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F I D U C I A R Y
I N V E S T O R S
S Y M P O S I U M

THE CATALYST FOR REFORMED FIDUCIARY THINKING

Challenging long-term institutional investors to think differently necessitates the engagement of cutting-edge academic theory and real-world implementation.

The Fiduciary Investors Symposium has become recognised as an event that challenges the influence and responsibility of fiduciary capital and explores the evolution of fiduciary investment management.

The 2017 conference, to be held on campus at MIT, will promote excellence in investment management and bring the latest thinking to institutional investors.

October 1-3, 2017
MIT, Cambridge, US

fiduciaryinvestors.com

— AGENDA —

ACADEMIC EXCELLENCE AND PRACTICAL IMPLEMENTATION

The Fiduciary Investors Symposium has become recognised as an event that challenges the influence and responsibility of fiduciary capital and explores the evolution in investment management. The on-campus venue facilitates a unique space for different thinking and discussion, and the event includes tours of various university faculties.

Managing assets as a fiduciary comes with a complex range of responsibilities and commitments. The conference examines the holistic approach to investing and how it has and should evolve. This includes the wider responsibilities of long-term investors in stabilising financial markets, and the impact of investments on social welfare and environmental management. The program includes numerous investor case studies and academic presentations.

ADVISORY BOARD

Conexus Financial's mission is to be a catalyst for a more informed world. As a collective force, institutional investors have enormous power to shape markets, inform policy and empower beneficiaries to have a better, more financially stable future.

Conexus Financial and its advisory board aim to provoke, challenge and guide the industry towards more seamlessly and effectively managing the world's capital.

www.top1000funds.com is an advocate for fiduciary capitalism and the power of asset owners to change the nature of the investment industry, including addressing principal/agent and fee problems, stabilising financial markets, and directing capital for the betterment of society and the environment.

In order to progress this mission, the www.top1000funds.com international advisory board meets twice a year, and the outtakes of those meetings inform our stories and event programs.

Advisory board members:

- Chris Ailman, chief investment officer, CalSTRS (US)
- Hareb Al-Darmaki, deputy chair of investment committee and adviser to the managing director, Abu Dhabi Investment Authority (UAE)
- Sharan Burrow, president, International Trade Union Confederation (Belgium)
- Deb Clarke, global head of research, Mercer (UK)
- Kristian Fok, chief investment officer, Cbus Super (Australia)
- Stephen Kotkin, Professor of History and International Affairs, Princeton University (US)
- Fiona Reynolds, managing director, Principles for Responsible Investment (UK)
- Olivier Rousseau, executive director, Fonds de réserve pour les retraites (France)
- Todd Ruppert, chair of investment committee, INSEAD endowment (USA)
- Jaap van Dam, head of strategy, PGGM (The Netherlands)

THE FIDUCIARY INVESTORS SYMPOSIUM, MIT - EVENT THEME

The Massachusetts Institute of Technology (MIT) is recognised as the world's leading school in technology. Drawing on the school's academics and some of the world's leading investment thinkers, the symposium will explore how technology will transform the investment world, from the business of doing business to the political and social issues the ongoing technological revolution will most certainly deliver. MIT has 1036 professors and a student-faculty ratio of 3 to 1. It has produced 87 Nobel laureates, 58 National Medal of Science winners, 29 National Medal of Technology and Innovation winners, and 47 MacArthur Fellows. Drawing on the esteemed faculty, the Fiduciary Investors Symposium will explore innovation in the financial world, but also technology's impact on the broader society and the world in which we work, invest and live.

DELEGATE PROFILE

The Fiduciary Investors Symposium is a bi-annual event for senior investment professionals at large institutional investors around the globe. The audience comprises chief investment officers, and their direct reports, from pension funds, endowments and sovereign wealth funds representing more than 15 countries.

MEDIA PARTNER

www.top1000funds.com is the news and analysis site for the world's largest institutional investors. Focusing on strategy and implementation, it is populated by original news stories, case studies and research that relate directly to the work of investment professionals at pension funds, endowments and sovereign wealth funds. One of its defining characteristics is truly global content that focuses on the strategies, portfolio construction and implementation techniques of institutional investors.

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VENUES

Samberg Conference Center, MIT Sloan School of Business, Cambridge, Massachusetts
Le Laboratoire, Cambridge, Massachusetts

PROGRAM

SUNDAY OCTOBER 1, 2017

10.30 – 12.00 STUDENT-LED TOUR OF MIT CAMPUS

12.00 – 12.15 REGISTRATION AND LIGHT LUNCH
SAMBERG CONFERENCE CENTER

12.15 – 12.30 WELCOME

Colin Tate, chief executive, Conexus Financial (Australia)

12.30 – 1.30 LONG-TERM INVESTING PRIORITIES AND PRACTICES

This session will examine at the key long-term trends driving the strategy of asset owners. It will look at the new investment market structures and regulatory frameworks, the changes in investment practice they will require, and what investors are doing to align their thinking and investments for the long term. The panel will draw on case studies from investors to help delegates determine priorities for their own long-term investment goals.

- **Nathan Fabian**, director of policy and research, PRI (UK)
- **Kristian Fok**, chief investment officer, Cbus Super (Australia)
- **Priya Mathur**, trustee, CalPERS (US)
- **Robert Pozen**, senior lecturer at MIT Sloan School of Management and senior fellow at the Brookings Institution (US)
- **Chair: David Wood**, director and adjunct lecturer in public policy, Initiative for Responsible Investment, Harvard Kennedy School (US)

Includes table discussion

1.30 – 2.10 THE TRANSFORMATION OF US INFRASTRUCTURE: OPPORTUNITIES FOR INVESTORS

How will President Trump's ambitious infrastructure blueprint create opportunities for pension fund investment in infrastructure? This session goes behind the White House walls to examine how private-public partnerships could transform infrastructure investment in the US, and the role investors can play in the modernisation of the sector.

- **Erin Hutson**, director of corporate affairs, LIUNA (US)
- **John Porcari**, president of US advisory services, WSP USA (US)
- **Chair: Tom Osborne**, executive director, IFM Investors (Australia)

2.10 – 2.30 THE FUTURE OF RENEWABLE ENERGY

Consumer demand for power from renewable sources is driving a period of transformational change in global energy markets. Trillions of dollars of new investment is required to meet that demand with a significant impact on existing investments. What do investors need to know? What should we expect from new energy markets, and what technologies will be required?

- **Alex Brierley**, Octopus Investments (UK)
- **Chair: Colin Tate**, chief executive, Conexus Financial (Australia)

2.30 – 3.00 AFTERNOON TEA BREAK

3.00 – 4.00

THE ESSENTIAL AND EVOLVING ROLE OF DATA IN ESG

Large, global asset owners increasingly believe environmental, social and governance (ESG) factors can influence risk and return over the long term. Leading asset owners seek to integrate material ESG factors into investment decision-making across multi-asset class portfolios. This panel will explore the practical implications of integrating ESG into investment decisions, including success stories and challenges. It will also discuss the latest research regarding ESG factors as drivers of return, risk and volatility. This session will explicitly examine the role of data in ESG, where the gaps remain in good quality data and how data can be better used for impact and footprint.

- **Janine Guillot**, director of capital markets policy and outreach, SASB (US)
- **George Serafeim**, Jakurski Family Associate Professor of Business Administration, Harvard Business School (US)
- **Dave Zellner**, chief investment officer, Wespath (US)
- **Barbara Zvan**, chief risk and strategy officer, OTPP (Canada)
- **Chair: Jessica Ground**, global head of stewardship, Schroders Investment Management (UK)

4.00 – 5.00

GAINING AN INVESTMENT EDGE THROUGH HUMAN RIGHTS

Kerry Kennedy is a human rights activist and lawyer, and has been working in the pursuit of equal justice, protection of basic rights and the preservation of law for more than 30 years. She has worked on a range of issues, including children's rights, child labour, freedom of expression, ethnic violence and the environment. In this session, Kennedy will discuss human rights in the context of sustainable investing, and what the intersection of human and business rights means for investors.

- **Kerry Kennedy**, president, Robert F. Kennedy Human Rights (US)
- **Anna Pot**, manager, responsible investments, APG (The Netherlands)
- **Chair: Stephen Kotkin**, Professor of History and International Affairs, Princeton University (US)

5.00 – 6.00

ROBOT ETHICS AND THE FUTURE OF HUMAN-ROBOT INTERACTION

The robots are coming and they're getting smarter – evolving from single-task devices into machines that can make their own decisions and autonomously navigate public spaces. From transportation systems, hospitals and the military, to the robotisation of workplaces and households, robots will be everywhere and will increasingly interact with people. Whether you find it exhilarating or terrifying (or both), progress in robotics and related fields like AI raises new ethical quandaries and challenges legal codes that were created for a world in which a sharp line separated man from machine. In this session, Dr Kate Darling will draw from her recent work exploring humans' emotional responses to robots to lead an examination of why people fear some robots and empathise with others. She will also prompt – and answer – questions about what society's relationship with these robots could look like in the future. The conversation will offer a window into how technology is poised to change the way we relate to one another and our own humanity.

- **Kate Darling**, research specialist, MIT Media Lab and fellow, Harvard Berkman Klein Center, Harvard University (US)
- **Chair: Colin Tate**, chief executive, Conexus Financial (Australia)

6.00 – 8.00

WELCOME COCKTAILS AND LIGHT DINNER
SAMBERG CONFERENCE CENTER TERRACE

MONDAY OCTOBER 2, 2017

8.00 – 8.20

REGISTRATION AND REFRESHMENTS
SAMBERG CONFERENCE CENTER

8.20 – 8.30

WELCOME

Colin Tate, chief executive, Conexus Financial (Australia)

8.30 – 9.20

MANAGING MONEY IN AN ENVIRONMENT OF EXCEPTIONAL UNCERTAINTY

In the near term, macro-economic and investment conditions look OK, but the medium term looks scary. Abundant levels of liquidity continue to boost economies and markets, and the most likely near-term outcome is more of the same. However, further out, there are unusually large risks: pending central bank tightening amidst high debt levels and limited ability to reverse a downturn; the rise of populism (which may get worse in the next downturn); broken promises (huge IOUs in a low-return environment); and imbalances in Europe and China. This session will examine how investors can navigate these dynamics.

- **Seth M. Birnbaum**, senior portfolio strategist, Bridgewater Associates(US)
- **Chair: Colin Tate**, chief executive, Conexus Financial (Australia)

9.20 – 10.10

TRUMP-PUTIN: MAKING SENSE OF THE ABSURD

Washington seems crazier than ever, but how much crazier can it get? As the first anniversary of the Trump shock election approaches, there is a fixation on the story of Russian interference and Trump collusion. What, if anything, happened with Putin and Russia? What could the FBI investigation reveal? What are the implications for the American system of government and, more specifically, for the success or failure of the Trump administration's agenda? Is the non-stop circus having any substantial impact on the economy, the investment picture, and the long-term outlook for the United States? Are markets mispricing the Trump presidency or do they have it about right? Are Russia and Putin (who appears ready to stand for uncontested re-election in the spring) a genuine wild card for investor calculations or a red herring? Can we get beyond Trump-Putin to a better place? Could matters spiral out of control?

- **Stephen Kotkin**, Professor of History and International Affairs, Princeton University (US)
- **Chair: Colin Tate**, chief executive, Conexus Financial (Australia)

10.10 – 10.40

MORNING TEA

10.40 – 11.40

Q&A WITH PROFESSOR BOB MERTON

This Q&A with Nobel laureate professor Bob Merton will challenge investors in their pursuit of alpha.

- **Robert Merton**, Distinguished Professor of Finance at MIT Sloan School of Management, and Nobel laureate (US)
- **Chair: Amanda White**, director of institutional content, Conexus Financial (Australia)

11.40 – 12.40

FACTOR INVESTING FROM A TOTAL PORTFOLIO PERSPECTIVE

As equity markets continue to hit record highs and geopolitical risks grow, risk-aware investors are increasingly focused on diversifying their portfolios and enhancing returns with the use of factors. This interactive discussion will look at new tools to help institutional investors understand the factors they own, ideas for strategically and tactically allocating to factors, and different approaches for implementing factor views.

- **Andrew Ang**, managing director and head of the factor-based strategies group, BlackRock (US)
- **Alison Romano**, senior investment officer, global equity, State Board of Administration of Florida (US)
- **John Skjervem**, chief investment officer, Oregon State Treasury (US)
- **Chair: Amanda White**, director of institutional content, Conexus Financial (Australia)

Includes table discussion

12.40 – 1.15

HOW TECHNOLOGY IS CHANGING THE FUTURE OF FOOD

Food production continues to put pressure on the world's diminishing land supply. At the same time, the growing middle class in emerging market countries is demanding more meat and dairy. Caleb Harper and his team are on a mission to create more farmers for the future of food production. They will achieve this by developing open-source hardware and software platforms for sensor-controlled hydroponic and aeroponic agriculture systems. It's a revolution in the way food is grown, sourced and viewed, and an example of how technology and innovation are transforming the future.

- **Caleb Harper**, research affiliate, principal investigator and director, Open Agriculture Initiative, MIT Media Lab (US)
- **Chair: Amanda White**, director of institutional content, Conexus Financial (Australia)

1.15 – 2.00

LUNCH

SAMBERG CONFERENCE CENTER TERRACE

2.00 – 3.00

CURRENCY MANAGEMENT IN A WORLD OF UNCERTAINTY

The last time the US Federal Reserve wound back quantitative easing, emerging market currencies weakened against the US dollar. President Trump's economic and tax policies, and geopolitical events more broadly, will probably generate significant capital flows and currency moves. What are the fundamental drivers of currencies now, and how should asset owners consider currency returns in their portfolio – as a potential hedge or as part of an active alpha strategy?

- **Thomas Clarke**, partner, William Blair (US)
- **Ian Toner**, chief investment officer, Verus Investments (US)
- **Chair: Colin Tate**, chief executive, Conexus Financial (Australia)

Includes table discussion

3.00 – 4.00

THE IMPACT OF TECHNOLOGY ON EMERGING MARKETS

This session will examine how technology is changing emerging markets, including the countries that will be winners and losers from technological innovation, whether technological advancements will enable emerging markets to leapfrog developed markets, and whether environmental innovation will lead to emerging markets such as China saving the planet with clean energy and rapid mass transit.

- **Niklas Ekvall**, chief executive, AP4 (Sweden)
- **Gary Greenberg**, head of global emerging markets, Hermes Investment Management (UK)
- **Winston Ma**, author, *China's mobile economy: opportunities in the largest and fastest information consumption boom* (China)
- **Chair: Colin Tate**, chief executive, Conexus Financial (Australia)

Includes table discussion

4.00 – 4.30

AFTERNOON TEA BREAK

4.30 – 5.30

THE FUTURE STATE OF THE INVESTMENT INDUSTRY

What are the organisational game-changers for the future of the investment management profession and the new type of leadership required for it? This session will examine the changes in skills and diversity needed for the asset management value chain to better align with client outcomes, and the current level of trust between the industry and its clients and society at large. This session draws on CFA Institute research published in "Future State of the Investment Profession".

- **Chris Ailman**, chief investment officer, CalSTRS (US)
- **Lori Heinel**, executive vice president and deputy global chief investment officer, SSgA (US)
- **Robert Pozen**, senior lecturer at MIT Sloan School of Management and senior fellow at the Brookings Institution (US)
- **Roger Urwin**, global head of investment content, Willis Towers Watson (UK)
- **Chair: John Bowman**, managing director, Americas, CFA Institute (US)

7.00 – 9.30

CONFERENCE DINNER

LOEB HOUSE, HARVARD UNIVERSITY

TUESDAY OCTOBER 3, 2017

7.30 – 8.45 INVESTOR-ONLY BREAKFAST
LE LABORATOIRE

9.00 – 9.15 WELCOME

Amanda White, director of institutional content, Conexus Financial (Australia)

9.15 – 10.30 THE CHANGING NATURE OF PRIVATE-EQUITY INVESTMENT

This session examines the effect of co-investment, special investment deals and individual special-purpose vehicles on the performance of limited partnerships in a private equity fund.

- **Antoinette Schoar**, Michael Koerner '49 Professor of Entrepreneurial Finance, MIT Sloan School of Management (US)
- **Nate Walton**, partner, Ares Management (US)
- **John Skjervem**, chief investment officer, Oregon State Treasury (US)
- **Chair: Amanda White**, director of institutional content, Conexus Financial (Australia)

Includes table discussion

10.30 – 10.45 COFFEE BREAK

10.45 – 11.45 WHERE NEXT FOR CREDIT?

Following the volatility of early 2016, the global credit markets have returned to full strength, powering through myriad geopolitical concerns. High-yield, distressed debt and direct lending have all performed during this period. The world is embracing synchronised economic growth for the first time in a long while. At the same time, we see dramatic changes in the political landscape, both in Europe and the US, that could have profound effects on the credit markets. This session will look at how different forces might affect these markets and what it might mean for opportunities using different credit strategies.

- **Victor Khosla**, managing partner, SVP Global (US)
- **Scott Radke**, principal, New Holland Capital (The Netherlands)
- **Tod Trabocco**, managing director, co-lead manager, research and selection, credit investment group, Cambridge Associates (US)
- **Chair: Colin Tate**, chief executive, Conexus Financial (Australia)

Includes table discussion

11.45 – 12.30 THE END OF THEORY – SECOND-GENERATION RISK MANAGEMENT

In his recent book, *The End of Theory*, Richard Bookstaber argues for a more dynamic understanding of the interaction of financial institutions to address market crises. He describes the limitations of the economics underlying the standard approach to risk, and introduces a new paradigm using agent-based models that is better suited to the task.

- **Rick Bookstaber**, head of risk, University of California (US)
- **Chair: Amanda White**, director of institutional content, Conexus Financial (Australia)

12.30 – 2.00 LUNCH
CAFÉ ARTSCIENCE

Lunch will include a sensorial experience at the innovative Café ArtScience, part of Le Laboratoire.

2.00 – 3.00 THE OPTIMAL INSTITUTIONAL INVESTMENT ORGANISATION

This session will examine the operational structures that have been rewarded in institutional investment organisations, including the right asset size, staffing levels, remuneration and internal management; and the talent, compensation and culture needed to implement change at large institutional investors.

- **Mike Heale**, director, CEM Benchmarking (Canada)
- **David Neal**, chief executive, Future Fund (Australia)
- **Marcos Tarnowski**, partner, leader institutional investing practice, McKinsey (Canada)
- **Chair: Amanda White**, director of institutional content, Conexus Financial (Australia)

3.00 – 3.45

THE MISALIGNMENTS OF WELL-MEANING ASSET OWNERS

How do investors turn the job they are supposed to do into one that they can do, and what gets lost along the way? In implementation, investors often lose sight of their mission. They manage to their reference portfolios because it's easier than managing to long-term real return targets. They over-diversify. And they give internal and external managers too many assets where a handful might serve their purpose. This provocative session will explore the areas where investors can improve their decision-making, for a better long-term outcome.

- **Stefan Dunatov**, head of investment risk, strategy and research at bcIMC (Canada)
- **Chris Hitchen**, chief executive, Railpen (UK)
- **Chair: Amanda White**, director of institutional content, Conexus Financial (Australia)

3.45 – 4.00

CONFERENCE WRAP AND CLOSE

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