



State of the Federation **2019**

Green Finance: New Directions in Sustainable Finance Research and Policy

Queen's Institute of Intergovernmental Relations

Co-Chairs: Sean Cleary (Smith School of Business) and J. Andrew Grant (Political Studies)

Donald Gordon Centre

Queen's University, Kingston, Ontario

14-15 June 2019

The 2015 Paris Agreement represented the commitment of 197 nations to limit global warming to no more than 2°C, setting climate resilience and clean growth as one of the most influential multi-level governance opportunities of the 21st century. This set a new direction for even the world's most progressive economies, requiring a sea of change in the interaction between rapid technological innovation, international policies, consumption patterns, and investment behaviors. Canada remains committed to the Paris Agreement as outlined in the 2016 Pan-Canadian Framework on Clean Growth and Climate Change, which prescribes a concerted focus to translate climate goals into transformative economic policies and sustainable financial practices. It is universally accepted that finance plays a critical role in achieving the transition to a clean economy, and that it will require significant collaboration and governance co-ordination between private and public financial institutions, and with policy makers. The quest for energy and natural resources in Canada can be quenched through a clear path of transformations in the financial sector. Canada has the chance to become a world leader in showing that low-carbon-economy bears incredible economic and societal opportunities. In this evolving global economy, businesses, insurance companies, banks, pension funds, mutual funds, academia, not-for-profit, and government institutions must have the knowledge about financial risks of stalling action around climate change, and recognize that sustainability is crucial to Canada's long-term success.

This conference serves as an ideal opportunity to engage leaders from academics, civil society, financial industry and government to share interests, present new research ideas, reflect on multi-level governance trends, and discuss current and challenging issues in sustainable finance. Organized by Dr. Sean Cleary (Smith School of Business) and Dr. J. Andrew Grant (Department of Political Studies), the conference will bring experts from these sectors to Queen's University in order to disseminate and exchange such insights with fellow participants as well as the Queen's community and public. Ultimately, the goal of the conference is to serve as a platform for building new research collaborations aimed at contributing to the transition of Canada's financial system to one in which sustainable growth is engrained in everyday policy decisions and business practices.

DRAFT PROGRAMME (as of May 24)**DAY 1 – JUNE 14****8:30-10:00 am REGISTRATION****8:30-9:30 am Meeting of the IIGR Advisory Council (by invitation, AC members only)**
Donald Gordon Centre, Coach House**8:30-9:45 am GRADUATE STUDENT WORKSHOP – Sustainable Finance Research**

MODERATOR: Sean Cleary, Director, Institute of Sustainable Finance

- Ryan Riordan, Associate Professor of Finance, Smith School of Business, Queen’s University
- Derek Lemoine, Professor of Economics, University of Arizona
- Claudia Champagne, Professor of Finance, Université de Sherbrooke, Desjardins Chair in Sustainable Finance

10:00-10:15 am WELCOME

- Elizabeth Goodyear-Grant, Director, Institute of Intergovernmental Relations
- Sean Cleary, Director, Institute of Sustainable Finance;
J. Andrew Grant, Faculty Fellow, Institute of Intergovernmental Relations

10:15-11:45 am Sustainability and the Finance Industry (Industry Panel)

MODERATOR: Jennifer Reynolds, President and CEO, Toronto Finance International (TFI)

- Barbara Zvan, Chief Risk and Strategy Officer at OTPP, Expert Panel member
- Craig Stewart, Vice-President, Federal Affairs, Insurance Bureau of Canada
- Karen Lockridge, Principal, Mercer, Canada
- Lindsay Patrick, Managing Director and Head, Sustainable Finance, RBC Capital Markets

11:45 am - 1:10 pm LUNCHEON AND KEYNOTE

Keynote Speaker: Jim Leech, Chancellor of Queen’s University and Former CEO of Ontario Teachers’ Pension Plan

1:15-2:30 pm Environmental, Social, and Governance (ESG) and Professional Investors (Academic Session)

MODERATOR: Amr Addas, Principal, Addas Financial Consulting, Instructor - Concordia University and the Sustainable Investment Professional Certificate Program

- Diane-Laure Arjaliès, Assistant Professor, Managerial Accounting and Control, General Management & Sustainability, Ivey School of Business, Western University - “Beyond Numbers: How Investment Managers Accommodate Societal Issues in Financial Decisions”
- Alexander Dyck, Professor of Finance and Economic Analysis and Policy, Rotman School of Management - “Insider Entrenchment and Corporate Sustainability Around the World”
- Olaf Weber, Research Chair in Sustainable Finance and a CGI Senior Fellow, University of Waterloo - “Fossil Fuel Divestment Strategies: Financial and Carbon Related Consequences”

2:30-2:45 pm HEALTH BREAK**2:45-3:30 pm FIRESIDE CHAT**

MODERATOR: Bruce Lourie, President, Ivey Foundation

- Arlene Strom, Senior Vice President and General Counsel, Suncor Energy
- Corinne Boone, Board Chair, Canadian Energy Research Institute

3:30-5:00 pm Sustainable Investing (Industry Panel)

MODERATOR: Cary Krosinsky, Yale University, Carbon Tracker

- Aaron Bennett, Director, Senior Research Analyst, Co-Chair - Sustainable Investing Committee, Jarislowsky Fraser
- Stephen Kibsey, Adjunct Professor, Concordia University
- Heather Cooke, Senior VP and Investment Solutions Specialist, Fiera Capital Corporation
- Martin Grosskopf, VP, Portfolio Manager, AGF Investments Inc.

5:00-6:30 pm RECEPTION**7:00-9:00 pm BANQUET AND KEYNOTE SPEECH**

Keynote Speaker: Andrew Chisholm, Director at RBC and member of the Canadian Expert Panel on Sustainable Finance

Introduction: Andrea Moffat, Vice-President, Ivey Foundation

DAY 2 – JUNE 15**8:30-9:45 am ESG and Climate Risk, and the Cost of Capital (Academic Session)**

MODERATOR: Jessica Strauss, Principal Economist, Financial Markets, Market Structure and Regulation, Bank of Canada

- Claudia Champagne, Professor of Finance, Université de Sherbrooke, Desjardins Chair in Sustainable Finance - “The Performance of Extra-Financial Ratings as a Measure of ESG-Risk”
- Ryan Riordan, Smith School of Business, Queen’s University - “Carbon Risk”
- Sally Shen, Research Associate, Global Risk Institute - “Strategic Asset Allocation with Climate Change”

9:45-10:00 am HEALTH BREAK**10:00-11:30 am Taxonomies, Disclosures, and Fiduciary Duty (Industry Panel)**

MODERATOR: Gord Beal, Vice-President, Guidance, Research and Support, CPA Canada

- Keith Ambachtsheer, Director Emeritus of Rotman International Centre for Pension Management (ICPM)
- Pamela Steer, CFO and Head of Finance and Employer Services, WSIB, past Chair of Toronto CFA Society
- Kevin Ranney, Director of Sustainable Finance Solutions, Sustainalytics
- Peter Johnson, Director, Environmental and Social Risk and Opportunity, Bank of Nova Scotia, and Chair of the CSA Task Group for a Green Taxonomy for Canada

11:30 am -1:00 pm LUNCHEON AND KEYNOTE SPEECH

Keynote Speaker: Patricia Fuller, Ambassador for Climate Change

Introduction: Bruce Lourie, President, Ivey Foundation

1:00-2:15 pm Financial Impacts of Climate Change (Academic Session)

MODERATOR: Sean Cleary, Smith School of Business, Queen’s University

- Ryan Riordan, Smith School of Business, Queen’s University - “The Effects of Uncertainty on Market Liquidity: Evidence from Hurricane Sandy”
- Derek Lemoine, University of Arizona - “Estimating the Consequences of Climate Change from Variation in Weather”
- Yunfei Zhao, Concordia University - “The Impact of Natural Disasters on the Performance and Liquidity Ratios of Banks”

2:15-2:30 pm CLOSING REMARKS