

The Net Zero Asset Managers initiative

Fossil fuel expectations

The Net Zero Asset Managers (NZAM) initiative supports signatories as they fulfil their commitments to the ambition of reaching net zero greenhouse gas emissions by 2050 or sooner across all assets under management. This goal should be undertaken in keeping with investors' fiduciary duties – climate risk is financial risk and the commitment to reach net zero by 2050 is rooted in investors' overarching duty to manage risk and achieve positive investment outcomes on behalf of their beneficiaries.

It recognises that differing mandates agreed with clients, varying starting points for investment strategies, and different jurisdictions and regulatory environments, can influence the approaches signatories take. Signatories are encouraged to adopt fossil fuel financing and investment policies and practices that are based on science-based net zero scenarios and that follow the guidance provided by the target setting methodology adopted by the signatory.

Three approved NZAM target setting methodologies:

1. [Net Zero Investment Framework](#)
2. [Science-Based Targets initiative](#)
3. [Net Zero Asset Owners Alliance's Target Setting Protocol](#). In addition to the target setting protocol, Net Zero Asset Owner Alliance has developed position papers on [Thermal Coal](#) and [Oil and Gas](#).



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