

French quant firm adds carbon footprint policy across all equity strategies

By **Jessica Beard** / 17 Sep, 2018



Paris-based asset manager Tobam has gone a step further in its ESG integration plans by adopting a carbon footprint reduction policy across all its equity portfolios, the group has announced.

The quantitative specialist firm has added the blanket filter to all of its Anti-Benchmark equity strategies and its Maximum Diversification indices.

The new initiative means that Tobam's equity portfolios and mandates have a systematic carbon footprint reduction of at least 20% versus the reference benchmark's carbon footprint, according to the group.

This latest development is the next step in the asset manager's sustainability plan, which started in 2007 when Tobam began to implement an exclusion policy of firm's with

‘unacceptable’ ESG practices one year after the creation of the French group.

Speaking about how the new policy affects the risk/return profile of the funds, Yves Choueifaty (pictured) the founder and CEO of Tobam, said: ‘Our research indicates that reducing the relative carbon footprint of our portfolios versus their benchmarks’ by at least 20% does not significantly affect the risk/return profile of our approach, or the diversification benefit characteristics as measured by the Diversification Ratio.’