MSCI ANNUAL CONFERENCE ON
GLOBAL INVESTING & RISK MANAGEMENT

DAY 1 - CONFERENCE
Tuesday, 10 May, 2016
Jumeirah Carlton Tower, Cadogan Place, London

8:30 REGISTRATION AND BREAKFAST

9:00 WELCOME
Laurent Seyer
Global Head of Client Coverage, MSCI

9:10 THE FUTURE OF GLOBAL INVESTING: AN INTEGRATED VIEW OF RISK AND RETURN
Remy Briand
Global Head of Research, MSCI

9:40 WHO’S AFRAID OF POLITICS? HOW THE NEW POLITICAL LANDSCAPE AFFECTS GLOBAL INVESTMENT AND RISK
Philip Coggan
Buttonwood Columnist and Capital Markets Editor, The Economist

10:10 PANEL DISCUSSION: A NEW WORLD FOR ACTIVE INVESTORS
• What are the most important industry and market challenges facing active managers today?
• How are investment strategies changing in response to the need to achieve specific outcomes?
• What effect is regulation having on the investment process?
Chair:
Philip Coggan
Panellists:
Peter Ferket
Chief Investment Officer Equity Investments, Robeco
Hans Stoter
Chief Investment Officer, NN Investment Partners
Dimitris Melas
Global Head of Equity Research, MSCI
Gideon Smith
Europe Chief Investment Officer, AXA Investment Managers
Pierre Sarrau, CFA
Chief Investment Officer for Multi-Asset Strategies, Blackrock

11:00 COFFEE AND NETWORKING BREAK

11:30 STREAM 1
HARNESSING THE POWER OF FACTORS
• Factor investing is having a profound effect on long-term portfolio management. Factors such as value, momentum, volatility and quality are used widely in both quantitative models and in active investment strategies.
• In this presentation, we will look at factors through the lens of MSCI’s equity factor indexes and Barra equity factor models and show how factor investing can be used to achieve a wide range of investment objectives.
Dimitris Melas
Global Head of Equity Research, MSCI

11:30 STREAM 2
NEXT-GENERATION FIXED INCOME MODELS
• MSCI’s new fixed-income models provide factor-based risk and stress testing for a full range of bonds, derivatives, convertibles and securitized products.
• In this presentation, we will demonstrate how MSCI models address key rate factors, break-even inflation, implied volatility and duration-times-spread for credit and European sovereign debt. We will also introduce a new class of basis risk factors.
Peter Shepard
Head of Multi-Asset Class Factor Research, MSCI
12:10  LIQUIDITY RISK: CHALLENGES FOR REGULATORS AND INSTITUTIONS IN FAST-EVOLVING MARKETS

• Regulators in both the United Kingdom and the United States have sharpened their focus on the management of liquidity risk. In the bond markets, in particular, liquidity data scarcity poses challenges for both regulators and financial institutions. Market structure reforms are rapidly changing the landscape.

• In this presentation, we will show how MSCI is helping investors meet regulatory and internal control challenges today and prepare for what’s coming in the foreseeable future.

Carlo Acerbi
Risk and Regulation Research, MSCI

12:50  LUNCH

14:00  OPPORTUNITIES AND CHALLENGES IN GLOBAL REAL ESTATE INVESTING

• Many institutional investors have shifted their focus from bonds to private real estate, drawn by the steady income stream and higher yields this asset class offers.

• In this presentation, we will provide an overview of the global real estate market, including investment performance, portfolio construction and risk.

Malcolm Hunt
Real Estate, MSCI

12:10  TO HEDGE OR NOT TO HEDGE? ADAPTING INDEXES FOR CURRENCY RISK

• Since the financial crisis, investors have become increasingly interested in currency hedging. Global equity portfolios expose investors to currency risk and trends in currencies can reverse sharply.

• In this presentation, we will show how four currency indicators (value, momentum, carry and volatility) can be used to determine a level of hedging for each currency exposure in an index. We will illustrate how these indicators have moved historically in response to volatile market conditions and challenging macro environments.

Stuart Doole
Head of New Product Development Research, MSCI

12:50  LUNCH

14:00  A NEW FRAMEWORK FOR MULTI-ASSET CLASS STRATEGIES

• Sources of risk and potential return have been extensively researched in equities, fixed income, commodities and real estate.

• In this presentation, we will demonstrate that similar risk premia are present across different asset classes. We will introduce a multi-factor framework, dynamically allocating risk budget and capital within and among those four asset classes.

Jean-Maurice Ladure
Head of EMEA Equity Applied Research, MSCI

14:40  STRESS TESTING FOR FUTURE MACRO EVENTS

• Scenario analysis requires a well-defined and complete set of assumptions, which are then propagated to a financial portfolio.

• This presentation will discuss best practices for designing forward-looking stress tests with a focus on the importance of rigorous propagation methods, using a real-life example for illustration.

Thomas Verbraken
Risk and Regulation Research, MSCI

15:20  UNDERSTANDING ESG IN FACTOR STRATEGIES

• Factor investing and integration of environmental, social and governance considerations into portfolios are both garnering increased interest among institutional investors.

• This presentation takes a systematic look at the way in which ESG considerations and factor-based strategies can work together in a portfolio.

Zoltan Nagy
Applied Research, MSCI

15:20  COFFEE AND NETWORKING BREAK
15:50 PANEL DISCUSSION: LONG-TERM SUSTAINABLE INVESTING

- What does long-term investing really mean, and what are the major hurdles in developing a long-term strategy?
- How far has the movement toward stewardship principles and active ownership practices affected corporate behavior and investment strategy?
- Do long-horizon investors need different investment and risk processes than other investors, perhaps implying a focus on different factors or measures of risk?
- How can investors and corporate leaders balance a longer-term view with shorter-term priorities?

Chair:
Linda-Eling Lee
Head of ESG Research, MSCI

Panellists:
Rich Dell
Partner and Global Head of Equities, Mercer

Dr. Andreas Hoepner
Associate Professor of Finance, ICMA Centre, Henley Business School

Mark Mansley
Chief Investment Officer, Environment Agency Pension Fund

Enrico Massignani
Chief Risk Officer, Generali Investments Europe

16:35 DEVELOPMENTS TO WATCH IN GLOBAL INVESTING

Baer Pettit
Chief Operating Officer, MSCI

Interviewer:
Alvise Munari
Head of EMEA Client Coverage, MSCI

17:05 CLOSING REMARKS

Alvise Munari

17:15 NETWORKING COCKTAIL RECEPTION
### Day 2 - Workshops

**MSCI Annual Conference on Global Investing & Risk Management**

**Wednesday, 11 May, 2016**

**etc.venues, Liverpool Street-Norton Folgate, Bishopsgate Court, London**

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<td>8:30</td>
<td>REGISTRATION AND BREAKFAST</td>
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<td>9:30</td>
<td><strong>EFFECTIVE ESG RISK MANAGEMENT AND REPORTING</strong></td>
<td><strong>ENHANCING PORTFOLIO CONSTRUCTION USING SYSTEMATIC EQUITY FACTORS</strong></td>
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<td>• How to use ESG reporting tools, including MSCI Fund Metrics</td>
<td>• Overview of Systematic Equity Strategies (SES)</td>
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<td>• Review of analytical tools for carbon risk management</td>
<td>• Benefits of adding SES to the factors in risk models</td>
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<td>• Integration of ESG in Barra® platforms</td>
<td>• Case study showing how to build style-titled portfolios using SES factors, including a use case in Barra® Portfolio Manager</td>
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|       | Naomi English, Executive Director, ESG Product Management, MSCI | **Victor Villar,**
|       |  | Vice President, Consultants, MSCI |
|       |  | **Imre Balint,**
|       |  | Vice President, Applied Research, MSCI |
| 10:15 | **ALIGNING ALPHAS AND RISK FACTORS** | **STRESS TESTING, FROM MACRO TO MARKET** |
|       | • How to compare spanned alpha and residual alpha to detect misalignment | • Overview of the MSCI Macroeconomic Risk Model |
|       | • Review of residual alpha bias in the portfolio optimization process | • Using stress testing to propagate macro views on a multi-asset class portfolio |
|       | • How to address misalignment by focusing on risk models, optimization processes and alpha | • Case study illustrating the design and implementation of a predictive stress test using MSCI RiskManager |
|       | Ralph Karels, Vice President, Consultants, MSCI | **Mannan Abbasi,**
|       |  | Vice President, Consultants, MSCI |
|       | Zoltan Nagy, Vice President, Applied Research, MSCI |  |
| 11:00 | COFFEE BREAK |  |
| 11:20 | **ANALYTICS FOR PRIVATE REAL ESTATE AND PRIVATE EQUITY** | **ANALYZING CREDIT ALPHA IN AN INTEGRATED RISK AND PERFORMANCE FRAMEWORK** |
|       | • Overview of MSCI’s work to put alternatives on an equal footing with other asset classes. | • Importance of coherent attribution of both risk and return |
|       | • Underlying data and methodology of the MSCI Private Real Estate and Private Equity models | • How to analyze credit alpha – from exposure to spread risk – and investigate the performance results using MSCI’s visualization solution |
|       | • Case studies showing implementation of the models | • Developments in spread analytics |
|       | Lev Soynov, Vice President, Consultants, MSCI | **Nick Sharp,**
|       |  | Executive Director and Product Manager, Performance Analytics, MSCI |
| 12:10 | CLOSE OF CONFERENCE |  |