

# The Art of the Corporate-Investor ESG Conversation

## Draft Workshop Agenda

December 3 and 4, 2019 | New York, NY

Both corporate and investor interest in “ESG” is soaring as evidence mounts that attending to risks and opportunities associated with social, environmental and governance issues produces durable business value. And yet . . . in some boardrooms and executive suites, skepticism about ESG remains; and some wonder if the focus on ESG will go by the wayside during the next market contraction.

The investor/corporate ESG conversation is further complicated by a lack of agreement on how best to communicate ESG commitments and practices to the market. Also, companies are increasingly burdened by myriad disclosure frameworks, and many investors and others are quick to point out that some companies were enjoying stellar rankings for their sustainability practices right up to the point when scandal or disaster struck.

So where do we go from here? How will ESG evolve and mature as the drumbeat for reliably valuing governance, environmental and social practices gets louder? What are the right questions companies and investors should be asking now?

These are the framing questions for this “Art of the Corporate-Investor ESG Conversation” workshop.

### Tuesday, December 3

- 1:45 – 2:45 p.m. **Check in for Workshop**  
Credit Suisse North American Headquarters, 11 Madison Ave, New York, NY
- 2:45 – 3:45 p.m. **Welcome & Introductions**  
Opening remarks by Judith Samuelson, Executive Director of the Aspen Business & Society Program: “Tilt! What Are We Seeing More Clearly?”
- 3:45 – 5:30 p.m. **Corporate Governance: Measuring What Matters**  
In light of recent corporate scandals where ESG disclosures failed to serve as early warning signals of governance shortcomings, many investors have been left to wonder if there’s a better way to measure corporate conduct and culture.

Gib Hedstrom has called this discrepancy the “80/20” governance trap, named for his assessment that current ESG disclosures are capturing 80% of a company’s environmental and social operational risk but only 20% of governance risks. In this session, in plenary and small group discussions, we’ll look at current governance practices and disclosures and examine what both corporate executives and investors need to ask in order to assess and communicate better on all things “G”.

Speaker: Gib Hedstrom, Founder, Hedstrom Associates; Author “*Sustainability – A Guide for Boards and C-Suites*”

6:00 – 8:30 p.m.     **Cocktails and Dinner**  
*Dinner Discussion: The Role of the Board of Directors*

**Wednesday, December 4**

8:15 – 9:00 a.m.     **Continental Breakfast**

9:00 – 10:15 a.m.   **Measuring the Value of Human Capital Management**

In a disruptive, tech-reliant marketplace, a company’s human capital management (HCM) is vital to its potential to achieve solid long-term performance. Consequently, investors want to know how companies measure and optimize everything that supports a stable, productive workforce.

In this session we will explore what current research shows about how to measure the impact and value of human capital. We will also focus on efforts to require greater disclosure on HCM, the data investors are looking for and how this information will inform their decision making.

**Speakers Include:**

Ethan Rouen, Assistant Professor of Accounting, Harvard Business School  
Michael Garland, Assistant Comptroller for Corporate Governance and Responsible Investment at New York City Office of the Comptroller (invited)  
Michelle Green, Chief Policy Officer, the Long-Term Stock Exchange

10:15 – 10:45 a.m.   **Break**

11:00 - Noon         **Integrating ESG into Strategy and Operations: What’s the rush?**

Leading companies are rapidly achieving greater integration of material ESG issues into strategy and operations and communicating these efforts to the market. Investors are keen to find the “alpha” in these changes. What is the source of the urgency? Customer demand? Competitive pressure? Employee activism? Climate Change? Technology disruptions?

In this session we’ll tap into the expertise of the participants in the room to learn what they are doing and why.

Noon – 1:15 p.m.     **Luncheon Discussion. Speaker TBD**

1:30 – 2:30 p.m.     **Outlook for 2020**

2:30 – 3:00 p.m.     **Takeaways and next steps**

**Background reading:**

Briefing: Governance, April 2, 2019 “[Will the SEC Adopt Additional Human Capital Management Disclosure Requirements?](#)”

Harvard Business Review, April 18, 2019 “[How Board Members Really Feel about ESG: from Deniers to True Believers](#)”

Gilbert Hedstrom, May 27, 2019 “[Beware the 80/20 Governance Trap: Focus on the “G” in ESG](#)”

Douglas Beal et al, Oct 25, 2017 “[How Companies—and CEOs—Can Increase TSI and TSR](#)”