ESG Integration in Fixed Income

Thursday, April 11, 2019

Offered by

FORDHAM UNIVERSITY
THE JESUIT UNIVERSITY OF NEW YORK

Gabelli Center for Global Security Analysis

Fordham University—Gabelli Center for Global Security Analysis

AND

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FIXED INCOME ANALYSTS SOCIETY, INC.
244 FIFTH AVENUE, SUITE L230 | NEW YORK, NY 10001
212.943.1900 PH | FIASI@FIASI.ORG | WWW.FIASI.ORG

Event Agenda	
Time:	Speakers/Topics
1:30	Registration
2:00—2:10	**Defining ESG Integration** Henry Shilling, Director of Research, Sustainable Research & Analysis LLC
2:10—2:20	**Sustainability, Corporate Performance and Investment:** Professor Sris Chatterjee, Gabelli Chair in Global Security Analysis, Finance & Business Economic University
2:20—2:40	**Evolution of ESG ratings:** Thomas Kuh, PhD, Head of Index, Truvalue Labs
2:40—3:40	**Panel Discussion—ESG Integration in Investment Grade Fixed Income:** Moderator — Mark Howard, BNP Paribas Securities ♦ Kathleen Bochman, Loomis Sayles ♦ Matt Daly, Conning ♦ Thomas Socha, JP Morgan Asset Management
3:40—4:00	**Networking Break**
4:00—5:00	**Panel Discussion—The Rating Agencies:** Moderator — Ralph DeCesare, TD Asset Management ♦ Andrew Steel, Fitch Ratings ♦ James Hempstead, Moody's Investors Service ♦ Lisa Schroeer, S&P Global
5:00—6:00	**Panel Discussion—ESG Integration in Non-Investment Grade Fixed Income :** Moderator — Henry Shilling, Sustainable Research & Analysis LLC ♦ Robert Kricheff, Shenkman Asset Management ♦ Joshua Linder, APG Asset Management US ♦ Kristal Yee Seales, TIAA Investments
6:00—6:15	**Closing Remarks**
6:15—7:00	**Cocktails & Networking**

Biographies (Alphabetically listed):

Kathleen Bochman, CFA is a vice president of Loomis, Sayles & Company and director of ESG (environmental, social and governance). She is responsible for increasing awareness of ESG principles among the firm's investment teams and partnering with them to identify how ESG considerations may be further incorporated into their unique investment processes. Kathleen leads the Loomis Sayles ESG Committee in providing strategic support to investment teams, conducting internal education and serving as a thought leader for the firm on material sustainability issues.

Kathleen has 30 years of investment industry experience and joined Loomis Sayles in 2006 as global equity analyst covering the financial sector. She began her career as a senior consultant for Andersen Consulting, specializing in systems consulting for financial clients. Following this, Kathleen moved to State Street Research & Management where she was a fixed income credit analyst, and later was named head of credit research for the firm. She then joined Wellington Management Company as a fixed income credit analyst. Prior to joining Loomis Sayles, Kathleen was a financial sector credit analyst for Gimme Credit. She earned a BA from Dartmouth College and an MBA from Columbia University.

Sris Chatterjee is a full professor in the finance and business economics area at Fordham. He holds the Gabelli Chair in Global Security Analysis Finance and Business Economics.

Professor Chatterjee has taught a variety of courses, including Mergers and Acquisitions, Principles of Modern Finance and Behavioral Finance, at the undergraduate, graduate and executive MBA levels. In 1995, he received Fordham's Gladys and Henry Crown Award for Faculty Excellence at the graduate school.

Professor Chatterjee got his undergraduate degree in mechanical engineering from the Indian Institute of Technology in Kharagpur and his postgraduate diploma in management from the Indian Institute of Management, Calcutta. He received his MPhil and PhD from Columbia Business School. Before joining the Fordham faculty, Professor Chatterjee taught at the State University of New York at Buffalo, Rutgers University and Columbia University. He has taught in the Key Training Program at UBS Wealth Management, where he participated in curriculum development and in writing training material. He also has taught in executive MBA programs at other schools.

Widely published, Professor Chatterjee's main research interest is corporate finance. His work has been showcased in the Journal of Banking and Finance, Journal of Financial Economics, Financial Management and Journal of Financial and Quantitative Analysis. His topics of focus include corporate debt/equity ratio, the effect of interest-rate uncertainty on the valuation of subordinated debt, restructuring of firms in financial distress, and innovative securities. Professor Chatterjee maintains a secondary research interest in futures and options, and he has published several papers in the Journal of Futures Markets.

Professor Chatterjee is an associate editor of the Journal of Financial Stability and the International Journal of Banking, Accounting and Finance. He also sits on the editorial board of the International Journal of Behavioral Accounting and Finance.

Matthew Daly, CFA, is a Managing Director and the Head of Credit Research at Conning where he is responsible for the global corporate and sovereign research teams. Prior to joining Conning in 2003, Mr. Daly was employed as a Credit Analyst at Webster Bank following non-investment grade leveraged loans. Prior to Webster, Mr. Daly was employed as a Credit Analyst at Brown Brothers Harriman & Co. and also at FleetBoston Financial Group. Mr. Daly is a graduate of Gordon College with a degree in Economics and Business Administration.

Ralph DeCesare, CFA, CAIA is Vice-President & Director and Head of credit research for TD Asset Management. As part of the Toronto-based TD Bank Financial Group, one of the largest banks in North America, TDAM manages over US$250 billion in assets under management on behalf of pension, insurance, endowment/ foundation and corporate clients, as well as for high-net worth individuals and retail mutual funds. Prior to joining TDAM, Ralph was a director of fixed income research at Merrill Lynch Investment Managers from 1990 to 2006. Responsibilities included leading a team of fixed income analysts that helped manage over $150 billion in fixed income assets including mutual funds, money market and institutional accounts. Ralph also has had two separate terms at Standard & Poor's Corp. as a debt ratings analyst, covering multiple industries including electric utilities, natural gas and financial institutions. Ralph earned an MBA in finance from Fordham University, and a B.S. in finance from the University of Arizona. Ralph is a Past President of the Fixed Income Analyst Society, Inc., a 250+ member non-profit professional organization that furthers the education and careers of its members, and is the sponsor of the FIASI Hall of Fame. Ralph is a member of the CFA Society of New York and the Canadian Bond Investors Association. He is a CFA charter holder and Chartered Alternative Investment Analyst. He serves on the Board of Gibney Dance, a non-profit in New York City.

Jim Hempstead is a Managing Director in Moody's Global Project & Infrastructure Finance Group where he helps manage the North American Regulated Utility and Power Team. Jim also acts as a rating chair across all segments of the Global Infrastructure and Project Finance franchise, is a member of the Infrastructure Finance Franchise Committee and a member of the Global Infrastructure Focus Editorial Board. In 2017, Jim joined

Moody's Global ESG Working Group and is managing the firm's Green Bond Initiatives. Jim joined Moody's in December 2002.

Prior to joining Moody's, Jim spent time as an investment banker with Merrill Lynch & Co., working in the Global Energy & Power Group, providing financial and advisory services to electric, natural gas distribution, interstate pipeline, energy merchant, water and energy technology companies. Prior to joining Merrill Lynch, Jim worked with Salomon Smith Barney Corporate Finance, working in their Global Energy & Power Group.

Jim graduated with a B.S.B.A. from Villanova University and an M.B.A. from Fordham University. From 2011 - 2013, Jim served as the Director of Emergency Management for his hometown in New Jersey, and is a registered EMT for his local, volunteer first aid squad. Jim is a member of the Wall Street Utility Group and became a Trustee with the Society of Utility and Regulatory Financial Analysts (SURFA) in 2012. In 2014, Jim joined the Advisory Council for the Electric Power Research Institute (EPRI)

Mark Howard, CFA, is a Senior Multi-Asset Specialist at BNP Paribas. His analysis and work with investors cuts across the global markets, with a particular emphasis on Fixed Income. Previously, Mark spent 5 years at Barclays Capital, where he was a Managing Director and held the roles of Co-Head of Global Research and Head of Credit Analysis. Prior to joining Barclays in April 2004, Mr. Howard was at Lehman Brothers for 18 years, where he was a Managing Director and Global Credit Strategist. In that capacity, he was responsible for the firm's high grade, high yield, emerging market and credit derivative strategy teams. As an active researcher, Mr. Howard has been recognized as a fixed income 'All American' by Institutional Investor magazine 11 times, including first place rankings in 7 of those years. Mr. Howard received his MBA in Finance from New York University and his bachelor's degree in Economics from Colby College. Mark Chairs the Board of the University College Friends and Alumni Association, is on the Board of the Friends of IHES, and is a member of the Maine Community Foundation Investment Committee. Previously he was an Overseer of the Board of Trustees of Colby College and served on the Board as Treasurer of Village Community School in New York City. He was president of FIASI in the fiscal years 2011—2012 and 2014—2015.

Bob Kricheff is a portfolio manager and global strategist at Shenkman Capital since he joined in 2013. He has 31 years of investment research and strategy experience in leveraged finance. Prior to joining Shenkman Capital, Mr. Kricheff was Managing Director and Head of the Americas High Yield Sector Strategy for Credit Suisse. During his distinguished tenure at Credit Suisse, he oversaw U.S., European and Emerging Market credit research as well as high yield sector and portfolio strategy. He also worked as a high yield analyst where he covered the media, cable, satellite, telecom, gaming, and entertainment sectors. His work covered bonds, loans and CDS. Additionally, Mr. Kricheff has published two textbooks and two e-books on topics related to leveraged finance and its analysis and has most recently published a book on technology's impact on investment economics. He has been invited to speak to graduate students at University of London SOAS and Columbia University. Mr. Kricheff received a BA degree in Economics from New York University and a MS in Financial Economics from the University of London's School of Oriental and African Studies.

Thomas Kuh, Ph.D. leads the work at Truvalue Labs creating benchmarks for implementing ESG investment strategies and licensing indices for ETFs, mutual funds and institutional accounts.
Prior to joining the index provider, he was founder and president of Benchmark ESG Consulting, following seven

years at MSCI as executive director, head of ESG Indexes. His professional experience also includes 16 years at KLD Research & Analytics, and service on the boards of SIRI Company (now Sustainalytics) and the US SIF.
Kuh has an MA and PhD in Economics from University of Massachusetts Amherst and a BA in Political Economy from Hampshire College.

Joshua Linder, CFA is a Credit Analyst at APG Asset Management, responsible for conducting fundamental credit analysis across a range of sectors. Joshua's primary duties also include helping implement APG's Responsible Investment Policy, with a focus on ESG integration in fixed income and green bond investment strategy.
Prior to joining APG in 2017, Joshua worked at Calvert Investment Management for six years, most recently as a Portfolio Manager. In this role he was responsible for managing several equity and multi-asset funds, and developed expertise in ESG investing frameworks across asset classes. He also co-authored several white papers focused on integrating ESG factors into credit analysis and quantitative equity research processes. Before Calvert, Joshua spent two years at The D.E. Shaw Group. Joshua holds a B.S. in Industrial and Labor Relations form Cornell University and received a Master's in Public Policy from American University with a concentration in quantitative research methods. Joshua is a CFA charter holder and a member of the New York CFA Society.

Lisa Schroeer is a Sector Leader and Senior Director in the U.S. Public Finance Division for S&P Global Ratings. Lisa focuses on local governments, research, and criteria across the United States. She has an additional emphasis on climate impact and participates in the group's green bond and ESG working group. Her analytic experience also includes the state revolving fund/pool sector and water and sewer credits.
She is a member of the National Municipal Finance Asso-

ciation, Virginia Women in Public Finance, and is the current Education Chair for the Southern Municipal Finance Society (SMFS). In 2018, Lisa lead the re-launch of S&P Global Ratings U.S. Public Finance podcast, called Extra Credit, which focuses on S&P's municipal finance ratings and related topics.

Prior to joining S&P Global Ratings in 2005, Lisa worked at the Federal Reserve Board in Washington, DC, and at Economic and Planning Systems in Berkeley. Lisa holds a B.A. in Economics from Wellesley College and an M.P.P. from the University of California, Berkeley.

Kristal Seales, CFA is head of investment operations at TIAA Investments, an affiliate of Nuveen. She is responsible for managing the organization's portfolio modeling, risk analytics, and reporting team as well as overseeing corporate governance and business operations for the taxable fixed income group. Kristal is also a member of the leveraged finance team, where she analyzes companies in a variety of sectors, including gaming, leisure, lodging, and retail. She also supports TIAA Investments' responsible investing fixed income initiatives.

Previously, she has worked on investing in corporate private placements, project finance, lease finance, asset backed bonds, and investment grade public debt offerings across a variety of industries. Kristal joined TIAA Investments in 2001 and has 17 years of industry experience.

Kristal graduated with a B.S. in Operations Research and Industrial Engineering from Cornell University. She holds the CFA® designation and is a member of the CFA Society New York and the CFA Institute.

Henry Shilling, Director of Research, Sustainable Research and Analysis LLC, a NYC-based early stage start-up focused on offering independent, objective and cost effective research, analysis and portfolio implementation strategies directed at investors who wish to integrate sus-

tainability considerations into their investing plans.
Previously with Moody's Investors, Henry in more recent years initiated and coordinated Moody's efforts to expand disclosure and add transparency in research, ratings and analysis to the reflection of environmental, social and governance (ESG) risks. He also led the firm's effort to launch and implement a methodology for assessing green bonds world-wide. In these and other capacities over the years, Henry published research articles, was a frequent commentator, and regularly presented Moody's views at various industry conferences.
With Moody's between 1992 and June 2017, Henry played a leading role in the development and management of the firm's Managed Investments Group.
Henry is the author of The International Guide to Securities Market Indices which was published in 1996 by International Publishing Corp., Chicago, Illinois. He is a contributor to Money Market Funds in the EU and the US, published in 2014 by Oxford University Press.
He earned a B.A. in economics from Lehman College, City University of New York in 1971.

Tom Socha is an Executive Director and member of the Global Fixed Income, Currency & Commodities (GFICC) group at JP Morgan Asset Management. Based in New York, Mr. Socha works in Investment Grade Credit Research and is responsible for identifying investment opportunities within the electricity, renewable, natural gas and other utilities sectors. He is also a member of the Asset Management Sustainable Investment Leadership Team (SILT) and the GFICC ESG Leadership Team. Prior to joining the firm in 2016, he was a fixed income research analyst for AllianceBernstein covering investment grade and high yield utility, renewable, midstream and industrial companies located in the U.S. and Europe. He also held investment and research positions at Delaware Investments, GE Capital Services and Deutsche Bank. Mr. Socha holds a B.A. in political science from

Trinity College-Hartford and an M.B.A. in finance from the New York University Leonard N. Stern School of Business.

Andrew Steel, Managing Director, Global Group Head, Sustainable Finance, is responsible for developing and implementing Fitch's sustainable finance strategy, across ratings and the broader Fitch group. His group is based in London, New York, Hong Kong and Beijing. In January 2019 Fitch Ratings launched an integrated scoring system showing how environmental, social and governance factors impact individual credit rating decisions.

Prior to his current role Andrew held several senior management positions in Fitch: head of the EMEA energy, utilities, project finance and regulated transportation analytical groups; head of Asia Pacific Corporate Ratings, Head of EMEA Corporate Ratings; and Head of Executive Projects.

Before joining Fitch in 2004 Andrew headed up ABN Amro's project finance, power and utilities group, worked in private equity for Edison Capital, in energy for PowerGen's group treasury, and in the banking sector as a mezzanine, leveraged buy-out and cross-border M&A lender and advisor.

From 2006-2010 Andrew was also an independent expert for the UN ECE advising on risk issues and sustainable energy development. He is currently an advisory board member of the UN PRI credit ratings initiative, and a trustee of the Great Ormand Street Hospital based charity CLEFT.

Andrew graduated with a BS with Honors in Psychology from Bristol University in 1989, and has a postgraduate diploma from INSEAD business school (CGEM 2016).

FIASI thanks all those who made tonight's event possible. We especially thank Fordham University for it's generous support as well as all the panelists, presenters and everyone else who contributed to the organization of the event and ensuring its success.

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	Poor	2	Average	4	Great
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Are there any comments on the ESG event or suggestions you'd like to make? ____

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What topics would you like to see FIASI address in the future? ____________

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Do you know anyone who you would like to hear speak and if so on what topic?___

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