

From Alignment to Contribution

Mirova's climate approach is evolving

September 2026



Since its creation nearly fifteen years ago, Mirova has developed tools to assess the consistency of investments with long-term climate objectives. This work has helped to advance more comprehensive alignment approaches, notably incorporating indirect emissions, companies' transition plans and the contribution of climate solutions.

Today, against a backdrop in which global climate trajectories remain far from the goals of the Paris Agreement, an additional question must be addressed: how can investors demonstrate that investment is genuinely helping to accelerate the transition of the real economy? Recent industry initiatives, notably the [Net Zero Investment Framework \(NZIF\) 2.0](#), encourage investors to complement alignment measurement with a more explicit analysis of their levers for action and influence.

This is the rationale behind the evolution of Mirova's climate approach: a continuation of our longstanding work, designed to provide a clearer account of the effective contribution made by investment strategies to the transition towards a low-carbon economy.

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An evolution consistent with our climate approach

Over the past decade, the integration of climate considerations into asset management has become considerably more structured. Initially, efforts focused on developing measurement tools to assess portfolios' carbon footprints and their alignment with climate pathways.

Since its earliest work on portfolio climate alignment, Mirova has advocated an approach that goes beyond measuring financed emissions alone. Our objective has always been to assess the capacity of economic and financial actors to contribute to an economy compatible with long-term climate objectives. This led us, at an early stage, to incorporate indirect emissions, avoided emissions associated with climate solutions

and the quality of companies' transition plans into our analyses¹.

These approaches have contributed to significant advances in transparency and management.

In particular, they have improved understanding of:

- portfolios' emissions profiles;
- their consistency with transition scenarios;
- and exposure to sector-specific climate issues.

However, they also have certain limitations:

- they rely on models and assumptions;
- they often provide an aggregated and static view;
- they do not fully capture the dynamics of

companies' real-world transformation;

- they do not reflect the full range of levers available to investors, particularly engagement.

At a time when expectations from investors, regulators and society are increasing, one question now stands out: **what concrete role can investors play in accelerating the transition?**

The Net Zero Investment Framework (NZIF), in particular, places greater emphasis on investors' capacity to mobilise their levers for action: capital allocation, shareholder engagement, the financing of solutions and the quality of reporting.

From alignment to contribution: two complementary approaches

Alignment and contribution approaches share a common foundation while addressing distinct and complementary objectives.

Alignment seeks to assess a portfolio's consistency with a given climate pathway. It is an essential tool for understanding investments' exposure to transition issues and assessing the long-term compatibility of the business models financed:

- the consistency of emissions profiles;
- modelled pathways;
- and sector exposure.

Mirova has historically contributed to improving this approach, notably through the development of methodologies incorporating:

- all company emissions, including Scope 3;
- the quality of transition plans;
- the contribution of solutions through avoided emissions, which are generally a significant blind spot in so-called ITR (Implied Temperature Rise) approaches.

Contribution addresses a different question: to what extent can the investor support the

decarbonisation of the real economy, and which levers can be mobilised to strengthen that contribution? In other words, alignment primarily assesses a pathway, whereas contribution seeks to understand and reinforce the mechanisms through which investment can accelerate the transition.

The shift towards a contribution approach places greater emphasis on:

- the quality of transition plans;
- climate solutions brought to market;

¹ For more information about our methodologies, please visit our website: <https://www.mirova.com/en/sustainability>



- financial support for economic transformation;
 - as well as shareholder engagement and the collective influence exercised by investors.
- A contribution approach seeks to make the levers mobilised and their monitoring more explicit, while distinguishing between assets and strategies. The focus is therefore placed more firmly on the investment strategy in relation to its stated objective, rather than solely on a snapshot of the portfolio.

Alignment and contribution approaches

Comparison table

DIMENSION	ALIGNMENT APPROACH	CONTRIBUTION APPROACH
Core question	Where does my portfolio stand in relation to a climate pathway?	Which levers are mobilised by my investments to support the transition?
Objective	Assess the portfolio's consistency with a climate scenario	Analyse and manage levers for action (allocation, engagement, financing)
Key indicators	Carbon footprint, carbon intensity, pathways and temperature-alignment indicators	Transition plans, exposure to climate solutions, engagement and transition financing
Nature of the analysis	Aggregated and often modelled	More granular, focused on levers and dynamics
Role of climate solutions	Included depending on the methodology	Central, with particular attention paid to the contribution of solutions
Role of engagement	Possible but not systematic	Structural, with prioritisation and escalation mechanisms
Main limitations	Reliance on assumptions and a sometimes static perspective	Uncertainty over plan implementation and observed effects

Source : Mirova



A more comprehensive and operational view of portfolios

For investors, the shift towards a contribution approach provides a more comprehensive view of portfolios.

Historical carbon-footprint indicators remain fully in use and are complemented by new dimensions that provide a better understanding of:

- exposure to climate solutions and their positive impact;

- the maturity of climate transition plans;
- the increasing scale and effectiveness monitoring of engagement initiatives.

The objective is not to produce a single indicator, but to provide a multidimensional view of climate issues in order to better understand:

- what is actually invested in;

- how companies evolve over time;
- which levers for action can be mobilised to support that evolution.

This evolution is gradually being accompanied by adjustments to reporting in order to preserve the clarity and comparability of the information made available to investors.

SHAREHOLDER ENGAGEMENT: A CORE LEVER OF OUR CONTRIBUTION APPROACH

Mirova regards shareholder engagement as an essential lever for supporting companies' transformation. The contribution approach does not alter this conviction; it allows climate analysis and the engagement strategy to be more closely aligned.

Analysing the maturity of transition plans, combined with identifying the sectors facing the most significant climate issues, makes it possible to target more effectively the situations in which shareholder dialogue is likely to support real changes in practices, governance or investment decisions.

This approach also leads to more precise expectations being set for companies. The objective is not only to assess a pathway, but also to encourage the adoption of credible transition plans that are consistent with sector-specific characteristics and the economy's decarbonisation needs.

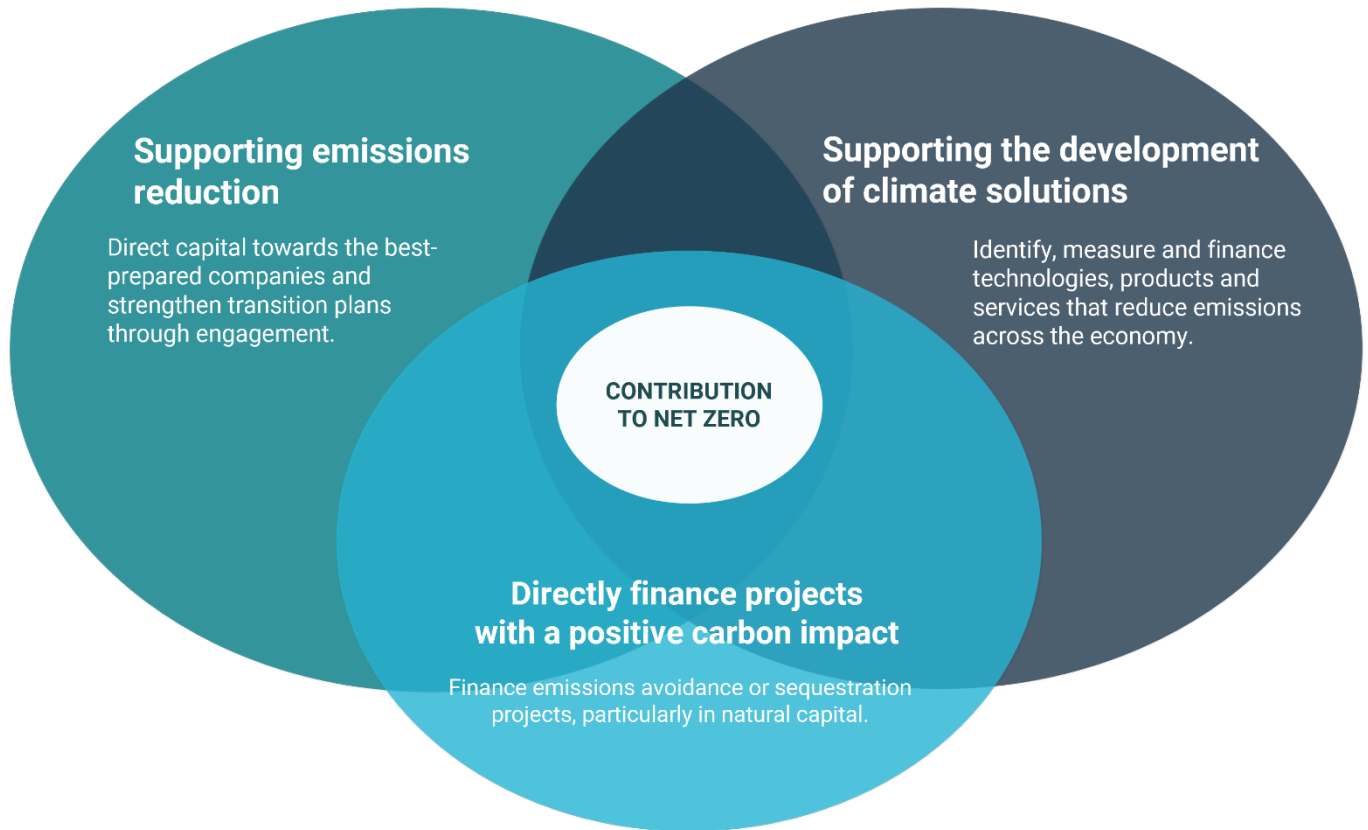
The NZIF strengthens this approach by providing tools that help prioritise engagement actions, monitor progress and, where necessary, progressively activate different levers of influence, from dialogue and voting to collaborative initiatives.

Lastly, a contribution-based approach strengthens transparency requirements. Without claiming to attribute observed developments directly to the actions of a particular investor, it provides a clearer account of the initiatives undertaken, the objectives pursued and the progress observed over time.



An approach built around three interconnected levers

Mirova's contribution approach is structured around three complementary levers:



A. Supporting emissions reductions

The objective is to direct capital towards the companies best prepared for the transition and, through engagement, to support those whose transition plans still need to be strengthened. Systematic analysis of the maturity of transition plans is a core component of this approach.

B. Supporting the development of climate solutions

The transition cannot be achieved without the large-scale deployment of technologies, products and services that reduce emissions across the economy. Mirova seeks to identify, measure and finance these solutions across its different asset classes.

C. Directly financing projects with a positive carbon impact

In certain asset classes, particularly natural capital, investment can directly finance projects that avoid or sequester emissions. These investments represent a complementary lever for contributing to carbon neutrality.



The main implementation priorities for our contribution approach

Better measurement of transition dynamics

Our analysis covers all emissions, including Scope 3 where relevant, as well as transition dynamics and the contribution of climate solutions. It draws in particular on more than a decade of methodological work and on the Climate Contribution Framework developed with several partners.

Directing capital towards the strongest contributors

Climate analysis seeks to identify the companies, projects and solutions most likely to contribute to the transition, taking account of the specific challenges facing each sector. For listed assets, this approach draws in particular on analysis of the maturity of transition plans.

Supporting transitions

Investment is not limited to capital allocation. It also involves ongoing dialogue with companies to encourage the adoption of practices, objectives and transition plans consistent with climate-related challenges. This approach is pursued through individual dialogue, collaborative initiatives and industry-wide work.

Strengthening transparency

Lastly, we are evolving our reporting to distinguish more clearly between the climate performance of financed assets and the levers mobilised by the investment strategies themselves. The objective is to provide a more comprehensive view of the mechanisms that may contribute to the transition.

Naturally, this approach must take account of the specific characteristics of each asset class, particularly the climate materiality of the economic sectors concerned, data accessibility and the levers of influence available to the investor.

Alignment approaches have made a major contribution to structuring climate finance over the past decade. Today, investors are also seeking to better understand how their allocation decisions and engagement actions can support the transition of the real economy.

The evolution of Mirova's climate approach is part of this continuum: maintaining the methodological rigour that characterises our work while strengthening our ability to report on the contribution levers mobilised in support of the transition.



Translating climate contribution into investment decisions

	EMISSIONS REDUCTIONS	CLIMATE SOLUTIONS	CLIMATE FINANCING
Objectives	Support the decarbonisation of the highest-emitting companies and sectors	Support the development of the solutions required for the transition	Directly finance projects with a climate impact
Levers	Capital allocation, transition-plan analysis and shareholder engagement	Financing solution providers and measuring their contribution	Financing avoidance and sequestration projects
Asset classes concerned	Listed assets	Listed assets, green and social bonds, and energy-transition infrastructure	Natural capital
Implementation	• Systematically assess the maturity of companies' transition plans across all our listed-asset strategies. • Prioritise engagement with the main listed emitters (high footprint and insufficient plans). • Implement escalation processes in our engagement with listed companies (voting, co-filing resolutions and divestment). • Integrate climate indicators (KPIs) into listed-asset investment decisions and reporting.	• Systematically measure alignment percentages against the climate-solutions taxonomy. • Systematically and consistently measure associated avoided emissions (AEP). • Enable priority capital allocation to solution providers. • Set exposure targets for solution providers in selected strategies. • Increase exposure to green bonds that finance low-carbon projects.	• Systematically measure the emissions avoided and sequestered by natural-capital projects.

Source : Mirova



Glossary

Paris Agreement: International agreement adopted in 2015, aiming to hold the increase in the global average temperature to well below 2°C and pursue efforts to limit it to 1.5°C.

AEP (Avoided Emissions Protocol): A methodology for estimating the greenhouse-gas emissions avoided through the use of products or services that contribute to the climate transition. More information: <https://aefdi.io/>

Climate alignment: An approach that assesses the consistency of a portfolio with a given climate pathway or transition scenario.

Climate Contribution Framework: A methodological framework used to analyse the potential contribution of investments to the climate transition. More information: <https://www.climatecontributionframework.org/>

Climate contribution: An approach that seeks to understand and strengthen the mechanisms through which investment can accelerate the real economy's transition towards a low-carbon economy.

Avoided emissions: Emissions reductions enabled by products, services or projects that replace more emissions-intensive alternatives.

Financed emissions: The share of greenhouse-gas emissions associated with economic activities financed by an investor.

Carbon intensity: A measure of greenhouse-gas emissions relative to a unit of economic activity, revenue or investment.

ITR (Implied Temperature Rise): An indicator estimating the implied temperature increase associated with a portfolio or company in light of its emissions pathway.

Climate materiality: The actual significance of climate-related issues for a given sector, activity or company.

Net Zero Investment Framework (NZIF): A framework developed for investors to structure alignment and contribution approaches to net zero, notably through capital allocation, engagement and reporting. More information: <https://www.iigcc.org/net-zero-investment-framework>

Transition plan: The set of objectives, investments, actions and governance arrangements implemented by a company to adapt its business model to a low-carbon economy.

Scope 3: Indirect emissions generated throughout a company's value chain, both upstream and downstream of its operations.

Carbon sequestration: The capture and long-term storage of carbon in natural ecosystems or dedicated infrastructure.

Climate solutions: Technologies, products or services that reduce greenhouse-gas emissions or accelerate the transition towards a low-carbon economy.

Climate-solutions taxonomy: A classification framework used to identify and measure the share of activities making a positive contribution to the climate transition. More information: <https://www.mirova.com/en/taxonomy-sustainable-solutions>



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Mirova's voting and engagement policy and its transparency codes are available on its website: www.mirova.com

This non-contractual document was finalised in September 2026.

ESG INVESTMENTS – RISKS AND METHODOLOGICAL LIMITATIONS

Across all its investments, Mirova aims to offer portfolios consistent with a climate pathway below 2°C, as defined in the 2015 Paris Agreement, and systematically reports the carbon footprint of its investments (excluding Solidarity and Natural Capital investment management), calculated using a proprietary methodology that may be subject to bias.

By applying ESG criteria in its investment policy, the objective of the relevant Mirova strategies is, in particular, to better manage sustainability risk and generate sustainable long-term performance. ESG criteria may be derived from proprietary models, third-party models and data, or a combination of both. Assessment criteria may evolve over time or vary according to the issuer's sector or industry. Applying ESG criteria to the investment process may lead Mirova to invest in or exclude securities for non-financial reasons, irrespective of the available market opportunities. ESG data received from third parties may occasionally be incomplete, inaccurate or unavailable. Consequently, there is a risk that Mirova may incorrectly assess a security or issuer, resulting in its erroneous inclusion in or exclusion from a fund's portfolio. For further information on our methodologies, please visit our website: <https://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 €36.7 billion in assets under management as of June 30, 2026. Mirova is a mission-driven company*, labeled B Corp**.

*References to any ranking, label, award and/or rating do not prejudice the future results of the relevant entity, fund or manager. *Mirova has been a mission-led company since 2020. For further information: www.entreprisesamission.com. **Since 2006, the B Corp movement has promoted strong values of change worldwide, encouraging businesses to act as a 'force for good' and recognising those that reconcile profit with purpose. B Corp aims to certify companies that embed social, societal and environmental objectives in their business models and operations. B Corp certification indicates that a company meets high standards of verified performance, accountability and transparency across factors ranging from employee benefits and charitable giving to supply-chain practices and input materials. Certified since 2020, Mirova applies for B Corp recertification every three years. The certification fee is €30,000. To learn more, please visit the B Corp website: <https://www.bcorporation.net/en-us/certification>*

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