

Raise corporate biodiversity ambition & aim at no net loss

It is time for businesses to quantify biodiversity footprints
and set ambitious targets to reverse loss of nature

September 2020



FOREWORD: joining hands to raise the biodiversity game

The fight against nature loss should be a business priority: nature is essential to global economic prosperity and individual business success. We cannot have a sustainable future for people and economies if we do not address nature, climate and people in an integrated way. Indeed, climate change is among the main drivers of biodiversity loss, and yet biodiversity is part of the climate solutions.

The private sector will also play a key role in achieving both the Convention on Biological Diversity (CBD) 2050 vision of “living in harmony with nature”. We believe that it is critical for businesses to measure their impact on biodiversity, to set biodiversity science-based targets and to build a new deal for nature and people.

The CO₂ ton-equivalent metric played a key role in mainstreaming climate issues and driving actions mitigating climate change. We need comparable metrics for biodiversity if we are to efficiently address biodiversity loss. That is, quantitative metrics depicting the state of biodiversity, broadly used and accessible to all, scientifically consensual and that can be aggregated or dis-aggregated at multiple levels of granularity. Such metrics, coupled with qualitative analyses, are a necessary step in allowing states, companies, and financial institutions to estimate and monitor their impacts, steer their strategies and demonstrate gains.

Corporate biodiversity impact measurement tools enable business to assess their impact on nature and biodiversity. Creating aggregated and standardized biodiversity metrics and protocols is a much-needed step to ensure nature is truly placed at the heart of business strategy. Schneider Electric’s biodiversity footprint assessment performed using the Global Biodiversity Score (GBS) shows that such insightful assessments are already possible today.

Moreover, to engage stakeholders in a transformative change, clear and measurable international targets must be set, counterparts to both the 1.5-2°C increase climate limit and its associated carbon budget. We support the creation of ambitious biodiversity targets during the COP15. Only together business, finance and governments will be able to drive global systemic and transformative change, unlocking new opportunities and allowing everyone to live sustainably on a healthy planet.

Signatories



Jean-Pascal Tricoire, Chairman & CEO of Schneider Electric

Schneider Electric provides energy and automation digital solutions for efficiency and sustainability.



Marc Abadie, Chairman of CDC Biodiversité

CDC Biodiversité is a French consulting & engineering firm specializing in positive actions for biodiversity, biodiversity sustainable management (biodiversity offsets), and the measurement of corporate biodiversity footprint.



Eva Zabey, Executive Director of Business for Nature

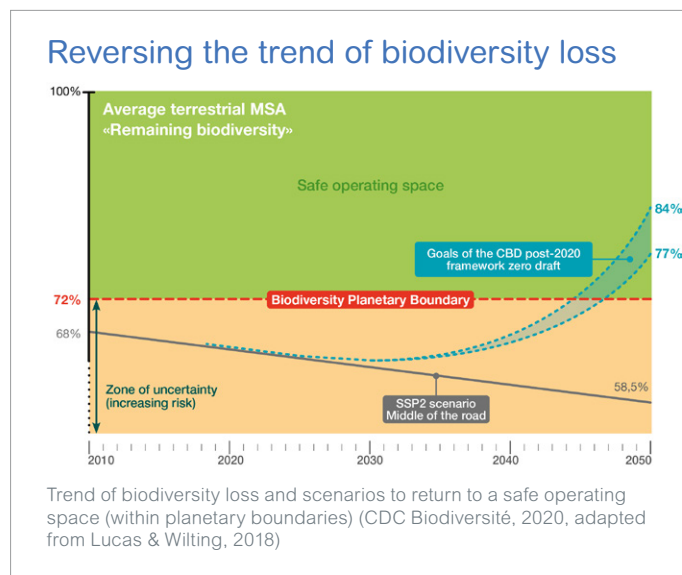
Business for Nature is a global coalition of influential organizations and forward-thinking businesses calling for governments to reverse nature loss this decade.

It's time for Nature

IPBES warning

The IPBES global assessment [report](#) makes it very clear that the global biodiversity loss is unsustainable and calls for a transformative change of the economic and social model, with four key messages:

- Nature and its vital contributions to people, which together embody biodiversity and ecosystem functions and services, are deteriorating worldwide.
- Direct and indirect drivers of change have accelerated during the past 50 years.
- Goals for conserving and sustainably using nature and achieving sustainability cannot be met by current trajectories, and goals for 2030 and beyond may only be achieved through transformative changes across economic, social, political and technological factors.
- Nature can be conserved, restored and used sustainably while other global societal goals are simultaneously met through urgent and concerted efforts fostering transformative change.



What is the IPBES?

Established in 2012, the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) is an independent intergovernmental body established by States to strengthen the science-policy interface for biodiversity and ecosystem services for the conservation and sustainable use of biodiversity, long-term human well-being and sustainable development.



2021 will be the Biodiversity Year: a tipping point for both policy makers and private sector

Society has been too slow to understand the impacts of our activities on nature. However, the awareness is rising fast, and the momentum is building to move towards reversing the curve of biodiversity loss. The IPBES report has been a starting point of what is set to be a decisive couple of years for biodiversity with two major events for biodiversity held in 2021: the IUCN (International Union for the Conservation of Nature) World Congress and most importantly the Convention on Biological Diversity (CBD)'s COP15. At the COP15,

governments are looking to find an international agreement to set global targets and reinforce the international biodiversity framework for the coming decades.

The private sector has a major role to play to reverse the trend of biodiversity loss and Schneider Electric has the ambition to actively participate in this transition and lead the way for other companies who wish to become compatible with the planetary boundaries.

The need for quantitative measures

The business world needs biodiversity metrics like CO₂e

The CO₂ equivalent metric played a key role in mainstreaming climate issues and driving actions to mitigate climate change. The industry needs comparable metrics for biodiversity to properly address biodiversity loss. That is, quantitative metrics depicting the state of biodiversity, broadly used and accessible to all, scientifically consensual and that can be aggregated or dis-aggregated at multiple levels.

Such quantitative biodiversity metrics, coupled with qualitative interpretation, are necessary steps to estimate, monitor and pilot its impacts or demonstrate gains.

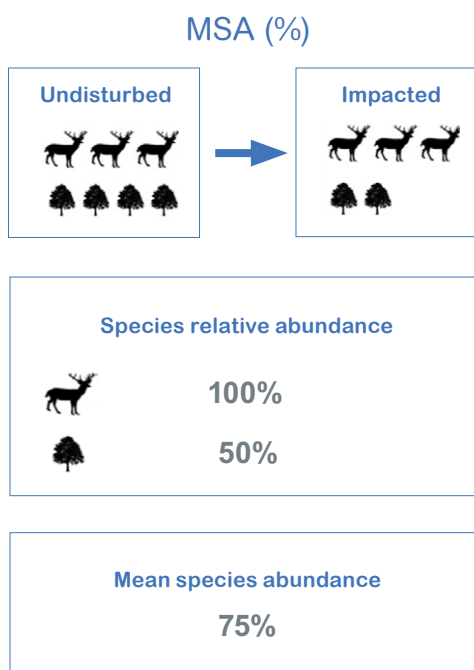
To capture the complexity of biodiversity, three types of complementary indicators and their associated metrics can be used: the conservation status (Red List Index), population trends (Living Planet Index), and ecosystem integrity or biodiversity intactness (Mean Species Abundance, MSA).

On the other hand, corporates need simplified, aggregated, top down metrics in order to be able to assess their impact on biodiversity and build their strategy to align with scientific recommendations.

The MSA.km² metric has all the ingredients needed to become a part of the "CO₂e of biodiversity": synthetic, easy to understand, and widely applicable.

Focus on the MSA.km² metric

The Mean Species Abundance (MSA) is a metric characterizing the intactness of ecosystems. It measures the average remaining abundance of species in a given area compared to an undisturbed situation. MSA values range from 0% (no biodiversity left) to 100% (undisturbed pristine ecosystem).



By multiplying the MSA % with the surface area to which it applies, impacts can be expressed in MSA.km². This unit allows to add and compare impacts from different causes and in different locations.



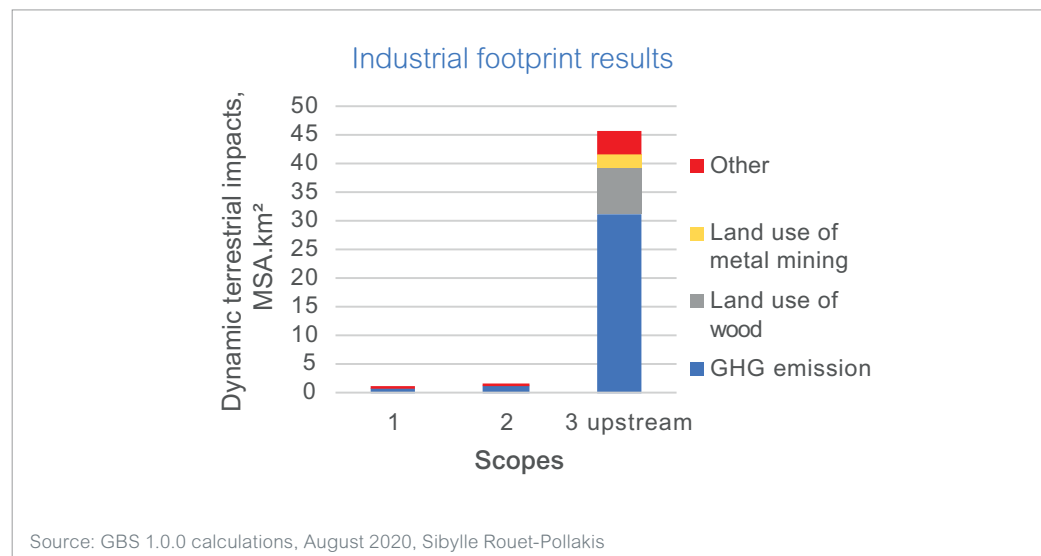
Schneider Electric's biodiversity footprint assessment

A pioneer exercise led by CDC Biodiversité

The Global Biodiversity Score, a possible answer

In 2020, CDC Biodiversité assessed Schneider Electric's 2019 biodiversity footprint, thanks to the Global Biodiversity Score (GBS): an innovative tool, which allows to have an holistic top down overview of biodiversity impacts (from either corporate or financial institution).

Results and way forward



How does the GBS work?

The GBS is a corporate Biodiversity Footprint Assessment (BFA) tool developed over 3 years of R&D, and released in its version 1.0 in 2020.

The GBS links economic activity to pressures on biodiversity and translates these pressures into biodiversity impacts, using state of the art and transparent scientific knowledge.

The tool uses company specific data on purchases or related to pressures (such as land use changes or greenhouse gas emissions). In the absence of precise data, a default calculation assesses impacts based on financial turnover data.

More about the tool in the [latest GBS report](#).

The end to end assessment allowed Schneider Electric to identify hotspots around which is most effective to develop biodiversity strategy and actions. As the summarized results show, the direct operations have very limited impacts compared to that of suppliers.

Within our supply chain the main source of impacts are GHG emissions. The impact of wood (which is used for cardboards and pallets) is surprisingly high and a significant share of impacts are due to mining, and specifically that of metals such as copper.

These insights call to specific actions and allow to take better strategic decisions, in terms of eco-design of products, purchase of raw material, engaging not only ourselves but the whole supply chain.

To return to the safe operating space and align with international objectives, Schneider Electric must reduce its footprint.

At Schneider Electric, we will start acting now towards no net loss of biodiversity. We also work on stepping up our biodiversity strategy with science-based targets.

[More information in the full biodiversity footprint assessment report.](#)

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The road ahead

Joining forces for a better future

The road ahead to make human societies respect the planetary boundaries demands transformative change, innovative solutions and significant economic paradigm shift. We, public authorities, businesses and civil society, all need to step up our game and work together to deliver on commitments for nature.

Together stronger

We invite companies to start right now. Even before international agreements, the private sector can start to quantify biodiversity impacts, understanding interdependencies between nature and business, identify risks and define action plans.

The scientific community needs to continue developing state-of-the-art tools to measure impacts of companies, allowing the latter to build their strategies on scientific bases.

The journey towards true sustainability is long and still partly unmapped, yet the world needs urgent action. It is only by joining forces today that we can reach sufficient momentum and change societies soon enough.

Need for international alignment on ambition

To engage companies in a transformative change, clear and measurable international targets must be set, counterparts to both the 1.5-2°C increase climate limit and its associated carbon budget.

We welcome the definition of targets to preserve and restore biodiversity for species, ecosystems and genes.

We welcome initiatives bridging the gap between the global objective and the footprints of companies through science-based allocation principles.

Together let's fast track the adoption of biodiversity footprinting methodologies. This will foster bold strategies towards no net loss...as well as restoration for a "nature-positive" impact.

Life Is On



About Schneider Electric

As a global specialist in energy management and automation in more than 100 countries, Schneider Electric offers integrated energy solutions across multiple market segments. Our integrated solutions and expertise make electrical energy reliable, efficient and green.

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CDC BIODIVERSITÉ



About CDC Biodiversité

Our objective was to create a tool that makes it possible to act for biodiversity, by identifying and developing economic levers (regulatory, voluntary, etc.) to finance the preservation and restoration of nature. CDC Biodiversité is a wholly-owned subsidiary of Caisse des Dépôts, which has all the means enabling it to act towards this objective.

<https://www.cdc-biodiversite.fr>

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