

SUMMARY

An observation and an urgent need for action

In 2019, the Intergovernmental Platform on Biodiversity and Ecosystem Services (IPBES) noted a decline in biodiversity that is unprecedented in human history. It is a call to all stakeholders, from all regions of the world.

Artificialisation of land, intensification of agricultural practices, increased trade and climate change are all growing threats to biodiversity.

All public authorities, civil society and citizens are called upon to act at all levels to address this mass extinction of species, a direct consequence of human activity, which threatens animal and plant diversity and humanity.

The biodiversity footprint of companies

The relationship between economic development trajectories and their impacts on nature calls in particular for economic actors to consider their footprint on biodiversity and to (re)think their business models in terms of their impacts.

Understanding and identifying a company's biodiversity footprint requires knowledge of all the impacts of the company's activities throughout its value chain - impacts on sites or impacts related to products, inputs used in production processes, and the use and end-of-life phases of products.

The difficult task of assessing the biodiversity footprint of companies

Biodiversity is an element that is by definition observed locally, and for which it is extremely difficult to provide quantitative impact indicators and, above all, to aggregate them, as is the case with tons of CO₂.

Moreover, biodiversity loss, even when observed locally, is increasingly linked to production and consumption processes initiated on a global scale. Thus, many impacts do not take place on national territory but *through* imports of certain resources exploited elsewhere in the world. The impacts related to imported deforestation are one obvious example.

Experiments are underway to further analyse the link between economic activities, pressures and impacts on biodiversity. Faced with the complexity of the living system and a still very incomplete inventory of biodiversity, it is important to be humble and cautious.

While research must continue to be encouraged, there is an urgent need for action. Companies should not wait for a single impact indicator to identify and understand more precisely the pressures they exert on their natural ecosystem, at the scale of sites or territories, before implementing actions to reduce them.

State of the art of corporate biodiversity reporting

While all companies, of all sizes and in all sectors of activity, are called upon to consider their biodiversity footprint, the work carried out by the CSR Platform at the request of the government on biodiversity reporting has focused on listed companies concerned by the obligations to publish a nonfinancial performance statement (NFS).

Accountability for biodiversity actions

Some large companies are required to publish a NFS. This presents the main risks related to the company's business, including risks created by its business relationships, its products, a description of the policies implemented and their results to prevent and mitigate these risks, and key performance indicators.

The NFS thus presents, where relevant to the main risks or policies identified by the company, information relating to the protection of biodiversity. The analysis of the NFSs of CAC 40 companies provides an overview of the awareness of major companies with regard to biodiversity and the actions and indicators communicated in this context.

The main findings

- While awareness of biodiversity issues is growing, the issue remains unevenly understood by companies, and depends largely on the sector of activity of the company and the specific regulations linked to it.
- In general, biodiversity is rarely identified as a significant risk and is not integrated into the company's business strategy. A minority of companies make their dependence on biodiversity explicit and the pressures and impacts they exert on biodiversity.
- The issue of imported deforestation is still poorly taken into account and its consideration remains strongly correlated to the sector of activity (food processing, energy, wood construction, finance).

- However, some actions and initiatives are implemented and communicated by companies: on the one hand, actions to preserve natural environments and limit their impacts, at the level of their sites and infrastructures and at the level of the products used, and on the other hand, actions aimed at stakeholders, such as actions to raise awareness among employees, coalitions of stakeholders and partnerships, particularly in the area of research.
- In general, very little information is available on companies' commitments against imported deforestation.
- The indicators used are mainly aimed at monitoring the actions implemented and not at measuring an impact on biodiversity. There are few quantified targets and comparisons over time.

Recommendations of the CSR Platform

The CSR Platform is concerned about the significant deterioration of the biodiversity, both in mainland France and in overseas territories and the rest of the world, as highlighted by scientists. All economic actors must do their part in meeting the major challenges.

Aware of the stakes involved and the fact that there can be no business, economy or human society without biodiversity, the CSR Platform is responding with this report to the referral it has received.

It makes recommendations to the government, companies, investors, professional federations, employee trade unions and research actors in order to include biodiversity in an approach that respects the natural heritage, which is the condition of our survival, for today and the future.

**The CSR Platform formulates in part III of this opinion (p. 97 ff.)
detailed recommendations, which are summarized below**

Recommendations to the Government:

- (1) ensure the exemplary and coherent nature of the State's actions and to represent France's voice within the European Union and internationally;
- (2) Promote companies' engagement, in particular by publishing a guide for companies on biodiversity issues, tools and indicators, and refrain from selecting a single aggregated indicator which would be inoperative in the field of biodiversity;
- (3) develop the research and knowledge on biodiversity by promoting the funding of biodiversity research; integrate biodiversity into education and training curricula.

Recommendations to companies:

- (4) integrate biodiversity issues into their strategy, by committing themselves at the highest level and analysing the impact of their activities on the main drivers of biodiversity loss;
- (5) better integrate biodiversity into extra-financial reporting;
- (6) implement ambitious policies to combat imported deforestation.

Recommendations to investors and rating agencies:

- (7) take biodiversity issues into account in their extra-financial analysis and better communicate their expectations.

Recommendations to professional federations:

- (8) develop tools and support guides to help companies in their sectors to identify relevant biodiversity issues and report on their impacts; and ensure that these issues are integrated in a relevant and accurate manner into their sector-specific CSR reference frameworks and labels.

Recommendations to employee trade unions:

- (9) raise awareness among their members of the issue of biodiversity loss and the fight against imported deforestation.

Recommendations to the research community:

- (10) ensure the multidisciplinary nature of academic work on the subject.