



FUND INTELLIGENCE

HSBC AM finances launch of female-owned ESG, DEI manager

RadiantESG Global Investors, led by AXA Rosenberg's ex-CEO, set to launch two strategies

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HSBC Asset Management is taking a minority stake in Radiant ESG, a firm led by Axa Rosenberg's former CEO, prompting the launch of RadiantESG Global Investors.

RadiantESG GI is a women-led, diverse-owned investment firm providing ESG investment solutions for global, institutional and wealth management clients. The firm will maintain majority ownership, independence and autonomy.

RadiantESG GI, led by co-founder and CEO Heidi Ridley, plans to launch two investment strategies later this year anchored on its proprietary 'positive change' concept of ESG, which captures ESG leaders, ESG evolvers and United Nations Sustainable Development Group-aligned companies. The strategies will address shifts in demographics and growing demand for more sustainable investment solutions, according to a statement from the firm.

The first strategy will be a diversified, global equity strategy focused on what it deems to be high quality companies with strong fundamentals that also score well on Radiant's Positive Change measure, according to Ridley.

The second strategy will be a more targeted UNSDG-aligned portfolio that seeks to capture the upside associated with companies that will benefit from 'planet-positive' position. RadiantESG GI will look for a combination of theme-right attributes as well as strong company fundamentals, according to Ridley.

In the immediate future, RadiantESG GI will focus on building out its investment capabilities within public equities. The firm envisions developing more targeted, bespoke strategies in addition to expanding into additional targeted UNSDG-focused strategies along specific themes. The firm also plans to add capabilities in other classes, including private equity, according to Ridley.

Partnership opportunities

The newly formed firm will seek an additional strategic partner to assist with infrastructure and distribution in the US and key markets. The firm is looking for support that would enable it to bring

ESG focused investment solutions through vehicles accessible to intermediary and institutional clients in the US, Canada and key markets like Australia, according to Ridley.

RadiantESG GI will welcome discussions with firms who might enable it to leverage back-office support, product development resources and/or access to distribution. The firm sees its strategy and goals as a great fit for private labelled or co-branded funds, according to Ridley.

The firm also plans to grow its team over the course of the year while maintaining a strong and broad diversity profile, anticipating that its initial team will be less than 10 people due to the scalability of a quantitative approach. The firm's priority is to bring on experienced investment, data and technology professionals to build out a robust ESG and investment platform, according to Ridley.

RadiantESG and HSBC AM

RadiantESG GI's co-founders are Ridley and Kathryn McDonald, head of sustainability. Ridley and McDonald have over 50 years of combined industry experience, with two decades spent in a variety of roles at Rosenberg Equities, including research and investment, product development, client relationship management and business development, and operational and executive roles.

Ridley and McDonald have known HSBC AM CEO Nicolas Moreau for 20 years, from his time as CEO at AXA Rosenberg and as CEO at AXA Investment Managers, according to Ridley.

Last year, \$621bn HSBC AM set out its strategy for sustainable investing through leadership in policy and industry engagement, company engagement and by adding ESG criteria across its investment approach.

HSBC AM partnered with Pollination, a climate change advisory and investment firm, to launch the HSBC Pollination Climate Asset Management last year. The joint venture is a dedicated natural capital asset management company.

Earlier this year, HSBC AM announced the final closing of the HSBC Real Economy Green Investment Opportunity (REGIO) Global Emerging Market Bond Fund, boosting access to climate finance and helping further develop the market for green bonds, according to a statement from the firm.