



Global ESG Sourcing & Procurement Policy

Jones Lang LaSalle Incorporated

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Our sustainability strategy

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“At the core of JLL's enterprise-wide sustainability program lies a strong commitment to responsible procurement. Together with our supply partners, we aim to drive disruptive and impactful change by embedding ESG into everything we do. We actively seek supply partners who share our ambitious aspirations to achieving net zero emissions, fostering supplier diversity, eliminating modern slavery, and promoting environmental and social practices in our suppliers' service delivery. This strategic approach reinforces JLL's purpose: shaping the future of real estate for a better world.”

- Michael Raphael, Global Chief Procurement Officer

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“At JLL, we embrace our purpose to shape the future of real estate for a better world. We are committed to providing best-in-class service to our clients as they work towards defining and achieving their environmental, social and economic objectives. When we do, we'll build a better future for our clients, people and communities. Sustainable sourcing is critical to our achievement of our sustainability targets and corporate purpose, and is a key lever to deliver meaningful, positive impact within and beyond our business.”

- Erin Meezan, Chief Sustainability Officer

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United Nations Sustainable Development Goals

The Sustainable Development Goals (SDGs) are the world's to-do list to achieve a better, fair and more sustainable future for all. Guided by the goals, it is now up to all of us, businesses, governments, civil society and the general public to work together for a better world. Everything that we do should help us to contribute to their achievement.

JLL has the ability to influence six SDGs in particular which are aligned with our core business impacts and opportunities:



Focusing on these SDGs allows us to prioritize actions and interventions where we have the greatest potential to make a positive contribution, as well as mitigating any negative impacts. The sustainable procurement agenda is critical to the achievement of these six goals, and we can use them to help drive ways of thinking across our services and into activities where we procure goods and services on behalf of our clients and ourselves.

Overview

This Global Environmental, Social and Governance (ESG) Sourcing & Procurement Policy sets out how we expect suppliers to contribute to our sustainability objectives, client sustainability and legislative requirements and how we will work with our suppliers to manage sustainability risk and improve their performance over time. This Policy applies to our direct and indirect procurement spend under management. We will favor suppliers who have embedded sustainability into their business activities and their own supply chain. To create a sustainable supply chain, we commit to working in partnership with our suppliers to ensure they comply with our Global ESG Sourcing & Procurement Policy.

If a supplier's conduct is not in accordance with this Policy we will seek to engage with that supplier and encourage continuous improvement in their environmental, social and ethical performance. This Policy includes a corresponding Charter which summarizes JLL's expectations for suppliers, shown on page 8. The Charter is also used as a standalone document which all suppliers must acknowledge when working with JLL.

At a minimum, suppliers must comply with the following policies to avoid contract termination: Vendor Code of Conduct; Global Health Safety and Environmental Policy; and Vendor Due Diligence Policy.



Sustainability

JLL's purpose is to shape the future of real estate for a better world. We do this by partnering with our stakeholders to drive impactful and sustainable change, and by embedding sustainability into everything we do.

Sourcing & Procurement is at the heart of JLL's sustainability program, and we recognize that a large proportion of our overall impact occurs in our supply chain. With a spend of approximately of \$10 billion globally, we have a responsibility to ensure that our purchases are making a positive contribution to society and the environment and contributes to our key SDGs. Our Sourcing & Procurement program underpins and supports our three issues as follows:



Climate action for sustainable real estate

In line with the Paris Climate Agreement, we will work with our suppliers to reduce impact and stress on the environment, by adopting carbon reduction principles, promoting resource efficiency, conservation, and promoting processes which enable a circular economy. We will also partner with vendors that can accurately measure and report on these sustainability impacts. Embedding sustainability considerations across all our service lines and supply chain is a key priority for JLL, enabling us to offer differentiated and forward-thinking solutions to our clients as we seek to maximize the positive impact we can have in the world.

This aligns with our ability to influence the SDGs 3, 11, 12, and 13 as mentioned on page 2.



Healthy spaces for all people

We strive for a culture of health, safety, and wellbeing. We are committed to working with our suppliers to ensure we are keeping up with best practices to fuel our collective performance, innovative thinking and business results. We want to partner with suppliers who actively take measures to protect its employees against discrimination and harassment and set-up anti-retaliation policies. We require partners to promote professional skills development of their own employees and to offer employment opportunities to the local community.

This aligns with our ability to influence the SDGs 3, 5, and 8 as mentioned on page 2.



Inclusive places for thriving communities

We require our suppliers to adopt practices that maximize positive social impacts, enabling equality, equity, inclusion, and skills development. JLL is committed to identifying and eliminating modern slavery and Human Rights contraventions from our supply chain and enforces effective processes and controls to support this goal.

This aligns with our ability to influence the SDGs 3, 5, 8, 11, and 12 as mentioned on page 2.



Our commitment to clients

JLL commits to using all reasonably available channels to deliver excellence for our clients through the best value sourcing of products and services considering human rights, the environment, and social and ethical aspects over the product or service life cycle.

JLL identifies the best procurement offer based on a total value assessment that includes an evaluation of how suppliers manage the expectations outlined in this Charter (see page 8). This is achieved by:



Including sustainability criteria in tenders and setting sustainability targets with key suppliers



Monitoring and evaluating the sustainability performance of key suppliers



Reporting on progress against JLL's ESG Sourcing & Procurement Policy annually



Our commitment to suppliers

To create a sustainable supply chain, we commit to working in partnership with our suppliers to ensure they comply with our Global Sustainability Sourcing &

Procurement Policy and the expectations outlined in our Charter on page 8, including via the following methods:



Supporting key suppliers to improve performance through agreed objectives within the existing Supplier Relationship Management program



Knowledge transfer and continued education about process optimization, resource efficiency, and environmental and social standards



Putting in place clear and transparent supplier requirements

Across our global operations, we actively analyze spend and risk globally to identify our key sustainability risks and opportunities. Our expectations of suppliers are mapped against our issues: Climate action for sustainable real estate, Healthy spaces for all people, and Inclusive places for thriving communities.

Additional business-critical sustainability risks such as business ethics and integrity and modern slavery are covered in full in our Vendor Code of Conduct, Global Health, Safety and Environment Policy, Vendor Due Diligence Policy, and country or service line specific policies. Suppliers should refer to each of these, in addition to any tender specific criteria.



Policy details

This Policy, and the corresponding Charter, describe JLL commitments to deliver sustainable outcomes through our sourcing, procurement and contracting activities and is to be applied across all business lines and operations. Responsibility for this Policy lies with our Global Chief Procurement Officer.

The implementation of this Policy is the collective responsibility of all employees, suppliers and subcontractors with leadership from the Sourcing & Procurement team. This Policy and Charter will be reviewed and updated periodically.



ESG Sourcing & Procurement Charter

JLL's purpose is to shape the future of real estate for a better world. We do this by embedding sustainability into everything we do, focused on delivering impact across three key issues: Climate action, Healthy spaces, and Inclusive places. As our supplier, we will work with you to assess, monitor and improve your contribution towards the expectations of this Charter. The level of engagement with you will be determined by the size and nature of your business and how you work with us. We expect all suppliers to support this Charter and adhere to its corresponding policy. This document should be read in conjunction with the Global ESG Sourcing & Procurement Policy, Vendor Code of Conduct, Global Health, Safety and Environment Policy, and country or service line specific policies.



Climate action for sustainable real estate

JLL expects suppliers...

- ... to understand the **environmental impacts** of their products and services throughout their entire lifecycle and accordingly reduce waste, water, usage and apply circular economy principles
- ...to actively assess and reduce the **carbon footprint** of their products and services and to provide energy and carbon efficiency options
- ...to minimize their impact on the environment via **resource conservation, emission mitigation and sustainability best practices**, including personnel, equipment, products and procedures users
- ...to report progress towards JLL's **net-zero target** and set their own goals **to minimize environmental impact** of their firm, products and services



Healthy spaces for all people

JLL expects suppliers...

- ...provide a **"culture of safety"** throughout the firm
- ... to actively take measures to protect its employees against **discrimination and harassment** and set-up anti retaliation policies
- ...to be committed to the **health and well-being** of their staff and in the **safety** of goods or services provided for our clients
- ...to promote **professional skills development** through employee training and promotion, and offering employment opportunities to the local community



Inclusive places for thriving communities

JLL expects suppliers...

- ...to demonstrate **positive social impacts** and responsible procurement practices, such as buying local, including a **diverse supply chain**, and supporting community engagement through recognized organizations involved in sustainability and diversity
- ...to ensure effective systems and procedures are in place to eliminate **modern slavery**
- ...to promote **Diversity & Inclusion** by embracing diverse backgrounds, experiences and skills in their workplaces and management
- ...to follow national **minimum wage** requirements, and adhering to Fair Wage and Living Wage requirements





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