mirova
Investing in sustainability

MARKETING COMMUNICATION

Nature and Biodiversity in practice
Case Studies and Insights

HKGFA Biodiversity Training Series – June 12th, 2024

MARKETING COMMUNICATION intended for Investment Professionals / Professional Clients as defined by MiFID / Qualified Investors only in the frame of the HKGFA event.
Please refer to the Limited Partnership Agreements before making any final investment decisions.

An affiliate of
NATIXIS
INVESTMENT MANAGERS

Biodiversity impact monitoring

1

Global framework:

BIODIVERSITY PRESERVATION AND RESTORATION

2

Mirova's methodology

HOW WE ASSESS IMPACT ON BIODIVERSITY?

3

In application: successes and challenges to address

- REFORESTERRA PROJECT
- TERRASOS

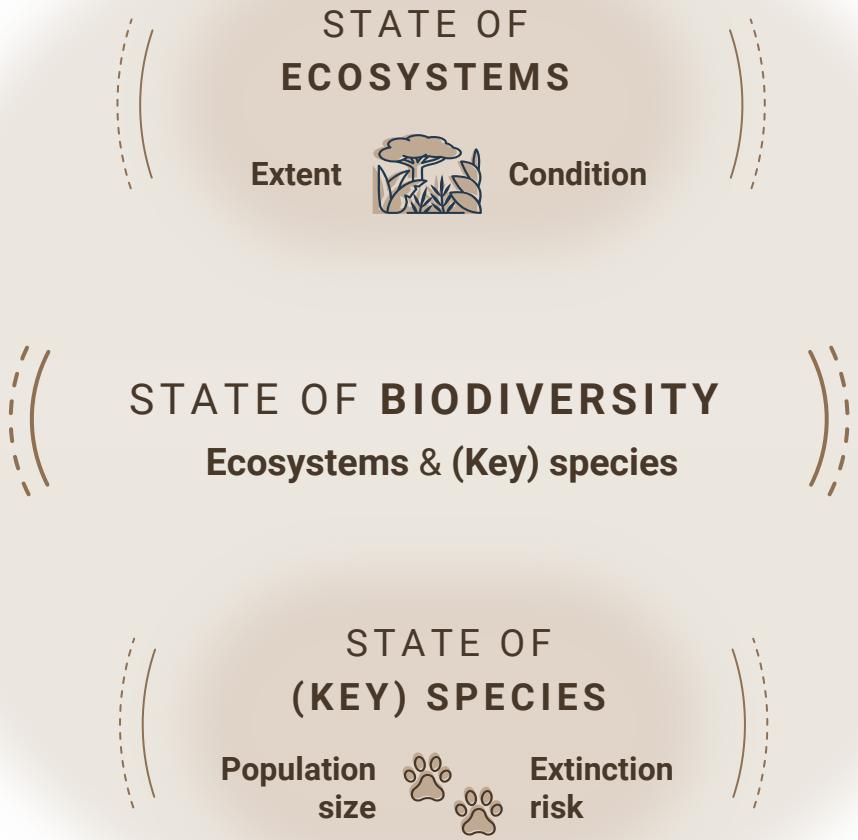
Basic principles of impact on biodiversity

The **state of biodiversity** relies on **states of both ecosystems & species.**

Monitoring of biodiversity impacts involves the **assessment of changes in states of ecosystems and key species,** with **sound KPIs***

KPI REQUIREMENTS TO ASSESS CHANGES

- **MEASURABLE**
  to be **recorded** and **analyzed** in quantitative and qualitative terms
- **PRECISE**
  defined the same way by all people / stakeholders
- **CONSISTENT**
  not changing over time so that it **always measures the same thing**
- **SENSITIVE**
  Evolving proportionately to the actual changes in the condition being measured



*Key Performance Indicators. Information provided reflects Mirova's opinion / the situation as of the date of this document and is subject to change without notice. Companies mentioned were selected as examples on the basis of objective criteria, in order to best represent the fund's strategy and positioning. This is not a guarantee of their future mention and performance. Source: Mirova analysis, as of 31/05/2024

Pioneering guidelines through experience and innovation

MIROVA'S GUIDELINES FOR BIODIVERSITY IMPACT MONITORING

Aligned with existing methodologies, **Mirova's monitoring plans define:**

1. **Monitoring** at least **5 indicators**
2. **At least 1 indicator** reflecting **ecosystem structure**
3. **Selection of indicators** reflecting the **nature and context of the project**
4. **A clear methodology** to be **established prior to the baseline** and **to remain unchanged**
5. **Monitoring to occur at least every 5 years.** More frequent monitoring may be applicable in some cases

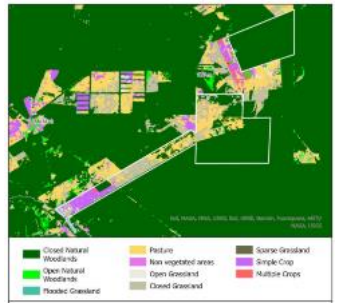
Working closely with project developers to **design biodiversity impact monitoring plans adapted to each project**, tailored to their ecosystem, activities, local knowledge and expertise

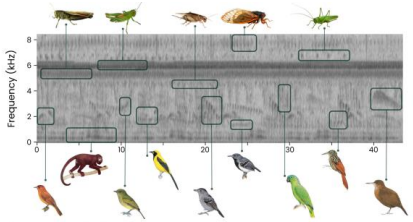
ENHANCED MONITORING THANKS TO NEW TECHNOLOGIES – illustration ►

► **Remote sensing:** monitoring and assessing with satellite imagery landscape-level changes over time, including land use change, primary productivity (Normalized Difference Vegetation Index – NDVI), above-ground biomass stock, etc.

► **eDNA:** analysis of DNA (DeoxyriboNucleic Acid) from environmental samples (water, soil, insects, etc.)

► **Acoustic monitoring:** collection of data on the types of species present in a specific location, gathered by analyzing sound recordings.





Information provided reflects Mirova's opinion / the situation as of the date of this document and is subject to change without notice. Companies mentioned were selected as examples on the basis of objective criteria, in order to best represent the fund's strategy and positioning. This is not a guarantee of their future mention and performance. Source: Mirova, as of 31/05/2024

FOR INVESTMENT PROFESSIONAL USE ONLY

Our Overall Approach for Biodiversity Impact Monitoring

Several indicators defined to monitor each Key Performance Areas (KPA), meaning **main areas of changes in the state in biodiversity** (ecosystem integrity, species health, etc.)

Formalised guidance to select the **appropriate indicators per project** (mandatory, and/or optional indicators)

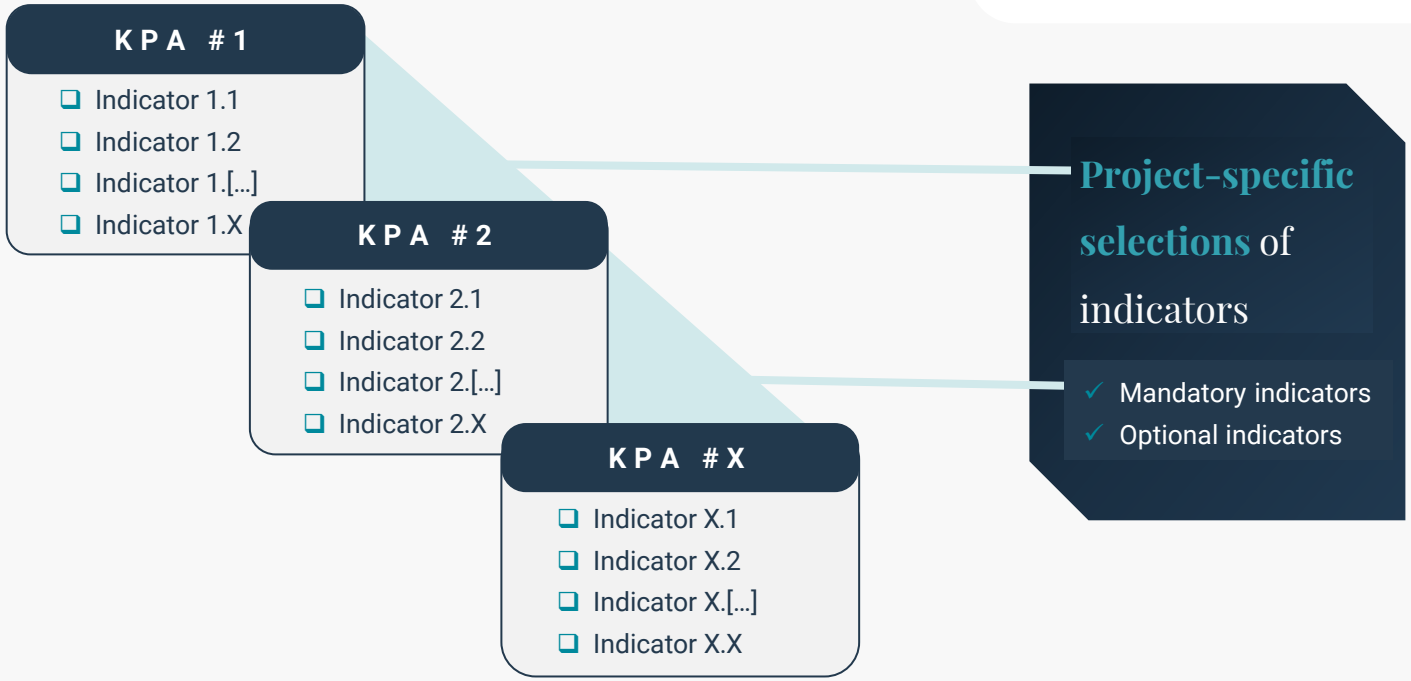
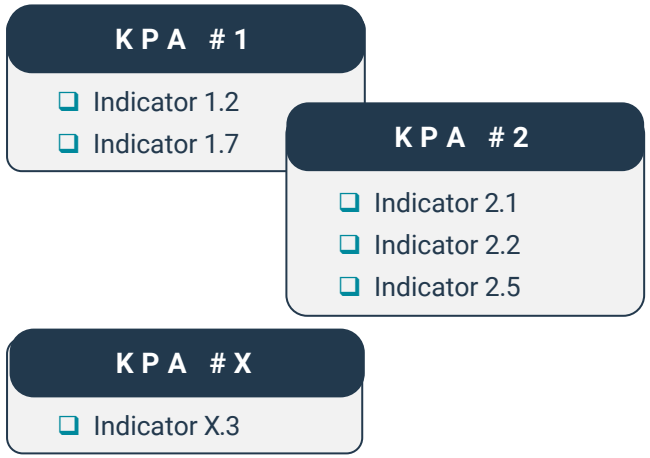


ILLUSTRATION OF A PROJECT-SPECIFIC SELECTION OF INDICATORS



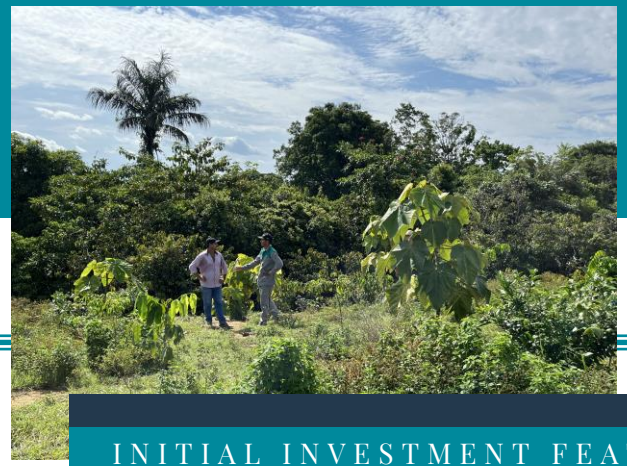
Seeking the **most accurate biodiversity impact monitoring** through a **project-specific assessment**

Information provided reflects Mirova's opinion / the situation as of the date of this document and is subject to change without notice. Companies mentioned were selected as examples on the basis of objective criteria, in order to best represent the fund's strategy and positioning. This is not a guarantee of their future mention and performance. Source: Mirova, as of 31/05/2024

FOR INVESTMENT PROFESSIONAL USE ONLY

Reforesterra: increasing biodiversity preservation & monitoring

The Reforesterra project consists in supporting Rioterra and Reforest'Action to ***restore degraded riparian areas of permanent protection and legal reserves under an ARR program***



- (i) Full planting on 1,500 ha: Planting fast-growing species along with slow growing species in order to create a favorable environment for natural regeneration
- (ii) Applied Nucleation on 500 ha: Planting of native tree species in clustered zones which assist natural regeneration in the remaining areas. The project will therefore have a strong impact on biodiversity, with expected species recovery to previously degraded habitats

CENTRO DE ESTUDOS RIOTERRA

reforestACTION

INITIAL INVESTMENT FEATURES

Investment date	August 2022
Geography	Brazil
Instrument	VERPA

Managing the project and monitoring biodiversity impacts

- **Project specificities:** fragmented restored areas across a large landscape and plots along water bodies, in riparian areas. an ambitious biodiversity monitoring plan is currently in deployment using various technologies (water sampling, soil eDNA, acoustic, remote sensing) and targeting both ecosystem conditions and species health

TECHNOLOGY USED	MEASURED INDICATORS
Remote sensing	Land cover change, primary productivity (NDVI), moisture (NDMI), ecological connectivity
Soil eDNA	Species richness
Water samples	Water quality
Field measurement & remote sensing	Vegetation richness
Acoustic monitoring	Birds' species richness and composition

1 – Subject to the revision of the VCUs delivery schedule. Information provided reflects Mirova's opinion / the situation as of the date of this document and is subject to change without notice. Companies mentioned were selected as examples on the basis of objective criteria, in order to best represent the fund's strategy and positioning. This is not a guarantee of their future mention and performance. Source: Mirova analysis, as of 31/05/2024

Terrasos: aiming at creating a significant uplift in biodiversity through Habitat Banks

Founded in 2013, Terrasos focuses on environmental compensation and mandatory and voluntary investments, environmental policy evaluation, formulation, and guidance, and strategy implementation. Since 2016, Terrasos ***develops Habitat Banks.***

INITIAL INVESTMENT FEATURES	
Investment date	2023
Geography	Colombia
Instrument	Debt

- **Habitat banks** are a mechanism regulated by the Colombian government that seeks to mobilize environmental compensation's investment resources through its **payment by results scheme.**
- By end of 2023, Terrasos had **11 Habitat Banks** registered with the Ministry of Environment and Sustainable Development, that **account for c. 5,000 Ha under management.** In all Habitat banks, **activities of preservation, restoration, rehabilitation and recuperation** are carried out **for the conservation of biodiversity**

Terrasos solution

HB implementation in different parts of the country following the parameters and guidelines established by the government, considering:

- a reduction and traceability of compensation costs, as the HBs are already register by the authorities, speeding the environmental licenses process,
- guaranteed long-term results following with the regulation minimum permanence of 20 years, scaled impact, as the minimum size of a HB of more than 600 ha
- measurable actions with a monitoring, tracking, and reporting system to measure biodiversity conservation.
- promotes sustainable rural employment, with field work actions that prioritize hiring personnel from the area of influence of each HB

Information provided reflects Mirova's opinion / the situation as of the date of this document and is subject to change without notice. Companies mentioned were selected as examples on the basis of objective criteria, in order to best represent the fund's strategy and positioning. This is not a guarantee of their future mention and performance. Source: Mirova analysis, as of 31/05/2024

mirova
Investing in sustainability

FOR INVESTMENT PROFESSIONAL USE ONLY

Appendices

Disclaimer and legal information

The information contained in this presentation is intended exclusively for professional investors only in the frame of the HKGFA event. This presentation is not meant to be distributed to, or to fall into the possession of anyone other than the Recipients. If this is not the case and you receive this presentation and/or any attached document by mistake, please make sure you destroy them and inform Mirova immediately. This presentation is not, and nothing in it shall be, construed as a proposal, an offer or any other kind of invitation to buy any share of the fund in any jurisdiction.

All investment strategies are exposed to a risk of capital loss.

This Presentation shall remain at all times the property of MIROVA, is strictly confidential and each person who has received a copy of this Presentation or any of its attachment (whether or not such person invest in any shares or interests in the Fund) is deemed to have agreed not to distribute, disclose or reproduce, in whole or in part, this Presentation and the information it contains shall not be disclosed to any third party without the prior written consent of MIROVA. This Presentation is an information-only document and does not constitute an offer, a proposal, a solicitation or a sales promotion to the Recipients (or any other person or entity) to invest in the Fund (or any other fund managed by MIROVA) nor does it form the basis of, or constitute, any contract. This Presentation includes certain "Forward-Looking Information", including statements relating to business and operating strategies, plans and prospects, which can be identified by the use of forward looking terminology such as “anticipate”, “believe”, “could”, “expect”, “intend”, “may”, “plan”, “potential”, “project”, “seek”, “should”, “will”, “would” or the negatives thereof or other variations thereof or other comparable terminology. This Forward-Looking Information reflects current views with respect to current and future events and circumstances and is not a guarantee of future performance of the Fund and its assets and is subject to risks, uncertainties and assumptions, including those relating to changes in business, markets, currency exchange rates, interest rates, economic, financial, political and legal conditions, as well as the risks disclosed in the Fund Documentation (as defined below).

Due to various risks and uncertainties, actual results may differ materially from information contained in the Forward-Looking Information as a result of a number of those material factors. Forward-Looking Information is provided for the purpose of providing information about the Fund current expectations and plans relating to the future. MIROVA disclaims any obligation or undertaking to update or revise any Forward-Looking Information contained herein to reflect any changes in MIROVA's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based. The Recipients should further note that these forward-looking statements were made at the date of this Presentation. MIROVA undertakes no obligation to publicly update or revise any information contained in this Presentation, whether as a result of new information, future developments or otherwise.

Information contained in this Presentation is based on present circumstances, intentions and beliefs and may require subsequent modifications. While the information contained in this Presentation is believed to be accurate, MIROVA expressly disclaims any and all liability for any representations, expressed or implied, with respect to this Presentation or any other written or oral communication to any interested party in the course of the preparation of information concerning the Fund. Prices, margins, Target Net IRR and fees are deemed to be indicative only and are subject to changes at any time depending on, inter alia, market conditions. Past performances and simulations of past and future performances are not a reliable indicator and therefore do not anticipate future results. No responsibility or liability is accepted by MIROVA towards any person for errors, misstatements or omissions in this Presentation or, concerning any other such information or materials, for the adequacy, accuracy, completeness or reasonableness of such information. More generally, Mirova, its affiliates and their respective directors, officers, employees and agents shall not be held liable on the basis of the information disclosed in this Presentation, nor for any use that a third party might make of this Presentation. This Presentation should not be considered as a recommendation by MIROVA, or any of its affiliates, directors, officers, employees or agents in relation to any proposed investment in the Fund. MIROVA does not guarantee the performance of the Fund, the repayment of the investment or the payment of any particular return from the Fund.

All Recipients (or any other person or entity which would invest in the Fund) should seek independent and competent advice on the suitability of this Fund in meeting their investment needs before making a decision (if any) to invest in the Fund. Nothing contained in this Presentation is intended to constitute investment, legal, tax, accounting or other professional advice in or with respect to the jurisdiction of the potential investor having requested to be provided with this Presentation. No regulatory authority in the jurisdiction of the Recipients having requested to be provided with this Presentation or in any other jurisdiction has approved or reviewed this Presentation.

Any decision to invest in the Fund should be based on consideration of the documentation to be produced and this Presentation is qualified in its entirety by reference to the Limited Partnership Agreement, the Offering Memorandum and the by-laws and other relevant documents, agreements and instruments (the Fund Documentation). Any decision to invest in the Fund shall be based on consideration of the Fund Documentation as a whole by any potential investor, and this Presentation is qualified in its entirety by reference to the documents, agreements and instruments setting forth the terms and information described herein (including the Fund Documentation), which each should be read in full in conjunction herewith. In the event of any ambiguity or inconsistency between or among the terms or information set forth in this Presentation and that set forth in the Fund Documentation, the latter will control in all respects. This Presentation contains financial targets (Targets) regarding the performance of the Fund and its assets. In addition, this Presentation contains financial projections (Projections) of the Fund and its assets performance. There can be no assurance that the Targets or Projections will be achieved. In considering the Targets and Projections, prospective investors should bear in mind that such Targets and Projections are not a guarantee and are not indicative of future results of the Fund and its assets. MIROVA believes that the Targets and Projections mentioned are reasonable based on a combination of factors, including the investment team’s general experience, assessment of prevailing market conditions, current investments and expected investments. However, there are numerous assumptions that factor into the Targets and Projections that may not be consistent with future market conditions and that may significantly affect actual investment results. Actual results and events may differ significantly from the assumptions and estimates on which the Targets and Projections are based. Mirova voting and engagement policy as well as transparency code are available on its website: www.mirova.com. Non-contractual document.

Additional notes (1/2)

This material has been provided for information purposes only to investment service providers or other Professional Clients, Qualified or Institutional Investors and, when required by local regulation, only at their written request. This material must not be used with Retail Investors.

To obtain a summary of investor rights in the official language of your jurisdiction, please consult the legal documentation section of the website (im.natixis.com/intl/intl-fund-documents)

In the E.U.: Provided by Natixis Investment Managers International or one of its branch offices listed below. Natixis Investment Managers International is a portfolio management company authorized by the Autorité des Marchés Financiers (French Financial Markets Authority - AMF) under no. GP 90-009, and a public limited company (société anonyme) registered in the Paris Trade and Companies Register under no. 329 450 738. Registered office: 43 avenue Pierre Mendès France, 75013 Paris. Germany: Natixis Investment Managers International, Zweigniederlassung Deutschland (Registration number: HRB 129507): Senckenberganlage 21, 60325 Frankfurt am Main. Italy: Natixis Investment Managers International Succursale Italiana, Registered office: Via San Clemente 1, 20122 Milan, Italy. Netherlands: Natixis Investment Managers International, Nederlands (Registration number 000050438298). Registered office: Stadsplateau 7, 3521AZ Utrecht, the Netherlands. Spain: Natixis Investment Managers International S.A., Sucursal en España, Serrano n°90, 6th Floor, 28006 Madrid, Spain. Sweden: Natixis Investment Managers International, Nordics Filial (Registration number 516412-8372- Swedish Companies Registration Office). Registered office: Covendrum Stockholm City AB, Kungsgatan 9, 111 43 Stockholm, Box 2376, 103 18 Stockholm, Sweden. Or,

Provided by Natixis Investment Managers S.A. or one of its branch offices listed below. Natixis Investment Managers S.A. is a Luxembourg management company that is authorized by the Commission de Surveillance du Secteur Financier and is incorporated under Luxembourg laws and registered under n. B 115843. Registered office of Natixis Investment Managers S.A.: 2, rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg. Belgium: Natixis Investment Managers S.A., Belgian Branch, Gare Maritime, Rue Picard 7, Bte 100, 1000 Bruxelles, Belgium.

In Switzerland: Provided for information purposes only by Natixis Investment Managers, Switzerland Sàrl, Rue du Vieux Collège 10, 1204 Geneva, Switzerland or its representative office in Zurich, Schweizergasse 6, 8001 Zürich.

In the British Isles: Provided by Natixis Investment Managers UK Limited which is authorised and regulated by the UK Financial Conduct Authority (FCA firm reference no. 190258) - registered office: Natixis Investment Managers UK Limited, Level 4, Cannon Bridge House, 25 Dowgate Hill, London, EC4R 2YA. When permitted, the distribution of this material is intended to be made to persons as described as follows: in the United Kingdom: this material is intended to be communicated to and/or directed at investment professionals and professional investors only; in Ireland: this material is intended to be communicated to and/or directed at professional investors only; in Guernsey: this material is intended to be communicated to and/or directed at only financial services providers which hold a license from the Guernsey Financial Services Commission; in Jersey: this material is intended to be communicated to and/or directed at professional investors only; in the Isle of Man: this material is intended to be communicated to and/or directed at only financial services providers which hold a license from the Isle of Man Financial Services Authority or insurers authorised under section 8 of the Insurance Act 2008.

In the DIFC: Provided in and from the DIFC financial district by Natixis Investment Managers Middle East (DIFC Branch) which is regulated by the DFSA. Related financial products or services are only available to persons who have sufficient financial experience and understanding to participate in financial markets within the DIFC, and qualify as Professional Clients or Market Counterparties as defined by the DFSA. No other Person should act upon this material. Registered office: Unit L10-02, Level 10 ,ICD Brookfield Place, DIFC, PO Box 506752, Dubai, United Arab Emirates

In Taiwan: Provided by Natixis Investment Managers Securities Investment Consulting (Taipei) Co., Ltd., a Securities Investment Consulting Enterprise regulated by the Financial Supervisory Commission of the R.O.C. Registered address: 34F., No. 68, Sec. 5, Zhongxiao East Road, Xinyi Dist., Taipei City 11065, Taiwan (R.O.C.), license number 2020 FSC SICE No. 025, Tel. +886 2 8789 2788.

In Singapore: Provided by Natixis Investment Managers Singapore Limited (NIM Singapore) having office at 5 Shenton Way, #22-05/06, UIC Building, Singapore 068808 (Company Registration No. 199801044D) to distributors and qualified investors for information purpose only. NIM Singapore is regulated by the Monetary Authority of Singapore under a Capital Markets Services Licence to conduct fund management activities and is an exempt financial adviser. Mirova Division (Business Name Registration No.: 53431077W) and Ostrum Division (Business Name Registration No.: 53463468X) are part of NIM Singapore and are not separate legal entities. This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.

In Hong Kong: Provided by Natixis Investment Managers Hong Kong Limited to professional investors for information purpose only.

In Australia: Provided by Natixis Investment Managers Australia Pty Limited (ABN 60 088 786 289) (AFSL No. 246830) and is intended for the general information of financial advisers and wholesale clients only.

In New Zealand: This document is intended for the general information of New Zealand wholesale investors only and does not constitute financial advice. This is not a regulated offer for the purposes of the Financial Markets Conduct Act 2013 (FMCA) and is only available to New Zealand investors who have certified that they meet the requirements in the FMCA for wholesale investors. Natixis Investment Managers Australia Pty Limited is not a registered financial service provider in New Zealand.

Additional notes (2/2)

In Colombia: Provided by Natixis Investment Managers International Oficina de Representación (Colombia) to professional clients for informational purposes only as permitted under Decree 2555 of 2010. Any products, services or investments referred to herein are rendered exclusively outside of Colombia. This material does not constitute a public offering in Colombia and is addressed to less than 100 specifically identified investors.

In Latin America: Provided by Natixis Investment Managers International.

In Chile: Esta oferta privada se inicia el día de la fecha de la presente comunicación. La presente oferta se acoge a la Norma de Carácter General N° 336 de la Superintendencia de Valores y Seguros de Chile. La presente oferta versa sobre valores no inscritos en el Registro de Valores o en el Registro de Valores Extranjeros que lleva la Superintendencia de Valores y Seguros, por lo que los valores sobre los cuales ésta versa, no están sujetos a su fiscalización. Que por tratarse de valores no inscritos, no existe la obligación por parte del emisor de entregar en Chile información pública respecto de estos valores. Estos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el Registro de Valores correspondiente.

In Mexico: Provided by Natixis IM Mexico, S. de R.L. de C.V., which is not a regulated financial entity, securities intermediary, or an investment manager in terms of the Mexican Securities Market Law (Ley del Mercado de Valores) and is not registered with the Comisión Nacional Bancaria y de Valores (CNBV) or any other Mexican authority. Any products, services or investments referred to herein that require authorization or license are rendered exclusively outside of Mexico. While shares of certain ETFs may be listed in the Sistema Internacional de Cotizaciones (SIC), such listing does not represent a public offering of securities in Mexico, and therefore the accuracy of this information has not been confirmed by the CNBV. Natixis Investment Managers is an entity organized under the laws of France and is not authorized by or registered with the CNBV or any other Mexican authority. Any reference contained herein to "Investment Managers" is made to Natixis Investment Managers and/or any of its investment management subsidiaries, which are also not authorized by or registered with the CNBV or any other Mexican authority.

In Uruguay: Provided by Natixis Investment Managers Uruguay S.A., a duly registered investment advisor, authorised and supervised by the Central Bank of Uruguay. Office: San Lucar 1491, Montevideo, Uruguay, CP 11500. The sale or offer of any units of a fund qualifies as a private placement pursuant to section 2 of Uruguayan law 18,627.

In Brazil: Provided to a specific identified investment professional for information purposes only by Natixis Investment Managers International. This communication cannot be distributed other than to the identified addressee. Further, this communication should not be construed as a public offer of any securities or any related financial instruments. Natixis Investment Managers International is a portfolio management company authorized by the Autorité des Marchés Financiers (French Financial Markets Authority - AMF) under no. GP 90-009, and a public limited company (société anonyme) registered in the Paris Trade and Companies Register under no. 329 450 738. Registered office: 43 avenue Pierre Mendès France, 75013 Paris.

The above referenced entities are business development units of Natixis Investment Managers, the holding company of a diverse line-up of specialised investment management and distribution entities worldwide. The investment management subsidiaries of Natixis Investment Managers conduct any regulated activities only in and from the jurisdictions in which they are licensed or authorised. Their services and the products they manage are not available to all investors in all jurisdictions. It is the responsibility of each investment service provider to ensure that the offering or sale of fund shares or third party investment services to its clients complies with the relevant national law.

The provision of this material and/or reference to specific securities, sectors, or markets within this material does not constitute investment advice, or a recommendation or an offer to buy or to sell any security, or an offer of any regulated financial activity. Investors should consider the investment objectives, risks and expenses of any investment carefully before investing. The analyses, opinions, and certain of the investment themes and processes referenced herein represent the views of the portfolio manager(s) as of the date indicated. These, as well as the portfolio holdings and characteristics shown, are subject to change. There can be no assurance that developments will transpire as may be forecasted in this material. The analyses and opinions expressed by external third parties are independent and does not necessarily reflect those of Natixis Investment Managers. Although Natixis Investment Managers believes the information provided in this material to be reliable, including that from third party sources, it does not guarantee the accuracy, adequacy, or completeness of such information. May not be redistributed, published, or reproduced, in whole or in part.

Amounts shown are expressed in USD unless otherwise indicated.

Natixis Investment Managers may decide to terminate its marketing arrangements for this fund in accordance with the relevant legislation

mirova
Investing in sustainability

An affiliate of NATIXIS
INVESTMENT MANAGERS

Mirova
French Public Limited liability company with board of Directors
Regulated by AMF under n°GP 02-014
RCS Paris n°394 648 216
Registered Office: 59, Avenue Pierre Mendes France – 75013 – Paris
Mirova is an affiliate of Natixis Investment Managers.

Natixis Investment Managers
French Public Limited liability company
RCS Paris n°453 952 681
Registered Office: 59, Avenue Pierre Mendes France – 75013 – Paris
Natixis Investment Managers is a subsidiary of Natixis.

Natixis Investment Managers International
French Public Limited liability company
Regulated by AMF under n° GP 90-009
RCS Paris n°329 450 738
Registered Office: 43, Avenue Pierre Mendes France – 75013 – Paris
Natixis Investment Managers International is an affiliate of Natixis Investment Managers.

Mirova US
888 Boylston Street, Boston, MA 02199; Tel: 857-305-6333
Mirova US is a U.S.- based investment advisor that is a, wholly owned affiliate of Mirova. Mirova is operated in the U.S. through Mirova US. Mirova US and Mirova entered into an agreement whereby Mirova provides Mirova US investment and research expertise, which Mirova US then combines with its own expertise when providing advice to clients.