

savills

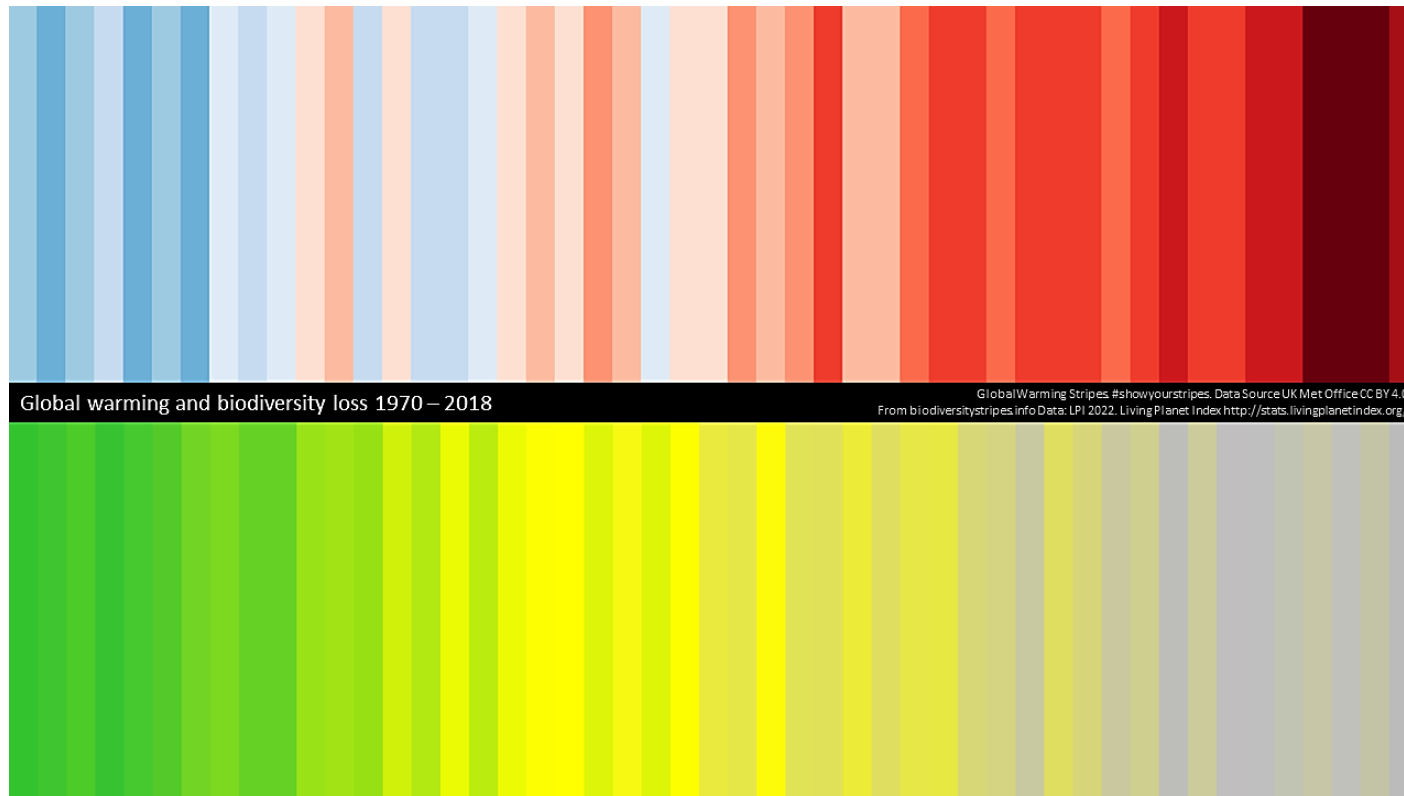
investment
management

RESILIENCE. RESPONSIBILITY. RESULTS

Resilient real estate through nature-based approaches

6th December 2024 | Joey Aoun, Net Zero & Sustainability Lead, Savills IM

Interlinked climate and biodiversity crises

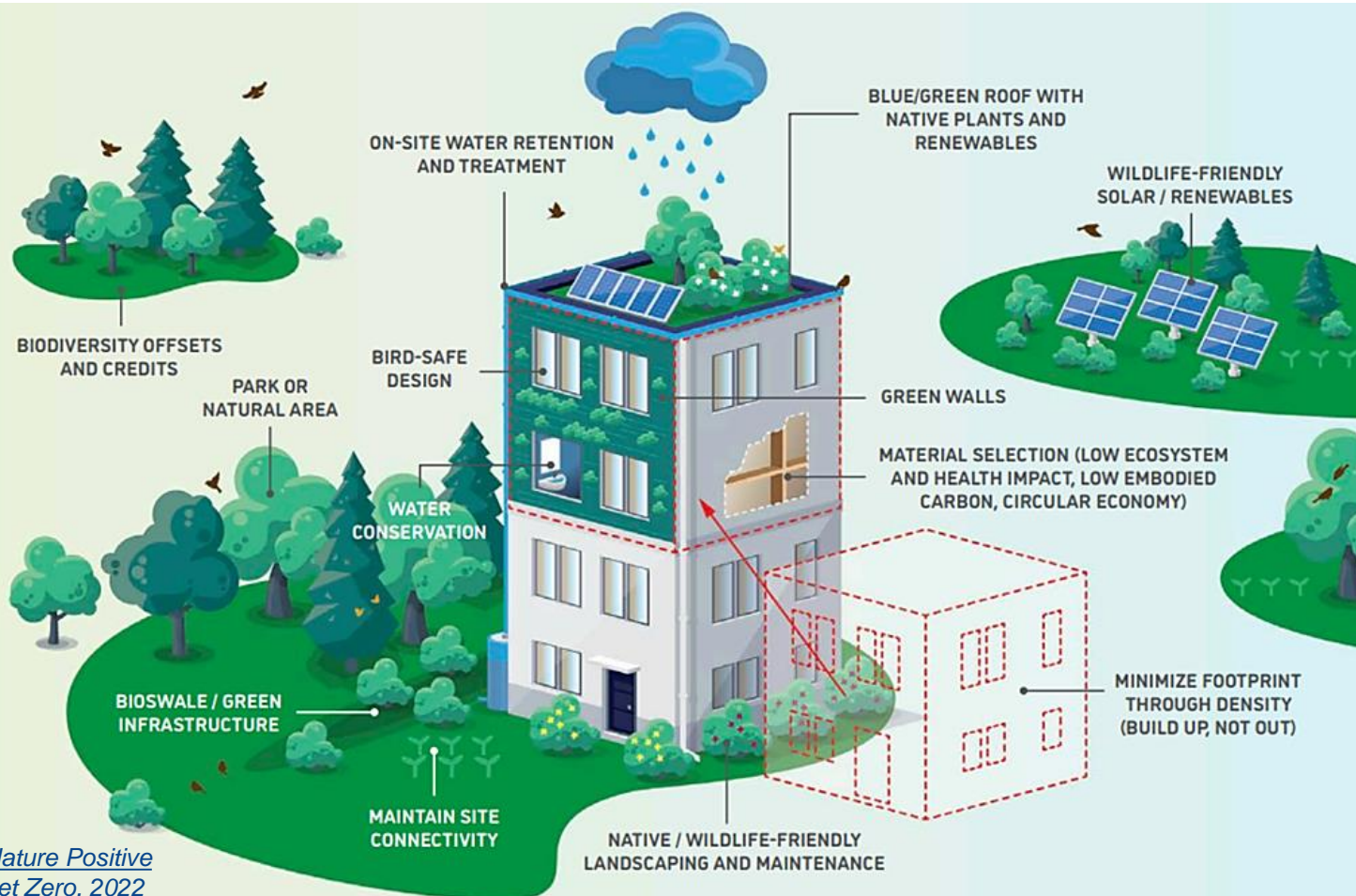


Since 1970 as climate change has worsened so too has the biodiversity crises.

Experts have estimated that nature-based solutions can contribute 20-37% to keeping temperature increases below 2°C [\(Source\)](#).

Staying below 2 degrees is vital to ensure the resilience and long-term value of real estate investments in a rapidly changing climate.

Interlinked climate and biodiversity crises



Nature based solutions can operate effectively at multiple scales, from site-level interventions to regional frameworks.

The ULI diagram highlights actionable pathways for biodiversity integration within the built environment.

Leveraging certifications like BREEAM, LEED, and WELL promotes biodiversity enhancement.

Real estate must embrace nature-based solutions and biodiversity enhancement as integral to climate resilience and adaptive capacity.

How ecological features add value to buildings

Nature based solutions offer multiple co-benefits



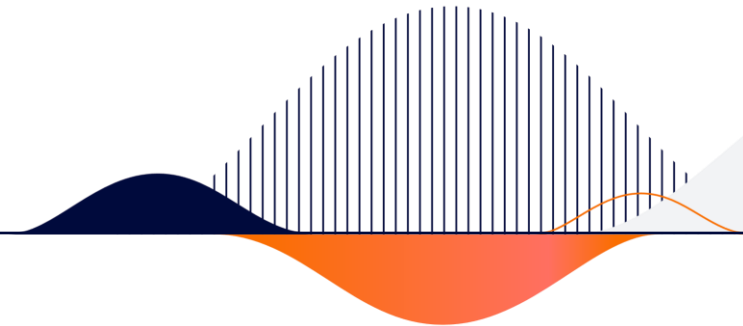
Timber framed buildings reduce embodied carbon and offset costs



Green roofs increase solar panel efficiency



Green walls can reduce energy consumption and overheating



How ecological features add value to buildings

Co-benefits are an important way ecological features add value to buildings



Wildflower meadows reduce maintenance costs

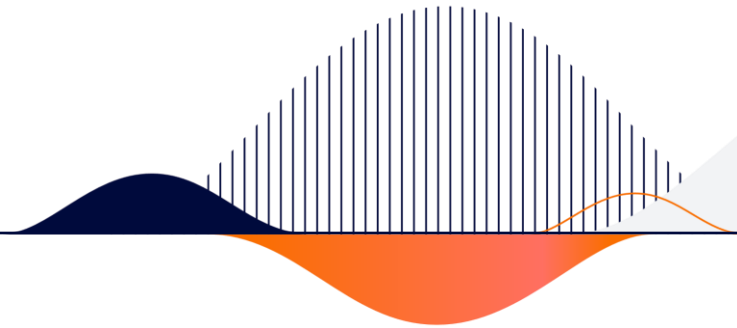


Water feature swales doubling as walkways and streams.



Occupier engagement with nature enhances satisfaction

Studies across Europe show that homes with access to green space fetch higher values than homes without access to this amenity.



Industry challenges

Integrating nature-based solutions

Insurance for timber buildings can be more costly due to perceived fire risks.

Green walls can be perceived as fire hazards.

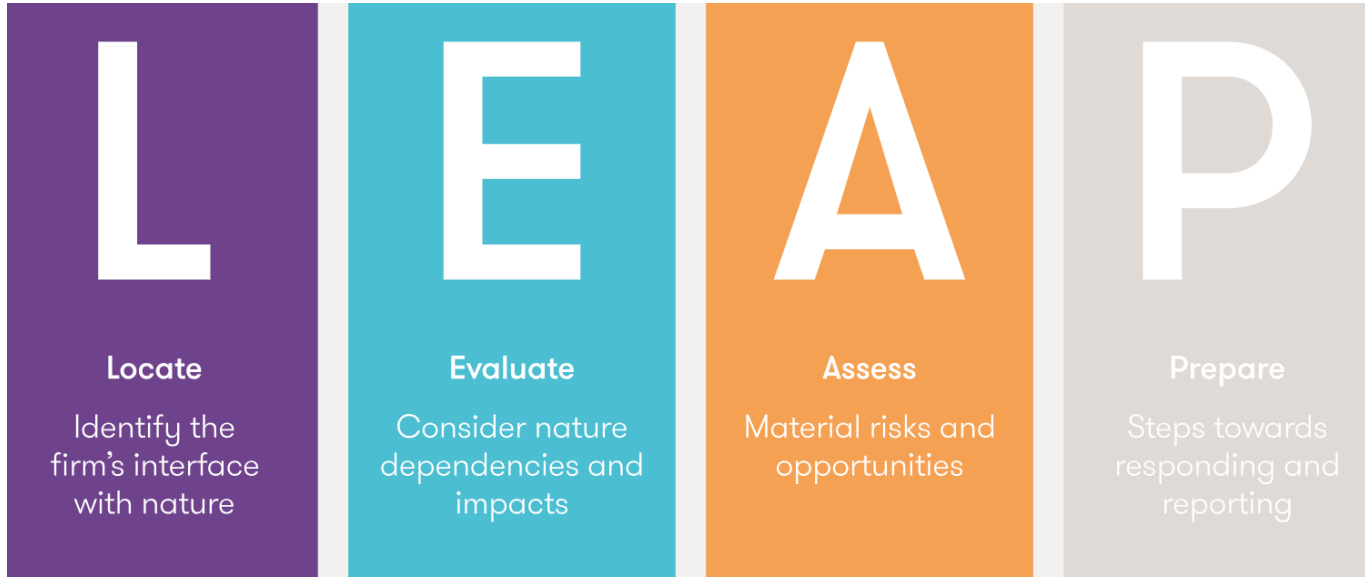
Lack of understanding in the construction and real estate industry on the ecological embodied impact of construction materials.

Ongoing maintenance costs for maintaining green features.

Lack of qualified specialists, tools and guidance means undertaking an initial biodiversity baseline can be tricky.



TNFD requirements & framework

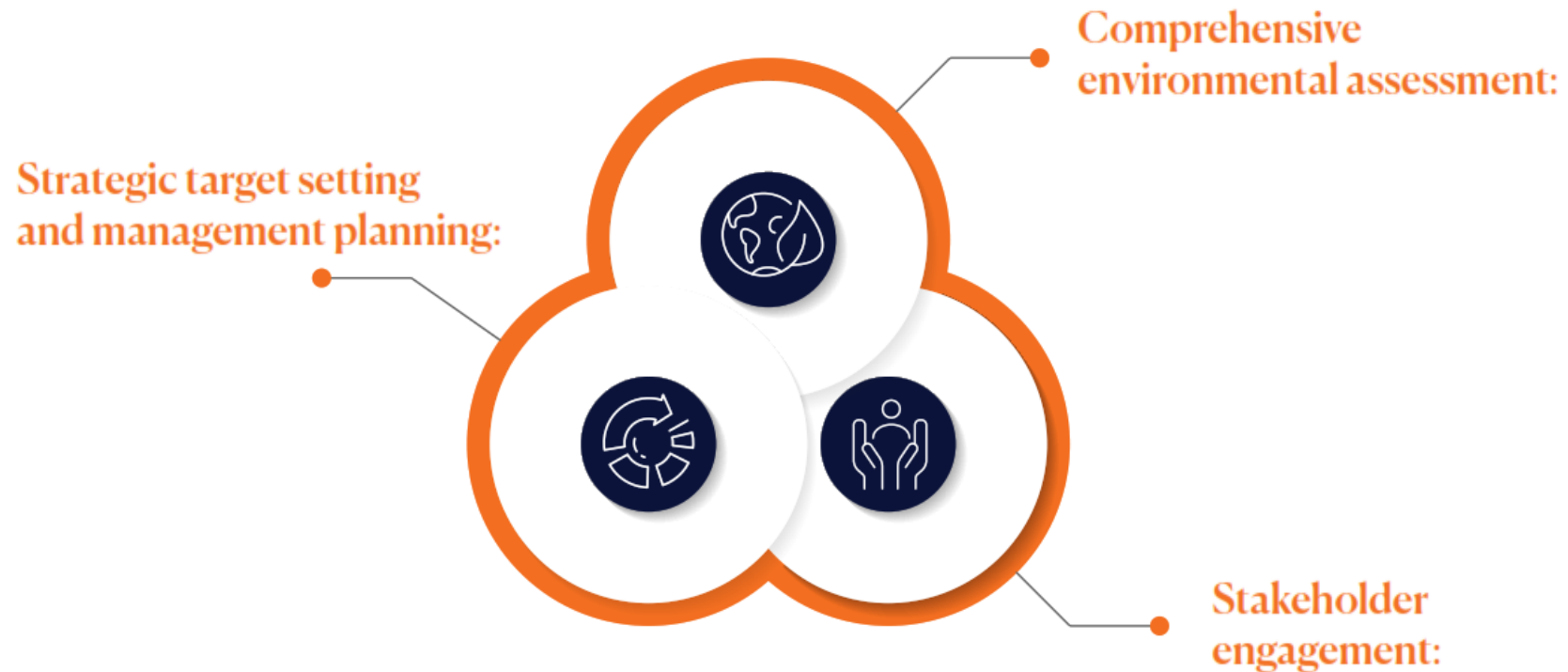


General TNFD requirements:

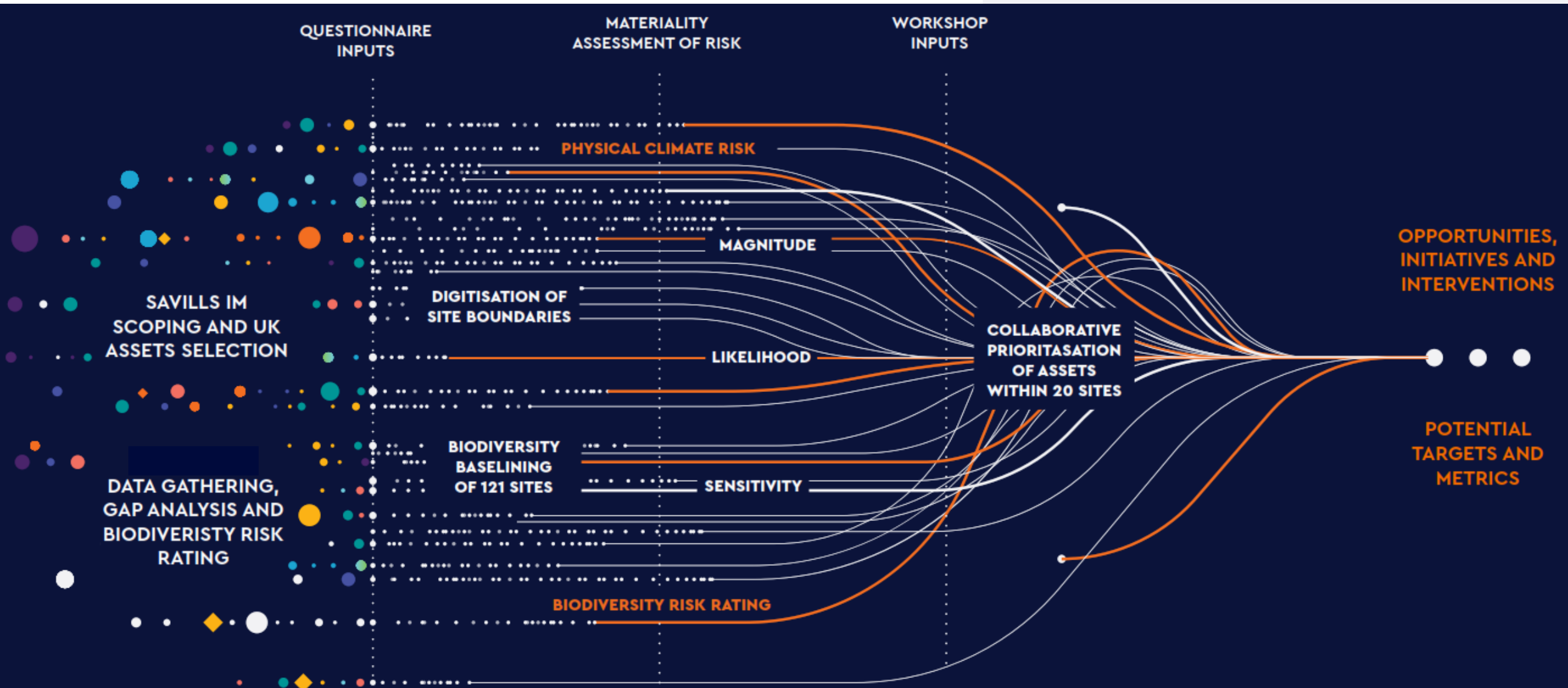
- Scope of disclosures: Governance, strategy, risk management and metrics.
- Consideration of nature-related issues
- Integration with other sustainability issues
- Approach to materiality
- Stakeholder engagement
- LEAP approach – scoping the assessment

To get started use TNFD as a framework not as instructions. Dip in and out.

Biodiversity baselining across Savills IM's UK portfolio



Biodiversity baselining: A strategical approach









Biodiversity baselining: Mapping dependencies and impact

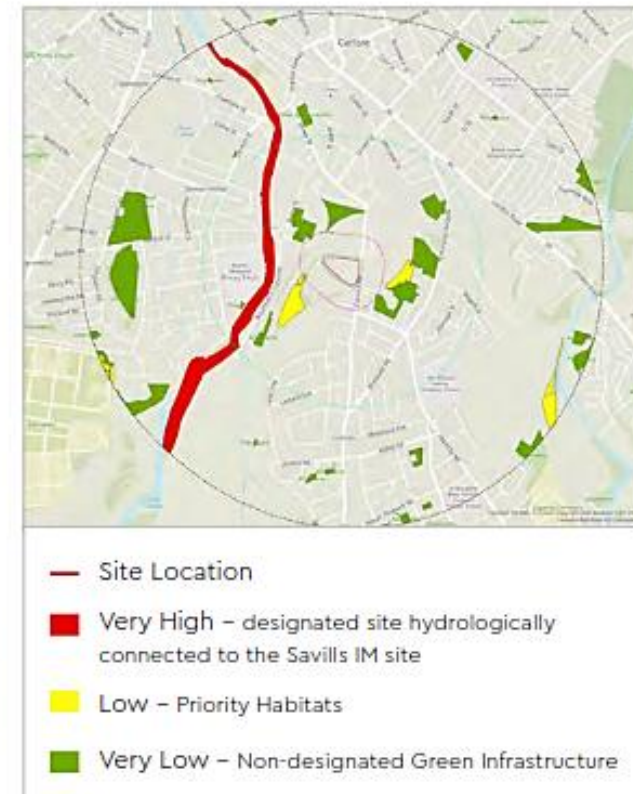
Potential magnitude of impact rating	Potential impact magnitude category description	Sectors
5	Very high risk of impact	Hotel and leisure New residential
4	High risk of impact	Retail* Existing residential
3	Moderate risk of impact	Industrial Education
2	Low risk of impact	Other (car dealership)
1	Very low risk of impact	Office

Sensitivity rating*	Description	Receptors*
Very high (5)	International or national designated site hydrologically connected to the Savills IM site	<ul style="list-style-type: none"> Special Protection Areas (SPA) Special Area of Conservation (SAC) Ramsar Site of Special Scientific Interest (SSSI)
High (4)	International or national designated site not hydrologically connected to the Savills IM site	<ul style="list-style-type: none"> SPA SAC Ramsar SSSI
Medium (3)	Local or other designated site	<ul style="list-style-type: none"> Local Nature Reserves
Low (2)	Priority habitats	<ul style="list-style-type: none"> Priority Habitats Ancient Woodland
Very low (1)	Non designated green infrastructure	<ul style="list-style-type: none"> National Forestry Inventory Other blue/green infrastructure

Biodiversity baselining: An example site analysis

Relative risk rankings of the site in comparison with the overall portfolio:

-  Biodiversity: Medium
-  Climate Risk Rating: Very Low
-  Magnitude: Very High
-  Sensitivity: High
-  Likelihood: Very High
-  Biodiversity Impact Risk: Very High









Case Study - Potential Opportunities



- A.** Bat and bird boxes on trees targeting Noctule and Natterer's bats and tree sparrow.
- B.** Bat and bird boxes on building targeting pipistrelles and house sparrow.
- C.** Charity Days and collaborations with local community groups to improve nearby areas.
- D.** Seating and tables for employees with pollinator and herb filled planters.
- E.** Reptile hibernacula, insect hotel and beehive.
- F.** SuDS in carpark to reduce flood risk.
- G.** Improved management of grassland to benefit pollinators.
- H.** Nature trail signs explaining biodiversity enhancements.
- I.** Green roof on bike shed.
- J.** Open mosaic and edge habitat for basking reptiles, solitary bees like the wall mason bee, other notable invertebrates like the red wood ant and phantom hoverfly and pollinators such as pearl bordered fritillary.



 Health and wellness	 Environmental resilience	 Carbon sequestration	 Energy efficiency	 Community empowerment and social equity	 Water quality
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Integrating ecological features and enhancing biodiversity **protects the resilience and long-term value of real estate investments** in a rapidly changing climate.

THANK YOU

Resilience. Responsibility. Results.

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