

A Well-Adapted UK



Sophie Vipond
Director of External Affairs
Climate Change Committee



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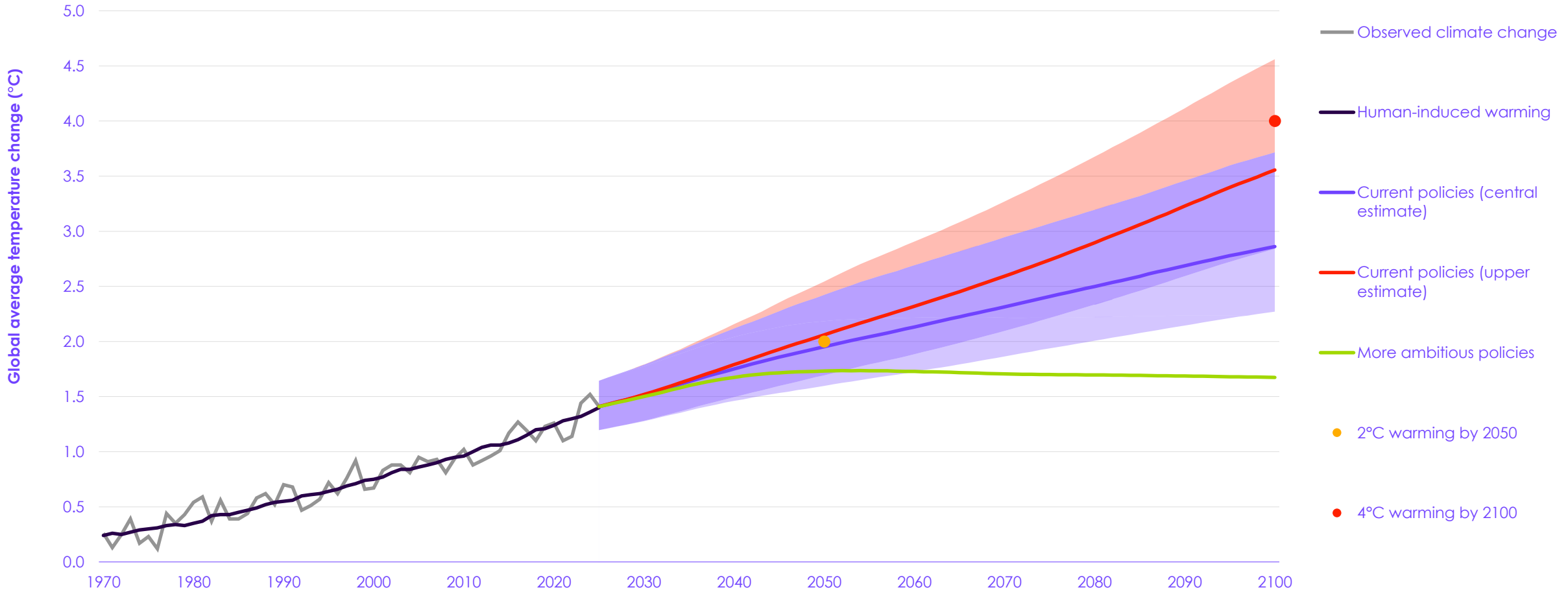
17 September

A Well-Adapted UK

Sophie Vipond, Climate Change Committee

Global average temperatures are continuing to warm at record pace

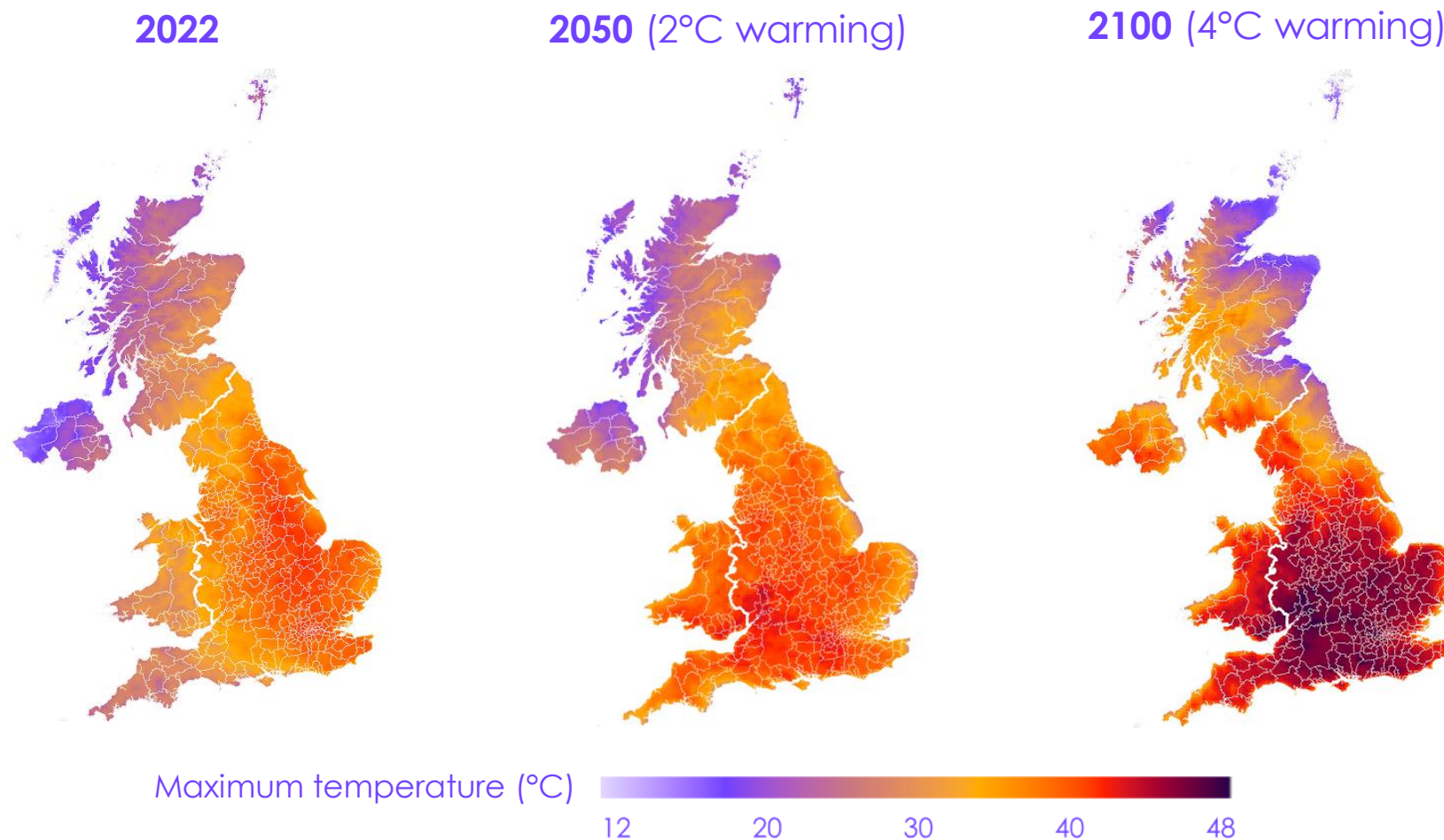
We must plan for 2°C above pre-industrial by 2050 and 4°C by 2100



Source: Met Office (2025) *Climate Dashboard – Tracking the Changing Climate with Earth Observations*; Forster, P. et al (2025) *Indicators of Global Climate Change 2024: annual update of key indicators of the state of the climate system and human influence*; Rogelj, J. et al (2023) *Credibility gap in net-zero climate targets leaves world at high risk*; United Nations Environment Programme (2025) *Emissions Gap Report 2025: Off Target – Continued collective inaction puts global temperature goal at risk*.

Heatwaves in the UK will be more frequent, longer, and more intense than they are today

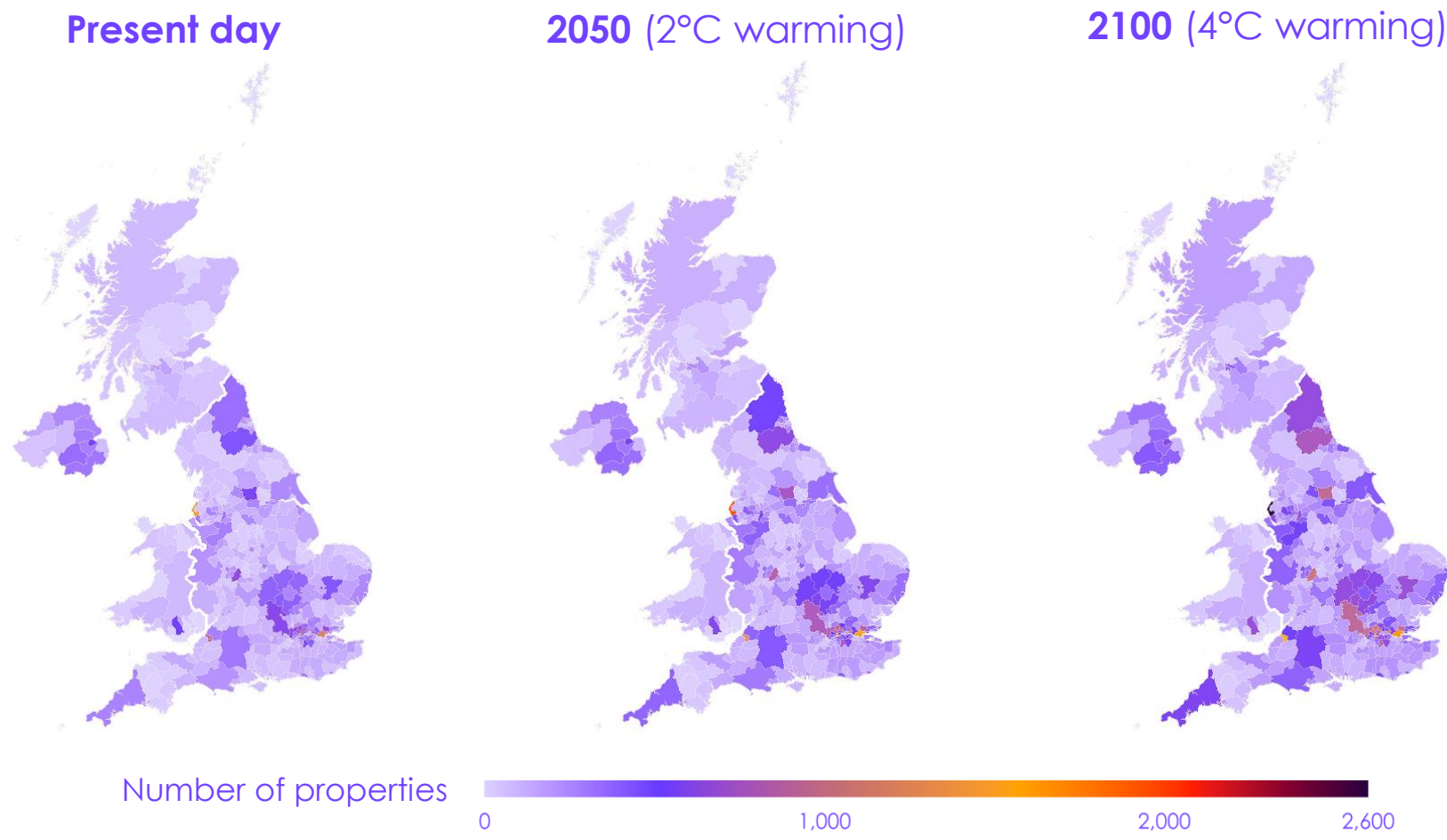
Recent and projected maximum temperatures



Source: Hollis, D. et al (2025) *HadUK-Grid Gridded Climate Observations on a 5km grid over the UK, v1.3.1.ceda (1836–2024)*; Met Office (2025) *UKCP Local Projections on a 5km grid, bias corrected using scaled distribution mapping, over the UK.*

Flood risk will rise from surface water

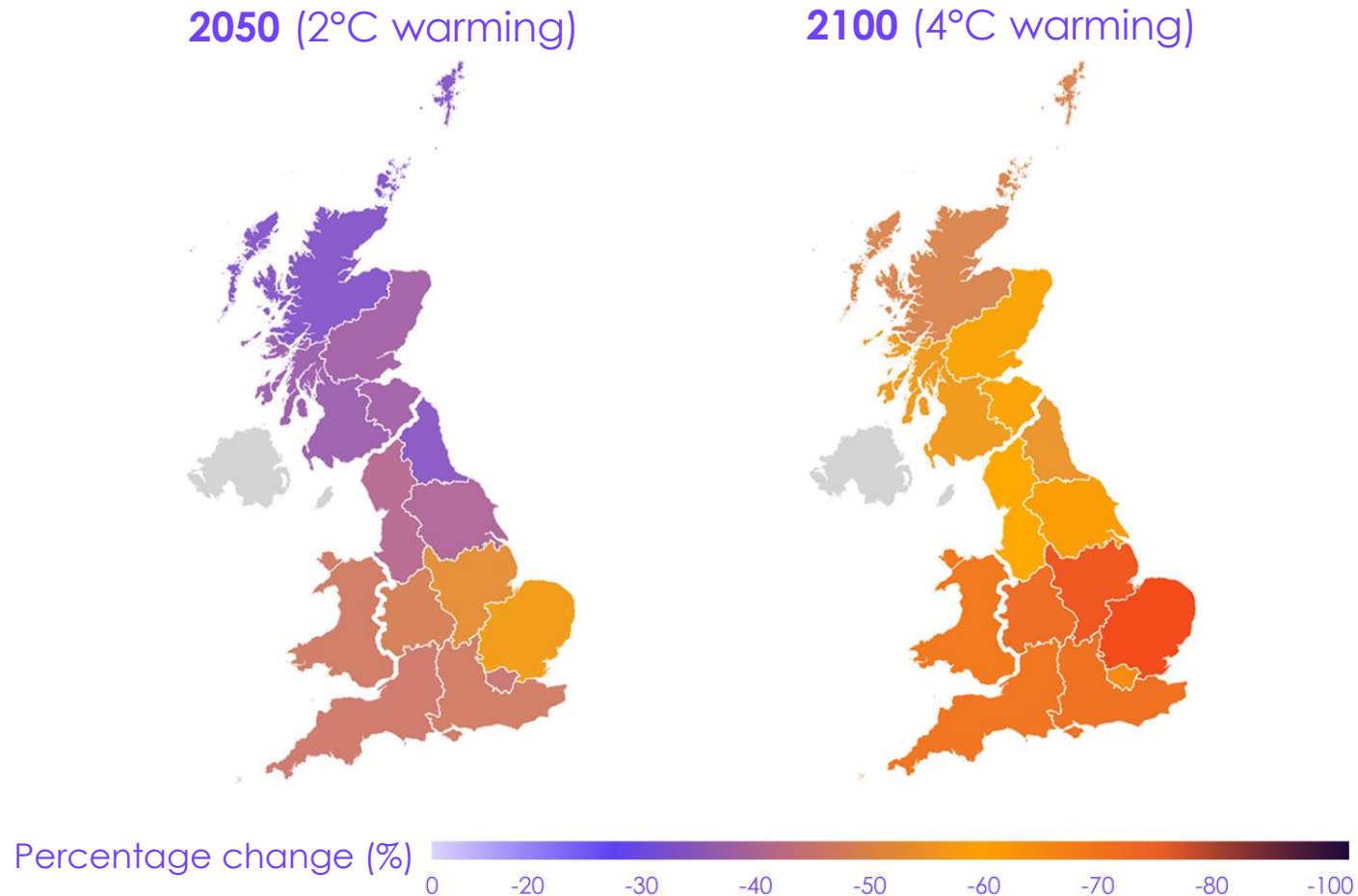
Current and projected properties flooded by surface water



Source: Sayers, P. et al (2026) Well-Adapted UK - Future Flood Risk

Higher temperatures and reduced rainfall will contribute to less available water

Projected change in water available in rivers during droughts



Source: UK Climate Risk Indicators (2021) *Climate Risk Indicator Explorer*.

Dry, hot summers increase the risk of drought and wildfire

Projected number of days with 'very high' wildfire risk

Recent past (1981-2010)



2050 (2°C warming)



2100 (4°C warming)



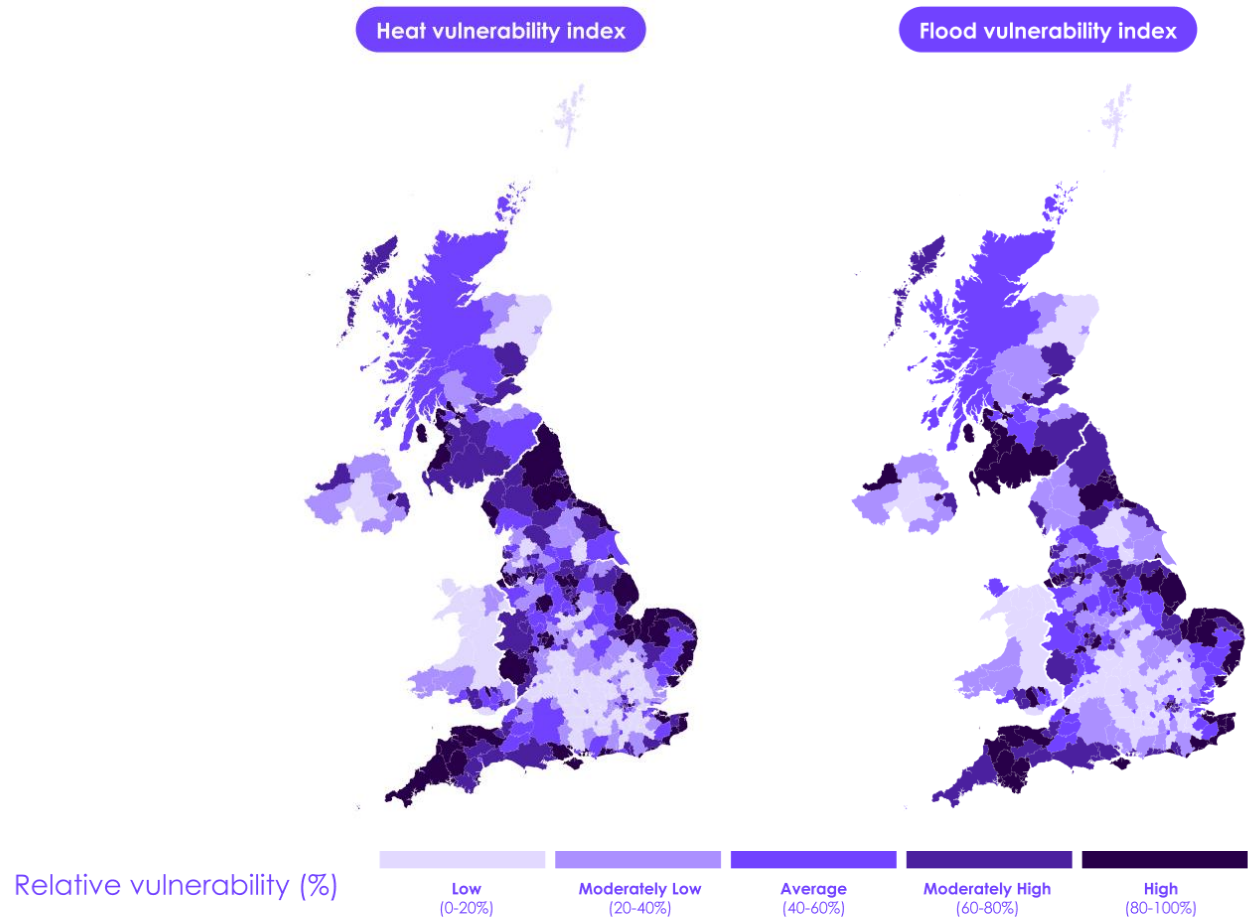
Days per year



Source: UK Climate Risk Indicators (2021) *Climate Risk Indicator Explorer*.

Vulnerability to heat and flood risk is highly variable across the UK

Vulnerability to flood and heat hazards by region



Source: Sayers, P. et al (2025) Spatial indicators of vulnerability to climate related hazards in the UK.





Building Resilience for People and Places



Domenico del Re

Director
PwC



Cathy Keir

Head of Sustainability
**Savills Investment
Management**



Kirsty Draper

Head of Sustainability
JLL



Grace Taylor

Senior Project Manager
Grosvenor



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savills

investment
management

RESILIENCE. RESPONSIBILITY. RESULTS.

Investment Perspective: Climate Resilience

2026 | Cathy Keir, Head of Sustainability | Building Resilience - the RE:UK Sustainability Conference

Building prosperity by investing in resilient real assets

A leading real estate investment manager with global debt and equity expertise.



330+

Employees*

(inc. 130+ investment professionals)



€26.0bn

AuM



13

Countries (Europe and APAC)



29%

Savills IM acquired by Samsung Life



35+

Years experience



€4.9bn

AuM in the UK and Ireland (21%)



80%

Core strategies**



87%

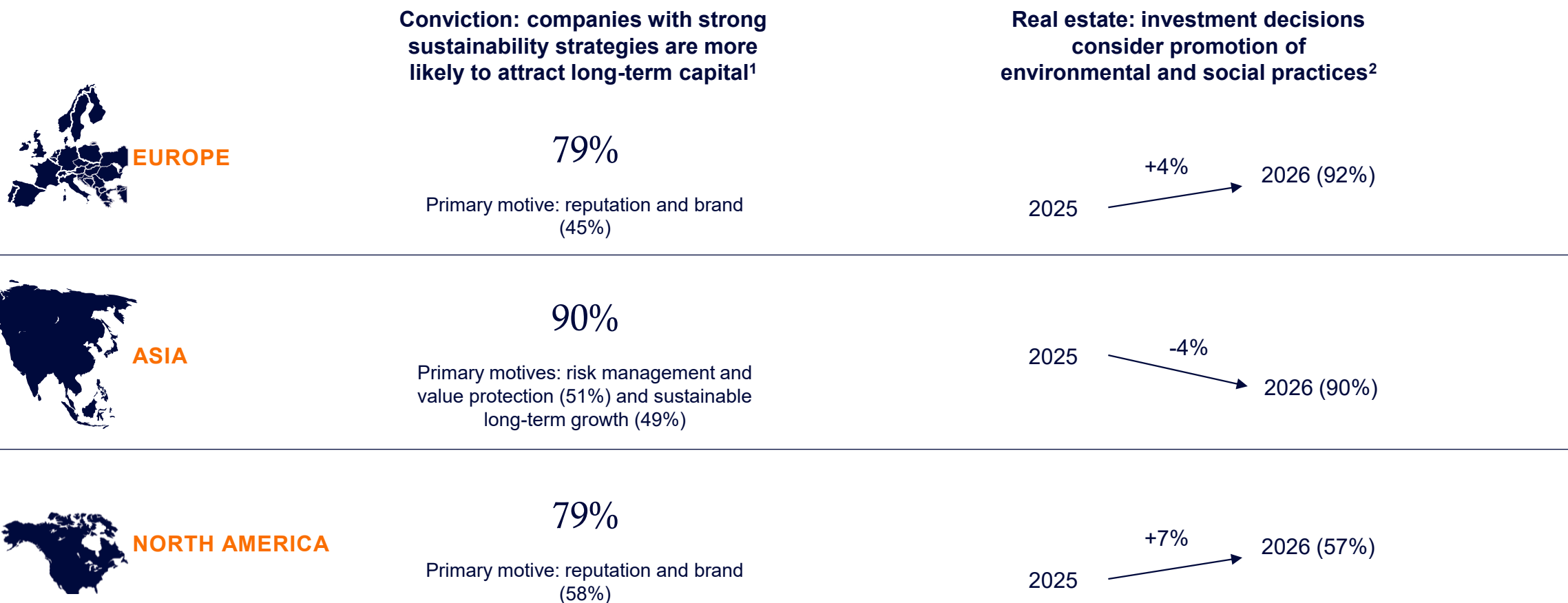
Commercial sectors**



*Includes consultants. ** The AUM for each sector includes the gross fund value of dedicated strategies, including non-property assets, and any undrawn commitments eligible for inclusion in AUM figures under INREV guidelines and the gross asset value of assets within from that sector for assets managed as part of a wider diversified strategy. (2) Direct property only across equity and debt strategies.
Source: Savills Investment Management, all data at 31 March 2026 unless otherwise stated.

Investor sentiment: sustainability

98% of European institutional investors view climate and environmental issues as important to their strategy.



¹ HSBC "The new era of business growth through climate transition" (Jan 2026)

² INREV "Investment Intentions Survey" (Jan 2026)

Trends

Climate risk bears on the value, income, and capital needs of real estate- measuring it requires good information



Increasing number of questionnaires

- Increase in number of ESG questions
- Greater complexity



Greater interest in physical climate risk

- Requests for specific hazards: flood, wildfire
- regulatory requirements (e.g. TCFD)



Less queries on these topics

- Nature and biodiversity
- Embodied carbon



RE:UK Sustainability Conference

Occupiers' perspective on Climate Risk
Kirsty Draper, September 2026

Sector specific insights



Industrial

- **Subsidence risk**
- **Flood risk**
- **Overheating** impact productivity of workforce & robotics
- **Extreme weather damage – eg Hail** damaging PV
- Power and water resilience



Retail

- **Extreme heat** leading to high street footfall dropping (3.8% this summer)
- **Supply chain** disruption
- **Flood risk** – not just for site but also for catchment



Office

- **Overheating** impacting operation of cooling & hence rentable value
- **Productivity** impacts

Source: British Retail Consortium

Case study

European Retail Occupier



Flash flooding damaging buildings



Heatwave meaning people could not work inside



Storm and high winds damaged building fabric

- Appointed JLL to undertake a climate risk and vulnerabilities assessment across a portfolio
- Undertaken specific **deep dive studies** on specific risks
- Climate risk modelling identified **resilience and adaptation measures** and CAPEX estimates

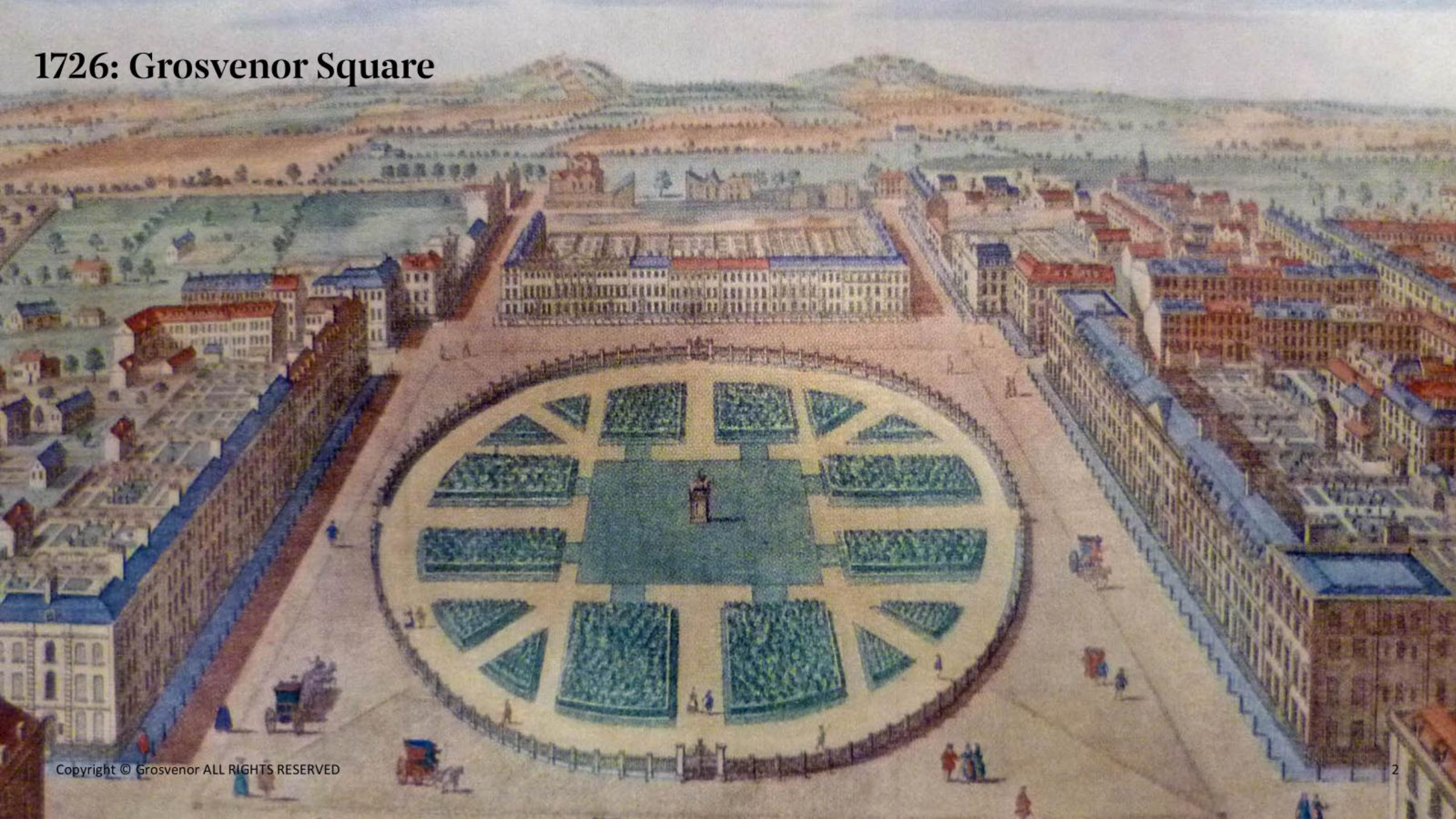
Grosvenor Square

Building Resilience

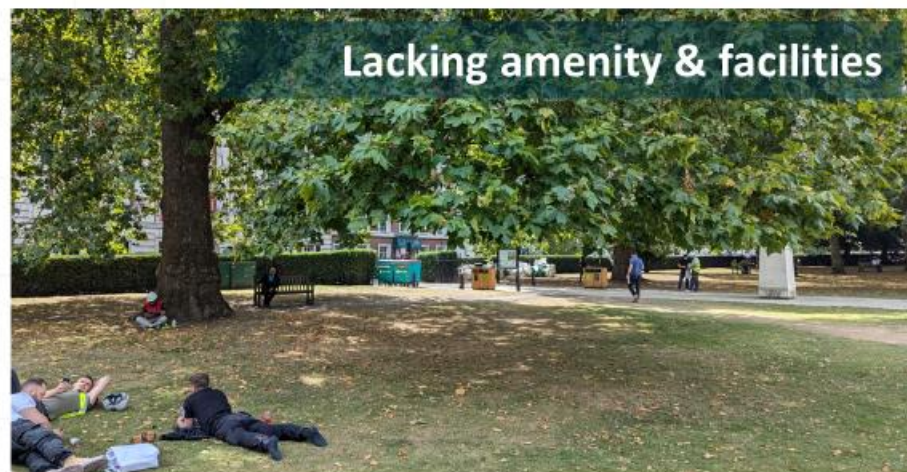
Grace Taylor

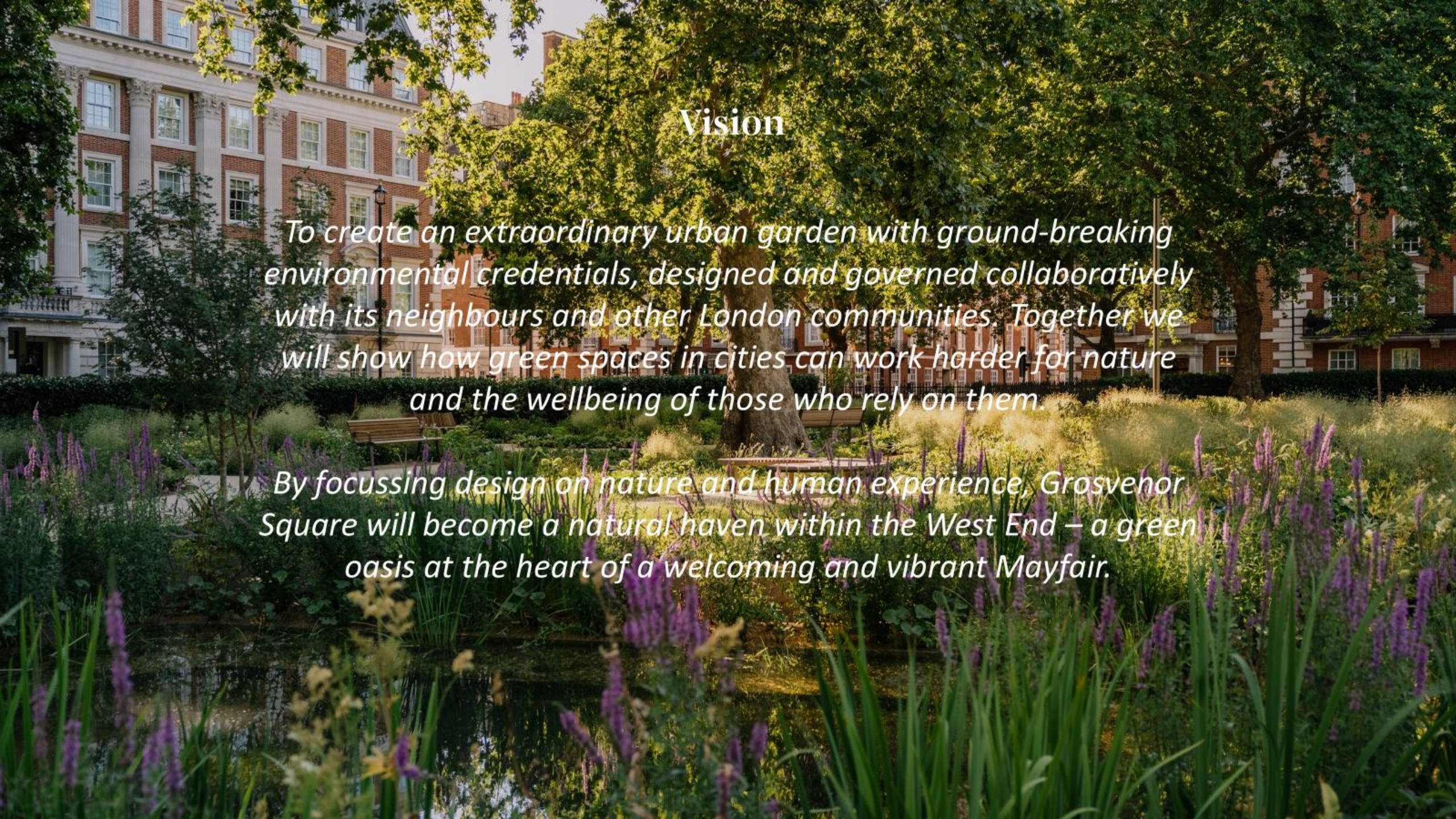


1726: Grosvenor Square



2025: Pre-Development



The background image is a photograph of a garden. In the foreground, there are tall green plants with purple flowers. In the middle ground, there is a large, leafy tree and a small pond. In the background, there is a multi-story brick building with many windows. The text is overlaid on the image.

Vision

To create an extraordinary urban garden with ground-breaking environmental credentials, designed and governed collaboratively with its neighbours and other London communities. Together we will show how green spaces in cities can work harder for nature and the wellbeing of those who rely on them.

By focussing design on nature and human experience, Grosvenor Square will become a natural haven within the West End – a green oasis at the heart of a welcoming and vibrant Mayfair.

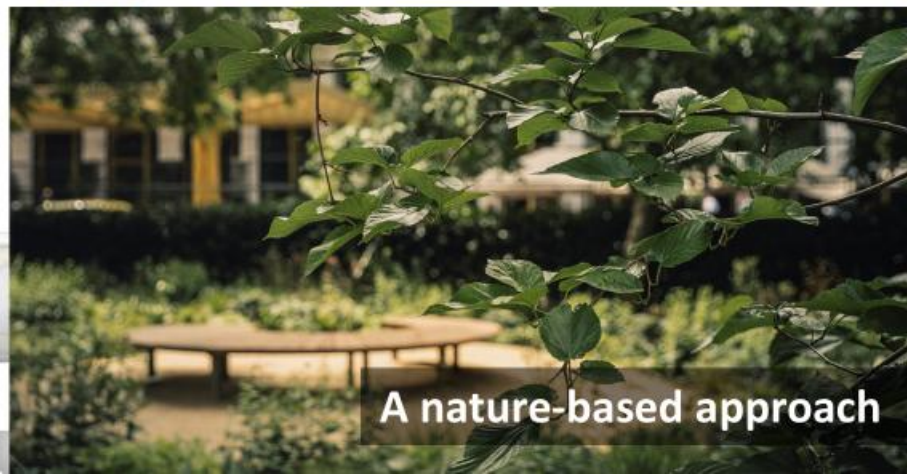
2026: An Extraordinary Urban Garden



From 0.8% to 44% planting



A kiosk, education centre and WC's



A nature-based approach

Climate resilient planting

A photograph of a garden featuring a winding gravel path, several wooden benches, and dense, diverse plant life. In the background, a row of trees and a building with blue awnings are visible. The scene is bathed in warm, golden light, suggesting late afternoon or early morning.

44 new trees
150,000 new plants and bulbs.
143 new species of plants
throughout the garden.

Natural sustainable drainage





Grosvenor Timber Works





A Climate Resilience Roadmap for Real Estate



Simon McWhirter
Chief Executive
UK Green Building Council
(UKGBC)



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A CLIMATE RESILIENCE ROADMAP FOR REAL ESTATE

SIMON MCWHIRTER

CHIEF EXECUTIVE, UK GREEN BUILDING COUNCIL



The voice of our sustainable
built environment

Climate resilience: from sustainability issue to property and investment issue

PERFORM

**REMAIN OPERATIONAL AS
CONDITIONS CHANGE**

PROTECT

**PROTECT PEOPLE,
ACTIVITIES, AND
SURROUNDING
COMMUNITIES**

RETAIN

**MAINTAIN VALUE,
INSURABILITY, AND
ATTRACTIVENESS**

INVEST

**MAKE INFORMED
ADAPTATION DECISIONS**

FIVE KEY HAZARDS IN THE UK



£1.3bn

The amount that flood damage costs the UK economy annually.



60%

The number of climate-related risks the UK faces that are currently labelled with the highest urgency score.



20m

During summer 2022, water restrictions and hosepipe bans affected around 20 million people across the UK.



£100m

The 2022 UK heatwave wildfires caused an estimated £100 million in damages.



55%

The number of UK homes which already overheat during relatively cool summers.



The market isn't pricing in resilience yet

PRESENT: INCREASINGLY SOPHISTICATED MARKET INFRASTRUCTURE AROUND CARBON

ABSENT: THE EQUIVALENT INFRASTRUCTURE AROUND PHYSICAL CLIMATE RISK

TRIP HAZARDS:

MISMATCH BETWEEN INVESTORS AND BENEFICIARIES / INCONSISTENT DATA AND METRICS / VALUATION APPROACHES / MARKET UNDERSTANDING OF RISKS

From resilient buildings to resilient portfolios

INDIVIDUAL ASSET

- EXPOSURE
- SENSITIVITY
- VULNERABILITY
- ADAPTATION OPTIONS

'IS THIS BUILDING RESILIENT'

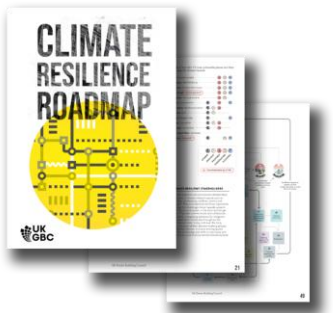
PORTFOLIO

- CONCENTRATION OF RISK
- GEOGRAPHIC HOTSPOTS
- INFRASTRUCTURE DEPENDENCIES
- INVESTMENT PRIORITIES

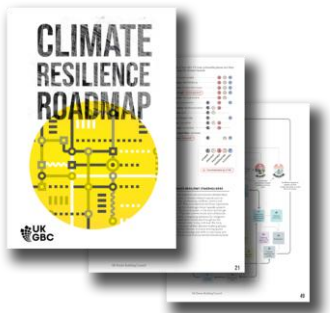
'WHERE ARE THE GREATEST CLIMATE RISKS ACROSS THE PORTFOLIO, AND WHERE SHOULD WE PRIORITISE INVESTMENT?'

ACTION: FOUR STAGES PROCESS

- AIMS & GOALS FOR INCREASING CLIMATE RESILIENCE
- INDUSTRY ACTIONS, & RECOMMENDATIONS AT ORGANISATIONAL AND PROJECT LEVELS
- METRICS AND INDICATORS FOR MEASURING AND MONITORING



TOOLS: METRICS AND INDICATORS



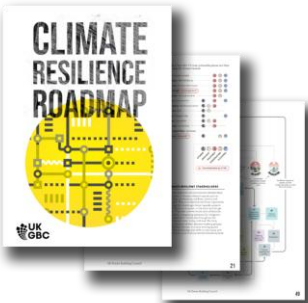
APPENDIX B

METRICS AND INDICATORS

Metrics and indicators can be used to provide a clear and measurable way to monitor hazards and identify needs, track progress, assess performance or evaluate the effectiveness of strategies and actions over time. In the context of climate resilience, they can help stakeholders monitor key aspects of exposure, sensitivity, adaptive capacity and overall resilience to support and inform decision-making. The table below provides some key examples of metrics that can be used by a variety of stakeholders in the built environment when looking at specific hazards or cross-cutting action.

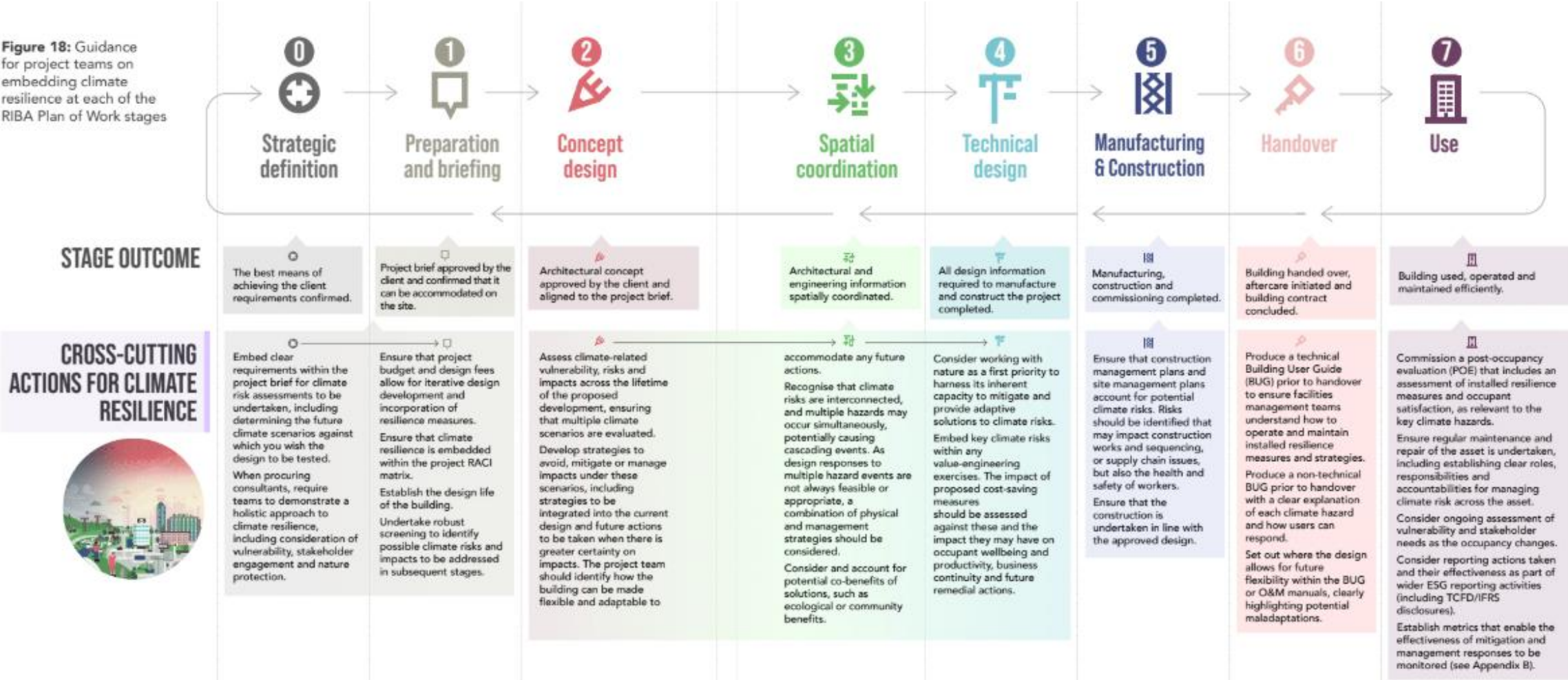


TOOLS: PROJECTS & ORGANISATIONS

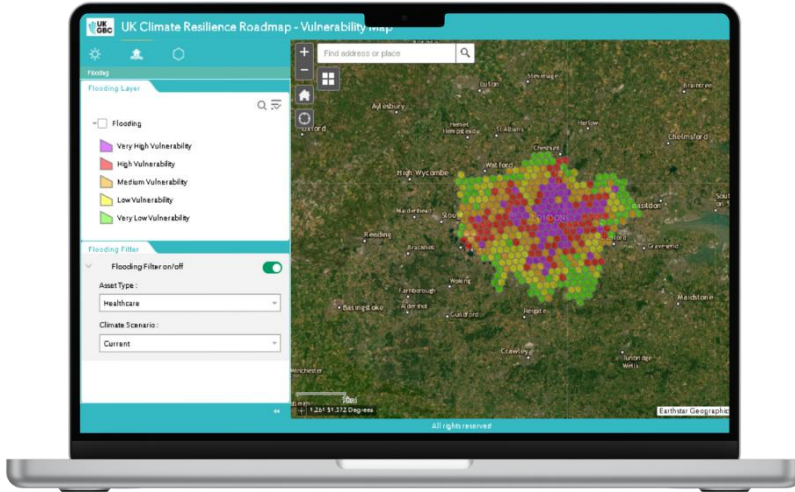


GUIDANCE FOR EMBEDDING CLIMATE RESILIENCE AT EACH OF THE RIBA PLAN OF WORK STAGES

Figure 18: Guidance for project teams on embedding climate resilience at each of the RIBA Plan of Work stages



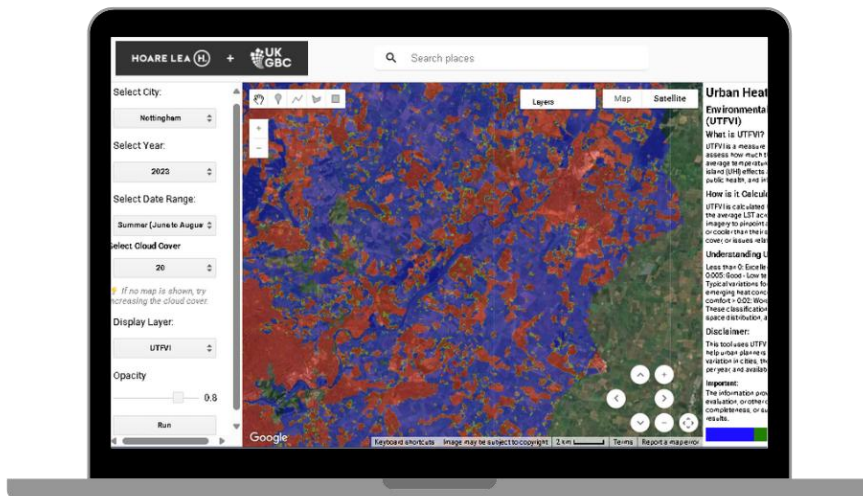
UK GIS VULNERABILITY MAP



- Visualise climate **vulnerabilities** in urban areas across the UK
- Understand **impacts** on various assets and locations
- Identify **high-vulnerability hotspots** for targeted action

URBAN HEAT ISLAND TOOL

HOARE LEA 



- **Compare** resilience strategies in illustrative scenarios
- Facilitate **collaboration** across disciplines and sectors

POLICY RECOMMENDATIONS REPORT

EIGHT KEY POLICY RECOMMENDATIONS

1

Put resilience at the heart of government by creating an Office for Resilience in the Cabinet Office and restoring the role of Minister for Resilience.

2

Prioritise climate resilience in spending decisions and mobilise private finance.

5

Ensure new buildings are fit for a more hazardous climate future.

6

Require and empower local government to deliver on climate resilience policies.

3

Ensure all planning decisions deliver climate safety.

4

Protect all communities with trees, parks and ponds.

7

Make existing homes and buildings climate safe.

8

Create and incentivise a new generation of green professionals



What does this mean for the sector now?

UNDERSTAND

WHAT ARE WE EXPLORED
TO?

PRIORITISE

WHERE IS THE RISK
GREATEST?

INVEST

WHAT ACTION IS
NEEDED?

MONITOR

IS RESILIENCE
IMPROVING?

CLIMATE RESILIENCE ROADMAP:



CLIMATE RESILIENCE STAKEHOLDER ACTION PLANS LAUNCH WEBINAR:



The Importance of Energy Resilience and Security



Aneysha Minocha

Founder & CEO
Quantaco



Sonal Jain

Director of Sustainability
& Social Impact
King's Cross Group



Chris Wright

Head of Sustainability
and Decarbonisation
Avison Young

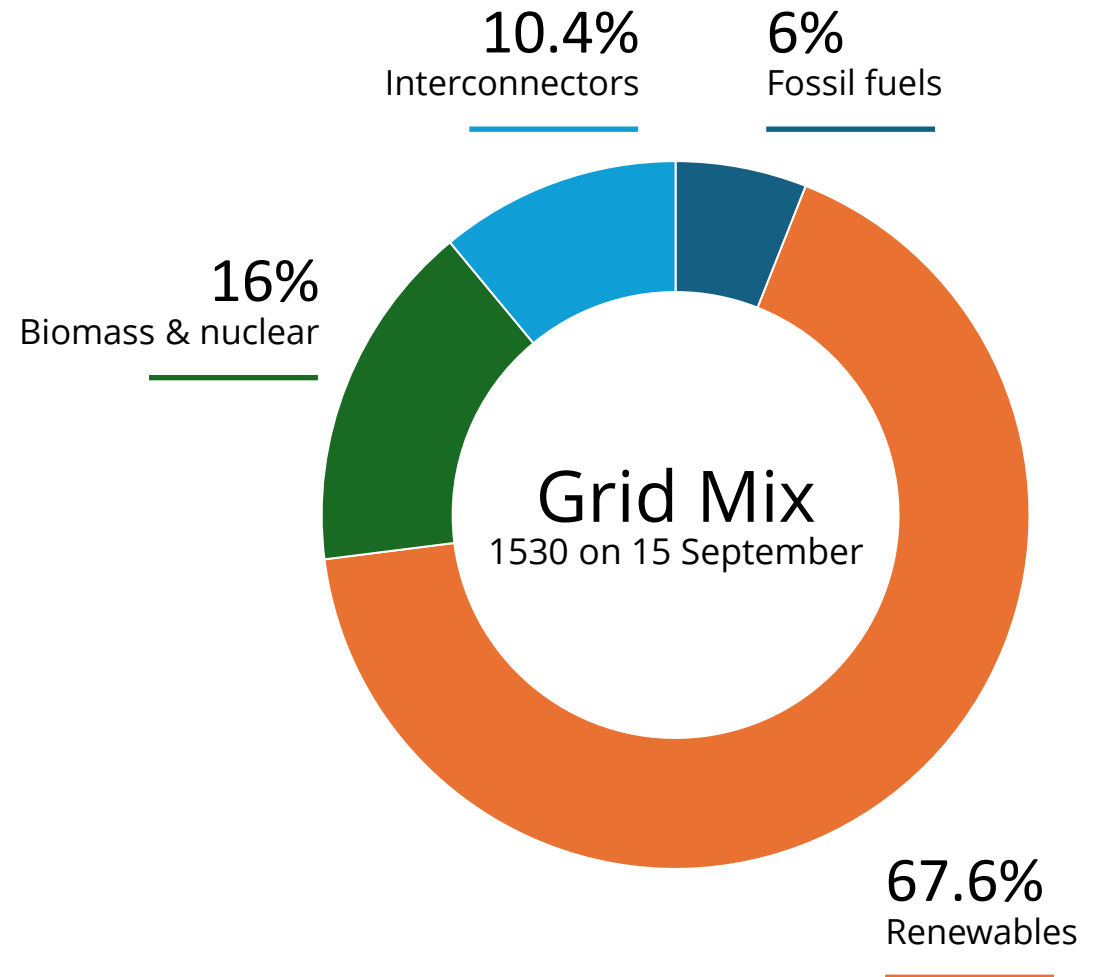


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The challenge and the opportunity

- The UK must double its energy capacity to meet net-zero targets
- If solar were installed on the UK's largest warehouses, the sector could provide around 17.3 GW of solar capacity, almost equal to the UK's entire currently installed solar capacity of 18.9 GW (UKWA 2025 research)





In Conversation With...



**Rt Hon Chris
Skidmore OBE**

Former Energy Minister



Chinyelu Oranefo

Managing Director,
Sustainability Advisory,
Lloyds Bank



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A Water-Resilient Real Estate Industry



Gordon Rogers
Head of Sustainability
Places for London



Kimberly Markiewicz
Sustainability Research Lead
JLL



Phil Hirst
Director of Sustainability
Greystar



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The Water Risk Spectrum



Flooding

Flood maps in England were redrawn in 2025 – 6.3 million properties are in areas at risk of flooding

Expected to increase to 8 million (1 in 4) properties by 2050¹

£2.3 billion estimated potential economic costs of flooding to properties per annum¹

Implications for real estate

- Damage to the building, equipment and surrounding infrastructure
- Reduced accessibility
- Ongoing increased costs due to maintenance and repairs
- Insurance premiums or uninsurable assets



Drought

71% of England experienced drought over summer 2026, with July 2026 the driest July recorded since 1836

Decrease in volume of water stored in England's reservoirs

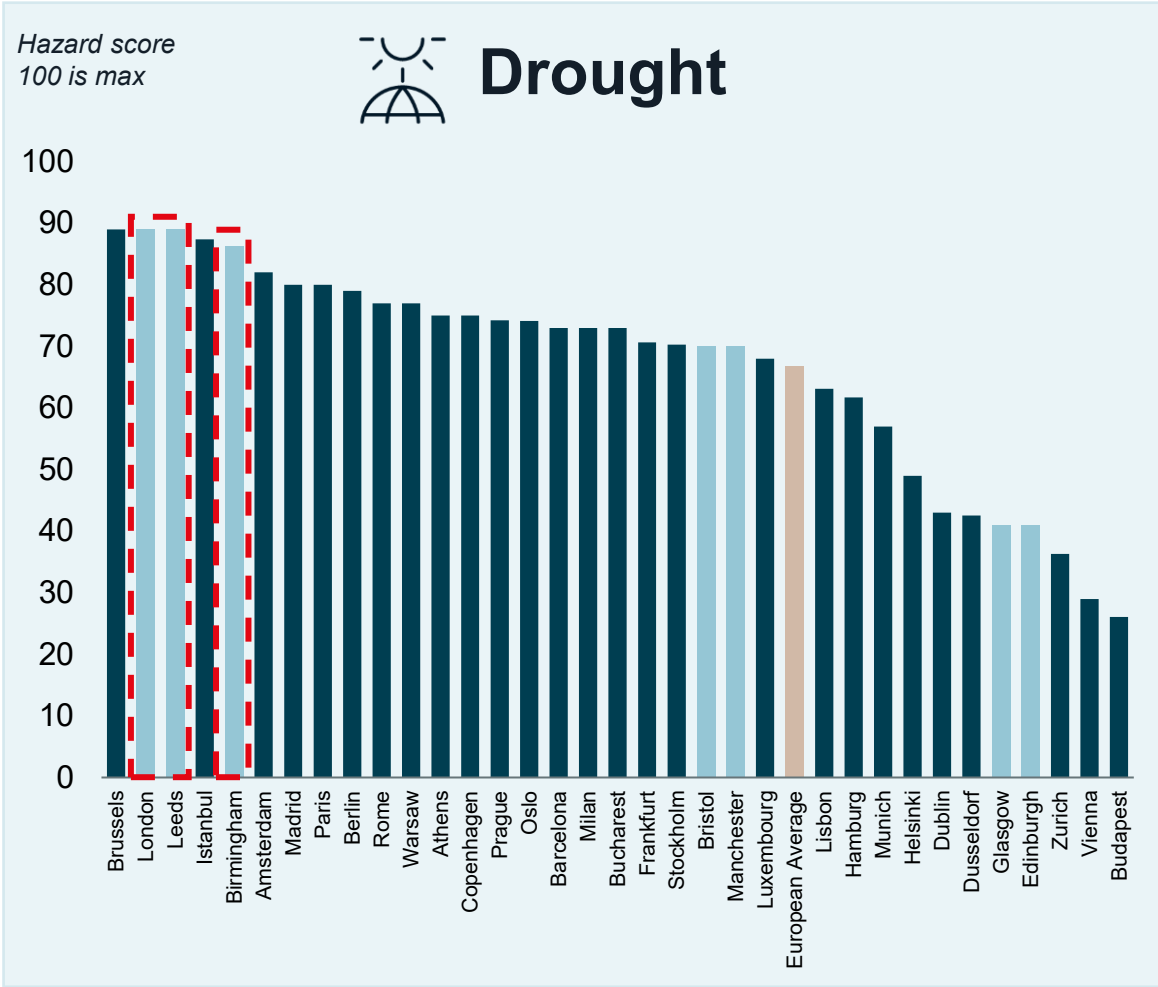
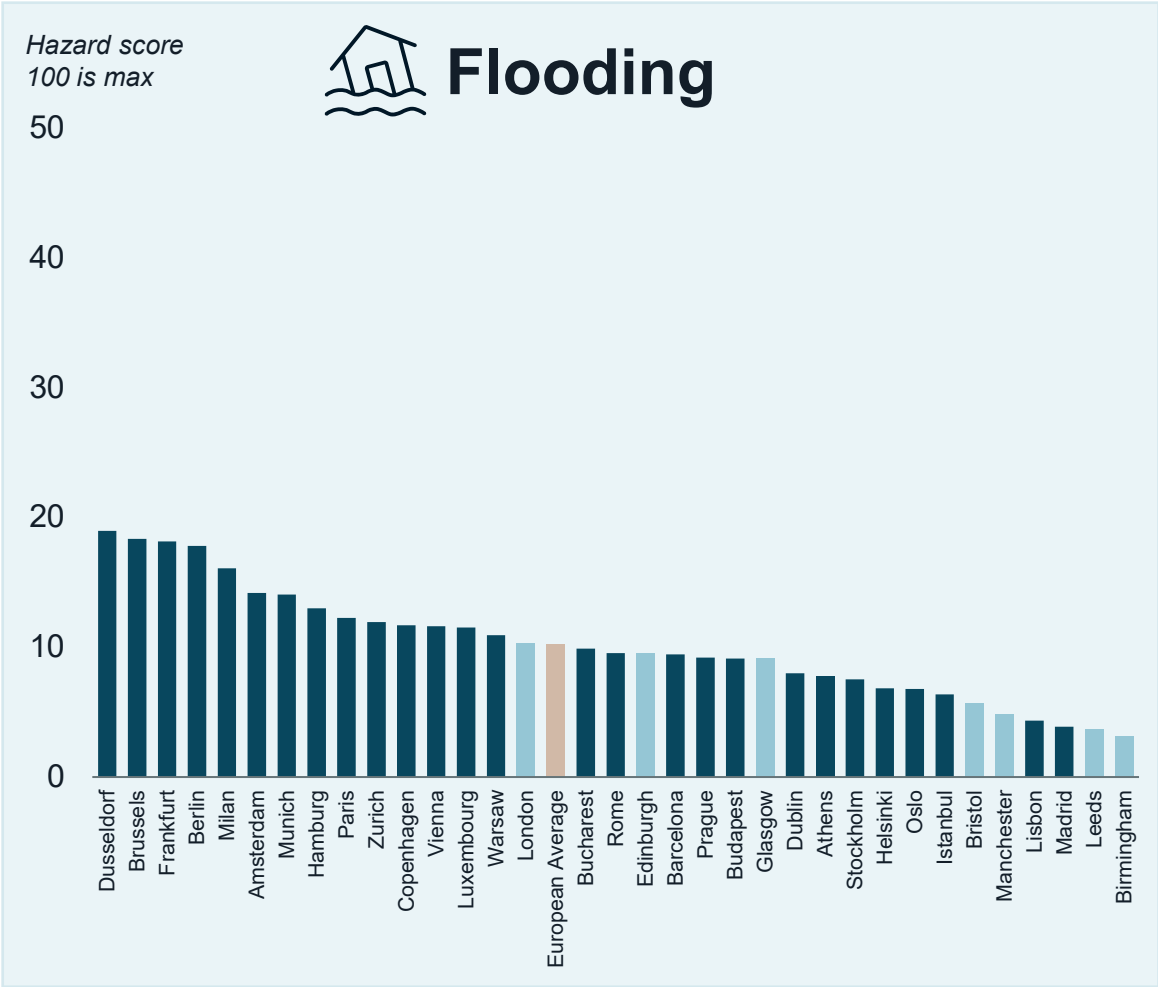
Homes and businesses in England could face a water supply shortfall of up to five billion litres a day by 2055

Implications for real estate

- Subsidence
- Water supply shortages
- Water bans
- Issues for water-intense asset classes like data centres and hotels

¹Includes risk from surface water, rivers and sea

UK cities are at higher risk of drought and lower risk of flooding compared to major European cities



Investors and occupiers understand the impact physical climate risk will have on buildings and are already planning for it

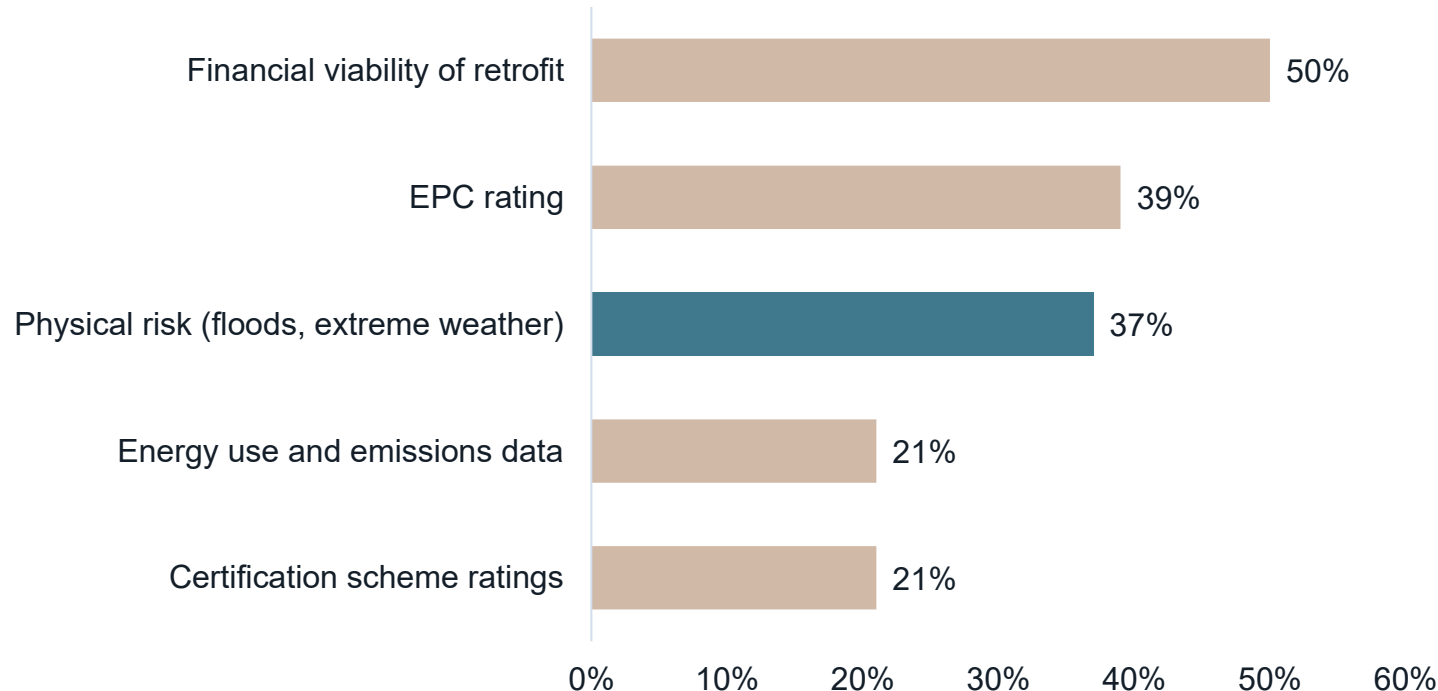
94%

Of respondents to JLL's UK Investor Survey are actively implementing or considering climate risk mitigation and adaptation within their portfolios.

74%

Of CRE leaders will only select buildings that are **resilient to climate events** by 2030.

Physical climate risk is a top 3 consideration driving investment decisions



Q: What considerations have been the biggest drivers of your investment decisions?

Water use and water risks vary across asset types

Retail

According to JLL proprietary data, in the UK where climate risk was shown to impact a deal, 100% of the time it was flood related for retail assets.

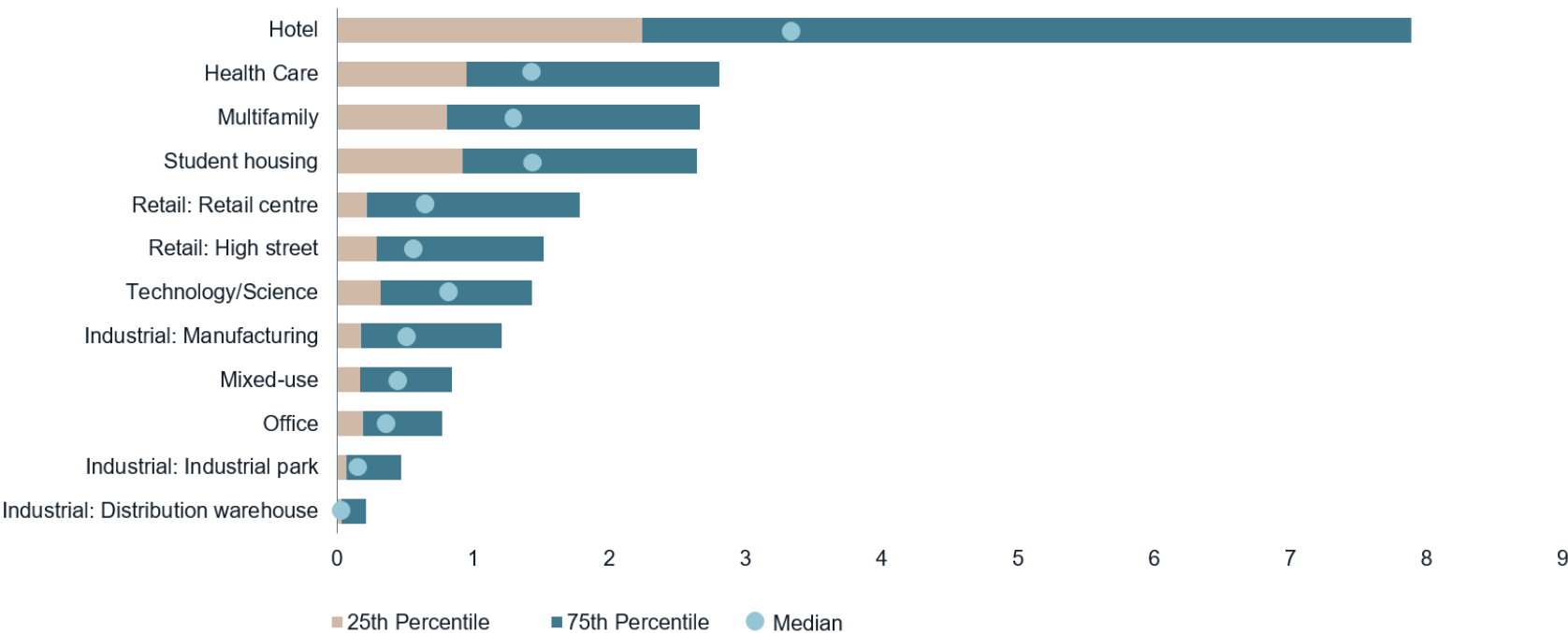
Hotel

Hotels use around 1,500 litres of water per room per day – about eight times that of a local resident.

Data Centres

Water UK estimates that datacentres in England use 6.6m litres of drinking water every day. Based on the government's ambition to triple DC capacity by 2030, this could increase to 19.8m litres per day.

Whole-building water use intensity by asset type, measured in (cubic meter/square meter)



Source: ULI Greenprint

Why Water? Why Now?

Water infrastructure globally has reached or exceeded its design life, creating a cost burden for repair and replacement against a backdrop of increasing water scarcity. As a result, water is becoming a more expensive and scarce resource for building owners in many markets, strengthening the business case for water efficiency and resilience



The overlooked utility...

Water has historically had far less attention than energy in building management, monitored less closely and managed more reactively.



Energy has shown the way...

Sustained progress on energy management and emerging energy intensity reductions proves the business case and has created embedded resource management capability in many firms



Costs are climbing...

Water costs are rising, though a large share still sits in fixed standing charges rather than consumption, changing how quickly savings convert to pounds



Drought conditions...

Drought conditions across the UK, Europe and U.S. this summer have sharpened both the operational risk and the reputational case for acting now



GREYSTAR

From test-bed to portfolio. What started as pilots in London, Washington, California and Arizona, has become a portfolio-wide scaling exercise to help achieve Greystar's target of a 20% reduction in water intensity by 2030

Watergate | Finding building leaks a single meter wouldn't

Using data, technology and human intervention to reduce water consumption in existing and new buildings

The Rollout...

- ✓ Smart water valve rolled out across 684 apartments and all communal space in mid-2024, after an initial pilot
- ✓ Provides real-time water monitoring and leak prevention, building-wide
- ✓ 22% of units were consuming significantly more than expected, mostly hidden leaking taps and toilets
- ✓ Also caught incorrectly configured pressure-reducing valves causing needless wear on appliances

The Results...

£111,522

total identified
annual savings

£87,977

direct annual
water bill savings

£23,546

estimated annual
insurance reduction

26 tonnes

CO₂e avoided
per year

Lessons learnt...



232× expected
usage in one apartment

11,600 litres/day traced to a single stuck toilet flush that was invisible without real-time monitoring



Greystar is rolling out to other assets in operation and construction, making water resilience visible from the outset



Engage operation team in rollout to avoid removals/switch offs



Plan for repairs as soon as hidden leaks surface, and build leak checks into annual and move-out inspections

Daily consumption before vs. after identified repairs

Peak (pre-repair)

3 million litres/month

After Feb 2025 repairs

1.25 million litres/month

Smart Irrigation | The right amount of water at the right time

Combining smart irrigation management, local weather data and predictive rainfall technology so that properties irrigate only when necessary

 112

U.S. properties now on smart irrigation

 33%

Average water-use reduction across evaluated sites

 204M

Litres saved to date (year-end 2025)

 £140k

In money saved to date (year-end 2025)



TEXAS · HOUSTON

27% water saved

£14,160 saved · 0.9x ROC

CALIFORNIA · SAN JOSE

54% water saved

£19,380 saved · 2.5x ROC

WASHINGTON · WASHINGTON DC

64% water saved

£40,750 saved · 1.9x ROC



"It became a no-brainer. We found something that pays for itself." Jonathan Evans, US Sr. Director, Asset Management