

Summary Responsible Investment in Hedge Funds and Private Equity, February 9, 2012



Double Dividend and Fair Impact organise a series of round table meetings. The number of investors that actively look at Responsible Investment is growing. In this fourth round table meeting participants will learn about the specifics and challenges regarding Responsible Investment strategies in alternative investments.

Private Equity has a natural alignment with active ownership and ESG integration due to long term involvement. The private equity sector has moved a long way in a very short period of time and has moved substantially faster than the public equity part of the financial community in integrating responsible investment into its processes.

At Partners Group ESG integration is in line with the existing investment process. Erik Gunnervall and Alexander Wolfradt from the Investment Solutions team presented evidence by discussing approved and declined investment opportunities. Every investment opportunity is judged alongside the core values of the group.

The short term focus and complex structures at hedge funds are considered barriers for ESG integration by PRI members. The aim of the round table was to resolve misinterpretations about hedge fund managers.

At Man Group-GLG thematic mapping is one of the styles to find supernormal returns. Long/short Portfolio Manager Jason Mitchell explained several ways to go short while considering ESG factors. This new topic caused a lively debate within the audience. The ability to go short is an effective way for an investor to trigger company management attention. The resulting engagement is essential to get the best information possible.

