



## SUSTAINABILITY AS A BUSINESS STRATEGY

*Sustainability is a Value Creating Opportunity in a Dynamically Changing Market*

**Business-as-usual** in the global real estate industry no longer works. The inevitable transformation of cities, markets and consumer values from Climate Change will drive real estate values into the future – that is a “known-certainty”. The challenge is how to turn these dynamic changes into value creating built environment strategies. Markets are more complex, opportunities are international, customers and markets are changing, costs are out of control, and future values have become unknowns. The old, familiar solutions no longer work in this emerging transitional environment. What is required today are equal parts experience, vision, insight, and hard-boiled pragmatism. We bring an integrated design thinking that is a competitive business weapon to create new brands, new value and new market share that will lead in this dynamically changing market. This is an entrepreneurial opportunity to become a market leader and value creator in one of the biggest transitions of cities in our lifetime.

**Why Now - Emerging Risks and Opportunities.** UI Studios Pathways Initiative is designed to lead the transition of the built-environment with low carbon, high performance, high value strategies that are driven by:

- Escalating carbon prices, expected prohibition of fossil fuels, subsidies on low-carbon heating systems, GHG disclosures, and zero emissions building regulations;

- Increased awareness of institutional capital that its current portfolio of real estate assets are exposed to high levels of climate risk and low ESG performance, resulting in their transition to a new investment model.
- Net zero assets benefiting from increased supply of low-cost capital, the growth of sustainable debt-markets, changing investor expectations, and opportunities for assets to qualify for green fund inclusion; and
- Changing corporate and consumer values reflected in carbon reduction commitments, and increasing demand for 'Green' environments by a majority of investors, consumers and demographic groups.

## **The Sustainable as a Business Model**

We are focused on 'Game Changing' approaches for public and private initiatives that meet ambitious sustainability, resilience, economic growth and equity goals.

Our approach focuses on the following realities of developing the sustainable city: 1) How to accelerate and scale the transition to sustainable development beyond our current building-by-building approaches; 2) How to coordinate and scale private investment (with public investment coordination) in sustainable development; and 3) How to bend the "benefit/cost curve" to both significantly lower cost and increase performance of our current sustainable systems sufficiently to create profitable investment opportunities.

We recognize that: 1) that for the foreseeable future, private capital will need to be the primary engine of change; 2) that the public sector, particularly at the local level, will be essential but resource constrained; and 3) the net-zero, climate-resilient cities the world urgently needs can only be achieved through collaboration and integration across sectors and levers, coupled with the adoption of an integrated, 'pathways approach' to policies and strategies driving urban development.

**We Break Out of Design Conventions** - and strategically partner with our clients. Sustainability and dynamic economic growth are integrated into our core business value proposition. Our methodologies allows us to develop solutions faster and smarter and to be more focused on innovative problem solving solutions. We generate design solutions that are grounded in a clear and coherent analysis of how climate change and resiliency risks affect the new business drivers, changing market requirements, brand repositioning, with old fashioned "making the numbers work" decision making. At UI Studios, we have been on the client-side of the table – we feel your pain and see the development opportunities.

Understanding the true underlying market dynamics is the core of any successful strategy. It

is not enough to follow the leader. Successful development today must bring a sophisticated understanding of the unique market drivers in each location and establish a clear competitive edge. We bring a unique set of analytical skills, which are focused on decoding market dynamics and finding a successful product strategy in a world of change.

**We Bring World-Class Design,** hard-knocks experience, and a passion for finding newer and better solution sets. Working around the world on an incredible range of project types gives us a unique ability to bring an international perspective and best-in-class Sustainability thinking to each project. We invent design solutions that simultaneously solve difficult and seemingly unresolvable political, cost, market, and product problems.

**Sustainability is a Value-Creating Opportunity** that will unlock the potential for a new economy of Sustainable Cities.

