2018-2020 Implementation review of act4nature commitments

September 2021



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Introduction

On 10 July 2018, **65 French companies** and **20 partners** from business networks, the scientific community, environmental associations and public authorities launched the act4nature initiative to protect, enhance and restore biodiversity. This approach based on voluntary commitments provided an opportunity for the Chairmen and CEOs of the companies involved to sign **common commitments**⁽¹⁾ and pledge **individual commitments** to incorporate biodiversity protection into their core activities⁽²⁾.

Voluntary corporate commitments create high stakeholder expectations of provable outcomes. Public accountability in this regard is therefore key to ensuring the credibility of those commitments and facilitating communication on the subject between companies and their stakeholders.

Three years following publication of the commitments, act4nature international is carrying out the **2018-2020 implementation review** for the commitments made in 2018. Particular attention has been paid not only to the level of execution of commitments, but also to the audit practices of independent third-party bodies (ITBs) that also enhance reporting credibility.

Participation in this review of 88% of the companies involved in 2018 is an encouraging outcome for it confirms corporate mobilisation.

We hope the publication of this implementation review of the corporate commitments made in 2018 will facilitate dialogue between companies and their stakeholders and lead to more ambitious actions being undertaken to promote a biodiversity-friendly economy by a greater number of committed companies.

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Claire Tutenuit, Managing Director of Entreprises pour l'Environnement (EpE) **Christophe Beaux**, General Manager of the Mouvement des Entreprises de France

1 See attachment 1.

² http://www.act4nature.com/wp-content/uploads/2018/07/BROCHURE_act4nature.pdf

Methodological note

To carry out this review, the **65 companies** involved in 2018 received an evaluation grid drawn up and validated by the act4nature international Steering Committee, and were invited to report progress at end-2020 on each of the individual commitments they made in 2018 with this deadline.

The grid contains the three following categories of information:

- **1 Individual commitments made in 2018** (title, scope, associated indicator or target, implementation deadline or period), supplemented with links between these individual commitments and the ten common commitments.
- **Review of actions** undertaken at 31 December 2020 (statement of actions, partial or final results obtained and related comments).
- **3 Communication made** and, where appropriate, the method used to verify implementation data.

The **57 grids received** were compiled and analysed by the act4nature international team, and are summarised below.

The compilation of grids can be obtained on request by contacting: <u>engagement@act4nature.com</u>

The individual commitments as well as the grids filled in by the companies can be looked up on the act4nature international website: <u>http://www.act4nature.com/entreprises-engagees-2018/</u>

Disclaimer

In 2018, act4nature's partners (business networks, environmental NGOs, scientific experts and the French Biodiversity Agency) participated in the development of the initiative and the drafting of common commitments. They did not at the time express an opinion on the individual commitments of the 65 signatory companies. A flexible approach to the inclusion of SMART⁽³⁾ and non-SMART commitments was adopted so as to mobilise the greatest number of companies. This approach has evolved since 2020 as only commitments whose SMART criteria have been validated by act4ature Steering Committee are now published⁽⁴⁾.

Afep, Entreprises pour l'Environnement (EpE) and Mouvement des Entreprises de France have interacted with companies over the information provided by them in the assessment grids. This review is a summary of that interaction.

Each assessment grid is the sole responsibility of the company that completed it.

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³ SMART: Specific, Measurable, Additional, Realistic and Time-bound – see attachment 2.

^{4 &}lt;u>www.act4nature.com</u>

The 65 companies involved in 2018

ADP
AMUNDI
ANTALIS Review pending
AXA
BASF FRANCE
BAYER FRANCE
BL EVOLUTION
BNP PARIBAS
BOLLORÉ LOGISTICS
BOUYGUES CONSTRUCTION
BOUYGUES IMMOBILIER
BUREAU VERITAS
CARREFOUR
CEMEX
CÉRÉLIA
CIMENTS CALCIA
CLUB MED
DANONE
DS AVOCATS
EDF
EIFFAGE
ENEDIS
ENGIE
ERM FRANCE
FRANCETV Review pending
GROUPE ROCHER
GROUPE SEGEX (now TERIDEAL)
GRT GAZ
HERMÈS INTERNATIONAL
HUMANIS Review pending
ICADE
IMERYS
INVIVO

KERING
LAFARGEHOLCIM FRANCE
LÉA NATURE
ĽORÉAL
LVMH
MARSH
MICHELIN
NATIXIS
NESPRESSO Review pending
NESTLÉ
NEXITY
PAPREC
PLASTIC OMNIUM
PRIMAGAZ
RABOT DUTILLEUL
RÉMY COINTREAU
RENAULT GROUP
RTE
SAINT-GOBAIN
SANOFI
SCHNEIDER ELECTRIC
SÉCHÉ ENVIRONNEMENT
SIACI SAINT HONORÉ
SNCF
SOCIÉTÉ GÉNÉRALE
STORENGY
SUEZ
TOTALÉNERGIES
UNILEVER
UPM Review pending
VEOLIA
VINCI

Look up their commitments and implementation reports on www.act4nature.com

Analysis of results

The diversity of the commitments made in 2018 is above all a reflection of the variety of economic sectors represented and the many biodiversity-friendly levers of action available. The 65 signatory companies were drawn from all sectors. In 2018, they posted a consolidated turnover of 1.850 billion euros and employed 3.5 million people.

For some companies, the commitments to act4nature were the first they had made in favour of biodiversity. Seventeen companies had already made voluntary biodiversity commitments under the French National Biodiversity Strategy (SNB).

Of the companies that made commitments in July 2018, **57 (or 88%) have reported on the implementation of their commitments**, confirming that their biodiversity actions are being managed and tracked as part of a long-term approach.



Fresque de la biodiversité undertaken with employees © Deloitte

Number of individual commitments

Each of these 57 companies have made between 2 and 19 commitments, i.e. 9 commitments on average, taking the total number of commitments made and analysed in this review to **486**. The themes and ambition levels of these commitments are not necessarily comparable and underline the diverse ways in which a company can commit to biodiversity.

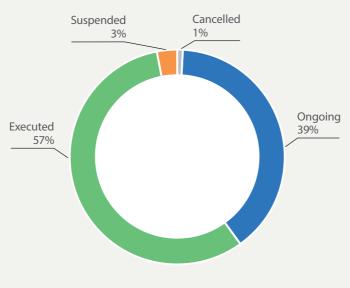
2/Timescale of commitments

Of the 486 commitments whose performance could be analysed by act4nature international, 70% have an expiry date, 16% are ongoing commitments without a time limit, and 14% have no expiry date. In 2018, some undated commitments had indeed been accepted in addition to the SMART commitments.

It is important to note that since 2018 the duration of commitments has not been uniform: 48 signatory companies in 2018 had made commitments until 2020, and 26 companies had made commitments with deadlines beyond 2020 (until 2030). 20 companies reported ongoing commitments with no time limit.

2020 is therefore a relevant deadline for this first review as it marks two years of deployment and implementation. The next review will take place in 2023 and will focus on performance at end 2022.

3/Fulfilment of commitments



Statement of actions as at 31 December 2020

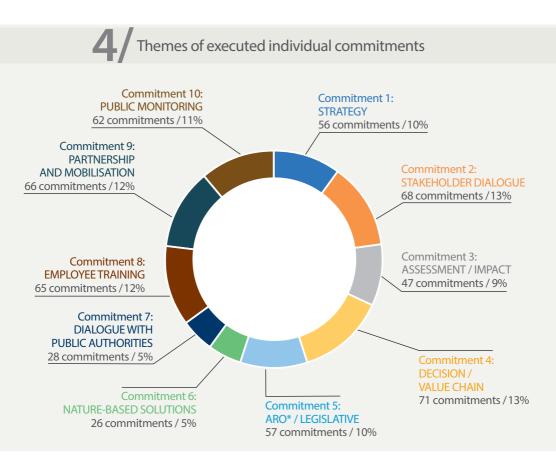
Individual corporate commitments have been translated into concrete actions to promote biodiversity. Of actions with a deadline of no later than 31 December 2020 and those whose implementation is ongoing, **more than half were completed** (57%). 39% of those actions are still being implemented either because they have been delayed or because they have been extended. Companies repeatedly cite the health crisis as the reason for the delay in meeting commitments. Only 4% of planned actions were suspended or cancelled.



Experimental vegetable garden rooftop at AgroParisTech using urban waste as technosol components © Baptiste Grard/Vinci



Plant filters - Jardins de Saint-Louis © Hermès



* ARO: Avoid-reduce-offset biodiversity damage. Each individual commitment may cover several themes. All themes of the 10 common commitments defined in 2018 with stakeholders⁽⁵⁾ are present in a fairly balanced fashion among the 233 executed individual commitments. With **71 and 68 actions respectively, promoting the gradual incorporation of biodiversity into decisions across value chains (commitment 4)** and **dialogue with stakeholders (commitment 2)** are the **most recurrent themes** in the individual commitments.

Commitment 6: **Nature-based solutions** (defined by IUCN as «ecosystem-based actions to address global challenges such as climate change, natural risk management, health, access to water and food security»⁽⁶⁾), and **dialogue on biodiversity with public authorities (commitment 7)** are **the least recurrent themes**, with 26 and 28 actions dealing with those issues completed in 2020 respectively.



Collaborative vegetable garden on the terrace of its headquarters at La Défense © Déborah Lesage/RTE

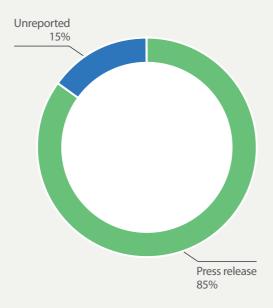


Noah's Garden © Veolia

⁵ http://www.act4nature.com/wp-content/uploads/2020/11/act4nature-international_indications-fr.pdf

⁶ https://portals.iucn.org/library/sites/library/files/documents/2020-020-Fr.pdf

5/Internal and/or external communication of commitments



The 10th common commitment of act4nature is to «publicly report on the implementation of the commitments and voluntary individual action plans». This commitment has been fulfilled.

The implementation of 85% of individual commitments was communicated by the companies. This communication was carried out internally to employees and/or externally through various media such as websites, universal registration documents and reports.

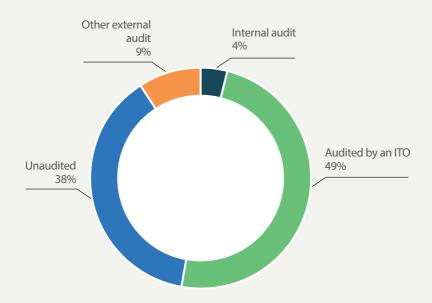


© SNCF



© PAPREC

6/Methods of verifying commitments



Lastly, a report on verification of the information provided by the companies involved was drawn up.

Information on the implementation of almost half of the commitments (49%) was audited by an independent third party body (ITO). Audits involving the verification of non-financial data may have several forms: accuracy review, appraisal of biodiversity policy, verification of one or more indicators, and multi-level checks. The number of audits performed is stable compared to 2019, since thirty-four 2018 non-financial performance declarations (DPEF) and reference documents mention the act4nature commitments, according to a review of non-financial reports⁽⁷⁾.

On the other hand, **information on the performance of 9% of commitments was subject to other external audit methods** such as labels («Refuge LPO» (bird protection shelter), «BiodiverCity», etc.), certifications (Ecocert's «Biodiversity commitment», RSPO), and other verification methods, including monitoring of the implementation of biodiversity action plans in the act4nature France programme – Companies Committed for Nature (Entreprises Engagées pour la Nature) led by the French Biodiversity Agency (Office Français de la Biodiversité). Dedicated in-company teams carried out an internal audit for 4% of commitments.

Information on the implementation of 38% of commitments was unaudited, although they were implemented and monitored in-house.



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⁷ Analysis carried out by RSEDataNews in September 2019 (n = 135 DPEFs, 99 reference documents, 14 Sustainable Development Annual Reports (RADD), 29 CSR reports, 28 annual reports).

Conclusion

This review confirms the diversity of approaches adopted by companies to measure and manage biodiversity. The variety of themes treated, their timescales and their methods of verification illustrate this fact. The diversity stems from the complexity of the concept of biodiversity and from the variety of corporate business models, supply chains and biodiversity actions implemented. It reinforces the relevance of act4nature's approach which, without preventing sectoral approaches, allows companies to make commitments using methods appropriate to their impacts and dependencies.

The completion between 2018 and 2020 of 57% of the actions for implementing the commitments made in 2018 is an encouraging result (excluding actions that have been extended), and demonstrates that voluntary commitments can be translated into concrete actions.

This review also aims to encourage companies to continue fulfilling their commitments and mainstreaming their communication on these issues in an accurate and verifiable manner, accompanied, where possible, by a data audit.

The momentum gathered by act4nature in 2018 continues via act4nature international (for French businesses with international activities), Entreprises engagées pour la nature (for French companies) and act4nature Portugal. Other schemes applying the same method are also being developed. In all, nearly 250 companies are involved in act4nature.

This review takes stock of the first phase of commitments started in 2018. Mobilisation has since continued apace. Between 2020 and May 2021, 44 companies joined act4nature international, 34 of which are businesses that committed in 2018 and have updated their commitments, and 10 (over 20%) that have committed for the first time to the initiative. A new commitment phase planned for the second half of 2021 will also provide an opportunity for companies to join the initiative.

Review work will therefore be carried out every two years and updated on the basis of the results of this first review. Monitoring will be facilitated because the SMART nature of all commitments has been validated since 2020 by the steering committee of act4nature international.

Reporting is all the more effective when a company makes quantified and timebound commitments from the outset.

An analysis of the findings of this review, together with each of the evaluation grids submitted by the companies, can be looked up on the act4nature international website: <u>http://www.act4nature.com/entreprises-engagees-2018/</u>

Appendix 1: The 10 common commitments





Engaging in dialogue with all our stakeholders regarding their expectations and our impacts, actions and progress;



Assessing the various components of biodiversity of concern to us, using direct and indirect impact indicators, risk and performance indicators and, when relevant for decision making purposes, assessing in economic terms our impacts and our reliance on smoothly functioning ecosystems;



Promoting the progressive integration of biological diversity into decisions throughout our value chains, from the production of natural raw materials to the final stage of our products life cycle after use by consumers;



Primarily preventing, reducing and ultimately offsetting our impacts, by seeking on a case-by-case basis no net loss as a bottom line and even a net gain of biodiversity in our activities and geographical areas of influence, and by factoring in the need for ecosystems to adapt to climate change;



Giving priority to the development of Nature-based Solutions, ensuring that they are implemented in a science-based and biodiversity-friendly manner, and promoting a certain variety in such solutions;



Incorporating biodiversity into our dialogue with policymakers so that this issue is progressively embedded into public policies. When invited to do so, contributing to the national biodiversity strategies of countries where we operate;



Raising awareness of and train our employees in biodiversity and its relation to their jobs. Promoting and encouraging nature-friendly initiatives by them and providing due recognition to such actions and practices;



Mobilising resources and establishing appropriate partnerships to support and monitor our actions taken in the field;



Publicly reporting on the implementation of these commitments and of our individual commitments set out below.

Appendix 2: The SMART criteria

- **Specific:** range of actions that are directly or indirectly linked with biodiversity.
- Measurable: possibility to monitor their implementation through indicators of direct and indirect impacts, risks and progress and to identify, monitor and evaluate the effects on the state of biodiversity and on the evolutions of stakeholder's behaviors.
- Additional: that goes beyond mere compliance with current legislation or regulation, but also beyond current and past actions of the company, and results in positive, significant, tangible, direct or indirect impacts on biodiversity without negative impacts.
- **Realistic:** consistent with the company's activities as a whole, be it in terms of avoiding and reducing negative impacts or implementing measures beneficial to biodiversity. The objectives are defined proportionally to the company's size, means and activities.
- **Time-bound:** the objectives and planned actions evolve and are incorporated in an ambition that is ratcheted up regularly, in order to improve the ecological performance of the company. It is a true program with an explicit duration and implementation dates.

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François Soulmagnon, General Manager of AFEP **Claire Tutenuit**, Managing Director of Entreprises pour l'Environnement (EpE) **Christophe Beaux**, General Manager of Mouvement des Entreprises de France Partners

Business networks









Alliance pour la Préservation des Forêts





Observatoire de la responsabilité sociétale des entreprises

Public organisation



Environmental NGOs







• Scientists partners









