



RBI's Biodiversity Day 2024

A best practice event for raising awareness on nature & biodiversity and its interlinkage with the economy by practicing a fruitful client and stakeholder engagement dialogue.

On November 27, RBI hosted its first Biodiversity Day, a focus day on nature and biodiversity for the industry and banking sectors. The event gathered 100+ participants, including colleagues from the Raiffeisen family, ÖRV, Raiffeisen Sustainability Initiative, clients, and representatives from various sectors, including the Austrian Financial Market Authority, UN Environmental Program for Financial Institutions, international ESG experts, consultancies, start-ups and NGOs.

Biodiversity significantly impacts the economy, with over \$44 trillion of global GDP dependent on nature. The event aimed to make this interdependence more tangible for clients and stakeholders, highlighting relevant measures for both industry and banking. The keynote speakers from UNEP FI, FMA, and KPMG Netherlands shed light on the topic of biodiversity from different, relevant angles. Invaluable industry insight was delivered from attending clients such as Wienerberger, Agrana, OMV, Prinzhorn, and Schmid Industrieholding GmbH. Focus groups on Food/Agriculture, Construction/Real Estate, and Infrastructure/Energy showcased best practices on client engagement and discussed sector-specific challenges with ESG experts.

The event's great interest and lively discussions demonstrated a strong interest from industry and the finance sector both to commit to a sustainable future.

Outcome Client Engagement Industry Round Tables

Agriculture/ Food

- One challenge is that client performance on biodiversity needs to be verified based on some data. Farmers in theory already have farm management tools - which range from more sophisticated IT tools to pen and paper diaries. One issue is data exchange between different tools – there is no common way that this data should look like which makes collecting and sharing it difficult.
- One place to start may be estimates from science, since there is good evidence that certain agricultural practices are broadly beneficial for biodiversity. The devil is in the details. A good evidence base is needed.
- The "Good Agricultural Practices" from the EU CAP already support farmers with subsidies. But it may lack knowledge and capacity to implement them. There may be an opportunity to engage in these cases depending on country-specifics (e.g. what crops each country is subsidizing).
- Concrete outcomes are hard to measure. Funding of "good practices" could be one way to increase biodiversity. So rather than counting birds and bees on a farm, you fund hedgerows, no-till, etc. practices that are known to be biodiversity-friendly.



Energy/ Infrastructure

- Data needs are crucial in energy/infrastructure area regarding biodiversity: strong heterogeneity of data points depending on economic activity and customer
- "Locate, Evaluate, Assess and Prepare" as a first starting point (LEAP approach)
- As a bank: challenges are how to approach customers in the journey and how to demonstrate a business case and define relevant KPIs
- As an industry, e.g. OMV: how to find a profitable business case in biodiversity and define relevant KPIs?
- First implementation steps for the future: Start analysis and use existing and preliminary guidance/ toolkits available!
 - (1) Accept the impact on your business
 - (2) Define the currency for nature – bank and client together!
 - (3) Define the level of ambition (nature positive, nature neutral, nature negative)
- Dialogue between clients and banks are key for defining relevant business cases and to understand the terms and conditions of every side.

Construction/ Real Estate

- There are multiple ways to increase green surfaces, such as rain gardens, green facades, green roofs (the latter measurably increase the efficiency of solar panels)
- Real estate financing: value increase of properties is a focus, so quantifying impacts of biodiversity measures for the increased value in the future is key – can value increase be measured/ higher due to biodiversity?
- An option is the alignment with the Net Zero building standard: increased energy efficiency (through cooling effect of green facades, increased productivity of solar, flooding protection through rain gardens) and also visual appeal can raise property value
- How did best practice Wienerberger convince C-suite to implement Biodiversity measures on all their sites? Leading by example: starting with trial sites, which were a big success, not just for biodiversity protection, but also making sites more attractive to visiting customers, enhanced community spirit for employees, opportunities to engage with local community. All of this improved the company's image.
- Indirect impact KPIs can be used as a measurement starting out, e.g. in form of a client engagement processes and feedback
- Sustainable or biodiversity-linked loans depend on industry, but for offices e.g. they could be ESRS linked "nature near" spots measured in m2
- Wienerberger aims to have all of their future financing include a green component
- Biggest challenges: Lack of standardized data, complexity of risks related to interdependent sectors in construction/ real estate (like timber production, cement), need for sector-specific approaches.