

CALL FOR PAPERS

PRI-CBERN Academic Conference 2012 Evolution of Responsible Investment: Navigating Complexity

*1-3 October, York University
Toronto, Canada*

The Principles for Responsible Investment and the Canadian Business and Ethics Research Network (CBERN) are pleased to announce the Fifth Annual Academic Conference on Responsible Investment. The conference is a unique opportunity for researchers, students and investment professionals to present research, identify research opportunities and build partnerships to continue to enhance our knowledge of responsible investment.

Responsible investment (RI) is an increasingly complex practice. It involves organizations across the entire investment chain and varies significantly in different institutional contexts and where there are different patterns of ownership. Further, emerging practices in the field such as 'ESG integration' involve complex decision-making processes that are based on unstandardized or incommensurable information and new technologies such as social networking that are used to facilitate information exchange. Furthermore, many RI practitioners often must reconcile competing goals such as using ESG information to seek alpha and create public goods.

The purpose of the 2012 Academic Conference is to develop our understanding of the complexity of institutions, organizations, strategies and processes that make up responsible investment. We invite submissions for sessions on topics that address one or more of the following themes:

- *Investment strategies;*
- *Shareholder engagement and collective action;*
- *Public policy and regulation;*
- *Organizations and organizational change*
- *Market structures and systemic change*

The appendix to this call for papers lists the significant questions that are related to each research theme. In addition to full papers, we also invite proposals to host **workshops** on one of these thematic areas.

PRI-CBERN and FIR Research Award Partnership

The PRI and CBERN are pleased to partner this year with the French Responsible Investment Forum to support promising research and significant academic achievements. All papers submitted to the conference may be considered for their eligibility for two types of awards:

- **PRI-CBERN Conference Award** – an international award that recognizes the most outstanding conference paper by a student and by a scholar. The student award is valued at \$1,500 (Cdn.) and the academic award is valued at \$3,500 (Cdn.).
- **PRI-FIR Award** – Awarded to EU nationals, and researchers based at or partnering with EU institutions and/or addressing a topic related to European financial markets, the PRI-FIR award provides grants, valued at €3,000 to students and scholars to assist them to complete promising research projects. Articles pending publication will be considered for an award which recognizes research contribution valued at €5,000.

There are some differences between award categories and eligibility criteria for the awards. For more information on the awards, please refer to the rules and regulations on the award and conference website: <http://www.fir-pri-awards2012.org>.

Application requirements

Conference Papers and Student Symposium

Working drafts or extended abstracts of their papers (minimum 8 pages; all stylistic conventions are accepted), will be considered for the conference.

Applicants are invited to submit their application online by **30 April 2012**.

Abstracts should include:

- Summary of the significance of the research
- Relevance to the conference research theme/s
- Description of research methods and findings
- Expected contribution to theory and / or practice

The document must be accompanied by a cover page that includes:

- the candidate's contact information
- a working title
- the conference theme/s being addressed

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- biographical information on the author(s), including a scanned passport and details of relationships to European research institutions (only for consideration for the FIR Awards)

For PhD or Master’s students who would like to be considered for an award: The cover page and abstract must be accompanied by a reference letter from a University professor, with an electronic signature if sent by e-mail.

If you are applying to present at the conference in conjunction with the FIR-Award, please note that the only additional requirement is that abstracts should include a reference to the conference research themes.

Workshops

The purpose of workshops at the PRI–CBERN Academic Conference is to support research on emerging issues in responsible investment. If you would like to host a workshop at the conference, please include the following in your proposal:

- Workshop background and purpose, and its connection to the themes of the PRI-CBERN Academic Conference
- List of key participants
- Tentative agenda
- Expected projects/outcomes from workshop

Application timeline

- All applications must be submitted by **30 April 2012 via the online application system**.
- Notification of acceptance to present or host a workshop and for shortlisting for awards will be provided by **30 May 2012**.
- Papers being considered for an award must be submitted by **August 10, 2012**
- Final materials for all conference participants are due on **August 17, 2012**.
- Award winners will be selected on **September 15, 2012**.
- Award presentation for the PRI-FIR Award will be held on **September 24, 2012** in Paris. The award presentation for the PRI-CBERN Award will be held on **October 2, 2012** in Toronto where the PRI-FIR Award winners will also be recognized.

Judging criteria

Conference Papers

Proposed conference papers will be reviewed by a selection panel of academics and investment professionals. Judging criteria include:

- Practical significance of the research, particularly the potential to apply research in investment environments
- Contribution to responsible investment research
- Originality of subject study or approach; there is an emphasis on empirical analysis
- Methodological strength

Workshops

Proposals workshops will be reviewed by the PRI Secretariat and the Academic Network and will be evaluated for their potential to stimulate interesting discussion and research in the thematic areas.

How to apply

All submissions must be made by **30 April 2012** via the online applications system: www.fir-pri-awards2012.org.

Travel subsidies

We will not be able to offer travel subsidies for post doctoral or academic presenters. We have some funds to assist in student travel and we encourage graduate students to submit abstracts. Graduate students should include any request for travel subsidy, specifying their need and amounts required, in their application.

Detailed travel information for the conference will be provided closer to the conference dates.

2012 PRI Academic Conference selection panel

- Tessa Hebb, Conference Chair and Director of the Carleton Centre for Community Innovation, Canada
- Lars Hassel, Program Director, Mistra , Sweden
- James Hawley, Professor, St. Mary's College of California, US
- Professor Nicolas Mottis, ESSEC, France

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- Professor Bouchra M'Zali, Université de Québec a Montreal, Director of Sustainability Programme, Canada
 - David Wood, Director Initiative for Responsible Investment, Harvard University, US
 - Jean-Philippe Desmartin, Senior analyst, Head of SRI research, Oddo Securities, France
 - Amanda McCluskey, Head of Sustainability & Responsible Investment, Colonial First State, Australia
 - Kimberly Gladman, Director of Research and Risk Analytics, GMI, US
 - Steve Waygood, Head of Sustainability Analysis and Engagement, Aviva Investors, United Kingdom

2012 PRI Academic Conference Keynote Speakers

- Professor Ola Mestad, Chair, Council on Ethics for the Norwegian Government Pension Fund – Global

About the Principles for Responsible Investment

The Principles for Responsible Investment, convened by UNEP FI and the UN Global Compact, was established as a framework to help investors achieve better long-term investment returns and sustainable markets through better analysis of environmental, social and governance issues in investment process and the exercise of responsible ownership practices. The Principles themselves, a full list of signatories and more information can be found at <http://www.unpri.org>

As part of broader efforts to increase knowledge about responsible investment practices, the PRI Academic Network works to strengthen cooperation between signatories and the academic community. With a growing membership of presently about 1000 academics, investment practitioners and policy makers, the PRI Academic Network represents a diverse array of research interests from around the world. The Network aims to provide implementation support to PRI signatories through promoting and funding research and events that generate practical and relevant responsible investment research. The PRI annual Academic Conference aims to showcase the best examples of this research.

Further information

For any further information or questions, please contact Natalie Beinisch, Academic Network Manager, PRI Academic Network, natalie.beinisch@unpri.org or +44 (0) 20 7749 1940 or Hilary Martin, Communications Manager, CBERN hmartin@cbern.ca

Appendix: Indicative Questions

Investment Strategy

- What are fundamental drivers of return and risk? One under researched ‘risk’ area in this respect are social issues. Indicative questions include:
 - What is the relationship between different types of employment structures and financial performance? Can ‘high performing’ employment models be applied in different sectors?
 - How do variables such as wage ratios, training and development, employee engagement and retention, health and safety, diversity impact financial variables?
 - How do flexible employment strategies (flexi-hours, working from home, outsourcing and contracting) affect firm value? In what ways?
- ESG in diverse investment strategies and styles (fundamental stock-picking, passive indices, quant, top-down thematic, value vs. growth, impact investing etc.)
- How are ESG factors integrated across asset classes?
- In what ways are ESG factors integrated at the strategic level, for example strategic asset allocation?
- How can ESG risk and value be measured?
- Does ESG information help to understand risks related to sovereign debt?
- What makes a sustainable company? What impacts company valuation?

Engagement

- Are different types of engagement strategies more or less effective in different market contexts? (ie. shareholder versus stakeholder models)
- In what ways do banks engage in lending relationships such as project finance?
- What does effective active ownership look like in asset classes other than equities?
- How can the effectiveness of engagement on core drivers of long-term return and risk be improved?
- How can investors influence market-wide issues such as market governance and regulation, climate change, human capital and human rights, etc?
- How can barriers to collaboration be overcome?

Public Policy and Regulation

- What forms of ESG integration into investment processes are permissible under investors’ legal obligations, in different jurisdictions?
- The relationship between different corporate ownership structures, corporate governance regimes, societal and institutional norms, and the development of regulatory or market-based responsible investment codes
- How can public policy facilitate the internalisation of external environmental, social and governance costs in ways that further the interests of long-term investors?

- What types of policies and forms of public and private risk sharing can facilitate the development of impact oriented investing?
- What types of transnational regulation are used in the investment process and how are they used?

Organizations

- How can financial institutions (pension fund trustees/insurance) acquire the skills, knowledge and time to address ESG issues?
- How do power relationships, agency issues and conflicts of interest in the investment chain affect long-term investors' interests?
- How can investment management organisations be structured and managed to embed ESG factors, and what organisational cultures would they have?
- How can beneficiaries and other stakeholders participate in decision making?

Market Structures and Systemic Change

Financial markets

- What are the pathways by which long-term savings capital will flow into investment markets in the coming years, and how are those pathways governed?
- Will governance and investment responsibilities for these pathways take a different view of long-term sustainability and responsible investment from the institutions that currently espouse this agenda?
- Where is the space for global dialogue on ESG issues among the investors of the 'present' and the 'future' and how can this dialogue be facilitated?
- What types of regulatory frameworks facilitate long-termist investment behaviour? What types of tools are available to balance needs of between liquidity and risk management?
 - What are the implications of regulatory responses to the financial crisis, including Basel III and Solvency 2, for long-term responsible investors, including financing of illiquid assets such as renewable energy infrastructure
- What patterns of asset allocation are emerging? What new types of risk do these patterns produce? Which ones do they mitigate?

Macro-economic trends

- What types of urbanization/demographic patterns are emerging? What effect does urbanization have on employment and consumption? What are the ways that firms adapt to these changes and what strategies are most profitable? How can they be measured?

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- What types of wealth and social inequality trends can be observed across the world? Does wealth and social inequality affect growth and consumption? In which sectors is growth affected and how?
 - What strategies do firms use to prevent and manage conflict risk? How and when are these effective?
 - How do firms manage operations in institutionally weak jurisdictions? What types of relations to successful firms have with public officials? What indicators should be used to assess management quality? What types of policy reforms can lead to greater stability and investment certainty?
 - The role of customers and citizens expectations vis-à-vis financial institutions: transparency, nature of financial products offered and saving habits