

# CORPORATE GOVERNANCE GUIDELINES

(Effective May 18, 2018)

## I. INTRODUCTION

The Board of Directors (the “**Board**”) of CBRE Group, Inc. (the “**Company**”) has adopted these corporate governance guidelines to promote the effective functioning of the Board and to assist the Board in fulfilling its responsibilities. These guidelines describe the principles and best practices that the Board will follow in carrying out those responsibilities. These guidelines will be reviewed by the Corporate Governance and Nominating Committee from time to time to ensure that they effectively promote the best interests of both the Company and its stockholders and that they comply with all applicable laws, regulations and stock exchange requirements.

## II. DIRECTOR QUALIFICATION STANDARDS

### A. Selection of Directors

1. The Corporate Governance and Nominating Committee is responsible for reviewing the qualifications of potential director candidates and recommending to the Board those candidates to be nominated for election to the Board. The Corporate Governance and Nominating Committee will take into account in that respect the factors set forth in its charter from time to time.
2. In nominating candidates to serve as a slate of directors, the Board’s objective, with the assistance of the Corporate Governance and Nominating Committee, is to select individuals with skills and experience that can be of assistance to management in operating the Company’s business.
3. When evaluating the recommendations of the Corporate Governance and Nominating Committee, the Board should consider whether individual directors possess the following personal characteristics: integrity, accountability, informed judgment, financial literacy, mature confidence and high performance standards.
4. The Board as a whole should possess all of the following core competencies, with each candidate contributing knowledge, experience and skills in at least one domain: accounting and finance, business judgment, management, industry knowledge, leadership and strategy/vision. The Board should monitor the mix of specific experience, qualifications and skills of its directors in order to assure that the Board, as a whole, has the necessary tools to perform its oversight function effectively in light of the Company’s business and structure.

5. If the Company is legally required by contract or otherwise to provide third parties with the ability to nominate directors (for example, preferred stock rights to elect directors upon a dividend default, stockholder agreements and management agreements), the Board may exempt the selection and nomination of such directors from the Board selection, composition and evaluation process set forth in the charter of the Corporate Governance and Nominating Committee.

**B. Independent Directors**

To increase the quality of the Board's oversight and to lessen the possibility of damaging conflicts of interest, the Board shall have a majority of "independent directors," as defined from time to time by the New York Stock Exchange (the "NYSE"), by law applicable to the Company or by any rule or regulation of any other regulatory body or self-regulatory body applicable to the Company.

**C. Board Determination of Independence**

1. The Board shall make an affirmative determination at least annually as to the independence of each director.
2. No director will be considered "independent" unless the Board affirmatively determines that the director has no material relationship with the Company (directly or as a partner, stockholder or officer of an organization that has a relationship with the Company).
3. When making "independence" determinations, the Board shall broadly consider all relevant facts and circumstances, as well as any other facts and considerations specified by the NYSE, by law applicable to the Company or by any rule or regulation of any other regulatory body or self-regulatory body applicable to the Company. When assessing the materiality of a director's relationship with the Company, the Board shall consider the issue not merely from the standpoint of the director, but also from that of persons or organizations with which the director has an affiliation. The Board shall adopt categorical standards, from time to time, to assist in its assessment of the independence of directors.
4. Because it is not possible to anticipate or explicitly provide for all potential conflicts of interest that may affect independence, the Board is also responsible for determining affirmatively, as to each independent director, that no material relationships exist which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In making these determinations, the Board will broadly consider all relevant facts and circumstances, including information provided by the directors and the Company with regard to each director's business and personal activities as they may relate to the Company and the Company's management. As the

concern is independence from management, the Board does not view ownership of even a significant amount of stock, by itself, as a bar to an independence finding.

**D. Additional “Independence” Requirements for Audit and Compensation Committee Membership**

No director may serve on the Audit Committee or Compensation Committee of the Board unless such director meets all of the criteria established for such committee service by the NYSE, the Securities and Exchange Commission (the “SEC”) and any other law and any other rule or regulation of any other regulatory body or self-regulatory body applicable to the Company.

**E. Additional Director Qualifications**

1. The Board does not believe that its members should be prohibited from serving on the boards and/or committees of other organizations, provided that directors may sit on no more than five other public company boards at the same time.
2. In addition, the Corporate Governance and Nominating Committee and the Board will take into account the nature of and time involved in a director’s service on other boards in evaluating the suitability of individual directors and making its recommendations to the stockholders.
3. Service on boards and/or committees of other organizations should be consistent with the Company’s conflict of interest policy. The Chair of the Corporate Governance and Nominating Committee should be informed of any invitation to serve on another board of directors before the appointment is accepted.
4. All directors are expected to make every effort to attend all meetings of the Board, meetings of the committees of which they are members and the annual meeting of stockholders. At a minimum, all directors are expected to attend at least 75% of Board and committee meetings. Any director who fails to maintain a 75% attendance level during any year will be asked to self-evaluate whether he or she should stand for re-election. The Board will evaluate the director’s response on a case-by-case basis, taking into consideration the reasons for the absences, in determining whether to re-nominate the director for an additional term (and in extreme circumstances, removal from the Board).
5. In the event any director undergoes a change of employment (other than for the same employer), or accepts any employment, advisory engagement, consultancy, directorship or similar capacity with any organization that is a competitor of any of the Company’s lines of business, such director shall notify the Chair of the Corporate Governance and Nominating Committee within 10 days and tender in writing his/her

letter of resignation from the Board, subject to acceptance by the Board. The Corporate Governance and Nominating Committee shall consider whether such change in employment or engagement with a competitor has any bearing on the director's ability to serve, the Board's goals regarding Board composition, and any other factors considered appropriate and relevant. The Corporate Governance and Nominating Committee shall recommend to the Board whether to accept such resignation, and the Board shall determine whether to accept or reject such resignation.

**F. Disclosure of Independence Determinations**

1. The Company shall disclose in its annual proxy statement the Board's independence determination, including the basis for determining that a relationship is not material, with respect to each director standing for election and each continuing director.
2. The Company shall promptly disclose the independence of any director elected by the Board.

**III. DIRECTOR RESPONSIBILITIES**

**A. Board Meetings**

1. The Board shall meet as frequently as needed for directors to discharge properly their responsibilities. Without limiting the foregoing, the Board shall hold at least four regular meetings per year and special meetings as required.
2. Every effort should be made to schedule meetings sufficiently in advance to ensure maximum attendance at each meeting. All directors are expected to participate, whether telephonically or in person, in all Board meetings, review relevant materials, serve on Board committees, and prepare appropriately for meetings and for discussions with management.
3. Each director is expected to devote the time and attention necessary to properly discharge his or her responsibilities as director.

**B. Conduct of Meetings**

1. Board meetings shall be run by the Chairperson of the Board, and shall be conducted in accordance with customary practice in a manner that ensures open communication, meaningful participation and timely resolution of issues.
2. The Chairperson of the Board shall set the agenda for each meeting together with management. All directors should be given the opportunity to raise items for consideration to be placed on the agenda.

3. Management and any committees of the Board should provide directors with materials concerning matters to be acted upon in advance of the applicable meeting. Directors should review such materials carefully prior to the applicable meeting.

**C. Executive Sessions of Non-Management Directors**

1. Those directors of the Company who are not officers of the Company shall hold regular executive sessions at which management, including the Company's chief executive officer (the "CEO"), is not present. These sessions shall be scheduled in advance and shall occur, at a minimum, in connection with each regularly scheduled meeting of the Board.
2. If a director is chosen to preside at all non-management executive sessions to be held in the coming year, the Company shall identify such presiding director in the Company's annual proxy statement. As an alternative, the Board may choose to alternate directors who will lead the non-management executive sessions and establish a procedure (which must be disclosed in the annual proxy statement) by which the presiding director will be selected for each non-management executive session. The Chairperson of the Board may serve as the presiding director.
3. In order that interested parties may be able to make their concerns known to the non-management directors, the Company must disclose in its annual proxy statement a means for its stockholders, its employees and other interested parties to communicate directly with the presiding director or with all non-management directors of the Company as a group.
4. If non-management executive sessions include a director who is not "independent" as described in Section II.C hereof, the "independent directors" shall hold at least one non-management executive session a year, which includes only the "independent directors."

**D. Notification of Non-Independence**

If any independent director becomes aware of the occurrence of an event that would likely cause, or has caused, such director to be disqualified as an independent director pursuant to the criteria set forth in Section II.C hereof, such director shall promptly notify the Board and the Company's General Counsel of such event and/or such disqualification.

**IV. DIRECTOR ACCESS TO MANAGEMENT AND INDEPENDENT ADVISORS**

**A. Board Access to Management**

1. Directors shall have complete access to the Company's management in order to become and remain informed about the Company's business and for such other purposes as may be helpful to the Board in fulfilling its

responsibilities. Directors are expected to use judgment to be sure that this contact is not distracting to the business operations of the Company and that the CEO is appropriately informed of significant contacts between the Board members and management.

2. The Board encourages management to, from time to time, invite to Board meetings managers who (i) can provide additional insight into the matters being discussed because of responsibility for and/or personal involvement in such matters and/or (ii) are managers with future potential that the senior management believes should be given exposure to the Board.

#### **B. Director Access to Independent Advisors**

1. The Board shall, at the Company's expense, have the autonomy to retain such outside professionals to act as advisors to the Board and/or management as may be deemed necessary or appropriate in the discharge of their duties.
2. Board committees may wish to retain their own outside counsel, consultants and other professionals to advise them in the discharge of their duties. The parameters for any such retention shall be set forth in the respective committee charters.

#### **C. Funding for Committee Advisors**

1. The Company shall provide appropriate funding as determined by the Audit and Finance Committee, for payment of compensation: (i) to the independent registered public accounting firm employed by the Company for the purposes of rendering an audit report; and (ii) to any other advisers employed, engaged or supervised by the Audit and Finance Committee.
2. The Company shall provide appropriate funding as determined by the Corporate Governance and Nominating Committee and the Compensation Committee, respectively, and to any Board committee which is permitted under its charter to employ outside advisors, to any advisers employed by such committees.

### **V. DIRECTOR COMPENSATION**

#### **A. Compensation Generally**

1. The Board, with the assistance of the Corporate Governance and Nominating Committee, shall periodically review director compensation (including any additional compensation for the Chairperson, committee members and committee chairpersons) in comparison to companies that are similarly situated to ensure that such compensation is reasonable, competitive and customary. Directors and chairpersons may be awarded

compensation sufficient to compensate them for the time and effort they expend to fulfill their duties.

2. The Corporate Governance and Nominating Committee shall be responsible for recommending to the Board the compensation and benefit programs for non-employee directors. The Corporate Governance and Nominating Committee shall recommend compensation that is appropriate for a company of the complexity and size of the Company.
3. A portion of the directors' compensation may be in the form of cash retainers, and a portion may be in the form of stock grants or stock equivalent units or other forms of equity. Members of Board committees may receive additional compensation. Directors who are employees of the Company shall not receive compensation for serving as a director.
4. The Company shall disclose its policy regarding compensation for directors in its annual proxy statement.

**B. Other Compensation**

The Board shall review any charitable contributions to be made by the Company to organizations with which any director is affiliated. In addition, the Board shall review all consulting contracts with, or other arrangements that provide other indirect forms of compensation to, any director or former director.

**C. Stock Ownership**

As part of a director's total compensation and to more closely align the interests of directors and the Company's stockholders, the Board believes that a meaningful portion of a director's compensation should be paid in the form of common stock of the Company.

**VI. DIRECTOR ORIENTATION AND CONTINUING EDUCATION**

**A. Orientation**

1. To the extent requested, the Company shall make available an orientation program for all newly elected directors so that they may be fully informed as to their responsibilities and the means at their disposal for the effective discharge of such responsibilities.
2. The new directors shall be introduced to such management and other personnel, as well as representatives of the Company's outside legal, accounting and other advisors, as is appropriate to familiarize them with the resources available to them.
3. Each new director who the Corporate Governance and Nominating Committee determines has limited experience with boards of public

companies shall be required to attend an educational seminar related to the topic of public company directorships within six months of becoming a director of the Company. The seminar may be conducted internally by management and legal counsel, or the new director may attend a seminar conducted by a third-party provider.

**B. Continuing Education**

Each director shall be entitled to attend any continuing education program for directors approved by the Corporate Governance and Nominating Committee at the Company's expense.

**VII. MANAGEMENT SUCCESSION**

**A. CEO Succession**

The Board, with the assistance of the Corporate Governance and Nominating Committee, shall establish policies, principles and procedures for the selection of the CEO and his or her successors, including policies regarding succession in the event of an emergency or the retirement of the CEO.

**B. Management Succession Planning**

The Board, with the assistance of the Corporate Governance and Nominating Committee, shall review annually with the CEO management succession planning and development.

**VIII. ANNUAL PERFORMANCE EVALUATIONS**

**A. Board Evaluation**

1. The Board shall evaluate annually the effectiveness of the Board and its committees. The purpose of this evaluation is to increase the effectiveness of the Board as a whole, and specifically review areas in which the Board and/or management believes a better contribution could be made from the Board.
2. The Corporate Governance and Nominating Committee shall oversee policies, principles and procedures for such evaluation.
3. In addition to other matters as determined by the Corporate Governance and Nominating Committee, the evaluations should address: fiduciary oversight; Board governance and process; strategic planning and business decisions; and financial matters.
4. As appropriate, the Board shall then meet in executive session to discuss these assessments.

**B. Evaluation of Board Committees**

Each committee of the Board should conduct a self-evaluation at least annually and report the results to the Board, acting through the Corporate Governance and Nominating Committee. Each committee's evaluation must compare the performance of the committee with the requirements of its written charter.

**C. Evaluation of CEO**

1. The Compensation Committee shall establish policies, principles and procedures for the evaluation of the CEO. Such evaluation shall be based on objective criteria, including performance of the business, accomplishment of long-term strategic objectives and development of management.
2. This evaluation shall be made annually under the oversight of the Compensation Committee.

**IX. BOARD COMMITTEES**

**A. Number and Independence of Committees**

1. The Board shall have an Audit and Finance Committee, a Compensation Committee and a Corporate Governance and Nominating Committee, each to be comprised of a number of independent directors as set forth in the charter of each committee. The Board may have such additional committees as the Board determines in accordance with the by-laws of the Company.
2. Each committee of the Board shall comply with any applicable director independence requirements of the NYSE, the SEC and any other applicable law or any rule or regulation of any other regulatory body or self-regulatory body applicable to the Company.

**B. Selection of Committee Members**

1. The Board shall select the directors to serve on each committee, giving consideration to the independence and other requirements of the NYSE and the SEC (and any other applicable law or any rule or regulation of any other regulatory body or self-regulatory body applicable to the Company) and to any recommendations put forth by the Corporate Governance and Nominating Committee.
2. Because of each committee's demanding role and responsibilities, and the time commitment attendant to membership on each committee, each prospective committee member, prior to being nominated, should be encouraged to evaluate carefully the existing demands on his or her time before accepting any nomination.

### **C. Responsibilities**

1. The Board, or the applicable committee pursuant to a Board delegation of authority, shall adopt a written charter for such committee in compliance with all applicable rules and regulations.
2. The charters for each of the Corporate Governance and Nominating Committee, the Compensation Committee and the Audit and Finance Committee shall include, at a minimum, those responsibilities required to be set forth therein by the rules of the SEC, the NYSE, by law or by the rules or regulations of any other regulatory body or self-regulatory body applicable to the Company.
3. Each committee shall report regularly to the Board summarizing the committee's actions and any significant issues considered by the committee.

## **X. FURTHER CORPORATE GOVERNANCE GUIDELINE RECOMMENDATIONS**

### **A. Corporate Objective and Mission of the Board of Directors**

The Board acts as the ultimate decision-making body of the Company and advises and oversees management, who are responsible for the day-to-day operations and management of the Company. In fulfilling these roles, each director must act in what he or she reasonably believes to be in the best interests of the Company and its stockholders and must exercise his or her business judgment.

### **B. Board Size**

1. The Board should determine, with the assistance of the Corporate Governance and Nominating Committee, the appropriate Board size, taking into consideration any parameters set forth in the Company's certificate of incorporation and by-laws as well as any applicable contractual obligations of the Company, and periodically assess overall Board composition to ensure the most appropriate and effective Board membership mix.
2. The Board should neither be too small to maintain the needed expertise and independence, nor too large to be efficiently functional. If appropriate, the Board should recommend amendments to the Company's charter or by-laws in order to provide for a different Board size than may be set forth therein.

### **C. Shareholder Rights Plans**

Although the Company currently has not adopted a shareholder rights plan, in the future the Board may determine that it would be appropriate and in the best interests of the Company and its stockholders to adopt such a plan. In the event

the Board adopts such a plan in the future, it is the Company's policy that such adopted plan be submitted to its stockholders for ratification at the next annual meeting of the Company's stockholders after such Board adoption and, if not so ratified, be terminated promptly after such meeting; *provided, however*, that if such plan is adopted within 90 days preceding the date of the Company's annual meeting, it is the Company's policy that such plan be submitted to its stockholders for ratification at the annual meeting for the following fiscal year of the Company.

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