

Only 24% of organizations have a biodiversity strategy in place

Although many solutions already exist to address biodiversity loss including impact assessments, AI or synthetic biology, businesses are only investing less than 5% of the required amount to address it

Paris, September 18, 2023 – Despite nearly nine in ten executives stating that biodiversity is important to the planet, protecting it remains at the bottom of the corporate agenda, as greater emphasis is currently being placed on tackling climate change, according to the Capgemini Research Institute’s latest report, [Preserving the fabric of life: Why biodiversity loss is as urgent as climate change](#). Currently, just 16% of organizations have already assessed the impact on biodiversity of their supply chain and only 20% for their operations.

Though climate change and biodiversity loss are closely interlinked, the immediate focus for most organizations is presently directed towards climate concerns, with a majority of executives believing that biodiversity holds a lower rank in priority compared to climate change. In fact, just over half of executives globally believe it is not the role of a private company to address biodiversity, just to follow biodiversity regulation – and this even reaches 78% in Italy and 75% in Japan.

Perceived lack of urgency amongst global executives

Nearly half (47%) of executives regard biodiversity loss as a medium-term risk for their businesses and 30% perceive it as a long-term risk (2050) while just 17% view it as an immediate concern – with significant regional differences in the perception of the biodiversity emergency¹. Ultimately, the report estimates that global corporate investment in biodiversity preservation represents less than 5% of what is needed from all stakeholders (public and private) in the next 10 years to reverse damage to the biodiversity ecosystem.

Strategies to protect biodiversity are lacking

Organizations are increasingly aware of the catastrophic consequences of the loss of biodiversity and other related ecosystem damage. However, only a quarter of organizations have a biodiversity strategy, with Australia (15%), Germany (16%), Canada (17%) and Italy (18%) lagging behind. These strategies may include initiatives such as investing in circular practices, developing science-based targets, or considering biodiversity impact on investment decisions. On average, land preservation or restoration projects are a bigger focus than freshwater and ocean projects. Furthermore, only 16% of organizations have completed an impact assessment of their supply chain on biodiversity and just 20% have done the same for their operations.

In general, executives agree on the importance of conserving biodiversity but 59% of those surveyed find that the complexities surrounding biodiversity create challenges. Unlike carbon, which is easy to define, measure

¹ Business leaders in Japan or France are considering that they are already affected by biodiversity loss, or will be by 2025 (30 and 32%, respectively) whereas in many other regions such as Canada, Germany or Australia, over 90% of them perceive this risk as medium (2030) to long-term (2050).



and document, biodiversity is more difficult to determine in terms of quantification, observation, and consequently, impact evaluation. These complexities are attributed to the absence of globally uniform benchmarks for gauging and overseeing impacts on biodiversity, ambiguities in goal setting, and a skills gap in the biodiversity talent market.

“Every business depends on biodiversity and ecosystems: whether it is direct inputs such as water or fibers, or ‘ecosystem services’ like water regulation or soil fertility, a thriving and functioning biosphere is critical to human well-being, wider sustainability goals as well as economic growth and stability. However, many organizations underestimate their direct impact on biodiversity loss, and their responsibility in protecting and restoring it,” comments Cyril Garcia, Group Head of Global Sustainability Services and Corporate Responsibility and Group Executive Board Member at Capgemini. *“It’s time for businesses to proactively address the issue and get ahead of mandatory regulations that are on their way, especially as many solutions and frameworks such as the Task Force on Nature-related risks Disclosure and regenerative practices are already available to help protect biodiversity. Collaboration, investment and innovation will all be key to helping organizations identify and implement strategies for biodiversity protection and preservation.”*

Biodiversity integral to supply chains

Many organizations have made biodiversity an integral consideration within their supply chain: of the executives surveyed, 58% say their organization has updated their supplier code of conduct to include biodiversity considerations, while about half mention that their organizations are investing in deforestation-free supply chains and require sustainable forest management practices from their suppliers.

When exploring specific industries, the consumer goods sector emerges with the highest percentage (26%) of organizations that have already evaluated the impact of their operations on biodiversity, whereas the public/government sector exhibits the lowest percentage (14%) in this regard. In the context of supply chains, the retail sector claims the highest completion rate (26%) for impact assessments, whereas the agriculture and forestry sectors indicate the lowest completion rate (10%).

Circular economy practices prove most popular

Necessary to addressing the biodiversity crisis are changes at organizational, behavioral, and cultural levels, with the adoption of circularity playing a critical role. Almost two thirds of executives say their organization has implemented circular economy practices, such as recycling and reusing² and over half of organizations are taking steps to mitigate negative impacts on land and water.

Technology will play a critical role in tackling biodiversity challenges

A key part of the future of biodiversity conservation and restoration will include the integration of artificial intelligence (AI) solutions alongside blockchain technology and sensors to simplify the monitoring and tracing of diverse populations, encompassing animals, birds, and plants. Leveraging AI and robotics can aid in species tracking while minimizing disruptions to the surrounding biodiversity. Synthetic biology will also be part of the solution to some of the most severe threats to the environment including reducing chemical and plastic pollution. In fact, almost three quarters of executives agree that digital technologies will also be key to their organization’s biodiversity efforts. To that end, organizations are particularly investing in AI and machine learning (31%), followed by 3D printing (30%), and robotics (28%).

² Recycling and reusing materials reduce waste and therefore pollution that destroys marine and land ecosystems, wildlife, etc. and it also reduces the need to extract raw materials from nature.



For more information or to download the report, visit: <https://www.capgemini.com/insights/research-library/biodiversity>

Methodology

The Capgemini Research Institute surveyed 1,812 executives from 15 different industries and employed at organizations with more than \$1 billion in annual revenue across 12 countries in North America, Europe, and Asia-Pacific: Australia, Canada, France, Germany, India, Italy, Japan, the Netherlands, Spain, Sweden, the United Kingdom, and the United States. Executives comprised of director-level and above and 50% were from sustainability functions, such as environmental management, conservation, climate change, and corporate social responsibility. Of the total sample, 1,643 executives (66%) are employed at organizations that have a biodiversity strategy or ad-hoc biodiversity initiatives. The global survey took place in May and June 2023. In addition, 15 in-depth interviews were also conducted with 15 senior biodiversity and sustainability executives and experts.

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