Core action points
NZIF recommends the following actions for investors using the framework and considers them core:

1. Assess and disclose climate financial risk assessment in line with legal obligations, fiduciary duties, and industry best practice (e.g. TCFD and ISSB).
2. Commit to achieving net zero portfolio emissions in line with a suitable global net zero pathway, or sooner, and gain explicit endorsement by the board.11
3. Assign implementation responsibility for the net zero strategy to the investment committee and implementation oversight to the board.12
4. Ensure senior leadership have sufficient knowledge to effectively oversee implementation of the transition plan.
5. Develop and disclose the transition plan comprising each NZIF section and lever, explaining implications and reasons for any omissions.
6. Incorporate the transition plan into mandates and objectives for investment and portfolio managers, and review progress over time.13
7. Develop investment products and funds aligned with net zero objectives, strategy, and targets; and educate clients accordingly.
8. Integrate net zero goals, objectives, strategies, and targets into asset manager selection, appointment, and monitoring processes.
9. Provide net zero aligned mandates to clients who want them.

Governance and Strategy

Introduction
This section establishes the basis, legitimacy, and actions required by investors to address climate-related transition risks. It supports setting ambition towards contributing to global net zero emissions, providing direction and basis for action. Together with the sections on ‘Objectives and Targets’ and ‘Strategic Asset Allocation’, it forms part of NZIF’s lever of ‘Setting internal direction and portfolio structure for alignment’. 
Advanced action points
NZIF recommends the following advanced actions specific to governance. These may initially be difficult when beginning to implement net zero strategies (when attention is likely to be placed on implementing core action points).

- Develop an energy sector policy that is endorsed by a relevant governance body to inform decarbonisation approaches and climate solutions investments. 14
- Develop a deforestation policy that is endorsed by a relevant governance body to inform strategies and activities to eliminating deforestation and associated carbon emissions. 15
- Establish an internal system to periodically monitor implementation of the net zero strategy in its ability to deliver net zero objectives (including reviewing and updating net zero objectives, strategy, and targets). 16

NZIF recommends the following advanced actions specific to strategy. These may initially be difficult when beginning to implement net zero strategies (when attention is likely to be placed on implementing core action points), but would likely prove beneficial over the long term:

- Establish a plan to ensure the appropriate resources, skills, competencies and knowledge exist across the organisation to effectively implement net zero strategies.
- Integrate net zero objectives, strategy and targets into remuneration incentives as appropriate and when relevant, with care to avoid unintended consequences.
- Establish progress reporting processes for net zero objectives, strategy, and targets to the board, senior management and external stakeholders, including intended and unintended outcomes.
- Obtain independent review or third-party assurance or verification of transition plan (this could be in the form of an audit or by another entity, such as a research or policy think tank).
- Integrate climate considerations into the process for selecting a portfolio/fund custodian.
- Disclose the current constraints on net zero strategy and what actions will be taken to overcome these.
- Define the relationship of the net zero objectives, strategy, and targets to other organisational goals.
- Make plans to ratchet up net zero targets to include additional target types, asset classes and AUM until 100% is covered by asset alignment targets.
- Review implications of assumptions and dependencies within a transition plan, including implications if assumptions are not realised.
- Review consistency of transition plan assumptions with those used in financial accounts, capital expenditures, and investment decisions.
- Define how scenario analysis will be used to inform investments.
- Assess and communicate achievability of the transition plan using scenario analysis to relevant stakeholders.