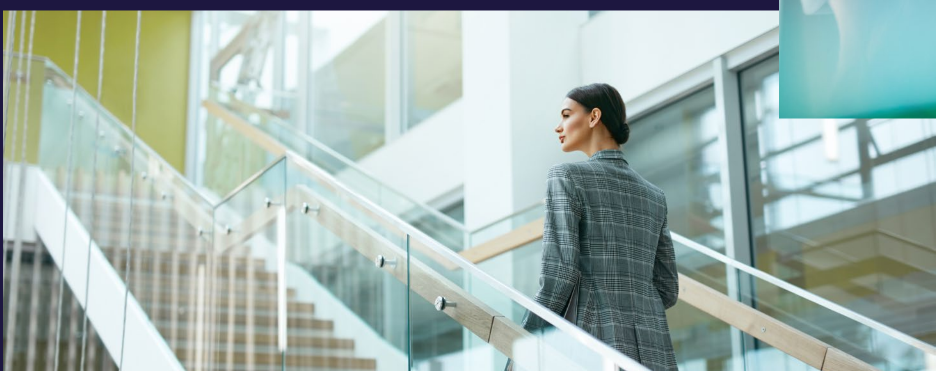
VANTAGE POINT

WHAT OCCUPIERS WANT 2025



CUSHMAN & WAKEFIELD

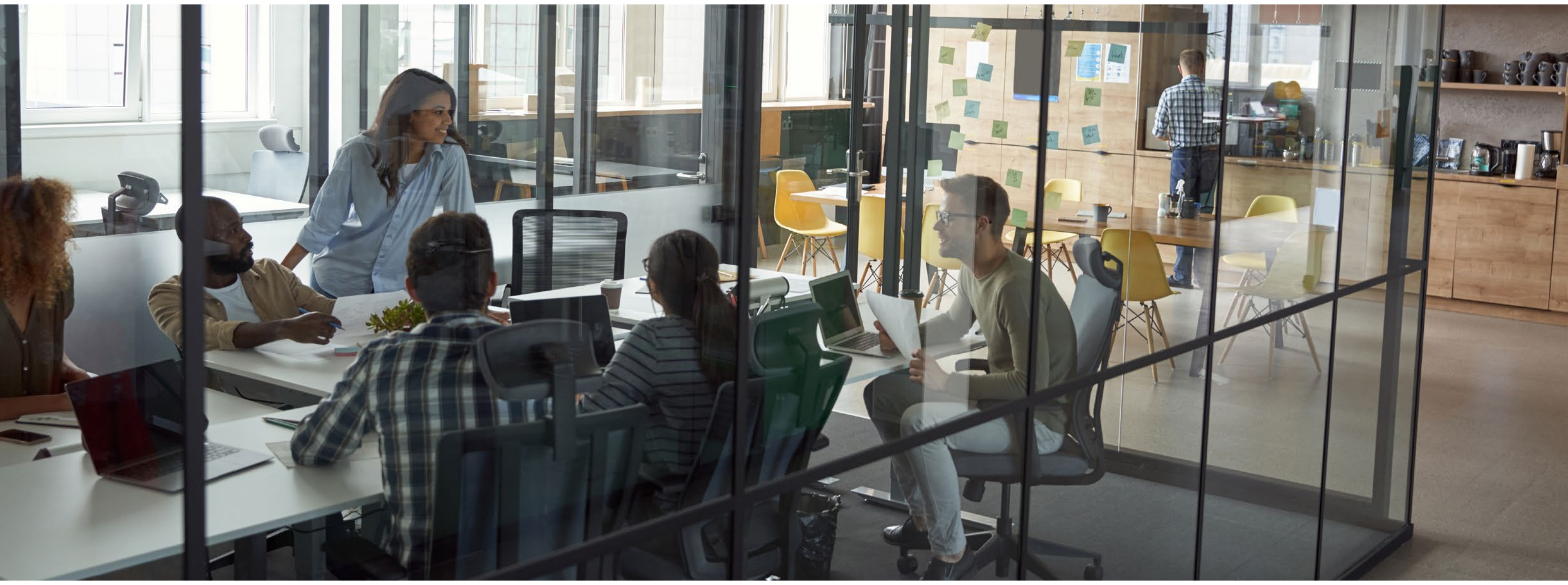
CORENET GLOBAL

INTRODUCTION

Metrics that Matter

Every two years, **Cushman & Wakefield collaborates with CoreNet Global** to survey global Corporate Real Estate (CRE) leaders and explore how their priorities are evolving. Insights from the survey are brought together in this report: ***What Occupiers Want***, which captures key priorities and perspectives into the shifting dynamics of decision-making, investment, workplace trends and portfolio strategies for occupiers worldwide.

This year's report reveals a significant shift in the role of CRE within organizations—with 29% of companies that have changed their CRE reporting structures now reporting to HR, more than any other functional area. While this indicates a growing recognition of CRE as a people-focused function, a critical gap remains. Despite this alignment with HR, most organizations continue to rely on traditional real estate financial metrics, missing the opportunity to measure how CRE impacts employee experience, engagement, workflow and productivity. Without such metrics to reflect CRE's broader impact on business and people outcomes, the focus on cost prevails. This presents a valuable opportunity for organizations to develop credible, cross-functional metrics that link real estate investment to corporate financial goals, to better demonstrate the ROI of CRE decisions and strengthen collaboration across finance, HR and IT under a shared performance framework.



CRE Leaders' Survey Responses Across Global Regions and Sectors

Cushman & Wakefield, in partnership with CoreNet Global, collaborates with global Corporate Real Estate (CRE) leaders bienally to understand the evolving office landscape.

What Occupiers Want explores the evolution of strategic decision drivers, trends in location and workplace, and perspectives on changes to portfolios. Each issue has a specific area of focus. Globally, over 235 CRE leaders completed the What Occupiers Want survey in H1 2025. Respondents represent companies with 8.1 million employees globally and approximately 340 msf of office floor area.

Distribution of 2025 Survey Respondents

AMERICAS	52%
EMEA	34%
APAC	14%

Finance / Banking / Accounting / Insurance	22%
Real Estate	18%
Technology	13%
Business / Professional Services / Consulting	11%
Engineering / Architecture	6%
Healthcare / Medical	5%
Biotechnology / Life Sciences / Pharmaceutical	4%
Energy / Utilities	4%
Manufacturing	3%
Aerospace / Aviation / Automotive	2%
Media / Printing / Publishing / Telecommunications	2%
Retail / Wholesale / Consumer Goods	2%
Legal	2%

Source: Cushman & Wakefield Analysis

COST STILL REIGNS, BUT UNCERTAINTY DOMINATES

Cost continues to drive CRE strategies, with pressure to reduce and control spending remaining as strong as ever. CRE leaders across industries worldwide view cost as their organization's primary business challenge and the key driver of real estate decision-making. As a result, financial metrics have become the cornerstone of these decisions, with real estate strategies overwhelmingly shaped by financial KPIs—the most familiar and widely used benchmarks. Additionally, CRE teams are becoming increasingly data-driven, prioritizing metrics like cost, efficiency and utilization above all else.

However, the concern isn't just about cost, it's also uncertainty. The biggest obstacle to action is lack of clarity. Political and economic instability, shifting workplace behaviors that challenge the purpose of the office, and difficulties in forecasting and measuring ROI are shaking confidence.

Meanwhile, ESG is losing traction—at least on the surface. Globally, its strategic priority ranking has dropped from No. 5 to No. 8, returning to 2021 levels. However, the picture is more nuanced across global regions. ESG holds greater significance in EMEA and APAC, with European occupiers often ranking it as a top priority, frequently in the No. 1 or No. 2 spot. In addition, larger organizations tend to prioritize ESG more highly.

Strategic drivers

Key Drivers of Office Real Estate Decisions by Region

GEOGRAPHIC SCOPE OF ROLE

	1	2	3	4	5
AVERAGE	Cost Pressure	Talent Sourcing & Retention	Operational Excellence	Growth / M&A	Corporate Brand
GLOBAL 42%)	Cost Pressure	Talent Sourcing & Retention	Growth / M&A	Operational Excellence	Customer Relations
AMERICAS (25%)	Cost Pressure	Growth / M&A	Talent Sourcing & Retention	Operational Excellence	Corporate Brand
EMEA (21%)	Talent Sourcing & Retention	Cost Pressure	Corporate Brand	Growth / M&A	Operational Excellence
ASIA PACIFIC (11%)	Cost Pressure	Talent Sourcing & Retention	Operational Excellence	Growth / M&A	Customer Relations

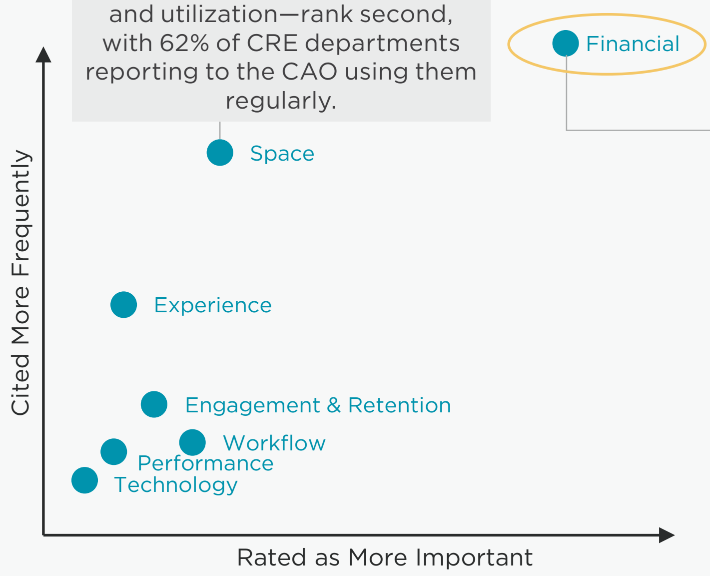
Previous Survey Global Ranking

1. Cost
2. Operational Excellence
3. Talent Sourcing & Retention
4. ESG
5. Innovation

CRE Real Estate Metrics

Ranking the Most Important Metrics

Space metrics—physical environment features like climate, space types, amenities and utilization—rank second, with 62% of CRE departments reporting to the CAO using them regularly.



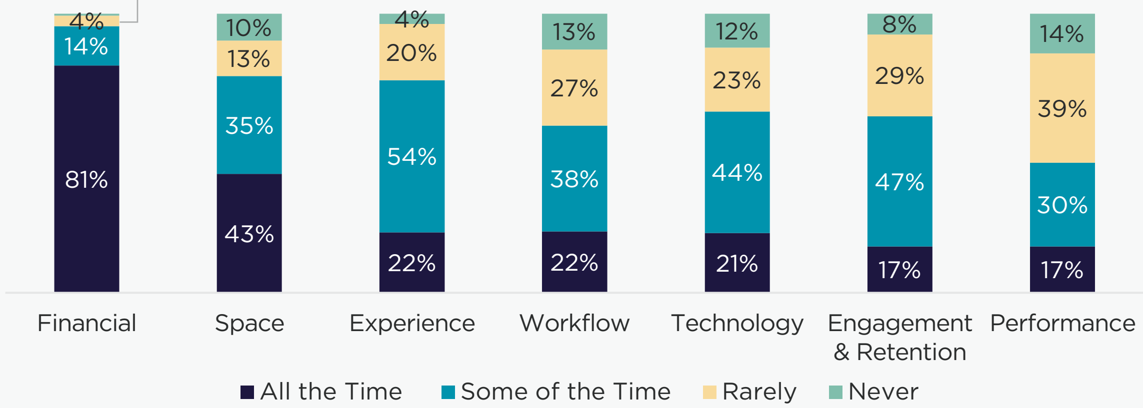
Financial metrics top the list, cited as "most important" twice as often as the other six metrics combined.

Key metric challenges:

1. Ability to balance financial and non-financial metrics
2. Multiple stakeholder involvement
3. Data quality issues

How Organizations Use Key Metrics

Nearly 80% of firms use financial performance metrics, like revenue and cost.



CRE ORGANIZATIONAL MODELS ARE EVOLVING—AND METRICS MUST KEEP PACE

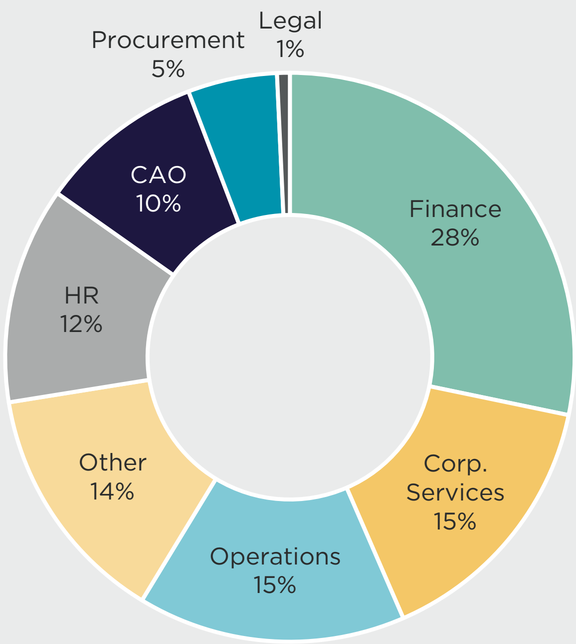
Real estate is increasingly tied to an agenda centered on people, but there is still progress to be made. Most CRE teams continue to report into functional departments like finance, corporate services or operations. However, a shift is underway. Nearly one-third (29%) of companies that have recently changed reporting structures now have CRE report to HR. This trend points to a growing recognition that the workplace is about connecting people, culture and experience—not just managing square footage and controlling costs.

Divergent priorities remain a challenge. Currently, cost is the top priority, and finance leaders and CEOs are intensely focused on financial metrics. CRE teams reporting to finance are more likely to prioritize and measure cost-related indicators than CRE teams that report to HR. In contrast, CHROs are more focused on measuring how real estate influences employee experience and engagement. Leaders in corporate services also prioritize workplace experience, along with technology and workflow optimization.

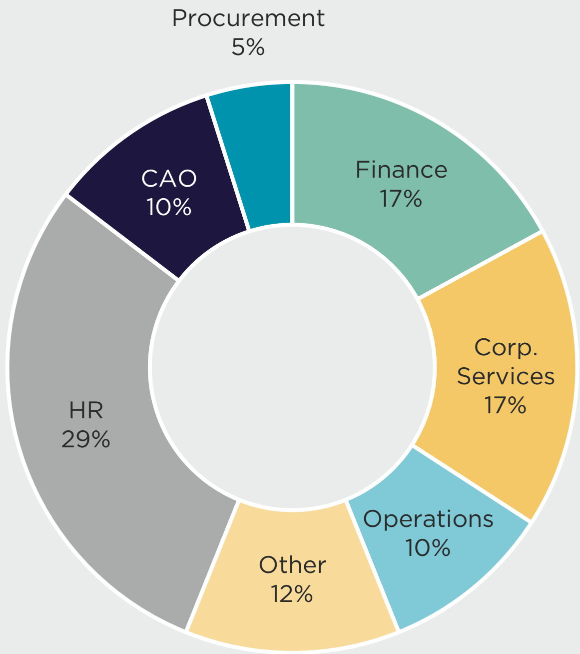
This difference in priorities across functions presents CRE leaders with a critical opportunity to close the gap by developing aligned metrics and a balanced scorecard. This new approach can guide CRE teams in merging costs, employee experience and productivity into a unified framework to facilitate more effective, cross-functional decisions. It also highlights CRE's role as a strategic connector between financial objectives and workforce performance.

Business Line Reporting

2025 Business Line for CRE Reporting



2025 Business Lines for CRE Reporting: Firms Changing Reporting in Past Two Years



The importance of aligning corporate real estate with people is evident in recent shifts in CRE reporting lines, as nearly a third of companies (29%) that changed who CRE reports to moved CRE to HR.

FLEXIBLE LOCATION STRATEGIES ARE THE NEW TALENT IMPERATIVE

Hiring with geographic flexibility has become standard practice. Currently, 61% of occupiers have expanded flexibility in their hiring practices, using their real estate portfolios strategically to tap into diverse and distributed talent pools.

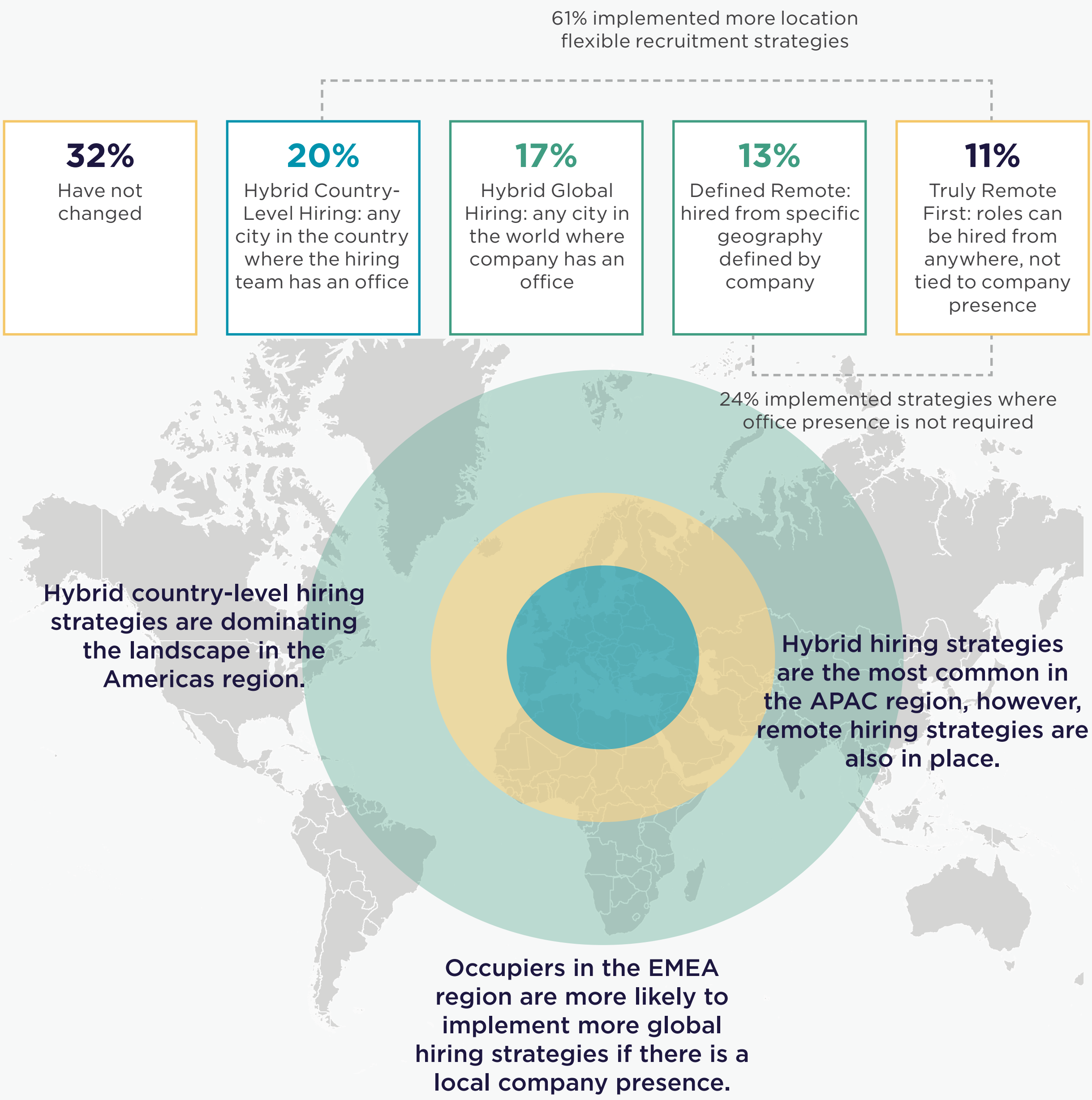
Regional hiring strategies reflect workforce realities:

- Americas: Hybrid hiring at the country level leads the way.
- EMEA: Global hiring is applied selectively, typically where companies already have a presence.
- APAC: Hybrid strategies remain dominant, though remote hiring is growing faster than in other regions.

Tech talent demand remains high, but trends differ by region. While demand is stable in the Americas and EMEA, APAC continues to experience rapid growth. Finance and banking sectors are particularly active in seeking tech talent.

Location Hiring Trends

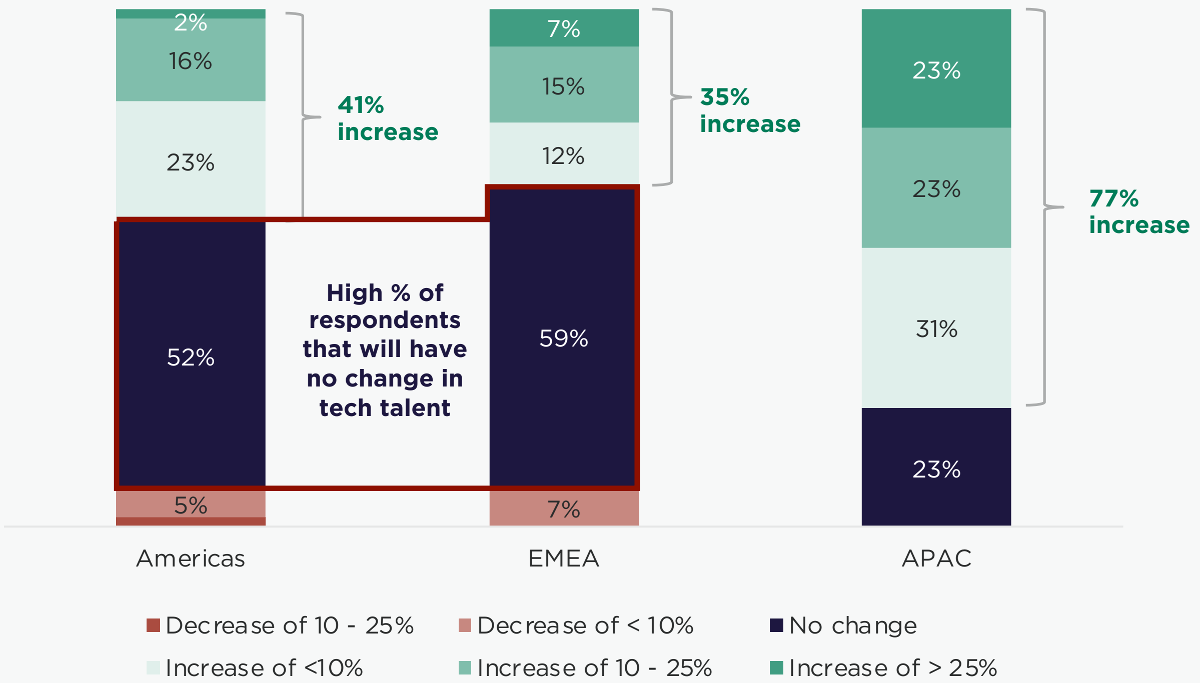
Hiring Strategies Implemented in Response to Increased Flexible Work



Note: Remaining 9% of respondents indicated an "other" strategy for location strategy and hiring.

Tech Talent Demands

Tech Talent Growth Projections



Sectors Driving Tech Talent Growth

Finance and banking	Technology	Business/ Professional	Energy/Utilities
(80%)	(45%)	(38%)	(36%)

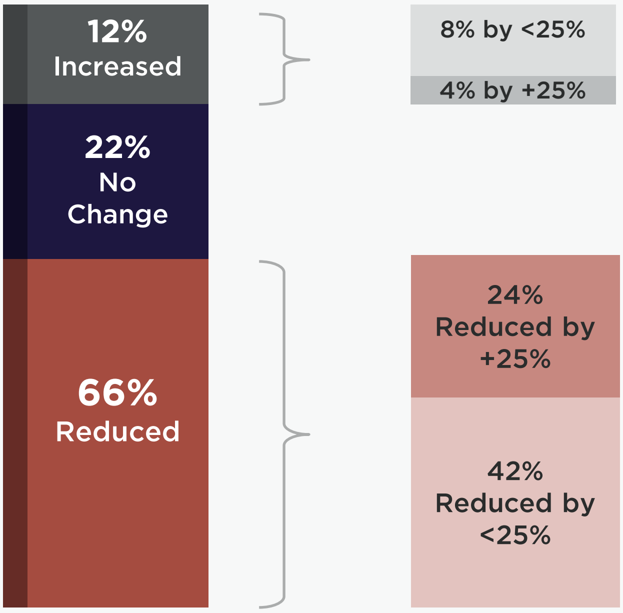
STABILITY EMERGES AS DOWNSIZING EASES

The era of portfolio contraction is easing. Over the past two years, two-thirds of occupiers have reduced their footprint, with only 32% planning further reductions. Most are now shifting from reactive downsizing to proactive portfolio management. Notably, one in eight occupiers plans to expand their footprint. Following post-pandemic shrinkage, office lease sizes are rebounding, with the average lease growing by 13% in the past two years.

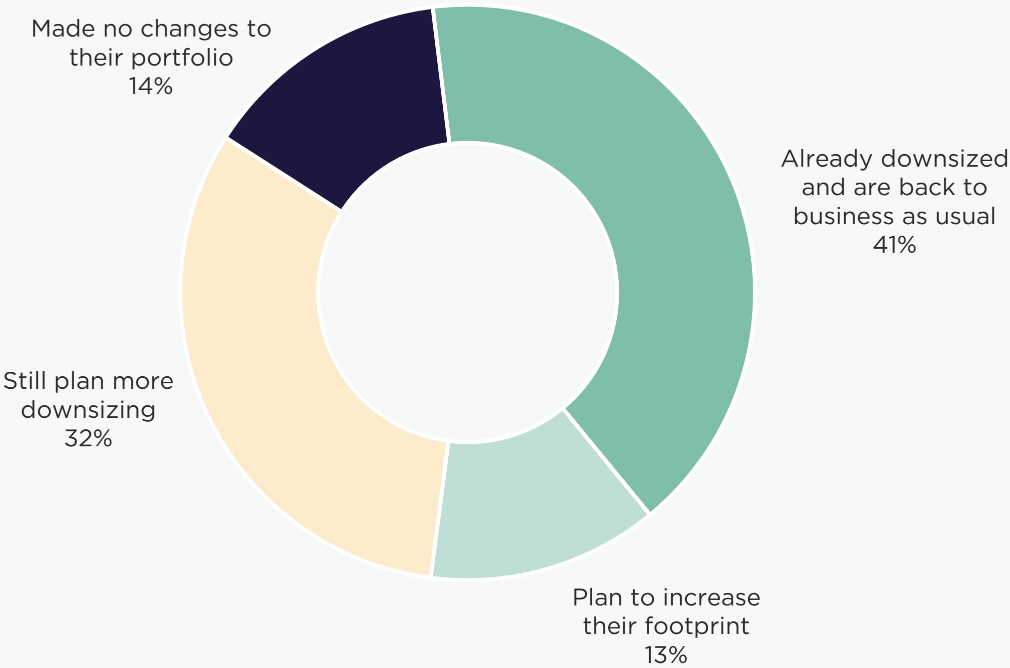
Occupancy levels are stabilizing. A combination of footprint rationalization and stricter return-to-office mandates has driven average office occupancy to 51–60%, indicating a settling point for many organizations. While this is still below pre-pandemic utilization rates of 65-75%, usage is steadily rising. Globally, more organizations are shifting their policies to encourage in-office presence. However, regional differences persist, with 20% of Americas-based organizations reporting utilization above 50%, compared to over 40% of businesses headquartered in EMEA and APAC.

Portfolio Changes

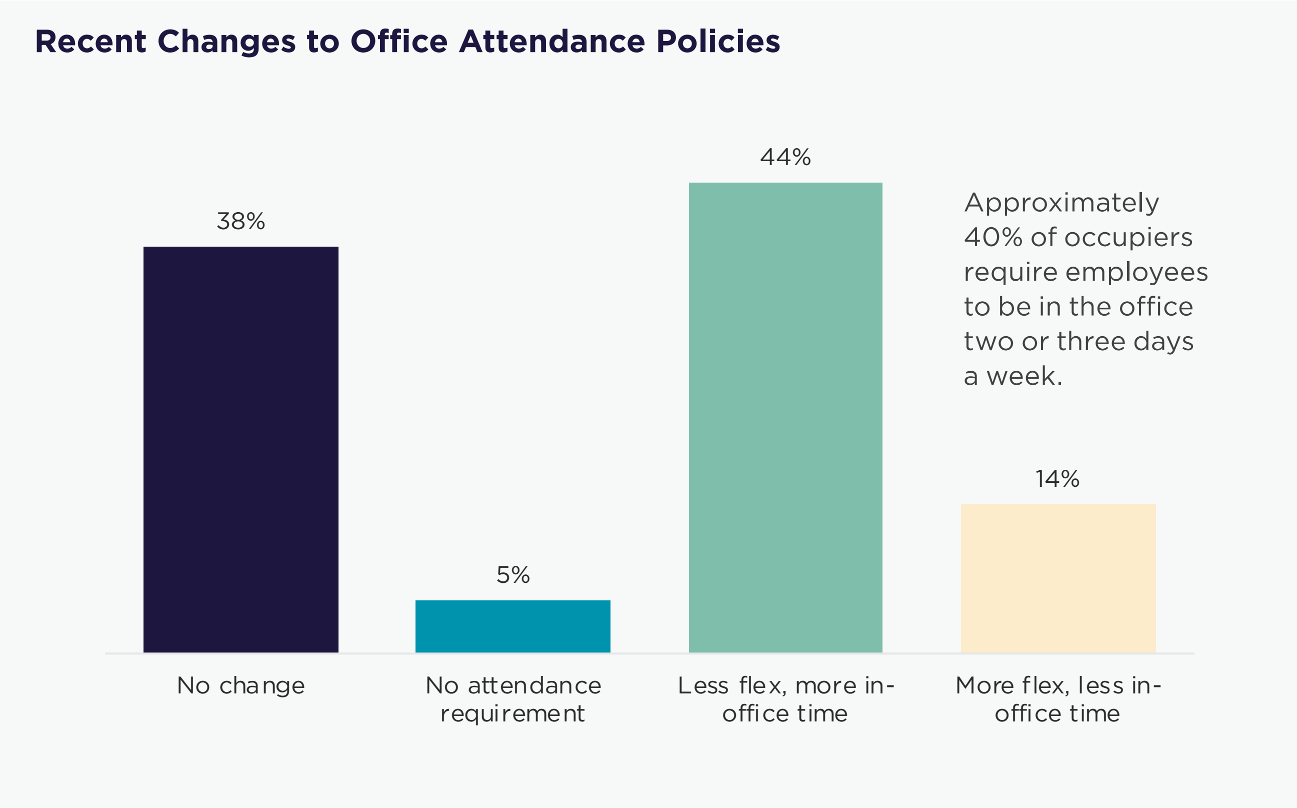
Key Real Estate Changes Due to Flexible/Hybrid Working



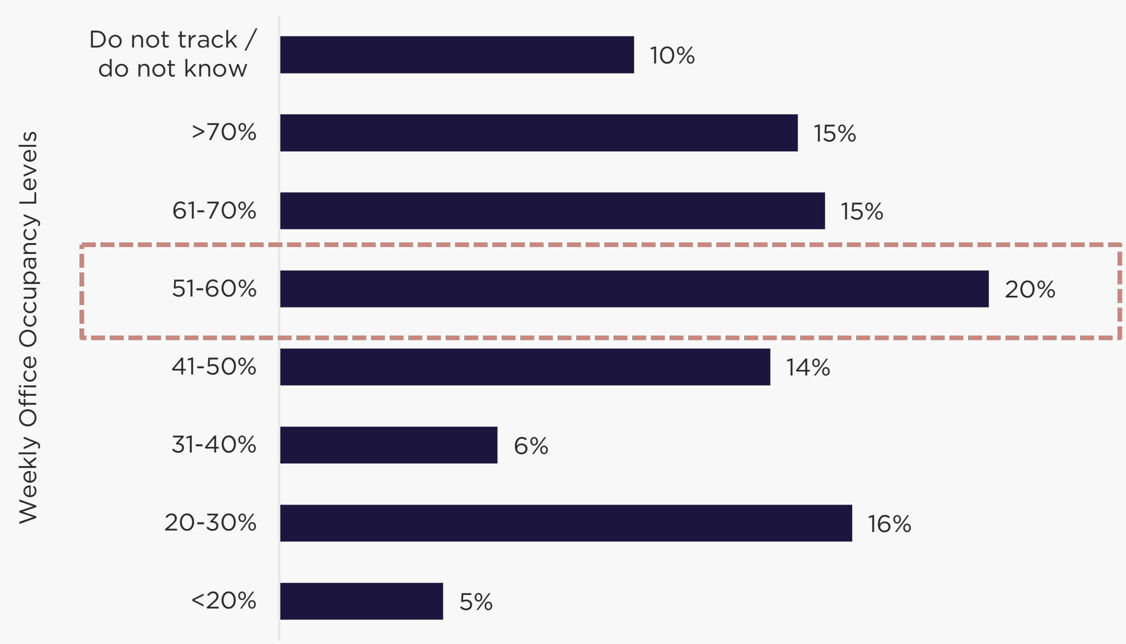
Progress on Optimization Opportunities



Office Attendance



Weekly Office Occupancy Levels



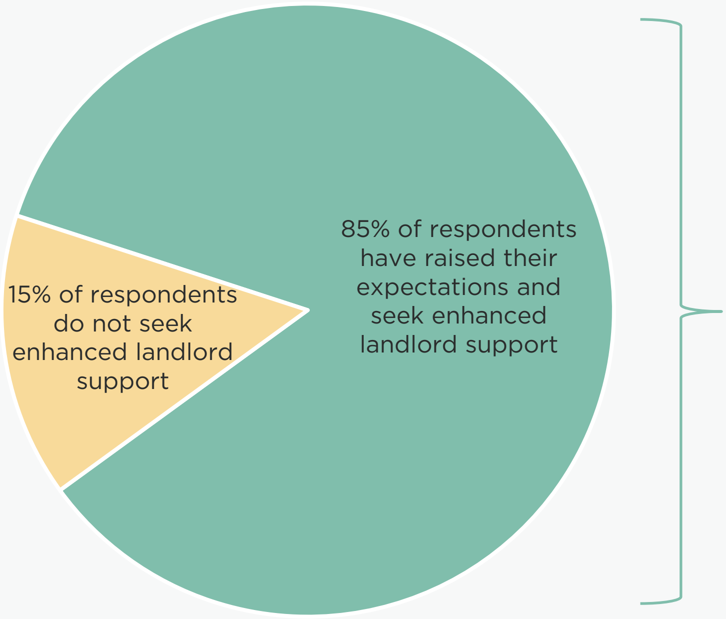
LANDLORDS HAVE AN OPPORTUNITY TO STEP UP AS THE OFFICE BECOMES A SERVICE

Tenants want more and are willing to pay for it. Occupiers now expect more than just quality office space. They're looking to landlords to provide amenities, services, and community-focused events within and beyond the workspace. This sentiment is clear, with 85% of occupiers seeking enhanced landlord support. Nearly half (46%) are willing to pay a premium for better amenities and services. This shift is evident in the 98% top-tier office rent premium, which has grown by 1,150 basis points since 2019.

The office's primary purposes remain fostering collaboration, relationships and company culture. Each of these are crucial, as highlighted by Cushman & Wakefield's Experience per Square Foot™ survey. Yet, only about 60% of employees believe their office meets these needs. By working together, employers and landlords can create unique, value-driven work environments. The office is being redefined—not just as a place to work, but as a service that needs to justify its value. Landlords who embrace this opportunity will set themselves apart as leaders and enhance the long-term value of their assets.

Role of the Office and Landlord

Rising Expectations and Willingness to Invest in Landlord-Provided Support



46%

of occupiers seeking enhanced support are prepared to pay a premium for better amenities/services

The role of the office has remained unchanged over the past five years. Occupiers see the office as a critical enabler to:

- Foster collaboration
- Enable company culture
- Showcase space for client meetings
- Foster relationships
- Access technology and equipment
- Support work-life balance

Occupiers are increasingly looking to landlords to offer amenities that foster collaboration, build social connections and enhance overall well-being.

Barriers for Portfolio Changes

Key Occupier Priorities

Top three drivers to make changes in the portfolio

#1 Cost

#2 Talent

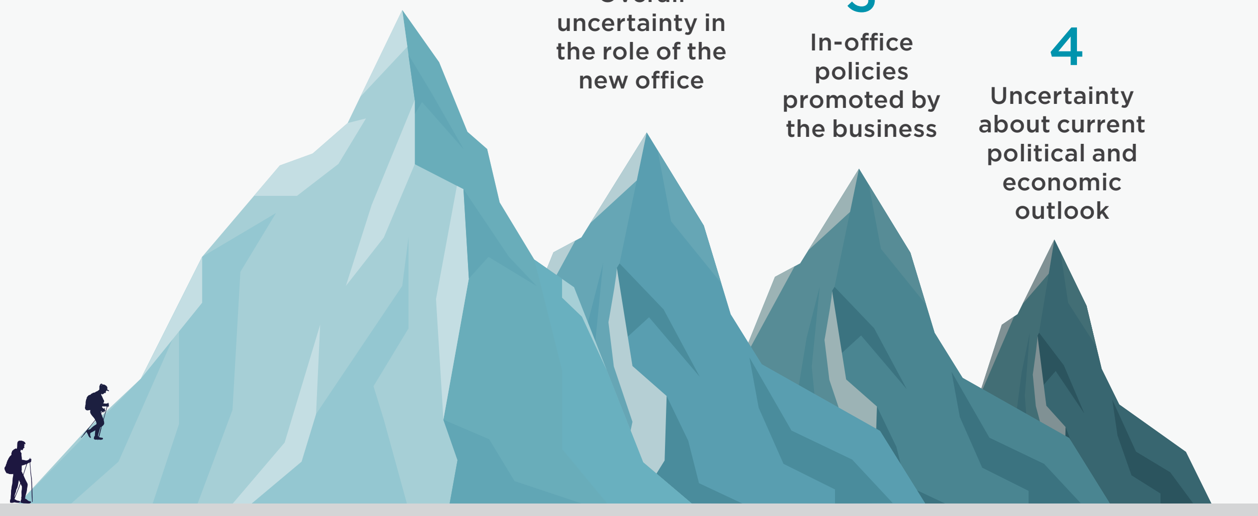
#3 Operational Excellence

1 Uncertainty in costs associated with portfolio changes

2 Overall uncertainty in the role of the new office

3 In-office policies promoted by the business

4 Uncertainty about current political and economic outlook



FINAL INSIGHTS

The 2025 What Occupiers Want survey highlights a CRE industry at an inflection point.

Cost remains the loudest voice in the room, but it’s often speaking in outdated terms. To move forward, CRE leaders must build better, shared frameworks to quantify the impact of workplace investments across cost, culture and performance.

The opportunity is clear: Redefine the value of real estate in ways that resonate beyond finance and matter to the whole business.

ABOUT CUSHMAN & WAKEFIELD

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2024, the firm reported revenue of $9.4 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that *Better never settles*, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.

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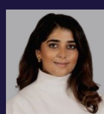

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