

Net Zero Asset Manager's initiative (NZAM) - 2024 CDP Guide

Step-by-step guide for reporting on NZAM commitments through the 2024
CDP questionnaire



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Summary

This guide is designed to help signatories of the Net Zero Asset Managers initiative (NZAM) report towards their commitments.

This guide provides a high-level overview of [CDP’s corporate questionnaire](#) for the Financial Sector, a **Step-by-Step Guide for reporting towards your NZAM commitments starting on page 7**, and frequently asked questions. It is not intended as a comprehensive guide to CDP disclosure or scoring methodology. Please see questionnaire guidance and scoring criteria noted on the [CDP Website](#) and throughout the document.

CDP will host webinars leading up to and during the reporting period (June 4 – October 16). For specific questions, please contact your CDP account manager and/or the [CDP Help Center](#).

CDP Disclosure

CDP's annual disclosure platform helps financial institutions fulfill the requirements of NZAM by tracking and reporting on progress towards net zero commitments. Reporting to CDP also ensures transparency on all climate-related issues, allowing alignment across the entire economy – from business, to financing, to policy.

Benefits of disclosing through CDP's questionnaire for the Financial Sector include:

- Enhancing transparency that in turn demonstrates a commitment to sustainability, increasing recognition for your commitment to climate action;
- Getting ahead of regulation such as IFRS S2 and SEC climate disclosure rules by fulfilling the recommendations of the TCFD (actionable metrics, risks, and opportunities). Learn more about [how CDP is aligned to environmental disclosure standards and frameworks](#);
- Spurring ambition concerning portfolio impacts, especially in the case of financial institutions;
- Uncover risks and opportunities to foster long-term resilience, identify financial savings, and enhance reputation and shareholder confidence;
- Easing the reporting process by copying forward some of your 2023 CDP questionnaire answers into your 2024 response;

And [more!](#)

Completing the questionnaire

The questionnaire is accessed through [CDP's disclosure portal](#). CDP will provide registered users with further steps to logging in, accessing, and navigating the portal closer to the opening of the reporting cycle. **If you are not already a registered user or have not received an email to access the portal, please complete the ["Register to Disclose" form](#).** The CDP Portal opens for disclosers on May 14th, and the reporting window opens on June 4th. Please view information regarding disclosure dates and timelines [here](#).

An outline of CDP's corporate questionnaire for the Financial Sector can be found [here](#). All questions are optional, however, **for the purposes of fulfilling your NZAM commitments, those noted in the guide below (pg. 7) must be completed.** The table below outlines which questions in the CDP Financial Services questionnaire align to the NZAM commitments. In order to complete the NZAM annual disclosure requirement, NZAM signatories must provide answers to these questions.

Question Tags

All questions relevant to your NZAM commitments will be appropriately tagged in the CDP questionnaire for ease of reporting. These will be visible in CDP's [guidance documents](#) under the "tags" option. The tags will showcase the aligned commitment for each question (e.g. "NZAM Commitment 5").

Public vs. Non-Public Responses

Each year, all organizations have the option to respond publicly or non-publicly. The Main User must select public or non-public as part of the submission process in the CDP Portal. Public responses are shared with requesting stakeholders, posted on CDP's website, and shared with data users. Non-public responses are still shared with requesting stakeholders but are not listed on CDP's website or sent to data users.

NZAM requests that all responses be made public.

Full vs. SME Questionnaire

For the 2024 disclosure cycle, CDP has introduced a new, dedicated questionnaire for Small and Medium-sized Enterprises (SMEs). This questionnaire has fewer questions and a simplified format to match the resources of SMEs. SME eligibility thresholds will be determined by your organization's annual revenue in USD as well as your organization's headcount of total employees in the reporting year. Depending on these metrics, the disclosure platform may "recommend" that you respond to the SME questionnaire rather than the full version. However, the SME option will not include all NZAM-related questions and will therefore not fulfil the reporting requirement. **To meet the disclosure requirement for NZAM, your organization must choose to respond to the full CDP questionnaire.**

The "questionnaire setup" is part of corporate disclosers' onboarding process on the CDP platform. It allows CDP to customize the questionnaire to be relevant to your organization, such as SME eligibility. More details on the questionnaire setup can be found in our [preview](#). The preview also includes information on eligibility and intent to submit for CDP's Plastics & Biodiversity and Forests & Water Security modules.

CDP Scoring

To learn more about CDP Scores, please view our [Scoring Methodology for Climate Change](#).

CDP encourages companies to submit by the scoring deadline (October 2nd, 2024), as doing so will allow your company to receive a score report which is a useful tool to understand how your company benchmarks against peers and can improve its environmental performance. Companies who do not wish to be scored can disclose until October 16th (see 2024 disclosure [timeline](#)).

If you are only requested to disclose to CDP by NZAM, you will automatically be scored if you respond within the scoring deadline (October 2nd, 2024). The score will be kept private by default, unless it is an A.

If you are also requested to disclose by investors, your score may be public. Please reach out to your disclosure account manager and/or access the [CDP Help Center](#) for more information.

Reporting Format

For consistency and comparability among NZAM signatories please input data accordingly:

- Currency: USD
- Denomination: Billions
- GHG Emissions: CO2e

Parents vs. Subsidiary Reporting

For parent/subsidiary reporting, the preferred approach is for parent companies to respond on behalf of their subsidiary companies by submitting a consolidated response to CDP, which includes all subsidiary data. This is in line with GHG Protocol, and the International Sustainability Standards Board’s IFRS S2. We recommend consolidated responses to ensure the parent company has complete oversight of all requests at both the subsidiary and parent levels. It also has the added benefit of reducing the reporting burden since it avoids both the parent and subsidiary submitting a response.

While the above outlines the preferred approach, parent companies can disclose a consolidated or independent response from their subsidiaries and choose to respond for as many or as few of their direct subsidiaries as they wish.

Please reference CDP’s [knowledge management article](#) which provides guidance on this topic and outlines steps required for parents and subsidiaries. Please get in touch with your local CDP contact or if you require further support, please visit our [Help Center](#).

Example of Parent and Subsidiary disclosing together:

7.53.1

Provide details of your absolute emissions target(s) and progress made against those targets.

Target setting plays a vital role in environmental action through its role in the successful execution of corporate strategies, as well as in the effective management of dependencies, impacts, risks, and opportunities. The question encourages organizations to set and make progress towards timebound, tracked, quantitative targets, informed by the guidance of leading initiatives and frameworks, such as the Science Based Targets initiative where available.

Target coverage	Greenhouse gases covered by target	Scopes	Scope 2 accounting method
<ul style="list-style-type: none"> • Business activity • Business division • Organization-wide • Country/area/region • Product level • Site/facility • Suppliers • Other, please specify 	<ul style="list-style-type: none"> • Carbon dioxide (CO2) • Methane (CH4) • Nitrous oxide (N2O) • Hydrofluorocarbons (HFCs) • Perfluorocarbons (PFCs) • Sulphur hexafluoride (SF6) • Nitrogen trifluoride (NF3) 	<ul style="list-style-type: none"> • Scope 1 • Scope 2 • Scope 3 	<ul style="list-style-type: none"> • Location-based • Market-based

In the example above, the question on targets is answered via a table. For your NZAM related target 'Business Division' or 'Other' could be chosen as appropriate, and details therein should be relevant and clearly noted as pertaining to the asset management arm of your business. Most questions relating to specific NZAM commitments, TCFD and ICAPs include the ability to delineate between business units or types of financial activities within tables. If there is not this option and you believe the response at parent level is not sufficient (e.g., providing details in free form text) please write 'For asset management business' and/or 'in line with Net Zero Asset Manager commitment' in your response to make this information easier to find in reporting to NZAM.

Step-by-Step Guide for Reporting on Your NZAM Commitments

Outlined below is a question-specific mapping of CDP's questionnaire for the Financial Sector to the NZAM commitments. For more specific guidance on individual questions, please reference CDP's [guidance page](#).

Note: If you choose to complete a TCFD and ICAP separately, please link to them in your CDP response in question 4.12 to ensure all NZAM reporting is consolidated in one place. If you do not choose to complete a TCFD and ICAP separately, please ensure you also fill out all TCFD-aligned questions in the CDP questionnaire. You can find a technical note on CDP's mapping to the TCFD recommendations [here](#) (2024 update coming soon). TCFD-aligned questions will also be tagged within the "Connections to Other Frameworks" section in the questionnaire.

Question	Question text	NZAM commitment
1.9	What was the size of your organization based on total assets value at the end of the reporting period?	Commitment 1: Set interim targets for 2030, consistent with a fair share of the 50% global reduction in CO2 identified as a requirement in the IPCC special report on global warming of 1.5°C
1.10	Which activities does your organization undertake, and which industry sectors does your organization lend to, invest in, and/or insure?	General NZAM commitments
2.2.5	Does your organization have a process for identifying, assessing, and managing environmental risks and opportunities related to your portfolio activities?	Commitment 3: Prioritise the achievement of real economy emissions reductions within the sectors and companies in which we invest Commitment 6: Provide asset owner clients with information and analytics on net zero investing and climate risk and opportunity
2.2.6	Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and opportunities related to your portfolio activities.	Commitment 3: Prioritise the achievement of real economy emissions reductions within the sectors and companies in which we invest Commitment 6: Provide asset owner clients with information and analytics on net zero investing and climate risk and opportunity
2.2.8	Does your organization consider environmental information about your clients/investees as part of your due diligence and/or environmental dependencies, impacts, risks and/or opportunities assessment process?	Commitment 7: Implement a stewardship and engagement strategy, with a clear escalation and voting policy, that is consistent with our ambition for all assets under management to achieve net zero emissions by 2050 or sooner
2.2.9	Indicate the environmental information your organization considers about clients/investees as part of your due diligence and/or environmental dependencies, impacts, risks and/or opportunities	Commitment 6: Provide asset owner clients with information and analytics on net zero investing and climate risk and opportunity Commitment 7: Implement a stewardship and engagement strategy, with a clear escalation and voting policy, that is consistent

	assessment process, and how this influences decision-making.	with our ambition for all assets under management to achieve net zero emissions by 2050 or sooner
3.1	Have you identified any inherent environmental risks which have had a substantive effect on your organization in the reporting year, or with the potential to have a substantive effect on your organization in the future?	Commitment 6: Provide asset owner clients with information and analytics on net zero investing and climate risk and opportunity
3.1.1	Provide details of the inherent environmental risks identified which have had a substantive effect on your organization in the reporting year, or with the potential to have a substantive effect on your organization in the future.	Commitment 6: Provide asset owner clients with information and analytics on net zero investing and climate risk and opportunity
3.1.2	Provide the amount and proportion of your financial metrics in the reporting year that are vulnerable to the substantive effects of environmental risks	Commitment 6: Provide asset owner clients with information and analytics on net zero investing and climate risk and opportunity
4.7	Does the policy framework for the portfolio activities of your organization include environmental requirements that clients/investees need to meet, and/or exclusion policies?	Commitment 7: Implement a stewardship and engagement strategy, with a clear escalation and voting policy, that is consistent with our ambition for all assets under management to achieve net zero emissions by 2050 or sooner
4.7.1	Provide details of the policies which include environmental requirements that clients/investees need to meet.	Commitment 3: Prioritize the achievement of real economy emissions reductions within the sectors and companies in which we invest Commitment 7: Implement a stewardship and engagement strategy, with a clear escalation and voting policy, that is consistent with our ambition for all assets under management to achieve net zero emissions by 2050 or sooner
4.7.2	Provide details of your exclusion policies related to industries, activities and/or locations exposed or contributing to environmental risks.	Commitment 7: Implement a stewardship and engagement strategy, with a clear escalation and voting policy, that is consistent with our ambition for all assets under management to achieve net zero emissions by 2050 or sooner
4.10	Are you a signatory or member of any environmental collaborative frameworks or initiatives?	General commitment: Collaborate with each other and other investors via initiatives (Investor Agenda and its partner organizations (AIGCC, CDP, Ceres, IGCC, IIGCC, PRI, UNEPFI), Climate Action 100+, Climate League 2030, Paris Aligned Investment Initiative, Science Based Targets Initiative for Financial Institutions, UN convened Net-Zero Asset Owner Alliance, among others, which are developing methodologies and supporting investors to take action towards net

		zero emissions) so that investors have access to best practice, robust and science based approaches and standardized methodologies, and improved data, through which to deliver these commitments.
4.11	In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?	Commitment 9: Ensure any relevant direct and indirect policy advocacy we undertake is supportive of achieving global net zero emissions by 2050 or sooner
4.11.1	On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?	Commitment 9: Ensure any relevant direct and indirect policy advocacy we undertake is supportive of achieving global net zero emissions by 2050 or sooner
4.12	Have you published information about your organization's response to environmental issues for this reporting year in places other than your CDP response?	Commitment 10: Publish TCFD disclosures, including a climate action plan, annually, and submit them to the Investor Agenda via its partner organisations for review to ensure the approach applied is based on a robust methodology, consistent with the UN Race to Zero criteria, and action is being taken in line with the commitments made here
4.12.1	Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication(s).	Commitment 10: Publish TCFD disclosures, including a climate action plan, annually, and submit them to the Investor Agenda via its partner organisations for review to ensure the approach applied is based on a robust methodology, consistent with the UN Race to Zero criteria, and action is being taken in line with the commitments made here
5.2	Does your organization's strategy include a climate transition plan?	Commitment 10: Publish TCFD disclosures, including a climate action plan, annually, and submit them to the Investor Agenda via its partner organisations for review to ensure the approach applied is based on a robust methodology, consistent with the UN Race to Zero criteria, and action is being taken in line with the commitments made here
5.11.3	Provide details of your environmental engagement strategy with your clients.	Commitment A: Work in partnership with asset owner clients on decarbonization goals, consistent with an ambition to reach net zero emissions by 2050 or sooner across all assets under management ('AUM') Commitment 6: Provide asset owner clients with information and analytics on net zero investing and climate risk and opportunity
5.11.4	Provide details of your environmental engagement strategy with your investees.	Commitment 3: Prioritize the achievement of real economy emissions reductions within the sectors and companies in which we invest

		Commitment 7: Implement a stewardship and engagement strategy, with a clear escalation and voting policy, that is consistent with our ambition for all assets under management to achieve net zero emissions by 2050 or sooner
5.11.9	Provide details of any environmental engagement activity with other stakeholders in the value chain.	Commitment 8: Engage with actors key to the investment system including credit rating agencies, auditors, stock exchanges, proxy advisers, investment consultants, and data and service providers to ensure that products and services available to investors are consistent with the aim of achieving global net zero emissions by 2050 or sooner
5.14	Do your external asset managers have to meet environmental requirements as part of your organization’s selection process and engagement?	Commitment 7: Implement a stewardship and engagement strategy, with a clear escalation and voting policy, that is consistent with our ambition for all assets under management to achieve net zero emissions by 2050 or sooner
5.14.1	Provide details of the environmental requirements that external asset managers have to meet as part of your organizations selection process and engagement.	Commitment 7: Implement a stewardship and engagement strategy, with a clear escalation and voting policy, that is consistent with our ambition for all assets under management to achieve net zero emissions by 2050 or sooner
5.15	Does your organization exercise voting rights as a shareholder on environmental issues?	Commitment 7: Implement a stewardship and engagement strategy, with a clear escalation and voting policy, that is consistent with our ambition for all assets under management to achieve net zero emissions by 2050 or sooner
5.15.1	Provide details of your shareholder voting record on environmental issues.	Commitment 7: Implement a stewardship and engagement strategy, with a clear escalation and voting policy, that is consistent with our ambition for all assets under management to achieve net zero emissions by 2050 or sooner
7.53	Did you have an emissions target that was active in the reporting year?	Commitment 1: Set interim targets for 2030, consistent with a fair share of the 50% global reduction in CO2 identified as a requirement in the IPCC special report on global warming of 1.5°C
7.53.1	Provide details of your absolute emissions targets(s) and progress made against those targets.	Commitment 1: Set interim targets for 2030, consistent with a fair share of the 50% global reduction in CO2 identified as a requirement in the IPCC special report on global warming of 1.5°C
7.53.2	Provide details of your emissions intensity targets(s) and progress made against those target(s).	Commitment 1: Set interim targets for 2030, consistent with a fair share of the 50% global reduction in CO2 identified as a requirement in the IPCC special report on global warming of 1.5°C
7.53.4	Provide details of the climate-related targets for your portfolio.	Commitment B: 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

		Commitment C: Review our interim target at least every five years, with a view to ratcheting up the proportion of AUM covered until 100% of assets are included
7.54.3	Provide details of your net-zero targets.	General Commitment: Commits to support the goal of net zero greenhouse gas ('GHG') emissions by 2050, in line with global efforts to limit warming to 1.5°C ('net zero emissions by 2050 or sooner'). It also commits to support investing aligned with net zero emissions by 2050 or sooner.
7.55.3	What methods do you use to drive investment in emissions reduction activities?	Commitment 3: Prioritize the achievement of real economy emissions reductions within the sectors and companies in which we invest
7.79	Has your organization canceled any project-based carbon credits within the reporting year?	Commitment 4: If using offsets, invest in long-term carbon removal, where there are no technologically and/or financially viable alternatives to eliminate emissions
7.79.1	Provide details of the project-based carbon credits canceled by your organization in the reporting year.	Commitment 4: If using offsets, invest in long-term carbon removal, where there are no technologically and/or financially viable alternatives to eliminate emissions
7.9.3	Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.	Commitment 2: Take account of portfolio Scope 1 & 2 emissions and, to the extent possible, material portfolio Scope 3 emissions
12.1	Does your organization measure the impact of your portfolio on the environment?	Commitment 2: Take account of portfolio Scope 1 & 2 emissions and, to the extent possible, material portfolio Scope 3 emissions
12.1.1	Provide details of your organization's financed emissions in the reporting year and in the base year.	Commitment 2: Take account of portfolio Scope 1 & 2 emissions and, to the extent possible, material portfolio Scope 3 emissions
12.1.2	Disclose or restate your financed emissions for previous years.	Commitment 2: Take account of portfolio Scope 1 & 2 emissions and, to the extent possible, material portfolio Scope 3 emissions
12.1.3	Provide details of the other metrics used to track the impact of your portfolio on the environment.	Commitment 2: Take account of portfolio Scope 1 & 2 emissions and, to the extent possible, material portfolio Scope 3 emissions
12.5	In the reporting year, did your organization finance and/or insure activities or sectors that are aligned with, or eligible under, a sustainable finance taxonomy? If so, are you able to report the values of that financing and/or underwriting?	Commitment 4: If using offsets, invest in long-term carbon removal, where there are no technologically and/or financially viable alternatives to eliminate emissions
12.6	Do any of your existing products and services enable clients to mitigate and/or adapt to the effects of environmental issues?	Commitment 5: As required, create investment products aligned with net zero emissions by 2050 and facilitate increased investment in climate solutions

12.6.1	Provide details of your existing products and services that enable clients to mitigate and/or adapt to the effects of environmental issues, including any taxonomy used to classify the product(s).	Commitment 5: As required, create investment products aligned with net zero emissions by 2050 and facilitate increased investment in climate solutions
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Frequently Asked Questions

▼ Which NZAM signatories are required to complete an annual disclosure?

Within one year of joining NZAM, you should have completed your target disclosure via Alchemer. Then you must begin your annual reporting via CDP or PRI in the following year. In most cases, if you joined NZAM on or before December 2022 (and have submitted your target via Alchemer by December 2023), you will be required to disclose in 2024.

▼ When is the window to disclose?

The 2024 CDP questionnaire opens for disclosers on June 4th and closes on October 16th. If you wish to receive a CDP score, you must submit before the scoring deadline of October 2nd. Please find more information regarding disclosure dates and timelines [here](#).

▼ How much does it cost?

If a company has only received an NZAM request for 2024, they will not be charged a fee. If a company has received a disclosure request from another authority, such as the CDP Investor Request, they will be charged an admin fee. Please review our FAQs regarding admin fees [here](#).

▼ How do I register myself or a colleague to be a responder?

If you or your colleagues have not received an invitation email from CDP, please complete the [“Register to Disclose”](#) form. Otherwise, please email your CDP disclosure account manager or case manager with the first and last name, along with job title and email address for who you wish to register on the portal.

▼ I am having issues accessing the CDP Portal. Who can I contact to help?

Please visit the [CDP Help Center](#) for any questions about our portal. Otherwise, please reach out to your local CDP contact.

▼ We already disclose through CDP – what do we do?

Great! Carry on as normal. Reference the above table to assist with answering the relevant NZAM questions. Disclosing through CDP enables companies to share their data with multiple stakeholders via one submission, so we are glad you could report to these stakeholders through us.

▼ Can I only respond to the relevant questions?

Yes, these are outlined in the table above. Please note that if you choose to complete your questionnaire only partially and choose to be scored, your score may be affected. Please see our [scoring methodology](#) for additional information.

▼ **After I complete the CDP questionnaire, should I also submit a separate TCFD and Investor Climate Action Plan (ICAP)?**

NZAM commitment #10 requires a complete TCFD and ICAPs. Fully completing the CDP Financial Services Questionnaire fulfills all the requirements of a TCFD and ICAP. If you choose to complete a TCFD and ICAP separately, please link to them in your CDP response in question 4.12 to ensure all NZAM reporting is consolidated in one place. If you do not choose to complete a TCFD and ICAP separately, please ensure you fill out all TCFD-aligned questions in the CDP questionnaire. You can find a technical note on CDP's mapping to the TCFD recommendations [here](#) (2024 update coming soon). TCFD-aligned questions will also be tagged within the "Connections to Other Frameworks" section in the questionnaire.

▼ **What are the benefits to being scored and completing a full disclosure?**

Companies disclosing to CDP have been shown to increase their environmental ambition over time by leveraging CDP's framework to identify best practice and determine next steps in their environmental journey. CDP reporting is both TCFD & ICAPs aligned, thus allowing companies that fully disclose to fulfill their TCFD and ICAPs requirements that are necessary for membership in NZAM. The 2024 CDP questionnaire is also partially or fully aligned with emerging standards and frameworks, allowing companies to get ahead of regulation such as the IFRS S2 or the SEC's climate disclosure rules. Learn more about [how CDP is aligned to environmental disclosure standards and frameworks](#). Additionally, CDP Scores allow companies to evaluate and track progress year on year, as well as benchmark themselves against their peers. Overall, complete disclosures (and scores) can demonstrate a commitment to environmental management, while providing valuable information to stakeholders and the broader environmental data ecosystem.