

# INSIDE ADVANTAGE









2014 CORPORATE RESPONSIBILITY REPORT

**CBRE** *Build on  
Advantage*



At CBRE, the **key to our advantage** is delivering the broadest, deepest, highest-quality real estate solutions anywhere in the world and doing so through a foundation of responsible business practices. Corporate Responsibility is a fundamental Advantage at CBRE. Get inside each of our seven pillars of corporate responsibility to understand how we Build on Advantage.

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# STAKEHOLDER LETTER

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Dear Stakeholder,

2014 was an exceptional year for CBRE. We reached new revenue and earnings milestones as our people worked together to build distinct advantages for our clients. Our RISE values (Respect, Integrity, Service, Excellence) continue to be fundamental to our success, helping to set a culture that enables CBRE to be not only profitable, but to fulfill our responsibilities as a corporate citizen.

Significant corporate responsibility accomplishments in 2014 include:

- We were named to both the FTSE4Good Index and the Dow Jones Sustainability Index – North America for the first time, acknowledging our leadership in environmental, social and governance policies and performance.
- Through our Real Green Research Challenge, we published the Green Building Adoption Index – a benchmark for sustainability adoption in major U.S. markets -- in partnership with Maastricht University.
- We were included in the CDP S&P 500 Carbon Disclosure Leadership Index for the second consecutive year, indicating a high level of transparency and data quality in our disclosure of climate-related information.
- With the addition of CBRE Military in 2014, we grew to a total of six global employee resource and networking groups to support our diverse community of professionals.
- In North America, CBRE amassed over 27 million hours without injury across nearly 90 different client accounts.
- We elevated procurement to be the seventh pillar of our corporate responsibility program. This reflects a heightened focus on our opportunity to use our multi-billion dollar global supply chain to promote sustainable business practices.

There is no more essential element to our success than our professionals across the globe. Having the most talented professionals in every role is a key component of our corporate strategy and our vision to be a world-class company.



**Bob Sulentic**

*President & Chief Executive Officer*

[G4-1]

# ABOUT CBRE

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CBRE Group, Inc., a Fortune 500 and S&P 500 company headquartered in Los Angeles, is the world's largest commercial real estate services and investment firm (in terms of 2014 revenue). [G4-3, G4-5] As of December 31, 2014, the company has approximately 52,000 employees (excluding affiliates), and served real estate owners, investors and occupiers through 372 offices (excluding affiliates) worldwide. CBRE offers strategic advice and execution for property sales and leasing; corporate services; property, facilities and project management; mortgage banking; appraisal and valuation; development services; investment management; and research and consulting. Except where indicated, all financial figures are in U.S. currency. CBRE Group, Inc. is incorporated in Delaware in the United States. The company's Class A common stock is traded on the New York Stock Exchange under the symbol CBG. [G4-7]

In 2014, CBRE advised clients on 80,975 property sales and lease transactions valued at more than \$284 billion. As of December 31, 2014, we managed 3.7 billion square feet of commercial properties and corporate facilities around the world (including property managed by our affiliate offices). Commercial mortgage loan originations, including loan sale advisory, totaled \$33.8 billion; and loan servicing, including loans serviced by GEMSA—a joint venture between CBRE Capital Markets and GE Capital Real Estate— totaled \$144.7 billion. We completed 134,525 appraisal and valuation assignments in 2014, and our project management contract value was \$40.6 billion. Our global investment management subsidiary, CBRE Global Investors, had \$90.6 billion of assets under management as of December 31, 2014, and our development services subsidiary, Trammell Crow Company, had \$5.4 billion of development property in process. Revenue for CBRE in 2014 totaled \$9.05 billion. [G4-4, G4-9]

CBRE's position as the world's largest commercial real estate services and investment firm has occurred through organic growth and a series of strategic acquisitions. We have historically enhanced and complemented our global capabilities through the acquisition of regional and specialty firms that are leaders in their areas of focus and/or geographies, including regional firms with which we had previous affiliate relationships. These in-fill acquisitions are an integral part of our growth strategy and we completed 11 such acquisitions during 2014. Aside from these acquisitions, there were no other significant changes to the size, structure or ownership of CBRE Group, Inc. during 2014. [G4-13]

As a services company, CBRE's supply chain is primarily composed of resources to support our employees. These include information technology products and services (hardware, software, telecom, printers, outsourced services), marketing materials (artwork, signage, direct mail) and facilities (leasing, furniture, maintenance). We purchase a number of services to support our business, including consulting, legal, human resources, marketing and training. We also purchase products and services to support the work we do for our clients, including office furnishings, janitorial products and services, and facility maintenance products and services. [G4-12]

*This report has been prepared in accordance with the Global Reporting Initiative (GRI) G4 guidelines. Locations of GRI disclosures are included throughout the report using the notation [G4-X].*

## OPERATIONAL STRUCTURE

CBRE Group, Inc. is a holding company that conducts all of its operations through its indirect subsidiaries and affiliated offices in more than 60 countries. We report our operations through five business segments:

The Americas is our largest segment of operations and provides a comprehensive range of services throughout the United States and in the largest metropolitan regions in Canada as well as key markets in Latin America. Services are provided through mostly wholly owned operations but also independent affiliated offices. As of December 31, 2014, our Americas segment had more than 27,025 employees and accounted for 57.5% of our 2014 revenue.

Our Europe, Middle East and Africa (EMEA) segment operates in 41 countries, including affiliates, with our largest operations located in France, Germany, Italy, the Netherlands, Russia, Spain and the United Kingdom. As of December 31, 2014, within EMEA, we had more than 11,950 employees. Our EMEA segment accounted for 25.9% of our 2014 revenue.

Our Asia Pacific segment operates in 14 countries, including affiliates. Our principal operations in Asia are located in China, Hong Kong, India, Japan, Singapore and South Korea. The Pacific operations include Australia and New Zealand. As of December 31, 2014, Asia Pacific had more than 12,100 employees and accounted for 10.7% of our 2014 revenue.

Operations in our Global Investment Management segment are conducted through our indirect wholly owned subsidiary CBRE Global Investors, LLC, which we also refer to as CBRE Global Investors. As of December 31, 2014, Global Investment Management had approximately 1,000 employees and accounted for 5.2% of our 2014 revenue.

Our indirect wholly owned subsidiary Trammell Crow Company and certain of its subsidiaries provide Development Services, primarily in the United States, to users of and investors in commercial real estate, as well as for its own account. As of December 31, 2014, Development Services had nearly 200 employees and accounted for 0.7% of our 2014 revenue.

[G4-6, G4-8, G4-10]

Please refer to the CBRE Group, Inc. 2014 Annual Report, located at [ir.cbre.com](http://ir.cbre.com), for more information on CBRE, our operational structure and detailed financial data.

[G4-17, G4-EC1]

## ABOUT THIS REPORT

This report provides an overview of the social, economic and environmental impacts of CBRE globally in 2014. This is our eighth annual Corporate Responsibility report, with the most recent previous report (our 2013 Corporate Responsibility Report) published in September 2014. [G4-29, G4-30] After publishing our previous report, we have not received any information—internally or externally—that requires us to restate information provided. There have been no changes from previous reporting periods in the scope of this report. [G4-22, G4-23]

This report covers CBRE's global operations including our wholly owned, independently operated subsidiaries, Trammell Crow Company and CBRE Global Investors, unless otherwise noted. This report excludes joint venture and affiliate office information, unless otherwise noted, and supplier information. Except where noted, the information covered in this report highlights our corporate responsibility initiatives in fiscal year 2014 (January 1, 2014, through December 31, 2014). When available and significant, updates through early 2015 are included. [G4-28]

This report has been prepared in accordance with the Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines and Construction and Real Estate Sector Supplement (CRESS) at the Core level. The GRI Content Index can be found on page 75. This report has not been externally assured. [G4-32, G4-33]

Since we are a United Nations Global Compact (UNGC) participant, we have also communicated our progress toward the 10 UNGC Principles. [G4-15]

This report and future updates can be accessed at [www.cbre.com/responsibility](http://www.cbre.com/responsibility). For questions regarding the report or its contents, contact [responsibility@cbre.com](mailto:responsibility@cbre.com). [G4-31]

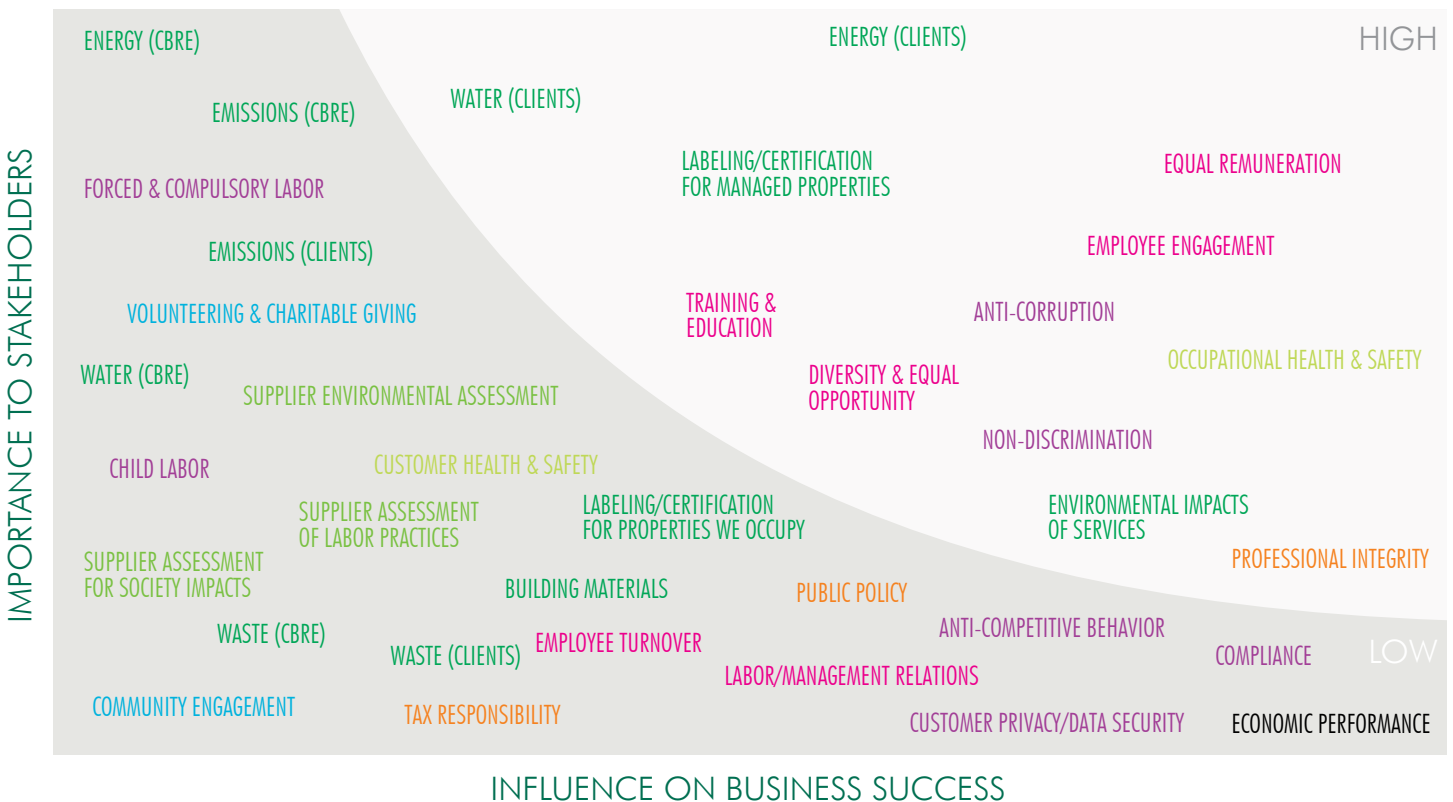
## MATERIAL ASPECTS

In early 2015, CBRE conducted a materiality assessment to determine the economic, environmental and social issues that are most important to our business and our stakeholders. Our corporate responsibility team reviewed frameworks such as GRI and a number of ratings and rankings assessments to develop a list of 55 items that could be considered material to a business such as ours. These items were put into an online survey tool and respondents were asked to rank each item on a five point scale. Internal stakeholders ranked each item on the degree to which they felt the issue is significant to CBRE and external stakeholders ranked each item based on the degree to which the issue affects their assessments and decisions about CBRE. The survey was sent to all members of CBRE's Global Corporate Responsibility Steering Committee and other internal stakeholders who work directly on the issues covered in this report. The survey was also sent to more than 20 external stakeholders, including representatives of key clients, suppliers, federal governments and nongovernmental associations (NGOs), as well as industry associations, universities and research entities. The survey results were then plotted on the matrix shown here and vetted with key stakeholders. This report focuses on the issues that were determined to be the most material to CBRE and our stakeholders. Going forward, we will assess these issues on a regular basis to ensure our actions and our reporting continue to reflect our business and stakeholder priorities. [G4-18, G4-19]

## MATRIX LEGEND

- ENVIRONMENTAL SUSTAINABILITY
- COMMUNITIES & GIVING
- PEOPLE & CULTURE
- HEALTH & SAFETY
- ETHICS & COMPLIANCE
- GOVERNANCE
- PROCUREMENT

## CBRE MATERIALITY MATRIX



Most of these items are material within the boundaries of our operational control. Exceptions include items labeled with the notation (clients), which are material in the properties we manage for our clients globally. Although we do not have operational control in these properties, we have the opportunity to influence client decisions regarding energy, emissions, water and waste. [G4-20, G4-21]

## **STAKEHOLDER ENGAGEMENT**

We define our stakeholders to be individuals and organizations who can impact or be impacted by our operations. CBRE's stakeholders include shareholders, clients, employees and their families and communities, CBRE Board of Directors, CBRE affiliates and joint-ventures, suppliers and vendors, commercial real estate services and investment industry organizations, regulating bodies, advocacy and activist groups, governmental organizations and regulating bodies, NGOs and competitors. We interact with stakeholders throughout the year in a number of ways, including quarterly earnings calls, regular customer satisfaction surveys and industry events. As noted earlier, we also engaged directly with a number of stakeholders through the development of our materiality assessment, the results of which helped define content for this report. [G4-24, G4-25, G4-26, G4-27]



# AWARDS & HONORS

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ONLY COMMERCIAL REAL ESTATE SERVICES AND INVESTMENT FIRM AMONG FORTUNE'S MOST ADMIRABLE COMPANIES FOR 3 CONSECUTIVE YEARS



NAMED TOP GLOBAL BRAND IN COMMERCIAL REAL ESTATE BY THE LIPSEY COMPANY FOR 14 CONSECUTIVE YEARS



NAMED TO DOW JONES SUSTAINABILITY INDEX NORTH AMERICA IN 2014



FTSE4Good

LISTED ON FTSE4GOOD FOR THE FIRST TIME IN 2014



RECEIVED 2015 ENERGY STAR® PARTNER OF THE YEAR SUSTAINED EXCELLENCE AWARD FOR 8 CONSECUTIVE YEARS



CDP S&P 500 2014 CARBON DISCLOSURE LEADERSHIP INDEX FOR 2 CONSECUTIVE YEARS



DESIGNATED AS A BEST PLACE TO WORK FOR LGBT EQUALITY BY THE HUMAN RIGHTS CAMPAIGN FOUNDATION FOR 2 CONSECUTIVE YEARS



ONLY REAL ESTATE FIRM ON MILITARY TIMES' BEST FOR VETS: EMPLOYERS 2015



ONLY COMMERCIAL REAL ESTATE SERVICES AND INVESTMENT FIRM ON THE ACHIEVERS 50 MOST ENGAGED WORKPLACES™ IN NORTH AMERICA



NAMED TO THE 2015 COMPANIES THAT CARE HONOR ROLL FOR 8 CONSECUTIVE YEARS



NAMED A 2015 WORLD'S MOST ETHICAL COMPANY BY ETHISPHERE INSTITUTE FOR SECOND STRAIGHT YEAR



MEMBER OF BUSINESS IN THE COMMUNITY, THE RESPONSIBLE BUSINESS NETWORK

# **INSIDE ENVIRONMENTAL SUSTAINABILITY**

# INSIDE ENVIRONMENTAL SUSTAINABILITY



Real estate is at the nexus of many of the most critical issues facing our planet. Studies have consistently demonstrated the impact the built environment has on the environment. As the world's largest real estate services firm, we take seriously our role in understanding, addressing and communicating these issues and seeking scalable solutions. In 2012, we introduced an Environmental Policy defined by a set of ten goals and commitments. These goals included specific actions aimed at managing and improving our own activities, expanding our related client services and addressing our efforts focused on influencing the industry going forward.

As the occupier of only 4 million square feet of commercial space while managing nearly 4 billion square feet globally, we have always understood that our ability to influence market outcomes far exceeded our ability to reduce our own impact. Our Environmental Policy was developed to address this with an appropriate mix of internal measures and market-facing actions. This section outlines the progress we have made toward the areas of focus in our [ENVIRONMENTAL POLICY](#).

## RESOURCE MANAGEMENT

### Measure utility usage in 50 largest locations by 2017

The vast majority of our corporate occupancy occurs as a tenant in multi-tenant office buildings. We do not own any properties where our offices are located. This occupancy strategy allows maximum flexibility in our space decisions; however, it complicates our efforts to measure, manage and mitigate our resource consumption, as most of the leased locations feature full building utility meters. To measure our own use requires the installation of separate utility meters in those spaces. We now have installed 134 submeters in 30 U.S. offices, totaling 892,092 square feet. This equates to approximately 20% of our global footage and 40% of our 2017 goal.

40%

PROGRESS TOWARD 2017 GOAL

## OCCUPANCY

### Locate 70% of offices over 20,000 square feet in certified spaces by 2017

A number of global green building certifications have been developed and promoted to demonstrate both a building's and occupant's commitment to sustainable real estate. Since acquiring our first Leadership in Energy and Environmental Design (LEED®) certified space in Washington, DC, in 2008, we have purposefully sought and occupied certified space whenever possible. During 2014, we added 12 new spaces to the list and now have more than 74% of our 50 largest spaces in environmentally labeled locations, including 33 LEED or LEED CI, 2 ISO 14001, 1 NABERS and 1 Gold Star. All occupied offices in the UK are ISO 14001 certified. We exceeded our 2017 goal early by achieving 74% in 2014. [CRE8]

100%

PROGRESS TOWARD 2017 GOAL

Modeled after our Amsterdam office, CBRE launched Workplace360, our global workplace strategy initiative, in the U.S. in September 2013 with the opening of our global corporate headquarters office in Los Angeles. To date, we have opened 24 Workplace360 offices worldwide totaling 550,000 square feet and an additional 12 offices, totaling 230,000 square feet, are planned. Each Workplace360 office is a "free address" and paperless environment, supported by leading-edge technology tools



300 employees in downtown Chicago were relocated to a new office of 61,400 square feet at 321 N. Clarke Street, boasting 14 types of work spaces including offices for a day, huddle rooms and open team areas.

95%

PROGRESS TOWARD 2017 GOAL

and platforms. By eliminating assigned offices and workstations— instead offering up to 15 different types of workspaces based on carefully calculating employee usage patterns—our new spaces are, on average, 38% more space-efficient than the offices they replaced. In addition, Workplace360 offices calculate to only 150-175 square feet per employee compared to 280 square feet in the offices they replaced while offering greater functionality and flexibility. This lower per-employee footprint means lower energy use and carbon emissions. For 2015, we've established a goal to reduce square feet per employee on average by 25% in the targeted Workplace360 projects.

An added environmental outcome of our Workplace360 program is a significant reduction in the amount of paper used in our business operation. Driven by the desire to be totally “free address,” we needed to embrace the concept of “paperless” process as well. Each office undergoing conversion first drastically reduces their paper files through purging, and then digitizes the remainder to personalized cloud storage libraries. On average, offices are purging 71% of paper files. Additionally, we have introduced a comprehensive “follow me printing” policy that consolidates all printing to central locations. These steps have accomplished two key outcomes. First, the storage requirement for on and offsite file storage is greatly reduced, which to date produced significant financial savings of \$6.5 million, and reduced a total file storage drawer space requirement of over 15,000 square feet. Additionally, the environmental benefit of reduced paper usage going forward is also significant. For the offices completed, paper usage has dropped 60 to 80 percent. We've established a 2015 goal for an average of 67% paper removal for Workplace360 offices.

## INTERNAL CERTIFICATION

### Expand TaGT certification to all global offices over 5,000 square feet by the end of 2014

In 2008, CBRE introduced our [Sustainable Office Operations Standards](#) based on a series of responsible resource reduction practices and other sustainability and environmental initiatives in alignment with the USGBC's LEED and EPA's ENERGY STAR programs. We annually audit our offices and award Toward a Greener Tomorrow (TaGT) certification based on each office's implementation of the Standards. During 2014, all 78 US offices participated in the program and the Dallas office was the first to receive the highest level, platinum. In total, 16 offices scored at the gold level, 43 offices scored silver and 18 offices scored bronze. 34 offices (44%) improved their score from the prior year. A copy each office's score is available [here](#).

In response to our 2012 Policy commitment, the TaGT program was expanded to all larger English-speaking offices, including all Canadian, Australian and U.K. offices, as well as several other capital cities in EMEA during 2014. An Asia-specific version of the program was also completed in 2014 with 8 offices participating, scoring at silver and bronze levels. In order to help introduce the TaGT program to Asia regional offices, as well as discuss general operational issues that relate to our global environmental policy, the Asia sustainability team visited our Singapore, Hong Kong and Taipei offices in 2014. The tour of Asia offices will continue through 2015 to ensure all wholly owned business offices are covered. Plans are underway to expand the program to our Latin America offices in 2015, which will complete the global implementation of the certification.

## CLIENT SERVICES

### Continue to globalize and integrate Energy and Sustainability services

We have consistently understood that our position as manager of nearly 4 billion square feet of commercial real estate gives us a unique opportunity, if not responsibility, to develop and offer a range of energy and sustainability services aimed at reducing our clients' resource usage while aiding their efforts in purchasing,

owning and occupying more sustainable space. Our stated goal is to continue to expand our service offerings throughout our managed global portfolio. Following is a brief overview of some market-specific efforts.

**AMERICAS**

Energy and Sustainability efforts are practiced routinely on behalf of our U.S. Asset Services clients. The foundation of our [Standards of Sustainability](#) is the requirement to benchmark all managed office buildings to EPA ENERGY STAR. During 2014, we registered and benchmarked more than 1200 buildings totaling more than 225 million square feet. Since the program began in 2007, we estimate our efforts on behalf of our Asset Services owners and buildings have generated a cumulative savings of 4.7 billion kBtu of weather normalized source energy use, including 88 million kBtu in 2014 alone. Additionally our efforts resulted in a savings of 3,392 metric tons of CO<sub>2</sub>, the equivalent of reducing 8,078,571 average passenger vehicle miles driven in an entire year or keeping 1,216 tons of waste out of the landfill. [G4-EN7, G4-EN27]



11 Stanwix in Pittsburgh, Pennsylvania, surged to the forefront of the sustainability movement in Pittsburgh this year. The CBRE team has been successful in reducing energy use by 7,205,390 kBtu. Switching to day cleaning played a significant role, with annual projected energy savings of approximately 620,000 kWh. The building also implemented a demand response program and installed new energy recovery units, variable frequency drives and air handler units. This year, 11 Stanwix was nationally recognized with an EBie award in the “All Arounder” category. This award is presented by the Urban Green Council and recognizes the most improved building over multiple sustainability categories. The improvements have allowed 11 Stanwix to see a 25% annual reduction in costs, a 23% annual reduction in kBtu and a nearly 48% annual reduction in water Kgal used.



**8,078,571  
MILES  
REDUCED**



**1,216 TONS  
OUT OF THE  
LANDFILL**

Also in 2014, CBRE achieved Elite Member status in the Certification Nation, a yearlong campaign promoted by EPA ENERGY STAR to commemorate the 15-year anniversary of EPA ENERGY STAR certification. A market-leading 406 CBRE-managed buildings earned an EPA ENERGY STAR certification during the year, the highest ranking of any company in the commercial industry sector. The EPA again named CBRE as an ENERGY STAR Sustained Excellence Award Partner of the Year for the eighth consecutive year in April 2015.



Another requirement of the Asset Services Standards of Sustainability is that building managers and engineers attend energy efficiency training. We continued our seven-year program of presenting co-branded BOMA (Building Owners and Managers Association) Energy Efficiency Program (BEEP) training on a weekly schedule, with a total attendance to date of more than 16,500 attendees for the four courses.



1900 Sixteenth Street, a 17-story, 400,000 square foot commercial office building in Denver’s Union Station District, received LEED CS 2.0 Gold (Core & Shell) certification in November of 2010, and then subsequently received LEED Commercial Interior certification for all 21 tenant suites, representing 100% of the building’s space. The most recent LEED Platinum (EB) certification was received in September 2014.

LEED certification continues to be the most recognized rating system of sustainable construction and management practices worldwide and CBRE continues to assist our clients in their efforts to gain these certifications. 2014 was a particularly active year for our LEED Existing Buildings (EB) consulting team, which achieved 126 certifications totaling nearly 24 million square feet. Since its beginning in 2009, this team has certified 337 buildings, totaling more than 108 million square feet, more than any other LEED EB consultant in the world. We also continue to assist our clients in achieving LEED Commercial Interiors (CI) certifications for their interior improvement work. During 2014 we achieved 17 new certifications, totaling 2.1 million square feet. [CRE8]

In April 2015, CBRE completed the acquisition of Environmental Systems Inc., a professional services firm focused on building efficiency and performance optimization. The organization is a solutions provider working closely with clients in both a consulting and advisory role in the areas of system integration, energy management, security, life safety, building operations, support services and operations. The addition of ESI now enables the CBRE Energy and Sustainability

team to provide a full range of diagnostic services in addition to the solutions capability already provided.

The U.S.-based Energy and Sustainability team, now composed of more than 130 platform and client-based employees, provides a wide range of services including energy audits, energy efficiency modeling, retro-commissioning, water and waste audits and conservation planning, energy conservation measure (ECM) capital planning and CDP reporting assistance. Examples of client services can be found [here](#).

## ASIA PACIFIC

Client demand for sustainability and green building continued to grow in 2014. CBRE Project Management completed 23 LEED assignments during the year, including LEED CI projects in China, India and Taiwan, as well as construction management of LEED building design and construction projects in India. The Asia team has also been expanding its LEED EB Operations & Maintenance (LEED EB:OM) business with projects in China and Korea. [CRE8]



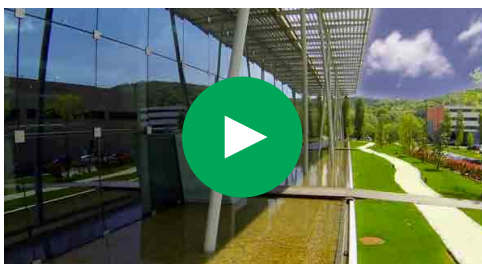
TAIPEI 101

Perhaps the most significant accomplishment was the appointment to advise ownership on the LEED EB:OM recertification for TAIPEI 101 by 2016. Originally certified as LEED EB:OM v2009 Platinum in 2011, the property will be seeking [recertification](#) to the new LEED EB:OM v4, again at the Platinum level. This will be the first supertall building in the world to attempt this standard. The scale of this project, along with its international importance, has led the USGBC to create a series of monthly insight blogs into the LEED v4 process to advise other owners.

In 2014, CBRE Global Corporate Services was appointed as the global asset and transaction manager for Standard Chartered Bank. The client has a significant commitment to sustainability and the environment, and our assignment includes a strategy to develop its global green lease program and improve their operational outcomes in achieving energy and water efficiency targets. Tim Shen, Head of Sustainability for Asia, is now the strategic sustainability advisor to the Bank and the CBRE Global account team, based in Singapore.

And finally, under the leadership of Pacific region Sustainability Director Amanda Steele, we continue to build our Energy and Sustainability business in Australia and New Zealand. In 2014, we had an increase in sustainability fees of 30% while increasing our client engagements by more than 50%.

The Pacific region significantly increased its client base in 2014. The CBRE team is now the number one provider of National Australian Built Environment Rating System (NABERS) sustainability benchmarking ratings, with over 1.6 million square meters of buildings rated. The team also secured the NABERS assessments of the entire office portfolio of Stockland and Investa. The CBRE team worked with tenants in the Trinita office building, owned by Stockland, to increase awareness and improvements in energy use. Thanks to this work and the hard work of the tenant community, the building achieved a significant improvement in its energy efficiency and associated costs. The sustainability team also commenced work with the highly regarded Bell Shakespeare Company, assisting them in developing their sustainability strategy, targets and toolkits. The work has been very interesting due to its unusual nature and the knowledge gained with both parties has been significant.



In a particularly interesting cross-border assignment, CBRE did design work in the UK, project management and mechanical design in Italy and LEED certification in Spain for a new corporate facility for VF Stabio.

## EMEA

We also continue to expand our service offerings across the EMEA region, including the acquisition of Valteq and Preuss in Germany, and now have more than 80 employees engaged in the practice. Under the leadership of EMEA Head of Sustainability Rebecca Pearce, we offer a wide range of services from audits to project management, solar consulting and more. Included in the offerings are some

market-specific skills including ISO 14001 and 50001 certification, Global Real Estate Sustainability Benchmark (GRESB) reporting assistance and regulatory/obsolescence risk management consultancy.

We assisted several clients in gaining external recognition – including M&G Real Estate winning the overall accolade of Carbon Champions at the [2015 Chartered Institution of Building Services Engineers \(CIBSE\) Building Performance Awards](#). We provide property management services for the vast majority of their portfolio and an adjunct energy and sustainability management service. The Asset Services team has won several awards for management activities, which were highlighted in the [Sans Frontieres](#) magazine.

In 2014 the UK Asset Services team, our largest in EMEA, developed a sustainability training program for building managers and property managers which will be introduced across the UK in 2015. This is known as the STEP program (Sustainability Targets & Environmental Performance plans) and will be expanded across EMEA in 2016. Additionally, sustainability aspects will be required to be included in all Asset Services staff objectives/KPIs for 2015.

## COMMUNICATIONS AND TRAINING

### Train 1000 brokerage, sales and marketing professionals by 2015

Again recognizing that our opportunity to influence the market through our client-facing efforts is significantly greater than our ability to produce meaningful outcomes in the spaces we occupy, we have prepared our employees to advise and assist our clients on sustainability practices. Through the BEEP program, we have trained thousands of Asset Services engineers and building managers in effective sustainable practices. An area the market has largely overlooked is the widespread training of brokerage professionals. While we have many brokers who have made sustainability a consistent and regular aspect of their practice, we believe that all of our brokers should have a fundamental understanding of this market dynamic. To address this, we developed a concise training video that featured our clients and brokers describing the various motivations and successful outcomes reached.

The video was supported by a comprehensive resource site with practical applications, marketing tips, talking points and market research. The design work was completed in 2014 and offered to our brokerage community in early 2015. By the end of February 2015, nearly 2,000 brokers had completed the training and reviewed the material, far exceeding our original goal by 100%.

As of the end of 2014, more than 500 CBRE professionals worldwide had obtained the LEED professional designation, which signifies advanced knowledge in green building practices. More than 100 CBRE employees have participated in CBRE's Green Teams, local market volunteers who support CBRE's sustainability activities.

CBRE's second annual global Green Week (October 13-17, 2014) created five business days of locally sponsored, globally coordinated activities providing an opportunity for employees to focus on environmental behaviors and resource efficiencies in our occupied space, supporting the company's commitment to sustainability and reinforcing our role as the industry leader in green. Over 13,000 employees participated in more than 360 initiatives, including electronics recycling, tree planting, trying more sustainable modes of transportation and touring client facilities to learn about sustainable features that have been implemented.



PROGRESS TOWARD 2017 GOAL



CBRE Broker Training Tutorial



## GLOBAL STEERING COMMITTEE

### Convene sustainability quarterly calls to deploy policy

We established an environmental steering committee in 2012. The primary focus of that year was to collaboratively establish a new Environmental Policy that remains the foundation of our environmental activities today. Since the development and introduction of that Policy, the committee has played an advisory role on energy and environmental matters but with limited other functions. We determined in 2014 that the committee's focus should change and expand to address all elements of our CR program. We replaced approximately two-thirds of the original committee with a broader and larger mix of geographical and business line leaders as well as individual CR Pillar leaders. The primary goal of this newly configured committee is to collaboratively integrate all elements of corporate responsibility throughout the organization. The role of each committee member is to provide advice, counsel and advocacy for CR in their respective business line and geographical location. This committee holds quarterly calls with more frequent written communications. Click [here](#) for a list of the Global CR Steering Committee members.

## PUBLIC POLICY [G4-16]

### Deepen public policy engagement and thought leadership on climate change

CBRE maintains relationships with a number of non-governmental organizations around the globe. During 2014, we played a particularly active role in a number of organizations and issues including the following:

#### Global Real Estate Sustainability Benchmark (GRESB)

GRESB is an industry association developed to assess the sustainability performance of real estate portfolios. The Asia team hosted the GRESB global survey results launch in the Asia Pacific region with a client breakfast event in Singapore which was attended by 60 investors, asset managers and industry stakeholders. In addition to a presentation of the 2014 GRESB results, the session featured a responsible property investment panel discussion with guest speakers from CapitaLand, UBS Global Asset Management, the Singapore Building Construction Authority and CBRE. CBRE continued its regional participation on both the Asia Pacific and USA GRESB benchmark committees, represented by Tim Shen and Dave Pogue respectively.



#### Green Rating Alliance

The Green Rating Alliance is a not-for-profit association of European-based investor and related organizations created to assess and improve sustainability performance of real estate across national boundaries. The Green Rating Alliance has developed Green Rating™, a global assessment, benchmarking, improvement and decision-making tool based on six environmental criteria and four levels of performance. Paul Lensing, a business and environmental, social and governance (ESG) manager for CBRE Global Investors based in Prague, is the organization's current CEO.



#### CoreNet Global

Tim Shen represented CBRE as part of the CoreNet Global Faculty, leading their 2014 Master of Corporate Real Estate training in Shanghai. He also acted as a judge for the CoreNet Global Sustainability award and was the Asia representative on its Global Sustainability Knowledge Advisory Board.



#### Center for Climate and Energy Solutions' Business Environmental Leadership Council

CBRE is an active supporter and participant in the Center for Climate and Energy Solutions' Business Environmental Leadership Council (C2ES BELC). It was founded in 1998 with the belief that business engagement was critical for developing efficient, effective solutions to the climate problem. BELC is the largest U.S.-based group of



## THE CLIMATE GROUP



Paul Scialla, Founder and CEO, Delos; Lew Horne, President of the Greater Los Angeles-Orange County Region, CBRE; Deepak Chopra, Founder, The Chopra Foundation.

corporations focused on the challenges of climate change and supporting mandatory climate policy.

### The Climate Group

Dave Pogue, CBRE Global Director of Corporate Responsibility, serves on the board of directors of The Climate Group, an international nonprofit working to drive a low-carbon future.

### City Energy Project

In 2014, we continued our alliance with the Institute for Market Transformation (IMT) and the Natural Resources Defense Council (NRDC) in supporting and promoting the City Energy Project. This national initiative will create healthier and more prosperous American cities by improving the energy efficiency of buildings. Working in partnership, the Project and participating cities will support innovative and practical solutions that reduce pollution, boost local economies, and create healthier environments. The pioneering actions of the 10 leading cities involved in the City Energy Project will help shape and define next-generation energy efficiency efforts in communities nationwide. A key aspect of this project is the active endorsement of local market adoption of energy data disclosure legislation. Currently more than a dozen U.S. cities have adopted some form of legislation with several more under consideration.

Additionally, CBRE and IMT produced the Guide to State and Local Energy Performance Regulations, which features energy mandate requirements and implementation schedules by U.S. city and state, a valuable resource for building owners and management teams navigating through the compliance process.

### Business Roundtable

In 2014, CBRE CEO Bob Sulentic continued our longstanding membership in the Business Roundtable, including participating in [“Create, Grow, Sustain: Leading by Example”](#) featuring CEO narratives on their companies’ efforts to drive sustainable results.

### Sustainability Accounting Standards Board

The Sustainability Accounting Standards Board (SASB) is an independent 501(c)3 nonprofit whose mission is to develop sustainability accounting standards that help public corporations disclose material, decision-useful information to investors. That mission is accomplished through a rigorous process that includes evidence-based research and broad, balanced stakeholder participation. Jennifer Leitsch, CBRE Director of Corporate Responsibility, served as a Subject Matter Expert for the SASB Fundamentals of Sustainability Accounting Level I exam and was also part of the Real Estate Services Industry Working Group.

### WELL Building Standard

The WELL Building Standard® is the first protocol of its kind that focuses on human wellness within the built environment. It identifies specific conditions, that when holistically integrated into building architecture and design, are believed to enhance the health and well-being of the occupants. The WELL Building Standard® was developed by Delos, in partnership with industry-leading scientists, doctors, architects and wellness thought leaders. CBRE received the first commercial WELL certification for our corporate headquarters at 400 South Hope in Los Angeles. Since earning the award, we have been actively involved with Delos, participating in focus groups and aiding in the development of the WELL standards guide presented to the marketplace in November 2014.



### Green Building Adoption Index; Maastricht University

## ACADEMIC COLLABORATION

### Develop, manage and produce the Real Green Research Challenge

Recognizing that we had a unique opportunity to encourage and support academic research teams seeking answers to some fundamental questions around sustainability activities in the built environment, CBRE launched the Real Green Research Challenge in 2012. This \$1,000,000 grant program was designed to provide funding and unprecedented access to actionable, real-time data and industry professionals in an effort to collaboratively explore areas of interest unavailable to researchers before. A global competition resulted in the selection of five projects that are currently underway. These projects are:

- Quantify and understand the dynamics of the green building movement
- Chart 10-year growth of green-labeled commercial real estate in Top 30 U.S. markets
- Identify top and bottom city performers with detailed market narratives
- Published volume 1 in [June 2014](#)

### Green Alpha Index; EURO Institute of Real Estate Management

- Comprehensive economic analysis of the value implications of green building practices
- Development of a management tool to measure impact of various ESG elements on rental achievement
- Tool used to identify areas of improvement as well as predictive model for new investment opportunities
- Publication 4th quarter 2015

### Energy Management Practices and the Implications for Commercial Real Estate; Stanford University

- Comprehensive evaluation of energy management practices at four large corporate campuses
- Comparison of these practices against EPA ENERGY STAR published recommended actions
- Collaboration with EPA ENERGY STAR on possible modification of published standards in light of study
- Publication of identified “best practices” 3rd quarter 2015

### Which Sustainability Features do Tenants Really Want, and Which Would They Pay For; Cleveland State/Central Michigan University

- LEED and ENERGY STAR are building/system-centric designed by architects and engineers
- This study asks the occupants which features actually matter, which they seek and which they would pay for
- Additional goal is new sustainability scoring system to give all properties a way to demonstrate sustainability characteristics
- Publication of tenant findings 4<sup>th</sup> quarter 2015, scoring protocol 1<sup>st</sup> quarter 2016

### Engagement Strategies for improving Tenant Energy Management Performance; New York University

- Studies have indicated that buildings with separately metered tenant spaces are more energy efficient
- This study looks to confirm that and additionally focuses attention on ways to engage these occupants to improve even more
- This work is aimed at coordinating with the new EPA Tenant Star program designed to provide individual tenant spaces with comparative energy usage scores
- Publication 4th quarter 2015

## COMPLIANCE WITH LAWS AND REGULATIONS

It is our policy to implement environmentally sustainable best practices and to meet both the letter and the spirit of all environmental laws and regulations where we do business. In 2014, we were not issued any fines in violation of environmental regulations or law, nor have we been responsible for or party to any significant spills.

## CORPORATE RESPONSIBILITY AND REPORTING

In addition to this report, CBRE reports on corporate responsibility matters through various third-party organizations, including CDP and the United Nations

Global Compact. Some external organizations that evaluate and assess our corporate responsibility performance include criteria that may not directly apply to our company. By way of organizational transparency, we offer the following insights.

As a service provider, the environmental impact of our operations is relatively low by comparison to similarly sized firms in other industries. We have calculated operational carbon footprint for several years; the table shows our Scopes 1 and 2 data since 2011. Details of our Scope 3 emissions can be found in our annual CDP Climate Change response, which is available on the CDP [website](#). We have also calculated our 2014 fuel consumption to be 139,874 MWh and our electricity consumption to be 66,806 MWh. Our annual energy consumption can also be found in our CDP Climate Change response. [G4-EN15, G4-EN16, G4-EN17]

Our natural resource use and waste stream are not related to manufacturing, research and development, logistics and other resource-intensive activities. Since we do not produce, package or transport goods, we do not source sustainably or reclaim any products or packaging, nor do we transport hazardous waste or water.

The majority of our operations occur in office settings, and in most cases, we lease but do not own the space we occupy, and our leases comprise only a small portion of the buildings in which they are located. In addition, in multiple tenancy buildings, we do not always have access to energy submeters. As a result, we do not have the means to track materials source or use beyond recycling efforts, water withdrawal or discharge, or significant air emissions beyond those indicated elsewhere in this report section.

Our operations are largely based in urban and suburban areas, minimizing our exposure to protected natural areas and potential impacts on biodiversity and endangered species. To the best of our knowledge, we do not own or occupy facilities or land on or adjacent to protected habitats or areas nor have we participated directly in habitat restoration.

### CBRE OPERATIONAL CARBON FOOTPRINT

	2011	2012	2013	2014
<b>Scope 1</b>	20,646	35,214	24,596	34,654
<b>Scope 2</b>	29,997	31,082	30,731	30,605

(metric tons CO<sub>2</sub>e)

# WHAT LIES AHEAD

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In 2015, we will continue to focus on achieving the outcomes defined in our 2012 Environmental Policy, which emphasized our efforts aimed at our own practices, our client-facing services and our industry leadership. Where we have already achieved 100% compliance ahead of stated timeframes, we will reevaluate those goals and set new targets. Primary among these will be a reexamination of our goals for our own occupancy. Our adoption and rapid expansion of our Workplace360 office design and implementation symbolize our efforts. No longer content to merely locate offices in environmentally-certified spaces and buildings, we now fully embrace our new workplace standards, which significantly advance our environmental commitments through reduced footprints, enhanced technology and waste reduction strategies. Our future goals will reflect this initiative.

We will also continue to expand our client services globally including our U.S.-based award-winning EPA ENERGY STAR and LEED certification offerings, the integration and expansion of our ESI acquisition, the promotion of sustainability practices, through training, to our U.S.-based brokerage practice, as well as a significant upgrading and expansion of technical and tactical service offerings in our EMEA and Asia Pacific regions.

And finally, we will continue to seek ways to influence and lead the industry through speaking, writing and active participation in a wide range of academic institutions, industry associations, NGOs and global protocols aimed at making a difference with our time, talent and resources. We also expect this year to conclude the research and publish the findings of our Real Green Research Challenge projects and will be working to develop a new, similar program for future years and projects.

# INSIDE COMMUNITIES & GIVING

# INSIDE COMMUNITIES & GIVING



## CBRE CARES

CBRE is committed to fulfilling its role as a responsible corporate citizen by supporting and adding value to the communities in which our employees live and work around the world. CBRE Cares, the company's corporate giving and volunteerism organization, facilitates this effort by serving as an overarching platform to further a wide variety of charitable activities. CBRE Cares leverages the passion and talents of our employees across the globe to create real benefit for individuals in need through community outreach and support, disaster-response initiatives, and locally driven, regionally sanctioned programs.



CBRE Cares is supported by the CBRE Foundation, a non-profit, public benefit corporation that funds our company's philanthropic initiatives. Under its governance, CBRE Cares' charitable initiatives have developed from grassroots efforts to a cohesive program more aligned with our business and values. While each of our company's three regions—Americas; Europe, Middle East and Africa; and Asia Pacific—operates independently, establishing their own programs and initiatives, one element remains the same: the charitable spirit and enthusiasm for service of CBRE's employees.

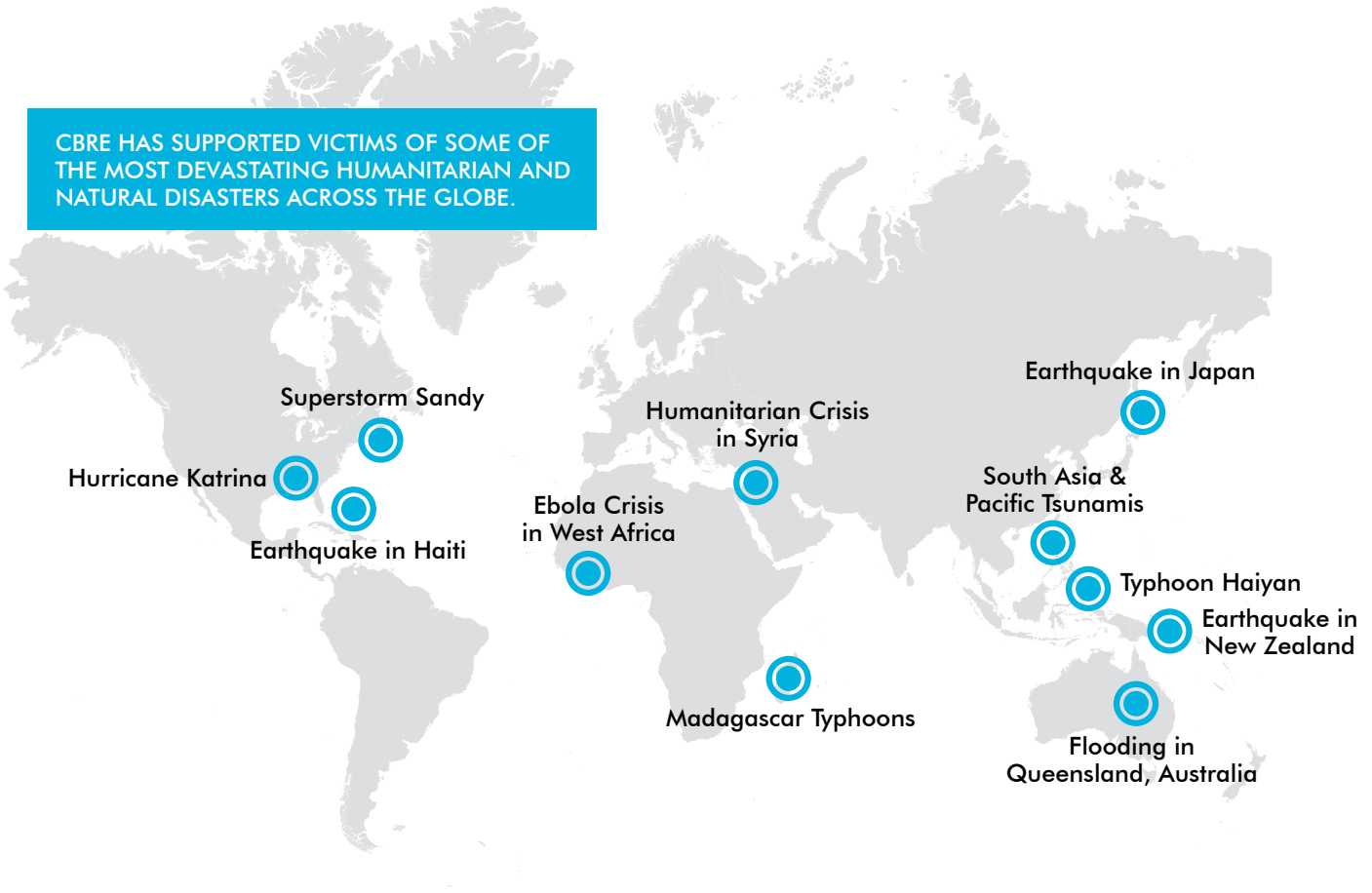
CBRE prides itself on having “feet on the ground” in all the major markets around the globe, and our corporate philanthropy efforts through CBRE Cares focus on measures that embrace that quality and allow our employees to show—and build on—their compassion for others. At CBRE, we recognize that supporting the charitable endeavors of our employees not only benefits the communities in which they live and work, but it also benefits our employees by increasing morale, aiding in talent retention, contributing to overall job satisfaction and, most importantly, fostering a healthy work-life balance.

In 2014, global corporate and employee donations reached their highest amount to date—\$10.5 million.

## CBRE DISASTER RELIEF FOUNDATION

Disaster relief is a long-held tenet of CBRE's charitable agenda. To further our support of victims of natural disasters around the world, CBRE formed the CBRE Disaster Relief Foundation in late 2012. The CBRE Disaster Relief Foundation, acting in tandem with the CBRE Foundation, CBRE and the CBRE EMEA Disaster Relief Committee, enhances employee contributions and distributes the funds through a network of pre-approved partner organizations that focus on disaster relief and rebuilding communities in need. Additionally, the CBRE Disaster Relief Foundation enables employees around the world to aid fellow colleagues who have suffered a catastrophic loss as a result of a natural disaster by providing financial assistance via a grant process.

CBRE HAS SUPPORTED VICTIMS OF SOME OF THE MOST DEVASTATING HUMANITARIAN AND NATURAL DISASTERS ACROSS THE GLOBE.



In 2014, CBRE strengthened its global disaster response effort by forming a network of regional and local CBRE Disaster Relief committees across many of the company's global regions. Each committee has a disaster response plan in place that includes a pre-identified charitable partner, and is prepared to act rapidly in the event of another natural disaster. Moreover, should a disaster strike their area, these committees will identify the most important needs in their community and provide input to the Disaster Relief Foundation to direct our relief funds to those areas. Our network will be complete by mid-2015, when CBRE Disaster Relief committees are established in the remaining two regions.

The CBRE Disaster Relief Foundation also initiated a global fundraising campaign in late 2014 to aid the victims of the Ebola crisis in West Africa. CBRE's executive leadership team launched the two-month, internal fundraising campaign, which encouraged employees to give via the Foundation's website or directly to two pre-identified charities—Doctors Without Borders (Médecins Sans Frontières) and Plan International. Through the efforts of our employees and a matching grant from the CBRE Disaster Relief Foundation, CBRE raised more than \$143,886 across the company's three regions to help halt the spread of this terrible disease and assist with recovery efforts.

# AMERICAS

## UNITED STATES

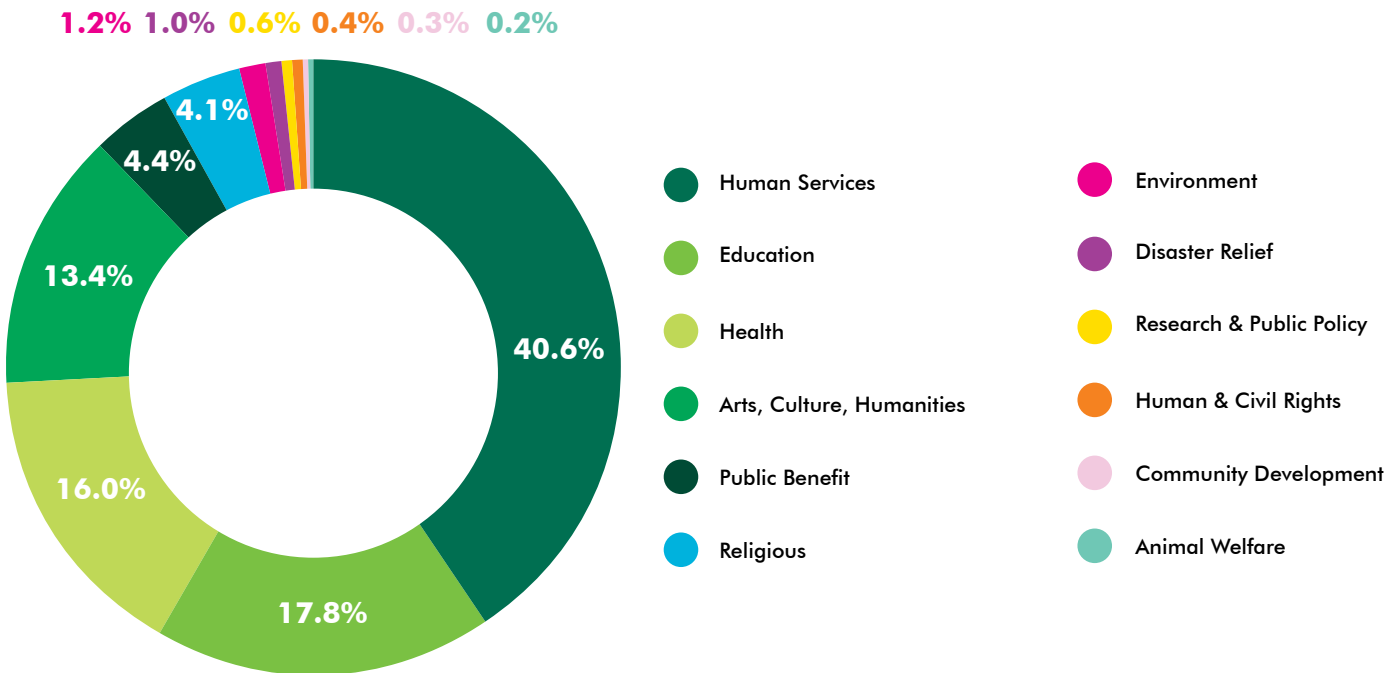


More than 100 employees spent their day off participating in the first-ever CBRE Atlanta Day of Service, helping four community organizations—Rebuilding Together, Sustainable Lakewood, South Forks Conservancy and Books for Africa. Employees sorted and sent books to students in Africa, cleared weeds in walking paths at a local park and made critical upgrades to the home of a U.S. veteran. “Part of CBRE’s mission statement focuses on service. It is important for us to take time to give back,” said CBRE Southeast President John Ferguson, who established the annual initiative dedicated to giving back to their Atlanta neighbors.

CBRE continued to make a significant impact on communities across the United States through the individual, local efforts of our offices and four principal U.S.-based initiatives—Matching Funds Program, National Shoe Collection Drive, Birthday Cakes & More for Homeless Children, and Shelter Program. Our positive influence was felt and furthered thanks to the passion with which our employees championed these causes and their overwhelming desire to help others in their communities. To further these efforts, CBRE also continued to offer U.S. employees two days paid time off during the year for their participation in certain volunteer opportunities.

### Matching Funds Program

Charitable giving remained a significant component of our corporate philanthropy efforts. In 2014, U.S. corporate and employee donations reached their highest amount to date—\$9 million. This included \$342,621 in matching funds from the CBRE Foundation, which matched U.S. employee donations at 37.5%, up to the annual budget amount. While these donations were distributed to many different non-profit organizations—570 in all, the majority of the donations went to causes related to human services, education and health. A breakdown of the matching funds distributions is detailed in the chart below.







CBRE Cleveland employees step up shoe collection efforts.

### National Shoe Collection Drive

Not included among the 2014 monetary donations are significant in-kind donations, such as a record 23,060 pairs of shoes donated to the international charity Soles4Souls® via our annual National Shoe Collection Drive. To learn more about the 2014 shoe drive, read our [Press Release](#).

Throughout the past four years, CBRE’s U.S. employees have collected more than 49,480 pairs of shoes, to which CBRE Cares has donated \$24,490, the equivalent of an additional 24,490 pairs of shoes. As a result, CBRE and Soles4Souls have put shoes on the feet of over 73,970 adults and children around the world.

### Birthday Cakes & More for Homeless Children

More than 1,000 individual birthday cakes were delivered in 2014 through our cherished Birthday Cakes & More for Homeless Children Program. Through this grassroots initiative, employees hand-delivered personalized cakes to homeless children to help them celebrate their birthdays. The program also offered supplemental support through school-supply donations, holiday parties, clothing drives and more. Click [here](#) to learn more about Birthday Cakes & More for Homeless Children.

In 2014, the program achieved its goal of appointing a national committee chairperson, who, in addition to supporting existing programs across the U.S. and recruiting new office participation, created a first-ever online toolkit to help local CBRE offices set up and implement the program in their communities. Although the Birthday Cakes & More for Homeless Children missed its expansion goal of 15% in 2014, it added four programs—a 12.5% increase—and delivered 304 more cakes than the year before.

### CBRE Shelter Program

Established in 2010 in partnership with national housing nonprofits Rebuilding Together, HomeAid and Habitat for Humanity, the CBRE Shelter Program continued as the flagship program for CBRE Cares in the U.S. The program is designed to improve housing options for individuals in need, and allows our professionals to build on their leadership skills by delivering measurable results in their communities. Since its inception, more than 5,550 CBRE employees have donated over 40,000 hours of service through the program by participating in 128 housing rebuilding projects. Click [here](#) to learn more about the CBRE Shelter Program.

In 2014, the CBRE Shelter Program marked its fifth anniversary. More than 850 U.S. employees in 30 offices traded their desk jobs for a day, becoming painters, plumbers, carpenters and all-around handymen and women to rebuild housing in their communities. Moreover, the Shelter Program donated a total of \$437,200 through the value of our volunteer hours, direct financial contributions made by CBRE employees and CBRE Cares, and other related donations from many of our CBRE Project Management and Asset Services vendors. [Watch](#) our employees in action!

In total, 32 facilities—private residences, neighborhoods, shelters and community centers—received critical upgrades in 2014 as a result of CBRE’s Shelter Program. While this total fell short of our projected goal of 36 projects, it was an increase of 6% over the previous year. Additionally, three CBRE offices participated in the Shelter Program for the first time and our employees took part in three Habitat for Humanity Global Village Program projects in communities in Ethiopia, Guatemala and Portugal.

<b>2014</b>	<p><b>Birthday Cakes &amp; More for Homeless Children</b> has delivered 8,617 cakes since 2001 and currently supports 52 shelters in 35 cities</p>
<b>2009</b>	<p>The program expands, receives a new name, <b>Birthday Cakes &amp; More for Homeless Children</b>, and provides additional aid to shelters supported by our program</p>
<b>2005</b>	<p>National leadership team grows and seeks to establish a <b>Birthday Cakes for Homeless Children</b> program in every city where our employees work and live</p>
<b>2004</b>	<p><b>Birthday Cakes for Homeless Children</b> becomes part of the <b>CBRE Foundation</b></p>
<b>2001</b>	<p>CBRE’s <b>Women’s Network</b> establishes <b>Birthday Cakes for Homeless Children</b> as its philanthropy and launches program in Chicago, Denver and Washington, D.C.</p>



CBRE continued to incorporate large-scale Shelter Program projects into the programming for national conferences, bridging geographies and business lines, and offering opportunities for networking. More than 200 employees participated in the CBRE Women’s Networking Forum BuildDay at the group’s annual conference in Chicago, Illinois. Volunteers worked alongside national housing nonprofit Rebuilding Together to provide renovations to the Sylvia Family Shelter in Chicago. To learn more about this BuildDay, read our [press release](#).



CBRE has been a long-time supporter of the United Way, including the physically demanding Real Estate Climb, which is held in Toronto each year. CBRE had three five-member teams showing support for the United Way by climbing 5,762 steps up 281 floors in the tallest office tower in Toronto, and raising nearly \$3,000. The event pits representatives from real estate companies against each other in a friendly competition, which gives participants added incentive to climb to new heights and raise funds for this great cause.



A team of over 100 employees from CBRE’s Mexico City office took part in a bicycle building event for Niños Unidos de Tetitla, an organization that provides education, health and nutrition services to disadvantaged children in Mexico City. In addition to the employees’ time—440 volunteer hours in all—CBRE donated MXN\$33,159 (US\$2,250) to purchase the material needed to build 15 new bikes. This event not only provided CBRE employees with an opportunity to give back to the community but it was a team building exercise too.

## CANADA

CBRE’s generosity grew in Canada in 2014, with total contributions from the organization, employees and private donors topping CA\$310,000 (US\$267,131). A variety of creative fundraising efforts were held in support of organizations including the Multiple Sclerosis Society of Canada, Juvenile Diabetes Research Foundation, Parkinson Society Canada, Huntington Society of Canada and several research hospitals. Our charitable strategy across Canada involves supporting the causes and initiatives most important to—and spearheaded by—employees and our clients.

## LATIN AMERICA

CBRE’s philanthropy efforts in Latin America are led by our office in Mexico City, Mexico, which in 2014 supported several local charitable organizations dedicated to serving homeless and disadvantaged youth, and children with Down syndrome. Among their volunteer activities, employees collected food, clothing, cleaning products and toys for the children at Hogar Dulce Hogar (Home Sweet Home), built and donated new bicycles to the children at Niños Unidos de Tetitla (United Children from Tetitla), and supported the John Langdon Down Foundation’s Mexican School of Down Art through their purchase of more than 200 artistic wooden boxes made by students. Through their volunteer efforts, our employees provided tangible support and creative solutions to critical needs of some of the most vulnerable children in their community.

## EMEA

Our EMEA charity program involves each country in the region, committing a contribution of at least 0.5% of each country’s annual earnings before interest, taxes, depreciation and amortization (EBITDA) to charitable causes. The commitment to donating 0.5% of annual EBITDA represents a minimum donation, and country leaders can choose to donate more if they wish. Our charity EBITDA contribution is divided into three components:

- 50% goes towards local charity causes decided by country teams;
- 40% goes towards an EMEA-wide charity partnership decided by the EMEA Board;
- 10% is added to our EMEA Disaster Relief funds, to ensure we are able to respond quickly to major humanitarian or environmental crises in EMEA as and when these occur.

CBRE’s EMEA business joined forces with global children’s charity Plan International in 2014, becoming the lead corporate partner in a €7.4 million (US\$8.9 million) international community investment program to provide an education to more than 135,000 children, primarily girls, in Sierra Leone. Given the deadly outbreak of Ebola in West Africa, with Sierra Leone at the epicenter of the crisis, the partnership has never been more relevant. The partnership involves CBRE colleagues in over 100 offices and 27 countries throughout the region participating in fundraising activities as part of our ‘Building a better future’ strategic communities and giving program.

## BUILDING A BETTER FUTURE

CBRE has pledged to raise €850,000 (US\$1.0 million) for Plan International to provide subsidies, create better schools, offer vocational training for female teachers and assistants, provide support for children with disabilities, and improve the quality of education across 780 schools in five of the poorest districts in Sierra Leone.



Over 100 CBRE employees, suppliers and clients took part in our flagship EMEA Charity Bike Ride, in which cyclists peddled a grueling five-day, 800km course from Madrid, Spain, to Lisbon, Portugal. Through individual and outside corporate sponsorships, the European bike ride raised €100,000 (US\$121,620) for Plan International. It should be noted that this event garnered more than one third of our donation to Plan International in 2014.

[Watch](#) our employees participate in the EMEA Charity Bike Ride.



Following the acquisition of Norland, a group from CBRE's Global Corporate Services EMEA division took part in a flagship Healthcare and Life Sciences bike ride from London, England, to Paris, France, in July 2014. The ride supported the Chelsea and Westminster Hospital, a facilities management client of CBRE since 2009. Funds raised through the ride are used to purchase medical and surgical equipment for the children's and babies' medical teams. Supported by a number of suppliers, the seven Norland riders raised over €23,000 (US\$27,972) for the Chelsea Children's Hospital Trust Fund, completing a challenging 482km ride in 17 hours, 38 minutes.



In 2014, CBRE in the U.K. became the official partner of England Rugby's "All Schools" program, which helps CBRE connect with 750 schools, in addition to the 150 schools the company has supported during the past two years through our social mobility careers program. The partnership has CBRE volunteers going into schools in a variety of roles to directly support young people.

Click [here](#) to learn more about this program.

In 2014, year one of a three-year campaign, CBRE staff in EMEA raised a record €148,000 (US\$180,000) towards our pledged goal, in addition to the designated corporate donation. The project is also supported through the U.K. Government's international aid commitment that secures match funding on corporate pledges to this program. Achieving our fundraising target will enable CBRE to help unlock a full grant of €7.4 million (US\$8.9 million) to Plan International's work.

Significantly, the partnership between CBRE and Plan International extends beyond traditional fundraising. CBRE is also providing pro-bono support across Plan International's global real estate portfolio, adding some further tangible value to the non-governmental organization's work on behalf of some of the world's poorest children.

Staff fundraising initiatives are central to the success of our partnership with Plan International. Leading the way are more than 100 CBRE Charity Champions who drive fundraising activities at the country level, rallying employee support. Among the fundraising activities organized by our Charity Champions was the inaugural Cross-Border Charity Challenge. Hosted by CBRE Germany, the event brought together 95 employees who, by participating in the Frankfurt Marathon Relay, raised €20,000 (US\$24,324) for Plan International. Another €6,000 (US\$7,297) was raised through a move-in party celebrating the opening of CBRE's new office in Stockholm, Sweden, at which clients made pledges to Plan International in lieu of giving gifts. In the Czech Republic, CBRE raised €5,400 (US\$6,567) through the "CBRE Olympic Games," an entertaining and light-hearted client event that also raised funds for Plan International.

*"CBRE's employee fundraising activities have not only raised vital funds that will help us support some of the most marginalized children in the world, but it demonstrates the power of bringing together diverse teams across international borders under a common cause."*

Plan International

## CBRE U.K. CHARITABLE TRUST

The CBRE U.K. Charitable Trust, an independent charity, supported further individual employee fundraising activities, donating €50,650 (US\$61,600) in 2014 to 81 other charitable organizations. All the beneficiaries were nominated by our U.K. employees, who participated in other forms of fundraising for the organizations.

## APAC

Across APAC (Asia Pacific), CBRE and our employees gave generously in 2014, donating more than US\$480,000 to a broad range of charitable causes. In addition to fundraising, which was led by the region's signature Walk for a Wish event, CBRE employees provided much needed hands-on volunteer support to community-based charities through our Helping Hands program.



Sydney, Australia, staff gets ready to pound the pavement for CBRE's annual Walk for a Wish.

## WALK FOR A WISH

As the largest philanthropic event in APAC, Walk for a Wish supports CBRE's commitment to social responsibility by bringing teams together from each business line for a truly worthwhile cause. Initiated by CBRE's Asset Services team in Australia in 2010, the 10km walk raises funds for several worthy charities across the region.

The 2014 Walk for a Wish was held across the region in five countries on three separate days, and was our most successful fundraising effort yet. More than 1,200 staff members from Australia, Hong Kong, Japan, Korea and Singapore took part in the event, raising a record US\$377,542 to support a number of local charities.

### Australia

More than 800 employees participated in the 2014 charity walk, raising AU\$260,000 (US\$212,783) and making it the most successful Walk for a Wish to date. The group topped their 2013 fundraising total by AU\$80,000 (US\$ 65,471). Previous events solely supported the Starlight Children's Foundation, however this year two additional non-profits received donations—beyondblue and UNICEF.

### Hong Kong

Around 160 colleagues turned out to participate in Hong Kong's second annual Walk for a Wish. A total of HK\$167,200 (US\$ 21,561) was raised from the event, with all proceeds going to The Redford Charitable Foundation.

### Japan

Around 200 CBRE Japan staff members and 40 supporters took part in the second annual Walk for a Wish, which raised JPY¥3.0 million (US\$28,057) for the Make-a-Wish of Japan Foundation, exceeding CBRE Japan's fundraising target of JPY¥2.5 million.

### Korea

More than 60 staff members took part in Korea's first-ever Walk for a Wish, which was held along the Namsan Mountain walking trail in the heart of Seoul. As a result of their fundraising efforts, CBRE's Asset Services team donated and installed 55 closed-circuit television cameras at the House of Anyang, an orphanage in Anyang, Gyeonggi Province.

### Singapore

Over 200 staff members took part in the 2014 Walk for a Wish. The group more than doubled its fundraising goal, raising SG\$68,185 (US\$54,519) for their chosen charity—Canossville Children's Home. The Singapore government generously matched the donations dollar for dollar, resulting in a total donation of SG\$136,370 (US\$109,037).

Click [here](#) for an overview of Walk for a Wish, including its 2014 achievements and funds raised since 2010.



More than 75 CBRE MoonTrekkers completed the epic, overnight 30km or 43km hike over Lantau Peak in Hong Kong. Among the group were colleagues from Beijing, China; Brisbane, Australia; and Singapore, plus employees from CBRE Global Investors. Through the efforts of CBRE employees, over HK\$168,000 (US\$ 21,659) was raised for Room to Read, a non-profit organization dedicated to improving literacy and gender equality in education in developing countries around the world. [Watch](#) our employees in the 2014 MoonTrekker.

## HELPING HANDS

Helping Hands is a community service initiative across CBRE's offices in Australia and New Zealand. It offers all staff members two days of paid leave each year to volunteer with a local non-profit organization.

In 2014, an unprecedented number of staff members participated in CBRE's Helping Hands volunteer program—approximately 220 in all—taking part in a variety of hands-on community projects. Employees used their paid volunteer day to cook for the homeless at the Salvation Army shelter in Sydney, raise money for Starlight

Children's Foundation, care for animals at the Sydney Dogs and Cats Home, plant vegetation for bush regeneration with Bushlink, prepare meals at St Mary's House of Welcome in Melbourne, and wrap Christmas presents for the Princess Margaret Hospital Foundation in Perth. Additionally, several employees, including a Senior Director, took part in PropertyBlitz Street Sleep and Vinnies CEO Sleepout to raise money for and awareness of homelessness in Australia by braving the cold for a night sleeping on the streets of New South Wales and South Australia.

## WHAT LIES AHEAD



CBRE employees working alongside other Bushlink volunteers.

We are seeking ways to more globally connect and coordinate our community involvement to better leverage our resources and best practices. To date, we have created programs that give to nonprofits improving the communities where we operate as well as supporting hundreds of organizations to which our employees donate their time and financial resources. Through our Corporate Responsibility Steering Committee, we will work to encourage more cross-geographic collaboration on giving and volunteer activities. We are also working with the Global CR Steering Committee and CBRE leadership around the world to develop metrics to annually report our giving relative to our employee headcount and corporate financial performance.

Additionally, CBRE Cares will begin to implement a volunteer hours tracking system in all regions, similar to the one used in the U.S., to gain greater insight into how our employees across the globe are supporting local charities. With this knowledge, the CBRE Foundation and CBRE Cares will be able to deploy resources to the philanthropic projects and organizations our employees value most. We also plan to evaluate our volunteer paid time off policies and aim to make these policies more consistent globally.

In the U.S., CBRE Cares has laid out a plan to further the initiatives of our four principal philanthropic programs. The plan's objectives include:

- Increasing donations from our Matching Funds Program to reach 95% of our annual budgeted amount
- Expanding our National Shoe Collection Drive for Soles4Souls to include CBRE offices outside the U.S.
- Supporting five additional shelters—a 10% increase—through our Birthday Cakes & More for Homeless Children Program
- Adding more local Shelter Program projects and corporate-conference builds to our annual schedule to complete 36 projects in 2015—a 20% increase—and continue to pursue our 2011 goal of increasing office participation by 10% annually

Although we did not fully complete the plans for a U.S.-based Walk for Shelter, it will remain a top priority for 2015, under a new name—Walk for Charity. Similar to Walk for a Wish in APAC, the U.S. Walk for Charity will take place in cities across the country to support charitable organizations in the communities where the walks occur. The Foundation will also match the money raised by our local offices. From the lessons learned through a pilot program underway at our Las Vegas, Nevada, office, we are developing a plan outlining the program's goals and will present it to the Foundation Board for approval in 2015. If approved, a U.S. Walk for Charity committee chairman will be appointed and the first walk planned for 2016.

We are making good progress with our ambitious charity partnership in EMEA, where CBRE has committed to raising €850,000 (US\$ 1.0 million) for Plan International

during a three-year period (2014-2016) to provide education to poverty-stricken children, predominantly girls, in Sierra Leone. Now at the midpoint of our campaign, and more than one year from the Ebola outbreak in West Africa, CBRE continues fundraising efforts in each market with the assistance of our Charity Champions, and regionally through cross-border events involving employees from throughout the region, working together to raise funds for Plan International. Cross-border fundraising activities in France, Germany, Italy, Ireland, Spain and the U.K. are all planned for 2015.

CBRE in the U.K. announced a new two-year partnership (2015-2016) with national housing and homelessness charity, Shelter. Our €350,000 (US\$ 425,671) commitment to Shelter will ensure its family homelessness service can reach more than 2,000 additional U.K. families through specific projects that provide them with a place to call home—with our funds going directly to communities around CBRE's geographic footprint in the U.K. Fundraising efforts for Shelter will run alongside the EMEA-wide campaign with Plan International and include the second property-industry bike ride in July 2015 as well as a range of other events.

Following on the success of our 2014 Walk for A Wish, CBRE will work to continue to expand the program across the region, involving more offices and more employees. Our efforts will in turn dramatically increase fundraising, ultimately benefitting more charitable organizations. To achieve this goal, our offices in the Pacific have established a bold fundraising target of AU\$250,000 (US\$ 204,599). In Asia, our offices have established a fundraising goal of US\$150,000 across the region.

Finally, CBRE offices in Australia and New Zealand will formally adopt the CBRE Cares brand for their employee volunteer program—previously called Helping Hands. This will enable the company and employees to support communities and charitable causes throughout the region under one unified umbrella. CBRE will also continue to expand its volunteer program by involving more staff members from across Australia and New Zealand in hands-on community projects.

At CBRE, our core values of Respect, Integrity, Service and Excellence are the guiding principles in all that we do. We approach our commitment to philanthropy with the same enthusiasm and creativity as we approach our business. Our professionals are dedicated to bettering the communities in which they live and work, and we will continue, as a firm, to build on that compassion for the good of those in need—around the world—for years to come.



Around 160 CBRE employees participated in Walk for a Wish in Hong Kong.

# INSIDE PEOPLE & CULTURE

# INSIDE PEOPLE & CULTURE



Guided by our values of Respect, Integrity, Service and Excellence (RISE), we are focused on talent attraction, professional development, diversity and inclusion practices and a healthy culture where all employees feel valued and excited to come to work for us every day. Being part of the CBRE family means signing up to join the journey of pursuing world-class performance in all we do and with a focus on delivering exceptional outcomes for our clients. We believe that investing in a strong culture and effective talent practices will create an environment where high-performing talent will thrive. Our annual client surveys indicate a direct and consistent correlation between high-performing talent and highly satisfied clients.

CBRE leverages employee surveys as one means of assessing our effectiveness in creating a culture where our people thrive and experience satisfying careers. We also monitor our turnover rates and promotion rates to ensure a healthy organization. Our continued growth makes talent management, learning and development and diversity efforts more important than ever.

We were honored to be recognized as an employer of choice from a number of organizations, including U.S. Achievers Top 50 Most Engaged Workplaces, Companies that Care Honor Roll, GI Jobs Top 100 Military Friendly and Military Spouse Friendly Employers (2015), Most Valuable Employers for Military, Top Veteran-Friendly Companies, and Best Places to Work for LGBT Equality.

## EMPLOYMENT

In 2014, our global workforce grew to more than 52,000 employees as a result of organic growth and strategic acquisitions. This is a more than 50% increase from five years ago. Our continued growth plans require us to be the best we can be at acquiring, retaining and developing talent. We conduct a New Hire Survey to ensure employees have a successful start and identify gaps so we can quickly support their assimilation and productivity at CBRE.

By year-end 2015, we will eclipse 72,000 employees. While growth has been significant, we keep a watchful eye on terminations. We administer an Exit Survey to better understand why we lose talent so we can actively address sources of disengagement and refresh talent programs.

CBRE also relies on turnover analysis to identify specific areas of opportunity. Our HR Business Partners are very engaged with their business leaders and often have solutions identified to address and resolve areas of disengagement.

## Career Planning

We believe career growth and professional development is a shared responsibility between the employee and the company. The career planning page of our company intranet serves as a valuable resource for employees looking to advance their careers. The page provides a high level of transparency around job categories and competencies associated with most jobs. The site also features internal and external links to professional development and networking opportunities, internal transfer documents and a direct link to the Career Path Planning module. The module allows the employee to view the specific career path within the job category for their current role. The page continues to receive strong traffic, with nearly 18,000 page views in 2014.

52,000

EXCLUDING AFFILIATE OFFICES  
EMPLOYEES GLOBALLY

372 OFFICES  
44 COUNTRIES  
6 CONTINENTS

35%

FEMALE

15%

WORKFORCE GROWTH

1,269

VETERANS (U.S.)

as of December 31, 2014  
[G4-LA12]



## Flexible Workplace And Workplace360

CBRE's flexible work arrangements and telecommuting policies continue to be viewed as favorable options for accommodating employee work-life balance and overall wellness. These policies make it easier for employees to find a work situation that best suits their working style. These policies facilitate conversations between our employees and managers, enabling agreement on work schedules. Our flexible work arrangements allow employees a number of options, such as four 10-hour days or general flextime. The telecommuting policy provides guidelines for employees working offsite three or more days per week on a regular basis. Many of our employees also telecommute on a part-time basis, providing additional opportunities for flexibility in scheduling.

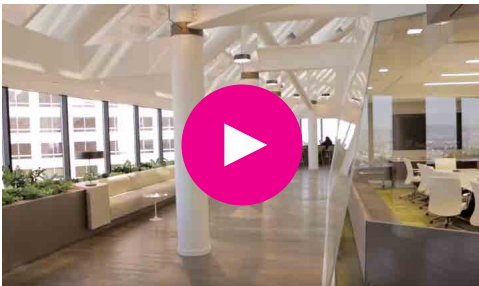
We believe that the physical environment is an important enabler of culture. As a professional services and investment firm, our most important asset is our people, so providing a workplace environment that improves the way we work today, while enhancing our overall health and well-being, is a top priority.

With our global workplace strategy initiative called Workplace360, we are implementing workplaces designed to optimize the health, wellness and productivity of our employees. Each of our two dozen Workplace360 offices around the world features a balance of private and collaborative workspaces designed to support the way employees work through enhanced flexibility, mobility, technology and productivity. By incorporating these features into our workplace, we are able to give people choice in the workplace; the freedom to collaborate, team, socialize, focus and meet; and a healthy, safe, energetic and dynamic workplace in which to do all of it.

We took a bold step in bringing this new way of working to the U.S. in September 2013 with the opening of our Downtown Los Angeles corporate headquarters office. One year after moving into our new work environment, more than 90% of employees report that if given the choice, they would not return to their previous, traditional way of working. Even more, 83% of employees feel more productive in the new space and 93% say that the new space has had a positive impact on their business performance. In addition, an incredible 92% of employees said the new space has created a positive effect on their health and wellbeing, while 50% of employees reported that they use the height adjustable (sit/stand) desks and 74% prefer using the stairs to move through the building as opposed to the elevators. These results not only validate our workplace approach, including the role health and wellness plays in overall performance, but they also serve as a tremendous recruitment and retention tool that will help drive the growth of our firm into the future.

### Globalization Efforts

We are increasingly developing and investing in platforms to drive greater collaboration among our global employees. Slated for a phased rollout beginning in 2015, the new global intranet will change the way our employees interact with CBRE, the business and each other. The dynamic layout will allow us to provide tailored, real-time communications and the ability to socially engage with content. Detailed back-end metrics will help us adjust our communication messages and methods as appropriate.



This video tells the story of CBRE's new global headquarters in downtown Los Angeles, a creative office which facilitates an entirely new way of working. This new way of working was consulted and pioneered by CBRE's Workplace Strategy group in partnership with Gensler, the architect of the space.

# 93%

OF EMPLOYEES SAID THE NEW SPACE HAS HAD A POSITIVE IMPACT ON THEIR BUSINESS PERFORMANCE

# 92%

OF EMPLOYEES SAID THE NEW SPACE HAS CREATED A POSITIVE EFFECT ON THEIR HEALTH AND WELL-BEING

## Total Rewards: Benefits and Compensation

We recognize and appreciate that employee benefits participation is an important part of the employment relationship. CBRE offers all full-time U.S. employees a benefits package generally made up of the following components:

- Health benefits, including medical, dental and vision
- Income continuity benefits such as disability and life insurance, and severance/redundancy programs
- 401(k) matching
- Ancillary benefits, such as time off with pay, an employee assistance program (EAP) and a wellness program

We strive to be inclusive of all employees. In the U.S., an employee working at least 30 hours per week is defined as a full-time employee. This definition results in the eligibility of nearly 95% of our employees for our entire benefits package. Part-time employees have a more limited benefits package, which includes paid time off, eligibility to participate in the 401(k) retirement savings and investment program, and access to our EAP services. CBRE does not have a defined benefit plan. All nonunion locations are treated the same for benefits eligibility regardless of how many employees work at a location. We also closely monitor the benefits market and our corporate peers to ensure our benefits offerings and policies are in line with best practices. As a result, we again increased our 401(k) company match for 2015.

In EMEA, country-specific benefit programs combine market competitive and/or legislatively prescribed benefits. By and large these consist of:

- Occupational Pension Plan
- Health Insurance
- Income Continuity benefits
- Company Cars

Similarly, in APAC, we have a range of benefits available to employees which are generally aligned to market practice of our industry within each country where we operate. For example, we offer company paid medical and life insurance in many countries, including Hong Kong and Singapore.

## Standards Of Business Conduct (SOBC) and Harassment Prevention

The SOBC defines our ethical values relative to—among other things—hiring, termination of employment, workplace behavior, severance benefits and employee conduct toward each other, our clients, our business partners and our global communities. Last year, SOBC certification was administered to all employees globally. Additionally, we again provided harassment prevention training in 2014 to all global employees, which helps ensure we maintain collegial, harassment-free workplaces.

## Parental Leave

During 2014, CBRE had 22,000 Family and Medical Leave Act (FMLA)-eligible employees in the U.S.—11,400 males and 10,600 females. We estimate that 3,000 leaves in 2014 were related to birth, care or adoption of a child. More than 60% of female employees returned to work following an FMLA leave with a related short-term disability claim. We do not maintain comparative retention statistics on employees who return from leave versus employees who were not on leave, and we do not track parental leave separately from general leave as we do not have a specific, stand-alone parental leave policy in the U.S. We are working toward more comprehensive tracking of leave statistics so we can better understand whether changes to our parental leave practices are needed.

Our United Kingdom offices have implemented a series of policies and practices to support a family-friendly environment. This includes the introduction of a new parent coaching program. The aim of this coaching is to give participants an opportunity to explore how this transition will impact them, what they can do to make it easier and how to take control of it. It is designed to help them effectively manage business issues and to maintain performance throughout the transition. Additionally, coaching is provided for their managers to provide them tools to navigate this transition smoothly and provide high quality support for their employees. We are monitoring this program's ability to increase retention and may consider it for implementation elsewhere. CBRE provides flexible workplace practices that facilitate a parental employee's return to work with reduced full-time schedules, alternative work arrangements and new mothers' rooms where possible.

Our Pacific region is committed to helping parents take parental leave and return to work as seamlessly as possible. The Pacific region recently increased its company-paid maternity leave to 8 weeks. In conjunction with this paid leave, employees have the ability to take up to 24 months of unpaid parental leave if they are the primary caregiver of a newborn or newly adopted child. To keep our employees engaged while on extended leave, the 'Keeping in Touch' program actively encourages individuals to stay connected with their work colleagues on a regular basis, helping them to stay up to speed on business updates, but also welcoming office attendance at any time, such as attending in-house training, team meetings, social events, etc. Parenting rooms have been installed at all newly-renovated offices in the region, and we actively encourage flexible return to work arrangements, where possible, for parents returning to work after the birth or adoption of a child.

### **Regulatory Compliance**

Treating our people with dignity and respect is a priority—when practical, we provide impacted employees advanced notice of staff reductions and significant operational changes in excess of the regulatory requirements. We complied with the notice requirements of relevant labor and employment laws and collective bargaining agreements, as applicable. In instances where we could not provide advance notice, employees received pay in lieu of notice, consistent with our severance plan.

CBRE provides outplacement assistance as part of the company's transition assistance package to employees who are affected by a reduction in force, including separation pay, a health care stipend and access to outplacement services. Our severance plan offers benefits to qualified full-and part-time employees.

CBRE is also vigilant in complying with regional regulations, both in the U.S. and on a global level. For instance, in 2014 we altered our applicant and employee voluntary self-identification questionnaire to start capturing disability and disabled veteran status in order to facilitate the collection of diversity data to support our Veteran and Persons with Disabilities Affirmative Action Programs. CBRE was also deemed to be fully compliant in all eleven local Office of Federal Contract Compliance Programs (OFCCP) audits in 2014. As of December 31, 2014, 1,222 of our employees were subject to collective bargaining agreements, most of whom are on-site employees in our asset services business in California, Illinois, New Jersey and New York. [G4-11]

### **Talent Management**

At CBRE, top talent in all roles at all levels of the organization is one of our five key corporate strategies. We recognize that in order to achieve this outcome, our focus and investment on talent management must be world-class. Within our Global HR Organization, we have a Center of Excellence (COE) of Talent, Learning and Diversity (TLD) to focus on and achieve our talent objectives. Our TLD team partners with our HR Business Partners to conduct business needs analyses and then researches the latest and most effective talent management programs, learning resources, technologies and methods for implementation. Managing the complexities of

a global, multi-service line company is achieved through our “one team” approach of our global TLD team achieving the highest return on our training and development dollars.

The mindset of every CBRE manager is best stated as “It is my responsibility to develop my team and my success, as well as CBRE’s success, depends on this”. CBRE’s talent management programs span the full employee lifecycle, covering recruitment, onboarding, assessment, development, succession planning, retention and recognition.

## TRAINING AND DEVELOPMENT

CBRE’s training and development programs are based on a philosophy that development happens through three key activities:

1. On-the-job work, or doing the job at hand, for 70% of professional development;
2. Coaching through direct feedback from a boss, peer or mentor for 20% of development; and
3. Formal training for 10% of development.

This “70-20-10” approach underwrites our training and development programs. Our programs leverage a blended learning solution approach, including workshop sessions, classroom training, WebEx, self-paced eLearning, coaching and an educational library where employees can seek and find training materials to enhance and develop their skills.

Our Americas CBRE University continues to advance the skills and capabilities of new and high-potential, market-facing professionals through customized training programs delivered by our leaders and subject matter experts. Attendees are from the United States, Central/South America, Canada, APAC and EMEA. On average, 35% of CBREU attendees are diverse.

In addition to our corporate training facility, our learning and development professionals travel to deliver programs in our major markets around the globe. In the U.S., in one year we conducted 36 in-person, instructor-led classes to over 1,000 employees. These classes focused on improving communication skills, sales and presentation skills, coaching for peak performance and time management.

EMPOWER is a mentoring and professional development program that pairs mentees with senior-level mentors and executive advisors who offer guidance through a two-day, in-person kickoff conference, monthly meetings, regularly scheduled coaching sessions and ongoing professional support.

CBRE’s EMEA Academy programs are designed to advance the careers of our professionals from entry level through director level. Each new graduate is paired with a mentor who provides the feedback and guidance required to successfully navigate both the technical and soft skills development needed to advance in the organization. The 27 academy courses have trained over 12,000 employees across EMEA.

EMEA also offers learning and development programs with a focus on business application. Recent course delivery focused on business development, client care and personal development. Formal mentoring for participants has led to a 50% promotion rate within 12 months. Several countries have programs for high-potential, high-performing employees to further drive their growth in the organization. Programs for students and emerging professionals have been highly successful as well. The U.K. graduate program helped participants pass the Assessment of Professional Competence (APC) test at a rate of 96% against a national average of 62%. The apprentice program in the U.K. was given a silver award by The Training Journal in recognition of being one of the best in the country.

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### Asset Services Onboarding

The Asset Services division hosts two, two-and-a-half-day immersion training programs, known as Asset Services Foundations, designed to provide the newer property management professional with the skills and knowledge needed to build a successful career at CBRE. In 2014, 110 new employees attended the Asset Services Foundations program.

Asset services new hires are enrolled in a six-part online certification program. This program provides the new hire with valuable information needed during week one, such as ordering goods, processing invoices, property-specific policies and procedures. In 2014, 447 new employees completed the Asset Services new employee certification program.

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CBRE's Advanced Leadership Development Program (ALDP) is a senior leadership level education program designed to elevate participants' ability to lead and operate our largest global client accounts. The pillars of learning that drive the program are strategy, motivational leadership, executive presence and delivering results. This global group will meet in person at least three times over two years and will benefit from a 360 Review and personal development plans.

Focusing on our most senior executives, CBRE hosts a High Performing Leadership Program. This is a two year program with over 30 handpicked leaders from around the globe. The program charter focuses on networking, executive development and best practice sharing. This global network provides the opportunity for these professionals to forge relationships with their peers in an environment that encourages professional development and personal growth. Participants have unique access to valuable opportunities, such as presenting at major company functions, managing special projects to challenge their skills and interacting with our senior leadership and CBRE's Board of Directors.

In Asia, our Management Development Centre (MDC) is a realistic business simulation that focuses on developing the management capabilities of existing managers and future leaders in their current and future responsibilities. The three-day program comprises an intensive assessment center, a highly interactive workshop focusing on management behaviors and personalized individual feedback sessions based on our core management competencies, including coaching and mentoring, practical recommendations, personal development plans and follow-up back in the workplace. Case studies and activities are based on real-life CBRE employee and client situations, making the program highly realistic.

The Asia Pacific Leadership Program (APLP), now in its sixth year, is personally sponsored by the APAC Chairman and CEO. Participants are senior-level executives from across the Asia Pacific region. This is a 12-month program in which attendees gain a more thorough understanding of CBRE corporate strategy, the region's business, key clients and new business drivers. Market and business leaders share their strategy and best practices, and participants gain insight on how successful senior executive leaders operate. This program also includes a Hogan Leadership Effectiveness Assessment and 360 Review, allowing leaders to gain greater insights into their areas of effectiveness and development.

In APAC, we run induction training across 13 countries. This ensures we keep consistency with covering core global topics like our RISE values, performance management system and people management tools, and share important local and regional information with new employees.

Companywide, newly hired employees have a wealth of training resources available to start them on a successful path at CBRE. In North America, HR conducts weekly new hire orientations to inform attendees about CBRE policies, productivity resources, employee benefits and more. The "WelcomeU" page serves as a one-stop shop for the information a new employee might need or want to ensure they can effectively access company resources.

myLearning, CBRE's new global Learning Management System (LMS) is set to launch in two phases in 2015. This cloud-based, learning solution will connect employees to assigned and self-selected trainings, allow them to interact with other learners across the company, and provide better tracking of employee learning. This technology platform will allow us to serve employees across more than 60 countries, and courses will be offered in more than 30 languages. This tool will allow managers to assign specific learning programs and ensure that our employees who have regulatory required training have completed those courses in a timely manner. Additionally, clients often have specific training requirements of our employees who work on their sites and our LMS will allow us to manage the entire learning profile of a learner and meet our clients' needs for reporting.



CBRE creates advantage through diversity.

“The connection between our core values of RISE is very real to the concept of diversity—that we commit to be respectful of each other and respectful of our clients, and that diversity and respect will play out in our workplace.”

Mike Lafitte, Chief Operating Officer

## GLOBAL DIVERSITY AND INCLUSION

CBRE is committed to advancing diversity and inclusion in our pursuit of world-class status. Doing so is vital to the future of our company, and it is important to our clients and our people as well. CBRE's core values of Respect, Integrity, Service and Excellence are the foundation to a very inclusive environment. We have great examples of gender, ethnic and other categories of diversity in our leadership and employee groups. We also recognize that our industry is lagging behind world-class role models in key areas of diversity, and this is an opportunity for continued improvement. Our executives are actively engaged in the discussions and, more importantly, the actions that are resulting in key wins for CBRE's diversity journey.

CBRE's diversity and inclusion strategy focuses on three key activities:

1. Education – of our executives and managers of people. We publish a bi-monthly briefing exposing our leaders to important diversity messages and encouraging them to forward the communication to their teams, showing their endorsement and support of the message. We also deliver Inclusive Leadership and Unconscious Bias training to all leaders.
2. Development – of diverse talent. We have an Executive Leadership Development program with 16 women in senior leadership roles looking to advance into executive and more senior roles. This program invests \$15,000 per year on professional development of these women. In addition, each woman is paired with an Executive Sponsor whose role is to advocate on behalf of their participant and share their network and knowledge.
3. Placement – of diverse talent through succession planning, intentional recruiting efforts and advocating for diverse talent. We monitor progress through our scorecards and share detailed reports with our business leaders and executives.

CBRE subscribes to DiversityInc, the leading organization in diversity and inclusion best practices and annual ranking of companies based on their diversity practices and talent profiles. CBRE has shared this open membership with all employees, allowing them to gain access to best-in-class resources.

### Employee Network Groups

#### *African-American Network Group (AANG) - 400 members*

AANG celebrated its 10-year anniversary in 2014 and prepared for the future by developing a three-year strategic plan and refreshing its mission and vision. Eighteen local chapter leaders oversee the local/regional activities of AANG by communicating and planning social, development and philanthropic events on the local level. A record-breaking 170 members attended the annual conference in Atlanta in October.

#### *Hispanic Network Group (HNG) - 230 members*

The HNG is the first group within CBRE to distribute multilingual communications. The group held its first live conference in May 2015, with over 120 attendees covering four countries. CBRE has engaged with Southern Methodist University in Dallas, Texas, to sponsor Hispanic leadership development programs.

#### *LGBT Network Group - 120 members*

CBRE again scored a perfect 100 on the Human Rights Campaign Corporate Equality Index. This distinction also placed CBRE on the 2015 list of Best Places to Work for LGBT Equality. The group continued its involvement with advocacy organizations such as Out & Equal and expanded its reach to all of our global employees. In the U.K., CBRE leverages the insights of Stonewall Diversity Champions and participates in the Pride in Diversity Conference.



## CBRE LGBT & ALLIES

# CBRE MILITARY

## *CBRE Military - 400 veteran connections*

CBRE Military was formed in 2014 and seeks to serve the needs of current and tenured military-experienced employees through mentoring and transitional resources. CBRE was included in the GI Jobs Top 100 Military Friendly Employer list for 2015 and received designation as a Military Spouse Friendly Employer.

“Our military-experienced employees are vital to the success of our business and our operations. CBRE Military will work to recruit, develop and retain these employees in a way that sets them up for success in our corporate environment while speaking to their military background.”

Grayson Gill, Chief Operations Officer, Asset Services

## WOMEN'S NETWORK

### **CBRE Invited to Elite UK Women's Networks Forum**

Capital Markets Executive Director, Sue Clayton, who was named to the Financial Times Top 50 UK Part Time Business Leaders Power List, represented CBRE at the inaugural UK Duke of Edinburgh Awards' Women's Networks Forum in late January 2014. Sue and 14 other prominent businesswomen were invited to Buckingham Palace to share experiences from their companies' internal women's networks and discuss how to encourage and inspire young women in business. CBRE joined elite companies including eBay, Ernst & Young, Google, McKinsey & Company, Barclays and Shell, and was the only real estate firm invited to this high-profile event.

## *Women's Network - 2,500 members*

The Women's Network sponsors more than 80 field delegates who oversee local efforts to drive professional development and engagement of women at all levels of the organization. In 2015, CBRE's annual Women's Networking Forum hosted 450 women from 8 countries and delivered a high impact agenda of world-class speakers and workshops advancing the professional skills of our women.

## *Rising Professionals Organization (RPO) - 750 members*

Serving CBRE professionals who are early in their career, RPO's mission is to develop leadership potential through training, networking and community involvement while contributing a fresh perspective to challenge and lead the industry. This global group of Millennials was tapped in 2015 to take “selfie” videos to answer questions about their career, coaching and feedback. The videos were shared with our executive leaders to gain support for additional professional development programs.

## **Recruiting Diverse Talent**

We were pleased with the efforts to incorporate diversity in our promotion and hiring decisions. In 2014, 41% of executive and first-level managers were women and more than half of our promotions into management positions were women. However, we remain challenged by our overall diversity representation in management and sales positions. This echoes the challenges faced by the commercial real estate industry as a whole—the August 2013 Commercial Real Estate Diversity Report indicated that white males dominated the Senior Executive, Mid-Level Manager, Professional and Technician EEOC job categories. We also fall in line with industry averages for comparative salary and remuneration for men and women. [G4-LA13]

## **Additional Diversity Efforts**

CBRE continued its 21-year relationship with the Commercial Real Estate Women's (CREW) Network as a corporate sponsor. CBRE sponsors CREW interns for 10-week internships to gain exposure to our business and the industry as a whole.

In 2014, CBRE also continued its relationship with the Posse Foundation, an organization that helps prepare high-potential, multicultural high school students for college. Three Posse Scholars interned with CBRE during the summer to gain exposure to our business and begin to put their skills to use in a professional setting.

During 2014, CBRE supported the Real Estate Associate Program (REAP) in several markets throughout the U.S. This 10-week immersion program exposes talented professionals of color to the commercial real estate industry and gives them access to network with and learn from industry leaders.

## RECOGNITION PROGRAMS

THE RISE AWARD

PRESIDENT'S PERFORMANCE AWARD

CHAIRMAN'S EXCELLENCE AWARD

TRAMMELL CROW MASTER BUILDER AWARD

EDWARD S. GORDON AWARD

BENJAMIN ARTHUR BANKER LEARNING AWARD

GARY J. BEBAN TEAMWORK AWARD

THE WILLIAM H. MCCARTHY AWARD

MCADAM CUP

TURNAROUND AWARD

MANAGER INNOVATION AWARD

ROOKIE OF THE YEAR AWARD

CBRE AMBASSADOR AWARD

WOMEN'S NETWORK ENDURANCE OF SPIRIT AWARD

COLBERT COLDWELL CIRCLE

ROCK STAR AWARD

EINSTEIN AWARD

MISSION IMPOSSIBLE AWARD

TEAM PLAYER OF THE YEAR

TEAM LEADER OF THE YEAR

REAL ESTATE MANAGER OF THE YEAR

YOUNG PROFESSIONAL OF THE YEAR

LEASING PERFORMANCE AWARD

SUSTAINABILITY LEADER OF THE YEAR

## PERFORMANCE MANAGEMENT AND RECOGNITION

Performance Management is viewed as a continuous activity at CBRE, not an annual event. We have several development programs around coaching, asking for and giving feedback, mid-year review, etc. to ensure managers and staff are prepared to deliver exceptional outcomes to our clients and therefore CBRE. Leveraging our 70-20-10 Development Model described earlier, employees are taught the greatest value of performance feedback comes during the 70% on-the-job activities.

We have a strong annual performance review process with training for managers and employees. We have achieved an 88% annual review completion rate for our U.S.-based, non-commissioned, full-time employees. Seventy-four percent of part-time employees receive a formal review. Outside the U.S., our progress towards this goal is subject to local requirements, customs and the building of our global HR information system. [G4-LA10]

CBRE offers career development and performance management training sessions, allowing employees to learn more about their role in the process and how it benefits them in their career growth. More than 1,500 employees and managers attended performance management training sessions in 2014.

CBRE has a strong tradition of recognizing and rewarding top performance. CBRE has formal and informal recognition programs to meet the unique needs of our complex business makeup and global footprint. Our suite of programs includes nearly 250 individual or group awards for leadership, commitment, ethics, service excellence, financial performance, community involvement, philanthropy and more.

## WHAT LIES AHEAD

In 2015, we are continuing to focus on globalization of our HR programs and systems. We are globalizing our learning and development systems and increasing our focus on diversity and inclusion in all regions. We are continuing to align the HR organization structure to better serve the needs of the business.

In the area of talent development, we are increasing our CBRE University regional training deliveries with a focus on sales management courses. We plan to increase the use of succession planning to identify future leaders for top tiers within the organization. We are also expanding the EMPOWER mentoring program.

Finally, we continue to focus on positioning CBRE as a world-class employer of choice. We are enhancing and standardizing the employee onboarding experience. We are expanding our company branding to our employment brand. And we are using the results of the Organizational Health Index survey and comparison benchmarks to develop strategy.



# **INSIDE HEALTH & SAFETY**

# INSIDE HEALTH & SAFETY



We continue to place a strong focus on our performance in Health and Safety outcomes and process improvements. In a year marked by meaningful increases in employee headcount, client expectations and service levels, we continued to measurably improve our performance in nearly every category.

In 2013, our health and safety team in the EMEA region pledged to achieve OHSAS 18001 certification of the EMEA Health and Safety management system. As planned, that goal was accomplished in mid-2014. Other regions globally are following their lead to achieve the same level of certification and operational excellence.

CBRE has continued to enhance our training program content and made improvements that are informed by our incident and injury experience and the resulting lessons learned. Our health and safety training, offered through our online training portal, increased 300% in 2014. Our employees completed over 54,000 health and safety courses online, in addition to thousands of client, location and task-specific trainings.

2,300 employees routinely operated a CBRE vehicle as part of their service delivery to their clients. Each were required to complete assigned trainings that were designed to make them more observant, drive more defensively and learn habits that enhance their safety and the safety of those around them. Nearly 17,000 driving safety courses were completed. Our driver safety performance continues to show improvement even as our fleet count and driver population continued to grow.

In the United Kingdom, CBRE was again recognized by the Royal Society for the Prevention of Accidents (RoSPA). CBRE achieved Gold Medal Award status for a 9th consecutive year, with 12 individual Gold Awards and 17 Silver Awards.

In North America, where the majority of CBRE self-delivered worker hours are generated, CBRE amassed more than 27 million hours without injury at nearly 90 different client accounts, offices and managed properties. This represents 4 million hours more than the previous year's safe work hours performed.

## WORKER HEALTH AND SAFETY COMMITTEES

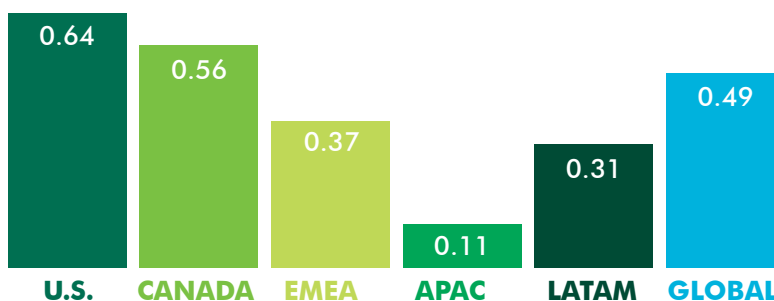
CBRE promotes the establishment of safety committees where and whenever possible. We maintain a number of safety committees globally among employees based on client accounts or who work at a CBRE office. Some of these committees may be required by regulation in certain global regions or by clients. Over 200 CBRE employees are members of the HSE Network, a group of HSE professionals, designated safety representatives and account and property managers.

## INJURY PERFORMANCE [G4-LA6]

Our rates of injury continue to show improvement even as our company is growing and we are serving clients across a broader industry base. For CBRE globally, the rate of injury (per 100 full-time workers per year) fell to a new low of 0.49, which is better than any previous year. There were no workplace fatal accidents involving CBRE employees, and the severity of injury, as measured by the number of workdays that were lost due to injury, was reduced by 24%.

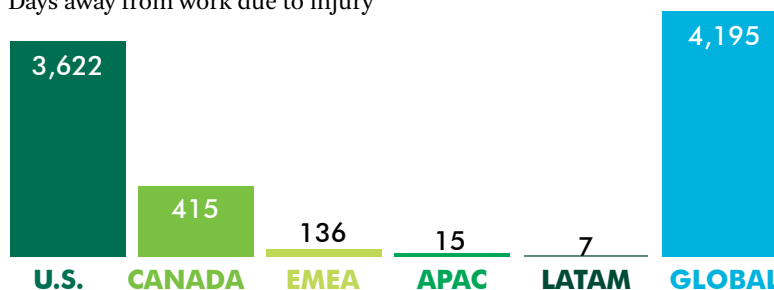
### Injury Rates (per 200,000 hours)

Injuries requiring medical attention



### Total Lost Days

Days away from work due to injury



## KEY ACCOMPLISHMENTS IN 2014

### Fleet Safety (U.S.)

2014 marked the second full year our fleet safety program was in place. The number of vehicles in the fleet and the corresponding number of drivers increased significantly since program inception. The fleet has increased by over 90% and the frequency of incidents where our driver was at fault has decreased to fewer than 0.44 incidents per 100 vehicles. Our emphasis on training in this critical function has also produced the highest number of trained fleet drivers in CBRE to date.

### Health and Safety Accreditation (EMEA)

CBRE in the EMEA region achieved its 2014 objective to have the health and safety management system certified. OHSAS 18001 certification was granted in May 2014. At the same time, and through the acquisition of Norland in the U.K., CBRE added to

this the additional certifications of the Norland health and safety program as recognized by the PAS 99 (Integrated Management System) certification that includes ISO 9001, ISO 14001, and OHSAS 18001.

### **Process Improvements**

Throughout the year, we improved the health and safety process through a number of tactical initiatives. We enhanced how we screen and select our contractors, suppliers and vendors based on their health and safety commitment, compliance and performance. We communicated our health and safety values through a new employee handbook that complements the orientation that new employees receive. We identified a number of process improvements in training and incident investigation, capturing lessons learned and addressing critical areas that have the highest hazard exposures. We have refreshed nearly all of our Health and Safety Incident Prevention Standards, and we issued a number of new standards and guidance documents to keep pace with the expanding services our company provides and industry exposures we encounter.

## **WHAT LIES AHEAD**

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Through acquisition and organic business development, CBRE has significantly expanded its health and safety process and has grown the number of health and safety professionals globally. The consolidation of these talented professionals and the blending of the combined program strengths and best practices will produce a more capable network of health and safety support for the company and our clients and will provide our employees with an even better and safer work environment and culture.

Through these synergies, our global health and safety process will be thoroughly assessed to not only find ways to improve the systems we have in place, but to identify and create new processes and programs that will produce sustainable world-class results for us while exerting a stronger and positive influence on those we serve.

To guide our effort, we have established a Health, Safety and Environment (HSE) Steering Committee that is chaired by the Global VP of HSE. This committee will involve leaders in the HSE process and will lead the development and implementation of HSE-related commitments and strategies that will improve our programs, processes and culture. The members of this steering committee will include the Chief Risk Officer, Chief Compliance Officer and select business line and geographic leaders to provide a global perspective.

We will explore new technologies and applications that will provide our employees with more immediate access to the information that will make their work planning and work execution more efficient and safer. We will source or develop solutions that will allow our building engineers and mobile technicians to have immediate access to the information they need when they need it.

We are committed to a culture of continual performance and process improvement to provide a safe and healthy workplace for all our employees.

# INSIDE ETHICS & COMPLIANCE

# INSIDE ETHICS & COMPLIANCE



CBRE continues to be the market leader in all aspects of commercial real estate services, and our Ethics and Compliance program aligns with this leadership by maintaining and supporting a culture of values that acts as the cornerstone of our business philosophy. Regardless of local or economic variances in the business environment, CBRE maintains a strong and consistent Ethics and Compliance program throughout our integrated, global platform.

CBRE's foundation is our RISE values of Respect, Integrity, Service and Excellence. Further, the company has adopted Standards of Business Conduct (SOBC) that are applicable to all employees and have been adopted as the highest policy of the Company. Available in 27 languages and approved by our Board of Directors, all employees are required to read, understand and adhere to our SOBC. It is the focal point of our culture of ethics and compliance and is essential to preserving the valuable trust placed upon us by our clients.

Our Ethics and Compliance program reinforces our commitment to achieving success in the right way. Focusing on continuous and incremental improvement, we have continued to institute our values across the globe, thereby establishing a consistent culture and minimizing the types of poor decisions that can ultimately put individual offices and the corporation-at-large at risk. This is accomplished through the execution of five general tenets of our program, including:

- Clear policies on ethical conduct and consistent procedures related to remediation;
- Regular communications and outreach from senior management focused on practical examples of how employees can identify, avoid or report inappropriate behavior in all regions of the globe;
- Proactive distance learning and employee training programs that reinforce our culture and commitment to identifying and resolving harassment, fraud, conflicts of interest, bribery, privacy, use of company resources and other material ethical issues;
- Ownership of ethics outcomes in our business units; and
- Aggressive risk identification, audit and compliance monitoring that includes a proactive country-by-country annual risk assessment process, globalized whistleblower hotline, internal investigations program and strict non-retaliation policy. [G4-56]

CBRE is proud to announce that it was selected as a 2015 World's Most Ethical Company by Ethisphere Institute. CBRE was honored with this award for a second year in a row due to its strong corporate culture focused on deep commitments to ethical leadership and corporate behavior.

## ETHICS AND COMPLIANCE INFRASTRUCTURE

For a program to be effective, have a lasting impact and be driven by a set of uniform global standards, the appropriate people and resources are critical. The Ethics and Compliance Program is led by a senior leader, the Chief Ethics and Compliance Officer (CECO), with separate, direct reporting responsibilities to the Chairperson of the Audit Committee. Each region within CBRE has a Regional Compliance Officer responsible to the CECO. Likewise, every country where CBRE operates has a staff member responsible for ethics and compliance and, therefore, reports to a Regional Compliance Officer. The number of professionals committed to the program stayed consistent in 2014 and there are no plans to reduce personnel in the future.

## POLICIES, TRAINING, AND COMMUNICATIONS

To emphasize the critical nature of ethics and compliance in day to day operations, CBRE has instituted a wide-ranging set of policies, education and communications. Examples include the following:

### SOBC Certification

For the fifth year in a row, virtually our entire employee population of more than 45,000 completed the Standards of Business Conduct Certification within a 45-day period. Through this process, each employee reaffirms his or her commitment to the RISE values, SOBC and adherence to several specific policies (e.g. harassment-prevention, anti-bribery/corruption, confidentiality, data privacy, etc.). Employees are also required to report any suspected material wrongdoing of which they might be aware.

### Tone from the Top Communications

Regular monthly and quarterly publications set the tone at the top, including “Compliance Corner” and “Ethics Examiner” circulated globally by the General Counsel, the Chief Ethics and Compliance Officer and other highly visible senior executives in the company. The communications highlight critical risks to CBRE, material employee investigations and disciplinary actions and inform employees on the wide range of systems CBRE has in place to detect wrongdoing, regardless of who is involved.

### Core Legal, Ethics, and Compliance Training

In 2014, CBRE continued to roll out training on core elements of our ethics and compliance program to all employees. We facilitated information security training in all regions, anti-corruption in high risk markets and other important topics of risk such as business gifts and gratuities, harassment, anti-money laundering and retaliation. Several areas of ethics and compliance training are also provided to all new employees to complete within 60 days of hire, including SOBC, Harassment Prevention/People and Culture Behavior, the Employee Handbook with RISE values and in targeted countries, Anti-Corruption Training.

## SEEKING ADVICE, WHISTLEBLOWER HOTLINE, INTERNAL INVESTIGATIONS AND NON-RETALIATION POLICY

CBRE continues to focus significant energy and resources on sustaining our internal avenues for inquiries, bringing forth concerns and investigating suspected unethical or illegal activities. Lead by the CECO, this infrastructure includes a worldwide anonymous reporting (if permitted by local laws) and inquiry system that is available 24 hours a day and accessible in all languages used by CBRE employees. These third-party independent systems are promoted through our corporate communications, office posters and internal training, and are easily accessible through the internet and country-specific toll-free phone numbers. The Ethics and Compliance department is independent from business operations, so questions can be posed and advice given in a nonattributable, confidential and comfortable manner. Additionally, if an allegation of serious misconduct is logged into the system by an employee or third



party, internal investigators are required to conduct a prompt, thorough and unbiased investigation consistent with internal policies. Uniformity of process and outcomes in an investigation is achieved by requiring our investigators to attend annual training and regular case peer-review meetings. [G4-57, G4-58]

The ratio of requests for advice and reports of misconduct in relation to the employee population have remained steady each year. In 2014, CBRE globally received over 500 reports through our multiple reporting systems. The types of inquiries and allegations span from simple questions about policies to serious concerns about violations and illegal activity. Coming forward in this manner means that our employees are comfortable bringing issues to the forefront and is a sign that our program is working. We believe that our success in this program is attributable to our zero-tolerance policy on retaliation and to the numerous communications and training programs that highlight this channel for reporting misconduct. The percentage of people self-identifying when reporting concerns, as opposed to remaining anonymous, has remained steady and at or above industry norms. To us, this signals that our program continues to be robust and our employees feel safe and empowered to ask questions and report misconduct.

## ANTI-CORRUPTION PROGRAMS

Regardless of our efforts in recent years to discourage and prevent inappropriate payments or gifts and gratuities to government officials, CBRE has continued to tailor and improve its anti-corruption program. Despite zero violations in 2014, Ethics and Compliance began an effort to improve monitoring processes to better identify and review potentially questionable transactions. This effort was twofold. First, a team went to countries with significant corruption risk and worked with both compliance and finance staff to improve recognition of potentially violative financial activity. Second, the company began to test the use of data analytics in its financial systems so that transaction review could be conducted on a regional or global scale. While the activity is ongoing, we believe that a full implementation of these efforts will greatly reduce corruption risk.

In previous editions of this report we have further described, in detail, our commitment to building aggressive policies, controls, audit systems and training programs to prevent violations in this area. Examples include but are not limited to:

- The Global Anti-Corruption Policy, which is translated into at least 30 languages and is applicable to all CBRE employees globally. This policy addresses all forms of inappropriate payments to government officials and other entities, including charitable donations and sponsorships intended to disguise bribery.
- A global, annual compliance risk assessment, conducted at the country level and applicable to each business in the company, which includes anti-corruption as a primary issue. The risk assessment determines the relative risk of a violation to the mitigation of the anti-corruption program and what could be done to further improve its effectiveness.
- A strong position that assists managing conflicts of interests with employees when they arise.
- Mandatory anti-corruption training programs for employees in several targeted countries of operation, including new employees within the first 60 days of employment.
- Continuous compliance communications that include bribery awareness and examples of incidents of highest risk.
- Requirements for new employees to provide a written sign-off to comply with the company's ethics and anti-corruption policies; all employee mandatory annual re-affirmations of their personal commitment to adhering to our anti-corruption policy in their daily activities.
- Quarterly review and sign-off on anti-corruption financial controls.
- Periodic audits of the country-level anti-corruption controls and activities. [G4-SO4]



## HUMAN RIGHTS

Consistent with our values and global nature, CBRE is dedicated to complying with the United Nations Universal Declaration of Human Rights and has developed and implemented a global Human Rights Compliance Program. The cornerstone of the program is our human rights policy, in which CBRE recognizes that it has a responsibility to respect human rights in its operations, to promote an appropriate example, and to make a positive global impact, which includes such important topics as combating child labor and human trafficking. We further commit to maintain a safe, secure and inclusive workplace, free from prejudice and discrimination, provide fair work hours and wages and respect the rights of employees to associate freely.

[G4-HR3]

## DATA AND CUSTOMER PRIVACY

CBRE is committed to ensuring that all personal or sensitive data within our possession or control, whether that of our employees or clients, is handled correctly throughout its entire life cycle. CBRE continues to strengthen a global, cost-effective solution that addresses commonality amongst privacy regulations and substantially addresses our requirements in this important area. In 2014, this effort included the hiring of a full time Global Data Privacy Officer who focuses on engagement with key stakeholders, development of adequate protection for personal data and mitigation of privacy risk. While CBRE continues to operate at a compliance level consistent with the Safe Harbor principles, our program has expanded beyond the European Union standards and is addressing all requirements of data privacy around the globe.

## SANCTIONS COMPLIANCE

Due to our global scope, CBRE monitors, and ensure it complies with, a multitude of sanctions programs, including comprehensive or selective constraints from the United States, European Union and other regions. CBRE comprehensively screens all new clients to ensure that we are engaging with entities that are not blocked or otherwise subject to sanctions. During the course of an internal review in 2014, CBRE identified that it had provided support for an existing client, after that client had been named on a sanctions program by both the United States and European Union. Once aware, all engagement stopped and CBRE voluntarily notified both the U.S. Office of Foreign Asset Control and Her Majesty's Treasury in the United Kingdom. An internal investigation was carried out that identified the root causes of the issue. Ultimately, both notified government agencies closed the issue without further action. To improve our activities, CBRE re-issued its sanctions procedures and guidance material to all relevant countries. We have increased our sanctions compliance program to include the screening of existing clients to ensure that this does not occur in the future. [G4-SO8]

## PUBLIC POLICY AND POLITICAL PARTICIPATION

It has long been our practice that the company generally does not lobby (or fund lobbying of) government officials, or make financial or in-kind contributions to candidates, campaigns, ballot measures, political parties or political activities of any kind in any country. While CBRE does not frequently take positions on public policy, in 2014 we continued involvement in two notable areas. First, we monitored and participated in the policy debate regarding effective solutions to climate change; particularly those that will facilitate the reduction of greenhouse gas emissions from buildings. Second, CBRE continued to provide thought leadership in support of several federal and state government agencies in the U.S. with direct applicability to the business practices of the commercial real estate industry.

In keeping with our commitment to transparency, all incidences of our participation were publicly disclosed and submitted. We anticipate our interest in participating in similar proceedings will continue in 2015, and we will maintain our commitment to participate in policy debate in a transparent, informed, respectful and responsible manner.

## SIGNIFICANT FINES AND LEGAL ACTIONS FOR NON-COMPLIANCE OR ANTI-COMPETITIVE BEHAVIOR

CBRE was not subjected to significant fines or sanctions for non-compliance with the law in any country. No claims of anti-competitive behavior were filed against the company in 2014. [G4-SO7]

## WHAT LIES AHEAD

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In 2015, we will continue to develop and improve upon our Anti-Corruption Program, which includes testing and developing cutting edge program areas such as data analytics and effective country and business-level monitoring activities.

We will expand the scope and breadth of our enterprise Data Privacy Program. This includes bolstering our organizational governance, developing key policies and a data privacy charter, organizing an executive committee and identifying the metadata about personal information collected and maintained by CBRE. These efforts will further assist in our adherence to the multiple types of data privacy regulations throughout the globe.

We will continue to facilitate all annual Ethics and Compliance activities which include the Standards of Business Conduct certifications, global communications and trainings, legal and compliance risk assessments and investigations in every country in which we do business.

CBRE invites the cooperation and feedback of all of our stakeholders in continually improving our Ethics and Compliance program. Our Ethics Helpline is available to all stakeholders 24/7.

# INSIDE GOVERNANCE

# INSIDE GOVERNANCE



A business governed by a strictly transactional mindset will realize only short-term and irregular success. At CBRE, we believe that we have held our industry-leading position over the long-run because our clients recognize and appreciate our rigorous governance practices and the ethical principles permeating all aspects of our global operations.

## MISSION, VALUES, PRINCIPLES AND CODES OF CONDUCT

CBRE has established a mission and corporate values that, together with our governance structure and ethical practices, allow us to effectively serve our clients, shareholders and employees with integrity. The guidelines for ethical behavior in our business operations are outlined in our Standards of Business Conduct (SOBC), which include policies and codes related to appropriate behavior and good governance. Every new employee is given a copy of the SOBC, and the document is posted electronically to our intranet and public website and is available in numerous languages.

We have also adopted:

- A comprehensive Code of Ethics for Senior Financial Officers that is intended to promote honest and ethical conduct and compliance with applicable laws, particularly as related to the company's financial record-keeping and the preparation of financial statements.
- A global Anti-Corruption Policy to help avoid violations of the U.S. Foreign Corrupt Practices Act and similar non-U.S. laws. Our non-U.S. employees receive a copy of this policy, which is also posted electronically to our intranet and public website.
- A rigorous Whistleblower Policy and anonymous reporting system for our employees, vendors, consultants and other third parties to report suspected wrongdoing, with every report subject to investigation.
- A compensation clawback policy applicable to our current and former executive officers. This policy requires disgorgement of certain incentive compensation received by those officers in the event of a restatement of the Company's financial results in certain circumstances.

## OVERVIEW & STRUCTURE

### Board of Directors [G4-34]

CBRE has a 10-member Board of Directors, nine of whom our Board deems independent, and the tenth is our President and Chief Executive Officer, Robert E. Sulentic. This independence level exceeds the majority standard established by our Corporate Governance Guidelines and the listing standards of the New York Stock Exchange (NYSE). Under NYSE listing standards, no director qualifies as "independent" unless the Board affirmatively determines that the director has no material relationship with CBRE or any of its subsidiaries. We have also separated the roles of Chief Executive Officer and Chair of the Board since 2001 in recognition

of the differences between the two roles. Our Board Chair, who is independent of management, provides oversight and guidance to the Chief Executive Officer. The Chair is also responsible for, among other things, establishing the agendas for, and conducting, Board meetings.

Board candidates are selected on the basis of outstanding achievement in their professional careers, experience, personal and professional integrity, their ability to make independent and analytical inquiries, financial literacy, mature judgment, high performance standards, familiarity with our business and industry, and an ability to work collegially. In addition, our Board is interested in adding candidates who are acting operating executives (particularly chief executives of large public companies), or who have a strong technology background, and in all cases, a passion for building a transformative business on a global basis. Other factors include having members with international experience, including knowledge of emerging markets and/or management of business operations and resources that are dispersed across a global platform, as well as various and relevant career experience and technical skills, and having a Board that is, as a whole, diverse, including in respect of gender and ethnic diversity. As of September 2015, our board consisted of 9 men and 1 woman. [G4-LA12]

Our Board is assisted by its committees: the Audit and Finance (Audit), Compensation, Corporate Governance and Nominating (Governance), and Executive Committees. The Audit, Compensation and Governance committees are considered key governance committees, and each member is independent under the standards and guidelines referenced above, as well as in the case of our Audit Committee, under relevant rules of the U.S. Securities and Exchange Commission (SEC). At least one member of the Board serving on the Audit Committee should have the qualifications and skills necessary to be considered an "Audit Committee Financial Expert" under relevant SEC rules, and we have determined that all of our current Audit Committee members qualify as "Audit Committee Financial Experts." Each year, our Board and its key governance committees conduct annual performance self-assessments with the purpose of increasing the effectiveness of the Board and its committees. More information on the roles of our Board and Board committees can be found in the Investor Relations section of our website and in our annual proxy statements filed with the SEC.

The Board plays an active role, as a whole and also at the committee level, in overseeing our risk management. The Board engages with management to ensure that the Board understands the material risks associated with our strategy and operations, including business segment, reputational, credit, liquidity and compensation issues. The Board also looks to its key governance committees to identify, report on and manage and oversee risks relevant to their areas of competency. Our Board's Compensation Committee is responsible for overseeing the management of risks relating to our compensation plans and arrangements. The Board's Audit Committee oversees management of risks related to our financial reports and record-keeping and potential conflicts of interest, as well as risks associated with our strategy and operations generally. The Governance Committee manages risks associated with the independence and corporate governance practices of the Board of Directors and the composition of our Board and its committees. The Board also receives regular reports from our internal Executive Risk Committee (ERC) (further discussed below) as to key risks for our company, as well as reports from our General Counsel regarding litigation, corporate governance and compliance matters. Through Board committee and management reports, the Board determines whether management is adequately focused on identifying and managing risks, and assesses the Board's own oversight of risks associated with its governance and delegation decisions.

Our Board retains responsibility for the corporate responsibility initiatives outlined in this report. One of our Board directors serves as a Board liaison to management for corporate responsibility matters, providing visibility to the Board in respect of our activities in this area, and we believe that this reflects the value that we and our Board

place on corporate responsibility. That Board director sits on our Global Corporate Responsibility Steering Committee, a management-level task force that has been set up to advance our corporate responsibility goals, and periodically updates the Board on the progress being made.

### **Executive Management**

CBRE employs executives who share our vision of sustainable performance and our corporate RISE (Respect, Integrity, Service and Excellence) values. Aligning our executives' short-term goals and long-term vision with those of our shareholders is a top priority. To achieve that goal, we reward executives for annual and long-term business performance, based on global, regional and/or line-of-business financial performance, as well as performance against non-financial strategic measures. We use strategic measures as an element of compensation in order to focus executive officer performance on the quality of earnings and positioning of our business for the future rather than near-term financial strategies. Our executive compensation programs are more fully described in our annual proxy statements, which can be found in the Investor Relations section of our website.

### **Managing Conflicts of Interest**

CBRE is the largest commercial real estate services and investment firm in the world (based on 2014 revenue). As a result, given the breadth of our business and diversity of clients, there may be times when potential conflicts of interest arise. Through the firm's policies, employee education and oversight efforts, we proactively manage such conflicts in full accordance with the law, our Standards of Business Conduct and our RISE values. We have implemented a comprehensive global conflicts-of-interest framework that guides our employees through conflict issues that may come up in their business activities. This framework evidences our commitment to put our clients first by conducting our business with the highest ethical standards and in compliance with all of our legal and regulatory obligations.

Our directors and executives must report to us any potential material conflicts of interest or corporate opportunities that they wish to undertake, prior to undertaking the transaction. When such a potential conflict of interest or corporate opportunity situation arises, it is reviewed and then approved or rejected by our Audit Committee. Our Policy Regarding Related Party Transactions and Corporate Opportunities can be found in the Investor Relations section of our website. Our [Managing Conflicts of Interest](#) document is also available on our website. For more information on our conflict management system at the employee level, see the Ethics & Compliance section of this report.

### **Enterprise Risk Management**

We have adopted an Enterprise Risk Management (ERM) process to identify, assess, respond to and monitor significant strategic, operational, financial and legal and compliance risks to our organization. Annually, senior leaders across the organization are interviewed by our Chief Risk Officer and/or head of our Internal Audit department regarding these risks based on a standard Business Risk Inventory developed and maintained by our Global Risk Management group. These items, which are developed in consultation with both internal and external resources, are then "risk mapped," and our ERC assesses them against commonly accepted prioritization criteria (i.e., magnitude of impact, likelihood of occurrence, etc.). The ERC reports to our Chief Executive Officer and consists of our Deputy Chief Financial Officer, Chief Information Officer, Chief Operating Officer, Chief Administrative Officer, General Counsel, Chief Risk Officer and Senior Vice President–Global Strategy. In addition, our Chief Ethics and Compliance Officer and Head of Internal Audit attend ERC meetings. For the most significant risks, "risk owners" are assigned and are responsible for implementing CBRE's risk analysis, response and reporting tools. Quarterly updates for each of these significant risks are provided to the ERC. We believe that this process is a best practice and enhances our ability to identify and

manage risk for our company. [G4-14]

In addition, as part of the ERM process, we have a policy to address when and how our formal risk management process and ERC should be triggered for new, expanded or challenged business opportunities or significant transactions. Under the policy, certain events and business activities trigger the escalation of risk information to the ERC so that it may take appropriate action (e.g., risk mitigation, further diligence and enhanced management approvals). For example, this policy would be triggered if the Company were exploring a new line of business or operations in new and higher risk geographies.

### **Governance Metrics and Stakeholder Engagement**

CBRE seeks a high level of transparency in its public disclosures and strives to demonstrate a strong standard of governance relative to our industry. ISS, a major institutional proxy advisor, rates public companies on their corporate governance practices. The ISS ranking format (called ISS Quickscore 2.0) uses an overall scale of 1 to 10 (with higher risk associated with higher numbers), based on sub-component scores in the following categories: Board Structure, Audit, Compensation and Shareholder Rights. We earned an overall score of 3 as of September 2015, which is above average relative to our ISS-designated peers. We believe that this ranking reflects our continued emphasis on strong governance practices. When formulating governance policies, the Board monitors the analysis of ISS, given its role as a prominent governance-activist advisor to numerous institutional shareholder interests, as well as other shareholder advisory firms and our significant shareholders.

CBRE has not implemented a formalized process for systematically gathering the views of outside stakeholders on governance matters. However, in addition to consideration of the ISS ratings noted above, we regularly engage in dialogue with current and potential investors, creditors, clients, peer companies and other stakeholders to gather feedback regarding our governance practices and other issues of importance to these constituents. For example, our Chief Financial Officer and Deputy Chief Financial Officer meet with various institutional investors to discuss our financial performance and any concerns that these investors would like to address. We have found this to be a meaningful method to address issues of immediate concern to our investors as well as more generalized feedback from these and other shareholders. In addition, ongoing dialogue with our shareholders relative to their specific policy interests is an important manner in which we calibrate our values and activities.

We also regularly solicit input from our employees on how we can improve company communications and learn more about types of communications that they prefer. We periodically conduct surveys of our employees on work conditions, overall health and well-being and job satisfaction. Except for Works Councils in certain European countries, we generally do not have organized employee councils. We encourage our employees to communicate directly with management, and our employees are given multiple avenues to do so without fear of retaliation, including by filing anonymous reports through the CBRE Ethics HelpLine, which is managed by an independent third-party provider.

We believe that our shareholders are very satisfied with the performance of our Board in governing our company. All standing directors have been re-elected each year since 2007 by at least 93.0% of votes cast from shareholders present and entitled to vote at our annual shareholder meetings. In addition, our shareholders are given an advisory opportunity each year to indicate their approval or disapproval of our named executive officer compensation, and at our annual shareholders meeting in May 2015, 96.3% of shareholder votes cast were in favor of that compensation.

Shareholders, employees and other interested stakeholders with concerns or recommendations regarding our governance are encouraged to contact our Board or any of its committees. Information on how to contact our directors is provided in our annual proxy statements, which can be found in the Investor Relations section of our website.

## WHAT LIES AHEAD

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In 2015, we will expand our efforts to develop a more comprehensive stakeholder engagement program. We are seeking ways to work through business lines and shared staff globally to provide strategic, coordinated engagement with shareholders, employees, labor groups, trade organizations, NGOs, advocacy groups and others to ensure we are considering their concerns and issues appropriately. In a company with CBRE's scale and complexity, a careful approach to this process is critical, and we will continue to report on progress in the coming years.

CBRE has flourished by attempting to adhere to the highest ethical standards and to reinforce those standards across our business. We intend to continue this path while remaining open to ways in which we can refine and improve our policies and practices. We know that our industry leadership can only be maintained by keeping our corporate RISE values—respect, integrity, service and excellence—at the heart of our governance practices.



# INSIDE PROCUREMENT

# INSIDE PROCUREMENT



Procurement and supply chain management have become one of the most relevant topics in corporate responsibility, with a growing understanding that its impacts can be felt in a number of ways across a company. It affects a company's environmental outcomes, ethics and labor practices, and can provide positive economic benefits for communities that have been historically under-represented in business participation. Companies are increasingly judged and publicly held accountable for those who act in their name. Brand and reputation are at risk, as actions by suppliers can reflect either poorly or positively on the companies that hire them. Additionally, firms are increasingly asking their suppliers to increase transparency and help improve their supply chain management through mechanisms such as the CDP climate change supply chain information request. More than ever, organizations understand that their purchasing power and procurement practices can positively impact the way products are designed, manufactured and sold. With an annual global spend of over \$40 billion representing what we contract for ourselves and our clients from suppliers of good and services, CBRE recognizes the opportunity to influence suppliers on a large scale, while also mitigating supply chain risks.

CBRE works with more than 35,000 direct and indirect suppliers throughout the world and expects them to conduct their operations in an environmentally sustainable and socially responsible manner. At the same time, we have the opportunity to use our multi-billion dollar global supply chain to promote sustainable business practices and support local businesses around the world. The magnitude of the impact of our supply chain far exceeds our own sustainability impact as a firm.

For all of these reasons, we've formally elevated Procurement to be a pillar of our corporate responsibility program.

Key initiatives to meet these goals are currently underway:

- Update our standard supplier contract language to reflect industry-accepted practices and principles for environmental, social and governance (ESG) performance
- Adopt the United Nations Supplier Code of Conduct
- Seek to incorporate sustainable supply chain management and principles of environmental, social and governance for supplier performance into the corporate procurement policy
- Seek to embed ESG factors into our purchasing decision criteria and supplier relationship management processes.

Previously, procurement and supply chain management practices have primarily focused on due diligence efforts that concentrate on capabilities, validation and financial stability assessments for risk mitigation. Contracts include standard clauses that specify supplier responsibility for complying with anti-corruption regulations and providing equal employment opportunities and advancing our interests in sustainability practices and reporting. CBRE currently has reporting and auditing requirements written into key corporate supplier contracts, allowing us to collect certain environmental and workplace data with limited auditing rights.



## DIVERSITY

Supplier diversity is an integral component of sustainable supply chain management. A diverse supply chain exposes companies to new perspectives, skills and ideas that enhance business success. Diverse businesses play a vital role in delivering the services, value and innovation necessary to serve our customers, employees and communities. CBRE is committed to an inclusive environment that:

- Reflects the clients we serve
- Provides everyone with the opportunity to succeed
- Values the differences of each individual
- Recognizes their contributions to our firm's success

Our corporate procurement organization has participated in CBRE's Diversity and Inclusion Council to review our current program and opportunities to develop strategic plans and milestones to enhance our program.

In 2014, we began building relationships and taking steps to improve supplier diversity. We allocated funding and dedicated staff for supplier management and diversity. We modified our existing Global Corporate Services (GCS) prequalification supplier portal to track corporate related service providers. We are a corporate member of the National Minority Supplier Diversity Council (NMDSC) and attended the annual NMSDC summit. We also joined the Women's Business Enterprise National Council (WBENC) as a corporate member.

## IMPACTS

In 2014, over 500 contracts were executed by CBRE Corporate Sourcing and Procurement. These contracts included services and materials spanning everything from accounting services to benefits, legal, construction, facility maintenance, information technology and communications, consulting, travel, vehicles, security, safety and real estate services. It also included document destruction, equipment recycling and furniture. Many of these contracts were global, multi-national or cross-business in scope and leveraged CBRE's scale. The CBRE Corporate Sourcing and Procurement team worked with Global Shared Services leaders and lines of business on many regionally relevant solutions to enhance our corporate citizenship contributions, including Workplace 360, responsible recycling and disposal of IT equipment, digital marketing, managed print, environmentally sustainable office products and furniture, energy efficient IT equipment, cloud data storage, audio conferencing and airline travel.

### Office Supplies

Our U.S. operations office supply purchases of 241,000 pounds with a post-consumer recycled content of 93,000 pounds during the year contributing to a positive environmental impact equivalent of:



**475,711** gallons of water saved



**793** trees saved



**20** homes powering for the year



**793,238,989** total energy saved

### Electronic Waste Recycling

In adherence with strict IT policies, we contract with a global supplier for the responsible removal and recycling of all employee computer hardware equipment. During 2014, a total of 5,136 units were recycled and 5,289 units reused. This had a total positive environmental impact equivalent of:



**3,180** homes powered for one year



**419** cars removed from the road for one year

### Paperless Office

As we transition our corporate offices to a paperless environment, certain legal files and documents are required to be maintained in offsite storage with our vendor partner, Iron Mountain. During 2014, 282,728 tons of paper were securely shredded and recycled in the US with the environmental impact equivalent of:



**409,390** pounds of CO<sub>2</sub> emissions avoided = **39** cars off the road per year



**1,413** cubic yards of landfill space conserved



**7,749,857** gallons of water saved = **848** pools full of water saved



**638,965** kWh of electricity saved = **1,696** years of energy demand for a laptop



**4,744** trees preserved

# WHAT LIES AHEAD

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CBRE is committed to promoting equal opportunities to all its employees, customers and supply chain partners to enhance our capabilities. In 2015, we are taking a number of steps to better understand our supply chain and engage with organizations that can help us improve our supplier diversity. We are analyzing our corporate procurement in order to develop a supplier diversity baseline. We plan to continue including supplier diversity criteria as a standard part of our RFPs. We look forward to continuing our relationships with the NMDSC and WBENC as well as evaluate engagement with other diversity advocacy organizations.

As requirements continue to grow for transparency in the supply chain, with an enhanced emphasis on protecting human rights, the need to perform close working relationships with suppliers and to also be familiar with practices of their supply chain partners is increasingly important. With an estimated 38.5 million people from 167 countries involved in modern slavery today, the U.K. recently passed the Modern Day Slavery Act legislation set against the UN Business and Human Rights Principles. This will require businesses to issue a formal statement on an annual basis to disclose the steps taken to manage procurement contracts and ensure their supply chains are free from slavery and human trafficking. We will work with our U.K. procurement staff to ensure our practices comply with all requirements.

We are assessing various web-based solutions that will allow us to improve our procurement management and reduce supply chain risk around a variety of categories including environmental impact, diversity, health and safety practices and compliance with human rights. We anticipate implementing a program in 2016.

# INSIDE CBRE GLOBAL INVESTORS

# INSIDE CBRE GLOBAL INVESTORS



Responsible environmental, social and governance (ESG) practices are fundamental to CBRE Global Investors' business strategy, investor clients, tenants and other key stakeholders in the communities in which we operate and invest. Because we believe that positive ESG practices can enhance returns and preserve value for our investors, we not only observe our parent company's ESG policies but also have developed a complementary ESG program to incorporate these considerations throughout the investment process.

## ENVIRONMENTAL RESPONSIBILITY

At CBRE Global Investors, a specific emphasis is placed on environmental sustainability and improving the environmental footprint of each asset under management. With buildings generating over 40% of the emissions of CO<sub>2</sub>, we recognize that we can make a tangible impact on improving energy efficiency, reducing greenhouse gas emissions and slowing climate change. Therefore, we require investment teams to evaluate opportunities for green improvements for each asset prior to acquisition and to track efficiency during the hold period with clear guidelines that we implement across our global investment programs at all stages, starting with the acquisitions due diligence process and continuing throughout our asset management activities. We routinely engage third-party consultants to evaluate the physical and environmental characteristics of potential investments in order to identify opportunities for improvements that would reduce a property's environmental impact.

Each team considers these findings when defining the investment strategy and capital expenditure program for a property, including location, energy savings, building environmental characteristics (orientation, facades, landscape, etc.), presence of harmful materials or contamination, access to public transportation, and environmental characteristics impacting tenants (luminosity, olfactory comfort, etc.) as well as other sustainability factors relevant for the investment case.

As an example, the U.K. Separate Accounts team is undertaking a three-year energy efficiency project to reduce the risk of obsolescence and be in compliance with the Energy Act 2011 by achieving a minimum Energy Performance Certificate (EPC) rating of "E" where possible across 26 portfolios. Going beyond the requirements of the act, though, the team carefully assesses proposed acquisitions of properties with an EPC rating of "E" or lower to determine the cost of improving them to a "D" rating or better, coupled with establishing tenant demand for buildings with sustainability ratings (such as LEED, SKA and BREEAM). Where such demand exists, the costs and benefits are built into business plans and reported to the Investment Committee. We will not reject a purchase on the grounds of poor energy performance if we see an opportunity to deliver tangible sustainable benefits and enhanced returns through improvement.

Additionally, one U.K. Separate Account portfolio is undergoing a pilot Solar Photovoltaic (PV) Feasibility Study with the intent to expand across all portfolios if it is successful. Planning is underway to install solar PV on three shortlisted sites within the portfolio by Q3 2015.

Another example is the analysis conducted by the CBRE Retail Property Fund Ibérica (RPFI), which included examining facilities and lease contracts for compliance with the applicable regulations and rental agreements regarding radiation levels and measurement of the radiation levels to determine whether there are harmful health risks for customers and neighbors of the malls in the portfolio. All RPFI shopping centers comply with the urban regulations, and the levels of radiation emissions are much lower than the limit established by the European legislation.

CBRE Global Investors' eco-responsible philosophy promotes transparency and disclosure on environmental issues, while recognizing that business requirements vary across regions and investment programs. We, therefore, customize the sustainable acquisition and operations approach to a given investment strategy, the specific building and tenants' needs. The process results in a comprehensive mindset of efficient green solutions, some developed internally and some with key partners, advisors and service providers, for each part of the investment cycle.

Throughout 2014, CBRE Global Investors worked with the EURO Institute of Real Estate Management on the development of the CBRE Green Alpha Index as part of CBRE's Real Green Research Challenge. This comprehensive economic analysis tool measures the value implications of green building practices on large institutional real estate portfolios. The index shall indicate where enhanced sustainability management impacts enhanced financial performance and the performance gaps of an asset in a portfolio relative to its peers. With this analysis, managers shall effectively focus their resources on the most viable opportunities for the sustainable management of each individual asset.

Over the past few years we have advanced our green initiative through such activities as annual inclusion in CBRE's Corporate Responsibility Report, which complies with the Global Reporting Initiative and demonstrates our commitment to the UN Global Compact Principles, as well as increased participation in the annual GRESB Survey.

Currently GRESB is the leading benchmark being used and against which we are measured. For 2014 this important program continued to be a priority with 28 of our direct funds participating, representing \$23 billion in assets under management. Additionally, CBRE Clarion Securities and CBRE Global Investment Partners (GIP) use GRESB as an effective independent benchmarking tool to assess the sustainability of their investments.

In 2014, CBRE Clarion targeted the largest listed property companies by market capitalization that did not participate in the 2013 GRESB survey and encouraged them to participate. Contacts were made with 28 companies, and a number of these companies participated for the first time in the GRESB survey. As of the end of 2014, there were 156 listed property companies participating in the GRESB survey, comprising over 50% of the market capitalization of CBRE Clarion's investment index.

Similarly GIP actively engages with local operating partners to ensure they have the policies, systems and expertise needed to integrate environmental considerations into their investment decisions and ownership activities. As a result, 112 of the funds in which GIP invests, or 58.6%, participated in the GRESB survey in 2014, and participation is a requirement for all new GIP investments.

Our 2014 GRESB results included the following:

- Our overall score increased by 10%.
- Half the funds that participated in 2014 improved their global ranking and overall score compared to 2013.
- The CBRE Dutch Retail Fund, CBRE Dutch Office Fund and CBRE Dutch Residential Fund were ranked first in their respective peer groups, and the latter two held their positions as the overall "Sector Leader Europe" for the second year.



## CERTIFICATIONS

40

LEED

44

ENERGY STAR RATED

26

BOMA 360

75

BREEAM

5

DGNB

20

GREEN RATING

2

HQE

18

ISO 14001

293

OTHER

[CRE8]

- The CBRE Dutch Office Fund, CBRE Dutch Residential Fund, CBRE Dutch Retail Fund and CBRE Retail Property Fund Ibérica were awarded Green Stars for the third consecutive year.
- The CBRE Strategic Partners U.S. Value 5 Fund was awarded a Green Star for the second consecutive year.
- For the first year, a Green Star was awarded to the CBRE Iberian Value Added Fund and to the CBRE Retail Property Partnership Southern Europe Fund.

Currently we have almost 400 properties totaling more than 62 million square feet with over 500 environmental certifications across the globe.

Other green building achievements included:

- Two pooled funds, the CBRE Property Fund Central Europe and the CBRE Property Fund Central and Eastern Europe became our first green property funds in the Central and Eastern Europe (CEE) region, with more than 80% of the properties earning a BREEAM In-Use certification.
- 86% of the Strategic Partners U.S. portfolio is LEED-certified, and the majority of properties are ENERGY STAR rated.
- The CBRE Iberian Value Added Fund reduced energy consumption by 13% and water consumption by 25% over the previous year.
- State Tower Namsan, a Grade A office building in Korea, achieved LEED Gold status.
- Mermoz Le Bourget, an office building in the Ile de France region, was our first building in France to have two certifications (HQE and BREEAM) as well as green leases signed.
- Leinen-Laatzten, a shopping center in Germany, achieved “Excellence,” the highest BREEAM In-Use score for sustainable management performance achieved so far in Germany.
- The CBRE Dutch Retail Fund maintained an A- average energy label for the total portfolio and decreased energy usage by almost 9%. The fund also closed 193 green leases.
- 100% of the assets in several European portfolios have at least one environmental certification.
- 80% of the portfolio of one of our U.S. separate account clients is LEED-certified, while 95% of that portfolio is ENERGY STAR rated.
- The CBRE Dutch Residential Fund improved its Energy index to 1.43 from 1.48 in 2013 and decreased electricity usage by 7% and gas usage by 26% on a like-for-like basis from the previous year.
- Kowloon Commerce Centre in Hong Kong achieved LEED Gold pre-qualified.
- The CBRE Retail Property Fund Ibérica reduced energy consumption by 2% and water consumption by 3% over the previous year.
- Amadeus, an office building in Milan, Italy, achieved LEED Gold status.
- The average energy label of the total CBRE Dutch Office Fund portfolio improved to an average EPC label B.

To further support sustainability at our assets, we distribute our Global Sustainability Policy to vendors and will eventually include provisions in third-party contracts for the implementation and reporting of sustainability factors. Property management agreements now include sustainability clauses, and property managers are being compared on various “green” key performance indicators to reward the most sustainable property managers. Investment teams are expected to monitor and measure green performance and provide incentives for outstanding improvements. CBRE Global Investors has commitments to the following organizations to help promote acceptance and implementation of sustainable practices:

- United Nations Principles for Responsible Investment
- Institutional Investors Group on Climate Change
- Sustainable Building Alliance
- Green Rating Alliance

- International Sustainability Alliance
- Urban Land Institute
- Global Real Estate Sustainability Benchmark
- Sustainable Investment in Real Estate
- Building Owners and Managers' Association
- U.S. Green Building Council
- Dutch Green Building Council (including the BREEAM-in-Use Advisory Council)
- Association of Dutch Investors in Real Estate Sustainability Taskforce
- ICSC European Sustainability Taskforce

We are proactive in collaborating with other industry colleagues through these organizations and in highlighting our partnerships in company marketing materials, industry publications and conferences to further advance environmental and social activities.

CBRE Global Investors' Global Green Team is now in its third year of operation and is tasked with harnessing best practices in environmental sustainability, enhancing knowledge sharing, and expanding our sustainable investment approach worldwide. The team is led by Pieter Hendrikse, CEO EMEA and former chairman of the Green Rating Alliance, and includes representatives from various functional teams across each region in which the company invests. These representatives are responsible for monitoring the market, sharing solutions and looking for tomorrow's innovations.

Beyond environmental sustainability, we have expanded our focus to the broader issues of ESG and the role of our buildings in society.

## SOCIAL RESPONSIBILITY

Social responsibility practices are essential to our business strategy as we seek to invest with responsibility and integrity. Among CBRE Global Investors' keystones are reliability and the relentless pursuit of performance, integrity and value on behalf of our investors. Additionally all employees are expected to deliver this culture of performance by adhering to our corporate values of respect, integrity, service and excellence (RISE). Our objective is to create and sustain a work environment defined by collaboration, communication, diversity, training and development.

As part of our social responsibility, CBRE Global Investors and its employees around the world contribute time and resources to a wide range of philanthropic organizations and initiatives. In 2014, efforts included:

- Employees in Los Angeles and the CBRE Clarion Securities office in Radnor raised money to benefit Habitat for Humanity; employees in Los Angeles also helped with the construction of a home.
- Employees in the Schiphol office helped a colleague raise money for WereldOuders, a Dutch charity that helps house homeless children in Latin America, by sponsoring his nine-day cycle through Nicaragua.
- The Hong Kong office participated in Barclays Moontrekker 2014 to raise money for children's education and literacy in various projects around Southeast Asia and Sri Lanka.
- The Frankfurt office hosted a Santa Claus Party for a local children's day care center, Arche Frankfurt. Kids participated in arts and crafts, baking cookies and a treasure hunt, and the team bought books for the center.
- The Paris office helped the Red Cross renovate a center for homeless people in the Paris suburb of Satory; helped La Ferme du Piqueur, an educational farm in Saint-Cloud, with renovations and garden work; worked with UNICEF to spend a craft day with children with mental disabilities making rag dolls with and for the children; and made a donation to UNICEF.
- The Central & Eastern European team spent a day in the Sumava National Park in the Czech Republic planting trees to help with the sustainability of the forest, which is a UNESCO Biosphere Reserve. The team planted over 100 trees and donated funds to the National Park to buy tree seedlings.

- Employees at CBRE Clarion Securities are involved in numerous community organizations with a few key programs including Bethesda Project, which benefits Philadelphia's homeless men, women and children; the Children's Hospital of Philadelphia - Hope for Abigail; St. Christopher's Hospital for Children.
- A group from the UK business spent a "forest day" with children from underprivileged and difficult backgrounds as part of a volunteering day.
- Employees in Los Angeles made birthdays brighter for more than 30 homeless children in a nearby homeless shelter by delivering personalized cakes on their special day.

## GOVERNANCE

CBRE Global Investors' corporate and investment operations are overseen by our firm's Global Executive Committee, Global Investment Committee, Regional Risk Committees and Regional Investment Committees. These committees work together to ensure the proper execution of our investment strategies, to consistently apply investment management processes at the global and regional levels, and to ensure compliance with the regulatory requirements in each region in which we invest.

To ensure high standards of transparency for our stakeholders, CBRE Global Investors discloses ESG performance by:

- Participating in the annual GRESB survey.
- Disclosing overall ESG performance through CBRE's annual sustainability report, in RFPs, questionnaires and consultant databases.
- At semi-annual and annual meetings and also at client meetings, the fund/client teams update the decision-makers on the main ESG achievements of the funds or accounts, including performance and targets.

CBRE Clarion treats proxy voting as a fundamental responsibility of shareholders - one which can work to affect positive management behavior over time and therefore ultimately contribute to generating economic value to shareholders of listed property companies. CBRE Clarion generally votes in accordance with specified guidelines, which have been developed by the senior portfolio management team, reflecting our preference for a corporate governance structure that is responsive to company stakeholders. Assets over which CBRE Clarion may exercise proxy voting authority include shares of 293 listed property companies. In 2014, we exercised our voting rights on over 97% of ballot proposals.

# INSIDE TRAMMELL CROW COMPANY

# INSIDE TRAMMELL CROW COMPANY

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Trammell Crow Company (TCC) recognizes that prudent environmental stewardship is a fundamental social and ethical corporate responsibility. As a leader in commercial real estate development and investment, TCC incorporates sustainability guidelines and practices into its projects across all product types and has formally established a sustainability initiative, making environmental stewardship integral to our brand.

Today, we have completed 20 million square feet of LEED certified/sustainable projects across a broad spectrum of products and geographies. TCC is currently working on or actively pursuing nearly 25 million square feet of projects targeted for LEED certification or with significant sustainable design considerations.

Knowledge leadership is central to our brand and business model. We pursue environmentally responsible building solutions because they generate long-term economic benefits for our financial partners and the objectives of our tenants, employees and the communities in which we live.

TCC is committed to the continued expansion of its expertise in environmental sustainability, by making it an important part of the commercial real estate development and investment business and ensuring that our clients and financial partners have access to TCC's best practices in sustainable planning, design and construction for each project. Our goal is to build value with comprehensive, integrated building solutions that are attentive to the environment, the health of the occupants, and the needs of our investors.

Trammell Crow Company, founded in 1948, is one of the nation's leading developers and investors in commercial real estate. The Company has developed or acquired nearly 2,600 buildings valued at nearly \$60 billion, comprising more than 540 million square feet. TCC is dedicated to building value for its clients with teams of professionals located in 16 major cities throughout the United States.

The company serves users of, and investors in: office, industrial, retail, healthcare, multi-family residential and mixed-use projects. For those who occupy real estate, TCC can execute the development or acquisition of facilities tailored to meet its clients' needs. For investor clients, the Company offers large strategic joint ventures, opportunity funds and other targeted investment options.

TCC's knowledge leadership in new development directly complements CBRE's initiatives to advance the performance of existing buildings in the built environment. As a commercial developer on the cutting edge of new technologies, we bring direct insight into how the design and use of commercial buildings can dramatically reduce impacts on the environment as compared to past designs and practices. As an industry leader, it is our responsibility to inform clients of our best practices gleaned from experience, the options available to them, and the benefits gained through intelligent and sustainable building design practices. Our employees share the same passion: to insure an improved quality of life in our communities for generations to come.

TCC is proactively responding to the need of addressing climate change and meeting client and investor demands for sustainable development. We continue our drive to be the industry leader in environmental best practices through state-of-the-art design and construction, active engagement with suppliers, and benchmarking our performance.

Central to our business strategy is leveraging our knowledge base and advancing the skills sets and education of our employees. We have in place:

- A national task force comprised of senior development managers representing and supporting the market area of each group president
- Management reporting and tracking via our in-house information platform providing a comprehensive database of the scope and scale of our sustainable projects
- Continuing education of our employees
- Initiatives to document best practices to further leverage our knowledge base
- Representation on CBRE's Global Corporate Responsibility Steering Committee, ensuring we leverage our collective company knowledge leadership

Our values and commitments are expressed in the following ways:

### **Environmental Responsibility**

- Respect and preserve the environment
- Conserve energy, water and non-renewable natural resources
- Create healthy indoor environments

### **Economic Performance**

- Limit development burden on the environment
- Develop and promote sustainable buildings and practices
- Contribute to social, economic and physical benefits of our clients, partners, tenants and communities

### **Environmental Benefits**

- Enhance and protect ecosystems and biodiversity
- Improve air and water quality
- Reduce solid waste
- Conserve natural resources

### **Tenant Benefits**

- Increase employee productivity
- Improve employee satisfaction

### **Environmental Benefits**

- Reduce operating costs
- Enhance asset value and profits
- Optimize life-cycle economic performance

### **Health And Community Benefits**

- Improve thermal and acoustic environments
- Enhance occupant comfort and health
- Minimize strain on local infrastructure
- Contribute to quality of life

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Trammell Crow Company believes green buildings make more efficient use of various resources, including energy, water and materials, while reducing the impacts on human health and the environment. Choosing the best approach to achieving these efficiencies, such as optimal site selection, design, construction, operation, maintenance and removal, will help create value for our clients.

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**Continuing Education**

TCC's commitment to knowledge leadership in sustainable design and development is core to our principles, responsibilities and brand. The growth of our pipeline alongside the recovering economy underscores our need to supply training to grow our capabilities, prioritized at the forefront of our strategic focus, to best serve our clients and investors and maintain TCC's commitment to our employees. The company currently has 35 LEED Accredited Professionals, and we encourage our green building professionals to maintain and advance their knowledge/expertise through continuing education.

**KEY LEED CERTIFIED DEVELOPMENTS**

<b>PROJECT</b>	<b>LOCATION</b>	<b>LEED</b>	<b>TYPE</b>	<b>SF</b>
ENERGY CENTER THREE, FOUR & FIVE	HOUSTON	GOLD	OFFICE	1,670,710
35-EAGLE	DALLAS-FORT WORTH	CERTIFIED	INDUSTRIAL	1,590,374
I-215 LOGISTICS CENTER	NEWPORT BEACH	SILVER	INDUSTRIAL	1,254,620
KNOX LOGISTICS CENTER	NEWPORT BEACH	CERTIFIED	INDUSTRIAL	1,070,526
FMC TECHNOLOGIES CAMPUS	HOUSTON	GOLD	INDUSTRIAL	1,009,476
BRICKYARD COMMERCE CENTER	LOS ANGELES	SILVER	INDUSTRIAL	1,007,000
DENVER UNION STATION	DENVER	CERTIFIED	CIVIC	1,000,000
NOBLE ENERGY CENTER ONE & TWO	HOUSTON	GOLD	OFFICE	968,100
I-20 DISTRIBUTION BUILDING	DALLAS-FORT WORTH	SILVER	INDUSTRIAL	887,810
HESS TOWER	HOUSTON	PLATINUM	OFFICE	844,763
TCC-PENN DISTRIBUTION CENTER	DALLAS-FORT WORTH	CERTIFIED	INDUSTRIAL	823,379
PATRIOTS PLAZA PHASE II AND III	MIDATLANTIC	GOLD	OFFICE	701,587
MOUNTAIN CREEK DISTRIBUTION CENTER	NE METRO	CERTIFIED	INDUSTRIAL	700,000
161 @ PIONEER	DALLAS-FORT WORTH	SILVER	INDUSTRIAL	603,354
RALPH L. CARR COLORADO JUDICIAL CENTER	DENVER	GOLD	CIVIC	600,000
RIVERGATE CORPORATE CENTER III	PORTLAND	SILVER	INDUSTRIAL	573,420
NORTHSHORE RESIDENCES	AUSTIN	SILVER	RESIDENTIAL	507,855
500 W. 2ND STREET	AUSTIN	GOLD	OFFICE	500,436
DARDEN RESTAURANTS SUPPORT CENTER	N. FLORIDA	GOLD	OFFICE	471,000
929 OFFICE TOWER	SEATTLE	GOLD	OFFICE	462,000
SHIRE BTS	NE METRO	GOLD	OFFICE	454,801
ONTARIO INNOVATION CENTER	NEWPORT BEACH	SILVER	INDUSTRIAL	452,952
SUBARU	PORTLAND	SILVER	INDUSTRIAL	413,700
SENTINEL SQUARE - 90 K STREET	MIDATLANTIC	GOLD	OFFICE	412,661
BLOCK 19	DENVER	PLATINUM	OFFICE	400,539

[CRE8]



## QUICK FACTS

### LOCATION:

Indio, CA

### SITE:

5.2 Acres

### OWNER/TENANT:

National Development Council / County of Riverside

### PROJECT START:

January 2013

### COMPLETE:

February 2015

### ARCHITECT:

Langdon Wilson International

### CONTRACTOR:

Millie and Severson, Incorporated

### LANDSCAPE:

RGA Landscape Architects

### CIVIL ENGINEER:

WEBB Associates

### SURFACE PARKING:

369 spaces (new surface lot parking)

### SUSTAINABILITY:

LEED® Platinum Certified (NC 2009)

### ESTIMATED ADDITIONAL COST:

+/- \$250k or \$2.10/GSF

## COUNTY LAW BUILDING INDIO, RIVERSIDE COUNTY, CA

90,363 SF – 3 STORIES | CLASS “A” – OFFICE BUILDING BUILD-TO-SUIT

### CHALLENGE

In January 2013, Trammell Crow Company’s Southern California Business Unit was selected by the National Development Council as the Developer to design, entitle and construct a state of the art office building for Riverside County’s district attorney, public defender, county counsel, and the Indio branch of the Riverside County Law Library. Marking the County’s most recent progress in a multimillion dollar investment in downtown Indio, TCC far exceeded the initial project requirements, ultimately achieving the highest level of achievement in sustainable design, LEED Platinum Certification.

### GOAL

Develop a highly sustainable project that conserves water, energy, and other non-renewable natural resources, while creating a healthier and more comfortable work environment.

### STRATEGY

- Cover a portion of new surface lot parking spaces to shade non-roof areas, minimizing the heat island effect, and to generate electricity, offsetting the building’s annual energy consumption.
- Taking advantage of Indio’s abundant sunshine, install a 325 kW solar photovoltaic (PV) array capable of producing an estimated 387,624 kWh of electricity per year.
- Design preferred parking for low-emitting and fuel-efficient vehicles and install a 208/480V dual output EV charging station to reduce air pollutants resulting from vehicular travel.
- Install drought tolerant and native plants with drip irrigation to support a 60% reduction in potable water consumption.
- Install high efficiency plumbing fixtures in all restrooms to reduce the building’s annual potable water consumption by 40.98% equivalent to 271,800 gallons/year.
- Select casework manufactured from new, virgin wood material which would be purchased for the project building in accordance with the Forest Stewardship Council’s principles and criteria for the responsible forest management of wood building components.
- Improve the comfort and well-being of the building’s occupants through enhanced indoor air quality practices.

### RESULT

- A facility that utilizes 40% less water indoors and 60% outdoors
- A facility design that will save 46% on annual energy costs.
- A resilient facility that will promote the health and safety of building occupants for many years to come.



## Communities and Giving

At Trammell Crow Company, we approach our commitment to community service and philanthropy with the same enthusiasm and creativity as we approach our business. Our professionals are dedicated to bettering the communities where they live and work, and we continue, as a firm, to build on that passion for assisting those less fortunate.

Inherent in our position as one of the nation's largest developers is the responsibility to engage our resources and share opportunities with our professionals to better our communities. Community service and volunteerism remains at the forefront of our corporate accountability agenda. We recognize that supporting the personal charitable endeavors of our employees increases morale, aids talent retention, contributes to overall job satisfaction and, most importantly, fosters a healthy work-life balance.

TCC employees are actively involved in various community and charitable organizations throughout the U.S. For a list of organizations we support, click [here](#).

## People and Culture

We embrace our commitment to diversity in all its forms at TCC. Diversity - of race, disability, gender, sexual orientation, personalities, education, cultures, and work experiences - provides the creativity and innovation essential to our well-being. Equally important is a highly-motivated, healthy and productive workforce that achieves business success through operational excellence and superior customer service.

Diversity and inclusion is an essential and enabling force within our company and we are committed to fostering an environment that:

- Enables us to attract and retain the best people in the business
- Reflects the diversity of clients we serve
- Provides everyone with the opportunity to succeed
- Values the differences of each individual, and
- Recognizes their contributions to our firm's success



TCC's Diversity & Inclusion Initiative is tasked with improving the breadth of perspectives brought to bear on the firm's business, broadening the makeup of our personnel and leadership, and instituting long-term programs to attract and retain diverse, qualified professionals. The Initiative is a way for TCC to emphasize, focus-on and move toward making our firm a better place to work for all of our employees; a place where each individual feels they have an equal opportunity to be a part of the fundamental fabric of the company and to play a role in shaping the future of the Firm by bringing their talents to bear in whatever way they do best.

In addition, the Company also operates the Trammell Crow Company's Professional Women's Network. Its mission is to connect and promote professional women within TCC, driving growth and retention. The Women's Network is open to any and all Trammell Crow Company women and follows these objectives:

- Create a community to enable growth of meaningful relationships and offer support for each other by highlighting achievements, special areas of expertise and personal attributes
- Provide an avenue of professional development from the Network's own ranks, as members share specific projects examples, effective marketing/networking techniques or passions such as sustainability
- Recruit and empower women within our organization and throughout the industry, driving visibility and increasing the total number of women in real estate.



Entrepreneurship and partnership have defined Trammell Crow Company since its inception in 1948. While the company long ago converted to a corporate ownership structure, its original spirit of partnership – encouraging and contributing to each other’s accomplishments as a driver of both personal and organizational success – continues to permeate the manner in which TCC professionals conduct business. Product-type specialists share best practices across our platform, senior leaders mentor young colleagues, tenant and capital relationships are introduced/shared, and Business Units collaborate to source, win and execute business.

The partnership culture extends to our capital partners, who entrust their investments to TCC knowing that we are committed to mutual success with them. We apply a collaborative approach in working with all of a project’s major stakeholders, including tenants and the communities in which we work, to create solutions that best address the needs of each.

Entrepreneurship is one of the hallmarks of the TCC culture. Our Business Unit-centric organizational structure enables each group of local professionals to set their own strategies, and to uncover, shape, and execute the best real estate opportunities that their markets offer. Those efforts are facilitated and supported by nationally-developed tools, capital programs, and resources, augmenting the locally-fostered relationships of each Business Unit. Business Units are incentivized by sharing in the rewards and risks of the business they operate, all of which is conducted under the sponsorship of TCC’s investment committee process.

# **GRI CONTENT INDEX AND UNGC TEN PRINCIPLES**

# GRI CONTENT INDEX

## GENERAL STANDARD DISCLOSURES

## LOCATION

### STRATEGY & ANALYSIS

G4-1	STATEMENT FROM THE CEO	STAKEHOLDER LETTER
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### ORGANIZATIONAL PROFILE

G4-3	NAME OF THE ORGANIZATION.	ABOUT CBRE
G4-4	PRIMARY BRANDS, PRODUCTS, AND SERVICES	ABOUT CBRE
G4-5	LOCATION OF HEADQUARTERS	ABOUT CBRE
G4-6	COUNTRIES OF OPERATION	ABOUT CBRE
G4-7	NATURE OF OWNERSHIP AND LEGAL FORM	ABOUT CBRE
G4-8	MARKETS SERVED	ABOUT CBRE
G4-9	SCALE OF THE ORGANIZATION.	ABOUT CBRE
G4-10	NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT, EMPLOYMENT TYPE, AND GENDER	ABOUT CBRE
G4-11	PERCENTAGE OF TOTAL EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS	PEOPLE & CULTURE
G4-12	ORGANIZATION'S SUPPLY CHAIN	ABOUT CBRE
G4-13	SIGNIFICANT CHANGES DURING THE REPORTING PERIOD	ABOUT CBRE
G4-14	WHETHER AND HOW THE PRECAUTIONARY APPROACH OR PRINCIPLE IS ADDRESSED BY THE ORGANIZATION	GOVERNANCE
G4-15	EXTERNALLY DEVELOPED ECONOMIC, ENVIRONMENTAL AND SOCIAL CHARTERS AND PRINCIPLES TO WHICH THE ORGANIZATION SUBSCRIBES OR ENDORSES	ABOUT CBRE
G4-16	MEMBERSHIPS IN ASSOCIATIONS	ENVIRONMENTAL SUSTAINABILITY

### IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

G4-17	ENTITIES IN THE ORGANIZATIONS FINANCIAL STATEMENTS	ABOUT CBRE
G4-18	PROCESS FOR DEFINING REPORT CONTENT	ABOUT CBRE
G4-19	MATERIAL ASPECTS	ABOUT CBRE
G4-20	ASPECT BOUNDARY WITHIN THE ORGANIZATION FOR EACH MATERIAL ASPECT	ABOUT CBRE
G4-21	ASPECT BOUNDARY OUTSIDE THE ORGANIZATION FOR EACH MATERIAL ASPECT	ABOUT CBRE
G4-22	EFFECT OF ANY RESTATEMENTS OF INFORMATION PROVIDED IN PREVIOUS REPORTS	ABOUT CBRE
G4-23	SIGNIFICANT CHANGES FROM PREVIOUS REPORTING PERIODS IN THE SCOPE AND ASPECT BOUNDARIES	ABOUT CBRE

GENERAL STANDARD DISCLOSURES		LOCATION
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STAKEHOLDER ENGAGEMENT		
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G4-24	LIST OF STAKEHOLDER GROUPS ENGAGED BY THE ORGANIZATION	ABOUT CBRE
G4-25	BASIS FOR IDENTIFICATION AND SELECTION OF STAKEHOLDERS WITH WHOM TO ENGAGE	ABOUT CBRE
G4-26	ORGANIZATION'S APPROACH TO STAKEHOLDER ENGAGEMENT	ABOUT CBRE
G4-27	TOPICS AND CONCERNS RAISED THROUGH STAKEHOLDER ENGAGEMENT	ABOUT CBRE

REPORT PROFILE		
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G4-28	REPORTING PERIOD	ABOUT CBRE
G4-29	DATE OF MOST RECENT PREVIOUS REPORT	ABOUT CBRE
G4-30	REPORTING CYCLE	ABOUT CBRE
G4-31	CONTACT POINT FOR QUESTIONS	ABOUT CBRE
G4-32	'IN ACCORDANCE' OPTION, GRI CONTENT INDEX, REFERENCE TO EXTERNAL ASSURANCE REPORT	ABOUT CBRE
G4-33	POLICY AND CURRENT PRACTICE WITH REGARD TO SEEKING EXTERNAL ASSURANCE FOR THE REPORT	ABOUT CBRE

GOVERNANCE		
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G4-34	GOVERNANCE STRUCTURE OF THE ORGANIZATION	GOVERNANCE
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ETHICS AND INTEGRITY		
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G4-56	ORGANIZATION'S VALUES, PRINCIPLES, STANDARDS AND NORMS OF BEHAVIOR	ETHICS & COMPLIANCE
G4-57	MECHANISMS FOR SEEKING ADVICE ON ETHICAL AND LAWFUL BEHAVIOR	ETHICS & COMPLIANCE
G4-58	MECHANISMS FOR REPORTING CONCERNS ABOUT UNETHICAL OR UNLAWFUL BEHAVIOR	ETHICS & COMPLIANCE

MATERIAL ASPECTS	DMA AND INDICATORS	LOCATION	OMISSIONS
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ECONOMIC / ECONOMIC PERFORMANCE			
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G4-DMA	DISCLOSURE OF MANAGEMENT APPROACH ECONOMIC PERFORMANCE	ABOUT CBRE	
G4-EC1	DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED	ABOUT CBRE	

ENVIRONMENTAL / ENERGY			
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G4-DMA	DISCLOSURE OF MANAGEMENT APPROACH – ENERGY	ENVIRONMENTAL SUSTAINABILITY	
G4-EN7	REDUCTIONS IN ENERGY REQUIREMENTS OF PRODUCTS AND SERVICES	ENVIRONMENTAL SUSTAINABILITY	

MATERIAL ASPECTS	DMA AND INDICATORS	LOCATION	OMISSIONS
<b>ENVIRONMENTAL / EMISSIONS</b>			
G4-DMA	DISCLOSURE OF MANAGEMENT APPROACH – EMISSIONS	ENVIRONMENTAL SUSTAINABILITY	
G4-EN15	DIRECT GREENHOUSE GAS (GHG) EMISSIONS (SCOPE 1)	ENVIRONMENTAL SUSTAINABILITY	
G4-EN16	ENERGY INDIRECT GREENHOUSE GAS (GHG) EMISSIONS (SCOPE 2)	ENVIRONMENTAL SUSTAINABILITY	
G4-EN17	OTHER INDIRECT GREENHOUSE GAS EMISSIONS (SCOPE 3)	ENVIRONMENTAL SUSTAINABILITY	
<b>ENVIRONMENTAL / PRODUCTS AND SERVICES</b>			
G4-DMA	DISCLOSURE OF MANAGEMENT APPROACH – PRODUCTS AND SERVICES	ENVIRONMENTAL SUSTAINABILITY	
G4-EN27	EXTENT OF IMPACT MITIGATION OF ENVIRONMENTAL IMPACTS OF SERVICES	ENVIRONMENTAL SUSTAINABILITY	
<b>SOCIAL: LABOR PRACTICES AND DECENT WORK / OCCUPATIONAL HEALTH AND SAFETY</b>			
G4-DMA	DISCLOSURE OF MANAGEMENT APPROACH – OCCUPATIONAL HEALTH AND SAFETY	HEALTH & SAFETY	
G4-LA6	TYPE OF INJURY AND RATES OF INJURY, OCCUPATIONAL DISEASES, LOST DAYS, AND ABSENTEEISM	HEALTH & SAFETY	
<b>SOCIAL: LABOR PRACTICES AND DECENT WORK / TRAINING AND EDUCATION</b>			
G4-DMA	DISCLOSURE OF MANAGEMENT APPROACH – TRAINING AND EDUCATION	PEOPLE & CULTURE	
G4-LA10	PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS	PEOPLE & CULTURE	
<b>SOCIAL: LABOR PRACTICES AND DECENT WORK / DIVERSITY AND EQUAL OPPORTUNITY</b>			
G4-DMA	DISCLOSURE OF MANAGEMENT APPROACH – DIVERSITY AND EQUAL OPPORTUNITY	PEOPLE & CULTURE; GOVERNANCE	
G4-LA12	COMPOSITION OF GOVERNANCE BODIES AND BREAKDOWN OF EMPLOYEES	PEOPLE & CULTURE; GOVERNANCE	
<b>SOCIAL: LABOR PRACTICES AND DECENT WORK / EQUAL REMUNERATION FOR WOMEN AND MEN</b>			
G4-DMA	DISCLOSURE OF MANAGEMENT APPROACH – EQUAL REMUNERATION FOR WOMEN AND MEN	PEOPLE & CULTURE	
G4-LA13	RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN	PEOPLE & CULTURE	
<b>SOCIAL: HUMAN RIGHTS / NON-DISCRIMINATION</b>			
G4-DMA	DISCLOSURE OF MANAGEMENT APPROACH – NON-DISCRIMINATION	ETHICS & COMPLIANCE	
G4-HR3	INCIDENTS OF DISCRIMINATION AND ACTIONS TAKEN	ETHICS & COMPLIANCE	
<b>SOCIAL: SOCIETY / ANTI-CORRUPTION</b>			
G4-DMA	DISCLOSURE OF MANAGEMENT APPROACH – ANTI-CORRUPTION	ETHICS & COMPLIANCE	
G4-S04	COMMUNICATION AND TRAINING ON ANTI-CORRUPTION POLICIES AND PROCEDURES	ETHICS & COMPLIANCE	

MATERIAL ASPECTS	DMA AND INDICATORS	LOCATION	OMISSIONS
<b>SOCIAL: SOCIETY / ANTI-COMPETITIVE BEHAVIOR</b>			
G4-DMA	DISCLOSURE OF MANAGEMENT APPROACH – ANTI-COMPETITIVE BEHAVIOR	ETHICS & COMPLIANCE	
G4-S07	LEGAL ACTIONS FOR ANTI-COMPETITIVE BEHAVIOR, ANTI-TRUST, AND MONOPOLY PRACTICES	ETHICS & COMPLIANCE	
<b>SOCIAL: SOCIETY / COMPLIANCE</b>			
G4-DMA	DISCLOSURE OF MANAGEMENT APPROACH – COMPLIANCE	ETHICS & COMPLIANCE	
G4-S08	SIGNIFICANT FINES AND NON-MONETARY SANCTIONS FOR NON-COMPLIANCE WITH LAWS AND REGULATIONS	ETHICS & COMPLIANCE	
<b>SOCIAL: PRODUCT RESPONSIBILITY / PRODUCT AND SERVICE LABELING</b>			
G4-DMA	DISCLOSURE OF MANAGEMENT APPROACH - PRODUCT AND SERVICE LABELING	ENVIRONMENTAL SUSTAINABILITY	
CRE8	TYPE AND NUMBER OF SUSTAINABILITY CERTIFICATION, RATING AND LABELING SCHEMES FOR NEW CONSTRUCTION, MANAGEMENT, OCCUPATION AND REDEVELOPMENT	ENVIRONMENTAL SUSTAINABILITY, CBRE GLOBAL INVESTORS, TRAMMELL CROW COMPANY	

**MATERIAL ISSUES THAT DO NOT MAP TO A GRI G4 ASPECT**

	LOCATION
PROFESSIONAL INTEGRITY	ETHICS & COMPLIANCE
EMPLOYEE ENGAGEMENT	PEOPLE & CULTURE
CLIENT ENERGY CONSUMPTION	ENVIRONMENTAL SUSTAINABILITY
CLIENT WATER CONSUMPTION	ENVIRONMENTAL SUSTAINABILITY

# UNITED NATIONS GLOBAL COMPACT TEN PRINCIPLES

PRINCIPLE		LOCATION
<b>HUMAN RIGHTS</b>		
PRINCIPLE 1	BUSINESSES SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS; AND	ETHICS & COMPLIANCE
PRINCIPLE 2	MAKE SURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES.	ETHICS & COMPLIANCE
<b>LABOUR</b>		
PRINCIPLE 3	BUSINESSES SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING	ETHICS & COMPLIANCE; PEOPLE & CULTURE
PRINCIPLE 4	THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR;	ETHICS & COMPLIANCE
PRINCIPLE 5	THE EFFECTIVE ABOLITION OF CHILD LABOUR; AND	ETHICS & COMPLIANCE
PRINCIPLE 6	THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION	ETHICS & COMPLIANCE
<b>ENVIRONMENT</b>		
PRINCIPLE 7	BUSINESSES SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES;	ENVIRONMENTAL SUSTAINABILITY
PRINCIPLE 8	UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY	ENVIRONMENTAL SUSTAINABILITY
PRINCIPLE 9	ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES	ENVIRONMENTAL SUSTAINABILITY
<b>ANTI-CORRUPTION</b>		
PRINCIPLE 10	BUSINESSES SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY	ETHICS & COMPLIANCE