

Our Net Zero Commitment

Gothaer Asset Management AG

Unser Net Zero Commitment

Gothaer joined the Net Zero Asset Owner Alliance (NZAOA) at the end of 2021. The UN-backed initiative brings together institutional investors with the aim of achieving the transition to a low-carbon economy. By joining the Net-Zero Asset Owner Alliance, members commit to making their investment portfolios carbon-neutral by 2050 in order to meet the 1.5 degree target of the Paris Climate Agreement.

The NZAOA has published a Target Setting Protocol, which requires members to set interim targets every five years in line with article 4.9 of the Paris Agreement and report on the progress. The Target Setting Protocol outlines requirements and recommendations for members in setting targets. Members are required to set targets against four parts. The minimum expectation is that Alliance members shall set targets on three parts with engagement being a mandatory target

The alliance's four-part target setting approach includes: Die vier Ziel-Bereiche der Allianceumfassen:

- Sub-Portfolio Targets
- Engagement Targets
- Sector Targets
- Financing Transition Targets

The Target Setting Protocol is reviewed and published annually, increasing the scope of target requirements and adjusting existing guidance in line with the most recently available, scientific findings. GoAM is committed to setting net-zero targets consistent with the requirements of the NZAOA. In 2022, the following 3-year interim targets, listed below, were adopted and will be progressively expanded in accordance with changes to the NZAOA's target-setting protocol.

- **Sub-Portfolio Targets*:** Reduce financed GHG emissions (Scope 1 + 2) per million € invested by 25% each for equities and corporate bonds by Dec. 31, 2024 compared to 2021.
For real estate portfolio: Reduction of financed GHG emissions (Scope 1 + 2) per kgCO₂/m² in the RE Equity Portfolio (with a stake of 25% or higher) by 20% by 12/31/2024 compared to 2021.
- **Engagement Targets:** Engagement Dialogue with at least 20 companies in the portfolio on climate change.
- **Sector Targets:**
Coal Energy: Complete phase-out of the coal-based energy industry by 2030 at the latest in the European Union and OECD countries and by 2040 at the latest in all other countries. For this, the threshold value for the maximum permissible share of revenue that the company can generate from the mining or generation of electricity from coal will be continuously reduced in accordance with the published [phase-out plan](#).

Oil & Gas sector: By the end of 2027, Gothaer aims to hold in its portfolio only those companies from the oil and gas sector that have adopted and communicated credible decarbonization plans to achieve net zero targets by 2050.

With regard to the exclusion criteria in the respective sectors, we refer to our [responsible investment policy](#)

- **Targets for financing climate solutions:** Annual investment of 200 million euros in impact/thematic investments.

* Commitment relates exclusively to Gothaer Group [assets](#). Mutual funds and the FLV are excluded from this commitment.