

Summary Report

GLOBAL REAL ESTATE DEI

SURVEY 2021

A survey of diversity, equity and inclusion practices and benchmarking metrics among commercial real estate firms globally



The Global Real Estate DEI Survey 2021

The Global Real Estate DEI Survey is the only corporate study of diversity, equity and inclusion (DEI) management practices and data benchmarking in the commercial real estate industry.

This report provides an in-depth view of DEI metrics relating to:

- DEI program structure, resources and ownership
- Policies focused on recruitment, retention, training and development, inclusivity, tracking and accountability and pay equity
- Employee demographics by gender, race/ethnicity and nationality, across seniority and job function, as well as DEI hiring, promotion and departure trends year-over-year.

The survey also provides, through exclusive interviews, DEI insights into the strategies commercial real estate organizations are taking to understand the importance of DEI and execute initiatives with APG, PGIM Real Estate, AECOM and Alter Domus.

Representing more than 435,000 full-time employees, \$2.4 trillion of assets under management and a cross section of the industry in terms of size, region and business classification, the Global Real Estate DEI Survey 2021 received 175 responses. Data was collected between September 8 and October 29, 2021.

The final report, released in December 2021, includes 119 pages of DEI management practices and gender and race/ethnicity metrics that allow participants to benchmark themselves against the industry and their peers to identify ways to run their businesses more effectively, efficiently and inclusively.

We extend our sincere thanks and appreciation to all participating organizations for providing valuable information.

Erin Green

Managing Director, Ferguson Partners

Lindsay Pankratz

Survey Director, Ferguson Partners

Jeremy Stewardson

Chief Executive, ANREV

Lonneke Löwik

CEO, INREV

Zoe Hughes

CEO, NAREIM

Dan Dierking

President, NCREIF

Gail Haynes

President, PREA

Michael Brooks

CEO, REALPAC

Ed Walter

Global CEO, ULI

Executive summary

Building a foundation for DEI change

The results of the Global Real Estate DEI Survey 2021 demonstrate that commercial real estate organizations worldwide are putting in place a strong policy and reporting foundation from which to make practical inroads to address diversity, equity and inclusion (DEI) in the industry.

It is still a long path to visible success of seeing more women and other underrepresented groups at the executive management level. However, with 92% of respondent firms reporting either having a formal DEI program in place or enacting some DEI initiatives, the imperative to act – and to be seen acting – has arrived in real estate.

The continued shadow of the Covid-19 pandemic has reinforced the move towards more caring, fair and socially conscious employers, of which providing a diverse and inclusive workplace forms a big part. DEI is growing in importance for all generations in the workplace, particularly for the talent that needs to be attracted to the industry in the coming years.

Almost all companies surveyed globally are addressing gender and gender identity as well

as race, ethnicity and nationality in their DEI initiatives. Seven out of 10 firms also address sexual orientation as part of their DEI policies. Other dimensions still needing to gain traction are physical disabilities, socioeconomic backgrounds, mental health and neurodiversity.

The Global Real Estate DEI Survey 2021 results show strong intentions on adopting policies and addressing diversity, equity and inclusion within commercial real estate organizations, irrespective of location, number of employees or size of firm.

But the Survey also demonstrates the challenges ahead. Most firms are early in their journey in adopting sustainable policies that will make an impact, and even defining what is a successful DEI outcome is difficult. Most firms are leaning heavily on extending or strengthening existing typical HR policies.

AT A GLANCE

92% of firms have a DEI program or initiatives to improve DEI

58% of FTEs in CRE globally are men, while **42%** of FTEs are women

26% of Asia-Pacific board of director members are women. In Europe and North America, this figure drops to **14%** and **21%**, respectively

31% of North America employees are POC professionals. That decreases to **15%** at the executive management level

72% of firms see extending parental leave beyond legal requirements as a leading practice for driving an inclusive corporate culture

Strong human capital policies are critical to DEI and its success. Effecting generational change will take time. As commercial real estate organizations look forward, DEI policies will become more directed and more targeted, such as tying DEI performance to the performance reviews of senior leaders and managers.

Benchmark expands mandate

This global benchmark of DEI metrics for the commercial real estate industry was created through the partnership of seven leading industry associations.

ANREV, INREV, NAREIM, NCREIF, PREA, REALPAC and ULI joined forces to respond to the growing prioritization of DEI within CRE organizations, and the need to benchmark not just the internal DEI policies of member organizations, but also to benchmark how the member organizations' partners and vendors are performing.

Ferguson Partners conducted the survey, which provides employee demographic and practice metrics for Asia-Pacific, Europe and North America.

Originally started in 2017, by NAREIM and Ferguson Partners as part of the NAREIM Compensation Survey, the Global Real Estate DEI Survey has now expanded to include all types of players within the commercial real estate asset class, from institutional investors to real estate investment managers, architects, developers and operating partners, to service providers and consultants.

The legacy of the NAREIM and Ferguson Partners study has resulted in 77% of this year's respondents coming from North America. A growing number of responses from Europe and Asia-Pacific is anticipated in future years as the global benchmark gains traction among the members of the participating associations.

Regional variations

The notion of a global, one-size-fits-all approach to diversity is easily refuted by the results of the DEI Survey. Six out of 10 companies which are active in more than one region, have regional or country-specific variations in their DEI policies. Of those respondents, European companies in particular tailor policies regionally and by country.

Companies with European operations are also most likely to utilize formal policies, with 54% saying they have formal policies in place compared with more informal initiatives.

Firms in Asia-Pacific are least likely to set goals but report strong policy decision-making from senior leadership, with 23% of respondents saying that it is led by executive management (excluding the CEO) while 22% have leadership from a senior-level DEI employee including a chief diversity officer. North American firms also see strong leadership from executive management and senior executives, whereas European respondents are likely to have the human resources team lead DEI decision-making.

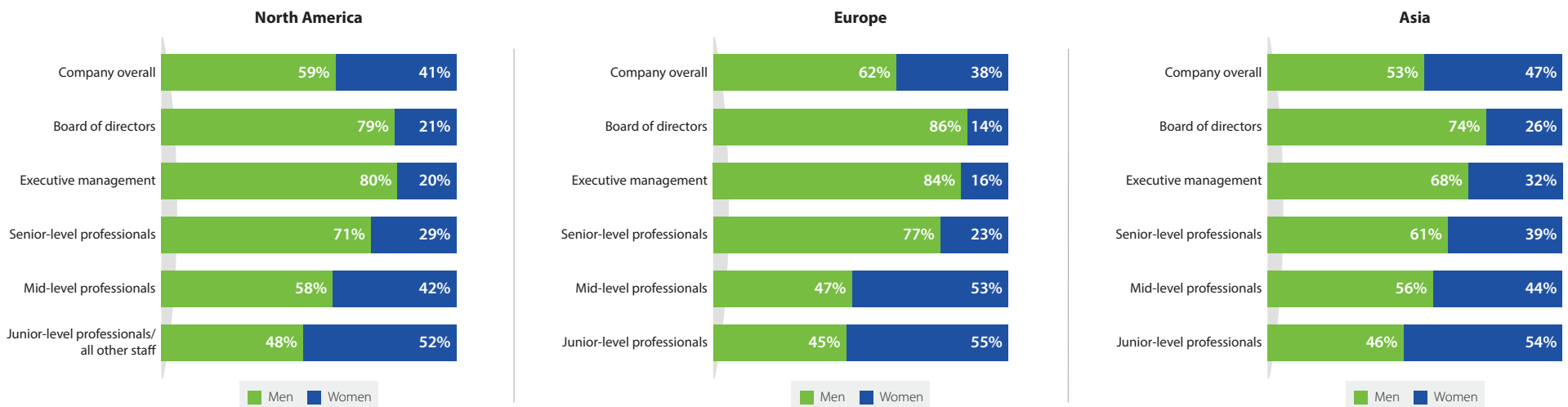
Underrepresented group: Due to the global nature of this survey, "underrepresented group" can mean different things to different organizations. Overall, underrepresented groups are those subsets of the population with a smaller percentage than the overall employee population. Underrepresented groups could, for example, include those based on gender, gender identity, sexual orientation, race, age, ethnicity, nationality, cultural heritage (including Indigenous people), religion, language, physical abilities and neurodivergence.

Gender and race/ethnicity, by the numbers

Globally across all job functions, men account for 58% of full-time employees while 42% are female. These percentages for FTEs vary regionally, with Asia-Pacific having the most balanced workforce at 53% men and 47% women, while Europe is least balanced at 62% men and 38% women. North America falls in between with 59% men and 41% women.

When diving deeper into these figures, it is telling that more than 50% of all junior-level full-time employees in all regions are women. However, the gap between male and female FTEs steadily widens through to the board level in all regions. Once again Asia-Pacific sees the most women on the board of directors at 26%, despite being the region that is most supportive of quotas. Next is North America at 21% and Europe at 14% of women on the board of directors.

Gender demographics by seniority

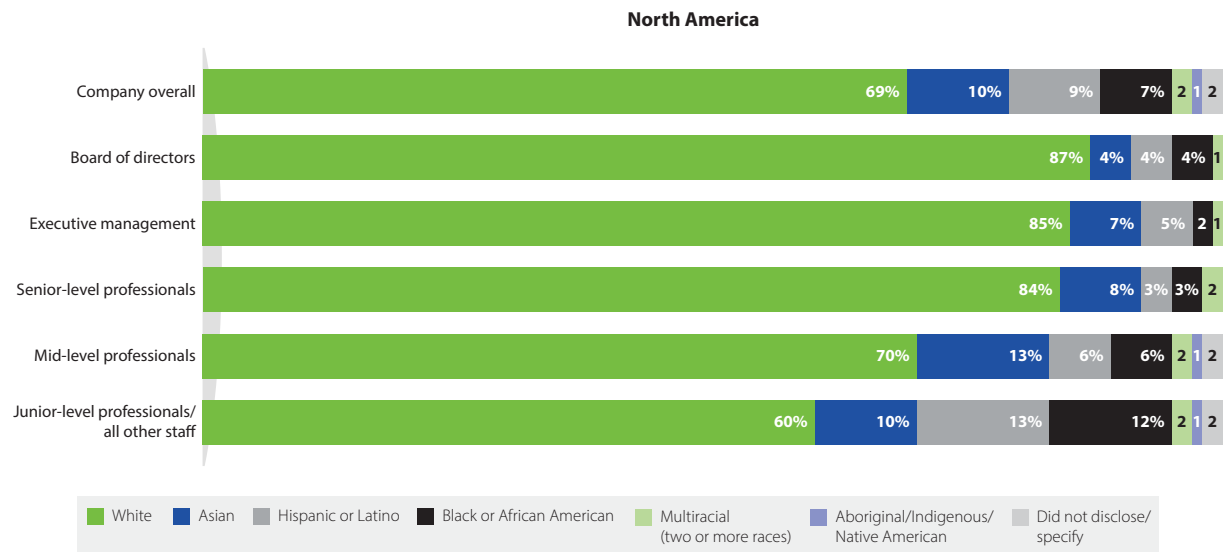


Data on race/ethnicity is most widely available in North America. Among North American respondents, there are very low levels of racial/ethnic diversity at the board of director level (13%), executive management (15%) and senior-level professionals (16%). The highest percentage of diversity can be found at the most junior level where around 38% of FTEs are professionals of color.

The following are key takeaways from the Global Real Estate DEI Survey 2021 results:

- Offering programs that provide a work-life balance such as childcare and flexible working arrangements are initiatives that have a high and clear impact across all the regions. Other initiatives credited as having significant impact include ensuring underrepresented candidates are in the candidate pool for jobs and creating scholarships or internships for individuals from underrepresented groups.
- Survey participants use training as a key tool within their organizations. The most common training for eight out of ten respondents is to communicate the

Race/ethnicity demographics by seniority



importance of DEI to employees, followed by anti-harassment/anti-discrimination training offered by seven in ten firms. Less common, by almost a third of organizations, is leadership of diverse groups and cultural differences training.

- Across the three regions, respondent companies partner with at least 140

different real estate-focused and wider diversity organizations to improve representation and the talent pool in the industry.

Defining success

Even though companies approach DEI differently across regions, outcomes related to

the visibility of underrepresented groups are universally seen as important to demonstrating the success of their DEI programs/policies.

- 69% of survey respondents want to see more individuals from underrepresented groups in leadership positions and 56% want to see more women in the executive management.
- There is less onus on diversity needing to result in greater productivity, with just 17% of survey respondents looking to this as one of the most important outcomes.

Pay equity

Gender leads when it comes to analyzing and narrowing pay gaps based on underrepresented groups.

- 59% of responding firms globally analyze pay gaps based on gender, compared to just 37% based on race, ethnicity, nationality and age. At 72%, Europe is most advanced in analyzing the gender pay gap. This is likely driven by local regulations. For example, in the UK, companies with more than 250 employees are required to report their

gender pay gap by law. Survey respondents in North America are the most likely to focus on pay gaps based on race/ethnicity and age, with 42% currently analyzing these gaps. Asia-Pacific is the region least likely to address pay equity with close to half having no plans to analyze gender or other pay gaps.

- In each region, 45% of respondents are looking at redemption strategies or ways to make pay adjustments. However, this does not translate into progress towards more openness on pay with 52% having no plans to increase the level of pay transparency.

Obstacles to change

Although approximately two-thirds of respondents cited obstacles to developing and implementing DEI initiatives, there is a well-intentioned path towards better DEI in the CRE industry globally.

- The greatest obstacle at 24% is that DEI is still regarded as a low priority compared to other business initiatives among all respondents. The next ranked obstacle at 18% is the fact that there is no connection between DEI policies and business goals and objectives.

- 25% of European participants note a greater challenge in being able to support change as there are legal restrictions around collecting demographic data. Meanwhile, the same percentage of respondents say that there are budget issues that could prove an obstacle to progress.

The industry acknowledges that it will be a long journey towards a more diverse, equal and inclusive industry. However, the appetite to participate in this first global study already demonstrates a willingness to share data, ideas and experiences to fast-track progress where it is possible. With this study acting as a benchmarking tool, we hope to provide a valuable shared approach for the industry to keep itself accountable and measure progress on this critical issue in the coming years.

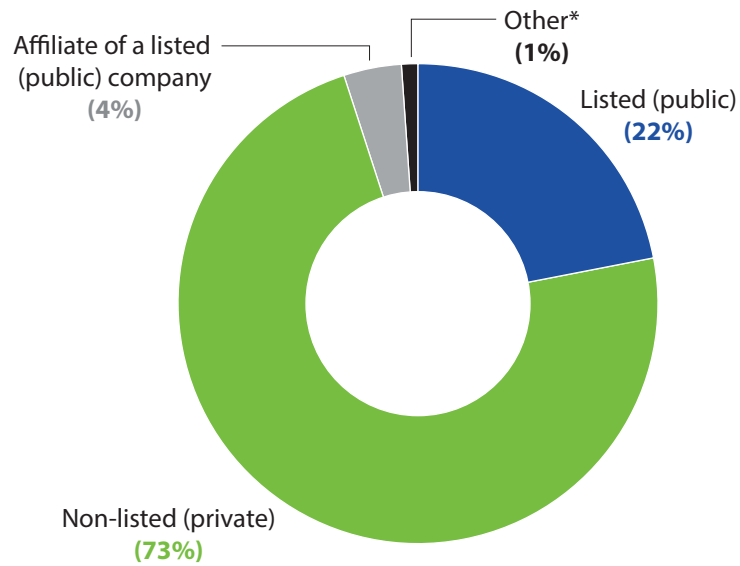
Global Real Estate DEI Survey 2022

To participate in the 2022 edition of the Global Real Estate DEI Survey, please contact your association or Ferguson Partners.

Sample of participants

Company ownership and classification

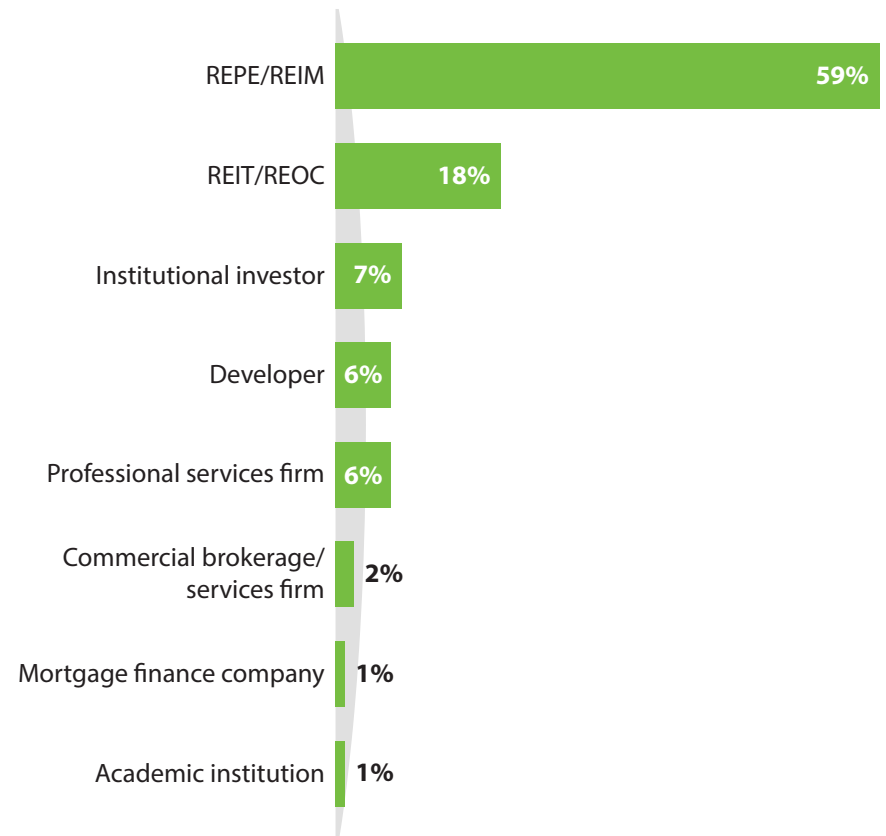
Q2. Company ownership status



* Other includes: Combination of a listed entity and a non-listed entity, public sector

Q3. Company business classification

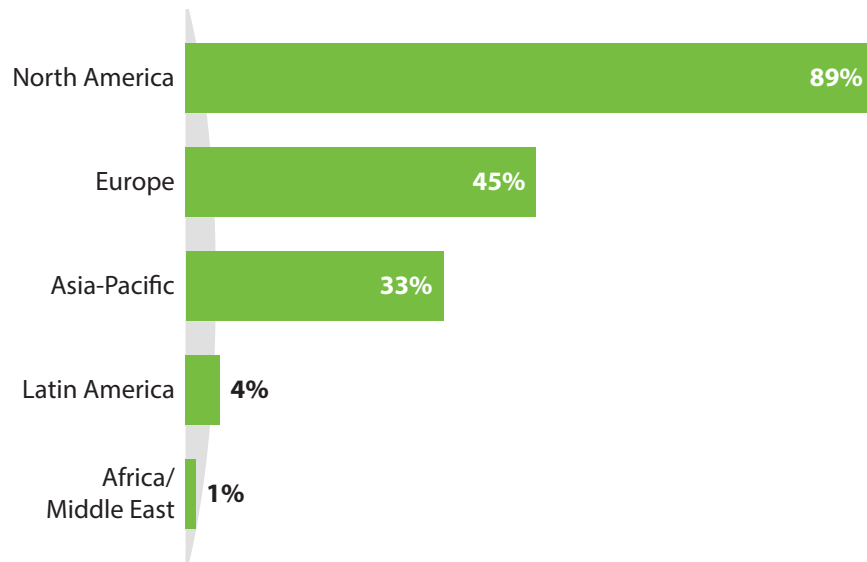
Respondents chose only one



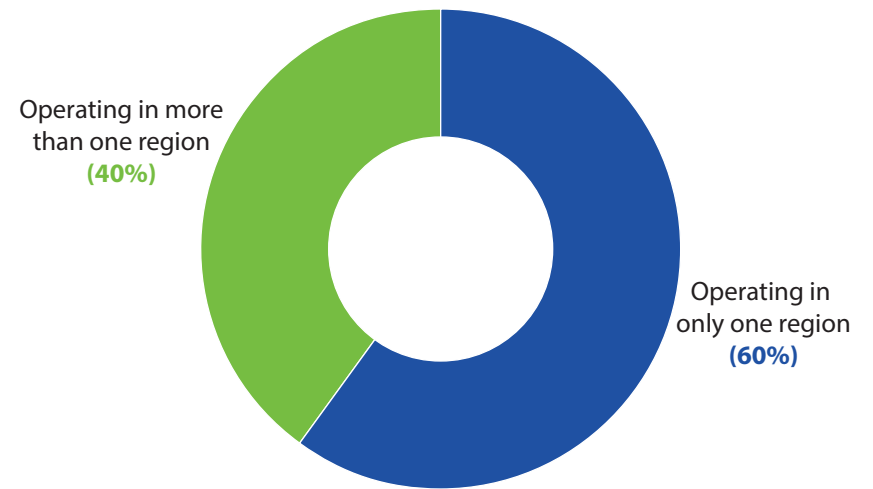
Company operations

Q5 chart 1. Breakdown of company operations by region

Respondents chose all that applied



Q5 chart 2. Company operations by region*



Regions include: North America, Europe, Asia-Pacific, Latin America and Africa/Middle East

Sample findings

Survey contents

With more than 175 Survey responses reporting for the Asia-Pacific, European and North American regions, across different types of commercial real estate organizations, the scale of data on DEI employee demographics and DEI practices is unprecedented. The Global Real Estate DEI Survey 2021 data is broken down as follows:

DEI programs:

- DEI program structure and implementation, dimensions of diversity addressed, DEI program goals and objectives, budgets, decision-making and reporting lines, dedicated resources, committee structure, consultants, DEI program communications, measures of success

DEI policy implementation:

- Practices focused on: recruitment, pipeline development, recruitment partners, retention, training and development, inclusive culture, tracking and accountability, data collection, employee feedback, results publication, pay equity, nonbinary reporting
- Data also provided on: assessing DEI policy impact and obstacles to success

Employee demographics:

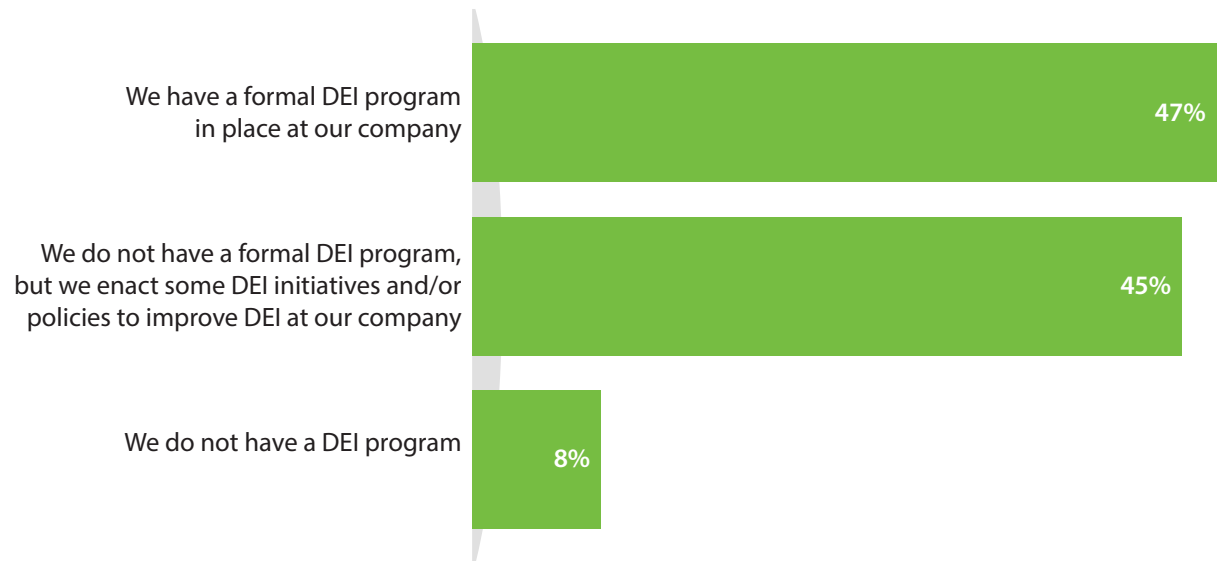
- Participants are provided breakdowns of employee demographics by gender, race/ethnicity and nationality, across seniority and job function, as well as DEI hiring, promotion and departure trends, and internships. The following is included in the full report of findings:
 - Asia-Pacific employee demographics, by gender, seniority and age and intern demographics
 - Europe employee demographics, by gender, seniority, age, job function, hiring, promotion and departure demographics and intern demographics
 - North America employee demographics, by gender and race/ethnicity, by seniority, age, job function, hiring, promotion and departure demographics, reasons for departure, carried interest and equity sharing, and intern demographics

Use of corporate DEI programs/initiatives: Global

92% of respondents have either formal DEI programs in place or enact some DEI initiatives and policies within their firm. In 2020, which covered only North American real estate investment managers, 96% of firms reported they had programs or initiatives – both formal and informal – in place. As can be seen on the next page, the regional breakdown provides insights into the different approaches to DEI. Nine out of 10 firms (93%) with North American operations reported they had formal and informal DEI policies and initiatives; however, European firms had the highest level of formal policies (54%). The same trend can be seen among the largest organizations – those with the most FTEs and AUM leaned more on formal DEI policies over informal programs.

Q9a chart 1. How does your company address DEI?

Respondents chose only one



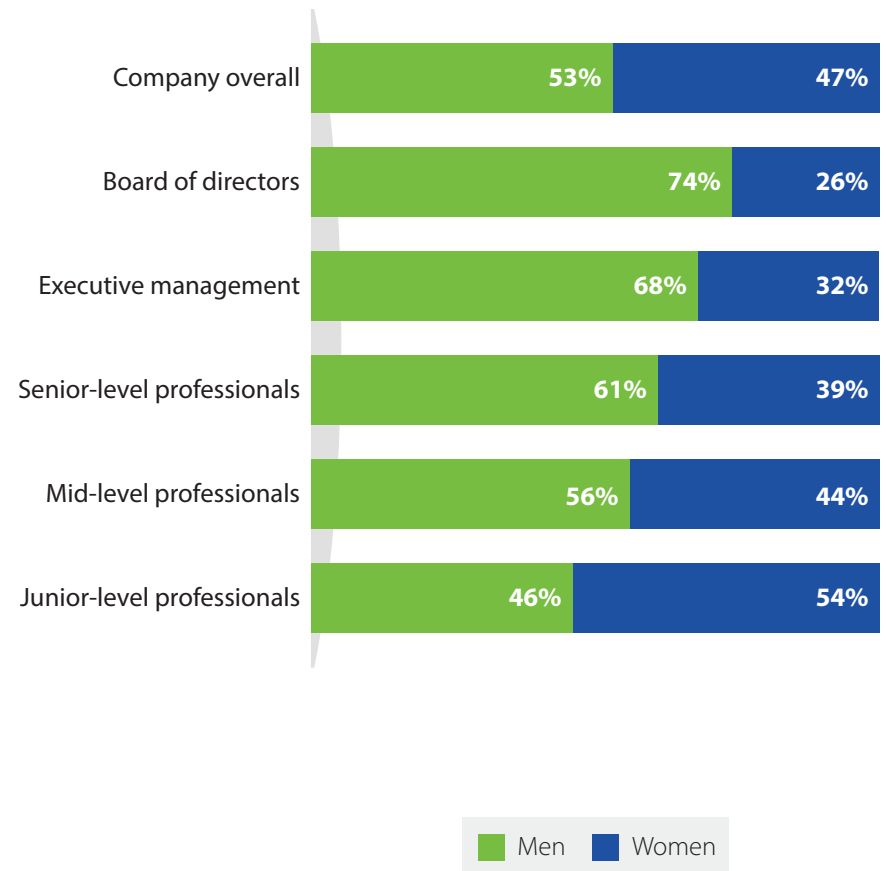
Demographics by gender & seniority: Asia-Pacific

Reflective of 7% of respondents who completed the survey on behalf of Asia-Pacific

Q28 chart 1. Distribution of employee population by gender



Q28 chart 2. Distribution of employee population by gender & seniority



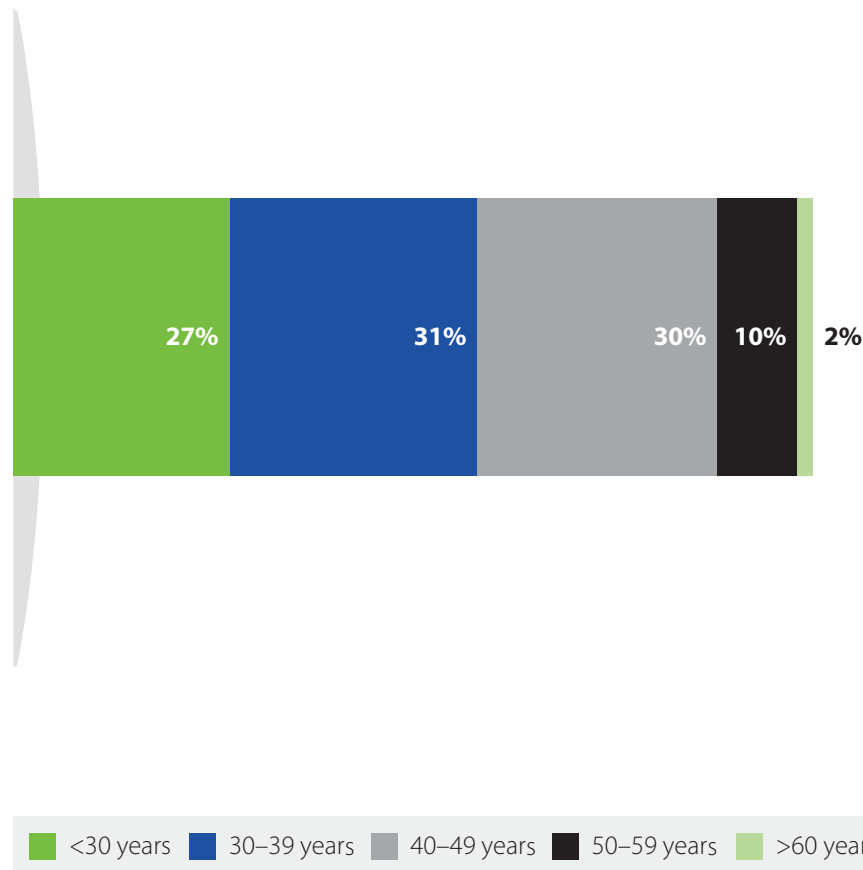
Demographics by age: Asia-Pacific

Reflective of 7% of respondents who completed the survey on behalf of Asia-Pacific

At 27%, CRE firms in Asia-Pacific have more professionals below the age of 30 than in Europe and North America (26% and 21%, respectively). Firms in the region also have more professionals aged between 40 and 49 years – at 30% – compared to Europe and North America (25% and 23%, respectively). In all three regions, 71% of the employee population is aged between 30 years and 59 years. For CRE firms in Asia-Pacific, 61% of the employee population is between the ages of 30 and 49.

Q29. Distribution of employee population by age

This chart does not include any gender breakdowns

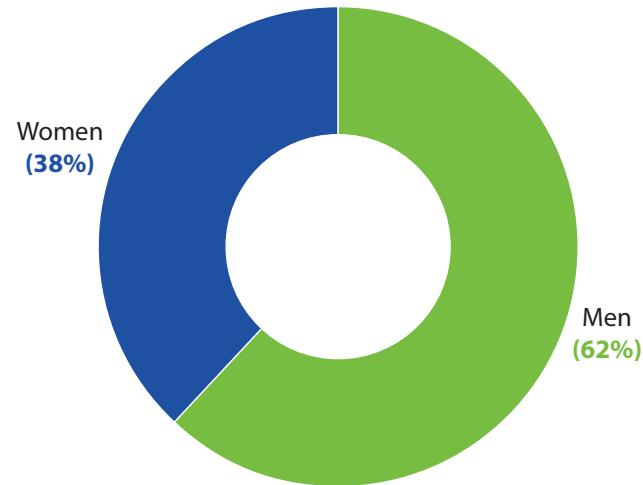


Demographics by gender: Europe

Reflective of 16% of respondents who completed the survey on behalf of Europe

As can be seen on the prior page, most CRE respondent firms in Europe operate from the United Kingdom, followed by Germany, France, the Netherlands and Spain. Overall, the gender diversity is split 62% male and 38% female. At the junior- and mid-level, female representation rises to 55% and 53%, respectively – the highest rates of the three regions for that level of seniority. At the executive management level, women make up 16% of FTE positions, the lowest percentage of the three regions. Note that European respondents comprise 16% of all survey respondents.

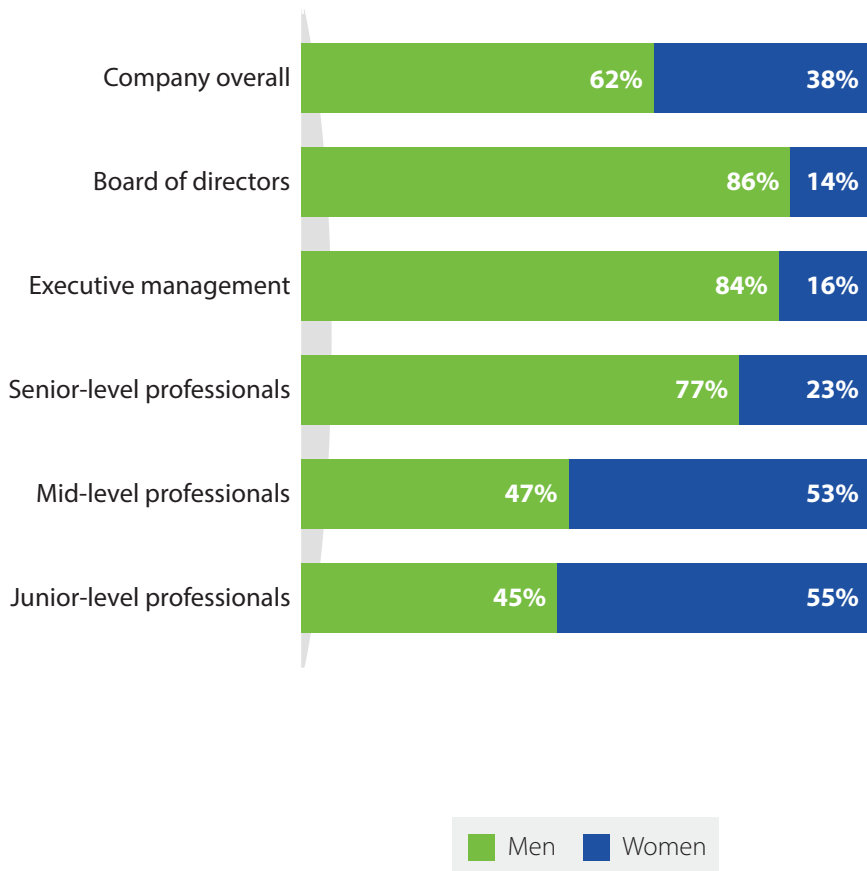
Q36 chart 1. Distribution of employee population by gender



Demographics by seniority & age: Europe

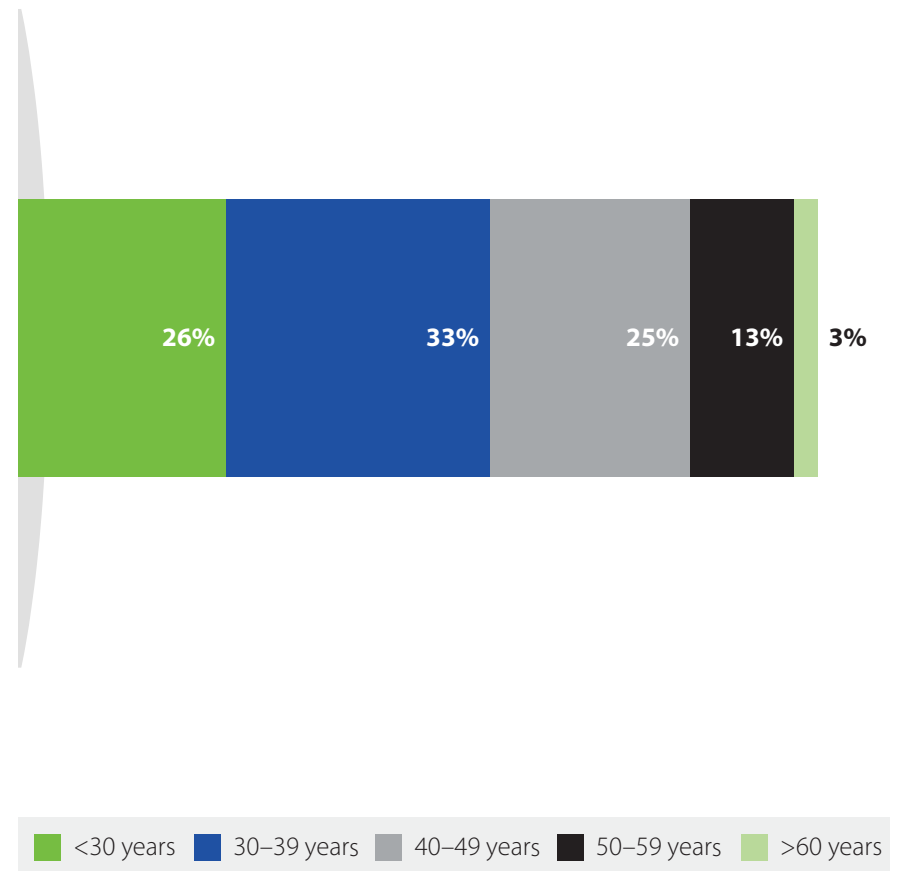
Reflective of 16% of respondents who completed the survey on behalf of Europe

Q36 chart 2. Distribution of employee population by gender and seniority



Q37. Distribution of employee population by age

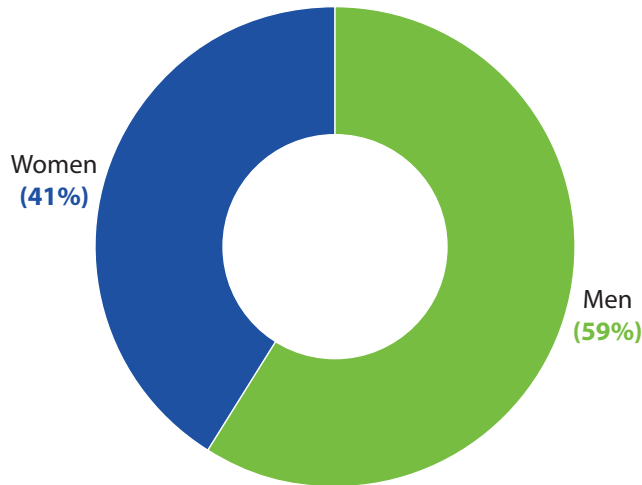
This chart does not include any gender breakdowns



Gender & race/ethnicity demographics: North America

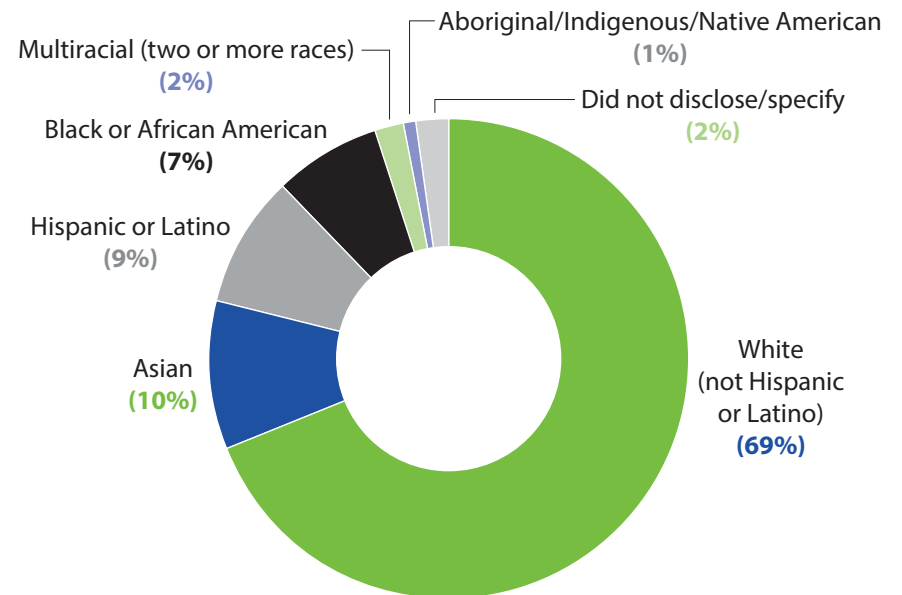
Reflective of 77% of respondents who completed the survey on behalf of North America

Q44a chart 1. Demographics by gender



Q44a chart 2. Demographics by race/ethnicity

Respondents were asked to provide the current number of FTEs that fall into the racial/ethnic groups detailed below



The gender diversity of North America CRE employees is split 59% male and 41% female. Like Europe and Asia-Pacific, there are more women at the junior level in North America with 52% of FTEs represented by women. At the executive management level, women make up 20% of FTE positions – lower than Asia-Pacific (32%) but greater than in Europe (16%). As for race/ethnicity, almost seven out of 10 professionals in North America CRE are white. Asian, Hispanic or Latino, and Black or African American professionals combined represent 26% of CRE FTEs.

See appendix for the full data

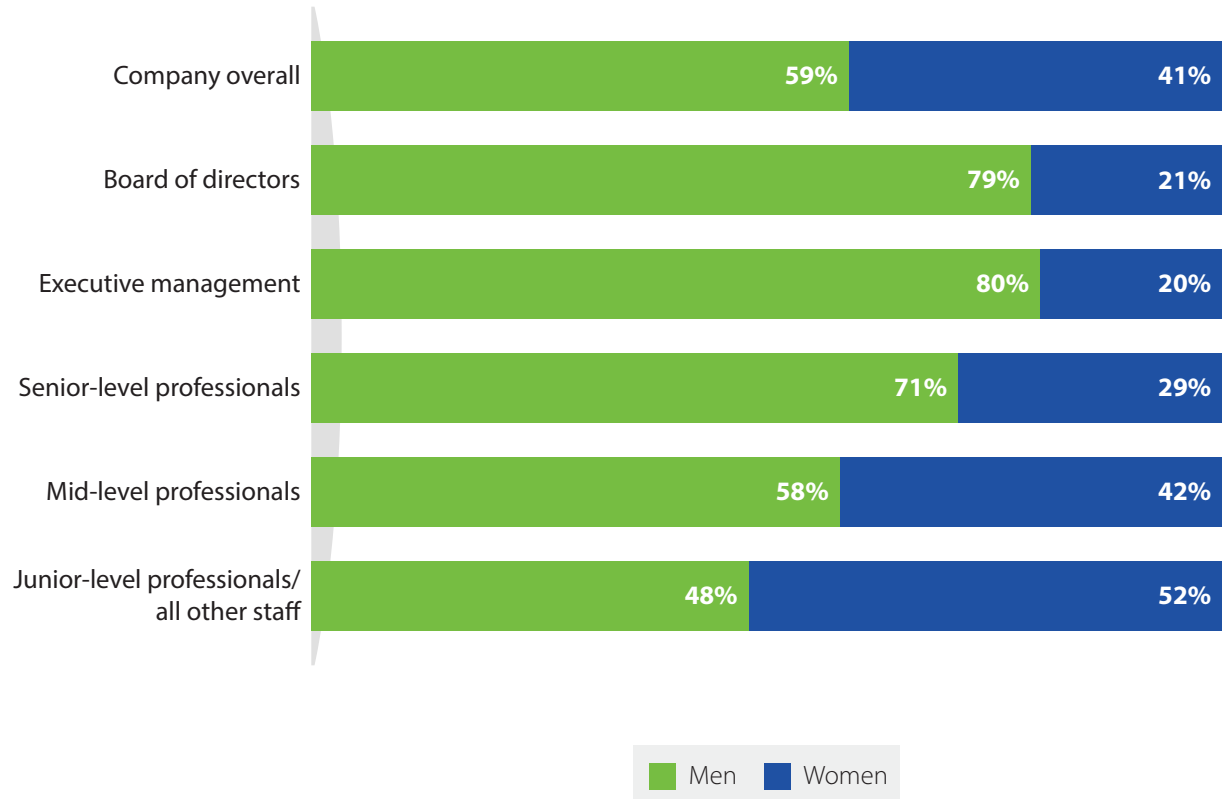
Gender & race/ethnicity demographics: North America

Reflective of 77% of respondents who completed the survey on behalf of North America

While the ratio of men to women is split at the overall CRE respondent firm level 59% to men and 41% to women, the trend of men reaching more senior and executive-level positions continues to hold true in 2021. At the most senior positions – executive management and board of directors – just two out of 10 positions are held by women. That same trend is also true for people of color in North America, with boards of directors, executive management and senior-level positions predominantly held by white executives. In the past year, CRE firms reported 35% of junior-level employees were Asian, Hispanic or Latino, or Black or African American – however, that representation decreases by 60% at the executive management level to just 14% combined.

Q44a chart 3. Gender demographics by seniority

Respondents were asked to provide the current number of FTEs that fall into the gender groups detailed below



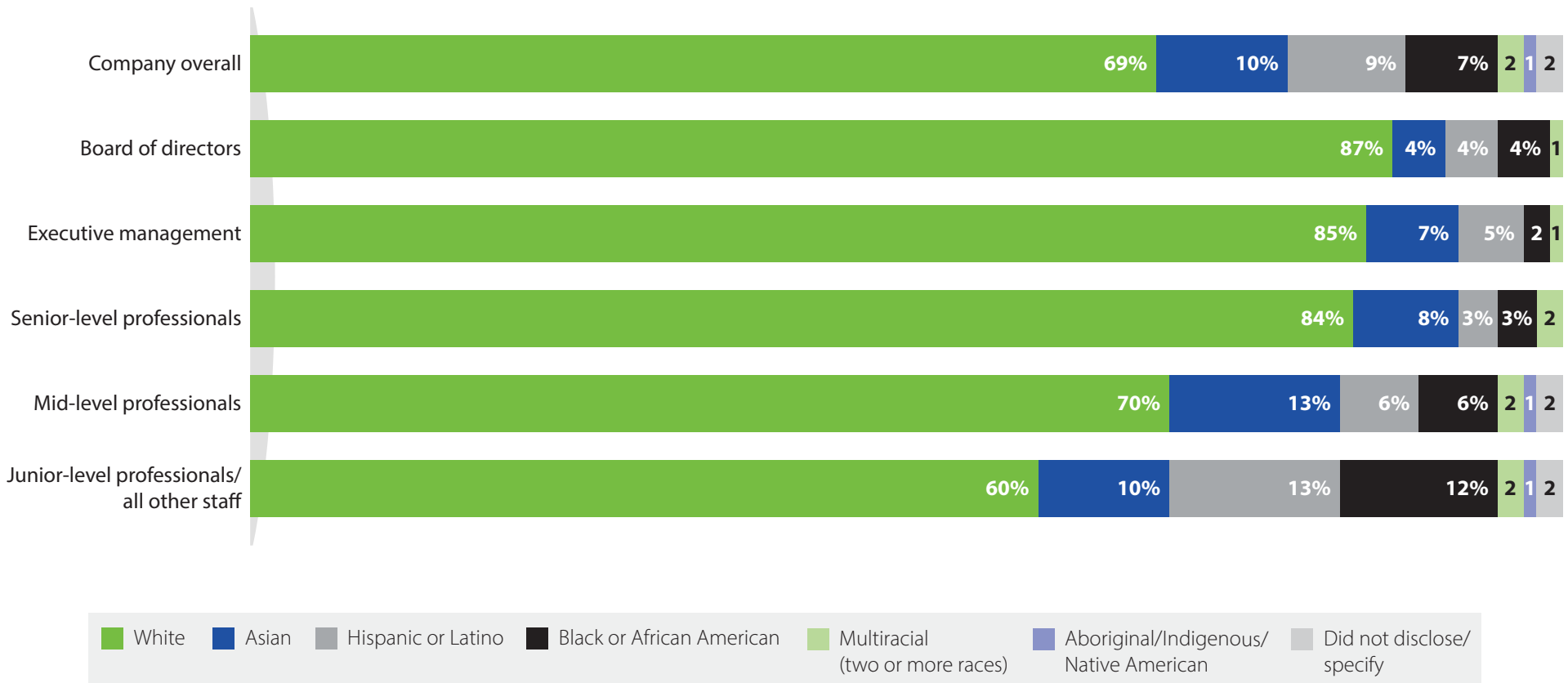
See appendix for the full data

Gender & race/ethnicity demographics: North America *continued*

Reflective of 77% of respondents who completed the survey on behalf of North America

Q44a chart 4. Race/ethnicity demographics by seniority

Respondents were asked to provide the current number of FTEs that fall into the racial/ethnic groups detailed below



See appendix for the full data

Best practice interviews

Industry perspectives

With APG, PGIM Real Estate, AECOM and Alter Domus

Industry perspectives

With APG, PGIM Real Estate, AECOM and Alter Domus

The Global Real Estate DEI Survey spoke with a cross section of industry participants on their views on DEI.

Below are a selection of quotes from the interview. To access the full report, go to your association's website.

Participants

Patrick Kanters

Managing Director, Private Investments
APG

Cathy Marcus

Managing Director, Global Chief Operating Officer and Head of US Equity
PGIM Real Estate

Scott Dunn

Chief Strategy Officer & Vice President, Asia
AECOM

Shirley Tan

Vice President, Human Resources, Asia
AECOM

Benay Kirk

Managing Director, Real Estate North America
Alter Domus



“ Investments require thoughtfulness about land use, placemaking, neighborhoods and community. People make investments that are informed by their background, world view and life experiences.”

Cathy Marcus



“ We need to take more deliberate choices in succession planning, and that idea is gaining traction in our teams. We need to start training the people that will provide for diversity over time.”

Patrick Kanters



“ The more diversity that you have within a team, the more likely you are to end up with a real estate solution that has been tested to ensure that what is being proposed is reflective of the people those buildings will serve.”

Scott Dunn



“ You can only offer so much money to individuals. However, it isn't always the main priority to employees; rather, employees want to feel valued and know their opinions are heard.”

Benay Kirk

“In our senior leadership meetings, the first four or five items on the agenda will be around our people, the importance of them, and the importance of the composition of those people.”

Scott Dunn



“We have recently introduced a female mentoring program in Asia, whereby female leaders mentor female colleagues to develop, understand, and navigate their role and career in the organization through the exchange of skills, knowledge and personal experiences.”

Shirley Tan

“If there’s a clear target, it just makes you relook into it. It’s all about the awareness. It keeps reminding you to have that debate. If you haven’t reached the target, you can investigate what’s wrong, see where the issues are. That’s the purpose of a target. I fully trust that my colleagues will not hire certain people just to tick boxes.”

Patrick Kanters

“People need to feel like they have license to talk [about DEI], and that the company is supportive of that.”

Cathy Marcus

“The measurable, easiest thing to track is around gender. We always wanted to make sure we had an equal split between men and women.”

Benay Kirk

“Our sophomore and junior internship programs are now focused on casting a wider net to create more opportunities for diverse talent, and not solely focused on students coming out of certain real estate schools.”

Cathy Marcus

“We are thinking about how can we influence the education decisions of female students at an earlier part of their education.”

Shirley Tan

“It’s about repeating [the] message and pushing for improvement and not just working on DEI while you have an issue. It takes maintenance throughout because the situation is never perfect.”

Patrick Kanters



ANREV is the Asian Association for Investors in Non-Listed Real Estate Vehicles.

We are a not-for-profit organization with a membership base of over 200 corporate firms. We are the leading platform for investors in the Asia-Pacific non-listed real estate industry, with the goal of improving transparency and best practice across the region.

Our agenda is driven by our members, who contribute directly to our data and research help to grow the quality and quantity of information available across the market. This ensures investors have the tools to make informed decisions for their Asia-Pacific real estate portfolios.

As a global talent management boutique serving all industries and with a strong concentration of real estate, real assets, healthcare, hospitality, and private equity clients, **Ferguson Partners** orchestrates the essential disciplines impacting human capital – executive and board recruitment, compensation consulting, diversity, equity & inclusion, leadership consulting and management consulting – to deliver trustworthy solutions that help clients capitalize on the advantages of great leadership. Our boutique firm has eleven offices worldwide dedicated to understanding your business’s unique needs and advancing its success.

INREV, the European Association for Investors in Non-Listed Real Estate Vehicles, was launched in May 2003 as a forum for institutional investors and other participants in the growing non-listed real estate vehicles sector.

INREV has 466 members which include 113 of the largest institutional investors as well as 40 of the 50 largest real estate fund managers, plus banks and advisors across Europe and elsewhere. The non-profit association is focused on increasing the transparency and accessibility of non-listed vehicles, promoting professionalism and best practice, and sharing knowledge. It is based in Amsterdam, the Netherlands.

NAREIM NAREIM is the industry association dedicated to the business and organizational strategy of real estate investment management.

Founded in 1990, NAREIM today represents real estate investment management firms with combined assets under management of more than \$2 trillion.

For 30 years, NAREIM has been the home of real estate investment management benchmarking and best practice education, where investment managers candidly share intelligence and learn – through peer-to-peer workshops – how to drive process and strategy, and how others in the industry are innovating their businesses, their departments – and individual roles and strategies.



NCREIF is an association that serves the institutional real estate investment community to improve private real estate investment industry knowledge by providing transparent and consistent data, performance measurement, analytics, standards and education. Our members include investment managers, investors, consultants, appraisers, academics, researchers and other professionals in the real estate investment management industry who have a significant involvement in pension fund real estate investments. They come together to contribute to NCREIF quarterly performance data on their properties and funds, and also to address vital industry issues and promote research on the asset class.

Founded in 1979, the **Pension Real Estate Association (PREA)** is a non-profit trade association for the global institutional real estate investment industry. PREA currently lists over 700 corporate member firms across the United States, Canada, Europe and Asia. Our members include public and corporate pension funds, endowments, foundations, sovereign wealth funds, Taft-Hartley funds, insurance companies, investment advisory firms, REITs, developers, real estate operating companies and industry service providers. PREA's mission is to serve its members engaged in institutional real estate investment through the sponsorship of objective forums for education, research initiatives, membership interaction and the exchange of information.

Founded in 1970, **REALPAC** is the national leadership association dedicated to advancing the long-term vitality of Canada's real property sector. Our members include publicly traded real estate companies, real estate investment trusts (REITs), pension funds, private companies, fund managers, asset managers, developers, government real estate agencies, lenders, investment dealers, brokerages, consultants/data providers, large general contractors, and international members. Our members represent all asset classes in Canada – office, retail, industrial, apartment, hotel, seniors residential – from coast, to coast, to coast.

Visit us at realpac.ca.

The **Urban Land Institute** is a nonprofit education and research institute supported by its members. Its mission is to shape the future of the built environment for transformative impact in communities worldwide. Established in 1936, the institute has more than 45,000 members worldwide representing all aspects of land use and development disciplines.

For more information on ULI, please visit uli.org or follow us on Twitter, Facebook, LinkedIn, and Instagram.



ANREV

1701, 17/F, Kinwick Centre
32 Hollywood Road
Central
HONG KONG

anrev.org



Ferguson Partners

Ferguson Partners
123 North Wacker Drive
Suite 2500
Chicago, IL 60606
UNITED STATES

fergusonpartners.com



INREV

Ito Tower, 8th floor
Gustav Mahlerplein 62
1082 MA Amsterdam
THE NETHERLANDS

inrev.org



NAREIM

99 Wall Street, Suite 1340
New York, NY 10005
UNITED STATES

nareim.org



NCREIF

NCREIF

200 E. Randolph St, Suite 5135
Chicago, IL 60601
UNITED STATES

ncreif.org



PREA

123 North Wacker Drive
Suite 2500
Chicago, IL 60606
UNITED STATES

prea.org



REALPAC

77 King St W, TD North Tower
Suite 4030, PO Box 147
Toronto, ON M5K 1H1
CANADA

realpac.ca



Urban Land Institute

2001 L Street, NW
Suite 200
Washington, DC 20036
UNITED STATES

uli.org