

Invesco joins forces with investment leaders to reach a net-zero future

Invesco's work on tackling climate change and involvement in ground-breaking initiatives such as Net Zero Asset Managers initiative can help investors be aligned to a low-carbon future and play a key role in making the world and our environment more sustainable for future generations.

Climate change is the greatest societal and financial risk that people across the globe face. The transition to a low-carbon economy is already underway, but there is much work to do to reach net-zero greenhouse gas emissions by 2050. We believe asset managers are uniquely positioned to make a significant impact in achieving this goal.

As one of the largest asset management firms in the world, managing over US\$1.3T (as of 31 December 2020) on behalf of investors around the world, Invesco believes it can – and should – help accelerate the transition towards a global net-zero future.

We have joined the global Net Zero Asset Managers initiative – a global pledge focused on investment managers committing to net-zero. Launched in December 2020 with 30 signatories representing the world's largest asset managers and holding \$9T in assets, the initiative has the firepower to speed up the energy transition significantly.

By becoming a member of this important initiative, we commit to:

- supporting the global goal of reaching net-zero greenhouse gas emissions across all our investment portfolios by 2050, in line with the Paris Agreement goal to limit warming to 1.5°C above pre-industrial levels
- setting interim assets-under-management (AUM) for decarbonizing our portfolios by this year's UN Climate Change Conference "[COP 26](#)" in November
- reviewing our internal targets every five years with the aim of increasing the proportion of assets covered until 100% are included, by 2050 or earlier

Invesco has not only pledged support to the Net Zero Asset Manager initiative, but are also members of the Net Zero Asset Managers working group, where we will work directly with:

- United Nations-backed Principles for Responsible Investment (PRI)
- Institutional Investors Group on Climate Change (IIGCC)
- [CDP](#) (formerly, Carbon Disclosure Project, a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts) and other organizations alongside asset managers to develop net-zero methodologies for asset classes and foster industry standards

As we continue to enhance our analytical capabilities by adding new data sets, we improve our ability to assess and manage the overall carbon footprint and scenario analysis of all our funds. Our goal to identify assets for the Net Zero pathway will be based on strong analytics and insights and be rooted in helping meet our clients' needs.



Reaching net-zero carbon emissions by 2050 is an enormous challenge for the financial sector and our clients. Asset managers, working with their investors, will help support adapting to the massive transformation we are likely to see in capital markets as energy transition accelerates.

You can read the Institutional Investors Group on Climate Change's ([IIGCC](#)) press release on their website, [here](#).

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