

The Art of the ESG Conversation Workshop Agenda

December 12 and 13, 2017 | New York, NY



Over the past decade, numerous new ESG metrics and disclosure standards have helped companies and investors better understand the relationship between ESG performance and long-term value. Still, significant risks and opportunities embedded in companies' environmental, social and governance practices are not fully taken into account in investment decisions. Moreover, some corporate representatives and investors express frustration with the conversations that happen (or don't) around ESG related issues.

In this workshop, we have invited a small number of ESG experts – select investors, senior sustainability and corporate responsibility strategists, and others – to take stock of where we are now and explore how we can improve the ESG related conversations that take place both inside companies and between the companies and the market.

Tuesday, December 12

6:00 – 8:30 p.m.

Cocktails and dinner

Speaker: Maria Figueroa Kupcu, Partner and Head of New York Office, Brunswick Group LLC.
“ESG Conversations in the Board Room”

Quartino

11 Bleeker St.
New York, NY

Wednesday, December 13

8:30 – 9:00 a.m.

Check in for Workshop

Morgan Stanley Headquarters
1585 Broadway, New York, NY

Continental Breakfast available

9:00 – 10:00 a.m.

Welcome

Introduction: What are the conversations related to ESG issues that need a refresh? As we open this workshop, we will invite participants to introduce themselves and identify one ESG related conversation that they are having - or would like to have - either within their company or outside.

Looking Forward: To what ends do we aspire to improve these ESG conversations? How would business and society both be better off if these conversations were different?

10:00 – 10:15 a.m. **Break**

10:15 – 11:00 a.m. **Promising Leverage Points for Change:** What is possible now for improving the ESG conversation that was not possible a few years ago? What trends are taking hold in the investor and corporate communities? In what ways are perceptions changing about ESG issues that may prompt better ESG conversations? What tools/strategies are available now that could bring us to a tipping point where we are more likely to achieve the benefits articulated in the previous session?

Conversation starters:

Chris Pinney, President and CEO, High Meadows Institute

Michelle Edkins, Managing Director, Blackrock

Matthias Pitkowitz, Founder and CEO, Equilibrium Stock Exchange LLC

11:00 - noon **An ESG Story from Morgan Stanley: Working with the skeptics and taking the ESG conversation mainstream**

How did a well-respected senior portfolio manager with two decades of investment experience in the Consumer sector—and an investment process that avoids any ESG screens or frameworks—come to embrace ESG at the core of his investment thesis?

Through the lens of a case study of Morgan Stanley Investment Management’s Growth Team, we will explore how bespoke, qualitative environmental research and partnering with a market-oriented NGO and subject matter expert led to superior investment results and a belief in ESG risk analysis as competitive advantage.

Featuring:

Dave Cohen, Senior Portfolio Manager and Managing Director, Morgan Stanley Investment Management

Adrian Grenier, Actor (*Entourage*), environmentalist, co-founder, Lonely Whale, #StopSucking—focused on ocean conservation and market-based solutions

Dune Ives, Executive Director, Lonely Whale

Tensie Whelan, Executive Director, NYU Stern School of Business, Center for Sustainable Business

Moderator: **Judith Samuelson**, Executive Director, Aspen Business & Society Program

- Noon – 1:15 p.m. **Lunch**
Speaker: Tim Koller, Partner, McKinsey & Company, in conversation with **Jonathan Bailey**, Managing Director and Head of ESG Investing, Neuberger Berman
“When Sustainability Becomes a Factor in Valuation.”
- 1:30 – 2:30 p.m. **Prototyping the ESG Conversation:** In small groups, participants will re-design a challenging ESG conversation – either within their companies or with companies and investors. Examples of conversations that might be prototyped include those between: portfolio managers and investor relations professionals, strategic investors and CFOs, sustainability strategies and investor relations professionals within their own companies, etc.
- Questions to consider:
- In the conversation you have in mind, who is involved? Who else should be involved?
 - Where and when does it happen?
 - What does a great ESG conversation look like?
 - What questions might be asked that would reveal new ways of thinking?
 - In what ways is this “new” conversation different from those that have taken place in the past?
 - What could your personal role be in changing this ESG conversation?
- 2:30 – 3:00 p.m. **Lessons from the prototypes and next steps:** What experiments could participants try in their own organizations over the next six months that would test some of the ideas that surfaced today?

Background readings (optional) :

Dominic Barton, James Manyika, and Sarah Keohane Williamson, “[Finally, Evidence that Managing for the Long-Term Matters](#),” Harvard Business Review online. February 7, 2017.

High Meadows Institute, [Sustainability in Capital Markets: A Survey of Current Progress and Practices](#). January 2016. [Incorporating ESG Considerations into Engagement Practices](#), March, 2017

Paul Hodgson, “[How to Be a CEO Force for Good: Making Long-Term Strategy a Reality](#),” September 19, 2017

Rebecca Darr and Tim Koller, “[How to Build an Alliance Against Corporate Short-Termism](#),” McKinsey & Co. January 2017.

Tim Koller and Jonathan Bailey, “[When Sustainability Becomes a Factor in Valuation](#),” McKinsey Quarterly, March 2017.

Tensie Whelan and Carly Fink “[The Comprehensive Business Case for Sustainability](#),” Harvard Business Review online, October 21, 2016.