

New Report on Sustainability in Alternative Assets

Stockholm (NordSIP) - Sustainability in Asset Management: The Knowledge Foundation's Assessment of Alternative Assets, a new report written by NUWA Director Dr Emma Sjöström, also of the Misum, Mistra Center for Sustainable Markets at the Stockholm School of Economics and Ulrika Hasselgren, Global Head of Responsible Investment Strategy & ESG Integration with ISS Institutional Shareholder Services, was launched this week at an event hosted by SEB.

The report, which was commissioned by The Knowledge Foundation, follows on from a 2013 report that evaluated external asset managers – mostly in the form of hedge funds – that the Foundation was invested in to gauge how these approached the issues of sustainability and responsibility in their organizations and investment process. The issues remain the same in the new report, but with the need to map the different processes of an increased variety of assets to “explain where in the chain the responsibilities start and end, for different actors, and where client demands and changes in perspective will have to play a stronger role if change is to be brought about,” according to The Knowledge Foundation's CEO Madelene Sandström. Participants in the study include Amundi, AP7, BlackRock, Franklin Templeton Investment, Goldman Sachs AM, Infranode, Mittkap, OPM, SEB and Skandia Fonder.

Despite the noticeable progress by investors and asset managers to further integrate sustainability into investment policies and strategies, the authors felt it was important to study how sustainability and ESG issues are managed within the broader spectrum of alternative assets, where investors may struggle to grasp the “full investment chain” of different, complex assets with several investment chain levels (such as the fund company, the holding company, the general partner, the portfolio manager, the project, the constituent, the borrower, the joint venture, the partner company and the supplier). With transparency a challenge for many investors looking into Alternative Assets, and asset owners increasingly asking their external managers to present and describe their products and how sustainability is incorporated and managed within their investment process, authors Hasselgren and Sjöström have sought to understand manager's perspectives and the approaches they take to address the increasing expectations of integrated sustainability solutions within Alternative Assets from asset owners.

The SEB event was introduced with asset owner perspectives from Märtha Josefsson and Åke Iverfeldt of Mistra, Johan Florén of AP& and Tobias Fransson of AP4. Perspectives of experiences were then shared by asset managers such as Claudia Reim, Managing Director at Goldman Sachs AM, Julie Moret, Director of Investment Risk-ESG at Franklin Templeton Investments, Stephen Monnier, Director of Investment Stewardship at Blackrock, alongside Peter Branner, Christian Doglia, Helena Larsson, Simn Reinius and Anette Andersson, ESG Specialist at SEB Investment Management.

Read the new report [here](#).

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