

Risk Factors Comparison 2024-02-20 to 2023-02-27 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text** Section

Set forth below and elsewhere in this Annual Report and in other documents we file with the SEC are risks and uncertainties that could cause our actual results to differ materially from the results contemplated by the forward- looking statements contained in this Annual Report and other public statements we make. Based on the information currently known to us, we believe that the matters discussed below identify the material risk factors affecting our business. However, the risks and uncertainties we face are not limited to those described below. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial, but that could later become material, may also adversely affect our business. Risks Related to our Business Environment Our performance is significantly related to general economic, political and regulatory conditions and, accordingly, our business, operations and financial condition could be materially adversely affected by economic slowdowns, liquidity constraints, significant rises in interest rates, significant public health events, fiscal or political uncertainty and possible subsequent downturns in commercial real estate asset values, property sales and leasing activities in the geographies or industry sectors that we or our clients serve. Periods of economic weakness or recession, fiscal or political uncertainty, market volatility, declining employment levels, declining demand for commercial real estate, falling real estate values, disruption to the global capital or credit markets, significant rises in interest rates or the public perception that any of these events may occur, may materially and negatively affect the performance of some or all of our business lines. Our business is significantly affected by generally prevailing economic conditions in the markets where we operate. Adverse economic conditions, political or regulatory uncertainty and significant public health events ~~can may~~ result in declines in real estate sale and leasing volumes and the value of commercial real estate. It may also lead to a decrease in funds invested in commercial real estate assets and development projects. Such developments in turn may reduce our revenue from property management fees and commissions derived from property sales, leasing, valuation and financing, as well as revenues associated with development or investment management activities. For example, ~~during the onset of~~ **in 2023, commercial real estate capital markets remained under significant pressure. As a result, we experienced a sustained slowdown in property sales and debt financing activity. Furthermore,** the Covid- 19 pandemic ~~engendered structural changes to the utilization of many types of~~ commercial real estate markets globally were severely impacted by a sharp decline in economic activity due to the spread of Covid- 19, which put downward pressure on certain parts of our business, and has likely engendered structural changes to the utilization of many types of ~~commercial real estate~~, which will **likely** have ongoing repercussions for our business. Our businesses could also suffer from political or economic disruptions (or the perception that such disruptions may occur) that affect interest rates or liquidity or create financial, market or regulatory uncertainty. For example, Russia' s invasion of Ukraine in 2022 heightened risks for our operations in Europe, caused us to exit most of our business in Russia, and exacerbated a number of existing macroeconomic challenges that adversely impacted our markets and our business. We also make co- investments alongside our investor clients in our development and investment management businesses. During an economic downturn, capital for our investment activities could be constrained and it may take longer for us to dispose of real estate investments or sale prices we achieve may be lower than originally anticipated. As a result, the value of our commercial real estate investments may be reduced, and we could realize losses or diminished profitability. In addition, economic downturns may reduce the volume of loans our capital markets business originates and / or services. Fees within our property management business are generally based on a percentage of rent collections, making them sensitive to macroeconomic conditions that negatively impact rent collections and the performance of the properties we manage. Economic, political and regulatory uncertainty as well as significant changes and volatility in the financial markets and business environment, and in the global landscape, make it difficult for us to predict our financial performance into the future. As a result, any guidance or outlook that we provide on our performance is based on then- current conditions, and there is a risk that such guidance may turn out to be inaccurate. Adverse developments in the credit markets may materially harm our business, results of operations and financial condition. Our investment management, development services, capital markets (including property sales and mortgage origination) and mortgage services businesses are sensitive to credit cost and availability as well as financial liquidity. Additionally, the revenues in all of our businesses are dependent to some extent on the overall volume of activity (and pricing) in the commercial real estate markets. Disruptions in the credit markets may have a material adverse effect on our business of providing advisory services to owners, investors and occupiers of real estate in connection with the leasing, disposition and acquisition of property. If our clients are unable to obtain credit on favorable terms, there may be fewer property leasing, disposition and acquisition transactions. For example, ~~in the second half of 2022~~ **2023**, central banks around the world ~~sharply continued to raised~~ **raise** interest rates in efforts to rein in inflation, reducing credit availability. Less available and more expensive debt capital had pronounced effects on our capital markets, mortgage origination and property sales businesses. In addition, under such conditions, our investment management and development services businesses may be unable to attract capital or achieve returns sufficient to earn incentive fees and we may also experience losses of co- invested equity capital if any such disruption causes a prolonged decline in the value of investments made. **Risks Related to Our operations** ~~Operations~~ **are subject to social, political and economic risks in foreign countries as well as foreign currency** ~~Currency~~ **volatility fluctuations could have a material adverse effect on our business, financial condition and operating results** . We conduct a significant portion of our business and employ a substantial number of people outside of the U. S. and, as a result, we are subject to risks associated with doing business globally. During the year ended December 31, ~~2022~~ **2023**, approximately ~~43~~ **45** % of our revenue was transacted in foreign currencies. ~~Fluctuations~~ **We also report our results** in foreign currency exchange rates may ~~U. S. dollars. As a~~ result in corresponding fluctuations in, the

strengthening or weakening of the U. S. dollar will positively or negatively impact our reported results, including revenue and earnings as well as the assets under management for our investment management business, which could have a material adverse effect on our business, financial condition and operating results. 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, Our operations are subject to international social, political and economic risks in foreign countries. International** economic trends, foreign governmental policy actions and the following factors may have a material adverse effect on the performance of our business: • 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; • responsibility for complying with numerous, potentially conflicting and frequently complex and changing laws in multiple jurisdictions (e. g., with respect to data privacy and protection, **sustainability**, corrupt practices, embargoes, trade sanctions, employment and licensing); • the impact of regional or country- specific business cycles and economic instability, including those related to public health or safety events; • greater difficulty in collecting accounts receivable or delays in client payments in some geographic regions; • rising interest rates and less available and more expensive debt capital resulting from efforts by central banks outside the U. S. to rein in inflation; • foreign ownership restrictions 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 towards multinational companies as a result of any such changes to laws or policies as well as other geopolitical risks. **Our international operations require** ~~We maintain anti- corruption and anti- money- laundering compliance programs throughout the company as well as programs designed to enable us to comply with a~~ any potential government economic sanctions, embargoes or other import / export controls. ~~However, coordinating our activities to deal with the~~ broad range of complex legal and regulatory environments in which we operate ~~presents significant challenges~~. We may not be successful in complying with regulations in all situations and violations may result in criminal or material civil sanctions and other costs against us or our employees, and may have a material adverse effect on our reputation and business. Furthermore, our efforts to comply with developments in these laws may adversely impact our business. ~~For example, in 2022, we exited most of our business in Russia in light of newly adopted U. S. sanctions~~. We have committed additional resources to expand our worldwide sales and marketing activities, to globalize our service offerings and products in select markets and to develop local sales and support channels. If we are unable to successfully implement these plans, maintain adequate long- term strategies that successfully manage the risks associated with our global business or adequately manage operational fluctuations, our business, financial condition or results of operations could be harmed. In addition, we have established operations and seek to grow our presence in many emerging markets to further expand our global platform. However, we may not be successful in effectively evaluating and monitoring the key business, operational, legal and compliance risks specific to those markets. The political and cultural risks present in emerging countries could also harm our ability to successfully execute our operations or manage our businesses there. **Risks Related to Our Operations** We have numerous local, regional and global competitors across all of our business 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 business disciplines within the commercial real estate services and investment industry, including property management, facilities management, project and transaction management, tenant and landlord leasing, capital markets solutions (property sales and commercial mortgage origination) and mortgage services, ~~flexible space solutions~~, real estate investment management, valuation, loan servicing, development services and proprietary research. Although we are the largest commercial real estate services firm in the world in terms of **2022-2023** revenue, our relative competitive position varies ~~significantly~~ across geographies, property types and services and business lines. Depending on the geography, property type or service or business line, we face competition from other commercial real estate services providers and investment firms, including outsourcing companies that traditionally competed in limited portions of our facilities management business and have expanded their offerings from time to time, in- house corporate real estate departments, developers, flexible space providers, institutional lenders, insurance companies, investment banking firms, investment managers and accounting and consulting firms. Some of these firms may have greater financial resources allocated to a particular geography, property type or service or business line than we have allocated to that geography, property type, service or business line. In addition, future changes in laws could lead to the entry of other new competitors, such as financial institutions. **Some** ~~Although many of our existing competitors are local or our regional firms that are smaller than we are, some of these~~ competitors are larger **than us** on a local or regional basis **despite having a smaller global footprint**. We ~~also compete with~~ are further subject to competition from large national and multi- national firms that have similar service and investment 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, service or business lines that we serve. In addition, disruptive innovation by existing or new competitors could alter the competitive landscape in the future and require us to accurately identify and assess such changes and make timely and effective changes to our strategies and business model to compete effectively. Furthermore, we are substantially 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. In this competitive market, if we are unable to effectively execute on our strategy and differentiate ourselves from our competitors, maintain long- term client relationships or are otherwise unable to retain existing clients and develop new clients, our business, results of operations and / or 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 growth and financial performance have benefited significantly from acquisitions, which may not perform as

expected and similar opportunities may not be available in the future. Acquisitions have accounted for a significant component of our growth over time. Any future growth through acquisitions will depend in part upon the continued availability of suitable acquisition candidates at attractive prices, terms and conditions, as well as sufficient liquidity and credit to fund these acquisitions. We may incur significant additional debt from time to time to finance any such acquisitions, which could increase the risks associated with our leverage, including our ability to service our debt. Acquisitions involve risks that business judgments made concerning the value, strengths and weaknesses of businesses acquired may prove to be incorrect. Future acquisitions and any necessary related financings also may involve significant transaction-related expenses, which could include severance, lease termination, transaction and deferred financing costs, among others. We have had, and may continue to experience, challenges in integrating operations 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 costly and may adversely impact our business and the acquired company's business as it requires coordination of geographically diverse organizations and implementation of accounting and information technology systems. We complete acquisitions with the expectation that they will result in various benefits, but the anticipated benefits of these acquisitions are subject to a number of uncertainties, including the ability to timely realize accretive benefits, the level of attrition from professionals licensed or associated with the acquired companies and whether we can successfully integrate the acquired business. Failure to achieve these 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. Our brand and reputation are key assets of our company, and our business may be affected by how we are perceived in the marketplace. Our brand and reputation 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 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 handling of complaints, regulatory compliance, such as compliance with government sanctions, the Foreign Corrupt Practices Act (FCPA), the U. K. Bribery Act and other ~~anti-antibribery~~ **bribery**, anti-money laundering and corruption laws, the use and protection of client and other sensitive information and from actions taken by regulators or others in response to such conduct. Furthermore, as a company with headquarters and operations located in the U. S., a negative perception of the U. S. arising from its political or other positions could harm the perception of our company and our brand abroad. Although we monitor developments for areas of potential risk to our reputation and brand, negative perceptions or publicity would materially and adversely affect our revenues and profitability. Social media channels ~~can may~~ also cause rapid, widespread reputational harm to our brand. Our brand and reputation may also be harmed by the actions of third parties that are outside of our control, including vendors and joint venture partners. 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. Our Real Estate Investments businesses, including our real estate investment programs and co-investment activities, subject us to performance and real estate investment risks which could cause fluctuations in our earnings and cash flow and impact our ability to raise capital for future investments. The revenue, net income and cash ~~flow-flows~~ generated by our investment management business line within our Real Estate Investments segment ~~can may~~ be volatile primarily because the management, transaction and incentive fees ~~can may~~ vary as a result of market movements. In the event that any of the investment programs that our investment management business manages were to perform poorly, our revenue, net income and cash ~~flow-flows~~ could decline, because the value of the assets we manage would decrease ~~and thereby reduce~~, which would result in a reduction in some of our management fees, and our investment returns ~~would decrease~~, resulting in a reduction in the incentive compensation we earn. Moreover, we could experience losses on co-investments of our own capital in such programs as a result of poor performance. Investors and potential investors in our programs continually assess our performance, and our ability to raise capital for existing and future programs and maintaining our current fee structure will depend on our continued satisfactory performance. An important part of the strategy for our Real Estate Investments segment involves co-investing our capital in certain real estate investments with our clients, and there is an inherent risk of loss of our investments. As of December 31, ~~2022~~ **2023**, we had a net investment of approximately \$ ~~339~~ **337**. ~~8-0~~ million and had committed \$ ~~106~~ **180**. ~~9-4~~ million to fund future co-investments in our investment funds, approximately \$ ~~47~~ **128**. ~~3-0~~ million of which is expected to be funded during ~~2023~~ **2024**. In addition to required future capital contributions, some of the co-investment entities may request additional capital from us and our subsidiaries holding investments in those assets. The failure to provide these contributions could have adverse consequences to our interests in these investments, including damage to our reputation with our co-investment partners and clients, as well as the necessity of obtaining alternative funding from other sources that may be on disadvantageous terms for us and the other co-investors. Participating as a co-investor is an important part of our investment management line of business, which might suffer if we were unable to make these investments. Selective investment in real estate projects is critical to our development services business strategy within our Real Estate Investments segment, and there is an inherent risk of loss of our investments. As of December 31, ~~2022~~ **2023**, we

were involved as a principal in ~~29-36~~ real estate projects that were consolidated in our financial statements with invested equity of \$ ~~471-526~~. ~~8-7~~ million and co- invested with our clients in approximately ~~135-132~~ unconsolidated real estate projects with a net investment of \$ ~~283-358~~. ~~0-8~~ million. We had committed additional capital of \$ ~~81-230~~. ~~0-1~~ million and \$ ~~85-73~~. 9 million to consolidated and unconsolidated projects, respectively, as of December 31, ~~2022-2023~~. During the ordinary course of business within our development services business line, we provide numerous completion and budget guarantees requiring us to complete the relevant project within a specified timeframe and / or within a specified budget, with us potentially being liable for costs to complete in excess of such timeframe or budget. There can be no assurance that we will not have to perform under any such guarantees. If we are required to perform under a significant number of such guarantees, it could harm our business, results of operations and financial condition. Because the disposition of a single significant investment ~~can may~~ affect our financial performance in any period, our real estate investment activities could cause fluctuations in our ~~net~~ earnings and cash ~~flow~~ flows. In many cases, we have limited control over the timing of the disposition of these investments and the recognition of any related gain or loss, or incentive participation fee. The success of our Global Workplace Solutions segment depends on our ability to enter into mutually beneficial contracts, deliver high quality levels of service and accurately assess working capital requirements. Contracts for our Global Workplace Solutions clients often include complex terms regarding payment of fees, risk transfer, liability limitations, termination, due diligence and transition timeframes. Further, the facilities management and project management businesses within our Global Workplace Solutions segment are often impacted by transition activities in the first year of a contract as well as the timing of starting operations on these large client contracts. If we are unable to negotiate contracts with our clients in a timely manner and on mutually beneficial terms, or there is a delay in becoming fully operational, our business and results of operation may be negatively impacted. Further, if we fail to deliver the high- quality levels of service expected by our clients, it may result in reputational and financial damage, and could impact our ability to retain existing clients and attract new clients. Our Global Workplace Solutions segment also requires us to accurately model the working capital needs of this business. Should we fail to accurately assess working capital requirements, the cash ~~flow~~ flows generated by this business may be adversely impacted. In addition, if we do not accurately assess the creditworthiness of a client or if a client' s creditworthiness changes during the term of the contract, we could potentially be unable to collect on any outstanding payments. **We have concentrations of business with large clients, which may cause increased credit risk and greater impact from the loss of certain clients and increased risks from higher limitations of liability in contracts. Having large and concentrated clients may lead to greater or more concentrated risks of loss if, among other possibilities, such a client (i) experiences its own financial problems, which may lead to larger individual credit risks; (ii) becomes bankrupt or insolvent, which may lead to our failure to be paid for services we have previously provided or funds we have previously advanced; (iii) decides to reduce its real estate operations; (iv) makes a change in its real estate strategy; (v) decides to change its providers of real estate services; or (vi) 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. In addition, competitive conditions, particularly in connection with increasingly large clients, may require us to compromise on certain contract terms with respect to the payment of fees, the extent of risk transfer, or acting as principal rather than agent in connection with supplier relationships, liability limitations, credit terms 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 will be greater and may not be fully insured.** A significant portion of our loan origination and servicing business depends upon our relationships with U. S. Government Sponsored Enterprises. A significant portion of our loan origination and servicing business (which we conduct through certain of our wholly- owned subsidiaries) depends upon our relationship with the Federal National Mortgage Association (Fannie Mae), and the Federal Home Loan Mortgage Corporation (Freddie Mac), collectively the Government Sponsored Enterprises (GSEs). As an approved seller / servicer for the GSEs, we are required to comply with various eligibility criteria and are required to originate and service loans in accordance with their individual program requirements, including participation in loss sharing and repurchase arrangements. Failure to comply with these requirements may result in termination or withdrawal of our approval to sell and service the GSE loans. A failure by third parties to comply with service level agreements or 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 Supplier Code of Conduct, 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 our Supplier Code of Conduct. In addition, we leverage technology to help us better screen vendors, with the aim of gaining a deeper understanding of the compliance, data privacy, health and safety, environmental, sustainability and other risks posed to our business by potential and existing vendors. If our third parties do not have the proper safeguards and controls in place, or appropriate oversight cannot be provided, we could be exposed to increased operational, regulatory, financial or reputational risks. A failure by third parties to comply with service level agreements or regulatory or legal requirements in a high quality and timely manner could result in economic and 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. Our success depends upon the retention of our senior management, as well as our ability to attract and retain qualified and experienced employees. Our continued success is highly dependent upon the efforts of our executive officers and other key employees. While certain of our executive officers and key employees are subject to long- term compensatory arrangements, there ~~is can be~~ no assurance that we will be able to retain all key members of our senior management. We also are highly dependent upon the retention of our property sales and leasing professionals, who generate a

significant amount of our revenues, as well as other revenue producing professionals. The departure of any of our key employees, or the loss of a significant number of key revenue producers, if we are unable to quickly hire and integrate qualified replacements, including diverse talent, could cause our business, financial condition and results of operations to materially suffer. Competition for employee talent is intense and we may not be able to successfully recruit, integrate or retain sufficiently qualified personnel, including diverse talent. In addition, the growth of our business is largely dependent upon our ability to attract and retain qualified personnel in all areas of our business. If we were to experience significant employee attrition or turnover, it could lead to increased recruitment and training costs as well as operating inefficiencies that could adversely impact our results of operation. We and our competitors use equity incentives and sign- on and retention bonuses to help attract, retain and incentivize key personnel. As competition is significant for the services of such personnel, the expense of such incentives and bonuses may increase, which could negatively impact our profitability, or result in our inability to attract or retain such personnel to the same extent that we have in the past. If we are unable to attract and retain these qualified personnel, our growth may be limited, and our business and operating results could materially suffer. If we are unable to manage the organizational challenges associated with our global operations, we might be unable to achieve our business objectives. Our global operations present significant management and organizational challenges. It might become increasingly difficult to maintain effective standards across a large enterprise and effectively institutionalize our knowledge. It might also become more difficult to maintain our culture, effectively manage and monitor our personnel and operations and effectively communicate our core values, policies and procedures, strategies and goals. The size of our employee base increases the possibility that we will have individuals who engage in unlawful or fraudulent activity, or otherwise expose us to business and reputational risks. If we are not successful in continuing to develop and implement the processes and tools designed to manage our enterprise and instill our culture and core values into all of our employees, our reputation and ability to compete successfully and achieve our business objectives could be impaired. In addition, from time to time, we have made, and may continue to make, changes to our operating model, including how we are organized, as the needs and size of our business change. If we do not successfully implement any such changes, our business and results of operation may be negatively and materially impacted. Our policies, procedures and programs to safeguard the health, safety and security of our employees and others may not be adequate. We have approximately ~~115~~ **130**, 000 employees (~~excluding~~ **including** Turner & Townsend employees) as well as independent contractors working in over 100 countries. We have undertaken to implement what we believe to be best practices to safeguard the health, safety and security of our employees, independent contractors, clients and others at our worksites. However, if these policies, procedures and programs are not adequate, or employees do not receive related adequate training or follow them for any reason, the consequences may be severe to us, including serious injury or loss of life, which could impair our operations and cause us to incur significant legal liability or fines as well as reputational damage. Our insurance may not cover, or may be insufficient to cover, any legal liability or fines that we incur for health, safety or security incidents. We may be subject to actual or perceived conflicts of interest. Similar to other global services companies with different business lines and a broad client base, we may be subject to potential conflicts of interests in the provision of our services. For example, conflicts may arise from our role in advising or representing both owners and tenants in commercial real estate lease transactions. In certain cases, we are also subject to fiduciary obligations to our clients. In such situations, our policies are designed to give full disclosure and transparency to all parties as well as implement appropriate barriers on information- sharing and other activities to ensure each party' s interests are protected; however, there can be no assurance that our policies will be successful in every case. If we fail, or appear to fail, to identify, disclose and appropriately address potential conflicts of interest or fiduciary obligations, there could be an adverse effect on our business or reputation regardless of whether any such claims have merit. In addition, it is possible that in some jurisdictions, regulations could be changed to limit our ability to act for certain parties where potential conflicts may exist even with informed consent, which could limit our market share in those markets. There can be no assurance that potential conflicts of interest will not materially adversely affect us. Infrastructure disruptions **, climate change, natural disasters and other events** may disrupt our ability to manage real estate for clients or may adversely affect the value of real estate investments we make on behalf of clients. Our ability to conduct a global business may be adversely impacted by disruptions to the infrastructure that supports our businesses and the communities in which they are located. This may include disruptions as a result of political instability, public health crises, attacks on our information technology systems, war or other hostilities, terrorist attacks, interruptions or delays in services from third- party data center hosting facilities or cloud computing platform providers, employee errors or malfeasance, building defects, utility outages, the effects of climate change and natural disasters such as fires, earthquakes, floods and hurricanes. The infrastructure disruptions we may experience as a result of such events could also disrupt our ability to manage real estate for clients or may adversely affect the value of our real estate investments in our investment management and development services businesses. Furthermore, to the extent climate change causes changes in weather patterns, certain regions where we operate could experience increases in storm intensity, extreme temperatures, rising sea- levels and / or drought. Over time, these conditions could result in declining demand for commercial real estate, decreased value of any real estate investments we hold in those regions or result in increases in our operating costs. The buildings we manage for clients, which include some of the world' s largest office properties and retail centers, are used by people daily. We also manage the critical facilities (including data centers) that our clients rely on to serve the public and their customers, where unplanned downtime could potentially disrupt other parts of their businesses or society. As a result, fires, earthquakes, floods, hurricanes, other natural disasters, building defects, acts of war, terrorist attacks, mass shootings or infrastructure disruptions **can may** result in significant loss of life or injury, and, to the extent we are held to have been negligent in connection with our management of the affected properties, we could incur significant financial liabilities and reputational harm. Our joint venture activities and affiliate program involve risks that are often outside of our control and that, if realized, could materially harm our business. We have utilized joint ventures for commercial investments, select local brokerage and other affiliations both in the U. S. and internationally, and we may acquire interests in other joint ventures in the future. Under

our affiliate program, we enter into contractual relationships with local brokerage, property management or other operations pursuant to which we license to that operation our name and make available certain of our resources, in exchange for a royalty or economic participation in that operation's revenue, profits or transactional activity. In many of these joint ventures and affiliations, we may not have the right or power to direct the management and policies of the joint ventures or affiliates, and other participants or operators of affiliates may take action contrary to our instructions or requests and against our policies and objectives. In addition, the other participants and operators may become bankrupt or have economic or other business interests or goals that are inconsistent with ours. If a joint venture participant or affiliate acts contrary to our interest, it could harm our brand, business, results of operations and financial condition. ~~A significant portion of our revenue is seasonal, which could cause our financial results to fluctuate significantly. A significant portion of our revenue is seasonal. Historically, our revenue, operating income, net income and cash flow from operating activities tend to be lowest in the first calendar quarter, and highest in the fourth calendar quarter of each year. Earnings and cash flow have generally been concentrated in the fourth calendar quarter due to the focus on completing sales, financing and leasing transactions prior to calendar year-end. This variance among periods makes it difficult to compare our financial condition and results of operations on a quarter-by-quarter basis. In addition, as a result of the seasonal nature of our business, political, economic or other unforeseen disruptions occurring in the fourth quarter, particularly those that impact our ability to close large transactions, may have a proportionally larger effect on our financial condition and results of operations.~~

Risks Related to Our Indebtedness Our debt instruments impose operating and financial restrictions on us, and in the event of a default, all of our borrowings would become immediately due and payable. As of December 31, ~~2022~~ **2023**, our total debt, excluding notes payable on real estate (which are generally non-recourse to us) and warehouse lines of credit (which are recourse only to our wholly-owned subsidiary, CBRE Capital Markets, and are secured by our related warehouse receivables), was \$ ~~1.2~~ **7.8** billion. For the year ended December 31, ~~2022~~ **2023**, our interest expense was \$ ~~97.243~~ **5.2** million. Our debt instruments impose, and the terms of any future debt may impose, 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 restrict our activities or business plans; and
- finance ongoing operations, strategic acquisitions, investments or other capital needs or to engage in other business activities that would be in our interest, including:
 - incurring or guaranteeing additional indebtedness;
 - entering into mergers and consolidations;
 - creating liens; and
 - entering into sale / leaseback transactions.

Our credit agreements require us to maintain a minimum interest coverage ratio of consolidated EBITDA (as defined in the applicable credit agreement) to consolidated interest expense (as defined in the applicable credit agreement) and a maximum leverage ratio of total debt (as defined in the applicable credit agreement) less available cash (as defined in the applicable credit agreement) to consolidated EBITDA as of the end of each fiscal quarter. Our ability to meet these financial ratios may be affected by events beyond our control, and we cannot give assurance that we will be able to meet those ratios when required. We continue to monitor our projected compliance with these financial ratios and other terms of our credit agreements. A breach of any of these restrictive covenants or the inability to comply with the required financial ratios could result in a default under our debt instruments. If any such default occurs, the lenders under our credit agreements and noteholders with respect to our senior notes may elect to declare all outstanding borrowings, together with accrued interest and other fees, to be immediately due and payable. The lenders under our credit ~~agreement~~ **agreements** also have the right in these circumstances to terminate any commitments they have to provide further borrowings **thereunder**. In addition, a default under our credit agreements or senior notes could trigger a cross default or cross acceleration under our other debt instruments. We have limited restrictions on the amount of additional recourse debt we are able to incur, which may intensify the risks associated with our leverage, including our ability to service our indebtedness. In addition, in the event of a credit- ratings downgrade, our ability to borrow and the costs of such borrowings could be adversely affected. Subject to the maximum amounts of indebtedness permitted by ~~the our credit agreement~~ **covenants under our debt instruments**, we are not restricted in the amount of additional recourse debt we are able to incur, and so we may in the future incur such indebtedness in order to finance our operations and investments. In addition, Moody's Investors Service, Inc. and Standard & Poor's Ratings Services, rate our significant outstanding debt. These ratings, and any downgrades of them, may affect our ability to borrow as well as the costs of our current and future borrowings. Our variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase significantly and potentially limit our ability to effectively refinance our indebtedness as it matures. Borrowings under certain of our ~~indebtedness~~ **debt instruments** bear interest at variable rates and expose us to interest rate risk. If interest rates increase, our debt service obligations on the variable rate indebtedness will increase even though the amount borrowed will remain the same, and our net income and operating cash flows, including cash available for servicing our indebtedness, will correspondingly decrease. Additionally, our ability to refinance portions of our indebtedness in advance of their maturity dates depends on securing new financing bearing interest at rates that we are able to service. While we believe that we currently have adequate cash flows to service the interest rates currently applicable to our indebtedness, if interest rate were to continue to rise significantly, we might be unable to maintain a level of cash flows from operating activities sufficient to meet our debt service obligations at such increased rates.

Risks Related to our Information Technology, Cybersecurity and Data Protection 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 solutions provided by third parties, to deliver services that meet the needs of our clients. If we are unable to effectively execute or maintain our information technology strategies or adopt new technologies and processes relevant to our service platform, 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 prevent new strategies or technologies from being realized according to anticipated schedules. If we are unable to maintain current information technology and processes or encounter delays, or fail to

exploit new technologies, then the execution of our business plans may be disrupted. Similarly, our employees require effective tools, **technologies** and techniques to perform functions integral to our business. Failure to successfully provide such **items** ~~tools and systems~~, or ensure that employees have properly adopted them, could materially and adversely impact our ability to achieve positive business outcomes. Interruption or failure of our information technology, communications systems or data services could impair our ability to provide our services effectively, which could damage our reputation and 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 our infrastructure. Our information technology and communications systems are vulnerable to damage or disruption from fire, power loss, telecommunications failure, system malfunctions, computer viruses, cyberattacks, 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. Cyberattacks and ~~viruses~~ **malware** pose growing threats to many companies, and we **, as well as our third- party service providers,** have been a target and may continue to be a target of such threats, which could expose us to liability, reputational harm and significant remediation costs and cause material harm to our business and financial results. In addition, the operation and maintenance of these systems and networks is in some cases dependent on third- party technologies, systems and service providers for which there is no certainty of uninterrupted availability. Any of these events could cause system interruption, delays and loss, corruption or exposure of ~~critical~~ data or intellectual property and may also disrupt our ability to provide services to or interact with our clients, contractors and vendors, and we may not be able to successfully implement contingency plans ~~that depend on communication or travel~~. Furthermore, while we have certain business interruption and cyber insurance coverage and various contractual arrangements that can serve to mitigate costs, damages and liabilities, any such event could result in substantial recovery and remediation costs and liability to customers, business partners and other third parties. We have ~~crises~~ **crisis** management, business continuity and disaster recovery plans and backup systems to reduce the potentially adverse effect of such events, but our disaster recovery planning may not be sufficient and cannot account for all eventualities, and a catastrophic event that results in the destruction or disruption of any of our data centers and third- party cloud hosting providers 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 commercial real estate data. A portion of this data is purchased or licensed from third- party providers for which there is no certainty of uninterrupted availability or accuracy. A disruption of our ability to provide data to our professionals and / or our clients or an inadvertent exposure of proprietary data could damage our reputation and competitive position, and our operating results could be adversely affected. Failure to maintain the security of our information and technology networks, including personal information and other client information, intellectual property and proprietary business information could materially adversely affect us. Security breaches and other disruptions of our information and technology networks, as well as that of third- party vendors, could compromise our information and intellectual property and expose us to liability, reputational harm and significant remediation costs, which could cause material harm to our business and financial results. In the ordinary course of our business, we collect and store ~~sensitive~~ **confidential** data, including our proprietary business information and intellectual property, and that of our clients and personal information (also referred to as “personal data” or “personally identifiable information”) of our employees, contractors and vendors, in our data centers, networks and third- party cloud hosting providers. The secure collection, use, storage, retention, maintenance, sharing, processing, transfer, transmission, disclosure, and protection (collectively, “Processing”) of this information is critical to our operations. Although we and our vendors continue to implement new security measures and regularly conduct employee training, our information technology and infrastructure may nevertheless be vulnerable to cyberattacks by third parties or breached due to employee error, malfeasance or other disruptions. These risks have been heightened in connection with the ongoing conflict between Russia and Ukraine and we cannot be certain how this new risk landscape will impact our operations. When geopolitical conflicts develop, critical infrastructures may be targeted by state- sponsored cyberattacks even if they are not directly involved in the conflict. An increasing number of companies that rely on information and technology networks have disclosed breaches of their security, some of which have involved sophisticated and highly targeted attacks on portions of their websites or infrastructure. The techniques used to obtain unauthorized access, disable, or degrade service, or sabotage systems, change frequently, may be difficult to detect, and often are not recognized until launched against a target. To date, we have not ~~yet~~ experienced any cybersecurity breaches that have been material, either individually or in the aggregate. However, there can be no assurance that we will be able to prevent any material events from occurring in the future. Our business is subject to complex and evolving United States and international laws and regulations regarding privacy, data protection, and cybersecurity. Many of these laws and regulations are subject to change and uncertain interpretation and could result in claims, increased cost of operations or otherwise harm our business. We are subject to numerous United States federal, state, local, and international laws and regulations regarding privacy, data protection and cybersecurity that govern the ~~Processing~~ **processing** of certain data (including personal information, sensitive information, health information, and other regulated data). **These laws and regulations are increasing in severity, complexity and number, change frequently, and increasingly conflict among the various jurisdictions in which we operate, which has resulted in greater compliance risk and cost for us. In addition, we are also subject to the possibility of security breaches and other incidents, which themselves may result in a violation of these laws.** For example, the European Union General Data Protection Regulation (GDPR) became effective on May 25, 2018, and has resulted and will continue to result in significantly greater compliance burdens and costs for businesses ~~established with users and operations~~ in the European Union (EU) ~~and or~~ European Economic Area (EEA) **or who are established outside the EU or EEA and offer goods or services, or monitor the behavior of individuals located in the EU or EEA**, including with respect to cross- border transfers of personal information. Under GDPR, fines of up to 20 million Euros or up to 4 % of the annual global revenues of the infringer, whichever is greater, ~~can~~ **may** be imposed for violations. **Further, the U. K.’ s withdrawal from the EU and ongoing**

developments in the U. K. have created additional compliance obligations and some uncertainty regarding whether data protection regulation in the U. K. will further diverge from the GDPR. As of December 31, 2023, we are required to comply with the GDPR as well as the U. K. equivalent and other global data protection laws (including in Switzerland, Japan, Singapore, China, United Arab Emirates, Australia, and Brazil), the implementation of which exposes us to parallel data protection regimes, each of which potentially authorizes similar fines and other enforcement actions for certain violations. In addition, the U. S. , the California Consumer Privacy Act of 2018 (CCPA as amended by the California Privacy Rights Act of 2020) took effect on January 1, 2020, which broadly defines personal information, gives California residents expanded privacy rights and protections, and provides for civil penalties for certain violations. Furthermore, in November 2020, California voters passed the California Privacy Rights and Enforcement Act of 2020 (CPRA), which amends and expands CCPA with additional data privacy compliance requirements and establishes established a regulatory agency dedicated to enforcing those requirements. At least a dozen Additional countries, including Brazil and China, and states including Colorado, Connecticut, Texas and Virginia ; Colorado, Utah, and Connecticut, have also passed comprehensive privacy laws with protecting residents acting in their individual or household capacities, and several states, most notably Illinois, have passed laws regulating the processing of biometric information. These state laws impose additional obligations and requirements on impacted businesses. We These laws and regulations are increasing in severity, complexity and number, change frequently, and increasingly conflict among the various jurisdictions in which we operate, which has resulted in greater compliance risk and cost for us. In addition, we are also subject to the possibility of security breaches and an increasing number of reporting obligations in respect of material cybersecurity incidents. These reporting requirements have been proposed or implemented by a number of regulators in different jurisdictions, may vary in their scope and application, and could contain conflicting requirements. Certain of these rules and regulations may require us to report a cybersecurity incident before we have been able to fully assess its impact or remediate the underlying issue. Efforts to comply with such reporting requirements could divert management's attention from our cybersecurity incident response and could potentially reveal system vulnerabilities to threat actors. Failure to timely report cybersecurity incidents under these rules could also result in regulatory investigations, litigation, monetary fines, sanctions, or subject us to other forms incidents, which themselves may result in a violation of liability these laws. A significant actual or potential theft, loss, corruption, exposure, fraudulent use or misuse of client, employee or other personal information or proprietary business data, whether by third parties or as a result of employee malfeasance or otherwise, perceived or actual non-compliance with our contractual or other legal obligations regarding such data or intellectual property or a violation of our privacy and security policies with respect to such data could result in significant remediation and other costs, fines, litigation or regulatory actions against us. Such an event could additionally disrupt our operations and the services we provide to clients, harm our relationships with contractors and vendors, damage our reputation, result in the loss of a competitive advantage, impact our ability to provide timely and accurate financial data and cause a loss of confidence in our services and financial reporting, which could adversely affect our business, revenues, competitive position and investor confidence. Additionally, we rely on third parties to support our information and technology networks, including cloud storage solution providers, and as a result have less direct control over our data and information technology systems. 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. Legal and Regulatory Related Risks We are subject to various litigation and regulatory risks and may face financial liabilities and / or damage to our reputation as a result of litigation or regulatory investigations or proceedings. Our businesses are exposed to various litigation and regulatory risks, especially within our valuations business. Although we maintain insurance coverage for most of this risk, insurance coverage is unavailable at commercially reasonable pricing for certain types of exposures. Additionally, our insurance policies may not cover us in the event of grossly negligent or intentionally wrongful conduct. Accordingly, an adverse result in a litigation against us, or a lawsuit that results in a substantial legal liability for us (and particularly a lawsuit that is not insured), could have a disproportionate and material adverse effect on our business, financial condition and results of operations. Furthermore, an adverse result in regulatory proceedings, if applicable, could result in fines or other liabilities or adversely impact our operations. Prolonged or complex investigations, even if they do not result in regulatory or other proceedings or adverse findings, may result in significant costs that may not be covered by insurance and in diversion of employee resources. In addition, 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, or the announcement of a regulatory investigation involving us, irrespective of the ultimate outcome of that allegation or investigation, may harm our professional reputation and as such materially damage our business and its prospects. Our businesses, 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 material financial penalties. We are subject to numerous federal, state, local and non- U. S. laws and regulations specific to the services we perform in our business. Brokerage of real estate sales and leasing transactions and the provision of property management and 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 these 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. A number of our services, including the services provided by our indirect wholly-owned subsidiaries, CBRE Capital Markets and CBRE Investment Management, are subject to regulation by the Securities and Exchange Commission (SEC). Financial Industry Regulatory Authority (FINRA), or other self-regulatory organizations and state securities regulators and compliance failures or regulatory action could adversely affect our business. We could be subject to disciplinary or other actions in the future due to claimed 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 corruption laws, including the Fair Labor Standards Act, occupational health and safety regulations, U. S. state wage- and- hour laws, the U. S. 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. Telford Homes, our residential development subsidiary in the U. K., is subject to certain ~~recently promulgated~~ U. K. laws and requirements that ~~will obligate~~ **obligates** U. K. homebuilders to remediate or fund the remediation work relating to certain fire-safety issues on their constructed buildings. The aggregate costs and liabilities related to these remediations are uncertain and may be material. In the event Telford Homes is unable to satisfy its obligations and liabilities under such government requirements and U. K. laws, Telford Homes and potentially its affiliates could face material business interruption, litigation, liabilities and reputational damage. As the size and scope of our business has increased significantly, compliance with numerous licensing and other regulatory requirements and the possible loss resulting from non-compliance have both increased. New or revised legislation or regulations applicable to our business, both within and outside of the U. S., 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 any of these 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 businesses, financial condition, results of operations and prospects. Our business is subject to evolving corporate governance and public disclosure regulations and expectations, including with respect to environmental, social and governance (ESG) matters, that could expose us to numerous risks. Recently, there has been heightened interest from advocacy groups, government agencies and the general public in ESG matters and increasingly regulators, customers, investors, employees and other stakeholders are focusing on ESG matters and related disclosures. Such governmental, investor and societal attention to ESG matters, including expanding mandatory and voluntary reporting, diligence, and disclosure on topics such as climate change, human capital, labor and risk oversight, could expand the nature, scope, and complexity of matters that we are required to control, assess and report. We are subject to changing rules and regulations promulgated by a number of governmental and self-regulatory organizations, including the SEC, the New York Stock Exchange and the Financial Accounting Standards Board. Further, new and emerging regulatory initiatives in the U. S., EU and U. K. related to climate change and ESG could adversely affect our business, including, for example, initiatives such as the European Commission's May 2018 "action plan on financing sustainable growth" and Taskforce on Climate-related Financial Disclosures (TCFD)-aligned disclosure requirements in the U. K. These and other rules and regulations continue to evolve in scope and complexity and many new requirements have been created in response to laws enacted by the U. S. congress, making compliance more difficult and uncertain. These changing rules, regulations and stakeholder expectations have resulted in, and are likely to continue to result in, increased general and administrative expenses and increased management time and attention spent complying with or meeting such regulations and expectations. For example, developing and acting on new or ongoing initiatives within the scope of ESG, and collecting, measuring and reporting ESG related information and metrics ~~can~~ **may** be costly, difficult and time consuming and subject to evolving reporting standards, including the SEC's ~~recently~~ proposed climate-related reporting requirements, **California's Climate Corporate Data Accountability Act and Greenhouse Gases: Climate-related Financial Risk Act**, and similar proposals by other international regulatory bodies. Further, we may choose to communicate certain initiatives and goals, regarding environmental matters, diversity, responsible sourcing and social investments and other ESG related matters, in our SEC filings or in other public disclosures. These initiatives and goals within the scope of ESG could be difficult and expensive to implement and we could be criticized for the accuracy, adequacy or completeness of the disclosure. Statements about our ESG related initiatives and goals, and progress against those goals, may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. We could also be criticized for the scope or nature of such initiatives or goals, or for any revisions thereto. If we are unable to adequately address such ESG matters or if we fail to achieve progress with respect to our goals within the scope of ESG on a timely basis, or at all, or if we or our borrowers fail or are perceived to fail to comply with all laws, regulations, policies and related interpretations, it could negatively impact our reputation and our business results. Exposure to additional tax liabilities and changes in tax laws and regulations could adversely affect our financial results. 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. 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. In addition, changes in tax laws or regulations, ~~including developments arising from proposed U. S. tax legislation, the final form of which is uncertain~~ and multi-jurisdictional changes enacted in response to the action items provided by the Organization for Economic Co-operation and Development (OECD), ~~increase tax uncertainty and could impact the company's effective tax rate and provision for income taxes.~~ Given the unpredictability of possible further changes to and the potential interdependency of the United States or foreign tax laws and regulations, it is difficult to predict the cumulative effect of such tax laws and regulations on the company's results of operations. 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. If we incur any such liability, our business could suffer significantly as it could be difficult for us to develop or sell such properties, or borrow funds using such properties as collateral. 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, liabilities incurred to comply with more stringent future environmental requirements could adversely affect any or all of our lines of business.

Risks Related to our Internal Controls and Accounting Policies If we are unable to ~~implement and~~ maintain effective internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports and our results of operations and stock price could be materially adversely affected. The accuracy of our financial reporting is dependent on the effectiveness of our internal ~~controls. We are required to provide a report from management to our stockholders on our internal control over financial reporting that includes an assessment of the effectiveness of these~~ controls. Internal control over financial reporting has inherent limitations, including human error, the possibility that controls could be circumvented or become inadequate because of changed conditions, and fraud. Because of these inherent limitations, internal control over financial reporting might not prevent or detect all misstatements or fraud. If we cannot maintain and execute adequate internal control over financial reporting or implement required new or improved controls that provide reasonable assurance of the reliability of the financial reporting and preparation of our financial statements for external use, we could suffer harm to our reputation, incur incremental compliance costs, fail to meet our public reporting requirements on a timely basis, be unable to properly report on our business and our results of operations, or be required to restate our financial statements, and our results of operations, our stock price and our ability to obtain new business could be materially adversely affected. Our goodwill and other intangible assets could become impaired, which may require us to take material 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, stockholders' equity and our stock price. A significant and sustained decline in our future cash flows, a significant adverse change in the economic environment, slower growth rates or if our stock price falls 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.

Risks Related to our Investments We have equity investments in certain companies or projects that we do not control, which subject us to risks related to their respective businesses. As of December 31, ~~2022~~ **2023**, we had over \$ 1. ~~3~~ **5** billion invested in certain companies and projects that we do not control that were accounted for under the cost / ~~measurement alternative~~ method of accounting, equity method or fair value. These investments are subject to risks related to the businesses in which we invest, which may be different than the risks inherent in our own business. Factors beyond our control ~~can may~~ significantly influence the value of these investments and may cause their fair value to decrease or adversely impact our ability to recognize a gain on such investments. These factors include decisions made by management or controlling stockholders of such businesses, who may have interests different than those of CBRE, and instability in the capital markets. Any of these factors, among others, could cause an impairment, realized and / or unrealized losses in future periods, which could have an adverse effect on our financial condition and results of operations. In the future, we may acquire more equity investments that are not consolidated ~~and may sponsor additional special purpose acquisition companies (SPACs)~~, which could increase our exposure to the risks described above.