CBRE

DECEMBER 2024

Climate Transition Strategy

At a Glance

TARGETS

LONG-TERM:

Net Zero by 2040

NEAR-TERM by 2030:

From a 2019 baseline, achieve:

		Progress
50%	absolute reduction in emissions Scope 1 and 2	25%
55%	reduction in emissions per sq ft for buildings managed for clients Scope 3.11 Use of Sold Products	19%

Making the biggest impact for emissions reductions requires working collaboratively with our clients and suppliers across all parts of our business. We will do this by focusing on four key pathways.

Four Pathways

- Maximize resource efficiency
- Increase renewable energy
- Electrify operations
- Decarbonize Supply Chain

2040

Net Zero

TRANSFORMATION ENABLERS

- Governance and Accountability
- Technology and Data
- Upskilling Our Workforce
- Industry Collaboration

97% of our total emissions are associated with managing and developing properties for clients.

The Opportunity of Climate Transition

With CBRE's goal to achieve Net Zero emissions by 2040 now validated by the Science Based Targets initiative (SBTi), we are proud to share our plan for how we will meet our targets.

Our Climate Transition Strategy builds on the work we have done over the last few years to align targets, drive progress on key sustainability initiatives and implement financial-grade GHG emissions accounting. It also illustrates that our highly diversified business offers the insights and opportunity to effect change across multiple dimensions of commercial real estate to accelerate sustainability.

The journey to net zero requires resolve, deliberate action amid uncertainty and optimism that human ingenuity will unlock innovation. We have a clear path to reaching our near-term target to cut our Scope 1 and 2 emissions in half by 2030. We also know that addressing Scope 3 emissions is complex and achieving results depends on the investments and decisions made by our clients and suppliers.

At CBRE we are aware of the severity of climate-related risks. At the same time, we see tremendous opportunities in leading the real estate sector through the net zero transition. Continuing to grow our business while reducing emissions relies on our strong client focus and collaboration. Their sustainability success is also ours.

Please explore our transition strategy to learn more about how working together will get us there.

Robert E. Sulentic
Chair & Chief Executive Officer

Rob Bernard
Chief Sustainability Officer

Introduction

With more than 630 corporate offices and more than 7 billion square feet of managed property globally, CBRE has an outsized opportunity to help reduce greenhouse gas (GHG) emissions through our own operations, services provided to our clients and throughout our value chain.

Our Climate Transition Strategy (Transition Strategy) presents a global approach to driving emissions reductions across our operations and service offerings to enable our business to thrive in a future that holds global temperatures to a 1.5°C trajectory. It aligns our business with our climate commitments and illustrates impact, transformation and opportunity.

Aligning on a Unified Path

Validating our Net Zero target with the Science Based Targets initiative (SBTi) marked another major milestone since setting our first science-based targets in 2020. During this time, we've learned a lot about what it takes to effect change across a complex, global organization. We have achieved milestones that confirm we are on the right path while continuing to navigate challenges that present as roadblocks or setbacks. Progress requires the critical alignment of the organization around a shared understanding of what it will take to meet our climate commitments.

A Roadmap to Accelerate Sustainability

Our Transition Strategy clearly outlines the pathways and actions to transform our own operations while also serving as a catalyst to decarbonize the built environment.

Our Transition Strategy provides a roadmap for addressing GHG emissions across all business segments in line with our financial statements: Advisory Services, Global Workplace Solutions (GWS), Real Estate Investments and Turner & Townsend, of which we are a majority shareholder. It outlines key actions that align our sustainability strategy with our fiduciary responsibility to grow our business and enhance the value of buildings that we manage and develop for clients.

We also know that with every step forward, our journey will get more complex as we work with our clients and suppliers to address emissions that are more challenging to mitigate. Unlocking opportunities for progress requires looking at our GHG emissions through a new lens and identifying ways to simplify complexity and scale solutions.

Our Transition Strategy provides enhanced analysis—in addition to traditional GHG emissions reporting—so we can more closely connect our emissions to specific business activities and the work we do for clients regardless of scope or category. We also continue to demonstrate we can grow our business while working toward net zero, so we track intensity of emissions to enable us to see reductions on a per square foot basis as our client portfolio evolves with new and completed contracts.

Integration and Collaboration

Our roadmap is organized by business activities, enabling us to more seamlessly integrate our decarbonization approach with our overarching business strategy. It also reinforces the importance of collaboration with our clients and suppliers to tackle the biggest impact opportunities.

Governance

Oversight and governance of our Transition Strategy sits at the highest levels of our organization, starting with the Board of Directors and leadership in all business segments.

Our Board of Directors has direct oversight of sustainability and social responsibility issues, including climate-related risks and opportunities. Our Board made a deliberate decision to retain governance of these matters at the Board level and chose not to delegate these matters to a specific committee because it believes that these matters are integral to the company's future success.

Management Oversight

Our Chair & CEO retains responsibility for climate-related risks and opportunities, including areas identified within our Transition Strategy. Reporting directly to the CEO, our Executive Vice President and General Counsel (EVP/GC) oversees, and our Chief Risk and Compliance Officer leads, the Enterprise Risk Management (ERM) function through an Enterprise Risk Committee (ERC). The ERC is comprised of senior leaders representing the company's business segments, corporate functions and geographic regions. Our Chief Sustainability Officer (CSO) and Senior Vice President of Corporate Sustainability (SVP/CS) served as members of the ERC.

With oversight for both our client sustainability solutions and corporate sustainability strategy, our CSO convenes a Global Sustainability Leadership team comprised of business segment leaders responsible for climate-related opportunities through sustainability solutions in the real estate marketplace. The SVP of Corporate Sustainability is a member of the Global Sustainability Leadership team and leads GHG emissions target setting and reporting, engaging other corporate leaders to drive progress toward CBRE's Net Zero commitment.

Integration Across our Business

Recognizing the connection between the work we do for our clients and our ability to drive progress, the CSO reports into the head of our client solutions team, enabling seamless integration of sustainability services across all lines of business. In support of our clients' global needs, CBRE's governance approach is designed to integrate feedback from all business segments and geographies. The CSO and senior leaders meet regularly, providing a structured forum to leverage the unique perspectives of our sustainability experts to implement decarbonization strategies, accelerate sustainability solutions for our clients and share insights to advance progress across our industry.

Risk and Opportunity Disclosures

CBRE's 2023 Corporate Responsibility report includes information aligned with Task Force for Climate-Related Financial Disclosures (TCFD) recommendations. For additional insight on climate-related governance; scenario analysis; risks and opportunities; impact on business, strategy and financial planning; organizational resilience; and metrics and targets, see pages 138-147 of the report available at www.cbre.com/cr-report.

Our Targets

CBRE commits to Net Zero GHG emissions across our value chain by 2040. This includes corporate operations, buildings managed for clients, real estate development and our supply chain.

These science-based targets are in line with limiting global warming to 1.5°C and achieving a net zero future.

CBRE's Net Zero by 2040 and near-term 2030 targets were validated by the SBTi in 2024 and conform with SBTi Criteria and Recommendations (Criteria version 5.2).[1]

In addition, our Net Zero by 2050 target for select direct and indirect private real estate and infrastructure investments is managed through CBRE Investment Management's commitment through the Net Zero Asset Managers initiative (NZAMi).

2030 near-term targets

From a 2019 baseline year, CBRE commits to:

50% absolute reduction in Scope 1 and 2* emissions

55% emissions reduction per square foot in buildings managed for clients

* Market based target

Strategic initiatives

Two key initiatives are instrumental to achieving our near-term Scope 1 and 2 target:

100%

- Renewable energy for corporate operations by the end of 2025
- Fleet electrification by the end of 2035

[1] Our near-term 2030 targets replace 2035 targets previously validated by SBTi in 2020.

Our Progress

Net Zero by 2040

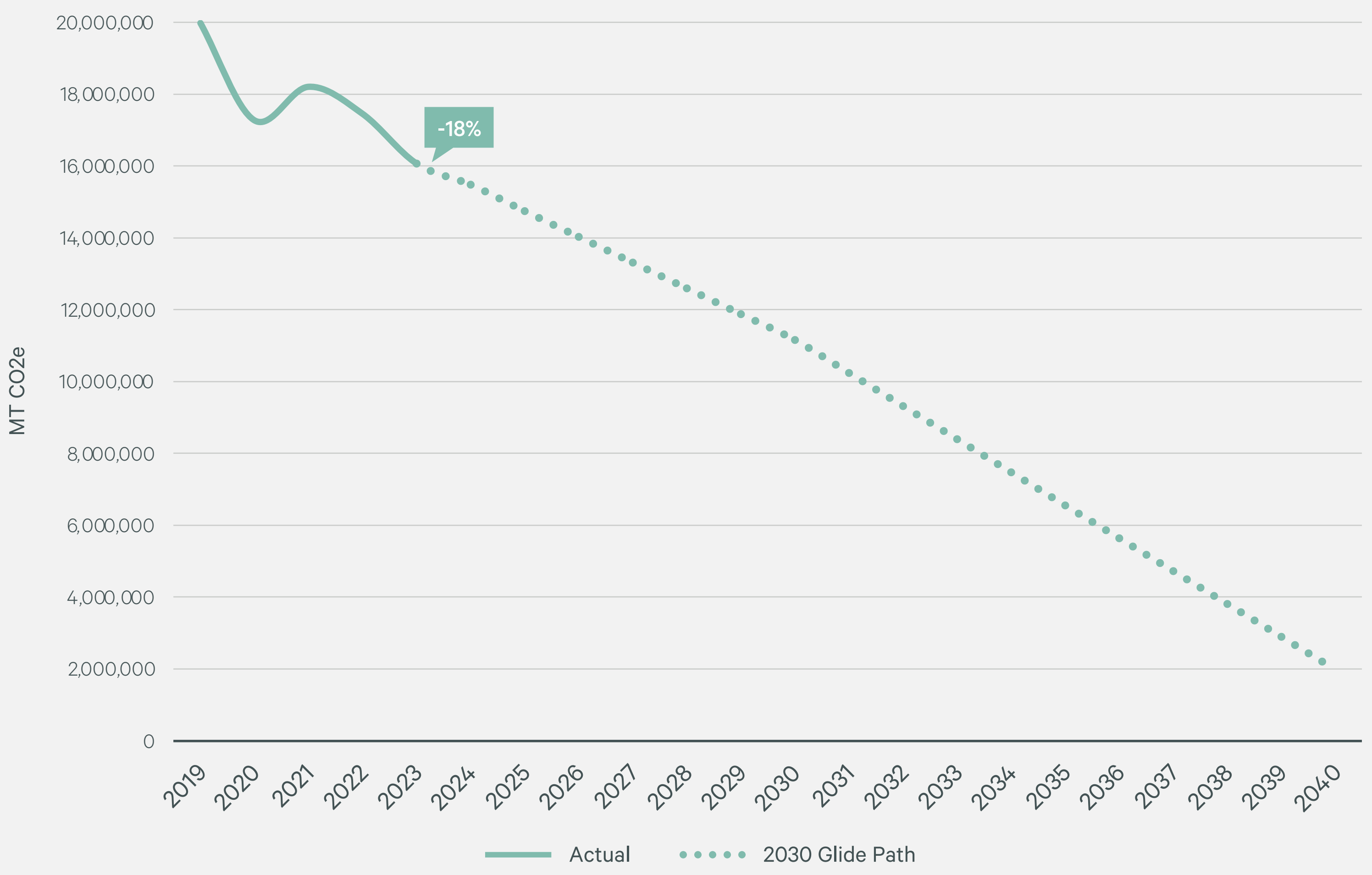
Progress toward our Net Zero by 2040 commitment highlights what's possible when we work together on a shared goal. Since 2019, CBRE has reduced absolute GHG emissions across total Scope 1, 2 and 3 emissions by 18%. We know that progress will not be linear and sustained progress will become increasingly complex.

Scope 1 and 2 emissions make up a small part of our total impact; however, we have a clear understanding of the actions required to reach our near-term absolute reduction target. While holding ourselves accountable across our corporate operations, we can apply the same insights and expertise to actions for our clients as they work to decarbonize their own real estate portfolios. This symmetry positions CBRE to accelerate sustainability across our value chain.

Scope 3 emissions remain our biggest challenge—and an even greater opportunity. We differentiate ourselves in the marketplace by meaningfully effecting change in the buildings we manage for clients. We do this by serving as their strategic advisor for their own net zero journey, helping them optimize resources and driving decarbonization at scale through electrification, renewable energy and supply chain actions. Decarbonizing our supply chain through a deepened engagement with suppliers is also transforming how we deliver services. These drivers directly connect our business strategy with Scope 3 emissions reductions.

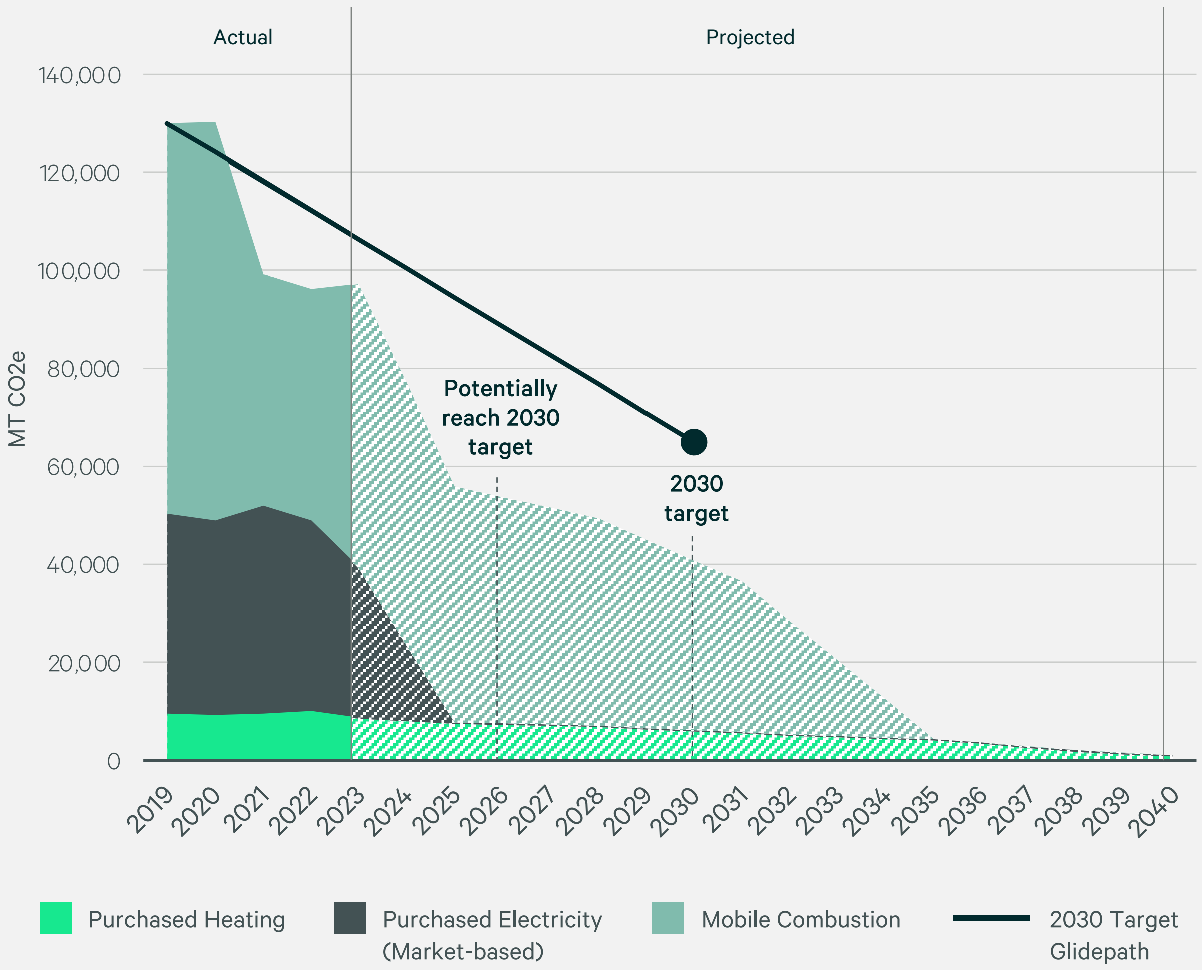
Progress Toward Net Zero

Since 2019, CBRE has reduced absolute GHG emissions across total Scope 1, 2 and 3 emissions by 18%.



Scope 1 + 2 Near-term Target

Reduce absolute scope 1 and 2 GHG emissions 50% by 2030 from a 2019 base year.



Progress on Scope 1 & 2

Since 2019, our absolute Scope 1 and 2 emissions have decreased 25%, primarily driven by optimization of our corporate office portfolio and increased renewable energy procurement. Our progress puts us on track to achieve our Scope 1 and 2 absolute reduction target ahead of 2030.

Between 2019 and 2023, electricity and natural gas use decreased by about 12% and 9%, respectively, in our corporate offices. During the same time, CBRE increased renewable energy power as we work to procure 100% renewable energy for our corporate operations by the end of 2025. CBRE directly purchased 27% of our electricity from renewable sources as of 2023, an increase from purchasing 16% of our electricity from renewable sources in 2022.

Fleet vehicle fuel consumption has decreased between 2019 and 2023., primarily attributable to improved fleet vehicle fuel efficiency and having Increased our total EVs in operation to over 500 globally.

A Look Ahead

Delivering on our renewable energy commitment is forecasted to reduce total Scope 1 and 2 emissions by 31% by the end of 2025. While we expect to substantively complete our 100% renewable energy by 2025 strategic initiative, we may fall short in select markets where viable renewable energy sources are still emerging.

Efforts to electrify our fleet will continue at a steady pace. CBRE has learned many lessons in the first few years of our EV transition and are applying these insights as we continue to transform our vehicle fleet. We are controlling what we are able—such as change management with our technicians who drive the vehicles—but are also reliant on external factors such as the availability of vehicles, expansion of charging infrastructure and improvement of battery range. Progress toward our 100% fleet electrification goal by 2035 is anticipated to reduce Scope 1 and 2 emissions by about 35% by 2030.

Eliminating fossil fuel-based heating across our corporate office portfolio will be realized gradually, depending on turnover of corporate leases and availability of electrified buildings in the geographies where we operate. In the near-term, we forecast that any reduction in natural gas use will be offset by growth of our corporate office portfolio. Beyond 2030, we anticipate an increase in the availability of fully electrified office space, enabling CBRE to gradually transition away from natural gas-based building heating systems through turnover in our leases.

Progress on Reducing Emissions in Buildings Managed for Clients

CBRE defines Scope 3.11 Use of Sold Products (UoSP) as the in-use operational emissions of buildings we manage for clients. These emissions are impacted by the energy and sustainability services delivered across our Facilities Management and Property Management lines of business.

Since 2019, GHG emissions in buildings managed for clients decreased by 19% per square foot, resulting in a 26% absolute reduction.

We attribute this reduction to a combination of factors, including the positive impact of our property and facilities management services to make operations more efficient and our clients' investment in building upgrades and renewable energy.

Continued progress to reduce emissions per square foot across the portfolio of buildings we manage for clients requires collective action among multiple stakeholders that occupy and support operations.

Understanding our Scope 3.11 UoSP Reporting Boundary

CBRE welcomes the opportunity to partner with our clients to achieve net zero across their real estate portfolio; however, many of our agreements for Property and Facilities Management services do not give CBRE the ability to affect—and therefore be accountable for—the operational emissions of a building.

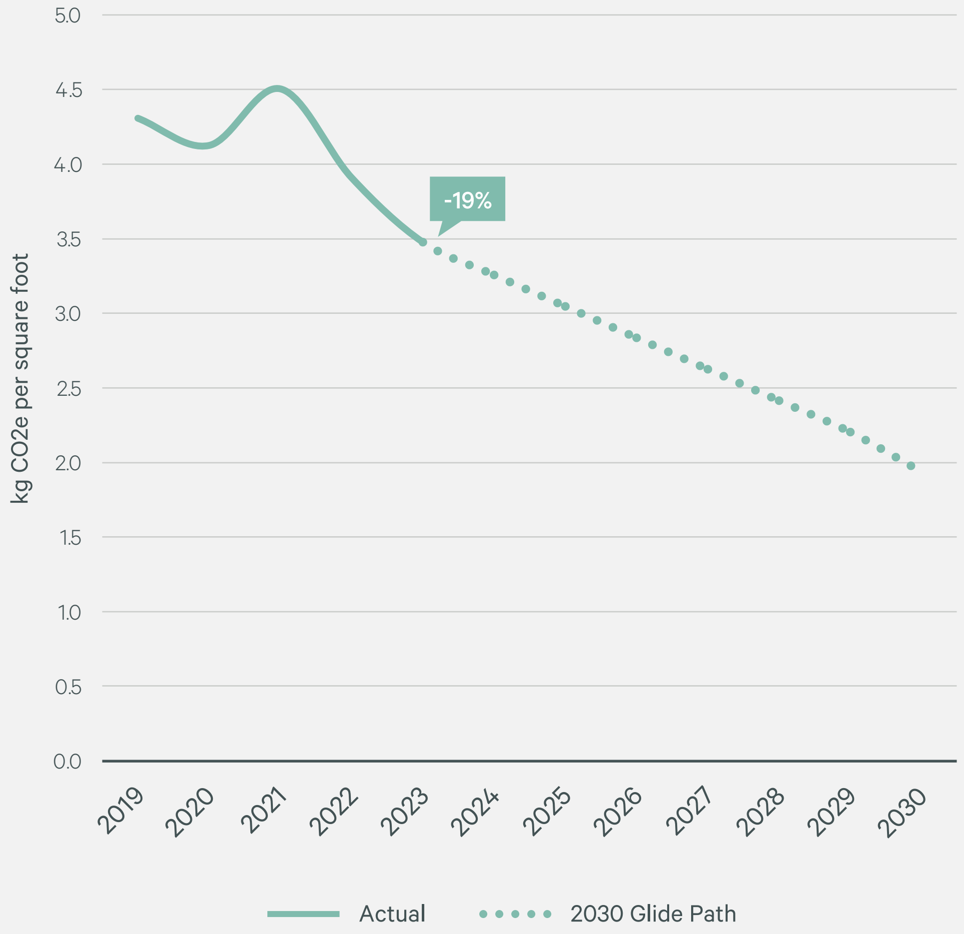
As we prepared to validate our Net Zero and near-term targets with SBTi, CBRE aligned our GHG emissions reporting boundary for Scope 3.11 UoSP with our ability to meaningfully influence GHG emissions in the buildings we manage for clients. We reviewed client contracts and service agreements, consulted with industry experts and completed an independent third-party review of our calculation methodology and data model.

The updated Scope 3.11 UoSP reporting boundary reflected in our new, SBTi validated targets requires all of the following conditions:

1. CBRE serves as the property or facilities manager, with day-to-day oversight of building operations.
2. CBRE has access to building energy use data required to effectively manage and reduce GHG emissions.
3. CBRE's contract includes energy management and decarbonization services (beyond preventive maintenance).

Scope 3 Near-term Target

Reduce Scope 3 GHG emissions from use of sold of sold products 55% per square foot in buildings managed for clients by 2030 from a 2019 base year.



Our Impact

Since reporting our first greenhouse gas (GHG) emissions for 2009, CBRE's business has diversified and grown. We have continually improved our GHG inventory to more accurately reflect the impacts of our business by leveraging technology and enhanced processes to calculate emissions.

Financial-Grade GHG Emissions Reporting

Over the past two years, CBRE has made significant investment in improving the way we measure and report our GHG emissions to ensure completeness, accuracy and comparability. Enhancements include data acquisition, estimation methodologies and technology improvements.

We have made several enhancements that required baseline adjustments since publishing our GHG emission inventory in CBRE's 2023 Corporate Responsibility Report and submitting our latest CDP questionnaire in 2024. The GHG emissions data reported in this Transition Strategy is the same data used during target validation by SBTi and provides the basis for tracking progress toward our targets.

Enhancements include:

- Integration of Turner & Townsend operations into GHG emissions reporting
- Implementation of a new GHG emissions reporting technology platform
- Refinement of our emissions boundary for category 3.11 UoSP to align with our ability to influence the in-use operational emissions of buildings we manage (see additional detail on pg. 9)
- Estimation of emissions associated with waste generation in our corporate offices
- Calculation of fugitive emissions associated with our vehicle fleet and corporate offices
- Improvement of processes to account for well-to-tank emissions for employee commuting and business travel
- Update of the Scope 3.15 Investments 2023 GHG emissions figure to reflect the finalized figure from GRESB

Transparency & Comparable Data

CBRE takes pride in providing our stakeholders with accurate data to provide an informed understanding of our performance. To ensure year-over-year comparability, we have adjusted reported emissions across all years where we have made methodological changes.

GHG Inventory

Our GHG inventory is provided in metric tons of CO_2e. These figures reflect enhancements to methodology and boundary as described on page 11 of this Transition Strategy.

	2019	2020	2021	2022	2023
Scope 1					
Mobile combustion	79,775	81,432	47,195	47,004	57,867
Fugitive emissions	136	136	136	124	112
Scope 2					
Purchased heating	9,272	7,903	9,168	9,713	8,473
Purchased electricity (location-based) [1]	37,427	36,907	38,850	37,471	34,712
Purchased electricity (market-based)	40,733	39,684	42,611	39,077	30,701
Scope 3					
3.1 Purchased goods and services [2]	5,225,246	3,378,978	4,528,194	5,616,657	5,258,766
Corporate procurement	300,795	242,915	257,317	282,933	294,686
Procurement on behalf of clients	4,350,580	2,562,192	3,620,670	4,640,302	4,429,537
Real estate development procurement [3]	573,871 [(4)]	573,871	650,207	693,422	534,543
3.3 Fuel- and energy-related activities [5]	15,180	15,074	10,448	11,164	12,921
3.5 Waste	1,878	586	433	427	457
3.6 Business travel	46,814	12,456	6,582	26,087	37,060
3.7 Employee commuting	260,661	94,658	85,232	112,311	125,616
3.8 Upstream leased assets	7,557	7,915	8,201	8,151	7,203
3.11 Use of sold products	14,293,275	13,040,834	13,466,435	11,583,724	10,530,572
Occupier client properties	9,881,460	9,428,836	9,024,645	7,898,222	7,381,425
Investor client properties	4,411,815	4,202,591	4,441,790	3,684,718	3,148,382
3.15 Investments	538,176	564,737	674,651	780,696	780,525
Direct private real estate investments	444,008	448,854	567,819	656,670	642,992
Indirect private real estate investments	94,168	115,883	106,832	124,026	137,533
Total (location-based)	**20,515,397**	**17,833,264**	**18,875,628**	**18,232,824**	**16,853,518**
Total (market-based)	**20,518,702**	**17,836,041**	**18,879,389**	**18,234,430**	**16,849,508**

Footnotes:

1. Location-based emissions reflect the average emissions intensity of the grid on which energy consumption occurred. Market-based emissions reflect the emissions from electricity purchased (and chosen when available), derived from contractual instruments such as Guarantees of Origin, supplier-specific emission rates or direct contracts with energy providers.
2. CBRE embeds Scope 3.2 Capital Goods and Scope 3.4 Upstream Transportation emissions within Scope 3.1 Purchased Goods and Services.
3. Potential for locked-in emissions.
4. 2020 purchased goods and services emissions for real estate development procurement are used as a proxy for 2019 due to availability of spend data.
5. Includes emissions associated with transmission and distribution losses and production, processing and delivery of fuels or energy (well-to-tank).

As a professional services organization, our Scope 1 and 2 GHG emissions represent less than 1% of total reported emissions. We hold ourselves accountable for reducing these emissions, and at the same time, we know our greatest opportunity to accelerate progress toward a net zero future is though collaboration across our value chain.

Understanding Our Impact

Based on our 2023 GHG emissions inventory

Scope 1	Scope 2	Scope 3	Total GHG Emissions
0.4%	0.2%	99.4%	16.8
58.0k MT CO2e	39.2k MT CO2e	16.8 million MT CO2e	million MT CO2e

Shared Commitment with our Clients

In-use operational emissions from buildings that CBRE manages for our clients are the single largest contributor to our GHG inventory. Categorized as Scope 3.11 UoSP, these emissions represent about 63% of total 2023 GHG emissions. Over the past two years, CBRE has made a significant investment to enhance our data model to improve the completeness, accuracy and consistency of our calculations. We also aligned our reporting boundary with our contractual authority to meaningfully impact GHG emission reduction through our energy and sustainability service offerings.

These emissions are impacted by the delivery of sustainability solutions across our Facilities Management and Property Management lines of business and dependent on the decisions and investments made by our clients. This means that CBRE's ability to reduce Scope 3.11 UoSP emissions is inextricably connected to our clients' progress toward their own net zero commitments.

Supply Chain Decarbonization

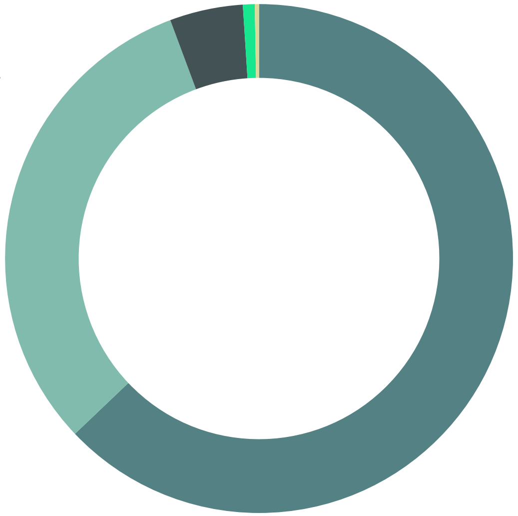
In 2023, CBRE procured goods and services directly from more than 131,000 Tier 1 suppliers (direct contracts) globally. Like many companies, supply chain emissions categorized as Scope 3.1 Purchased Goods and Services (PGaS) is a significant contributor to our impact, representing over 30% of our total 2023 GHG emissions.

Most Scope 3.1 PGaS emissions are from the procurement activities that CBRE performs on behalf of clients through our Facilities Management and Property Management lines of business (84% of 2023 PGaS emissions). The embodied carbon in construction materials used in the real estate development projects led by Trammell Crow Company contributes another 10% to this emissions category. The remaining 6% of these emissions are associated with corporate procurement, referring to the goods and services we buy to run day-to-day operations of our business.

Scope 3 Insights

Understanding our most significant sources of indirect emissions

- 3.11 Use of Sold Products
- 3.1 Purchased goods and Services
- 3.15 Investments
- 3.7 Employee Commuting
- All other Scope 3



Core Business Activities

CBRE's core business activities provide a useful lens for considering our role in reducing GHG emissions across the real estate industry and how they connect to the services we bring to market.

In developing our Transition Strategy, we combined Corporate Operations and the Consulting business activities because they share the same GHG emissions impacts and reduction strategies. Specifically, both business activities are supported by CBRE's own operations.

Property and Facilities Management

services performed by our Property Management and Facilities Management lines of business for investor and occupier clients, respectively, providing operational support for their real estate portfolios.

Real Estate Development

led by Trammell Crow Company (TCC), providing a full range of development and investment services to commercial real estate occupiers and investors to develop vibrant, sustainable buildings aimed at improving neighborhoods and driving economic vitality.

Corporate Operations

include functions that support our business, such as Corporate Finance; People; Legal, Risk & Compliance; Digital & Technology; Communications; Marketing.

Investment Management

CBRE Investment Management's (CBRE IM) focus on sustainability is fundamental to mitigating risk, creating value and maximizing long-term investment returns while helping to preserve our planet for future generations.

Consulting

services performed by Advisory Services, GWS and Turner & Townsend, advising clients on every aspect of managing and developing their real estate portfolios and delivering impactful projects and programs.

3%

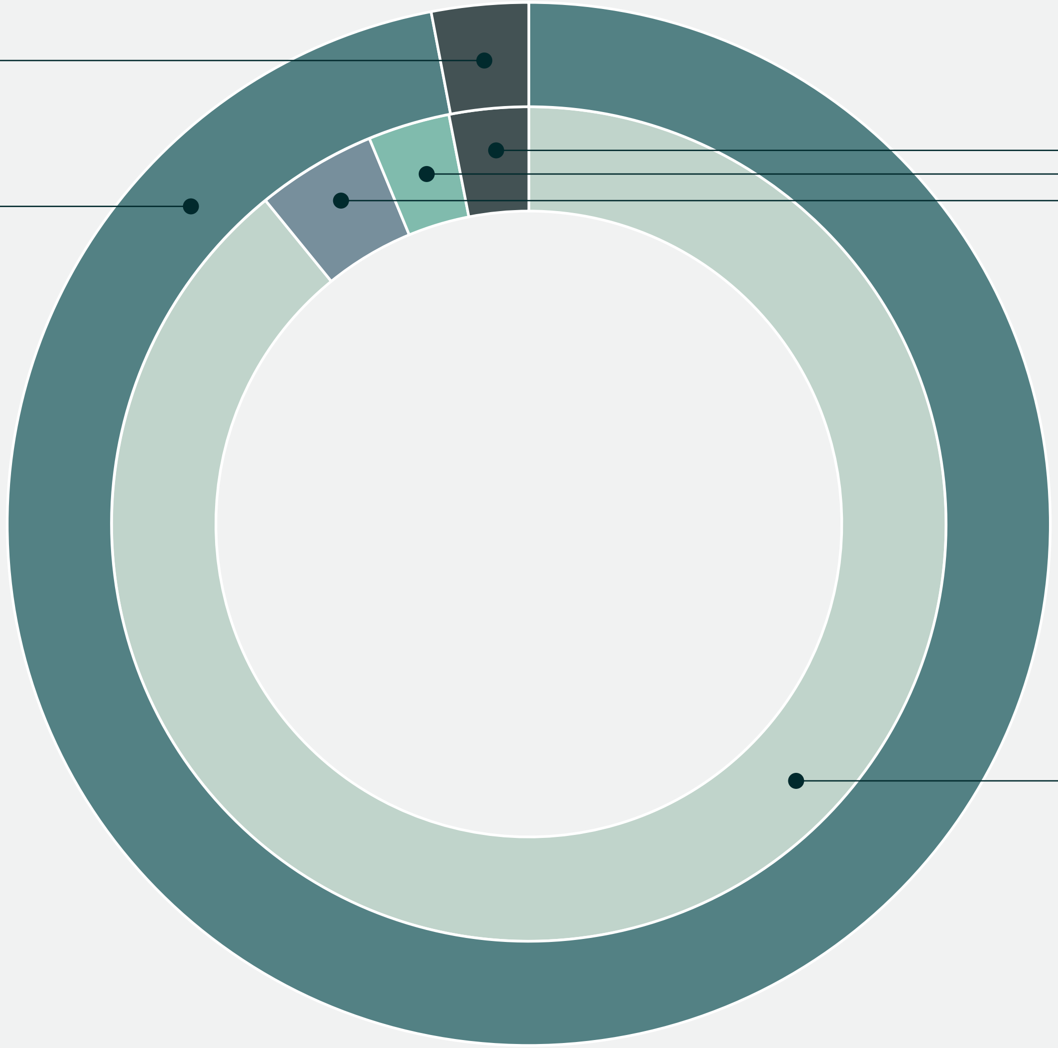
Business activities supported by CBRE's own operations

97%

Business activities related to managing and developing properties for clients

Nearly 97% of our total emissions are related to managing and developing properties for our clients. CBRE's ability to achieve our Net Zero ambition is directly connected to our clients' investments in their real estate portfolio and supply chain decarbonization.

This paradigm is both an opportunity and challenge. Reducing GHG emission across buildings managed for clients, real estate development projects and investment portfolios creates a platform to drive deeper collaboration with our clients. We take great responsibility in serving as a trusted advisor to our clients and embed sustainability expertise across our service offerings to enable our clients to reduce the emissions impact of their real estate assets.



3.1%

Corporate Operations and Consulting emissions are comprised of impacts associated with our corporate operations, including energy use across our leased office portfolio, corporate procurement, waste, employee commute and business travel.

3.2%

Real Estate Development emissions are comprised of the net embodied carbon in the materials and capital goods used in the construction of new commercial and industrial buildings and residential properties.

4.6%

Investment Management emissions are comprised of the in-use operational emissions of real estate and infrastructure investments under management.

89.1%

Property and Facilities Management emissions are comprised of impacts associated with fleet vehicles to service client properties, in-use operational emissions of buildings managed for clients, as well as procurement of goods and services on their behalf, including as part of project management.

Net Zero Pathways

CBRE identified four pathways to drive emissions reductions across our corporate operations and all business activities: maximize resource efficiency, increase renewable energy use, electrify operations and decarbonize supply chain.

These pathways provide a consistent framework for strategic objectives and near-term actions most relevant for each part of our business. The following pages identify actions for each pathway specific to our core business activities.

Realizing the potential of these pathways is dependent on transformation enablers to accelerate progress and scale impact.

Maximize resource efficiency – Improve building energy and resource efficiency to reduce operating costs, minimize impacts and enhance resiliency.

Increase renewable energy – Increase renewable energy use through high-quality procurement agreements and on-site generation.

Electrify operations – Transition away from fossil fuel energy sources by switching to electric building systems and electric vehicles (EVs).

Decarbonize Supply Chain – Influence change across our supply chain to deliver low-carbon products and services for our clients and own operations.

2040 Net Zero

TRANSFORMATION ENABLERS

Governance and accountability at all levels of the organization to operationalize the policies and programs necessary to deliver progress toward our commitments.

Technology and innovation to uncover data-driven insights and deploy new technical solutions to assess impact and increase scalability.

Upskilling our workforce to empower our teams with the knowledge, tools and practices needed to reduce emissions effectively across our value chain.

Industry collaboration to accelerate technology adoption, influence advancement of low-carbon materials and accelerate the net zero transition across the building sector.

Corporate Operations and Consulting

3.1% contribution by **Corporate Operations and Consulting** business activities toward total emissions

Our journey to net zero begins in our own operations, embedding our Transition Strategy across our office portfolio and corporate operations, which also supports our employees providing consulting and project management services to our clients.

Since 2019, emissions associated with our Corporate Operations and Consulting business activities have decreased by 24%, primarily driven by increased office portfolio optimization, renewable energy procurement and lower supply chain emissions.

Net Zero Pathways

Maximize Resource Efficiency

Our greatest opportunity to improve energy efficiency across our office portfolio occurs during site selection and fit-out of new offices, and renovation of existing offices. In the near-term, we anticipate that improvements in energy efficiency will offset modest growth in our occupied space.

Actions

- Strengthen clauses in new green lease agreements
- Enhance energy efficiency requirements in corporate fit-out standards
- Earn sustainability certifications for all new offices and major renovations of existing offices for locations greater than 10,000 sq. ft.
- Implement Sustainable Office Operations Program to establish minimum sustainability performance requirements for CBRE offices greater than 10,000 sq. ft.

Increase Renewable Energy Use

CBRE has a strategic initiative to purchase 100% renewable energy for corporate operations by the end of 2025. In 2023, renewable energy accounted for 27% of CBRE's total electricity use.

Given the distributed nature of our electricity consumption, we will rely on a variety of procurement mechanisms to meet our renewable energy target. We aspire to increase the positive impact of our efforts through consideration of additionality, emissionality and alignment with leading industry standards and frameworks.

Actions

- Implement Global Policy on Procurement Standards for Renewable Energy
- Expand renewable energy procurement in established markets
- Develop and implement renewable energy procurement strategy for nascent markets

Electrify Operations

Transitioning away from buildings that rely on fossil fuel-based heating systems will be a gradual change that occurs through lease attrition and is dependent on availability of electrified buildings in geographies where we operate. For these reasons, we expect emissions associated with natural gas used for building heating will remain level through 2030.

Actions

- Develop baseline inventory of electrified buildings across corporate office buildings
- Integrate consideration for electric buildings during new office site selection

Decarbonize Supply Chain

Corporate procurement is the largest GHG emission source for Corporate Operations and Consulting business activities. Sourcing is comprised primarily of materials and finishings used in new office fit-out or existing office renovation, professional services and consumable goods used in our offices. CBRE intends to implement similar supply chain decarbonization strategies that we offer to our clients for goods and services purchased on their behalf, for our corporate procurement.

Actions

- Build capability with suppliers to share reliable GHG emissions data to improve accuracy of reporting and inform decision-making
- Strengthen sustainable supplier requirements to emphasize GHG emissions report, targets and transition planning
- Develop sustainable sourcing guidelines for high-volume or high-impact procurement categories

Property and Facilities Management

89.1% contribution by **Property and Facilities Management** business activities toward total emissions

The biggest impact we can make to accelerate decarbonization of the buildings sector is guiding our clients with the strategies and implementation tools to achieve deep emissions reductions across their real estate portfolio.

Since 2019, emissions associated with our Property and Facilities Management business activities have decreased by 20% (includes managed properties, fleet vehicles and procurement). While these lines of business serve different clients, tactics to accelerate building decarbonization are largely the same.

Our ability to reduce emissions in buildings managed for clients is inextricably connected to our clients' progress toward their own net zero commitments and their ability to invest in efficiency and electrification, renewable energy, sustainable design, and low-carbon materials.

Net Zero Pathways

Maximize Resource Efficiency

CBRE serves clients with complex real estate portfolios, comprised of varying property types spanning diverse geographies. With insights on day-to-day operations of our clients' buildings, our Property and Facilities Management lines of business are uniquely positioned to identify, prioritize and lead implementation of energy efficiency improvements.

Actions

- Improve access and quality of building energy data, leveraging technology to provide actionable insights that drive operational improvement
- Identify opportunities to enable our clients to improve energy efficiency, using data-driven insight to prioritize investment
- Leverage partnerships to scale energy efficiency solutions and offer innovative financing to reduce implementation barriers

Increase Renewable Energy Use

Many of our Property and Facilities Management clients are interested in buying renewable energy, but don't know where to start. Leveraging our in-depth understanding of real estate portfolio energy use and a proven track-record in utility management, we intend to simplify renewable energy procurement for our clients to reduce operational emissions.

Actions

- Deepen capability and expand capacity to advise our clients in accessing high-quality renewable energy
- Develop streamlined approach to evaluate opportunities for distributed renewable energy resources, leveraging partnerships to accelerate installation

Electrify Operations

Electrification simultaneously improves energy efficiency and reduces dependency on fossil fuels. CBRE advises our clients on how to integrate building electrification retrofits while managing other capital investment priorities and advocates to utilize EVs on client accounts where we use fleet vehicles to service buildings.

Actions

- Identify opportunities to electrify building energy systems that deliver the greatest GHG emissions reductions and achieve positive economic results
- Continue to integrate EVs used to service client accounts into our vehicle fleet, driving progress toward our strategic initiative to electrify our fleet by 2035

Decarbonize Supply Chain

Over 84% of Scope 3.1 PGaS emissions are generated by the procurement activities that our Property and Facilities Management lines of business perform on behalf of clients, based on 2023 data. This procurement activity is embedded in our clients' Tier 2 supply chain and can represent a significant portion of their supply chain emissions.

Actions

- Build capability with suppliers to share reliable GHG emissions data to improve accuracy of reporting and inform decision-making
- Strengthen sustainable supplier requirements to emphasize GHG emissions report, targets and transition planning
- Develop sustainable sourcing guidelines for high-volume or high-impact procurement categories

Real Estate Development

3.2% contribution by **Real Estate Development** business activities toward total emissions

Buildings are responsible for about 40% of global energy-related carbon emissions.[2] Real estate projects developed today will have a lasting impact on our journey toward net zero.

Since 2019, emissions associated with our Real Estate Development business activities decreased by 7%., driven by a reduced volume of projects due to the recent economic downturn.

As a developer, Trammell Crow Company works with project financing partners to bring new real estate development projects to market. Our ability to reduce emissions associated with new development projects is dependent on the ability of these partners to invest in sustainable design, low-carbon materials and other net zero initiatives.

Trammell Crow Company anticipates initiating actions outlined by 2030.

Net Zero Pathways

Maximize Resource Efficiency

Developing high-performance real estate projects has long been a focus of the Trammell Crow Company. With about 28% of global energy-related emissions resulting from building operations, developing energy efficient buildings today will pay dividends to the asset owner over its lifetime.[2]

Actions

- Meet or exceed code-related energy efficiency performance requirements
- Specify ENERGY STAR® certified equipment, fixtures and appliances.
- Achieve a third-party sustainability certification (e.g., LEED, Green Globes®) on every project

Increase Renewable Energy Use

Integrating distributed energy resources, such as on-site solar and battery energy storage, is most effective when incorporated during the design-phase of a real estate development project. Trammell Crow Company plays an important role in bringing opportunities to integrate on-site renewable energy for consideration by project financing partners.

Actions

- Identify opportunities to integrate distributed energy resources and present project proforma and return on investment to investors and real estate partners
- Advocate for future-proofing assets by designing buildings to be net zero ready, planning for future potential integration of distributed energy resources

Electrify Operations

Trammell Crow Company engages with project financing partners and general contractors to encourage electrification of buildings and equipment to reduce dependency on fossil fuels during project construction and operation of the new development.

Actions

- Identify opportunities to electrify building heating and cooling systems that deliver the greatest GHG emissions reductions and achieve positive economic results
- Encourage general contractors to utilize fuel efficient or electrified construction equipment and implement best practices to minimize fuel consumption.
- Design all multi-family projects to use all-electric appliances
- Incorporate infrastructure to provide for current market- and building code-related EV charging requirements with consideration for future expansion

Decarbonize Supply Chain

The embodied carbon in the materials and capital goods used in the construction of development projects represents the over 99% of emissions associated with Trammell Crow Company's business activities. Reducing embodied carbon is also a key driver for CBRE's Net Zero commitment, as procurement related to new development projects represents about 10% of CBRE's total Scope 3.1 Purchased Goods and Services.

Actions

- Engage in industry initiatives to improve consistency in measurement of embodied carbon
- Measure embodied carbon on all new real estate development projects beginning in 2025 and use this data to set internal embodied carbon intensity (CO2e per square foot) reduction targets by property type
- Leverage our buying power by engaging with initiatives and organizations focused on reducing the carbon-intensity of key building materials, such as concrete and steel

[2] Bringing Embodied Carbon Up Front, World Green Building Council, 2019.

Investment Management

4.7% contribution by **Investment Management** business activities toward total emissions

CBRE IM seeks to lead the transition to a sustainable future and is committed to addressing climate-related risks and opportunities by focusing on delivering net zero carbon performance and physical resilience in assets under management.

In 2023, 52% of CBRE IM's assets under management (AUM) were included in a net zero commitment through NZAMi. CBRE IM intends to periodically update the AUM included per investor interest and commitments.

Where we do not have direct control of operations, we work to influence our tenants, operating partners, portfolio companies and joint venture partners to align with the four pathways. Specific actions highlighted form the basis of engagement for Indirect Real Estate, Direct/Indirect Infrastructure and Listed Securities Investment Strategies.

Net Zero Pathways

Maximize Resource Efficiency

Maximizing the operational efficiency of assets is CBRE IM's top priority for decarbonization. Resource efficiency is considered at all phases of the investment process, from asset acquisition through operations.

Actions

- Improve access and quality of asset energy, water and waste data to enable actionable insights that drive operational improvement
- Benchmark asset performance and conduct decarbonization audits to identify and prioritize energy efficiency improvements
- Reduce energy use and expenses by optimizing operations, upgrading systems and controls and improving building envelopes
- Partner with tenants and asset users to drive efficiency measures and strengthen green clauses in new lease agreements
- Leverage technology and partnerships to scale and implement energy efficiency solutions

Increase Renewable Energy Use

CBRE IM approaches renewable energy with a long-term perspective on asset value and operational resiliency.

Actions

- Increase on-site renewable capacity across assets under management
- Establish a framework to support asset managers and tenants to procure credible renewable energy wherever feasible.
- Futureproof new real estate development projects with renewable energy capacity where feasible.
- For infrastructure, support the development of renewable energy capacity, including solar, wind and geothermal

Electrify Operations

Electrification of building systems is a critical decarbonization pathway that requires an intent to reduce dependency on fossil fuels combined with insight on technical solutions across asset types and operating conditions.

Actions

- Identify opportunities to replace aging building energy systems with electrified systems at the end of their useful life
- Advocate for elimination of fossil fuel-based building heating systems in new real estate development projects
- For infrastructure, support the electrification of transportation systems like buses and ferries, as well as integrate EV charging infrastructure into urban planning to reduce transportation emissions

Decarbonize Supply Chain

CBRE IM is taking steps to prepare for embodied carbon measurement and mitigation in new project development and major renovations.

Actions

- Establish a framework to engage with developers and contractors to measure and reduce embodied carbon on all new construction and refurbishment projects.
- Minimize embodied carbon by preserving existing structures and innovative material selection, using a whole life carbon (WLC) assessment to inform decision making

Appendix

About Our Strategy

Our Transition Strategy supplements information included in our annual Corporate Responsibility report, providing further insight into the pathways and business activity-specific strategic actions to deliver progress toward our Net Zero GHG emissions by 2040 target.

This document builds upon our Net Zero Strategy for Corporate Operations originally published in December 2022, expanded to address GHG emissions from properties managed for clients, real estate development and investments. We identify existing and planned initiatives to make meaningful progress toward our 2030 targets.

CBRE intends to update the data presented in our Transition Strategy annually to clearly communicate to our stakeholders. Additional updates will be made at least every three years to ensure alignment with global standards and climate-related reporting frameworks.

The GHG emissions data included in this strategy reflect recent enhancements (described on page 10) resulting in a baseline adjustment. These figures align with what was submitted to submitted to SBTi as part of our Net Zero and near-term target validation announced in December 2024. We acknowledge the data does not match that reported in our 2023 Corporate Responsibility Report and 2024 CDP response.

Questions about this transition strategy can be emailed to: CorporateResponsibility@cbre.com.

Engage with Us

The only way we will achieve our Net Zero target is by working across our value chain to accelerate and scale solutions. We encourage our stakeholders to take an active role in our net zero journey.

- Investors are invited to engage through our Investor Relations team and are encouraged to provide feedback on our Transition Strategy and other climate-related disclosures. We want to provide the information needed to make informed decisions regarding CBRE's sustainability performance.
- Clients may inquire directly with their CBRE account leaders to explore our sustainability solutions and learn more about CBRE's own efforts to reduce emissions within our corporate operations.
- Employees are important catalysts on our Net Zero journey and are encouraged to take advantage of resources to understand CBRE's commitments and training designed to help our employees thrive as we transition to a low-carbon future.
- Suppliers play a critical role in delivering low-carbon solutions to our clients. Suppliers are encouraged to participate in our sustainable supply chain initiatives and engage directly with their CBRE Sourcing Manager to advance our supply chain decarbonization strategy.
- Industry organizations facilitate collaboration across sectors to bring diverse perspectives together to solve challenges for the benefit of all. CBRE is eager to collaborate on issues related to decarbonizing the built environment.

Our Corporate Sustainability team is responsible for monitoring feedback received from across our business. Insights gained from engagement with our stakeholders is used to shape future improvements to our approach.

Forward Looking Statements

The information provided in this strategy document reflects CBRE Group, Inc.'s approach to delivering progress toward our goal to achieve Net Zero GHG emissions by 2040 as of December 5, 2024, and is subject to change without notice. We do not undertake to update any of such information in this document. Our approach to inclusion of disclosures in this document is different from disclosures included in mandatory regulatory reporting, including under Securities and Exchange Commission (SEC) regulations. While this strategy describes events, including potential future events that may be significant, they do not necessarily equate to the level of materiality of disclosures required under U.S. federal securities laws.

This document contains forward-looking statements, which are based on our current assumptions and expectations. These statements are typically accompanied by the words "expect," "intend," "plan," "may," "could," "believe," "would," "might," "anticipates" or similar words. The principal forward-looking statements in this document include statements related to: (1) our sustainability targets, strategies and goals; (2) our business plans, initiatives and objectives; (3) our assumptions and expectations; (4) the scope and impact of our climate-related risks and opportunities; and (5) the standards and expectations of third parties.

All such forward-looking statements are intended to enjoy the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, as amended. Although we believe there is a reasonable basis for the forward-looking statements, our actual results could be materially different. Factors that could cause actual results to differ from our forward-looking statements include: our ability to implement our initiatives effectively and in a cost-effective manner; technological developments; access to emission-reducing technologies on commercially reasonable terms, or at all; changes in the legal and regulatory environment or benchmark standards; the actions of our partners and customers and their receptivity to our initiatives; the evolution of consumer behavior; competition; our business environment and results of operations; and the other factors described in our forward-looking statements set forth in our description of risk factors included in Part I, Item 1A, Risk Factors of our Form 10-K for the fiscal year ended December 31, 2023, which should be read in conjunction with the forward-looking statements in this document. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update any forward-looking statement. There can be no assurance that we will successfully achieve some or all of the goals and targets contained in this report on the timelines set forth herein, or at all.

Disclosures

European Sustainability Reporting Standards (ESRS) disclosures included in our Transition Strategy

As CBRE prepares for compliance with the Corporate Sustainability Reporting Directive (CSRD), we include an early look at the alignment with ESRS required disclosures related to transition planning. The information is shared for the benefit of our stakeholders and is not to be construed as a regulatory filing.

E1-1 Climate Change

Transition Plan for Climate Change Mitigation disclosures.

Disclosure		Status	Page
E1-1 14	Disclose transition plan for climate change mitigation		All
E1-1 15	Past, current and future mitigation efforts to ensure strategy and business model(s) are compatible with Paris Agreement		6-14
E1-1 16a	GHG emissions reduction target aligned with Paris Agreement		6
E1-1 16b	Decarbonization levers and key actions planned		16-18
E1-1 16c	Investments and funding supporting the implementation of the transition plan		
E1-1 16d	Qualitative assessment of potential locked-in emissions		10
E1-1 16e	Objectives for Taxonomy alignment		
E1-1 16f	CapEx amounts invested related to coal, oil and gas-related economic activities		
E1-1 16g	EU Paris-aligned benchmarks exclusion applicability		
E1-1 16h	How transition plan is embedded in and aligned with overall business strategy		4-5
E1-1 16i	Approval of plan by administrative, management and supervisory bodies		
E1-1 16j	Progress of implementation		7-9

Included

Not yet reported

Not applicable