

Mirova Biodiversity Equity Strategy

Thematic focus | Sustainable Water Management



Why this thematic?

Water quality and the state of biodiversity are very much intertwined: healthy natural ecosystems greatly depend on clean water, and conversely.

Water's quality and freshwater available for consumption or industrial production have been **on a steep decline** due to **water mismanagement** and **water pollution**.

~83%
of freshwater species
lost since 1970¹

~30%
of freshwater ecosystems
lost since 1970¹

40%
Estimated shortfall
between demand and
supply of water by 2030².

Investment opportunities

Companies that provide technologies and solutions which improve water quality, efficiency, and circularity, will be in the position to **positively contribute to biodiversity** and **tap into growing market opportunities**.

Developing sustainable water management and upgrading critical water infrastructures globally would require about **USD1 trillion of investments annually by 2030³**

We see a variety of opportunities ranging from utilities providing accessible and safe water, suppliers of digital water monitoring equipment and software, to wastewater treatment and circularity solutions.

Examples of the types of targeted companies



WATER QUALITY

Water pollution is a major driver of biodiversity loss.

To meet increasingly stringent EPA's⁴ drinking water standards, the estimated lifecycle costs of addressing PFAS⁵ pollution in the US alone could exceed **USD200 billion⁶**, which represent a compelling addressable market for solutions providers.



We have exposure to a specialist provider of digital water technologies to detect, treat, and remove PFAS from water supplies, using Granular Activated Carbons (GAC) from coconut shells.



WATER-USE EFFICIENCY AND CIRCULARITY

Better water-use efficiency and circularity are also critical especially for farming.

Agriculture sector uses about **70% of the world's water resources⁷**.



Investing in :

- smart, water-efficient drip irrigation systems and
- technologies to treat and re-use wastewater for agricultural purposes

all positively contribute to biodiversity with strong economics for farmers.

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1.Source: <https://www.panda.org/?359878/Emergency-Recovery-Plan-could-halt-catastrophic-collapse-in-worlds-freshwater-biodiversity>. 2.Source: <https://www.worldbank.org/en/topic/water/publication/scaling-up-finance-for-water-a-world-bank-strategic-framework-and-roadmap-for-action>. 3.Source: <https://files.wri.org/d8/s3fs-public/achieving-abundance.pdf> 4. US Environmental Protection Agency. 5. Per- and polyfluoroalkyl substances. 6.Source: Environmental Business Journal, AECOM, 2023. 7.Source : <https://www.oecd.org/agriculture/topics/water-and-agriculture>
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