

## Dates

The seminar will take place in London on **March 20th, 2020** from 14.00 to 18.00.

Final timetable will be confirmed at a later stage depending on space availability.

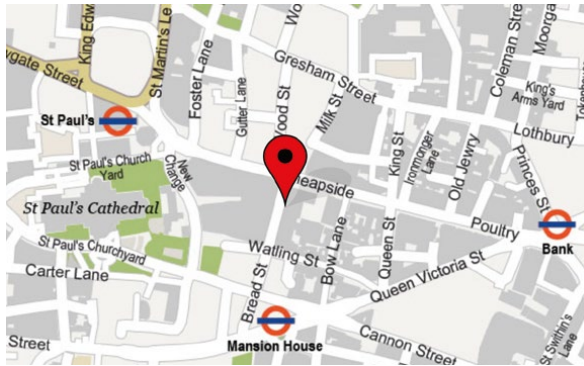
Drinks will be served after the second panel.

## Venue

The seminar will be hosted by **Aberdeen Standard Investments**, which is an active member of CRREM's European Investor Committee (EIC). The venue is in the City of London, with capacity to accommodate 80-100 attendants.

**Address:** Bow Bells House, 1 Bread St  
London EC4M 9HH  
United Kingdom

**Nearest stations:** St Paul / Bank / Mansion House



## How to register

By fulfilling the following form reached through clicking on the link below:

<https://forms.gle/SbkzSx3Wy83XE14b8>

**Deadline for registration:** March, 10th 2020

## Chairs of the Seminar:

Paloma Taltavull de La Paz, *University of Alicante, Spain*  
Juan José Lafuente, *IIÖ, Austria*

## Organizers:



European Real Estate Society

# LONDON INDUSTRY SEMINAR CRREM-ERES

## STRANDING RISK



March 20th, 2020  
LONDON



Universitat d'Alacant  
Universidad de Alicante



G R E S E B



IIÖ

INSTITUTE FOR REAL ESTATE  
ECONOMICS



This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement no. 785058.

## With the collaboration of:



The London Industry Seminar will be organized jointly with ERES by the 'Carbon Risk and Real Estate Monitor' (CRREM) project, framed within the Horizons 2020 Research and Innovation programme.

The goal of the CRREM project is to accelerate the adaptation of the real estate sector to the process of decarbonisation and climate change. The project estimates the risk of greenhouse emissions released by real estate assets owned by investment portfolios and companies and defines carbon reduction measures to manage this risk. In this sense, CRREM aims to analyse the ways to reduce the carbon emissions of the commercial real estate sector and increase investment in sustainable retrofit by estimating the cost of emissions (present and future) and the cost of retrofit works, making decarbonisation objectives of real estate assets more transparent and accessible throughout Europe. The energy efficiency levels of existing buildings and the rates of retrofitting in energy efficiency are still insufficient in practically all member states of the EU. These low performance levels are among the main risks for the sector. In fact, many assets will not meet future energy efficiency standards, they will be too expensive to run and the required retrofit works may not be financially viable. CRREM seeks to integrate the requirements of energy efficiency and reduction of carbon emissions in investment decisions, evaluating and clearly communicating the negative financial risks associated with low energy performance. In addition, the project will quantify the financial implications of a more stringent regulatory environment with respect to the intensity of carbon emissions in the real estate stock.

## Seminar structure

### 14.00-15.45

Panel 1: **Stranding risk: The impact of climate change on real estate. Uncertainty and solutions.**

This panel introduces climate change and stranding risk, with focus on their impact on the real estate context. The presentations provide

insight on the latest research on the impact of climate change on asset values and rent. Invited investors and asset managers give their perspective on the current and future challenges of adapting real estate portfolios to climate change and upcoming mitigation requirements. Finally, the CRREM tool will be introduced, with the aim to reduce stranding risk and ensure that real estate assets and portfolios are climate change ready.

Chair: **Aberdeen Standard – Andrew Allen**

Speakers:

1. **ERES – Laura Gabrielli**

Topic: **Introduction.** Climate change. Adaptation: The impact of climate change on the real estate sector (Higher temperatures, raising energy bills, extreme weather events, etc). Mitigation: Requirements from the real estate sector to reduce climate change (reduce energy consumption and carbon emissions). Definition of stranding risk and stranded assets.

2. **University of Cambridge – Franz Fürst**

Topic: **The impact of climate change and stranding risk on current and future asset values and expected rents: Energy efficiency ratings, insurance premiums, etc.**

3. **Aberdeen Standard – Bill Hartnett T**

Topic: **The investor and asset manager perspective.** The impact of climate uncertainty in the decision-making of real estate investments: transactions, retrofit plans, etc. Budgeting and cost of mitigation and compliance. Capex and Opex. Data challenges for assessing climate change: reporting responsibilities, data from tenants, energy costs, offsets, etc.

4. **CRREM – Juan Jose Lafuente Cilla**

Topic: **Presentation of the CRREM tool.** Helping the commercial real estate sector to assess stranding risk and develop a carbon management plan. Cost and carbon.

15.45 - 16.15 Break

### 16.15-18.00

Panel 2: **Decarbonisation policy and risk disclosure initiatives for the real estate sector.**

The second panel presents some of the most consistent frameworks – from the global economy to the asset scale – engaging real estate stakeholders into risk disclosure and mitigation action. These frameworks encourage the disclosure of carbon emissions and stranding risk of investments, define the concept of 'sustainability' within the Paris Agreement and EU context and stimulate the adoption and monitoring of carbon mitigation targets.

Chair: **GRESB / CRREM – Josien Piek**

Speakers:

1. **Savills – Lucinda Auden**

Topic: **The global perspective.** Introduction of the Paris Agreement and the impact on investors and portfolio managers. TCFD disclosure commitments: Framework and challenges for portfolio managers.

2. **RICS – Fabrizio Varriale**

Topic: **The European Union policy context.** Latest EU Policy development. TEG Taxonomy: Approach and targets. Future expected evolution of the Taxonomy. Focus on the built environment targets taxonomy.

3. **WGBC – Stephen Richardson**

Topic: **The built environment's efforts beyond policy.** Advancing Net Zero framework and targets. More restrictive targets achieved earlier.

4. **GRESB / CRREM – Josien Piek**

Topic: **Portfolio and assets.** ESG benchmarking and portfolio assessment. CRREM approach to decarbonisation, reporting and disclosure.

18.00

Drinks