

Mirova Taxonomy for Sustainable Solutions

Defining activities and practices that contribute to a sustainable future

LAST UPDATE AS OF JUNE 2024

Recent efforts to structure the sustainable investment market have led to the development of various regional frameworks. So far, these efforts remain centered around the environmental pillar, with a strong focus on activities.

Until further developments, Mirova is taking a proactive stance by publicly sharing its internal taxonomy, which relates to existing frameworks but also adopting a broader approach, including beneficial products and services as well as advanced practices/strategies to run operations sustainably, on both environmental and social fronts.

This classification enables us to assess the contribution of companies and projects to a sustainable future, per our 5-level opinion scale as described in our [Approach to Impact and ESG Assessment](#) and in relation with our [Sector Vision papers](#) as well as our [Minimum Standards Policy](#).

Mirova has chosen to use the Sustainable Development Goals (SDGs) as a reference point for its internal mapping, recognizing the SDGs as the most comprehensive approach to addressing environmental, social, and governance (ESG) challenges.

SUSTAINABLE DEVELOPMENT GOALS



Environmental Solutions





















	DEFINITION	MAIN SDGS
	Low Carbon Energy	
Wind	Companies/projects focused on wind farms, through the development of infrastructure, production, transmission of electricity, or supply of equipment and services dedicated to the wind power value chain.	
Solar	Companies/projects focused on photovoltaic solar electricity or thermodynamic solar plant, through the development of infrastructure and production, transmission of electricity, or supply of equipment and services dedicated to the solar energy value chain.	
Hydro	Companies/projects focused on the development and/or exploitation of run-of-river and small (<15MW) hydro power plants, existing large (>20 MW) hydroelectric infrastructure in temperate zones (according to European regulations), and new infrastructure applied to existing hydroelectric structures to improve their efficiency and energy production.	
Bioenergy and synthetic fuels	Companies/projects focused on the production of bioenergy from secondary biomass, and key enabling infrastructure and equipment (including transmission and distribution networks, and storage), methanisation (anaerobic process of organic matter degradation), advanced biofuels (for example from anaerobic digestion or from agricultural waste/wastewaters), and synthetic fuels, excluding landfill gas.	7 AFFORDABLE AND CLEAN ENERGY, 13 CLIMATE ACTION
Geothermal and other renewables	Companies/projects focused on geothermal energy projects and energy from seas and oceans, through the development of infrastructure and production, transmission of electricity or supply of equipment and services dedicated to these projects.	
Smart grids and storage	Companies/projects providing products and technologies supporting the integration of renewable energies (on- or off-grid), systems improving energy management, including energy storage in the form of power (except water storage), gases, or heat, and key enabling services such as the design and the implementation of these projects.	
Low-carbon hydrogen	Companies/projects focused on the production of hydrogen and/or its byproducts (such as ammonia) based on low-carbon processes (i.e. electrolysis of water, or steam methane reforming with CO ₂ capture), or providing key enabling equipment and services such as electrolyzers, or fuel cells, except hydrogen-related products and services specifically dedicated to clean transportation.	

Non promotional document intended for non professional and professional clients as defined by MiFID. The information provided reflects Mirova's opinion / the situation as of the date of this document and is subject to change without notice.

An affiliate of:  **NATIXIS**
INVESTMENT MANAGERS





















DEFINITION		MAIN SDGS
Industrial Efficiency for Climate		
Carbon emissions and energy efficiency	Companies/projects providing energy efficient equipment and products for the industry sector (including industrial design software, upstream efficiency enablers, smart logistics), or CCS (Carbon Capture and Sequestration) technologies and services, aimed at reducing net greenhouse gases emissions.	 
Clean Transportation		
Electric and hydrogen vehicles	Companies/projects manufacturing means of transport for land, air or maritime (such as BEVs ¹ , FCEVs ² , electric two-wheelers, green hydrogen-powered planes, green methanol-fueled vessels, etc.) as well as essential equipment and services suppliers (such as batteries or fuel cells dedicated to clean transportation, e-powertrains).	  
Alternative mobility solutions	Companies/projects providing low-carbon mobility options for people as well as merchandise through efficient infrastructure, services (digital, physical) and products such as sustainable public transport, car-sharing, and micromobility.	  
Charging infrastructure	Companies/projects offering charging infrastructure and digital solutions for all vehicles types (cars, vans, trucks, buses, airplanes, trains, vessels) based on electricity, biofuels or efuels.	  
Pollution mitigation	Companies/projects providing technology or products offering significant pollution reduction (air, water, soils), equipment for better eco-performance of transportation.	   
Green Building		
Advanced building equipment	Companies/projects providing products, systems and services which enables buildings in accordance with industry standards on energy and water consumptions, air quality, etc. such as high performance HVAC (Heating, Ventilation and Air Conditioning) systems, including heat pumps, centralised systems for energy and/or water control, domestic display, smart meters, advanced and efficient equipment and appliances (e.g. LED) or materials for thermal isolation.	  
Green real estate	Tertiary and residential: old and new buildings demonstrating best performance in the national market in terms of carbon and energy emissions, in accordance with standards of the industry and rating systems (e.g. high energy performance standards, green building certifications) or buildings eligible to public programmes financing energy efficiency works allowing significant carbon savings.	  
Green materials	Companies/projects offering alternative construction materials that require less energy / CO ₂ / water / waste / natural resources compared to the standard materials such as biosourced insulation, and low carbon concrete.	  
Sustainable Agriculture		
Sustainable agriculture	Companies/projects supporting organic and restorative agriculture (e.g. no chemical inputs, etc.), regenerative agriculture (e.g. no till, cover crops, precision tools, etc.), improvement of conventional practices or animal medical treatments for the prevention of diseases (mainly vaccines and alternative to antibiotics).	 
Technologies for sustainable agriculture	Companies/projects offering precision agriculture products, machinery, sensors, robots, vertical farming in dry regions, non-GMO crops breeding.	 
Biotech and biowaste processing	Companies/projects offering the supply of microorganisms, molecules and enzymes for biomass and food fermenting, feed additives, manure treatment, methanisation and products from fermentation processes, including biochemicals, biofertilizers (except waste management services, and products from virgin biomass), pesticides alternatives, plant stimulants, and chemicals, biochemicals supporting farmers yield enhancement (except precision water).	 
Alternative proteins	Companies/projects offering plant-based / alternative protein feed products (e.g. insects), equipment or ingredients for extraction of plant proteins, flavours, as an alternative to meat-based food-products (except microorganisms based processes).	 
Sustainable Land Use		
Sustainable forestry	Companies/projects owning forestry land and/or offering products from fiber and/or timber certified to sustainable forest management practices with biodiversity and landscape monitoring.	
Conservation	Activities aiming at preserving ecosystems that are threatened of being degraded or under degradation. E.g. patrol to prevent rogue deforestation, creation of economic activities to avoid relying on local deforestation, etc. (mostly applicable to non-listed / GSSB ³ assets).	
Restoration	Activities aiming at restoring ecosystems that are threatened of being degraded or under degradation. E.g. reforestation (mostly applicable to non-listed / GSSB ³ assets).	
Ecotourism	Tourism services including accomodation and guided tours, financing land restoration and/or conservation.	

1.BEVs: Battery Electric Vehicles. 2.FCEVs: Fuel Cell Electric Vehicles. 3.GSSB: Green, Social and Sustainability Bonds.



	DEFINITION	MAIN SDGS
Sustainable Consumption		
Certified products	Companies/projects offering non-food products certified by regulated or private standards at least complying with ISEAL ⁴ standard credibility principles related to the sourcing of raw materials and manufacturing processes, with comprehensive coverage – chemicals, water, biodiversity.	
Industrial Efficiency for Biodiversity		
Eco products and processes	Companies/projects providing environmentally efficient equipment and/or gases (except hydrogen, energy and GHG ⁵ emissions reduction), intermediates extending final product lifespan, low-toxicity chemicals substitutes (except water applications), testing equipment for pollution and toxicity management (air/water/soil quality, toxic content detection in products, etc.), environmental and process monitoring services or industrial IoT ⁶ for waste/pollution reduction.	 
Sustainable Water Management		
Water efficiency and quality	Companies/projects providing water efficiency equipment (including smart-metering for water, leak metering, etc.) and water quality equipment (such as water disinfection equipment) and software manufacturer, except building-specific equipment.	
Sustainable water management	Companies/projects providing water and wastewater supply services, including sludge management into digestate, nature-based drainage solutions in cities, natural calamity remediation equipment.	 
Marine resources management	Companies/projects offering sustainable marine resource management, marine specific equipment, sustainable aquaculture, sustainable marine tourism, except energy generation and transportation.	
Sustainable Waste Management		
Waste recycling and recovery	Companies/projects providing collection and/or chemical/mechanical recycling services and treatment/depollution services for waste metals, plastics, polymers, cardboard, glass, batteries, textiles, including incineration of hazardous products, energy recovery from non-plastic and non-organic wastes, and landfill gas capture except wastewater sludge recycling into digestate.	   
Circular Economy		
Products from sustainable raw materials	Companies/projects manufacturing products containing high level of post-consumer and contaminated waste recycled inputs in developed countries, recycled input in developing countries, manufacturing of sustainably grown biobased ingredients.	  
Circular business models (reuse, upcycle)	Companies/projects providing equipment 'as a service' or with models of deposit return scheme, and 'extended responsibility of producer', flavours and perfumes extraction from biowastes, CCU (Carbon Capture and Utilisation), except building material and fermenting, and wastewater management.	 
Advanced Climate Strategy		
Climate	Companies/projects implementing ambitious decarbonization strategies across all three scopes, with robust roadmap including mid- and long-term milestones as well as prioritized actions, and where possible, validated Science Based Targets (or other credible standards).	
Advanced Biodiversity Strategy		
Biodiversity	Companies/projects implementing ambitious strategies to significantly reduce their pressure on biodiversity, including materiality assessment, prioritize actions, measure and set targets to mitigate biodiversity risks, where possible according to TNFD ⁷ recommended disclosures.	  

4. ISEAL: International Social and Environmental Accreditation and Labelling Alliance. 5. GHG: Greenhouse gas. 6. Internet of Things (IoT): Network of physical objects that are embedded with sensors, software, and other technologies for the purpose of connecting and exchanging data with other devices and systems over the internet. 7. TNFD: Taskforce for Nature related Financial Disclosure.

Social Solutions

	DEFINITION	MAIN SDGS
Support for Diverse Populations		
Products and services for equality	Companies/projects offering products or services enabling the empowerment of diverse populations, notably women, including tailored banking offerings, childcare, health support, hygiene, contraception (prevention such as condoms and abortive).	 
Products and services for the impaired	Companies/projects offering dependency paliatives for the handicaped and elderly people: hearing devices, elderly care, etc.	
Local Development		
Access to basic needs	Companies/projects offering low cost products and services, enabling the development of local infrastructure and services in underserved regions such as microfinance and access to primary banking services (acount, loan, etc.), low cost medical services, affordable, reliable and resilient housing, resilient telecommunication infrastructure/equipment, development of resilient energy infrastructure providing affordable and sustainable energy (for individuals housing and agriculture), low cost, sustainable and resilient mobility or the development of resilient infrastructures ensuring access to water and nutrition.	       
Local socio-economic development	Companies/projects supporting socio-economic development of local population such as local ownership/entrepreneurship, job creation and hiring of local people specifically,provision of ad hoc training the hiring of local population, recourse to local suppliers specifically or economic business model supporting better wages to employees (e.g. disintermediation in the food industry). (Mostly applicable to non-listed / GSSB assets).	  
Healthcare		
Medical treatments	Companies/projects ensuring the development of innovative medical treatments, prescribed medicines or vaccines.	
Diagnostics, equipment and devices	Companies/projects ensuring the development of diagnostics products and services; healthcare equipment and devices.	
Healthcare services and autonomy	Companies/projects involved in the management of healthcare facilities including hospitals, nursing homes or specialized clinics.	
Wellness	Companies/projects providing products enabling a healthy lifestyle, personal care and hygiene options, such as condoms, sunscreens, glasses, non-prescribed medicines, water services for residential customers.	
Healthy Consumption		
Sustainably certified products	Companies/projects providing non-food products certified by credible and audited third-party standards ensuring non-toxicity for consumers and/or value sharing along the value chain.	
Healthy nutrition	Companies/projects offering food products certified by credible sustainable agriculture label, distributing fresh vegetables, plant-based food products or frozen vegetarian food with low-toxicity ingredients, no sugard added, high nutritional qualities, avoiding product substances (pesticides residues) and packaging plasticizers (PFAS ⁸ , bisphenol, phtalates, etc.).	
Knowledge and Education		
Knowledge	Companies/projects offering affordable and quality informational content.	
Education	Companies/projects offering affordable, quality education products and services in areas where the public sector does not meet the demand.	
Safety		
Automotive	Companies/projects offering automotive safety products including ABS ⁹ or airbags.	
Industrial	Companies/projects offering industrial safety products, including safety equipment, meters and testing devices.	
Food and water	Companies/projects offering food and water safety products including meters and testing devices, hygiene products, decontamination devices, etc.	 
Climate adaptation infrastructure	Companies/projects offering equipment and infrastructures ensuring climate adapation such as dams, resilient buildings to secure population impacted by climate transition.	

8. Per- and Polyfluorinated Substances (PFAS) : Group of chemicals used to make fluoropolymer coatings and products that resist heat, oil, stains, grease, and water. 9. ABS: Anti-lock braking systems.

DEFINITION	MAIN SDGS
Advanced Human Capital Strategy	
Diversity and inclusion	<p>Companies/projects demonstrating their ability to support all types of diversity across all management levels and business units, notably through talent sourcing, internal promotion schemes, and inclusive HR practices (pay, benefits, parental leave etc).</p> 
Job quality	<p>Companies/projects demonstrating their ability to support employee and suppliers' development notably through long-term career development paths, a fair distribution of value, and responsible corporate culture promoting work/life balance and employees' engagement.</p> 

LEGAL MENTION

This document is intended for non-professional and professional clients as defined by MiFID for information purposes only.

This document does not constitute or form part of any offer, or solicitation, or recommendation to subscribe for, or buy, or concede any shares issued or to be issued by the funds managed by Mirova investment management company. The presented services do not take into account any investment objective, financial situation or specific need of a particular recipient. Mirova shall not be held liable for any financial loss or for any decision taken on the basis of the information contained in this document, and shall not provide any consulting service, notably in the area of investment services.

The information contained in this document is based on present circumstances, intentions and guidelines, and may require subsequent modifications. Although Mirova has taken all reasonable precautions to verify that the information contained in this document comes from reliable sources, a significant amount of this information comes from publicly available sources and/or has been provided or prepared by third parties. Mirova bears no responsibility for the descriptions and summaries contained in this document. No reliance may be placed for any purpose whatsoever on the validity, accuracy, durability or completeness of the information or opinion contained in this document, or any other information provided in relation to the fund.

This presentation contains forward-looking information which may be identified by the use of the following terms: "anticipate", "believe", "may", "expect", "intend to", "can", "plan", "potential", "project", "search", "should", "will", "could", including in their negative form, as well as any variations or similar terms.

This forward-looking information reflects current opinions regarding current and future events and circumstances and is no guarantee by Mirova of the fund's future performance. It is subject to risks, uncertainties and hypotheses, including those related to the evolution of business, markets, exchange and interest rates; economic, financial, political and legal circumstances as well as any other risk linked to the fund's activity. On account of these several risks and uncertainties, the actual results may substantially differ from the information contained in the forward-looking statements. Any financial information regarding prices, margins or profitability is informative and subject to changes at any time and without notice, especially depending on market circumstances. Mirova makes no commitment to update or revise any forward-looking information, whether due to new information, future events or any other reason.

The information contained in this document is the property of Mirova. It may not be communicated to third parties without the prior written consent of Mirova. It may not be copied, in part or in whole, without the prior written consent of Mirova. The distribution, possession or delivery of this document in some jurisdictions may be limited or prohibited by law. Persons receiving this document are asked to learn about the existence of such limitations or prohibitions and to comply with them. Mirova voting and engagement policy as well as transparency code are available on its website: www.mirova.com.

Non-contractual document, written in June 2024

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 and Natural Capital funds), calculated from a proprietary methodology that may involve biases.

ESG INVESTING RISK & METHODOLOGICAL LIMITS

By using ESG criteria in the investment policy, the relevant Mirova strategies' objective would in particular be to better manage sustainability risk and generate sustainable, long-term returns. ESG criteria may be generated using Mirova's proprietary models, third party models and data or a combination of both. The assessment criteria may change over time or vary depending on the sector or industry in which the relevant issuer operates. Applying ESG criteria to the investment process may lead Mirova to invest in or exclude securities for non-financial reasons, irrespective of market opportunities available. ESG data received from third parties may be incomplete, inaccurate or unavailable from time to time. As a result, there is a risk that Mirova may incorrectly assess a security or issuer, resulting in the incorrect direct or indirect inclusion or exclusion of a security in the portfolio of a Fund. For more information on our methodologies, please refer to our Mirova website: www.mirova.com/en/sustainability



ABOUT MIROVA

Mirova is a global asset management company dedicated to sustainable investing and an affiliate of Natixis Investment Managers. At the forefront of sustainable finance for over a decade, Mirova has been developing innovative investment solutions across all asset classes, aiming to combine long term value creation with positive environmental and social impact. Headquartered in Paris, Mirova offers a broad range of equity, fixed income, multi-asset, energy transition infrastructure, natural capital and private equity solutions designed for institutional investors, distribution platforms and retail investors in Europe, North America, and Asia-Pacific. Mirova and its affiliates had €30.9 billion in assets under management as of March 31, 2024. Mirova is a mission-driven company, labeled B Corp*.

**The reference to a ranking or a label does not prejudice the future performance of the funds or its managers*

MIROVA

Portfolio Management Company - Anonymous Company RCS Paris No.394 648 216
AMF Accreditation No. GP 02-014
59, Avenue Pierre Mendes France 75013 Paris
Mirova is an affiliate of Natixis Investment Managers.
[Website](#) – [LinkedIn](#)

NATIXIS INVESTMENT MANAGERS

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

MIROVA US

888 Boylston Street, Boston, MA 02199; Tel: 857-305-6333 Mirova U.S, LLC (Mirova US) is a U.S.-based investment advisor that is wholly owned by Mirova. Mirova is operating 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, and services when providing advice to clients.

MIROVA UK

UK Private limited company
Company registration number: 7740692 Authorised and Regulated by the Financial Conduct Authority ("FCA") under number 800963
Registered office: Quality House by Agora, 5-9 Quality Court, London, WC2A 1HP
The services of Mirova UK Limited are only available to professional clients and eligible counterparties. They are not available to retail clients. Mirova UK Limited is wholly owned by Mirova.

MIROVA SUNFUNDER EAST AFRICA LIMITED

Mirova SunFunder East Africa Limited
A company incorporated with limited liability in the Republic of Kenya
Workify 11th Floor,
Wood Avenue Plaza
P.O. BOX 59067 GPO
Nairobi
Mirova SunFunder East Africa Limited is a subsidiary of Mirova SunFunder Inc.