Cushman & Wakefield plc

Annual report and financial statements

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As at 31 December 2022

Cushman & Wakefield plc

Annual Report 2022

Contents	Page
Strategic Report	3
Directors' Report	23
Directors' Remuneration Report	31
Statement of Directors' Responsibilities	54
Consolidated Financial Statements:	75
Independent Auditor's Report to the Members of Cushman & Wakefield plc	76
Consolidated Statements of Profit or Loss	84
Consolidated Statements of Comprehensive Income	85
Consolidated Statements of Financial Position	86
Consolidated Statements of Changes in Equity	87
Consolidated Statements of Cash Flows	88
Notes to the Consolidated Financial Statements	89
Parent Company Information:	
Parent Company Profit or Loss Account and Other Comprehensive Income (Loss)	151
Parent Company Balance Sheets	152
Parent Company Statements of Changes in Equity	153
Notes to the Parent Company Financial Statements	154

STRATEGIC REPORT

Business Overview

Cushman & Wakefield plc (together with its subsidiaries, *"Cushman & Wakefield,"* "*the Group*," *"we," "ours" and "us"*) is a leading global commercial real estate services firm that makes a meaningful impact for our people, clients, communities and world. Led by an experienced executive team and driven by approximately 52,000 employees in over 400 offices and approximately 60 countries, we deliver exceptional value for real estate occupiers and owners, managing over 5.1 billion square feet of commercial real estate space globally and offering a broad suite of services through our integrated and scalable platform. Our business is focused on meeting the increasing demands of our clients through a comprehensive offering of services including (i) Property, facilities and project management, (ii) Leasing, (iii) Capital markets, and (iv) Valuation and other services. In 2022 and 2021, we generated revenues of $10.1 billion and $9.4 billion, respectively, and service line fee revenue of $7.2 billion and $6.9 billion, respectively.

Since 2014, we have built our company organically and through various mergers and acquisitions, giving us the scale and global footprint to effectively serve our clients' multinational businesses. The result is a global real estate services firm with the iconic, more than 100-year-old, Cushman & Wakefield brand. In August 2018, Cushman & Wakefield successfully completed an initial public offering (the "IPO"), listing the firm on the New York Stock Exchange (NYSE: CWK).

Our recent history has been a period of rapid growth and transformation for our company. Our experienced management team has been focused on integrating companies, driving operating efficiencies, realizing cost savings, attracting and retaining top talent and improving financial performance. Today, Cushman & Wakefield is one of the top three real estate services providers as measured by revenue and workforce. We have gained third-party recognition as a provider and employer of choice, having consistently been named in the top three in our industry's leading brand study, the Lipsey Company's Top 25 Commercial Real Estate Brands, and the world's best commercial real estate advisor and consultant by Euromoney.

We have made significant investments in technology and workflows to support our growth strategy to improve our productivity and drive better outcomes for our clients. We have built a scalable platform that is well positioned to execute our growth strategy focused on: (i) participating in further industry consolidation; (ii) meeting the growing outsourcing and service needs of our target customer base; and (iii) leveraging our strong competitive position to increase our market share. Our proven track record of strong operational and financial performance leaves us well-positioned to capitalize on the attractive and growing commercial real estate services industry.

Our Principal Services and Regions of Operation

We have organized our business, and report our operating results, through three geographic segments: Americas; Europe, Middle East and Africa ("EMEA"); and Asia Pacific ("APAC") representing 77%, 10% and 13% of our 2022 total revenue and 73%, 13% and 14% of our 2022 service line fee revenue, respectively. Within those segments, we operate the following service lines: (i) Property, facilities and project management, (ii) Leasing, (iii) Capital markets, and (iv) Valuation and other, representing 48%, 29%, 16% and 7% of our 2022 service line fee revenue, respectively.

Our Geographical Segments

Our global presence and integrated platform enables us to provide a broad base of services across geographies. We hold leading positions in all of our key markets. This global footprint, complemented by a full suite of service offerings, positions us as one of a small number of providers able to respond to complex global mandates from large multinational occupiers and owners.

By revenue, our largest country was the United States, representing 74% and 72% of revenue in the years ended 31 December 2022 and 2021, respectively, followed by Australia, representing 4% and 5% of revenue in the years ended 31 December 2022 and 2021, respectively.

Our Service Lines

Property, Facilities and Project Management. Our largest service line based on revenue includes property management, facilities management, facilities services and project and development services. Revenues in this service line are recurring in nature, many through multi-year contracts with relatively high switching costs.

For real estate occupiers, we offer integrated facilities management, project and development services, portfolio administration, transaction management and strategic consulting. These services are offered individually, or through our global occupier services offering, which provides a comprehensive range of bundled services resulting in consistent quality of service and cost savings.

For real estate owners, we offer a variety of property management services, which include client accounting, engineering and operations, lease compliance administration, project and development services, tenant experience, residential property management and sustainability services.

In addition, we offer globally to both owners and occupiers (i) self-performed facilities services, which include janitorial, maintenance, critical environment management, landscaping and office services and (ii) workplace and portfolio consulting.

Fees in this service line are generally based on a fixed recurring fee or a variable fee, which may be based on hours incurred, a percentage mark-up on actual costs incurred or a percentage of monthly gross receipts. Additionally, this service line has a large component of revenue that consists of us contracting with third-party providers (engineers, landscapers, etc.) and then passing these expenses on to our clients.

Leasing. Our second largest service line based on revenue, Leasing, consists of two primary sub-services: owner representation and tenant representation. In owner representation leasing, we typically contract with a building owner on a multi-month or multi-year agreement to lease their available space. In tenant representation leasing, we are typically engaged by a tenant to identify and negotiate a lease for them in the form of a renewal, expansion or relocation. We have a higher degree of visibility into Leasing services fees due to contractual renewal dates, leading to renewal, expansion or new lease revenue. In addition, Leasing fees can be somewhat less cyclical as many tenants need to renew or lease space to operate even in difficult economic conditions.

Leasing fees are typically earned after a lease is signed and are calculated as a percentage of the total value of rent payable over the life of the lease.

Capital markets. We represent both buyers and sellers in real estate purchase and sale transactions, and arrange financing supporting purchases. Our services include investment sales and equity, debt and structured financing. Fees generated are linked to transactional volume and velocity in the commercial real estate market.

Our Capital markets fees are transactional in nature and generally earned at the close of a transaction as a percentage of the total value of the transaction.

Valuation and other. We provide valuations and advice on real estate debt and equity decisions to clients through the following services: appraisal management, investment management, valuation advisory, portfolio advisory, diligence advisory, dispute analysis and litigation support, financial reporting and property and/or portfolio valuation.

Fees are earned on both a contractual and transactional basis and are generally fixed based on the scope of the engagement.

Industry Overview and Market Trends

We operate in an industry where the increasing complexity of our clients' real estate operations drives demand for high quality services providers. The sector is fragmented among regional, local and boutique providers. Our business has been impacted, like our peers in the commercial real estate sector and other companies across various sectors, by geopolitical uncertainty, higher inflation, and rising interest rates, among other macroeconomic challenges. These macroeconomic trends and uncertainty are discussed further in "Risk Factors" starting on page 55 in this Annual Report.

Key drivers of revenue growth for the largest commercial real estate services providers are expected to include:

Occupier Demand for Real Estate Services. Occupiers are focusing on their core competencies and choosing to outsource commercial real estate services. Multiple market trends like globalization and changes in workplace strategy are driving occupiers to seek third-party real estate services providers as an effective means to reduce costs and improve efficiency, maximize productivity and help determine long-term property strategy. We believe large corporations generally prefer outsourcing to global firms with fully developed platforms that can provide all the commercial real estate services needed.

Institutional Investors Owning a Greater Proportion of Global Real Estate. Institutional owners, such as real estate investment trusts (known as REITs), pension funds, sovereign wealth funds and other financial entities, are acquiring more real estate assets and financing them in the capital markets.

Increased institutional ownership drives demand for services in three ways:

- *Increased demand for property management services* - Institutional owners self-perform property management services at a lower rate than private owners, outsourcing more to services providers.
- *Increased demand for transaction services* - Institutional owners execute real estate transactions at a higher rate than private owners.
- *Increased demand for advisory services* - Because of a higher transaction rate, there is an opportunity for services providers to grow the number of ongoing advisory engagements.

Owners and Occupiers Continue to Consolidate Their Real Estate Services Providers. Owners and occupiers continue to consolidate their services provider relationships on a regional, national and global basis to obtain more consistent execution across markets and to benefit from streamlined management oversight of “single point of contact” service delivery.

Global Services Providers Create Value in a Fragmented Industry. The global services providers with larger operating platforms can take advantage of economies of scale. Those few firms with scalable operating platforms are best positioned to drive profitability as consolidation in the highly fragmented commercial real estate services industry is expected to continue.

Sustainability in Real Estate. Sustainability considerations are increasingly defining both investor and occupier decisions. Real estate service providers continue to develop and maintain solutions to help clients meet stricter environmental regulations and achieve their own sustainability goals.

Our Competitive Strengths

We believe we are well positioned to capitalize on the growth opportunities and globalization trends in the commercial real estate services industry, even in the current volatile and uncertain economic environment. We attribute our position to the following competitive strengths:

Global Size and Scale. We believe multinational clients prefer to partner with real estate services providers with the scale necessary to meet their needs across multiple geographies and service lines. Often, this scale is a prerequisite to compete for complex global service mandates. We have built a platform by investing in our people and technology to enable our approximately 52,000 employees to offer our clients services through an extensive network of over 400 offices across approximately 60 countries. This scale provides operational leverage, translating revenue growth into increased profitability.

Breadth of Our Service Offerings. We offer our clients a fully integrated commercial real estate services experience across (i) Property, facilities and project management, (ii) Leasing, (iii) Capital markets, and (iv) Valuation and other services. These services can be bundled into regional, national and global contracts and/or delivered locally for individual assignments to meet the needs of a wide range of client types. Regardless of a client’s assignment, we view each interaction with our clients as an opportunity to deliver an exceptional experience by offering a full platform of services, while deepening and strengthening our relationships. Our comprehensive service offerings extend across all asset types including logistics, office, retail, healthcare, life sciences and multifamily.

Our Iconic Brand. The history of our franchise and brand is one of the oldest and most respected in the industry. Our founding predecessor firm, DTZ, traces its history back to 1784 with the founding of Chessire Gibson in the U.K. Our brand, Cushman & Wakefield, was founded in 1917 in New York. Today, this pedigree, heritage and continuity continues to be recognized by our clients, employees and the industry. We are consistently named in the top three in our industry's leading brand study, the Lipsey Company's Top 25 Commercial Real Estate Brands. In addition, we have been consistently ranked among the International Association of Outsourcing Professionals' top 100 outsourcing professional service firms. For the fifth consecutive year in 2022, we were recognized by Euromoney as the world's best commercial real estate advisor and consultant. In 2022, we once again received the ENERGY STAR® Partner of the Year—Sustained Excellence Award from the U.S. Environmental Protection Agency and the U.S. Department of Energy.

Significant Recurring Revenue Resilient to Changing Economic Conditions. In 2022, our Property, facilities and project management service line, which is recurring and contractual in nature, generated 62% of our total revenue and 48% of our service line fee revenue. Additionally, services with high visibility including our Leasing and Valuation and other service lines generated 26% of our total revenue and 36% of our service line fee revenue in 2022. These revenue streams have provided greater stability to our cash flows and underlying business and have proven to be resilient to changing economic conditions.

Top Talent in the Industry**.** For years, our people have earned a strong reputation by successfully executing on the most iconic and complex real estate assignments in the world. Because of this legacy of excellence, our leading platform and brand strength, we attract and retain top talent in the industry. We strive to build a diverse and engaged workforce and to support an inclusive environment in everything we do. We provide our employees with training and growth opportunities to support their ongoing success. In addition, we are focused on management development to drive strong operational performance and continuing innovation.

Capital-Light Business Model**.** We generate strong cash flow through our low capital intensive business model and focused and disciplined capital deployment. We target average capital expenditures to be less than 1% of revenue in the near to medium term. We expect to reinvest this cash flow into our services platform as well as in-fill M&A to continue to drive growth.

Our Growth Strategy

We have built an integrated, global services platform that delivers the best outcomes for clients locally, regionally and globally. Our primary business objective is growing revenue and profitability by leveraging this platform to provide our clients with excellent service. We are focused on executing the following strategies to support our growth objectives:

Leverage Breadth of Services to Provide Superior Client Outcomes. Our current scale and position create a significant opportunity for growth by delivering more services to existing clients across multiple service lines. Many of our clients realize more value by bundling multiple services, giving them access to global scale and better solutions through multidisciplinary service teams. As we continue to add depth and scale to our growing platform, through both organic and inorganic growth, we strive to deliver the value of our enterprise to each engagement by leveraging and sharing information to drive a seamless approach to client development and service delivery.

Expand Margins Through Operational Excellence**.** Beginning with the successful integration of our businesses stemming from the merger in 2014, followed by a strategic realignment of the Group in 2020 to better align our operating model to our service delivery offerings, we have demonstrated the ability to expand adjusted EBITDA margins. We expect to continue to drive further margin expansion over time as we continuously improve our operating efficiency, through the application of proven and value-add technology, developing economies of scale and disciplined cost management. We view margin expansion as an important measure of productivity.

Recruit, Hire, and Retain Top Talent**.** We strive to attract, develop and retain the very best people through an inclusive culture, consistent talent measurement and continually modernizing our people management processes. We believe our employees produce superior client results and position us to win additional business across our platform. Our real estate professionals come from a diverse set of backgrounds, cultures and expertise that creates a culture of collaboration and a tradition of excellence. We believe our people are the key to our business and we have instilled an atmosphere of collective success.

Deploy Technology to Improve Client Experience Through Data-Driven Insights. We leverage our technology platform, workflow processes and key strategic partnerships to provide data driven insights to deliver value to our clients. Our systems and processes are scalable enabling us to efficiently onboard new businesses and employees without the need for significant additional capital investment in new systems. In addition, our investments in technology have helped us attract and retain key employees, enable productivity improvements that contribute to margin expansion, and have strongly positioned us to expand the number and types of service offerings we deliver to our key global customers. We have made significant investments to streamline and integrate these systems, which are now part of a fully integrated platform supported by an efficient back-office.

Section 172 Statement

Our Board of Directors receives an annual refresher on the legal duties of U.K. directors, including its duties under Section 172 of the Companies Act 2006 to promote the success of the Group. In advance of board and committee meetings, our directors receive informational materials regarding matters that will be reviewed and acted upon at the meeting. Such pre-meeting materials typically describe the proposed action and the reasons for such proposed action (and any alternative actions as applicable), including with regard to the matters specified by Section 172. During the meetings, management presents on such matters and the Board is invited to ask questions on any matters presented. Once the matter is presented and discussed and the Board has all relevant information, the Board votes on such matter. Our Board also engages with key stakeholders; refer to the stakeholder engagement statement within the Directors' Report for detail on how this is managed.

The Group has applied corporate governance practices through the adoption of:

- Corporate Governance Guidelines which defines the Roles and Responsibilities of the Board of Directors, the Structure and Operation of the Board, Responsibilities and Conduct of Directors, Functioning of the Board, Compensation of Directors, Leadership Development, and Communication between the Board of Directors, Management and Employees;
- the Global Code of Business Conduct;
- the Group's Compensation and Audit Committees; and
- the Code of Business Conduct for Members of the Board of Directors.

As a company listed on the NYSE, the Group is also subject to the listing requirements of the NYSE and the rules of the U.S. Securities and Exchange Commission (“SEC”). The NYSE listing standards provide that U.S. companies must have a nominating/corporate governance committee composed entirely of independent directors and with a written charter that addresses the committee’s purpose and responsibilities which, at a minimum, must be to identify individuals qualified to become board members, develop and recommend to the Board a set of corporate governance principles and to oversee the evaluation of the board and management. The Group has a Nominating and Corporate Governance Committee, and has published the Group's Nominating and Corporate Governance Charter Committee Charter on its website.

Competition

We compete across a variety of geographies, markets and service lines within the commercial real estate services industry. Each of the service lines in which we operate is highly competitive on a global, national, regional and local level. While we are one of the three largest global commercial real estate services firms as measured by revenue and workforce, our relative competitive position varies by geography and service line. Depending on the product or service, we face competition from other commercial real estate services providers, in-house corporate real estate departments, developers, institutional lenders, insurance companies, investment banking firms, investment managers, accounting firms and consulting firms. Although many of our competitors across our larger service lines are smaller local or regional firms, they may have a stronger presence in certain markets. We are also subject to competition from other large national and multinational firms that have similar service competencies and geographic footprint to ours, including Jones Lang LaSalle Incorporated (NYSE: JLL), CBRE Group, Inc. (NYSE: CBRE) and Colliers International Group Inc. (NASDAQ: CIGI).

Corporate Information

Cushman & Wakefield plc is a public limited company organized under the laws of England and Wales. On 6 August 2018, Cushman & Wakefield plc closed its IPO. As the parent company, Cushman & Wakefield plc does not conduct any operations other than with respect to its direct and indirect ownership of its subsidiaries, and its business operations are conducted primarily out of its indirect operating subsidiary, DTZ Worldwide Limited, and its subsidiaries.

Our corporate headquarters are located at 225 West Wacker Drive, Chicago, Illinois. Our website address is www.cushmanwakefield.com. The information contained on, or accessible through, our website is not part of or incorporated into this Annual Report. All reports required to be filed with the U.S. Securities and Exchange Commission ("SEC") are available and can be accessed through the Investor Relations section of our website.

Our History

We collectively refer to TPG Inc. (together with its affiliates, “TPG”) and PAG Asia Capital (together with its affiliates, "PAG") as our “Principal Shareholders.” We collectively refer to our Principal Shareholders together with Ontario Teachers' Pension Plan Board ("OTPP") as our "Founding Shareholders." In 2014, our Founding Shareholders started our company in its current form, with the purchase of the DTZ group property services business (“DTZ”) from UGL Limited. At the end of 2014, the Founding Shareholders acquired and combined Cassidy Turley with DTZ. In 2015, we completed our transformative growth with the acquisition of C&W Group, Inc., the legacy Cushman & Wakefield business. The company was combined under the name Cushman & Wakefield in September 2015.

Our Owner and Occupier Clients

Our clients include a full range of real estate owners and occupiers, including tenants, investors and multinational corporations in numerous markets, including office, retail, industrial, multifamily, student housing, hotels, data center, healthcare, self-storage, land, condominium conversions, subdivisions and special use. Our clients vary greatly in size and complexity, and include for-profit and non-profit entities, governmental entities and public and private companies.

Seasonality

The market for some of our products and services is seasonal, especially in the Leasing and Capital markets service lines. Generally, our industry is focused on completing transactions by calendar year-end, with a significant concentration in the last quarter of the calendar year while certain expenses are recognized more evenly throughout the calendar year. Historically, our revenue and operating income typically tend to be lowest in the first quarter, and highest in the fourth quarter of each year. The Property, facilities and project management service line partially mitigates this intra-year seasonality, due to the recurring nature of this service line, which generates more stable revenues throughout the year. The seasonality of service line fee revenue flows through to net income and cash flow from operations.

Intellectual Property

We hold various trademarks and trade names worldwide, which include the “Cushman & Wakefield” and “DTZ” names. Although we believe our intellectual property plays a role in maintaining our competitive position in a number of the markets that we serve, we do not believe we would be materially adversely affected by expiration or termination of our trademarks or trade names or the loss of any of our other intellectual property rights other than the “Cushman & Wakefield” name. We primarily operate under the “Cushman & Wakefield” name and have generally adopted a strategy of having our acquisitions transition to the “Cushman & Wakefield” name. We own numerous domain names and have registered numerous trademarks and service marks globally. With respect to the Cushman & Wakefield name, we have processed and continuously maintain trademark registration for this trade name in most jurisdictions where we conduct business. We obtained our most recent U.S. trademark registrations for the Cushman & Wakefield name and logo in 2017, and these registrations would expire in 2027 if we failed to renew them.

Employees

We continue to place our people at the center of everything we do. We are committed to attracting, developing and retaining a highly qualified, diverse and dedicated workforce. As at 31 December 2022, we had approximately 52,000 employees worldwide - approximately 70% in the Americas, 20% in APAC, and 10% in EMEA. Our employees include management, brokers and other sales staff, global functional specialists (e.g., in finance, marketing, technology, legal and human resources), valuation specialists, maintenance, landscaping, janitorial and office staff and others. Approximately 8,000 (or 15%) of our employees are covered by collective bargaining agreements, the substantial majority of whom are employed in facilities services. Costs related to approximately 41% of our employees are fully reimbursed by clients.

Learning and Development

We continue to build an inclusive workplace that fosters fair and equitable growth opportunities, focuses on the manager-employee relationship to drive operational performance, and provides our employees with learning and development opportunities to support their ongoing career progression. Our global Talent Management team supports employees' career growth through learning programs and professional development while equipping leaders to empower and grow their teams through talent assessment, succession planning and performance reviews. We offer a full suite of learning and development activities through on-the-job training, e-learning, mentoring and instructor-led learning modules.

Employee Compliance

Our Global Anti-Bribery and Anti-Corruption Policy is aimed at preventing inappropriate payments, gifts, donations, sponsorships or other benefits to government officials or others.

Our Global Client/Third-Party Privacy and Confidentiality Policy outlines our commitment to respecting and protecting all information entrusted to us in the course of our business. We also appointed a Global Privacy Officer who is responsible for oversight of this policy, our strategy for privacy risk management and compliance with all privacy and information security laws and regulations.

We encourage a culture where employees are empowered to speak up to address potential breaches of compliance or expected ethical conduct. We urge employees to report any concerns and do not tolerate acts of retaliation against those who do. Confidential reports can be made to local management, a regional legal or compliance officer, human resources managers or through our Global Ethics Hotline.

Diversity, Equity and Inclusion

We are committed to advancing diversity, equity and inclusion ("DEI") in our organization and supporting an environment where our employees can be their authentic selves and do their best work. Our DEI mission is to evolve our culture of inclusion and belonging through a nurturing environment of curiosity, continuous learning and growth. We strive to hire, develop and advance diverse talent throughout the organization. We believe that having a diverse and thriving workforce enables new perspectives, creativity, better risk management and problem solving, leading to superior results for our people, clients, partners and shareholders.

Our global DEI strategy focuses on making an impact on our workforce, our workplace and the marketplace. Our DEI policies and practices in place have earned Cushman & Wakefield recognition by various organizations including the following: (a) 2022 Bronze Top Global Supplier Diversity & Inclusion Champion from WEConnect International, (b) 2022 Human Rights Campaign Best Place to Work for LGBTQ+ Equality, and (c) 2023 Top 10 Military Friendly® Employer in the U.S.

Employee Gender Diversity

	2022				
	Male	**Female**	**Non-Binary**	**Not Declared**	**Total**
Directors	6	4	—	—	10
Senior Managers	9	7	—	—	16
Employees of the Group	31,628	20,945	109	30	52,712
Total	31,643	20,956	109	30	52,738

Community Involvement

We strive to be a good corporate citizen and leave a positive impact in the communities where we operate. Most of our charitable giving occurs in the local markets and is paid by Cushman & Wakefield's for-profit entities. Each of our three regions—Americas, EMEA and APAC—operates independent charitable initiatives, leading their own regional programs.

In addition, the Cushman & Wakefield Charitable Foundation, launched in 2018 to engage U.S. employees, provides a formal mechanism to guide and track charitable giving and create opportunities for philanthropic employee engagement. The Foundation supports nonprofit organizations delivering promising solutions to children and youth in cities where our people live and work through financial giving and community volunteerism. Any Cushman & Wakefield U.S. employee can request a donation to a U.S. public charity.

Compensation Structure

We provide a total rewards program that combines competitive pay, including fixed and variable pay, and incentive opportunities. In addition, we offer a comprehensive benefits program to help encourage employee health and support their physical, emotional and financial well-being.

Across our (i) Property, facilities and project management, (ii) Leasing, (iii) Capital markets, and (iv) Valuation and other service lines our employees are compensated in different manners in line with common practices in their professional field and geographic region. Many of our real estate professionals in the Americas and in certain international markets work on a commission basis, particularly our Leasing and Capital markets professionals in the United States. Commissions are tied to the value of transactions and subject to fluctuation. Leasing and Capital markets real estate professionals in EMEA and APAC work on a salary basis, with an additional performance bonus based on a share of the profits of their business unit. Even within our geographic segments, our service lines employee base includes a mix of professional and non-salaried employees.

Environment

Cushman & Wakefield strives for continuous improvement in order to make a meaningful contribution to a sustainable future. We envision a world of healthy, sustainable buildings that put the well-being of people and the planet first. Across Cushman & Wakefield, we seek to integrate environmental, social and governance ("ESG") factors into our operations, business practices and service offerings.

Our Environment Policy, available on our website, outlines our commitment to being a responsible steward of the environment. We include sustainability principles in our policies and practices as appropriate, engage employees in our collective ESG efforts, and monitor and report our performance.

In alignment with our Environment Policy and ongoing environmental sustainability efforts, in 2021 we set and publicly announced science-based targets for greenhouse gas ("GHG") emissions reductions across our value chain, in both our own offices and facilities we manage on behalf of clients. These targets are as follows:

> Target 1: Reduce GHG emissions across our corporate offices and operations (scopes 1 and 2) 50% by 2030 from a 2019 base year.
>
> Target 2: Engage our clients, representing 70% of emissions at our managed properties (scope 3), to set their own science-based targets by 2025.
>
> Target 3: Reach net zero emissions across our entire value chain (scopes 1, 2 and 3) by 2050.

In July 2021, Target 1 and Target 2 were validated by the Science Based Targets initiative ("SBTi"), a global body enabling businesses to set emissions reductions targets in line with the latest climate science. Target 3 was pledged through the Business Ambition for 1.5°C. In June 2022, we were among the first group of companies to have our net zero target (Target 3) validated by the SBTi's Net-Zero Corporate Standard. See "—We face risks associated with the effects of climate change, including physical and transition risks, and with our sustainability practices, goals and performance."

These science-based targets build upon Cushman & Wakefield’s longstanding goal of reducing our own environmental impact across the property life cycle in addition to reducing our suppliers’ and clients’ impacts. These targets are voluntary, subject to change, and should be considered aspirational. Further, our GHG emissions targets are subject to change in the event of significant or structural changes in Cushman & Wakefield (including acquisitions, divestiture, mergers, insourcing or outsourcing), key performance indicator methodology changes, or changes in data reported due to improved calculation methodologies or better data accessibility. However, we believe they are important goals in the global effort to avoid the most catastrophic impacts of climate change.

Additionally, in connection with the amendment of our credit agreement in 2022, we added certain pricing terms linked to the achievement of certain sustainability features based on the firm’s GHG emission targets, specifically, Targets 1 and 2 listed above.

We plan to report on our progress toward certain targets by disclosing certain GHG emissions annually through this report and other voluntary reports such as our annual ESG Report. Our most recent annual ESG Report covers our efforts during 2021 across key areas including our sustainability services, climate change resilience, environmental performance and more. The ESG Report has been prepared in alignment with the Global Reporting Initiative ("GRI") Standards for four consecutive years and has contained disclosures aligned with the Real Estate Services standard that was developed by the Sustainability Accounting Standards Board for two consecutive years. In 2022, we also responded to the CDP (formerly the Carbon Disclosure Project) for the eighth consecutive year.

In selecting our ESG priorities, in 2021 we underwent a GRI materiality assessment to determine topics that reflect our most significant impacts on the environment, society and the economy. We took into account our understanding of global trends and social challenges, the expectations of our primary stakeholders, and the core competencies and strategy of our business. We published the results of our materiality assessment in our 2020 and 2021 ESG Reports.

In 2018, we became a participant in the UN Global Compact (“UNGC”), a non-binding pact to encourage businesses worldwide to adopt sustainable and socially responsible policies and to report on their implementation. We committed to integrating principles of the UNGC into our business practices, focusing on human rights, labor, environment and anti-corruption. In 2022, we delivered our fourth UNGC Communication on Progress (COP) as a participant in the UNGC as part of our ESG Report.

Regulation

The brokerage of real estate sales and leasing transactions, property and facilities management, conducting real estate valuation and securing debt for clients, among other service lines, require that we comply with regulations affecting the real estate industry and maintain licenses in the various jurisdictions in which we operate. Like other market participants that operate in numerous jurisdictions and in various service lines, we must comply with numerous regulatory regimes.

A number of our services, including the services provided by certain of our indirect wholly-owned subsidiaries in the U.S., the U.K., and elsewhere, are subject to regulation and oversight by the SEC, the Financial Industry Regulatory Authority ("FINRA"), the Financial Conduct Authority (U.K.), Companies House (U.K.) or other self-regulatory organizations and foreign and state regulators, and compliance failures or regulatory action could adversely affect our business. We could be required to pay fines, return commissions, have a license suspended or revoked or be subject to other adverse action if we conduct regulated activities without a license or violate applicable rules and regulations. Licensing requirements could also impact our ability to engage in certain types of transactions, change the way in which we conduct business or affect the cost of conducting business. We and our licensed associates may be subject to various obligations and we could become subject to claims by regulators and/or participants in real estate sales or other services claiming that we did not fulfill our obligations. This could include claims with respect to alleged conflicts of interest where we act, or are perceived to be acting, for two or more clients. While management has overseen highly regulated businesses before and expects us to comply with all applicable regulations in a satisfactory manner, no assurance can be given that it will always be the case. In addition, federal, state and local laws and regulations impose various environmental zoning restrictions, use controls and disclosure obligations that impact the management, development, use and/or sale of real estate. Such laws and regulations tend to discourage sales and leasing activities, as well as mortgage lending availability, with respect to such properties.

Applicable laws and contractual obligations to property owners could also subject us to environmental liabilities through our provision of management services. Environmental laws and regulations impose liability on current or previous real property owners or operators for the cost of investigating, cleaning up or removing contamination caused by hazardous or toxic substances at the property. As a result, we may be held liable as an operator for such costs in our role as an on-site property manager. This liability may result even if the original actions were legal and we had no knowledge of, or were not responsible for, the presence of the hazardous or toxic substances. Similarly, environmental laws and regulations impose liability for the investigation or cleanup of off-site locations upon parties that disposed or arranged for disposal of hazardous wastes at such locations. As a result, we may be held liable for such costs at landfills or other hazardous waste sites where wastes from our managed properties were sent for disposal. Under certain environmental laws, we could also be held responsible for the entire amount of the liability if other responsible parties are unable to pay. We may also be liable under common law to third parties for property damages and personal injuries resulting from environmental contamination at our sites, including the presence of asbestos-containing materials or lead-based paint. Insurance coverage for such matters may be unavailable or inadequate to cover our liabilities. Additionally, liabilities incurred to comply with more stringent future environmental requirements could adversely affect any or all of our service lines.

Principal risks and uncertainties

The directors confirm that the Group maintains a robust risk assessment and risk management process in order to mitigate risks that would threaten our business model, future performance, solvency or liquidity. Such risks are discussed further under the sections entitled “Risk Factors” beginning on page 55 and “Cautionary Note Regarding Forward-Looking Statements” beginning on page 74.

Recent Developments and Outlook

In March 2022, as a result of the Russia-Ukraine conflict, the Group transferred our Russian operations to a local operator. Our operations in Russia represented less than 0.5% of our total revenue in 2021. We have no direct operations in Ukraine. This disposal is not material to our financial statements or future operations.

In April 2022, we amended the 2018 Credit Agreement to (i) increase the aggregate commitments under the Revolver by $80.0 million, extending its borrowing capacity from $1.0 billion to $1.1 billion, (ii) extend the maturity date of borrowings under the Revolver from 21 August 2023 to 28 April 2027, (iii) replace the LIBOR rate applicable to borrowings under the Revolver with Term Secured Overnight Financing Rate (“SOFR”) plus an applicable rate, and (iv) add pricing terms linked to achievement of certain greenhouse gas emission targets.

On 31 January 2023, we amended the 2018 Credit Agreement to extend the maturity date of $1.0 billion of the $2.6 billion aggregate principal amount outstanding under our 2018 First Lien Loan to 31 January 2030 and such portion will bear interest, at the Group’s option, equal to either: (a) the Term SOFR, plus 0.10% (which sum is subject to a minimum floor of 0.50%), plus an applicable margin of 3.25% per annum, or (b) the Base Rate (as defined in the 2018 Credit Agreement), plus an applicable margin of 2.25% per annum. The 21 August 2025 maturity date of the remaining $1.6 billion 2018 First Lien Loan remains unchanged.

Our business has been impacted, like our peers in the commercial real estate sector and other companies across various sectors, by geopolitical uncertainty, higher inflation, and rising interest rates, among other macroeconomic challenges. To maintain strong performance and ensure that we are well-positioned for further economic headwinds in 2023, our Group has planned certain actions to further optimize efficiency. This includes specific actions including a reduction in headcount across select roles to help optimize our workforce against a potential decline in growth and revenue within certain service lines.

Macroeconomic Trends and Uncertainty

Demand for our services is largely dependent on the relative strength of the global and regional commercial real estate markets, which are highly sensitive to general macroeconomic conditions and the ability of market participants to access liquidity in the capital and credit markets. Current macroeconomic challenges continue to present risk to the Group including issues such as: higher inflation, increasing interest rates, disruption and volatility within global capital and credit markets, escalating energy supply shortages and costs, labor shortages, volatility in currency exchange rates, and changes in monetary and fiscal policies. The Russia-Ukraine conflict and resulting geopolitical uncertainty has intensified these challenges. Further deterioration of these macroeconomic conditions, an economic slowdown or recession in the U.S. or global economy, or the public perception that any of these events may occur, could cause a decline in global and regional demand for commercial real estate and negatively affect the performance of some or all of our service lines. In the event of an economic downturn or recession, we may experience reduced demand in our Capital markets, Leasing and Valuation and other service lines, among others, as clients delay or forego real estate transactions.

In addition, circumstances surrounding COVID-19 at a global level remain fluid, especially given the uncertainty regarding potential future variants of the virus and potential future restrictions. The extent to which COVID-19 continues to impact our business, especially in China, depends on evolving factors, including the spread of new variants, distribution and effectiveness of vaccines and governmental actions, including further restrictions. Since the onset of the COVID-19 pandemic, the U.S. and global economies have experienced increases in inflation. The resulting inflationary pressures on wages, higher costs for products and materials needed to provide our services, and higher fees from our own service providers have increased and could continue to increase the cost of providing our services. If this inflationary environment continues, and we are unable to recover these increased costs from our clients in a timely manner or at all, our margins and profitability may be negatively impacted.

Many of our service lines, particularly Capital markets, are sensitive to the cost and availability of credit. If our clients are unable to procure credit or financing on favorable terms or at all, there may be fewer dispositions and acquisitions of property and demand for our services may be adversely affected. For example, in the second half of 2022, a less constructive macroeconomic environment, including increases in interest rates, adversely affected commercial real estate transaction volumes, and in turn, we experienced declines in Capital markets revenue. Future uncertainty or weakness in the credit markets, including as a result of any future interest rate increases, could further affect commercial real estate transaction volumes and pricing, and clients may delay real estate transaction decisions until property values settle, which could reduce the commissions and fees we earn for brokering those transactions.

While the degree to which the Group will be affected by these macroeconomic challenges largely depends on the nature and duration of uncertain and unpredictable events, we believe that we are well suited to endure a shifting macroeconomic environment due to our diversification and resiliency. Refer to “Risk Factors” for further information.

Further, we believe that we have sufficient liquidity to satisfy our working capital and other funding requirements with operating cash flows and, as necessary, cash on hand and borrowings under our revolving credit facility. As discussed in “Liquidity and Capital Resources” below, the Group had liquidity of approximately $1.8 billion as at 31 December 2022, comprising of cash and cash equivalents of $0.7 billion and an undrawn revolving credit facility of $1.1 billion. During 2022 we extended the borrowing capacity on our revolving credit facility and in January 2023 we extended the maturity date of a portion of our 2018 First Lien Loan to 31 January 2030 as discussed above.

Items Affecting Comparability

When reading our financial statements and the information included in this Annual Report, it should be considered that we have experienced, and continue to experience, several material trends and uncertainties that have affected our financial condition and results of operations and could affect future performance. We believe that the following material trends and uncertainties are important to understand the variability of our historical earnings and cash flows and any potential future variability.

Macroeconomic Conditions

Our results of operations are significantly impacted by economic trends, government policies and the global and regional real estate markets. These include the following: overall economic activity, volatility of the financial markets, changes in interest rates, inflation, the impact of tax and regulatory policies, the cost and availability of credit, changes in employment rates, level of commercial construction spending, demand for commercial real estate, the impact of the global COVID-19 pandemic, and the geopolitical environment including the uncertainty affecting global financial markets stemming from the Russia-Ukraine conflict.

Our diversified operating model helps to partially mitigate the negative effect of difficult market conditions on our margins as a substantial portion of our costs are variable compensation expenses, specifically commissions and bonuses paid to our professionals in our Leasing and Capital markets service lines. Nevertheless, ongoing adverse economic trends could pose significant risks to our operating performance and financial condition.

Acquisitions

Our results include the incremental impact of completed transactions from the date of acquisition, which may impact the comparability of our results on a year-over-year basis. Additionally, there is generally an adverse impact on net income for a period of time after the completion of an acquisition driven by transaction-related and integration expenses. We have historically used strategic and in-fill acquisitions, as well as joint ventures, to add new service capabilities, to increase our scale within existing capabilities and to expand our presence in new or existing geographic regions globally. We believe that strategic acquisitions and partnerships will increase revenue, provide cost synergies and generate incremental income in the long term.

Seasonality

A significant portion of our revenue is seasonal, especially for service lines such as Leasing and Capital markets. This impacts the comparison of our financial condition and results of operations on a quarter-by-quarter basis. Generally, our industry is focused on completing transactions by calendar year-end with a significant concentration of activity in the last quarter of the calendar year while certain expenses are recognized more evenly throughout the calendar year. Historically, our revenue and operating income typically tend to be lowest in the first quarter, and highest in the fourth quarter of each year. The Property, facilities and project management service line partially mitigates this intra-year seasonality, due to the recurring nature of this service line, which generates more stable revenues throughout the year.

International Operations

Our business consists of service lines operating in multiple regions inside and outside of the U.S. Our international operations expose us to global economic trends as well as foreign government tax, regulatory and policy measures.

Additionally, outside of the U.S., we generate earnings in other currencies and are subject to fluctuations relative to the USD. As we continue to grow our international operations, these currency fluctuations, most notably the Australian dollar, euro and British pound sterling, have the potential to positively or adversely affect our operating results measured in USD. It can be difficult to compare period-over-period financial statements when the movement in currencies against the USD does not reflect trends in the local underlying business as reported in its local currency.

In order to assist our investors and improve comparability of results, we present the year-over-year changes in certain of our alternative financial measures in "local" currency. The local currency change represents the year-over-year change assuming no movement in foreign exchange rates from the prior year. We believe that this provides our management and investors with a better view of comparability and trends in the underlying operating business.

Key Performance Measures

We regularly review a number of metrics to evaluate our business, measure our progress and make strategic decisions. The measures include Segment operating expenses, Fee-based operating expenses, Adjusted EBITDA, Adjusted EBITDA margin and local currency. Certain of these metrics are alternative financial measures currently utilized by management to assess performance, and we disclose these measures to investors to assist them in providing a meaningful understanding of our performance. See "Use of Alternative Financial Measures" and "Results of Operations" below.

Use of Alternative Financial Measures

In order to assist readers of our consolidated financial statements in understanding the operating results that management uses to evaluate the business and for financial planning purposes, we present the following alternative measures as a complement to financial results prepared in accordance with U.K.-adopted international financial reporting standards ("IFRS"):

i. Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA");

ii. Segment operating expenses and Fee-based operating expenses; and

i. Local currency.

Our management principally uses these alternative financial measures to evaluate operating performance, develop budgets and forecasts, improve comparability of results and assist our investors in analyzing the underlying performance of our business. These measures are not recognized measurements under IFRS or generally accepted accounting principles in the United States of America ("U.S. GAAP"). When analyzing our operating results, investors should use them in addition to, but not as an alternative for, the most directly comparable financial results calculated and presented in accordance with IFRS. Because the Group's calculation of these alternative financial measures may differ from other companies, our presentation of these measures may not be comparable to similarly titled measures of other companies.

The Group believes that these measures provide a more complete understanding of ongoing operations, enhance comparability of current results to prior periods and may be useful for investors to analyze our financial performance. The measures eliminate the impact of certain items that may obscure trends in the underlying performance of our business. The Group believes that they are useful to investors for the additional purposes described below.

Adjusted EBITDA and Adjusted EBITDA margin: We have determined Adjusted EBITDA to be our primary measure of segment profitability. We believe that investors find this measure useful in comparing our operating performance to that of other companies in our industry because these calculations generally eliminate integration and other costs related to merger, pre-IPO stock-based compensation, unrealized (gains) / losses on investments, acquisition related costs and efficiency initiatives, and other items. Adjusted EBITDA also excludes the effects of financings, income tax and the non-cash accounting effects of depreciation and intangible asset amortization. The calculation of Adjusted EBITDA also includes an adjustment to align the Adjusted EBITDA calculation in these IFRS financial statements with the Adjusted EBITDA calculation in our more widely distributed U.S. GAAP derived financial statements and used by the Group to assess performance of the business. Adjusted EBITDA margin, an alternative financial measure of profitability as a percent of revenue, is measured against service line fee revenue.

Segment operating expenses and Fee-based operating expenses: Consistent with GAAP, reimbursed costs for certain customer contracts are presented on a gross basis in both revenue and operating expenses for which the Group recognizes substantially no margin. Total costs and expenses include segment operating expenses as well as other expenses such as depreciation and amortization, integration and other costs related to merger, pre-IPO stock-based compensation, acquisition related costs and efficiency initiatives, and other items. Segment operating expenses includes Fee-based operating expenses and Cost of gross contract reimbursables.

We believe Fee-based operating expenses more accurately reflects the costs we incur during the course of delivering services to our clients and is more consistent with how we manage our expense base and operating margins.

Local currency: In discussing our results, we refer to percentage changes in local currency. These metrics are calculated by holding foreign currency exchange rates constant in year-over-year comparisons. Management believes that this methodology provides investors with greater visibility into the performance of our business excluding the effect of foreign currency rate fluctuations.

Results of Operations

The following table sets forth items derived from our Consolidated Statements of Profit or Loss in accordance with IFRS for the years ended 31 December 2022 and 2021 (in millions):

	Year Ended 31 December 2022			
	2022	2021	% Change in USD	% Change in Local Currency
Revenue:				
Property, facilities and project management	$ 3,481.1	$ 3,185.4	9 %	12 %
Leasing	2,083.7	1,843.4	13 %	15 %
Capital markets	1,187.8	1,350.2	(12)%	(10)%
Valuation and other	495.5	512.1	(3)%	2 %
Total service line fee revenue[1]	7,248.1	6,891.1	5 %	8 %
Gross contract reimbursables[2]	2,857.6	2,497.6	14 %	16 %
Total revenue	$ 10,105.7	$ 9,388.7	8 %	10 %
Costs and expenses:				
Cost of services provided to clients	$ 5,300.3	$ 4,950.8	7 %	12 %
Cost of gross contract reimbursables	2,857.6	2,497.6	14 %	17 %
Total costs of services	8,157.9	7,448.4	10 %	14 %
Operating, administrative and other	1,237.2	1,217.2	2 %	7 %
Depreciation and amortization	154.2	168.6	(9)%	(6)%
Restructuring, impairment and related charges	7.7	44.6	(83)%	(81)%
Total costs and expenses	9,557.0	8,878.8	8 %	12 %
Operating income	548.7	509.9	8 %	15 %
Finance costs	(215.4)	(205.0)	5 %	25 %
Share of profit of equity-accounted investees, net of tax	45.0	21.2	n.m.	n.m.
Other income	9.3	13.0	(28)%	(28)%
Other expense	(92.0)	(3.0)	n.m.	n.m.
Profit before income taxes	295.6	336.1	(12)%	4 %
Income tax expense	(131.2)	(88.2)	49 %	66 %
Profit for the year	$ 164.4	$ 247.9	(34)%	(19)%
Adjusted EBITDA[4]	$ 898.8	$ 886.4	1 %	4 %
Adjusted EBITDA margin[3]	12.4 %	12.9 %		

n.m. not meaningful

[1] Service line fee revenue represents revenue for fees generated from each of our service lines.

[2] Gross contract reimbursables reflects revenue from clients which have substantially no margin.

[3] Adjusted EBITDA margin is measured against Total service line fee revenue.

[4] Refer to page 18 for reconciliation of IFRS Profit for the year to Adjusted EBITDA.

Year ended 31 December 2022 compared to the year ended 31 December 2021

Revenue

Revenue of $10.1 billion increased 8% compared to the year ended 31 December 2021, led by the Americas which increased 10%. Service line fee revenue growth was led by our Leasing and Property, facilities and project management service lines, which were up 13% and 9%, respectively. Leasing revenue growth was principally driven by steady improvement in the office sector during the first nine months of 2022, as well as continued strength in the industrial sector. Property, facilities and project management revenue growth was primarily driven by growth in our project management and facilities management businesses, which also resulted in Gross contract reimbursables growth of 14%. Partially offsetting these trends were unfavorable movements in foreign currency of $218.9 million or 2.0% compared to the year ended 31 December 2021 as a result of a stronger U.S. Dollar. In addition, in the second half of 2022, a less constructive macroeconomic environment, including increases in interest rates, adversely affected commercial real estate transaction volume, which contributed to a 12% decline in Capital markets revenue from the prior year.

Costs of services

Costs of services of $8.2 billion increased $709.5 million or 10% compared to the year ended 31 December 2021. Cost of services provided to clients increased 7% principally due to higher variable costs, including commissions as a result of higher Leasing revenue, as well as higher subcontractor costs due to revenue growth in Property, facilities and project management. Cost of gross contract reimbursables increased 14% driven by the continued stability and growth in our Property, facilities and project management service line. Total costs of services as a percentage of total revenue were 81% for 2022 compared to 79% for 2021.

Operating, administrative and other

Operating, administrative and other expenses of $1.2 billion increased by $20.0 million or 2% compared to the year ended 31 December 2021, primarily driven by higher salaries and wages, as well as higher technology, communication and consulting expenses. Operating, administrative and other expenses as a percentage of total revenue were 12% for 2022 compared to 13% for 2021.

Restructuring, impairment and related charges

Restructuring, impairment and related charges were $7.7 million, a decrease of $36.9 million compared to the year ended 31 December 2021. This decrease principally reflects the reduction of severance-related costs and impairment charges in connection with the Group's previously announced strategic realignment of the business, which was substantially complete at the end of 2021, partially offset by severance-related costs in the fourth quarter of 2022 in connection with an initial reduction in our workforce across select roles.

Share of profit of equity-accounted investees, net of tax

Share of profit of equity-accounted investees of $45.0 million increased by $23.8 million compared to the year ended 31 December 2021, primarily due to the earnings recognized from our equity method investment with Greystone Select Incorporated (“Greystone”) in the Americas, which was finalized in December 2021.

Other expense

Other expense during the year ended 31 December 2022 of $92.0 million reflects net unrealized losses on fair value investments, primarily related to our investment in WeWork, which closed during the fourth quarter of 2021, partially offset by royalty income. In addition, the Group recognized a loss of approximately $13.0 million in the first quarter of 2022 related to the disposal of our operations in Russia.

Profit for the year

Profit for the year of $164.4 million decreased by $83.5 million or 34% compared to the year ended 31 December 2021, primarily driven by a decline in Capital markets revenue of 12% due to a less constructive macroeconomic environment which resulted in lower commercial real estate transaction volumes, COVID-19 related restrictions in China, higher commissions expense, unfavorable movements in foreign currency, and unrealized losses on fair value investments. Partially offsetting these trends was an increase in earnings recognized from our equity method investment with Greystone in the Americas, as well as the strong revenue performance of our Leasing and Property, facilities and project management service lines which grew 13% and 9%, respectively.

Reconciliation of Alternative Financial Measures

Adjusted EBITDA is calculated as follows (in millions):

	Year Ended 31 December	
	2022	2021
Profit for the year	$ 164.4	$ 247.9
Add/(less):		
Depreciation and amortization	154.2	168.6
Finance costs	215.4	205.0
Income tax expense	131.2	88.2
Unrealized loss on investments, net[1]	78.9	2.4
Integration and other costs related to merger[2]	14.0	32.4
Pre-IPO stock-based compensation[3]	3.1	5.4
Acquisition related costs and efficiency initiatives[4]	93.8	140.4
Other[5]	25.7	6.3
U.S. GAAP to IFRS adjustments[6]	18.1	(10.2)
Adjusted EBITDA	$ 898.8	$ 886.4

(1) Represents net unrealized losses on fair value investments during the years ended 31 December 2022 and 2021, primarily related to our investment in WeWork, which closed during the fourth quarter of 2021.

(2) Integration and other costs related to merger include certain direct and incremental integration efforts.

(3) Pre-IPO stock-based compensation represents non-cash compensation expense associated with our pre-IPO equity compensation plans and certain other retention awards.

(4) Acquisition related costs and efficiency initiatives reflect costs incurred to implement operating efficiency initiatives to realign our organization to allow the Group to be a more agile partner to its clients, as well as severance and employment related costs due to reductions in headcount and property lease rationalization initiatives.

(5) During the year ended 31 December 2022, Other includes a charge of $5.0 million related to the amendment of our accounts receivable securitization (“A/R Securitization”) arrangement, as well as a loss of $13.0 million related to the disposal of operations in Russia. During the year ended 31 December 2021, Other includes COVID-19 related charges and preparation costs for employees returning to the office of $5.6 million.

(6) The Group reviews results in accordance with accounting and reporting policies under U.S. GAAP. As such, the Group prepared and presented the calculation of Adjusted EBITDA using certain U.S. GAAP financial information. Adjustments are made to reconcile results derived from IFRS with the same results derived from U.S. GAAP and used by management.

Below is a summary of Total costs and expenses (in millions):

	Year Ended 31 December	
	2022	2021
Americas Fee-based operating expenses	$ 4,642.1	$ 4,265.8
EMEA Fee-based operating expenses	819.2	864.7
APAC Fee-based operating expenses	958.2	898.4
Cost of gross contract reimbursables	2,857.6	2,497.6
Segment operating expenses	9,277.1	8,526.5
Depreciation and amortization	154.2	168.6
Integration and other costs related to merger[1]	14.0	32.4
Pre-IPO stock-based compensation[2]	3.1	5.4
Acquisition related costs and efficiency initiatives[3]	93.8	139.6
Other	14.8	6.3
Total costs and expenses	$ 9,557.0	$ 8,878.8

(1) Integration and other costs related to merger include certain direct and incremental integration efforts.

(2) Pre-IPO stock-based compensation represents non-cash compensation expense associated with our pre-IPO equity compensation plans and certain other retention awards.

(3) Acquisition related costs and efficiency initiatives reflect costs incurred to implement operating efficiency initiatives to realign our organization to allow the Group to be a more agile partner to its clients, as well as severance and employment related costs due to reductions in headcount and property lease rationalization initiatives.

Segment Operations

We report our operations through the following segments: (1) Americas, (2) Europe, Middle East and Africa ("EMEA") and (3) Asia Pacific ("APAC"). The Americas consists of operations located in the United States, Canada and key markets in Latin America. EMEA includes operations in the United Kingdom, France, Netherlands and other markets in Europe and the Middle East. APAC includes operations in Australia, Singapore, China and other markets in the Asia Pacific region.

For segment reporting, Service line fee revenue represents revenue for fees generated from each of our of service lines. Gross contract reimbursables reflects revenue paid by clients which have substantially no margin.

Americas Results

The following table summarizes our results of operations by our Americas operating segment in accordance with IFRS for the years ended 31 December 2022 and 2021 (in millions):

	Year Ended 31 December			
	2022	2021	% Change in USD	% Change in Local Currency
Revenue:				
Property, facilities and project management	$ 2,434.0	$ 2,221.9	10 %	10 %
Leasing	1,669.7	1,392.8	20 %	20 %
Capital markets	987.1	1,110.9	(11)%	(11)%
Valuation and other	198.1	193.7	2 %	3 %
Total service line fee revenue[1]	5,288.9	4,919.3	8 %	8 %
Gross contract reimbursables[2]	2,462.1	2,096.0	17 %	18 %
Total revenue	$ 7,751.0	$ 7,015.3	10 %	11 %
Costs and expenses:				
Americas Fee-based operating expenses	$ 4,642.1	$ 4,265.8	9 %	9 %
Cost of gross contract reimbursables	2,462.1	2,096.0	17 %	18 %
Segment operating expenses	$ 7,104.2	$ 6,361.8	12 %	12 %

[1] Service line fee revenue represents revenue for fees generated from each of our service lines

[2] Gross contract reimbursables reflects revenue from clients which have substantially no margin

Americas: Year ended 31 December 2022 compared to the year ended 31 December 2021

Americas revenue was $7.8 billion, an increase of $735.7 million or 10% from the prior year. The increase in revenue was led by growth in Leasing of 20% and Property, facilities and project management of 10%, partially offset by a decline in Capital markets of 11%. Capital markets declined as a result of a less constructive macroeconomic environment resulting in lower commercial real estate transaction volumes.

Fee-based operating expenses of $4.6 billion increased 9% principally due to higher variable costs, including commissions associated with Leasing revenue growth, higher costs for materials associated with Property, facilities and project management growth, and higher employment costs. As a result of the corresponding revenue mix and associated variable costs, fee-based operating expenses as a percentage of Total service line fee revenue was 88% in 2022 compared to 87% in 2021.

EMEA Results

The following table summarizes our results of operations by our EMEA operating segment in accordance with IFRS for the years ended 31 December 2022 and 2021 (in millions):

	Year Ended 31 December			
	2022	2021	% Change in USD	% Change in Local Currency
Revenue:				
Property, facilities and project management	$ 373.7	$ 370.3	1 %	14 %
Leasing	233.9	246.5	(5)%	6 %
Capital markets	142.1	168.8	(16)%	(6)%
Valuation and other	177.7	190.9	(7)%	5 %
Total service line fee revenue[1]	927.4	976.5	(5)%	7 %
Gross contract reimbursables[2]	102.7	136.6	(25)%	(16)%
Total revenue	$ 1,030.1	$ 1,113.1	(7)%	4 %
Costs and expenses:				
EMEA Fee-based operating expenses	$ 819.2	$ 864.7	(5)%	6 %
Cost of gross contract reimbursables	102.7	136.6	(25)%	(16)%
Segment operating expenses	$ 921.9	$ 1,001.3	(8)%	3 %

[1] Service line fee revenue represents revenue for fees generated from each of our service lines

[2] Gross contract reimbursables reflects revenue from clients which have substantially no margin

EMEA: Year ended 31 December 2022 compared to the year ended 31 December 2021

EMEA revenue was $1.0 billion, a decrease of $83.0 million or 7% from the prior year. Excluding the unfavorable impact of foreign currency of $124.2 million, EMEA revenue grew by 4% on a local currency basis. This growth was principally driven by Property, facilities and project management and Leasing, which increased 14% and 6%, respectively, on a local currency basis, partially offset by a decline in Capital markets of 6% on a local currency basis. Capital markets declined as a result of a less constructive macroeconomic environment resulting in lower commercial real estate transaction volumes. Gross contract reimbursables decreased 16% on a local currency basis driven by changes in mix from the prior year.

Fee-based operating expenses of $819.2 million decreased 6% on a local currency basis principally due to higher variable costs associated with revenue growth in our Property, facilities and project management service line and higher employment costs. Fee-based operating expenses as a percentage of Total service line fee revenue was 88% in 2022 compared to 89% in 2021.

APAC Results

The following table summarizes our results of operations by our APAC operating segment in accordance with IFRS for the years ended 31 December 2022 and 2021 (in millions):

	Year Ended 31 December			
	2022	2021	% Change in USD	% Change in Local Currency
Revenue:				
Property, facilities and project management	$ 673.4	$ 593.2	14 %	20 %
Leasing	180.1	204.1	(12)%	(6)%
Capital markets	58.6	70.5	(17)%	(10)%
Valuation and other	119.7	127.5	(6)%	(2)%
Total service line fee revenue[1]	1,031.8	995.3	4 %	10 %
Gross contract reimbursables[2]	292.8	265.0	10 %	19 %
Total revenue	$ 1,324.6	$ 1,260.3	5 %	12 %
Costs and expenses:				
APAC Fee-based operating expenses	$ 958.2	$ 898.4	7 %	13 %
Cost of gross contract reimbursables	292.8	265.0	10 %	19 %
Segment operating expenses	$ 1,251.0	$ 1,163.4	8 %	14 %

[1] Service line fee revenue represents revenue for fees generated from each of our service lines

[2] Gross contract reimbursables reflects revenue from clients which have substantially no margin

APAC: Year ended 31 December 2022 compared to the year ended 31 December 2021

APAC revenue was $1.3 billion, an increase of $64.3 million or 5% from the prior year. Excluding the unfavorable impact of foreign currency of $81.1 million, APAC revenue grew by 12% on a local currency basis. Revenue growth in Property, facilities and project management of 20%, on a local currency basis, was largely offset by declines in Leasing and Capital markets revenue, primarily due to COVID-19 related restrictions in China.

Fee-based operating expenses of $958.2 million increased 13% on a local currency basis principally due to higher variable costs associated with revenue growth in our Property, facilities and project management service line. As a result of the corresponding revenue mix and associated variable costs, fee-based operating expenses as a percentage of Total service line fee revenue was 93% in 2022 compared to 90% in 2021.

Liquidity and Capital Resources

Our primary sources of liquidity are cash flows from operations, available cash reserves and debt capacity under our available credit facilities. Our primary uses of liquidity are operating expenses, acquisitions, investments and debt payments.

While the macroeconomic challenges and geopolitical uncertainty are present, we believe that we have maintained sufficient liquidity to satisfy our working capital and other funding requirements, including capital expenditures, and expenditures for human capital and contractual obligations, with operating cash flow and, as necessary, cash on hand and borrowings under our revolving credit facility. We continually evaluate opportunities to obtain, retire or restructure our debt, credit facilities or financing arrangements for strategic reasons or to obtain additional financing to fund investments, operations and obligations to further strengthen our financial position.

We have historically relied on our operating cash flow to fund our working capital needs and ongoing capital expenditures on an annual basis. Our operating cash flow is seasonal — typically lowest in the first quarter of the year, when revenue is lowest, and greatest in the fourth quarter of the year, when revenue is highest. The seasonal nature of our operating cash flow can result in a mismatch with funding needs, which we manage using available cash on hand and, as necessary, borrowings under our revolving credit facility or A/R Securitization arrangement.

In the absence of a large strategic acquisition or other extraordinary events, we believe our cash on hand, cash flow from operations and availability under our revolving credit facility will be sufficient to meet our anticipated cash requirements for the foreseeable future, and at a minimum for at least 12 months from the date of approval of this annual report. We may seek to take advantage of opportunities to refinance existing debt instruments, as we have done in the past, with new debt instruments at interest rates, maturities and terms we consider attractive.

As at 31 December 2022, the Group had $1.8 billion of liquidity, consisting of cash and cash equivalents of $0.7 billion and our undrawn revolving credit facility of $1.1 billion.

The Group's amounts outstanding under its 2018 First Lien Loan and its 2020 Notes were $2.6 billion and $0.6 billion, respectively, as at 31 December 2022. Our level of indebtedness increases the possibility that we may be unable to pay the principal amount of our indebtedness and other obligations when due. In addition, we may incur additional debt from time to time to finance strategic acquisitions, investments, joint ventures or for other purposes, subject to the restrictions contained in the documents governing our indebtedness. If we incur additional debt, the risks associated with our leverage, including our ability to service our debt, would increase. See "Risk Factors" starting on page 55. Despite our current indebtedness levels, we and our subsidiaries may still be able to incur substantially more debt, which could further exacerbate the risks associated with our substantial leverage. In addition, as discussed above, in January 2023, we extended the maturity date of $1.0 billion or our $2.6 billion 2018 First Lien Loan to 31 January 2030.

As a professional services firm, funding our operating activities is not capital intensive. Total capital expenditures for the year ended 31 December 2022 were $34.5 million.

The Group is also party to an off-balance sheet A/R Securitization arrangement whereby it continuously sells trade receivables to an unaffiliated financial institution, which has an investment limit of $200.0 million. Receivables are derecognized from our balance sheet upon sale, for which we receive cash payment and record a deferred purchase price receivable. As at 31 December 2022, the Group had no outstanding balance drawn on the investment limit. The A/R Securitization terminates on 20 June 2023, unless extended or an earlier termination event occurs. Refer to Note 20: Accounts Receivable Securitization of the Notes to the Consolidated Financial Statements for further information.

By order of the board

John Forrester
Director
31 March 2023

DIRECTORS' REPORT

The directors present their Annual Report with the audited consolidated financial statements of Cushman & Wakefield plc and subsidiaries, which includes consolidated statements of financial position as at 31 December 2022, 31 December 2021 and 1 January 2021, the related consolidated statements of profit or loss, comprehensive income, changes in equity, and cash flows for the years ended 31 December 2022 and 2021, and the related notes (collectively, the "Consolidated Financial Statements"), as well as the audited parent company financial statements for the years ended 31 December 2022 and 2021.

We report our operations through the following segments: (1) Americas, (2) EMEA and (3) APAC. The Americas consists of operations located in the United States, Canada and key markets in Latin America. EMEA includes operations in the United Kingdom, France, Netherlands and other markets in Europe and the Middle East. APAC includes operations in Australia, Singapore, China and other markets in the Asia Pacific region.

Research and Development

The Group undertook no research and development during the year (2021: $nil).

Dividends

There were no dividends paid or declared during the year (2021: $nil).

Political Contributions

The Group made no political donations or incurred any political expenditures during the year (2021: $nil).

Employees

Information relating to employees is incorporated herein by reference to the Employees Section of the Strategic Report contained in this report.

Directors

The directors who held office during the period and since year end were as follows:

J J Coslet (appointed 19 July 2018)
T D Dattels (appointed 19 July 2018)
L L F Pan (appointed 19 July 2018)
W B White (appointed 19 July 2018)
B I Williamson (appointed 19 July 2018)
J W McLean (appointed 30 October 2018)
A Brunner (appointed 6 August 2020)
A Miller (appointed 26 March 2021)
A Sun (appointed on 1 November 2021)
J Forrester (appointed on 1 January 2022)
R McGinn (appointed 6 June 2019, resigned on 4 August 2022)

No directors benefited from qualifying third party indemnity provisions or qualifying pension scheme indemnity provisions during the financial period and at the date of this report.

Indemnity of directors

Under our articles of association, each of our directors is entitled to be indemnified by us against all costs, charges, losses, expenses and liabilities incurred by such director or officer in the execution and discharge of his or her duties or in relation to those duties to the fullest extent permissible under the U.K. Companies Act 2006. The U.K. Companies Act 2006 renders void an indemnity for a director against any liability attaching to him or her in connection with any negligence, default, breach of duty or breach of trust in relation to the company of which he or she is a director.

Greenhouse Gas (GHG) Inventory Data

	1 January to 31 December	
Inventory period	**2022**	**2021**
Global absolute emissions (mtCO2e)	24,918	34,183
Global absolute emissions (mtCO2e) per total $ million revenue	2	4
Total Stationary combustion (natural gas, mtCO2e)	4,274	5,648
U.K. Stationary combustion (natural gas, mtCO2e)	269	470
Total Purchased electricity (location-based, mtCO2e)	13,683	17,317
U.K. Purchased electricity (mtCO2e)	357	681
Total Purchased steam, district heating and cooling (mtCO2e)	7	165
U.K. purchased steam, district heating and cooling (mtCO2e)	—	—

The 2022 inventory data above includes 17,529 metric tons of CO_2 equivalent Scope 1 emissions from fossil fuel combustion and 7,389 metric tons of CO_2 equivalent market-based Scope 2 emissions from purchased energy. The Group's location-based Scope 2 emissions from purchased energy are 13,690 metric tons of CO_2 equivalent. The Group's GHG emissions are reviewed annually by an independent third-party, who provides limited assurance over GHG emissions. The 2022 GHG inventory was verified by Apex Companies, LLC. Due to the global operations and multiple sources of energy, including purchased energy, it was not practical for the Group to present their global energy use data in kilowatt hours (kWh).

In response to the climate challenge, we have been successful in minimizing our clients' energy and greenhouse gas ("GHG") emissions in the facilities we manage on their behalf. Our guidance helps improve the environmental sustainability of their real estate. At the same time, we practice a precautionary environmental stewardship approach in our own facilities around the world. It starts with our Environment Policy and continues through management systems, engaging employees in our collective efforts, and monitoring and reporting our performance.

In 2022, we responded to CDP (formerly the Carbon Disclosure Project) for the eighth consecutive year. We will continue to measure and track the Group's overall and target-specific GHG performance and reduction efforts through our ESG Report and CDP reporting moving forward.

The Group defines its organizational boundaries using the Operational Control Approach. An organization has operational control if it has full authority to introduce and implement its operating policies in its business. All global facilities over which the Group has operational control are included in the GHG inventory. This includes all owned and leased facilities that the Group occupies, and all vehicles that the Group operates. A portion of leased facilities operate under full-service leases, where the building owner pays the utilities directly and the Group does not have access to actual metered energy consumption information. The Group includes these facilities in its definition of operational control and estimates the energy consumption accordingly. All GHG inventory emissions are quantified using methodologies aligned with the *GHG Protocol Corporate Accounting and Reporting Standard*. The operational boundary includes Scope 1 and Scope 2 emissions from all owned and leased facilities worldwide as defined below.

- Scope 1: emissions from direct combustion such as on-site stationary fossil fuel combustion and in-house mobile fleet fuel consumption.
- Scope 2: indirect emissions that result from the use of electricity, heat or steam purchased from a utility provider. To align with the *GHG Protocol Scope 2 Guidance*, we use two methods for quantifying Scope 2 emissions, a location-based method and a market-based method. The location-based method considers average emission factors for the electricity grid that provides electricity to our facilities. The market-based method considers contractual arrangements under which we procure power from specific suppliers or sources, such as renewable energy.

We generate emissions through stationary and mobile fuel combustion and purchased energy (i.e. electricity, district heat, district cooling) at our office buildings and facilities.

Assessment Parameters

Inventory period	1 January 2022 to 31 December 2022
Organizational boundary	Operational control
Geography	Global operations including all global occupied owned and leased facilities and all vehicles that the company operates in the reporting year
Consistency with financial statements	Inventory period and financial year are both calendar year
GHG calculation and reporting protocol	Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard (Revised Edition)

Corporate Governance Statement

Corporate Governance Guidelines

We have adopted Corporate Governance Guidelines which, along with our Articles of Association and Board committee charters, provide the framework for the governance of the Group. Our Corporate Governance Guidelines address such matters as director qualifications, director independence, director compensation, Board committees and committee evaluations, and were updated in August 2022. Our Corporate Governance Guidelines are posted in the governance section on our website at *https://ir.cushmanwakefield.com*.

Director Independence

Since our initial public offering in August 2018, our ordinary shares have been listed on the New York Stock Exchange ("NYSE"). Subject to certain exceptions, the NYSE rules require that (i) independent directors comprise a majority of a listed company's board of directors and (ii) each member of a listed company's audit, compensation and nominating and corporate governance committees be independent. Members of the compensation committee and the audit committee of a listed company must also satisfy certain enhanced independence requirements under the NYSE rules and the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including Rule 10A-3.

The Board has undertaken a review of its composition, the composition of its committees and the independence of each director. For a director to be considered independent under the NYSE rules, the Board must affirmatively determine that the director has no material relationship with the Group (either directly or as a partner, shareholder or officer or an organization that has a relationship with the Group). Based upon information requested from and provided by each director concerning his or her background, employment and affiliations, including family relationships, the Board has determined that eight out of ten of our current directors are independent under NYSE rules. The independent directors are Angelique Brunner, Jonathan Coslet, Timothy Dattels, Jodie McLean, Anthony Miller, Lincoln Pan, Angela Sun and Billie Williamson. The Board also determined in 2022 that Richard McGinn, who served as a member of the Board and Audit and Compensation Committees until his retirement in August 2022, was independent under the NYSE rules. In addition, the Board has determined that Ms. Brunner, Ms. Sun and Ms. Williamson, who comprise our Audit Committee, and Mr. Dattels, Ms. McLean and Mr. Pan, who comprise our Compensation Committee, satisfy the heightened independence standards for those committees under the applicable rules of the NYSE and the Exchange Act.

Board Composition

Our business and affairs are managed under the direction of the Board, which is currently comprised of ten directors. John Forrester joined the Board on 1 January 2022 in connection with his appointment as our Chief Executive Officer, and Richard McGinn resigned from the Board on 4 August 2022. Our Articles of Association provide that the Board will have a minimum of five and maximum of eleven directors. The Board is divided into three classes, with each director serving a three-year term and one class being elected at each year's annual general meeting of shareholders. Mr. White, Ms. McLean and Ms. Williamson serve as Class II directors with a term expiring at the Annual Meeting. Mr. Forrester, Mr. Dattels, Mr. Pan and Ms. Sun serve as Class III directors with a term expiring at our annual general meeting in 2024. Ms. Brunner, Mr. Coslet and Mr. Miller serve as Class I directors with a term expiring at our annual general meeting in 2025. Upon the expiration of the term of office for each class of directors, each director in such class shall be elected for a term of three years and serve until a successor is duly elected and qualified or until his or her earlier death, resignation or removal. Any additional directorships resulting from an increase in the number of directors or a vacancy may be filled by a determination the directors then in office.

In connection with the closing of our initial public offering in 2018, we entered into a Shareholders' Agreement (the "Shareholders' Agreement") with TPG Inc. (together with its affiliates, "TPG") and PAG Asia Capital (together with its affiliates, "PAG," and collectively with TPG, the "Principal Shareholders"), and Ontario Teachers' Pension Plan Board ("OTPP," and collectively with the Principal Shareholders, the "Founding Shareholders"). The Shareholders' Agreement provides that the Founding Shareholders have certain nomination rights to designate candidates for nomination to the Board. Subject to any restrictions under applicable law or the NYSE rules, each of TPG and PAG also has the ability to appoint one director to each Board committee, and OTPP has the ability to appoint a director to the Nominating and Corporate Governance Committee.

As set forth in the Shareholders' Agreement, for so long as each of TPG and PAG own at least 7.5% of our total ordinary shares outstanding as of the closing of our initial public offering, TPG and PAG will each be entitled to designate for nomination two of the seats on the Board. Thereafter, each of TPG and PAG will be entitled to designate for nomination one director so long as they each own at least 2.5% of our total ordinary shares outstanding as of the closing of our initial public offering.

Further, the Shareholders' Agreement provides that for so long as OTPP owns at least 2.5% of our total ordinary shares outstanding as of the closing of our initial public offering, it will be entitled to designate for nomination one director on the Board. However, in June 2021, OTPP's then-current nominee resigned from the Board. OTPP advised the Group at that time that it would not nominate a replacement and that it waived further exercise of its director nomination and Board committee appointment rights under the Shareholders' Agreement.

We are required, to the extent permitted by applicable law, to take all necessary action (as defined in the Shareholders' Agreement) to cause the Board and each Board committee to include certain persons designated by the Principal Shareholders in the slate of director nominees recommended by the Board for election by the shareholders and solicit proxies and consents in favor of such director nominees. Subject to the terms of the Shareholders' Agreement, each Principal Shareholder agrees to vote its shares in favor of the election of the director nominees designated by each of the Principal Shareholders.

Pursuant to the Shareholders' Agreement, Mr. Coslet and Mr. Dattels were designated by TPG as director nominees in 2018, and Mr. Pan and Mr. Miller were designated by PAG as director nominees in 2017 and 2021, respectively. None of these directors is standing for re-election at the Annual Meeting.

Board of Directors' Role in Risk Oversight

The Board, as a whole and through its committees, has responsibility for the oversight of risk management. In its risk oversight role, the Board has the responsibility to satisfy itself that the risk management processes designed and implemented by management are adequate and functioning as designed. The Board oversees an enterprise-wide approach to risk management, designed to support the achievement of organizational objectives, including strategic objectives, to improve long-term organizational performance and enhance shareholder value. A fundamental part of risk management is not only understanding the most significant risks a company faces and what steps management is taking to manage those risks but also understanding what level of risk is appropriate for a given company. The involvement of our full Board in reviewing our business is an integral aspect of its assessment of the Group's risk profile and also its determination of what constitutes an appropriate level of risk.

While our full Board has overall responsibility for risk oversight, it has delegated primary oversight of certain risks to its committees. Our Audit Committee monitors our major financial risk exposures, cybersecurity risks, and legal and compliance risks, and the steps our management has taken to monitor and control these exposures, including guidelines and policies to govern the process by which risk assessment and management is undertaken. Our Audit Committee is committed to the prevention, timely detection, and mitigation of the effects of cybersecurity threats or incidents to the Group. Our Compensation Committee oversees the design and implementation of our compensation and benefits programs and policies and monitors the incentives created by these programs and policies to determine whether they encourage excessive risk-taking. Our Compensation Committee also assesses the relationship between risk management policies and practices and compensation, and evaluates compensation policies and practices that could mitigate any such risk. Our Nominating and Corporate Governance Committee oversees our major corporate governance risks.

The Board appreciates the evolving nature of our business and industry and is actively involved with monitoring new threats and risks as they emerge. In connection with its reviews of the operations of our business, our full Board addresses the primary risks associated with our business, such as strategic direction and objectives. The Executive Chairman ensures that there is sufficient time on the Board agenda for risk management. We are committed to ensuring the Board and its committees are consistently updated on threats to our business and receive consistent updates on risk mitigation processes. At periodic meetings of the Board and its committees, management reports to and seeks guidance from the Board and its committees with respect to what we believe are the most significant risks that could affect our business.

Board Oversight of ESG Matters

In 2022, all Board committees shared responsibility for ESG decision-making and the oversight of management's implementation of ESG initiatives. As a part of their general responsibility for overseeing Cushman & Wakefield's corporate strategy and approach to enterprise risk management, the Board and its committees regularly engaged with, and heard from, senior management on various ESG-related issues and considered the potential impact of such issues on the long-term sustainability of the Group. Recent discussions focused on topics such as emissions targets, ethics and compliance, supplier diversity, CEO and senior leadership succession, and diversity and inclusion. In February 2023, we amended certain of our committee charters to delegate certain ESG oversight responsibility to specific committees. Going forward, the Nominating and Corporate Governance Committee will have the responsibility to review and monitor the development and implementation of the Group's goals with respect to ESG and sustainability matters and the Audit Committee will have the responsibility to review any ESG data, metrics or other qualitative and quantitative climate-related disclosures.

Codes of Business Conduct

The Board has adopted (i) a Global Code of Business Conduct applicable to our Chief Executive Officer and senior financial officers and all persons performing similar functions, and (ii) a Code of Business Conduct for Members of the Board of Directors. A copy of each code is available on our corporate website at *https://ir.cushmanwakefield.com/governance/governance-documents*. We expect that any amendments to either such code, or any material waivers of their requirements, will be disclosed on our website.

Board Meetings and Committees

Our directors are expected to attend all or substantially all Board meetings and meetings of the committees of the Board on which they serve, as well as the annual general meeting of shareholders of the Group.

The Board held four meetings in 2022. In 2022, each director attended at least 75% of the aggregate of all meetings of the Board and of any committees during the period such director was on the Board or such committee (with the exception of Mr. Dattels, who was unable to attend one of the three meetings held by the Nominating and Corporate Governance Committee in 2022). Eight of our eleven then-current directors attended our 2022 annual general meeting of shareholders.

The Board currently has three standing committees: Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee, each of which consists solely of independent directors. Each standing committee has adopted a written charter, meets periodically throughout the year, reports its actions and recommendations to the Board, receives reports from senior management and has the authority to retain outside advisors in its discretion. The primary responsibilities of each committee are summarized below and set forth in more detail in each committee's written charter, which can be found in the governance section on our website at *https://ir.cushmanwakefield.com*.

Audit Committee

The members of the Audit Committee are Ms. Williamson (chair), Ms. Brunner and Ms. Sun, all of whom are independent. The Board has determined that each member is financially literate, and that Ms. Williamson is an audit committee financial expert. The primary responsibilities of the Audit Committee are:

- appointing our independent registered public accounting firm annually; evaluating the independent auditor's independence and performance and replacing it as necessary; and setting guidelines for the hiring of former employees of the independent auditor;
- pre-approving all audit and non-audit services;
- reviewing the audit plans and findings of our independent auditor and our internal audit function;

- reviewing with our management and independent auditor our financial statements, including any significant financial reporting issues and changes in accounting policies;
- reviewing with our management and independent auditor the adequacy of our internal controls over financial reporting;
- overseeing our policies and procedures with respect to risk assessment and risk management; and
- overseeing the implementation and effectiveness of our compliance and ethics program, including our "whistleblowing" procedures.

Compensation Committee

The members of the Compensation Committee are Mr. Dattels (chair), Ms. McLean and Mr. Pan, all of whom are independent. The primary responsibilities of the Compensation Committee are:

- reviewing and recommending to the Board for approval the corporate goals and objectives relevant to the compensation of our CEO; evaluating the performance of our CEO in light of those goals and objectives; and recommending to the Board for approval the compensation of our CEO based on that evaluation;
- reviewing and approving the corporate goals and objectives relevant to the compensation of our executive officers (other than the CEO); evaluating the performance of our executive officers (other than the CEO) in light of those goals and objectives; and determining the compensation of our executive officers (other than the CEO) based on that evaluation;
- identifying, evaluating and recommending to the Board potential successors to the CEO and other executive officers, and reporting annually to the Board regarding CEO and other executive officer succession;
- reviewing and approving policies and guidelines related to the compensation of our executive officers and directors; and
- establishing, reviewing and administering our compensation and employee benefit plans.

Nominating and Corporate Governance Committee

The members of the Nominating and Corporate Governance Committee are Mr. Pan (chair), Ms. Brunner, Mr. Dattels and Ms. McLean, all of whom are independent. The primary responsibilities of the Nominating and Corporate Governance Committee are:

- developing and recommending criteria to the Board for selecting new directors;
- conducting inquiries into the background and qualifications of candidates for the Board and recommending proposed nominees to the Board;
- recommending corporate governance guidelines to the Board; and
- overseeing the evaluation of the performance of the Board.

Employee Engagement Statement

The success of our company is driven by our employees around the world who are inspired to exceed the expectations of our colleagues and clients. We work hard to create an engaging, empowering and inclusive culture that unleashes what is possible in every person at the Group. We also invest in the safety of our operations and well-being of our people so that they can do their best work and deliver the best solutions for our clients.

We engage with our employees in a number of ways, including town halls, employee satisfaction surveys, employee intranet communications, and company-only email distributions. In addition, our teams around the world are championing workplace inclusion through ongoing employee-led initiatives, such as our employee resource groups. We also engage and support our employees through a wide range of learning programs aimed to help our employees not only maintain relevant skills to adequately do their jobs, but also to help them acquire new skills as market dynamics change.

Stakeholder Engagement Statement

Our stakeholders trust and rely upon us. We strive to maintain this standing and know that the success of our business depends on the quality of the relationships we forge inside and outside of our organization. The stakeholders of the Group include our shareholders, clients, employees, suppliers, business and joint venture partners, alliance members, industry associations, competitors, communities, governmental organizations, media and others. We interact with our key stakeholder groups throughout the year in a number of ways, including quarterly earnings calls, town halls, client and employee satisfaction surveys, employee intranet and industry events.

As set forth in our Global Code of Business Conduct, we will compete and transact with our competitors, clients and vendors fairly. The Group will comply with all antitrust laws and engage in fair dealing. No one representing the Group will take unfair advantage of anyone. In addition to client satisfaction surveys and industry events, we also engage with our clients through our research teams around the world. Those teams produce timely insights, reports, market briefings and webinars that cover emerging trends and developments in the industry and economy.

Our global supply chain is made up of thousands of suppliers and vendors of goods, services and equipment for our primarily office-based operations and supporting the property and facilities management services we provide to clients. We aim to engage with suppliers that are aligned with our values and principles and uphold high standards of business integrity and ethical conduct. We engage with our strategic suppliers on matters relating to social and environmental sustainability, ensuring they understand our Global Vendor/Supplier Integrity Policy, which sets out our expectations in the areas of business integrity, labor practices, health and safety, environmental management and anti-corruption and anti-bribery.

We regularly engage with our shareholders through quarterly earnings calls, our periodic financial and other reports that we file with the SEC, and other means of shareholder outreach.

Use of Financial Instruments

The Group is exposed to a variety of risks. Additional information on the Group's risk management process and policies are included in the Strategic Report contained in this report. See Note 9: Derivative Financial Instruments and Hedging Activities and Note 19: Financial Instruments and Risk Management in the Notes to Consolidated Financial Statements for additional information about risks managed through derivative activities.

(a) **Price risk**

As the Group is a professional services firm, commodity risk is not a significant risk to management.

(b) **Credit risk**

Credit risk is the potential exposure of the Group to loss in the event of non-performance by a counter party. See Note 2: Summary of Significant Accounting Policies and Note 19: Financial Instruments and Risk Management in the Notes to Consolidated Financial Statements for more information.

(c) **Liquidity risk**

The Group monitors rolling forecasts of the Group’s liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits on any of its borrowing facilities. Additional information on the Group's liquidity is included in the Strategic Report contained in this report.

Future Developments

The directors do not anticipate that the Group's activities will change in the foreseeable future.

Subsequent Events

Refer to Note 27: Subsequent Events to the Consolidated Financial Statements for our subsequent event disclosure.

Disclosure of Information to Auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Group's auditor is unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Auditor

In accordance with Section 489 of the Companies Act 2006, a resolution for the re-appointment of KPMG LLP as auditor of the Group is to be proposed at the forthcoming Annual General Meeting.

By order of the board

John Forrester
Director
31 March 2023

125 Old Broad Street
London
EC2N 1AR

DIRECTORS' REMUNERATION REPORT

Annual Statement

From the Chair of the Compensation Committee

As required by the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended), this Directors' Remuneration Report is made up of three parts:

- **The Annual Statement** from the Chair of the Compensation Committee; and
- **The Amended Directors' Remuneration Policy (the "Amended Policy")** which sets out the amended directors' remuneration policy which we are asking shareholders to approve at the 2023 Annual Shareholders' Meeting; and
- **The Annual Report on Remuneration,** which sets out the payments made and awards granted to the directors for the financial year ended 31 December 2022 and how the Group intends to implement the Amended Policy in 2023, and which, together with this Annual Statement, is subject to an advisory shareholder vote at the 2023 Annual Shareholders' Meeting.

The objectives of our director remuneration policy are to provide an attractive, flexible and effective compensation package to our executive officers that is tied to our corporate performance and aligned with the interests of our shareholders. Our compensation program is designed to help us recruit, motivate and retain the calibre of executive officers necessary to deliver consistent high performance to our clients, shareholders and other stakeholders.

Our compensation policies and practices also allow us to communicate our goals and standards of conduct and performance and to motivate and reward employees for their achievements. In general, the same principles governing the compensation of our executive officers also apply to the compensation of all our employees.

In 2022, Brett White served as our Executive Chairman and he remains a member of the Board of Directors. On 1 January 2022, the Group appointed John Forrester as our new Chief Executive Officer and he was appointed to the Board of Directors on that same day.

Mr. Forrester is a citizen of the United Kingdom and is paid in British pound sterling. Pursuant to his employment agreement, Mr. Forrester's 2022 compensation was composed of a base salary of £693,900, annual incentive target of £1,542,000 and an annual long-term incentive award of performance- and time-based RSUs with a target grant date value of $5,100,000, along with other typical benefit offerings.

In order to ensure continuity, Mr. White is serving as the Group's Executive Chairman. In this role, Mr. White will be paid only an annual equity award. We believe compensating Mr. White solely in Group stock aligns closely with our shareholders' interests.

In 2022, we achieved full year financial performance with the following results:

- Revenue of $10.1 billion and service line fee revenue of $7.2 billion increased 8% and 5%, respectively from 2021.
- U.S. GAAP Net income and diluted earnings per share for 2022 were $196.4 million and $.86, respectively.
- Adjusted EBITDA of $898.8 million increased 1% from the prior year. Refer to page 18 for a reconciliation of IFRS Profit for the year to Adjusted EBITDA.

The 2022 Annual Incentive Plan ("AIP") was designed to be based on the achievement of two performance measures: (1) Compensation EBITDA, weighted at 75%, and (2) Compensation Fee Revenue, weighted at 25%. The performance range for the Compensation EBITDA metric was from a threshold of 70% to a maximum of 120% as measured against the relevant annual operating plan target, and the performance range for the Compensation Fee Revenue metric was from a threshold of 80% to a maximum of 110% as measured against the relevant annual operating plan target, and each with straight line interpolation between performance levels. For the 2022 AIP, the target for the Compensation EBITDA performance measure was $1.010 billion and the target for the Compensation Fee Revenue performance measure was $7.289 billion. The actual achieved Compensation EBITDA in 2022 for purposes of the 2022 AIP was $963 million, or 95.4% of target, resulting in a funding level of 84.5%. The actual achieved Compensation Fee Revenue in 2022 was $7.460 billion, or 102.4% of target, resulting in a funding level of 123.5%. This resulted in an aggregate payout of 94.2% of target value, or $1,965,610 to Mr. Forrester. In accordance with the Side Letter (as defined below), Mr. White did not receive an annual incentive payment for service in 2022. In 2022, Mr. White received an award of RSUs, having a face value equivalent to $10,000,000. Mr. Forrester also received an award of RSUs, having a face value equivalent to $5,300,000. For each of Mr. Forrester and Mr. White, 50% of the RSU award is subject to performance conditions and the balance is subject to continued employment over the three-year vesting period.

In 2022, the Group also reviewed and updated the executive severance plan that applies to top executives including the Chief Executive Officer. The changes to this policy create greater alignment with market practice as well as providing increased retention and attraction opportunity.

Although our current director compensation policy was approved by shareholders at our 2022 annual general shareholder's meeting and became effective immediately thereafter, the Board has determined that the adoption of a new policy, based on our existing policy but with certain modifications, is warranted. The changes proposed relate to (1) our non-executive director annual equity award and (2) our malus and clawback policy. We are proposing shareholders adopt the Amended Policy at the 2023 Annual Shareholders' Meeting. If the amended Policy is not adopted, our existing directors' remuneration policy, as approved at our 2022 Annual Shareholders' Meeting (the "Existing Policy"), will remain in effect.

I look forward to receiving your support at the Annual General Shareholders' Meeting on the Directors' Remuneration Report resolution and the Amended Directors' Remuneration Policy resolution.

Timothy Dattels
Chair of the Compensation Committee
31 March 2023

Executive Remuneration Principles

Our compensation philosophy is to provide an attractive, flexible and effective compensation package to our Executive Directors that is tied to our corporate performance and aligned with the interests of our shareholders. Our executive compensation program is designed to help us recruit, motivate and retain the calibre of executive officers necessary to deliver consistent high performance to our clients, shareholders and other stakeholders.

Our compensation policies and practices also allow us to communicate our goals and standards of conduct and performance and to motivate and reward employees for their achievements. In general, the same principles governing the compensation of our executive officers also apply to the compensation of all our employees, which include the following.

Principle	Practice
Retain and hire the best leaders.	Competitive compensation to facilitate attracting and retaining high-quality talent.
Pay for performance.	A significant portion of pay depends on annual and long-term business and individual performance; in general, the level of “at-risk” compensation increases as the officer’s scope of responsibility increases.
Reward long-term growth and profitability.	Rewards for achieving long-term results, and alignment with the interests of our shareholders.
Tie compensation to business performance.	A significant portion of pay is tied to measures of performance of the business or businesses over which the individual has the greatest influence.
Ensure accountability to our company values and behaviors	Compensation may be adjusted based on individual performance of goals and values/behaviors.
Align executive compensation with shareholder interests.	The interests of our executive officers are linked with those of our shareholders through the risks and rewards of stock ownership.
Limited personal benefits.	Perquisites and other personal benefits are limited to items that serve a reasonable business-related purpose.

Our executive compensation program has been designed to reward strong performance by focusing the compensation opportunity for our Executive Chairman and Chief Executive Officer on annual and long-term incentives that depend upon our performance as a whole, as well as the performance of our individual businesses or on the basis of individual metrics where appropriate.

Our executive compensation program consists of base salary, annual incentive compensation, long-term equity incentive awards and health, welfare and other customary employee benefits.

- Base salary—Critical in attracting and retaining key executive talent. In evaluating the base salary of our Chief Executive Officer, the Board considers several factors, including individual and company performance, qualifications, experience, tenure and scope of responsibilities, future potential, competitive market practices, difficulty of finding a replacement, and our desired compensation position with respect to the competitive market and internal equity. Pursuant to the terms of his Side Letter, Mr. White, as Executive Chairman did not receive a salary in 2022.
- Short-Term Incentive—Each year, our Executive Directors, except the Executive Chairman, may be eligible to receive an annual cash incentive award under our Annual Incentive Plan (“AIP”). At the beginning of each year the Compensation Committee (and the Board for our CEO) approves the terms and conditions of the AIP, including the selection of one or more performance measures as the basis for determining the funding of annual cash bonuses, the performance range relative to our annual operating plan and the weighting of such performance measures. When determining AIP targets, similar to base salary, the Compensation Committee (and the Board for our CEO) considers several factors, including individual and company performance, qualifications, experience, tenure and scope of responsibilities, future potential, competitive market practices, difficulty of finding a replacement, and our desired compensation position with respect to

the competitive market and internal equity. Pursuant to the terms of his Side Letter, Mr. White was not eligible for the AIP beginning in 2022.

- Long-Term Incentive—Promotes long-term growth and profitability by aligning the interests of management with the interests of our shareholders and by encouraging retention. At the beginning of each year, the Compensation Committee (and the Board for our Executive Directors) determines the target and type of equity award to be delivered. In 2022, our long-term incentive program consisted of a combination of time-vesting and performance-vesting restricted stock units ("RSUs") to effectively and efficiently balance performance and retention objectives.

Directors' Remuneration Policy

Introduction

The Directors' Remuneration Policy described in this section is the amended Directors' Remuneration Policy (the "Amended Policy") which we are proposing to shareholders at the 2023 Annual Shareholders' Meeting. It is intended to take effect immediately upon shareholder approval and will remain in force for up to 3 years in accordance with applicable law. Following approval, the policy will be displayed on the Group's website, within the Investors Relation section, while it remains in force. If the Amended Policy is not adopted, our existing directors' remuneration policy, as approved at our 2022 Annual Shareholders' Meeting (the "Existing Policy"), will remain in effect.

As further described in the proxy statement to which this report is appended, the Amended Policy and the Existing Policy are substantially identical except for the changes summarised below.

Differences between the Amended Policy and the Existing Policy

It is intended that the Amended Policy would do the following (a) increase the amount of the annual RSU grant to our non-executive directors who are not employees of our Principal Shareholders and (b) authorize our Board to adopt a new clawback policy to comply with upcoming U.S. Security Exchange Commission ("SEC") rules and New York Stock Exchange ("NYSE") requirements.

A comparison of the relevant provisions of the Amended Policy and Existing Policy is set forth below:

Policy Feature	Current Policy	Amended Policy
Annual RSU Award for non-executive directors who are not employees of our Principal Shareholders:	Annual RSU award with a grant date value of $170,000, which will vest in full on the earlier of the first anniversary of the date of grant or the AGM.	Annual RSU awards with a grant date value set by the Board (but not to exceed $220,000), which will vest in full on the earlier of the first anniversary of the date of grant or the AGM.
Malus and Clawback	The Cushman & Wakefield Recoupment Policy currently provides that the Executive Directors will forfeit, repay or return to the Group any cash or equity-based incentive compensation, or the proceeds of any sale of equity, in the following scenarios: (i) material restatement of the Group's financial results; (ii) the individual violates a Material Policy (e.g., the Group's Global Code of Business Conduct); (iii) the individual breaches a non-compete, non-solicitation or confidentiality clause; (iv) misrepresentation of a material fact in connection with the securing or retention of employment; (v) the individual engages in fraud; or (vi) the individual manipulates results with a view to increasing incentive pay-outs for himself or others.	The Board will adopt a compensation clawback policy applicable to Executive Directors. The terms of such policy are subject to the Board's discretion, but the policy will, at a minimum, comply with applicable SEC rules and NYSE listing standards once such rules and standards are final.

Except as set forth above, the Amended Policy we are proposing is substantially identical to our Existing Policy.

Overview

As a US headquartered business with senior executives based in the US, the Compensation Committee's overall approach to total compensation is to set pay by reference to US market practice. As such, the Compensation Committee uses market benchmarks for global real estate firms operating in the US and other US business service companies.

The Compensation Committee will consider the Directors' Remuneration Policy annually, to ensure that it remains aligned with business needs and is appropriately positioned relative to the market. Other than the changes contemplated by the Amended Policy, there is currently no intention to revise the policy and seek shareholder approval more frequently than every three years.

Peer Group

We benchmark total potential compensation against total compensation packages paid by peer group companies. We believe that ensuring that our compensation levels are competitive with the market for high calibre talent in our industry is an important attraction and retention tool. The compensation levels of our peer group companies are an input in assessing both our total compensation and the form and mix of cash and equity incentives awarded to our employees and our executive officers, including our Chief Executive Officer and Executive Chairman. We use our peer group as a reference and a guide in making total compensation decisions. In selecting our peer group we consider the following factors: industry segment, business profile and various financial criteria. The comparator group is evaluated on an annual basis and may change over time based upon the availability of peer data and the future characteristics of our business compared with peer companies.

For 2022, our peer group consisted of the following 15 companies:

Direct Peers	Other Business Service Peers
CBRE	AECOM
Colliers International	Anywhere Real Estate, Inc.
Jones Lang LaSalle	Boston Properties
	CGI Group
	Duke Realty Corporation
	EMCOR
	Fluor Corporation
	Jacobs Engineering
	KBR
	ManpowerGroup Inc.
	Newmark Group
	Unisys
	Vornado Realty Trust

The peer group data is not used by the Compensation Committee in isolation but rather serves as one point of reference for making decisions about compensation. The Compensation Committee also takes into consideration other factors it considers relevant, such as the financial and operational performance of our businesses, individual performance, experience, skill set, specific retention concerns and internal equity.

Balancing short-and long-term remuneration

Based on our view of current market practice and our compensation principles, we have established the remuneration policy set out in this report. Fixed annual elements, including base pay and benefits, recognise the scope and complexity of the responsibilities of our executives and ensure current and future market competitiveness. Annual incentive and stock awards are designed to motivate and reward our executives for making the Group successful on a sustainable basis and promote retention.

Directors' Remuneration Policy table

Element and link to strategy	Operation	Opportunity	Performance conditions
Base Salary To attract and retain individuals based on their skills and for the role responsibilities	Salaries are generally reviewed annually Salary levels take account of: • Role, performance, experience and qualifications • Future potential, tenure and ease of replacement • Group performance and desired position with respect to competitive market / internal equity • Salary levels for similar roles at relevant market comparators	Increases are applied in line with the outcome of the review Salary will constitute no more than 15% of the total target compensation package	N/A
Benefits To drive effectiveness and efficiency of executive officers, and for recruitment and retention purposes	Benefits typically include the following: • Health Care (medical, pharmacy, dental and vision benefits) • Welfare (medical and dependent care flexible spending accounts) • Insurance (short-term and long-term disability, accidental death, dismemberment, basic life insurance)	Benefits may vary by role and individual circumstance, and are reviewed periodically The Compensation Committee reserves the right to introduce additional benefits to ensure alignment with market practice	N/A
Pension To provide market competitive retirement packages	Contributions to 401(k) retirement plan or similar retirement like plan in other jurisdictions	Employer contribution of up to 5% to a 401(k) plan or similar defined contribution arrangement in other jurisdictions	N/A
Annual Incentive Plan ("AIP") To reinforce and reward improved financial and personal performance	The performance measures and target ranges are approved by the Compensation Committee at the beginning of the financial year AIP awards are payable in cash after the end of the financial year	The AIP will form no more than 35% of the overall package at target such that the total compensation delivered in cash is limited to no more than 50% of the overall compensation package at target. Maximum AIP payout is 2x annual target. The Compensation Committee retains discretion to adjust the amount of the actual cash bonus payments to reflect the quality of the results	Performance conditions: will be based in the majority on financial metrics (e.g., EBITDA-based metrics measured over the financial year) Provisions for the recovery or withholding of amounts in certain specific scenarios are contained in the Cushman & Wakefield Recoupment Policy

Element and link to strategy	Operation	Opportunity	Performance conditions
Long Term Incentive Plan (“LTIP”) To reward and retain key executives for the delivery of long-term growth objectives and to align the interests of management with those of shareholders	The Compensation Committee may grant annual awards of restricted stock units (“RSUs”) and options to purchase the company’s ordinary shares Normally, around 25%-50% of the RSU awards will be performance-vesting with three-year cliff vest and around 50%-75% will be time-vesting in equal instalments over three years from the date of grant subject to continued employment. The Compensation Committee retains discretion to make awards under the LTIP with a greater or lesser percentage of performance-vesting RSU awards	The maximum annual award of RSUs and/or options will generally be in the region of 60% of the total compensation package at target, but may be up to 100% of the total compensation package at target. Maximum vesting for performance-vested RSUs is 2x target award. The Compensation Committee reserves the right to make additional awards for the purposes of retention in exceptional circumstances, subject to the overall LTIP component of compensation for be up to 100%.	Performance-vested RSUs will be dependent on metrics such as Relative Total Shareholder Return and measures based on financial metrics such as margin performance or EBITDA, as deemed appropriate. Provisions for the recovery or withholding of amounts (whether vested or unvested) in certain specific scenarios are contained in the Cushman & Wakefield Recoupment Policy.
Shareholding Requirement	Executive Directors are expected to meet minimum stock ownership guidelines The Executive Directors’ compliance with the stock ownership guidelines is assessed at 31 May each year, based on the Executive Directors’ salary and the average closing stock price for a period of 30 trading days leading to and including 31 May.	Ownership Guideline (including unvested time-vested RSUs) 6 x salary	N/A

Performance measures and targets

Performance measures for the AIP and LTIP are selected by the Compensation Committee to support the strategic objectives of the business and to drive profitable growth. Targets for the AIP will be set in line with the Board’s budget for the financial year and performance targets for the LTIP will be aligned with longer-term forecasts. The use of time-vested RSUs is intended to align the interests of executives with those of shareholders.

Malus and clawback

In light of the developing rules and regulations on Clawback of executive compensation, the Board will adopt a new compensation clawback policy applicable to Executive Directors that will replace our current policy in full. The terms of such policy are subject to the Board’s discretion, but the policy will, at a minimum, comply with applicable SEC rules and NYSE listing standards once such rules and standards are final.

Differences between the compensation policy for the executive directors and that for employees

The remuneration policy for other employees is based on the same philosophy and principles that govern the remuneration policy for Executive Directors. Annual salary reviews take into account Group and individual performance, local pay and market conditions, and salary levels for similar roles in the relevant geographies. Senior executives are eligible to participate in the AIP and in LTIP programs on similar terms as the Executive Directors. Managerial and professional employees are eligible to participate in the AIP; opportunities vary by organizational level and an individual’s role. Some employees below the executive level are eligible to participate in the RSU component of the LTIP; opportunity levels are commensurate with organizational level.

Approach to recruitment compensation

The Compensation Committee’s approach to compensation in connection with recruitment is to pay compensation that is appropriate in level and structure to attract, retain and reward high calibre directors, while paying no more than is necessary to attract appropriate candidates to the role. Annual incentive payouts and vesting for the performance-vested RSUs will have a maximum of 2x target amounts. At recruitment, the level of fixed remuneration would be set taking into account the candidate’s skills, their most recent total compensation, internal comparators and external market data for similar roles. Benefits for any new Executive Directors would be provided on a similar basis as available to other employees who are at senior levels within the Group.

Compensation terms for any new Executive Directors will be based on the approved Directors' Remuneration Policy, except where it is necessary or desirable to provide additional one-off awards on recruitment or to 'buy out' a new director's unvested awards from a previous employer. In that case, the Compensation Committee will generally seek to match the expected value of the awards by granting awards that vest over a timeframe similar to those given up. Existing annual incentive given up may be bought out on an expected value basis or, at the discretion of the Compensation Committee, through a guaranteed incentive award for the first performance year only.

Where appropriate, the Compensation Committee will agree to reasonable costs of relocation for a director which, based on individual circumstances, may include costs incurred such as travel, shipping, immigration and tax advice, temporary housing, transaction costs on home sale/purchase, legal fees, home/school search and school fees and, if in relation to a temporary assignment, tax equalisation and a housing allowance.

Employment agreements and payment for loss of office

Executive Directors' employment agreements are designed to provide an appropriate level of protection for the executive and the Group by: (i) setting out individual entitlements to elements of compensation; (ii) summarizing notice periods and compensation on termination of employment by the Group; and (iii) describing the obligations in relation to confidentiality, data protection, intellectual property and restraint on certain activities. In some instances, the Board has discretion to award less than what is shown per employment agreement. For Mr. Forrester, notice of termination by the Executive without good reason shall not be less than 90 days and notice of termination by the Group without cause shall not be less than 30 days. On 31 December 2021, Mr. White retired from his position as our Chief Executive Officer. Such retirement was deemed a qualifying resignation and as such no further notice periods are applicable.

Compensation element	**Employment terminated by the Group without cause or resignation for good reason**	**Resignation without good reason at end of term (Executive Chairman Only)**
	Restrictive covenants apply[1]	Restrictive covenants apply[1]
Base Salary	**No Change in Control:** May continue to receive then-current base salary for up to 18 months. **Change in Control:** May continue to receive then-current base salary for up to 2 years. Subject to his continued compliance with any other obligations participant has to the Group.	May continue to receive his then current base salary for up to 18 months. This is subject to his continued compliance with any other obligations participant has to the Group. No salary received if we notify the individual that we are waiving our rights to enforce the non-competition covenant.
Benefits	Continued participation in medical, dental and health plans at employee cost for severance period following the termination of employment. In the US, after 18 months, receive an amount equal to his cost of health insurance coverage that would otherwise be provided under COBRA for the remainder of the severance period.	May continue to participate in the Group's medical, dental and health plans at his cost for up to 18 months. This is subject to his continued compliance with any other obligations participant has to the Group. No benefits received if we notify the individual that we are waiving our rights to enforce the non-competition covenant.
AIP	**No Change in Control:** Target bonus opportunity **Change in Control:** 2x target bonus opportunity. Prorated bonus in the year of termination. **Death or disability:** Target bonus opportunity	No awards made

Compensation element	Employment terminated by the Group without cause or resignation for good reason	Resignation without good reason at end of term (Executive Chairman Only)
	Restrictive covenants apply[1]	Restrictive covenants apply[1]
LTIP	No Change in Control / Retirement: Time-vesting RSUs shall remain outstanding and eligible to vest in accordance with the regular schedule Performance vesting RSUs shall remain outstanding and eligible to vest in accordance with the regular schedule to the extent the applicable performance metrics are satisfied Change in Control: If acquirer does not assume equity awards, awards immediately vest. Performance vested RSUs vest based on achievement to date of applicable performance metrics. If acquirer does assume awards: (i) time-vested RSUs continue in accordance with regular schedule, (ii) performance-vested RSUs convert to time-vested. Assuming acquirer assumed the equity awards and a termination occurs within a 2-year period, certain awards shall become immediately vested. For Executive Chairman: All unvested and outstanding time-vesting RSUs accelerate and vest. All unvested and outstanding performance-vesting RSUs granted prior to the employment agreement date will remain outstanding and eligible to vest based on actual performance. All unvested and outstanding performance-vesting RSUs granted after the employment agreement date will accelerate and vest based upon performance levels reasonably determined by the Group as of the termination of employment.	Certain vested stock options will remain exercisable for 90 days following resignation May only transfer up to 5% of the ordinary shares held (as a result of the settlement of the outstanding time-based RSUs and options) per calendar quarter, inclusive of any ordinary shares sold pursuant to the requirement to sell his ordinary shares alongside the Principal Shareholders.

[1] Restrictive covenants, including prohibitions on (i) competing with us during his employment with us and for a period of 18 months thereafter, (ii) soliciting or hiring our customers or employees during his employment with us and for a period of 24 months thereafter, and (iii) non-disparagement, confidentiality and intellectual property obligations.

Dates of directors' employment agreements and letters of appointment

Executive Director	Employment agreement commencement date	Date employment agreement terminates
Brett White	16 March 2015	31 December 2023
John Forrester	31 December 2018	Mutually agreed upon date

Non-executive director	Date of current appointment	Date current appointment terminates
Jonathan Coslet	19 July 2018	
Timothy Dattels	19 July 2018	
Anthony Miller	26 March 2021	
Lincoln Pan	19 July 2018	
Billie Williamson	19 July 2018	
Angelique Brunner	6 August 2020	
Richard McGinn*	6 June 2019	4 August 2022*
Jodie McLean	30 October 2018	
Angela Sun	1 November 2021	

* Indicates persons no longer serving as directors.

Letters of engagement for the non-executive directors and the employment agreements for our executive directors are available on the website of the SEC

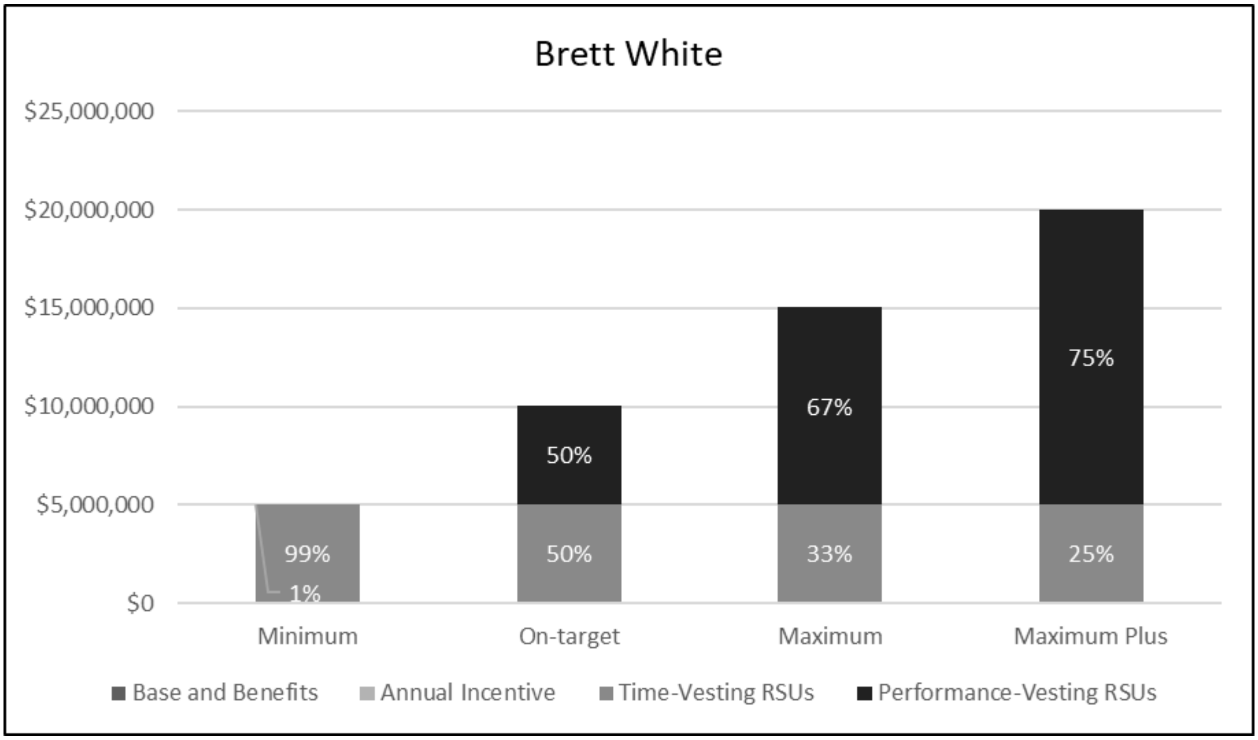
https://www.sec.gov/ix?doc=/Archives/edgar/data/1628369/000162836923000005/cwk-20221231.htm.

Illustrations of application of remuneration policy

The charts below illustrate the compensation payable for Mr. White, our Executive Chairman and Mr. Forrester, our CEO, in minimum, on-target and maximum performance scenarios and is based on the following assumptions. Salary and benefits are assumed to be $32,918 for Mr. White and $1,018,608 for Mr. Forrester.

Compensation Scenarios for Illustrations of application following assumptions have been made for the purposes of the scenarios in the above charts:

- Minimum—fixed remuneration (salary, benefits) and time-vesting RSUs only
- On-target—fixed remuneration (salary, benefits) and time-vesting RSUs; on-target bonus; and on target of performance-vesting RSUs
- Maximum—fixed remuneration (salary, benefits) and time-vesting RSUs; maximum bonus; full vesting of maximum performance-vesting RSUs
- Maximum plus assumed 50% share price increase—as above plus 50% share price increase on performance-vesting RSUs


Brett White
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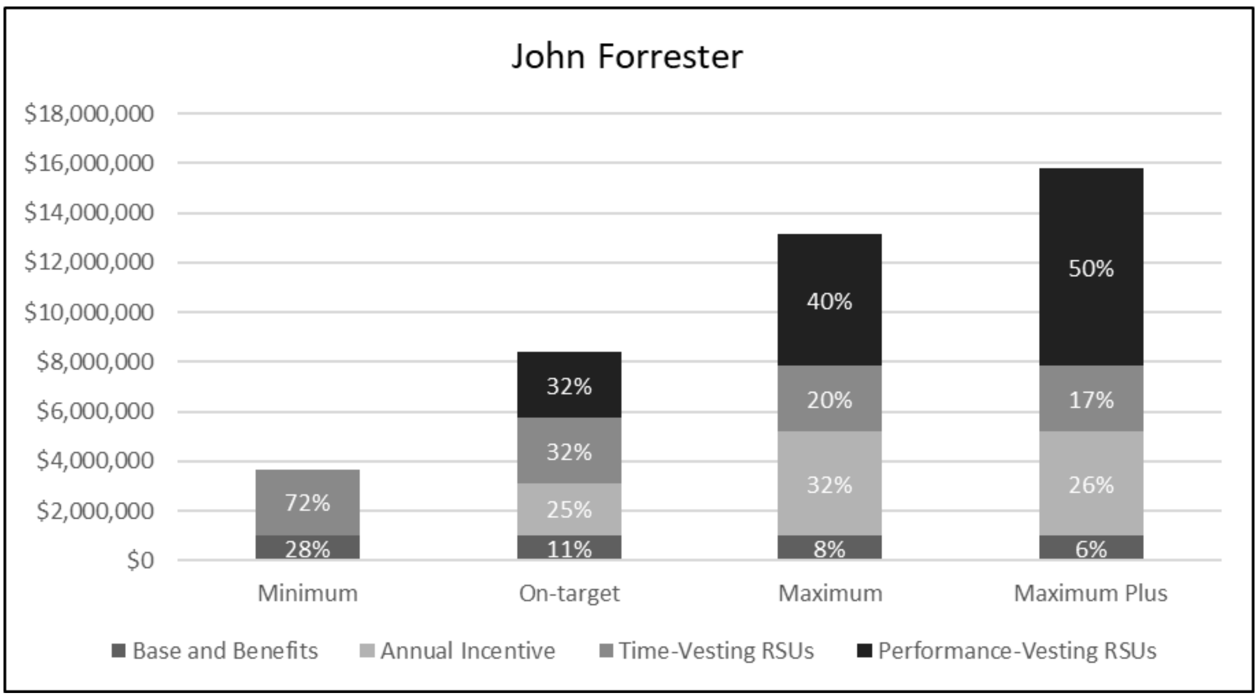
$20,000,000
$15,000,000
$10,000,000
$5,000,000
$0
99%
1%
50%
50%
67%
33%
75%
25%
Minimum
On-target
Maximum
Maximum Plus
Base and Benefits
Annual Incentive
Time-Vesting RSUs
Performance-Vesting RSUs


John Forrester
$18,000,000
$16,000,000
$14,000,000
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$0
72%
28%
32%
32%
25%
11%
40%
20%
32%
8%
50%
17%
26%
6%
Minimum
On-target
Maximum
Maximum Plus
Base and Benefits
Annual Incentive
Time-Vesting RSUs
Performance-Vesting RSUs

Directors' Remuneration Policy table (Non-executive directors)

How the element supports our strategic objectives	Operation of the elements (fees and benefits)	Maximum potential pay-out	Performance measures used, weighting and time period applicable
To attract non-executive directors who have the broad range of experience and skills required to oversee the implementation of the strategy	• Fees for non-executive directors (other than the Chairman) are set by the Board and paid in regular instalments • The non-executive directors who are not employees of our Principal Shareholders are also eligible to receive annual RSU awards with a grant date value not to exceed $220,000, which will vest in full on the earlier of the first anniversary of the date of grant or the AGM.	• Fees are set within the range of comparative board and committee fees, benchmarked against the peer group. Average increases will typically be in alignment with the market. • Fees are constituted of an annual Board retainer plus additional fees for members and chairs of the Audit, Compensation and Nominating and Corporate Governance Committees.	N/A
Shareholding guideline	• Shareholding guideline compliance assessed at 31 May each year • Unvested RSUs included • Non-executive directors who are not employees of our Principal Shareholders are expected to retain 100% of their after-tax shares until they meet their stock ownership guideline	• 5 times annual Board member retainer fee	N/A

Employee context

The Compensation Committee does not consult with employees specifically on its Executive Director compensation policy and framework; however, when determining pay for Executive Directors, the Compensation Committee takes into account several data elements including but not limited to:

- Group and individual performance;
- annual incentive plan funding levels; and
- market data provided by independent compensation consultant.

Consideration of shareholder views

The Compensation Committee will consider shareholder feedback in relation to the Directors' Remuneration Report for the prior year. This feedback, as well as any additional feedback received during any other meetings with shareholders, is then considered as part of the Group's annual review of compensation arrangements for the following year. Where any significant change is proposed, the Chair of the Compensation Committee may inform major shareholders in advance and offer a meeting to discuss.

Annual Report on Remuneration

Single total figure of remuneration for our executive director for two financial years ended 31 December 2022 (Audited)

Name and Principal Position	Year	Base pay $000	Pension $000	Taxable benefits $000	Annual Incentive $000	Time-based RSUs awarded $000	Long-term incentive $000	Total $000	Total Fixed Remuneration $000	Total Variable Remuneration $000
Brett White[1]	2022	0	0	33	0	5,000	13,364	18,397	33	18,364
Executive Chairman	2021	950	0	40	4,000	7,500	—	12,490	990	11,500
John Forrester[2]	2022	939	26	54	1,965	2,650	942	6,576	1,019	5,557
Chief Executive Officer										

Notes:

1. As a result of Mr. White's Qualifying Resignation as defined under his Employment Agreement and further clarified under the Side Letter, on 1 January 2022 Mr. White had equity awards accelerate vesting of (a) time-vesting RSUs originally granted on 3 March 2018, 7 March 2019, 27 February 2020 and 25 February 2021 and (b) performance-vesting RSUs granted on 25 February 2021. The performance-vesting RSUs have been included in this table.
2. Base pay, Pension, Taxable benefits, and Annual Incentive for Mr. Forrester have been converted from GBP at a rate of 0.738989 for 2022, which represents the month-end rate as at 31 December 2021 to ensure consistency year-over-year and provide greater visibility into Mr. Forrester's remuneration, excluding the effect of foreign currency rate fluctuations. If these amounts were translated at the yearly average rate of 0.811050 for 2022, the total remuneration above would have been $6,311k.

Additional information in relation to the 2022 single total figure (Audited)

Element	Explanation
Pension	Mr. Forrester receives cash in lieu of retirement benefits.
Taxable benefits	For Mr. Forrester this amount represents $23,885 for private medical, $17,862 for a car allowance, $6,800 for tax consulting services, $4,462 for health screening and $682 in life assurance benefits.
Annual incentive	Opportunity at target performance for Mr. Forrester - $2,086,635 (222% of salary); Opportunity at maximum performance for Mr. Forrester - $4,173,270 (444% of salary) Payable in cash. Pursuant to the Side Letter dated 31 December 2021, Mr. White did not receive a bonus for his service in 2022.
Time-based RSUs	Represents the value of 222,717 and 118,040 time-based RSUs awarded to Mr. White and Mr. Forrester, respectively, in the financial year at the share price on the date of grant of $22.45.
Long-Term incentive	This amount represents the vesting on 7 March 2022 of the performance-vesting RSUs granted on 7 March 2019, which is based on the closing share price on the date of vesting of $18.89. For Mr. White this amount also represents the accelerated vesting on 1 January 2022 of the performance-vesting RSUs granted on 25 February 2021 as a result of Mr. White's Qualifying Resignation under his Employment Agreement and Side Letter. Mr. White's value is based on the closing share price on the date of the vesting of $22.24.

Determination of annual incentive payment ("AIP") amount (Audited)

The 2022 AIP was designed to be based on the achievement of two performance measures: (1) Compensation EBITDA, weighted at 75%; and (2) Compensation Fee Revenue, weighted at 25%. The performance range for the Compensation EBITDA metric was from a threshold of 70% to a maximum of 120% as measured against the relevant annual operating plan target, and the performance range for the Compensation Fee Revenue metric was from a threshold of 80% to a maximum of 110% as measured against the relevant annual operating plan target, and each with straight line interpolation between performance levels. The Compensation Committee approved the changes to the 2022 AIP design to reflect an increased focus on top-line profitable growth. The amount paid to each Named Executive Officer under the 2022 AIP was based on a funded range of 0% to 200% of the Named Executive Officer's respective applicable target. The 2022 AIP design also included a +/- 20% modifier based on individual performance of goals and values/behaviors, provided that the 2022 AIP could not exceed the maximum funding cap. Further, the Compensation Committee (and the Board for the CEO) has the discretion to adjust the amount of the actual cash bonus payments to be received as it deems to be appropriate, upwards to the applicable cap or downwards to zero.

“Compensation EBITDA” means Adjusted EBITDA further adjusted for (x) currency rate fluctuations, (y) certain government subsidiaries and (z) certain other one-time items outside of our control. “Compensation Fee Revenue” is equal to Fee Revenue adjusted for (a) currency rate fluctuations, (b) certain government subsidiaries and (c) certain other one-time items outside of our control. “Fee Revenue” means service line fee revenue, which is revenue excluding certain costs reimbursable by clients that have substantially no margin. These adjustments may be made to each performance measure at the discretion of the Compensation Committee (and the Board for the CEO) to ensure that the achievement reflects underlying performance of the Group. The Compensation Committee and the Board believe that Compensation Fee Revenue and Compensation EBITDA are good measures of financial performance.

	Threshold	Target	Maximum	Actual
Compensation EBITDA	$707m	$1.010b	$1.212b	$963m
Compensation Fee Revenue	$5.831b	$7.289b	$8.018b	$7.460b
Bonus payable (% of target)	0%	100%	200%	94.2%
Bonus payable to Mr. Forrester	$0	$2,086,635	$4,173,270	$1,965,610

As shown in the table above, for 2022 the actual achieved Compensation EBITDA was $963 million, or 95.4% of target, resulting in a funding level of 84.5% The actual achieved Compensation Fee Revenue in 2022 was $7.460 billion, or 102.4% of target, resulting in a funding level of 123.5%. This resulted in a funded amount of 94.2% of the AIP target and a payout to Mr. Forrester in the amount of $1,965,610. Pursuant to his Side Letter, Mr. White was not eligible to receive a bonus for his service in 2022.

Determination of 2019 Performance-vesting (Audited)

On 1 March 2022, the Compensation Committee determined the payout for the performance-vesting RSU grants issued to the Named Executive Officers in March 2019. The calculation was based (a) 50% on Adjusted EBITDA Margin Accretion, measured as the average of three separate years of performance (2019, 2020 and 2021), and (b) 50% on Relative TSR, measured on a cumulative basis over a measurement period commencing in March 2019 and ending in February 2022. For each performance metric, targets were established at the time of grant and the payout ranged from 0% to 150% of target. Each performance metric also includes a minimum threshold. If actual performance was less than the minimum threshold level, the payout will be 0% for that metric. The payout for each metric is linearly interpolated for performance between the minimum threshold and target and also for performance between the target and maximum. The 2022 calculation resulted in a payout level of 89% of the target for the 2019 performance-vesting RSUs.

Adjusted EBITDA Margin Accretion	Threshold	Target	Maximum	Actual EBITDA Margin	Actual Achievement
Performance Year					
2019 (yr 1)	11.08%	11.28%	11.48%	11.32%	110%
2020 (yr 2)	10.32%	11.32%	12.32%	8.2%	0%
2021 (yr 3)	7.2%	8.2%	9.2%	12.7%	150%
				Three Year Average	87%

Relative TSR	Threshold	Target	Maximum	Actual Results	Actual Achievement
Performance Year					
3-year cumulative result (March 2019 – Feb 2022)	25th Percentile	50th Percentile	75th Percentile	46th Percentile	92%

Aggregate Weighted Payout	Weight	Metric Payout of Target	Weighted Payout
Adjusted EBITDA Margin Accretion	50%	87%	43%
Relative TSR	50%	92%	46%
Aggregate Weighted Payout			89%

The amounts earned by Mr. White and Mr. Forrester are reflected in the table below and were delivered on 7 March 2022.

	2019 Performance- Vesting RSUs at Target	Aggregate Weighted Payout	Shares Vesting
Brett White	84,033	89%	74,789
John Forrester	56,022	89%	49,860

Single total figure of remuneration for non-executive directors (Audited)

Non-executive directors who are not employees of our Principal Shareholders receive compensation consisting of fees and equity awards. They do not participate in any of the Group's incentive arrangements, nor do they receive any benefits.

Prior to 1 July 2022, each non-executive director who is not an employee of our Principal Shareholders is eligible to receive an annual cash retainer of $90,000, plus additional cash retainers for serving as a member or the chair of the Audit, Compensation and Nominating and Corporate Governance Committees. Based on the results of a market study regarding director compensation, effective 1 July 2022 the annual cash retainer was increased to $100,000, and the annual cash retainer for chairing the Audit Committee was increased as well. Additionally, prior to 2022, each non-executive director who is not an employee of our Principal Shareholders is eligible to receive an annual RSU award with a grant date value of $170,000, which will vest in full on the earlier of the first anniversary of the date of grant or the annual general shareholder meeting (the "AGM"). Based on the results of a market study regarding director compensation, effective 5 May 2022, the amount of the annual RSU award grant was increased to $180,000. All awards granted in 2022 were granted under our Amended & Restated 2018 Omnibus Non-Employee Director Share and Cash Incentive Plan.

Non-executive director	**Fees[1] $000 2022**	**Fees[1] $000 2021**	**Equity Awards[2] $000 2022**	**Equity Awards[2] $000 2021**	**Total $000 2022**	**Total $000 2021**
Jonathan Coslet[3]	—	—	—	—	—	—
Timothy Dattels[3]	—	—	—	—	—	—
Anthony Miller[3]	—	—	—	—		—
Lincoln Pan[3]	—	—	—	—	—	—
Billie Williamson	130	120	180	170	310	290
Jodie McLean	110	104	180	170	290	274
Richard McGinn[4]	85	110	180	170	265	280
Angelique Brunner	110	104	180	170	290	274
Angela Sun[5]	102	15	180	87	282	102

Notes:

1. Fees are pro-rated to reflect the number of days worked in the financial year.
2. Equity awards vest on the earlier of the first anniversary of the date of grant or the date of the next Annual Shareholders Meeting.
3. These Directors represent our Principal Shareholders and do not receive fees.
4. Mr. McGinn was a member of the Board during 2022 through his resignation on 4 August 2022. Mr. McGinn was a member of the Audit Committee and the Compensation Committee until his resignation. Mr. McGinn was granted equity awards in May 2022, but they were forfeited at the time of his resignation.
5. Ms. Sun was appointed to our Audit Committee on 5 May 2022.

Total pension entitlements (Audited)

None of the directors has a prospective entitlement to a defined benefit pension by reason of the provision of qualifying services to the Group.

Scheme interests awarded during 2022 (Audited)

We provide long-term incentive compensation because we believe it promotes long-term growth and profitability by aligning the interests of our Executive Directors with the interests of our shareholders and by encouraging retention. At the beginning of each year, the Compensation Committee (and the Board for the Executive Chairman and CEO) determines the target and type of equity award to be delivered to our Executive Directors. In 2022, our long-term incentive program consisted of a combination of 50% time-vesting RSUs and 50% performance-vesting RSUs, to balance performance and retention objectives.

The following scheme interests were awarded to Mr. White, our Executive Chairman and Mr. Forrester, our Chief Executive Officer in 2022.

Principal Name	Date of grant	Type of interest	Basis of award	No of shares	Face value $ [1]	Threshold vesting	End of performance period [2 3]
Brett White	24 February 2022	Time-vesting RSUs	Fixed value	222,717	4,999,997	—	—
	24 February 2022	Performance-vesting RSUs	Fixed value	445,434	9,999,993	50%	See below
John Forrester	24 February 2022	Time-vesting RSUs	Fixed value	118,040	2,649,998	—	—
	24 February 2022	Performance-vesting RSUs	Fixed value	236,080	5,299,996	50%	See below

Notes:

1. The face value of time-vesting RSUs calculated based on the underlying shares and the closing stock price on the date of grant of $22.45 per share. The face value of the performance-vesting RSUs calculated based on assumed maximum performance of 200% and the closing stock price on the day of grant of $22.45.
2. Time-vesting RSUs vest in equal instalments over three years, subject to continued employment, with the first vesting scheduled to occur on 24 February 2023.
3. The performance-vesting RSUs vest following the three-year performance period, subject to continued employment, on the basis of conditions relating to Adjusted EBITDA Margin Performance and Adjusted EBITDA Growth as set out below.

For the 2022 performance-vesting RSUs, payouts are based 50% on a target Adjusted EBITDA Margin Performance metric, and 50% on a target Adjusted EBITDA Growth metric. Adjusted EBITDA Margin Performance is a measure of profitability obtained by dividing Compensation EBITDA by Compensation Fee Revenue (both terms defined above). Adjusted EBITDA Growth is a measure of achievement of the Group's Compensation EBITDA for a certain fiscal year as compared to the prior year's Compensation EBITDA. Each performance metric will be measured each year and averaged over the three-year performance period (2022, 2023 and 2024), provided that if the cumulative Adjusted EBITDA Growth of the Group is negative over the entire performance period, the total number of performance-vesting RSUs that become vested for such metric shall not exceed 100% of target. For each performance metric, payout ranges from 50% to 200% of target. Each metric also includes a minimum threshold. If actual performance for that metric is less than the minimum threshold level, the payout will be 0% for that metric. The payout for each metric is linearly interpolated for performance between the minimum threshold and target and also for performance between the target and maximum. Further, a +/- 20% relative total shareholder return ("TSR") modifier shall be applied to each performance metric, with the relative TSR multiplier to be measured on a cumulative basis over the 3-year performance period. Relative TSR is the Group's total shareholder return relative to the companies in the Russell 2000. No positive modifier may be applied if the Group's TSR over the performance period is negative. No performance-vesting RSU awards may vest until the end of the full three-year performance period, subject to the executive's continued employment through the end of the performance period, subject to certain limited exceptions. For the 2022 performance-based vesting RSUs that are based on Adjusted EBITDA Margin Performance and Adjusted EBITDA Growth, specific details related to the financial targets will not be released due to their commercial sensitivity. Results of financial data will be released as they become publicly available.

Payments to past directors (Audited)

There were no payments to past directors during 2022.

Payments for loss of office (Audited)

There were no payments for loss of office paid to directors during 2022.

Directors' shareholdings and share interests (Audited)

Executive Director's Share Interests (Audited)

Mr. White and Mr. Forrester are subject to our shareholding requirement (e.g., six times salary for CEO) which includes unvested RSUs subject to continued service. Based on the share price at the financial year end of $12.46 their share ownership exceeded this requirement by a significant margin.

Principal Name	Cushman & Wakefield plc shares as at 31 December 2022				
	Shares held outright	RSUs subject to continued service	RSUs subject to performance[1]	Options Subject to continued service	Options that have vested but not been exercised
Brett White	1,327,077	222,717	1,233,012	0	0
John Forrester	253,470	305,979	508,705	0	585,000

Notes:

1. The RSUs subject to performance-vesting are listed above based on assumed maximum performance, which for 2020 and 2021 is 150% and for 2022 is 200%.

Over the course of the year Mr. White exercised 26,630 stock options as detailed in the table below:

Date of Exercise	# of Options Exercised	FMV on Exercise	Exercise Price	Value Realized on Exercise
15/02/2022	26,630	$21.9427	$10.00	$318,034

Over the course of the prior year Mr. White exercised 37,478 stock options as detailed in the table below:

Date of Exercise	# of Options Exercised	FMV on Exercise	Exercise Price	Value Realized on Exercise
5/14/2021	18,208	$18.85	$10.00	$161,141
7/1/2021	11,310	$17.03	$10.00	$79,509
10/1/2021	7,960	$18.73	$10.00	$69,491
			Total	**$310,141**

Over the course of the year Mr. Forrester exercised 15,000 stock options as detailed in the table below:

Date of Exercise	# of Options Exercised	FMV on Exercise	Exercise Price	Value Realized on Exercise
15/06/2022	15,000	$14.86	$10.00	$72,900

Non-executive directors who are not employees of our Principal Shareholders must hold 100% of their after-tax shares until they meet their stock ownership guideline of five times their annual cash retainer. Share interests held by the non-executive directors (including holdings by connected persons) at the end of the year (or earlier retirement from the Board) are shown below:

Non-executive director	Cushman & Wakefield plc shares held at 31 December 2022		Shareholding guideline met
	Shares held outright	RSU awards[1]	
Jonathan Coslet	—	—	N/A
Timothy Dattels	—	—	N/A
Lincoln Pan	—	—	N/A
Anthony Miller	—	—	N/A
Billie Williamson	40,449	9,896	Yes
Jodie McLean	38,280	9,896	Yes
Richard McGinn[2]	33,077	0	Yes
Angelique Brunner	23,007	9,896	Yes
Angela Sun	4,755	9,896	No

Notes:

1. Non-executive directors who are not employees of our Principal Shareholders received an RSU award annually of $180,000. Ms. Williamson, Ms. McLean, and Ms. Brunner received awards on 5 May 2022 at a share price of $18.19.
2. Mr. McGinn was a member of the Board during 2022 through his resignation on 4 August 2022. Mr. McGinn was a member of the Audit Committee and the Compensation Committee until his resignation. Mr. McGinn was granted equity awards in May 2022, but they were forfeited at the time of his resignation.

Dates of directors' employment agreements and letters of appointment

Our business and affairs are managed under the direction of the Board. Mr. Forrester joined the board on 1 January 2022 in connection with his appointment as our Chief Executive Officer. Richard McGinn resigned from the Board on 4 August 2022. Thus, the Board is currently comprised of ten Directors. Our Articles of Association provide that the Board will have a minimum of five and maximum of eleven Directors.

Executive Director	Employment agreement commencement date	Date employment agreement terminates
Brett White	16 March 2015	31 December 2023
John Forrester	31 December 2018	Mutually agreed upon date

The Group and Cushman & Wakefield Global, Inc. are party to an amended and restated employment agreement with Mr. White, effective as of 27 August 2020 (the "Employment Agreement"), with a term extending through 31 December 2023. The employment agreement was approved by the Board to provide for continued implementation of the Group's strategy and better continuity of management. To the extent he meets certain continued service requirements, Mr. White will be entitled to an annual long-term incentive award of RSUs with a grant date fair value between $10,000,000 and $15,000,000 in March of each of 2021, 2022 and 2023. The RSUs will vest over a three-year vesting period, with 50% of the RSUs also subject to the achievement of certain performance-based vesting conditions, which will be determined and approved by the Board as of the grant date and set forth in the applicable grant agreement, and, in all cases, subject to the provision of continued services or transition obligations in the event Mr. White resigns as CEO in certain circumstances.

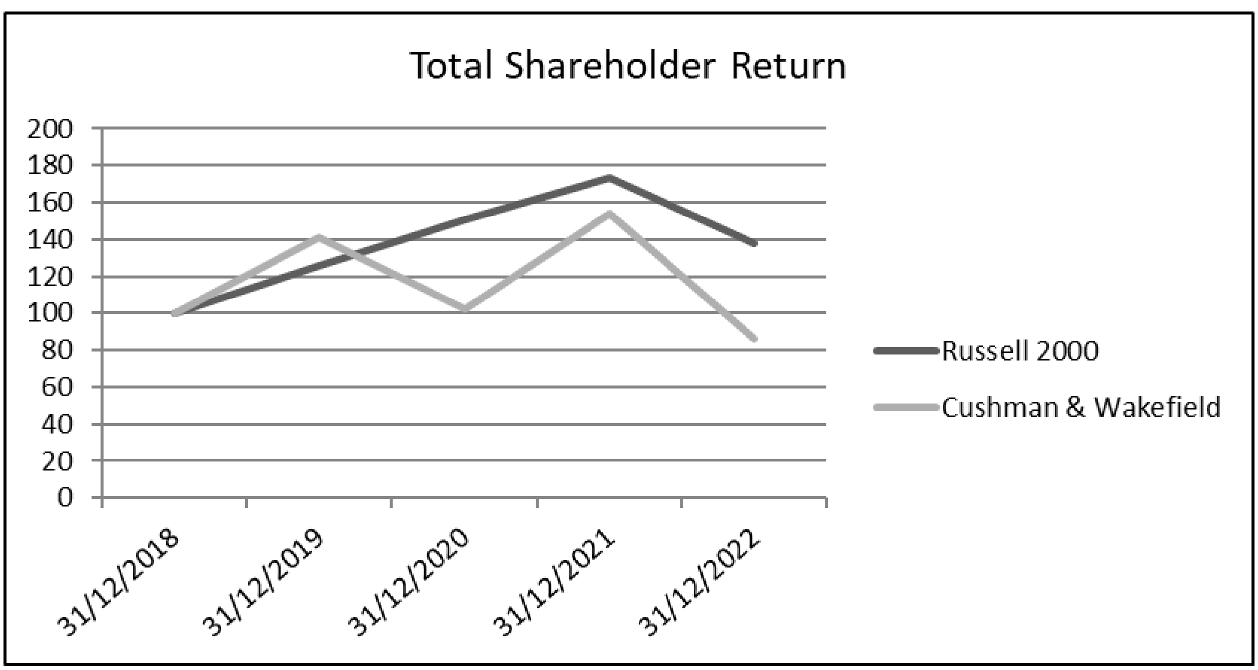
On 31 December 2021, the Group and Cushman & Wakefield Global, Inc. entered into a side letter agreement (the "Side Letter") with Mr. White, in connection with Mr. White's previously announced resignation as Chief Executive Officer of the Group. Pursuant to the terms of the Side Letter, Mr. White's resignation is confirmed as a Qualifying Resignation as defined under the Employment Agreement, which Qualifying Resignation accelerates and vests certain of Mr. White's equity awards in accordance with the terms of the Employment Agreement. Following the Qualifying Resignation, Mr. White will continue to serve as our Executive Chairman and as a member of the Board of Directors. Following the Qualifying Resignation, the Group has no obligation to provide any additional salary or bonus to Mr. White, except that he remains eligible to receive his annual cash incentive bonus for the 2021 calendar year. Mr. White will remain entitled to his RSU grants in 2022 and 2023. The Side Letter also extends the restrictive covenants in the Employment Agreement to apply to Mr. White through June 30, 2025; however, Mr. White is permitted to participate in certain non-competitive activities outside of the Group.

In connection with his appointment as our Chief Executive Officer, the Group and Cushman & Wakefield Debenham Tie Leung Limited entered into a new employment agreement with Mr. Forrester, effective as of 1 January 2022 (the "Forrester Employment Agreement"), which supersedes his prior employment agreement in its entirety. The Forrester Employment Agreement provides that Mr. Forrester's role as Chief Executive Officer of the Group was effective as of 1 January 2022. Mr. Forrester is a citizen of the United Kingdom and will be paid in British pound sterling. The Forrester Employment Agreement provides for an annual base salary of £693,900, subject to periodic review and possible increase by the Board based on individual and Group performance and may not be reduced without Mr. Forrester's written consent. Mr. Forrester will also be eligible to receive an annual cash bonus with a target amount equal to £1,542,000 (and a maximum annual bonus opportunity equal to 200% of such target amount) and is eligible to receive, in the Board's discretion, an annual grant of RSUs with a target grant date fair value of $5,100,000 each year during which Mr. Forrester remains employed with the Group as Chief Executive Officer, subject to Mr. Forrester's continued employment as our Chief Executive Officer as of the grant date. The RSUs awarded to Mr. Forrester in his capacity as Chief Executive Officer shall vest over a three-year period, with 50% of such RSUs also subject to performance-based vesting conditions, which performance-vesting RSUs will vest and be earned, if at all, upon the Group's achievement of the applicable performance-vesting conditions at the end of the three-year performance period. Under the Forrester Employment Agreement, Mr. Forrester may also designate an external tax consultant to assist in the preparation and submission of his United Kingdom and United States income tax returns at the Group's expense with respect to (a) each taxable year during which he is or was employed by the Group as our Chief Executive Officer and (b) each subsequent year following his termination (other than for cause) in which he incurs any residual taxable income and/or there are foreign tax credits as a result of his employment with us as our Chief Executive Officer, generally subject to a maximum cost of £10,000 per year, exclusive of VAT. Upon certain terminations of employment, Mr. Forrester will be eligible to receive severance benefits as set forth in both the Forrester Employment Agreement and the A&R Severance Plan.

The Board is divided into three classes, with each director serving a three-year term and one class being elected at each year's annual general meeting of shareholders. Mr. White, Ms. McLean and Ms. Williamson serve as Class II directors with a term expiring at the Annual Meeting. Mr. Forrester, Mr. Dattels, Mr. Pan and Ms. Sun serve as Class III directors with a term expiring in 2024. Ms. Brunner, Mr. Coslet and Mr. Miller serve as Class I directors with a term expiring in 2025. Upon the expiration of the term of office for each class of directors, each director in such class shall be elected for a term of three years and serve until a successor is duly elected and qualified or until his or her earlier death, resignation or removal. Any additional directorships resulting from an increase in the number of directors or a vacancy may be filled by the directors then in office.

TSR chart and CEO pay table

For the purposes of the TSR chart below, the Russell 2000 index has been chosen as the broad equity market index against which to compare the Total Shareholder Return of Cushman & Wakefield plc as Cushman is included in this index.



Chief Executive Officer	2022 '000s
Single total figure	$6,576
% of maximum AIP	47.1%
% of maximum performance-vesting LTIP	59.3%

Percentage change in remuneration of directors and employees

The table below shows the percentage change in salary, benefits and bonus for Mr. White and Mr. Forrester, Non-Employee Directors and the Group's global employees between 2020 and 2022.

% change from 2019 to 2020	Salary / Retainer	Benefits	Bonus
Brett White	Nil	Nil	-53.5%
Billie Williamson	5%	NA	NA
Jodie McLean	2%	NA	NA
Richard McGinn	23%	NA	NA
Angelique Brunner	NA	NA	NA
Angela Sun	NA	NA	NA
Employees	5.5%	-1.3 %	-20.1 %

% change from 2020 to 2021	Salary / Retainer	Benefits	Bonus
Brett White	Nil	Nil	300%
Billie Williamson	Nil	NA	NA
Jodie McLean	3%	NA	NA
Richard McGinn	3%	NA	NA
Angelique Brunner	52%	NA	NA
Angela Sun	NA	NA	NA
Employees	2%	16%	32%

% change from 2021 to 2022	Salary / Retainer	Benefits	Bonus
Brett White	Nil	Nil	NA
John Forrester	Nil	-20%	-20%
Billie Williamson	8%	NA	NA
Jodie McLean	6%	NA	NA
Richard McGinn	NA	NA	NA
Angelique Brunner	6%	NA	NA
Angela Sun	53%	NA	NA
Employees	-18%	-11%	-70%

CEO pay ratio

Year	Method	25th percentile ratio	Median ratio	75th percentile ratio
2022	Option A	147:1	105:1	65:1
2021	Option A	237:1	160:1	94:1
2020	Option A	164:1	119:1	78:1
2019	Option A	164:1	114:1	68:1

Y25, Y50 and Y75 represent the pay and benefits (calculated on the same methodology as the single total figure) for the employees at the 25th, 50th and 75th percentiles.

Option A has been chosen because it is the most statistically accurate methodology. We identified the 25th, 50th and 75th population based on the employee population as of 31 December 2022. In identifying the employees at the 25th, 50th and 75th percentiles, we have annualized the compensation for employees who were not in employment with the Group for the whole of the financial year.

The pay at each quartile is set out in the table below:

	25th Percentile		Median		75th Percentile	
	Total Pay	Of Which is Salary	Total Pay	Of Which is Salary	Total Pay	Of Which is Salary
2022	$58,227	$44,656	$82,028	$63,600	$131,810	$99,460

Our CEO pay ratio statistics decreased from the previous year due to the transition of CEO from Mr. White to Mr. Forrester.

The median ratio represents the Group's pay and progression policies.

Relative importance of spend on pay

The overall spend on pay in 2021 and 2022 and the change in spend is shown below. No dividends were paid in either year. The year-over-year decrease in spend can be attributed to decreased employee costs and below target annual cash incentives during the period.

Overall spend on pay		
2021 ($millions)	2022 ($ millions)	Change
6,787	5,857	-16%

Implementation of remuneration policy for 2023

The Board of Directors, with the assistance of our independent compensation consultant, reviews and establishes our peer group annually and uses such peer group as a reference source in its compensation deliberations. The peer group is established by evaluating companies that the Compensation Committee, with the assistance of our independent compensation consultant, believes are comparable to us with respect to industry segment, business profile and various financial criteria. Our 2022 peer group was approved by our Compensation Committee in May 2022. The changes from our 2021 peer group were as follows: i) CACI International, Robert Half International and Kelly Services were each removed, and (ii) Fluor Corporation, Anywhere Real Estate, Inc. (f/k/a Realogy Holdings Corp.), ManpowerGroup Inc. and Vornado Realty Trust were each added. The Compensation Committee approved these changes because it believes Fluor's expertise in project management and engineering, and the real estate focus of Realogy and Vornado, align closer with the Group's operations and management competencies than CACI's IT business. Further, the removal of two smaller staffing firms (Kelly Services and Robert Half) and the addition of a larger one (Manpower) improves peer alignment from a business operations and financial scope standpoint.

In 2022, non-executive directors were eligible to receive annual cash retainers and an annual RSU award with a grant date value of $180,000 which award will vest in full on the earlier of the first anniversary of the date of grant or the annual shareholder meeting.

The salary of our Executive Directors is reviewed each year relative to market medians. Adjustments would be made if the salary is found to be low against the market. In addition, non-executive director fees are also reviewed each year relative to market data. The current rates are set out below and the Compensation Committee (and the Board for our Executive Directors) reserves the right to adjust for market alignment.

	2022	2023
Salary of Executive Chairman (Mr. White)[1]	$ 0	$ 0
Salary of Chief Executive Officer (Mr. Forrester)[2]	$ 938,986	$ 938,986
Non-executive director Board fee	$ 90,000	$ 100,000
Audit Committee member	$ 10,000	$ 10,000
Audit Committee Chair (in addition to member retainer)	$ 20,000	$ 30,000
Compensation Committee member	$ 10,000	$ 10,000
Compensation Committee Chair (in addition to member retainer)	$ 15,000	$ 15,000
Nominating and Corporate Governance Committee member	$ 5,000	$ 5,000
Nominating and Corporate Governance Committee Chair (in addition to member retainer)	$ 10,000	$ 10,000

Notes:

1. Mr. White served as our Executive Chairman and Chief Executive Officer for all of 2021. He resigned as our Chief Executive Officer on 31 December 2021. Pursuant to the Side Letter with Mr. White, the Group has no obligation to provide any salary to Mr. White in 2022.
2. Mr. Forrester salary of £693,900 based on an exchange rate of 0.738989. Mr. Forrester's salary translated based on the yearly exchange rate of 0.811050 for 2022 would be $855,558.

Compensation Committee

The Compensation Committee shall be composed of three or four independent non-executive directors. The chair of the Compensation Committee shall be appointed by the Board. Compensation Committee members shall serve until their successors are duly appointed and qualified or until their earlier removal by the Board at any time.

The members of the Compensation Committee during the year were: Timothy Dattels (Chair), Lincoln Pan, Richard McGinn, and Jodie McLean, all of whom are independent. Mr. McGinn was a member of the Board during 2022 through his resignation on 4 August 2022. Mr. McGinn was also a member of the Compensation Committee until his resignation.

The primary responsibilities of the Compensation Committee are:

- reviewing and recommending to the Board for approval the corporate goals and objectives relevant to the compensation of our CEO; evaluating the performance of our CEO in light of those goals and objectives; and recommending to the Board for approval the compensation of our CEO based on that evaluation;
- reviewing and approving the corporate goals and objectives relevant to the compensation of our executive officers (other than the CEO); evaluating the performance of our executive officers (other than the CEO) in light of those goals and objectives; and determining the compensation of our executive officers (other than the CEO) based on that evaluation;
- reviewing and approving policies and guidelines related to the compensation of our executive officers and directors; and
- establishing, reviewing and administering our compensation and employee benefit plans.

Independent Compensation Consultant

In fulfilling its duties and responsibilities, the Compensation Committee has the authority to engage the services of outside advisers on an as-needed basis. In 2022, the Compensation Committee continued to engage Pay Governance LLC ("Pay Governance") as its independent compensation consultant to assist it with compensation matters. Pay Governance was selected as the Compensation Committee's external, independent compensation advisor through an RFP process conducted in 2020. The total expense for the services provided to the Compensation Committee by Pay Governance during 2022 was approximately $143,000, based on agreed hourly rates.

Pay Governance regularly attends meetings of the Compensation Committee, responds to inquiries from members of the Compensation Committee and provides analysis with respect to these inquiries. Pay Governance works collaboratively with our management to gain an understanding of our business and compensation programs to help them advise the Compensation Committee. In addition, Pay Governance regularly confers with our management to collect, analyze and present data requested by the Compensation Committee.

The Compensation Committee has asked Pay Governance to regularly provide independent advice on the following matters (among others):

- the composition of our compensation peer group (including analyzing executive compensation levels and practices of the companies in our compensation peer group);
- our compensation plan risk;
- current market trends and best practices in executive and director compensation design; and
- the overall levels of compensation and types and blend of various compensation elements.

Pay Governance does not provide any services to us other than the services provided to the Compensation Committee. Based on its internal review, the Compensation Committee has determined the recommendations of Pay Governance to be objective and independent.

Shareholder voting outcome

The resolutions on the Directors’ Remuneration Policy and the Directors’ Remuneration Report (excluding the Directors’ Remuneration Policy) received the following votes from shareholders at the Annual Shareholders’ Meeting held on 5 May 2022.

	Votes for	%	Votes against	%	Votes abstained
Policy contained in the 2021 Directors’ Remuneration Report approved at the 2022 AGM	190,899,208	95.5%	9,085,153	4.5%	37,151
2022 Directors’ Remuneration Policy approved at the 2022 AGM	198,099,451	99.0%	1,894,431	1%	27,630

Notes:

A vote abstained is not a vote in law and is not counted in the calculation of the votes ‘For’ or ‘Against’ the resolution. Votes abstained includes both votes abstained at the Annual Shareholders’ Meeting and any Broker non-votes.

The Directors’ Remuneration Report has been approved by the Board, and signed on its behalf by Timothy Dattels, Chairman of the Compensation Committee.

Timothy Dattels
Chair of the Compensation Committee
31 March 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report of the Group and parent company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and parent company financial statements for each financial year. Under current U.K. law, the directors have elected to prepare the Group financial statements in accordance with UK-adopted international financial reporting standards ("IFRS") and applicable law and they have elected to prepare the parent company financial statements in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the U.K. and Republic of Ireland* ("FRS 102").

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent company and of their profit or loss for that period. In preparing each of the Group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable, relevant, reliable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with IFRS;
- for the parent company financial statements, state whether applicable U.K. accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a Strategic Report, a Directors' Report and a Directors' Remuneration Report that complies with that law and those regulations.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the U.K. governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Risk Factors

An investment in our ordinary shares involves risks and uncertainty, including, but not limited to, the risk factors described below. If any of the risks described below actually occur, our business, financial condition and results of operations could be materially and adversely affected. You should carefully consider the risks and uncertainties described below as well as our audited consolidated financial statements and the related notes ("Consolidated Financial Statements"), when evaluating the information contained in this Annual Report.

Risk Factors Summary

The material risks summarized in further detail below include those relating to:

Risks Related to Our Business and Operations

- general macroeconomic conditions and global and regional demand for commercial real estate;
- retaining management and qualified revenue producing employees;
- the COVID-19 pandemic and other global health events;
- acquisitions we have made or may make in the future;
- the perception of our brand and reputation in the marketplace;
- the concentration of our business with corporate clients;
- actual or perceived conflicts of interest and their potential impact on our service lines;
- our ability to maintain and execute our information technology strategies;
- an interruption or failure of our information technology, communications systems or data services;
- potential breaches in security relating to our information systems;
- our ability to comply with current and future data privacy regulations and other confidentiality obligations;
- infrastructure disruptions;
- impairment of goodwill and other intangible assets;
- our ability to comply with laws and regulations and any changes thereto and to make correct determinations in complex tax regimes;
- our ability to execute on our strategy for operational efficiency;
- the seasonal nature of significant portions of our business;
- the failure of third parties to comply with contractual, regulatory or legal requirements;
- potential effects of climate change and risks related to our sustainability goals;
- our exposure to environmental liabilities as a result of our role as a real estate services provider;

Risks Related to Our Industry

- local, regional and global competition;
- social, political and economic risks in different countries and foreign currency volatility;

Risks Related to Our Common Stock

- the ability of our Principal Shareholders to exert significant influence over us and potential conflicts of interest of certain directors;
- potential price declines resulting from future sales of a large number of our ordinary shares;
- our policy relating to the payment of cash dividends;
- our dependence on dividends and distributions from our operating subsidiaries;
- uncertainties facing to the timing and amount of any potential share repurchases;

Risks Related to Our Indebtedness

- restrictions imposed on us by our credit agreement;
- our substantial amount of indebtedness and its potential impact on our available cash flow and the operation of our business;
- our ability to incur additional debt;
- our ability to service our existing debt;

Legal and Regulatory Risks

- litigation that could subject us to financial liabilities and/or damage our reputation;
- the fact that the rights of our shareholders may differ from the rights typically offered to shareholders of a Delaware corporation;
- the ability of U.S.-based shareholders to enforce civil liabilities against us;
- anti-takeover provisions in our articles of association;
- the impact of the U.K. City Code on Takeovers and Mergers;
- required shareholder approval of certain capital structure decisions; and
- the exclusive forum provisions set forth in our articles of association.

Risks Related to Our Business and Operations

Our business is significantly impacted by general macroeconomic conditions and global and regional demand for commercial real estate and, accordingly, our business, results of operations and financial condition could be materially adversely affected by further market deterioration or a protracted extension of current macroeconomic challenges.

Demand for our services is largely dependent on the relative strength of the global and regional commercial real estate markets, which are highly sensitive to general macroeconomic conditions and the ability of market participants to access liquidity in the capital and credit markets. Current macroeconomic challenges, including higher inflation, have led to increasing interest rates, disruption and volatility within global capital and credit markets, escalating energy supply shortages and costs, labor shortages, and fiscal and monetary policy uncertainty. Further deterioration or a protracted extension of these macroeconomic conditions, an economic slowdown or recession in the U.S. or global economy, or the public perception that any of these events may occur, could cause a decline in global and regional demand for commercial real estate and negatively affect the performance of some or all of our service lines.

Many of our service lines, particularly our Capital markets service line (which includes the representation of buyers and sellers in the sale or purchase of commercial real estate and the arrangement of financing), are sensitive to the cost and availability of credit. If our clients are unable to procure credit or financing on favorable terms or at all, there may be fewer dispositions and acquisitions of property and demand for our services may be adversely affected. For example, in the second half of 2022, a less constructive macroeconomic environment, including increases in interest rates, adversely affected commercial real estate transaction volume, and in turn, we experienced declines in Capital markets revenue. Future uncertainty or weakness in the credit markets, including as a result of any future interest rate increases, could further affect commercial real estate transaction volumes and pricing, which could reduce the commissions and fees we earn for brokering those transactions.

Ongoing macroeconomic challenges, or the perception that they may occur, could also adversely impact revenue for our service lines. In the event of an economic downturn or recession, we may experience reduced demand in our Capital markets, Leasing and Valuation and other service lines, among others, as clients delay or forego real estate transactions. Further, the performance of our property management business depends upon the performance of the properties we manage, including rent collections from these properties. Future rent collections may be affected by many factors, including: (1) real estate and financial market conditions prevailing generally and locally; (2) our ability to attract and retain creditworthy tenants, particularly during economic downturns; and (3) the magnitude of defaults by tenants under their respective leases, which may increase during periods of economic downturn, a recession or distressed situations.

Since the onset of the COVID-19 global pandemic, the U.S. and global economies have experienced increases in inflation. The resulting inflationary pressures on wages, higher costs for products and materials needed to provide our services, and higher fees from our own service providers have increased and could continue to increase the cost of providing our services. If this inflationary environment continues, and we are unable to recover these increased costs from our clients in a timely manner or at all, our margins and profitability may be negatively impacted.

Our success depends upon the retention of our senior management as well as our ability to attract and retain qualified revenue producing employees.

We are dependent upon the retention of our Leasing and Capital markets professionals, who generate a significant amount of our revenues, as well as other revenue producing professionals. The departure of any of our key employees, including our senior executive leadership, or the loss of a significant number of key revenue producers, if we are unable to quickly hire and integrate qualified replacements, could cause our business, financial condition and results of operations to suffer. Competition for these personnel is significant, and our industry is subject to a relatively high turnover of brokers and other key revenue producers, and we may not be able to successfully recruit, integrate or retain sufficiently qualified personnel. In addition, the growth of our business is largely dependent upon our ability to attract and retain qualified support personnel in all areas of our business. We and our competitors use equity incentives and sign-on and retention bonuses to help attract, retain and incentivize key personnel. Competition is significant for the services of revenue producing personnel, and the expense of such incentives and bonuses may increase, or our willingness to pay such incentives and bonuses may decrease, and we may therefore be unable to attract or retain such personnel to the same extent that we have in the past. Any additional decline in, or failure to grow, our ordinary share price may also result in an increased risk of loss of these key personnel. Furthermore, shareholder influence on our compensation practices, including our ability to issue equity compensation, may decrease our ability to offer attractive compensation to key personnel and make recruiting, retaining and incentivizing such personnel more difficult.

Our results of operations have been adversely affected and may in the future be materially adversely impacted by the coronavirus pandemic (COVID-19) or other global health events.

Circumstances surrounding COVID-19 at a global level remain fluid, especially given the uncertainty regarding potential future variants of the virus and any continued or future government-imposed restrictions. For example, in 2022, our business and the businesses of many of our clients were negatively affected by COVID-19-related restrictions in China. The extent to which COVID-19 continues to impact our business depends on numerous factors outside of our control, including the duration and significance of new variants, the distribution and effectiveness of vaccines, future governmental actions taken to contain or mitigate the public health or economic impact of the pandemic, as well as the effect of these factors on our clients and their ability to pay for our services, client demand for our services and our ability to provide our services. We continue to monitor changing health conditions at the local market level and may take actions in the future that could negatively affect our business operations and performance.

Our growth has benefited significantly from acquisitions and joint ventures, which may not perform as expected, and similar opportunities may not be available in the future.

A significant component of our growth over time has been generated by acquisitions. Any future growth through acquisitions will depend in part upon the continued availability of suitable acquisition targets at favorable prices and upon advantageous terms and conditions, which may not be available to us, as well as sufficient funds from our cash on hand, cash flow from operations, or external financing, which may not be available to us on favorable terms. We may incur significant additional debt from time to time to finance any such acquisitions, subject to the restrictions contained in the documents governing our then-existing indebtedness. If we incur additional debt, the risks associated with our leverage, including our ability to service our then-existing debt, would increase. Acquisitions involve risks that business judgments concerning the value, strengths and weaknesses of the acquired businesses may prove incorrect. Future acquisitions and any necessary related financings also may involve significant transaction-related expenses, which include severance, lease termination and transaction and deferred financing costs, among others. See "—Despite our current indebtedness levels, we and our subsidiaries may still be able to incur substantially more debt, which could further exacerbate the risks associated with our substantial leverage."

We have had, and may continue to experience, challenges in integrating operations, brands and information technology systems acquired from other companies. This could result in the diversion of management's attention from other business concerns and the potential loss of our key employees or clients or those of the acquired operations. The integration process itself may be disruptive to our business and the acquired company's businesses as it requires coordination of geographically diverse organizations, implementation of new branding, and integrating accounting and information technology systems and management services. There is generally an adverse impact on net income for a period of time after the completion of an acquisition driven by transaction-related and integration expenses.

We complete acquisitions with the expectation that they will result in various benefits, including enhanced revenues, a strengthened market position, cross-selling opportunities, cost synergies and tax benefits. Achieving the anticipated benefits of an acquisition is subject to a number of uncertainties and is not guaranteed. Failure to achieve the anticipated benefits could result in increased costs, decreases in the amount of expected revenues and diversion of management's time and energy, which could in turn materially and adversely affect our overall business, financial condition and operating results.

To a lesser degree, we have occasionally entered into strategic partnerships and joint ventures to conduct certain businesses or operate in certain geographies, and we will consider doing so in appropriate situations in the future. For example, in December 2021, we acquired a 40% stake in a strategic joint venture with Greystone Select Incorporated ("Greystone") to deliver multifamily advisory services and capital solutions to clients, and in January 2020, we entered into a strategic partnership with Vanke Service (Hong Kong) Co., Limited ("Vanke Service") to jointly develop certain commercial real estate property and provide property and facilities management operation services in Greater China (see Note 7: Investments in Associates). Strategic partnerships and joint ventures have many of the same risk characteristics as acquisitions, particularly with respect to the due diligence and ongoing relationship with joint venture partners. In addition, we may not have the authority to direct the management and policies of a joint venture, particularly if we are the minority owner. If a joint venture participant acts contrary to our interests, it could harm our brand, business, results of operations and financial condition.

Our brand and reputation are key assets of our company and will be affected by how we are perceived in the marketplace.

Our brand and its attributes are key assets, and we believe our continued success depends on our ability to preserve, grow and leverage the value of our brand. Our ability to attract and retain clients is highly dependent upon the external perceptions of our expertise, level of service, trustworthiness, business practices, management, workplace culture, financial condition, our response to unexpected events and other subjective qualities. Negative perceptions or publicity regarding these matters, even if related to seemingly isolated incidents and whether or not factually correct, could erode trust and confidence and damage our reputation among existing and potential clients, which could make it difficult for us to attract new clients and maintain existing ones. Negative public opinion could result from actual or alleged conduct in any number of activities or circumstances, including the personal conduct of individuals associated with our brand, handling of client complaints, regulatory compliance (such as compliance with the Foreign Corrupt Practices Act (the "FCPA"), the U.K. Bribery Act and other anti-bribery, anti-money laundering and anti-corruption laws), the use and protection of client and other sensitive information, and from actions taken by regulators or others in response to any such conduct. Social media channels can also cause rapid, widespread reputational harm to our brand.

Our brand and reputation may also be harmed by actions taken by third parties that are outside our control. For example, any shortcoming of or controversy related to a third-party vendor may be attributed to us, thus damaging our reputation and brand value and increasing the attractiveness of our competitors' services. Also, business decisions or other actions or omissions of our joint venture partners, alliance firms, the Principal Shareholders or management may adversely affect the value of our investments, result in litigation or regulatory action against us and otherwise damage our reputation and brand. Adverse developments with respect to our industry may also, by association, negatively impact our reputation, or result in greater regulatory or legislative scrutiny or litigation against us. Although we monitor developments for areas of potential risk to our reputation and brand, negative perceptions or publicity could materially and adversely affect our revenues and profitability.

The protection of our brand, including related trademarks, may require the expenditure of significant financial and operational resources. Moreover, the steps we take to protect our brand may not adequately protect our rights or prevent third parties from infringing or misappropriating our trademarks. Even when we detect infringement or misappropriation of our trademarks, we may not be able to enforce all such trademarks. Any unauthorized use by third parties of our brand may adversely affect our brand. Furthermore, as we continue to expand our business, especially internationally, there is a risk we may face claims of infringement or other alleged violations of third-party intellectual property rights, which may restrict us from leveraging our brand in a manner consistent with our business goals.

The concentration of business with corporate clients can increase business risk, and our business can be adversely affected due to the loss of certain of these clients.

We value the expansion of business relationships with individual corporate clients because of the increased efficiency and economics that can result from performing an increasingly broad range of services for the same client. Although our client portfolio is currently highly diversified, as we grow our business, relationships with certain corporate clients may increase, and our client portfolio may become increasingly concentrated. Having an increasingly concentrated base of large corporate clients also can lead to greater or more concentrated risks if, among other possibilities, any such client (1) experiences its own financial problems; (2) becomes bankrupt or insolvent, which can lead to our failure to be paid for services we have previously provided or funds we have previously advanced; (3) decides to reduce its operations or its real estate facilities; (4) makes a change in its real estate strategy, such as no longer outsourcing its real estate operations; (5) decides to change its providers of real estate services; or (6) merges with another corporation or otherwise undergoes a change of control, which may result in new management taking over with a different real estate philosophy or in different relationships with other real estate providers.

Competitive conditions, particularly in connection with large clients, may require us to compromise on certain contract terms with respect to the payment of fees, the extent of risk transfer, acting as principal rather than agent in connection with supplier relationships, liability limitations and other contractual terms, or in connection with disputes or potential litigation. Where competitive pressures result in higher levels of potential liability under our contracts, the cost of operational errors and other activities for which we have indemnified our clients may be greater and may not be fully insured.

A failure to appropriately address actual or perceived conflicts of interest could adversely affect our service lines.

Our company is a global business with different service lines and a broad client base and is therefore subject to numerous potential, actual or perceived conflicts of interests in the provision of services to our existing and potential clients. For example, conflicts may arise from our position as broker to both owners and tenants in commercial real estate lease transactions. In certain cases, we are also subject to fiduciary obligations to our clients. We have adopted various policies, controls and procedures to address or limit actual or perceived conflicts, but these policies and procedures may not be adequate and may not be adhered to by our employees. Appropriately dealing with conflicts of interest is complex and difficult, and we could suffer damage to our reputation or lose clients if we fail, or appear to fail, to identify, disclose and appropriately address potential conflicts of interest or fiduciary obligations, which could have an adverse effect on our business, financial condition and results of operations. In addition, it is possible that in some jurisdictions, regulations could be changed to limit our ability to act for parties where conflicts exist even with informed consent, which could limit our market share in those markets. There can be no assurance that conflicts of interest will not arise in the future that could cause material harm to us.

Failure to maintain and execute information technology strategies and ensure that our employees adapt to changes in technology could materially and adversely affect our ability to remain competitive in the market.

Our business relies heavily on information technology, including on solutions provided by third parties, to deliver services that meet the needs of our clients. If we are unable to effectively execute and maintain these information technology strategies, our ability to deliver high-quality services may be materially impaired. In addition, we make significant investments in new systems and tools to achieve competitive advantages and efficiencies. Implementation of such investments in information technology could exceed estimated budgets and we may experience challenges that delay or prevent such new technologies from being successfully deployed to or by our employees. If we are unable to successfully adopt new technology solutions, it could materially and adversely impact our ability to remain competitive in the market.

Interruption or failure of our information technology, communications systems or data services could impair our ability to provide our services effectively, which could materially harm our operating results.

Our business requires the continued operation of information technology and communication systems and network infrastructure. Our ability to conduct our global business may be materially adversely affected by disruptions to these systems or infrastructure. Our information technology and communications systems are vulnerable to damage or disruption from fire, power loss, telecommunications failure, system malfunctions, computer viruses, cybersecurity attacks, natural disasters such as hurricanes, earthquakes and floods, acts of war or terrorism, employee errors or malfeasance, or other events which are beyond our control. In addition, the operation and maintenance of our systems and networks is in some cases dependent on third-party technologies, systems and services providers for which there is no certainty of uninterrupted availability. Any of these events could cause system interruption, delays or loss, corruption or exposure of critical data and may also disrupt our ability to provide services to or interact with our clients, business partners or other third parties. Furthermore, any such event could result in substantial recovery and remediation costs and liability to clients, business partners and other third parties. We have business continuity and disaster recovery plans and backup systems in place to reduce the potentially adverse effect of such events, but our disaster recovery planning may not be sufficient and cannot account for all eventualities. An event that results in the destruction or disruption of any of our data centers or our critical business or information technology systems could severely affect our ability to conduct normal business operations, and as a result our future operating results could be materially adversely affected.

Our business relies heavily on the use of software and commercial real estate data, some of which is purchased or licensed from third-party providers for which there is no certainty of uninterrupted availability. A disruption of our ability to access such software, including an inability to renew such licenses on the same or similar terms, or provide data to our professionals or our clients, contractors and vendors could adversely affect our operating results.

A material breach in security relating to our information systems could adversely affect us.

In the ordinary course of our business, we collect and store sensitive data in our data centers, on our networks and via third-party cloud hosting providers. This data includes proprietary business information and intellectual property of ours and of our clients, as well as personal identifiable information (“PII”) of our employees, clients, contractors and vendors. The secure processing, maintenance and transmission of this information is critical to our operations.

Despite our security measures, and those of our third-party providers, our information technology and infrastructure may be vulnerable to attacks by third parties or breached due to employee error, mistake, or malfeasance or other disruptions. Information security risks have generally increased in recent years, in part because of the proliferation of new technologies and the increased sophistication and activity of organized crime, hackers, activists, cybercriminals and other external parties, some of which may be linked to terrorist organizations or hostile foreign governments. Cybersecurity attacks are becoming more sophisticated and include malicious software, phishing and spear phishing attacks, wire fraud and payment diversion, account and email takeover attacks, ransomware, attempts to gain unauthorized access to data and other electronic security breaches. We have experienced cybersecurity attacks in the past, including ransomware attacks by cybercriminals, and we expect additional attacks in the future. Cybersecurity attacks, including attacks that are not ultimately successful, could lead to disruptions in our critical systems, an inability to provide services to our clients, unauthorized release of confidential information, remediation costs, fines, litigation or regulatory action against us and significant damage to our reputation. Further, other incidents of theft, loss, disclosure, corruption, exposure or misuse of PII or proprietary business data, whether resulting from employee error, employee malfeasance or otherwise, could similarly result in adverse effects on our business operations.

Additionally, we rely on third parties to support our information and technology networks, including cloud storage solution providers, and as a result we have less direct control over our data and information technology systems. We also engage other third parties to support the services we perform for our clients. All such third parties are also vulnerable to security breaches and compromised security systems, for which we may not be indemnified, and which could materially adversely affect us and our reputation.

Failure to comply with current and future data privacy regulation and other confidentiality obligations could damage our reputation and materially harm our operating results.

Certain laws, regulations and standards regarding data privacy impose requirements regarding the security of information maintained by us and our clients, as well as notification to persons whose personal information is accessed by an unauthorized third party. Certain laws may also require us to protect the security of our employees' personal information. These laws and regulations are increasing in scope, complexity and number, and increasingly conflict among the various countries and states in which we operate, which has resulted in greater compliance risks and costs for us. Any failure on our part to comply with these laws, regulations and standards can result in negative publicity and diversion of management time and effort and may subject us to significant liabilities and other penalties.

If confidential information, including material non-public information or personal information we or our vendors and suppliers maintain, is inappropriately disclosed due to an information security breach, or if any person, including any of our employees, negligently disregards or intentionally breaches our confidentiality policies, contractual commitments or other controls or procedures with respect to such data, we may incur substantial liabilities to our clients or be subject to fines or penalties imposed by governmental authorities. In addition, any breach or alleged breach of our confidentiality agreements with our clients may result in termination of their engagements, resulting in associated loss of revenue and increased costs.

Infrastructure disruptions may impede our ability to manage real estate for clients.

The buildings we manage for clients, which include some of the world's largest office properties, logistics facilities and retail centers, are used by numerous people daily. We also manage certain critical facilities (including data centers) that our clients rely on to serve the public and their customers, where unplanned downtime could potentially impact general public safety and disrupt other parts of their businesses. As a result, fires, earthquakes, tornadoes, hurricanes, floods, other natural disasters, global health crises (including COVID-19), building defects, terrorist attacks or mass shootings could result in significant damage to property and infrastructure as well as personal injury or loss of life, which could disrupt our ability to effectively manage client properties. Further, to the extent we are held to have been negligent in connection with our management of such affected properties, we could incur significant financial liabilities and reputational harm.

Our goodwill and other intangible assets could become impaired, which may require us to take significant non-cash charges against earnings.

Under current accounting guidelines, we must assess, at least annually and potentially more frequently, whether the value of our goodwill and other intangible assets has been impaired. Any impairment of goodwill or other intangible assets as a result of such analysis would result in a non-cash charge against earnings, and such charge could materially adversely affect our reported results of operations, shareholders' equity and our ordinary share price. A significant and sustained decline in our future cash flows, a significant adverse change in the economic environment, slower growth rates or the decline of our ordinary share price below our net book value per share for a sustained period could result in the need to perform additional impairment analysis in future periods. If we were to conclude that a future write-down of goodwill or other intangible assets is necessary, then we would record such additional charges, which could materially adversely affect our results of operations.

Our service lines, financial condition, results of operations and prospects could be adversely affected by new laws or regulations or by changes in existing laws or regulations or the application thereof. If we fail to comply with laws and regulations applicable to us, or make incorrect determinations in complex tax regimes, we may incur significant financial penalties.

We are subject to numerous U.S. federal, state, local and non-U.S. laws and regulations specific to the services we perform in our service lines. Many of the services we provide (including brokerage of real estate sales and leasing transactions, certain property management, and the provision of valuation services) require us and our employees to maintain applicable licenses in each U.S. state and certain non-U.S. jurisdictions in which we perform such services. If we and our employees fail to maintain our licenses or conduct these activities without a license, or violate any of the regulations covering our licenses, we may be required to pay fines (including treble damages in certain states) or return commissions received or have our licenses suspended or revoked. Our acquisition activity further increases these potential risks because we must successfully transfer and maintain the applicable licenses of the acquired entities and their staff.

A number of our services, including those provided by certain indirect wholly-owned subsidiaries, are subject to certain state, federal or foreign regulation or oversight by self-regulatory organizations. We could be subject to disciplinary or other actions in the future due to actual or perceived noncompliance with these regulations, which could have a material adverse effect on our operations and profitability.

We are also subject to laws of broader applicability, such as tax, securities, environmental, employment laws and anti-bribery, anti-money laundering and anti-corruption laws, including the Fair Labor Standards Act, occupational health and safety regulations, U.S. state wage-and-hour laws, the FCPA and the U.K. Bribery Act. Failure to comply with these requirements could result in the imposition of significant fines by governmental authorities, awards of damages to private litigants and significant amounts paid in legal fees or settlements of these matters.

We operate in many jurisdictions with complex and varied tax regimes and are subject to different forms of taxation resulting in a variable effective tax rate. In addition, from time to time we engage in transactions across different tax jurisdictions. Due to the different tax laws in the many jurisdictions where we operate, we are often required to make subjective determinations. The tax authorities in the various jurisdictions where we carry on business may not agree with the determinations that are made by us with respect to the application of tax law. Such disagreements could result in disputes and, ultimately, in the payment of additional funds to the government authorities in the jurisdictions where we carry on business, which could have an adverse effect on our results of operations. In addition, changes in tax rules or the outcome of tax assessments and audits could have an adverse effect on our results in any particular quarter.

As the size and scope of our business has increased significantly during the past several years, both the difficulty of ensuring compliance with numerous licensing and other regulatory requirements and the possible loss resulting from non-compliance have increased. Further, new or revised legislation or rules and regulations applicable to our business, both within and outside of the United States, as well as changes in administrations or enforcement priorities, may have an adverse effect on our business, including increasing the costs of regulatory compliance or preventing us from providing certain types of services in certain jurisdictions or in connection with certain transactions or clients. We are unable to predict how new laws, rules, regulations and proposals will be implemented or in what form, or whether any additional or similar changes to laws or regulations, including the interpretation or implementation thereof, will occur in the future. Any such action could affect us in substantial and unpredictable ways and could have an adverse effect on our service lines, financial condition, results of operations and prospects.

Any failure by us to successfully execute on our strategy for operational efficiency could result in total costs and expenses that are greater than expected.

We have an operating framework that includes a disciplined focus on operational efficiency. As part of this framework, we have planned or adopted certain initiatives, including operating model changes, fiscal management, efficiency and deployment of operational priorities, and development of new workflow processes to improve outcomes across our service lines.

Our ability to continue to achieve anticipated cost savings and other benefits from these initiatives within the expected time frame is subject to many estimates and assumptions. These estimates and assumptions are subject to significant economic, competitive and other uncertainties, some of which are beyond our control. In addition, we are vulnerable to increased risks associated with implementing changes to our operations, processes and systems given our varied service lines and the broad range of geographic regions in which we operate. If these estimates and assumptions are incorrect, if we are unsuccessful at implementing changes, if we experience delays, or if other unforeseen events occur, we may not be able to achieve certain operational efficiencies and our business and results of operations could be adversely affected.

Significant portions of our revenue and cash flow are seasonal, which could cause our results of operations and liquidity to fluctuate significantly.

A significant portion of our revenue is seasonal, especially for service lines such as Leasing and Capital markets. Historically, our revenue and operating income tend to be lowest in the first quarter and highest in the fourth quarter of each year. Also, we have historically relied on our operating cash flow to fund our working capital needs and ongoing capital expenditures on an annual basis. Our operating cash flow is seasonal and is typically lowest in the first quarter of the year, when revenue is lowest, and highest in the fourth quarter of the year, when revenue is highest. This seasonal variance between quarters makes it difficult to compare our financial condition and results of operations on a quarter-by-quarter basis. In addition, the seasonal nature of our operating cash flow can result in a mismatch with funding needs for working capital and ongoing capital expenditures, which causes us to rely on available cash on hand and, as necessary, our revolving credit facility. Further, as a result of the seasonal nature of our business, political, economic or other unforeseen disruptions occurring in the fourth quarter that impact our ability to close large transactions may have a disproportionate effect on our financial condition and results of operations.

A failure by third parties to comply with contractual, regulatory or legal requirements could result in economic and reputational harm to us.

We rely on third parties, and in some cases subcontractors, to perform activities on behalf of our organization to improve quality, increase efficiencies, cut costs and lower operational risks across our business and support functions. We have instituted a Global Vendor/Supplier Integrity Policy, which is intended to communicate to our vendors the standards of conduct we expect them to uphold. Our contracts with vendors typically impose a contractual obligation to comply with such policy. In addition, we leverage technology and service providers to help us better screen vendors, with the aim of gaining a deeper understanding of the compliance, data privacy, health and safety, environmental and other risks posed to our business by potential and existing vendors. If our third parties do not meet contractual, regulatory or legal requirements, or do not have the proper safeguards and controls in place, we could be exposed to increased operational, regulatory, financial or reputational risks. Further, a failure by third parties to comply with service level agreements or to otherwise provide services in a high-quality and timely manner could result in economic or reputational harm to us. In addition, these third parties face their own technology, operating, business and economic risks, and any significant failures by them, including the improper use or disclosure of our confidential client, employee or company information, could cause damage to our reputation and harm to our business.

We face risks associated with the effects of climate change, including physical and transition risk, and with our sustainability practices, goals and performance.

The physical effects of climate change, such as extreme weather conditions and natural disasters occurring more frequently or with more intense effects, or the occurrence of unexpected or extreme events, including extreme temperatures, wildfires, tornadoes, hurricanes, earthquakes, floods and rising sea levels or drought, could have a material adverse effect on our operations and business. To the extent these events occur in regions where we operate, we or our vendors, business partners or clients could experience prolonged infrastructure or service disruptions. These conditions could also result in increases in our operating costs and in the costs of managing properties for clients over time and, if they persist long-term, could potentially cause a decline in demand for commercial real estate in certain regions where we do business. Additionally, we face climate-related transition risks, including shifts in market preferences for more sustainable products and services and new legislation and regulation aimed at addressing climate change. For example, our clients are increasingly looking for vendors that provide services in a sustainable manner. If we do not continue to develop and maintain effective strategies and solutions, including technological solutions, to help clients meet stricter environmental regulations or their own sustainability goals, we may not be able to compete effectively for certain business opportunities in the future, demand for our services may decrease and our reputation may be damaged. Further, changes in legal or regulatory requirements related to climate change, could increase the risk that we are subject to litigation or government enforcement actions and require us to incur increased compliance costs, make some activities more difficult, time-consuming and costly, and place strain on our personnel, systems and resources, which could adversely affect our business and results of operations. There can be no assurance that climate change will not have a material adverse effect on our properties, operations or business.

In addition, we have announced certain greenhouse gas emissions targets and other environmental goals. These targets and goals are voluntary, subject to change and should be considered aspirational. There is no guarantee we will be able to successfully achieve these objectives, or any of our other initiatives or commitments related to ESG matters, on the desired time frames or at all. Nevertheless, failure to achieve such targets, goals, commitments or initiatives, or a perception (whether valid or invalid) of our failure to achieve them, could result in reputational damage, client dissatisfaction, and, in turn, reduced revenue and profitability. Further, achievement of our sustainability goals may require us to incur additional costs or to make changes to our operations which could adversely affect our business and results of operations.

Our continuing efforts to report on the implementation of our ESG strategy, including any ESG goals, may also create additional operational risks and expenses and expose us to reputational, legal and other risks, particularly if our reporting does not meet stakeholder expectations or is perceived to be misleading. Moreover, while we create and publish voluntary disclosures regarding ESG matters from time to time, some of the statements in those voluntary disclosures may be based on hypothetical expectations and assumptions that may or may not be representative of current or actual risks or events or forecasts of expected risks or events, including the costs associated therewith. Such expectations and assumptions are necessarily uncertain and may be prone to error or subject to misinterpretation given the long timelines involved and the lack of an established single approach to identifying, measuring and reporting on many ESG matters.

We may be subject to environmental liability as a result of our role as a property or facility manager or developer of real estate.

Various laws and regulations impose liability on real property owners or operators for the cost of investigating, cleaning up or removing contamination caused by hazardous or toxic substances at a property. In our role as a property or facility manager or developer, we could be held liable as an operator for such costs. This liability may be imposed without regard to the legality of the original actions and without regard to whether we knew of, or were responsible for, the presence of the hazardous or toxic substances. If we fail to disclose environmental issues, we could also be liable to a buyer or lessee of a property. In the event of a substantial liability, our insurance coverage might be insufficient to pay the full damages, or the scope of available coverage may not cover certain of these liabilities. Additionally, costs incurred to comply with more stringent future environmental requirements could adversely affect any or all of our service lines.

Risks Related to Our Industry

We have numerous local, regional and global competitors across all of our service lines and the geographies that we serve, and further industry consolidation, fragmentation or innovation could lead to significant future competition.

We compete across a variety of service lines within the commercial real estate services industry, including Property, facilities and project management, Leasing, Capital markets (including representation of both buyers and sellers in real estate sales transactions and the arrangement of financing), Valuation and advisory on real estate debt and equity decisions. Although we are one of the largest commercial real estate services firms in the world, our relative competitive position varies significantly across geographies, property types and service lines. Depending on the geography, property type or service line, we face competition from other commercial real estate services providers, including outsourcing companies that have traditionally competed in limited portions of our Property, facilities and project management service line and have expanded their offerings from time to time, in-house corporate real estate departments, developers, institutional lenders, insurance companies, investment banking firms, investment managers, accounting firms and consulting firms.

Although many of our existing competitors are local or regional firms that are smaller than we are, some of these competitors are larger on a local or regional basis or may have more financial resources allocated to a particular property type or service line. We are further subject to competition from large national and multinational firms that have similar service competencies to ours, and it is possible that further industry consolidation could lead to much larger and more formidable competitors globally or in the particular geographies, property types or service lines that we serve. In addition, disruptive innovation or new technologies by existing or new competitors could alter the competitive landscape in the future and require us to make timely and effective changes to our services or business model to compete effectively.

Furthermore, we are dependent on long-term client relationships and on revenue received for services under various service agreements. Many of these agreements may be canceled by the client for any reason with as little as 30 to 60 days' notice, as is typical in the industry. Some agreements related to our Leasing service line may be rescinded without notice. In this competitive market, if we are unable to maintain long-term client relationships, our business, results of operations and financial condition may be materially adversely affected. There is no assurance that we will be able to compete effectively, to maintain current fee levels or margins, or maintain or increase our market share.

Our operations are subject to social, political and economic risks in different countries as well as foreign currency volatility.

We conduct a significant portion of our business and employ a substantial number of people outside of the United States and as a result, we are subject to risks associated with doing business globally. Outside of the United States, we generate earnings in other currencies and our operating performance is subject to fluctuations relative to the U.S. dollar, or USD. As we continue to grow our international operations, these currency fluctuations have the potential to positively or adversely affect our operating results measured in USD. For example, in 2022, our operating results were negatively impacted by currency exchange fluctuations as a result of a strong USD. It can be difficult to compare period-over-period financial statements when the movement in currencies against the USD does not reflect trends in the local underlying business as reported in its local currency.

Additionally, due to the constantly changing currency exposures to which we are subject and the volatility of currency exchange rates, we cannot predict the effect of exchange rate fluctuations upon future operating results.

In addition to exposure to foreign currency fluctuations, our international operations expose us to international economic trends as well as foreign government policy measures. Additional circumstances and developments related to international operations that could negatively affect our business, financial condition or results of operations include, but are not limited to, the following factors:

- political and economic instability in certain countries, including continued or worsening hostilities in Ukraine;
- difficulties and costs of staffing and managing international operations among diverse geographies, languages and cultures;
- currency restrictions, transfer pricing regulations and adverse tax consequences, which may affect our ability to transfer capital and profits;
- adverse changes in regulatory or tax requirements and regimes or uncertainty about the application of or the future of such regulatory or tax requirements and regimes;
- the responsibility of complying with numerous, potentially conflicting and frequently complex and changing laws in multiple jurisdictions, e.g., with respect to data protection, privacy regulations, corrupt practices, embargoes, trade sanctions, employment and licensing;
- the impact of regional or country-specific business cycles and economic instability;
- greater difficulty in collecting accounts receivable or delays in client payments in some geographic regions;
- foreign ownership restrictions with respect to operations in certain countries, particularly in Asia Pacific and the Middle East, or the risk that such restrictions will be adopted in the future; and
- changes in laws or policies governing foreign trade or investment and use of foreign operations or workers, and any negative sentiments as a result of any such changes to laws or policies or due to trends such as populism, economic nationalism and against multinational companies.

Our business activities are subject to a number of laws that prohibit various forms of corruption, including local anti-bribery laws and anti-bribery laws that have a global reach, such as the FCPA and the U.K. Bribery Act. Additionally, our business activities are subject to various economic and trade sanctions programs and import and export control laws, including the economic sanctions rules and regulations administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), which prohibit or restrict transactions with specified countries and territories, their governments, and their nationals, as well as with individuals and entities that are targeted by list-based sanctions programs. We maintain written policies and procedures and implement anti-corruption and anti-money laundering compliance programs, as well as programs designed to enable us to comply with applicable sanctions programs and import and export control laws ("Compliance Programs"). However, coordinating our activities to address the broad range of complex legal and regulatory environments in which we operate presents significant challenges. Our current Compliance Programs may not address the full scope of all possible risks or may not be adhered to by our employees or other persons acting on our behalf. Accordingly, we may not be successful in complying with regulations in all situations and violations may result in material monetary fines, penalties, and other costs or sanctions against us or our employees.

In addition, we have entered, and seek to continue to enter, into emerging markets to further expand our global platform. Certain countries in which we operate may present heightened business, political, operational, cultural, legal and compliance risks. We may not be successful in evaluating and monitoring the key risks in those markets or effectively managing our service lines there.

Risks Related to Our Common Stock

The Principal Shareholders have significant influence over us and decisions that require the approval of shareholders, which could limit your ability to influence the outcome of key transactions, including a change of control, and which may result in conflicts with us or you in the future.

Pursuant to the shareholders' agreement with our Principal Shareholders, the Principal Shareholders have the right to designate certain seats on our board of directors. As a result of these designation rights, currently four of our ten directors are affiliated with the Principal Shareholders (the "Affiliated Directors"). The Principal Shareholders thus have the ability to significantly influence our affairs and policies, including the approval of certain actions such as amending our articles of association, commencing bankruptcy proceedings, taking certain corporate actions (including incurring debt, issuing shares, selling assets, repurchasing shares, paying dividends and engaging in mergers and acquisitions), and other transactions that require board approval. Further, while the Principal Shareholders no longer hold a majority of our outstanding ordinary shares, with ownership of approximately 26% of the total ordinary shares outstanding as at 31 December 2022, the Principal Shareholders still have the ability to significantly influence the vote in any election of directors, amend our articles of association or take other actions requiring the vote of our shareholders. This strong influence may also have the effect of deterring hostile takeovers, delaying or preventing changes of control or changes in management, or limiting the ability of our other shareholders to approve transactions that they may deem to be in the best interests of our company.

The interests of the Principal Shareholders and their affiliates may differ from our other shareholders in material respects. For example, the Principal Shareholders may have an interest in pursuing acquisitions, divestitures, financings, or other transactions that, in their judgment, could enhance the value of their equity investment in us or accelerate their ability to liquidate that investment, even though such transactions might involve risks to other shareholders. The Principal Shareholders, their affiliates and their advisors are also in the business of making or advising on investments in companies and may from time to time in the future acquire interests in, or provide advice to, businesses that directly or indirectly compete with certain portions of our business or are suppliers or clients of ours. The Principal Shareholders may pursue acquisition opportunities that may be complementary to our business and, as a result, those acquisition opportunities may not be available to us.

If we or our existing investors sell a large number of ordinary shares, the market price of our ordinary shares could decline.

As at 31 December 2022, we had 225.8 million ordinary shares outstanding. The market price of our ordinary shares could decline as a result of sales of a large number of ordinary shares in the market, including us or by our Founding Shareholders or Vanke Service, to which we granted certain registration rights at the time of the IPO, or as a result of the perception that such sales could occur. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate.

We do not currently intend to pay cash dividends on our ordinary shares for the foreseeable future.

We currently intend to retain future earnings, if any, for future operation, expansion, debt repayment and potential share repurchases and we do not intend to pay any cash dividends for the foreseeable future. Under English law, the declaration and payment of any dividends would be subject to relevant legislation and our articles of association, which provide that all dividends must be approved by our board of directors and, in some cases, our shareholders, and may only be paid from our distributable profits available for the purpose, determined on an unconsolidated basis. The manner and order of payment of any such dividend will also be conducted in accordance with our articles of association. Any decision to declare and pay dividends in the future will be made at the discretion of our board of directors and will depend on, among other things, our results of operations, financial condition, cash requirements, contractual restrictions, restrictions imposed by applicable law or the SEC and other factors that our board of directors may deem relevant. In addition, our ability to pay dividends may be limited by covenants of any existing and future outstanding indebtedness we or our subsidiaries incur, including our 2018 Credit Agreement (as defined below), as amended from time to time. Accordingly, investors seeking cash dividends as a form of investment return should not purchase our ordinary shares. As a result, in the absence of us returning capital to our shareholders through a cash dividend or otherwise, you may not receive any return on an investment in our ordinary shares unless you sell our ordinary shares for a price greater than that which you paid for it.

Cushman & Wakefield plc, the parent company, is a holding company with nominal net worth. We do not have any assets apart from investment in subsidiaries or conduct any business operations. Our business operations are conducted primarily out of our indirect operating subsidiary, DTZ Worldwide Limited, and its subsidiaries.

We are a holding company with nominal net worth. We do not have any assets or conduct any business operations other than our investments in our subsidiaries. Our business operations are conducted primarily out of our indirect operating subsidiary, DTZ Worldwide Limited. As a result, our ability to pay dividends, if any, will be dependent upon cash dividends and distributions or other transfers from our subsidiaries. Payments to us by our subsidiaries will be contingent upon their respective earnings and subject to any limitations on the ability of such entities to make payments or other distributions to us. Our 2018 Credit Agreement and the indenture governing the 2020 senior secured notes impose operating and financial restrictions on us, and in the event of a default, all of our borrowings would become immediately due and payable. See “Note 10: Long-Term Debt and Other Borrowings”. In addition, our subsidiaries, including our indirect operating subsidiary, DTZ Worldwide Limited, are separate and distinct legal entities and have no obligation to make any funds available to us.

The timing and amount of any share repurchases are subject to a number of uncertainties, including as a result of the Inflation Reduction Act of 2022.

On 21 September 2022, our shareholders approved a share repurchase program in an amount not to exceed $300 million. Under the share repurchase program, we are authorized to repurchase, on a discretionary basis and from time-to-time, our ordinary shares in the open market. The timing and amount of any share repurchases will be determined at the discretion of our board of directors and management team based upon general market and economic conditions, the trading price of our ordinary shares, our financial performance and liquidity, alternative uses of capital and other factors. The share repurchase program may be suspended, modified or discontinued at any time, and we have no obligation to repurchase any amount of our ordinary shares under the program.

The U.S. Inflation Reduction Act of 2022, which was signed into law on 16 August 2022 (the “Inflation Reduction Act”), imposes a 1% excise tax beginning on 1 January 2023 on certain stock repurchases by U.S. domestic corporations whose stock is traded on an established securities market (the “Excise Tax”). The Excise Tax is imposed on the repurchasing corporation itself, not its shareholders from whom shares are repurchased. We are not considered a U.S. domestic corporation under the applicable U.S. federal tax laws and, consequently, do not currently expect the Excise Tax to apply to any share repurchases under our program. However, the U.S. Department of Treasury has not yet issued any guidance or regulations related to the Inflation Reduction Act, and the implementation of the statute relies heavily upon future Treasury guidance and/or regulations to provide more clarity and detailed rules about the scope and application of the Excise Tax. As a result, there remains a possibility that any share repurchases made by us could nonetheless be subject to the Excise Tax. If the Excise Tax applies, it would potentially be imposed on any share repurchases we make after 31 December 2022. The amount of the Excise Tax is generally 1% of the fair market value of the shares repurchased at the time of repurchase, provided that repurchasing corporations are permitted to net the fair market value of certain new stock issuances against the fair market value of stock repurchases during the same taxable year. The imposition of the Excise Tax on potential repurchases of our shares would increase the cost to us of making repurchases and may cause us to reduce the number of shares we otherwise may have repurchased under the program or to suspend or discontinue future share repurchases altogether.

Risks Related to Our Indebtedness

Our 2018 Credit Agreement imposes operating and financial restrictions on us, and in an event of a default, all of our borrowings would become immediately due and payable.

The credit agreement (as amended, the "2018 Credit Agreement"), which governs our $2.6 billion term loan as at 31 December 2022 (the “2018 First Lien Loan”), $1.1 billion revolving credit facility (the “Revolver”), and any future indebtedness issued thereunder, as well as the indenture governing our 2020 senior secured notes (the “2020 Notes”) imposes operating and other restrictions on us and many of our subsidiaries. These restrictions affect, and in many respects limit or prohibit, our ability to:

- plan for or react to market conditions;
- meet capital needs or otherwise carry out our activities or business plans; and
- finance ongoing operations, strategic acquisitions, investments or other capital needs or engage in other business activities that would be in our interest, including:
    - incurring or guaranteeing additional indebtedness;
    - granting liens on our assets;
    - undergoing fundamental changes;
    - making investments;
    - selling assets;
    - making acquisitions;
    - engaging in transactions with affiliates;
    - amending or modifying certain agreements relating to junior financing and charter documents;
    - paying dividends or making distributions on or repurchases of share capital;
    - repurchasing equity interests or debt;
    - transferring or selling assets, including the stock of subsidiaries; and
    - issuing subsidiary equity or entering into consolidations and mergers.

In addition, under certain circumstances we will be required to satisfy and maintain a specified financial ratio under the 2018 Credit Agreement. See “Note 10: Long-Term Debt and Other Borrowings” of the Notes to the Consolidated Financial Statements for additional information. Our ability to comply with the financial ratio and the other terms of our 2018 Credit Agreement and our 2020 Notes can be affected by events beyond our control, including prevailing economic, financial market and industry conditions, and we cannot give assurance that we will be able to comply when required. These terms could have an adverse effect on our business by limiting our ability to take advantage of financing, merger and acquisition, capital expenditures or other opportunities. We continue to monitor our projected compliance with the terms of our 2018 Credit Agreement and 2020 Notes.

A breach of any restrictive covenants in our 2018 Credit Agreement or 2020 Notes could result in an event of default. If any such event of default occurs, the lenders under our 2018 Credit Agreement or the holders of our 2020 Notes may elect to declare all outstanding borrowings, together with accrued interest and other fees, to be immediately due and payable and to foreclose on collateral pledged thereunder. The lenders under our 2018 Credit Agreement also have the right in these circumstances to terminate any commitments they have to provide further borrowings. In addition, an event of default under our 2018 Credit Agreement or 2020 Notes could trigger a cross-default or cross-acceleration under our other material debt instruments and credit agreements, if any.

The 2018 First Lien Loan and the 2020 Notes are jointly and severally guaranteed by substantially all of our material subsidiaries organized in the United States and certain of our subsidiaries organized in the United Kingdom that directly or indirectly own material U.S. operations, subject to certain exceptions. Each guarantee is secured by a pledge of substantially all of the assets of the subsidiary giving the pledge.

Moody’s Investors Service, Inc. and S&P Global Ratings rate our significant outstanding debt. These ratings, and any downgrades or any written notice of any intended downgrading or of any possible change, may affect our ability to borrow as well as the costs of our future borrowings.

We have a substantial amount of indebtedness, which may adversely affect our available cash flow and our ability to operate our business, remain in compliance with debt covenants and make payments on our indebtedness.

We have a substantial amount of indebtedness. As at 31 December 2022, our total debt, including finance lease liabilities, was approximately $3.3 billion, nearly all of which consisted of the 2018 First Lien Loan and our 2020 Notes. As at 31 December 2022, we had $0.0 billion outstanding funds drawn under our Revolver.

Our level of indebtedness increases the possibility that we may be unable to pay the principal amount of our indebtedness and other obligations when due. Our substantial indebtedness, combined with our other financial obligations and contractual commitments, could have important consequences. For example, it could:

- make it more difficult for us to satisfy our obligations with respect to our indebtedness, and any failure to comply with the obligations under any of our debt instruments, including restrictive covenants, could result in an event of default under such instruments;
- make us more vulnerable to adverse changes in general economic, industry and competitive conditions and adverse changes in government regulation;
- require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, acquisitions and other general corporate purposes;
- expose us to the risk that if unhedged, or if our hedges are ineffective, interest expense on our variable rate indebtedness will increase;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- place us at a competitive disadvantage compared to our competitors that are less highly leveraged and therefore able to take advantage of opportunities that our indebtedness prevents us from exploiting;
- limit our ability to borrow additional amounts for working capital, capital expenditures, acquisitions, debt service requirements, execution of our business strategy or other purposes; and
- cause us to pay higher rates if we need to refinance our indebtedness at a time when prevailing market interest rates are unfavorable.

Any of the above listed factors could have a material adverse effect on our business, prospects, results of operations and financial condition.

Furthermore, our interest expense will continue to increase if interest rates increase further because our debt under our 2018 Credit Agreement bears interest at floating rates, which in turn, could adversely affect our cash flows. For example, commencing in March 2022, the U.S. Federal Reserve has implemented a series of interest rate increases. The Federal Reserve's actions have increased, and may continue to increase, the rate and amount of interest payable under our variable-rate borrowings under our 2018 Credit Agreement and may also increase the costs of refinancing existing indebtedness or obtaining new debt. If we do not have sufficient earnings to service our debt, we may be required to refinance all or part of our existing debt, including the 2018 First Lien Loan, sell assets, borrow more money or sell additional equity. There is no guarantee that we would be able to meet these requirements.

Despite our current indebtedness levels, we and our subsidiaries may still be able to incur substantially more debt, which could further exacerbate the risks associated with our substantial leverage.

We may incur additional debt from time to time to finance strategic acquisitions, investments, joint ventures or for other purposes, subject to the restrictions contained in the documents governing our indebtedness. Although our 2018 Credit Agreement and the indenture governing the 2020 Notes contain restrictions on the incurrence of additional debt, these restrictions are subject to a number of significant qualifications and exceptions, and the debt incurred in compliance with these restrictions could be substantial. If we incur additional debt, the risks associated with our leverage, including our ability to service our debt, would increase.

To service our indebtedness, we will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control, and any failure to meet our debt service obligations could have a material adverse effect on our business, prospects, results of operations and financial condition.

Our ability to pay interest on and principal of our debt obligations principally depends upon our operating performance. As a result, prevailing economic conditions and financial, business and other factors, many of which are beyond our control, will affect our ability to make these payments and reduce indebtedness over time.

In addition, we conduct our operations through our subsidiaries. Accordingly, repayment of our indebtedness is dependent on the generation of cash flow by our subsidiaries and their ability to make such cash available to us by dividend, debt repayment or otherwise. Our subsidiaries may not be able to, or may not be permitted to, make distributions to enable us to make payments in respect of our indebtedness. Each of our subsidiaries is a distinct legal entity and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from our subsidiaries.

If we do not generate sufficient cash flow from operations to satisfy our debt service obligations, we may have to undertake alternative financing plans, such as refinancing or restructuring our indebtedness, selling assets or seeking to raise additional capital. Our ability to restructure or refinance our indebtedness, if at all, will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our indebtedness could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. In addition, the terms of existing or future debt instruments may restrict us from adopting some of these alternatives. Our inability to generate sufficient cash flow to satisfy our debt service obligations, or to refinance our obligations at all or on commercially reasonable terms, could affect our ability to satisfy our debt obligations and have a material adverse effect on our business, prospects, results of operations and financial condition.

Legal and Regulatory Risks

We are subject to various litigation risks and may face financial liabilities and/or damage to our reputation as a result of litigation.

We are exposed to various litigation risks and from time to time are party to various legal proceedings that involve claims for substantial amounts of money. We depend on our business relationships and our reputation for high-caliber professional services to attract and retain clients.

As a result, allegations against us, irrespective of the ultimate outcome of that allegation, may harm our professional reputation and as such materially damage our business and its prospects, in addition to any financial impact.

As a licensed real estate broker and provider of commercial real estate services, we and our licensed sales professionals and independent contractors that work for us are subject to statutory due diligence, disclosure and standard-of-care obligations. Failure to fulfill these obligations could subject us or our sales professionals or independent contractors to litigation from parties who purchased, sold or leased properties that we brokered or managed in the jurisdictions in which we operate.

We are subject to claims by participants in real estate sales and leasing transactions, as well as by building owners, tenants and occupiers for whom we provide management services, claiming that we did not fulfill our obligations. We are also subject to claims made by clients for whom we provided appraisal and valuation services and/or third parties who perceive themselves as having been negatively affected by our appraisals and/or valuations. We also could be subject to audits and/or fines from various local real estate authorities if they determine that we are violating licensing laws by failing to follow certain laws, rules and regulations.

In our Property, facilities and project management service line, we hire and supervise third-party contractors to provide services for our managed properties. We may be subject to claims for defects, negligent performance of work or other similar actions or omissions by third parties we do not control. Moreover, our clients may seek to hold us accountable for the actions of contractors because of our role as property or facilities manager or project manager, even if we have technically disclaimed liability as a contractual matter, in which case we may be pressured to participate in a financial settlement for purposes of preserving the client relationship.

Because we employ large numbers of building staff in facilities that we manage, we face the risk of potential claims relating to employment injuries, termination and other employment matters. While we are occasionally indemnified by building owners or occupiers in respect to such claims, this does not represent the majority of filed claims or actions we defend. We also face employment-related claims as an employer with respect to our corporate and other employees for which we would bear ultimate responsibility in the event of an adverse outcome in such matters.

In addition, especially given the size of our operations, there is always a risk that a third party may claim that our systems or offerings, including those used by our brokers and clients, may infringe such third party’s intellectual property rights and may result in claims or suits by third parties. Any such claims or litigation, whether successful or unsuccessful, could require us to enter into settlement agreements with such third parties (which may not be on terms favorable to us), to stop or revise our use or sale of affected systems, products or services, or to pay damages, which could materially negatively affect our business.

Adverse outcomes of disputes and litigation could have a material adverse effect on our business, financial condition, results of operations and prospects. Some of these litigation risks may be mitigated by the commercial insurance policies we maintain. However, in the event of a substantial loss or certain types of claims, our insurance coverage and/or self-insurance reserve levels might not be sufficient to pay the full damages.

Additionally, in the event of grossly negligent or intentionally wrongful conduct, insurance policies that we may have may not cover us at all. Further, the value of otherwise valid claims we hold under insurance policies could become uncollectible in the event of the covering insurance company’s insolvency, although we seek to limit this risk by placing our commercial insurance only with highly rated companies. Any of these events could materially negatively impact our business, financial condition, results of operations and prospects.

The rights of our shareholders differ in certain respects from the rights typically offered to shareholders of a U.S. corporation organized in Delaware.

We are incorporated under the laws of England and Wales. The rights of holders of our ordinary shares are governed by the laws of England and Wales, including the provisions of the U.K. Companies Act 2006, and by our articles of association. These rights, including rights relating to removing directors, calling general meetings or initiating litigation on behalf of the company, differ in certain respects from the rights of shareholders in typical U.S. corporations organized in Delaware, and may in some instances be less favorable to our shareholders. For a discussion of these differences, see the section entitled “Description of Share Capital—Differences in Corporate Law” in our prospectus dated 1 August 2018, which is filed with the SEC.

U.S. investors may have difficulty enforcing civil liabilities against our company, our directors or members of senior management.

We are incorporated under the laws of England and Wales. The United States and the United Kingdom do not currently have a treaty providing for the recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. The enforceability of any judgment of a U.S. federal or state court in the United Kingdom will depend on the laws and any treaties in effect at the time, including conflicts of laws principles (such as those bearing on the question of whether a U.K. court would recognize the basis on which a U.S. court had purported to exercise jurisdiction over a defendant). In this context, there is doubt as to the enforceability in the United Kingdom of civil liabilities based solely on the federal securities laws of the United States. In addition, awards for punitive damages in actions brought in the United States or elsewhere may be unenforceable in the United Kingdom. An award for monetary damages under U.S. securities laws would likely be considered punitive if it did not seek to compensate the claimant for loss or damage suffered and was intended to punish the defendant.

English law and provisions in our articles of association may have anti-takeover effects that could discourage an acquisition of us by others, even if an acquisition would be beneficial to our shareholders, and may prevent attempts by our shareholders to replace or remove our current management.

Certain provisions of the U.K. Companies Act 2006 and our articles of association may have the effect of delaying or preventing a change in control of us or changes in our management. For example, our articles of association include provisions that:

- create a classified board of directors whose members serve staggered three-year terms (but remain subject to removal as provided in our articles of association);
- establish an advance notice procedure for shareholder approvals to be brought before an annual meeting of our shareholders, including proposed nominations of persons for election to our board of directors;

- provide our board of directors the ability to grant rights to subscribe for our ordinary shares and/or depositary interests representing our ordinary shares without shareholder approval, which could be used to, among other things, institute a rights plan that would have the effect of significantly diluting the share ownership of a potential hostile acquirer;
- provide certain mandatory offer provisions, including, among other provisions, that a shareholder, together with persons acting in concert, that acquires 30 percent or more of our issued shares without making an offer to all of our other shareholders that is in cash or accompanied by a cash alternative would be at risk of certain sanctions from our board of directors unless they acted with the consent of our board of directors or the prior approval of the shareholders; and
- provide that vacancies on our board of directors may be filled by a vote of the directors or by an ordinary resolution of the shareholders, including where the number of directors is reduced below the minimum number fixed in accordance with the articles of association.

In addition, public limited companies are prohibited under the U.K. Companies Act 2006 from taking shareholder action by written resolution.

These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in our management. See also "—Provisions in the U.K. City Code on Takeovers and Mergers may have anti-takeover effects that could discourage an acquisition of us by others, even if an acquisition would be beneficial to our shareholders."

Provisions in the U.K. City Code on Takeovers and Mergers may have anti-takeover effects that could discourage an acquisition of us by others, even if an acquisition would be beneficial to our shareholders.

The U.K. City Code on Takeovers and Mergers ("Takeover Code") applies, among other things, to an offer for a public company whose registered office is in the United Kingdom (or the Channel Islands or the Isle of Man) and whose securities are not admitted to trading on a regulated market in the United Kingdom (or the Channel Islands or the Isle of Man) if the company is considered by the Panel on Takeovers and Mergers ("Takeover Panel") to have its place of central management and control in the United Kingdom (or the Channel Islands or the Isle of Man). This is known as the "residency test." The test for central management and control under the Takeover Code is different from that used by the U.K. tax authorities. Under the Takeover Code, the Takeover Panel will determine whether we have our place of central management and control in the United Kingdom by looking at various factors, including the structure of our Board of Directors, the functions of the directors and where they are resident.

Given that a majority of the members of our Board of Directors currently reside outside the United Kingdom, we do not anticipate that we will be subject to the Takeover Code. However, if at the time of a takeover offer the Takeover Panel determines that we have our place of central management and control in the United Kingdom, we would be subject to a number of rules and restrictions, including but not limited to the following: (1) our ability to enter into deal protection arrangements with a bidder would be extremely limited; (2) we might not, without the approval of our shareholders, be able to perform certain actions that could have the effect of frustrating an offer, such as issuing shares or carrying out acquisitions or disposals; and (3) we would be obliged to provide equality of information to all bona fide competing bidders.

As a public limited company incorporated in England and Wales, certain capital structure decisions will require shareholder approval, which may limit our flexibility to manage our capital structure.

The U.K. Companies Act 2006 provides that a board of directors of a public limited company may only allot shares (or grant rights to subscribe for or convertible into shares) with the prior authorization of shareholders, such authorization stating the maximum amount of shares that may be allotted under such authorization and specify the date on which such authorization will expire, being not more than five years, each as specified in the articles of association or relevant shareholder resolution. We have obtained authority from our shareholders to allot additional shares for a period of five years from 18 July 2018 (being the date on which the shareholder resolution was passed), which authorization will need to be renewed at least upon expiration (i.e., five years from 18 July 2018) but may be sought more frequently for additional five-year terms (or any shorter period). At our 2023 Annual General Meeting, we plan to seek renewal of the authorization from our shareholders to allot shares for an additional five-year term.

Subject to certain limited exceptions, the U.K. Companies Act 2006 generally provides that existing shareholders of a company have statutory pre-emption rights when new shares in such company are allotted and issued for cash. However, it is possible for such statutory pre-emption right to be disapplied by either the articles of association of the company, or by shareholders passing a special resolution at a general meeting, being a resolution passed by at least 75% of the votes cast. Such a disapplication of statutory pre-emption rights may not be for more than five years from the date of adoption of the articles of association, if the disapplication is contained in the articles of association, or from the date of the special resolution, if the disapplication is by special resolution. We have obtained authority from our shareholders to disapply statutory pre-emption rights for a period of five years from 18 July 2018, which disapplication will need to be renewed upon expiration (i.e., at least every five years) to remain effective, but may be sought more frequently for additional five-year terms (or any shorter period). At our 2023 Annual General Meeting, we plan to seek renewal of the authorization from our shareholders for disapplication of statutory pre-emption rights for an additional five-year term.

Subject to certain limited exceptions, the U.K. Companies Act 2006 generally prohibits a public limited company from repurchasing its own shares without the prior approval of its shareholders by ordinary resolution, being a resolution passed by a simple majority of votes cast, and subject to compliance with other statutory formalities. Such authorization may not be for more than five years from the date on which such ordinary resolution is passed. In September 2022, we obtained authority from our shareholders to repurchase our shares in an amount not to exceed $300 million for a period of five years, See “—The timing and amount of our share repurchases are subject to a number of uncertainties, including as a result of the Inflation Reduction Act of 2022.”

Our articles of association provide that the courts of England and Wales will be the exclusive forum for the resolution of all shareholder complaints other than complaints asserting a cause of action arising under the Securities Act, and that the U.S. federal district courts will be the exclusive forum for the resolution of any shareholder complaint asserting a cause of action arising under the Securities Act.

Our articles of association provide that the courts of England and Wales will be the exclusive forum for resolving all shareholder complaints other than shareholder complaints asserting a cause of action arising under the Securities Act of 1933, as amended (the “Securities Act”), and that the U.S. federal district courts will be the exclusive forum for resolving any shareholder complaint asserting a cause of action arising under the Securities Act. This choice of forum provision may limit a shareholder’s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits. If a court were to find either choice of forum provision contained in our articles of association to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our results of operations and financial condition.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements under “Risk Factors,” “Strategic Report” and elsewhere in this Annual Report may contain forward-looking statements that reflect our current views with respect to, among other things, future events, results and financial performance, which are intended to be covered by the safe harbor provisions for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995.

These statements can be identified by the fact that they do not relate strictly to historical or current facts, and you can often identify these forward-looking statements by the use of forward-looking words such as “outlook,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “should,” “could,” “seeks,” “strives,” “approximately,” “predicts,” “intends,” “plans,” “estimates,” “anticipates,” “target,” “goal,” “projects,” “forecasts,” “shall,” “contemplates” or the negative version of those words or other comparable words. Any forward-looking statements contained in this Annual Report are based upon our historical performance and on our current plans, estimates and expectations in light of information currently available to us. The inclusion of this forward-looking information should not be regarded as a representation by us that the future plans, estimates or expectations contemplated by us will be achieved. Such forward-looking statements are subject to various risks and uncertainties and assumptions relating to our operations, financial results, financial condition, business, prospects, growth strategy and liquidity. Accordingly, there are or will be important factors that could cause our actual results to differ materially from those indicated in these statements. You should not place undue reliance on any forward-looking statements and should consider the factors discussed under “Risk Factors” herein.

The factors identified in “Risk Factors” should not be construed as an exhaustive list of factors that could affect our future results and should be read in conjunction with the other cautionary statements that are included in this Annual Report. The forward-looking statements made in this Annual Report are made only as of the date of this Annual Report. We do not undertake any obligation to publicly update or review any forward-looking statement except as required by law, whether as a result of new information, future developments or otherwise.

If one or more of these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, our actual results may vary materially from what we may have expressed or implied by these forward-looking statements. You should specifically consider the factors identified in this Annual Report that could cause actual results to differ before making an investment decision to purchase our ordinary shares.

Furthermore, new risks and uncertainties arise from time to time, and it is impossible for us to predict those events or how they may affect us.

Financial Statements and Supplementary Data

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

	Page
Independent Auditor's Report to the Members of Cushman & Wakefield plc	76
Consolidated Statements of Profit or Loss for the years ended 31 December 2022 and 2021	84
Consolidated Statements of Comprehensive Income (Loss) for the years ended 31 December 2022 and 2021	85
Consolidated Statements of Financial Position as at 31 December 2022, 31 December 2021 and 1 January 2021	86
Consolidated Statements of Changes in Equity for the years ended 31 December 2022 and 2021	87
Consolidated Statements of Cash Flows for the years ended 31 December 2022 and 2021	88
Notes to the Consolidated Financial Statements	89

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CUSHMAN & WAKEFIELD PLC

1 Our opinion is unmodified

We have audited the financial statements of Cushman & Wakefield plc ("the Company") for the year ended 31 December 2022 which comprise the Consolidated Statements of Profit or Loss, Consolidated Statements of Comprehensive Income, Consolidated Statements of Financial Position, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows, Parent Company Profit or Loss Account and Other Comprehensive Income (Loss), Parent Company Balance Sheets, Parent Company Statements of Changes in Equity, and the related notes, including the accounting policies in note 2 of the consolidated financial statements and note 2 of the parent Company financial statements.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2022 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent Company financial statements have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed entities. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

2 Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows:

Adoption of a new financial reporting framework (New risk)
Refer to pages 99 to 106.

Accounting treatment

The Company previously produced its consolidated financial statements under US GAAP under the transitional arrangements that exist for certain UK companies. The transition period for this Company has now expired and these consolidated financial statements are now required to be prepared in accordance with UK-adopted international accounting standards (FRS). The directors have therefore implemented accounting policies based on the IFRS accounting framework in its consolidated financial statements for the first time. There is complexity in identifying and quantifying the effect of the change in accounting framework on the recognition, measurement and presentation of the Group's consolidated financial position and results in its consolidated financial statements. Accordingly, the implementation of a new accounting framework is an area of significant auditor focus and had a significant effect on our overall audit strategy and allocation of resources.

Our response

We performed the tests below rather than seeking to rely on any of the Group's controls because the nature of this technical area is such that we would expect to obtain audit evidence primarily through the detailed procedures described.

Our procedures included:

- **Our knowledge of the business:** used our knowledge of the business to identify key differences between US GAAP and IFRS relevant to the consolidated financial statements;
- **Assessing the directors' external expert's credentials:** assessed the competence and independence of the directors' external expert who has assisted them in this area;
- **Assessing the knowledge of the Group:** assessed the Group's knowledge of IFRS through continuous discussions throughout the audit;
- **Use of our own specialists:** drew on the expertise of relevant specialists such as tax, treasury, and valuation specialists to assist us in assessing the appropriateness of the transition adjustments;
- **Test of detail:** assessed the completeness and the accuracy of the Group's analyses and calculations of the relevant adjustments from US GAAP to IFRS including consideration of transitional reliefs within IFRS. Agreed key inputs and assumptions to underlying records and assessed compliance with the relevant IFRS accounting standards; and
- **Assessing transparency:** assessed the adequacy of the Group's disclosures in relation to the transition adjustment to IFRS and the accounting policies applied in the consolidated financial statements.

Recoverability of goodwill in respect of the APAC CGU (New risk)
($224.1 million; 2021: $233.5 million)
Refer to page 94 (accounting policy), and pages 110-111 (financial disclosures).

Forecast based assessment

The Group has a significant carrying amount of goodwill which is spread across a range of cash-generating units (CGUs) in different geographies. The value in use calculations for the CGUs, which represent their estimated recoverable amount, are subjective due to the inherent uncertainty involved in forecasting and discounting estimated future cash flows (specifically, the key assumptions such as forecasted revenue growth rates, forecasted profitability margins, long-term perpetuity growth rate and discount rate). The estimation uncertainty in relation to these forward-looking assumptions has increased as a result of the current macro-economic and geo-political environment.

The estimated recoverable amount of the APAC CGU specifically provides relatively low headroom compared to the Group's other CGUs. This means that the carrying value of this CGU is sensitive to changes in key assumptions outlined above.

The effect of these matters is that, as part of our risk assessment, we determined that the carrying amount of the APAC CGU has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. The financial statements (note 6) disclose the sensitivity estimated by the Group. These disclosures give relevant information about the estimation uncertainty including the risk of a reduction in the headroom as a result of a reasonably possible change in one or more of the key assumptions used in the value in use calculation for this CGU.

Our response

We performed the tests below rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.

Our procedures included:

- **Assessing methodology:** assessed whether the principles and integrity of the cash flow model used to estimate the recoverable amounts is in accordance with the relevant accounting standards.
- **Challenging growth assumptions:** for the discounted cash flow model, assessed and challenged the Group's assumptions by comparing to board approved strategy plans and peer and industry forecasts.

- **Our sector experience:** assisted by our own valuation specialists, we challenged the appropriateness of discount rates by deriving our own independent range and compared long term perpetuity growth rates to market data.
- **Sensitivity analysis:** performed both breakeven and plausible scenario sensitivity analysis on the key assumptions noted above to identify sensitivity to potential impairments.
- **Assessing transparency:** assessed whether the Group's disclosures about the sensitivity of the outcome of the impairment assessment to a reasonably possible change in key assumptions reflected the risks inherent in the recoverable amount of goodwill.

Recoverability of parent Company's investment (Risk vs 2021: increased)
($3,715.1 million; 2021: $3,697.3 million)
Refer to pages 155 (accounting policy) and page 157-159 (financial disclosures).

Forecast-based assessment
The carrying amount of the parent Company's investment in subsidiary is significant, representing 97% (2021: 98%) of the parent Company's total assets. It is assessed for impairment indicators at each year-end. The carrying amount of the parent Company's investment in subsidiary is subject to estimation uncertainty and is at an increased risk of irrecoverability compared to prior periods, due to increased uncertainties in the Group's future trading performance as a result of the current macro-economic and geo-political environment. The Group's market capitalisation, which provides an indicator of potential impairment, has also decreased compared to the prior period and was below the investment carrying value at the balance sheet date.

As a result, the directors have estimated the recoverable amount of the parent Company's investment by determining its recoverable amount, by reference to discounted cash flows model as well as market approach using comparable company valuation earnings multiples. The recoverable amount calculations are subjective due to the inherent uncertainty involved in selecting appropriate earnings multiples and forecasting and discounting estimated future cash flows, which include a number of subjective assumptions such as forecasted revenue growth rates, forecasted profitability margins, long-term perpetuity growth rate and discount rate. The recoverable amount of the parent Company investment is highly sensitive to changes in these assumptions.

The effect of these matters is that, as part of our risk assessment, we determined that the recoverable amount of the cost of investment in subsidiaries has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. The parent Company financial statements (note 6) disclose the sensitivities estimated by the Company.

Our response

We performed the tests below rather than seeking to solely rely on any of the parent Company's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures below.

Our procedures included:
- **Assessing methodology:** assessed whether the principles and integrity of the cash flow model used to estimate the recoverable amounts is in accordance with the relevant accounting standards.
- **Challenging growth assumptions:** for the discounted cash flow model, assessed and challenged the Group's assumptions by comparing to board approved strategy plans and peer and industry forecasts.
- **Our sector experience:** assisted by our own valuation specialists, we challenged the appropriateness of discount rates by deriving our own independent range and compared long term perpetuity growth rates to market data. We also challenged the selection of the comparable earnings multiples used in the guideline company valuation method by assessing the comparability of selected guideline companies.
- **Sensitivity analysis:** performed sensitivity analysis on the key assumptions used in the directors' recoverable amount calculations and assessing reasonable alternatives in order to evaluate the impact on the carrying value of the investment in subsidiary;
- **Assessing transparency:** assessed the adequacy of the parent Company's disclosures in respect of the recoverability of investment in subsidiary.

We continue to perform procedures over the Deferred Tax Asset. However, as the quantum and complexity of the balance has reduced compared to prior periods, we have not assessed this as one of the most significant risks in our current year audit and, therefore, it is not separately identified in our report this year as a key audit matter.

3 Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements as a whole was set at $45,000,000 (2021: $40,000,000), determined with reference to a benchmark of Group revenue, of which it represents 0.4.% (2021: 0.4%). We consider revenue to be a more appropriate benchmark than profit before tax as it provides a more stable measure year on year.

Materiality for the parent Company as a whole was set at $18,000,000 (2021: $18,000,000) determined with reference to a benchmark of the parent Company total assets, of which it represents 0.5% (2021: 0.5%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 75% (2021: 65%) of materiality for the financial statements as a whole, which rounded equates to $33,750,000 (2021: $26,000,000) for the Group and $13,500,000 (2021: $11,700,000) for the parent Company. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to those charged with governance any corrected or uncorrected identified misstatements exceeding $2,250,000 (2021: $2,000,000), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Of the Group's reporting components, we subjected 4 (2021: 3) to full scope audits for Group purposes and 2 (2021: 2) to audit of specific account balances.

The components within the scope of our work accounted for the percentages in the table below.

	Number of components	Group Revenue	Total Profits and Losses That Made Up Group Profit Before Tax	Group Total Assets
Audit for Group reporting purposes	4	75%	47%	45%
Audit of specific account balances	2	3%	19%	28%
Total	**6**	**78%**	**66%**	**73%**

The components within the scope of our work in 2021 accounted for the percentages in the table below. The amounts for 2021 have been updated, where necessary, from the percentages previously reported in our audit report on the 2021 financial statements. These changes have been made to reflect that the Group financial statements including the 2021 comparatives are now prepared in accordance with UK-adopted international accounting standards whilst the original 2021 Group financial statements were prepared in accordance with US Generally Accepted Accounting Principles.

	Number of components	Group Revenue	Total Profits and Losses That Made Up Group Profit Before Tax	Group Total Assets
Audit for Group reporting purposes	3	74%	38%	51%
Audit of specific account balances	2	3%	33%	23%
Total	**5**	**77%**	**71%**	**74%**

The remaining 22% (2021: 23%) of total Group revenue, 34% (2021: 29%) of Group profit before tax and 27% (2021: 26%) of total Group assets is represented by a large number of reporting components, none of which individually represented more than 4% (2021: 3%) of any of total Group revenue, Group profit before tax or total Group assets. For these residual components, we performed analysis at an aggregated Group level to re-examine our assessment that there were no significant risks of material misstatement within these.

The Group team instructed component auditors as to the significant areas to be covered, including the relevant risks detailed above and the information to be reported back.

The Group team approved the component materiality, which ranged from $12,000,000 to $26,000,000, having regard to the mix of size and risk profile of the Group across the components (2021: $10,000,000 to $20,000,000). The work on 2 out of 6 components, and the parent Company audit, was performed by the Group team (2021: 2 out of 5 and parent Company).

The audit of account balances refers to work that the Group team performed on account balances (such as goodwill, intangibles, equity, derivatives) as if those balances were a single aggregated set of financial information.

The Group team visited 2 component locations. Video and telephone conference meetings were also held with component auditors. At these visits and meetings, the findings reported to the Group team were discussed in more detail, and any further work required by the Group team was then performed by the component auditor.

The Group engagement team assessed the audit risk and strategy and directed the audit work of component auditors. The Group audit team also evaluated the sufficiency of the audit evidence obtained through discussions with, and remote review of the audit working papers of component teams.

We were able to rely upon the Group's internal control over financial reporting in several areas of our audit, where our controls testing supported this approach, which enabled us to reduce the scope of our substantive audit work; in the other areas the scope of the audit work performed was fully substantive.

4 Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the parent Company or to cease their operations, and as they have concluded that the Group's and the parent Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and parent Company's financial resources or ability to continue operations over the going concern period.

The risk that we considered most likely to adversely affect the Group's and parent Company's available financial resources and metrics relevant to debt covenants over this period is an adverse impact on the Group's trading, profitability and liquidity as a consequence of a global economic downturn.

We considered whether this risk could plausibly affect the liquidity or covenant compliance in the going concern period by assessing the directors' sensitivities over the level of available financial resources and covenant thresholds indicated by the Group's financial forecasts taking account of severe, but plausible adverse effects that could arise from this risk.

Our procedures also included:

- Critically assessing assumptions in the going concern forecasts, particularly in relation to revenues and its impact on forecast liquidity and covenant compliance, by comparing to historical trends, overlaying knowledge of the Group's plans based on approved budgets, as well as our knowledge of the Group and the sector in which it operates.

- Obtaining confirmation letters for the loan and cash balances as at 31 December 2022, and inspecting credit facilities agreement and related forecasts, to assess whether there are any potential future covenant breaches or liquidity shortfalls.
- Considering whether the going concern disclosure in the note 2 of the consolidated financial statements and note 2 of the parent Company financial statements gives a full and accurate description of the directors' assessment of going concern, including the identified risks, and related sensitivities.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or parent Company's ability to continue as a going concern for the going concern period; and
- we found the going concern disclosure in note 2 of the consolidated financial statements and note 2 of the parent Company financial statements to be acceptable.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the parent Company will continue in operation.

5 Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit committee, internal audit as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board/ audit committee minutes.
- Considering remuneration incentive schemes and performance targets for management/ directors/ sales staff.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. This included communication from the Group audit team to component audit teams of relevant fraud risks identified at the Group level and request to component audit teams to report to the Group audit team any instances of fraud that could give rise to a material misstatement at Group.

As required by auditing standards, and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls, in particular the risk that Group and component management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as impairment assessments related to goodwill, intangible assets and other long lived assets. On this audit we do not believe there is a fraud risk related to revenue recognition because the accounting for the majority of the Group's revenue is non-complex, and subject to limited levels of judgement with limited opportunities for manual intervention in the sales process to fraudulently manipulate revenue.

We performed procedures including:

- Identifying journal entries and other adjustments to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts and year end postings.
- Evaluating the business purpose of significant unusual transactions.
- Assessing significant accounting estimates for bias.

We did not identify any additional fraud risks.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. This included communication from the Group audit team to component audit teams of relevant laws and regulations identified at the Group level, and a request for component auditors to report to the Group team any instances of non-compliance with laws and regulations that could give rise to a material misstatement at Group.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: UK Bribery Act and US Foreign Corrupt Practices Act, Employee health and safety and employment law (reflecting the Group's significant work force), environmental law, other taxation legislation, legislations and licenses relating to the real estate industry and certain aspects of company legislation recognising the nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

6 We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report
In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

7 We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

8 Respective responsibilities

Directors' responsibilities
As explained more fully in their statement set out on page 54, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at
www.frc.org.uk/auditorsresponsibilities.

9 The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

S. McCallion

Sean McCallion (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

31 March 2023

Cushman & Wakefield plc

Consolidated Statements of Profit or Loss

For the Year Ended 31 December 2022

		Year Ended 31 December	
(in millions, except per share data)	Notes	2022	2021
Revenue	5	$ 10,105.7	$ 9,388.7
Costs of services		(8,157.9)	(7,448.4)
Gross profit		1,947.8	1,940.3
Other income	7	9.3	13.0
General and administrative	21	(1,399.1)	(1,430.4)
Other expense	19	(92.0)	(3.0)
Operating profit		466.0	519.9
Finance costs	11	(215.4)	(205.0)
Share of profit of equity-accounted investees, net of tax	7	45.0	21.2
Profit before income taxes		295.6	336.1
Income tax expense	13	(131.2)	(88.2)
Profit for the year		$ 164.4	$ 247.9
Basic earnings (loss) per share:			
Earnings (loss) per share attributable to common shareholders, basic	4	$ 0.73	$ 1.11
Weighted average shares outstanding for basic earnings (loss) per share	4	225.4	223.0
Diluted earnings (loss) per share:			
Earnings (loss) per share attributable to common shareholders, diluted	4	$ 0.72	$ 1.09
Weighted average shares outstanding for diluted earnings (loss) per share	4	228.0	226.5

The accompanying notes form an integral part of these Consolidated Financial Statements.

Cushman & Wakefield plc

Consolidated Statements of Comprehensive Income

For the Year Ended 31 December 2022

		Year Ended 31 December	
(in millions)	Notes	2022	2021
Profit for the year		$ 164.4	$ 247.9
Other comprehensive income (loss), net of tax:			
Items that may be reclassified to profit or loss			
Designated hedge gains	9	132.3	74.6
Foreign currency translation		(94.9)	(35.8)
Items that will not be reclassified to profit or loss			
Defined benefit plan remeasurements	12	(36.2)	11.8
Total other comprehensive income, net of tax		1.2	50.6
Total comprehensive income		$ 165.6	$ 298.5

The accompanying notes form an integral part of these Consolidated Financial Statements.

Cushman & Wakefield plc
Consolidated Statements of Financial Position
As at 31 December 2022

		As at		
(in millions, except per share data)	Notes	31 December 2022	31 December 2021	1 January 2021
Assets				
Current assets:				
Cash and cash equivalents	26	$ 697.5	$ 836.0	$ 1,149.7
Trade and other receivables	23	1,461.1	1,448.6	1,301.6
Income tax receivable	13	55.4	30.0	43.5
Short-term contract assets	5	358.2	318.9	247.6
Prepaid expenses and other current assets		143.8	145.1	134.0
Total current assets		2,716.0	2,778.6	2,876.4
Property and equipment, net	8	148.8	141.5	172.6
Goodwill	6	2,065.5	2,081.9	2,098.0
Intangible assets, net	6	899.3	960.7	1,041.5
Investments in equity-accounted investees	7	637.4	641.3	114.9
Deferred tax assets	13	59.2	69.5	57.0
Right-of-use assets	16	320.3	387.9	409.0
Other non-current assets	12,18,19	1,013.5	806.8	534.9
Total non-current assets		5,144.0	5,089.6	4,427.9
Total assets		$ 7,860.0	$ 7,868.2	$ 7,304.3
Liabilities and Equity				
Current liabilities:				
Short-term borrowings and current portion of long-term debt	10	$ 52.3	$ 49.8	$ 50.0
Accounts payable and accrued expenses	24	1,186.3	1,097.3	1,031.5
Accrued compensation		939.1	1,006.1	742.3
Income tax payable	13	33.1	105.1	45.1
Provisions	17	53.1	49.5	72.0
Other current liabilities	16	126.2	107.5	106.9
Total current liabilities		2,390.1	2,415.3	2,047.8
Long-term debt, net	10	3,213.4	3,232.6	3,247.5
Deferred tax liabilities	13	26.3	24.1	77.2
Non-current lease liabilities	16	326.9	394.0	401.6
Non-current provisions	17	149.8	147.5	156.6
Other non-current liabilities	9,12	123.0	201.0	281.5
Total non-current liabilities		3,839.4	3,999.2	4,164.4
Total liabilities		6,229.5	6,414.5	6,212.2
Equity:				
Share capital	15	22.6	22.4	22.2
Share premium		986.9	987.1	987.3
Other reserves		1,834.7	1,822.3	1,708.5
Retained loss		(1,214.5)	(1,378.9)	(1,626.8)
Total equity attributable to the Group		1,629.7	1,452.9	1,091.2
Non-controlling interests		0.8	0.8	0.9
Total equity		1,630.5	1,453.7	1,092.1
Total liabilities and equity		$ 7,860.0	$ 7,868.2	$ 7,304.3

These financial statements were approved by the board of directors on 31 March 2023 and were signed on its behalf by:

John Forrester
Director
Company registered number: 11414195

The accompanying notes form an integral part of these Consolidated Financial Statements.

Cushman & Wakefield plc
Consolidated Statements of Changes in Equity
For the Year Ended 31 December 2022

		Attributable to owners of the Group												
				Other Reserves										
(in millions)	Notes	Share Capital	Share Premium	Cash Flow Hedging Reserve	Translation Reserve	Remeasurement Reserve	Capital Reduction Reserve	Merger Reserve	Share Based Reserve	Total Other Reserves	Retained Loss	Total Equity Attributable to the Group	Non-Controlling Interests	Total Equity
Balance as at 1 January 2021		$ 22.2	$ 987.3	$ (158.2)	$ —	$ (5.1)	$ 2,619.9	$ (895.9)	$ 147.8	$ 1,708.5	$ (1,626.8)	$ 1,091.2	$ 0.9	$ 1,092.1
Profit for the year		—	—	—	—	—	—	—	—	—	247.9	247.9	—	247.9
Unrealized gain on hedging instruments	9	—	—	33.5	—	—	—	—	—	33.5	—	33.5	—	33.5
Amounts reclassified from other reserves to the statement of profit or loss	9	—	—	41.1	—	—	—	—	—	41.1	—	41.1	—	41.1
Foreign currency translation		—	—	—	(35.8)	—	—	—	—	(35.8)	—	(35.8)	—	(35.8)
Defined benefit plans remeasurements	12	—	—	—	—	11.8	—	—	—	11.8	—	11.8	—	11.8
Total comprehensive income		—	—	74.6	(35.8)	11.8	—	—	—	50.6	247.9	298.5	—	298.5
Stock-based compensation	14	—	—	—	—	—	—	—	61.5	61.5	—	61.5	—	61.5
Vesting of shares related to equity compensation plans, net amounts withheld for payment of taxes	14	0.2	(0.2)	—	—	—	—	—	(4.5)	(4.5)	—	(4.5)	—	(4.5)
Deferred tax on share based payments	13	—	—	—	—	6.2	—	—	—	6.2	—	6.2	—	6.2
Other activity		—	—	—	—	—	—	—	—	—	—	—	(0.1)	(0.1)
Balance as at 31 December 2021		$ 22.4	$ 987.1	$ (83.6)	$ (35.8)	$ 12.9	$ 2,619.9	$ (895.9)	$ 204.8	$ 1,822.3	$ (1,378.9)	$ 1,452.9	$ 0.8	$ 1,453.7
Profit for the year		—	—	—	—	—	—	—	—	—	164.4	164.4	—	164.4
Unrealized gain on hedging instruments	9	—	—	116.0	—	—	—	—	—	116.0	—	116.0	—	116.0
Amounts reclassified from other reserves to the statement of profit or loss	9	—	—	16.9	—	—	—	—	—	16.9	—	16.9	—	16.9
Foreign currency translation		—	—	—	(94.9)	—	—	—	—	(94.9)	—	(94.9)	—	(94.9)
Defined benefit plans remeasurements	12	—	—	—	—	(36.2)	—	—	—	(36.2)	—	(36.2)	—	(36.2)
Other activity		—	—	(0.6)	—	—	—	—	—	(0.6)	—	(0.6)	—	(0.6)
Total comprehensive income		—	—	132.3	(94.9)	(36.2)	—	—	—	1.2	164.4	165.6	—	165.6
Stock-based compensation	14	—	—	—	—	—	—	—	43.3	43.3	—	43.3	—	43.3
Vesting of shares related to equity compensation plans, net amounts withheld for payment of taxes	14	0.2	(0.2)	—	—	—	—	—	(24.7)	(24.7)	—	(24.7)	—	(24.7)
Deferred tax on share based payments	13	$ —	$ —	$ —	$ —	$ (7.4)	$ —	$ —	$ —	(7.4)	$ —	(7.4)	$ —	(7.4)
Balance as at 31 December 2022		$ 22.6	$ 986.9	$ 48.7	$ (130.7)	$ (30.7)	$ 2,619.9	$ (895.9)	$ 223.4	$ 1,834.7	$ (1,214.5)	$ 1,629.7	$ 0.8	$ 1,630.5

The accompanying notes form an integral part of these Consolidated Financial Statements.

Cushman & Wakefield plc
Consolidated Statements of Cash Flows
For the Year Ended 31 December 2022

(in millions)	Notes	Year Ended 31 December 2022	2021
Cash flows from operating activities			
Profit for the year		$ 164.4	$ 247.9
Adjustments for:			
Depreciation and amortization	6, 8, 21	154.2	168.6
Impairment losses on right-of-use assets	16	0.4	18.3
Unrealized foreign exchange loss (gain)		(4.0)	9.8
Stock-based compensation	14	43.8	61.5
Right-of-use asset amortization	16	95.8	91.3
Finance costs	11	215.4	205.0
Share of profit of equity-accounted investees, net of tax	7	(45.0)	(21.2)
Dividends received from equity-accounted investees	7	39.6	1.2
Income tax expense	13	131.2	88.2
Provision for loss on receivables and other assets		31.7	38.0
Loss on disposal of business		13.0	—
Unrealized loss (gain) on financial assets at fair value through profit or loss	19	78.9	2.4
Loss on remeasurement of contingent consideration	19	(2.0)	0.8
Other operating activities		10.6	24.3
Changes in operating assets and liabilities:			
Trade and other receivables		(300.7)	(168.7)
Short-term contract assets and Prepaid expenses and other current assets		(100.2)	(112.7)
Other non-current assets		2.2	(93.7)
Accounts payable and accrued expenses		98.3	55.5
Accrued compensation		(69.5)	229.2
Other current and non-current liabilities		19.8	6.5
Cash generated from (used in) operations		577.9	852.2
Interest paid	11	(204.2)	(192.9)
Income taxes paid	13	(215.4)	(46.5)
Net cash provided by operating activities		158.3	612.8
Cash flows from investing activities			
Payment for property and equipment	8	(34.5)	(27.2)
Payment for software development costs	6	(15.1)	(18.3)
Acquisitions of businesses, net of cash acquired		(32.8)	(7.0)
Investments in equity-accounted associates	7	(0.3)	(504.4)
Investments in financial assets at fair value through profit or loss	19	(26.1)	(184.5)
Other investing activities		(10.8)	0.4
Net cash used in investing activities		(119.6)	(741.0)
Cash flows from financing activities			
Payment of deferred and contingent consideration	17	(11.0)	(23.5)
Repayment of borrowings	10	(26.7)	(26.7)
Repayment of borrowings related to the investment limit secured against the A/R Securitization	20	(80.0)	—
Drawdown of borrowings related to the investment limit secured against the A/R Securitization	20	80.0	—
Payment of lease liabilities	16	(122.1)	(131.3)
Other financing activities		3.1	2.2
Net cash used in financing activities		(156.7)	(179.3)
Change in cash, cash equivalents and bank overdrafts		(118.0)	(307.5)
Cash, cash equivalents and bank overdrafts, beginning of the year		830.9	1,146.4
Effects of exchange rate fluctuations on cash, cash equivalents and bank overdrafts		(20.8)	(8.0)
Cash, cash equivalents and bank overdrafts, end of the year		$ 692.1	$ 830.9

The accompanying notes form an integral part of these Consolidated Financial Statements.

Cushman & Wakefield plc

Notes to the Consolidated Financial Statements

Note 1: Organization and Business Overview

DTZ Jersey Holdings Limited, together with its subsidiaries, was formed on 21 August 2014, by investment funds affiliated with TPG Inc. (together with its affiliates "TPG"), PAG Asia Capital (together with its affiliates, "PAG") and Ontario Teachers' Pension Plan Board ("OTPP") (collectively, the "Founding Shareholders"). On 5 November 2014, DTZ Jersey Holdings Limited acquired 100% of the combined DTZ group for $1.1 billion from UGL Limited. On 1 September 2015, DTZ Jersey Holdings Limited acquired 100% of C&W Group, Inc., the legacy Cushman & Wakefield business, for $1.9 billion.

On 6 July 2018, the shareholders of DTZ Jersey Holdings Limited exchanged their shares in DTZ Jersey Holdings Limited for interests in newly issued shares of Cushman & Wakefield Limited, a private limited company incorporated in England and Wales. On 12 July 2018, Cushman & Wakefield Limited reduced the nominal value of each ordinary share issued to $0.01. On 19 July 2018, Cushman & Wakefield Limited re-registered as a public limited company organized under the laws of England and Wales (the "Re-registration") named Cushman & Wakefield plc (together with its subsidiaries, "the Group," "we," "ours" and "us"). Following the Re-registration, the Group undertook a share consolidation of its outstanding ordinary shares (the "Share Consolidation"), which resulted in a proportional decrease in the number of ordinary shares outstanding as well as corresponding adjustments to outstanding options and restricted share units on a 10 for 1 basis. These financial statements have been retroactively adjusted to give effect to the Share Consolidation as it relates to all issued and outstanding ordinary shares and related per share amounts contained herein.

On 6 August 2018, the Group completed an IPO of its ordinary shares in which it issued and sold 51.8 million ordinary shares at a price of $17.00 per share. On 6 and 7 August 2018, the Group completed a concurrent private placement (the "Concurrent Private Placement") of its ordinary shares in which it sold 10.6 million shares to Vanke Service (Hong Kong) Co., Limited ("Vanke Service") at a price of $17.00 per share. The IPO and Concurrent Private Placement resulted in net proceeds of approximately $1.0 billion after deducting offering fees and other direct incremental costs. Public trading in the Group's ordinary shares began on 2 August 2018.

As at 31 December 2022, the Group operated from over 400 offices in approximately 60 countries with approximately 52,000 employees. The Group's business is focused on meeting the increasing demands of our clients through a comprehensive offering of services including (i) Property, facilities and project management, (ii) Leasing, (iii) Capital markets and (iv) Valuation and other services. The Group primarily does business under the Cushman & Wakefield tradename. Cushman & Wakefield plc is a public company incorporated, domiciled and registered in England in the United Kingdom ("UK"). The registered number is 11414195, the registered address is 125 Old Broad Street, London, EC2N 1AR and its principal place of business is in the United States at 225 West Wacker Drive, Chicago, Illinois 60606.

Note 2: Summary of Significant Accounting Policies

a) Basis of Accounting

The Group financial statements ("Consolidated Financial Statements") have been prepared and approved by the directors in accordance with UK-adopted international accounting standards. This includes International Financial Reporting Standards ("IFRS") and International Accounting Standards ("IAS") as issued by the International Accounting Standards Board ("IASB"), along with interpretations issued by the IFRS Interpretations Committee, subject to all being endorsed by the U.K. Endorsement Board. The Group has elected to prepare its parent company financial statements in accordance with Financial Reporting Standard 102 the financial reporting standard applicable in the U.K. and Republic of Ireland.

The Consolidated Financial Statements were authorized for issuance by the Group's board of directors on 31 March 2023.

The Consolidated Financial Statements consolidate those of the Group and equity account the Group's interest in associates. The parent company financial statements present information about Cushman & Wakefield plc as a separate entity.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Consolidated Financial Statements and in preparing an opening IFRS balance sheet as at 1 January 2021 for the purposes of the transition from generally accepted accounting principles in the United States of America ("U.S. GAAP") to UK-adopted IFRS. Judgments made by the directors, in the application of these accounting policies have significant effect on the Consolidated Financial Statements and estimates with a significant risk of material adjustment in the next year are discussed within (r) below.

Going Concern Basis

The Consolidated Financial Statements have been prepared on a going concern basis, and the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 12 months from the date of approval of this annual report.

As at 31 December 2022, the Group had $1.8 billion of liquidity, consisting of cash and cash equivalents of $0.7 billion and our undrawn revolving credit facility of $1.1 billion.

Macroeconomic Uncertainties

Demand for our services is largely dependent on the relative strength of the global and regional commercial real estate markets, which are highly sensitive to general macroeconomic conditions and the ability of market participants to access liquidity in the capital and credit markets. Current macroeconomic challenges continue to present risk to the Group including issues such as: higher inflation, increasing interest rates, disruption and volatility within global capital and credit markets, escalating energy supply shortages and costs, labor shortages, volatility in currency exchange rates, and changes in monetary and fiscal policies. These challenges and the potential impact on our business are discussed further in the "Strategic Report."

While the degree to which the Group will be affected by these macroeconomic challenges largely depends on the nature and duration of uncertain and unpredictable events, we believe that we are well suited to endure a shifting macroeconomic environment due to our diversification and resiliency. Refer to "Risk Factors" starting on page 55 for further information.

The directors have considered the potential further impact of these macroeconomic uncertainties on the Group's results and financial position by undertaking an assessment of the going concern assumptions, considering a severe but plausible downside scenario, that reduces revenue and profitability compared to its base forecast for at least the twelve months following the issuance of the Group financial statements. Whilst not taken into account in the downside modelling, the directors also believe there are certain mitigating actions available to the Group in the event that a downside scenario materializes.

Despite the uncertainty that persists, based on the downside sensitivity, the directors remain confident that the Group has sufficient liquidity to satisfy its working capital and other funding requirements with operating cash flows and, as necessary, cash on hand and borrowings under its revolving credit facility and A/R Securitization facility. They also believe the Group will remain compliant with all financial covenant requirements for a period of not less than 12 months from the date of approval of the annual report and financial statements.

Notwithstanding this, the directors continually evaluate opportunities to obtain, retire, or restructure credit facilities or financing arrangements for strategic reasons to further strengthen our financial position.

Taking the above factors into account, the directors believe the Group will continue to have sufficient liquidity, including access to existing facilities to support its ongoing operations and the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 12 months from the date of approval of the annual report and financial statements. Thus, the Group continues to adopt the going concern basis of accounting in preparing the Consolidated Financial Statements.

Measurement Convention

The Consolidated Financial Statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: certain financial assets and financial liabilities including derivatives and deferred compensation plan assets.

b) Functional and Presentation Currency

Items included in the Consolidated Financial Statements are measured using the currency of the primary economic environment in which the Group operates ("the presentation currency"). The Consolidated Financial Statements are presented in U.S. dollars ("USD"), which is the Group's presentation currency. All amounts have been rounded to the nearest million unless otherwise noted.

c) Principles of Consolidation

The accompanying Consolidated Financial Statements include the accounts of the Group and its consolidated subsidiaries, which are entities controlled by the Group. The Group "controls" an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through the power over the entity. In assessing control, the Group takes into consideration potential voting rights. Subsidiaries are included in the Consolidated Financial Statements from the date on which control commences until the date on which control ceases. All significant intercompany accounts and transactions, and any unrealized gains or losses arising from intra-group transactions, have been eliminated in consolidation. All subsidiaries have year-ends which align with the Group’s year-end.

Associates are those entities in which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, and are initially recognized at cost. The Group's investment includes goodwill identified at acquisition, net of any accumulated impairment losses. Subsequent to initial recognition, the Consolidated Financial Statements include the Group’s share of the profit or loss of equity-accounted investees, until the date on which significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of an investee. Refer to Note 7: Investments in Associates for additional information.

d) Revenue Recognition

Revenue is recognized upon transfer of control of promised services to clients in an amount that reflects the consideration the Group expects to receive in exchange for those services, in accordance with IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15"). The Group enters into contracts and earns revenue from its Property, facilities and project management, Leasing, Capital markets and Valuation and other service lines. Revenue is recognized net of any taxes collected from customers.

A performance obligation is a promise in a contract to transfer a distinct service or a series of distinct services to the client and is the unit of account. A contract’s transaction price is allocated to each performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The Group allocates the contract’s transaction price to each performance obligation using the best estimate of the standalone selling price of each distinct service in the contract.

Nature of Services

Property, facilities and project management

Fees earned from the delivery of the Group’s Property, facilities and project management services are recognized over time when earned under the provisions of the related agreements and are generally based on a fixed recurring fee or a variable fee, which may be based on hours incurred, a percentage mark-up on actual costs incurred or a percentage of monthly gross receipts. The Group may also earn additional revenue based on certain qualitative and quantitative performance measures, which can be based on certain key performance indicators. This additional revenue is recognized over time when earned as the performance obligation is satisfied and the fees are not deemed probable of significant reversal in future periods.

When accounting for reimbursements of third-party expenses incurred on a client’s behalf, the Group determines whether it is acting as a principal or an agent in the arrangement. When the Group is acting as a principal, the Group’s revenue is reported on a gross basis and comprises the entire amount billed to the client and reported cost of services includes all expenses associated with the client. When the Group is acting as an agent, the Group’s fee is reported on a net basis as revenue for reimbursed amounts is netted against the related expenses. Within IFRS 15, control of the service before transfer to the customer is the focal point of the principal versus agent assessments. The Group is a principal if it controls the services before they are transferred to the client. The presentation of revenues and expenses pursuant to these arrangements under either a gross or net basis has no impact on service line fee revenue, profit for the year or cash flows.

Leasing and Capital markets

The Group records commission revenue on real estate leases and sales at the point in time when the performance obligation is satisfied, which is generally upon lease execution or transaction closing. Terms and conditions of a commission agreement may include, but are not limited to, execution of a signed lease agreement and future contingencies, including tenant's occupancy, payment of a deposit or payment of first month's rent (or a combination thereof). Under IFRS 15, we recognize certain revenues that are based, in part, on future contingent events. For the revenues related to Leasing services, the Group's performance obligation will typically be satisfied upon execution of a lease and the portion of the commission that is contingent on a future event will likely be recognized if deemed not subject to significant reversal, based on the Group's estimates and judgments. The Group's commission expense is recognized in the same period as the corresponding revenue.

Valuation and other services

Valuation and advisory fees are earned upon completion of the service, which is generally upon delivery of a preliminary or final appraisal report. Consulting fees are recognized when earned under the provisions of the client contracts, which is generally upon completion of services.

If the Group has multiple contracts with the same customer, the Group assesses whether the contracts are linked or are separate arrangements. The Group considers several factors in this assessment, including the timing of negotiation, interdependence with other contracts or elements and pricing and payment terms. The Group and its customers typically view each contract as a separate arrangement, as each service has standalone value, selling prices of the separate services exist and are negotiated independently and performance of the services is distinct.

e) Advertising Costs

Advertising costs are expensed as incurred. For the years ended 31 December 2022 and 2021, advertising costs of $41.8 million and $45.8 million, respectively, were included in General and administrative in the Consolidated Statements of Profit or Loss.

f) Debt Issuance Costs, Premiums and Discounts

Debt issuance costs, premiums and discounts are amortized into Finance costs over the term of the related loan agreements using the effective interest method. Debt issuance costs, premiums and discounts related to non-revolving debt are presented in the Consolidated Statements of Financial Position as a direct deduction from the carrying value of the associated debt liability. Debt issuance costs related to revolving credit facilities are presented in the Consolidated Statements of Financial Position as Other non-current assets. Refer to Note 10: Long-Term Debt and Other Borrowings for additional information on debt issuance costs.

g) Income Taxes

Income taxes are accounted for under the asset and liability method in accordance with IAS 12, *Income Taxes* ("IAS 12"). Deferred tax assets and liabilities are recognized for the expected future tax consequences attributable to differences between carrying amounts of existing assets and liabilities and their respective tax bases, as well as operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that the new rate is enacted or substantively enacted. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the asset can be utilized. No deferred tax asset or liability is recognized in respect of temporary differences associated with investments in subsidiaries and branches where the Group can control the timing of reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

In determining the amount of current and deferred tax, the Group considers the impact of uncertain tax positions and whether additional taxes and interest may be due. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Income tax expense comprises current and deferred income tax expense and is recognized in the Consolidated Statements of Profit or Loss. To the extent that the income taxes are for items recognized directly in equity, the related income tax effects are recognized in equity.

Refer to Note 13: Income Taxes for additional information on income taxes.

h) Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and highly-liquid investments with original maturities of three months or less. The carrying amount of cash equivalents approximates fair value. Checks issued but not presented to banks may result in book overdraft balances for accounting purposes, which are classified within short-term borrowings in the Consolidated Statements of Financial Position. The Group also manages certain cash and cash equivalents as an agent for its property and facilities management clients. These amounts are not included in the accompanying Consolidated Statements of Financial Position.

i) Restricted Cash

Restricted cash of $21.5 million, $54.3 million and $14.3 million as at 31 December 2022, 31 December 2021, and 1 January 2021, respectively, is included within Other non-current assets on the accompanying Consolidated Statements of Financial Position. These balances primarily consist of legally restricted deposits related to contracts entered with others in the normal course of business, not available for use by the Group.

j) Trade and Other Receivables

Trade and other receivables are presented in the Consolidated Statements of Financial Position net of an estimated allowance for expected credit loss. On a periodic basis, the Group evaluates its receivables and establishes an allowance for expected credit loss based on historical experience and other currently available information. The allowance reflects the Group's best estimate of collectability risks on outstanding receivables.

Accounts Receivable Securitization Program

In March 2017, the Group entered into a revolving trade accounts receivables securitization program, which it has amended periodically ("A/R Securitization"). The Group records the transactions as sales of receivables, derecognizes such receivables from its Consolidated Financial Statements and records a receivable for the deferred purchase price of such receivables. Trade receivables that are sold without recourse are derecognized at the point of sale when the risks and rewards of the receivables have been fully transferred.

Refer to Note 19: Financial Instruments and Risk Management and Note 20: Accounts Receivable Securitization for additional information about the A/R Securitization.

k) Property and Equipment

Property and equipment is recorded at cost, net of accumulated depreciation, or in the case of leased assets, at the present value of the future minimum lease payments. Costs include expenditures that are directly attributable to the acquisition of the asset and costs incurred to prepare the asset for its intended use.

Repair and maintenance costs are expensed as incurred.

Depreciation of property and equipment is computed on a straight-line basis over the asset's estimated useful life. Assets held under leases are depreciated over the shorter of the lease term or their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. The Group's estimated useful lives are as follows:

Furniture and equipment	1 to 15 years
Leasehold improvements	Shorter of lease term or asset useful life, 1 to 20 years
Equipment under lease	Shorter of lease term or asset useful life, 1 to 7 years

The Group evaluates the reasonableness of the useful lives of property and equipment at least annually.

In addition, the Group reviews property and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If this review indicates that such assets are impaired, the impairment is recognized in the period the change occurs and represents the amount by which the carrying value exceeds the fair value.

l) Business Combinations, Goodwill and Other Intangible Assets

Business Combinations

We account for business combinations in accordance with IFRS 3, *Business Combinations* ("IFRS 3") using the acquisition method of accounting when the acquired set of activities and assets meets the definition of a business and control is transferred. When making this determination, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs. The Group often uses the optional concentration test which is achieved if substantially all the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets.

All of the assets acquired and liabilities assumed, including contingent and deferred consideration and amounts attributable to non-controlling interests, are recorded at their respective fair values at acquisition date. Determination of the fair values of the assets and liabilities acquired requires estimates and the use of valuation techniques when market values are not readily available. Any excess of the cost of the business combination over the fair value of the net assets acquired is recognized as goodwill in the Consolidated Statements of Financial Position.

Goodwill and Other Intangible Assets

Goodwill and indefinite-lived intangible assets are not amortized and are stated at cost less any accumulated impairment losses. Definite-lived intangible assets are stated at cost less accumulated amortization and accumulated impairment losses.

Direct costs for internally developed software are capitalized during the application development stage. All costs during the preliminary project stage are expensed as incurred. The costs capitalized include consulting, licensing and direct labor costs and are amortized upon implementation of the software in production over the useful life of the software.

Amortization of definite-lived intangible assets is recognized in the Consolidated Statements of Profit or Loss on a straight-line basis over the estimated useful lives of the intangible assets. The Group evaluates the reasonableness of the useful lives of these intangibles at least annually.

In accordance with IAS 36, *Impairment of Assets* ("IAS 36"), at each reporting date the Group assesses whether there are any indicators that assets may be impaired. The Group will test more frequently if there are indicators of impairment or whenever business or economic circumstances change, suggesting the carrying value of assets may not be recoverable. Goodwill is tested annually for impairment. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows, or cash-generating unit ("CGU"), and goodwill is allocated to each of the Group's CGUs or groups of CGUs. Recoverable amounts are calculated based on an asset's or CGU's fair value less costs to sell or its value in use. If the recoverable amount of an asset or CGU is less than its carrying amount, an impairment loss is recorded to reduce the asset or CGU to its recoverable amount.

Refer to Note 6: Goodwill and Other Intangible Assets for additional information regarding the Group's goodwill and intangible assets.

m) Provisions and Contingencies

The Group is subject to various claims and contingencies related to lawsuits. A liability is recorded for claims, legal costs or other contingencies when the risk of loss is probable and estimable. The required provisions may change due to new developments in each period.

The Group self-insures for various risks, including workers' compensation and general liability in some jurisdictions. A liability is recorded for the Group's obligations for both reported and incurred but not reported ("IBNR") insurance claims through assessments based on prior claims history. In addition, in the U.S., U.K. and Australia, the Group is self-insured against errors and omissions ("E&O") claims through a primary insurance layer provided by its 100%-owned, consolidated, captive insurance subsidiary, Nottingham Indemnity, Inc., and an excess layer provided through a third-party insurance carrier. Refer to Note 17: Provisions and Commitments for additional information.

n) Derivatives and Hedging Activities

From time to time, the Group enters into derivative financial instruments, including foreign exchange forward contracts and interest rate swaps, to manage its exposure to foreign exchange rate and interest rate risks. The Group views derivative financial instruments as a risk management tool and, accordingly, does not use derivatives for trading or speculative purposes. Derivatives are initially recognized at fair value at the date the derivative contracts are executed and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the Consolidated Statements of Profit or Loss immediately unless the derivative is designated and effective as a hedging instrument, in which case hedge accounting is applied.

The Group designates interest rate swaps as cash flow hedges. At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge, and on an ongoing basis, the Group documents whether a hedging relationship meets the hedge effectiveness requirements under IFRS 9, *Financial Instruments* ("IFRS 9"), and whether there continues to be an economic relationship between the hedged item and the hedging instrument. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated in Other reserves. The gain or loss relating to the ineffective portion is recognized immediately within the Consolidated Statements of Profit or Loss. Amounts previously recognized in Other reserves are reclassified to earnings in the periods when the hedged item is recognized in earnings and in the same line item as the hedged item, Finance costs.

Hedge accounting is discontinued when the Group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognized in Other comprehensive income (loss), net of applicable income taxes and accumulated in equity at that time, remains in equity and is recognized when the forecasted transaction is ultimately recognized in earnings. When a forecasted transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in earnings.

Refer to Note 9: Derivative Financial Instruments and Hedging Activities for additional information on derivative instruments.

o) Foreign Currency Transactions

Foreign currency transactions are recorded in the functional currency at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are recorded in the functional currency at the foreign exchange rate at that date, which may result in a foreign currency gain or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

Foreign currency gains or losses are recognized in the Consolidated Statements of Profit or Loss, except for differences arising on the retranslation of qualifying cash flow hedges, which are recognized in Other reserves and accumulated within equity. For the years ended 31 December 2022 and 2021, foreign currency transactions resulted in a loss of $4.5 million and a gain of $0.6 million, respectively, which were recognized within Cost of services and General and administrative in the Consolidated Statements of Profit or Loss.

Foreign Currency Translation

The assets and liabilities of foreign operations are translated into USD at the balance sheet date. Income and expense items are translated at the monthly average rates. Translation adjustments are included in Other reserves.

p) Leases

The Group enters into leases for real estate office space and equipment, such as motor vehicles and IT equipment. Leases are initially assessed at contract inception for whether the Group has the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group has lease agreements with lease and non-lease components, but as the Group has elected to not separate lease and non-lease components for all asset classes, they are not accounted for separately. Instead, consideration for the lease is allocated to a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group’s estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability each period. Refer to Note 16: Leases for additional information on leases.

q) Share-based Payments

The Group grants stock options and restricted stock awards to employees under the Amended and Restated 2018 Omnibus Management Share and Cash Incentive Plan and the Amended and Restated 2018 Omnibus Non-Employee Director Share and Cash Incentive Plan (collectively, the "2018 Omnibus Plans"). For the time-based awards, the grant date fair value is recognized as compensation expense using the graded vesting method over the vesting period, with a corresponding increase in equity or liabilities, depending on the balance sheet classification. For the performance-based awards, the grant date fair value is recognized as compensation expense as the awards vest based on the achievement of performance and market conditions, with a corresponding increase in equity or liabilities, depending on the balance sheet classification. Refer to Note 14: Stock-Based Payments for additional information on the Group's stock-based compensation plans.

r) Financial Instruments

Upon initial recognition, a financial asset is classified as measured at: amortized cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”). Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL: (a) it is held within a business model whose objective is to hold assets to collect contractual cash flows; and, (b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are subsequently measured at amortized cost using the effective interest method.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL: (a) it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and (b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. The Group has not elected to present any debt or equity investments at FVOCI.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL, and are subsequently measured at fair value.

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

The Group recognizes loss allowances for expected credit losses on financial assets measured at amortized cost and contract assets. The Group measures loss allowances at an amount equal to lifetime expected credit losses, and recognizes these losses within the Consolidated Statements of Profit or Loss. Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls and are discounted at the effective interest rate of the financial asset.

s) Financing income and expenses

Financing expenses include interest payable on borrowings and finance charges on lease liabilities recognized in profit or loss. Financing income comprise interest receivable on funds invested and interest income. Interest income and interest payable is recognized in profit or loss as it accrues, using the effective interest method.

t) Employee Benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an expense in profit or loss in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets (at bid price) are deducted. The Group determines the net interest on the net defined benefit liability/asset for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability/(asset).

Remeasurements arising from defined benefit plans comprise actuarial gains and losses and the return on plan assets. The Group recognizes them immediately in other comprehensive income and all other expenses related to defined benefit plans in employee benefit expenses in profit or loss.

The calculation of the defined benefit obligations is performed by a qualified actuary. When the calculation results in a benefit to the Group, the recognized asset is limited to the present value of benefits available in the form of any future refunds from the plan or reductions in future contributions and takes into account the adverse effect of any minimum funding requirements.

The assets and liabilities recognized in the balance sheet in respect of the defined benefit plans are the net of the plan obligations and assets. A scheme surplus is only recognized as an asset in the balance sheet when the Group has the unconditional right to future economic benefits in the form of a refund or a reduction in future contribution. For those schemes where an accounting surplus is currently recognized, the Group expects to recover the value through reduced future contributions.

During 2022, the Group completed a buy-in transaction for two of the defined benefit plans in the U.K., whereas the trustees of the plans purchased a bulk annuity insurance policy. These new insurance policies are held as assets of each plan, respectively. The value of the bulk annuity policy as an asset is also set to be equal in value to the obligations of the plans, using the same methods and assumptions used to determine the value of the obligations. Generally, the value of the pension assets and the defined benefit obligation are equal.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

u) Use of Judgements and Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities, income and expenses. Although these estimates and assumptions are based on management's judgment and best knowledge of current events and actions that the Group may undertake in the future, actual results may differ from these estimates. Estimates and underlying assumptions are evaluated on an ongoing basis and adjusted, as needed, using historical experience and other factors, including the current economic environment. Market factors, such as illiquid credit markets, volatile equity markets and foreign currency fluctuations can increase the uncertainty in such estimates and assumptions. The effects of such adjustments are reflected in the Consolidated Financial Statements in the periods in which they are determined.

The following are the critical accounting policies where estimates and assumptions could materially affect the application of the policies.

Impairment Testing for CGUs Containing Goodwill

In determining the recoverable amount of each CGU, based on its value in use, the Group uses a discounted cash flow ("DCF") model based on our most current forecasts. The Group discounts the related cash flow forecasts using the weighted average cost of capital method at the date of evaluation. The discount rate is adjusted for a risk premium to reflect both the increased risk of investing generally and the systematic risk of the specific CGU. Preparation of forecasts and selection of the discount rate, forecasted revenue growth rates, and forecasted profitability margins, for use in the DCF model involve significant judgments, and changes in these estimates could affect the estimated recoverable amount of one or more of our CGUs and could result in an impairment charge in a future period. We also use market multiples which are obtained from quoted prices of comparable companies to corroborate our DCF model results.

Key assumptions used in the estimation of the recoverable amount of each CGU are included in Note 6: Goodwill and Other Intangible Assets. The values assigned to the key assumptions represent management's assessment of future trends in the industry and have been based on historical data from both external and internal sources.

v) Recently Issued Accounting Pronouncements

The Group has adopted the following new accounting standards in the current year:

Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37)

In May 2020, the IASB issued amendments to IAS 37, *Provisions, Contingent Liabilities and Contingent Assets* ("IAS 37"), which clarify the types of costs a company includes as the costs of fulfilling a contract when assessing whether a contract is onerous. The amendments clarify that the costs of fulfilling a contract comprise both the incremental costs, and an allocation of other direct costs. The Group adopted this guidance as of 1 January 2022, prospectively, with no impact to the financial statements and related disclosures.

There were certain other new standards or amendments to existing standards effective in the current year that did not have a significant impact on the Group's financial statements and related disclosures.

Certain new accounting standards have been published but are not effective for the 31 December 2022 reporting period, which are not expected to significantly impact the Group's financial statements and related disclosures, and have not been early adopted by the Group.

w) First-Time Adoption of IFRS

These consolidated financial statements, for the year ended 31 December 2022, are the first the Group has prepared in accordance with IFRS. For periods up to and including the year ended 31 December 2021, the Group prepared its financial statements in accordance with U.S. GAAP.

Accordingly, the Group has prepared consolidated financial statements that comply with IFRS applicable as at 31 December 2022, together with the comparative period data for the year ended 31 December 2021, as described in the summary of significant accounting policies. In preparing the consolidated financial statements, the Group's consolidated opening statement of financial position was prepared as at 1 January 2021, the Group's date of transition to IFRS. This note explains the principal adjustments made by the Group in restating its U.S. GAAP consolidated financial statements, including the consolidated statement of financial position as at 1 January 2021 and the consolidated financial statements as at, and for the year ended, 31 December 2021.

Impact of initial application of IFRS 1 - First-Time Adoption of IFRS

The applicable mandatory exceptions and optional exemptions in IFRS 1 applied in preparing the Group’s first IFRS financial statements are set forth below.

Mandatory Exceptions

- **Estimates:** The Group’s estimates as at 1 January 2021 and 31 December 2021 are consistent with those made for the same dates in accordance with U.S. GAAP.
- **Derecognition of Financial Assets and Liabilities:** Non-derivative financial instruments that were derecognized by the Group before 1 January 2021 under U.S. GAAP will remain derecognized under IFRS. The Group will apply the derecognition requirements of IFRS 9 prospectively for transactions occurring on or after the date of transition to IFRS.
- **Hedge Accounting:** The Group has assessed its derivatives under IFRS 9 hedge accounting requirements upon transition and applied hedge accounting in accordance with IFRS 9 from the date the hedging relationship was fully designated and documented as effective (1 January 2021) for its interest rate swaps.
- **Non-Controlling Interests:** The Group will apply the requirements of IFRS 10, *Consolidated Financial Statements* (“IFRS 10”), prospectively from the date of transition with respect to the accounting treatment of non-controlling interest.
- **Classification and Measurement of Financial Instruments:** The Group assessed whether its financial assets meet the conditions of IFRS 9 on the basis of the facts and circumstances at the date of transition to IFRS and determined no classification or measurement basis differences exist between U.S. GAAP and IFRS for our financial assets.
- **Impairment of Financial Assets:** The Group applied IFRS 9 expected credit loss impairment requirements retrospectively as it relates to trade receivables and contract assets.

Optional Exemptions

IFRS 1 allows for the application of certain optional exemptions where retrospective application under IFRS would be inappropriate. The Group has applied the following optional exemptions:

- **Business Combinations:** IFRS 1 provides the option to not apply IFRS 3, *Business Combinations* ("IFRS 3"), retrospectively to business combinations that occurred before the entity’s date of transition to IFRS. If any business combination is restated to comply with IFRS 3, all later business combinations must be restated to comply with IFRS 3. In addition, the exemption for past business combinations also applies to acquisitions of equity method investments that occurred prior to the date of transition to IFRS. IFRS 3 has not been applied to either acquisitions of subsidiaries that are considered businesses under IFRS, or acquisitions of interests in associates that occurred before the date of transition. Use of this exemption means that the U.S. GAAP carrying amounts of assets and liabilities that are required to be recognized under IFRS, may be used as the carrying amount at the date of the acquisition. All business combinations during the period under U.S. GAAP are also considered business combinations under IFRS.

- **Cumulative Translation Differences:** The Group reset cumulative translation differences to zero upon transition at 1 January 2021, and applied IAS 21, *The Effects of Changes in Foreign Exchange Rates* ("IAS 21"), prospectively. The Group reclassified the cumulative foreign currency translation adjustment at the date of transition to retained loss.
- **Employee Benefits:** All cumulative gains and losses on remeasurement of defined benefit plans have been recognized in equity at 1 January 2021.

Reconciliation of the statement of financial position as at 1 January 2021 (date of transition to IFRS)

	Ref	U.S. GAAP 1 January 2021	Effects of Transition to IFRS	Reserves Reclassification (L)	IFRS 1 January 2021
Assets					
Current assets:					
Cash and cash equivalents	(H)	$ 1,074.8	$ 74.9	$ —	$ 1,149.7
Trade and other receivables		1,301.6	—	—	1,301.6
Income tax receivable		43.5	—	—	43.5
Short-term contract assets		247.6	—	—	247.6
Prepaid expenses and other current assets	(H)	223.2	(89.2)	—	134.0
Total current assets		2,890.7	(14.3)	—	2,876.4
Property and equipment, net	(A) (B)	235.9	(63.3)	—	172.6
Goodwill		2,098.0	—	—	2,098.0
Intangible assets, net	(A) (G)	991.2	50.3	—	1,041.5
Investments in equity-accounted investees		114.9	—	—	114.9
Deferred tax assets	(K)	61.4	(4.4)	—	57.0
Right-of-use assets	(B)	438.2	(29.2)	—	409.0
Other non-current assets	(E) (F) (H)	507.6	27.3	—	534.9
Total non-current assets		4,447.2	(19.3)	—	4,427.9
Total assets		$ 7,337.9	$ (33.6)	$ —	$ 7,304.3
Liabilities and Equity					
Current liabilities:					
Short-term borrowings and current portion of long-term debt	(B)	$ 39.7	$ 10.3	$ —	$ 50.0
Accounts payable and accrued expenses	(C)	1,054.4	(22.9)	—	1,031.5
Accrued compensation	(C) (D)	720.5	21.8	—	742.3
Income tax payable		45.1	—	—	45.1
Provisions	(C)	—	72.0	—	72.0
Other current liabilities	(B) (C)	205.8	(98.9)	—	106.9
Total current liabilities		2,065.5	(17.7)	—	2,047.8
Long-term debt, net	(B)	3,235.7	11.8	—	3,247.5
Deferred tax liabilities	(K)	102.2	(25.0)	—	77.2
Non-current lease liabilities	(B)	405.6	(4.0)	—	401.6
Non-current provisions	(C)	—	156.6	—	156.6
Other non-current liabilities	(C) (E)	433.3	(151.8)	—	281.5
Total non-current liabilities		4,176.8	(12.4)	—	4,164.4
Total liabilities		6,242.3	(30.1)	—	6,212.2
Equity:					
Share capital		22.2	—	—	22.2
Additional paid-in capital	(D) (L) (M)	2,843.4	895.9	(3,739.3)	—
Share premium	(L)	—	—	987.3	987.3
Other reserves	(D) (E) (J) (L) (M)	(242.7)	(800.8)	2,752.0	1,708.5
Retained loss		(1,528.2)	(98.6)	—	(1,626.8)
Total equity attributable to the Group		1,094.7	(3.5)	—	1,091.2
Non-controlling interests		0.9	—	—	0.9
Total equity		1,095.6	(3.5)	—	1,092.1
Total liabilities and equity		$ 7,337.9	$ (33.6)	$ —	$ 7,304.3

Reconciliation of the statement of financial position as at 31 December 2021

	Ref	U.S. GAAP 31 December 2021	Effects of Transition to IFRS	Reserves Reclassification (L)	IFRS 31 December 2021
Assets					
Current assets:					
Cash and cash equivalents	**(H)**	$ 770.7	$ 65.3	$ —	$ 836.0
Trade and other receivables	**(B)**	1,446.0	2.6	—	1,448.6
Income tax receivable		30.0	—	—	30.0
Short-term contract assets		318.9	—	—	318.9
Prepaid expenses and other current assets	**(H)**	264.7	(119.6)	—	145.1
Total current assets		2,830.3	(51.7)	—	2,778.6
Property and equipment, net	**(A) (B)**	194.6	(53.1)	—	141.5
Goodwill		2,081.9	—	—	2,081.9
Intangible assets, net	**(A) (G)**	922.2	38.5	—	960.7
Investments in equity-accounted investees		641.3	—	—	641.3
Deferred tax assets	**(K)**	65.5	4.0	—	69.5
Right-of-use assets	**(B)**	413.5	(25.6)	—	387.9
Other non-current assets	**(E) (F) (H)**	741.1	65.7	—	806.8
Total non-current assets		5,060.1	29.5	—	5,089.6
Total assets		$ 7,890.4	$ (22.2)	$ —	$ 7,868.2
Liabilities and Equity					
Current liabilities:					
Short-term borrowings and current portion of long-term debt	**(B)**	$ 42.4	$ 7.4	$ —	$ 49.8
Accounts payable and accrued expenses	**(C)**	1,106.2	(8.9)	—	1,097.3
Accrued compensation	**(C) (D)**	976.3	29.8	—	1,006.1
Income tax payable		105.1	—	—	105.1
Provisions	**(C)**	—	49.5	—	49.5
Other current liabilities	**(B) (C)**	204.5	(97.0)	—	107.5
Total current liabilities		2,434.5	(19.2)	—	2,415.3
Long-term debt, net	**(B)**	3,220.5	12.1	—	3,232.6
Deferred tax liabilities	**(K)**	48.7	(24.6)	—	24.1
Non-current lease liabilities	**(B)**	394.6	(0.6)	—	394.0
Non-current provisions	**(C)**	—	147.5	—	147.5
Other non-current liabilities	**(C) (E)**	343.5	(142.5)	—	201.0
Total non-current liabilities		4,007.3	(8.1)	—	3,999.2
Total liabilities		6,441.8	(27.3)	—	6,414.5
Equity:					
Share capital		22.4	—	—	22.4
Additional paid-in capital	**(D) (L) (M)**	2,896.6	895.9	(3,792.5)	—
Share premium	**(L)**	—	—	987.1	987.1
Other reserves	**(D) (E) (J) (L) (M)**	(193.0)	(790.1)	2,805.4	1,822.3
Retained loss		(1,278.2)	(100.7)	—	(1,378.9)
Total equity attributable to the Group		1,447.8	5.1	—	1,452.9
Non-controlling interests		0.8	—	—	0.8
Total equity		1,448.6	5.1	—	1,453.7
Total liabilities and equity		$ 7,890.4	$ (22.2)	$ —	$ 7,868.2

Reconciliation of the statement of comprehensive income for the year ended 31 December 2021

	Ref	U.S. GAAP 31 December 2021	Effects of Transition to IFRS	IFRS 31 December 2021
Revenue		$ 9,388.7	$ —	$ 9,388.7
Costs of services		(7,448.4)	—	(7,448.4)
Gross profit		1,940.3	—	1,940.3
Other income	**(E)**	11.8	1.2	13.0
General and administrative	**(B)(C)(D)(G)**	(1,443.3)	12.9	(1,430.4)
Other expense	**(F)**	(10.6)	7.6	(3.0)
Operating profit		498.2	21.7	519.9
Finance costs	**(B)**	(179.5)	(25.5)	(205.0)
Share of profit of equity-accounted investees, net of tax		21.2	—	21.2
Profit before income taxes		339.9	(3.8)	336.1
Income tax expense	**(K)**	(89.9)	1.7	(88.2)
Profit for the year		$ 250.0	$ (2.1)	$ 247.9
Other comprehensive income (loss), net of tax:				
Designated hedge gains		$ 74.7	$ (0.1)	$ 74.6
Foreign currency translation		(35.1)	(0.7)	(35.8)
Defined benefit plan remeasurements		10.1	1.7	11.8
Total other comprehensive income (loss), net of tax		49.7	0.9	50.6
Total comprehensive income		$ 299.7	$ (1.2)	$ 298.5

Reconciliation of the statement of cash flows for the year ended 31 December 2021

	Ref	U.S. GAAP 31 December 2021	Effects of Transition to IFRS	IFRS 31 December 2021
Cash flows from operating activities				
Profit for the year		$ 250.0	$ (2.1)	$ 247.9
Adjustments for:				
Depreciation and amortization	**(B) (G)**	172.1	(3.5)	168.6
Impairment losses on right-of-use assets		18.3	—	18.3
Unrealized foreign exchange loss (gain)		9.8	—	9.8
Stock-based compensation	**(D)**	58.2	3.3	61.5
Right-of-use asset amortization	**(B)**	104.2	(12.9)	91.3
Finance costs	**(N)**	9.4	195.6	205.0
Share of profit of equity-accounted investees, net of tax		(21.1)	(0.1)	(21.2)
Dividends received from equity-accounted investees		1.2	—	1.2
Income tax expense	**(K) (N)**	(56.3)	144.5	88.2
Provision for loss on receivables and other assets		38.0	—	38.0
Unrealized loss (gain) on financial assets at fair value through profit or loss	**(F)**	10.4	(8.0)	2.4
Loss on remeasurement of contingent consideration		0.8	—	0.8
Other operating activities	**(N)**	(9.7)	34.0	24.3
Changes in operating assets and liabilities:				
Trade and other receivables	**(N)**	(212.5)	43.8	(168.7)
Short-term contract assets and Prepaid expenses and other current assets	**(N)**	(105.2)	(7.5)	(112.7)
Other non-current assets	**(N)**	(63.5)	(30.2)	(93.7)
Accounts payable and accrued expenses	**(N)**	131.1	(75.6)	55.5
Accrued compensation	**(N)**	227.1	2.1	229.2
Other current and non-current liabilities	**(N)**	(12.8)	19.3	6.5
Cash generated from (used in) operations		549.5	302.7	852.2
Interest paid	**(N)**	—	(192.9)	(192.9)
Income taxes paid	**(N)**	—	(46.5)	(46.5)
Net cash provided by operating activities		549.5	63.3	612.8
Cash flows from investing activities				
Payment for property and equipment	**(N)**	(53.8)	26.6	(27.2)
Payment for software development costs	**(N)**	—	(18.3)	(18.3)
Acquisitions of businesses, net of cash acquired		(7.0)	—	(7.0)
Investments in equity-accounted associates		(504.4)	—	(504.4)
Investments in financial assets at fair value through profit or loss		(184.5)	—	(184.5)
Other investing activities		0.2	0.2	0.4
Net cash used in investing activities		(749.5)	8.5	(741.0)
Cash flows from financing activities				
Shares repurchased for payment of employee taxes on stock awards	**(N)**	(8.6)	8.6	—
Payment of deferred and contingent consideration		(23.5)	—	(23.5)
Repayment of borrowings		(26.7)	—	(26.7)
Payment of lease liabilities	**(N)**	(13.4)	(117.9)	(131.3)
Other financing activities	**(N)**	6.4	(4.2)	2.2
Net cash used in by financing activities		(65.8)	(113.5)	(179.3)
Change in cash and cash equivalents		(265.8)	(41.7)	(307.5)
Cash and cash equivalents, beginning of the year	**(H)**	1,164.1	(17.7)	1,146.4
Effects of exchange rate fluctuations on cash and cash equivalents		(8.0)	—	(8.0)
Cash and cash equivalents, end of the year	**(H)**	$ 890.3	$ (59.4)	$ 830.9

Notes to the reconciliations

(A) Property and equipment and intangible assets

Under U.S. GAAP, the Group presented software and software under development as property and equipment; however, under IFRS the Group presents software and software under development as intangible assets. Therefore, the Group has adjusted the presentation of these items in the Consolidated Statements of Financial Position. At the date of transition to IFRS this resulted in a reclassification between financial statement line items of \$80.7 million and \$64.1 million, as at 1 January 2021 and 31 December 2021, respectively. This is only a change in presentation between U.S. GAAP and IFRS.

(B) Recognition of right-of-use assets and lease liabilities in accordance with IFRS 16

Under U.S. GAAP, a lease is classified as a finance lease or an operating lease. Under IFRS, the Group applies a single recognition and measurement approach for all leases and initially recognizes lease liabilities at the present value of future lease payments and right-of-use assets at cost representing the right to use the underlying asset. The right-of-use asset is subsequently depreciated using the straight-line method over the lease term, while the lease liability is subsequently measured at amortized cost using the effective interest method.

At the date of transition to IFRS, the Group applied the transitional provisions and measured lease liabilities at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at the date of transition to IFRS. Right-of-use assets were measured at the amount equal to the lease liabilities. As a result, as at 1 January 2021 the Group recognized decreases in non-current lease liabilities, other current liabilities, and right-of-use assets of \$4.0 million, \$14.0 million, and \$29.2 million, respectively and increases in equipment under lease, short-term borrowings and long-term debt of \$17.4 million, \$10.3 million, and \$11.8 million, respectively, in the consolidated statement of financial position. As at 31 December 2021, the Group recognized decreases in non-current lease liabilities, other current liabilities, and right-of-use assets of \$0.6 million, \$11.2 million, and \$25.6 million, respectively and increases in equipment under lease, short-term borrowings, long-term debt, and receivables of \$11.0 million, \$7.4 million, \$12.1 million, \$2.6 million, respectively, in the consolidated statement of financial position when compared to U.S. GAAP.

In the consolidated statement of profit or loss for the year ended 31 December 2021, the Group recognized lower expense related to right-of-use assets of \$29.6 million in General and administrative, offset by an increase of \$8.7 million in depreciation expense, and recognized additional interest expense on lease liabilities of \$25.5 million in Finance costs. The preceding changes led to a reduction of the right-of-use amortization line on the statement of cash flows of \$12.9 million.

(C) Provisions

Under U.S. GAAP, the Group presented provisions under Other current liabilities, Accounts payable and accrued expenses, and Other non-current liabilities; however, under IFRS the Group presents provisions separately and has adjusted the presentation of these items in the Consolidated Statements of Financial Position. The Group also presented certain employee medical benefit reserves as a current liability under U.S. GAAP and has adjusted this presentation to Accrued compensation under IFRS.

Under IFRS, a provision is recorded when the risk of loss is probable and estimable. The amount recognized as a provision shall be the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Where a single obligation is being measured, the individual most likely outcome may be the best estimate of the liability. However, even in such a case, the entity considers other possible outcomes. Uncertainties surrounding the amount to be recognized as a provision are dealt with by various means according to the circumstances. Where the provision being measured involves a large population of items, the obligation is estimated by weighting all possible outcomes by their associated probabilities. Where there is a continuous range of possible outcomes, and each point in that range is as likely as any other, the mid-point of the range is used. In this case, a difference could result in provisions between U.S. GAAP and IFRS based on different measurement principles such as using the mid-point of a range of losses as compared to the low end under US GAAP or discounting provisions if the time value of money is material. Upon transition to IFRS, as at 1 January 2021 the Group recorded additional provisions of \$7.1 million in the consolidated statement of financial position related to legal reserves and workers' compensation. As at 31 December 2021, the Group recorded additional provisions of \$4.6 million related to legal reserves and workers’ compensation. With respect to an onerous contract, the Group reclassified \$102.6 million and \$94.9 million as at 1 January 2021 and 31 December 2021, respectively, from other non-current liabilities to provisions, and remeasured this onerous contract under IAS 37, which resulted in a decrease to provisions of \$29.3 million and \$20.1 million as at 1 January 2021 and 31 December 2021. The preceding changes resulted in an increase to General and administrative expense of \$3.2 million for the year ended 31 December 2021.

Additionally, upon transition to IFRS, the Group corrected the presentation of certain current and non-current workers' compensation provisions resulting in a reclassification of $22.6 million and $23.4 million as at 1 January 2021 and 31 December 2021, respectively.

(D) Stock-based compensation

Under U.S. GAAP, the Group recognized expense for certain time-based restricted stock units under the straight-line method, whereas under IFRS, the Group recognizes expense for those time-based awards using the graded vesting method. This results in accelerated expense for those awards. At transition to IFRS as at 1 January 2021, the Group recorded an increase to equity of $15.7 million and for the year ended 31 December 2021, the Group recognized additional stock-based compensation expense of $3.3 million. As at 31 December 2021, the Group also recorded an increase to equity of $19.0 million. The equity impact of stock-based compensation expense and vesting of shares relating to equity compensation plans are presented under Additional paid-in capital under U.S. GAAP and have been reclassified to Other reserves, or share based reserve, under IFRS.

In addition, under IFRS, accruals for employer payroll taxes are recorded as the corresponding stock-based compensation expense is recognized (i.e., over the vesting period). As a result, the Group increased payroll tax accruals as at 1 January 2021 and 31 December 2021 by $1.0 million and $4.5 million, respectively, in total, comprised of both current and non-current accruals, and the Group recognized an increase in expense for the year ended 31 December 2021 of $3.7 million in General and administrative expense.

(E) Defined benefit pension plans

The Group offers defined benefit pension plans to certain employees and former employees in certain jurisdictions. These plans will be accounted for under IAS 19, *Employee Benefits* ("IAS 19"). At transition to IFRS, the Group recognized a decrease of $2.7 million to the defined benefit pension net asset balance and an increase to reserves of $8.1 million to reflect the defined benefit pension plan related balances in accordance with IAS 19. These changes led to a decrease in Other income of $0.9 million for the year ended 31 December 2021.

(F) Financial instruments

The Group directly invests in early stage proptech companies, real estate investment funds, and other real estate companies across various sectors. Under U.S. GAAP, certain of these investments are fair valued using net asset value per share (or its equivalent), whereas the Group will report these financial instruments at fair value and recognizes changes in fair value through profit or loss in accordance with IFRS 9. Upon transition to IFRS, the Group recognized an increase to Other non-current assets of $3.6 million and $11.6 million as at 1 January 2021 and 31 December 2021, respectively, as a result of additional unrealized gains recognized on these investments of $8.0 million for the year ended 31 December 2021.

(G) Cloud computing arrangements

In accordance with IAS 38, *Intangible Assets*, implementation costs related to cloud computing arrangements are required to be expensed as incurred, whereas the Group capitalized these costs in some instances under U.S. GAAP. At transition to IFRS on 1 January 2021, the Group recorded a decrease to software intangible assets of $30.3 million to write-off cloud computing implementation costs that should have been expensed under IFRS. As at 31 December 2021, the Group recorded a decrease to software intangible assets of $25.6 million to write-off cloud computing implementation costs that should have been expensed under IFRS. Additionally, for the year ended 31 December 2021, the Group reversed amortization expense of $12.2 million and recorded operating expense of $7.5 million related to cloud computing costs, which are both presented in General and administrative expenses above.

(H) Presentation of restricted cash

Under U.S. GAAP, the Group presented restricted cash within Prepaid expenses and other current assets; however, under IFRS the Group presents restricted cash as Cash and cash equivalents. Therefore, the Group adjusted the presentation of restricted cash in the Consolidated Statements of Financial Position accordingly. As a result, the Group increased cash and cash equivalents by $74.9 million and $65.3 million as at 1 January 2021 and 31 December 2021, respectively. In addition, under U.S. GAAP, in the statement of cash flows the Group reconciles cash flow activity to cash, cash equivalents and restricted cash, whereas, under IFRS the Group reconciles cash flow activity to cash, cash equivalents and bank overdrafts.

(I) Presentation of expenses in the Consolidated Statements of Profit or Loss

In connection with the adoption of IFRS, the presentation of expenses in the Consolidated Statements of Profit or Loss has changed to classification by function instead of by nature. Under U.S. GAAP, the Group presented its expenses by nature (i.e., depreciation and amortization, restructuring and impairment expenses). In accordance with IAS 1, *Presentation of Financial Statements*, the Group has elected to present its expenses in the Consolidated Statements of Profit or Loss by function. This is only a change in presentation between U.S. GAAP and IFRS.

For the year ended 31 December 2021, the following table shows a comparison between the presentation of expense by nature in the Group's U.S. GAAP consolidated financial statements and the presentation of expense by function in the Group's IFRS consolidated financial statements (in millions):

		Expense by Function For the year ended 31 December 2021 [1]	
	U.S. GAAP	Costs of services	General and administrative
Costs of services	$ 7,448.4	$ 7,448.4	$ —
Operating, administrative and other	1,226.7	—	1,226.7
Depreciation and amortization	172.1	—	172.1
Restructuring, impairment and related charges	44.5	—	44.5
Total	$ 8,891.7	$ 7,448.4	$ 1,443.3

[1] Reflects U.S. GAAP balances before any adjustments required under IFRS.

(J) Foreign currency translation

The Group reset cumulative translation differences to zero upon transition at 1 January 2021, and applied IAS 21, *The Effects of Changes in Foreign Exchange Rates* ("IAS 21"), prospectively. The Group reclassified the cumulative foreign currency translation adjustment at the date of transition to Retained loss.

(K) Deferred taxes

The transitional adjustments resulted in various temporary differences. The Group recognized the tax effects of such differences, when applicable. Deferred tax adjustments mirror the underlying adjustment and have been recorded in either Retained loss or the consolidated statement of profit or loss, accordingly. As at 1 January 2021, the Group recognized a decrease in deferred tax assets of $4.4 million and a decrease in deferred tax liabilities of $25.0 million. As at 31 December 2021, the Group recognized an increase in deferred tax assets of $4.0 million and a decrease in deferred tax liabilities of $24.6 million.

(L) Reserves reclassification

The capital reduction reserve of $2.6 billion represents distributable reserves resulting from the 12 July 2018 capital reduction. The classification of share premium is defined by Companies Act in the U.K., and the capital reduction reserve was erroneously included within additional paid-in capital in our UK Annual Report. In addition, certain share based payment activity should be included within the share-based reserves and not in additional paid-in capital. Accordingly, the 2020 and 2021 comparatives have been corrected to reflect this to present as at 1 January 2021 amounts of $987.3 million, $2,619.9 million, $147.8 million and $nil in the share premium account, capital reduction reserve, share-based reserve, and additional paid-in capital, respectively. The correction has had no impact on past reported profits, net assets or the tax charge of the Group.

(M) Merger reserve

The merger reserve of $895.9 million represents the difference between aggregate share capital and the predecessor cost of the net assets transferred resulting from the IPO. This amount is presented within Additional paid-in capital within U.S. GAAP, whereas the amount is presented within Other reserves under IFRS.

(N) Statement of cash flows presentation

The Group has adjusted the presentation of certain items within the Statement of Cash Flows in accordance with IAS 7, *Statement of Cash Flows*, including presenting cash paid for interest and cash paid for income taxes within cash flows from operating activities. Cash paid for interest and taxes of $192.9 million and $46.5 million, respectively, for the year ended 31 December 2021 did not change between U.S. GAAP and IFRS, this is a presentation change only. The net impact related to presentation changes in the Statement of Cash Flows was a decrease in cash flows of approximately $18.5 million.

Note 3: Segment Data

The Group reports its operations through the following segments: (1) Americas, (2) EMEA and (3) APAC. The Americas consists of operations located in the United States, Canada and key markets in Latin America. EMEA includes operations in the U.K., France, Netherlands and other markets in Europe and the Middle East. APAC includes operations in Australia, Singapore, China and other markets in the Asia Pacific region.

Adjusted EBITDA is the profitability metric reported to the chief operating decision maker ("CODM") for purposes of making decisions about allocation of resources to each segment and assessing performance of each segment. This measure is calculated based on our U.S. GAAP financial statements. Adjusted EBITDA is not a defined performance measure in IFRS or U.S. GAAP. The calculation of Adjusted EBITDA shown below includes an adjustment to align the Adjusted EBITDA calculation in these IFRS financial statements with the Adjusted EBITDA calculation in our more widely distributed U.S. GAAP derived financial statements and used by the Group to assess performance of the business.

The Group believes that investors find this measure useful in comparing our operating performance to that of other companies in our industry because this measure generally illustrates the underlying performance of the business before integration and other costs related to merger, pre-IPO stock-based compensation, unrealized (gains) / losses on investments, acquisition related costs and efficiency initiatives, and other items. Adjusted EBITDA also excludes the effects of financings, income tax and the non-cash accounting effects of depreciation and intangible asset amortization. The Group's definition of Adjusted EBITDA may not be comparable with similarly titled performance measures and disclosures by other entities.

Total revenue under IFRS is the same as total revenue reported under U.S. GAAP.

As segment assets and segment liabilities are not reported to or used by the CODM to measure business performance or allocate resources, total segment assets, liabilities and capital expenditures are not presented below.

Summarized financial information by segment is as follows (in millions):

	Year Ended 31 December		
	2022	2021	% Change
Total revenue			
Americas	$ 7,751.0	$ 7,015.3	10 %
EMEA	1,030.1	1,113.1	(7)%
APAC	1,324.6	1,260.3	5 %
Total revenue	$ 10,105.7	$ 9,388.7	8 %
Adjusted EBITDA			
Americas	$ 715.5	$ 647.0	11 %
EMEA	106.0	117.9	(10)%
APAC	77.3	121.5	(36)%

Adjusted EBITDA is calculated as follows (in millions):

	Year Ended 31 December	
	2022	2021
Adjusted EBITDA - Americas	$ 715.5	$ 647.0
Adjusted EBITDA - EMEA	106.0	117.9
Adjusted EBITDA - APAC	77.3	121.5
Add/(less):		
Depreciation and amortization	(154.2)	(168.6)
Finance costs	(215.4)	(205.0)
Income tax expense	(131.2)	(88.2)
Unrealized loss on investments, net	(78.9)	(2.4)
Integration and other costs related to merger	(14.0)	(32.4)
Pre-IPO stock-based compensation	(3.1)	(5.4)
Acquisition related costs and efficiency initiatives	(93.8)	(140.4)
Other	(25.7)	(6.3)
U.S. GAAP to IFRS adjustments	(18.1)	10.2
Profit for the year	$ 164.4	$ 247.9

Geographic Information

Revenue in the table below is allocated based upon the country in which services are performed (in millions):

	Year Ended 31 December	
	2022	2021
United States	$ 7,447.4	$ 6,771.0
Australia	447.8	452.8
United Kingdom	365.3	420.6
All other countries	1,845.2	1,744.3
Total	$ 10,105.7	$ 9,388.7

Note 4: Earnings Per Share

Basic earnings (loss) per share ("EPS") is calculated by dividing Profit for the year by the weighted average shares outstanding. Diluted EPS is calculated by dividing Profit for the year by the weighted average shares outstanding after adjustment for the effective of all dilutive potential shares. The following is a calculation of EPS (in millions, except per share amounts):

	Year Ended 31 December	
	2022	2021
Basic EPS		
Profit for the year	$ 164.4	$ 247.9
Weighted average shares outstanding for basic earnings (loss) per share	225.4	223.0
Basic earnings (loss) per share attributable to common shareholders	$ 0.73	$ 1.11
Diluted EPS		
Profit for the year	$ 164.4	$ 247.9
Weighted average shares outstanding for basic earnings (loss) per share:	225.4	223.0
Dilutive effect of restricted stock units	2.0	2.5
Dilutive effect of stock options	0.6	1.0
Weighted average shares outstanding for diluted earnings (loss) per share	228.0	226.5
Diluted earnings (loss) per share attributable to common shareholders	$ 0.72	$ 1.09

Note 5: Revenue

Disaggregation of Revenue

The following tables disaggregate revenue by reportable segment and service line (in millions):

		Year Ended 31 December 2022			
	Revenue recognition timing	Americas	EMEA	APAC	Total
Property, facilities and project management	Over time	$ 4,868.7	$ 473.2	$ 966.2	$ 6,308.1
Leasing	At a point in time	1,690.9	235.1	180.1	2,106.1
Capital markets	At a point in time	990.5	142.2	58.6	1,191.3
Valuation and other	At a point in time or over time	200.9	179.6	119.7	500.2
Total revenue		$ 7,751.0	$ 1,030.1	$ 1,324.6	$ 10,105.7

		Year Ended 31 December 2021			
	Revenue recognition timing	Americas	EMEA	APAC	Total
Property, facilities and project management	Over time	$ 4,298.1	$ 503.4	$ 858.0	$ 5,659.5
Leasing	At a point in time	1,408.5	247.7	204.1	1,860.3
Capital markets	At a point in time	1,114.2	168.9	70.5	1,353.6
Valuation and other	At a point in time or over time	194.5	193.1	127.7	515.3
Total revenue		$ 7,015.3	$ 1,113.1	$ 1,260.3	$ 9,388.7

Contract Balances

The Group receives payments from customers based upon contractual billing schedules; accounts receivable are recorded when the right to consideration becomes unconditional. Contract assets include amounts related to the contractual right to consideration for completed performance obligations not yet invoiced or able to be invoiced. Contract liabilities are recorded when cash payments are received in advance of performance, including amounts which are refundable.

The following table provides information on contract assets and contract liabilities from contracts with customers included in the Consolidated Statements of Financial Position (in millions):

	As at		
	31 December 2022	31 December 2021	1 January 2021
Short-term contract assets	$ 397.3	$ 337.4	$ 257.9
Contract asset allowances	(39.1)	(18.5)	(10.3)
Short-term contract assets	358.2	318.9	247.6
Non-current contract assets	89.7	71.1	38.2
Contract asset allowances	(2.2)	(0.9)	—
Non-current contract assets included in Other non-current assets	87.5	70.2	38.2
Total contract assets, net	$ 445.7	$ 389.1	$ 285.8
Contract liabilities included in Accounts payable and accrued expenses	$ 68.7	$ 62.8	$ 42.8

The amount of revenue recognized during the years ended 31 December 2022 and 2021, that was included in the contract liabilities balance at the beginning of the period was $43.4 million and $42.8 million, respectively. The Group had no material asset impairment charges related to contract assets in the periods presented.

Exemptions

The Group incurs incremental costs to obtain new contracts across the majority of its service lines. As the amortization period of those expenses is 12 months or less, the Group expenses those incremental costs of obtaining the contracts in accordance with IFRS 15.

Remaining performance obligations represent the aggregate transaction prices for contracts where the performance obligations have not yet been satisfied. In accordance with IFRS 15, the Group does not disclose unsatisfied performance obligations for (i) contracts with an original expected length of one year or less and (ii) variable consideration for services performed as a series of daily performance obligations, such as those performed within the Property, facilities and project management services lines. Performance obligations within these businesses represent a significant portion of the Group's contracts with customers not expected to be completed within 12 months.

Note 6: Goodwill and Other Intangible Assets

The following table summarizes the carrying amount of goodwill, as allocated to the Group's cash-generating units ("CGU") (or groups of CGUs) (in millions):

	Americas	C&W Services	EMEA	APAC	Greater China	Total
Balance as at 1 January 2021	$ 1,453.3	$ 48.9	$ 327.3	$ 247.0	$ 21.5	$ 2,098.0
Acquisitions	9.0	—	—	—	—	9.0
Effect of movements in exchange rates and other	—	—	(10.1)	(13.5)	(1.5)	(25.1)
Balance as at 31 December 2021	$ 1,462.3	$ 48.9	$ 317.2	$ 233.5	$ 20.0	$ 2,081.9
Acquisitions	9.8	—	16.7	6.1	—	32.6
Effect of movements in exchange rates	(4.2)	—	(28.0)	(15.5)	(1.3)	(49.0)
Balance as at 31 December 2022	$ 1,467.9	$ 48.9	$ 305.9	$ 224.1	$ 18.7	$ 2,065.5

Portions of goodwill are denominated in currencies other than the U.S. dollar, therefore a portion of the movements in the reported book value of these balances is attributable to movements in foreign currency exchange rates.

The Group tests goodwill annually for impairment, or more frequently if there are indicators that goodwill might be impaired. Consistent with the monitoring of the business, and based on CGUs that are expected to benefit from the synergies of the business combinations from which they arose, and which contain the combined inputs capable of producing outputs based on management's projections, the Group tests goodwill based on five CGUs as noted above. According to IAS 36, a quantitative goodwill impairment test is performed at the CGU (or group of CGUs) level. The carrying amount of the CGU (or group of CGUs), including goodwill, is compared to its recoverable amount (higher of fair value less cost of disposal and value in use). Value in use is defined as the present value of the future cash flows expected to be derived from an asset or CGU. Any impairment loss (amount by which the CGU’s carrying amount, including goodwill, exceeds its recoverable amount) is allocated first to reduce goodwill to zero, then, subject to certain limitations, the carrying amount of other assets in the CGU are reduced pro rata based on the carrying amount of each asset.

The following table summarizes the carrying amount of each CGU (in millions):

	Americas	C&W Services	EMEA	APAC	Greater China
Balance as at 1 January 2021	$ 3,207.0	$ 146.0	$ 568.0	$ 386.0	$ 36.0
Balance as at 31 December 2021	3,438.0	165.0	606.0	426.0	41.0
Balance as at 31 December 2022	3,518.0	188.0	552.0	408.0	26.0

The indefinite life intangible assets are wholly allocated to Americas CGU.

The key assumptions used in the estimation of value in use were as follows:

	As at								
	31 December 2022			31 December 2021			1 January 2021		
	Discount rate	Terminal value growth rate	Forecasted Adjusted EBITDA margin (yr1)	Discount rate	Terminal value growth rate	Forecasted Adjusted EBITDA margin (yr1)	Discount rate	Terminal value growth rate	Forecasted Adjusted EBITDA margin (yr1)
Americas	18.0 %	3.0 %	14.3 %	13.0 %	3.0 %	15.1 %	13.0 %	3.0 %	10.1 %
C&W Services	14.5 %	3.0 %	4.9 %	13.0 %	3.0 %	5.6 %	13.0 %	3.0 %	5.1 %
EMEA	19.0 %	3.0 %	12.3 %	13.5 %	3.0 %	13.1 %	13.5 %	3.0 %	9.3 %
APAC	15.0 %	3.0 %	7.5 %	13.0 %	3.0 %	10.3 %	13.5 %	3.0 %	6.7 %
Greater China	18.5 %	3.0 %	12.1 %	13.5 %	3.0 %	18.5 %	13.5 %	3.0 %	15.4 %

The estimation of value in use for each CGU was based on the most recent three-year operating budget approved by management. The operating budget is based on expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth and taking into consideration macroeconomic factors. Management's key assumptions in setting the financial budgets are as follows:

- Forecasted revenue – short term revenue growth rates were based on past experience, adjusted for the strategic opportunities within each CGU. The forecasts typically used average nominal growth rates up to 10.5%.
- Adjusted EBITDA margin is based on profitability (Adjusted EBITDA) measured against service line fee revenue. Adjusted EBITDA margin is expected to improve modestly throughout the period as we expand market share and improve our operating efficiency through the application of technology, economies of scale and disciplined cost management.
- Long term growth rate – the terminal value growth rate is based on expectations of future macroeconomic outcomes, such as GDP and forecasted inflation, and past experience. Thereafter and through the terminal period, annual revenue growth was assumed to stay constant at 3.0% and expenses were held constant as a percentage of revenue.
- The discount rate applied to the cash flows is calculated using a CGU specific post-tax rate based on the discount rate which would be anticipated for a market participant in the Group.

As at 31 December 2022, 31 December 2021 and 1 January 2021, the annual impairment assessment of goodwill has been completed resulting in no impairment charges, as the estimated fair value of each of the identified CGUs was in excess of its carrying amount. It is possible that our determination that goodwill for a CGU is not impaired could change in the future if current economic conditions or other conditions deteriorate.

With respect to the APAC CGU, the estimated fair value exceeded the carrying amount by $52.0 million or 12.8% as at 31 December 2022. The sensitivities which result in the recoverable amount being equal to the carrying value of the APAC CGU can be summarized as follows:

- an absolute increase of 1.8% in the discount rate, from 15.0% to 16.8%.
- an absolute reduction of 2.0% in the terminal value growth rate, from 3.0% to 1.0%.
- a reduction of 0.8% in forecasted 2023 Adjusted EBITDA margin, from 7.5% to 6.7%.

The recoverable amount for all CGUs and periods presented exceeded their respective carrying value on the basis of assumptions set out in the tables above. For all other CGUs in current and comparative periods, as well as for APAC prior to 2022, management concluded that no reasonably possible change to the assumptions used in estimating the recoverable amount of the CGU would cause the CGUs' carrying values to equal or exceed their respective recoverable amounts.

The following tables summarize the carrying amounts and accumulated amortization of intangible assets (in millions):

	C&W Trade Name	Customer Relationships	Other Intangibles	Software	Software Under Development	Total
Useful Life (in years)	Indefinite	1 - 15	5 - 7	5 - 7		
COST						
Balance as at 1 January 2021	546.0	1,390.1	17.4	149.0	11.6	2,114.1
Additions	—	1.6	—	1.1	17.2	19.9
Disposals	—	—	—	(4.4)	(1.0)	(5.4)
Transfers	—	—	—	15.2	(15.2)	—
Foreign currency translation and other	—	(11.0)	(0.1)	(1.3)	0.1	(12.3)
Balance as at 31 December 2021	546.0	1,380.7	17.3	159.6	12.7	2,116.3
Additions	—	21.4	—	0.5	14.6	36.5
Disposals	—	—	—	—	(0.3)	(0.3)
Transfers	—	—	—	15.8	(15.8)	—
Foreign currency translation and other	—	(30.1)	(0.5)	(4.1)	(0.7)	(35.4)
Balance as at 31 December 2022	546.0	1,372.0	16.8	171.8	10.5	2,117.1
ACCUMULATED AMORTIZATION & IMPAIRMENT						
Balance as at 1 January 2021	—	(952.9)	(9.4)	(110.3)	—	(1,072.6)
Amortization	—	(63.2)	(3.0)	(28.9)	—	(95.1)
Disposals	—	—	—	5.1	—	5.1
Foreign currency translation and other	—	7.1	(0.4)	0.3	—	7.0
Balance as at 31 December 2021	—	(1,009.0)	(12.8)	(133.8)	—	(1,155.6)
Amortization	—	(61.5)	(2.6)	(26.6)	—	(90.7)
Disposals	—	—	—	—	—	—
Foreign currency translation and other	—	24.8	0.8	2.9	—	28.5
Balance as at 31 December 2022	—	(1,045.7)	(14.6)	(157.5)	—	(1,217.8)
NET CARRYING AMOUNT						
Balance as at 1 January 2021	546.0	437.2	8.0	38.7	11.6	1,041.5
Balance as at 31 December 2021	546.0	371.7	4.5	25.8	12.7	960.7
Balance as at 31 December 2022	546.0	326.3	2.2	14.3	10.5	899.3

Amortization expense of definite-lived intangible assets is recognized in General and administrative in the Consolidated Statements of Profit or Loss on a straight-line basis over the estimated useful lives of the intangible assets. The estimated annual future amortization expense for each of the years ending 31 December 2023 through 31 December 2027 is $63.9 million, $51.1 million, $47.7 million, $44.1 million and $34.1 million, respectively.

Note 7: Investments in Associates

On 3 December 2021, the Group finalized a strategic venture with Greystone Select Incorporated, Cushman Wakefield Greystone LLC ("Greystone"), acquiring a 40% interest in Greystone Select Incorporated's multifamily agency origination and servicing platform for $504.4 million. The entity's principal place of business is in the United States. The Group has significant influence but does not have control or joint control over the entity, and accounts for its investment under the equity method.

On 6 January 2020, the Group formed a new strategic asset services venture with Vanke Service, a leading Chinese real estate service provider and a subsidiary of China Vanke Co., CWVS Holding Limited ("Vanke"). The entity's principal place of business is in China. The Group owns a 35% interest in this associate. The Group has significant influence but does not have control or joint control over the entity, and accounts for its investment under the equity method. In addition, the Group licensed certain of its trademarks to Vanke and recognized royalty fee income for the years ended 31 December 2022 and 2021 of $7.3 million and $6.1 million, respectively.

Table of Contents

The Group had investments in associates classified under the equity method of accounting as follows (in millions):

	As at 31 December 2022	As at 31 December 2021	As at 1 January 2021
Investments in equity-accounted investees	$ 637.4	$ 641.3	$ 114.9

	Year Ended 31 December 2022	Year Ended 31 December 2021
Share of profit of equity-accounted investees, net	$ 45.0	$ 21.2

The following tables summarize the financial information for material investments in associates. The financial information presented below for Greystone and Vanke is based on the most recent and sufficiently timely information available to the Group as of the respective reporting dates and periods. The information reflects the amounts presented in the financial statements of the relevant entity, and does not represent the Group's share of those amounts.

	Greystone		Vanke		
(in millions)	31 December 2022	31 December 2021	31 December 2022	31 December 2021	1 January 2021
Percentage Ownership	40 %	40 %	35 %	35 %	35 %
Total assets [1] [2]	$ 1,654.7	$ 2,141.5	$ 556.3	$ 515.3	$ 459.6
Total liabilities [1] [2]	(1,187.1)	(1,670.8)	(414.3)	(378.1)	(333.8)
Net assets (100%)	$ 467.6	$ 470.7	$ 142.0	$ 137.2	$ 125.8
Group's share of net assets	187.0	188.3	49.7	48.0	44.0
Goodwill and other adjustments [3]	323.9	323.9	66.6	73.2	63.4
Carrying amount	$ 510.9	$ 512.2	$ 116.3	$ 121.2	$ 107.4

[1] Greystone operates in a specialized industry, namely, originating and servicing loans guaranteed and subsidized by United States government-sponsored enterprises such as the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation as well as serving the U.S. Department of Housing and Urban Development. Entities that operate in this industry generally do not present classified balance sheets, and therefore, the associate's balance sheet is also unclassified, and does not present current assets and liabilities separate from non-current assets and liabilities. The Group therefore excluded Greystone's current assets, non-current assets, current liabilities and non-current liabilities from the summarized financial information above.

[2] Vanke includes current assets, non-current assets, current liabilities and non-current liabilities of $457.9 million, $98.4 million, $397.0 million and $17.3 million as at 31 December 2022; $426.9 million, $88.4 million, $358.5 million and $19.6 million as at 31 December 2021; and $376.5 million, $83.1 million, $321.0 million and $12.8 million as at 1 January 2021.

[3] Includes foreign currency translation loss of $9.6 million, and gains of $2.9 million and $6.6 million as at 31 December 2022, 31 December 2021, and 1 January 2021, respectively.

	Greystone		Vanke	
(in millions)	31 December 2022	31 December 2021 [a]	31 December 2022	31 December 2021
Percentage Ownership	40 %	40 %	35 %	35 %
Revenue	$ 618.6	$ 49.9	$ 913.0	$ 845.7
Profit or loss	84.6	16.0	13.5	31.2
Other comprehensive income	(2.0)	—	—	—
Total comprehensive income (100%)	$ 82.6	$ 16.0	$ 13.5	$ 31.2
Group's share of comprehensive income	33.0	6.4	4.7	10.9
Dividends received by the Group	34.2	—	—	—

[a] Reflects only one month of activity as the Group acquired interest in Greystone in December 2021.

In addition to the investments in associates disclosed above, the Group also has interests in a number of individually immaterial associates that are accounted for using the equity method. In aggregate these represented a carrying amount of $10.2 million, $7.9 million and $7.5 million as at 31 December 2022, 31 December 2021 and 1 January 2021, respectively, recorded in investments in equity-accounted investees and Share of profit of equity-accounted investees, net of tax of $7.3 million and $3.9 million, for the years ended 31 December 2022 and 2021, respectively.

Note 8: Property and Equipment

Property and equipment, net consist of the following (in millions):

	Furniture and Equipment	Leasehold Improvements	Equipment Under Leases	Construction in Progress	Total
COST					
Balance as at 1 January 2021	121.9	229.4	81.1	11.2	443.6
Additions	6.8	4.9	26.0	15.5	53.2
Disposals	(21.4)	(18.4)	(3.0)	(0.4)	(43.2)
Transfers	0.9	10.5	2.9	(14.3)	—
Foreign currency translation and other	(0.6)	(1.4)	(0.2)	1.1	(1.1)
Balance as at 31 December 2021	107.6	225.0	106.8	13.1	452.5
Additions	10.3	8.8	23.1	15.4	57.6
Disposals	(1.2)	(0.8)	(2.8)	—	(4.8)
Transfers	7.2	13.8	(4.7)	(16.3)	—
Foreign currency translation and other	(5.1)	(3.1)	5.2	(0.3)	(3.3)
Balance as at 31 December 2022	118.8	243.7	127.6	11.9	502.0
ACCUMULATED DEPRECIATION AND IMPAIRMENT					
Balance as at 1 January 2021	(90.8)	(138.8)	(41.4)	—	(271.0)
Depreciation	(17.7)	(32.8)	(23.0)	—	(73.5)
Disposals	17.3	16.0	(0.6)	—	32.7
Impairment	—	—	—	—	—
Foreign currency translation and other	(1.2)	2.0	—	—	0.8
Balance as at 31 December 2021	(92.4)	(153.6)	(65.0)	—	(311.0)
Depreciation	(16.5)	(25.9)	(21.1)	—	(63.5)
Disposals	0.9	0.6	5.3	—	6.8
Impairment	—	—	—	—	—
Foreign currency translation and other	16.4	5.4	(7.3)	—	14.5
Balance as at 31 December 2022	(91.6)	(173.5)	(88.1)	—	(353.2)
NET CARRYING AMOUNT					
Balance as at 1 January 2021	31.1	90.6	39.7	11.2	172.6
Balance as at 31 December 2021	15.2	71.4	41.8	13.1	141.5
Balance as at 31 December 2022	27.2	70.2	39.5	11.9	148.8

Note 9: Derivative Financial Instruments and Hedging Activities

The Group is exposed to certain risks arising from both business operations and economic conditions, including interest rate risk and foreign exchange risk. To mitigate the impact of interest rate and foreign exchange risk, the Group enters into derivative financial instruments. The Group maintains the majority of its overall interest rate exposure on floating rate borrowings to a fixed-rate basis, primarily with interest rate swap agreements. The Group manages exposure to foreign exchange fluctuations primarily through short-term forward contracts. Refer to Note 19: Financial Instruments and Risk Management for further discussion of the Group's use of derivatives.

Interest Rate Derivative Instruments

In November 2022, the Group elected to terminate and monetize its five interest rate swap agreements designated as cash flow hedges with a notional value of $1.4 billion. Upon termination, the Group received a cash settlement of $62.9 million in exchange for its derivative asset. Amounts relating to these terminated derivatives recorded in Other reserves will be amortized into earnings over the remaining life of the original contracts, which were scheduled to expire 21 August 2025.

Additionally, in November 2022, the Group entered into three new interest rate swap agreements for a notional amount of $1.4 billion with an effective date of 31 October 2022, expiring on 21 August 2025. The Group immediately designated these instruments as cash flow hedges.

As at 31 December 2022, the Group's active interest rate hedging instruments consist of three interest rate swap agreements designated as cash flow hedges. The Group's hedge instrument balances as at 31 December 2022 relate solely to these interest rate swaps and are further described below.

The Group records changes in the fair value of derivatives designated and qualifying as cash flow hedges in Other reserves in the Consolidated Statements of Financial Position and are subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings. As at 31 December 2022, 31 December 2021 and 1 January 2021, there were $48.7 million in pre-tax gains and $83.6 million and $158.2 million in pre-tax losses, respectively, included in Other reserves related to these agreements, which will be reclassified to Finance Costs as interest payments are made in accordance with the 2018 Credit Agreement; refer to Note 10: Long-Term Debt and Other Borrowings for discussion of these agreements.

Non-Designated Foreign Exchange Derivative Instruments

Additionally, the Group enters into short-term forward contracts to mitigate the risk of fluctuations in foreign currency exchange rates that would adversely impact some of the Group’s foreign currency denominated transactions. Hedge accounting was not elected for any of these contracts. As such, changes in the fair values of these contracts are recorded directly in earnings. The Group recognized realized losses of $8.3 million, offset by unrealized gains of $4.0 million during the year ended 31 December 2022. The Group recognized realized gains of $10.6 million, offset by unrealized losses of $9.8 million during the year ended 31 December 2021.

As at 31 December 2022, 31 December 2021 and 1 January 2021, the Group had 25, 19 and 17 foreign currency exchange forward contracts outstanding covering a notional amount of $886.6 million, $642.7 million and $611.7 million, respectively. As at 31 December 2022, 31 December 2021 and 1 January 2021, the Group has not posted and does not hold any collateral related to these agreements.

The following table presents the fair value of derivatives as at 31 December 2022, 31 December 2021 and 1 January 2021 (in millions):

	31 December 2022	31 December 2022		31 December 2021		1 January 2021	
		Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Derivative Instrument	Notional	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Designated:							
Cash flow hedges:							
Interest rate swaps	$ 1,423.6	$ —	$ 10.7	$ —	$ 84.0	$ —	$ 163.9
Non-designated:							
Foreign currency forward contracts	888.6	2.8	3.0	0.9	1.1	2.5	1.1

The fair value of interest rate swaps is included within Other non-current liabilities in the Consolidated Statements of Financial Position. The fair value of foreign currency forward contracts is included in Prepaid expenses and other current assets and Other current liabilities in the Consolidated Statements of Financial Position. The Group does not net derivatives in the Consolidated Statements of Financial Position.

The following table presents information related to derivatives designated as cash flow hedges:

	Fair Value of Derivative Assets (Liabilities)	Change in Fair Value (Hedging Instrument)	Cash Settlements (Hedging Instrument)	Change in Fair Value (Hedged Item)	Cash Settlements (Hedged Item)	Hedge Ineffectiveness
Year Ended 31 December 2022						
Interest rate swaps	(10.7)	(12.3)	(1.6)	(12.7)	(1.6)	—
Year Ended 31 December 2021						
Interest rate swaps	(84.0)	(190.5)	(106.5)	(192.2)	(106.5)	—

Hedge ineffectiveness is included in Finance costs in the Consolidated Statements of Profit or Loss. The potential sources of hedge ineffectiveness are as follows:

1. *Credit risk*: movements in the Group's and hedging counterparty's credit spread could result in movements in fair value of the hedging instrument that would not be reflected in the movements in the value of the hedged transactions.
2. The possibility of changes to the critical terms of the hedged transactions such that they no longer match those of the hedging instrument. The Group would reflect such mismatch when modelling the hedged item for the purpose of measuring hedge ineffectiveness.

Each hedging instrument is designated in a 1:1 hedge ratio against an equivalent notional amount of hedged item. Should an insufficient amount of hedged item be available the hedging instrument will be de-designated or proportionally designated as appropriate

The following table presents a reconciliation of Other reserves related to cash flow hedges (in millions):

	Beginning Reserves	Change in Value of Hedging Instrument Recognized in Reserves	Amount Reclassified from Reserves to Profit or Loss (Finance Costs)	Ending Reserves
Year Ended 31 December 2022				
Interest rate cash flow hedges	83.6	(115.4)	(16.9)	(48.7)
Year Ended 31 December 2021				
Interest rate cash flow hedges	158.2	(33.5)	(41.1)	83.6

The details below summarize the sensitivities of the Group's risk management positions to fluctuations in reasonably possible changes in the underlying benchmark prices on interest rate swap derivative instruments, with all other variables held constant.

	Increase (Decrease) in Fair Value	Increase (Decrease) in Other Reserves	Increase (Decrease) in Profit or Loss
Decrease in interest rates -100 basis points	$ (33.4)	$ 33.4	$ —
Increase in interest rates +100 basis points	32.4	(32.0)	(0.4)

Note 10: Long-Term Debt and Other Borrowings

Long-term debt consisted of the following (in millions):

	As at		
	31 December 2022	31 December 2021	1 January 2021
Collateralized:			
2018 First Lien Loan, net of unamortized discount and issuance costs of $19.1 million, $25.8 million and $32.5 million, respectively	$ 2,573.9	$ 2,593.8	$ 2,613.7
2020 Senior Secured Notes, net of unamortized issuance costs of $7.8 million, $9.2 million and $10.6 million, respectively	642.2	640.8	639.4
Equipment lease liability	43.8	42.7	41.1
Notes payable to former stockholders	0.2	0.2	0.3
Total	3,260.1	3,277.5	3,294.5
Less: current portion of long-term debt	(46.7)	(44.9)	(47.0)
Total Long-term debt, net	$ 3,213.4	$ 3,232.6	$ 3,247.5

2018 Credit Agreement

On 21 August 2018, the Group entered into an initial $3.5 billion credit agreement (as amended, the "2018 Credit Agreement"), comprised of an initial $2.7 billion senior secured term loan (the "2018 First Lien Loan") and an initial $810.0 million revolving credit facility (the "Revolver").

2018 First Lien Loan

Net proceeds from the 2018 First Lien Loan were $2.7 billion ($2.7 billion aggregate principal amount less $13.5 million stated discount and $20.6 million in debt transaction costs).

On 20 January 2020, the Group refinanced the 2018 First Lien Loan under materially the same terms, incurring an additional $11.1 million in debt transaction costs. The 2018 First Lien Loan matures on 21 August 2025.

The 2018 First Lien Loan bears interest at a variable interest rate that the Group may select per the terms of the 2018 Credit Agreement. As at 31 December 2022, the Group elected to use a rate equal to 1-month LIBOR plus 2.75%. As at 31 December 2022, the effective interest rate of the 2018 First Lien Loan was 7.44%.

The 2018 First Lien Loan requires quarterly principal payments equal to 0.25% of the aggregate principal amount of outstanding borrowings under the 2018 First Lien Loan, including any incremental borrowings.

Revolver

On 20 December 2019, the Group amended the 2018 Credit Agreement to increase the aggregate commitments under the Revolver by $210.0 million, incurring an additional $0.5 million in debt transaction costs.

On 28 April 2022, the Group amended the 2018 Credit Agreement to (i) increase the aggregate commitments under the Revolver by $80.0 million, extending its borrowing capacity from $1.0 billion to $1.1 billion, (ii) extend the maturity date of borrowings under the Revolver from 21 August 2023 to 28 April 2027, (iii) replace the LIBOR rate applicable to borrowings under the Revolver with Term SOFR plus an applicable rate, and (iv) add pricing terms linked to achievement of certain greenhouse gas emission targets. The Group incurred an additional $3.7 million in debt transaction costs in connection with this amendment.

Borrowings under the Revolver, if any, bear interest at our option, at 1-month Term SOFR, plus 0.10%, plus an applicable rate varying from 1.75% to 2.75% based on achievement of certain Net Leverage Ratios (as defined in the 2018 Credit Agreement). The Group's Revolver was undrawn as at 31 December 2022, 31 December 2021 and 1 January 2021.

The Revolver also includes capacity for letters of credit equal to the lesser of (a) $220.0 million and (b) any remaining amount not drawn down on the Revolver's primary capacity. As at 31 December 2022, 31 December 2021 and 1 January 2021, the Group had issued letters of credit with an aggregate face value of $29.7 million, $33.1 million and $63.0 million, respectively. These letters of credit were issued in the normal course of business.

The Revolver is also subject to a commitment fee. The commitment fee varies based on the Group's 2018 First Lien Loan Net Leverage Ratio. The Group was charged $2.8 million and $3.6 million of commitment fees during the years ended 31 December 2022 and 2021, respectively.

2020 Senior Secured Notes

On 22 May 2020, the Group issued $650.0 million of senior secured notes due 15 May 2028 (the "2020 Notes"). Net proceeds from the 2020 Notes were $638.5 million, consisting of a $650.0 million aggregate principal amount less $11.5 million from issuance costs. The 2020 Notes bear interest at a fixed rate of 6.75% and yielded an effective interest rate of 6.75% as at 31 December 2022.

Financial Covenant and Terms

The 2018 Credit Agreement has a springing financial covenant, tested on the last day of each fiscal quarter if the outstanding loans under the Revolver exceed an applicable threshold. If the financial covenant is triggered, the Net Leverage Ratio is tested for compliance not to exceed 5.00 to 1.00. The 2018 Credit Agreement and the indenture governing the 2020 Notes impose operating and financial restrictions on the Group, and in the event of a default, all of the Group's borrowings would become immediately due and payable.

The Group was in compliance with all of the covenants under the 2018 Credit Agreement as at 31 December 2022, 31 December 2021 and 1 January 2021.

Note 11: Finance Costs

The following table summarizes net finance costs incurred during the years ended 31 December 2022 and 2021 (in millions):

	2022	2021
Interest expense on 2018 First Lien Loan	$ 124.3	$ 83.4
Interest expense on Revolver	—	—
Interest expense on 2020 Notes	45.3	45.3
Finance costs on borrowings	169.6	128.7
Interest expense on derivatives	16.8	39.5
Interest expense on lease liabilities	22.7	26.0
Facility fees and other charges	9.4	12.2
Finance income	(3.1)	(1.4)
Total	$ 215.4	$ 205.0

Note 12: Employee Benefits

Defined contribution plans

The Group offers a variety of defined contribution plans across the world, in the U.S. benefit plans are pursuant to Section 401(k) of the Internal Revenue Code. For certain plans, the Group, at its discretion, can match eligible employee contributions of up to 100% of amounts contributed up to 3% of an individual's annual compensation and subject to limitation under federal law. Additionally, the Group sponsors a number of defined contribution plans pursuant to the requirements of certain countries in which it has operations.

Contributions to defined contribution plans are charged as an expense as the contributions are paid or become payable and are reflected in Costs of services and General and administrative in the Consolidated Statements of Profit or Loss.

Defined contribution plan expense was $37.3 million and $34.3 million for the years ended 31 December 2022 and 2021, respectively.

Defined benefit plans

The Group offers defined benefit plans in certain jurisdictions. In the U.K., the Group provides two defined benefit plans to certain employees and former employees based on final pensionable salary, both of which are overfunded and has been closed to new members since prior to the IPO. Also, in the U.K., the Group provides a defined benefit plan to former employees or their surviving spouses which is underfunded and has been closed to new members since prior to the IPO.

The net asset for defined benefit plans is presented within Other non-current assets and is comprised of the following (in millions):

	As at		
	31 December 2022	31 December 2021	1 January 2021
Present value of funded obligations	$ (126.6)	$ (215.3)	$ (246.3)
Fair value of defined benefit plan assets	129.5	248.9	255.4
Net asset	$ 2.9	$ 33.6	$ 9.1

During 2022, the Group completed a buy-in transaction for two of the defined benefit plans in the U.K., whereas the trustees of the plans purchased a bulk annuity policy, under which the insurer is committed to pay the plan cash flows intended to match the benefit payments. These new insurance policies are held as assets of each plan, respectively. Under the buy-in arrangement, the benefit obligation was not transferred to the insurer. Rather, the Group retains full responsibility for paying the members' benefits.

There are no employer contributions expected to be paid for the year ending 31 December 2023 for the U.K. defined benefit plans.

Changes in the net asset/liability for defined benefit plans were as follows (in millions):

	2022	2021
Change in pension benefit obligations:		
Balance at beginning of year	$ (215.3)	$ (246.3)
Service cost	(0.5)	(0.4)
Interest cost	(3.4)	(2.9)
Actuarial gains	60.5	20.2
Benefits paid	7.0	11.6
Foreign exchange movement	25.1	2.5
Balance at end of year	(126.6)	(215.3)
Change in pension plan assets:		
Balance at beginning of year	248.9	255.4
Actual return on plan assets, less interest	(92.1)	(5.0)
Employer contributions	5.2	11.0
Benefits paid	(7.0)	(11.6)
Interest on plan assets	3.9	1.6
Foreign exchange movement	(29.4)	(2.5)
Balance at end of year	129.5	248.9
Net asset balance at end of year	$ 2.9	$ 33.6

Total amounts recognized in the Consolidated Statements of Profit or Loss were as follows (in millions):

	Year Ended 31 December	
	2022	2021
Service cost	$ 0.5	$ (0.4)
Net interest on net defined benefit liability	(0.6)	0.1
Total expense	$ (0.1)	$ (0.3)

Total amounts recognized in Other reserves were as follows (in millions):

	Year Ended 31 December	
	2022	2021
Changes in financial assumptions	$ 61.5	$ 18.7
Changes in demographic assumptions	0.1	0.9
Experience adjustments on benefit obligations	(1.1)	0.7
Actual return on plan assets less interest on plan assets	(93.0)	(6.3)
Amount recognized during the year	$ (32.5)	$ 14.0

The discount rate is determined using a cash flow matching method and a yield curve which is based on AA corporate bonds with extrapolation beyond 30 years in line with a gilt yield curve to 50 years.

The following table includes the key IAS 19, *Employee Benefits* ("IAS 19"), assumptions used:

	Year Ended 31 December	
Principal actuarial assumptions	2022	2021
Discount rate	4.8 %	1.8 %
Life expectancy of male aged 65 at the end of the year	24.5 years	24.5 years
Life expectancy of male aged 65, 20 years after the end of the year	25.8 years	25.2 years
Life expectancy of female aged 65 at the end of the year	25.0 years	25.0 years
Life expectancy of female aged 65, 20 years after the end of the year	26.3 years	25.6 years

The following table outlines the sensitivity, considered to be reasonably possible by management, related to the IAS 19 assumptions applied to the pension benefit obligation as at 31 December 2022 and 2021 (in millions):

	Increase (decrease) in defined benefit obligation	
	2022	**2021**
Discount rate + 0.1%	n/a	$ (3.2)
Life expectancy + 1 year	n/a	9.6

The Group evaluates these assumptions on a regular basis taking into consideration current market conditions and historical market data. A lower discount rate would increase the present value of the benefit obligation. Other changes in actuarial assumptions, such as expected return on plan assets, can also have an impact on the net benefit obligation.

After completion of the buy-in transaction, the value of the bulk annuity insurance policy as an asset is set to be equal to the value of the IAS 19 liabilities. Therefore, any change in assumptions that would increase or decrease the value of the defined benefit obligation would have a corresponding increase or decrease in the asset value, resulting in an overall net asset position that would be unchanged. As such, the net asset balance is no longer sensitive to changes in assumptions used.

The investment strategies are set by the independent trustees of the plans and are established to achieve a reasonable balance between risk and return and to cover administrative expenses, as well as to maintain funds at a level to meet any applicable minimum funding requirements. As at 31 December 2022 the primary assets of the plans are bulk annuity insurance policies. The weighted average plan assets allocations as at 31 December 2022, 31 December 2021 and 1 January 2021 by asset category was as follows:

	As at		
Major categories of plan assets:	**31 December 2022**	**31 December 2021**	**1 January 2021**
Bulk annuity insurance policy	97%	—%	—%
Equity instruments	—%	8%	33%
Debt, cash and other instruments	3%	92%	67%
Total - Major categories of plan assets	100%	100%	100%

Plan assets of $0.0 million, $202.8 million and $237.5 million were held within instruments whose fair values can be readily determinable, but do not have regular active market pricing (Level 2) as at 31 December 2022, 31 December 2021 and 1 January 2021, respectively. Assets include marketable equity securities in both U.K. and U.S. companies, including U.S. and non-U.S. equity funds. Debt securities consist of mainly fixed income bonds, such as corporate or government bonds. For certain funds, the assets are valued using bid-market valuations provided by the funds' investment managers. The plans do not invest directly in property occupied by the Group or in financial securities issued by the Group.

In addition, plans assets of $4.2 million, $46.1 million and $11.1 million as at 31 December 2022, 31 December 2021 and 1 January 2021, respectively, were held within instruments whose fair values can be readily determinable through observable, quoted prices in active markets (Level 1), and these assets consist primarily of cash.

As at 31 December 2022, 31 December 2021 and 1 January 2021, respectively, plan assets of $125.3 million, $0.0 million, and $6.8 million were held within instruments with unobservable inputs (Level 3), representing bulk annuity insurance policies and private credit funds.

Refer to Note 19: Financial Instruments and Risk Management for expected future benefit payments for the defined benefit pension plans.

Note 13: Income Taxes

The significant components of income tax expense are as follows (in millions):

	Year Ended 31 December 2022	Year Ended 31 December 2021
Current tax expense:		
Attributable to the current period	$ 123.9	$ 127.9
Adjustments for prior years	3.6	19.0
Total current tax expense	127.5	146.9
Deferred tax expense (benefit):		
Origination and reversal of temporary differences	4.5	(59.1)
Increase (reduction) in tax rate	(0.8)	0.4
Total deferred tax expense (benefit)	3.7	(58.7)
Income tax expense	$ 131.2	$ 88.2
Credited to equity	(7.4)	6.2
Total tax expense	$ 123.8	$ 94.4

Of the Group's total income tax expense above, operations in the United Kingdom represented an expense of $23.7 million for the year ended 31 December 2022 and a benefit of $3.0 million for the year ended 31 December 2021.

In addition to the U.K., the Group is subject to income taxation in various U.S. states and foreign jurisdictions. Generally, the Group's open tax years include those from 2008 to the present, although audits by taxing authorities for more recent years have been completed or are in process in several jurisdictions. As at 31 December 2022, the Group is under examination in the U.S., Germany, Hungary, India, Malaysia, Singapore, and Thailand.

In determining the amount of current and deferred tax, the Group considers the impact of uncertain tax positions and whether additional taxes may be due. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made. The total amount of recognized uncertain tax positions was $28.6 million and $27.2 million for the years ended 31 December 2022 and 2021, respectively.

The Group's effective tax rate for fiscal years 2022 and 2021 was 44.4% and 26.2%, respectively. The effective tax rate is impacted by recurring items, such as tax rates in foreign jurisdictions and the relative amounts of income earned in those jurisdictions. It is also impacted by discrete items that may occur in any given year but are not consistent from year to year. Significant differences between income tax expense reported for financial reporting purposes and tax expense computed based upon the application of the United States federal tax rate to the reported profit before income taxes are as follows (in millions):

	Year Ended 31 December 2022	Year Ended 31 December 2021
Reconciliation of effective tax rate		
Profit before income taxes	$ 295.6	$ 336.1
Taxes at the statutory rate of 21% (2021: 21%) [a]	$ 62.1	$ 70.5
Adjusted for:		
U.S. State taxes, net of the federal benefit	20.0	(0.5)
Adjustments for tax rate differences in foreign jurisdictions	5.0	0.2
Other non-deductible expenses	12.8	20.9
Increase (decrease) in tax assets not recognized	10.1	20.7
Effect related to share based payment revaluation	0.9	(2.4)
Estimated impact of foreign repatriation	(3.7)	—
Changes in estimates related to prior years	7.1	(1.4)
Uncertain tax positions	2.2	2.2
Tax credits	(1.4)	(6.8)
Other [b]	16.1	(15.2)
Income tax expense	$ 131.2	$ 88.2

[a] The statutory rate of 21% (2021: 21%) shown above is based on the federal tax rate in the United States and is representative of the average statutory tax rate applicable to the Group.

[b] Other is primarily comprised of rate differentials between current and deferred tax rates, movement of unrecognized net operating losses and withholding taxes.

The increase in income tax expense was primarily driven by the utilization of net operating losses in the U.S. in the prior year not available in the current year and changes in the jurisdictional mix of earnings. In addition, unrealized losses on fair value investments are included in earnings before income taxes but excluded from the tax computation which resulted in a higher effective tax rate when compared to the prior year.

The tax effect of temporary differences that gave rise to recognized deferred tax assets and liabilities are as follows (in millions):

	Intangible Assets	Tax Losses / Credits	Employee Benefits	Right-of-Use Assets	Lease Liabilities	Other	Net Deferred Tax Assets (Liabilities)
As at 1 January 2021	$ (249.2)	$ 62.1	$ 97.1	$ (76.3)	$ 97.4	$ 48.7	$ (20.2)
Recognized in Profit for the year	(5.6)	(22.4)	62.5	(10.7)	13.2	22.4	59.4
Recognized in Equity	—	—	6.2	—	—	—	6.2
Business combinations	—	—	—	—	—	—	—
As at 31 December 2021	(254.8)	39.7	165.8	(87.0)	110.6	71.1	45.4
Recognized in Profit for the year	(4.0)	3.9	(28.6)	18.9	(16.8)	21.5	(5.1)
Recognized in Equity	—	—	(7.4)	—	—	—	(7.4)
Business combinations	—	—	—	—	—	—	—
As at 31 December 2022	$ (258.8)	$ 43.6	$ 129.8	$ (68.1)	$ 93.8	$ 92.6	$ 32.9

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilized. In applying judgement in recognizing deferred tax assets, management has assessed all available information including sufficient deferred tax liabilities, future business profit projections and the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

To the extent that dividends remitted from overseas subsidiaries, joint ventures and associates are expected to result in additional taxes, appropriate amounts have been provided for. Unremitted earnings or differences in the carrying value and tax basis of investments may be liable to additional taxes if distributed as dividends or on a liquidation event. Deferred tax is provided for such differences in relation to Group entities where management is intending to remit earnings in the foreseeable future. The aggregate amount of gross temporary differences associated with investments in subsidiaries, partnerships, and branches for which deferred tax liabilities have not been recognized totaled approximately $10.4 billion as at 31 December 2022.

Items for which no deferred tax assets were recognized (in millions):

	As at					
	31 December 2022		31 December 2021		1 January 2021	
	Gross	Tax Effected	Gross	Tax Effected	Gross	Tax Effected
Deductible temporary differences	$ 233.6	$ 59.0	$ 224.9	$ 56.6	$ 467.3	$ 84.8
Not expiring	480.1	120.2	528.3	132.6	524.8	103.3
Expiring in subsequent period	0.4	0.1	23.0	6.9	12.1	3.8
Expiring after subsequent period	75.4	15.9	108.4	21.7	472.9	45.7
Unused tax losses	555.9	136.2	659.7	161.2	1,009.8	152.8
Expiring in subsequent period	—	0.3	—	1.6	—	—
Expiring after subsequent period	—	9.1	—	9.1	—	13.8
Unused tax credits	$ —	$ 9.4	$ —	$ 10.7	$ —	$ 13.8

The Group has determined that it was probable that certain deferred tax assets may not be realized. These unrecognized assets relate to tax loss carryforwards, other tax attributes and temporary differences in jurisdictions including but not limited to the U.S., U.K., France, Australia, Poland, and Brazil. These deferred tax assets have not been recognized because the entities either do not have forecasted taxable profits or the losses have restrictions whereby the utilization is considered unlikely.

In 2022, the unrecognized assets were reduced on some jurisdictions' net operating losses and deferred tax assets due to the utilization or expiration of those losses, continued income, and reduction in deferred tax assets including but not limited to the U.K., U.S., and Canada. However, the Group increased historically unrecognized assets for other jurisdictions due to continued losses, additional deferred tax assets, and legislative changes including but not limited to Australia and Poland. Based on these considerations, the Group’s net unrecognized assets decreased in 2022 by $23.9 million.

Note 14: Stock-Based Payments

The Group issues individual grants of share-based compensation awards, subject to board approval, for purposes of recruiting and as part of its overall compensation strategy. During the periods presented, the Group granted Restricted Stock Units (“RSUs”) under the 2018 Omnibus Plans, which are further described below.

Restricted Stock Units

Time-Based and Performance-Based RSUs

The Group may award certain individuals with RSUs. Time-based RSUs ("TBRSUs") contain only a service condition, and the related compensation cost is recognized over the requisite service period of between three and four years using the graded vesting method. The Group has determined the fair value of TBRSUs as the fair value of an ordinary share on the grant date.

In the first quarter of 2022 and 2021, the Group granted 1.6 million and 2.7 million TBRSUs, respectively, to a select group of management and employees. Throughout the remainder of 2022 and 2021, an additional 0.1 million and 0.1 million TBRSUs, respectively, were granted. The compensation cost for these grants will be recognized over a requisite service period of 3 years.

As at 31 December 2022, the Group does not have any material outstanding share awards that are liability classified.

Performance-based RSUs ("PBRSUs") contain certain performance and market conditions, as defined in the award agreements, and vest upon the satisfaction of such performance targets during the defined performance periods.

In 2022 and 2021, the Group granted 0.7 million and 1.0 million PBRSUs, respectively, to a select group of management and employees. Of the 2021 PBRSU grants, 75% were based on Strategic Cost Efficiency ("SCE") and 25% were based on Adjusted EBITDA margin accretion. Of the 2022 PBRSU grants, 50% were based on Adjusted EBITDA margin performance and 50% were based on Adjusted EBITDA growth, both with a relative Total Shareholder Return (“TSR”) modifier.

As the margin accretion-based and SCE-based PBRSUs contain performance conditions, their fair value was equal to the fair value of an ordinary share on the grant date. The Group considered the achievement of the margin accretion-based and SCE-based awards' performance conditions to be probable and therefore began recognizing expense for all such awards as of the grant date.

As the 2022 PBRSUs contain both performance and market conditions (due to the relative TSR modifier), their fair value at grant date was determined using a Monte Carlo simulation model, which used the following assumptions:

	2022	2021 (none granted)
Stock price [1]	$ 22.45	$ —
Time to maturity [2]	2.9 years	0.0 years
Risk-free interest rate [3]	1.7 %	— %
Historical volatility rate [4]	54.7 %	— %
Correlation coefficients [5]	n/a	— %
Dividend yield [6]	— %	— %

(1) The stock price is equal to the fair value of an ordinary share on the grant date.

(2) The time to maturity is based on the term between the valuation date and maturity date.

(3) The risk-free interest rate used is based on zero-coupon risk-free rates over the time from the valuation date to the end of the performance period, based on interpolation.

(4) The daily historical stock price volatility of the Group over its trading history is used to determine volatility.

(5) The average daily correlation of peers was used to estimate the correlation of the Group in regards to the Russell 3000 index.

(6) The dividend yield is 0% as the Group has not paid any dividends nor does it plan to pay dividends in the near future.

The Group considered achievement of the respective performance and market conditions for the 2022 awards to be probable and therefore began recognizing expense for these awards as of the grant date.

The fair value of the PBRSUs granted during the year ended 31 December 2022 was $25.02 per award. The fair value of the PBRSUs granted during the year ended 31 December 2021 ranged from $15.48 to $16.33 for the SCE-based and the Adjusted EBITDA margin-accretion based awards.

The following table summarizes the Group’s outstanding RSUs (in millions, except for per share amounts):

	Time-Based RSUs		Performance-Based RSUs	
	Number of RSUs	Weighted Average Fair Value per Share	Number of RSUs	Weighted Average Fair Value per Share
Unvested as at 1 January 2021	4.1	$ 15.73	1.5	$ 17.04
Granted	2.8	16.38	1.0	16.28
Vested	(1.7)	14.45	—	—
Forfeited	(0.3)	16.77	—	18.78
Unvested as at 31 December 2021	4.9	$ 16.61	2.5	$ 16.72
Granted	1.7	$ 21.93	0.7	$ 25.02
Vested	(2.3)	16.47	(0.8)	17.29
Forfeited	(0.3)	17.77	(0.1)	18.57
Unvested as at 31 December 2022	4.0	$ 18.81	2.3	$ 19.04

The following table summarizes the Group's compensation expense related to RSUs (in millions):

	Year Ended 31 December		Unrecognized at 31 December 2022
	2022	2021	
Time-Based RSUs	$ 35.1	$ 42.1	$ 25.3
Performance-Based RSUs	8.8	19.4	16.2
Total RSU stock-based compensation cost	$ 43.9	$ 61.5	$ 41.5

The total unrecognized compensation cost related to non-vested RSU awards is expected to be recognized over a weighted average period of approximately 1.8 years.

Note 15: Share Capital and Capital Management

Share capital

	Ordinary Shares	
	2022	2021
As at 1 January - issued and fully paid	223,709,308	221,960,472
Issued during the year	2,071,227	1,748,836
As at 31 December - issued and fully paid	225,780,535	223,709,308
Authorized - nominal value $0.10 per share	800,000,000	800,000,000

During 2022 and 2021, the Group issued 2.1 million and 1.7 million ordinary shares, respectively, with a nominal value of $0.10 per share, as a result of RSUs vesting and stock options being exercised under the 2018 Omnibus Plans.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Group. There were no dividends paid or declared during 2022 or 2021.

Other reserves

Cash flow hedging reserve: The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Translation reserve: The translation reserve comprises all foreign exchange differences arising since 1 January 2021, the transition date to UK-adopted IFRSs, from the translation of the financial statements of foreign operations.

Remeasurement reserve: The remeasurement reserve comprises remeasurements of the net defined benefit liability, including actuarial gains and losses and return on plan assets, and the excess tax benefit related to the intrinsic value of certain share based payments.

Capital reduction reserve: The capital reduction reserve represents distributable reserves resulting from the 12 July 2018 capital reduction.

Merger reserve: The merger reserve represents the difference between aggregate share capital and the predecessor cost of the net assets transferred resulting from the IPO.

Share based reserve: Share based reserve consists of share based payments that were granted to employees during the period.

Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group targets a strong investment grade credit rating and manages its capital structure to ensure that it will be able to continue as a going concern.

Management uses Net debt as a measure of our liquidity, which is calculated as total debt minus cash and cash equivalents. As at 31 December 2022, Net debt was $2.5 billion including the Group's outstanding 2018 First Lien Loan of $2.6 billion and the 2020 Notes of $0.6 billion, net of cash and cash equivalents of $0.7 billion.

Note 16: Leases

Group as a Lessee

The Group enters into leases for real estate and equipment such as motor vehicles and IT equipment. Leases are initially assessed at contract inception for whether the Group has the right to control the asset and are measured based on the present value of future minimum lease payments over the lease term beginning at the commencement date. Lease contracts are generally made for fixed periods of 1 to 10 years but may have extension options.

The future minimum lease payments are typically discounted using an incremental borrowing rate derived from information available at the lease commencement date as our leases generally do not include implicit rates. The incremental borrowing rate is calculated based on our collateralized borrowing rate adjusted for jurisdictional considerations.

Right-of-use assets are generally amortized over the shorter of the asset's useful life and the lease term on a straight-line basis. Additionally, the Group’s office leases may have options to extend or terminate the lease, the terms of which vary by lease; however, these options are not reasonably certain of being exercised, and the option periods are not considered in the calculation of the right-of-use asset or lease liability. Generally, these extension and termination options held are exercisable only by the Group and not by the respective lessor.

Payments associated with short-term leases of office and equipment are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Supplemental information related to leases as presented in the Consolidated Statements of Financial Position was as follows (in millions):

	As at		
	31 December 2022	31 December 2021	1 January 2021
Right-of-use assets			
Offices	$ 320.3	$ 387.9	$ 409.0
Equipment	39.5	41.8	39.7
Total right-of-use assets	$ 359.8	$ 429.7	$ 448.7
Lease liabilities			
Offices - current	$ 101.1	$ 95.8	$ 100.5
Equipment - current	19.9	18.3	20.3
Current lease liabilities	121.0	114.1	120.8
Offices - non-current	326.9	394.0	401.6
Equipment - non-current	23.9	24.4	20.8
Non-current lease liabilities	350.8	418.4	422.4
Total lease liabilities	$ 471.8	$ 532.5	$ 543.2

Additions to the right-of-use assets during the years ended 31 December 2022 and 2021 were $66.8 million and $130.0 million, respectively.

The components of lease costs recognized in the Consolidated Statements of Profit or Loss were as follows (in millions):

	Year Ended 31 December	
	2022	2021
Depreciation charges of right-of-use assets		
Offices	$ 95.8	$ 91.3
Equipment	21.1	23.0
Total depreciation charges of right-of-use assets	$ 116.9	$ 114.3
Interest expense	$ 22.7	$ 26.0
Expense relating to low value and short-term leases	0.9	1.7
Expense relating to variable lease payments not included in lease liabilities	35.7	35.8
Impairment of right-of-use assets	0.4	18.3
Total cash outflows for leases	144.8	157.3

Maturities of lease liabilities are as follows (in millions):

	2022	2021
Within 1 year	$ 136.5	$ 137.8
Between 1 and 2 years	124.0	130.0
Between 2 and 3 years	84.8	114.3
Between 3 and 4 years	64.4	77.6
Between 4 and 5 years	46.8	59.3
In more than 5 years	71.0	110.6
Total undiscounted lease payments	527.5	629.6
Impact of discounting	(55.7)	(97.1)
Total lease liabilities	$ 471.8	$ 532.5

As at 31 December 2022 and 31 December 2021 the Group had committed to leases that had not yet commenced for approximately $41.3 million and $12.3 million, respectively. Leases not yet commenced as at 31 December 2021 commenced in 2022 and leases not yet commenced as at 31 December 2022 will commence in 2023. Terms for leases not yet commenced ranged from 2 to 11 years.

Group as a Lessor

The Group sublets certain leased office properties, which are classified as operating leases because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The Group recognized income of $10.8 million and $9.3 million from sublet properties during the years ended 31 December 2022 and 2021, respectively.

Refer to Note 26: Supplemental Cash Flow Information for supplemental cash flow information and non-cash activity related to our leases.

Note 17: Provisions and Commitments

The following table summarizes the Group's provisions as at 31 December 2022, 31 December 2021 and 1 January 2021 (in millions):

	As at 31 December 2022			As at 31 December 2021			As at 1 January 2021		
	Current	Non-current	Total	Current	Non-current	Total	Current	Non-current	Total
Legal claims	$ 10.8	$ —	$ 10.8	$ 13.5	$ —	$ 13.5	$ 15.9	$ 1.5	$ 17.4
Restructuring costs	5.7	—	5.7	4.3	—	4.3	10.8	—	10.8
Workers compensation and similar claims	20.7	39.7	60.4	17.1	46.6	63.7	15.7	46.8	62.5
Onerous contract	5.8	66.4	72.2	5.7	69.7	75.4	5.8	67.3	73.1
Deferred consideration	6.6	17.9	24.5	4.4	14.3	18.7	20.8	23.0	43.8
Contingent earn-out liabilities	3.5	25.8	29.3	4.5	16.9	21.4	3.0	18.0	21.0
Total	$ 53.1	$ 149.8	$ 202.9	$ 49.5	$ 147.5	$ 197.0	$ 72.0	$ 156.6	$ 228.6

Legal claims

In the normal course of business, the Group is subject to various claims and litigation. Many of these claims are covered under the Group’s current insurance programs, subject to self-insurance levels and deductibles. The Group is also subject to threatened or pending legal actions arising from activities of contractors. Such liabilities include the potential costs to settle litigation. A liability is recorded for the potential costs of carrying out further works based on known claims and previous claims history, and for losses from litigation that are probable and estimable. The timing and ultimate settlement of these matters is inherently uncertain, however, based on information currently available, we believe the resolution of such claims and litigation will not have a material adverse effect on our financial position, results of operations or liquidity.

Restructuring costs

In February 2020, the Group announced operating efficiency initiatives primarily consisting of severance and employment-related costs due to reductions in headcount, which were actioned in 2020 and materially completed in 2021. This restructuring plan was communicated to the employees in 2020.

In addition, in late 2022, cost savings initiatives were implemented across the Group, including an initial reduction in our workforce across select roles to further optimize efficiency, with additional specific actions to continue throughout 2023. The 2022 actions resulted in severance and employment-related costs of approximately $3.5 million.

Workers compensation and other similar claims

The provision for workers' compensation and similar obligations relates mainly to the potential settlement of claims by employees in the U.S. for medical benefits and lost wages associated with injuries incurred in the course of their employment. A liability is also recorded for the Group’s IBNR claims, based on assessment using prior claims history. The timing and ultimate settlement of these claims is uncertain, and is generally long term in nature.

Onerous contract

A provision for onerous contract is recognized as the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The contract will expire in 2035. The provision is measured using a discounted cash flow model, taking into consideration a range of reasonably possible scenarios, reflecting different assumptions of the costs to meet the obligation under the contract.

Deferred consideration and Contingent earn-out liabilities

The Group has various contractual obligations associated with the acquisition of several real estate service companies. Some of these obligations are guaranteed payments after the passage of time, while others present contingent consideration, comprised of earn-out payments to the sellers subject to achievement of certain performance criteria in accordance with the terms and conditions set forth in the purchase agreements. The guaranteed payments will be made over the next 6.4 years. Assuming the achievement of the applicable performance criteria, the earn-out payments will be made over the next 7.0 years. Refer to Note 19: Financial Instruments and Risk Management for additional information.

In estimating the provisions above, management has made estimates and used assumptions to determine the nature, amount and timing of potential outflows, and has discounted provisions to present value when the time value of money is material. Based on existing knowledge as of the balance sheet date, management does not believe that a reasonable change in key assumptions could lead to a material adjustment to the carrying amount of the liability recorded, in the next 12 months.

Movements in each class of provision during the financial year are set out as follows (in millions):

	Legal Claims	Restructuring Costs	Workers Comp & Similar Claims	Onerous Contract	Deferred Consideration	Contingent Earn-out Liabilities	Total
Balance as at 31 December 2021	$ 13.5	$ 4.3	$ 63.7	$ 75.4	$ 18.7	$ 21.4	$ 197.0
Assumed in a business combination	—	—	—	—	—	—	—
Provisions made during the year	12.2	7.3	21.5	—	12.3	13.7	67.0
Provisions used during the year	(9.8)	(5.9)	(24.8)	—	(6.9)	(4.1)	(51.5)
Provisions reversed during the year	(5.1)	—	—	(3.2)	—	(1.7)	(10.0)
Unwinding of discount	—	—	—	—	0.4	—	0.4
Balance as at 31 December 2022	$ 10.8	$ 5.7	$ 60.4	$ 72.2	$ 24.5	$ 29.3	$ 202.9

Guarantees

The Group’s guarantees primarily relate to requirements under certain client service contracts and have arisen through the normal course of business. These guarantees, with certain financial institutions, have both open and closed-ended terms; with remaining closed-ended terms up to 9.0 years and maximum potential future payments of approximately $56.1 million in the aggregate, with none of these guarantees being individually material to the Group’s operating results, financial position or liquidity. The Group considers the future payment or performance related to non-performance under these guarantees to be remote.

Note 18: Related Party Transactions

Subsidiaries

All significant intercompany accounts and transactions have been eliminated in consolidation. Refer to Note 29: List of Related Undertakings for list of subsidiaries.

Associates

There were no material transactions with associates during the periods presented.

Key Management Personnel

Refer to Note 22: Employees and Employee Costs for additional information the remuneration of directors and key management personnel. There were no other material transactions or balances between the Group and its key management personnel or immediate family members.

Post-Employment Benefit Plans

Refer to Note 12: Employee Benefits for additional information on post-employment benefit plans.

Other Related Parties - Brokers and Employees

The Group has certain receivables from other related parties that represent prepaid commissions, retention and sign-on bonuses to brokers, and other items such as travel and other advances to employees. As at 31 December 2022, 31 December 2021 and 1 January 2021, the Group had such receivables in the amount of $50.8 million, $42.5 million and $34.4 million, respectively, included in Prepaid expenses and other current assets, and $271.7 million, $205.9 million and $187.8 million, respectively, included in Other non-current assets, respectively, in the Consolidated Statements of Financial Position. These receivables are at varying principal amounts, bear interest at rates up to 4% per annum and mature on various dates through 2032. The receivables are forgiven over a stated service period. If at any point before the end of the stated service period the broker or employee ceases to provide services to the Group, the remaining receivable becomes due and payable, the Group stops amortizing the receivable, and seeks repayment directly from the former broker or employee or may offset the receivable against other amounts owed to the broker or employee. In the current year and prior year, bad or doubtful debts with respect to these amounts were negligible and no expense has been recognized in the current year or prior year for bad or doubtful debt with respect to amounts owed by related parties.

Note 19: Financial Instruments and Risk Management

The Group measures certain assets and liabilities in accordance with IFRS 13, *Fair Value Measurement* (“IFRS 13”), which defines fair value as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants on the measurement date. In addition, IFRS 13 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are based on unobservable inputs in which there is little or no market data.

There were no transfers between the three levels of the fair value hierarchy for the years ended 31 December 2022 and 2021. There have been no significant changes to the valuation techniques and inputs used to develop the fair value measurements during the period.

Financial Instruments

The Group's financial instruments include cash and cash equivalents, trade and other receivables, a deferred purchase price receivable ("DPP"), restricted cash, accounts payable and accrued expenses, short-term borrowings, long-term debt, interest rate swaps and foreign exchange contracts. The carrying amount of cash and cash equivalents and restricted cash approximates the fair value of these instruments. Certain money market funds in which the Group has invested are highly liquid and considered cash equivalents. These funds are valued at the per unit rate published as the basis for current transactions. Due to the short term nature of trade and other receivables, accounts payable and accrued expenses, and short-term borrowings, their carrying amount is considered to be the same as their fair value.

Debt

The estimated fair value of external debt was $3.2 billion, $3.3 billion and $3.3 billion as at 31 December 2022, 31 December 2021 and 1 January 2021, respectively. These instruments were valued using dealer quotes that are classified as Level 2 inputs in the fair value hierarchy. The gross carrying value of the debt was $3.2 billion, $3.3 billion and $3.3 billion as at 31 December 2022, 31 December 2021 and 1 January 2021, respectively, which excludes debt issuance costs. Refer to Note 10: Long-Term Debt and Other Borrowings for additional information.

Recurring Fair Value Measurements

The following tables present information about the Group's assets and liabilities that are measured at fair value on a recurring basis as at 31 December 2022, 31 December 2021 and 1 January 2021 (in millions):

	As at 31 December 2022			
	Total	Level 1	Level 2	Level 3
Assets				
Cash equivalents - money market funds	$ 0.9	$ 0.9	$ —	$ —
Deferred compensation plan assets	31.9	31.9	—	—
Foreign currency forward contracts	2.8	—	2.8	—
Deferred purchase price receivable	387.8	—	—	387.8
Equity securities	21.5	21.5	—	—
Real estate ventures	141.2	—	—	141.2
Total	$ 586.1	$ 54.3	$ 2.8	$ 529.0
Liabilities				
Foreign currency forward contracts	3.0	—	3.0	—
Interest rate swap agreements	10.7	—	10.7	—
Earn-out liabilities	29.3	—	—	29.3
Total	$ 43.0	$ —	$ 13.7	$ 29.3

	As at 31 December 2021			
	Total	Level 1	Level 2	Level 3
Assets				
Cash equivalents - money market funds	$ 45.2	$ 45.2	$ —	$ —
Deferred compensation plan assets	47.2	47.2	—	—
Foreign currency forward contracts	0.9	—	0.9	—
Deferred purchase price receivable	142.3	—	—	142.3
Equity securities	129.0	129.0	—	—
Real estate ventures	89.4	—	—	89.4
Total	$ 454.0	$ 221.4	$ 0.9	$ 231.7
Liabilities				
Foreign currency forward contracts	1.1	—	1.1	—
Interest rate swap agreements	84.0	—	84.0	—
Earn-out liabilities	21.4	—	—	21.4
Total	$ 106.5	$ —	$ 85.1	$ 21.4

	As at 1 January 2021			
	Total	Level 1	Level 2	Level 3
Assets				
Cash equivalents - money market funds	$ 483.2	$ 483.2	$ —	$ —
Deferred compensation plan assets	49.5	49.5	—	—
Foreign currency forward contracts	2.5	—	2.5	—
Deferred purchase price receivable	166.3	—	—	166.3
Real estate ventures	39.0	—	—	39.0
Total	$ 740.5	$ 532.7	$ 2.5	$ 205.3
Liabilities				
Foreign currency forward contracts	1.1	—	1.1	—
Interest rate swap agreements	163.9	—	163.9	—
Earn-out liabilities	21.0	—	—	21.0
Total	$ 186.0	$ —	$ 165.0	$ 21.0

Deferred Compensation Plans

Prior to 2017, the Group provided non-qualified deferred compensation plans to certain U.S. employees whereby the employee could defer a portion of employee compensation, which the Group would hold in trust, enabling the employees to defer tax on compensation until payment is made to them from the trust. These plans are frozen. The employees continue to be at risk for any investment fluctuations of the funds held in trust.

The Group adopted a new non-qualified deferred compensation plan on 1 January 2019. The plan allows highly-compensated employees to defer a portion of compensation, enabling the employee to defer tax on compensation until payment is made. The investment returns on participant balances are indexed to a number of investment choices and are based on participant elections. The Group has established a Rabbi Trust under which investments are held to fund the liability of the deferred compensation plan. The investments of the Rabbi Trust consist of company-owned life insurance policies for which investment gains or losses are recognized based upon changes in cash surrender value that are driven by market performance.

The fair value of assets of these plans are based on the value of the underlying investments using quoted prices in active markets at period end. Deferred compensation plan assets are presented within Prepaid expenses and other current assets and Other non-current assets in the Consolidated Statements of Financial Position. Deferred compensation liabilities are presented within Accrued compensation and Other non-current liabilities in the Consolidated Statements of Financial Position.

Foreign Currency Forward Contracts and Interest Rate Swaps

Refer to Note 9: Derivative Financial Instruments and Hedging Activities for additional discussion of these derivative assets and liabilities.

The estimated fair value of interest rate swaps and foreign currency forward contracts are determined based on the expected cash flows of each derivative. The valuation method reflects the contractual period and uses observable market-based inputs, including interest rate and foreign currency forward curves.

To comply with the provisions of IFRS 13, the Group incorporates credit valuation adjustments to appropriately reflect both its own nonperformance risk and the respective counterparty’s nonperformance risk in the fair value measurement of interest rate swaps. In adjusting the fair value of its interest rate swaps for the effect of nonperformance risk, the Group has considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, and guarantees.

Although the Group has determined that the majority of the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with its interest rate swaps utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by itself and its counterparties. However, as at 31 December 2022, the Group has assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and has determined that the credit valuation adjustments are not significant to the overall valuation of its interest rate swaps. As a result, the Group has determined that its derivative valuations in their entirety are classified in Level 2 of the fair value hierarchy.

Deferred Purchase Price Receivable

The Group recorded a DPP under its A/R Securitization program upon the initial sale of trade receivables. The DPP represents the difference between the fair value of the trade receivables sold and the cash purchase price and is recognized at fair value as part of the sale transaction. The DPP is subsequently remeasured each reporting period in order to account for activity during the period, such as the seller’s interest in any newly transferred receivables, collections on previously transferred receivables attributable to the DPP. The DPP is included in Other non-current assets in the Consolidated Statements of Financial Position and is valued using unobservable inputs (i.e., Level 3 inputs), primarily discounted cash flows. Refer to Note 20: Accounts Receivable Securitization for more information.

Earn-out Liabilities

The Group has various contractual obligations associated with the acquisition of several real estate service companies in the United States, Australia, Canada and Europe, including contingent consideration, comprised of earn-out payments to the sellers subject to achievement of certain performance criteria in accordance with the terms and conditions set forth in the purchase agreements. An increase to a probability of achievement would result in a higher fair value measurement.

The amounts disclosed in the fair value hierarchy table above are included in Provisions and Non-current provisions within the Consolidated Statements of Financial Position. As at 31 December 2022, the Group had the potential to make a maximum of $32.8 million and a minimum of $0.0 million (undiscounted) in earn-out payments. Assuming the achievement of the applicable performance criteria, these earn-out payments will be made over the next 7 years.

Earn-out liabilities are classified within Level 3 in the fair value hierarchy because the methodology used to develop the estimated fair value includes significant unobservable inputs reflecting management's own assumptions. The fair value of earn-out liabilities is based on the present value of probability-weighted expected return method related to the earn-out performance criteria on each reporting date. The probabilities of achievement assigned to the performance criteria are determined based on due diligence performed at the time of acquisition as well as actual performance achieved subsequent to acquisition. Adjustments to the earn-out liabilities in periods subsequent to the completion of acquisitions are reflected within General and administrative in the Consolidated Statements of Profit or Loss.

The table below presents a reconciliation of earn-out liabilities measured at fair value through profit or loss using significant unobservable inputs (Level 3) (in millions):

	2022	2021
Balance as at 1 January	$ 21.4	$ 21.0
Purchases/additions	13.7	4.0
Net change in fair value and other adjustments	(1.7)	0.1
Payments	(4.1)	(3.7)
Balance as at 31 December	$ 29.3	$ 21.4

Significant unobservable inputs used in the valuation of earn-outs include probability-weighted expected cash flows and discount rates which ranged from 6.1% to 6.8%. For the fair value of contingent earn-out liabilities, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects:

	Impact on Earn-Out Liability
Increase in discount rate by 2%	$ 0.5
Decrease in discount rate by 2%	(0.5)

Investments in Real Estate Ventures

The Group directly invests in early stage proptech companies, real estate investment funds and other real estate companies across various sectors. The Group reports these financial instruments at fair value and recognizes changes in fair value through profit or loss.

In October 2021, the Group made a strategic investment of $150.0 million in WeWork. As quoted market prices for identical assets are available, this investment is classified as a Level 1 investment, and mark to market gains and losses are recognized on a recurring basis. As at 31 December 2022 and 31 December 2021, the fair value of WeWork of $21.5 million and $129.0 million, respectively, is included in Other non-current assets in the Consolidated Statements of Financial Position.

Investments in early stage proptech companies or other real estate companies are typically fair valued as a result of pricing observed in initial or subsequent funding rounds. As these changes in price are not observable to all market participants, the Group classified these investments as Level 3. As at 31 December 2022, 31 December 2021 and 1 January 2021, the fair value of investments in early stage proptech companies of approximately $42.4 million, $28.4 million and $3.3 million, respectively, is included in Other non-current assets in the Consolidated Statements of Financial Position.

The fair value of investments in real estate venture capital funds is typically estimated based on the Group's share of the fund's financial position and results, published partners' capital account statements, as adjusted for unrealized gains and losses and management fees, or net asset values received. If necessary, adjustments are made to the partners' capital account or net asset value of the fund to obtain the best estimate of fair value. The Group classified these investments as Level 3. As at 31 December 2022, 31 December 2021 and 1 January 2021, the fair value of investments in real estate venture capital funds of approximately $38.9 million, $29.1 million and $8.8 million, respectively, is included in Other non-current assets in the Consolidated Statements of Financial Position.

The Group also occasionally co-invests in real estate ventures that own and operate commercial real estate. These investments are generally measured based on the Group's share of the market value of the underlying real estate property. The co-investment funds are typically required to have the underlying real estate property externally appraised at least annually by a qualified independent appraiser using observable underlying transactions and market data. As at 31 December 2022, 31 December 2021 and 1 January 2021, the real estate properties in the co-investment funds were valued using a variety of income and market approaches. The Group classified these investments as Level 3. As at 31 December 2022, 31 December 2021 and 1 January 2021, the fair value of investments in real estate co-investment funds of approximately $59.9 million, $31.9 million and $26.9 million, respectively, is included in Other non-current assets in the Consolidated Statements of Financial Position.

The Group adjusts these various real estate investments to their fair values each reporting period, and the changes are reflected in Other income or Other expense, accordingly, in the Consolidated Statements of Profit or Loss. During the year ended 31 December 2022, the Group recognized an unrealized loss of $107.5 million related to our investment in WeWork, offset by unrealized gains of $28.6 million on other real estate investments. During the year ended 31 December 2021, the Group recognized an unrealized loss of $21.0 million related to our investment in WeWork, offset by unrealized gains of $18.6 million on other real estate investments.

The table below presents a reconciliation of investments in real estate ventures measured at fair value through profit or loss using significant unobservable inputs (Level 3) (in millions):

	Early stage proptech companies	Real estate venture capital funds	Real estate co-investment funds
Balance as at 1 January 2021	$ 3.3	$ 8.8	$ 26.9
Purchases/additions	20.7	12.3	1.9
Net unrealized change in fair value	4.4	8.3	3.5
Sales/disposals	—	(0.3)	(0.4)
Balance as at 31 December 2021	$ 28.4	$ 29.1	$ 31.9
Purchases/additions	15.8	4.9	1.9
Net unrealized change in fair value	(1.8)	4.9	26.1
Sales/disposals	—	—	—
Balance as at 31 December 2022	$ 42.4	$ 38.9	$ 59.9

The table below presents information about the valuation techniques used to measure investments in real estate ventures categorized as Level 3 in the fair value hierarchy:

Financial instrument	Valuation Technique	Key Inputs	Input Range
Early stage proptech companies	Cost Method	Transaction Price	n/a
Real estate venture capital funds	Cost Method	Transaction Price	n/a
Real estate co-investment funds - properties under development	Cost Method	Development Costs	n/a
Real estate co-investment funds - operating properties	Market Approach	Capitalization Rates	3.5% - 5.0%
	Income Approach	Discount Rates	3.0% - 5.0%
		Terminal Cap Rates	3.5% - 5.0%

As at 31 December 2022, 31 December 2021 and 1 January 2021, the fair value of early state proptech companies and real estate capital venture capital funds is measured based on recent transaction prices. Given the tailored nature of the analysis for each individual company or fund, it is not practical to quote a range of key unobservable inputs. The valuation approach includes using investee-level financial position and results, and published net asset values, which are not directly comparable or quantifiable. As such, the Group has not presented a sensitivity analysis over any significant unobservable inputs.

Financial Risk Management

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework and policies, which are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to those limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Group's activities. For additional information on the Group's risk factors, refer to section Risk Factors starting on page 55.

The principal market risks the Group is exposed to are: (i) interest rates on debt obligations and (ii) foreign exchange risk.

The Group manages these risks primarily by managing the amount, sources and duration of its debt funding and by using various derivative financial instruments such as interest rate hedges or foreign currency contracts. The Group enters into derivative instruments with trusted and diverse counterparties to reduce credit risk. These derivative instruments are strictly used for risk management purposes and, accordingly, are not used for trading or speculative purposes. Refer to Note 9: Derivative Financial Instruments and Hedging Activities for additional information about interest rate and foreign currency risks managed through derivative activities and notional amounts of underlying hedged items.

Interest Rate Risk

The Group is exposed to interest rate volatility with regard to the 2018 First Lien Loan and Revolver. The Group manages this interest rate risk by entering into interest rate derivative agreements to attempt to hedge the variability of future interest payments driven by fluctuations in interest rates.

The 2018 First Lien Loan bears interest at an annual rate of 1-month LIBOR plus 2.75%, and the 2020 Notes bear interest at an annual fixed rate of 6.75%.

The Group continually assesses interest rate sensitivity to estimate the impact of rising short-term interest rates on variable rate debt. The Group's interest rate risk management strategy is focused on limiting the impact of interest rate changes on earnings and cash flows to lower our overall borrowing cost. Historically, the Group has maintained the majority of our overall interest rate exposure on a fixed-rate basis. In order to achieve this, the Group enters into derivative financial instruments such as interest rate swap agreements when appropriate and will continue to do so as appropriate.

Foreign Exchange Risk

The Group's foreign operations expose it to fluctuations in foreign exchange rates. These fluctuations may impact the value of the Group's cash receipts and payments in terms of USD. The Group's foreign exchange risk management strategy is achieved by establishing local operations in the markets that it serves, invoicing customers in the same currency in which costs are incurred and the use of derivative financial instruments such as foreign currency forward contracts. Translating expenses incurred in foreign currencies into USD offsets the impact of translating revenue earned in foreign currencies into USD. The Group enters into forward foreign currency exchange contracts to manage currency risks associated with intercompany transactions and cash management.

Liquidity Risk

Liquidity risk is the risk that the Group may not be able to meet its financial obligations as they fall due. The Group's primary sources of liquidity are cash flows from operations, available cash reserves and debt capacity under the available credit facilities. The Group's primary uses of liquidity are operating expenses, acquisitions, investments, and debt payments.

The Group maintains sufficient liquidity to satisfy working capital and other funding requirements, including capital expenditures, and expenditures for human capital and contractual obligations, with internally generated cash flows and, as necessary, cash on hand and borrowings under the revolving credit facility and A/R Securitization facility. Management continually evaluates opportunities to obtain, retire or restructure credit facilities or financing arrangements for strategic reasons or obtain additional financing to fund investments, operations and obligations, as it has done in the past, to further strengthen its financial position.

As at 31 December 2022, the Group had $1.8 billion of liquidity, consisting of cash and cash equivalents of $0.7 billion and the undrawn revolving credit facility of $1.1 billion.

The following tables summarize the remaining contractual maturities of financial liabilities at the reporting date, on an undiscounted basis (in millions):

	As at 31 December 2022				
	Total	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Debt obligations	$ 3,243.0	$ 26.7	$ 26.7	$ 2,539.6	$ 650.0
Lease liabilities	527.5	136.5	124.0	196.0	71.0
Defined benefit pension obligations	82.4	8.1	8.1	24.5	41.7
Deferred consideration & contingent earn-outs	53.8	10.1	20.0	19.0	4.7
Accounts payable and accrued expenses	1,186.3	1,186.3	—	—	—
Total non-derivatives	$ 5,093.0	$ 1,367.7	$ 178.8	$ 2,779.1	$ 767.4
Interest rate swaps	$ (12.8)	$ 4.3	$ (6.9)	$ (10.2)	$ —
Total derivatives	$ (12.8)	$ 4.3	$ (6.9)	$ (10.2)	$ —

	As at 31 December 2021				
	Total	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Debt obligations	$ 3,269.6	$ 26.7	$ 53.3	$ 2,539.6	$ 650.0
Lease liabilities	629.6	137.8	130.0	251.2	110.6
Defined benefit pension obligations	89.2	8.2	8.7	26.6	45.7
Deferred consideration & contingent earn-outs	40.1	8.9	18.1	10.1	3.0
Accounts payable and accrued expenses	1,097.3	1,097.3	—	—	—
Total non-derivatives	$ 5,125.8	$ 1,278.9	$ 210.1	$ 2,827.5	$ 809.3
Interest rate swaps	$ 86.9	$ 33.9	$ 23.1	$ 29.9	$ —
Total derivatives	$ 86.9	$ 33.9	$ 23.1	$ 29.9	$ —

Credit Risk

The Group is exposed to credit risk as it relates to its trade receivables and contract assets. The Group's strategy to mitigate credit risk includes assessing customers for creditworthiness by reviewing customers' credit ratings and their financial position. The credit quality of customers is assessed, taking into account customers' financial position, past experience with customers and other factors. Outstanding trade receivables and contract assets are regularly monitored. The Group's credit risk is limited as a result of monitoring efforts, the geographic distribution of customers, and a low concentration of risk. As at 31 December 2022, 31 December 2021 and 1 January 2021, 82%, 75% and 73% of trade receivables were current 18%, 25% and 27% were more than 60 days overdue. As at 31 December 2022, 31 December 2021 and 1 January 2021, 85%, 92% and 84% of contract assets were considered current while 15%, 8% and 16% were more than 60 days overdue.

Note 20: Accounts Receivable Securitization

Under the A/R Securitization, certain of the Group's wholly owned subsidiaries continuously sell (or contribute) receivables to wholly owned special purpose entities at fair market value. The special purpose entities then sell 100% of the receivables to an unaffiliated financial institution (the "Purchaser"). Although the special purpose entities are wholly owned subsidiaries of the Group, they are separate legal entities with their own separate creditors who will be entitled, upon their liquidation, to be satisfied out of their assets prior to any assets or value in such special purpose entities becoming available to their equity holders and their assets are not available to pay other creditors of the Group.

All transactions under the A/R Securitization are accounted for as transfers of financial assets in accordance with IFRS 9. Following the sale and transfer of the receivables to the Purchaser, the receivables are legally isolated from the Group and its subsidiaries, and the Group sells, conveys, transfers and assigns to the Purchaser all its rights, title and interest in the receivables. Receivables sold are derecognized from the statement of financial position. The Group continues to service, administer and collect the receivables on behalf of the Purchaser, and recognizes a servicing liability in accordance with IFRS 9. Any financial statement impact associated with the servicing liability was immaterial for all periods presented.

This program allows the Group to receive a cash payment and a DPP for sold receivables. The DPP is paid to the Group in cash on behalf of the Purchaser as the receivables are collected; however, due to the revolving nature of the A/R Securitization, cash collected from the Group's customers is reinvested by the Purchaser daily in new receivable purchases under the A/R Securitization. For the years ended 31 December 2022 and 2021, receivables sold under the A/R securitization were $2.0 billion and $1.3 billion, respectively, and cash collections from customers on receivables sold were $1.7 billion and $1.3 billion, respectively, all of which were reinvested in new receivables purchases and are included in cash flows from operating activities in the Consolidated Statements of Cash Flows. As at 31 December 2022, 31 December 2021 and 1 January 2021, the outstanding principal on receivables sold under the A/R Securitization were $407.9 million, $158.7 million and $179.4 million respectively.

This program also gives the Group access to a $200.0 million credit investment limit, which was undrawn as at 31 December 2022, 31 December 2021 and 1 January 2021. On 1 August 2022, the Group amended the A/R Securitization, effective 22 August 2022, to increase the credit investment limit to $200.0 million and extend the maturity date to 20 June 2023.

Refer to Note 19: Financial Instruments and Risk Management for additional discussion on the fair value of the DPP as at 31 December 2022, 31 December 2021 and 1 January 2021.

Note 21: General and Administrative

The following table summarizes General and Administrative expenses by nature for the years ended 31 December 2022 and 2021 (in millions):

	2022	2021
Employment costs	$ 655.6	$ 675.9
Occupancy	154.0	149.5
Communication	126.9	106.7
Insurance	22.2	22.8
Travel	13.3	7.6
Consultants and other	265.2	254.7
Depreciation and amortization	154.2	168.6
Restructuring	7.3	26.3
Impairment of right-of-use assets	0.4	18.3
Total General and administrative	$ 1,399.1	$ 1,430.4

Note 22: Employees and Employee Costs

The average number of persons employed by the Group (including the directors) during the year was as follows:

	Average Employees (in thousands)	
	2022	2021
Americas	36.9	34.8
EMEA	5.4	5.3
APAC	10.4	9.6
Total	52.7	49.7

For the years ended 31 December 2022 and 2021, employee costs of $5.9 billion and $6.8 billion were included within Costs of services and General and administrative in the Consolidated Statements of Profit or Loss as follows (in millions):

Cost Type	2022	2021
Salaries and Wages	$ 5,549.8	$ 6,432.8
Stock Based Compensation	43.8	61.5
Pension and Post-Retirement	37.3	34.3
Social Security and Other Payroll Taxes	216.9	253.4
Termination	9.2	8.1
Total	$ 5,857.0	$ 6,790.1

The remuneration of key management personnel is as follows. The Group considers key management personnel to be all executive and non-executive directors. Refer to the Directors' Remuneration Report starting on page 31 of these financial statements for additional information.

Remuneration of Key Personnel	2022	2021
Short-term employee benefits	$ 3.6	$ 5.4
Post-employment benefits	—	—
Other long-term benefits	—	—
Termination benefits	—	—
Share-based payments	22.9	8.3
Total	$ 26.5	$ 13.7

Note 23: Trade and Other Receivables

The following table summarizes Trade and other receivables as at 31 December 2022, 31 December 2021 and 1 January 2021 (in millions):

	As at		
	31 December 2022	31 December 2021	1 January 2021
Trade receivables	$ 1,124.7	$ 1,054.4	$ 885.8
Unbilled receivables	248.9	244.4	223.2
Other receivables	175.7	222.0	263.5
Allowance for expected credit loss	(88.2)	(72.2)	(70.9)
Total Trade and other receivables	$ 1,461.1	$ 1,448.6	$ 1,301.6

Note 24: Accounts Payable and Accrued Expenses

The following table summarizes Accounts payable and accrued expenses as at 31 December 2022, 31 December 2021 and 1 January 2021 (in millions):

	As at		
	31 December 2022	31 December 2021	1 January 2021
Accounts payable	$ 510.4	$ 403.8	$ 333.8
Advanced billings	68.7	62.8	42.8
Accrued interest payable	6.8	6.3	6.0
Sales tax payable	82.8	96.0	146.7
Other accrued expenses	517.6	528.4	502.2
Total Accounts payable and accrued expenses	$ 1,186.3	$ 1,097.3	$ 1,031.5

Note 25: Auditor's Remuneration

The following table shows the fees for audit and other services provided by KPMG LLP and associates for the years ended 31 December 2022 and 2021 (in millions):

	2022	2021
Audit of the Group	$ 6.6	$ 5.5
Audit of subsidiaries	2.1	2.5
Audit Fees	8.7	8.0
Audit-related assurance services	0.4	0.4
Other assurance services	0.7	0.8
Tax compliance services [a]	—	—
Total Fees	$ 9.8	$ 9.2

[a] Amounts paid in relation to each type of service are less than $0.1 million individually and in aggregate.

Note 26: Supplemental Cash Flow Information

The following table provides a reconciliation of cash, cash equivalents and bank overdrafts reported within the Consolidated Statements of Financial Position to the sum of such amounts presented in the Consolidated Statements of Cash Flows (in millions)

	As at	
	31 December 2022	31 December 2021
Cash and cash equivalents	$ 697.5	$ 836.0
Bank overdraft recorded in Short-term borrowings and current portion of long-term debt	(5.4)	(5.1)
Total cash, cash equivalents and bank overdrafts shown in the statements of cash flows	$ 692.1	$ 830.9

Supplemental cash flows and non-cash investing and financing activities are as follows (in millions):

	Year Ended 31 December	
	2022	2021
Cash paid for:		
Interest	$ 204.2	$ 192.9
Income taxes	215.4	46.5
Leases	122.1	131.3
Non-cash investing/financing activities:		
Property and equipment acquired through leases	23.1	26.0
Deferred and contingent payment obligation incurred through acquisitions	27.0	4.0
(Decrease) increase in beneficial interest in a securitization	251.4	(24.0)
Right of use assets acquired through leases	43.7	104.0

Reconciliation of movements in liabilities to cash flows arising from financing activities

	Liabilities				
	Borrowings	Debt issuance costs	Deferred and contingent consideration	Lease liabilities	**Total**
Balance as at 31 December 2021	$ 3,269.6	$ (35.0)	$ 40.1	$ 532.5	$ 3,807.2
Changes in financing cash flows					
Repayment of borrowings	(26.7)	—	—	—	(26.7)
Payment of deferred and contingent consideration	—	—	(11.0)	—	(11.0)
Payment of lease liabilities	—	—	—	(122.1)	(122.1)
Other financing activities	—	—	—	—	—
Total changes from financing cash flows	(26.7)	—	(11.0)	(122.1)	(159.8)
Other non-cash movements					
Effect of changes in foreign exchange rates	—	—	(1.3)	(14.9)	(16.2)
Property and equipment acquired through leases	—	—	—	66.8	66.8
Deferred and contingent payment obligation incurred through acquisitions	—	—	27.0	—	27.0
Amortization of debt issuance costs	—	8.2	—	—	8.2
Other	0.1	—	(1.0)	9.5	8.6
Total other changes	0.1	8.2	24.7	61.4	94.4
Balance as at 31 December 2022	$ 3,243.0	$ (26.8)	$ 53.8	$ 471.8	$ 3,741.8

	Liabilities				
	Borrowings	Debt issuance costs	Deferred and contingent consideration	Lease liabilities	Total
Balance as at 1 January 2021	$ 3,296.2	$ (43.1)	$ 64.8	$ 543.2	$ 3,861.1
Changes in financing cash flows					
Repayment of borrowings	(26.7)	—	—	—	(26.7)
Payment of deferred and contingent consideration	—	—	(23.5)	—	(23.5)
Payment of lease liabilities	—	—	—	(131.3)	(131.3)
Other financing activities	—	—	—	—	—
Total changes from financing cash flows	(26.7)	—	(23.5)	(131.3)	(181.5)
Other non-cash movements					
Effect of changes in foreign exchange rates	—	—	(1.3)	(6.2)	(7.5)
Property and equipment acquired through leases	—	—	—	130.0	130.0
Deferred and contingent payment obligation incurred through acquisitions	—	—	4.0	—	4.0
Amortization of debt issuance costs	—	8.1	—	—	8.1
Other	0.1	—	(3.9)	(3.2)	(7.0)
Total other changes	0.1	8.1	(1.2)	120.6	127.6
Balance as at 31 December 2021	$ 3,269.6	$ (35.0)	$ 40.1	$ 532.5	$ 3,807.2

Note 27: Subsequent Events

The Group has evaluated subsequent events through 31 March 2023, the date on which these financial statements were available to be issued, and identified the following subsequent event to disclose:

On 31 January 2023, we amended the 2018 Credit Agreement to extend the maturity date of $1.0 billion of the $2.6 billion aggregate principal amount outstanding under our 2018 First Lien Loan to 31 January 2030 and such portion will bear interest, at the Group's option, equal to either: (a) the Term SOFR, plus 0.10% (which sum is subject to a minimum floor of 0.50%), plus an applicable margin of 3.25% per annum, or (b) the Base Rate (as defined in the 2018 Credit Agreement), plus an applicable margin of 2.25% per annum. The 21 August 2025 maturity date of the remaining $1.6 billion 2018 First Lien Loan remains unchanged.

On 21 February 2023, the Group drew borrowings of $90.0 million related to the investment limit secured against the A/R Securitization.

Note 28: Statutory Audit Exemptions

The below subsidiaries are exempt from the requirements to audit their accounts under section 479A of the Companies Act 2006. Under section 479C of the Companies Act 2006, Cushman & Wakefield plc, being the ultimate parent undertaking of the below mentioned subsidiaries, has given a statutory guarantee of all of the outstanding liabilities to which the companies are subject to as at 31 December 2022.

Subsidiary Entity	Registration Number
Burbage Realty Partners Ltd	10451814
Casper UK Bidco Limited	9189483
Cushman & Wakefield (EMEA) Limited	5679047
Cushman & Wakefield (U.K.) Ltd.	3607777
Cushman & Wakefield (U.K.) Services Ltd.	3628765
Cushman & Wakefield (Warwick Court) Limited	4958151
Cushman & Wakefield Design & Build UK Limited	12073491
Cushman & Wakefield Facilities Management Limited	5853005
Cushman & Wakefield Facilities Management Trading Limited	3990266
Cushman & Wakefield Insurance Services Limited	6457435
Cushman & Wakefield International Limited	2401046
Cushman & Wakefield of Asia Holdco Limited	9754738
Cushman & Wakefield Pension Trustee Limited	4428824
Cushman & Wakefield Site Services Limited	1781906
Cushman & Wakefield Spain Limited	2227861
Cushman & Wakefield UK EUR Holdco Limited	10449611
Cushman & Wakefield UK Finco 2 Limited	11677956
Cushman & Wakefield UK Finco CAD Limited	11788937
Cushman & Wakefield UK Finco USD Limited	11681619
Cushman & Wakefield UK Holdco (Canada) Limited	11059204
Cushman & Wakefield UK Holdco (India) Limited	10651235
Cushman & Wakefield UK Holdco (Singapore) Limited	10479844
Cushman & Wakefield UK Holdco 2 (Canada) Limited	11069362
DTZ (Northern Ireland) Limited	2401055
DTZ Europe Limited	5603965
DTZ India Limited	5109637
DTZ Investors (Holdings) Limited	9173976
DTZ Management Services Limited	2071489
DTZ UK Bidco 2 Limited	9281668
DTZ UK Holdco Limited	9178188
DTZi Co Investment GP Limited	10780442
DTZI Co-Investment Holdings Limited	10778149
DTZI Scots GP Limited	SC639046

Note 29: List of Related Undertakings

As at 31 December 2022 the Group had subsidiaries as follows:

Subsidiary	Jurisdiction of Incorporation	Registered Address	Ownership %
American Management Services Central LLC	United States	5055 KELLER SPRINGS RD, SUITE 400, Addison, TX, 75001	100
American Management Services Northwest LLC	United States	5055 KELLER SPRINGS RD, SUITE 400, Addison, TX, 75001	100
American Management Services West LLC	United States	5055 KELLER SPRINGS RD, SUITE 400, Addison, TX, 75001	100
AMS Central-Illinois LLC	United States	5055 KELLER SPRINGS RD, SUITE 400, Addison, TX, 75001	100
AMS RE Services LLC	United States	5055 KELLER SPRINGS RD, SUITE 400, Addison, TX, 75001	100
Bre Otay, LLC	United States	425 Market Street, Suite 2300, San Francisco, CA, 94105, United States	80
Burbage Realty Partners Ltd	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
C & W (U.K.) LLP	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
C&W Administración, S. de R.L. de C.V.	Mexico	Paseo de los Tamarindos No.60, 2° Piso, Col. Bosques de las Lomas, México City, 05120	100
C&W Facility Services (Aust) Receivables Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
C&W Facility Services (Australia) Receivables Ltd.	Cayman Islands	PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands	100
C&W Facility Services Canada Inc.	Canada	4040 - 161 Bay Street, Toronto, ON, M5J2S1, Canada	100
C&W Facility Services Inc.	United States	275 Grove Street, Suite 3-200, Auburndale, MA, 02466, United States	100
C&W Facility Services Receivables LLC	United States	1209 Orange Street, Wilmington, DE, 19801, United States	100
C&W Government Services Inc.	United States	275 Grove Street, Suite 3-200, Auburndale, MA, 02466, United States	100
C&W Management Services LLP	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
C&W Mantenimiento, S. de R.L. de C.V.	Mexico	Paseo de los Tamarindos No.60, 2° Piso, Col. Bosques de las Lomas, México City, 05120	100
C&W Operacion de Servicios, S. de R.L. de C.V.	Mexico	Paseo de los Tamarindos No. 60-Bpiso 2 Bosques de las Lomas Cuajimalpa, Mexico City, DF 05120, Mexico	100
C&W Operacion Inmobiliaria, S. de R.L. de C.V.	Mexico	Paseo de los Tamarindos No. 60-B Piso 2, Bosques de las Lomas Cuajimalpa, Mexico	100
C&W Secure Services Inc.	United States	901 N Pitt Street, Suite 200, Alexandria, VA, 22314, United States	100
C&W Services (S) Pte. Ltd.	Singapore	750A Chai Chee Road #05-01 Viva Business Park, 469001, Singapore	100
C&W Services Operations Pte. Ltd.	Singapore	750A Chai Chee Road #05-01 Viva Business Park, 469001, Singapore	100
C&W Services Township Pte. Ltd.	Singapore	750A Chai Chee Road #05-01 Viva Business Park, 469001, Singapore	100
C&W-Japan G.K.	Japan	2-11-1 Nagatacho, Chiyoda-ku, Tokyo 100-6113, Japan	100
Casper UK Bidco Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cassidy Turley Northern California, Inc.	United States	425 Market Street, Suite 2300, San Francisco, CA, 94105, United States	100
Cassidy Turley, L.P.	United States	1650 Technology Drive, Suite 600, San Jose, CA, 95110, United States	100
Cogest Retail d.o.o	Croatia	Rijeka, Strossmayerova 16, Croatia	100
Colvill Office Properties, LLC	United States	5847 San Felipe, Suite 600, Houston, TX, 77057	100
Commerce Consolidated, LLC	United States	170 South Main Street, Suite 1600, Salt Lake City, UT, 84101, United States	100
Commerce CRG of Nevada, LLC	United States	6725 Via Austi Parkway, Suite 275, Las Vegas, NV, 89119, United States	100
Commerce CRG Provo, LLC	United States	170 South Main Street, Suite 1600, Salt Lake City, UT, 84101, United States	100
Commerce CRG Utah, LLC	United States	170 South Main Street, Suite 1600, Salt Lake City, UT, 84101, United States	100
Commerce CRMG, L.C.	United States	170 South Main Street, Suite 1600, Salt Lake City, UT, 84101, United States	100
Commerce Real Estate Solutions, LLC	United States	1420 5th Avenue, Suite 2600, Seattle, WA, 98101, United States	100

Subsidiary	Jurisdiction of Incorporation	Registered Address	Ownership %
Commerce Reno, LLC	United States	6121 Lakeside Drive, Suite 160, Reno, NV, 89511, United States	100
Cresa Partners of Los Angeles, Inc.	United States	11726 San Vicente Boulevard, Suite 500, Los Angeles, CA, 90049, United States	100
Cushman & Wakefield - Chile Negocios Inmobiliarios Limitada	Chile	Avenida Vitacura, nº 2939 - Piso 10, Las condes - CP 7550011, Santiago, Chile	100
Cushman & Wakefield - Servicos Gerais Ltda	Brazil	2.044, Bloco 1, sala 1312, Alameda Araguaia, Empreendimento CEA, Alphaville Industrial, Barueri - SP, 06.455-000, Brazil	100
Cushman & Wakefield - Sociedade de Mediacao Imobilaria, Lda	Portugal	Avenida da Liberdade 131-2º Dto, Lisbon, 1250-140, Portugal	100
Cushman & Wakefield (Australia) Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield (China) Limited	Hong Kong	9/f St George's Building, 2 Ice House Street, Hong Kong, Hong Kong	100
Cushman & Wakefield (EMEA) Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield (HK) Limited	Hong Kong	16th Floor, Jardine House, 1 Connaught Pl, Central, Hong Kong, China	100
Cushman & Wakefield (Middle East) FZE	United Arab Emirates	Unit 151 First Floor Building 6E, Dubai Airport Free Zone, United Arab Emirates	0
Cushman & Wakefield (Qatar) Holdings Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield (S) Pte Ltd	Singapore	3 Church Street #09-03 Samsung Hub, Singapore 049483, Singapore	100
Cushman & Wakefield (Thailand) Ltd.	Thailand	No 990, 14th Floor, Unit 1401, Abdulrahim Place, Rama IV Road, Silom Sub-district, Bangkok District, Bangkok, 10500, Thailand	100
Cushman & Wakefield (U.K.) Ltd.	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield (U.K.) Services Ltd.	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield (Valuations) Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield (VIC) Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield (Vietnam) Limited	Vietnam	Level 14 - Unit 16 Vincom Center, 72 Le Thanh Ton Rd., Ben Nghe Ward, District 1, Ho Chi Minh City, Ben Nghe Ward, District 1, Ho Chi Minh City, Viet Nam	100
Cushman & Wakefield (Warwick Court) Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield acht+ GmbH	Germany	Zimmerstrasse 90, Berlin, 10117	100
Cushman & Wakefield Advisory Asia (India) Private Limited	India	JA 1120 and JA 1121, 11th Floor, Tower A, DLF Towers Jasola, Jasola District Centre New Delhi- 110025, India	100
Cushman & Wakefield Agency (ACT) Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield Agency (NSW) Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield Agency (QLD) Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield Agency (SA) Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield Agency (VIC) Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield Argentina S.R.L.	Argentina	Carlos Pellegrine 1141 piso 6º (1009), Buenos Aires, Argentina	99
Cushman & Wakefield AS Italy S.R.L.	Italy	Milano-Vai G.B., Perogolesi 25, Italy	100
Cushman & Wakefield Asia Pacific Limited	Hong Kong	16/F, Jardine House, 1 Connaught Place, Central, Hong Kong, Hong Kong	100
Cushman & Wakefield Asset Management K.K.	Japan	2-11-1 Nagatacho, Chiyoda-ku, Tokyo 100-6113, Japan	100
Cushman & Wakefield Asset Management Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield Asset Services ULC	Canada	40 King Street West, Suite 2100, Toronto, ON, M5H 3C2, Canada	100
Cushman and Wakefield Bahrain W.L.L.	Bahrain	Bahrain Financial Harbour, West Tower, Level 22, Suite 2230, P.O. Box 10676, Manama, Bahrain	100
Cushman & Wakefield Beijing Asset Valuation Company Limited	China	Room 1405, 14/F, Guanghua Road, Chaoyang District, Beijing, Beijing, 100020	100

Subsidiary	Jurisdiction of Incorporation	Registered Address	Ownership %
Cushman & Wakefield Belgium NV	Belgium	5th Floor, Avenue Marnix 23, 1000, Brussels, Belgium	100
Cushman & Wakefield Belux Group NV	Belgium	5th Floor, Avenue Marnix 23, 1000, Brussels, Belgium	100
Cushman & Wakefield Capital Services, LLC	United States	1290 Avenue of the Americas, New York, NY, 10104, United States	100
Cushman & Wakefield Capital ULC	Canada	161 Bay Street, P.O. Box 602, 15th Floor, Toronto, ON, M5J 2S1, Canada	100
Cushman & Wakefield Colombia S.A.S.	Colombia	9A-41, Oficina 203, CALLE 98, Bogotá - DC, Colombia	100
Cushman & Wakefield Commercial (Northern Ireland) Limited	Ireland	One Spencer Dock, North Wall Quay, Dublin 1	100
Cushman & Wakefield Commercial Ireland Limited	Ireland	One Spencer Dock, North Wall Quay, Dublin 1	100
Cushman & Wakefield Construction G.K.	Japan	Sanno park Tower 13F, 2-11-1 Nagatacho, Chiyoda-ku, Tokyo, 100-6113, Japan	100
Cushman & Wakefield Consulting (Beijing) Co., Ltd.	China	Room 1323, Floor 3, Building 15, 66 Tiantan East Road, Dongcheng District, Beijing	100
Cushman & Wakefield Consulting Brussels NV	Belgium	5th Floor, Avenue Marnix 23, 1000, Brussels, Belgium	100
Cushman & Wakefield Consultoria Imobiliaria Ltda	Brazil	40, 31 and 32, Praça Professor José Lannes, São Paulo - SP, 04.571-100, Brazil	100
Cushman & Wakefield Consultoria Imobiliaria, Unipessoal, Lda.	Portugal	Avenida da Liberdade 131-2º Esq, Lisbon, 1250-140, Portugal	100
Cushman & Wakefield Corporate Finance (HK) Limited	Hong Kong	16/F, Jardine House, 1 Connaught Place, Central, Hong Kong, Hong Kong	100
Cushman & Wakefield Costa Rica, Limitada	Costa Rica	San Jose, Escazu, San Rafael, Plaza Tempo Center, Fifth Floor, Module B	100
Cushman & Wakefield de Mexico, S. de R.L. de C.V.	Mexico	P. De Los Tamarindos No. 60-BPISO 2, Bosques de las Lomas Cuajimalpa, Mexico	100
Cushman & Wakefield Debenham Tie Leung Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield Decoration Engineering (Beijing) Co., Ltd.	China	Room 1406, 14/F, 1 Guanghua Road, Chaoyang District Beijing, China	100
Cushman & Wakefield Design & Build Belgium BV	Belgium	5th Floor, Avenue Marnix 23, 1000, Brussels, Belgium	100
Cushman & Wakefield Design & Build Czech Republic, s.r.o.	Czech Republic	Purkynova 2121/3, Praha 1, 110 00	100
Cushman & Wakefield Design & Build France SAS	France	174/178, quai de Jemmapes, Paris, 75010, France	100
Cushman & Wakefield Design & Build Germany GmbH	Germany	Rathenauplatz1, 60313 Frankfurt am Main	100
Cushman & Wakefield Design & Build Hungary Korlátolt Felelősségű Társaság	Hungary	1052, Deak Ferenc, ucta 5, Budapest, Hungary	100
Cushman & Wakefield Design & Build Italy S.r.l.	Italy	Via Santa Tecla 4, Milan, 20122, Italy	100
Cushman & Wakefield Design & Build Luxembourg S.A.R.L	Luxembourg	66 rue de Koerich, L-8437 Steinfort, Luxembourg	100
Cushman & Wakefield Design & Build Netherlands B.V.	Netherlands	Reykjavikstraat, 1 3543 KH, Utrecht, Netherlands	100
Cushman & Wakefield Design & Build Poland Spolka Z Ograniczona Odpowiedzialnoscia	Poland	Rondo Daszynskiego 2B, Warsaw, 00-843, Poland	100
Cushman & Wakefield Design & Build Spain, S.L.	Spain	José Ortega, y Gasset 29, Madrid, Spain, 28006	100
Cushman & Wakefield Design & Build UK Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield Design & Build, Unipessoal Lda	Portugal	Avenida da Liberdade, nº 131, 5º Dro, Lisbon, 1250 140, Portugal	100
Cushman & Wakefield Facilities Management (Greece) Monoprosopi EPE	Greece	Municipality of Kaissariani, Euridikis 2 and Formionos Street, Kaissariani, Greece	100
Cushman & Wakefield Facilities Management AB	Sweden	Regeringsgatan 59, PO Box 3637, Stockholm, 109 59, Sweden	100
Cushman & Wakefield Facilities Management BV	Belgium	5th Floor, Avenue Marnix 23, 1000, Brussels, Belgium	100
Cushman & Wakefield Facilities Management France S.a.r.l.	France	21 rue Balzac, Immeuble Etoile Saint-Honoré, 75008 Paris, France	100

Subsidiary	Jurisdiction of Incorporation	Registered Address	Ownership %
Cushman & Wakefield Facilities Management Ireland Limited	Ireland	164 Shelbourne Rd, Ballsbridge, Dublin 4, Ireland	100
Cushman & Wakefield Facilities Management Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield Facilities Management Trading Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield Facilities Services (Aust) Pty Ltd	Australia	386, South Road, Richmond, SA, 5033, Australia	100
Cushman & Wakefield Facility Management Services	Canada	161 Bay Street, P.O. Box 602, 15th Floor, Toronto, ON, M5J 2S1, Canada	100
Cushman & Wakefield Fiduciary, Inc.	United States	7700 Forsyth Boulevard, Suite 1210, St. Louis, MO, 63105, United States	100
Cushman & Wakefield FM Services Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield France SAS	France	21 rue Balzac, Immeuble Etoile Saint-Honoré, 75008 Paris, France	100
Cushman & Wakefield Gayrimenkul Danismanlik Mumessillik ve Turizm Hizmetleri Anonim Sirketi	Turkey	Esentepe Mah. Büyükdere Cad., Bahar Sok. No.13 K.15 B.40, Şişli, İstanbul, Turkey	100
Cushman & Wakefield Global Services, Inc.	United States	1377 Motor Parkway, Suite 203, Islandia, NY, 11749	100
Cushman & Wakefield Global, Inc.	United States	225 West Wacker Drive, Suite 3000, Chicago, IL, 60606, United States	100
Cushman & Wakefield GmbH	Germany	69-75, Neue Mainzer Str., Frankfurt am Main, 60311, Germany	100
Cushman & Wakefield Holding Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield Iberica Asesores Inmobiliarios Internacionales S.A.	Spain	Calle José Ortega, y Gasset 29, Madrid, 28006, Spain	100
Cushman & Wakefield India Private Limited	India	JA 1120 and JA 1121, 11th Floor, Tower A, DLF Towers Jasola, Jasola District Centre New Delhi- 110025 INDIA	100
Cushman & Wakefield Indonesia Holdings Pte Ltd.	Singapore	3 Church Street #09-03 Samsung Hub, Singapore 049483, Singapore	100
Cushman & Wakefield Insurance Services Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield International Finance Subsidiary, LLC	United States	1290 Avenue of the Americas, New York, NY, 10104, United States	100
Cushman & Wakefield International Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield International Property Advisers (Chengdu) Co., Ltd.	China	Room 01-05, 35/F, Tower 1, Plaza Central, 8 Shuncheng Street, Chengdu 610016, China	100
Cushman & Wakefield International Property Advisers (Chongqing) Co., Ltd.	China	39/F, HNA Poly International Center, 235 Minsheng Road, Chongqing, Yuzhong District, 400010, China	40
Cushman & Wakefield International Property Advisers (Dalian) Co., Ltd.	China	16/F, Xiwang Tower, 136 Zhongshan Road, Dalian	100
Cushman & Wakefield International Property Advisers (GuangZhou) Co., Ltd.	China	Room 113, Jinxin Mansion, Dongjiang Ave, Free Trade Zone, Guangzhou, 510530, China	100
Cushman & Wakefield International Property Advisers (Shanghai) Co., Ltd.	China	No 2111, Pudong Road South, New Pudong District, Shanghai, 200127, China	100
Cushman & Wakefield International Property Advisers (Shenzhen) Co., Ltd.	China	Unit01,02,03A, 18/F, Tower 2, Kerry Plaza, No.1 Zhongxinsi Road, Futian District, Shenzhen, 518048, China	100
Cushman & Wakefield International Property Advisers (Tianjin) Co., Ltd.	China	No 42, Wanlian Villa, The Second Street, TEDA, Tianjin, China	100
Cushman & Wakefield International Property Advisers (Wuhan) Co., Ltd.	China	Room 4908, 4909, 4910 & 4912, New World International Trade Tower 1, 568 Jianshe Avenue, Wuhan, 430022, China	100
Cushman & Wakefield International Property Advisers (Zhengzhou) Co., Ltd.	China	Room 1903, Millennium Royal Plaza, No 2 CBD Central Garden, Zhengzhou	100
Cushman & Wakefield International, LLC	United States	1290 Avenue of the Americas, New York, NY, 10104, United States	100
Cushman & Wakefield Investment Advisors K.K.	Japan	2-11-1 Nagatacho, Chiyoda-ku, Tokyo 100-6113, Japan	100

Subsidiary	Jurisdiction of Incorporation	Registered Address	Ownership %
Cushman & Wakefield Ireland Holdings Limited	Ireland	One Spencer Dock, North Wall Quay, Dublin 1	100
Cushman & Wakefield Japan Holdco 2, LLC	United States	1290 Avenue of the Americas, New York, NY, 10104, United States	100
Cushman & Wakefield Japan Holdco, LLC	United States	1290 Avenue of the Americas, New York, NY, 10104, United States	100
Cushman & Wakefield K.K.	Japan	2-11-1 Nagatacho, Chiyoda-ku, Tokyo 100-6113, Japan	100
Cushman & Wakefield Korea Ltd.	Korea	6/F Seoul Finance Center, 136 Sejong-daero, Jung-gu, Seoul, Korea (the Republic of)	100
Cushman & Wakefield Korea Real Estate Brokerage Ltd	Korea	6/F Seoul Finance Center, 136 Sejong-daero, Jung-gu, Seoul, Korea (the Republic of)	100
Cushman & Wakefield Limited	Hong Kong	16/F, Jardine House, 1 Connaught Place, Central, Hong Kong, Hong Kong	100
Cushman & Wakefield Luxembourg Holdings, LLC	United States	1209 Orange Street, Wilmington, DE, 19801, United States	100
Cushman & Wakefield Luxembourg S.à.r.l.	Luxembourg	287-289, Route d'Arion, Commune de Luxembourg, L-1150, Luxembourg City, Luxembourg	100
Cushman & Wakefield Malaysia Sdn Bhd	Malaysia	Level 16, 1 Sentral Jalan Stesen Sentral 5, Kuala Lumpur Sentral, Kuala Lumpur, 50470, Malaysia; Level 16, 1 Sentral Jalan Stesen Sentral 5, Kuala Lumpur Sentral, Kuala Lumpur, 50470, Malaysia; Level 22, Axiata Tower, No. 9, Jalan Stesen Sentral 5, Kuala Lumpur, 50470, Malaysia; Level 22, Axiata Tower, No. 9, Jalan Stesen Sentral 5, Kuala Lumpur, 50470, Malaysia	100
Cushman & Wakefield Mexico Holdco 2, LLC	United States	1290 Avenue of the Americas, New York, NY, 10104, United States	100
Cushman & Wakefield Mexico Holdco, LLC	United States	1290 Avenue of the Americas, New York, NY, 10104, United States	100
Cushman & Wakefield Negocios Imobiliarios Ltda	Brazil	2.044, Bloco 1 - sala 1311, Alameda Araguaia, Empreendimento CEA, Alphaville Industrial, Barueri, 06.455-000, Brazil	100
Cushman & Wakefield Nemzetközi Ingatlan Tanácsadó Kft	Hungary	Deak Palota, Deak Ferenc Ucta 5, Budapest	100
Cushman & Wakefield Netherlands B.V.	Netherlands	Herikerbergweg 238, Luna Arena, 1101CM, Amsterdam	100
Cushman & Wakefield Netherlands Holdco B.V.	Netherlands	Prins Bernhardplein 200, Amsterdam, 1097 JB, Netherlands	100
Cushman & Wakefield Netherlands Oldco B.V.	Netherlands	Herikerbergweg 238, Luna Arena, 1101CM, Amsterdam	100
Cushman & Wakefield New Zealand Limited	New Zealand	92, Hugo Johnston Drive, Penrose, Auckland, 1642, New Zealand	100
Cushman & Wakefield of Arizona, Inc.	United States	2555 East Camelback Road, Suite 400, Phoenix, AZ, 85016, United States	100
Cushman & Wakefield of Asia Holdco Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield of Asia Limited	British Virgin Islands	Offshore Incorporations Centre, PO Box 957, Road Town, Tortola, British Virgin Islands	100
Cushman & Wakefield of Asia, Inc.	United States	1290 Avenue of the Americas, New York, NY, 10104, United States	100
Cushman & Wakefield of California, Inc.	United States	425 Market Street, Suite 2300, San Francisco, CA, 94105, United States	100
Cushman & Wakefield of Colorado, Inc.	United States	1401 Lawrence Street, Suite 1100, Denver, CO, 80202, United States	100
Cushman & Wakefield of Connecticut, Inc.	United States	107 Elm Street 4 Stamford Plaza, 8th Floor, Stamford, CT, 06902, United States	100
Cushman & Wakefield of Delaware, Inc.	United States	One Commerce Center, Ste 782, Wilmington, DE, 19801	100
Cushman & Wakefield of Florida, LLC	United States	333 SE 2nd Avenue, Suite 3900, Miami, FL, 33131, United States	100
Cushman & Wakefield of Georgia, LLC	United States	1180 Peachtree Street NE, Suite 3100, Atlanta, GA, 30309, United States	100
Cushman & Wakefield of Illinois, Inc.	United States	225 West Wacker Drive, Suite 3000, Chicago, IL, 60606, United States	100
Cushman & Wakefield of Long Island, Inc.	United States	401 Broad Hollow Road, Suite 301, Melville, NY, 11747, United States	100
Cushman & Wakefield of Maryland, LLC	United States	One East Pratt Street, Suite 700, Baltimore, MD, 21202, United States	100

Subsidiary	Jurisdiction of Incorporation	Registered Address	Ownership %
Cushman & Wakefield of Massachusetts, Inc.	United States	225 Franklin Street, Suite 300, Boston, MA, 02110, United States	100
Cushman & Wakefield of Minnesota, Inc.	United States	80, South Eighth Street, Minneapolis, MN, 55402	100
Cushman & Wakefield of Missouri, Inc.	United States	7700 Forsyth Boulevard, Suite 1210, St. Louis, MO, 63105, United States	100
Cushman & Wakefield of Nevada, Inc.	United States	7495 W. Azure Drive, Suite 110, Las Vegas, NV, 89130, United States	100
Cushman & Wakefield of New Hampshire, Inc.	United States	650 Elm Street, Manchester, NH, 03101, United States	100
Cushman & Wakefield of New Jersey, LLC	United States	One Meadowlands Plaza, 7th Floor, East Rutherford, NJ, 07073, United States	100
Cushman & Wakefield of North America, Inc.	United States	1290 Avenue of the Americas, New York, NY, 10104, United States	100
Cushman & Wakefield of North Carolina, Inc.	United States	550, 3400, S. Tyron Street, Charlotte, NC, 28202	100
Cushman & Wakefield of Ohio, Inc.	United States	10 West Broad Street, Columbus, OH, 43213, United States	100
Cushman & Wakefield of Oregon, Inc.	United States	200 S.W. Market Street Ste 200, Portland, OR, 97201, United States	100
Cushman & Wakefield of Pennsylvania, LLC	United States	1650 Market St, 33rd Floor, Philadelphia, PA, 19103, United States	100
Cushman & Wakefield of San Diego, Inc.	United States	4747 Executive Drive, 9th floor, San Diego, CA, 92121, United States	100
Cushman & Wakefield of Texas, Inc.	United States	2021 McKinney Avenue, Suite 900, Dallas, TX, 75201, United States	100
Cushman & Wakefield of the Americas, Inc.	United States	1290 Avenue of the Americas, New York, NY, 10104, United States	100
Cushman & Wakefield of Virginia, LLC	United States	1800 Tysons Blvd., Suite 200, Tyson's Corner, VA, 22102, United States	100
Cushman & Wakefield of Washington, D.C., Inc.	United States	2101, Suite 700, L Street SW, Washington, DC, 20037, United States	100
Cushman & Wakefield of Washington, Inc.	United States	1420 5th Avenue, Suite 2600, Seattle, WA, 98101, United States	100
Cushman & Wakefield Pacific Holdings Limited	British Virgin Islands	Sea Meadow House, Blackburne Highway, PO Box 116, Road Town, Tortola, British Virgin Islands	100
Cushman & Wakefield Participaties B.V.	Netherlands	WTC Tower C-11, Strawinskylaan 1143, 1077XX, Amsterdam, Netherlands	100
Cushman & Wakefield Pension Trustee Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield Peru S.A.	Peru	Calle Germán Schreiber, nº210 - Of 603 - San Isidro, Lima, Peru	100
Cushman & Wakefield Philippines Inc.	Philippines	9th Floor Ecotower, 32nd St. corner 9th Avenue, Bonifacio Global City, Taguig City, Philippines	100
Cushman & Wakefield Polska SP Z.O.O.	Poland	Rondo Daszynskiego 2B, Warsaw, 00-843, Poland	100
Cushman & Wakefield Polska Trading SP Z.O.O.	Poland	Lumen Office Building, ul. Zlota 59, Warsaw, 00-120, Poland	100
Cushman & Wakefield Project Services Aust Pty Ltd	Australia	Level 11, 123 Eagle Street, Brisbane, QLD, 4000, Australia; Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield Project Services Limited	Hong Kong	SUITE 1501-04 15/F 1063 KING'S RD QUARRY BAY HK, HK	100
Cushman & Wakefield Property (WA) Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield Property Advisers Private Limited	India	JA 1120 and JA 1121, 11th Floor, Tower A, DLF Towers Jasola, Jasola District Centre New Delhi- 110025, India	100
Cushman & Wakefield Property Management Services India Private Limited	India	JA 1120 and JA 1121, 11th Floor, Tower A, DLF Towers Jasola, Jasola District Centre New Delhi- 110025 INDIA, New Delhi, India	100
Cushman & Wakefield Property Services Slovakia, s.r.o.	Slovakia	Pribinova 10, Bratislava, 811 09, Slovakia	100
Cushman & Wakefield Property Solutions B.V.	Netherlands	Franz-Lisztplantsoen 100, 3533JG Utrecht	100
Cushman & Wakefield Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield RE Consultants Spain, S.L.	Spain	Calle José Ortega, y Gasset 29, Madrid, 28006, Spain	100
Cushman & Wakefield Real Estate Appraiser Office	Taiwan (Province of China)	9/F, Capital Square, 97 Song Ren Road, Xin Yi District, Taipei 110, Taiwan	100

Subsidiary	Jurisdiction of Incorporation	Registered Address	Ownership %
Cushman & Wakefield Real Estate Services (ACT) Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield Real Estate Services (NSW) Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield Real Estate Services (NT) Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield Real Estate Services (QLD) Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield Real Estate Services (SA) Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield Real Estate Services (TAS) Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield Real Estate Services (VIC) Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield Real Estate Services (WA) Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
Cushman & Wakefield Real Estate Services LLC	United States	3500 American Blvd W, Ste 200, Minneapolis, MN, 55431, United States	100
Cushman & Wakefield Realty of Brooklyn, LLC	United States	205 Montague Street, Entire Third Floor, Suite 300, Brooklyn, NY, 10016, United States	100
Cushman & Wakefield Realty of Manhattan, LLC	United States	1290 Avenue of the Americas, New York, NY, 10104, United States	100
Cushman & Wakefield Realty of New Jersey, LLC	United States	One Meadowlands Plaza, 7th Floor, East Rutherford, NJ, 07073, United States	100
Cushman & Wakefield Realty of Queens, LLC	United States	118-35 Queens Boulevard, Portion of 14th Floor, Forest Hills, NY, 11375, United States	100
Cushman & Wakefield Realty of the Bronx, LLC	United States	1290 Avenue of the Americas, New York, NY, 10104, United States	100
Cushman & Wakefield Regional, Inc.	United States	800 Corporate Drive, Suite 700, Fort Lauderdale, FL, 33334, United States	100
Cushman & Wakefield Securities, Inc.	United States	1290 Avenue of the Americas, New York, NY, 10104, United States	100
Cushman & Wakefield Services (Thailand) Co., Ltd.	Thailand	90 CW Tower, 18/F, Tower B, Ratchadapisek Road, Huay Kwang Sub-district, Huay Kwang District, Bangkok Metropolis, 10310, Thailand	100
Cushman & Wakefield Servicios, S. de R.L. de C.V.	Mexico	Paseo de los Tamarindos No. 60-Bpiso 2, Bosques de las Lomas Cuajimalpa, Mexico	100
Cushman & Wakefield Shenzhen Valuation Co., Ltd.	China	Unit03B & 04, 18/F, Tower 2, Kerry Plaza, No., 1 Zhongxinsi Road, Futian District, Shenzhen, Shenzhen, 518048	100
Cushman & Wakefield Singapore Holdings Pte Limited	Singapore	3 Church Street #09-03 Samsung Hub, Singapore 049483, Singapore	100
Cushman & Wakefield Site Services Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield Solutions Canada ULC	Canada	700 West Georgia Street Suite 700, Vancouver, BC, V7Y 1A1, Canada	100
Cushman & Wakefield Solutions, LLC	United States	128 N. 1st Street, Colwich, KS, 67030	100
Cushman & Wakefield Spain Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield Structured Finance ULC	Canada	700 West Georgia Street Suite 700, Vancouver, BC, V7Y 1A1, Canada	100
Cushman & Wakefield Sweden AB	Sweden	Regeringsgatan 59, PO Box 3637, Stockholm, 109 59, Sweden	100
Cushman & Wakefield Trading B.V.	Netherlands	Dijsselhofplantsoen 12, Amsterdam, 1077 BL, Netherlands	100
Cushman & Wakefield U.S. Borrower, LLC	United States	225 West Wacker Drive, Suite 3000, Chicago, IL, 60606, United States	100
Cushman & Wakefield U.S., Inc.	United States	225 West Wacker Drive, Suite 3000, Chicago, IL, 60606, United States	100
Cushman & Wakefield UK EUR Holdco Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield UK Finco 2 Limited	United Kingdom	125 Old Broad Street, London, EC2N 2BQ, England, United Kingdom	100
Cushman & Wakefield UK Finco CAD Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield UK Finco USD Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield UK Holdco (Canada) Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100

Subsidiary	Jurisdiction of Incorporation	Registered Address	Ownership %
Cushman & Wakefield UK Holdco (India) Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield UK Holdco (Singapore) Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield UK Holdco 2 (Canada) Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
Cushman & Wakefield ULC	Canada	161 Bay Street, P.O. Box 602, 15th Floor, Toronto, ON, M5J 2S1, Canada	100
Cushman & Wakefield V.O.F.	Netherlands	Gustav Mah, 362, 1082 ME, Amsterdam	100
Cushman & Wakefield Valuation Advisory Services (HK) Limited	Hong Kong	16th Floor, Jardine House, 1 Connaught Pl, Central, Hong Kong, China	100
Cushman & Wakefield Valuation France SA	France	Tour Opus 12 – 77 Esplanade du Général de Gaulle, 92800 Puteaux, Paris, France	100
Cushman & Wakefield Ventures, LLC	United States	1290 Avenue of the Americas, New York, NY, 10104, United States	100
Cushman & Wakefield VHS Pte Ltd	Singapore	3 Church Street #09-03 Samsung Hub, Singapore 049483, Singapore	100
Cushman & Wakefield Western, Inc.	United States	425 Market Street, Suite 2300, San Francisco, CA, 94105, United States	100
Cushman & Wakefield Winssinger Tie Leung BV	Belgium	5th Floor, Avenue Marnix 23, 1000, Brussels, Belgium	100
Cushman & Wakefield Zarzadzanie SP Z.O.O.	Poland	Rondo Daszynskiego 2B, Warsaw, 00-843, Poland	100
Cushman & Wakefield, Inc.	United States	1290 Avenue of the Americas, New York, NY, 10104, United States	100
Cushman & Wakefield, S. de R.L. de C.V.	Mexico	Paseo de los Tamarindos No. 60-B Piso 2, Bosques de las Lomas Cuajimalpa, Mexico	100
Cushman & Wakefield, s.r.o.	Czech Republic	Quadrio Offices, Purkynova 2121/3, 110 00 Praha 1, Czech Republic	100
Cushman and Wakefield Tasarım İnşaat ve Taahhüt Hizmetleri Anonim Şirketi	Turkey	Esentepe Mah. Büyükdere Cad., Bahar Sok. No.13 K.15 B.40, Şişli, İstanbul, Turkey	100
Drone Holdings (Cayman) Ltd.	Cayman Islands	PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands	100
DTZ (Northern Ireland) Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
DTZ Americas, Inc.	United States	275 Grove Street, Suite 3-200, Auburndale, MA, 02466, United States	100
DTZ Asia Pte. Ltd.	Singapore	750A Chai Chee Road #05-01 Viva Business Park, 469001, Singapore	100
DTZ AUS Bidco Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
DTZ AUS Holdco Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
DTZ Australia Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
DTZ Debenham Tie Leung Incorporated	United States	225 West Wacker Drive, Suite 3000, Chicago, IL, 60606, United States	100
DTZ Deutschland Holding GmbH	Germany	Rathenauplatz1, 60313 Frankfurt am Main	100
DTZ Europe Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
DTZ HR Services Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
DTZ India Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
DTZ Investment Management Limited	United Kingdom	85 King William Street, London, EC4N 7BL, England	100
DTZ Investments Pte. Ltd.	Singapore	750A Chai Chee Road #05-01 Viva Business Park, 469001, Singapore	100
DTZ Investors (Holdings) Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
DTZ Investors France	France	11-13 avenue de Friedland, Paris, 75008, France	100
DTZ Investors REIM	France	11-13 avenue de Friedland, Paris, 75008, France	100
DTZ Investors UK Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
DTZ Management Services Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
DTZ Parent, LLC	United States	225 West Wacker Drive, Suite 3000, Chicago, IL, 60606, United States	100
DTZ UK Bidco 2 Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
DTZ UK Guarantor Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
DTZ UK Holdco Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
DTZ US Holdings, LLC	United States	225 West Wacker Drive, Suite 3000, Chicago, IL, 60606, United States	100

Subsidiary	Jurisdiction of Incorporation	Registered Address	Ownership %
DTZ Winssinger Tie Leung (Luxembourg) SA	Luxembourg	Centre Descartes, The Ground Floor, 287-289 route d'Arlon, L-1150, Luxembourg	100
DTZ Worldwide Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
DTZ Zadelhoff Property Services B.V.	Netherlands	Franz-Lisztplantsoen 100, 3533JG, Utrecht, Netherlands	100
DTZ Zadelhoff V.O.F.	Netherlands	Parnassusweg 803,Amsterdam, 1082 LZ, Netherlands	100
DTZI Co-Investment France SAS	France	11-13 avenue de Friedland, Paris, 75008, France	100
DTZI Co-Investment GP Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
DTZI Co-Investment Holdings Limited	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
DTZI Co-Investment II L.P.	United Kingdom	c/o CMS Cameron McKenna Nabarro Olswang LLP, Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EN, Scotland, United Kingdom	100
DTZI Co-Investment L.P.	United Kingdom	125 Old Broad Street, London, EC2N 1AR, England	100
DTZI Participation II L.P.	United Kingdom	c/o CMS Cameron McKenna Nabarro Olswang LLP, Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EN, Scotland, United Kingdom	100
DTZI Scots GP Limited	United Kingdom	c/o CMS Cameron McKenna Nabarro Olswang LLP, Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EN, Scotland, United Kingdom	100
Equis (India) Real Estate Private Limited	India	EGL Business Park, 4th Floor, Pine Valley, Intermediate Ring Road, Bengaluru, KA, 560071, India	100
Equis Canada, Inc.	Canada	40, Suite 3100, King Street West, Rotonto, ON, M5H 3Y2, Canada	100
Esmaco Valuers & Property Agents Pte Ltd	Singapore	750A Chai Chee Road #05-01 Viva Business Park, 469001, Singapore	100
Grant Street Associates, Inc.	United States	310 Grant Street, Suite 1825, Pittsburgh, PA, 15219	100
GRASTON INVESTMENT SA	Uruguay	810, 403, Calle Colonia, Montevideo, Uruguay, 11100, Uruguay	100
HWS Hire Pty Ltd	Australia	386, South Road, Richmond, SA, 5033, Australia	100
Incre Australia Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100
NeMaSe BV	Netherlands	Nieuwe Gracht 208, Haarleem, 2011 NM, Netherlands	100
NM Holdings LLC	United States	3500 American Blvd W, Ste 200, Minneapolis, MN, 55431, United States	100
Nottingham Indemnity, Inc.	United States	c/o Beecher Carlson, 156 College Street, Suite 301, Burlington, VT, 05401, United States	100
Paccom Realty Advisors - Fresno, Inc.	United States	225 West Wacker Drive, Suite 3000, Chicago, IL, 60606, United States	100
Paccom Realty Advisors, Inc.	United States	225 West Wacker Drive, Suite 3000, Chicago, IL, 60606, United States	100
Pacific Commercial Realty Advisors - Boise, LLC	United States	225 West Wacker Drive, Suite 3000, Chicago, IL, 60606, United States	100
Pacific Commercial Realty Advisors PM-Boise, LLC	United States	225 West Wacker Drive, Suite 3000, Chicago, IL, 60606, United States	100
Pacific Commercial Realty Property Management, Inc.	United States	225 West Wacker Drive, Suite 3000, Chicago, IL, 60606, United States	100
PCL Management LLC	United States	5055 KELLER SPRINGS RD, SUITE 400, Addison, TX, 75001	100
PCL Union, LLC	United States	5055 KELLER SPRINGS RD, SUITE 400, Addison, TX, 75001	100
Pinnacle California Corp.	United States	5055 KELLER SPRINGS RD, SUITE 400, Addison, TX, 75001	100
Pinnacle City Living, LLC	United States	5055 KELLER SPRINGS RD, SUITE 400, Addison, TX, 75001	50
Pinnacle Northeast Union LLC	United States	5055 KELLER SPRINGS RD, SUITE 400, Addison, TX, 75001	100
Pinnacle Property Management Services Northeast LLC	United States	5055 KELLER SPRINGS RD, SUITE 400, Addison, TX, 75001	100
Pinnacle Property Management Services, LLC	United States	5055 KELLER SPRINGS RD, SUITE 400, Addison, TX, 75001	100
Pinnacle Real Estate Partners, LLC	United States	4401 North Mesa, El Paso, TX, 79902	100
PPMS Canada Holding Corp.	Canada	2200 HSBC Building 885 West Georgia Street, Vancouver, BC, V6C3E8	100
Premas Valuers & Property Consultants Pte. Ltd.	Singapore	750A Chai Chee Road #05-01 Viva Business Park, 469001, Singapore	100
PT BPO Indonesia	Indonesia	Wisma GKBI, Jl. Jend. Sudirman No.28 RT.14/RW.1, Bend. Hilir Kota Jakarta Pusat Daerah Khusus Ibukota Jakarta, 10210	100

Subsidiary	Jurisdiction of Incorporation	Registered Address	Ownership %
PT Cushman & Wakefield Indonesia	Indonesia	Jakarta Stock Exchange Building, Tower 2, 15th Fl., J1. Sudirman Kav. 52-53, Jacarta, Indonesia	98
PT Premas International	Indonesia	Sahid Sudirman Center 9th Floor, Suite 9B, Jalan Jend. Sudirman No. 86, Central Jakarta, Indonesia	100
Queratie B.V.	Netherlands	Parnassusweg 803,Amsterdam, 1082 LZ, Netherlands	100
Rhapsody GP Corp.	Canada	100 Wellington Street West, Suite 1201, Toronto, M5K 1H6, Canada	50
SCP Germinal	France	92 Cours Vitton, Lyon, 69006, France	50
Thalhimer Charleston, LLC	United States	115 Central Island Drive, Suite 175, Charleston, SC, 29492	100
Thalhimer Greenville, LLC	United States	15 South Main Street, Suite 502, Greenville, SC, 29601	100
UGL Equis Canada, Inc.	Canada	199, Suite 2800, Bay Street, Toronto, ON, M5L 1A9, Canada	100
Valuations Services (NSW) Pty Ltd	Australia	Level 9, 385 Bourke Street, Melbourne, VIC, 3000, Australia	100

PARENT COMPANY PROFIT OR LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME (LOSS)
FOR THE YEAR ENDED 31 DECEMBER 2022

(in millions)	Note	Year ended 31 December 2022	Year ended 31 December 2021
Other operating income (expense)		0.3	(0.3)
Operating profit (loss)		**0.3**	**(0.3)**
Profit (loss) before tax		**0.3**	**(0.3)**
Tax on profit (loss)	5	—	—
Profit (loss) for the year		**0.3**	**(0.3)**
Other comprehensive income (loss) for the year, net of tax		—	—
Total comprehensive income (loss) for the year		**$ 0.3**	**$ (0.3)**

The accompanying notes form part of these parent company financial statements.

PARENT COMPANY BALANCE SHEETS
AS AT 31 DECEMBER 2022

(in millions)	Note	As at 31 December 2022	Restated (Note 10) As at 31 December 2021
Fixed assets			
Investment in subsidiaries	6	$ 3,715.1	$ 3,697.3
		3,715.1	**3,697.3**
Current assets			
Debtors (including $0.0 million (2021: $66.7 million) due after one year)	7	109.9	66.7
Cash at bank and in hand	8	21.7	18.8
		131.6	**85.5**
Total assets		**3,846.7**	**3,782.8**
Creditors: amounts falling due within one year	9	(36.0)	—
Creditors: amounts falling due after one year	9	—	(10.0)
Net assets		**$ 3,810.7**	**$ 3,772.8**
Capital and reserves			
Called up share capital	10	22.6	22.4
Share premium account	10	986.9	987.1
Reserves	10	2,816.7	2,779.1
Profit and loss account		(15.5)	(15.8)
Shareholders' funds		**$ 3,810.7**	**$ 3,772.8**

These financial statements were approved by the board of directors on 31 March 2023 and were signed on its behalf by:

John Forrester
Director

Company registered number: 11414195

PARENT COMPANY STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

(in millions)	Note	Called up share capital	Share premium account	Reserves: Share-based reserves	Reserves: Capital reduction reserve	Profit and loss account	Total
Balance as at 31 December 2020, as previously reported		$ 22.2	$ 3,558.6	$ 154.4	$ —	$ (15.5)	$ 3,719.7
Correction of prior period error	10	—	(2,571.3)	(48.6)	2,619.9	—	—
Balance as at 31 December 2020, as restated		**$ 22.2**	**$ 987.3**	**$ 105.8**	**$ 2,619.9**	**$ (15.5)**	**$ 3,719.7**
Loss for the year		—	—	—	—	(0.3)	(0.3)
Other comprehensive income for the year		—	—	—	—	—	—
Total comprehensive loss for the year		**—**	**—**	**—**	**—**	**(0.3)**	**(0.3)**
Vesting of shares related to equity compensation plans, net amounts withheld for payment of taxes	10	0.2	(0.2)	(4.5)	—	—	(4.5)
Share-based payments	10	—	—	57.9	—	—	57.9
Balance as at 31 December 2021		**$ 22.4**	**$ 987.1**	**$ 159.2**	**$ 2,619.9**	**$ (15.8)**	**$ 3,772.8**
Profit for the year		—	—	—	—	0.3	0.3
Other comprehensive income for the year		—	—	—	—	—	—
Total comprehensive income for the year		**—**	**—**	**—**	**—**	**0.3**	**0.3**
Vesting of shares related to equity compensation plans, net amounts withheld for payment of taxes	10	0.2	(0.2)	(24.7)	—	—	(24.7)
Share-based payments	10	—	—	62.3	—	—	62.3
Balance as at 31 December 2022		**$ 22.6**	**$ 986.9**	**$ 196.8**	**$ 2,619.9**	**$ (15.5)**	**$ 3,810.7**

The accompanying notes form part of these parent company financial statements.

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Cushman & Wakefield plc (the “Company”) is a public limited company that is limited by shares and incorporated and domiciled in England in the U.K. The Company’s registered office is 125 Old Broad Street, London, EC2N 1AR and its principal place of business is in the United States at 225 West Wacker Drive, Chicago, Illinois, 60606.

2 ACCOUNTING POLICIES

a) BASIS OF PREPARATION

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the U.K. and Republic of Ireland (“FRS 102”). The presentation currency of these financial statements is U.S. dollars. Unless otherwise noted, amounts in the financial statements have been rounded to the nearest million.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgments made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 14.

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (“the functional currency”). The financial statements are presented in U.S. dollars (“USD”), which is also the Company’s functional currency.

b) EXEMPTIONS APPLIED

In these financial statements, the Company has applied the exemptions available under FRS 102 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1; and
- Disclosures in respect of the compensation of Key Management Personnel.

As the Consolidated Financial Statements of Cushman & Wakefield plc include the equivalent disclosures, the Company has applied the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102: *26 Share-based payments*

c) GOING CONCERN

The Company has $21.7 million of cash on hand and is in a positive net asset position. Furthermore, the Company controls the entire group and has the ability to call up cash from subsidiaries if needed to satisfy obligations. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and at least 12 months from the date of signing the financial statements. The Company therefore continues to adopt the going concern basis in preparing its financial statements. Additionally, the directors note the Company's going concern position is directly linked to that of the Group and those conclusions are set out within Note 2: Summary of Significant Accounting Policies of the Group's consolidated financial statements starting on page 89.

d) NON-DERIVATIVE FINANCIAL INSTRUMENTS

Non-derivative financial instruments comprise investment in subsidiaries, debtors, cash at bank and in hand and creditors.

Investment in subsidiaries

Investment in subsidiaries are carried at cost less impairment charges.

Debtors

Debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Cash at bank and in hand

Cash at bank and in hand comprises solely of cash balances. The carrying amount of cash equivalents approximates fair value. Cheques issued but not presented to banks may result in book overdraft balances for accounting purposes and such book overdrafts are classified within bank overdrafts.

Creditors

Creditors: amounts falling due within one year and after one year are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

e) IMPAIRMENT, EXCLUDING DEFERRED TAX ASSETS

Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the profit and loss account.

Non-financial assets (including investments)

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows, or cash-generating unit ("CGU"), and goodwill is allocated to each of the Company's CGUs or groups of CGUs. Recoverable amounts are calculated based on an asset's or CGU's fair value less costs to sell or its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or CGU is less than its carrying amount, an impairment loss is recorded to reduce the asset or CGU to its recoverable amount. Impairment losses are recognised in the profit or loss account and other comprehensive loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

f) SHARE-BASED PAYMENTS

The Company grants stock options and restricted stock awards to employees under the Amended and Restated 2018 Omnibus Management Share and Cash Incentive Plan (the “Management Plan”) and the Amended and Restated 2018 Omnibus Non-Employee Director Share and Cash Incentive Plan (the “Director Plan,” and together with the Management Plan, the “2018 Omnibus Plans”). The grant date fair value of awards granted to employees is recognized as a capital contribution to subsidiaries within investment in subsidiaries using the graded vesting method over the vesting period, with a corresponding increase in equity or liabilities, depending on the balance sheet classification. The value of the capital contribution from share-based payments is reduced by the amount of stock-based compensation recharged.

g) TAXATION

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the date of the balance sheet, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

h) CORRECTION OF 2021 COMPARATIVES

During the year the directors have reviewed the presentation of reserves and concluded that $2.6 billion from a historic capital reduction in 2018 should be included within a capital reduction reserve and not in the share premium account. In addition, certain share based payment activity should be included within the share-based reserves and not in the share premium account. Accordingly the 2021 comparatives have been corrected to reflect this. It has resulted in the share premium being reduced by $2.6 billion for the capital reduction and increased by $48.6 million for the share based payment activity, and a capital reduction reserve being increased by $2.6 billion and the share-based reserves being decreased by $48.6 million as at 1 January 2021. The correction has had no impact on past reported profits, net assets or the tax charge of the Company.

3 DIRECTORS’ REMUNERATION, EMPLOYEE COST AND AUDITOR REMUNERATION

Information regarding the executive and non-executive directors is disclosed in the Directors' Remuneration Report beginning on page 31. The Company does not have any employees.

Amounts receivable by the Company’s auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company’s financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the Group’s consolidated financial statements.

4 SHARE-BASED PAYMENTS

On 6 August 2018, the Company adopted the 2018 Omnibus Plans.

During the year the Company granted Restricted Stock Units ("RSUs").

Restricted Stock Units

Time-Based and Performance-Based RSUs

The Company may award certain individuals with RSUs. Time-based RSUs contain only a service condition, and the related compensation cost is recognized over the requisite service period of between three and four years using the graded vesting method. The Company determines the fair value of time-based RSUs as the fair value of a limited liability share on the grant date.

Performance-based RSUs ("PBRSUs") contain certain performance and market conditions, as defined in the award agreements, and vest upon the satisfaction of such performance targets during the defined performance periods. The fair value at grant date for PBRSUs with performance conditions is equal to the fair value of an ordinary share on the grant date. The fair value at grant date for PBRSUs with market conditions is determined using a Monte Carlo simulation.

Share and Cash Incentive Plans

The Compensation Committee may grant share and cash incentives with the 2018 Omnibus Plans. The Management Plan provides awards to employees, consultants and independent contractors. The Director Plan provides awards to directors of the Company. Under both plans, the individuals awarded are selected by the Compensation Committee.

5 TAXATION

There is $0.0 million (2021: $nil) current tax and $0.0 million (2021: $nil) deferred tax recognized in the profit or loss account and other comprehensive income or directly in equity. The Company has tax losses amounting to $0.0 million (2021: $0.3 million) that are available for carry forward. Losses are carried forward indefinitely.

Reconciliation of effective tax rate:

(in millions)	Year ended 31 December 2022	Year ended 31 December 2021
Profit (loss) before tax	$ **0.3**	$ **(0.3)**
Profit (loss) multiplied by the standard rate of tax in the U.K. of 19%	0.1	(0.1)
Effects of:		
Group relief	(0.1)	—
Current year losses for which no deferred tax asset was recognized	—	0.1
Total tax on profit (loss)	$ —	$ —

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the Company's future current tax charge accordingly.

6 INVESTMENT IN SUBSIDIARIES

(in millions)	Shares in group undertakings
Balance as at 31 December 2020	$ **3,663.2**
Share-based contributions to subsidiaries, net of recharges	34.1
Balance as at 31 December 2021	$ **3,697.3**
Share-based contributions to subsidiaries, net of recharges	17.8
Balance as at 31 December 2022	$ **3,715.1**

Annually, the Company considers the carrying value of its investment in subsidiaries to determine whether any indicators of impairment exist. Our business has been impacted, like our peers in the commercial real estate sector and other companies across various sectors, by geopolitical uncertainty, rising inflation, and rising interest rates, among other macroeconomic challenges. While we don't believe any temporary adverse effects driven by the current macroeconomic environment have impaired the Company's investment in subsidiaries balance; given the perceived notion that these effects could have for users of the financial statements, we have considered this, and the market capitalization of the Group, to be impairment triggers and performed a quantitative recoverability assessment.

The Company assessed whether the recoverable amount of the investment in subsidiaries balance exceeded its carrying value. The Company estimated the recoverable amount based on the fair value less cost to sell, utilizing both an income approach and market approach. In determining the recoverable amount in 2022, the Company used a discounted cash flow ("DCF") model based on our most current forecasts. The Company discounts the related cash flow forecasts using the weighted average cost of capital method at the date of evaluation. The discount rate is adjusted for a risk premium to reflect both the increased risk of investing generally and the systematic risk of the specific CGU. Preparation of forecasts and selection of the discount rate, forecasted revenue growth rates, and forecasted profitability margins, for use in the DCF model involve significant judgments, and changes in these estimates could affect the estimated recoverable amount of investment in subsidiaries and could result in an impairment charge in a future period. We also used the guideline public company valuation method under the market approach, using market multiples which are obtained from quoted prices of comparable companies to corroborate our DCF model results.

The key assumptions used in the estimation of fair value less costs to sell for the year ended 31 December 2022 were as follows:

	Assumption
Discount rate (weighted average)	16.3 %
Terminal value growth rate	3.0 %
Adjusted EBITDA margin (weighted average)	13.0 %

The estimation of fair value less costs to sell was based on the most recent three-year operating budget approved by management. The operating budget is based on expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth and taking into consideration macroeconomic factors. Management's key assumptions in setting the financial budgets are as follows:

- Forecasted revenue – short term revenue growth rates were based on past experience, adjusted for the strategic opportunities within each CGU. The forecasts typically used average nominal growth rates up to 10.5%.
- Adjusted EBITDA margin is based on profitability (Adjusted EBITDA) measured against service line fee revenue. Adjusted EBITDA margin is expected to improve modestly throughout the period as we expand market share and improve our operating efficiency through the application of technology, economies of scale and disciplined cost management.
- Long term growth rate – the terminal value growth rate is based on expectations of future macroeconomic outcomes, such as GDP and forecasted inflation, and past experience. Thereafter and through the terminal period, annual revenue growth was assumed to stay constant at 3.0% and expenses were held constant as a percentage of revenue.
- The discount rate applied to the cash flows is calculated using a CGU specific post-tax rate based on the discount rate which would be anticipated for a market participant in the Group.
- Disposal costs were estimated to be approximately 2.0% of the total fair value.

Management performed a sensitivity analysis based on changes in key assumptions considered to be reasonably possible by management, while leaving all other assumptions unchanged. The following table summarizes the impact on the estimated fair value less costs to sell:

(in millions)		31 December 2022
Increase in discount rate by 1.0%	$	(333.0)
Decrease in terminal value growth rate by 0.5%		(81.0)
Decrease in Adjusted EBITDA margin by 0.5%		(128.0)

In 2021, the Company estimated the recoverable amount based on the fair value less cost to sell which was determined by utilizing the guideline public company valuation method under the market approach. In 2021, the Company determined that there was no reasonably possible change in key assumptions that would cause the carrying value of parent company investment to exceed its recoverable amount.

As at 31 December 2022 and 31 December 2021, the annual impairment assessment of investment in subsidiaries has been completed resulting in no impairment charges, as the estimated fair value of each was in excess of the recoverable amount. It is possible that our determination that investment in subsidiaries is not impaired could change in the future if current economic conditions or other conditions deteriorate.

The Company has the following directly held investment in subsidiary and a number of indirectly held investments which are disclosed in Note 29: List of Related Undertakings to the Group Consolidated Financial Statements as related undertakings:

	Country of incorporation	Class of shares held	Ownership 31 December 2022	Ownership 31 December 2021
DTZ UK Guarantor Limited	United Kingdom	Ordinary	100%	100%

7 DEBTORS

Amounts falling due within one year

(in millions)		As at 31 December 2022		As at 31 December 2021
Amounts owed by group undertakings	$	109.9	$	—
Total current debtors	$	109.9	$	—

Amounts falling due after one year

(in millions)		As at 31 December 2022		As at 31 December 2021
Amounts owed by group undertakings	$	—	$	66.7
Total debtors		**109.9**		**66.7**

Included within amounts owed by group undertakings are receivables which are unsecured and non-interest bearing.

8 CASH IN BANK AND IN HAND

(in millions)		As at 31 December 2022		As at 31 December 2021
Cash at bank and in hand	$	21.7	$	18.8
Total cash at bank and in hand		**21.7**		**18.8**

9 CREDITORS

Amounts falling due within one year

(in millions)	As at 31 December 2022	As at 31 December 2021
Amounts owed to group undertakings	$ 36.0	$ —
Total creditors: amounts falling due within one year	**36.0**	**—**

Amounts falling due after one year

(in millions)	As at 31 December 2022	As at 31 December 2021
Amounts owed to group undertakings	$ —	$ 10.0
Total creditors: amounts falling due after one year	**—**	**10.0**

Included within amounts owed to group undertakings are payables which are unsecured and non-interest bearing.

10 CAPITAL AND RESERVES

Share capital

	$
Allotted and fully paid	
As at 31 December 2020	**22,194,276**
Issued during the year	183,425
As at 31 December 2021	**22,377,701**
Issued during the year	200,353
As at 31 December 2022	**22,578,054**

During 2022 and 2021, the Company issued 2,003,546 and 1,834,254 ordinary shares, respectively, with a nominal value of $0.10 per share, as a result of RSUs vesting and stock options being exercised under the 2018 Omnibus Plans.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Share premium account

	$
As at 31 December 2020, as previously reported	3,558,579,427
Correction of prior period error	(2,571,252,474)
As at 31 December 2020, as restated	**987,326,953**
Vesting of shares related to equity compensation plans, net amounts withheld for payment of taxes	(183,425)
As at 31 December 2021	**987,143,528**
Vesting of shares related to equity compensation plans, net amounts withheld for payment of taxes	(200,354)
As at 31 December 2022	**986,943,174**

The opening balance for share premium as at 31 December 2020 has been adjusted to reclass the $2.6 billion of distributable reserves from share premium to capital reduction reserve.

Share-based reserve

	$
As at 31 December 2020, as previously reported	154,438,386
Correction of prior period error	(48,626,419)
As at 31 December 2020, as restated	**105,811,967**
Share-based payments	57,917,868
Vesting of shares related to equity compensation plans, net amounts withheld for payment of taxes	(4,542,684)
As at 31 December 2021	**159,187,151**
Share-based payments	62,294,474
Vesting of shares related to equity compensation plans, net amounts withheld for payment of taxes	(24,696,092)
As at 31 December 2022	**196,785,533**

The share based payment reserve as at 31 December 2022 totaling $196.8 million (2021: $159.2 million) consists of share-based payments that were granted to subsidiary employees during the period. Refer to Note 4: Share-Based Payments for more information on share-based payments.

Capital reduction reserve

	$
As at 31 December 2020, as previously reported	—
Correction of prior period error	2,619,878,893
As at 31 December 2020, as restated	**2,619,878,893**
As at 31 December 2021	**2,619,878,893**
As at 31 December 2022	**2,619,878,893**

The capital reduction reserve represents distributable reserves resulting from the 12 July 2018 capital reduction.

Dividends
There were no dividends paid or declared during the year (2021: $nil).

11 RELATED PARTIES

During 2022 and 2021, the Company had no transactions with related parties.

12 CONTROLLING PARTIES

Cushman & Wakefield plc, a company incorporated in the United Kingdom, is the largest and smallest group to consolidate these financial statements. There is no ultimate controlling party. Consolidated financial statements of Cushman & Wakefield plc are obtainable from the Company Secretary at 125 Old Broad Street, London, EC2N 1AR.

13 GUARANTEES

Refer to Note 28: Statutory Audit Exemptions to the Group Consolidated Financial Statements for information on certain subsidiaries of the Group that are exempt from the requirements to audit their accounts under section 479A of the Companies Act 2006. Under section 479C of the Companies Act 2006, Cushman & Wakefield plc, being the ultimate parent undertaking of such subsidiaries, has given a statutory guarantee of all of the outstanding liabilities to which the listed subsidiaries are subject to as at 31 December 2022. This is the only guarantee of the Company.

14 ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Accounting Estimates

Impairment of investment in subsidiaries
The carrying amount of the investment in subsidiaries balance is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is typically estimated based on the fair value less cost to sell. In determining the recoverable amount of investment in subsidiaries, the Group typically utilizes the guideline public company valuation method under the market approach using market multiples which are obtained from quoted market prices of comparable companies. In 2022, the Group used a discounted cash flow ("DCF") model based on our most current forecasts. The Group discounted the related cash flow forecasts using the weighted average cost of capital method at the date of evaluation. The discount rate is adjusted for a risk premium to reflect both the increased risk of investing generally and the systematic risk of the specific CGU. Preparation of forecasts and selection of the discount rate, forecasted revenue growth rates, and forecasted profitability margins, for use in the DCF model involve significant judgments, and changes in these estimates could affect the estimated recoverable amount and could result in an impairment charge in a future period.

When the recoverable amount is less than the carrying amount of investment in subsidiaries, an impairment loss may arise. There was no impairment of investment in subsidiaries during the period. Key assumptions used in the estimation of the recoverable amount of the investment in subsidiaries balance are included in Note 6: Investment in Subsidiaries. The values assigned to the key assumptions represent management's assessment of future trends in the industry and have been based on historical data from both external and internal sources.