

Varma helps promote responsible hedge funds

Varma is part of the UN PRI's (UN Principles of Responsible Investment) working group promoting responsible hedge funds. The working group has launched a due diligence questionnaire (RI DDQ) intended particularly for hedge funds to help them focus on Environmental, Social and Governance (ESG) factors.

"Varma's goal is to actively promote the responsibility of hedge funds through international collaboration. Fund managers must now pay even greater attention to responsibility aspects," says Jarkko Matilainen, Varma's Director of Hedge Funds.

Varma already in 2014 explored hedge funds' responsibility principles through a questionnaire of its own.

"We learned that many hedge funds had already made efforts to promote responsibility, but these efforts had not been reported or marketed as actual responsibility issues.

"Once investors' ESG questions are standardised, it will be easier for fund managers to provide answers, which will make it easier to commit to the principles and practices," Matilainen says.

The due diligence questionnaire has four sections: policy, governance, investment process, and monitoring & reporting. The questionnaire was developed jointly by the Alternative Investment Management Association (AIMA), the Hedge Fund Standards Board (HFSB), hedge fund consultants from Man Group, Varma, the Church of England Pension Scheme and Trium Capital. The questionnaire is available to all investors.

[Read more about the subject on PRI's website.](#)

[Read more about Varma's responsible investment policy for hedge investments.](#)