

# BUILDING RESILIENCE



**ENVIRONMENTAL | SOCIAL | GOVERNANCE**  
2021 REPORT



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## A STEADFAST COMMITMENT

As a leader in the commercial real estate industry, Transwestern is proud to consistently deliver positive financial and sustainable outcomes for clients, and last year was no exception.

In 2021, we further advanced our platform through effective policies, comprehensive team training, and the integration of data-driven solutions across our managed portfolio. In combination, these efforts sparked tenant engagement and supported return-to-work trends, reigniting the buildings entrusted to us by our clients.

Additionally, we continued to imbed sustainable procurement and resource efficiency into daily operations, and managed risk through extensive audits and stakeholder transparency. Robust compliance and ethical governance enable us to deliver deeper operational savings as well as responsible development and investment strategies.

Across the Transwestern family of companies, it is both a duty and a privilege to provide the greatest return for our clients, team members, partners, and communities. We look forward to sharing the highlights with you.

Robert Duncan  
Chairman  
Transwestern

Larry P. Heard  
Chief Executive Officer  
Transwestern

# THE BROAD VIEW

## TRANSWESTERN TODAY

Transwestern owes its success to a purpose-driven culture that champions entrepreneurial, passionate problem-solvers; an unwavering commitment to client service; and a flexible, comprehensive approach to real estate. By empowering teams to think broadly and creatively, we deliver unparalleled solutions to property owners, occupiers and investors around the globe.

Despite the challenges resulting from the pandemic and ongoing supply chain issues, 2021 presented great opportunity to re-engage tenants, grow business on behalf of our clients, and advance research on the future of commercial real estate.

- Transwestern Real Estate Services (TRS) added 10 million square feet to its portfolio of managed assets
- Transwestern Development Company (TDC) completed seven projects and added 18 new opportunities to its development pipeline
- Transwestern Investment Group (TIG) completed the closing of its third fund, bringing total assets under management inception to date to more than \$6.6 billion

When turnover in the industry has been high, Transwestern has excelled at team member retention, with voluntary turnover under 16% across all business lines. The strength of our culture, commitment of team members at all levels of the organization and investment of resources into new technologies and customer offerings position us well for continued growth.

## OUR TEAM

 **33**  
U.S. offices

 **2,000+**  
team members

 **212**  
offices

 **33**  
countries

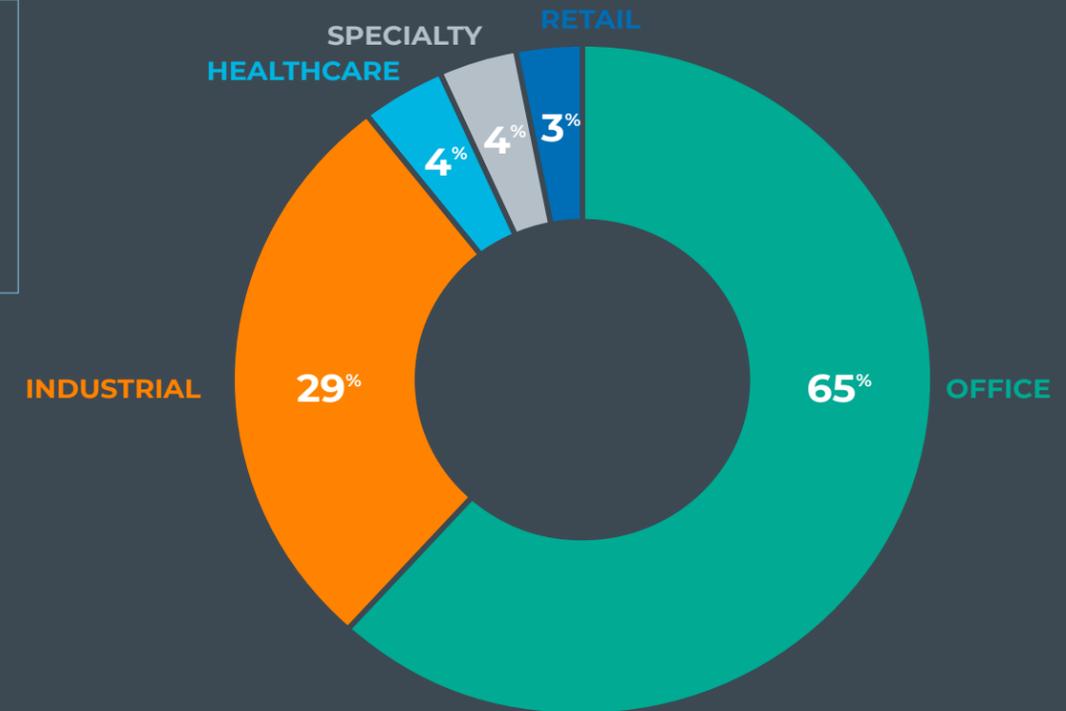
partnership with

 **BNP PARIBAS**  
REAL ESTATE

 **ENCOR**  
ADVISORS™

## TRANSWESTERN REAL ESTATE SERVICES PORTFOLIO

  
**340 MSF**  
managed and leased



## 2021 TRANSACTION SUMMARY

### TRANSWESTERN REAL ESTATE SERVICES

 **4,418**  
leasing transactions

 **\$5.98B**  
value

 **726**  
capital markets transactions

 **\$4.21B**  
value

### TRANSWESTERN DEVELOPMENT COMPANY

 **\$9.07B**  
in total development value ITD

### TRANSWESTERN INVESTMENT GROUP

 **\$6.6B**  
assets managed ITD

## FRAMING THE CONVERSATION

For owners and operators in the commercial real estate space, healthy, sustainable solutions boost tenant satisfaction and ultimately drive value. We see:

- Increased demand for occupant-focused wellness solutions is propelling the industry to examine indoor air quality, cleaning practices and amenity access with renewed vigor.
- Continued interest from international partners and institutional clients in reducing greenhouse emissions is fueling substantial investment in energy and water efficiency.
- Global reporting structures like the Global Real Estate Sustainability Benchmark (GRESB) highlight top performers, making sustainability a necessity to remain competitive and affirm brand integrity around social and environmental action.
- Top asset management firms are rethinking investments that represent risk to their portfolios due to the impacts of climate change.

## ENVIRONMENTAL IMPERATIVE

Extreme weather events generate approximately \$148 billion in direct loss damages, annually. In 2021, 20 separate billion-dollar natural or climate-related disasters occurred across the country – the second highest year on record since 1980<sup>1</sup>. According to the National Oceanic and Atmospheric Administration (NOAA), only two years have exceeded 2021's total damages: 2017 (Hurricane Harvey) and 2005 (Hurricane Katrina). Furthermore, 2021 was unique in both the seasonality and the diversity of events encompassing flooding, wildfires, tornadoes and winter storm Uri. These events also resulted in the loss of nearly 700 lives, more than double the figure in 2020.

Preparing for the risks to the built environment requires the integration of climate-related factors into decision-making at all levels of asset management. This includes accounting for the total carbon footprint across Scope 1, 2, and 3 greenhouse gas emissions; reassessing risk management and business continuity planning; and, in many cases, investing deeply in resilience for infrastructure and human capital.

## SOCIAL IMPERATIVE

Social engagement, as with environmental stewardship, is critical to the health of an asset and the community in which it exists. Within commercial real estate, this focus on society can manifest in myriad ways – from the health and wellness of building users and vendors to discussions of diversity to philanthropy and direct engagement with community members and organizations.

On average, Americans spend approximately 90% of their time indoors. As a result, building occupants are very susceptible to indoor environmental conditions, which are often characterized by higher levels of pollutants and particulates than outdoor conditions. Indoor air quality is

linked to thousands of cases of health impairments each year, including asthma. At the turn of the century, it is estimated that asthma alone impacts some 17 million Americans and costs them between \$7-9 billion each year in medical and indirect non-medical costs<sup>2</sup>.

Building owners and operators must be prepared to incorporate advanced air quality solutions, modify building systems and provide near-site or on-site amenities that promote access to health, wellness resources and education. Real-time monitoring of key environmental factors, like Radon, ozone and carbon dioxide, will ensure occupants are not exposed to conditions that are unsafe or lower productivity. In fact, studies investigating Sick Building Syndrome and related outcomes of productivity and absenteeism demonstrate increases in outside air circulation or decreases in CO<sub>2</sub> and pollutant load within a building can equate to up to 20% greater worker output and reduce sick leave by about 9 hours per year<sup>3</sup>.

## GOVERNANCE IMPERATIVE

Whether from consumers, investors or government agencies, transparency is in high demand. It is imperative to communicate – quickly and effectively – how business is conducted and how it impacts all constituents, from end users to vendor partners to third-party stakeholders in local and global communities. In commercial real estate, this transparency manifests in various public and private requests, including but not limited to accounting and investment data, short- and long-term strategic decision making, equal opportunity and fair labor practices, gender parity, tenant health and wellness, risk management, board succession planning and sustainability.



## ADAPTIVE RISK MODELING

Investors and insurers are increasingly incorporating climate risk and global events into models and projections. In 2021, insurance rates continued to rise driven by more than \$70 billion in natural disaster-related events and an estimated 8.1% increase in construction costs from supply chain shortages<sup>4</sup>.



## INVESTOR CONFIDENCE

Transparency in the investment community extends far beyond corporate ethics and executive compensation. Investors are increasingly concerned about the social impact across a company's operations, and, in the case of real estate, throughout the property life cycle. Board succession with an emphasis on diversity and philanthropic efforts also rise to the top more frequently in today's discussions between firms looking for long-term partners.



## RECRUITMENT & RETENTION

ESG can be an effective tool in recruiting and retaining top talent, particularly among women, minorities and Millennials<sup>5</sup>. The pandemic and the ensuing Great Resignation have led many to reassess their careers and how they spend their time and money, with an increase in value-based actions. Maintaining a clearly communicated, substantive and results-oriented ESG platform can lead to greater success in human capital management.



## BRAND INTEGRITY

Opting for *check-the-box* activities creates vulnerabilities in a more transparent world. Consumers now have easier access to information and investors want to see progress around DEI, risk management and greenhouse gas emissions reduction. Underpinning statements and goals with demonstrable results and hard data is necessary to appease clients, customers and community stakeholders.

1. NOAA's National Centers for Environmental Information, 2021. Billion-Dollar Weather and Climate Disasters: Overview. <https://www.ncdc.noaa.gov/billions/>  
2. U.S. Environmental Protection Agency. October 2001. Healthy Buildings, Healthy People: A Vision for the 21st Century. Office of Air and Radiation.  
3. Elnaklah, R.A. and S. Natarajan. 2019. A comparison of indoor air quality and employee absenteeism in 'local' and 'imported' green building standards. IOP Conference Series: Materials Science and Engineering, 609 042089.

4. CBIZ, 2022. Insights into the Current Commercial Property Insurance Market: Property & Casualty. <<https://www.cbiz.com/insights/articles/article-details/insights-into-the-current-commercial-property-insurance-market-property-casualty>>  
5. Michelson, Joan, 2021. A Hidden Recruitment and Retention Tool – Think ESG Investing. Forbes.com < <https://www.forbes.com/sites/joanmichelson2/2021/10/20/a-hidden-recruitment--retention-tool--think-esg/?sh=4a9cf7987bff>>



## BUILDING ESG

A firm that has been applauded for its culture of empowerment and community engagement throughout its 44-year history, Transwestern is continuously expanding the breadth of its services to foster greater environmental and asset stewardship, smarter development and investment and deeper client and community engagement.

## A STRONG FOUNDATION

By the early 2000s, Transwestern distinguished itself as a leader in energy and sustainability within commercial real estate. With a focus on resource conservation, energy efficiency and green building design and operations, our team produced several landmark accomplishments:



First third-party real estate firm to win both ENERGY STAR Partner of the Year and Sustained Excellence awards



Awarded the first LEED ARC Re-Certification in US and second globally



Awarded first LEED Gold Project in Chicago

Earned World's first LEED v4 EBOM Certification<sup>6</sup>

## A PLATFORM FOR GROWTH

In 2018, Transwestern began to evolve its sustainability efforts with an eye toward a more holistic way of doing business. Through discussions with our clients, industry associations and our internal experts, this evolution led to the publications of the firm's first 5-Year Sustainability Roadmap, which lays out a path to enhance existing energy and sustainability services while growing the program to better incorporate community engagement, risk management and company culture at every turn.

In the final year of this initial Roadmap (2022), Transwestern continues to see strong performance and delivery on its goals, preparing us excellently for the next 5 years of growth across all business lines. Transwestern has translated programmatic successes into real-world improvements, reducing total resource consumption and reducing operating expenses across our managed portfolio.

Compared with our 2017 performance, we've achieved<sup>7</sup>:



**13.65%** reduction in energy use intensity



**\$0.26/SF** average reduction in energy expense



**4.9%** increase in our portfolio's ENERGY STAR Score



**4.8%** reduction in total greenhouse gas emissions



**12.8%** 12.8% increase in benchmarking compliance

6. EBOM: Existing Buildings: Operations and Maintenance – earned in 2013 for 1800 K St in Washington, D.C.  
7. Based on same-store comparison, 2017 v. 2021.



## A PLATFORM FOR GROWTH

In 2020, Transwestern took the next step toward a more holistic delivery of services through the development and adoption of ESG best practices. Among these best practices are an infrastructure of green operations and preventative maintenance; delivery of resource efficiency; reduction in landfill waste; increased community visibility; elevated social impact; promotion of diversity, equity, and inclusion (DEI); dedication to fair wage and labor practices; emphasis on education, professional development, and team member retention; transparency in reporting; executive leadership succession planning; expanded resources for risk management and cybersecurity; and a commitment to innovation and future integrations of technology.

## RESILIENCY MOVING FORWARD

If 2021 reinforced anything, it is that a nimble, customized approach to service delivery not only achieves the objectives of diverse clients, product types and geographies, but also best accommodates unpredictable supply chains, financial markets and consumer trends. ESG, by its very nature, lends itself to this flexibility. It allows companies, assets and even end-users to define ESG for themselves and pursue the salient elements. With this in mind, Transwestern, through its integrated ESG offerings, infuses its shared purpose and values into all aspects of service delivery.

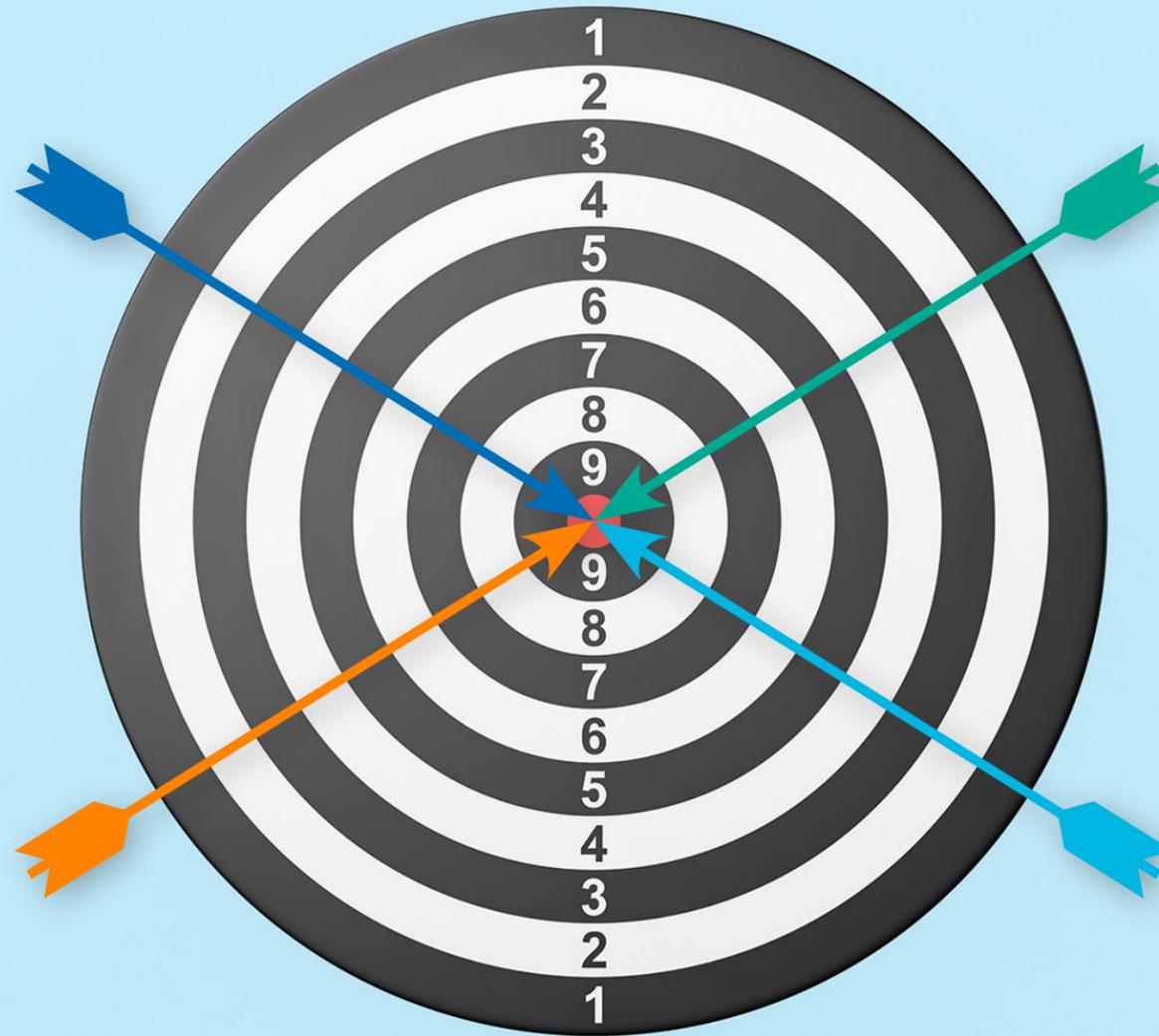
Notably, we continue to deepen our bench of ESG experts and deploy integrated technology solutions like TranswesternHUB to capture data and provide insights for tenants, owners and operations teams. Because ESG represents an exciting and relatively uncharted frontier for CRE as well as many other industries, we empower our team members to innovate around relevant topics that keep us at the leading edge of implementation, reporting and design. Engaging our clients to garner feedback and understand pain points ensures we translate needs into opportunities that provide positive returns for branding, social impact and the bottom line.

In 2022, Transwestern will deliver a comprehensive ESG platform that crosses all lines of business, building upon our existing policies and practices to provide deeper solutions and greater consistency across our managed portfolio. Identifying and integrating technology remains a primary goal as we capitalize on available data to create meaningful, timely insights into environmental and social outcomes.

## HIGHER STANDARDS

Goal:  
To be a commercial real estate industry leader  
in the areas of sustainability thought leadership,  
technical knowledge and responsible investment.

Target:  
20 industry and media placements, annually, by 2023.



Goal:  
To expand sustainability efforts across all Transwestern companies.

Target:  
TDC, TIG and Transwestern Ventures will embed ESG policies  
throughout project cycle.

Goal:  
To increase the value of buildings we manage through  
measurable improvements in energy, water and waste.

Target:  
2% year-over-year reduction in energy and water consumption.

Goal:  
To serve as a changemaker in the communities in which we work  
by promoting sustainability education; diversity, equity & inclusion  
initiatives; risk management; and ethical entrepreneurship.

Target:  
Provide diversity in hiring training to 100% of people managers.  
25% increase in philanthropic efforts by 2023.

# A 360° PERSPECTIVE

## COMMENTS FROM LEADERSHIP

If the last few years have proved anything, it's that adaptation is critical to our industry. Thanks to our team's thoughtful planning and impeccable execution during and coming out of the pandemic, TRS delivered exceptional returns for our clients while fostering healthy, safe, and welcoming spaces for our tenants to return to. With a long history of success in addressing our environmental footprint, engaging directly with our communities, and sharing insights with our clients, we remain nimble in our service delivery and create opportunity despite the challenges of the market today.



**Tom Lawyer**  
President  
Transwestern Real Estate Services

The development landscape continues to offer opportunities and challenges. From labor shortages to supply chain issues and market volatility, it's been a dynamic couple of years. In the face of unprecedented events, TDC has delivered exceptional product for our clients. Through the limitless resilience of our teams, we are seizing great opportunities nationwide, particularly across industrial and multifamily sectors. Delivering assets that spur the local economy from development through occupancy, TDC is thrilled to contribute to the communities in which we operate and continue supporting job creation and growth.



**Carleton Riser**  
President  
Transwestern Development Company

Transwestern Investment Group has worked relentlessly to deliver returns for our clients. With more than \$6.6B in assets managed since inception, TIG offers investors an array of commingled investment funds and separately managed investment vehicles with an Investor First approach. Investment underwriting and risk assessment driven by an experienced team of investors and operators, underpinned by robust investment analytics, are at the heart of our approach to investment management. Integrating technology with real-world expertise across sectors, markets, risk/return profiles and geographies ensures our fiduciaries have the best data available to invest our clients' capital and manage their investments at the highest level.



**Charles Hazen**  
President  
Transwestern Investment Group

Our industry has advanced dramatically over the last several decades, and ESG is one bright example of how innovation, transparency, and holistic building design and operations can be leveraged to manifest positive changes throughout the built environment. While Transwestern has always embraced environmental and community welfare, we continue to evolve our offerings, our platform, and our very way of thinking to best deliver on our mission of empowerment for our teams and our communities alike. Through integrated risk management, resilience design and investment, adoption of key technologies, and regular engagement with our project stakeholders, we can instill confidence and create opportunity for our clients despite uncertainty in today's marketplace.



**Josh Richards**  
Corporate Director, ESG

Commercial real estate is changing faster than ever due to the constantly evolving ways people live, research, work together and use space. This fast-paced change is producing tremendous opportunities for investors that possess the insight to anticipate demand trends and the agility to react quickly. Transwestern has a unique capability to leverage its collaborative, innovative approach to real estate in pursuit of investments that produce attractive returns with manageable risk. Deploying experts nationwide across core competencies of healthcare, life sciences, industrial, office, multifamily, hospitality, and land development, Ventures will work synergistically with team members, clients, and partners to produce dynamic investment returns with asymmetric risk.



**Fred Knapp**  
Managing Partner  
Transwestern Ventures

## ENVIRONMENT

Environmental stewardship is a core principle for Transwestern, and we've been at the forefront of energy efficiency, green building and sustainable operations within commercial real estate for decades. With a keen eye toward water and energy conservation, effective natural resources management, carbon intensity reduction and business continuity planning, Transwestern's creative strategies unlock value across our managed portfolio, developments and corporate partnerships.

Achieving meaningful results takes a village. We empower our teams nationwide to act in the best interests of our clients and the communities in which we work, building upon a strong foundation of excellence by infusing innovative ideas and diverse perspectives to near- and long-term environmental challenges. Through best practice exchanges with our global partners, vendors and local stakeholders, we apply tried and true solutions with a custom feel to best address the needs of each asset or project we touch. Comprehensive operational policies ensure consistent delivery of sustainable goods and services. Well-defined performance standards combined with an adaptive approach to resource management and community engagement supports long-term strategy with the nimbleness necessary to pivot in the most challenging of conditions.



## BEST PRACTICES

The resources Transwestern has invested to build a strong infrastructure underpinned by industry-leading best practices and talent readies us to deploy our expertise on behalf of our clients, tenants and partners.

### GREEN OPERATIONS POLICIES

A suite of 10 comprehensive policies designed to limit building impact on the environment and safeguard tenant health and wellness.

### BENCHMARKING COMPLIANCE REPORTS

Monthly reports covering Transwestern's managed and fully benchmarked portfolio shared with regional teams to communicate successes and correct deficiencies.

### SUSTAINABILITY BEST PRACTICES GUIDE

A comprehensive handbook for property managers addressing energy, water, waste and healthy operations and detailing industry best practices.

### BASE BUILDING STANDARDS AND GUIDELINES

Detailed construction and improvement specifications for development and facility alterations focused on achieving energy- and water-efficient design.

### SEMI-ANNUAL BUILDING AUDITS

Portfolio-wide audits detailing energy, water and waste management and cataloging efficiency improvement projects onsite.

- Chemical Water Treatment
- Exterior & Hardscape Management
- Facility Alterations
- Green Cleaning
- Indoor Integrated Pest Management
- Integrated Pest Management & Landscaping
- Native Plants and Xeriscaping
- Solid Waste Management
- Sustainable Purchasing
- Indoor Plumbing Economic Assessment Policy



## 2021 HIGHLIGHTS

Transwestern maintains a nationwide scope, but environmental impact is felt locally. Acting in the best interest of our clients and the communities in which we work, our teams identify and implement optimal cost- and resource-efficient initiatives aimed at building resilience, reducing owner and occupant risk and increasing the positive social value of each asset.

Since 2017, Transwestern has invested in the development of a robust and broad-reaching ESG platform and continues to deliver key resources to team members, facilitating integration of environmental strategy and operations into every element of our work.

### STRATEGIC PLANNING

- 2020: Published first Corporate Social Responsibility Report
- 2021: Published first Annual ESG Report

### BENCHMARKING

- 71.7% of office portfolio fully benchmarked (82.8% in 2020)
  - 324 of 452 commercial office assets
- Average ENERGY STAR Score
  - 74.8 (74.96 in 2020)

### ENERGY PERFORMANCE<sup>8</sup>

- Portfolio-wide average: 2.18% decrease in energy consumption
- Avoided consumption of 24.8M kWh (10.7Gt CO<sub>2</sub>e)
- Estimated savings<sup>9</sup>: \$0.06/ft<sup>2</sup>

### WATER PERFORMANCE

- Portfolio-wide average: 11.7% decrease in water consumption
- Avoided consumption of 197.3M gallons of water
- Estimated savings<sup>10</sup>: \$0.02/ft<sup>2</sup>

### GREEN BUILDING CERTIFICATIONS (2021)

- 82 ENERGY STAR certifications
- 6 WELL Health-Safety ratings
- 5 LEED re-certifications



## TOOLBOX

On-demand resources facilitate local action and promote human and environmental stewardship. As of 2021, our toolbox includes:

[Annual Budget Pricing Guidelines](#)

[Building Energy Plan Template](#)

[Building Energy Solutions Menu](#)

[Building Performance Report](#)

[Earth Day Tenant and Team Member Outreach](#)

[Energy & Sustainability Marketing Factsheets](#)

[ENERGY STAR Onboarding Requirements](#)

[On-Demand Energy & Sustainability Training Resources<sup>11</sup>](#)

[Tenant Sustainability Solutions Menu](#)

8. Same store, year-over-year, 2021 v. 2020 performance.

9. Based on estimated \$0.10/kWh.

10. Based on estimated \$4.75/kgal water.

11. See the full list of available on-demand E&S trainings in the Training section of this report.

## MEASURING OUR PROGRESS

Transwestern is dedicated to both progressive action and transparency in its environmental work. Over the course of 2021, we continued to achieve, and where necessary redefine, the ultimate goals of our 5-year Sustainability Roadmap. At the end of year four, we proved just how resilient and effective our teams are at delivering value for clients, evidenced by our significant progress in the face of an ongoing pandemic, supply chain shortages, a slow return to the office, the Great Resignation and other challenges.

### CORE GOALS: 2021 UPDATE

✔ Completed
🕒 In Progress
✘ Discontinued

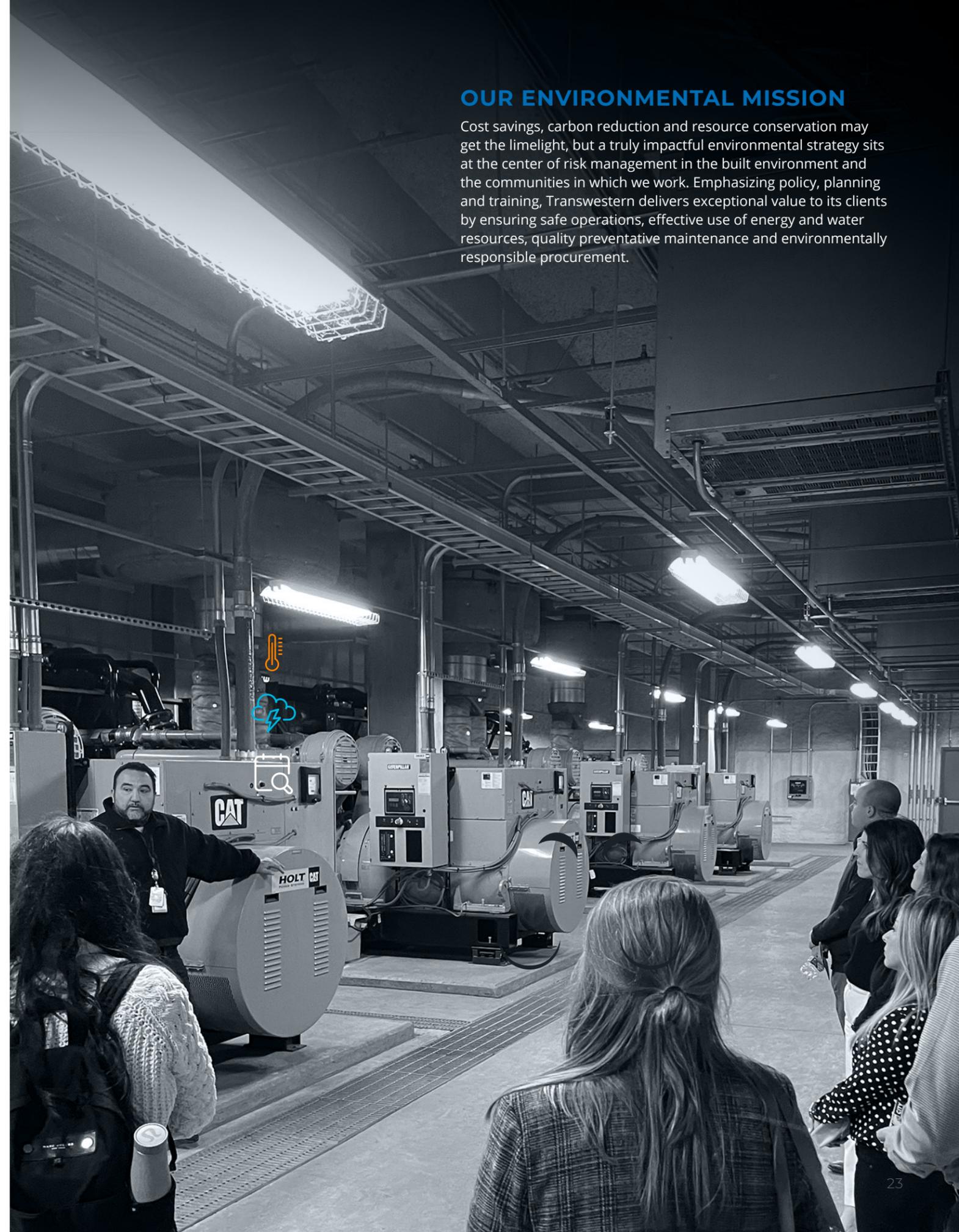
CATEGORY	TASK	PROGRESS
Information Management	Implement energy, LEED, capital planning and building information audits	✔
Policy	Implement green development policies (TDC)	✔
Policy	Implement green lease and investment policies	🕒
Reporting	Deliver first annual sustainability report	✔
Reporting	Deliver annual ESG report	✔
Reporting	Support all Tier I clients on E&S strategic planning and reporting, as appropriate	✔
Services	Pilot and fully implement Utility Bill Management (UBM) service	✘ <sup>1</sup>
Services	Fully implement waste tracking system	🕒
Services	Design preventative maintenance and ongoing commissioning for Tier I clients	✔
Services	Develop structure for in-house management of all green building certifications	✔
Services	Develop structure for in-house management of commissioning, energy audits and IAQ testing	✔
Training	Deliver E&S training content for internal audience	✔
Training	Design E&S training content and schedule for client/tenant audiences	🕒
Investment & Partnerships	Identify industry partners for high-profile engagements on E&S	✔
Investments & Partnerships	Identify industry partners for small- and medium-scale investment opportunities for renewable energy	🕒
Research	Complete market research for minimum of two key topics in E&S	🕒
Research	Develop framework for asset valuation tool	✘ <sup>2</sup>
Public Affairs	Identify and adopt corporate and regional ESG goals and responsibilities	🕒
Public Affairs	Pursue and achieve ENERGY STAR Partner of the Year recognition	✘ <sup>3</sup>
Public Affairs	Present at E&S conferences on reinvented approach to E&S highlighting engineering and PM	🕒

#### Discontinuations Clarified

1. Pilot UBM Service: UBM service initiation was discontinued to better align with Transwestern's accounting platforms.
2. Asset Valuation Tool: Transwestern deemed this effort beyond the scope of our ESG customer support objectives.
3. ENERGY STAR Partner of the Year Recognition: Our team prioritized development of on-demand tools for local teams over national programming and E&S brand recognition.

## OUR ENVIRONMENTAL MISSION

Cost savings, carbon reduction and resource conservation may get the limelight, but a truly impactful environmental strategy sits at the center of risk management in the built environment and the communities in which we work. Emphasizing policy, planning and training, Transwestern delivers exceptional value to its clients by ensuring safe operations, effective use of energy and water resources, quality preventative maintenance and environmentally responsible procurement.



## SOCIETY

Transwestern has always maintained that being successful is not enough – we must also be good citizens who create a positive impact for our communities and our team members. Both goals are central to our mission and the long-term sustainability of our work. Supporting the health, wellness and satisfaction of our internal and external stakeholders better equips us to deliver products and services that exceed expectations and support the growth and development of the communities in which we work. By deepening the connection with people and places, Transwestern acts as a steward fully prepared to serve clients. We encourage our team members to embrace this philosophy as well, both in collaboration with colleagues and in their personal endeavors.

At Transwestern, empowerment is like air. Our people are real estate experts, culture carriers, customer service specialists, fiduciaries, personal confidants and the difference makers for our clients and communities. We can wear all these hats by encouraging team members to innovate, grow professionally and share insights and opportunities to fuel collaboration; we sum it up in our Purpose Statement:

*“Empowering good people to do extraordinary things together.”*

Empowerment motivates our teams to turn a job into a vocation. Transwestern recognizes the incredible investment of time, energy and attention our team members put into delivering successful outcomes for our clients, tenants and communities. We strive to acknowledge and appreciate their contributions every day.



## BEST PRACTICES

Working in the service of a healthy, more engaged community, Transwestern balances the needs of internal and external stakeholders and invests heavily in the cultivation of both. Within our Transwestern community, we roll out new team member resources to support adaptive decision-making and exceptional customer service delivery alongside individual support programs.

### HEALTH AND WELLNESS

Team members and their families have access to a suite of on-demand resources through AssetHealth, including diet and fitness trackers, education seminars, daily challenges and resources for tobacco use cessation.

### DIVERSITY, EQUITY AND INCLUSION (DEI)

Our national Steering Committee and Goal Committees support local DEI efforts in each of our markets through programming, marketing assistance, event planning and training resources.

### TEAM MEMBER PROMOTION & ADVANCEMENT

Transwestern prides itself on building and retaining top talent through regular promotion, advancement opportunities, professional development planning and >700 live and on-demand training courses across 17 subject matters.

### PAID VOLUNTEER ALLOTMENTS

Full-time team members are provided eight hours of paid time off each year for community service completed during normal business hours for a cause of their choice.





## 2021 HIGHLIGHTS

On a national level, Transwestern proudly continued its successful, three-year engagement with Ronald McDonald House Charities (RMHC), in total raising significant contributions for the organization. RMHC works to improve the health and well-being of children and their families, and this rewarding partnership aligned closely with Transwestern values. Since 2019, our teams have supported RMHC core programs including the Ronald McDonald House®, Ronald McDonald Family Room® and Ronald McDonald Care Mobile®. Through direct donations, fundraising, corporate sponsorship and team member volunteering, Transwestern has helped to deliver a little peace of mind to families while highlighting the importance of community health organizations.

Additionally, Transwestern and longtime multi-market client KBS partnered for the sixth year to collect donations to fund 7,500 wreaths for Wreaths Across America. The organization honors fallen U.S. veterans by coordinating wreath-laying ceremonies during the holiday season at Arlington National Cemetery and more than 2,500 additional locations in all 50 U.S. states, at sea and abroad.

Complementing national initiatives was a host of local efforts, such as:

- The Understory Food Hall at Transwestern-managed Bank of America Tower collaborated with Gensler and the Houston Food Bank to host the 24th annual Canstruction exhibit to help the food-insecure. More than 4,500 cans were donated to make the designs.
- Across the Midwest, a full week of activities fueled Transwestern's DEI initiative in local offices, bringing teams together for camaraderie, community and fun. Activities included puzzles, TW Unity photos, a musical workshop and cocktail reception and a day of service at the Greater Chicago Food Depository.
- Team members from across the Mid-Atlantic volunteered to help de-install a large-scale local art exhibition featured on the National Mall. "In America: Remember" featured over 660,000 white flags blanketing over 20 acres of the Mall, honoring each person who had died from COVID-19.
- Hundreds of other organizations, such as the Montgomery County Library, Make-A-Wish and Beacon Homeless Day center were supported through individual and team efforts in 2021. We applaud every team member who has stepped up for a cause they believe in.



## TEAM MEMBER SUPPORT AND SATISFACTION

Empowerment is a philosophy for work and life, as evidenced by team member feedback that repeatedly earns us “Best Place to Work” recognition in markets across the country. Encouragement to “think beyond the obvious” and embrace diversity fuels our mutual success, and a commitment to excellence is evidenced in our consistent client satisfaction, low voluntary turnover and high team member tenure.

## RECENT HIGHLIGHTS



100 Best Workplaces for Millennials, *Fortune* and Great Places to Work®  
2015 and 2017 - 2021



Founder's Award, Top Workplaces  
*Atlanta Journal-Constitution*  
2020 - 2021



Best Workplaces in Chicago, *Fortune*  
and Great Places to Work®  
2017 - 2021



Best Places to Work in Chicago  
*Crain's Chicago Business*  
2008 - 2011, 2013, 2016, 2018, 2020



*The Dallas Morning News*

Top Workplaces  
*Dallas Morning News*  
2014, 2020 - 2021



Best Places to Work  
*Houston Business Journal*  
2003 - 2021



Best Places to Work  
*San Antonio Business Journal*  
2008 - 2011, 2013 - 2020



Best Places to Work  
*Los Angeles Business Journal*  
2008 - 2014, 2017 - 2018



Top Workplaces  
*Chicago Tribune*  
2010 - 2014, 2018 - 2021



Top Workplaces  
*The Denver Post*  
2019, 2021



Best Workplaces in Texas, *Fortune*  
and Great Places to Work®  
2017 - 2021



Best Places to Work  
*Dallas Business Journal*  
2006, 2009 - 2010, 2012,  
2015 - 2018, 2020



Best Places to Work in New  
York City, *Crain's New York  
Business*, Ranked No. 1 for four  
consecutive years  
2013, 2015 - 2021



Best Places to Work  
*Orange County Business Journal*  
2010 - 2014, 2016 - 2019, 2021



Best Places to Work  
*Washington Business Journal*  
2016, 2020

## CULTURE DRIVES COMMITMENT

By recruiting, growing and retaining the top talent in the industry, our teams continue to provide exceptional service. This stems from an inclusive, customer-focused culture, which empowers our team members to invest daily in their personal and professional growth. In fact, we believe wholeheartedly that our culture and team member support resources enabled Transwestern to attract and retain top talent throughout 2021, despite immense competition within the industry compounded by the impacts of the Great Resignation.

Once a team member is on board, we treat them as an integral part of the Transwestern family and work hard to maximize long-term retention. Combining the institutional knowledge and proven expertise of long-tenured teams with the innovative ideas and perspectives of new talent, we cultivate a consistent level of performance that evolves to meet the changing needs of our clients, tenants and community stakeholders. It's an environment that adapts, challenges and rewards success at all levels and across all functions.

## OUR SOCIAL MISSION

Transwestern is committed to serving the greatest good – both for our team members and our community of owners, investors and external stakeholders. This begins with how we treat each other, underscored by our purpose statement. As we continue to extend engagement beyond our front doors, Transwestern is uniting in common cause with our tenants, vendors, teams and clients to provide meaningful support services, education and philanthropy in communities across the country.





## GOVERNANCE

A robust governance structure underpins all Transwestern activities reinforcing ethical business practices; minimizing risk for us and our clients; and ensuring compliance with all local, state and federal regulations. Furthermore, Transwestern commits to providing transparency in our corporate management, demonstrating to stakeholders a strong desire to foster innovation and smart growth in a community striving toward a more diverse, inclusive and equitable industry.

As true fiduciaries to our clients and investors, we carry out the management and operation of our family of companies with the gravitas and openness necessary to deliver great returns alongside top-notch customer service. In 2021, we expanded the scope of our compliance programs in the continued pursuit of ethical, equitable and effective self-governance.

## BEST PRACTICES

Transwestern leverages compliance and performance metrics to achieve timely, targeted results. Through clear KPIs and intuitive measurement tools, enhanced by continuous training and professional development, Transwestern gets teams up to speed quickly and retains institutional knowledge for the long haul.

## OPERATIONS COMPLIANCE SCORECARD

This monthly synthesis of key data spanning the breadth of services offered by TRS measures performance against defined and stringent benchmarks for all properties in our managed portfolio. Using automated monitoring tools, we perform in-depth, continuous auditing to quickly identify potential issues and execute through action plans when corrective actions are needed.

## TEAM MEMBER ADVANCEMENT AND SUCCESSION PLANNING

Dedication to the advancement of high-performing team members and the retention of diverse talent across the firm and through our vendor partners.

## MANAGER TRAINING

Targeted training resources for team members with supervisory responsibilities to address key roadblocks such as unconscious bias, workplace harassment, conflict resolution and emotional intelligence.

## 2021 HIGHLIGHTS

Transwestern continued its long streak of success around compliance, security, training and risk management in 2021. Building from a wealth of internal experience, our teams engaged experts within the industry to bolster our existing infrastructure and ensure we outpaced the needs of our assets and our owners.



### COMPLIANCE AND INTERNAL AUDIT PROGRAMS

Successfully completed annual SSAE18 SOC 1 Type 2 audit, performed by EY, resulting in an unqualified opinion for the fifth consecutive year.

Achieved *2021 Internal Compliance Scorecard* score of 91.7%, a 1.5% improvement from 2020, the fourth consecutive year of improved audit compliance.

Increased our automated auditing program to examine nearly 60% of our managed assets.

Expanded our *Engineering Audit* process to monitor high-priority deficiency findings and ensure remediation within required time frames.

Continued use of *Forensic Accounting* audits to examine Corporate Accounting data with no negative findings through 2021.



### NATIONAL PROGRAMS

Expanded OFAC<sup>12</sup> Compliance Program

- Increased the audit frequency to quarterly.
- Updated the audit process to use the U.S. Treasury's Consolidated Sanctions List.
- Increased the scope of the audit to include asset owners.

Established new training program as part of National Cybersecurity Month (October 2021) requiring all team members to complete three training courses annually.

Launched *Project Drawbridge*, a partnership between Operations, Information Technology and Compliance focused on strengthening cybersecurity at the asset level.



### TRAINING

Instituted mandatory training requirements for *Fraud Awareness Cybersecurity*.

Reduced successful ACH and check fraud events by 2% through *Vendor Onboarding and Voice Verification Program* and training.

Formalized Engineering Training Program, focusing on safety, personal protective equipment, fall protection, electrical training and OSHA.

## CYBERSECURITY

Commercial real estate has historically considered itself as relatively low risk for cybersecurity attacks, but the technology landscape in the industry is rapidly changing!

Transwestern has been proactive in protecting personal and financial information on behalf of our clients, vendors and our team members. Our cloud-first technology environment supports a mobile workforce distributed across hundreds of locations, with 1 to 100+ employees at each site.

- Multi-factor authentication-protected single sign-on
- Drive encryption
- Ransomware-resistant storage with automatic user data backup
- Secure email gateway with phish reporting and remediation
- Class-leading endpoint protection, management and web filtering
- Integrated ticketing, monitoring, logging and remote access

Underpinning all these solutions, we emphasize training among our teams through quarterly cybersecurity campaigns, which also include simulated phishing attacks to keep our team members vigilant for potential fraud.

Onsite at our properties, cybersecurity is equally important. The increasing integration of IoT technologies covering sensitive systems and information ranging from occupancy and building access to air quality to HVAC operations requires seamless communication between staff and vendors. Through thorough vetting of new tools and controls, training for our property teams and implementing cybersecurity best practices, Transwestern ensures our buildings stay safe and secure as they become increasingly advanced in service of our customers.

## OUR GOVERNANCE MISSION

At Transwestern, we firmly believe that effective governance is essential to good business. While risk management and compliance remain primary goals, we support our property teams with emergency response and business continuity resources to handle almost every situation. Safeguarding our teams, clients and building occupants is and will remain our focus. Transwestern continues to build meaningful and transparent governance structures to better serve clients and enhance due diligence efforts across the Transwestern companies.



## REINVENTING THE OFFICE ENVIRONMENT

While the return to office trend is promising, many agree that the way workers use office space is still evolving and may look different in the future. Of course, every client has a unique situation, and we've been helping clients determine how to make the best use of their real estate since the height of the pandemic.

### HEALTHY BUILDING FEATURES ARE BECOMING STANDARD

Improving wellness and thus productivity for employees is no longer an add-on feature for many office goers. Maximizing touchless interactions, increasing access to hygiene resources and over-communicating building policies and practices are now standard procedures for a growing proportion of buildings. Managers are elevating janitorial practices, indoor air quality services and tenant amenities to promote healthy workspaces. Real-time monitoring and integrated technology platforms help tenants and operators stay informed on building performance and plan daily activities accordingly.

### FLEXIBLE WORK ARRANGEMENTS WILL PERSIST

Many firms discovered the benefits and challenges of remote working, as did many workers. Incorporating greater flexibility, particularly for families, will likely continue among traditional office users. With the high costs of childcare and elevated gas prices, a desire for greater personal flexibility in personal work schedule will be an important consideration in the workforce moving forward.

### MAXIMIZING COLLABORATION SPACE WILL REMAIN A PRIORITY

Many employers are now faced with a new challenge – balancing flexibility for workers while generating opportunities for meaningful, in-person collaboration. For some tenants, transitioning existing space from traditional office to meeting room or innovation space is proving a strong, viable solution. For others, enhancing of meeting and common areas with additional technology like VR or smart boards provides an incentive for teams to utilize group spaces more regularly.

### NEW STRATEGIES WILL BE REQUIRED TO BUILD COMPANY CULTURE

Employers noted the difficulty – and in some cases the impossibility – of building and maintaining meaningful company culture in virtual and remote teams<sup>13</sup>. Similarly, traditional mentorship relationships can be difficult to develop and maintain, impacting the early-career and diverse professionals. Employers will continue to explore new incentives to welcome workers back to traditional office environments while also introducing new lifestyle elements to maintain culture and energy among more dispersed groups.

## TENANT ENGAGEMENT AND COMMUNICATION

Welcoming tenants back to the office was a major focus for property management and ownership in 2021. Reaffirming healthy and safe environments, demonstrating excellent preventative management and incident response and reigniting onsite amenities were key in preparing for occupants' return. Across the country, our property managers and engineers worked tirelessly to support tenants onsite, as well as, those who continued to work remotely. Regular communications and building updates, community and traffic alerts and the reintroduction of in-person events helped to ease the transition.

Recognizing wellness is more than physical health, property teams fostered connectivity through digital and dispersed means in addition to traditional building engagements. From creative and informative signage to the development of social media campaigns, townhalls and trivia competitions, our onsite team members ensured every building community member could remain connected and informed. Through clever tenant applications and technology, Transwestern showed that excellent customer service knows no boundaries.

## MARKET RESEARCH

For owners and operators it is still not completely clear what the future of building occupancy will look like. While people are increasingly returning to traditional onsite work settings, a portion of the workforce is taking advantage of increased flexibility. As of April 2022, key fob data sampling the 10 major metropolitan areas in the U.S. show occupancy rates are 43.4%, up from 26.5% a year prior. An increasing number of C-Suites nationwide are calling for a majority of employees to return to the office. In a survey by McKinsey and Company, executives expect workers to be in the office on average three days per week, minimum.

Many companies have turned to hybrid work options, with approximately 43% of employers offering full-time or part-time remote work, with an additional 29% of employers currently offer these options to workers but express intentions to revisit the policy and potentially eliminate it in the future.

However, C-Suite emphasis on bringing employees to the office at least three days each week indicates a strong need for physical work and collaboration space. In competition with the creature comforts of home, tenants are looking to build out touch-down spaces: tech-enabled work rooms, conference facilities, lounges and dining options – all of which could increase space demand and utilization.



13. Kane, G. et al. February 2021. *Redesigning the Post-Pandemic Workplace*. MIT Sloan Management Review. <https://sloanreview.mit.edu/article/redesigning-the-post-pandemic-workplace>

## TRANSWESTERNHUB

Augmenting engagement for building users is key to enhancing customer satisfaction. By putting real-time data and direct customization into our tenants' hands, we empower them to build and operate office spaces that meet their needs directly.

TranswesternHub is a transformative occupant experience platform using state-of-the-art integrative technology to foster connectivity, transparency and comfort. The tool is flexible and customizable, addressing each asset's unique footprint and tenant base while delivering timely, relevant information to owners and building management. The app seamlessly integrates environmental data from across the building to allow asset teams to enhance operations, improve performance and increase value. The platform is available as an amenity across Transwestern's managed portfolio of properties, with features that include:

TranswesternHub combines these features along with future integrations of building operations, like on-demand HVAC, to create a digital twin of the asset. Providing tenants mobile access ensures the building is better able to serve the real-time needs of occupants and guests while optimizing building performance.

The building solution represents more than just convenience for our tenants. With instant feedback on health and wellness factors, adjustable cleaning and disinfection scheduling, reducing surface contact through a touchless elevator and keycard access and rapid communication tools, our tenants are better able to tackle the challenges of the office environment while fostering a robust digital community and supporting return-to-work efforts.

-  ESG
-  AUTONOMOUS HVAC CONTROLS
-  MOBILE KEYCARD
-  TOUCHLESS ELEVATOR
-  VISITOR MANAGEMENT
-  REAL-TIME INDOOR AIR QUALITY MONITORING
-  WORK ORDER MANAGEMENT
-  AUTOMATED CLEANING SCHEDULE
-  COMMUNICATION
-  COMMUNITY
-  AMENITY RESERVATIONS





## DIVERSITY, EQUITY & INCLUSION

Since its founding, Transwestern has embraced a collaborative environment believing that every person has a unique voice and perspective, each of which helps propel us forward as a community and a firm. We know that a diverse mix of abilities, experiences, personalities, ideas and problem-solving approaches leads to the best solutions. Transwestern's success lies not in acknowledging this simple truth but in our drive to create an environment that supports these tenets.

In 2020, Transwestern formally began the journey toward greater diversity, equity and inclusion (DEI) across our family of companies. National leaders and key contributors from markets across the country joined forces to outline the goals and objectives that would bridge the gaps in opportunity and access for our underrepresented groups while continuing to foster a culture of high performance, openness, empowerment and active communication. Four national goal committees were formed: Awareness, Belonging, Recruitment and Training.



### AWARENESS

We are committed to providing the tools, resources and strategies necessary to generate awareness and appreciation for DEI across all Transwestern's activities, internal and external to the organization.



### TALENT

We ensure the recruitment process reaches and appeals to a diverse and highly qualified pool of candidates. We will build and advance succession planning and career advancement opportunities to retain valued and diverse team members.



### BELONGING

We will establish a practice that links each team member to business operations, business leadership, team members in other markets and external business pursuits to foster engagement, connectivity and knowledge.



### TRAINING

We build understanding, cultural competency and the skills to prepare our team members and managers at all levels to appreciate that everyone contributes to achieving Transwestern's DEI goals.

A company-wide launch via a Town Hall in February 2021 introduced Transwestern's national focus on DEI, the underlying framework to achieve results and the benchmark against which we compare ourselves. After launch, each of our 13 markets was asked to develop local action plans, emphasizing the four tenets of our national DEI framework: awareness, belonging, talent and training. All 13 markets not only completed the development of these local action plans, but many began implementing impressive programs and innovative strategies unique to the needs of their markets and specific communities of talent.

## 2021 HIGHLIGHTS

### AWARENESS

Transwestern began a social media campaign to highlight the unique talents, experiences and thoughts our high performance team members bring to the table. Through the incorporation of personal quotes tied directly to our shared purpose statement and DEI goals, each post provides our followers with insights into who we are and what ignites our passions. In less than a year, our efforts have generated nearly 48,000 impressions and over 4,000 engagements across our community of clients, tenants, team members and partners.

Our Marketing Team sculpted unique content shared quarterly in our internal Connections newsletter. By emphasizing DEI through the lens of personal stories and local actions, we are sharing successes across the country and promoting replication of these innovative approaches.

### BELONGING

Transwestern kicked off the new engagement series *Team Talk* at a national level. This collaborative, lunch-and-learn-style discussion series seeks out diverse voices from across the family of companies and elevates their personal and professional journeys. Now three episodes in, our teams have met some amazing talents sharing their successes and barriers to accomplishment throughout the industry.

### TALENT

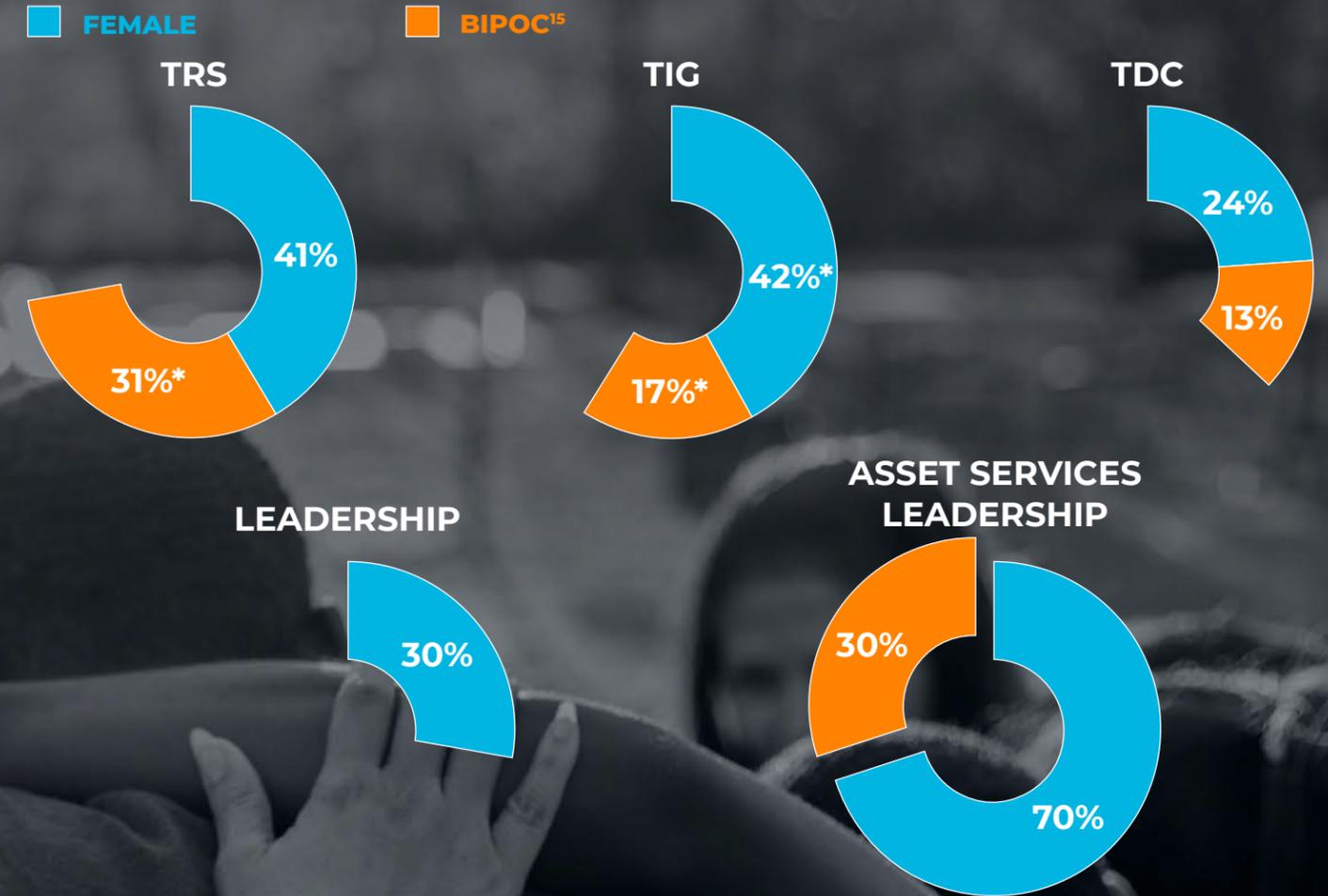
Transwestern increased awareness of internal opportunities for advancement and career adjustment by launching Workday Internal Recruiting. This improvement in equitable access for all team members led to an increase of six team members per month applying for internal positions.

Our national and regional candidate searches were greatly enhanced through the launching of DEI Recruiting Partnerships, including those with The Mom's Project, NAIOP, the Urban Land Institute and a suite of HBCUs. These partnerships, in conjunction with regional efforts focused on community outreach, resulted in a 50% increase in candidate pool diversity in 2021 over the previous year.

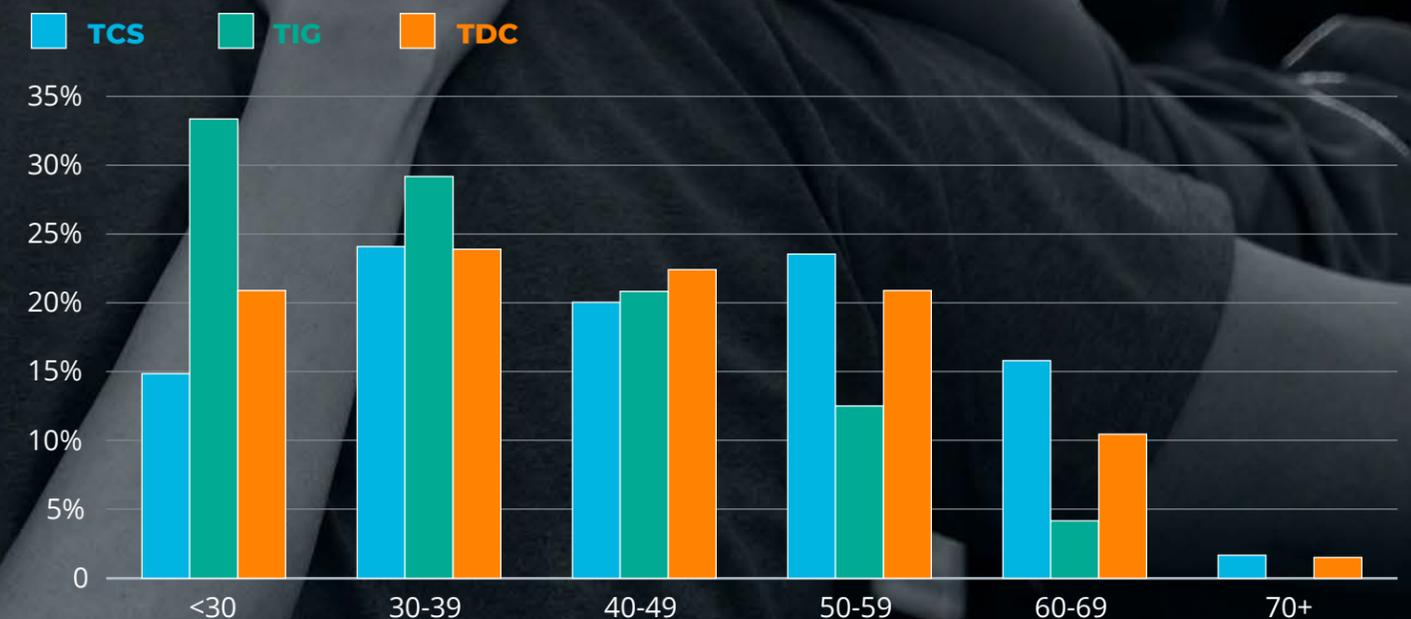
### TRAINING

The Training Committee developed and launched a new discussion-based training program called Engage. Reflect. Discuss. This series aims to introduce topics centered around conscious and unconscious bias in the workplace and in our personal lives. Through educational videos and subsequent facilitated conversations, our team members are becoming more aware of the prevalence and impact of subtle biases and gaining insight into ways to discuss sensitive DEI topics with respect and empathy.

## TRANSWESTERN DEMOGRAPHICS<sup>14</sup>



## TRANSWESTERN MEMBERS BY AGE & COMPANY - 2021



14. \* indicates TW meets or exceeds the industry average, as reported by the U.S. Bureau of Labor Statistics (2021).  
 15. BIPOC: Black, Indigenous, and People of Color (self-identified)

## LOCAL ACTION

Around the country, our local DEI committees are helping to reshape how we think, plan and act more inclusively. These teams combine industry expertise, local knowledge and a shared vision to become true changemakers within our firm and the CRE industry more broadly.

## ACCELERATING ATLANTA

Each year, Atlanta hosts an internship program to identify top candidates inside and outside of CRE. In 2021, our team took a different approach to identifying potential candidates, reaching out to the University of Georgia, local HBCUs and industry partners and conducted traditional searches through LinkedIn to bring 52 candidates to the table for our brokers and analysts. Through a series of digital and in-person opportunities, our in-house teams identified five all-star candidates for selection for the 2021 Internship Class, which represent the Southeast's most diverse class to date.

What sets this effort apart is not only the support Transwestern received from local organizations and industry partners, but also that this program was never marketed internally as a DEI initiative – our teams voluntarily chose diverse candidates because they were the best and brightest. This exercise, which we will replicate around the country, will help lower barriers for non-traditional candidates while ensuring Transwestern welcomes top talent to the firm.

## DIFFERENTIATING THE DMV

To engage the Greater Washington, D.C., region by supporting diverse community members, the Mid-Atlantic began a partnership with Don Bosco Cristo Rey High School. This Catholic co-ed institution primarily attracts first-generation U.S. citizens and residents from families with household incomes under \$40k annually. Transwestern saw an opportunity not only to support students and families of this school but to promote CRE among a diverse group of individuals who might not otherwise be exposed to the industry at such a young age. In partnership with Don Bosco Cristo Rey, Transwestern organized a work-study program for four students, providing tuition support and offering each student on-the-job training one day each week, supporting our property and accounting teams. This program continues to be a great success, providing support and mentorship opportunities for Transwestern team members and helping to ease financial strain for these families. More than that, though, this program offers insight into the world of CRE and will hopefully lead these exceptional students to the future pursuit of a career in the industry.



## TRAINING

In the face of a tight labor market and the Great Resignation, Transwestern doubled down on its investment in team members' growth and development through training with Workday's Learning Management System (LMS). Launched in 2020, the Workday LMS gained significant momentum in 2021 and provides team members on-demand access to a host of training, from soft skills to technical courses spanning a wide array of topics:

- Brokerage
- Business Fundamentals
- Compliance, Legal and Risk
- Cybersecurity
- Diversity, Equity and Inclusion
- Emergency Response and Recovery Plan
- Energy & Sustainability
- Human Resources
- Information Technology
- Lease Administration
- Management & Leadership
- Marketing & Design
- Software & Technology
- TPC Training (Engineering)
- Transwestern Experience
- Transwestern Young Professionals
- Transwestern Talks<sup>16</sup>

In 2021, 245 individual courses and lessons were added to the LMS, and the existing 266 courses and lessons were available before the start of the year. Learning content was both developed internally through subject matter experts and procured from leading education groups to supplement our existing body of knowledge.

### TPC TECHNICAL TRAININGS

The largest such acquisition of content in 2021 came through a partnership with TPC Training. In support of our engineers and front-line workers at our managed properties, TPC training content will help maintain necessary technical skills and introduce advanced concepts for continued personal and professional development among our teams.

TPC content now provides on-demand resources supporting our managed assets' health, safety and upkeep through our exceptional Engineering teams nationwide. Through this partnership, Transwestern added over 218 trainings covering construction, regulatory compliance, HAZWOPER and general safety – with 90 courses available in both English and Spanish. In 2021 alone, more than 1,885 course completions were logged by team members, with OSHA and ArcFlash trainings accounting for more than 500 completions each.

Given the fast-paced nature of CRE today, Transwestern is excited to continue building on-demand digital coursework and hosting live webinars while providing in-person training in our markets where possible. We recognize the importance of maintaining both paths for education in the coming years to ensure the broadest audience possible and to promote equitable learning accessibility for all our team members.

## TRAINING FOR EXCELLENCE

Where sustainability, building operations and client service are concerned, Transwestern is committed to training team members to be best-in-class. Within three years of hire, every member of our team is trained to the following standards in accordance with their role in supporting clients and the firm's overall energy and sustainability vision:

TRAINING REQUIREMENTS	PROFESSIONAL CERTIFICATIONS			IN-HOUSE TRAININGS						
	LEED GA	LEED AP O+M	Certified Energy Manager	Green Operations Policies	ENERGY STAR	Green Leasing	Public Benchmarking	ESG	Preventive Maint.	Building Audits
Building Eng.	X			X	X		X		X	X
Regional Eng. Mgr	X	X		X	X	X	X		X	X
National Eng. Team			X	X	X			X	X	X
PM + APM	X			X	X	X	X			X
Regional PM	X			X	X	X	X	X		X
National PM		X		X	X			X		X
Accounting				X		X				
National Ops Team				X	X	X		X		
Brokerage and Leasing				X	X	X		X		X
C-Suite								X		
Dir. Sustainability		X	X	X	X	X	X	X	X	X
Marketing				X				X		
Vendors/Contractors				X	X	X	X	X	X	X

16. Transwestern Talks: An internal series dedicated to relevant and timely topics in the industry, e.g., Returning to the Workplace: A Client's Journey.

Transwestern supports career advancement through the pursuit of relevant industry-recognized professional accreditations. As long-time members of the U.S. Green Building Council (USGBC), team members have access to a wide array of green building education to support the continued development and maintenance of personal licenses. Our team members also explore additional individual certification pathways that promote personal and professional growth and bring value to our clients through broad industry knowledge in healthy and sustainable building practices.

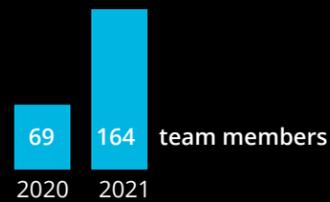
### ON-DEMAND TRAINING RESOURCES

- A Broker's Guide to Sustainability
- A Framework for Sustainable Operations
- An Introduction to Green Leasing
- An Introduction to Sustainability – Boot Camp
- Applying the Scientific Method to Project Management
- Benchmarking and Performance Reports
- Earth Day 2021 – Live/Act/Buy Local!
- Energy & Sustainability Roadmap: Explained
- Energy Procurement: Value for Our Clients
- Energy Procurement 201
- ENERGY STAR 101: Introduction to ENERGY STAR Portfolio Manager
- ENERGY STAR 102: Common Questions and Their Simple Answers
- Introduction to Energy Procurement
- Tackling Energy Efficiency at Your Building
- PACE Financing: Alternative Funding for Efficiency Projects
- What is a Healthy Building?

### INDUSTRY AFFILIATIONS



### ENERGY & SUSTAINABILITY ON-DEMAND TRAINING



## THE TRANSWESTERN EXPERIENCE

At the heart of our culture is a commitment to building a personal connection with each customer at every touchpoint in their journey with us. The Transwestern Experience, an innovative quality service approach that reflects this unique culture, reinforces our value proposition to team members and clients through our actions. It communicates to the world that we do business differently. We nurture this mindset through national programming, regional training, local culture carriers and ongoing support for all our internal and external stakeholders.

### QUALITY SERVICE STANDARDS

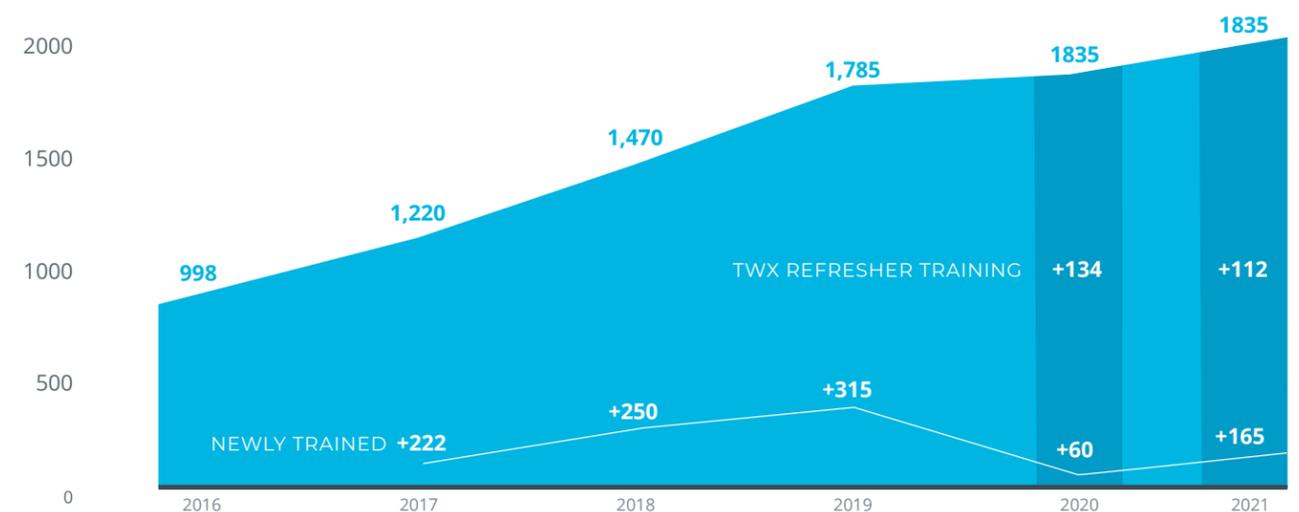


The Transwestern Experience is built on empowerment and fueled by our shared purpose. This drive toward innovation and trust in our individual team members is a key factor underlying Transwestern's high retention rate and impressive average tenure. It's also the mindset that has delivered key resources like our Wellness and Employee Assistance Programs, 1-on-1 and group mentorship and special interest teams, including our Women's Initiative and Transwestern Young Professionals.

To ensure all our team members and key vendor partners are engaged from the beginning, Transwestern provides training to new hires throughout their entire journey with our firm. Our Transwestern Experience Orientation Training introduces our company's core values alongside customer service best practices throughout a full day of group learning. We set expectations for performance, teach valuable personal and project management skills and engage participants in open discussions that help us to refine the resources we provide and innovate our quality service platform over time.

### TWX ORIENTATION TRAINING

#### TOTAL TEAM MEMBERS TRAINED



17. Onsite TWX Orientation Training was reduced to zero after March 2020 in response to local restrictions against large gatherings and the need for social distancing.  
 18. Onsite training resumed in limited capacity later in 2021, supplemented by new digital resources.  
 19. In response to limited in-person training opportunities, teams greatly enhanced the quality and availability of TWX Refresher Training utilizing Workday LMS to enable on-demand and remote access to learning.

## GOING THE EXTRA MILE

Human Resources has always held the responsibility of making sure that “every employee can do their job,” ensuring team members show up for work, maintain good performance and function effectively as team members. Where personal mental and physical health issues arise, it has traditionally meant encouraging employees to contact the company’s Employee Assistance Program (EAP) provider. But most HR professionals are not well equipped to make a judgment call when outside anxieties or stressors impact a team member’s performance on the job. There are modern twists to EAPs, such as company-sponsored phone apps that do a daily “check-in” on each employee’s “happiness quotient.” These automated services use AI instead of an HR Manager or mental health professional to cut costs. Still, most services risk underserving team members with subtle or advanced mental health difficulties.

Transwestern is proud to serve the full needs of our teams. We have an HR professional who is also a licensed professional counselor, skilled in recognizing anxieties and other mental health issues that inhibit on-the-job performance. While not offering direct mental health counseling, she can assist team members in identifying if and when they may benefit from utilizing our EAP provider and specific services. And just as importantly, this internal resource can provide insights to managers to help them navigate stressful behaviors that manifest themselves at work.

The last two years have caused EAP referrals to surge. Anxiety is prevalent – both on the job and at home. Transwestern is committed to supporting the total health of our team members and we are proud to offer dedicated mental health resources to enable our people to live the life they wish to lead.



## WELLNESS PROGRAM ACCESS

In 2021 Transwestern reimagined its long-standing Wellness Program to better support the goals of our team members by formalizing a partnership with AssetHealth, a health and wellness organization dedicated to employee engagement and responsibility, improved individual health and wellbeing and business value creation. In 2021, we introduced comprehensive offerings, educational materials and challenges presented through a streamlined portal for team members and their partners to engage in wellness initiatives. Everything offered through the portal is accessible from a desktop or mobile device and is structured to incentivize progress through personalized tracking.

In 2021, our Wellness Program saw exceptional utilization across the company.

- Unique Users Accessing Platform: 2,748
- Health Assessment Completions: 1,439
- Physical Activity and Nutrition Tracking Participants: 353
- iKnowledge Course Completions: 1,383
  - Estimated at >690 hours of Wellness education completed



One of the reasons Transwestern is consistently named a ‘best place to work’ in markets across the country is our commitment to the health and wellness of team members and their families. A successful wellness program needs to focus on more than just the physical aspect, and our holistic approach also encompasses emotional, social and financial wellness. It has been proven time and again that individuals with good health tend to be happier employees with higher levels of productivity. Therefore, our goal is to provide team members with abundant wellness resources and empower them to be the best version of themselves for their families, colleagues, clients and community.”

Rick Graton  
Director  
Benefits and Compensation



## A GLIMPSE FORWARD

### DEI: RECRUITING THE FUTURE

Diversity, equity and inclusion are imperative to Transwestern and our way of doing business. Our efforts at the national level may set the framework for our markets, but the rubber meets the road at the local level. In 2022, each market, led by local committee members, will focus on talent strategies across all job functions. Transwestern knows the future of CRE and of business in America requires that our team members represent the same breadth of backgrounds, educations and life experiences as our customers. Recruiting and retaining top talent means looking outside old and familiar pathways. In conjunction with industry associations, local DEI practitioners in our communities, traditionally Black and Hispanic colleges and vocational programs, Transwestern is building a pipeline of outstanding talent that will ensure we have the best professionals in the industry and the diversity of thought to deliver unmatched success for our clients.

### LEVEL UP: BUSINESS ANALYST IMMERSION

There is no substitute for hands-on brokerage experience. We equip talented young team members with the knowledge and skills to succeed as commercial brokerage professionals in an increasingly sophisticated real estate services industry. Our top candidates learn about the tools and resources Transwestern deploys to serve clients and support a brokerage team with activities in pursuit of, and leading up to, a commercial real estate sale or lease transaction.

General commercial real estate knowledge combined with a product specialization prepares business analysts to obtain an active brokerage license after the program – and empowers them to make meaningful contributions to our company, our clients' businesses and the industry at large. Good ideas are put into practice. That's thinking beyond the obvious.

Foundational skills, encompassing a 12–24-month curriculum, including identifying new business opportunities, compiling company and market research, mastery of Transwestern systems and processes, coordination of in-person and online marketing and communications activities and execution of financial analysis and transaction processing. Transwestern will continue to evolve our Level Up training with the addition of our Accelerator program coming in July 2022, building upon foundational elements with the addition of intermediate and advanced skills development for our Business Analysts and Tenant Advisory team members.

### A NATIONAL STANDARD FOR ESG

The universe of environmental, social and governance interventions is expansive and growing with each passing day. Even within the commercial real estate industry, ESG is a term that encompasses a wide array of topics – from energy efficiency to philanthropy to corporate ethics and everything in between. While ESG may currently feel like a choose-your-own-adventure novel, owners and investors should anticipate a standardization trend within CRE and across industries. For international parties, this trend may follow a path similar to the standardization efforts ongoing in the European Union. In the U.S., the newly proposed SEC rules around climate-related investor disclosure standardization could mean big changes for many entities in the coming years. While the SEC rules are aimed primarily at publicly traded companies, private entities should be prepared to follow suit not long after. This push by the SEC will arm investors with comparable information about climate impacts within a company's supply and delivery chains, creating the first national, non-voluntary standard for ESG disclosures. While the rules have not been finalized, these rules may go into effect as early as fall 2022.

## FORMULA FOR SUCCESS

Diversity, equity and inclusion begin with awareness. Sharing personal and professional experiences brings light to the challenges and opportunities every team member encounters in our industry and helps build a more resilient, supportive culture. Through open and thoughtful dialogue, we empower each other to learn and grow."



Kristine Maggio  
National DEI Coordinator

We are successful because we bridge all team members through our common purpose: "Empowering Great People to do Extraordinary Things Together." Fostering a deep sense of belonging keeps our teams engaged and ensures everyone feels connected and valued for the unique background, experiences and skills they bring to their work every day to achieve greatness together."



Colleen Dolan  
Chair of the Belonging Committee

In the spirit of building a stellar workplace and attracting exceptional talent, we actively address our own biases, open up a transparent dialogue, and commit to a concerted effort together through the monthly series Engage, Reflect, Discuss. While no conversation is perfect, it's the awkwardness, discomfort and honesty that helps us build understanding and trust over time."



Nami Richardson  
Chair of the Training Committee

We believe in the power of a diverse and inclusive workplace, and we are intentional in recruiting, hiring, and retaining high-caliber talent to achieve organizational success and a sustainable competitive advantage within the industry."



Adair Bryan  
Chair of the Talent Committee

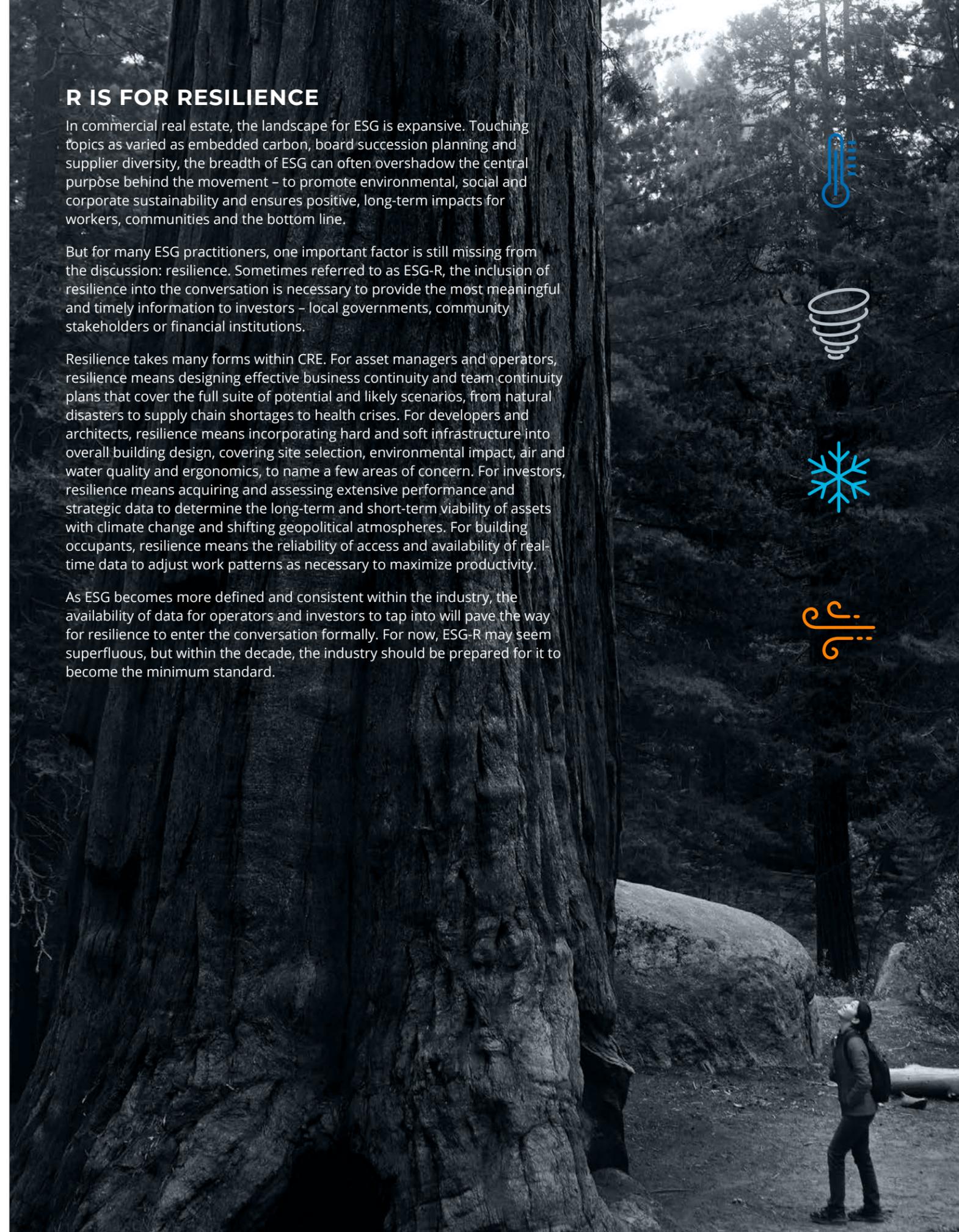
## R IS FOR RESILIENCE

In commercial real estate, the landscape for ESG is expansive. Touching topics as varied as embedded carbon, board succession planning and supplier diversity, the breadth of ESG can often overshadow the central purpose behind the movement – to promote environmental, social and corporate sustainability and ensure positive, long-term impacts for workers, communities and the bottom line.

But for many ESG practitioners, one important factor is still missing from the discussion: resilience. Sometimes referred to as ESG-R, the inclusion of resilience into the conversation is necessary to provide the most meaningful and timely information to investors – local governments, community stakeholders or financial institutions.

Resilience takes many forms within CRE. For asset managers and operators, resilience means designing effective business continuity and team continuity plans that cover the full suite of potential and likely scenarios, from natural disasters to supply chain shortages to health crises. For developers and architects, resilience means incorporating hard and soft infrastructure into overall building design, covering site selection, environmental impact, air and water quality and ergonomics, to name a few areas of concern. For investors, resilience means acquiring and assessing extensive performance and strategic data to determine the long-term and short-term viability of assets with climate change and shifting geopolitical atmospheres. For building occupants, resilience means the reliability of access and availability of real-time data to adjust work patterns as necessary to maximize productivity.

As ESG becomes more defined and consistent within the industry, the availability of data for operators and investors to tap into will pave the way for resilience to enter the conversation formally. For now, ESG-R may seem superfluous, but within the decade, the industry should be prepared for it to become the minimum standard.





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