford Graduate School of Business in 1997.

Moderators:



Linda-Eling Lee, is Global Head of Research for MSCI's ESG Research group. Lee oversees all ESG-related content and methodology and chairs MSCI's ESG Ratings Review Committee. She leads one of the largest teams of research analysts in the world who are dedicated to identifying risks and opportunities arising from material ESG issues. The team, located in 12 offices globally, provides ESG ratings of 5,000+ issuers; industry and thematic research; and analysis used by investors for positive and negative screening. Lee joined MSCI in 2010 following the acquisition of RiskMetrics, where she led ESG ratings research and was head of consumer sector analysis. Linda joined RiskMetrics Group in 2009 through the acquisition of Innovest. Prior to joining Innovest, Lee was the Research Director at the Center for Research on Corporate Performance, developing academic research at Harvard Business School into management tools to drive long-term corporate performance. Previously, she was a strategy consultant with Monitor Group in Europe and in Asia, where she worked with Fortune 500 clients in industries ranging from beverages to telecommunications. Lee received her AB from Harvard, MSt from Oxford, and PhD in Organizational Behavior from Harvard University. Lee has published research both in management journals such as the Harvard Business Review and MIT's Sloan Management Review, as well as in top academic peer-reviewed journals such as Management Science and Journal of Organizational Behavior.



Lucas W. Mansberger, CFA, CAIA, is a Consultant with Pavilion Advisory Group Inc. He provides strategic investment advice to foundations, educational endowments, retirement plans, and healthcare organizations. In addition to serving as the lead for Pavilion's responsible investing initiatives, he serves on Pavilion's Manager Research Committee. Mr. Mansberger joined Pavilion in 2005 and has nine years of investment experience. Prior to joining Pavilion, Mr. Mansberger served as a Junior Investment Analyst with Clark Consulting in Chicago, IL, where he was responsible for manager research and performance analytics. Mr. Mansberger is a member of the CFA Institute and CFA Society Chicago. He is also a member of the Chartered Alternative Investment Analyst (CAIA) Association. He earned a Bachelor of Arts degree in Philosophy with a concentration in Professional and Applied Ethics from Western Michigan University. Mr. Mansberger is currently an MBA candidate at the University of Chicago Booth School of Business.