



ASN Bank



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ASN Bank is a green Dutch retail bank founded in 1960. The bank is a division of de Volksbank Group which has €70 billion worth of assets under management in different asset classes including mortgages, government bonds, sustainable project financing, green bonds and investment funds.

Since its foundation, the Bank has been committed to nature protection and social justice and has adopted the following mission:

“ **Our economic conduct is aimed at promoting sustainability in society. We help to secure changes that are intended to put an end to processes whose harmful effects are shifted to future generations or foisted onto the environment, nature and vulnerable communities. In doing so, we do not lose sight of the necessity to yield returns in the long run that safeguard the continued existence of our bank. We manage the funds that our customers entrust to us in a manner that does justice to their expectations.**

We have translated our mission into policy. Our sustainability policy clearly states where we lend or invest and where we do not. This policy rests on three pillars: human rights, climate and biodiversity. On that basis, we exercise an influence on sustainable development. For example, by selecting sustainable companies for our investment funds and by entering into a dialogue with companies. ”



Three sustainability pillars – climate, biodiversity and human rights – are at the heart of their policy, each with associated long-term goals:

- Climate:** all of ASN Bank’s investments and loans will be net climate-positive by 2030.
- Biodiversity:** all of ASN Bank’s investments and loans will have an overall net positive effect on biodiversity by 2030.
- Human rights:** By 2030 all the Bank’s garment sector investees will have implemented a living wage.

The Bank routinely checks whether potential loans and investments meet their sustainability criteria and only then make financial decisions. Sustainability is thus the norm for the Bank applying strict criteria and assessing the policies and conduct of companies and organisations on that basis.

ASN Bank’s Sustainability & Research Department (S&R) prepares the sustainability policy which is approved by the Bank Management Board. The policy applies to:

- All loans and investments on the Bank’s balance sheet;
- The choice of social partners with which the Bank collaborates;
- The selection of sponsored projects;
- The selection of projects for the ASN Bank World Award and support of sustainability initiatives using crowdfunding.

ASN Bank’s biodiversity policy – adopted in 2010 and updated in 2021 – describes how the Bank hopes to contribute to maintaining and strengthening biodiversity and ecosystems. It includes sustainability criteria for biodiversity that are applied when selecting loans and investments.

The Bank aims to have an overall positive impact on biodiversity by:

- Developing a method (BFFI) to calculate their ecological footprint and monitor progress. By publishing their endeavours, they aim to raise awareness and assist other financial institutions in obtaining more insight into their impact on biodiversity.
- Reducing the biodiversity loss for which their loans and investments are responsible. This starts with the identification of loans and investments that have the highest impact, using the footprinting methodology developed, the Biodiversity for Footprint Financial Institutions (BFFI). They also collaborate with companies that are front-runners in reducing their ecological footprints.
- Exploring ways in which they can realise biodiversity gains. Examples include investing in nature development, renewable energy and the circular economy and collaborating with nature organisations and water companies. ASN Impact Investors recently launched the ASN Biodiversity fund which invests in projects and companies that protect or restore biodiversity.

ASN Bank avoids activities that have a major adverse impact on biodiversity, such as the exploration/production of fossil fuels, mining, unsustainable fishery and agriculture. The Bank believes that companies who are committed to biodiversity will opt for circular business operations, providing similar products or services, but putting far less pressure on ecosystems.

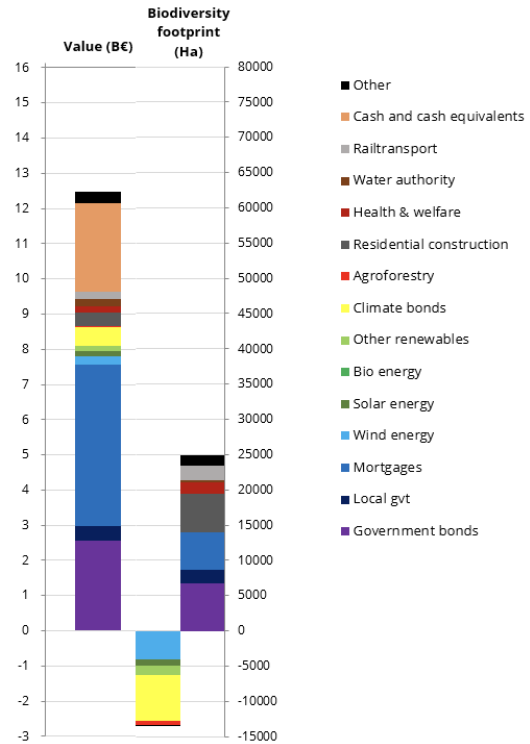
In 2017, ASN Bank was one of the founders of the Community of Practice Financial Institutions and Natural Capital (CoP FiNC). The Community’s goals include a definition of biodiversity loss, sharing experiences and methods, and helping one another to set biodiversity goals. The Bank has also publicly committed to increase biodiversity conservation, impact measurement and reporting through the Finance for Biodiversity Pledge along with other financial institutions.

Biodiversity Footprint for Financial Institutions (BFFI) methodology

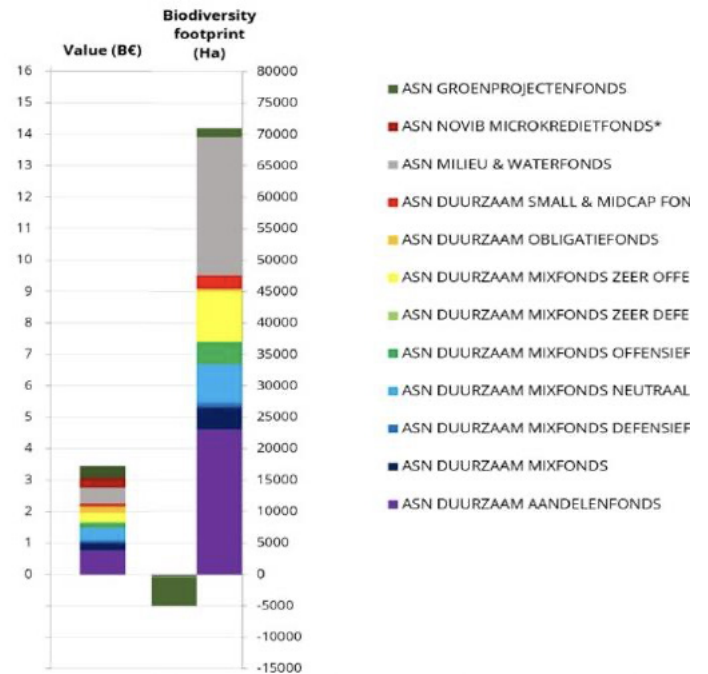
In 2014, the Bank embarked on a journey to explore how they could assess the impact of their investments on biodiversity. Finding no appropriate methodology available they developed their own approach with consultants CREM and PRé Sustainability, creating the Biodiversity Footprint for Financial Institutions (BFFI) methodology to measure the biodiversity impacts of an investment portfolio but also zooming in on hotspots in the portfolio.

For a portfolio analysis, the BFFI uses country-specific sector average data from the EXIOBASE database for the assessment of the environmental pressures (resource use, emissions, etc.) caused by the economic activities in which the financial institution invests.

More detailed biodiversity footprints can be made using company/project specific data on emissions and resource use. The environmental pressures are attributed to the investor based on the share of the investment in the total value of the investee. The environmental effects are then translated into an impact on biodiversity using the ReCiPe model, which is based on best available knowledge regarding pressure-impact relations (e.g. the impact on biodiversity resulting from a 1 degree temperature rise) The results are expressed in terms of potentially disappeared fraction of species in an area of a given size, over a given time period (PDF/m2/yr). Footprint diagrams are used to summarise the work with columns representing financial value, positive or avoided impact (avoided damage to ecosystems) and negative biodiversity impact (damage to ecosystems expressed in ha).



Biodiversity Footprint ASN Bank – total value and total biodiversity impacts of investments on the ASN Bank balance



Total value and total biodiversity impact of the ABB investment funds

ASN Bank participates in the Community of Practice of the EU Business @ Biodiversity Platform where members discuss the connection between commercial activities and biodiversity. Their “Assessment of Biodiversity Measurement Approaches for Businesses and Financial Institutions”, Update Report 3, features a case study and critical review of the ASN Bank approach. The review highlights limitations around available data from companies and noted that ASN Bank has the in-house skills required to complete the work. The time input for the footprint on a portfolio level was estimated at 20 days, which is, however, rapidly reducing since part of the footprinting steps are automated.

Partnership for Biodiversity Accounting Financials (PBAF)

The Partnership for Biodiversity Accounting Financials PBAF was initiated in 2019 by ASN Bank and other founding financial institutions. In 2021 an independent foundation was established and project funding of the IKEA foundation has been received. The Partnership for Biodiversity Accounting Financials (PBAF) develops the ‘PBAF Standard’. The PBAF Standard enables financial institutions to assess and disclose impact and dependencies on biodiversity of loans and investments. The initiative is growing fast, in (November) 2021 it grew to 29 financial institutions. Alignment is sought with among other the TNFD, the EU Align project and the finance for biodiversity pledge. Also a sounding board of biodiversity experts and organisation has been set up in 2021.

Each year an updated standard is published in a report with guidance, definitions, principles and requirements. These definitions and principles are not limited to one specific impact assessment methodology, but offer a reference for both quantitative and qualitative biodiversity foot printing in the financial sector.

“ Biodiversity is what sustains us as humans and it’s invaluable for future generations. As a platform, we want to leverage our activities and investments to take ownership and contribute to the protection and restoration of biodiversity and ecosystems. PBAF’s principal ambition is to aid in the development of a harmonised biodiversity accounting metric in the financial sector and to help advance transformative change. This first report is an important step towards a harmonised biodiversity metric.”

Arie Koornneef, CEO of ASN Bank.

[Watch the ASN Bank We Value Nature Testimonial video](#)

The campaign is being led by the [Institute of Chartered Accountants in England and Wales](#) alongside the [World Business Council for Sustainable Development](#), [IUCN](#) and [Oppla](#).



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