Net Zero Asset Managers

Information session

2022
236 Asset Managers with $57.5 trillion AUM committed to net zero emissions goal by 2050 or sooner

- Race to Zero accredited, and part of the Glasgow Financial Alliance for Net Zero
- Six Network Partners coordinating the initiative – AIGCC, CDP, Ceres, IGCC, IIGCC, PRI
- Advisory Group of 6 asset managers – Stafford Capital Partners, Neuberger Berman, Sumitomo Mitsui Trust AM, Generation IM, LGIM, Wellington
- Biannual meetings of signatories (May and September 2021; March 2022)

Purpose to provide a global common standard for asset managers to commit to, and demonstrate action in line with, achieving net zero emissions by 2050 or sooner
Work in partnership with asset owner clients on decarbonisation goals, consistent with an ambition to reach net zero emissions by 2050 or sooner across all assets under management (‘AUM’).

Set an interim target for the proportion of assets to be managed in line with the attainment of net zero emissions by 2050 or sooner

- For these assets, set interim targets for 2030, consistent with achieving a fair share of the 50% global reduction in CO2 – methodology can be determined by asset manager
- Include Scope 1 & 2, and Scope 3 to the extent possible
- Offsets from long term removals, where alternatives not available

Review their interim target at least every five years, and work towards increasing the proportion of AUM covered by this target until 100% of assets are included.

Creation of net zero investment products; information and analytics for clients; stewardship, engagement and voting policy consistent with achieving net zero; policy advocacy and market engagement

Expectation that signatories will have a science based policy in relation to fossil fuel investments

Commitment based on UNFCCC ‘Race to Zero’ campaign criteria and IIGCC’s Net Zero Investment Framework
Methodologies for Target Setting

- Paris Aligned Investment Initiative, Net Zero Investment Framework
- Net Zero Asset Owners Alliance Target Setting Protocol
- Science Based Targets for Financial Institutions

Support to use the recommended methodologies and enable broader implementation of the commitment is provided through a range of activities of the Network Partners.
Disclosure, Reporting and Assurance

❑ One year after the date of formally joining the initiative to disclose:
  ▪ Proportion of assets under management to manage in line with net zero
  ▪ 2030 interim target
  ▪ Methodology used to set target

❑ Annual reporting to PRI or CDP to begin in the first cycle that follows this first year disclosure

❑ Reasons that an asset manager may be delisted from the initiative
  ▪ Not meeting the initial disclosure requirements
  ▪ Not providing annual reporting

❑ Network Partners may choose not to accept an applicant based on expectation of non-compliance or reputational impact to the initiative

❑ The Network Partners may propose further elements or assurance of compliance through the reporting process, in consultation with the Advisory Group, following this introductory period to build capability around compliance.
Joining and Participation Requirements

- Completion of a signatory form confirming agreement to implement the terms of the commitment, and report annually
- CEO level approval required
- Membership of at least one of the six Network Partners required
- No additional fee for joining the initiative
- Signatories agree to participate collaboratively in the Net Zero Asset Managers initiative to enhance efforts towards implementing the commitment and support the goal of global net zero GHG emissions by 2050
- Biannual meeting of signatories, plus joining activities and working groups of the Network Partners as relevant on a voluntary basis
- Other associations and networks can join asset managers as a ‘supporter organisation’
Key network contacts

**Asia:** Jane Ho, Asian Investors Group on Climate Change  
jane.ho@aigcc.net

**Australasia:** Harry Smith, Manager, Investor Group on Climate Change  
harrison.smith@igcc.org.au

**Europe:** Adrian Fenton, Investor Practices Programme, Institutional Investors Group on Climate Change  
afenton@iigcc.org

**North America:** Nathalie Queathem, Assistant, Investor Network, Ceres  
nqueathem@ceres.org

**Global:** Liam Kelley-St. Clair, External Initiatives Manager, CDP  
Liam.Kelley@CDP.net

**Global:** Jack Balsdon, Senior Associate, Principles for Responsible Investment  
jack.balsdon@unpri.org
Thank you

info@iigcc.org
+44 (0) 207 520 9305
www.iigcc.org