



Biodiversity as a financial asset: Opportunities and challenges for investors



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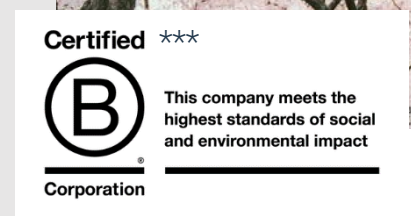
Investing to protect biodiversity



was created **in 2014** with a distinctive investment approach:

Reconcile search for sustainability & profitability

100% dedicated to sustainable investment	All funds are classified article 9 under SFDR**
2°C Climate trajectory of our portfolios*	Mission led company
€29,7 bn Assets under management****	



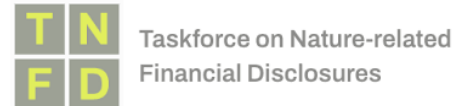
References to a ranking, prize or label do not anticipate the future results of the latter, or of the fund, or of the manager.

*Mirova aims, for all its investments, to propose portfolios consistent with a climate trajectory of less than 2°C defined in the Paris Agreements of 2015, and systematically displays the carbon impact of its investments (excluding Social Impact, Impact Private Equity and Natural Capital funds), calculated from a proprietary methodology that may involve biases. **With exception of certain dedicated funds and funds delegated by management companies outside Groupe BPCE. The Sustainable Finance Disclosure Reporting (SFDR) Regulation aims to provide more transparency in terms of environmental and social responsibility in financial markets, through the provision of sustainability information on financial products (integration of risks and negative sustainability impacts). For more information about SFDR, please refer to the end of this presentation. Mirova is a mission-driven company since 2020. For more information: www.entreprisemission.org. ***Since 2006, the B Corp movement has been promoting strong values of change throughout the world to make companies "a force for good" and to distinguish between those that reconcile profit (for profit) and collective interest (for purpose). The B Corp's objective is to certify companies that integrate social, societal and environmental objectives into their business models and operations. B Corp Certification is a designation that a business is meeting high standards of verified performance, accountability, and transparency on factors from employee benefits and charitable giving to supply chain practices and input materials. Certified since 2020, Mirova reapplies for the B Corp Certification every three years. The annual fee for maintaining the certification is €2,500. For more information: www.bcorporation.net/about-b-corps. Mirova is B-corp certified since 2020. The investment in the Fund does not have a direct impact on the environment and society. The Fund seeks to select and invest in companies that meet specific criteria defined in the management strategy. ****Source: Mirova, as of 31/12/2023.

OUR MISSION

Taking our responsibility for protecting biodiversity

OUR COMMITMENT



OUR ENGAGEMENT

OUR INITIATIVES

Finance for biodiversity: Commitment to a finance favorable to biodiversity; **Sustainable Markets Initiative:** Founded by Mirova, HSBC Pollination Climate Asset Management and Lombard Odier, Sustainable Market Initiative (SMI) aims to accelerate the development of Natural Capital as an investment theme and to engage the USD 120 trillion investment management industry and mobilise this private capital efficiently and effectively for Natural Capital opportunities. **FAIRR:** Collaborative engagement campaigning on sustainable proteins, sustainable agriculture supply chains. **TNFD:** Nature-based Financial Disclosure Working Group; **OBC:** The Organization for Biodiversity Certificates (OBC) develops a methodology to issue biodiversity certificates using MSA (Mean Species Abundance indicator). For more details, please see our website: <https://www.mirova.com/en/ideas/mirova-for-nature-action-biodiversity>. **The information provided reflects the situation as of the date of this document and is subject to change without notice.** Source: Mirova

Impact investing in action to contribute to a nature-positive economy

A roadmap based on three pillars

**Nature-based
Solutions**

Accelerating our
investments in
biodiversity

**Data and
methodology**

Developing suitable
indicators to
measure impact

**Broad
collaboration**

Strengthening our
commitments
to our stakeholders
and fostering
public-private
collaboration



What are the main drivers of biodiversity loss ?

Human activities are the main cause of biodiversity loss

Key IPBES* defined anthropic pressures



1.
Land use



2.
Climate change



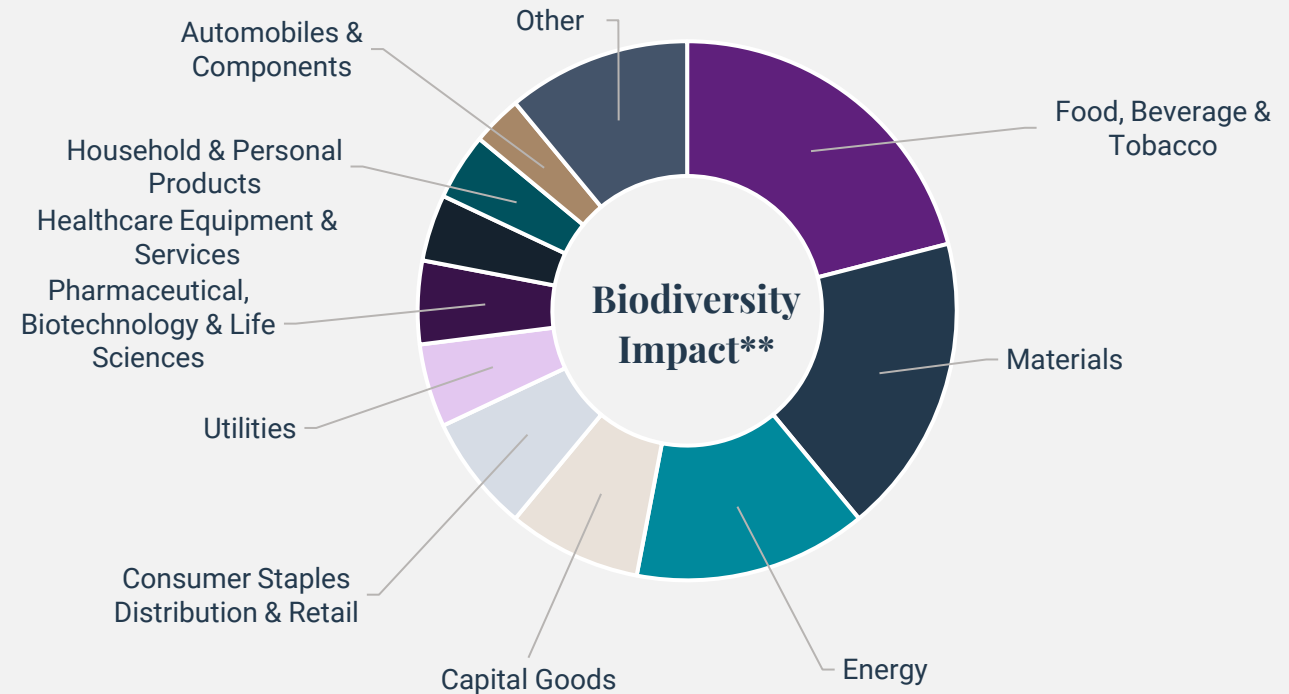
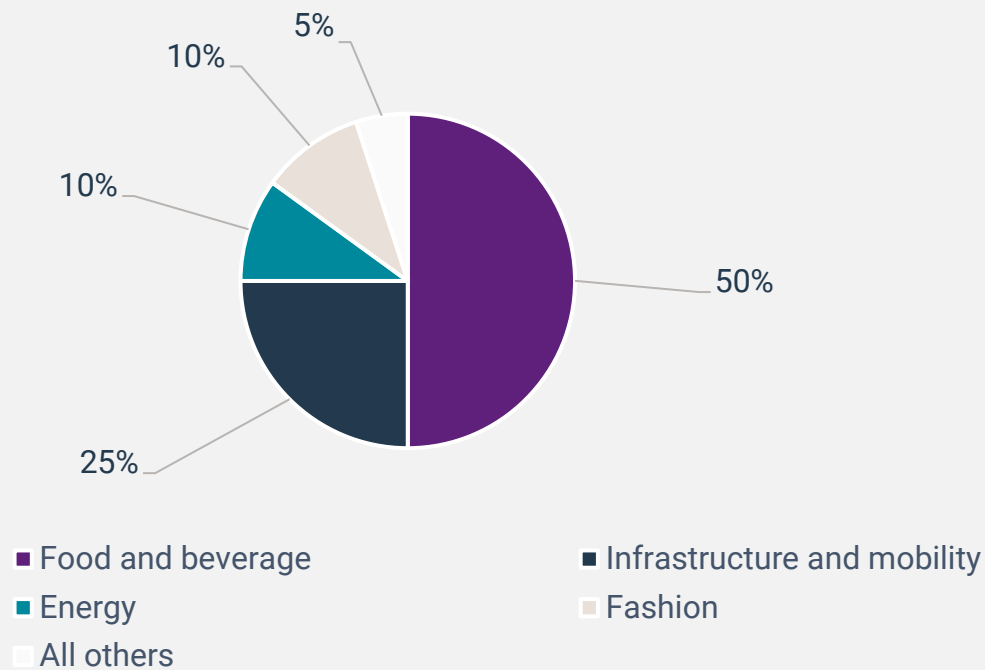
3.
Pollution

4.
Invasive species**

5.
Direct exploitation**

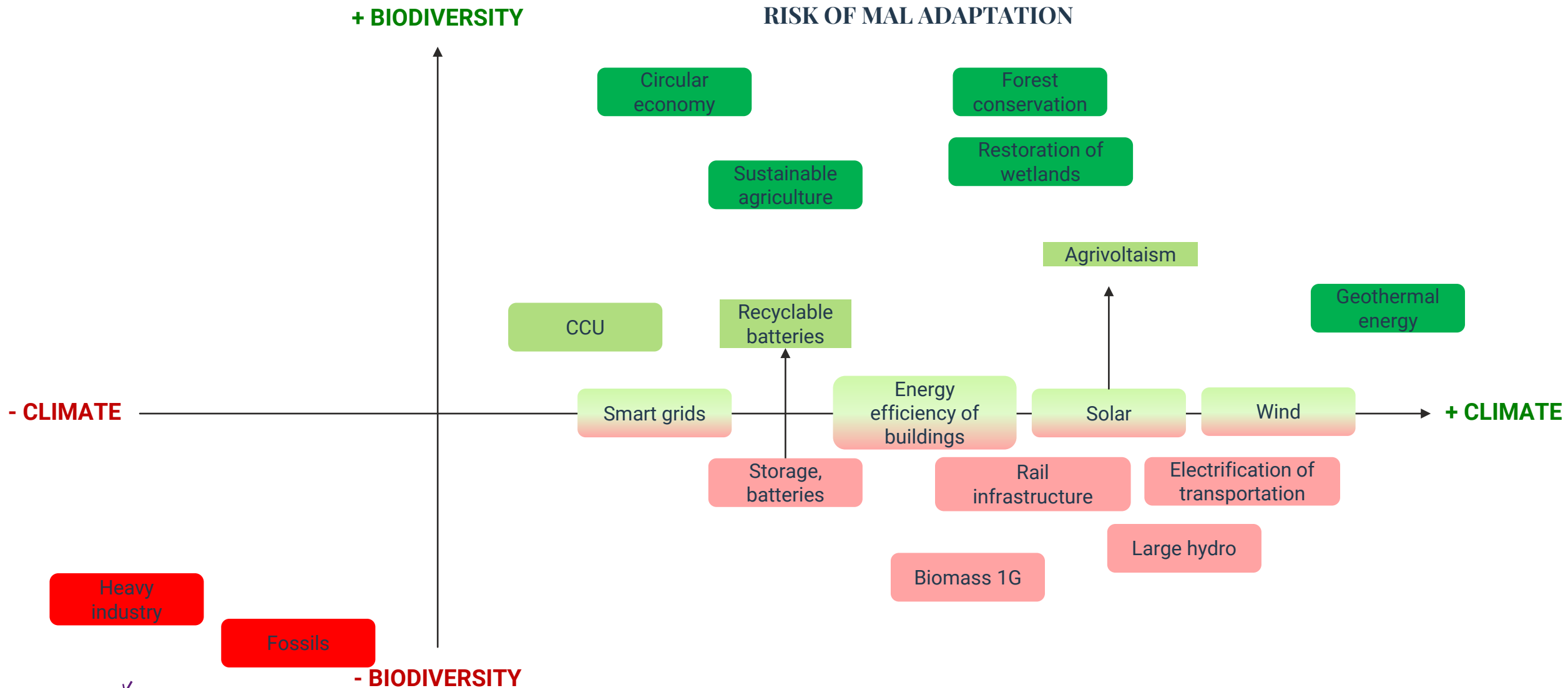
What are the main drivers of biodiversity loss ?

Four major value chains account for about **90%** of pressure on biodiversity*



CLIMATE & BIODIVERSITY: INTERCONNECTED CHALLENGES

Biodiversity solutions benefit nature, but the opposite is not necessarily true.



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WHAT ARE THE OPPORTUNITIES FOR INVESTORS?

Real potential for long-term growth

GROWTH POTENTIAL

The **winners of tomorrow** are companies that **integrate nature** in their **value chains, operations and business decisions**

through

The **circular economy** could generate **\$4,500 Bn** of additional economic output by 2030



Biodiversity as an investment focus covers **many investment themes** such as **sustainable water management, waste and the circular economy**

These **economic drivers** are supported by **rapid technological innovations and solutions** across the value chains of different industries

+ \$1,000 Bn in investments are needed by 2030 to build **efficient water management infrastructure globally**

Source: WEF, IEA Net Zero Roadmap (2023 Update), FOA, The State of Food and Agriculture 2023 report, Accenture Strategy, 2015, Waste to Wealth report, Bloomberg, Financing Nature: closing the global biodiversity financing gap, 2021, Paulson Institute.

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WHAT ARE THE OPPORTUNITIES FOR INVESTORS?

A strategy to address biodiversity loss

4 PRIORITY INVESTMENT THEMES



WHAT ARE THE CHALLENGES FOR INVESTORS?

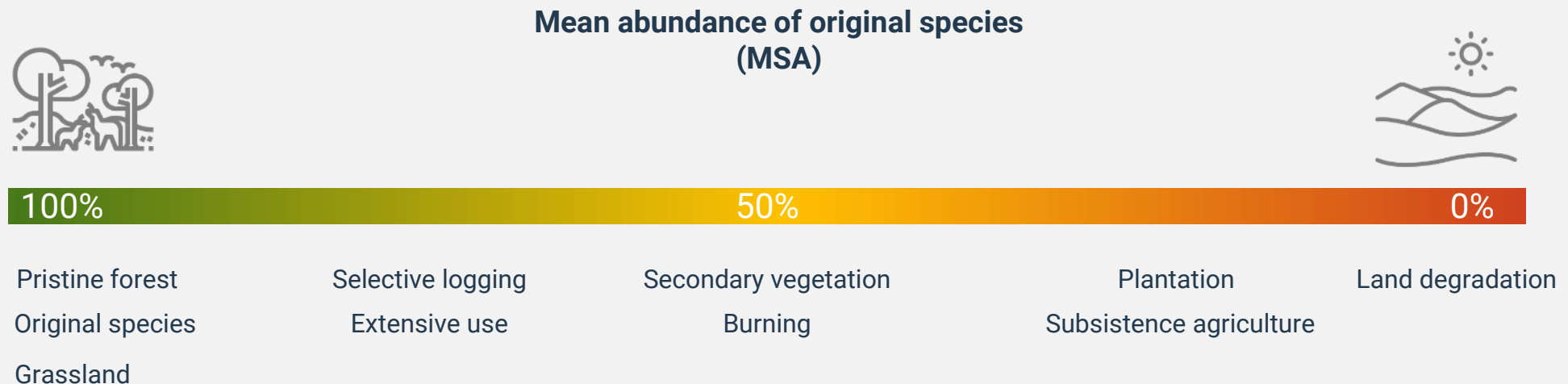
How to measure biodiversity?

The abundance indicators measuring footprint in terms of anthropic pressures is becoming a standard.

→ Mean Species Abundance (MSA) is relevant for listed stocks

- ▶ MSA expresses the average relative abundance of the original species relative to their abundance in undisturbed ecosystems
- ▶ The tool measures the impact of corporates activity on the variation of MSA and multiplies it by required land surface
- ▶ Both direct and indirect impacts are captured (Products and Practices)

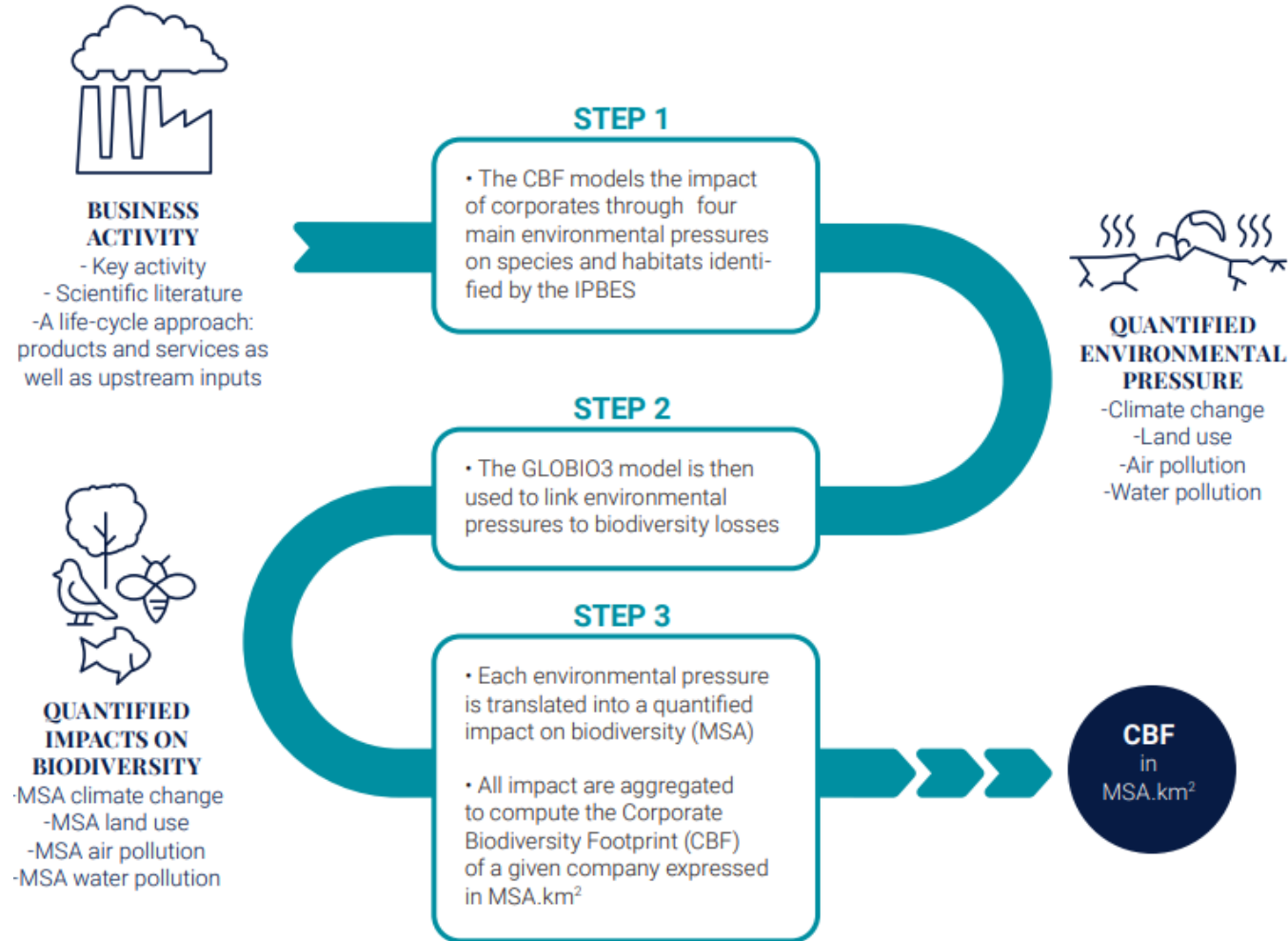
→ **The MSA approach is offered by many data providers in Europe and the US** (Carbone4, Iceberg Datalab...). Source data is either provided by the company, or database simulation.



WHAT ARE THE CHALLENGES FOR INVESTORS?

How to measure biodiversity?

Calculating the biodiversity Impact using the “MSA.km²” Unit*



Source: Mirova, based on Iceberg Datalab methodology

*MSA: Mean Species Abundance

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WHAT ARE THE CHALLENGES?

Biodiversity measurement: What's next ?

Evaluate the other pressures

- Invasive species - are involved in 16% of extinctions
- Direct exploitation - 1st factor of erosion of marine species



Geolocate impacts

- Evaluate new satellite tools (e.g., Starling, Earth Biox, OpenGeohub, Chloris, etc.)
- Improve the granularity of the IDL CBF tool (Image module)

Converge towards a common definition of positive impact

- Biodiversity credits - measurement of the state of nature: surface and quality of ecosystems, abundance and diversity of species (tools: eDNA, sound, video)
- Model positive impacts: avoided, reduced, in IDL-CBF)



Assess the impact on marine resources

- Pressures to model: impacts of marine sediment, fishing
- Model positive impacts: avoided, reduced, in IDL-CBF)

KEY TAKEAWAYS

Investing to preserve biodiversity

1

Natural ecosystems are under threat exacerbated by a **funding gap**

2

Investors play a key role contributing to **the transition towards a nature positive system**

3

A global thematic fund investing in companies which **mitigate biodiversity pressures** through products and services as well as in companies in **transition** towards more sustainable practices

APPENDIX

An aerial photograph of a city with a river, overlaid with various white icons representing infrastructure and technology. The icons include a suspension bridge, a water tower, a factory, a house, a church, a tree, a train, a satellite, a wind turbine, and a starburst pattern.

OUR EQUITIES EXPERTISE

Creating synergy across listed equities

SUSTAINABLE EQUITY



Jens Peers, CFA¹
CIO Sustainable Equity



Hervé Guez
Global Head
Listed Assets

THEMATIC EQUITY



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Materials, Industrial,
Information Technology & Utilities
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Clarice Avery, CFA²
Client Portfolio Manager
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SHARED RESOURCES



Ignace Nguyen⁴
Client Portfolio Manager
Singapore



Caroline Laborie
Portfolio Manager
Paris

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Source: Mirova

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A global team of equity experts supported by Mirova's broad resources



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Thematic Equity Director

Thematic Investment Team Portfolio Managers & Equity analysts



Suzanne Senellart
› Portfolio Manager
› Natural resources & biosourced ingredients



Paul Bethell
› Portfolio Manager, CFA*
› Quantitative strategies



Mathilde Pierre
› Portfolio Manager & Analyst
› Utilities & Electric equipment



Laura Fauveau
› Portfolio Manager & Equity Analyst
› Healthcare



Christine Tricaud
› Equity Analyst
› Real Estate, Building Materials



Oscar Bateau**
› Equity analyst
› Information technology & Clean mobility



Juliette Noirclerc
› Portfolio Manager & Equity Analyst
› Capital goods, Business services & Materials



Thomas Giroux
› Financial engineer
› Quantitative analyst
› PhD candidate in applied mathematics

+ 14 additional resources (PM + Analysts)

Research Team Impact/ ESG analysts



Louise Schreiber
› Head of sustainability
research - listed markets



Manuel Coeslier
› Climate &
Environment



**Hadrien
Gaudin-Hamama**
› Resources & Biodiversity



Manon Salomez***
› Healthcare &
decent work



Camille Barré
› Mobility & Diversity

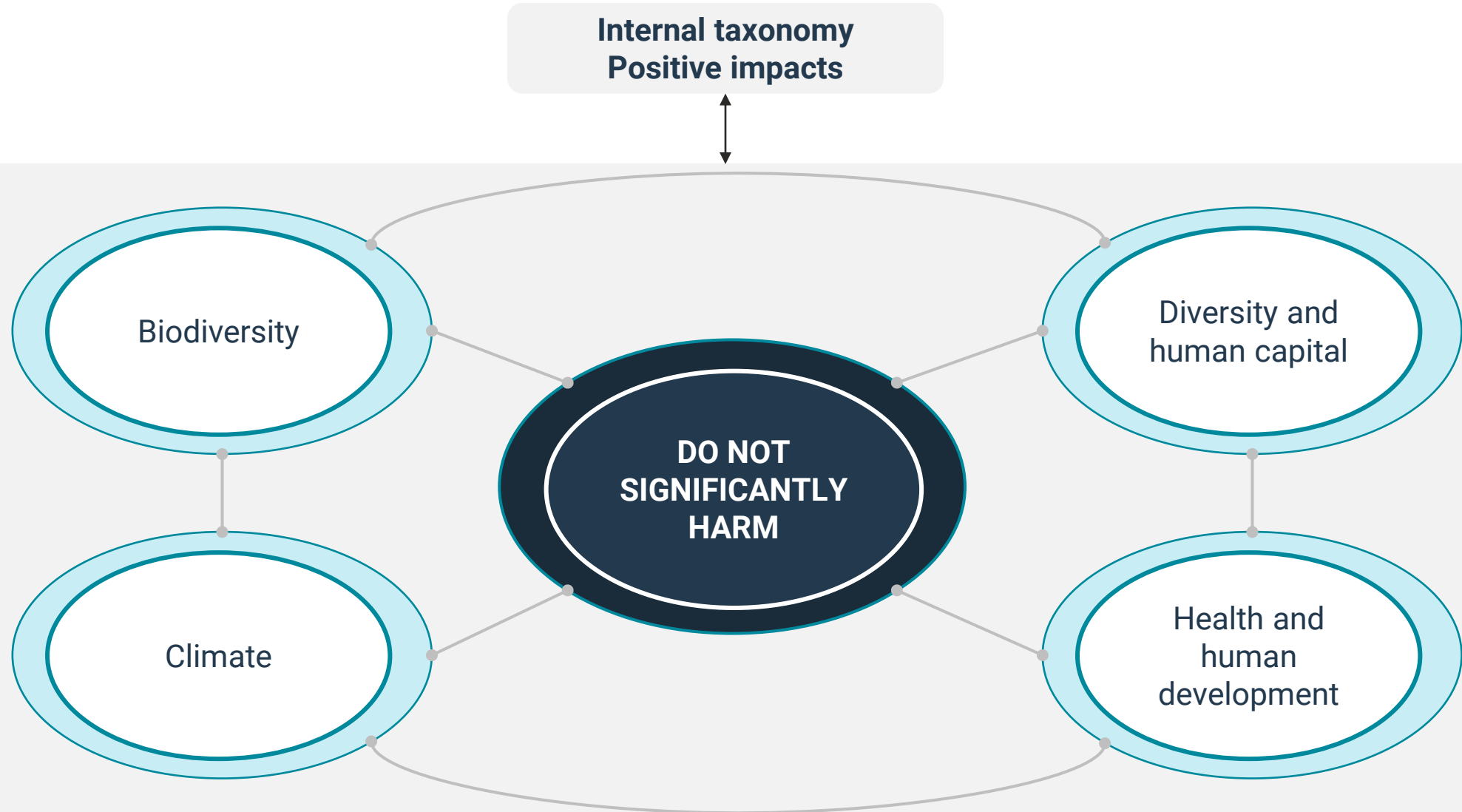
+ 16 ESG analysts

Investment Specialists



Ignace Nguyen****
Client Portfolio Manager
Asia

... without prejudice to the other Sustainable Development Goals (SDGs)



OUR GLOBAL THEMATIC EQUITY STRATEGIES

An equity thematic range covering 4 themes



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June 2024

