



**ICGN**

International Corporate Governance Network

## **ESG Integration Professional Development Programme Curriculum outline**

### **DAY 1, 2012**

#### **09:00-09:15 Welcome and introductions**

#### **09:15-10:30 Module 1: Overview of ESG in practice**

- Evolution of ESG in practice – the history, origins and trigger points
- Market drivers from systemic risk to climate change
- Business case for governance in relation to value and risk
- ESG in the investment process through all asset classes
- The investment and accountability chain
- Review of common corporate models and ownership structures
- Comparative regulatory frameworks and major market differences
- Policy trends and priorities for ESG

#### **10:30-11:45 Module 2: Global best practice: OECD, ICGN and PRI Guidance**

- Use and nature of leading codes and principles
- Relevance of codes within a wider legal/regulatory context
- Application of codes at a practical level for ESG integration
- Overview of ICGN Global Corporate Governance Principles and guidelines
- Overview of the Principles for Responsible Investment

#### **11:45-12:15 Refreshment break**

#### **12:15 – 13:30 Module 3: Managing ESG responsibilities: theory and practice from an investor perspective**

- Understanding fiduciary duties
- Functions of ESG professionals
- Relationships with portfolio managers
- Stewardship codes and model documents
- ESG structure and resourcing
- Interactions with the board of trustees
- Reporting: obligation or opportunity?
- International challenges

#### **13:30-14:30 Lunch**

#### **14:30 – 16:30 Module 4: How to conduct an ESG analysis of a company**

- Different approaches to ESG analysis for the investment strategies of integration, engagement, voting and screening
- Key questions for analysts to ask when executing these approaches
- Comparing integrated valuation approaches from sell-side brokers
- Introducing external ESG measurement tools from independent research providers

- Interpreting analysis given different client aims, as well as diverse global cultural and regulatory environments
- Developing or adapting internal templates

**16:30 – 17:00 Day One Wrap up**

## **DAY 2, 2012**

### **08:30-10:30 Module 5: ESG and investment decision-making**

- Evaluating costs and benefits of ownership tactics
- Incorporating ESG into investment time horizons
- Practical challenges to embed ESG into the investment process
- Universal Owner principle: applying market-wide concerns to individual stakes
- Application of ESG to different asset classes, including debt, property and private equity
- Investment approaches to ESG: e.g. activist hedge funds, focus funds, relational funds
- Approaches to ESG in indexed funds versus actively managed portfolios
- Short selling and governance implications
- Screening and exclusion strategies

**10:30-11.00 Refreshment break**

### **11:00-12:00 Module 6: Managing AGM voting**

- Value of the vote
- How the proxy voting chain works in different jurisdictions
- Strategies for AGM presentation
- Developing, implementing and refreshing voting guidelines on ESG
- Working with a proxy voting decision makers and portfolio managers
- Understanding benefits and limitations of outside services
- International dimensions and cross-border challenges

### **12:00-13:30 Module 7: Effective engagement and communications**

- Background to developing an engagement strategy
- Tools of engagement—dialogue, filing resolutions, collective action, media
- Determining who should be involved in the engagement
- Evaluating engagements

**13:30 – 14:30 Lunch**

**14:30- 16:00 Case study: ESG engagement in practice**

**16:00-16:30 Refreshment break**

**16:30 – 17:30 Case Study wrap up**

**17:30 – 18:00 Programme summary**