



Italcementi Group

Biodiversity Management

from collaborative platforms to business

*States General of Green Economy
Natural Capital: a new driver
of growth for companies*

Rimini, 3 November 2015

Stefano Gardi



Established in 1992, the WBCSD is a CEO-led organization of forward-thinking companies that galvanizes the global business community (>200 member companies) to create a sustainable future for business, society and the environment.

- 2007 formal Focus Area on Ecosystems
- 2010 Vision 2050 - focus on agriculture and forests
- 2013 Action 2020 - Ecosystems is one of the key cluster

Now the specific work programme of WBCSD is much more structured

- On behalf of the Natural Capital Coalition, leading the development of the Natural Capital Protocol
- Partners onboard the Cluster on Ecosystems and Landscape Management



WORLD
RESOURCES
INSTITUTE



Convention on
Biological Diversity





World Business Council for Sustainable Development

Cement Sustainability Initiative

Established in 1999, the Cement Sustainability Initiative (CSI) is a global effort by 25 major cement producers with operations in more than 100 countries who believe there is a strong business case for the pursuit of sustainable development.

Local Impacts and land stewardship is one the CSI key issue:

- 2002 Guidelines for Environmental and Social Impact Assessment
- 2011 Guidelines on Quarry Rehabilitation
- 2014 Biodiversity Management Plan (BMP) Guidance



Setting common **Key Performance Indicators**:

- % of active quarries with quarry rehabilitation plans in place
- number of active quarries within, containing or adjacent to areas designated for their high biodiversity value as defined by GRI EN11
- % of quarries with high biodiversity value where biodiversity management plans are actively implemented

Sustainability at the foundation of Italcementi Group's strategy



Industry



Innovation



Development



Sustainability

For the Group, sustainability is responsible efficiency, aiming at durable creation of value



Economically and resource efficient, low impacting, and socially inclusive solutions **are strategic priorities to develop our business:**

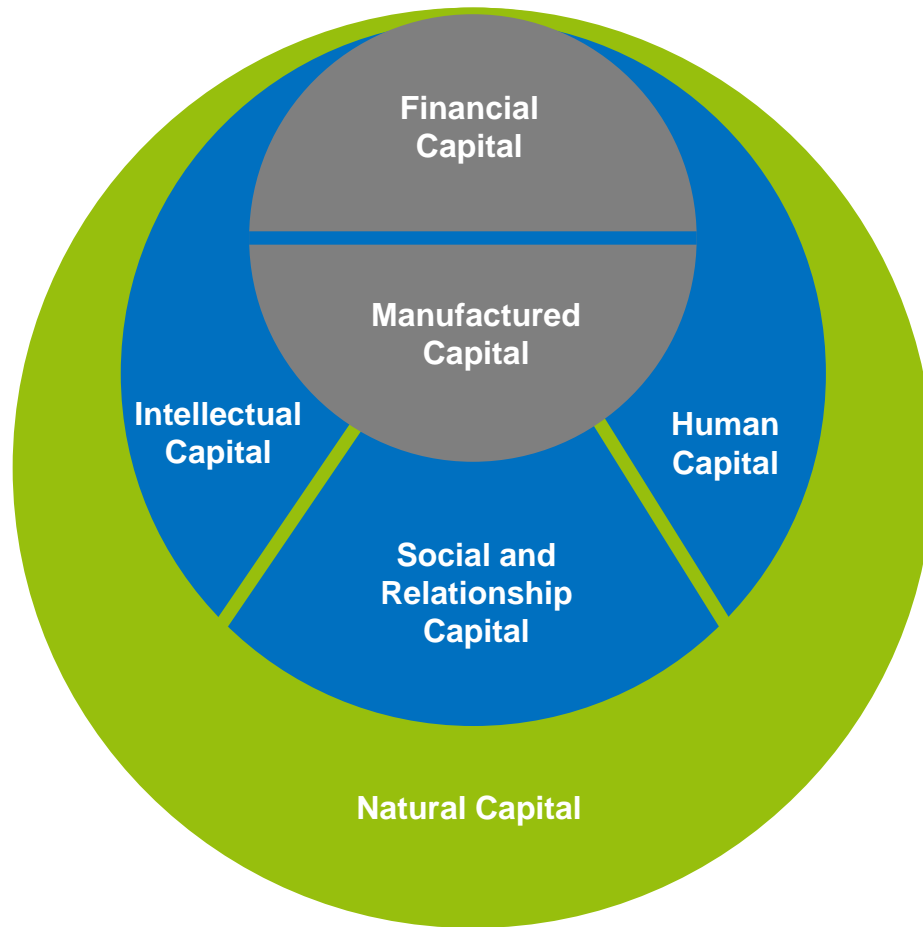
“... no source of value, whether related to human beings, natural or financial resources, intellectual capacity and use of time, shall be neglected or wasted” .

2015: short-term Targets

2020: medium-term **Ambitions**, also supporting WBCSD **Action 2020**

2050: long-term vision

The Capitals affecting Company value



Natural Capital are natural assets, as providers of resource inputs and environmental services for economic production and social well being

Social and Relationship Capital addresses stakeholders, community, supply chain, customers, market, authorities, with the aim to retain social license to operate.

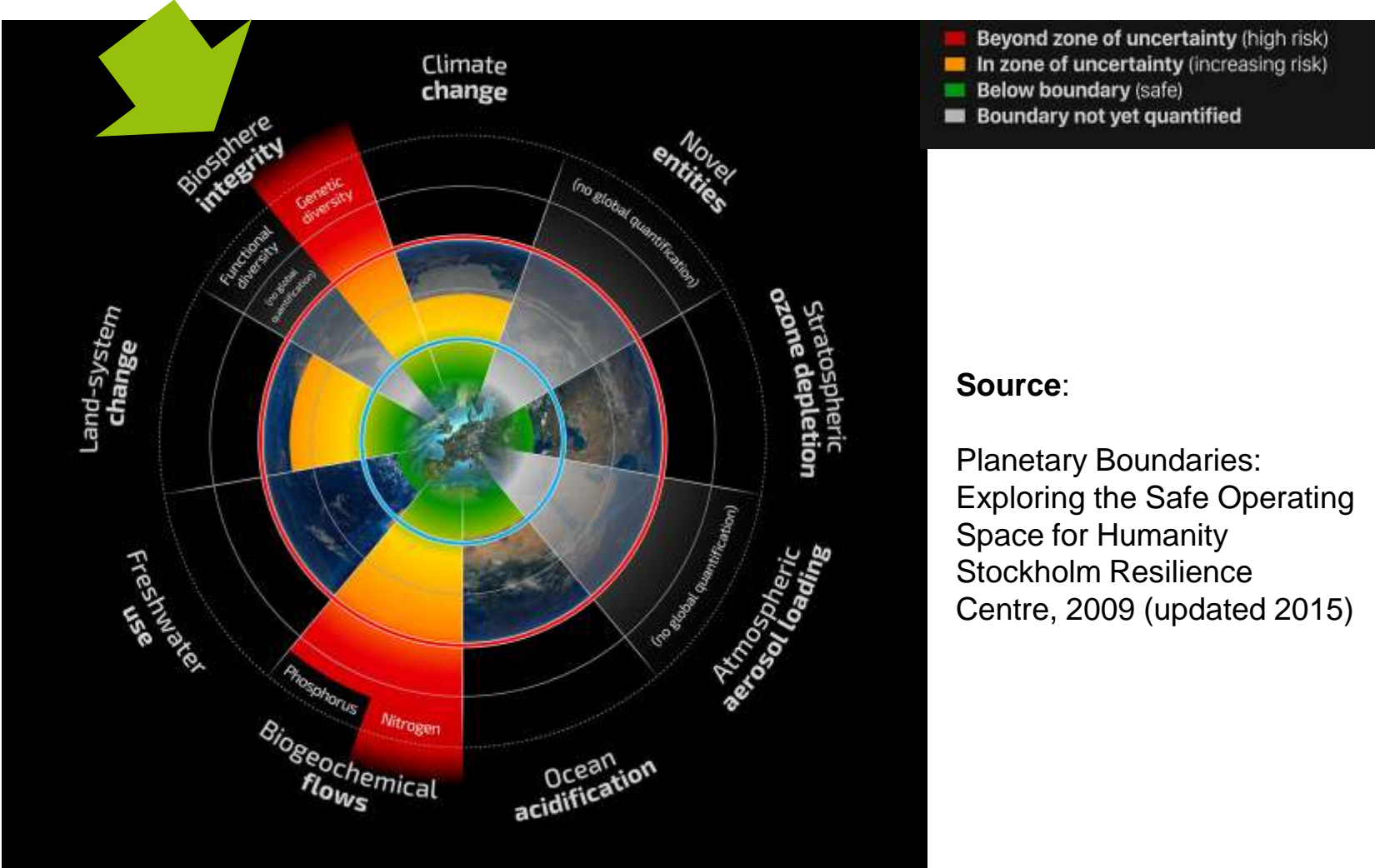
Human Capital consists of the individual's capabilities and the knowledge, skills and experience of the company's employees and managers.

Intellectual Capital is the product of R&D and the value created by combining material, financial and human resources.

Manufactured Capital are equipment and tools, human-created and production-oriented.

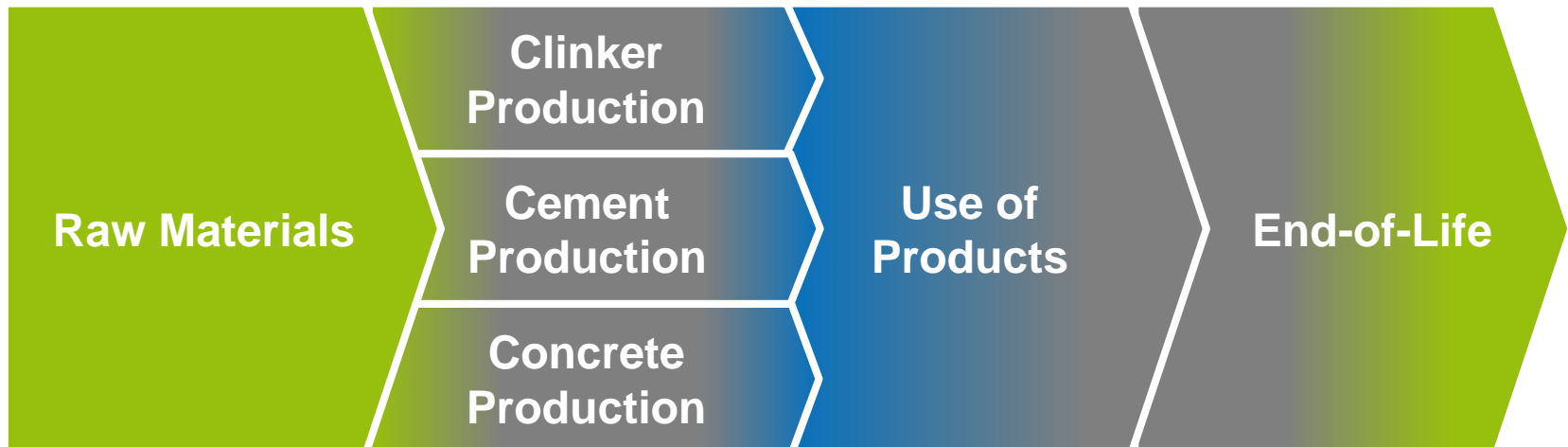
Financial Capital is understood as the pool of funds available to an organization.

Natural Capital has clear limits



Source:
 Planetary Boundaries:
 Exploring the Safe Operating
 Space for Humanity
 Stockholm Resilience
 Centre, 2009 (updated 2015)

Our business



We are grounded on **Natural Capital**.

This is why **Biodiversity** is high in our agenda

This is why we have set some challenging **Targets 2015** and **Ambitions 2020**

This is why **WBCSD** and **CSI** require from members high commitment

Abstract from Group Targets 2015 and Ambitions 2020

TARGETS 2015

- 100 % of quarries with **rehabilitation plans**

AMBITIONS 2020 - Responsibility

- **Biodiversity management systems**, integrated with the rehabilitation plans, at all its extraction sites, prioritizing quarries in sensitive areas

Abstract from WBCSD Action 2020

ECOSYSTEMS

Reduce loss of ecosystems and restore degraded ones.

By 2020, reduce the loss of natural ecosystems and restore degraded ones so that biodiversity and ecosystem services are maintained:

- Rate of forest loss is at least halved and, where possible, brought close to zero (vs. the average 2000-2010 rate)
- Rate of wetland loss is at least halved and, where possible, brought close to zero (vs. the average 2000-2010 rate)
- 10% of coastal and marine areas are conserved
- 15% of degraded forests as of 2010 are pledged to, or are under restoration
- 15% of degraded wetlands as of 2014 are pledged to, or are under restoration
- 15% of degraded coral reefs are pledged to, or are under restoration
- Restore at least 12 million hectares per year of degraded lands.

Biodiversity Management at Italcementi Group

Combining the needs of our business, deeply grounded on natural resources, with the solicitation coming from our sustainable memberships, such as the World Business Council for Sustainable Development and the Cement Sustainability Initiative, the Group has issued the **Guidelines for Biodiversity Management**.



These **Guidelines** are a direct application of the Italcementi Group's Environment Policy. The implementation is mandatory in all relevant Group's subsidiaries.

Countries & businesses managers are accountable for the full implementation of these guidelines.

Risk matrix

All quarry sites under Group's operational control, whether extraction has begun or not, closed and/or exhausted, future reserves or temporary dormant sites must be screened and classified upon 2 properties:

- ❑ Biodiversity impact category (BIC)
- ❑ Potential impact of activities on biodiversity value

		Potential impact of Group's activities on biodiversity value			
		Very significant	Significant	Moderate	Low
Biodiversity Importance Category (BIC)	BIC 1 International value	High	High	High	Medium
	BIC 2 National value	High	High	High	Medium
	BIC 3 Local value	Medium	Medium	Low	Low
	BIC 4 Heavily modified	Low	Low	Low	Low

Biodiversity management levels

Upon the Risk Matrix, the suitable Biodiversity Management level has to be selected and implemented at all quarry sites

High	<p>High biodiversity input: a separate Biodiversity Action/Management Plan (BAP/BMP)</p> <ul style="list-style-type: none">■ specific positive biodiversity targets■ re-vegetation using only native species■ active control of invasive alien species■ long-term post-closure management for biodiversity-related land use■ active monitoring of target attainment■ ultimate land use for conservation or natural resources use/biodiversity, considering a broader landscape
Medium	<p>Medium biodiversity input: a specific section on biodiversity in Rehabilitation Plan (RP)</p> <ul style="list-style-type: none">■ biodiversity targets■ re-vegetation using only native species■ active control of invasive alien species■ no biodiversity monitoring■ ultimate land use for natural resources use/biodiversity, considering a broader landscape
Low	<p>Low biodiversity input: a standard Rehabilitation Plan (RP)</p> <ul style="list-style-type: none">■ re-vegetation using non-invasive alien species or native species■ active control of invasive alien species■ no biodiversity monitoring■ ultimate land use not primarily targeted to biodiversity, considering a broader landscape

Timeline

Jun 2016	Completion of screening/risk assessment and determination of biodiversity importance category (BIC)
Jun 2017	Implementation of biodiversity management for: <ul style="list-style-type: none">□ BIC 1&2□ Sites under planning application and approaching closure
Dec 2018	Implementation of biodiversity management for: <ul style="list-style-type: none">□ BIC 3
Dec 2020	Implementation of biodiversity management for: <ul style="list-style-type: none">□ BIC 4

Important: in line with public commitment, by end 2015 all Group's quarry should have a rehabilitation plan. In any case, all existing rehabilitation plans have to be reviewed and updated integrating the proper level of biodiversity management.

Status at the end of 2014

Cement	137 Quarries
	117 With rehabilitation plans, also addressing biodiversity
	51 In sensitive areas for biodiversity
	9 With biodiversity plan
Aggregates	146 Quarries
	141 With rehabilitation plans, also addressing biodiversity
	82 In sensitive areas for biodiversity
	35 With biodiversity plan
TOTAL	283 Quarries
	258 With rehabilitation plans, also addressing biodiversity
	133 In sensitive areas for biodiversity
	44 With biodiversity plan

Thank you!

Additional info at:
www.italcementigroup.com

