

CBRE STANDARDS OF BUSINESS CONDUCT

Working with Business partners, Clients and Competitors

Fair Dealing

We will deal fairly with our business partners, clients and competitors. No one representing us will take unfair advantage of anyone through manipulation, fraudulent inducements or concealment, abuse of privileged information or any other unfair-dealing practice. Specific rules in each country govern our disclosure obligations and our conduct in negotiations on behalf of clients.

Relationships with our Correspondent Offices are governed by specific policies, procedures and contracts. We will respect those obligations and utilise the specified methods of resolving any disputes or uncertainties that arise.

Competitive information

Competitive information is vital in managing our markets and serving our clients. However, we only gather and use information in line with applicable laws and our ethical standards. Any information we suspect has been obtained improperly must not be used.

Improper methods of obtaining such information include theft, blackmail, wiretapping, electronic eavesdropping, bribery, improper inducement, receiving stolen property and threats.

In gaining competitive information, CB Richard Employees will never:

- misrepresent who they are or who they work for
- use employees of any competitor as improper sources of non-public information.
- divulge proprietary information about their former employers, or ask an employee to do so
- fail to respect the confidentiality of our competitors' and suppliers' information or use information another company has marked "proprietary" or "confidential" (or information we have reason to think should have been marked that way), regardless of how it was obtained, unless we have specific permission.

Conflicts of Interest

Conflicts of interest can arise when a person representing CB Richard Ellis takes an action or has a personal or family interest that has the potential to affect their objectivity, loyalty or work performance.

These may include:

- Outside employment;
- Outside work for clients, suppliers, vendors or competitors of CB Richard Ellis;
- Activities that could reflect negatively on the reputation of CB Richard Ellis;
- A close family relationship or personal interest in a supplier, vendor, client, partner, contractor, subcontractor, or competitor of CB Richard Ellis; or
- Receiving any unusual gain, favours, gifts, kick-backs or other benefits as a result of his or her position in the relevant Office.

An action or interest that could potentially cause a conflict of interest could be improper even if no conflict of interest actually arises. Even the appearance of a conflict can tarnish a reputation for fair dealing. Any action or personal interest that causes, or could be reasonably expected to cause, a conflict of interest must be reported through the established procedures of any given Office.

This policy applies to conflicts of interest between an employee and CB Richard Ellis / their Office, as distinguished from the types of conflict of interest that arise between the business and its clients. For example, a property professional may encounter a client conflict of interest when he or she is a dual agent representing both the landlord and tenant in a transaction, or where he or she has an ownership interest in a property that a client is considering purchasing. In the UK conflicts of this nature need to be resolved in accordance with the procedures laid down in our BMS Manual.

Gifts and Entertainment

Employees often ask whether they can accept an unsolicited gift or entertainment from a business partner or participate in a vendor-sponsored event. Where these are excessive or accepted under certain circumstances (e.g. from opposing parties in a deal or from a party with whom an employee is negotiating) this could create a conflict of interest or the perception of one. The fundamental principle of our policy is that we do not permit our employees to accept any gift or entertainment if it is offered prior to the completion of a transaction or, if offered after the completion of a transaction, it has not received the prior approval of our Compliance Officer. In any event, our employees must never accept any gift or entertainment if:

- It is cash or a cash equivalent (e.g., gift certificates, property, stocks or shares, or other forms of marketable instruments or interests) of any amount;
- It is not consistent with what is considered normal and acceptable;
- It is excessive in value (as determined and posted by our UK Compliance Officer);
- It could influence our selection and purchasing decisions (this makes it particularly troublesome to accept any gift from a supplier who is involved in a pending purchasing decision); and
- It violates any other applicable laws or regulations.

It's considered perfectly appropriate to accept gifts of nominal value, such as pens, pencils, calendars, and other branded items.

Entertainment or events paid for by our business partners (such as occasional meals and sports, musical and theatrical events) may be appropriate if there is a genuine business reason for attending the event and attendance at such an event is customary and routine in our business. Anything that might be considered “unusual hospitality” is almost certainly not acceptable.

Giving gifts

CB Richard Ellis is an industry leader and we believe that business that has to be won by providing excessive gifts or hospitality is business we do not want. We recognise that it is customary and routine (indeed, often expected) for real estate professionals to sponsor events and to provide gifts or entertainment to clients. However, there is a growing trend towards companies’ prohibiting their employees from accepting these items. We adopt the following guidelines:-

- We must be aware of, and respect clients' policies in these areas.
- We also must be sure that all expenditures have been appropriately authorised and are correctly recorded on our books.
- Gifts of cash and cash equivalents are strictly prohibited.

Stricter and more specific rules and policies apply when we do business with local or central government. The laws of many countries prohibit the giving of anything of value to a governmental employee. Because of the sensitive nature of these relationships and the complexity of the laws in this area, our employees must always seek advice from a manager before offering gifts or hospitality to government employees.

Competing with CB Richard Ellis

Our employees are not allowed to compete with CB Richard Ellis, or its clients, either personally or by aiding a competitor. Using their contacts or position to advance their own private business or financial interests ahead of CB Richard Ellis’s or its clients' is forbidden.

In addition, use of our client vendors, suppliers or subcontractors for work at a personal residence or outside business may occur only with prior written approval of the senior management.

Part-time jobs

Employees may take part time jobs if:

- The job is not with (or in aid of) a competitor;
- The job does not conflict nor interfere with their job performance, responsibilities, hours or duties; or
- The job does not require them to use our property, facilities or confidential information.

In any event, any part-time job will require the prior approval of Human Resources.

Selling of Products by Employees

We maintain a work environment free of pressure to participate in employees' ventures or buy products from them. Selling products, distributing literature or fundraising in the workplace, is unacceptable. Even outside work hours or our offices, exerting explicit or implicit pressure to participate in personal ventures is not acceptable.

The occasional sale of products or fund raising for charity, may be permitted with the prior approval of the UK Managing Director, provided that it does not interfere with business operations or pressure anyone to purchase a product or participate in a programme.

Fair competition

We comply with competition and antitrust laws designed to keep the marketplace open to free competition. These laws are complex and violations carry severe penalties. Employees are encouraged to seek advice of the UK Compliance Officer if they have any questions.

However, the following few simple guidelines help ensure that we never violate these laws:

- We compete solely on the merits of our services, the prices we charge and the client loyalty we have earned.
- We avoid any discussions with competitors regarding pricing of services unless the discussions have an appropriate business purpose, and then keep the discussions to a minimum.
- We do not enter into any agreement with a competitor except in the ordinary course of our business (e.g. joint instructions). Certain types of agreements with competitors are always illegal and must be avoided regardless of the circumstances. For example, agreeing with competitors on prices we or they will charge or locations where you or they will offer services is a serious breach of competition/antitrust laws.
- We are truthful about our competitor's services and do not interfere with their client contracts.

Client Information

Any inappropriate use of confidential client information weakens the trust between CB Richard Ellis and its clients. Accepting client confidential information creates a legal responsibility to protect it and any mistake in handling it could subject CB Richard Ellis to liability. For these reasons, it is a violation of policy, and in some cases the law, to disclose or use client information for anything other than the purpose for which the information is given to us.

Money Laundering

This is the process by which criminals attempt to hide and disguise the true origin and ownership of the proceeds of their criminal activity to avoid prosecution, conviction and confiscation of the criminal funds.

There are specific Money Laundering Regulations which seek to prevent this type of activity from occurring and we are governed by these when we represent new clients who are either:-

- A vendor in the sale of a freehold or leasehold property; or
- A landlord or lessee in lettings involving a premium lease; or
- A retained purchaser.

In the UK our internal reporting procedures to prevent money laundering are set down in our BMS Manual. A failure to implement these procedures could result in severe criminal penalties being imposed, and our employees risk disciplinary action that could culminate in dismissal.