



Biodiversity in the financial sector – From pledges to action

A practitioners' Guide by the Working Group on Biodiversity
under the Sustainable Finance Platform



Agenda

The working group on biodiversity

The climate biodiversity nexus

Policy & target setting

Market engagement

Risk & impact management

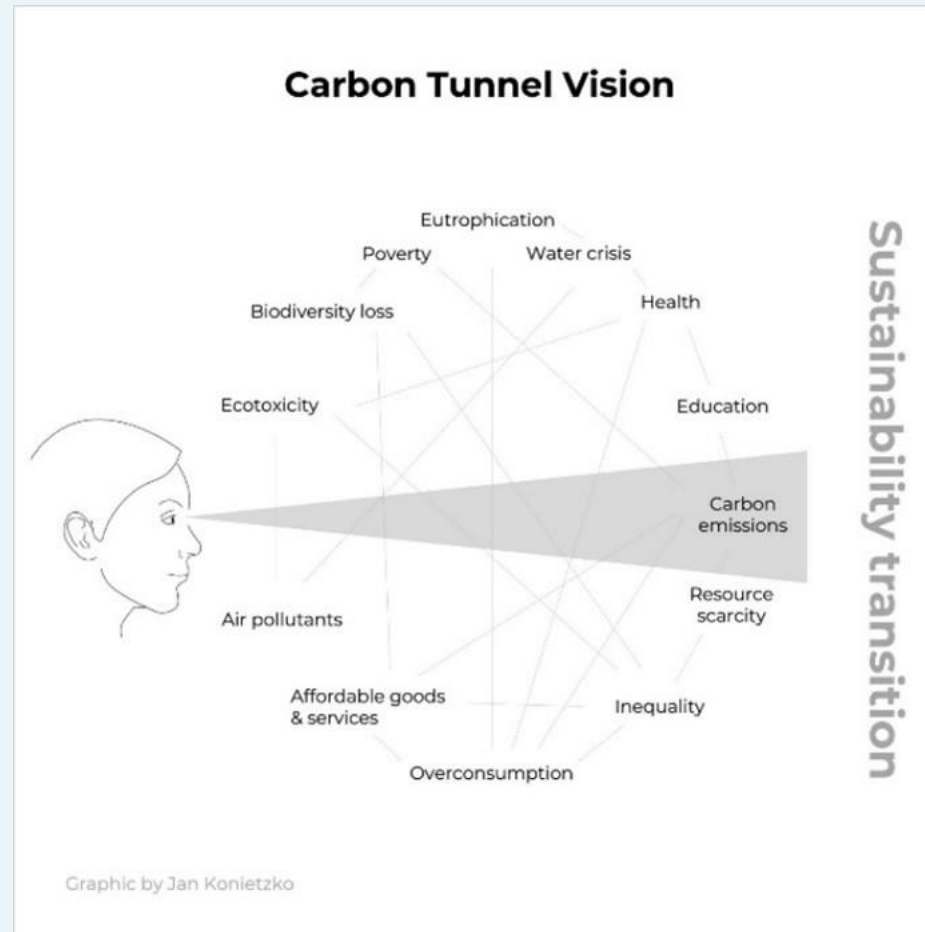
The Working Group on Biodiversity

The Working Group on Biodiversity consists of eight financial institutions and two other organisations. Its members are Actiam, APG, ASN Bank, a.s.r., FMO, ING, van Lanschot Kempen, NWB Bank, Rabobank, Robeco, the Dutch Ministry of Agriculture, Nature and Food Quality, and the Erasmus Platform for Sustainable Value Creation.

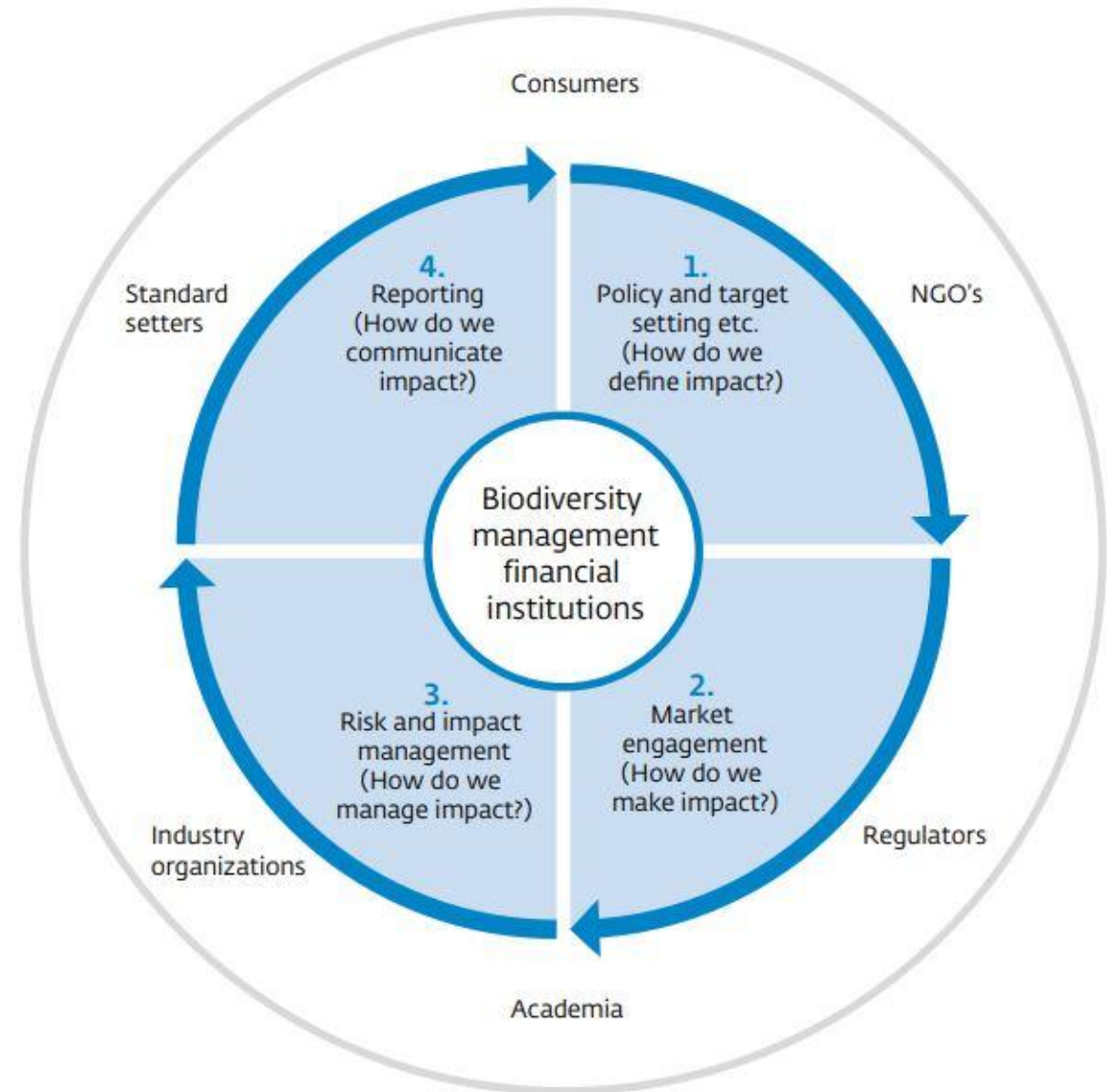
It is headed by Lidwin van Velden, chair of NWB Bank's Executive Committee.

Interested in joining? Send an e-mail to merel.hendriks@nwbbank.com

The climate-biodiversity nexus



Four step approach



Policy & target setting

- How can your biodiversity align with your climate policy?
- What targets can you set on the impact drivers of biodiversity loss?
 - Climate change
 - Landuse change
 - Exploitation of natural resources (i.e. water)
 - Invasive species
 - Pollution
- Ensure top management commitment

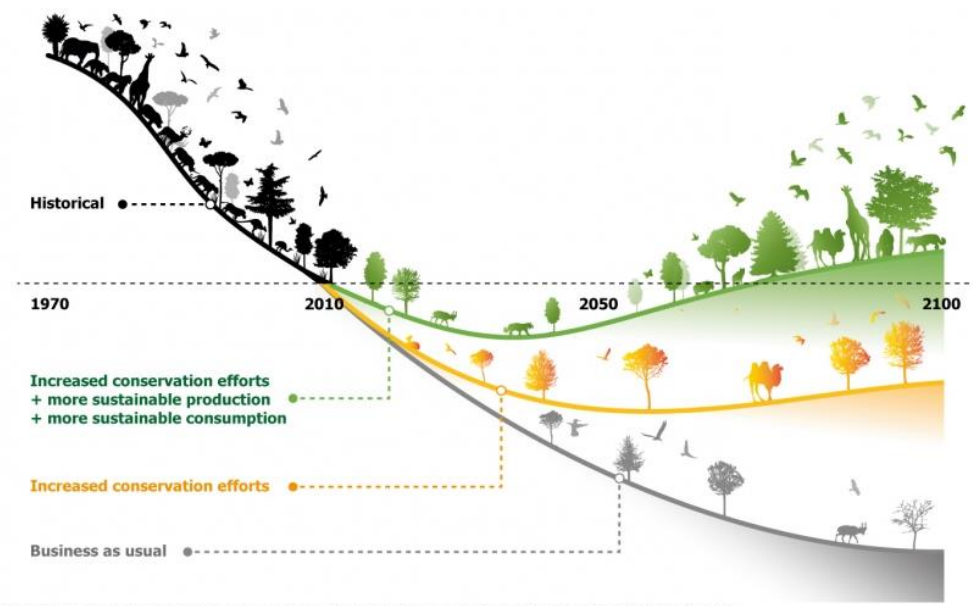
Policy & target setting

-  Land use/sea use change
-  Direct exploitation
-  Climate change
-  Pollution
-  Alien invasive species

- ➔ No net deforestation by 2030
- ➔ Water neutral by 2030
- ➔ Net-zero at the latest by 2050; -50% by 2030
- ➔ Net zero pollution by 2050



How to translate this to an overall biodiversity target focussing on bending the curve of biodiversity loss?



This artwork illustrates the main findings of the article, but does not intend to accurately represent its results (<https://doi.org/10.1038/s41586-020-2705-y>)

Policy & target setting

Reduce systemic risk		
Invest in solutions	Engagement	
	Stimulate policy change	Nudge consumers and producers
Reduce risks and create opportunities at investee companies		
Engagement focussing on reduction of direct negative impacts	Engagement focussing on reduction of indirect negative impacts	Engagement focussing on increasing business model resilience
Reduce portfolio risk and take opportunities		
Divest from laggards	Positive selection	

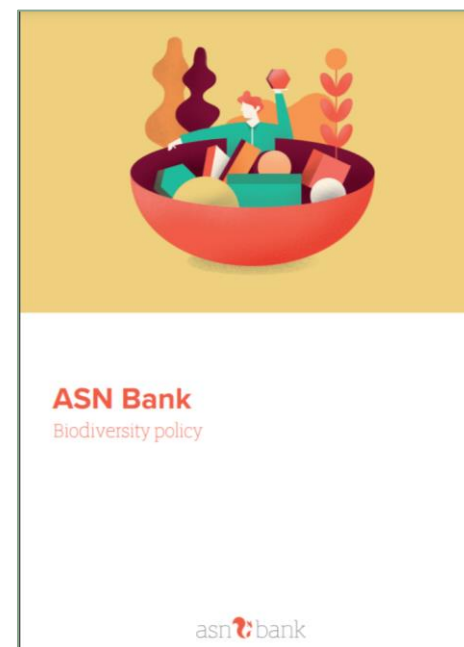
Policy & target setting

ASN Bank's sustainability policy strives for a holistic view on the subject

- ASN bank has an extensive and strict policy for its investments.
- Of companies screened by the bank, only 20% is approved.
- The current investment universe of ASN consists of only 300 companies.

Our ASN biodiversity policy is based on avoiding and minimizing negative impact

Consumentenveiligheid	Open ⊕
Circulair ondernemen	Open ⊕
Bestuur	Open ⊕
Duurzame Energie	Open ⊕
Dierenwelzijn	Open ⊕
Financiële dienstverlening	Open ⊕
Microfinanciering	Open ⊕
Plastic	Open ⊕
Transport en mobiliteit	Open ⊕
Waterschaarste	Open ⊕
Wonen en werken	Open ⊕



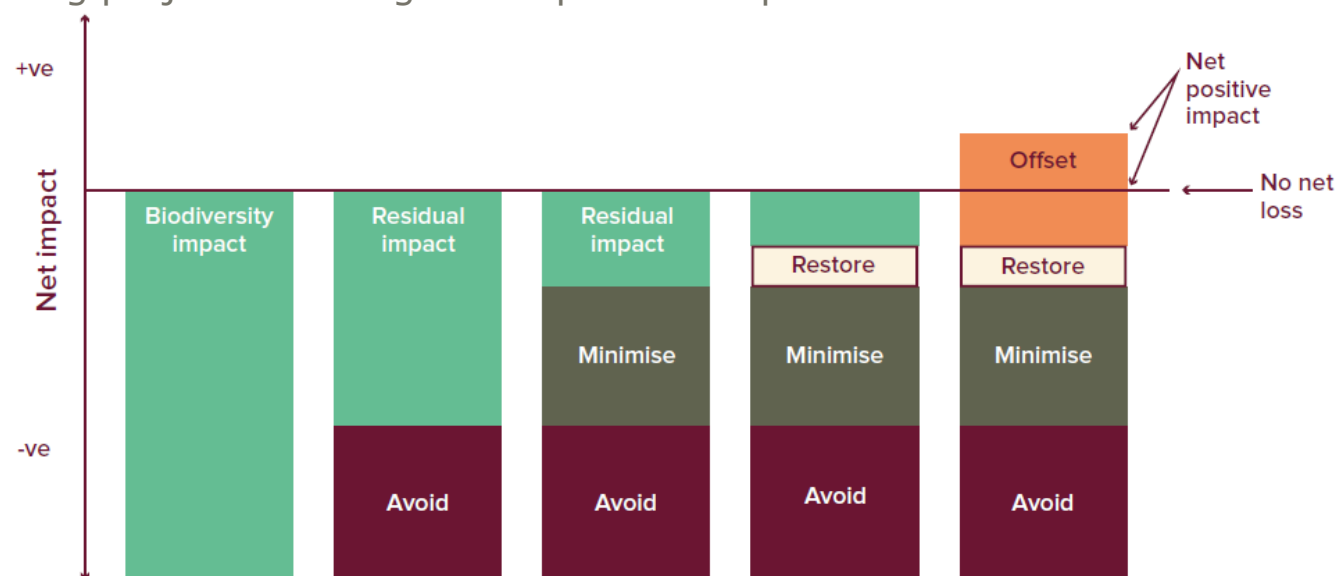
Policy & target setting

Our biodiversity goal

'Net positive effect on biodiversity as a result of all of our loans and investments by 2030'

In order to reach this goal we apply the mitigation hierarchy paired with the following steps:

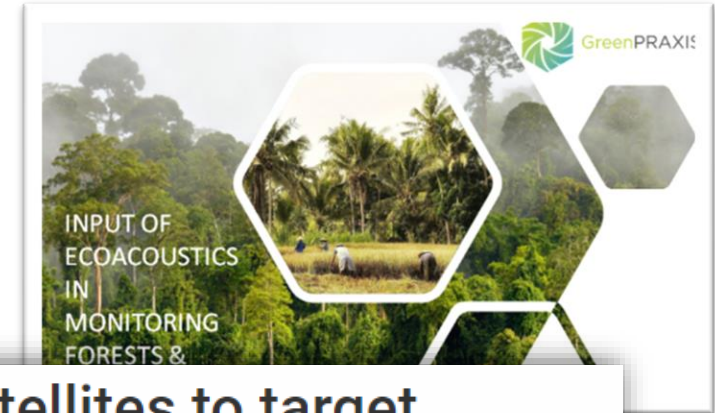
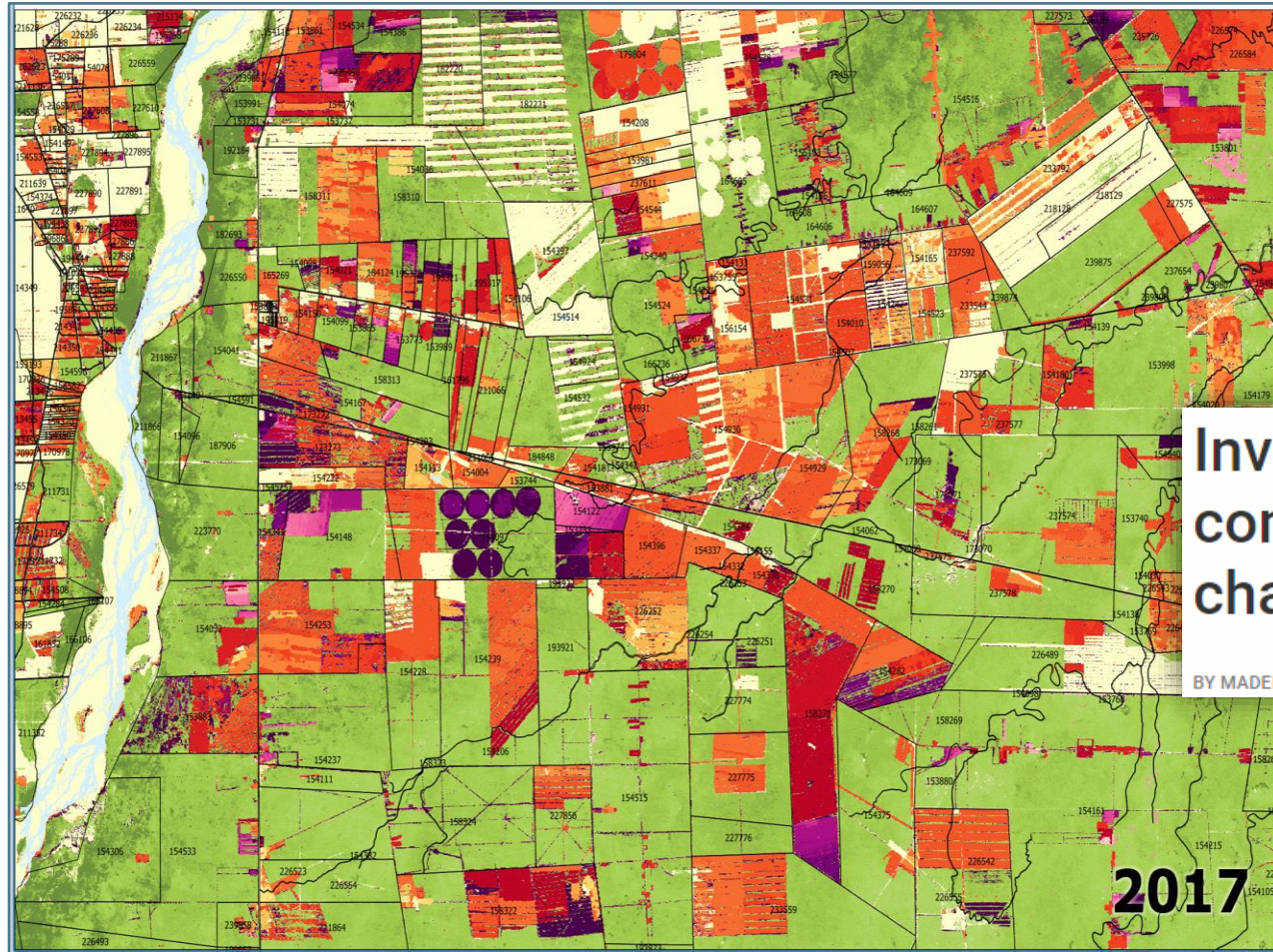
1. Measure, avoid and minimize negative impact
 - Using the BFFI methodology and by applying our biodiversity policy, engagement and exclusion.
2. Create avoided and positive impacts
 - Biobased buildings and exploring project financing with a positive impact.
 - Biodiversity fund
3. Cooperate to improve



Market engagement

- How can you collaborate?
 - Nature Action 100
 - PBAF
- Increase knowledge among employees
 - Working group Biodiversity e-learning
- Collaborate with NGO's
 - WWF
- What products can you develop to increase biodiversity?
 - Biodiversity fund
 - Sustainable agri investments
 - Sustainability linked loans

Market engagement: using satellite data for engagements on deforestation



Investors use satellites to target companies with deforestation in supply chains

BY MADELEINE TAYLOR | 05/11/2020 - 11:15AM



SATELLIGENCE

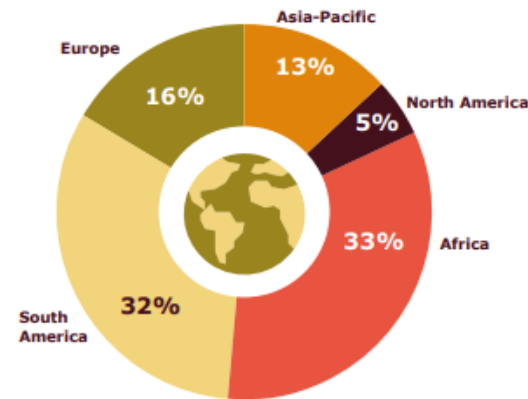
actiam cardano

Engagement

- ASN Bank founded PBAF to further develop knowledge on measuring and analyzing impact of FI's on biodiversity
- ASN Bank cooperates with many NGO's and other organizations.
- Finding suitable companies for our biodiversity fund
- Next year, ASN Impact Investors will start engagement with companies on their respective biodiversity impacts.



Regional allocation of invested assets



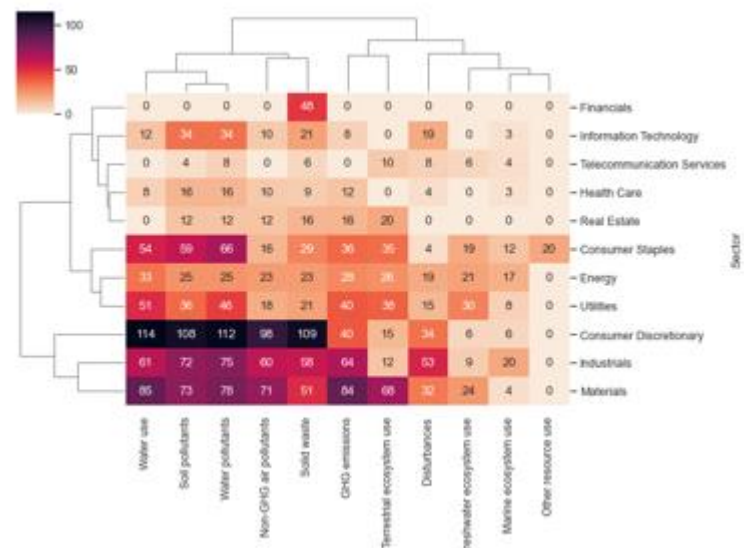
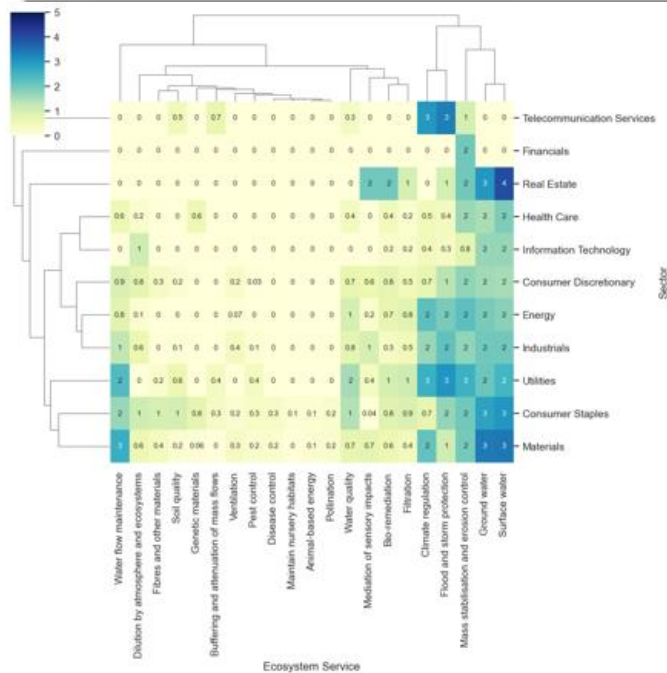
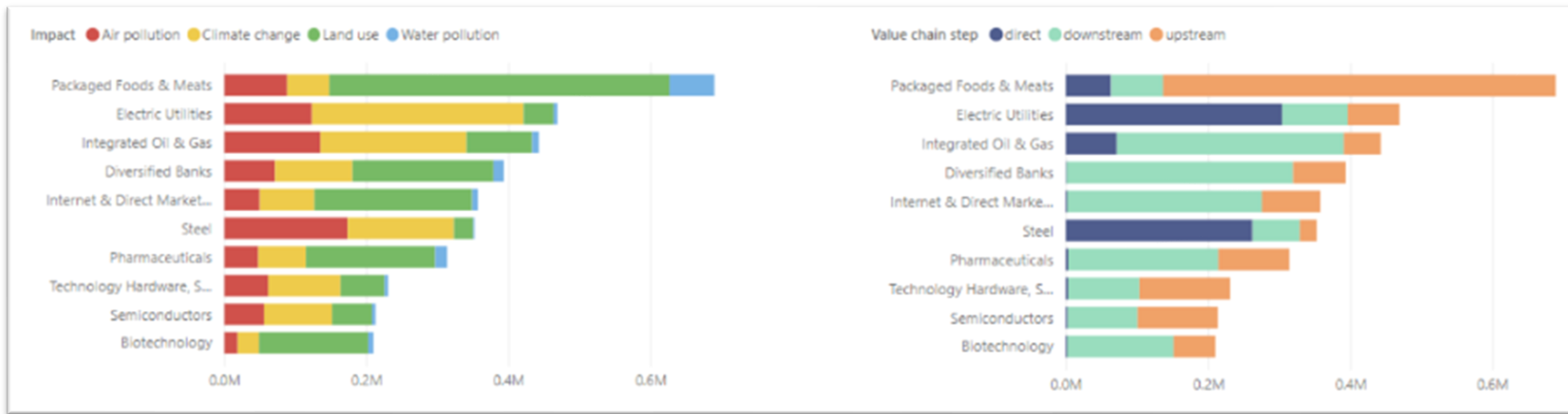
Top 4 investments

1. Eco Business	8.3%
2. Food Securities Fund	8.1%
3. Aqua-Spark	7.4%
4. Kingfish	0.8%
5. Wide Open Agriculture	0.8%

Risk and impact management

- Start by linking biodiversity and climate adaptation
 - Greener areas reduce urban heat island effects
 - Greener areas increase water absorbance and retention
- Create heatmaps of biodiversity impact accross your portfolio's
- Think about double materiality: how do your investments impact biodiversity and how are your investments impacted by biodiversity loss

Risk and impact management: Combine data to learn about risks



Risk and impact management

Risk

- Using the ENCORE database for measuring exposure and dependencies within the ASN listed equity fund
- Make nature count: A pilot study applying the Ecosystem Services Valuation database (ESVD) on 4 biodiversity investments. The TNFD LEAP approach was also applied
 - Will be published this week

Impact management

- ASN Bank measures its biodiversity impact on a quarterly basis using the BFFI methodology



Make nature count

Integrating nature's values into decision-making

A pilot study: assessing expected changes in ecosystem services and the valuation of these changes in four different (ASN Bank) projects

Foundation for Sustainable Development
Vince van 't Hoff, Mieke Siebers, Arnold van Vliet, Wijnand Broer, Dolf de Groot



Want to learn more about biodiversity in under an hour? Check-out the e-learning designed by the Working Group on Biodiversity!

[Biodiversity e-learning for professionals of FI's](#)

