

## **CBRE GWS Limited**

### **Our commitment to Section 172**

#### **Our stakeholders**

Our directors have a duty, under the Act, to act in the way most likely to promote the success of the Company for the benefit of its shareholders. In doing so, directors must pay regard to key stakeholders and to the reputation of CBRE Global Workplace Solutions (GWS) for high standards of business conduct. Successful delivery of the the Company strategy depends on effective engagement with stakeholders and high standards of business conduct.

Directors consider stakeholder factors when making decisions as a Board and Executive committee, when setting strategy, developing policies, fostering the corporate culture and guiding and delegating decisions to management and employees. Engagement with stakeholders also involves judgement and actions by managers and employees with whom stakeholders interact directly.

CBRE's RISE values (Respect, Integrity, Service, and Excellence) reflect the Company's consideration of the wide community of stakeholders and the focus on creating outcomes that benefit all of them. The Company considers this commitment to the community and wider stakeholders as a reason for our inclusion in Fortune's Worlds Most Admired Companies for the last nine years.

The Company's Board receives a quarterly governance report that takes into consideration all key stakeholders and reports to the Senior Vice President for EMEA on how the governance team supports the business by aligning its focus with the overall business strategy. The report also highlights risk areas including projects, legal implications and other matters that may impact clients/employees and other stakeholders.

Directors received training in Q1 on Directors' Duties from an external consultancy, in order to continue their development and ensure a continued improvement in their skills, knowledge and understanding required to perform as an effective director. Similar training will be provided routinely both for general duties and specific legislative updates. New directors are also provided training on appointment as are those that support CBRE entity directors in order to improve the wider skill set and contribute to succession planning.

Reports to the Board and Executive committee explicitly explain consideration of stakeholder factors in the development of proposals, to better guide decision-making. The Board terms of reference and director appointment documentation also directly reference directors' legal obligation to consider stakeholder factors. The governance team will continue to provide support to the Board to ensure that sufficient consideration is given to stakeholder issues.

The annual leadership conference and similar events address the long-term strategy, issues and goals of the business. The strategy addresses the Company's stakeholders directly through its overall aim to produce distinct advantages for clients, employees and shareholders by creating real estate solutions that drive value and growth.

The following statement identifies the key stakeholder groups and outlines methods that directors used to engage with them, understand the issues to which they should have regard, and gather feedback.

### **Employees**

CBRE's success depends on its ability to attract and retain qualified and experienced employees. The Company employs around 1,800 people directly, in addition to staff employed by the wider CBRE UK group who support the business. Our culture provides diverse, inclusive, innovative, and engaging workplace where our employees can realise their full potential.

Since the 2020 COVID-19 health crisis, the Company have continued to focus on the health and wellbeing of our employees both physically and mentally. CBRE have continued the availability of flexible working to mitigate health risks to our employees, and allow for a supportive work, life balance. Recognition of CBRE's commitment to their employees was recognised by being selected as a finalist in the category of Wellbeing at the Institute of Workplace and FM awards.

- in promotion of a caring workplace, our 'Be Well' campaign was launched at a global level. This is a globally connected effort to promote a caring workplace culture focusing on our employee's well-being. The campaign focuses on helping employees and enabling managers to support the wellbeing of their teams by providing free access to medical and mental telehealth coverage. In addition, the UK business has over 110 trained Mental Health First Aiders to effectively provide support on a first aid basis to colleagues experiencing mental health issues. The CBRE group has also developed a Mental Health First Aid policy across EMEA.
- access to Doctor Care Anywhere app is available to CBRE staff for virtual doctor appointments, including monthly and quarterly health and wellbeing talks and discounted health screenings.
- we are recognised by the Living Wage Foundation as a 'Recognised Service Provider', with 100% of direct employees being paid Real Living Wage. Benefits of this include enhance workforce satisfaction resulting in higher productivity levels and reduced workforce 'churn'.
- the Company has a robust and effective Diversity, Equity & Inclusion ("DE&I") Steering Committee and action plans. The following initiatives are being encouraged:
  - participate in at least one EBRG event or volunteer opportunity on a quarterly basis.
  - attend at least one supplier diversity training session before the end of the year.
  - complete at least two DE&I training modules by end of the year.
  - refer a deserving diverse talent candidate through a recognised CBRE referral program.

- the Company supports its employees through an array of Employee Resource Groups and Affinity Networks, which are as follows: Ability Network (supporting people with disabilities and long-term conditions), Faith Network, Family Network, Multicultural Network (CBRE's Race, Ethnicity and Cultural Heritage Network), Proud Network (supporting LGBTQ+ people and Allies), Women's Network and Armed Forces Network.
- the group holds an annual Global Safety Week, which is committed to developing safe and healthier ways of working for all employees and "Harbour" – CBRE's proprietary Health, Safety & Environment technology platform, helps to create a safe workplace experience for everyone continues and has been well received.

CBRE acts to ensure there is a cascade of information from the Board and senior leadership to all colleagues thereafter, using various methods including town halls, smaller group meetings and one to ones in order to drive engagement rather than encouraging a reliance on emails.

CBRE operates an ongoing succession and development planning process that is designed to give all of our employees the opportunity to progress their careers internally and ensures a consistent pipeline of talent is available for new roles and promotion opportunities.

Talent Coach was introduced in 2019 as an online training platform. This platform provides over 10,000 learning and development resources that can be drawn upon by all of our employees, covering both mandatory training required for CBRE compliance, and voluntary training opportunities that employees can take advantage of at their discretion. Over 123,000 hours were logged in 2021.

## Suppliers

The supply chain is fundamental to CBRE 's business as a provider of integrated outsourced services.

- in 2021, CBRE was named as a finalist in the UK Social Enterprise Awards, which recognise businesses that are transforming society. We have also been named as a finalists in FY22 awards with PFM and IWFM around our supplier diversity programme and achieved the Award for Supplier Diversity and Inclusion in the World Procurement Awards in June 2022.
- our Supplier Engagement team is there to support the onboarding process, and for diverse suppliers offer of enhanced payment terms, access to our industry and specialist experts such as QHSE, Technical, Marketing and Legal teams.
- in the past year, CBRE have increased our spend with diverse suppliers by 496%. In the UK our £31m spend with diverse suppliers includes:

- Social enterprises: £28.3m
  - Ethnic minority businesses: £1.3m
  - Women-owned businesses: £1.2m
  - Veteran-owned businesses: £142k
  - in addition, we spent £632m with small and medium sized firms
- the Group have been working closely with suppliers to ensure service continuity over the last year and have endeavoured to do anything possible to facilitate a service as close to normal as possible during the COVID-19 pandemic.
- each year we issue a challenge to our supplier partners: "bring us your greatest ideas on innovations, new ways of working and best-in-class service delivery to our customers". This aims to facilitate innovation through engagement with supplier partners, products, people and technologies.
- there has been a focus on improving payment performance to CBRE's supply chain through improved engagement and internal process.
- in March 2021, the Supply Chain team held a Supplier Partner event, circa 500 Supplier Partners attended the session.
- there is an automated system has been implemented in order to improve supplier payment times that supports their sustained growth and service for our customers.

## Clients

CBRE is relentlessly focused on client outcomes and satisfaction and has one of the highest client retention rates in the industry.

- CBRE uses a structured approach and framework to deliver tangible innovation and value-add to client relationships, focused on Technology, People, Energy, Environment, Communication and Asset Management.
- CBRE held The Great Idea and other Customer events. Feedback from customers was very positive and it was good to see customers were prepared to return to face to face type meetings.
- CBRE were finalists in the category of Wellbeing, in the Institute of Workplace and FM Awards.
- keeping close to clients has continued to be at the forefront of our focus and we have conducted a mix of both physical and virtual meetings depending on safety and providing the best service possible.
- CBRE has been continued to work closely with our customers to mitigate impact on critical spares and project materials, both of which are at risk of being affected by border delays relating to Brexit.
- CBRE's Customer Innovation and Improvement Charter deepens client relationships by aligning innovative ideas to client sites. It is embedded within the regular client review process. An Innovation Champion Network ensures best practice is disseminated internally.

## Community

At CBRE acting responsibly and being successful commercially go hand in hand. A key element of this is creating new opportunities for our local communities. Our approach is to deliver a strategic charity, communities and giving programme, in which we will effectively monitor our inputs, outputs and impacts.

- the Company contributes to a CBRE group wide charitable giving programme which donated both volunteering time and funding to various charities within the UK and further a field.
- the Company supports Social Enterprises and in 2021 sold over 15,000+ Social Enterprise products hosted onsite.
- the CBRE Charitable Trust was formed in July 2003 and is constituted by a Trust Deed. It was set up to consider employees' requests for supporting their personal fundraising activities in aid of their chosen charities. The total donations granted by the Trust in 2021 were in excess of £34,555. The Trust registered with the Charity Commission for England & Wales under registration number 299026.
- in 2021 we entered our final year of our corporate charity partnership with Action for Children, and over the course of our partnership we raised £13m and delivered six pro-bono projects, including developing a new strategy for the charity's portfolio of properties and the co-creation and development of the "Big Welcome," a digital platform for young people entering foster care.
- our employees also have the autonomy to participate in localised community volunteering and charity fundraising challenges.
- the non-profit, CBRE Foundation, undertakes a range of diverse activities. Employees can donate to the CBRE Foundation and CBRE will match funds up to 50%. CBRE also makes direct donations to the foundation.
- the Company encourages the creation of networks to foster specific interests, including the Women's Network, Proud Network and Multicultural Network.
- in 2021 there were donations made of \$22.8m to various charities.
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## Environment

CBRE takes a holistic approach to business sustainability, and the team develops strategies to significantly reduce carbon footprints, minimise waste and act in a way that reduces any negative impact on the environment from both CBRE and its clients. Our goal is to be an exemplar to our employees, supplier partners and clients.

- CBRE's ambition is to be a net zero business globally by 2040 and in the UK, net zero by 2035 across GHG scopes 1, 2 and 3. To help us achieve this, we have set the interim target of achieving 100% renewable energy by 2025 and we have adopted a Science-Based Target to reduce scope 1 emissions 68% by 2035 from a 2019 baseline. The Government's Carbon Reduction Commitment requires CBRE to report on organisational energy consumption of all property entities falling within GWS UK.
- in 2021, the Company achieved the target of diverting 100% waste from landfill at our London HQ. By 2030, we pledge to divert 100% of waste from landfill across all CBRE GWS occupied offices.
- we have established the All Greens Network; a voluntary employee network giving our people access to learn and take part in activities to reduce their environmental footprint at work and home.
- in April 2021, CBRE employees around the world participated in Green Week activities, addressing sustainability commitments and delivering best practice solutions for our clients.
- the Government's Carbon Reduction Commitment requires CBRE to report on organisational energy consumption of all property entities falling within GWS UK.
- there has been a 4% reduction in company-wide scope 1&2 emissions since 2019.
- the Company uses proprietary Building Engineering and Management Systems to control plant on client sites to achieve stringent environmental conditions set during design stages.

## Standards of business conduct

CBRE is firmly committed to conducting business with the highest integrity and in compliance with the law.

- Standards of Business Conduct (SOBC) have been in place since 2004 and were thoroughly updated in 2011 and 2021.
- the SOBC form part of the mandatory annual training for all CBRE employees.
- the SOBC embody the fundamental principles that govern our ethical and legal obligations. We inhibit a culture of speaking up and have an Ethics Line where employees can raise concerns.
- the SOBC are at the centrepiece of a global Ethics & Compliance Programme adopted by the CBRE Group in 2004, and designed to reinforce our RISE values and ensure compliance with Company policies, and laws and regulations applicable globally.
- CBRE also expects that all subcontractors comply with applicable laws and legislation, including CBRE's Supplier Code of Conduct.
- several areas of ethics and compliance training are also provided to all new employees, including SOBC, Harassment Prevention/People and Culture Behaviour, with RISE values and in targeted countries, Anti-Corruption Training

## Acting Fairly Between Members

Section 172 of the Companies Act requires the Company to act fairly between members. The Company is 100% owned by another entity within the CBRE UK Group.