


Spatial sustainable finance

Tracking biodiversity and water risks

Alexander Damm-Reiser, Patrick Laube



Photo by Pixabay



Biodiversity loss, set to be one of the largest environmental crises of all times, will collapse economies and societies. If the financial sector wants to survive it must move now, fast and at scale.

Diane-Laure Arjalies, FT, 13.09.2021

Photo by Sebastian Pichler on Unsplash

**Biodiversity loss, set to be one of the largest environmental crises of all times, will collapse economies and societies.
If the financial sector wants to survive it must move now, fast and at scale.**

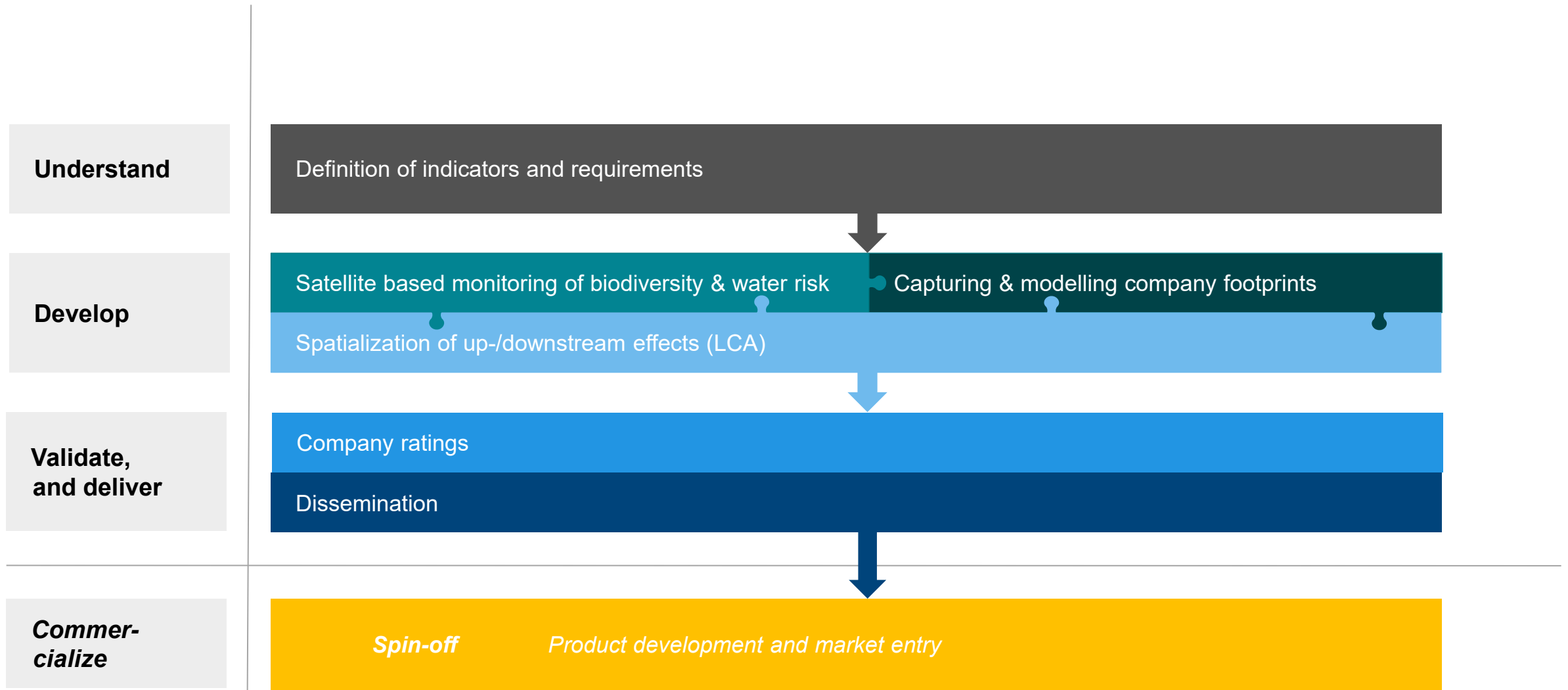
Diane-Laure Arjalies, FT, 13.09.2021

**We want to set a global rating standard that
enables financial institutions and companies to
reduce their biodiversity footprint.**

Photo by Sebastian Pichler on Unsplash

Iron ore mining site, Austria

Our approach

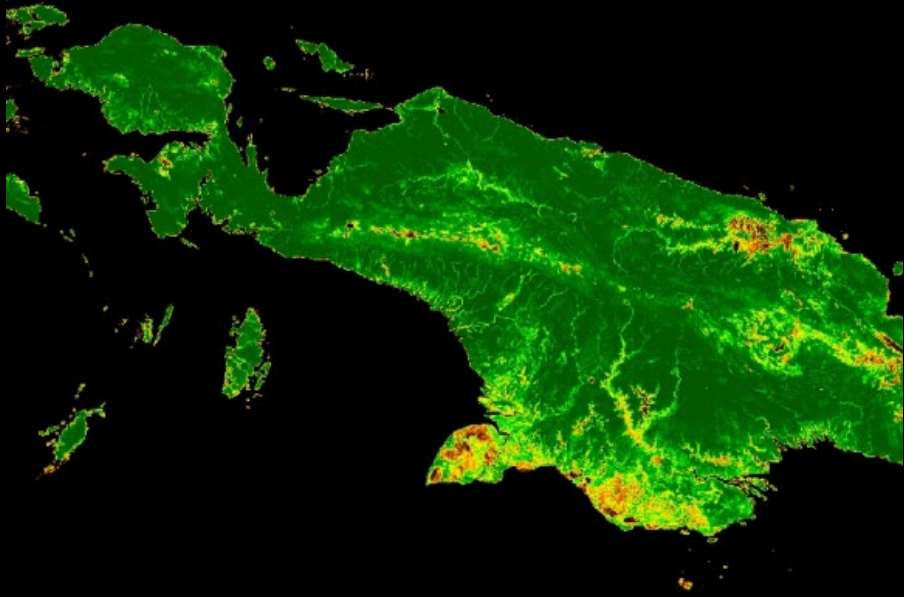


Local environmental impact

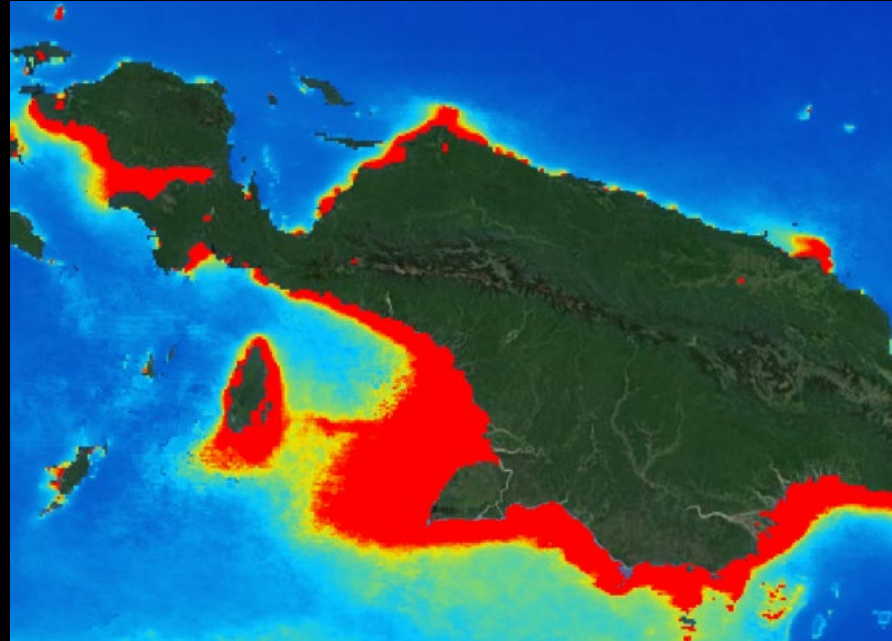
Satellite Remote Sensing



Photo by Pixabay



Essential biodiversity variables



Essential water variables

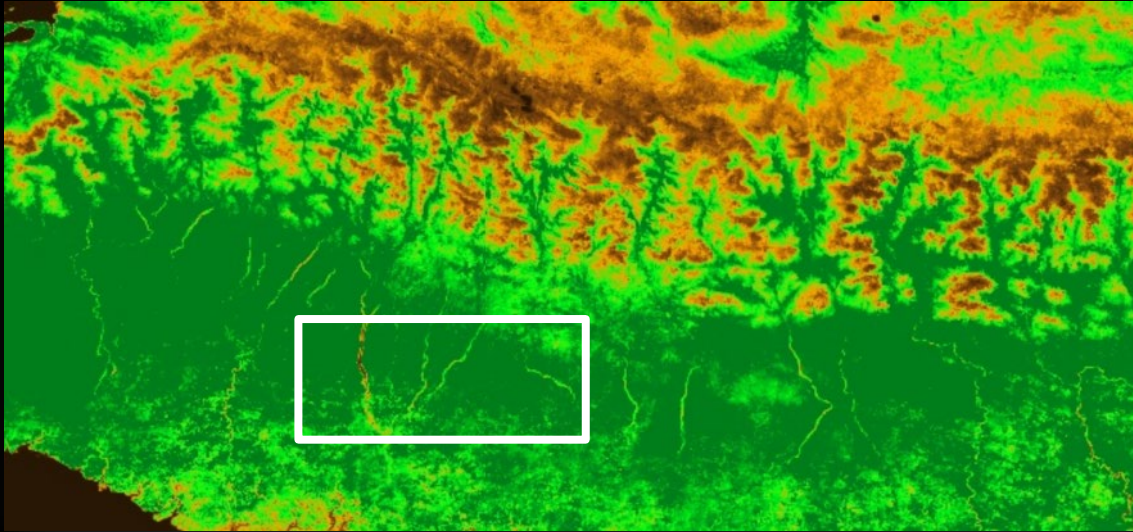
Left: Landsat 5, 7 and 8 Collection 1 Tier 1, 8-Day EVI Composite courtesy of the U.S: Geological Survey

Right: NASA Goddard Space Flight Center, Ocean Ecology Laboratory, Ocean Biology Processing Group. Moderate-resolution Imaging Spectroradiometer (MODIS) Aqua Ocean Color Data, NASA OB.DAAC, Greenbelt, MD, USA, <https://doi.org/10.5067/TERRA/MODIS/L3M/CHL/2018>

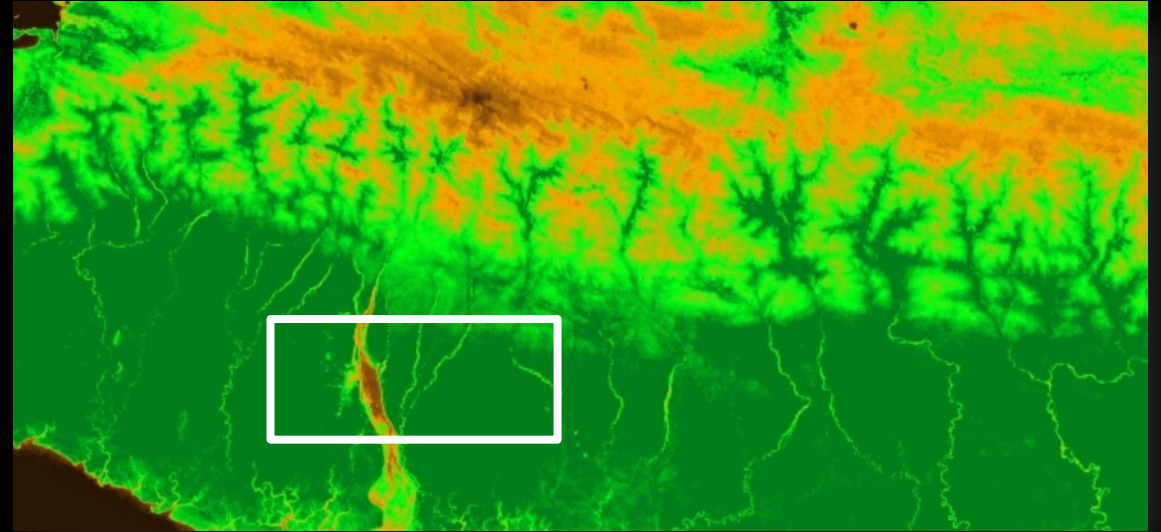
All data were assessed via the Earth Engine: Gorelick, N., Hancher, M., Dixon, M., Ilyushchenko, S., Thau, D., & Moore, R. (2017). Google Earth Engine: Planetary-scale geospatial analysis for everyone. Remote Sensing of Environment, 202, 18-27, <https://doi.org/10.1016/j.rse.2017.06.031>.

Local environmental impact

Satellite Remote Sensing



1987



2016

Landsat 5, 7 and 8 Collection 1 Tier 1, 8-Day EVI Composite courtesy of the U.S. Geological Survey

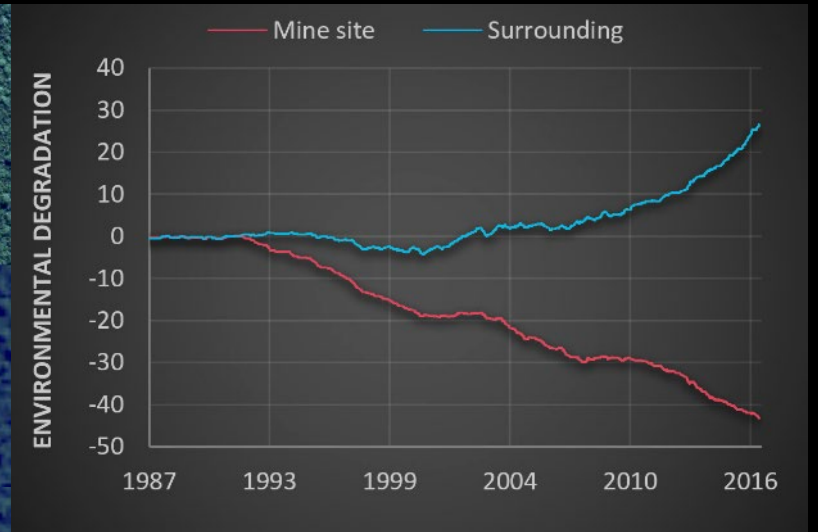
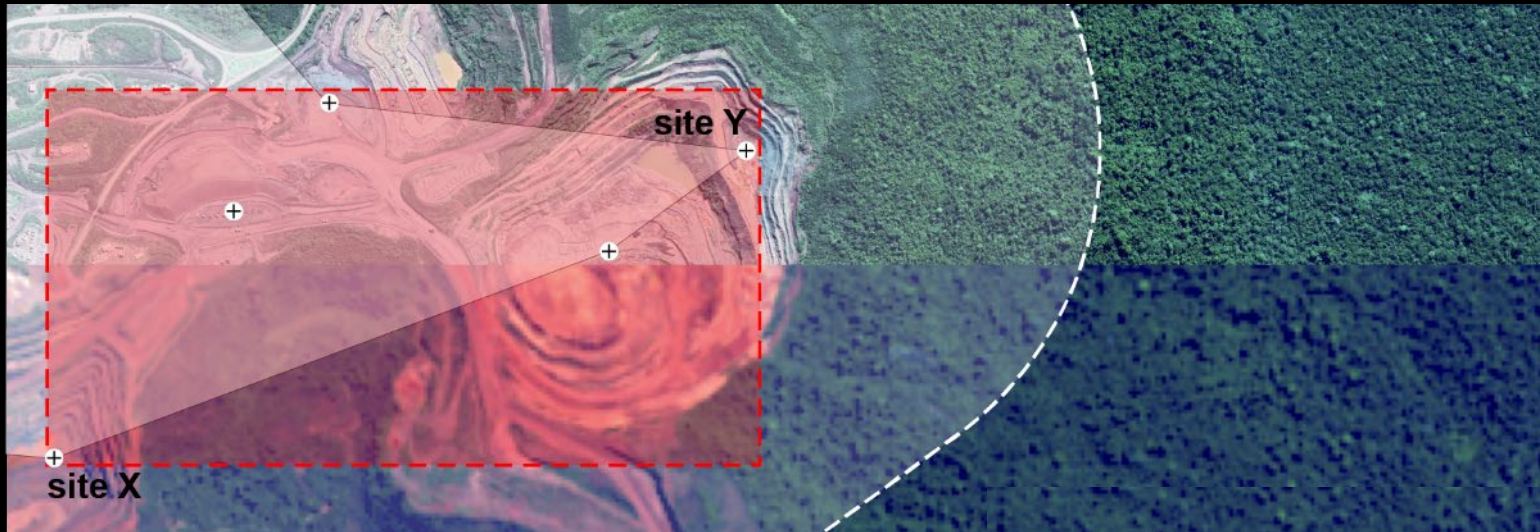
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Local environmental impact

Satellite Remote Sensing



Photo by Pixabay

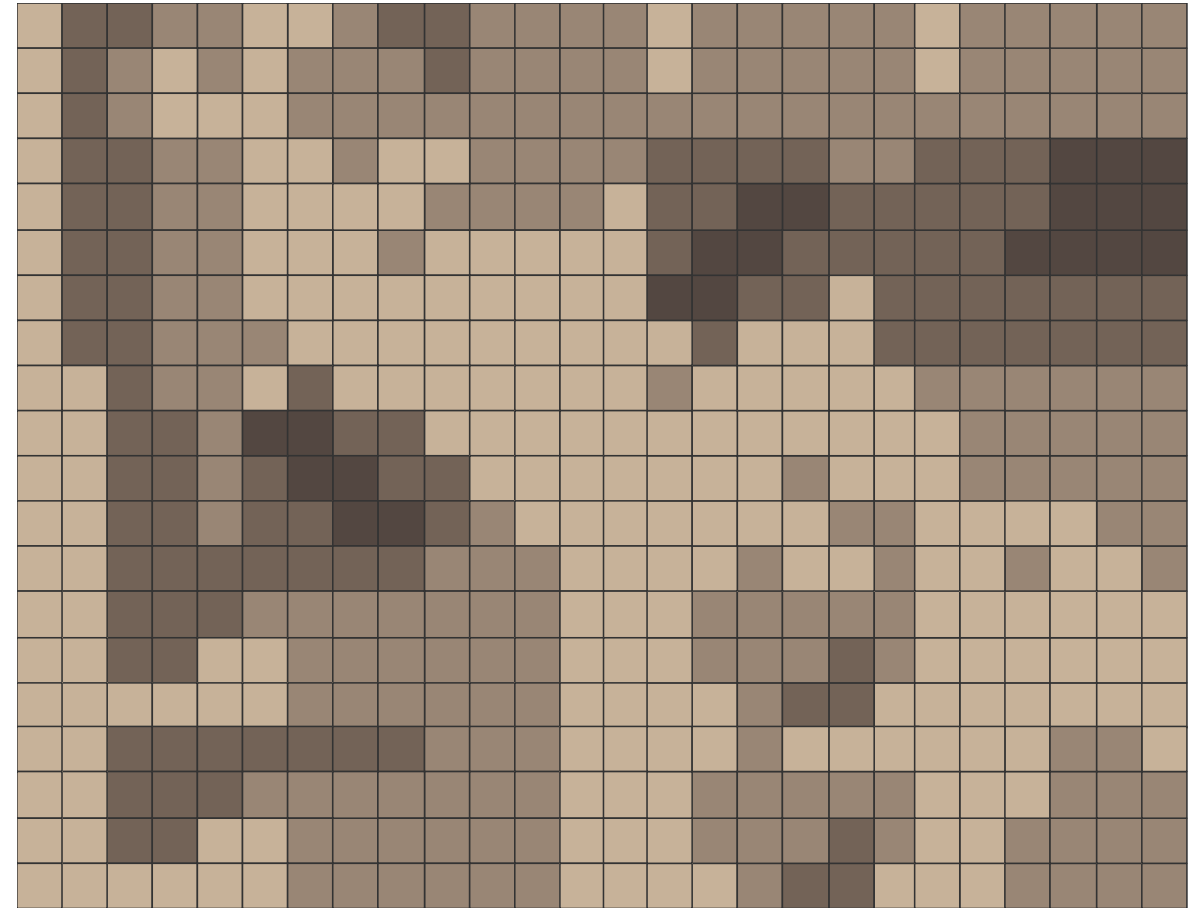


Left: Image source: icons by flaticon.com, image data by Google 2020 & Copernicus

Right: Analysis based on Landsat 5, 7 and 8 Collection 1 Tier 1, 8-Day EVI Composite; Courtesy of the U.S. Geological Survey; The data were assessed via the Earth Engine: Gorelick, N., Hancher, M., Dixon, M., Ilyushchenko, S., Thau, D., & Moore, R. (2017). Google Earth Engine: Planetary-scale geospatial analysis for everyone. *Remote Sensing of Environment*, 202, 18-27, <https://doi.org/10.1016/j.rse.2017.06.031>.

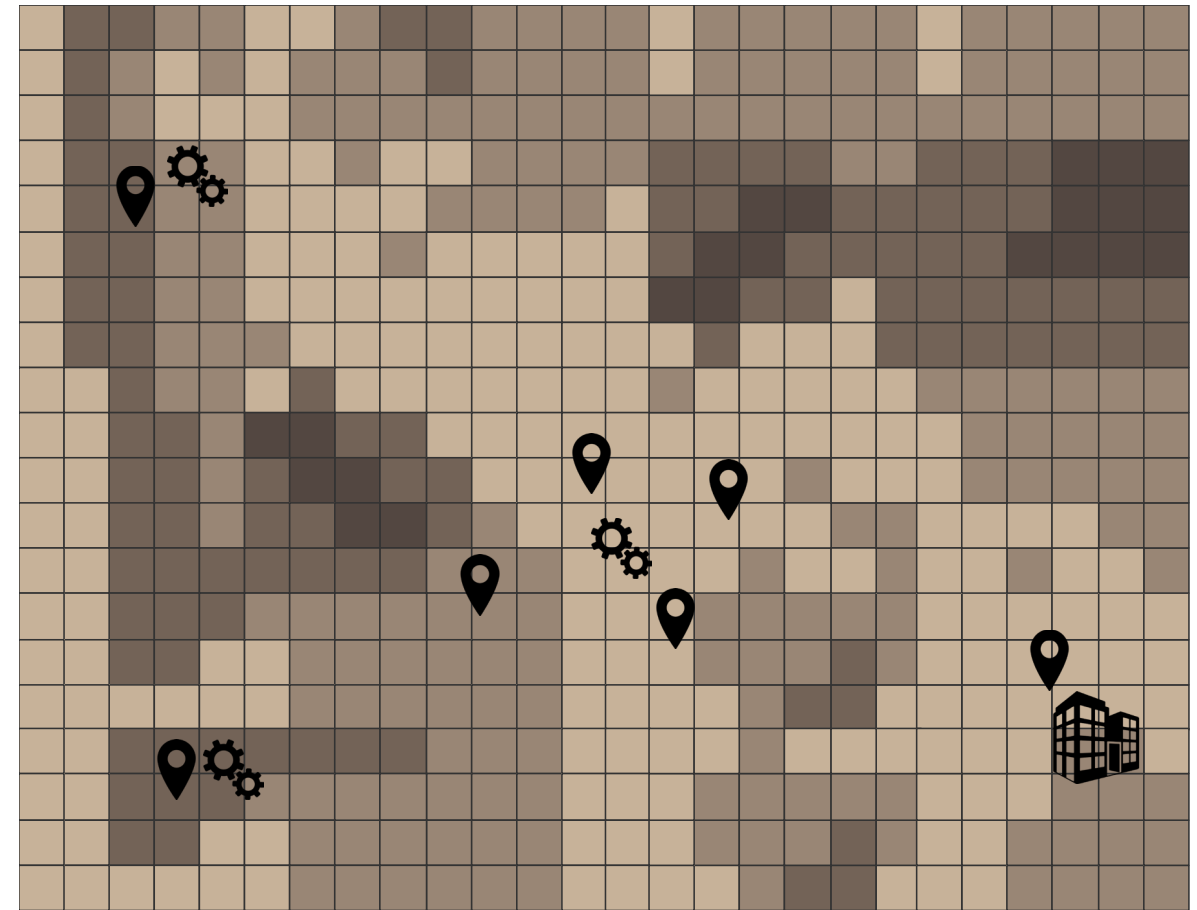
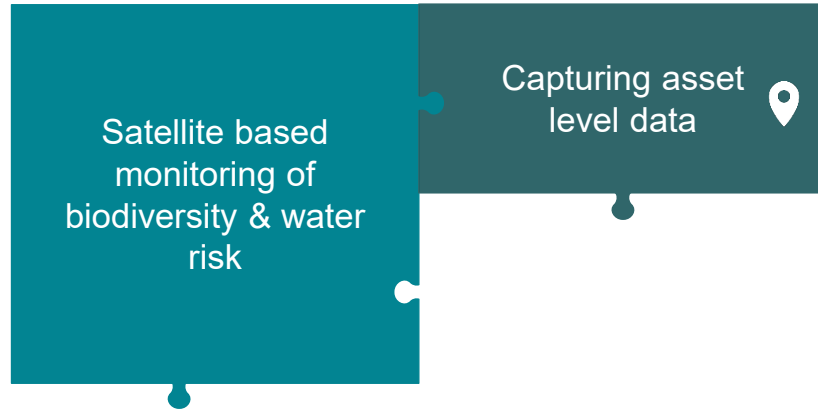
Spatial integration of risk data and asset level

Satellite based
monitoring of
biodiversity & water
risk



Biodiversity risk
low  high

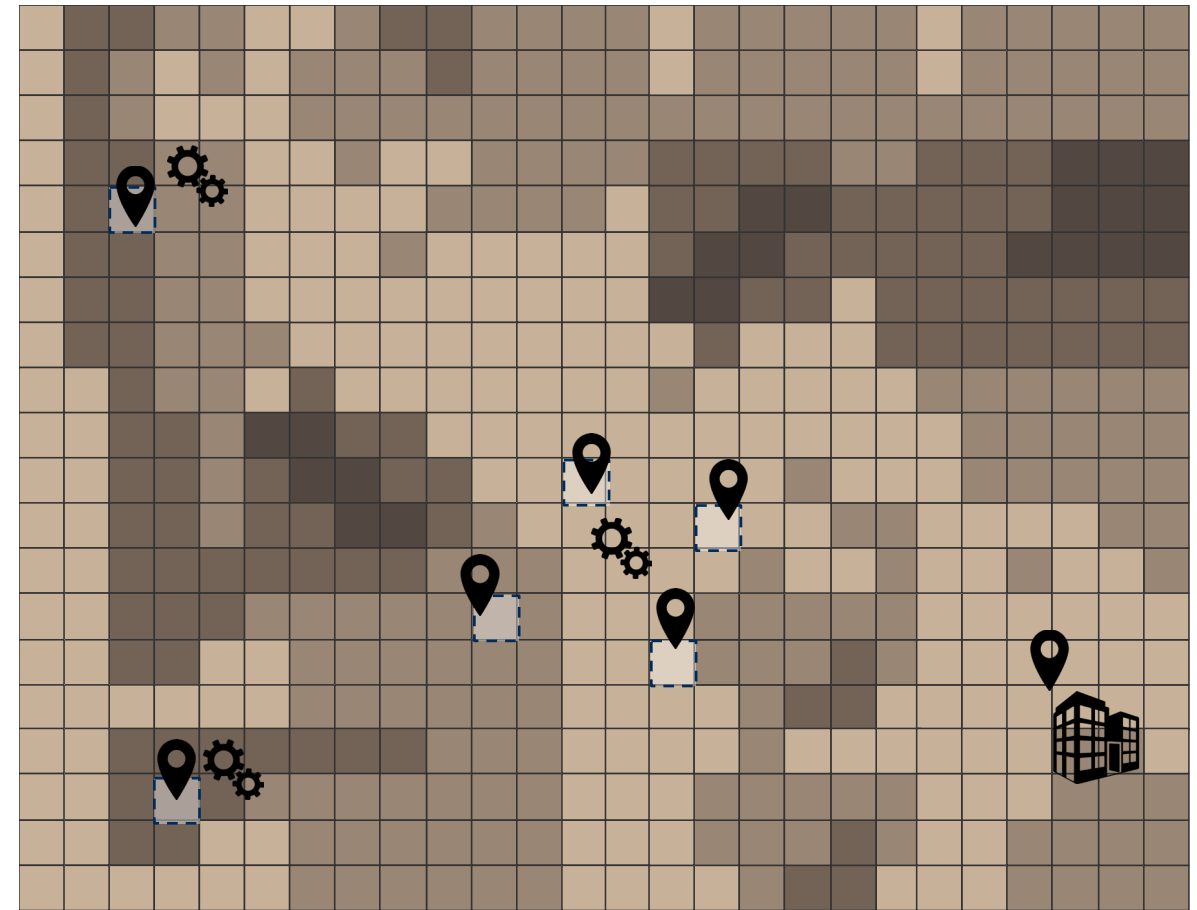
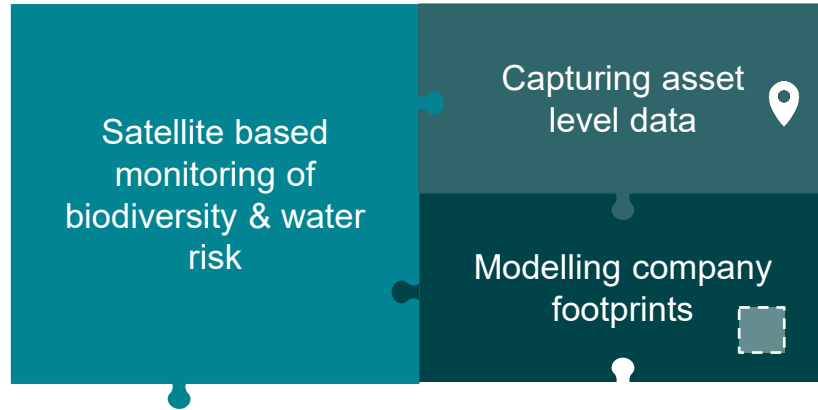
Spatial integration of risk data and asset level



Biodiversity risk

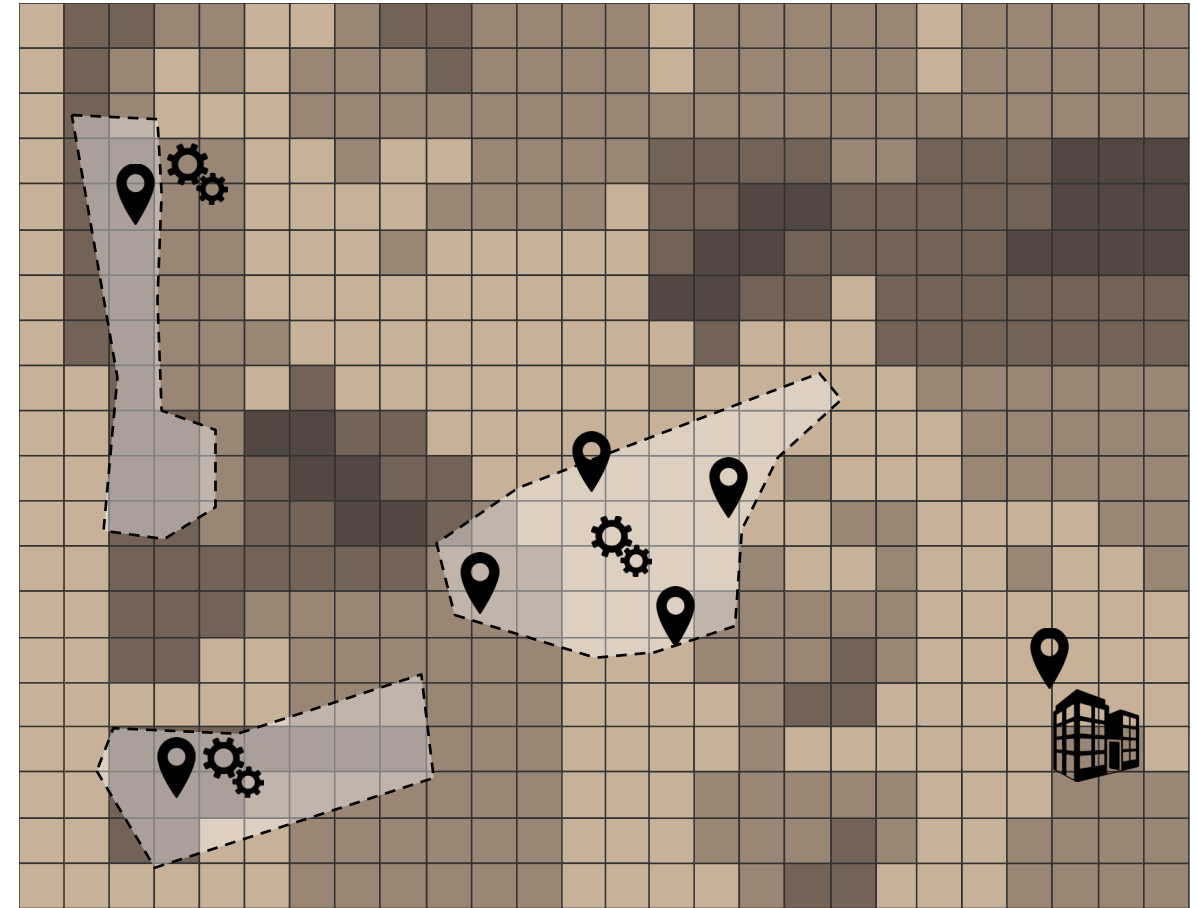
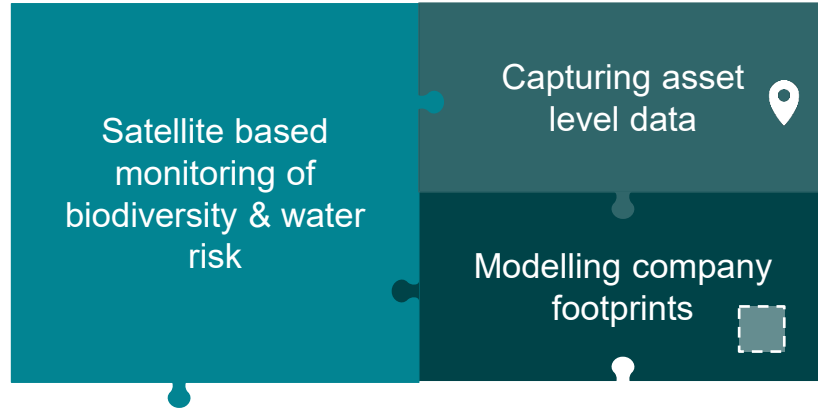
low  high

Spatial integration of risk data and asset level



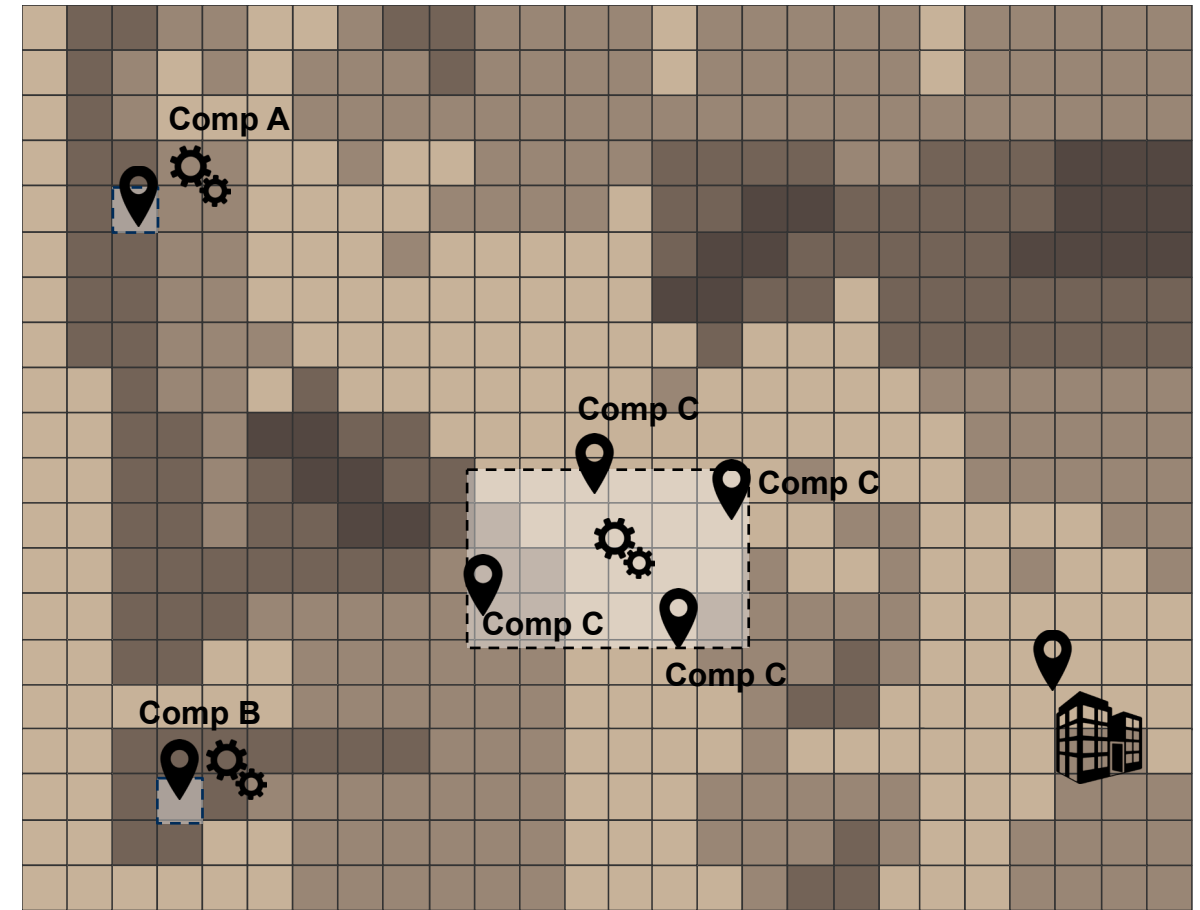
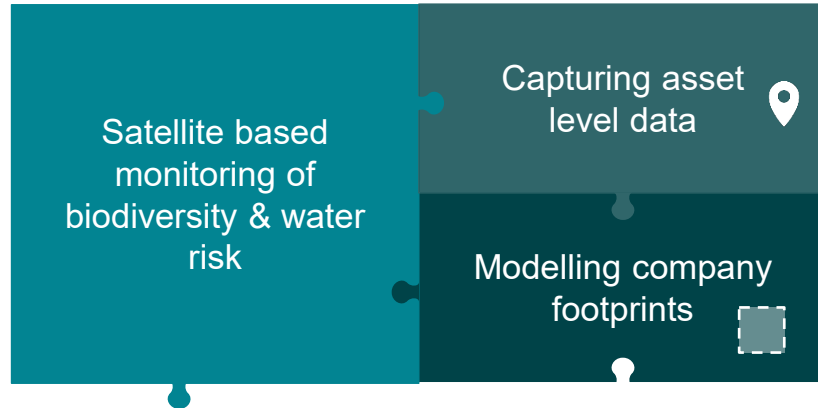
Biodiversity risk
low  high

Spatial integration of risk data and asset level



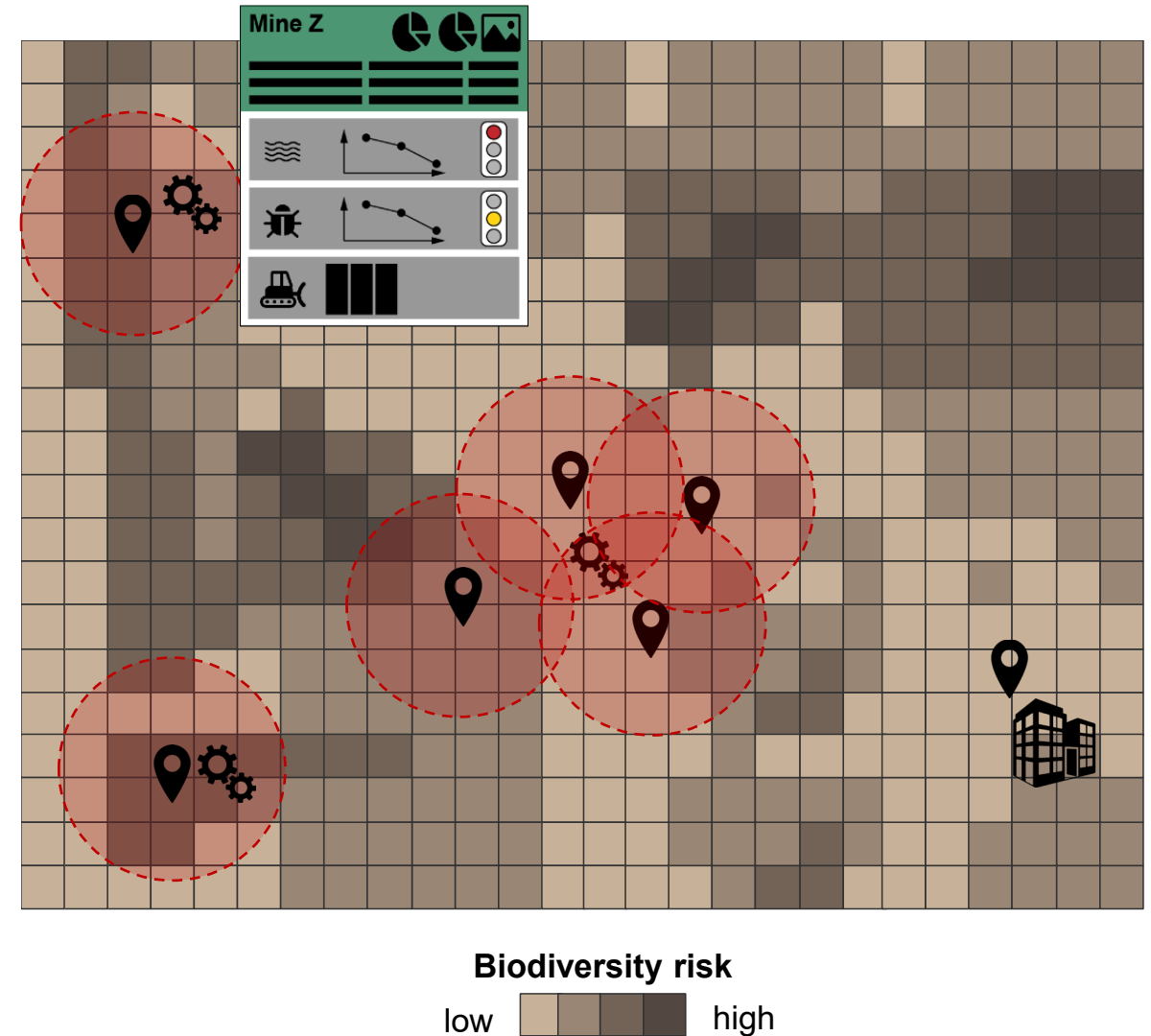
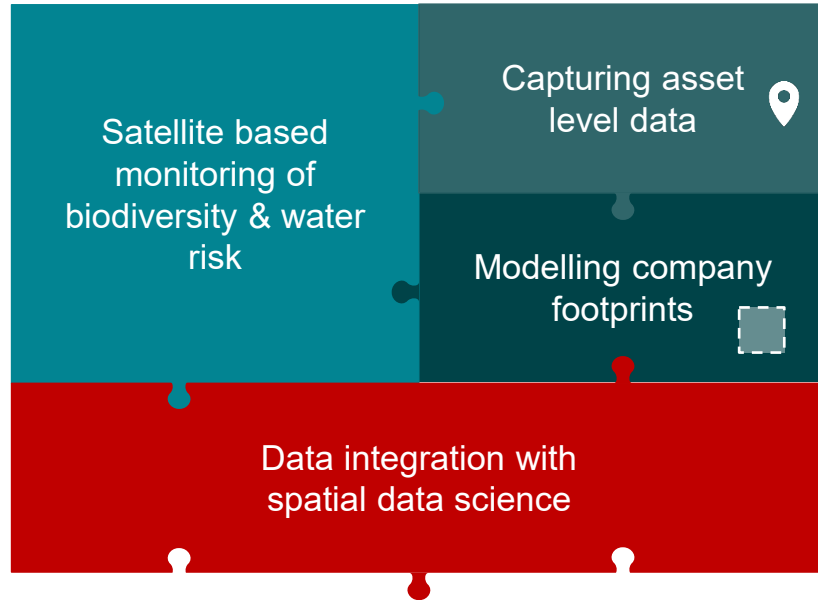
Biodiversity risk
low  high

Spatial integration of risk data and asset level

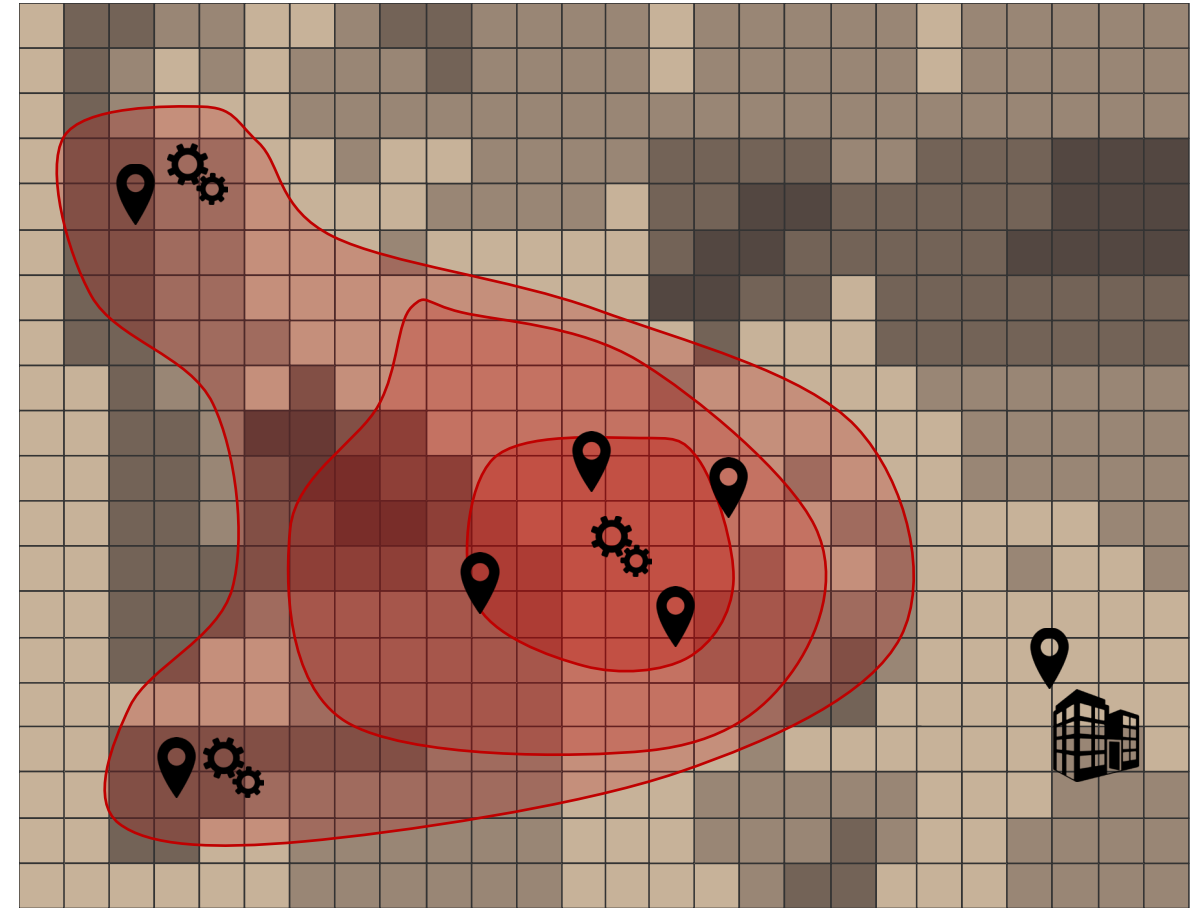
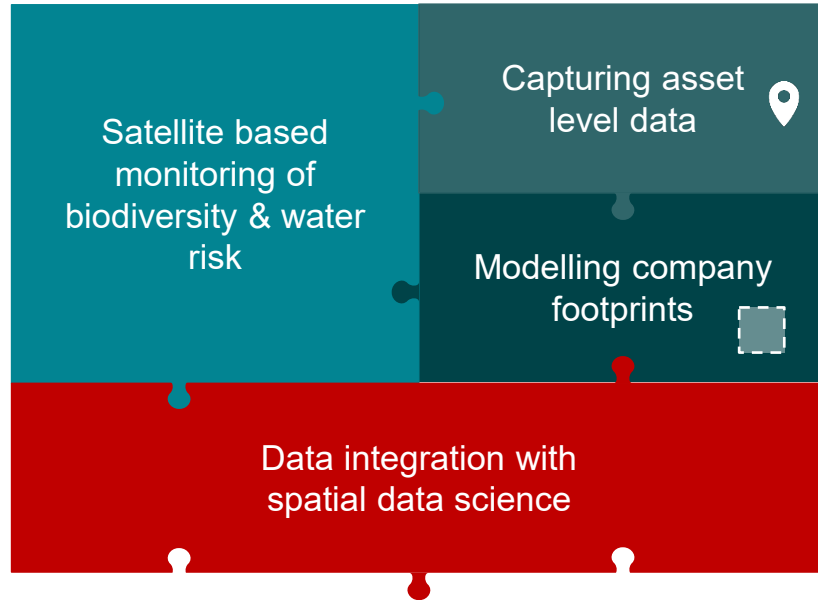


Biodiversity risk
low  high

Spatial integration of risk data and asset level

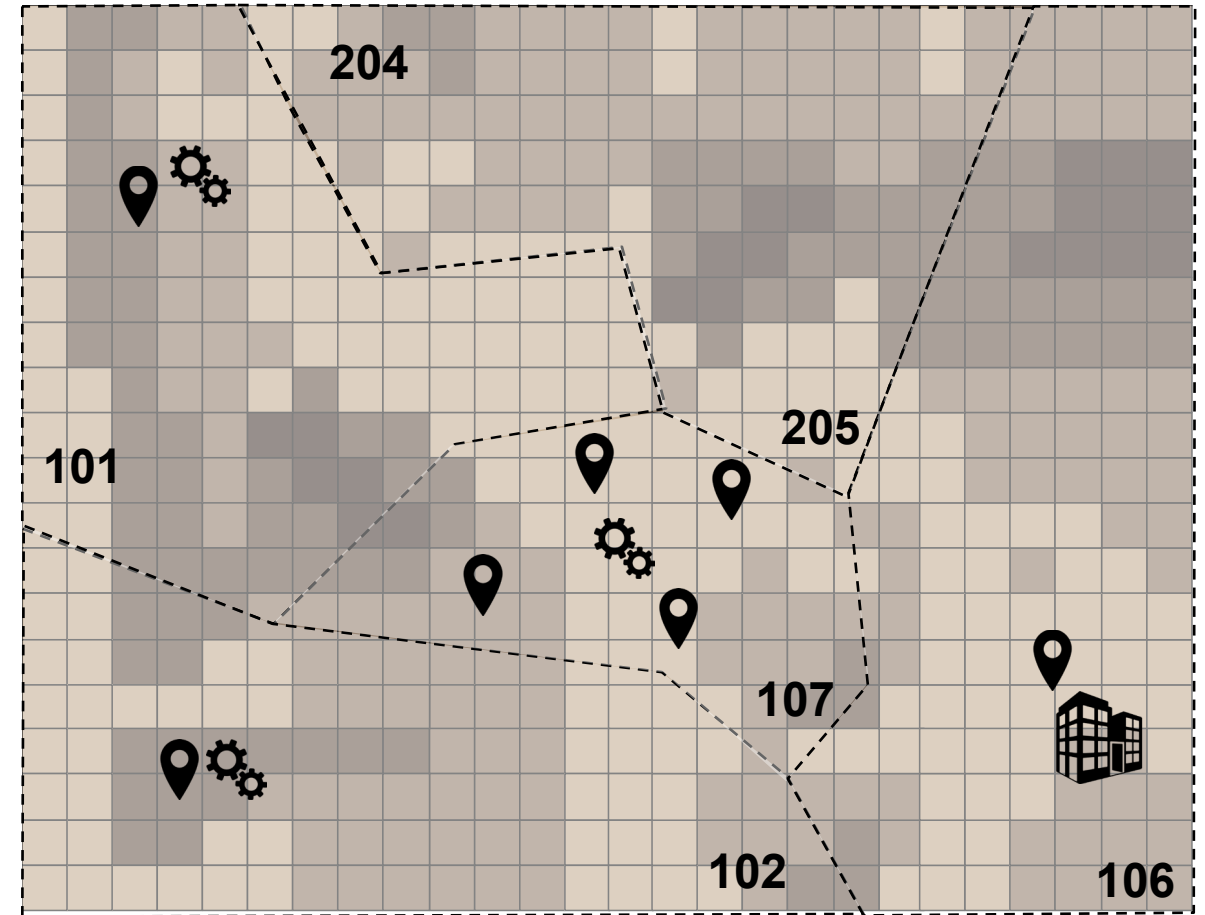
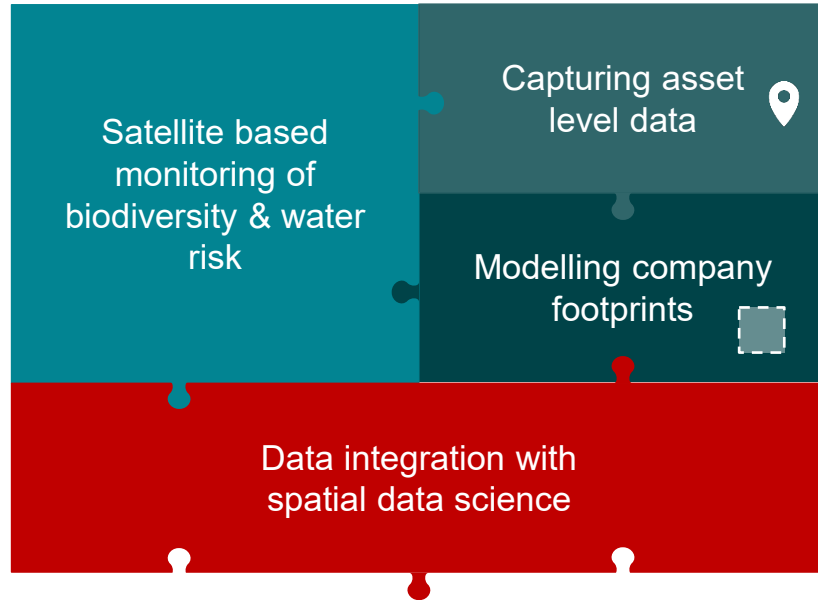



Spatial integration of risk data and asset level



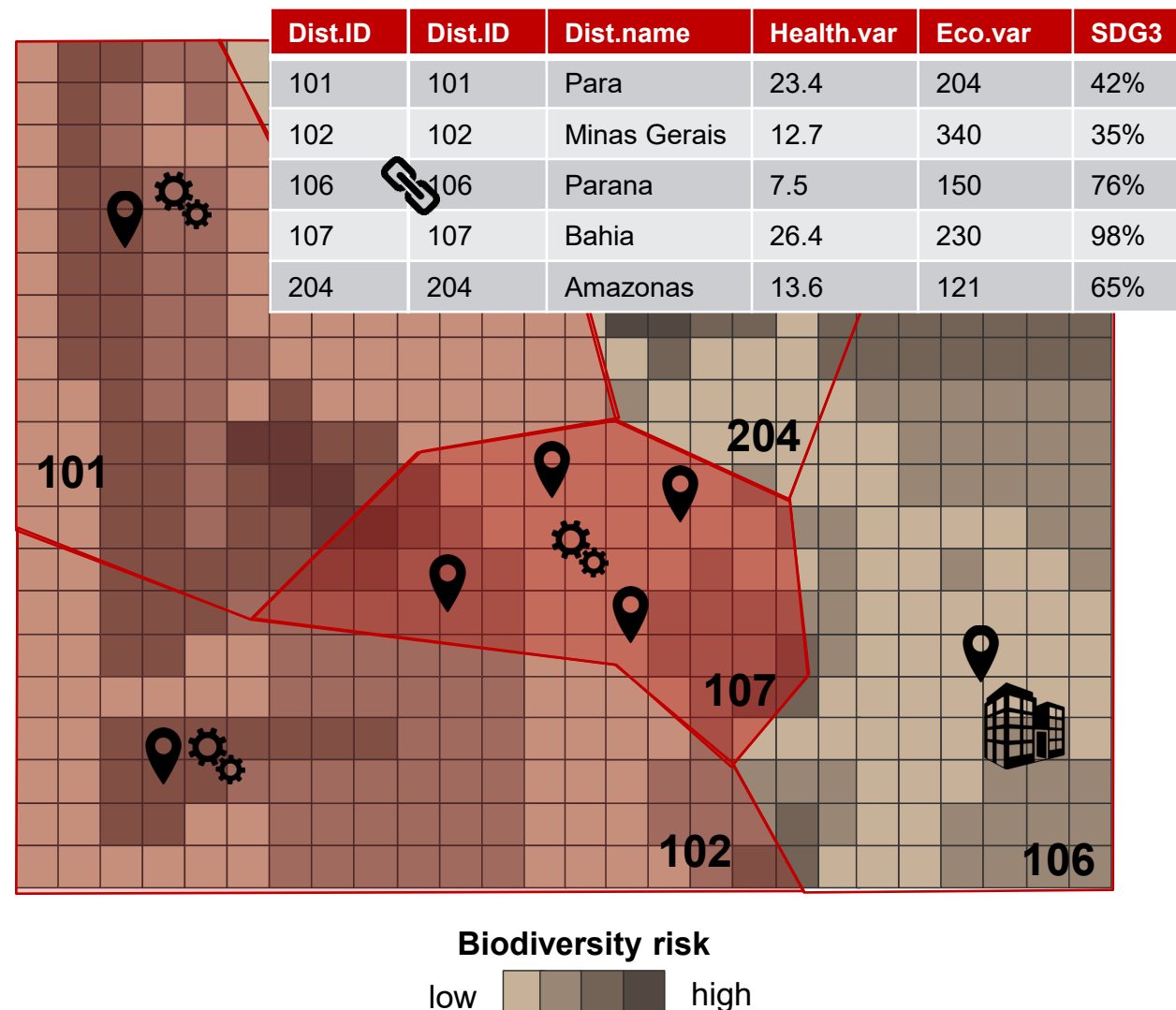
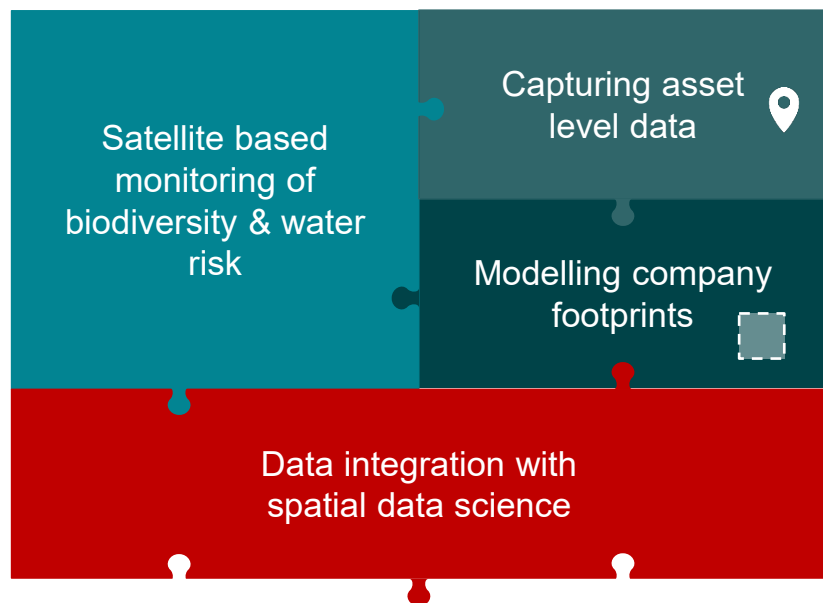
Biodiversity risk
low  high

Spatial integration of risk data and asset level

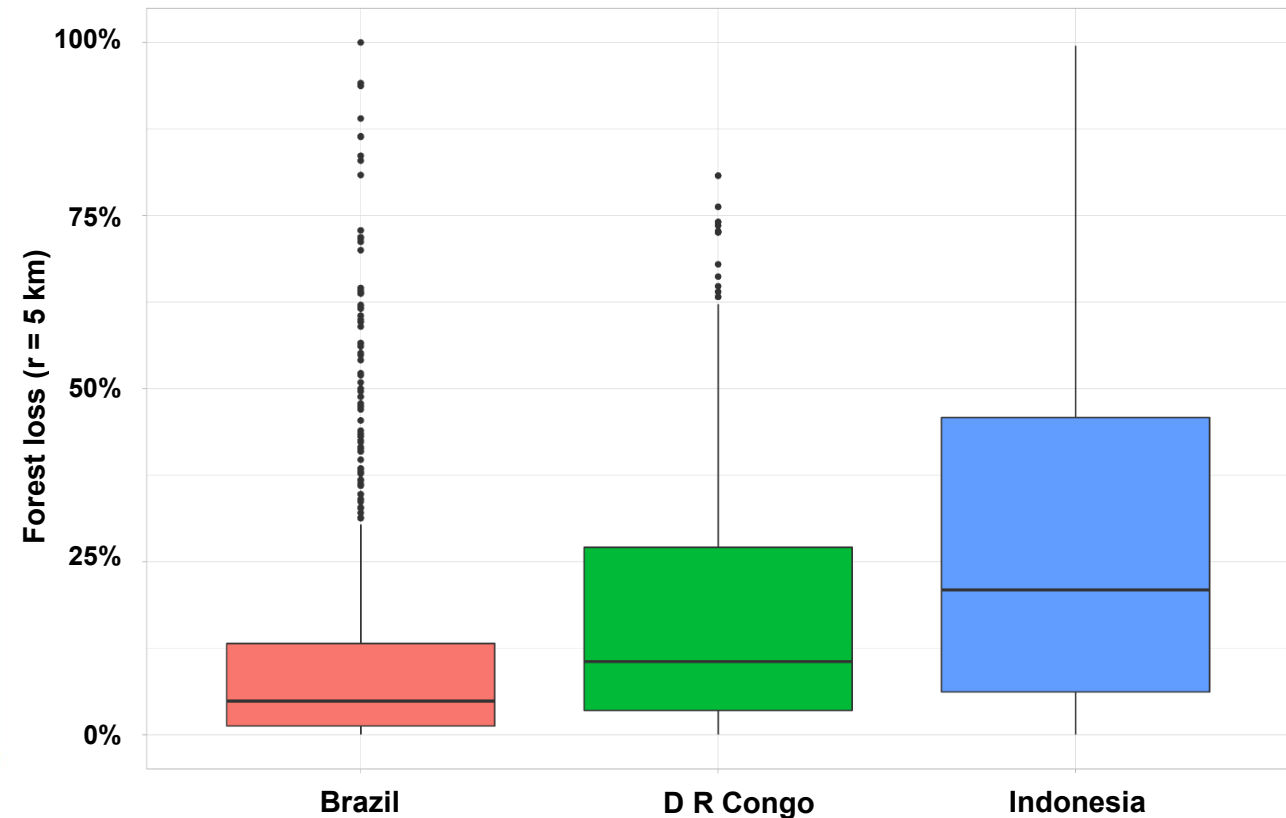
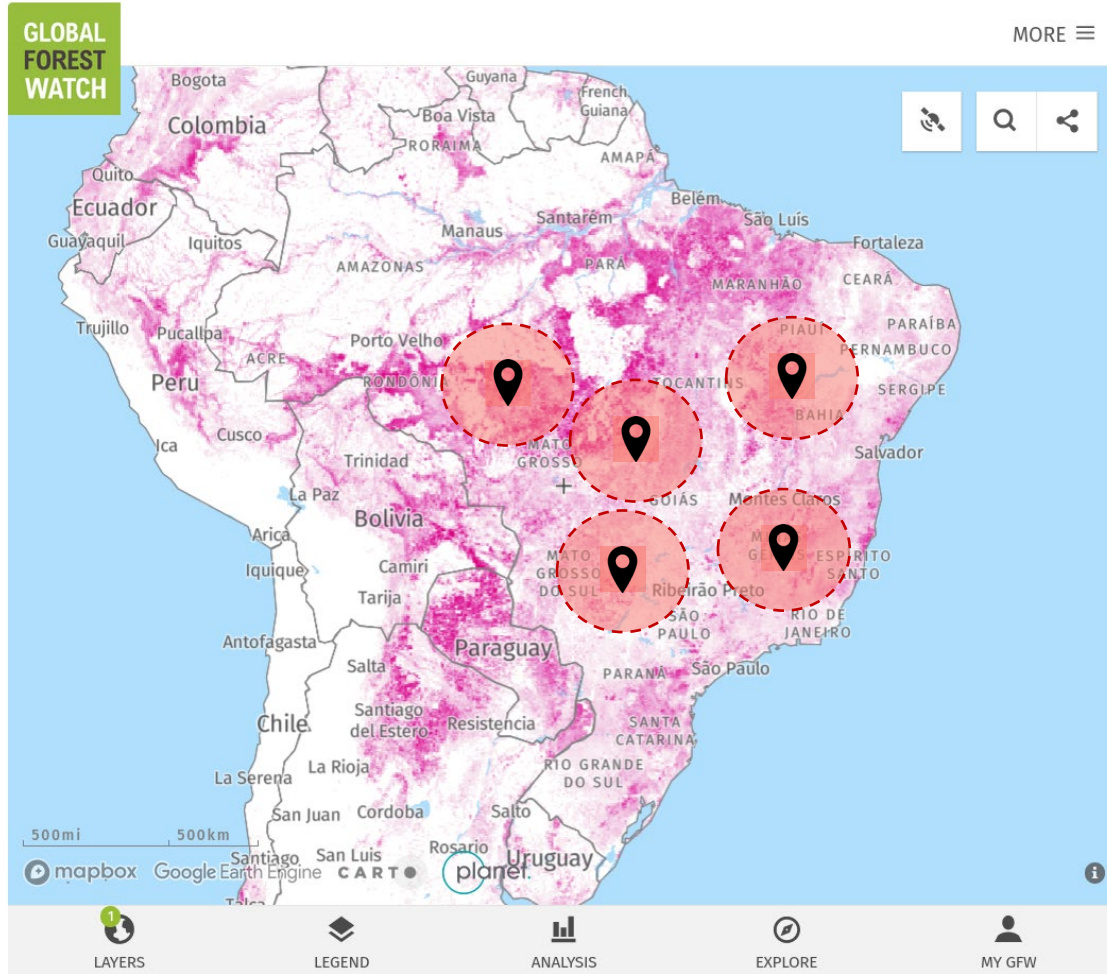


Biodiversity risk
low  high

Spatial integration of risk data and asset level



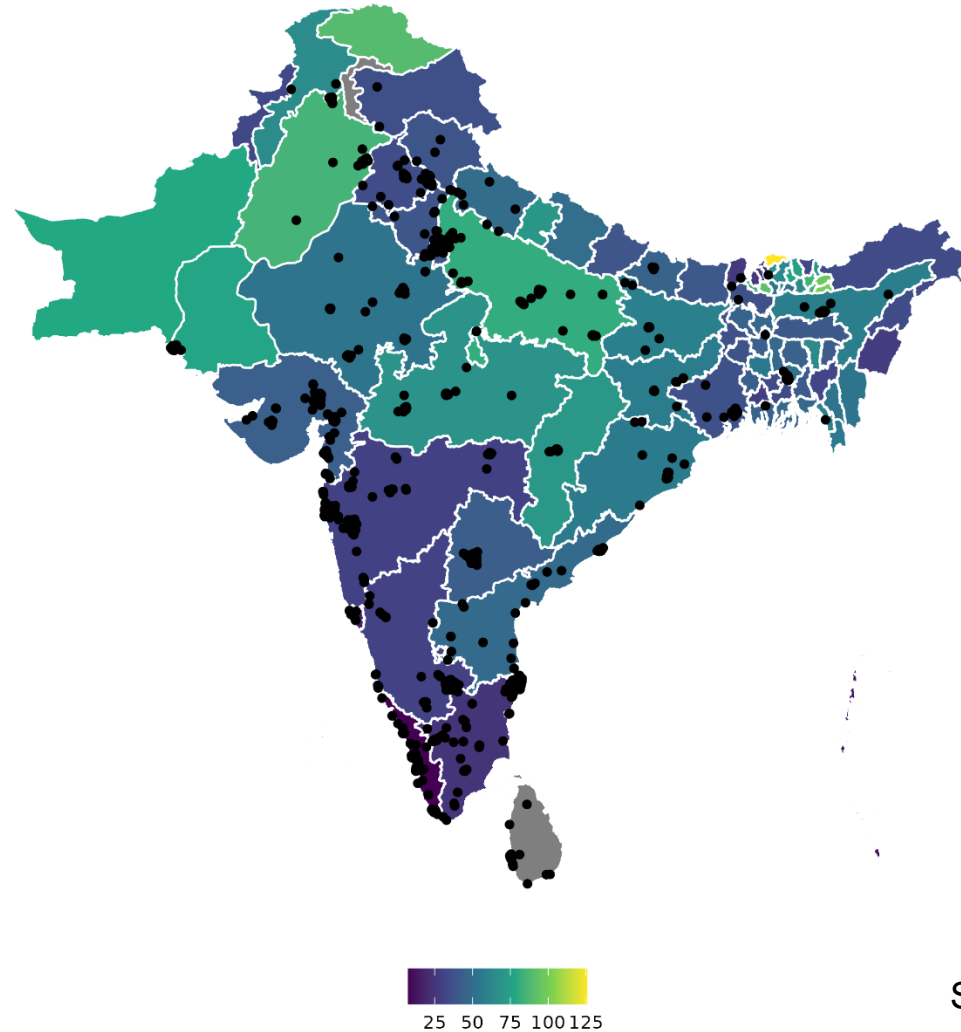
Example 1: Deforestation around mines in Brazil



Sources: <https://www.globalforestwatch.org/map/>, S&P CapIQ Metals and Mining, Maus, V., Giljum, S., Gutschlhofer, J., da Silva, D. M., Probst, M., Gass, S. L. B., Luckeneder, S., Lieber, M., McCallum, I., 2020. A global-scale data set of mining areas. Scientific Data, 7(1), 289. <https://doi.org/10.1038/s41597-020-00624-w>

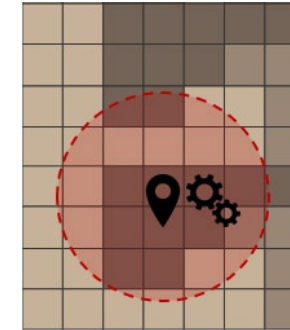
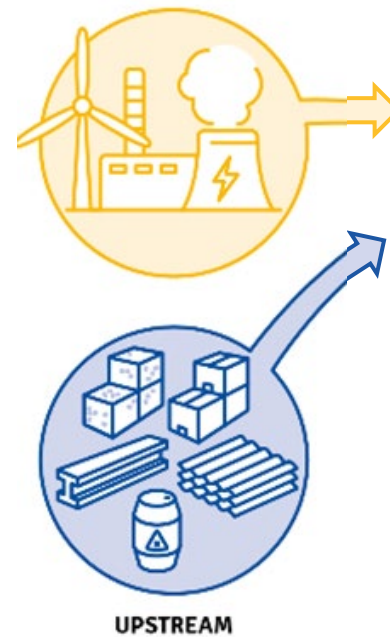
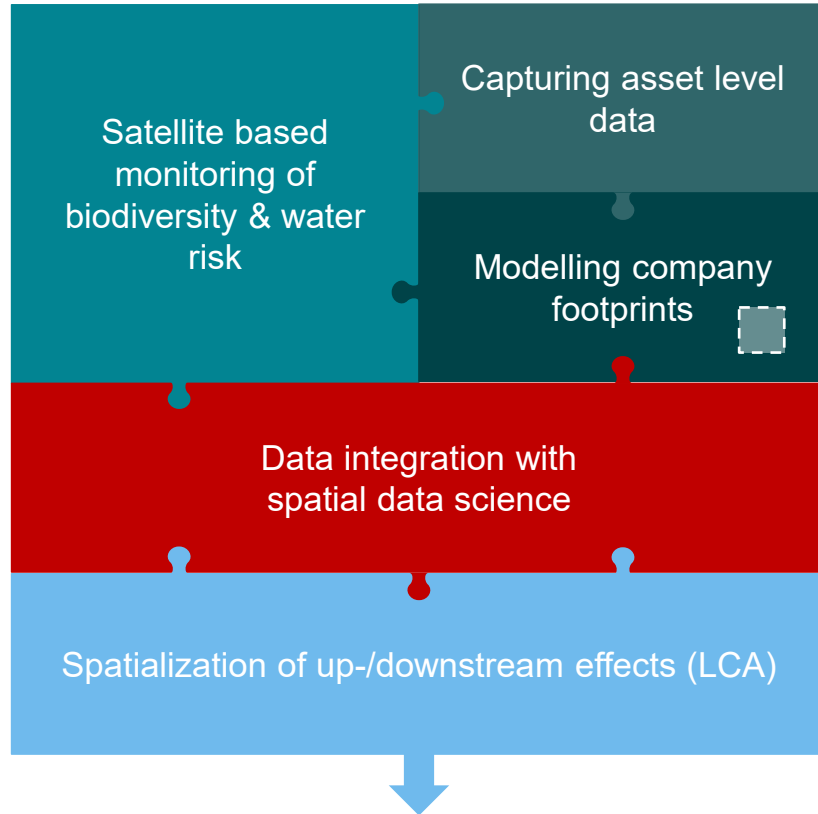
Example 2: SDG 3, health, administrative units

'u5mort': Number of children dying under five year of age
per 1,000 live births in a given year

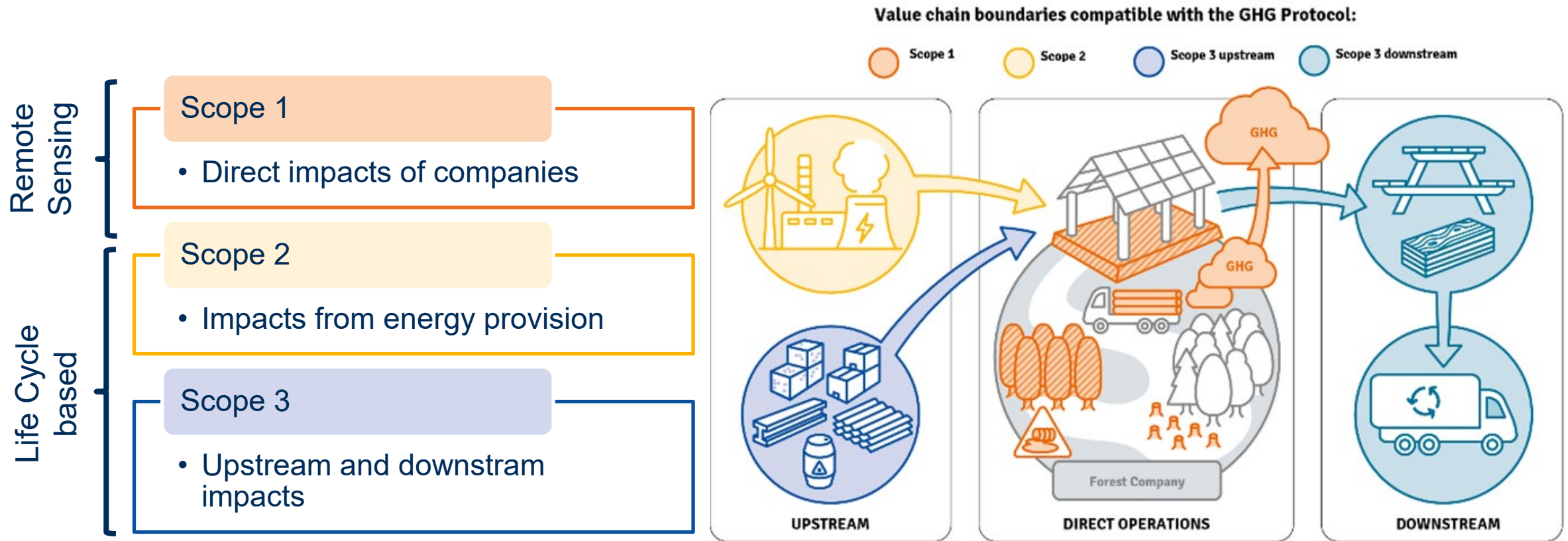


Source 'u5mort': <https://globaldatalab.org/>

Spatial integration of risk data and asset level



Indirect impacts: Scope framework for impacts along the value chain



Remote sensing products only cover direct impacts on biodiversity and water scarcity in Scope 1

Life Cycle based approaches for scope 2 + 3 biodiversity impact

From spatial geoscience to sustainable finance

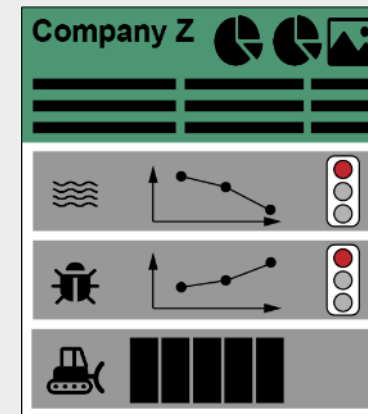
Local Impact Analysis & Global Life-Cycle Assessment

For example: Local gold mine



Company-level Impact Analysis

Int. Mining Company



Consistent
Data



Consistent
Assessment
and Ratings



Evidence-
based
Decisions



Who are we?

Zürcher Hochschule
für Angewandte Wissenschaft



Tomasz Orpiszewski
Sustainable Finance



Patrick Laube
Spatial Geoinformatics



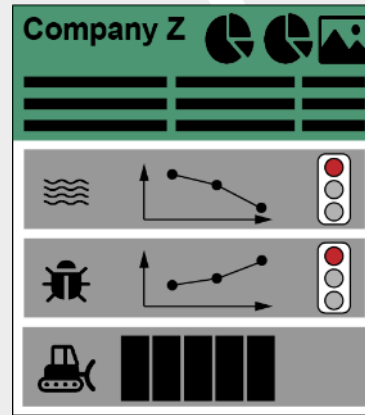
Rene Itten
Life-Cycle Assessment



Alexander Posth
Finance and ML



Peter Schwendner
Finance and ML



**University of
Zurich**^{UZH}



Alexander Damm
Remote Sensing



Maria Santos
Biodiversity

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