

# MEDIA RELEASE

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## AZ SESTANTE PARTNERS WITH EVERGREEN TO LAUNCH NEW ESG FOCUS PORTFOLIOS

Specialist investment manager, AZ Sestante, has launched a series of socially responsible model portfolios in partnership with investment consulting business, Evergreen Consultants, as retail demand for Environmental Social and Governance (**ESG**) solutions ramps up.

From today, the five Sestante ESG Focus options are on the HUB24 platform with discussions underway for their inclusion on other major platforms.

According to Andrew Davies, AZ Sestante's Head of Distribution, the same proven investment approach, philosophy and structure that govern the group's existing model portfolios also underpin the new ESG-focused range, which leverages the Evergreen Responsible Investment Grading Index (**ERIG Index**) to shape AZ Sestante's potential investment universe.

Launched in 2021, the ERIG Index includes over 670 strategies, representing around 2,600 managed funds.

Financial advisory firms, fund managers and institutions that subscribe to the ERIG Index can assess the "greenness" of products and build tailored portfolios that reflect the values and beliefs of their clients.

"Over the past 20 years, many Australians have accumulated a significant amount of superannuation and some, particularly those in their late 40s and early 50s, have a different mindset when it comes to how they want their money invested," Mr Davies said.

"Advisers have told us they like our solutions but their clients are increasingly asking for quality investments that are also responsible and sustainable."

"They are passionate about issues like diversity and inclusion, climate change and human rights, and the outcome of the recent Federal Election provides another reminder of shifting community values and priorities."

### AZ SESTANTE

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Angela Ashton, Founder and Director of Evergreen Consultants, said the group applied a unique top-down approach to assessing a manager's responsible investment (RI) credentials, enabling it to grade across asset classes including equities, property and fixed interest.

"While other research houses and consultants take a bottom-up approach that focuses on a manager's underlying portfolio, our framework focuses on a manager's philosophy, strategy and capabilities," she said.

"A bottom up approach may be useful for assessing equity managers but it's not easily applicable to fixed income and multi-asset managers. We're able to consistently apply our approach across multiple asset classes."

Evergreen's RI manager questionnaire - a key input in the group's assessment framework - also leverages intellectual property from the UN Principles for Responsible Investment (UNPRI) and the Responsible Investment Association Australasia (RIAA) to eliminate personal biases.

"There are so many differences of opinion when it comes to social responsibility and how organisations should behave so we adopt the values of the UNPRI and RIAA to ensure an objective, standardised approach," Ms Ashton said.

According to research by McKinsey, businesses with good ESG practices are linked to higher value creation and higher returns. They also carry less risk.

Based on analysis by Bloomberg, global ESG assets are set to exceed US\$53 trillion by 2025, up from around US\$20 trillion in 2018.

By 2025, ESG assets are forecast to represent more than a third of the US\$140.5 trillion in projected total assets under management.

"Investors and advisers are looking for investment opportunities that will not only deliver strong returns but are also good for the environment and people," Mr Davies said.

"We are excited to partner with Evergreen to build high quality investment solutions that meet the changing needs of our clients."

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#### **About AZ Sestante**

*AZ Sestante is a specialist investment consultant focused on designing and managing multi-manager portfolios via Separately Managed Accounts (SMAs), Managed Discretionary Accounts (MDAs) and fund-of-funds.*

*AZ Sestante is backed by Italy's largest listed independent asset manager, Azimut, which has over \$130 billion in assets under management.*

[www.azsestante.com](http://www.azsestante.com)

#### **About Evergreen Consultants**

*Evergreen Consultants is an independent investment consulting business that provides a range of bespoke investment solutions designed to deliver flexibility, efficiency and an enhanced client experience. Evergreen provides traditional end-to-end investment consulting services: fund and security selection, asset allocation, portfolio construction, investment committee participation and management and reporting and analytics services.*

[www.evergreenconsultants.com.au](http://www.evergreenconsultants.com.au)

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