

# Putting the metrics behind sustainability at the ASN Bank.



## ASN Bank



### Calculating the biodiversity footprint for the banking sector

#### The Challenge

ASN Bank's aim is to contribute to a fair distribution of the world's wealth to present and future world citizens. As such, they are concerned about the effects that the investments from the banking sector might have on the state of the world's biodiversity – their biodiversity footprint. Yet, [assessing the impact on biodiversity is complex](#), requiring a large investment of time from skilled individuals. Moreover, banks do not usually have the required environmental technical data at hand; they only have information about spend, generally with a low level of granularity – only at industry sector level, for instance.

ASN Bank asked PRé and fellow sustainability consultancy [CREM](#) to set up the bases of a methodology that would provide insight into their biodiversity footprint and the impact of their investments. Furthermore, ASN Bank asked PRé's advice on how to apply these insights to reduce impacts in the future, with the long-term objective of [reaching a no-net-loss situation](#).

#### The solution

The goal was to develop a biodiversity footprinting methodology that would:

- Allow simple data entry, since the thorough and complex data collection process needed for a life cycle assessment would not have been appropriate
- Provide simple outputs that can easily be grasped and communicated outside of the scientific world
- Nevertheless be built upon a robust methodology in the background, with a sound and scientific basis

To develop the methodology, we interviewed experts and policy makers and discussed the results in a stakeholder meeting. Stakeholders participating in this meeting included representatives from the government, methodological experts and representatives of civil society organisations.





The biodiversity footprint delivers insight in decision challenges towards responsible financial activities.

The results can be used to derive investment criteria.



The outcome is a single score in square meters that allows an immediate grasp of the dominant impact indicators. The relative importance of each type of investment is also clearly visible, which can be used to build up a compensation scheme.

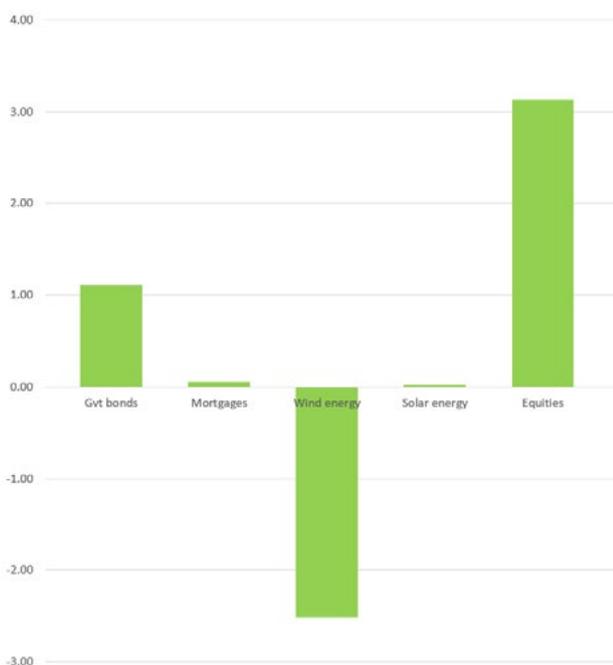


Figure 2 - Impact of various type of investment expressed in m<sup>2</sup> impacted per € invested.

While this quantitative methodology covers a wide range of impact categories, many mechanisms that impact biodiversity are not fully covered. Moreover, ASN Bank already sets very high sustainability standards for its investments (e.g. using FSC-labelled forestry products only), while the IO database assumes, by definition, average industry sectors.

To address these aspects, and to provide clearer views on possible compensation or remediation strategies, we subjected each type of investment to a qualitative analysis, with the

double objective of understanding the detailed causes of damage to biodiversity and to determine whether:

- There are reasons to assume that the impact on biodiversity might be higher than the quantitative analysis predicted
- There are reasons to assume that the impact might be lower
- There is no reason to assume a difference

This kind of qualitative analysis provides a good mapping of potential impacts that may not be captured by the quantitative calculation, such as overexploitation of land or the introduction of invasive species. These results can be used to derive investment criteria and engagement with investees.

The biodiversity footprint analysis and steps towards providing the metrics to support the long-term biodiversity objectives are not the end, but rather the beginning of biodiversity assessment for ASN Bank. The beginning of a process of deciding on the long-term objective within the bank, of working towards this objective in cooperation with experts and stakeholders, and of optimising the biodiversity footprint methodology while doing so, as they already did for their [climate-neutral investment policy](#).

### Business values

- **Insight in decision challenges towards responsible financial activities.** The interviews and stakeholder consultations showed what decisions and challenges a financial institution might face when assessing its environmental impact, when deciding on its responsibility and when working towards a biodiversity objective. The variety of viewpoints from different stakeholders provided great insights.
- **Building a collaborative stakeholder network.** The pool of experts and stakeholders consulted in this project will function as a network that ASN Bank can consult and involve in the development process in the coming years.



## Creating Business Value Through Sustainability Metrics

### Sustainability Metrics Consulting

Sustainability in business has become a core business concern and a driving factor in creating business value. PRé offers a range of consulting services, provided by a team of experts who will work with you to choose, create and deliver the right metrics for your sustainability goals.

### **PIONEERING** Developing Innovative New Metrics For New Challenges

Societal and stakeholder expectations for implementing sustainability in business are becoming more demanding. Sometimes, off-the-shelf metrics cannot help you answer their questions. PRé has extensive experience in life-cycle-based metrics pioneering: implementing cutting-edge new product metrics and developing completely new, scientifically sound and robust metrics. PRé has been the driving force behind many ground-breaking initiatives like ReCiPe or the Handbook for Product Social Impact Assessment.

### **INTEGRATION** Integrating Sustainability Metrics In Your Business

To create business value from sustainability, your business needs to integrate sustainability metrics across its business functions. You can't improve what you can't measure. PRé has the expertise required to help you choose the right metrics and to integrate sustainability into your day-to-day operations. PRé also supports you in increasing the efficiency of your LCA work and in empowering your LCA practitioners.

### **DELIVERY** Expert LCA Knowledge To Measure Sustainability Performance

LCA has proven to be a robust and science-based way to measure and communicate your sustainability performance. PRé can review your LCA studies, deliver EPDs, footprints and other metrics, and provide you with completely new LCA studies to measure your impact. Our consultants are renowned for their expertise in specific topics, such as impact assessment, uncertainty, normalisation, toxicity, social sustainability and databases. PRé offers training courses and in-house training that build a solid knowledge base to help you conduct LCA studies yourself.

**Get In Touch With PRé**  
We're always happy to discuss your sustainability challenges with you. If you have any questions, feel free to contact our offices in the Netherlands and the US.

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*We look forward to being your partner in putting the metrics behind sustainability.*

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### Those Who Have Gone Before – Market-leading Businesses That Are Creating Value From Sustainability Metrics

PRé has built a worldwide reputation as a leader on environmental and social impact assessment. We work with organisations and institutes such as the European Commission, European Space Agency, Heineken, BASF, Philips, L'Oréal and DSM.



### About PRé

PRé has been a leading voice in sustainability metrics and life cycle thinking, since 1990, pioneering the field of product and supply chain sustainability metrics. We've developed some of the world's most widely recognised and applied environmental impact assessment methods, as well as the world's leading LCA software, SimaPro. From the very first, we have not only focused on developing the science of LCA, but also its application – helping companies create value by using state-of-the-art measuring, monitoring and analysis methodologies to improve their sustainability performance.

Find out more about what we can do for your organisation at [www.pre-sustainability.com](http://www.pre-sustainability.com)

