INVESTING FOR IMPACT

Risk, return, and the future of the world

February 15th 2018
New York

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INTRODUCTION

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The world is at a crossroads, as several powerful trends battle for dominance. Inequality is rising. Climate change is starting to make its presence felt, as the international effort to fight it encounters political roadblocks. Economic globalization, which has delivered huge increases in prosperity for many but not all, is under threat from nationalistic populism. Fear is growing that the huge promise of new fourth industrial revolution technologies will bring with it severe socially disruptive side-effects, especially job destruction. There are good reasons to believe that the world will continue to prosper; yet, far more than in recent years, there are also good reasons to worry that things could take a serious turn for the worse.

This growing uncertainty is creating a new interest among investors in understanding where the world is heading and how that changes the outlook for risk and return and thus how they should put their capital to work. This greater interest is leading to a growing recognition that investors can play a crucial role in determining the result of this battle of seismic economic, social, technological and geopolitical forces, by investing in ways that help the world move in a positive direction, rather than decline and make money as they do so.

The Economist’s Investing for Impact event will gather leading investors, corporate executives, social entrepreneurs, policymakers and thinkers to explore the relationship between risk and return and the future of the planet. Moderated by Economist editors, speakers and attendees will debate how to deepen investor understanding of the changes to risk and reward now taking place, and to identify where the biggest opportunities are for win-win investments that benefit society and generate financial returns at the same time. There are many candidates, from clean energy, low cost housing, sustainable oceans, better food, firms that empower women, and financial inclusion, to the new United Nations Sustainable Development Goals as a whole.

As with the first two Economist summits on investment and impact, in New York in February and London in June, speakers and audience will include leaders from the world's top financial institutions, wealthiest families, biggest companies, hottest startups and most influential foundations. The conversation will be challenging, cutting through the hype to focus on the real issues that will determine whether investing for impact remains a niche or becomes a revolutionary change agent for the world.
OUR MODERATORS

• Helen Joyce, international editor, The Economist
• Andrew Palmer, business affairs editor, The Economist Group

OUR EXPERT SPEAKERS INCLUDE

• Amit Bouri, co-founder and chief executive, GIIN
• Roeyem Anders, co-founder and director, Sungevity Europe
• Ross Baird, founder and chief executive, Village Capital
• Matthew Bishop, managing director, Rockefeller Foundation and former senior editor, The Economist
• Jim Bildner, chief executive, Draper Richards Kaplan Foundation
• Jean Case, chief executive, Case Foundation
• Kesha Cash, founder and general partner, Impact America Fund
• Audrey Choi, chief sustainability officer, Morgan Stanley
• Maya Chorengel, senior partner, The Rise Fund
• Matt Christensen, global head of responsible investment, AXA Investment Managers
• Robert G. Eccles, visiting professor of management practice, Saïd Business School, Oxford
• Frederick Hutson, chief executive and founder, Pigeonly
• Scott Jacobs, chief executive, Generate Capital
• Saadia Madsbjerg, managing director, The Rockefeller Foundation
• Jane Nelson, director, corporate responsibility initiative, Kennedy School of Government, Harvard University
• Terry Odendahl, president and chief executive, Global Greengrants Fund
• Richard Robb, chief executive, Christofferson, Robb and Company
• Zack Rosenburg, co-founder, SBP
• James Lee Sorenson, chairman, Sorenson Impact Foundation
• Michael Schlein, president and chief executive, Accion
• Debra Schwartz, managing director, MacArthur Foundation
• Sonal Shah, founding executive director, Beeck Center for Social Impact and Innovation, Georgetown University
• Kurt Summers, treasurer, Chicago
• Zoe Schlag, founder and chief executive, UnLtd USA
• Scott Sleyster, chief investment officer, Prudential Financial Inc.
• Liesel Pritzker Simmons, co-founder and principal, Blue Haven Initiative
• Eric Usher, head, UNEP Finance Initiative
• Andy Unanue, managing partner, AUA Private Equity Partners
• Evan Williams, founder, Twitter
• Lisa Woll, chief executive, US SIF
WELCOMING REMARKS
Andrew Palmer, business affairs editor, The Economist Group

PRELUDE: HAVE WE MADE AN IMPACT?
Matthew Bishop, managing director, Rockefeller Foundation and former senior editor, The Economist
Andrew Palmer, business affairs editor, The Economist Group
Helen Joyce, international editor, The Economist

OPENING PLENARY. THE BIG PICTURE: WHERE IS THE WORLD HEADED, AND HOW CAN CAPITAL CHANGE IT FOR THE BETTER?
Our opening panel will set the scene by examining the broad trends that are pushing social and environmental impact to the top of the agenda in capital markets. The growing awareness of investors about the value to be found in understanding and engaging more constructively with the major forces shaping the world has been described with a range of terms, from ethical and ESG (environmental, social and governance) to long-termism and impact investing. Yet whilst this language has now been widely embraced by the investing mainstream, its effect so far has been mostly skin deep. The challenge now is to apply a sophisticated understanding of the relationship between risk, return and social and environmental impact in ways that transform how investment is done and this how it shapes the world.

Audrey Choi, chief sustainability officer, Morgan Stanley
James Lee Sorenson, chairman, Sorenson Impact Foundation
Richard Robb, chief executive, Christofferson, Robb and Company
Andrew Palmer, business affairs editor, The Economist Group

THE NEXT 15 YEARS: WHY AND HOW CAN FINANCE BE A FORCE FOR GOOD? WHAT WILL THE WORLD LOOK LIKE WHEN CAPITAL NOT ONLY COUNTS MORE MONEY, BUT MAKES MORE MONEY COUNT?

Amit Bouri, chief executive and co-founder, GIIN
Helen Joyce, international editor, The Economist

FIRESIDE CHAT: THE VIEW FROM THE TOP
A conversation with a leading investor.

Evan Williams, founder, Twitter
Andrew Palmer, business affairs editor, The Economist Group

MORNING BREAK
11:00 AM  RISK, RETURN, IMPACT
A look at the evidence. A growing number of studies claim that incorporating environmental and social impact into investment decisions does not hurt financial returns over the long run, and may increase them. How robust are these studies, and what strategies are investors building on them? How is the latest research improving our understanding of the role of impact factors in a portfolio, whether as a source of alpha or as a risk-management tool?

Maya Chorengel, senior partner, The Rise Fund
Robert G. Eccles, visiting professor of management practice, Saïd Business School, Oxford
Debra Schwartz, managing director, MacArthur Foundation
Scott Sleyster, chief investment officer, Prudential Financial Inc.
Helen Joyce, international editor, The Economist

11:45 AM  IMPACT STORY
Another entrepreneur grappling with a big global challenge tells their story and discusses how investors can help

Frederick Hutson, chief executive and founder, Pigeonly
Helen Joyce, international editor, The Economist

11:55 AM  FIGHTING, AND ADAPTING TO, CLIMATE CHANGE
As government efforts falter, can investors take the lead? From the booming market in green bonds and the soaring share price of Tesla to the “divest from carbon” movement, private capital markets are increasingly seen as the brightest hope in the battle against climate change. What are the biggest climate change fighting opportunities for investors – and, to the extent that climate change is already unstoppable, what are the best strategies for investors looking to minimize the damage done by it?

Roeyem Anders, co-founder and director, Sungevity Europe
Saadia Madsbjerg, managing director, The Rockefeller Foundation
Terry Odendahl, president and chief executive, Global Greengrants Fund
Eric Usher, head, UNEP Finance Initiative
Helen Joyce, international editor, The Economist

12:40 PM  LUNCH

2:00 PM  CAN INVESTORS REVIVE THE AMERICAN DREAM?
There is a growing awareness that many Americans now feel shut out of the American dream. How can investors put their capital to work most impactfully, to rekindle hope where it is now lacking? A look at opportunities in sectors with a disproportionate opportunity to boost the prospects of the average American family, including job creation, education, healthcare, housing, infrastructure.
2:45 PM  WOMENOMICS: INVESTING WITH A GENDER LENS
For too long, investors have undervalued the contribution of women. That is now changing, as new strategies are developed to profit from the growing impact of women in the workforce – and a growing appreciation of the economic value of embracing diversity. But what is the best way to invest with a gender lens? Do companies that empower women deliver higher returns? Should investors demand more women on boards, as an investment strategy not just to correct an injustice? Will female investors lead the way in adopting a gender lens?

Jean Case, chief executive, Case Foundation
Liesel Pritzker Simmons, co-founder and principal, Blue Haven Initiative
Helen Joyce, international editor, The Economist

3:15 PM  IMPACT STORY
Another entrepreneur grappling with a big global challenge tells their story and discusses how investors can help

Zack Rosenberg, co-founder, SBP
Helen Joyce, international editor, The Economist

3:25 PM  AFTERNOON BREAK

3:45 PM  VENTURE WITH IMPACT
As criticism grows of Silicon Valley’s failure to develop solutions to some of the world’s thorniest problems, new models of impact venture capital are emerging. How do they differ from classic venture capital, and what do they need to succeed at scale?

Ross Baird, founder and chief executive, Village Capital
Zoe Schlag, founder and chief executive, UnLtd USA
Sonal Shah, founding executive director, Beeck Center for Social Impact and Innovation, Georgetown University
Andrew Palmer, business affairs editor, The Economist Group
4:25 PM  
**OXFORD-STYLE DEBATE: THIS HOUSE BELIEVES THAT INVESTORS AND COMPANIES, NOT GOVERNMENT, ARE THE BEST HOPE FOR SOCIAL PROGRESS IN AMERICA TODAY**
In an age of short-termist, populist politics, big companies and investors are emerging as the most outspoken advocates of actions to promote social progress, from promoting diversity and inclusion to fighting climate change and achieving the UN’s Sustainable Development Goals. But are they really our best hope for social progress, better than government and social activism? Two teams of two experts will debate this, moderated by an Economist editor; the audience will ask them questions, and decide the winner.

Matt Christensen, global head of responsible investment, **AXA Investment Managers**  
Lisa Woll, chief executive, **US SIF**  
Scott Jacobs, chief executive, **Generate Capital**  
Kurt Summers, treasurer, **Chicago**  
Helen Joyce, international editor, **The Economist**

5:10 PM  
**CLOSING REMARKS AND COCKTAIL**
Helen Joyce, international editor, **The Economist**