

# PRI 2023 REPORTING FRAMEWORK

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

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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 NZAM commitments through the 2023 PRI Reporting Framework. This document offers a broad outline of the indicators that align with the reporting requirements of NZAM members. For more detailed information on all the indicators listed in this guide and/or a full list of the indicators included in PRI's 2023 Reporting Framework please visit the [Investor reporting framework webpage](#).

Disclaimer: this guidance does not intend to 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 in their target setting process.

# THE PRI REPORTING FRAMEWORK

PRI's 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 related to 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)" module and the "Sustainability Outcomes (SO)" module.

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's Reporting Framework include two different types of indicators:

- **CORE** indicators, which are mandatory to report, assessed and publicly disclosed; and
- **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.

When PLUS indicators include free text fields, they are optional to complete in the PRI reporting system. However, NZAM members completing the PLUS indicators listed in this guide must complete the related text fields in order to fulfil their NZAM reporting commitments.

# REPORTING REQUIREMENTS

All the PGS indicators NZAM members have to report on are CORE, meaning they are mandatory to report and publicly disclosed. 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.” However, **NZAM members must leave all SO module indicators referenced in this guide in their default “public” settings in order to be compliant with the NZAM initiative’s reporting requirements.**

## NZAM COMMITMENTS

- 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 using SO 1, which allows investors to list desired outcomes, and SO 2, which provides space to report specific targets that have been set in support of those outcomes
- NZAM members should report progress against the targets they have listed in SO 2 in indicator SO 4
- NZAM members should report both on target-setting and on progress against targets for any targets they may have set at the asset class, sector, and fund or mandate level using SO 3 (incl. 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.**

<b>NZAM Commitment</b>	<b>PRI Reporting Framework Indicator</b>
<b>1. Set interim targets for 2030</b>	SO 2
<b>2. Portfolio emissions</b>	SO 2, SO 3 (incl. SO 3.1 and SO 3.2), SO 4 (incl. SO 4.1), PGS 46
<b>3. Prioritise real economy emissions reductions</b>	PGS 41 (incl. PGS 41.1)
<b>4. Prioritise long-term removal, if using offsets</b>	PGS 41 (incl. PGS 41.1)
<b>5. Create net zero products, and invest in climate solutions</b>	PGS 41 (incl. PGS 41.1)
<b>6. Provide information on net zero investing and climate risks and opportunities</b>	PGS 41 (incl. PGS 41.1), PGS 44
<b>7. Implement stewardship and engagement strategies</b>	SO5, SO 8, SO 9, SO 10, SO 13
<b>8. Engage with stakeholders to ensure product/ service adherence to net zero</b>	SO 12
<b>9. Align policy advocacy</b>	SO 11
<b>10. Report on TCFD, ICAPs</b>	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
Currency	Bn USD	Billions of United States dollars
Greenhouse Gas (GHG) emissions	CO <sub>2</sub> e	Carbon dioxide equivalent
Methodology	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 Ratings
	TSP	Net Zero Asset Owner Alliance – Target Setting Protocol

**Important note:** signatories using a combination of methodologies should mention all the methodologies used. For those using a proprietary methodology, signatories should provide details of the approach. 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 journey should gather the following information or data points.

## RELEVANT DATA POINTS

### DATA POINTS REGARDING NET ZERO COMMITMENT AND ACTIVITY

- Percentage of AUM covered in net zero commitment at the time of reporting date used for PRI reporting (the same date provided in indicator OO 1 of the Organizational Overview module)
- 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 (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 year |
| ■ Baseline level | ■ Metric used |
| ■ Target year    |               |

### OTHER DISCLOSURES RELATED TO CLIMATE ACTIVITY

- |                                     |   |
|-------------------------------------|---|
| ■ TCFD disclosures;                 | ■ Climate-related sustainability disclosures; and |
| ■ Climate action or net zero plans; | ■ Climate-stewardship and advocacy information.   |

# COMPLETING THE REPORTING

## REPORTING THROUGH THE POLICY, STRATEGY AND GOVERNANCE MODULE

Signatories using the 2023 PRI Reporting Framework should report on indicators from the PGS module before they can report on indicators from the SO module<sup>1</sup>. The PGS module is where signatories can report against commitment 10, which is fulfilled by reporting on TCFD and ICAPs recommendations. The are 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’s reporting framework indicators from both PGS and SO modules align with the TCFD recommendations.

**Table 3** – Alignment between PRI’s 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 ( <i>please refer to SO module indicators 1-4 (incl. their sub-indicators)</i> )

<sup>1</sup> For full detail on the logic pathways that link indicators within and across modules see the Logic guide available in [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 PRI's 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 ( <i>fulfilled when reporting TCFD recommendation Strategy C</i> )
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 ( <i>fulfilled when reporting NZAM commitment 10</i> )
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 ( <i>fulfilled when reporting TCFD recommendation Metrics and Targets B</i> )
4.3 Portfolio assessment	PGS 43 ( <i>fulfilled when reporting TCFD recommendation Strategy C</i> )
<b>Cross-cutting theme Governance</b>	
Accountability	PGS 13, PGS 14
Skills assessment	PGS 15 (A)

To begin completing NZAM reporting, the signatory should first use the relevant PGS module indicators to report on target specific indicators. Signatories must complete both PGS 47 (including PGS 47.2) and PGS 48, which will then unlock the SO module. How this is done is shown below.

Figure 1 shows PGS 47, to which the signatory must respond “(A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities”.

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

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

PGS 47.2, represented in Figure 2, functions as a follow up to PGS 47, in which a signatory can choose up to four different methods that the organisation is using to determine the most important intended and unintended sustainability outcomes connected to its investment activities. An example response is shown in red. Any choice(s), except for “(H) We have not yet determined the most important sustainability outcomes connected to our investment activities”, will lead to PGS 48.

**Figure 2 – Indicator PGS 47.2 which acts as one of the three gateway indicators to SO 1.**

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

For PGS 48, as represented in red in Figure 3, a signatory must select option “(A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities”.

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

Indicator ID <b>PGS 48</b>	Dependent on:	<b>PGS 47.2</b>	Sub-section <b>Sustainability outcomes</b>	PRI Principle <b>1, 2</b>	Type of indicator <b>CORE</b> NOT ASSESSED
	Gateway to:	<b>PGS 48.1, SO 1</b>			
<p><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?</b></p> <p><i>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.</i></p>					
<p><input checked="" type="radio"/> (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities</p> <p><input type="radio"/> (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities</p> <p>Explain why not: _____ [Mandatory free text: medium]</p>					

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 THROUGH 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 shows the issues that may be reported in the SO module and their respective indicators.

**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 &amp; Progress Against Them</b>	SO 3
<b>Progress Against Portfolio-wide Targets</b>	SO 4 ( <i>targets must be previously disclosed in SO 2</i> )
<b>Engagement &amp; 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 ( <i>actions must be previously disclosed in SO 1</i> )
<b>Engagement Prioritization with Investees</b>	SO 9
<b>Engagement Prioritization 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 are intended to 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, the text is complemented by an example response illustrated in red. This is 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 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>				
	<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"/> (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 and corporate fixed income, and real estate, to be reviewed every 5 years.

In order 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”.  
Similarly, 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 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>				
What specific sustainability outcomes connected to its investment activities has your organisation taken action on? <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"/> (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 procedure outlined below (similar to the one used for reporting the 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 <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> <small>List up to ten of these specific sustainability outcomes.</small>				
	<b>(1) Widely recognised frameworks used to guide action on this sustainability outcome</b> <small>[Multi-select dropdown list]</small> (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 <input type="checkbox"/> (C) Sustainability outcome #3 (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)	<b>(2) Classification of sustainability outcome</b> <small>[Multi-select dropdown list]</small> <b>(1) Environmental</b> (2) Social (3) Governance-related (4) Other	<b>(3) Sustainability outcome name</b> <small>[Mandatory free text: small]</small> <b>NZAM climate solutions</b>	<b>(4) Number of targets set for this outcome</b> <small>[Dropdown list]</small> (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, 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 <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>			
What specific sustainability outcomes connected to its investment activities has your organisation taken action on? <i>List up to ten of these specific sustainability outcomes.</i>				
	(1) Widely recognised frameworks used to guide action on this sustainability outcome [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 <input type="checkbox"/> (D) Sustainability outcome #4 (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)	(2) Classification of sustainability outcome [Multi-select dropdown list] <b>(1) Environmental</b> (2) Social (3) Governance-related (4) Other	(3) Sustainability outcome name [Mandatory free text: small] <b>NZAM climate engagement</b>	(4) Number of targets set for this outcome [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, 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 below and represented in Figure 8, which provides examples of data that should be filled.

- (1) Target name: Net Zero Asset Management
- (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
- (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 depending on whether the signatory has interim and long-term targets

**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	<b>PLUS</b> VOLUNTARY TO DISCLOSE

**For each sustainability outcome, provide details of up to two of your nearest-term targets.**  
*Providing at least a target name is necessary to unlock subsequent indicators in the module.*  
*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.*

	Target details	
	(1) Target name	NZAM AUM commitment
	(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)	% of AUM managed in line with net zero
(A1) Sustainability Outcome #1: NZAM AUM commitment	<b>Not applicable</b> (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) Do you also have a longer-term target for this?**” 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 <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>			
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

This section provides signatories with information on how to detail Portfolio Emissions Reduction targets informed previously on SO 1. 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 depending on whether the signatory has interim and long-term targets

**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>			

For each **sustainability outcome**, provide details of up to two of your nearest-term targets.  
*Providing at least a target name is necessary to unlock subsequent indicators in the module.*  
*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.*

	Target details	
	(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. tCO <sub>2</sub> e/Mn USD Revenue for listed equity and corporate bonds)
(B1) Sustainability Outcome #2: NZAM portfolio emissions	(6) Absolute or intensity-based (if relevant):	[Dropdown list] (1) Absolute (2) Intensity-based
	(7) Baseline level or amount (if relevant):	(e.g. 250 tCO <sub>2</sub> e/Mn USD Revenue)
	(8) Target level or amount (if relevant):	(e.g. 175 tCO <sub>2</sub> e/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) Do you also have a longer-term target for this?**” 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 tCO<sub>2</sub>e/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>			

For each **sustainability outcome**, provide details of up to two of your long-term targets.

	Target details	
	(1) Target name	NZAM portfolio emissions
(B1) Sustainability Outcome #2: NZAM portfolio emissions	(2) Long-term target to be met by	(e.g. 2030)
	(3) Long-term target level or amount (if relevant)	(e.g. 125 tCO <sub>2</sub> e/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 a 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
- (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 depending on whether the signatory has interim and long-term targets



**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>			

For each **sustainability outcome**, provide details of up to two of your nearest-term targets.  
*Providing at least a target name is necessary to unlock subsequent indicators in the module.*  
*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.*

	Target details	
(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) Yes (2) No

If the signatory has a second target for this outcome, your answer to “**(10) Do you also have a longer-term target for this?**” 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>			

For each **sustainability outcome**, provide details of up to two of your long-term targets.

	Target details	
(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 a 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
- (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> VOLUNTARY TO DISCLOSE
	Gateway to: <b>SO 2.1, SO 4, SO 5</b>			

For each **sustainability outcome**, provide details of up to two of your nearest-term targets.  
 Providing at least a target name is necessary to unlock subsequent indicators in the module.  
 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.

	Target details	
	(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	Not applicable	[Dropdown list] Not applicable
	(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) Do you also have a longer-term target for this?” will lead to SO 2.1, shown in Figure 13.

- (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> VOLUNTARY TO DISCLOSE
	Gateway to: <b>N/A</b>			

For each **sustainability outcome**, provide details of up to two of your long-term targets.

	Target details	
	(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 NZAM 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, which asks, ***“If relevant to your organisation, you can opt-in to provide further details on your net-zero targets”*** 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	Dependent on:	SO 1	Sub-section	PRI Principle	Type of indicator
SO 3	Gateway to:	SO 3.1, SO 3.2, SO 3.3	Focus: Setting net-zero targets	General	PLUS VOLUNTARY TO DISCLOSE
<p>If relevant to your organisation, you can opt-in to provide further details on your net-zero targets.  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).</p>					
<div style="border: 1px solid red; padding: 5px;"> <input type="checkbox"/> (A) Yes, we would like to provide further details on our organisation's asset class-specific net-zero targets  <input type="checkbox"/> (B) Yes, we would like to provide further details on our organisation's net-zero targets for high-emitting sectors  <input type="checkbox"/> (C) Yes, we would like to provide further details on our organisation's mandate or fund-specific net-zero targets </div> <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  <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) Yes, we would like to provide further details on our organisation's asset class-specific net-zero targets”***, 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) Current amount (if different from baseline amount)”*** 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 (NZMI).</i>					
			Target details		
<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			(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)	
			(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%	

## HIGH-EMITTING SECTORS

If the signatory selects option “**(B) Yes, we would like to provide further details on our organisation’s net-zero targets for high-emitting sectors**”, 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) Current amount (if different from baseline amount)**” 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)

<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.

- (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. (1) Absolute: MtCO<sub>2</sub>)
- (6) Baseline amount: baseline measurement at the date the signatory is taking as the starting point (not earlier than 2019), (e.g. 10 MtCO<sub>2</sub>)
- (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 MtCO<sub>2</sub>)
- (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
Provide details of your nearest-term net-zero targets for high-emitting sectors. 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).					
			Target details		
			(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: MtCO <sub>2</sub> (2) Absolute: MtCO <sub>2</sub> e (3) Intensity-based: tCO <sub>2</sub> e/Mn USD (4) Intensity-based: tCO <sub>2</sub> /Mn USD (5) Intensity-based: tCO <sub>2</sub> /Mn USD Sales (6) Intensity-based: tCO <sub>2</sub> /Mn USD Revenue (7) Intensity-based: tCO <sub>2</sub> /Mn USD Revenue (8) Intensity-based: tCO <sub>2</sub> /Mn USD Revenue (9) Other	
			(6) Baseline amount	10 MtCO <sub>2</sub>	
			(7) Current amount (if different from baseline amount)	7.5	
			(8) Targeted reduction with respect to baseline	100%	
			(9) Asset classes covered	Listed equity	

(One row per high-emitting sector)

☐ (A) Coal

☐ (B) Gas  
☐ (C) Oil  
☐ (D) Combined oil and gas  
☐ (E) Utilities  
☐ (F) Cement  
☐ (G) Steel  
☐ (H) Aviation  
☐ (I) Heavy duty road  
☐ (J) Light duty road  
☐ (K) Shipping  
☐ (L) Combined aviation, heavy duty road, light duty road and shipping  
☐ (M) Aluminium  
☐ (N) Agriculture, forestry, and fishery  
☐ (O) Chemicals  
☐ (P) Construction and buildings  
☐ (Q) Textile and leather  
☐ (R) Water

<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.

## MANDATES OR FUNDS

If the signatory selects option “(C) *Yes, we would like to provide further details on our organisation’s mandate or fund-specific net-zero targets*”, they will be prompted to complete SO 3.3, which allows the signatory to provide details of their net-zero targets for specific mandates or funds (Figure 18). Signatories with more than 10 funds or mandates should insert a link in the free text field providing information on where the larger list can be found.

In the field “(2) *Target details*”, 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 <b>SO 3.3</b>	Dependent on: <b>SO 3</b>	Sub-section <b>Focus: setting net-zero targets</b>	PRI Principle <b>General</b>	Type of indicator <b>PLUS</b> <small>VOLUNTARY TO DISCLOSE</small>
	Gateway to: <b>N/A</b>			
<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>				
	<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 information:** in the field “(2) *Target detail*”, information must be included manually as fields are not included in this column unlike for SO 3.1 and SO 3.2 covered in the previous sub-sections for asset classes and high-emitting sectors, respectively. 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. 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 <b>SO 4</b>	Dependent on: Gateway to:	SO 2 <b>SO 4.1</b>	Sub-section <b>Tracking progress against targets</b>	PRI Principle <b>1</b>	Type of indicator <b>PLUS</b> VOLUNTARY TO DISCLOSE
<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 <b>SO 4.1</b>	Dependent on: <b>SO 4</b>	Sub-section <b>Tracking progress against targets</b>	PRI Principle <b>1</b>	Type of Indicator <b>PLUS</b> <small>VOLUNTARY TO DISCLOSE</small>
	Gateway to: <b>N/A</b>			
<p>During the reporting year, what qualitative or quantitative progress did your organisation achieve against your nearest-term <b>sustainability outcome</b> targets?  <i>Provide details on your nearest-term targets only. Targets may be non-measurable (i.e. qualitative) or measurable (i.e. quantitative).</i></p>				
	<b>Target details</b>			
(A1) Sustainability outcome #1: Net Zero Asset Management	(1) Target name	[Pre-filled from SO 2]		
	(2) Target to be met by	[Pre-filled from SO 2]		
	(3) Metric used (if relevant)	[Pre-filled from SO 2]		
	(4) Current level or amount (if relevant)	[Voluntary free text: medium]		
	(5) Other qualitative or quantitative progress	[Voluntary free text: large]		
	(6) Methodology for tracking progress	[Voluntary free text: large]		

## FURTHER INFORMATION

*More information on PRI reporting is available at: [Reporting & assessment resources | PRI \(unpri.org\)](#)*

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