

# PRI 2023 REPORTING FRAMEWORK

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## **A RESOURCE GUIDE FOR REPORTING AGAINST THE NET ZERO ASSET MANAGER (NZAM) INITIATIVE COMMITMENTS**

Version 1

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# PURPOSE OF THIS GUIDE

This guide has been created to assist signatories of the Net Zero Asset Managers (NZAM) Initiative to report on their net zero commitments via the PRI 2023 Reporting Framework. This document offers a broad outline of the PRI indicators that align with the NZAM reporting requirements.

For more detailed information on all the indicators listed in this guide and a full list of the indicators included in PRI 2023 Reporting Framework, please visit the [Investor reporting framework webpage](#).

This guidance does not substitute guidance from the target-setting methodologies that NZAM recognises (i.e., the Net Zero Investment Framework from the Paris Aligned Investment Initiative, the Science-Based Targets for Financial Institutions from the Science-Based Target Initiative or the Target Setting Protocol from the Net Zero Asset Owner Alliance). NZAM signatories should follow the most up-to-date guidance from those initiatives when submitting their targets and reporting progress.

# THE PRI REPORTING FRAMEWORK

PRI 2023 Reporting Framework allows NZAM members to disclose targets, and progress against targets, in line with the [NZAM commitment](#). The NZAM commitment covers 10 items, including disclosures in line with the Task Force for Climate-Related Financial Disclosures (TCFD) and the Investor Climate Action Plans (ICAPs).

For the purposes of reporting targets and progress in line with the NZAM commitment, signatories of the initiative should use two specific modules in the Reporting Framework. These are the “Policy, Governance and Strategy (PGS)” and the “Sustainability Outcomes (SO)” modules.

The **PGS** module should be used for general climate-related policies and activities under NZAM commitments 3-7 and 10, including disclosures recommended by the TCFD and material related to ICAPs. The **SO** module should be used for disclosing targets set as part of an investor’s NZAM commitment, reporting progress against those targets, and disclosing stewardship and engagement activities as required under NZAM commitments 1, 2, 8, 9, and 10.

The **PGS** and **SO** modules from PRI 2023 Reporting Framework include two different types of indicators:

- **CORE** indicators, which are mandatory to report, assessed and publicly disclosed
- **PLUS** indicators, which are voluntary to disclose and can be made either public or private by the signatory

When CORE indicators include free text fields, these are mandatory to complete in the PRI system. Reporters will not be able to advance through the platform without completing them. However, there is no minimum required length for the text entered in these fields. If signatories wish to provide links to website disclosures in these fields, they may do so.

All the PGS indicators NZAM members must report on are CORE, and thus mandatory to report and publicly disclosed.

When PLUS indicators include free text fields, they are optional to complete in the PRI reporting tool. However, to comply with NZAM requirements, members must also complete these text boxes.

The SO indicators are PLUS, and thus voluntary to disclose for PRI signatories in general. In the reporting platform, signatories have the option of making PLUS indicators private by clicking on a green square on the top right section of the indicator screen which as a default, shows “Public”.

## MODULES FOR REPORTING TARGETS AND PROGRESS

- NZAM members should report on their targets for portfolio-wide net zero asset management, as well as any targets they have set for portfolio-wide emissions reductions, investee engagement, and climate financing. Members can do this using SO 1, which allows investors to list desired outcomes, and SO 2 to report specific targets that have been set in support of those outcomes.
- NZAM members should report progress against these targets in indicator SO 4.

- NZAM members should report both target-setting and progress against targets at the asset class, sector, and fund or mandate level using SO 3 (including SO 3.1, SO 3.2 and SO 3.3).
- A summary of how NZAM members should report progress against their commitments is presented in Table 1, which includes indicators from both SO and PGS modules.

**Table 1 – Alignment of NZAM commitments with PRI’s Reporting Framework Indicators**

NZAM commitment	PRI Reporting Framework indicator
1. Set interim targets for 2030	SO 2
2. Portfolio emissions	SO 2, SO 3 (incl. SO 3.1 and SO 3.2), SO 4 (incl. SO 4.1), PGS 46
3. Prioritise real economy emissions reductions	PGS 41 (incl. PGS 41.1)
4. Prioritise long-term removal, if using offsets	PGS 41 (incl. PGS 41.1)
5. Create net zero products, and invest in climate solutions	PGS 41 (incl. PGS 41.1)
6. Provide information on net zero investing and climate risks and opportunities	PGS 41 (incl. PGS 41.1), PGS 44
7. Implement stewardship and engagement strategies	SO 5, SO 8, SO 9, SO 10, SO 13
8. Engage with stakeholders to ensure product / service adherence to net zero	SO 12
9. Align policy advocacy	SO 11
10. Report on TCFD, ICAPs	For a full list of indicators please refer to Table 3 and Table 4

## REPORTING STANDARDISATION

To ensure comparability and consistency, please input data using the exact format shown in Table 2.

**Table 2 – Required format for data input**

Category	Format	Details
<b>Currency</b>	Bn USD	Billions of United States dollars
<b>Greenhouse Gas (GHG) emissions</b>	CO <sub>2</sub> e	Carbon dioxide equivalent
<b>Methodology</b>	NZIF	Paris Aligned Investment Initiative – Net Zero Investment Framework
	SBTI SDA	Science Based Targets initiative – Sectoral Decarbonization Approach
	SBTI PC	Science Based Targets initiative – Portfolio Coverage
	SBTI TR	Science Based Targets initiative – Temperature Rating
	TSP	Net Zero Asset Owner Alliance – Target Setting Protocol

**Important note:** signatories should mention all the methodologies used, if more than one. For those using a proprietary methodology, signatories should provide details. Similarly, signatories that do not fully comply with the requirements of an existing methodology for an asset class or target should include the wording “**Guided by**” followed by the methodology (e.g., Guided by TSP or Guided by SBTI PC) and explain their approach.



# PREPARING TO REPORT

Asset managers starting their reporting should gather the following information or data points.

## RELEVANT DATA POINTS

### DATA POINTS REGARDING NET ZERO COMMITMENT AND CLIMATE ACTIVITY

- Percentage of AUM covered in net zero commitment at the date of reporting
- Percentage of AUM intended to be covered by net zero commitment by end date (usually 100% by 2050 or 2040) as well as any interim dates (e.g., 60% by 2025)
- Asset classes covered in the net zero commitment at the time of reporting
- Methodology guiding net zero activity (e.g., SBTi, NZIF, TSP, or other, including combination of methodologies)
- For signatories using SBTi, please indicate the specific approach – Sectoral Decarbonization Approach (SDA), Temperature Ratings (TR), or Portfolio Coverage (PC)
- Number and type of targets being set as a part of net zero activity, such as portfolio emissions, engagement, climate finance, and / or sector

### DATA POINTS REGARDING INDIVIDUAL TARGETS

- Baseline year
- Target level
- Baseline level
- Metric used
- Target year

### OTHER DISCLOSURES RELATED TO CLIMATE ACTIVITY

- TCFD disclosures
- Climate-related sustainability disclosures
- Climate action or net zero plans
- Climate-stewardship and advocacy information

# COMPLETING THE REPORTING

## REPORTING VIA THE POLICY, STRATEGY AND GOVERNANCE MODULE

Signatories should report on indicators from the PGS module before the SO module.<sup>1</sup> The PGS module is where signatories must report against commitment 10, which is fulfilled by reporting on TCFD and ICAPs recommendations, covered in Table 3 and Table 4, respectively.

### TCFD RECOMMENDATIONS

NZAM signatories can fulfil the majority of TCFD reporting requirements using the indicators from the PGS module. For one specific recommendation – which TCFD refers to as “Metrics & Targets C” – signatories should use SO module indicators 1-4. Table 3 details how PRI 2023 Reporting Framework indicators from both PGS and SO modules align with the TCFD recommendations.

**Table 3 –** Alignment between PRI 2023 Reporting framework indicators and TCFD recommendations

TCFD recommendation	PRI indicator
Report to TCFD	PGS 17
Governance A & B	PGS 11 (incl. PGS 11.1 (D))
Strategy A	PGS 41
Strategy B	PGS 41.1
Strategy C	PGS 43
Risks A, B, & C	PGS 44
Metrics & Targets A	PGS 45 <sup>2</sup>
Metrics & Targets B	PGS 46
Metrics & Targets C	NOT in PGS module (please refer to SO module indicators 1-4,incl. their sub-indicators)

<sup>1</sup> For full detail on the logic pathways that link indicators within and across modules see the Logic guide on the [Investor reporting framework webpage](#)

<sup>2</sup> For climate-related metrics used in leadership remuneration, please refer to PGS 13 and PGS 14

## ICAPS EXPECTATION LADDER

An overview of how PRI's indicators align to the ICAPS Expectation Ladder can be found on Table 4.

**Table 4 – Alignment between the PRI 2023 Reporting framework indicators and ICAPS**

ICAPs' expectation ladder	PRI indicator
<b>1 – Focus area: investment</b>	
1.1 Strategy	PGS 20 (D) & (E), PGS 42
1.2 Risk management	PGS 43 (fulfilled when reporting TCFD recommendation Strategy C)
1.3 Asset allocation	SO 1 to SO 4
1.4 Additional target setting	SO 1 to SO 4
<b>2 – Focus area: corporate engagement</b>	
2.1 Collective / collaborative engagement	SO 5, SO 8, SO 9, SO 10, SO 13 (fulfilled when reporting NZAM commitment 10)
2.2 Bilateral engagement	PGS 39 (incl. PGS 39.2 (A))
2.3 Corporate escalation and shareholder engagement	PGS 32
<b>3 – Focus area: policy advocacy</b>	
3.1 Investor statements	PGS 39 (incl. PGS 39.1 (D))
3.3 Advocacy	SO 11
<b>4 – Focus area: investor disclosure</b>	
4.1 Commitments, objectives, and targets	SO 1 to SO 4
4.2 Carbon emissions	PGS 46 (fulfilled when reporting TCFD recommendation Metrics and Targets B)
4.3 Portfolio assessment	PGS 43 (fulfilled when reporting TCFD recommendation Strategy C)
<b>Cross-cutting theme: governance</b>	
Accountability	PGS 13, PGS 14
Skills assessment	PGS 15 (A)

To report on any indicators in the SO module, the signatory must first complete PGS 47 (Figure 1), PGS 47.2 (Figure 2) and PGS 48 (Figure 3) to unlock the SO module. In Figure 2, any choices except for **(H)** will lead to PGS 48. Figure 2 shows indicative responses – actual responses may vary.

**Figure 1 – Indicator PGS 47 which acts as one of the three gateway indicators to SO 1**

Indicator ID	Dependent on:	N/A	Sub-section	PRI Principle	Type of indicator
<b>PGS 47</b>	Gateway to:	<b>Multiple indicators</b>	<b>Sustainability outcomes</b>	<b>1, 2</b>	<b>CORE</b>

**Has your organisation identified the intended and unintended **sustainability outcomes** connected to its investment activities?**

*All investment activities can be connected to positive and negative outcomes. An organisation's intended and unintended sustainability outcomes may include, for example, greenhouse gas emissions or actual and potential negative human rights outcomes for people.*

(A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities

(B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Explain why: \_\_\_\_\_ [Mandatory free text: large]

**Figure 2 – Indicator PGS 47.2 is one of the three gateway indicators to SO 1**

Indicator ID	Dependent on:	PGS 47	Sub-section	PRI Principle	Type of indicator
<b>PGS 47.2</b>	Gateway to:	<b>PGS 48</b>	<b>Sustainability outcomes</b>	<b>1, 2</b>	<b>CORE</b>

**What are the primary methods that your organisation has used to determine the most important intended and unintended **sustainability outcomes** connected to its investment activities?**

*Select up to four responses.*

(A) Identify sustainability outcomes that are closely linked to our core investment activities

(B) Consult with key clients and/or beneficiaries to align with their priorities

(C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character

(D) Identify sustainability outcomes that are closely linked to **systematic sustainability issues**

(E) Analyse the input from different stakeholders (e.g. affected communities, civil society, **trade unions** or similar)

(F) Understand the geographical relevance of specific sustainability outcome objectives

(G) Other method

Specify: \_\_\_\_\_ [Mandatory free text: medium]

(H) We have not yet determined the most important sustainability outcomes connected to our investment activities

**Figure 3 – Indicator PGS 48 which acts as a gateway to SO 1**

Indicator ID	Dependent on:	PGS 47.2	Sub-section	PRI Principle	Type of indicator
<b>PGS 48</b>	Gateway to:	<b>PGS 48.1, SO 1</b>	<b>Sustainability outcomes</b>	<b>1, 2</b>	<b>CORE NOT ASSESSED</b>

**Has your organisation taken action on any specific **sustainability outcomes** connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?**

*All investment activities can be connected to positive and negative outcomes. An organisation's intended and unintended sustainability outcomes may include, for example, greenhouse gas emissions or actual and potential negative human rights outcomes.*

(A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities

(B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

Explain why not: \_\_\_\_\_ [Mandatory free text: medium]

At the end of the PGS module, the NZAM signatory will have completed reporting on NZAM commitments 3-7, and NZAM commitment 10. The signatory should then turn to the SO module.

## REPORTING VIA THE SUSTAINABILITY OUTCOMES MODULE

After unlocking the SO module, the signatory will start reporting on their specific NZAM targets and any progress associated with those targets.

**Table 5** – Specific target commitments that can be reported in the SO module

Item	PRI Indicator
<b>Net zero AUM commitment</b> <b>Portfolio-wide targets</b>	SO 1
<b>Details of portfolio-wide targets</b>	SO 2
<b>Targets for asset class, sector, fund or mandate, and progress</b>	SO 3
<b>Progress against portfolio-wide targets</b>	SO 4 (targets must be previously disclosed in SO 2)
<b>Engagement and capital allocation as tools for sustainability outcomes</b>	SO 5
<b>Climate-related capital allocation</b>	SO 6
<b>Climate-related bond investment</b>	SO 7
<b>Engagement targets</b>	SO 8 (actions must be previously disclosed in SO 1)
<b>Engagement prioritisation with investees</b>	SO 9
<b>Engagement prioritisation with policy makers</b>	SO 11
<b>Climate-related stakeholder engagement</b>	SO 12
<b>Collaborative climate-related engagement</b>	SO 13

### SPECIAL FOCUS AREA: TARGET REPORTING

This section first describes how to use SO 1 to report NZAM targets. As noted in Table 5, the portfolio-wide goals that investors are working towards should be listed in SO 1. Each of these portfolio-wide goals should be entered as its own sustainability outcome in SO1. Portfolio-wide

sustainability outcome goals may include Net Zero Asset AUM Commitment, Portfolio Emissions Reduction, Climate Solutions Financing, and Climate Engagement.

Disclosure through SO 2 and SO 2.1 of details of the targets that have been set for each of these sustainability outcomes is covered in the next sub-section (Special focus area: detailed target reporting). As explained below, each portfolio-wide goal listed as an outcome in SO 1 should correspond to one target in SO2. Outcomes that have only one target date (e.g., 2025) will be described only in SO 2, while outcomes for which the reporting entity has set both an interim and longer-term target date will have the longer-term target described in SO 2.1.

Throughout this guidance, the text is complemented by an example response illustrated in red. These examples are indicative only – the actual responses will depend on the individual signatory’s specific targets and progress.

The final two sections cover how to disclose targets in terms of asset class, sector, fund, or mandate and report progress on disclosed targets.

## NET ZERO AUM COMMITMENT

First, the signatory should report their organisation’s overall goal to manage assets in line with net zero by 2050 at the latest. For this, the signatory should report using SO 1. The step-by-step process is described below and shown in Figure 4.

- Select **(A) Sustainability outcome #1**
- In field **(1) Widely recognized frameworks used to guide action on this sustainability outcome**: select option **(2) The UNFCCC Paris Agreement**
- In field **(2) Classification of sustainability outcome**: select option **(1) Environmental**
- In field **(3) Sustainability outcome name**: type in **NZAM AUM commitment**
- In field **(4) Number of targets set for this outcome**: select option **(2) One target**
- Signatories who have both interim and long-term targets should use SO 2 for interim targets and SO 2.1 for long-term targets. More detailed information on this is provided in subsequent sections.

**Figure 4 – SO 1 for NZAM net zero AUM commitment**

Indicator ID <b>SO 1</b>	Dependent on:	<b>New ISP 14a</b>	Sub-section <b>Setting targets for sustainability outcomes</b>	PRI Principle <b>1, 2</b>	Type of indicator <b>PLUS</b> <small>VOLUNTARY TO DISCLOSE</small>
	Gateway to:	<b>SO 2, SO 2.1, SO 3</b>			
<b>What specific sustainability outcomes connected to its investment activities has your organisation taken action on?</b> <i>List up to ten of these specific sustainability outcomes.</i>					
	(1) Widely recognised frameworks used to guide action on this sustainability outcome	(2) Classification of sustainability outcome	(3) Sustainability outcome name	(4) Number of targets set for this outcome	
<input type="checkbox"/> (A) Sustainability outcome #1	[Multi-select dropdown list] (1) The UN Sustainable Development Goals (SDGs) and targets <b>(2) The UNFCCC Paris Agreement</b> (3) The UN Guiding Principles on Business and Human Rights (UNGPs) (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors (5) The EU Taxonomy (6) Other relevant taxonomies (7) The International Bill of Human Rights (8) The International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the eight core conventions (9) The Convention on Biological Diversity Other international, regional, sector-based or issue-specific framework(s) (10) Other international, regional, sector-based or issue-specific framework(s)	[Multi-select dropdown list] <b>(1) Environmental</b> (2) Social (3) Governance-related (4) Other	[Mandatory free text: small] <b>NZAM AUM commitment</b>	[Dropdown list] (1) No target <b>(2) One target</b> (3) Two or more targets	

## PORTFOLIO EMISSIONS REDUCTION

This section is specifically for NZAM signatories using the **Net Zero Investment Framework methodology from the Paris Aligned Investment Initiative**. Signatories who adopt this methodology must set a portfolio-wide <10-year CO<sub>2</sub> emissions reduction target, covering listed equity, corporate fixed income, and real estate, to be reviewed every 5 years.

To do so, NZAM Signatories should once again use SO 1, and follow the steps outlined below and represented on Figure 5.

- Select **(B) Sustainability outcome #2**
- In field **(1) Widely recognized frameworks used to guide action on this sustainability outcome**: select option **(2) The UNFCCC Paris Agreement**
- In field **(2) Classification of sustainability outcome**: select option **(1) Environmental**
- In field **(3) Sustainability outcome name**: type in **NZAM portfolio emissions**
- In field **(4) Number of targets set for this outcome**: select option **(2) One target**. This is the case even for signatories that have two dates for measuring progress, since the “target” here refers to the subject matter at hand. Signatories who have both interim and long-term targets for measuring progress should use SO 2 for interim targets and SO 2.1 for long-term target dates. More detailed information on this is provided in subsequent sections.

**Figure 5 – SO 1 for portfolio emissions reduction targets**

Indicator ID <b>SO 1</b>	Dependent on:	<b>New ISP 14a</b>	Sub-section <b>Setting targets for sustainability outcomes</b>	PRI Principle <b>1, 2</b>	Type of indicator <b>PLUS</b> <small>VOLUNTARY TO DISCLOSE</small>
	Gateway to:	<b>SO 2, SO 2.1, SO 3</b>			
<b>What specific sustainability outcomes connected to its investment activities has your organisation taken action on?</b> <i>List up to ten of these specific sustainability outcomes.</i>					
	<b>(1) Widely recognised frameworks used to guide action on this sustainability outcome</b>	<b>(2) Classification of sustainability outcome</b>	<b>(3) Sustainability outcome name</b>	<b>(4) Number of targets set for this outcome</b>	
<input type="checkbox"/> (B) Sustainability outcome #2	[Multi-select dropdown list] (1) The UN Sustainable Development Goals (SDGs) and targets <b>(2) The UNFCCC Paris Agreement</b> (3) The UN Guiding Principles on Business and Human Rights (UNGPs) (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors (5) The EU Taxonomy (6) Other relevant taxonomies (7) The International Bill of Human Rights (8) The International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the eight core conventions (9) The Convention on Biological Diversity Other international, regional, sector-based or issue-specific framework(s) (10) Other international, regional, sector-based or issue-specific framework(s)	[Multi-select dropdown list] <b>(1) Environmental</b> (2) Social (3) Governance-related (4) Other	[Mandatory free text: small] <b>NZAM portfolio emissions</b>	[Dropdown list] (1) No target <b>(2) One target</b> (3) Two or more targets	

**Important note:** signatories using the Target Setting Protocol, or the Science-Based Targets for Financial Institutions do not need to report on portfolio-wide emissions reduction.

## CLIMATE SOLUTIONS FINANCING

This section is aimed at NZAM signatories using either the **Net Zero Investment Framework** or the **Target Setting Protocol** which require users to disclose climate solutions financing targets. Those using the Net Zero Investment Framework must report a <10-year goal for allocation to climate solutions, to be reviewed every 5 years. Signatories using the Target Setting Protocol shall report their climate solution investments and are expected to demonstrate a positive trend in climate solution investments over time.

To report on climate solutions financing, return to SO 1, and follow the steps outlined below (similar to previous targets). This procedure is represented in Figure 6.

- Select **(C) Sustainability outcome #3**
- In field **(1) Widely recognized frameworks used to guide action on this sustainability outcome**: select option **(2) The UNFCCC Paris Agreement**
- In field **(2) Classification of sustainability outcome**: select option **(1) Environmental**
- In field **(3) Sustainability outcome name**: type in **NZAM climate solutions**
- In field **(4) Number of targets set for this outcome**: select option **(2) One target**.  
 Signatories who have both interim and long-term targets should use SO 2 for interim targets and SO 2.1 for long-term targets



**Figure 6 – SO 1 for climate solutions financing targets**

Indicator ID	Dependent on:	New ISP 14a	Sub-section	PRI Principle	Type of indicator
SO 1	Gateway to:	SO 2, SO 2.1, SO 3	Setting targets for sustainability outcomes	1, 2	<b>PLUS</b> VOLUNTARY TO DISCLOSE
<p>What specific <b>sustainability outcomes</b> connected to its investment activities has your organisation <b>taken action on</b>?  <i>List up to ten of these specific sustainability outcomes.</i></p>					
	(1) Widely recognised frameworks used to guide action on this sustainability outcome	(2) Classification of sustainability outcome	(3) Sustainability outcome name	(4) Number of targets set for this outcome	
<input type="checkbox"/> (C) Sustainability outcome #3	[Multi-select dropdown list] (1) The UN Sustainable Development Goals (SDGs) and targets <b>(2) The UNFCCC Paris Agreement</b> (3) The UN Guiding Principles on Business and Human Rights (UNGPs) (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors (5) The EU Taxonomy (6) Other relevant taxonomies (7) The International Bill of Human Rights (8) The International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the eight core conventions (9) The Convention on Biological Diversity Other international, regional, sector-based or issue-specific framework(s) (10) Other international, regional, sector-based or issue-specific framework(s)	[Multi-select dropdown list] <b>(1) Environmental</b> (2) Social (3) Governance-related (4) Other	[Mandatory free text: small] <b>NZAM climate solutions</b>	[Dropdown list] (1) No target <b>(2) One target</b> (3) Two or more targets	

**Important note:** signatories using the Science-Based Targets for Financial Institutions do not need to report on climate solutions financing targets.

## CLIMATE ENGAGEMENT

Climate engagement targets are a core component of all three widely adopted methodologies discussed in this guidance. To report on this, return to SO 1 and follow the procedure below, represented in Figure 7.

- Select **(D) Sustainability outcome #4**
- In field **(1) Widely recognized frameworks used to guide action on this sustainability outcome**: select option **(2) The UNFCCC Paris Agreement**
- In field **(2) Classification of sustainability outcome**: select option **(1) Environmental**
- In field **(3) Sustainability outcome name**: type in NZAM climate engagement
- In field **(4) Number of targets set for this outcome**: select option **(2) One target**.  
 Signatories who have both interim and long-term targets should use SO 2 for interim targets and SO 2.1 for long-term targets

Figure 7 – SO 1 for climate engagement targets

Indicator ID	Dependent on:	New ISP 14a	Sub-section	PRI Principle	Type of indicator
SO 1	Gateway to:	SO 2, SO 2.1, SO 3	Setting targets for sustainability outcomes	1, 2	PLUS VOLUNTARY TO DISCLOSE
<p>What specific sustainability outcomes connected to its investment activities has your organisation taken action on? List up to ten of these specific sustainability outcomes.</p>					
	(1) Widely recognised frameworks used to guide action on this sustainability outcome	(2) Classification of sustainability outcome	(3) Sustainability outcome name	(4) Number of targets set for this outcome	
<input type="checkbox"/> (D) Sustainability outcome #4	[Multi-select dropdown list] (1) The UN Sustainable Development Goals (SDGs) and targets <b>(2) The UNFCCC Paris Agreement</b> (3) The UN Guiding Principles on Business and Human Rights (UNGPs) (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors (5) The EU Taxonomy (6) Other relevant taxonomies (7) The International Bill of Human Rights (8) The International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the eight core conventions (9) The Convention on Biological Diversity Other international, regional, sector-based or issue-specific framework(s) (10) Other international, regional, sector-based or issue-specific framework(s)	[Multi-select dropdown list] <b>(1) Environmental</b> (2) Social (3) Governance-related (4) Other	[Mandatory free text: small] <b>NZAM climate engagement</b>	[Dropdown list] (1) No target <b>(2) One target</b> (3) Two or more targets	

## SPECIAL FOCUS AREA: DETAILED TARGET REPORTING

This section describes how to use SO 2 and SO 2.1, which allows signatories to provide more detailed information on targets disclosed in SO 1.

### NET ZERO AUM COMMITMENT

To provide more information on net zero AUM commitment, signatories should fill SO 2 with information previously provided in SO 1 **(A) Sustainability outcome #1: NZAM AUM commitment**. This procedure is outlined in Figure 8.

- (1) Target name: **NZAM AUM commitment**
- (2) Baseline year: date the signatory is taking as a starting point (not earlier than 2019)
- (3) Target to be met by: year the signatory expects to complete first commitment (e.g., 2030, or 2050 if you only have one portfolio-wide target)
- (4) Methodology: the methodology used to set the targets (e.g., TSP, NZIF, SBTI SDA, SBTI PC, SBTI TR). If choosing “other”, a combination of methodologies, or a combination of SBTI sub-methodologies, provide explanatory text or a link to an explanation on your website
- (5) Metric used (if relevant): % of AUM managed in line with net zero
- (6) Absolute or intensity-based (if relevant): Not applicable, leave blank
- (7) Baseline level or amount (if relevant): percentage of AUM managed in line with net zero at the date you are taking as a starting point (not earlier than 2019), (e.g., 10%)

- (8) Target level or amount (if relevant): percentage of AUM to be managed in line with net zero at first target date (e.g., 40%)
- (9) Percentage of total AUM covered in your baseline year for target setting: same as information in (7) Baseline level or amount (if relevant)
- (10) Do you also have a longer-term target for this? Yes or No

**Figure 8 – Specific details for net zero AUM commitment using SO 2**

Indicator ID	Dependent on:	SO 1	Sub-section	PRI Principle	Type of indicator
SO 2	Gateway to:	SO 2.1, SO 4, SO 5	Setting targets for sustainability outcomes	1	PLUS VOLUNTARY TO DISCLOSE
<p>For each <b>sustainability outcome</b>, provide details of up to two of your nearest-term targets.  <i>Providing at least a target name is necessary to unlock subsequent indicators in the module.</i>  <i>Targets may be non-measurable (i.e. qualitative) or measurable (i.e. quantitative). They may be set as part of long-term planning or result from ongoing monitoring or due diligence aiming to identify your new and ongoing, actual and potential and positive and negative sustainability outcomes.</i></p>					
<b>Target details</b>					
	(1) Target name	NZAM AUM commitment			
	(2) Baseline year	(e.g. 2019)			
	(3) Target to be met by	(e.g. 2025)			
	(4) Methodology	(e.g., TSP, NZIF, SBTI SDA, SBTI PC, SBTI TR)			
	(5) Metric used (if relevant)	% of AUM managed in line with net zero			
		<b>Not applicable</b>			
(A1) Sustainability Outcome #1: NZAM AUM commitment	(6) Absolute or intensity-based (if relevant):	[Dropdown list] <b>Not applicable</b> (1) Absolute (2) Intensity-based			
	(7) Baseline level or amount (if relevant):	(e.g. 10%)			
	(8) Target level or amount (if relevant):	(e.g. 40%)			
	(9) Percentage of total AUM covered in your baseline year for target setting:	(e.g. 10%)			
	(10) Do you also have a longer-term target for this?	[Dropdown list] (1) Yes (2) No			

If the signatory has a second target for this outcome, your answer to **(10)** will lead to SO 2.1. Figure 9 provides a representation of the steps detailed below:

- (1) Target name: will be pre-filled with answers to SO 2: NZAM AUM commitment
- (2) Long-term target to be met by: when the NZAM signatory intends to reach net zero for all their portfolio (e.g., 2050)
- (3) Long-term target level or amount (if relevant): 100% of AUM

**Figure 9 – Long-term targets for net zero AUM commitment using SO 2.1**

Indicator ID	Dependent on:	SO 1, SO 2	Sub-section	PRI Principle	Type of indicator
SO 2.1	Gateway to:	N/A	Setting targets for sustainability outcomes	1	<b>PLUS</b> VOLUNTARY TO DISCLOSE
For each <b>sustainability outcome</b> , provide details of up to two of your long-term targets.					
			Target details		
			(1) Target name	NZAM AUM commitment	
(A1) Sustainability Outcome #1: NZAM AUM commitment			(2) Long-term target to be met by	(e.g. 2050)	
			(3) Long-term target level or amount (if relevant)	100%	

## PORTFOLIO EMISSIONS REDUCTION

To provide more information on portfolio emissions reduction, signatories should complete SO 2, which will be pre-filled with information from SO 1 (**B2) Sustainability outcome #2: NZAM portfolio emissions**). A step-by-step procedure is detailed below and shown in Figure 10, including examples of how to input data.

- (1) Target name: **NZAM portfolio emissions**
- (2) Baseline year: date the signatory is taking as a starting point (not earlier than 2019)
- (3) Target to be met by: year the signatory expects to complete first commitment (e.g., 2025)
- (4) Methodology: (e.g., TSP, NZIF, SBTI SDA, SBTI PC, SBTI TR). If choosing “other,” a combination of methodologies, or a combination of SBTI sub-methodologies, please provide explanatory text or a link to such an explanation on your website
- (5) Metric used (if relevant): (e.g., tCO<sub>2</sub>e/Mn USD Revenue for Listed Equity and/or Corporate Bonds; kgCO<sub>2</sub>e/m<sup>2</sup>/annum for Real Estate)
- (6) Absolute or intensity-based (if relevant): approach used to set target
- (7) Baseline level or amount (if relevant): baseline measurement at the date the signatory is taking as the starting point (not earlier than 2019), (e.g., tCO<sub>2</sub>e/Mn USD Revenue, % of investee companies with SBT, or Portfolio Temperature Alignment)
- (8) Target level or amount (if relevant): target the signatory wants to reach by target date in line with the metric used for (7) Baseline level or amount (if relevant)
- (9) Percentage of total AUM covered in your baseline year for target setting: fill in percentage of AUM managed in line with net zero at the date you are taking as a starting point
- (10) Do you also have a longer-term target for this? Yes or No

**Figure 10 – Specific details for portfolio emission reduction using SO 2**

Indicator ID <b>SO 2</b>	Dependent on:	<b>SO 1</b>	Sub-section <b>Setting targets for sustainability outcomes</b>	PRI Principle <b>1</b>	Type of indicator <b>PLUS</b> VOLUNTARY TO DISCLOSE
	Gateway to:	<b>SO 2.1, SO 4, SO 5</b>			
<p><b>For each sustainability outcome, provide details of up to two of your nearest-term targets.</b>  <i>Providing at least a target name is necessary to unlock subsequent indicators in the module.</i>  <i>Targets may be non-measurable (i.e. qualitative) or measurable (i.e. quantitative). They may be set as part of long-term planning or result from ongoing monitoring or due diligence aiming to identify your new and ongoing, actual and potential and positive and negative sustainability outcomes.</i></p>					
<b>Target details</b>					
		(1) Target name	NZAM portfolio emissions		
		(2) Baseline year	(e.g. 2019)		
		(3) Target to be met by	(e.g. 2025)		
		(4) Methodology	(e.g. TSP, NZIF, SBTi SDA, SBTi PC, SBTi TR)		
		(5) Metric used (if relevant)	(e.g. tCO2e/Mn USD Revenue for listed equity and corporate bonds)		
<b>(B1) Sustainability Outcome #2: NZAM portfolio emissions</b>		(6) Absolute or intensity-based (if relevant):	[Dropdown list] (1) Absolute (2) Intensity-based		
		(7) Baseline level or amount (if relevant):	(e.g. 250 tCO2e/Mn USD Revenue)		
		(8) Target level or amount (if relevant):	(e.g. 175 tCO2e/Mn USD Revenue)		
		(9) Percentage of total AUM covered in your baseline year for target setting:	(e.g. 10%)		
		(10) Do you also have a longer-term target for this?	[Dropdown list] (1) Yes (2) No		

Similar to the approach described in the previous section, if the signatory has a later target for this outcome, your answer to **(10)** will lead to SO 2.1, shown in Figure 11.

- (1) Target name: will be pre-filled with answers to SO 2: NZAM portfolio emissions
- (2) Long-term target to be met by: date for the long-term target (e.g., 2050)
- (3) Long-term target level or amount (if relevant): target to be met by date set on (2) Long-term target to be met by (e.g., 125 tCO2e/Mn USD Revenue)

**Figure 11 – Long-term targets for portfolio emissions reduction using SO 2.1**

Indicator ID <b>SO 2.1</b>	Dependent on:	<b>SO 1, SO 2</b>	Sub-section <b>Setting targets for sustainability outcomes</b>	PRI Principle <b>1</b>	Type of indicator <b>PLUS</b> VOLUNTARY TO DISCLOSE
	Gateway to:	<b>N/A</b>			
<p><b>For each sustainability outcome, provide details of up to two of your long-term targets.</b></p>					
<b>Target details</b>					
		(1) Target name	NZAM portfolio emissions		
<b>(B1) Sustainability Outcome #2: NZAM portfolio emissions</b>		(2) Long-term target to be met by	(e.g. 2030)		
		(3) Long-term target level or amount (if relevant)	(e.g. 125 tCO2e/Mn USD Revenue)		

## CLIMATE SOLUTIONS FINANCING

To provide more information on Climate solutions financing, signatories should fill SO 2, which will be pre-filled with information from SO 1 **(C1) Sustainability outcome #3: NZAM climate solutions**.

Figure 12 shows how the indicator should be filled.

- (1) Target name: **NZAM climate solutions**
- (2) Baseline year: date the signatory is taking as a starting point (not earlier than 2019)
- (3) Target to be met by: year the signatory expects to complete first commitment (e.g., 2030)
- (4) Methodology: (e.g., TSP, NZIF, SBTI SDA, SBTI PC, SBTI TR). If choosing “other,” a combination of methodologies, or a combination of SBTI sub-methodologies, please provide explanatory text or link to such an explanation on your website
- (5) Metric used (if relevant): (e.g., % of AUM in climate solutions, # of climate-focused investments, or Mn/USD invested in climate solutions)
- (6) Absolute or intensity-based (if relevant): not applicable, leave blank
- (7) Baseline level or amount (if relevant): baseline measurement at the date the signatory is taking as the starting point (not earlier than 2019), (e.g., 5% of AUM in climate solutions)
- (8) Target level or amount (if relevant): target the signatory wants to reach by target date in line with the metric used for (7) Baseline level or amount (if relevant), (e.g., 15% of AUM in climate solutions)
- (9) Percentage of total AUM covered in your baseline year for target setting: fill in with percentage AUM managed in line with net zero at the date you are taking as a starting point
- (10) Do you also have a longer-term target for this? Yes or No

**Figure 12 – Specific details for climate solutions financing using SO 2**

Indicator ID <b>SO 2</b>	Dependent on:	<b>SO 1</b>	Sub-section <b>Setting targets for sustainability outcomes</b>	PRI Principle <b>1</b>	Type of indicator <b>PLUS</b> VOLUNTARY TO DISCLOSE
	Gateway to:	<b>SO 2.1, SO 4, SO 5</b>			
<p>For each <b>sustainability outcome</b>, provide details of up to two of your nearest-term targets.  <i>Providing at least a target name is necessary to unlock subsequent indicators in the module.</i>  <i>Targets may be non-measurable (i.e. qualitative) or measurable (i.e. quantitative). They may be set as part of long-term planning or result from ongoing monitoring or due diligence aiming to identify your new and ongoing, actual and potential and positive and negative sustainability outcomes.</i></p>					
<b>Target details</b>					
(C1) Sustainability Outcome #3: NZAM climate solutions	(1) Target name	NZAM climate solutions			
	(2) Baseline year	(e.g. 2019)			
	(3) Target to be met by	(e.g. 2030)			
	(4) Methodology	(e.g. TSP, NZIF, SBTI SDA, SBTI PC, SBTI TR)			
	(5) Metric used (if relevant)	(e.g. % of AUM in climate solutions)			
	(6) Absolute or intensity-based (if relevant):	[Dropdown list] <b>Not applicable</b> (1) Absolute (2) Intensity-based			
	(7) Baseline level or amount (if relevant):	(e.g. 5% of AUM in climate solutions)			
	(8) Target level or amount (if relevant):	(e.g. 15% of AUM in climate solutions)			
	(9) Percentage of total AUM covered in your baseline year for target setting:	(e.g. 10%)			
	(10) Do you also have a longer-term target for this?	[Dropdown list] (1) <b>Yes</b> (2) No			

If the signatory has a second target for this outcome, your answer to (10) will lead to SO 2.1, shown in Figure 13.

- (1) Target name: will be pre-filled with answers to SO 2: **NZAM climate solutions**
- (2) Long-term target to be met by: date for the long-term target (e.g., 2035)
- (3) Long-term target level or amount (if relevant): target the signatory wants to reach by target date in line with the metric used for (7) Baseline level or amount (if relevant), (e.g., 25% of AUM in climate solutions)

**Figure 13 – Long-term targets for climate solutions financing using SO 2.1**

Indicator ID <b>SO 2.1</b>	Dependent on:	<b>SO 1, SO 2</b>	Sub-section <b>Setting targets for sustainability outcomes</b>	PRI Principle <b>1</b>	Type of indicator <b>PLUS</b> VOLUNTARY TO DISCLOSE
	Gateway to:	<b>N/A</b>			
<p>For each <b>sustainability outcome</b>, provide details of up to two of your long-term targets.</p>					
<b>Target details</b>					
(C1) Sustainability Outcome #1: NZAM climate solutions	(1) Target name	NZAM climate solutions			
	(2) Long-term target to be met by	(e.g. 2035)			
	(3) Long-term target level or amount (if relevant)	(e.g. 25% of AUM in climate solutions)			

## CLIMATE ENGAGEMENT

To provide more information on climate engagement, signatories should fill SO 2, which will be pre-filled with information from SO 1 **(D1) Sustainability outcome #4: NZAM climate engagement**. Figure 14 shows how the indicator should be filled.

- (1) Target name: **NZAM climate engagement**
- (2) Baseline year: date the signatory is taking as a starting point (not earlier than 2019)
- (3) Target to be met by: year the signatory expects to complete first commitment (e.g., 2025);
- (4) Methodology: (e.g., TSP, NZIF, SBTI SDA, SBTI PC, SBTI TR). If choosing “other,” a combination of methodologies, or a combination of SBTI sub-methodologies, please provide explanatory text or link to such an explanation on your website
- (5) Metric used (if relevant): (e.g., % of AUM in high-impact sectors subject to engagement or # of climate-focused engagements)
- (6) Absolute or intensity-based (if relevant): not applicable, leave blank
- (7) Baseline level or amount (if relevant): baseline measurement at the date the signatory is taking as the starting point (not earlier than 2019), (e.g., 5 climate-focused engagements)
- (8) Target level or amount (if relevant): target the signatory wants to reach by target date in line with the metric used for (7) Baseline level or amount (if relevant), (e.g., 20 climate-focused engagements)
- (9) Percentage of total AUM covered in your baseline year for target setting: fill in with percentage AUM managed in line with net zero at the date you are taking as a starting point
- (10) Do you also have a longer-term target for this? Yes or no depending on whether the signatory has one or more targets



**Figure 14 – Specific details for climate engagement using SO 2**

Indicator ID <b>SO 2</b>	Dependent on:	<b>SO 1</b>	Sub-section <b>Setting targets for sustainability outcomes</b>	PRI Principle <b>1</b>	Type of indicator <b>PLUS</b> <small>VOLUNTARY TO DISCLOSE</small>
	Gateway to:	<b>SO 2.1, SO 4, SO 5</b>			
<p>For each <b>sustainability outcome</b>, provide details of up to two of your nearest-term targets.  <i>Providing at least a target name is necessary to unlock subsequent indicators in the module.</i>  <i>Targets may be non-measurable (i.e. qualitative) or measurable (i.e. quantitative). They may be set as part of long-term planning or result from ongoing monitoring or due diligence aiming to identify your new and ongoing, actual and potential and positive and negative sustainability outcomes.</i></p>					
<b>Target details</b>					
		(1) Target name	NZAM climate engagement		
		(2) Baseline year	(e.g. 2019)		
		(3) Target to be met by	(e.g. 2025)		
		(4) Methodology	(e.g. TSP, NZIF, SBTi SDA, SBTi PC, SBTi TR)		
		(5) Metric used (if relevant)	(e.g. % of AUM in high-impact sectors subject to engagement, or # of climate-focused engagements)		
(D1) Sustainability Outcome #4: NZAM climate engagement		<b>Not applicable</b>	[Dropdown list] <b>Not applicable</b>		
		(6) Absolute or intensity-based (if relevant):	(1) Absolute (2) Intensity-based		
		(7) Baseline level or amount (if relevant):	(e.g. 5 climate-focused engagements)		
		(8) Target level or amount (if relevant):	(e.g. 20 climate-focused engagements)		
		(9) Percentage of total AUM covered in your baseline year for target setting:	(e.g. 10%)		
		(10) Do you also have a longer-term target for this?	[Dropdown list] (1) Yes (2) No		

If the signatory has a second target for this outcome, your answer to (10) will lead to SO 2.1, shown in Figure 15.

- (1) Target name: will be pre-filled with answers to SO 2: **NZAM climate engagement**
- (2) Long-term target to be met by: date for the long-term target (e.g., 2030)
- (3) Long-term target level or amount (if relevant): target the signatory wants to reach by target date in line with the metric used for (7) Baseline level or amount (if relevant), (e.g., 30 climate-focused engagements)

**Figure 15 – Long-term targets for climate engagement using SO 2.1**

Indicator ID <b>SO 2.1</b>	Dependent on:	<b>SO 1, SO 2</b>	Sub-section <b>Setting targets for sustainability outcomes</b>	PRI Principle <b>1</b>	Type of indicator <b>PLUS</b> <small>VOLUNTARY TO DISCLOSE</small>
	Gateway to:	<b>N/A</b>			
<p>For each <b>sustainability outcome</b>, provide details of up to two of your long-term targets.</p>					
<b>Target details</b>					
		(1) Target name	NZAM climate engagement		
(D1) Sustainability Outcome #4: NZAM climate engagement		(2) Long-term target to be met by	(e.g. 2030)		
		(3) Long-term target level or amount (if relevant)	(e.g. 30 climate-focused engagements)		

## SPECIAL FOCUS AREA: TARGETS BY ASSET CLASS, SECTOR, FUND OR MANDATE

This section is for signatories who want to provide more information on targets by asset class (SO 3.1), For high-emitting sectors (SO 3.2), and/ or for individual funds or mandates (SO 3.3). To do this the signatory should start with SO 3 and choose one or more of the options shown in Figure 16.

**Figure 16 – Long-term targets for climate engagement using SO 2.1**

Indicator ID <b>SO 3</b>	Dependent on:	<b>SO 1</b>	Sub-section <b>Focus: Setting net-zero targets</b>	PRI Principle <b>General</b>	Type of indicator <b>PLUS</b> VOLUNTARY TO DISCLOSE
	Gateway to:	<b>SO 3.1, SO 3.2, SO 3.3</b>			
<p>If relevant to your organisation, you can opt-in to provide further details on your net-zero targets.  <i>The content of this indicator is based on the reporting requirements of the Net-zero Asset Owners Alliance (NZAOA) and/or the Net-zero Asset Managers Initiative (NZAM).</i></p>					
<p><input type="checkbox"/> (A) Yes, we would like to provide further details on our organisation's asset class-specific net-zero targets</p> <p><input type="checkbox"/> (B) Yes, we would like to provide further details on our organisation's net-zero targets for high-emitting sectors</p> <p><input type="checkbox"/> (C) Yes, we would like to provide further details on our organisation's mandate or fund-specific net-zero targets</p> <p><input type="radio"/> (D) No, we would not like to provide further details on our organisation's asset class, high-emitting sectors or mandate or fund-specific net-zero targets</p> <p><input type="radio"/> (E) No, our organisation does not have any asset class, high-emitting sectors or mandate or fund-specific net-zero targets</p>					

### ASSET CLASS

If the signatory selects option **(A)**, they will be prompted to complete SO 3.1. SO 3.1 allows the signatory to include more detail on targets for the respective asset classes. A signatory can choose between the NZAOA or the PRI asset class breakdown. Figure 17 provides an example for listed equity using the PRI asset class breakdown.

For those looking to inform progress against this specific target, item **(7)** can be used to report progress.

- (1) Baseline year: date the signatory is taking as a starting point (not earlier than 2019)
- (2) Target to be met by: year the signatory expects to complete first commitment (e.g., 2030)
- (4) Methodology: (e.g., TSP, NZIF, SBTi SDA, SBTi PC, SBTi TR). If choosing "other," a combination of methodologies, or a combination of SBTi sub-methodologies, please provide explanatory text or a link to such an explanation on your website
- (5) Metric used (if relevant): choose from one of the metrics shown in Figure 17 (e.g., (7) Intensity-based tCO<sub>2</sub>e/Mn USD Revenue)
- (6) Baseline amount: baseline measurement at the date the signatory is taking as the starting point (not earlier than 2019), (e.g., 200 tCO<sub>2</sub>e/Mn USD Revenue)
- (7) Current amount (if different from baseline amount): this item can be used to report progress. To do this, report the current number in the same metric as (6) Baseline amount, (e.g., 180 tCO<sub>2</sub>e/Mn USD Revenue)
- (8) Targeted reduction with respect to baseline: (e.g., 35%)

- (9) Percentage of total AUM covered in your baseline year for target setting: fill in with percentage AUM of the specific asset class managed in line with net zero at the date you are taking as a starting point
- (10) If coverage is below 100% for this asset class, explain why

**Figure 17 – Reporting targets per asset class using SO 3.1<sup>3</sup>**

Indicator ID	Dependent on:	SO 3	Sub-section	PRI Principle	Type of indicator
SO 3.1	Gateway to:	N/A	Focus: Setting net-zero targets	General	PLUS VOLUNTARY TO DISCLOSE
Provide details of your nearest-term net-zero targets per asset class. <i>The content of this indicator is based on the reporting requirements of the Net-zero Asset Owners Alliance (NZAOA) and/or the Net-zero Asset Managers Initiative (NZAM).</i>					
			<b>Target details</b>		
			(1) Baseline year	2019	
			(2) Target to be met by	2030	
			(3) Emissions included in target	[Multi-select dropdown list] (1) Scope 1 (2) Scope 2 (3) Scope 3	
			(4) Methodology	(e.g. TSP, NZIF, SBTI SDA, SBTI PC, SBTI TR)	
<b>(A) PRI asset class breakdown</b> (One row per asset class) <input checked="" type="checkbox"/> Listed equity <input type="checkbox"/> Fixed income <input type="checkbox"/> Real estate (direct) <input type="checkbox"/> Private equity <input type="checkbox"/> Real estate <input type="checkbox"/> Infrastructure <input type="checkbox"/> Hedge funds <input type="checkbox"/> Forestry <input type="checkbox"/> Farmland <input type="checkbox"/> Other			(5) Metric used	[Dropdown list] (1) Absolute: MtCO2 (2) Absolute: MtCO2e (3) Intensity-based: tCO2e/Mn USD (4) Intensity-based: tCO2/Mn USD (5) Intensity-based: tCO2e/Mn USD Sales (6) Intensity-based: tCO2/Mn USD Sales (7) Intensity-based: tCO2e/Mn USD Revenue (8) Intensity-based: tCO2/Mn USD Revenue (9) Other	
			(6) Baseline amount	200 tCO2e/Mn USD Revenue	
			(7) Current amount (if different from baseline amount)	180 tCO2e/Mn USD Revenue	
			(8) Targeted reduction with respect to baseline	35%	
			(9) Percentage of total AUM covered in your baseline year for target setting	100%	
			(10) If coverage is below 100% for this asset class, explain why	[Voluntary free text: small]	

## HIGH-EMITTING SECTORS

If the signatory selects option **(B)**, they will be prompted to complete SO 3.2, which allows the signatory to provide details of their nearest-term net zero targets for high-emitting sectors (Figure 18).

For those looking to inform progress against this specific target, item **(7)** can be used to report progress.

- (1) Baseline year: date the signatory is taking as a starting point (not earlier than 2019)
- (2) Target to be met by: year the signatory expects to complete first commitment (e.g., 2035)
- (4) Methodology: (e.g., TSP, NZIF, SBTI SDA, SBTI PC, SBTI TR). If choosing “other,” a combination of methodologies, or a combination of SBTI sub-methodologies, please provide explanatory text or a link to such an explanation on your website

<sup>3</sup> Targets for each asset class must be filled in a similar way to the target represented for listed equity. Information such as target date, metric used, and baseline are expected to differ amongst different asset classes.

- (5) Metric used (if relevant): choose from one of the metrics shown in Figure 17 (e.g., (1) Absolute: MtCO2)
- (6) Baseline amount: baseline measurement at the date the signatory is taking as the starting point (not earlier than 2019), (e.g., 10 MtCO2)
- (7) Current amount (if different from baseline amount): this item can be used to report progress. To do this report the current number in the same metric as (6) Baseline amount, (e.g., 7.5 MtCO2)
- (8) Targeted reduction with respect to baseline: (e.g., 100%)
- (9) Asset classes covered: (e.g., listed equity)

**Figure 18 – Reporting targets for high-emitting sectors using SO 3.2<sup>4</sup>**

Indicator ID	Dependent on:	SO 3	Sub-section	PRI Principle	Type of indicator
SO 3.2	Gateway to:	N/A	Focus: Setting net-zero targets	General	PLUS VOLUNTARY TO DISCLOSE
<p><b>Provide details of your nearest-term net-zero targets for high-emitting sectors.</b>  <i>The content of this indicator is based on the reporting requirements of the Net-zero Asset Owners Alliance (NZAOA) and/or the Net-zero Asset Managers Initiative (NZAM).</i></p>					
			<b>Target details</b>		
			(1) Baseline year	2019	
			(2) Target to be met by	2035	
			(3) Emissions included in target	[Multiselect dropdown list] (1) Scope 1 (2) Scope 2 (3) Scope 3	
			(4) Methodology	(e.g. TSP, NZIF, SBTi SDA, SBTi PC, SBTi TR)	
			(5) Metric used	[Dropdown list] (1) Absolute: MtCO2 (2) Absolute: MtCO2e (3) Intensity-based: tCO2e/Mn USD (4) Intensity-based: tCO2/Mn USD (5) Intensity-based: tCO2e/Mn USD Sales (6) Intensity-based: tCO2/Mn USD Sales (7) Intensity-based: tCO2e/Mn USD Revenue (8) Intensity-based: tCO2/Mn USD Revenue (9) Other	
			(6) Baseline amount	10 MtCO2	
			(7) Current amount (if different from baseline amount)	7.5	
			(8) Targeted reduction with respect to baseline	100%	
			(9) Asset classes covered	Listed equity	
<p>(One row per high-emitting sector)</p> <p><input checked="" type="checkbox"/> (A) Coal</p> <p><input type="checkbox"/> (B) Gas</p> <p><input type="checkbox"/> (C) Oil</p> <p><input type="checkbox"/> (D) Combined oil and gas</p> <p><input type="checkbox"/> (E) Utilities</p> <p><input type="checkbox"/> (F) Cement</p> <p><input type="checkbox"/> (G) Steel</p> <p><input type="checkbox"/> (H) Aviation</p> <p><input type="checkbox"/> (I) Heavy duty road</p> <p><input type="checkbox"/> (J) Light duty road</p> <p><input type="checkbox"/> (K) Shipping</p> <p><input type="checkbox"/> (L) Combined aviation, heavy duty road, light duty road and shipping</p> <p><input type="checkbox"/> (M) Aluminium</p> <p><input type="checkbox"/> (N) Agriculture, forestry, and fishery</p> <p><input type="checkbox"/> (O) Chemicals</p> <p><input type="checkbox"/> (P) Construction and buildings</p> <p><input type="checkbox"/> (Q) Textile and leather</p> <p><input type="checkbox"/> (R) Water</p>					

## MANDATES OR FUNDS

If the signatory selects option **(C)**, they will be prompted to complete SO 3.3, which allows the entry of details of net zero targets for specific mandates or funds (Figure 18). Signatories with more than 10

<sup>4</sup> This figure has been modified for the purposes of this guidance. Targets for each high-emitting sector must be filled in a similar way to the target represented for the Coal sector. Information such as target date, metric used, and baseline are expected to differ amongst different high-emitting sectors.

funds or mandates should insert a link in the free text field providing information on where the larger list can be found.

In field **(2)**, it is recommended that signatories provide some of the following details:

- Baseline year
- Target to be met by
- Emissions included in target
- Methodology
- Metric(s) used
- Baseline amount
- Current amount (if different from baseline amount)
- Target amount
- Asset classes covered
- Fund or mandate’s AUM at the baseline year (for target setting)

**Figure 19 – Reporting targets mandates or funds using SO 3.3**

Indicator ID	Dependent on:	SO 3	Sub-section	PRI Principle	Type of indicator
SO 3.3	Gateway to:	N/A	<b>Focus: setting net-zero targets</b>	<b>General</b>	<b>PLUS</b> VOLUNTARY TO DISCLOSE
<p><b>Provide details of your net-zero targets for specific mandates or funds.</b>  <i>The content of this indicator is based on the reporting requirements of the Net-Zero Asset Owners Alliance (NZAOA) and/or the Net-Zero Asset Managers Initiative (NZAM).</i></p>					
			<b>(1) Name of mandate or fund</b>		<b>(2) Target details</b>
<input type="checkbox"/>	(A) Fund or mandate #1		[Voluntary free text: medium]		[Voluntary free text: large]
<input type="checkbox"/>	(B) Fund or mandate #2		[As above]		[As above]
	...		...		...
<input type="checkbox"/>	(J) Fund or mandate #10		[As above]		[As above]

**Important:** in the field **(2)**, information must be included manually. Progress against targets set here will follow a similar approach to the previous two sections, in which the signatory can specify that the current level of the metric being used is different from both the baseline and target levels.

## SPECIAL FOCUS AREA: REPORTING PROGRESS AGAINST TARGETS

For all progress reporting not covered in the section Special focus area: targets by asset class, sector, fund or mandate, progress should be reported according to the details provided in this section. In SO 4, all sustainability outcomes listed in SO 1 will be pre-filled, along with target and metric information from SO 2. Signatories should respond **(1) Yes** in SO 4 for all their net zero related targets. By doing so, SO 4.1 will become available for signatories to report progress against their targets.

**Figure 20 – Enabling progress reporting using SO 4**

Indicator ID SO 4	Dependent on:	SO 2	Sub-section Tracking progress against targets	PRI Principle 1	Type of indicator <b>PLUS</b> VOLUNTARY TO DISCLOSE
	Gateway to:	SO 4.1			
<b>Does your organisation track progress against your nearest-term sustainability outcome targets?</b> <i>Provide details on your nearest-term targets only. Targets may be non-measurable (i.e. qualitative) or measurable (i.e. quantitative).</i>					
(A1) Sustainability outcome #1: Net Zero Asset Management	<input checked="" type="radio"/> Yes <input type="radio"/> No Explain why not: _____ [Voluntary free text: small]				
(B1) Sustainability outcome #2: Portfolio Emissions Reduction	<input checked="" type="radio"/> Yes <input type="radio"/> No Explain why not: _____ [Voluntary free text: small]				
(C1) Sustainability outcome #3: Climate Solutions Financing	<input checked="" type="radio"/> Yes <input type="radio"/> No Explain why not: _____ [Voluntary free text: small]				
(D1) Sustainability outcome #4: Climate Engagement	<input checked="" type="radio"/> Yes <input type="radio"/> No Explain why not: _____ [Voluntary free text: small]				

Information in SO 4.1 will also be pre-filled with information from SO 1 and SO 2, including **(1) Target name**, **(2) Target to be met by**, and **(3) Metric used (if relevant)**. Signatories will only need to fill **(4) Current level or amount (if relevant)**, **(5) Other qualitative or quantitative progress**, and **(6) Methodology for tracking progress** (Figure 21).

**Figure 21 – Reporting progress on targets using SO 4.1**

Indicator ID SO 4.1	Dependent on:	SO 4	Sub-section Tracking progress against targets	PRI Principle 1	Type of indicator <b>PLUS</b> VOLUNTARY TO DISCLOSE
	Gateway to:	N/A			
<b>During the reporting year, what qualitative or quantitative progress did your organisation achieve against your nearest-term sustainability outcome targets?</b> <i>Provide details on your nearest-term targets only. Targets may be non-measurable (i.e. qualitative) or measurable (i.e. quantitative).</i>					
<b>Target details</b>					
(A1) Sustainability outcome #1: Net Zero Asset Management	<b>(1) Target name</b>		[Pre-filled from SO 2]		
	<b>(2) Target to be met by</b>		[Pre-filled from SO 2]		
	<b>(3) Metric used (if relevant)</b>		[Pre-filled from SO 2]		
	<b>(4) Current level or amount (if relevant)</b>		[Voluntary free text: medium]		
	<b>(5) Other qualitative or quantitative progress</b>		[Voluntary free text: large]		
	<b>(6) Methodology for tracking progress</b>		[Voluntary free text: large]		

## FURTHER INFORMATION

More information on PRI reporting is available at: [Reporting & assessment resources | PRI \(unpri.org\)](https://www.unpri.org/reporting-and-assessment-resources)

Please send any questions or comments to [reporting@unpri.org](mailto:reporting@unpri.org)