GLOBAL REAL ESTATE DEI

SURVEY RESULTS PRESENTATION 2021

A survey of diversity, equity and inclusion practices and benchmarking metrics among commercial real estate firms globally
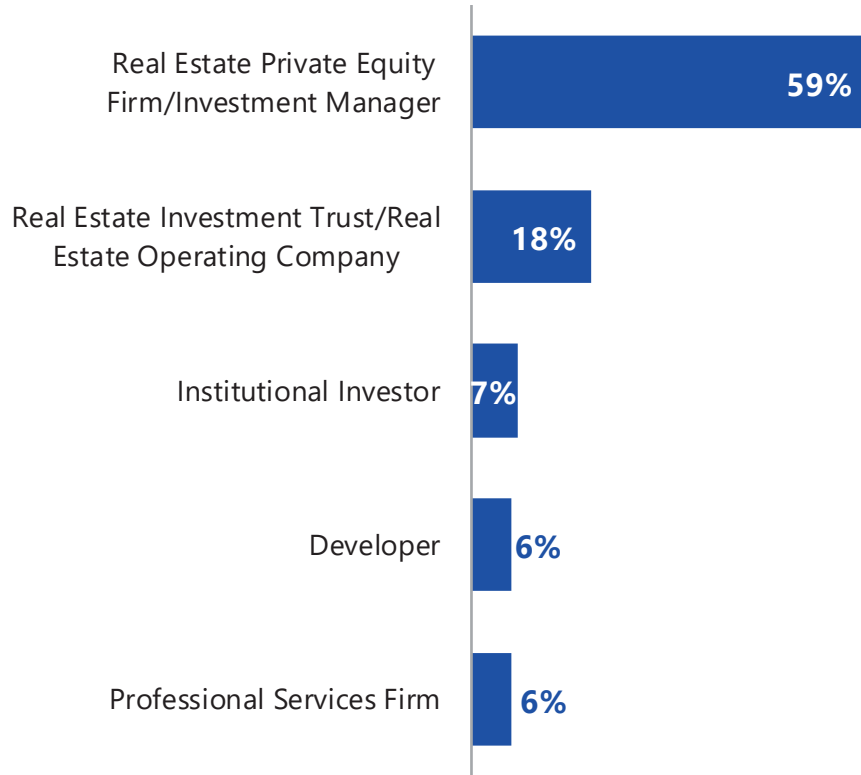
ANREV   fp Ferguson Partners   INREV   NAREiM The business of real estate investment management   NCREIF   PREA pension real estate association   REALPAC   ULI Urban Land Institute

Introduction/methodology

The Global Real Estate DEI Survey is the most comprehensive study of diversity, equity and inclusion management practices and data benchmarking in the commercial real estate industry.
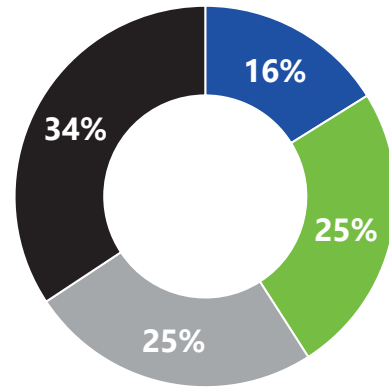
- ANREV, INREV, NAREIM, NCREIF, PREA, REALPAC, ULI, and Ferguson Partners partnered on this effort to bring to the industry a unified, global research report designed to provide data and thought leadership around the topics of diversity, equity, and inclusion

- Data was collected in September and October of 2021, and the final report was delivered in December 2021

- **175** survey responses were obtained, representing:
  - **435,000+** full-time employees
  - **$2.4 trillion** of assets under management
  - A wide **variety** of firm sizes, operating regions, and business classifications

- Of the 175 survey responses, **135** represented submissions from platforms in North America

Company demographics

Business Classification

Real Estate Private Equity Firm/Investment Manager — **59%**

Real Estate Investment Trust/Real Estate Operating Company — **18%**

Institutional Investor — **7%**

Developer — **6%**

Professional Services Firm — **6%**

Total # of Full-Time Employees
(Globally)

- 16% — Less than 50 Employees
- 25% — 50-149 Employees
- 25% — 150-599 Employees
- 34% — 600 Employees and Greater

Global Gross AUM
(In USD$)
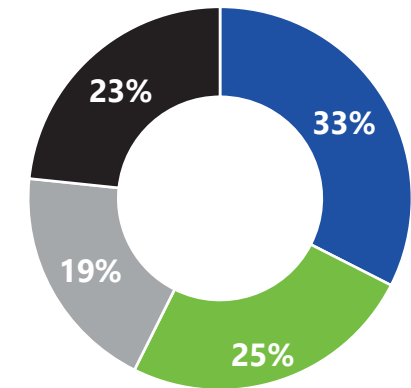
- 33% — Less than $3 Billion AUM
- 25% — $3-$9.9 Billion AUM
- 19% — $10-$29.9 Billion AUM
- 23% — $30 Billion AUM and Greater

Prevalence of DEI programs/initiatives

How does your company address DEI?

- **We have a formal DEI program in place at our company** — 47%
- **We have enacted some DEI initiatives and/or policies at our company** — 45%
- **We do not have a DEI program, initiatives, or policies at our company** — 8%, 2%
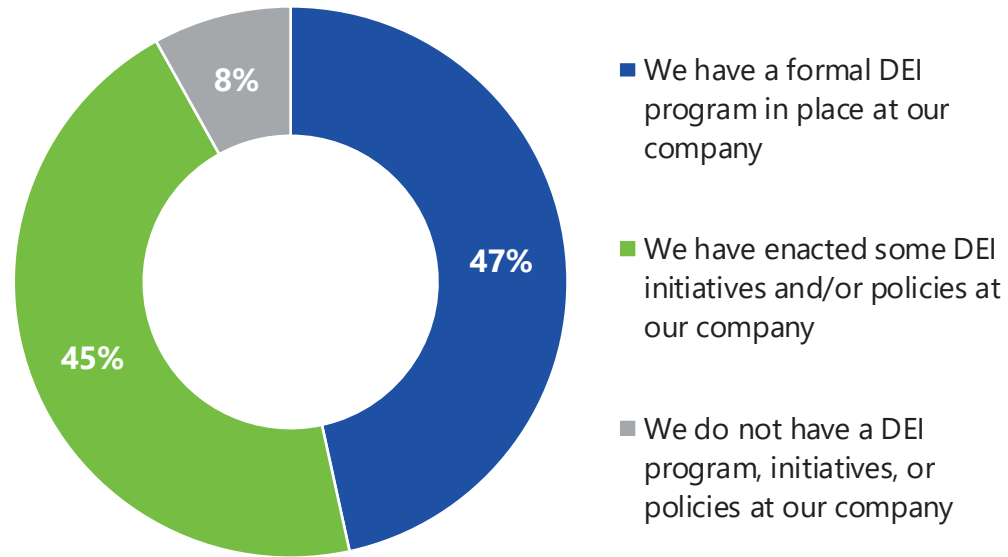
How does your company address DEI?
(By total number of full-time employees)

	Formal DEI Program	Some DEI Policies/Initiatives	No DEI Program
<50	39%	39%	22%
50-149	23%	67%	10%
150-599	49%	46%	5%
>600	67%	31%	2%
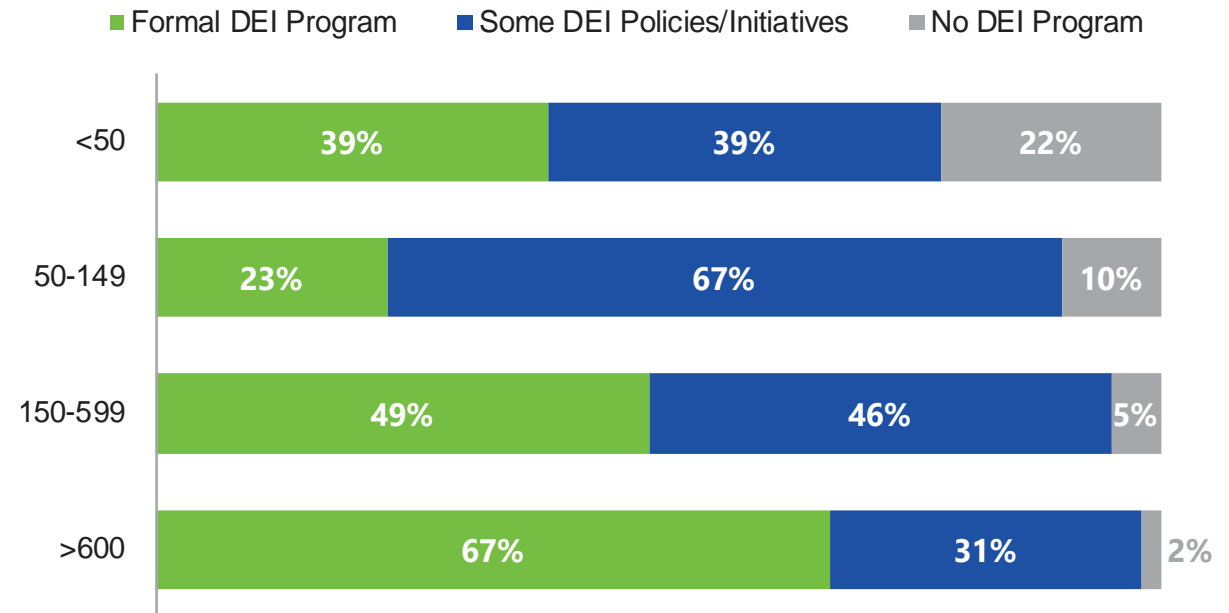
- Approximately **half of participants** are active in more than one geographic region
  - Among these firms, 48% established a global, platform-wide policy but with some variations by country/region, and 38% have adopted a global, platform-wide policy that applies across all their countries/regions

DEI program objectives and desired outcomes

If your organization sets quantitative/measurable goals (60% of respondents), which have you put in place?

Objective	%
Defined hiring targets for underrepresented groups	67%
Defined target percentage of senior-level employees from underrepresented groups	63%
Improving employee engagement scores on DEI initiatives	63%
Defined promotion targets for underrepresented groups	45%
Defined target percentage of the total employee population comprised of underrepresented groups	45%
Increasing diversity and representation in board composition	35%
Defined retention targets for underrepresented groups	25%
Defined DEI training targets	4%
Supplier diversity goals	4%

What are the most important outcomes that would result from successful DEI efforts?

Respondents chose up to three outcomes

Outcome	%
More individuals from underrepresented groups (other than women) in leadership positions	69%
Greater employee diversity	63%
More women in leadership positions	56%
Increased employee engagement on DEI issues	46%
Higher employee retention	29%
Improved employee productivity	17%
Improved employee morale	17%
Improved ranking from third party evaluation	3%

Organizational support

Does your company have a dedicated DEI budget?

- 26%
- 63%
- 11%
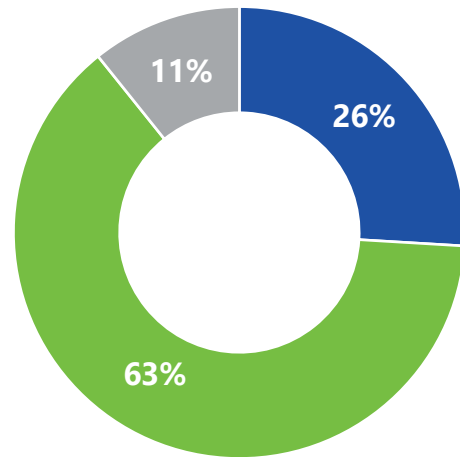
- We have a dedicated DEI budget
- We fund our DEI initiatives from the budgets of other business areas
- We do not have any specific DEI budget or funding

Who at your company leads decision-making on DEI policies/initiatives?

Role	%
C-Suite (other executives excluding CEO and Chief Diversity Officer)	27%
DEI Team/Committee	25%
Human Resources	12%
A Senior-Level DEI Employee (including Chief Diversity Officer)	11%
CEO	9%
Board of Directors	9%
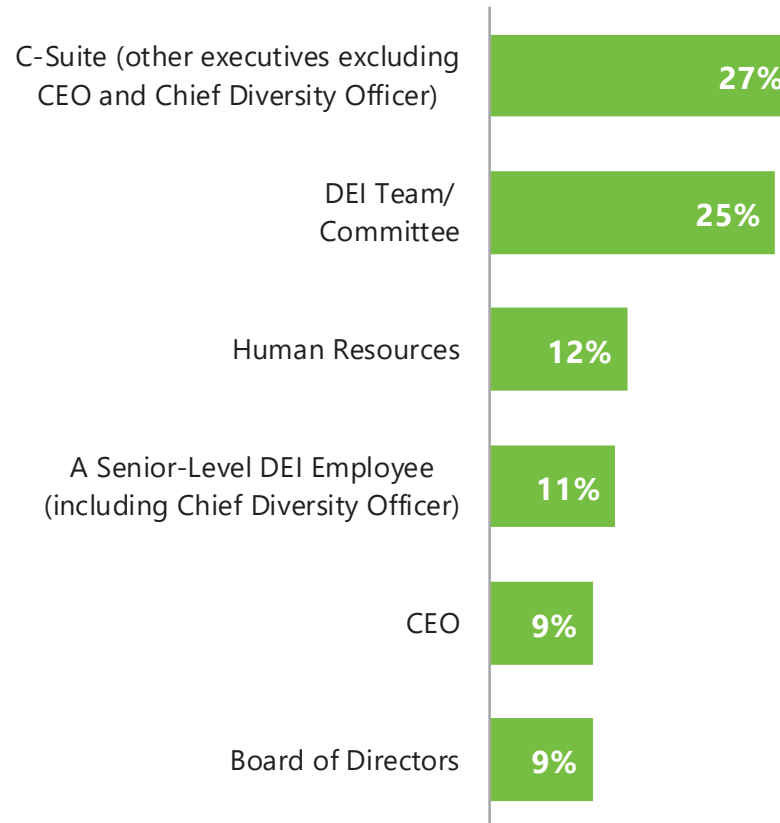
Do you have employees dedicated solely to DEI within your organization?

- 25%
- 75%

- Yes
- No
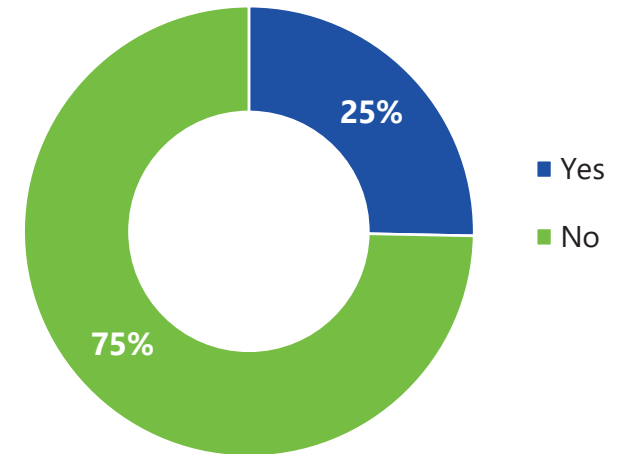
- The median number of DEI-dedicated employees is 3
  - At the 25th percentile, only 1 employee is dedicated to DEI, while at the 75th, there are 7 DEI employees

DEI committees

Does your company have a formal DEI committee?

- 38% No
- 62% Yes
- ■ Yes
- ■ No
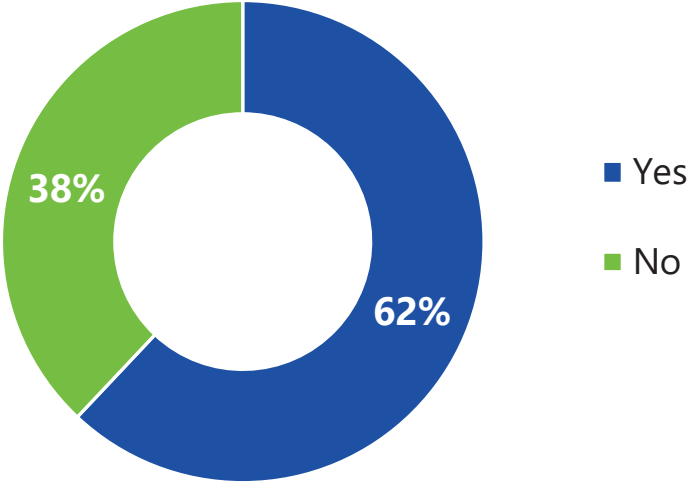
- The size of DEI committees varies widely
  - The median committee is composed of 10 people
  - Committees at the 25th percentile have 7 people, while those at the 75th percentile have 16 members

To whom does the DEI committee report?

Category	Percent
C-Suite (Other than CEO)	23%
CEO/President	20%
Board of Directors/Board Committee	15%
Human Resources Employee(s) (Not CHRO or DEI Employee)	11%
DEI Employee(s)	7%
Other Senior Leadership*	24%
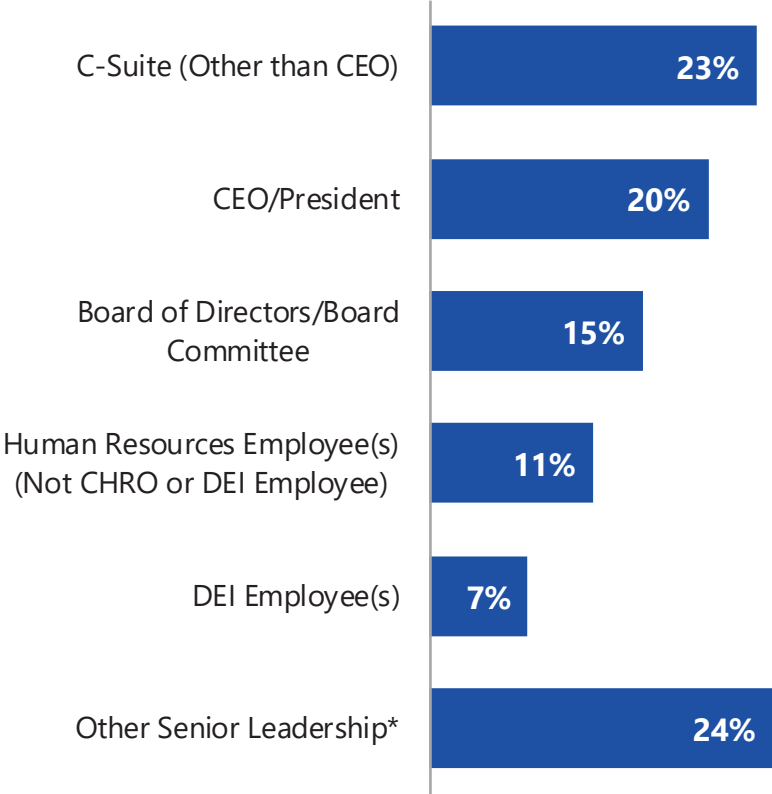
* Other senior leadership includes: Any higher-level positions that are not covered under the other categories listed, including managing directors, partners and senior/executive vice presidents of non-HR departments

Recruitment & hiring practices

Practice	Currently implemented	Plan to implement in the next 12 months	No current plans to implement
Presenting your workplace as a representative workplace to potential employees	63%	14%	23%
Ensuring there are candidates from underrepresented groups in the candidate pool before making a hiring decision	61%	19%	20%
Reviewing postings, application processes and assessments to eliminate adverse impact or bias	60%	24%	16%
Reaching outside the CRE industry to increase your group pool of candidates from underrepresented groups	54%	20%	26%
Creating scholarships/internships to increase the number of underrepresented individuals in candidate pools	51%	22%	27%
Ensuring the hiring team includes employees from underrepresented groups	48%	21%	31%
Including individuals from underrepresented groups in the hiring decision process	45%	16%	39%
Mandating that managers take hiring-specific anti-bias training	39%	32%	29%
Redacting potential identifiers of race, nationality, gender, etc. from resumes and applications to reduce unconscious bias	26%	15%	59%

■ Currently implemented
■ Plan to implement in the next 12 months
■ No current plans to implement

- Participants highlighted several avenues for identifying potential candidates from underrepresented groups including employee referrals (80%), university/ graduate schools (74%), online job boards or sites (70%), professional associations or non-profits focused on underrepresented groups (64%), and search firms (54%)

Retention practices

Practice	Currently Implemented	Plan to Implement in the Next 12 Months	No Current Plans to Implement
Outlining job requirements and setting clear expectations	89%	8%	3
Implementing anti-discrimination policies with whistleblowing/complaint mechanisms	85%	5%	10%
Evaluating employees based on well-defined, pre-determined criteria (job performance reviews)	84%	12%	4
Offering programs that provide a work/life balance (e.g., childcare, flexible work arrangements)	83%	10%	7%
Providing DEI-related training	59%	30%	11%
Implementing collaborative and inclusive conflict resolution practices	53%	14%	33%
Transparent decision-making regarding promotions	49%	23%	28%
Providing clear criteria for promotion at all levels of the company	48%	38%	14%
Affiliating with professional associations focused on underrepresented groups	45%	29%	26%

■ Currently Implemented
■ Plan to Implement in the Next 12 Months
■ No Current Plans to Implement

Note: Five additional DEI initiatives were addressed in this section: creating or supporting affinity groups focused on underrepresented groups; providing mentorship or formal sponsorship or advocacy for individuals from underrepresented groups; using a succession management plan for senior levels that includes candidates from underrepresented groups; requiring all employees to adhere to work/life balance restrictions to reduce bias in promotion considerations; and tying managers' performance to the development and retention of employees from underrepresented groups.

Training and development practices

Practice	Currently Implemented	Plan to Implement in the Next 12 Months	No Current Plans to Implement
Communicating the importance of DEI to employees	80%	12%	8%
Providing anti-harassment/anti-discrimination training	71%	17%	12%
Providing conscious and unconscious bias management training	57%	28%	15%
Providing soft skills training	50%	26%	24%
Providing DEI discussion topics, information sessions, and roundtables	48%	31%	21%
Providing regularly scheduled generalized diversity training	42%	28%	30%
Providing inclusive leadership training	39%	36%	25%
Providing cultural differences training	33%	36%	31%
Providing training for leadership of diverse groups	31%	28%	41%

- Currently Implemented
- Plan to Implement in the Next 12 Months
- No Current Plans to Implement

Inclusive culture practices

Practice	Currently Implemented	Plan to Implement in the Next 12 Months	No Current Plans to Implement
Providing parental leave (beyond legal requirements)	72%	5%	23%
Promoting inclusive employee social events	71%	14%	15%
Communicating a company stance on current events (e.g., denouncing recent violence against specific ethnic groups)	69%	5%	26%
Ensuring the workplace is accessible and disability compliant	66%	11%	23%
Providing a breastfeeding room	65%	8%	27%
Expansion of time off (e.g., additional holidays, mental health days, etc.)	64%	11%	25%
Ensuring dress code requirements are inclusive (e.g., provisions for natural hair, religious garments/accessories, etc.)	61%	8%	31%
Holding events to celebrate/promote/inform about specific groups (e.g., Pride Month, Black History Month, International Women's Day, etc.)	52%	14%	34%

■ Currently Implemented
■ Plan to Implement in the Next 12 Months
■ No Current Plans to Implement
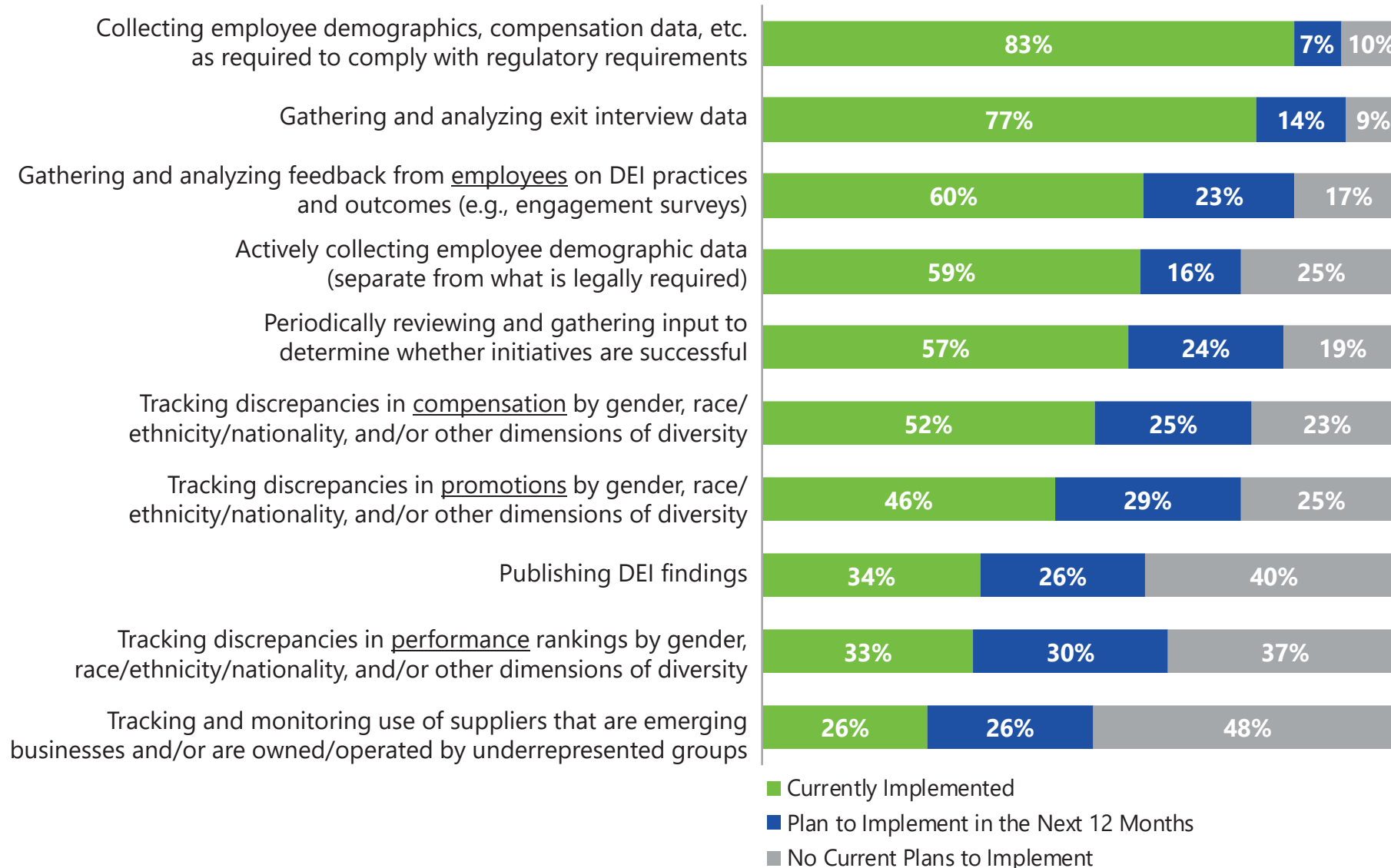
Note: Four additional DEI initiatives were addressed in this section: offering floating holidays for religious observations; providing a prayer/mediation space; promoting the use of pronouns in email signatures; and providing gender-neutral bathrooms
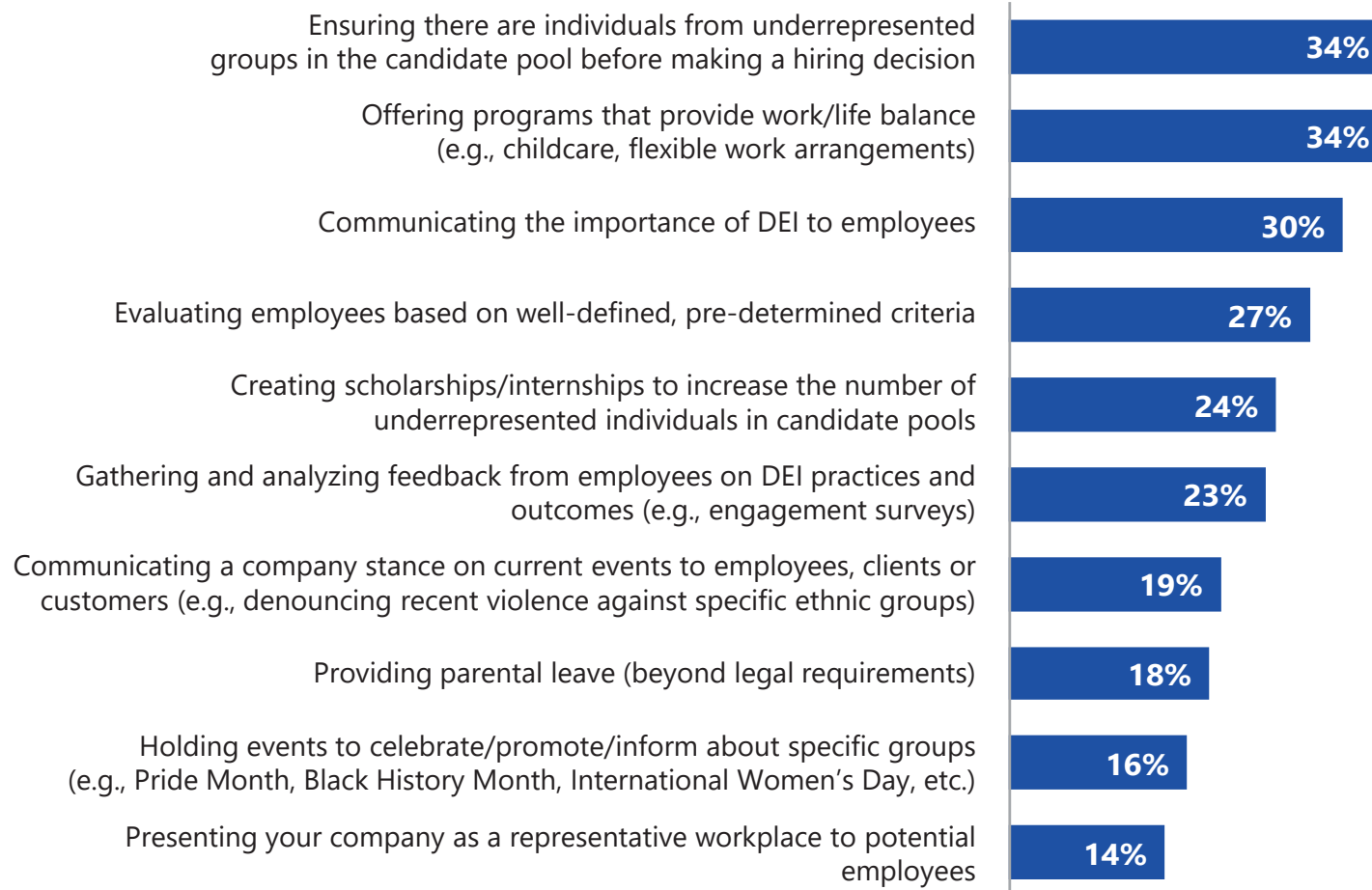
Tracking and accountability practices

Practice	Currently Implemented	Plan to Implement in the Next 12 Months	No Current Plans to Implement
Collecting employee demographics, compensation data, etc. as required to comply with regulatory requirements	83%	7%	10%
Gathering and analyzing exit interview data	77%	14%	9%
Gathering and analyzing feedback from employees on DEI practices and outcomes (e.g., engagement surveys)	60%	23%	17%
Actively collecting employee demographic data (separate from what is legally required)	59%	16%	25%
Periodically reviewing and gathering input to determine whether initiatives are successful	57%	24%	19%
Tracking discrepancies in compensation by gender, race/ethnicity/nationality, and/or other dimensions of diversity	52%	25%	23%
Tracking discrepancies in promotions by gender, race/ethnicity/nationality, and/or other dimensions of diversity	46%	29%	25%
Publishing DEI findings	34%	26%	40%
Tracking discrepancies in performance rankings by gender, race/ethnicity/nationality, and/or other dimensions of diversity	33%	30%	37%
Tracking and monitoring use of suppliers that are emerging businesses and/or are owned/operated by underrepresented groups	26%	26%	48%

- Currently Implemented
- Plan to Implement in the Next 12 Months
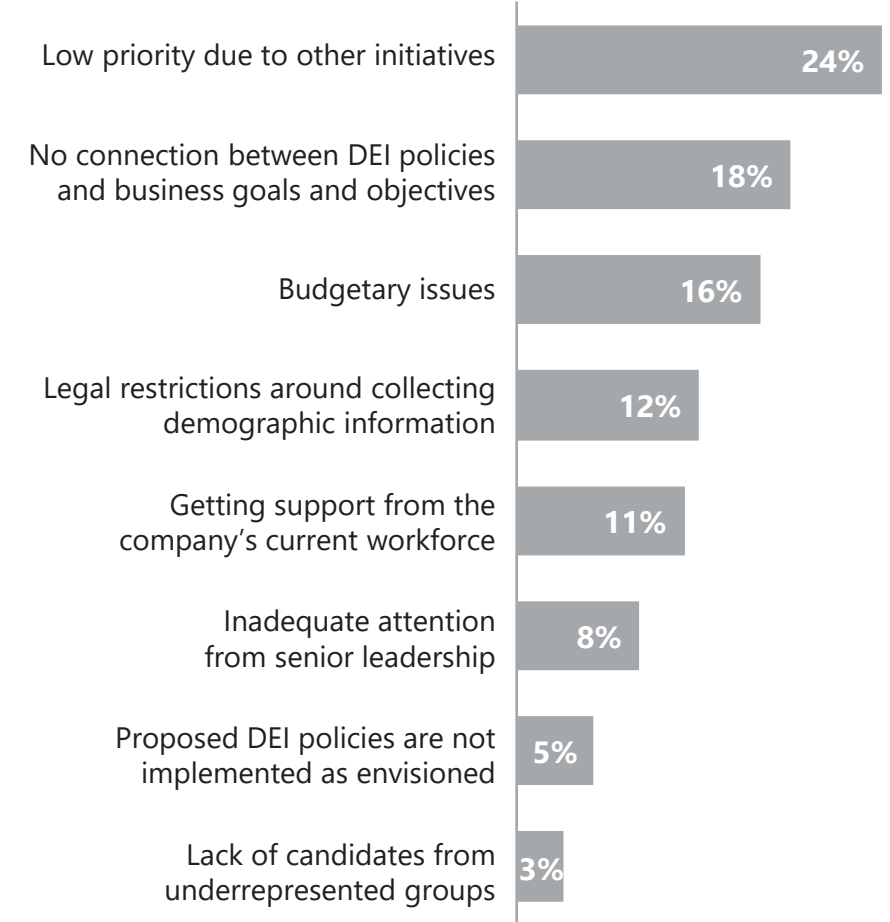- No Current Plans to Implement

Note: Three additional DEI initiatives were addressed in this section: tying elements of compensation to DEI practices/outcomes; gathering and analyzing feedback from customers/clients on DEI practices and outcomes; and tracking and monitoring use of suppliers who have DEI policies in place

Impact and obstacles

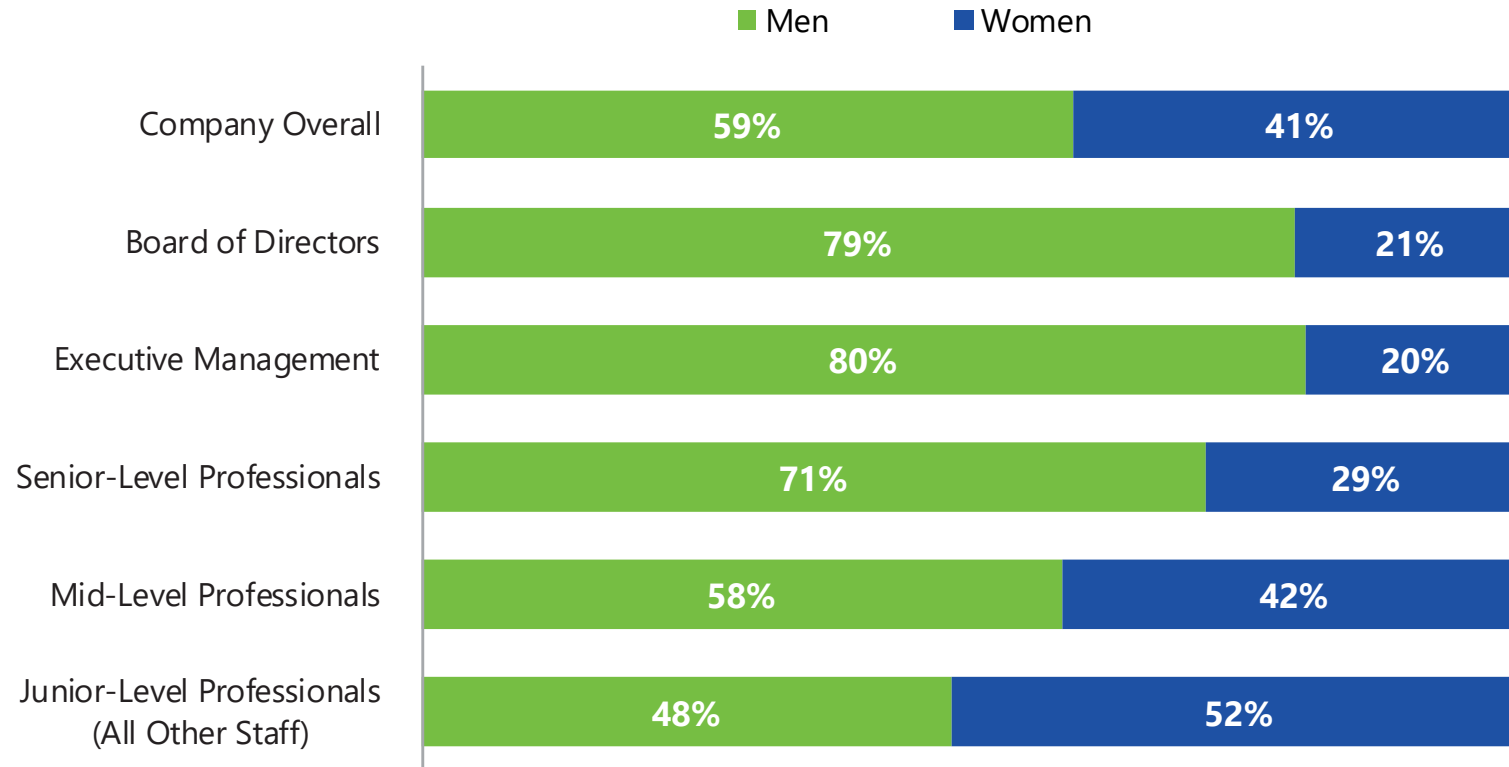## North America: Top 10 Most Impactful DEI Initiatives and Policies

Initiative	%
Ensuring there are individuals from underrepresented groups in the candidate pool before making a hiring decision	34%
Offering programs that provide work/life balance (e.g., childcare, flexible work arrangements)	34%
Communicating the importance of DEI to employees	30%
Evaluating employees based on well-defined, pre-determined criteria	27%
Creating scholarships/internships to increase the number of underrepresented individuals in candidate pools	24%
Gathering and analyzing feedback from employees on DEI practices and outcomes (e.g., engagement surveys)	23%
Communicating a company stance on current events to employees, clients or customers (e.g., denouncing recent violence against specific ethnic groups)	19%
Providing parental leave (beyond legal requirements)	18%
Holding events to celebrate/promote/inform about specific groups (e.g., Pride Month, Black History Month, International Women's Day, etc.)	16%
Presenting your company as a representative workplace to potential employees	14%

Obstacles to Developing and Implementing DEI Initiatives & Policies

Obstacle	%
Low priority due to other initiatives	24%
No connection between DEI policies and business goals and objectives	18%
Budgetary issues	16%
Legal restrictions around collecting demographic information	12%
Getting support from the company's current workforce	11%
Inadequate attention from senior leadership	8%
Proposed DEI policies are not implemented as envisioned	5%
Lack of candidates from underrepresented groups	3%

North American demographics
By gender

■ Men ■ Women

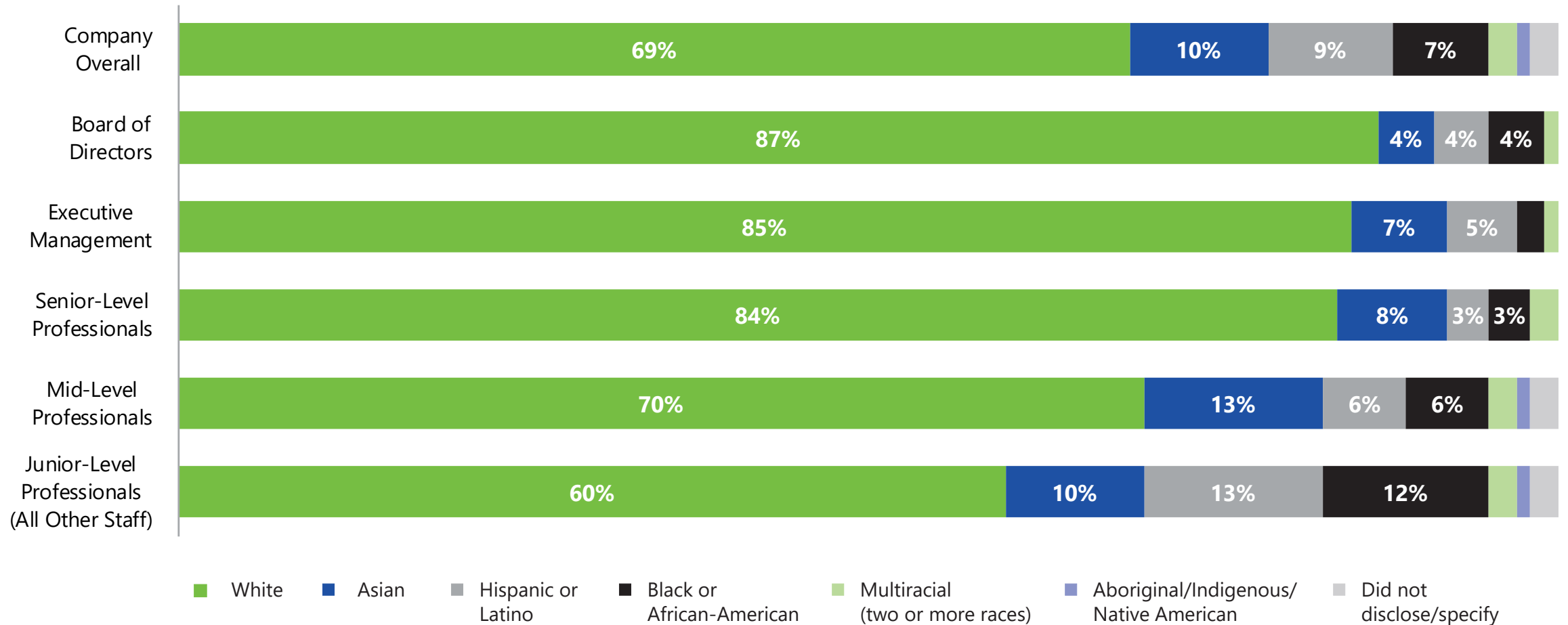|	Men	Women
Company Overall	59%	41%
Board of Directors	79%	21%
Executive Management	80%	20%
Senior-Level Professionals	71%	29%
Mid-Level Professionals	58%	42%
Junior-Level Professionals (All Other Staff)	48%	52%

Note: Insufficient data was received to report out on employees who identify as non-binary/non-conforming

North American demographics
By race/ethnicity

	White	Asian	Hispanic or Latino	Black or African-American	Multiracial (two or more races)	Aboriginal/Indigenous/ Native American	Did not disclose/specify

Company Overall: White 69%, Asian 10%, Hispanic or Latino 9%, Black or African-American 7%

Board of Directors: White 87%, Asian 4%, Hispanic or Latino 4%, Black or African-American 4%

Executive Management: White 85%, Asian 7%, Hispanic or Latino 5%

Senior-Level Professionals: White 84%, Asian 8%, Hispanic or Latino 3%, Black or African-American 3%

Mid-Level Professionals: White 70%, Asian 13%, Hispanic or Latino 6%, Black or African-American 6%

Junior-Level Professionals (All Other Staff): White 60%, Asian 10%, Hispanic or Latino 13%, Black or African-American 12%

North American demographics
Promotion/departure/hiring trends

Executive Management

	% of Employee Population					
	White Men (70%)	POC Men (10%)	Men Not Specified (0%)	White Women (15%)	POC Women (5%)	Women Not Specified (0%)
Total Promoted in Past Year	49%	10%	7%	28%	5%	1%
Total Hired in Past Year	47%	9%	9%	25%	4%	6%
Total Departed in Past Year	64%	2%	8%	17%	1%	8%

Senior-Level Professionals

	% of Employee Population					
	White Men (62%)	POC Men (9%)	Men Not Specified (0%)	White Women (22%)	POC Women (7%)	Women Not Specified (0%)
Total Promoted in Past Year	50%	14%	3%	28%	5%	0%
Total Hired in Past Year	43%	10%	2%	25%	17%	3%
Total Departed in Past Year	56%	8%	6%	25%	3%	2%

Mid-Level Professionals

	% of Employee Population					
	White Men (42%)	POC Men (15%)	Men Not Specified (1%)	White Women (28%)	POC Women (13%)	Women Not Specified (1%)
Total Promoted in Past Year	41%	13%	2%	28%	13%	3%
Total Hired in Past Year	36%	15%	2%	26%	18%	3%
Total Departed in Past Year	41%	10%	4%	33%	8%	4%

Junior-Level Professionals (All Other Staff)

	% of Employee Population					
	White Men (30%)	POC Men (17%)	Men Not Specified (1%)	White Women (30%)	POC Women (21%)	Women Not Specified (1%)
Total Promoted in Past Year	40%	12%	2%	25%	18%	3%
Total Hired in Past Year	30%	23%	3%	24%	17%	3%
Total Departed in Past Year	32%	18%	4%	24%	18%	4%

POC includes any employee who is Hispanic or Latino, Black or African American, Native Hawaiian or other Pacific Islander, Asian, Aboriginal/Indigenous/Native American, or multiracial (two or more races).