

## Inaugural 2025 Target Setting Protocol

### Organization

**UN-convened Net Zero Asset Owner Alliance**

### Partner organizations

**WWF**

**Global Optimism**

## Summary

The Inaugural 2025 Target Setting Protocol explicitly sets out how individual members of the UN-convened Net Zero Asset Owner Alliance will set a target achievable in the next five years. The Protocol covers multiple asset classes and encourages a sectoral approach to target setting that encompasses even the hardest-to-abate sectors. Its quantitative targets are in line with the IPCC 1.5°C “no” and “low” overshoot scenarios. By setting targets for 2025 using this Protocol, asset owners can take the most reliable paths to keep temperatures in line with the Paris Agreement goals.

The Protocol supports the setting of engagement targets, sectoral intensity-based targets, sub-portfolio emissions targets, and financing transition targets.

### Climate Focus

<b>Alignment</b>	Impact	Risk
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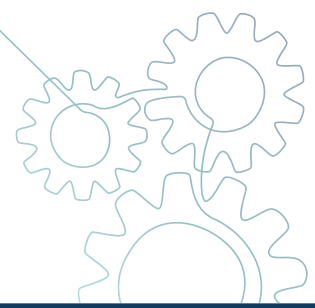
### Resource Type

Data & Metrics	Pathways & Scenarios	Assessment Tools	<b>Methodology</b>	<b>Target Setting Guidelines &amp; Verification</b>	Reporting Frameworks & Guidelines	Collaborative Initiatives
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### Intended Users

Banks	<b>Investors</b>	Insurers	Central Banks	Regulators
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## Inaugural 2025 Target Setting Protocol

<b>WHO</b>	The Protocol is targeted at asset owners.
<b>WHAT</b>	<ul style="list-style-type: none"> <li>• The Protocol explicitly sets out how individual members will set a target, achievable in the next five years.</li> <li>• The Protocol supports the setting of engagement targets, sectoral intensity-based targets, sub-portfolio emissions targets, and financing transition targets.</li> </ul>
<b>WHEN</b>	<ul style="list-style-type: none"> <li>• The Protocol should be used to give members of the Net-Zero Asset Owner Alliance guidance on how to set out individual member targets that are in line with the Paris Agreement.</li> <li>• The inaugural Protocol covers 2020–2025 target setting.</li> </ul>
<b>WHERE</b>	Asset classes covered include listed equity and publicly traded corporate debt and real estate holdings, adding additional asset classes as these become available.
<b>WHY</b>	The Protocol helps members of the Net Zero Asset Owner Alliance meet their commitment to set interim targets and can support stakeholder communication related to target-setting by providing clear guidelines and expectations of best practices.
<b>HOW</b>	The protocol can be found <a href="#">online at the UNEP FI’s website</a> .