

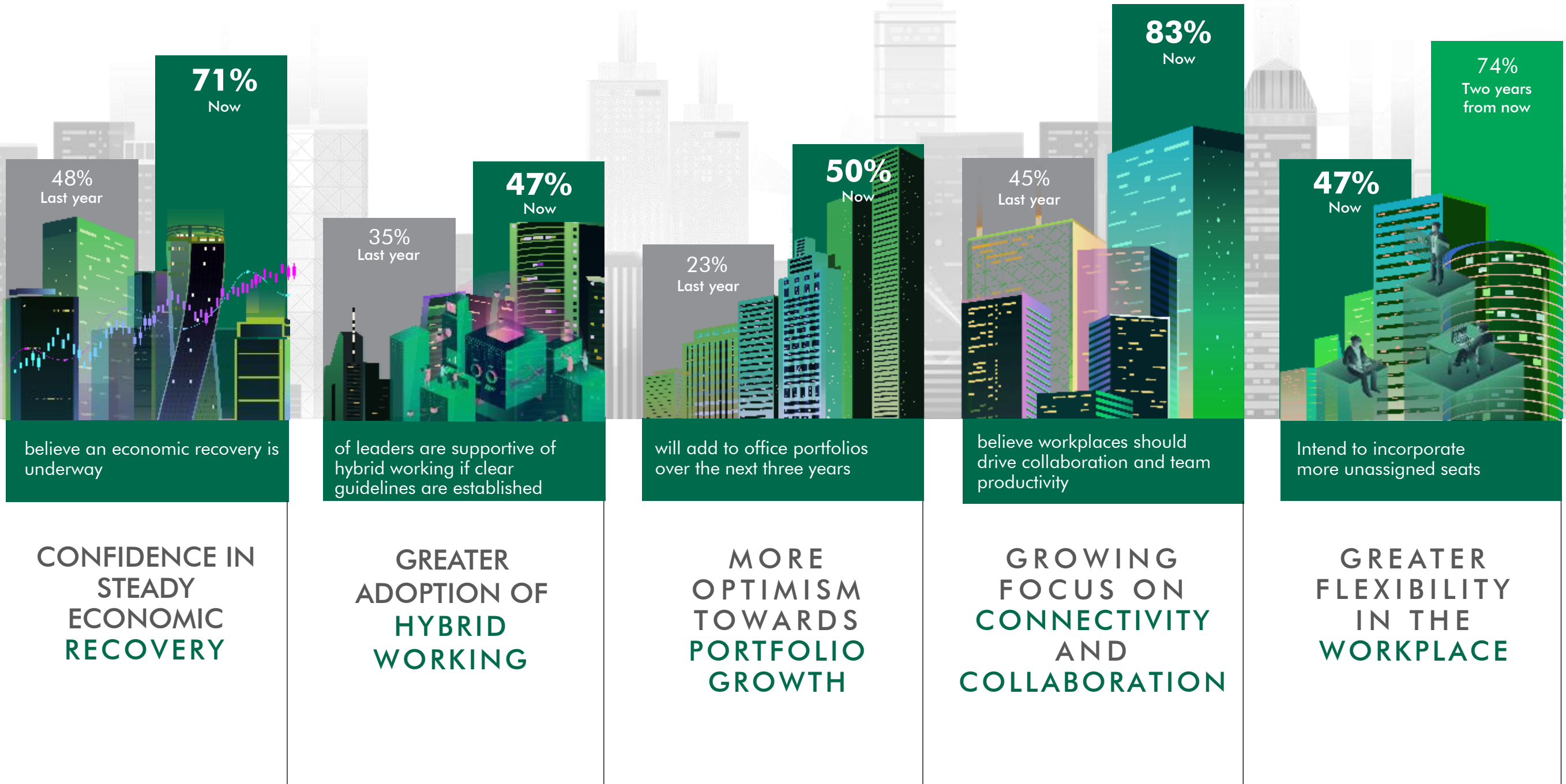
AUGUST 2021

# FUTURE OF OFFICE SURVEY

ASIA PACIFIC RESULTS

**CBRE**

# FUTURE OF OFFICE SURVEY KEY TRENDS



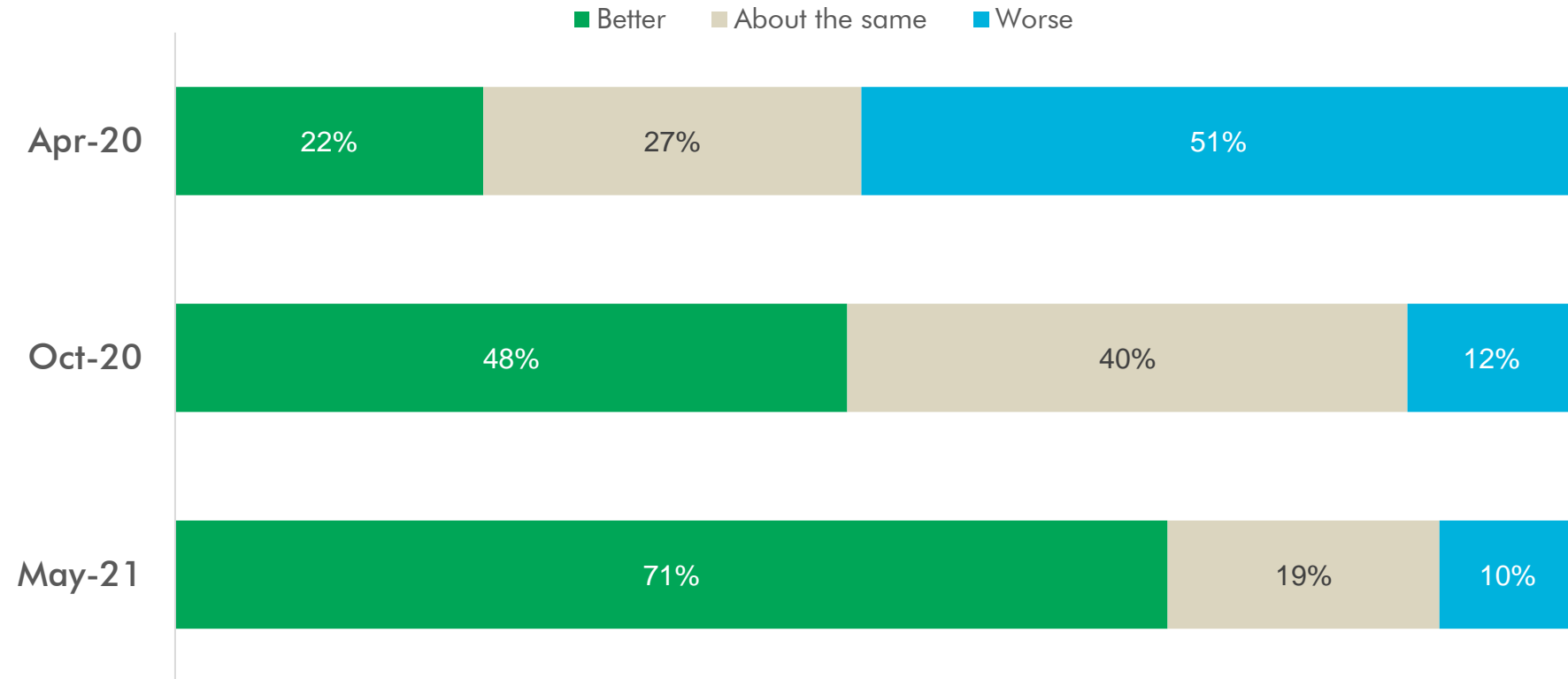
A low-angle, upward-looking photograph of a modern building's glass facade. The image is dominated by a grid of dark metal beams supporting a glass roof with a repeating geometric pattern. In the lower center, a person is silhouetted against the bright sky while riding an escalator. The background shows several tall, modern skyscrapers under a clear blue sky. The overall mood is one of urban architecture and movement.

**RECOVERY**

# THE BUSINESS OUTLOOK IS CONTINUOUSLY IMPROVING

What do you expect the state of the business environment to be in the next six months?

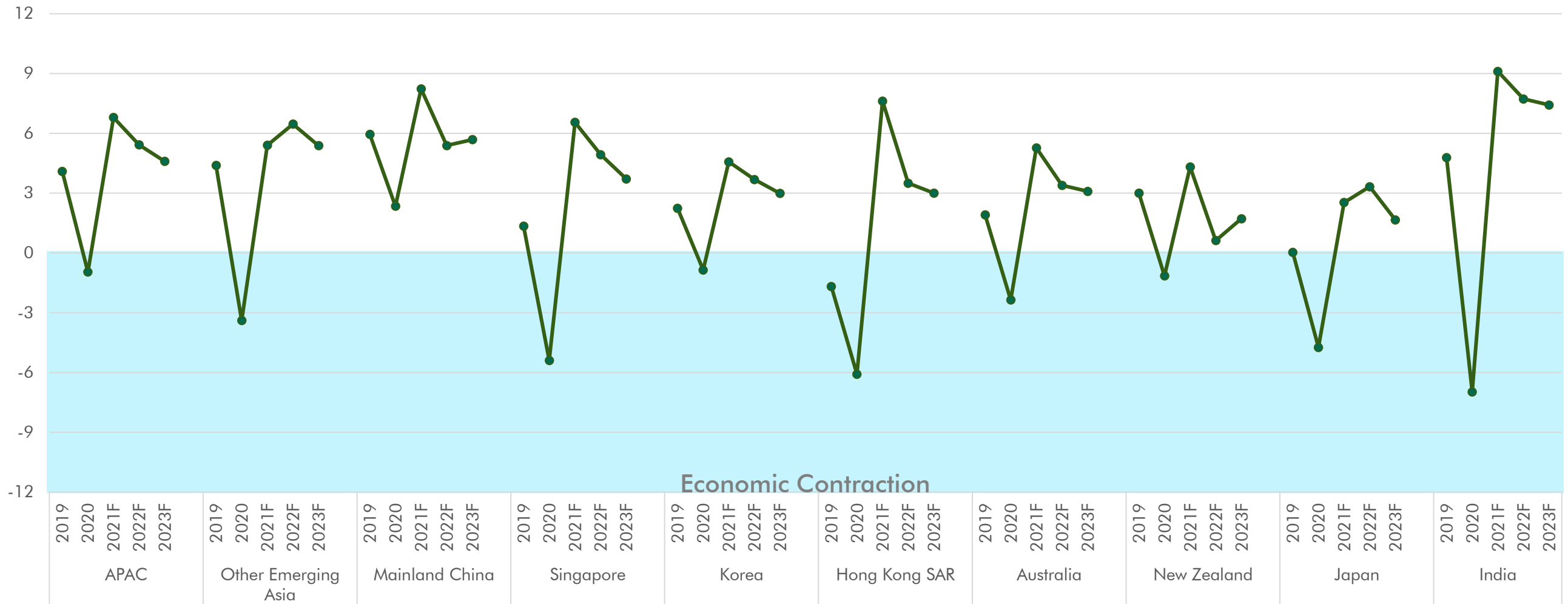
**Apr-20 vs Oct-20 vs May-21 in Apac**  
Business sentiment improved significantly along with the reopening of business



N = 109 for May 2021 Occupier Survey, N = 106 for October 2020 Occupier Flash Survey and N = 264 for April 2020 Occupier Flash Survey  
Source: Asia Pacific Occupier Survey, CBRE Research, July 2021

# APAC ECONOMIES CONTINUE TO RECOVER FROM LOW BASE

GDP Growth by Percentage (APAC Major Economies)

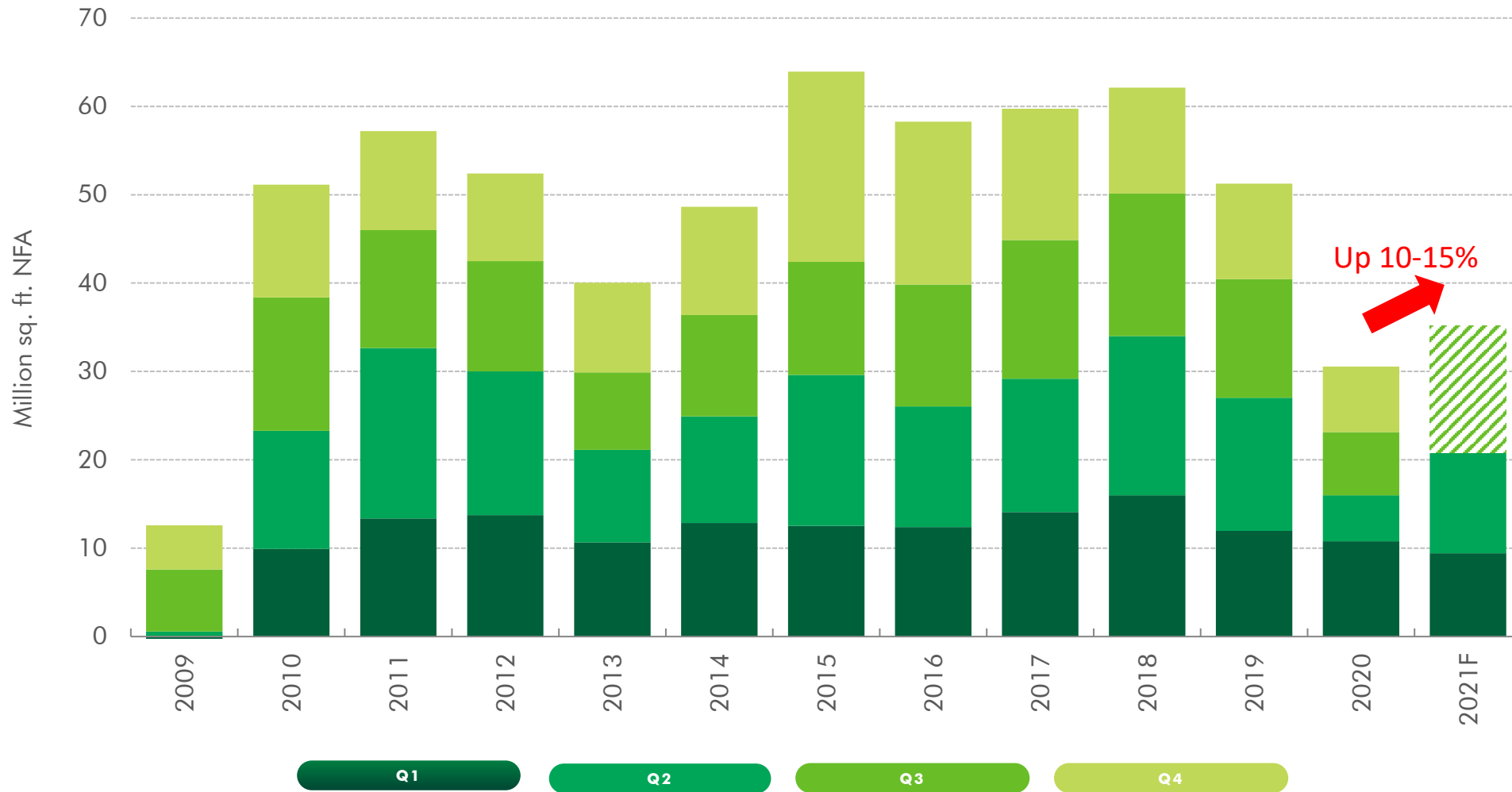


Note: The GDP forecast is as of April, however, due to the escalated situation in India from late April, the full year forecast.

Source: CBRE House-view, July 2021.

# OFFICE LEASING HAS STARTED TO PICK UP

APAC Regional Net Absorption



32%

Said their top 5 largest leasing deals in June required for more space

Domestic Firms

Have been leading the office demand

# MAJOR LEASES IN Q2 2021

Samsung Tower, Beijing



Tenant	Tencent
Location	Chaoyang CBD
Size	226,040 sq ft

The Spring, Shanghai



Tenant	ByteDance
Location	Yangpu
Size	241,110 sq ft

One Taikoo Place, HKSAR



Tenant	DFS
Location	Quarry Bay
Size	56,670 sq ft

Times Square, Mumbai



Tenant	Smartworks
Location	Western Suburbs, Mumbai
Size	51,840 sq ft

Guoco Tower, Singapore



Tenant	ByteDance
Location	Fringe CBD
Size	44,000 sq ft

Centerfield West Tower, Seoul



Tenant	Amazon Web Services
Location	GBD
Size	262,370 sq ft

800 Bourke Street, Melbourne



Tenant	IOOF
Location	CBD
Size	194,130 sq ft

320 Pitt Street, Sydney



Tenant	Department of Defense, Australia Government
Location	CBD
Size	194,130 sq ft

Source: CBRE Research, August 2021.

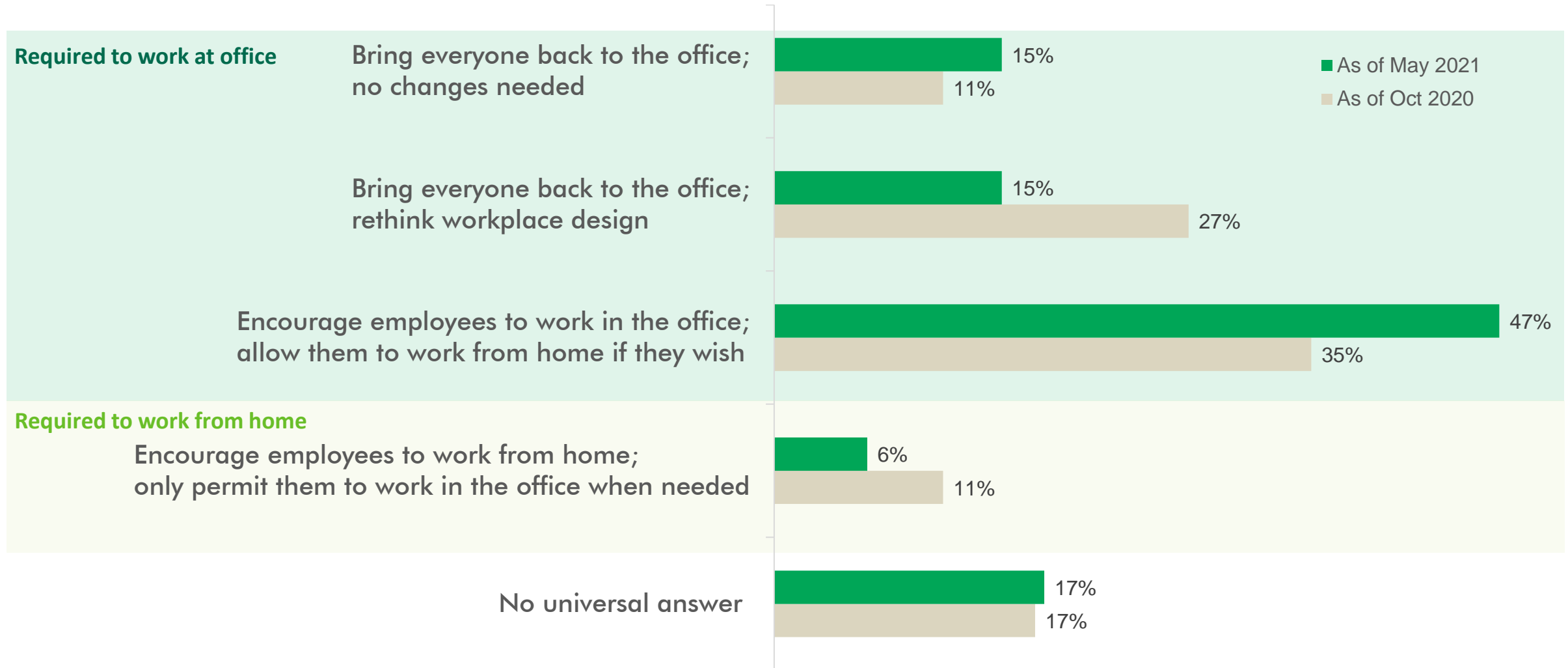
# HYBRID WORK

The image depicts a modern architectural environment. In the foreground, a curved walkway with a glass and metal railing is visible, where several people are walking. The walkway is supported by a series of vertical metal poles. In the background, there are several tall, modern buildings with glass facades. The sky is clear and blue. The overall scene is brightly lit, suggesting a sunny day.



# STRONG DESIRE TO BRING PEOPLE BACK TO OFFICE WITH FLEXIBILITY

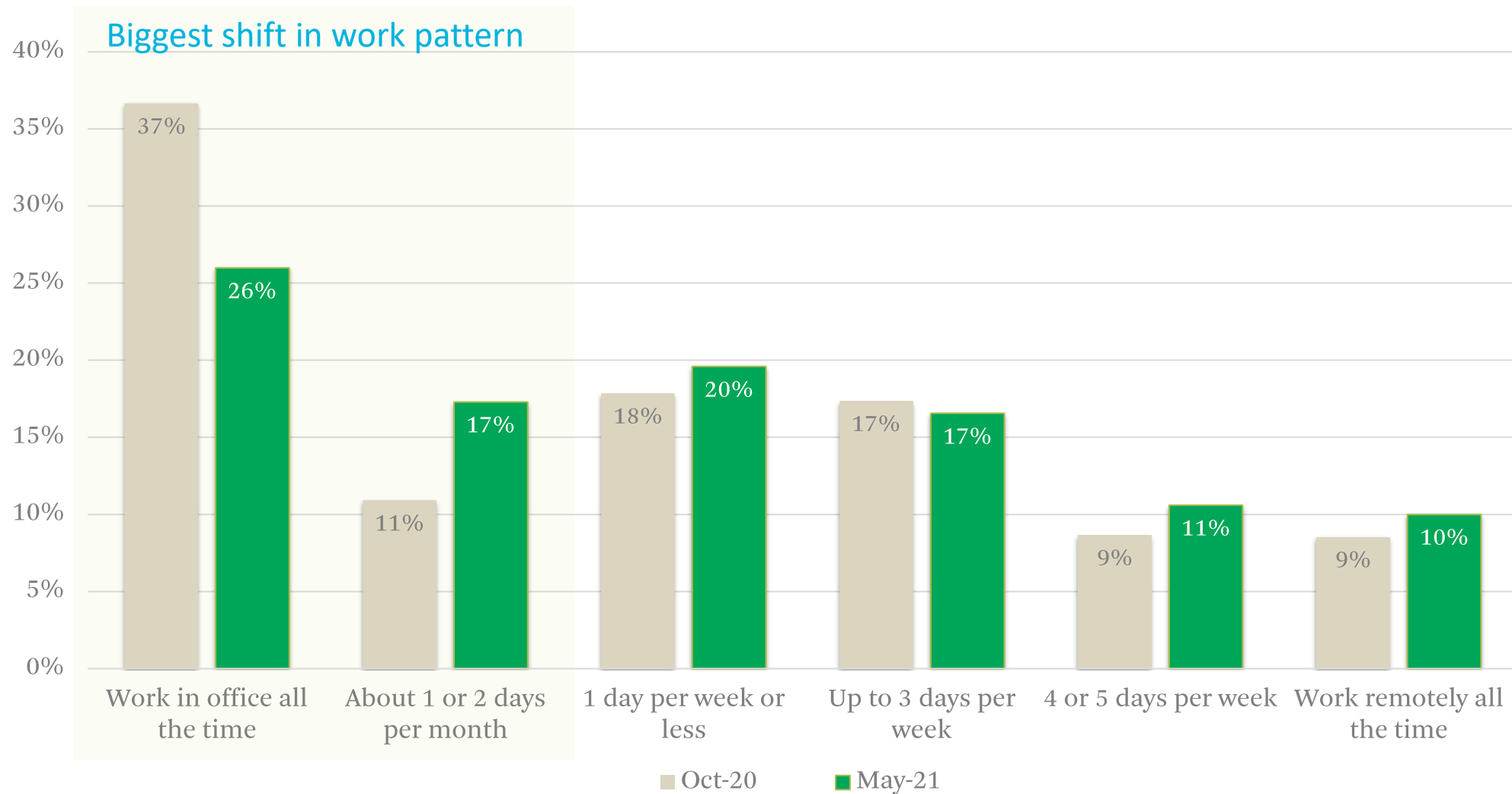
Once the pandemic has been contained, what is the current leadership sentiment towards the future of work?



N = 109 respondents  
Sources: CBRE Research, July 2021

# HYBRID WORK MODEL WILL BE THE NEW NORM

In a steady state situation, how often would you anticipate your employees will work remotely?



71%

of Asian based companies expect most of their staff will remain office-based

72%

said there are guidelines applied in remote work eligibility or schedule

N = 109 respondents

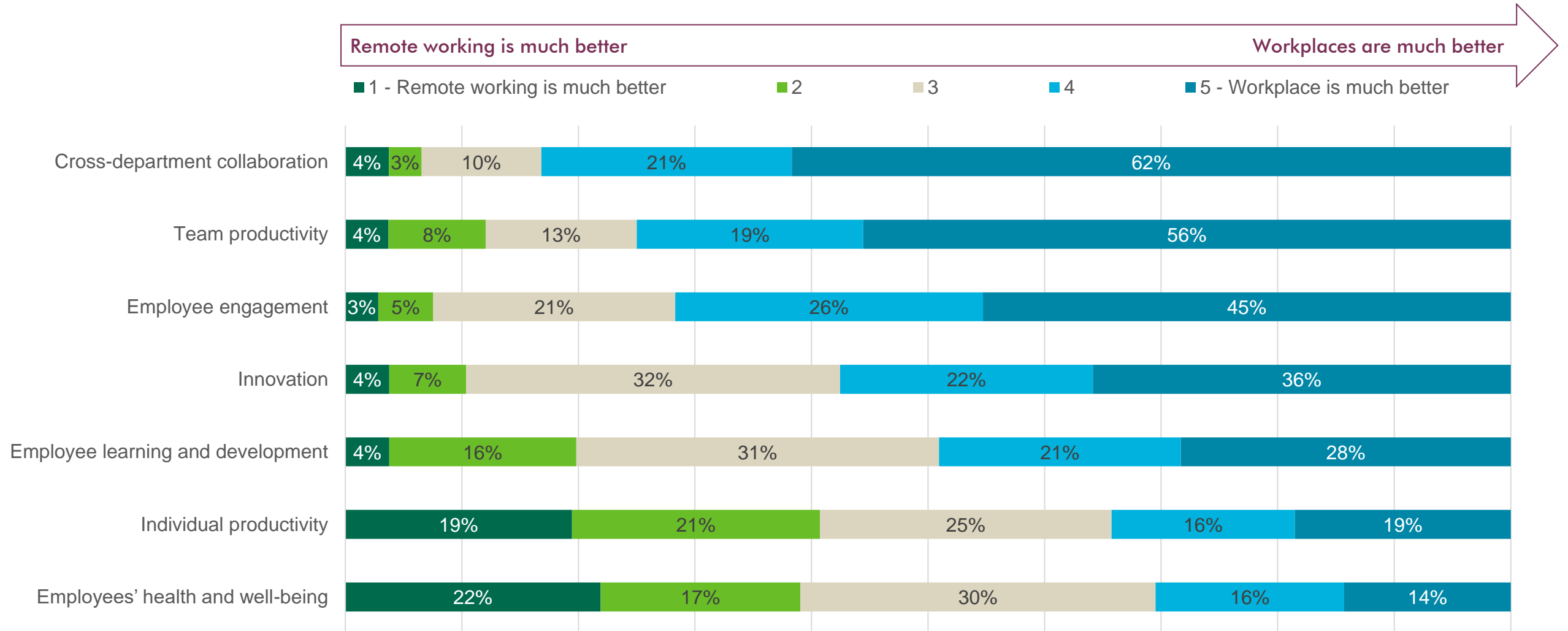
Sources: CBRE Research, July 2021



# ROLE OF OFFICE

# OFFICES SEEN AS DRIVING ENGAGEMENT, INNOVATION AND COLLABORATION

Please rate the following aspects of your office workplace compared to remote working?



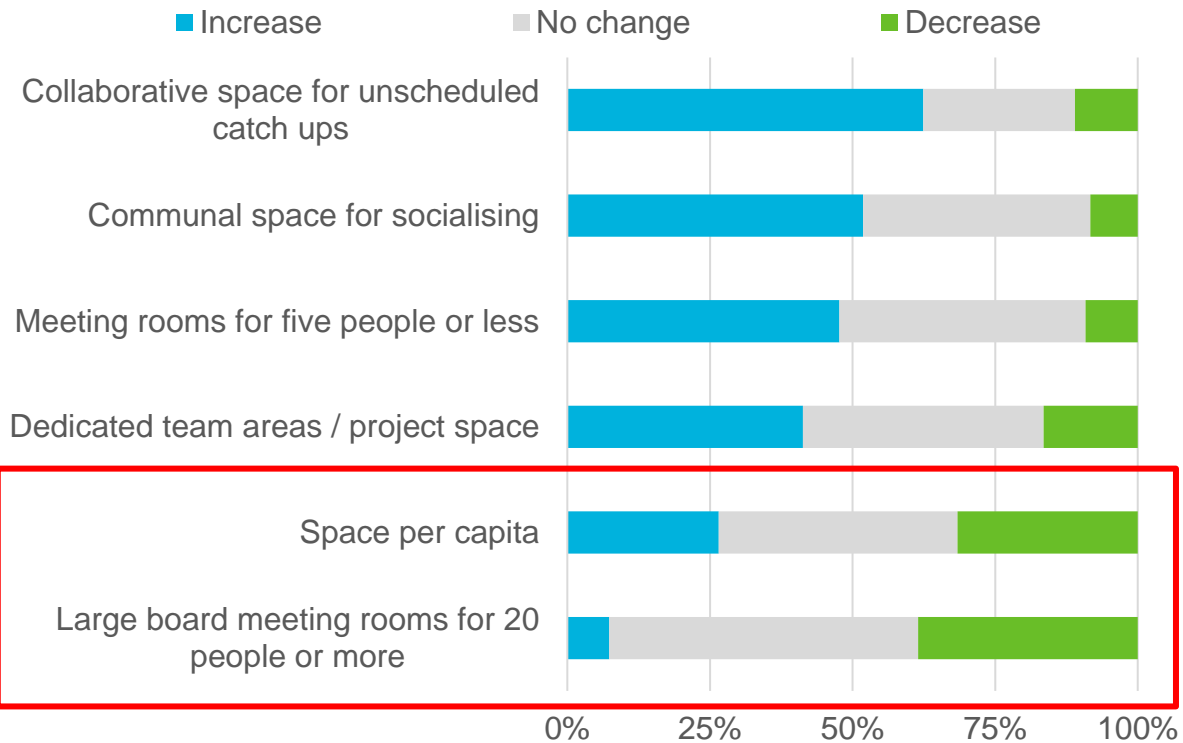
N = 109 respondents

Sources: CBRE Research, July 2021

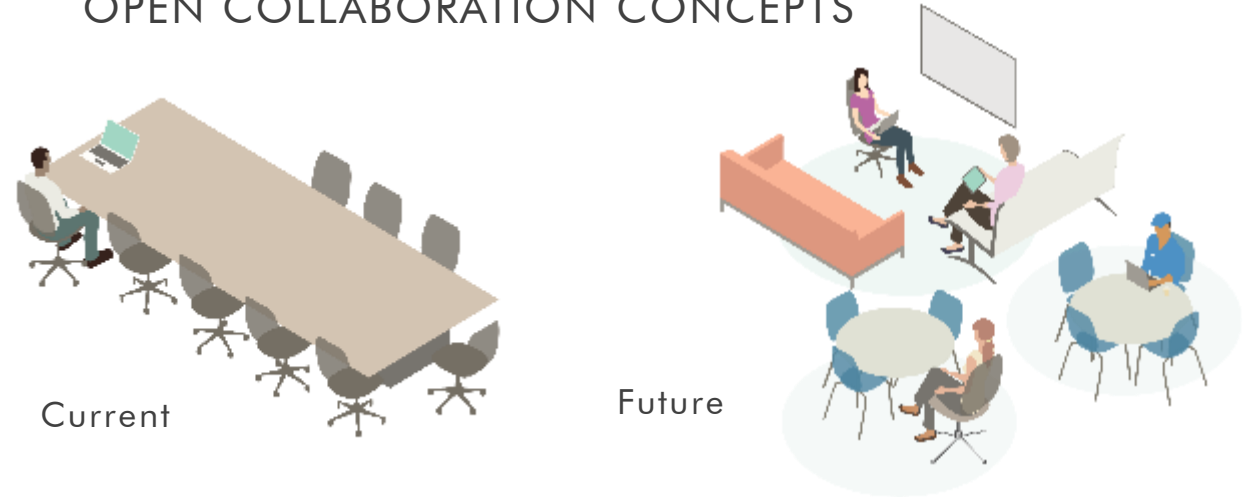
# DEMAND FOR COLLABORATIVE SPACE CONTINUES TO RISE

How do you anticipate the following workplace settings to change over the next two years?

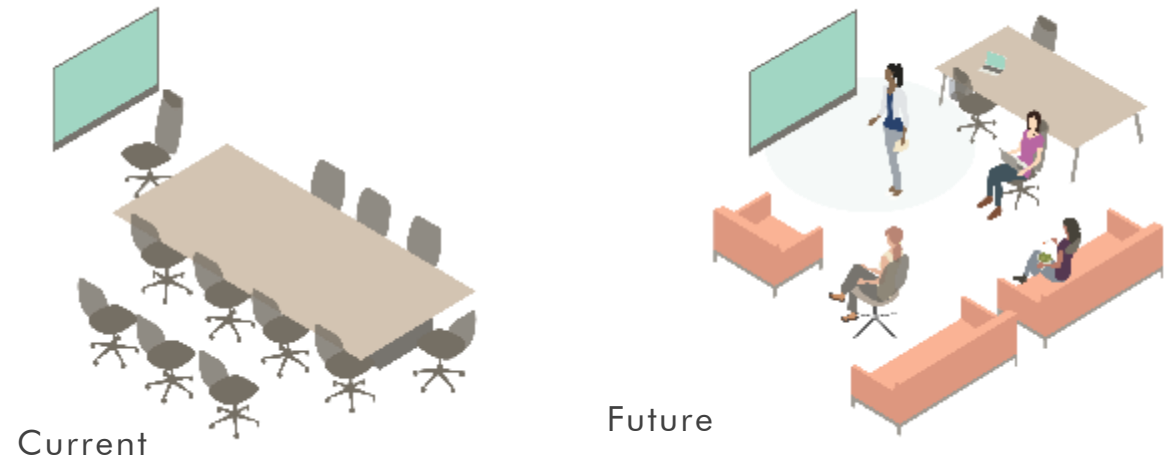
## SPACE CONSIDERATIONS



## OPEN COLLABORATION CONCEPTS



## MEETING ROOM CONCEPTS



# FUTURE OF OFFICE - SIX LIKELY BETS

## More Collaborative Space



## More Smaller Meeting Offices



## Increased Investment in Collaborative Technology



## Hotelification of the Office Experience



## Green and Healthy Workplace



## Deployment of Touchless Technology



A modern office building with a glass facade and a large, open-plan interior space. The word "WORKPLACE" is overlaid in white text. The image shows a bright, airy interior with a polished floor and large windows. Silhouettes of people are visible, suggesting a busy work environment. The lighting is bright, creating a high-contrast scene with deep shadows and bright highlights.

**WORKPLACE**

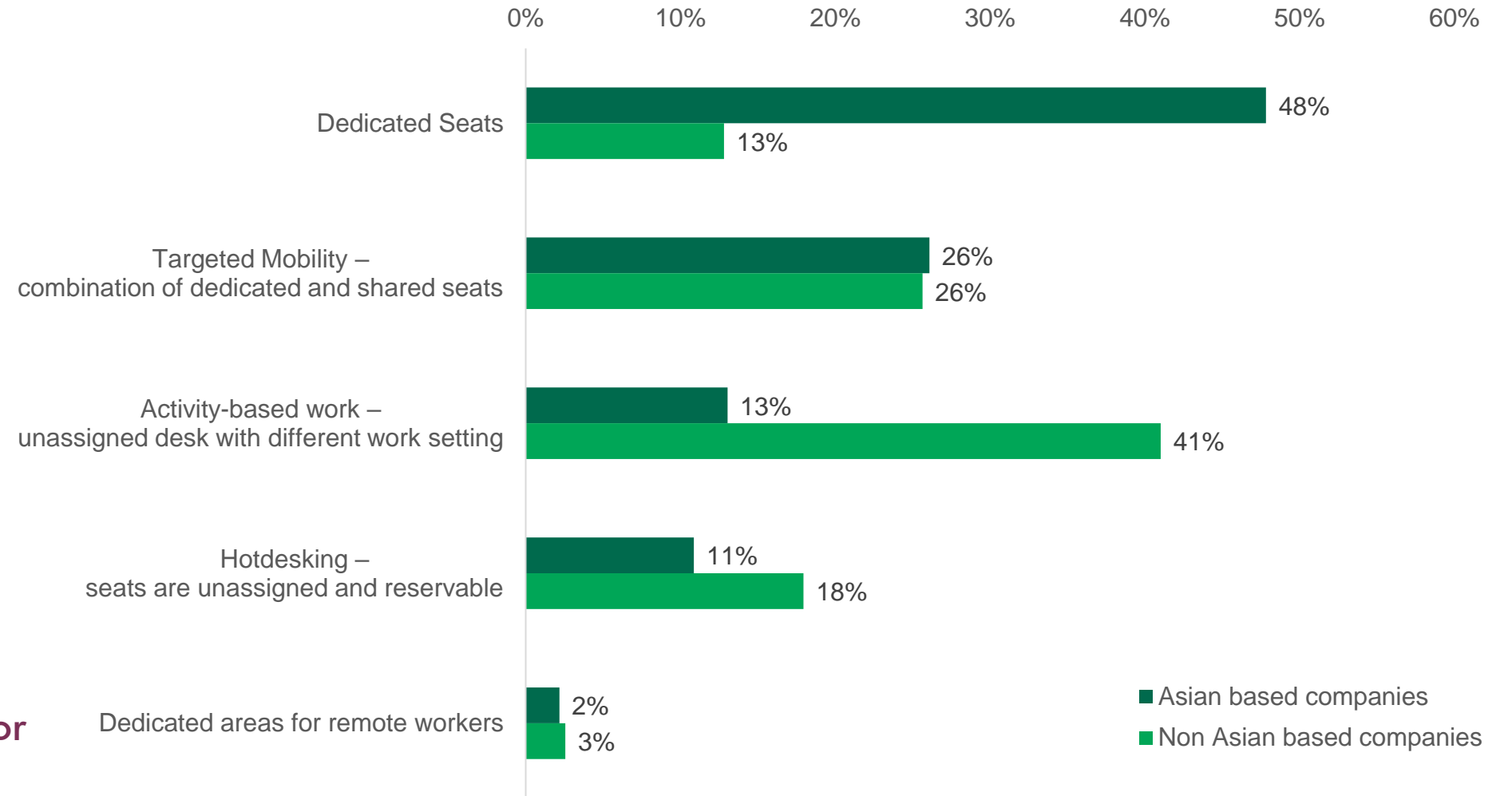
# WORKPLACE STRATEGY WILL CONTINUE TO EVOLVE; LED BY WESTERN FIRMS

What best describes the type of seating plans you anticipate in most of your workplace?

Fixed seat for office workers



Flexible seating for remote workers



N = 109 respondents

Sources: CBRE Research, July 2021

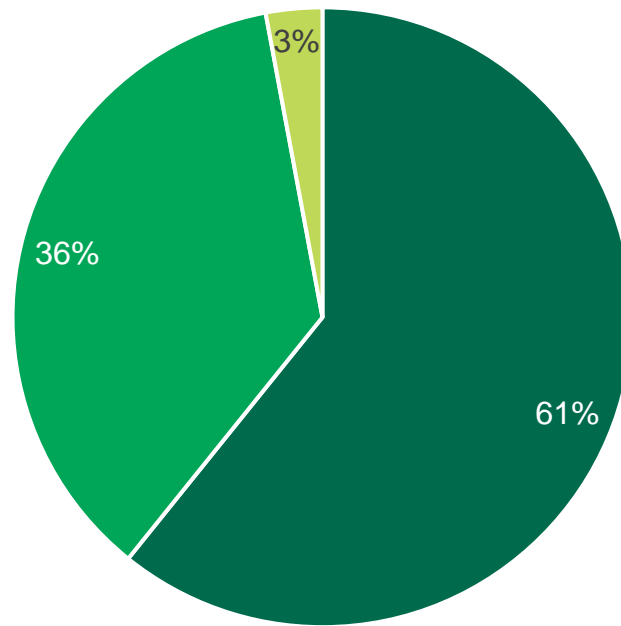
ASIA PACIFIC OCCUPIER SURVEY JULY 2021



# MOST COMPANIES PLAN TO INCREASE DESK SHARING RATIOS

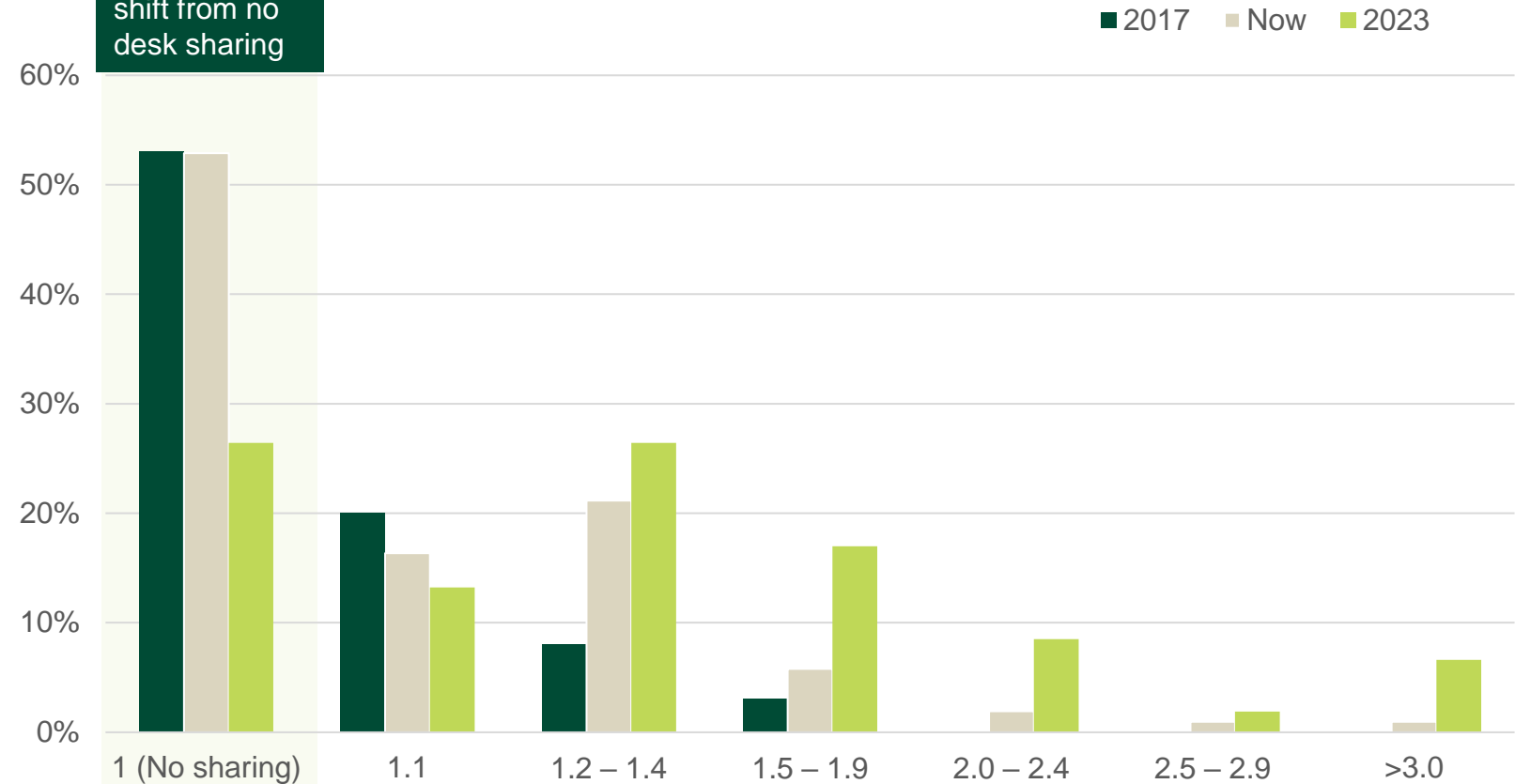
What is your target staff-to-desk sharing ratio, both as of now and two years from now?

Staff-to-desk sharing ratio over next two years



■ Increase ■ Same ■ Decrease

Anticipate big shift from no desk sharing

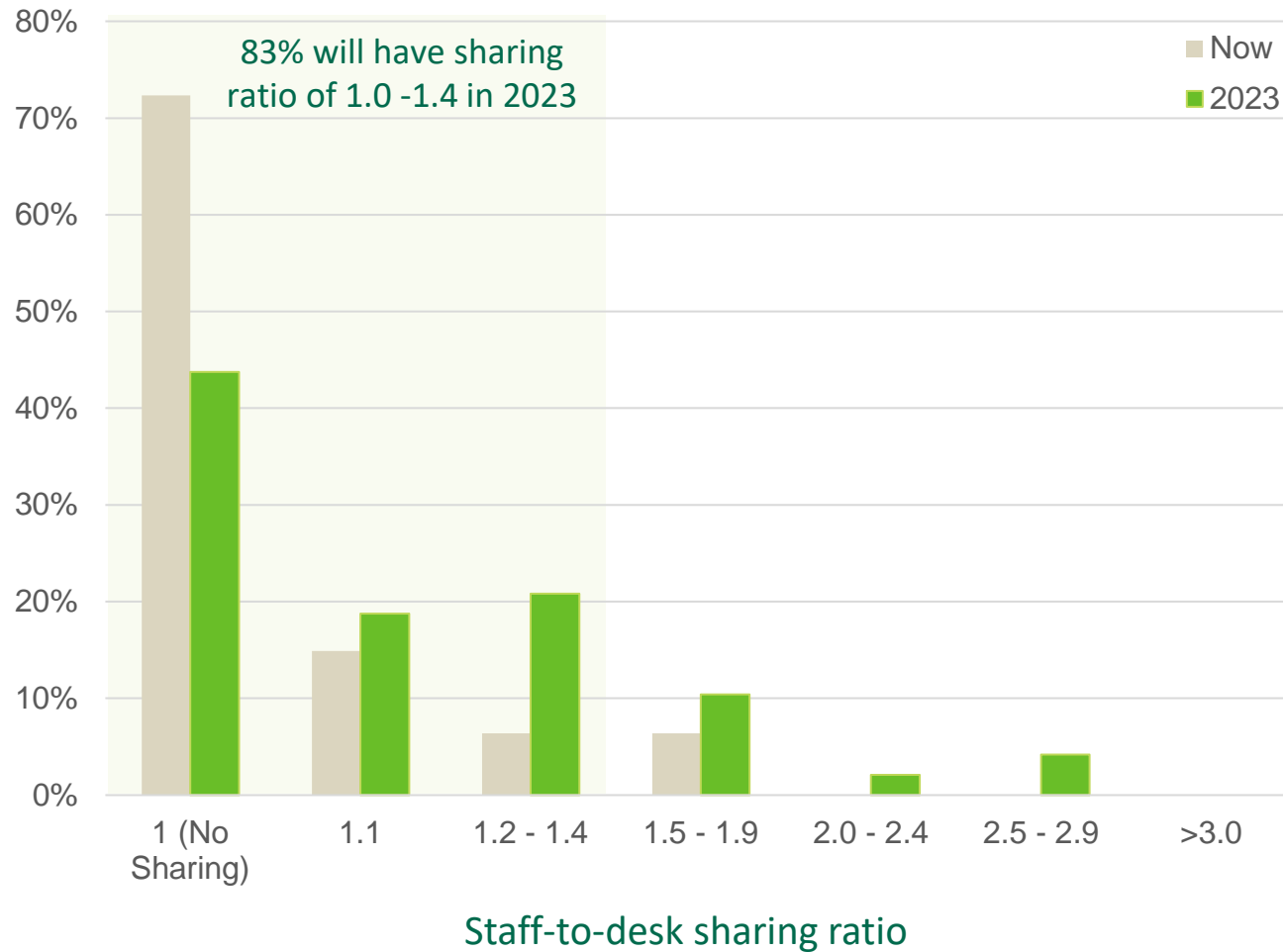


Staff-to-desk sharing ratio

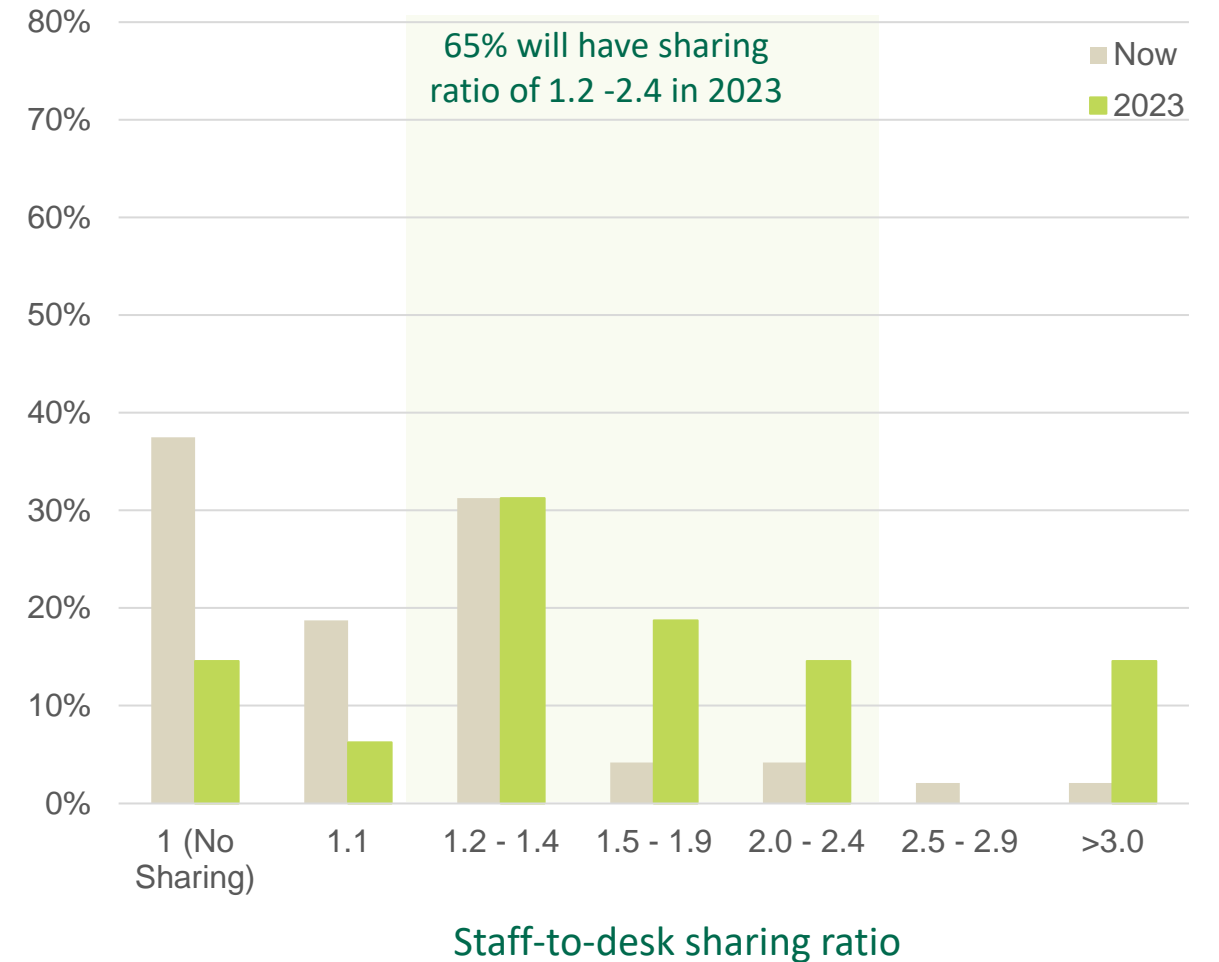
# WESTERN FIRMS WILL AIM TO ACHIEVE HIGHER DESK SHARING RATIO

What is your target staff-to-desk sharing ratio, both as of now and two years from now?

## Asian based companies



## Non Asian based companies

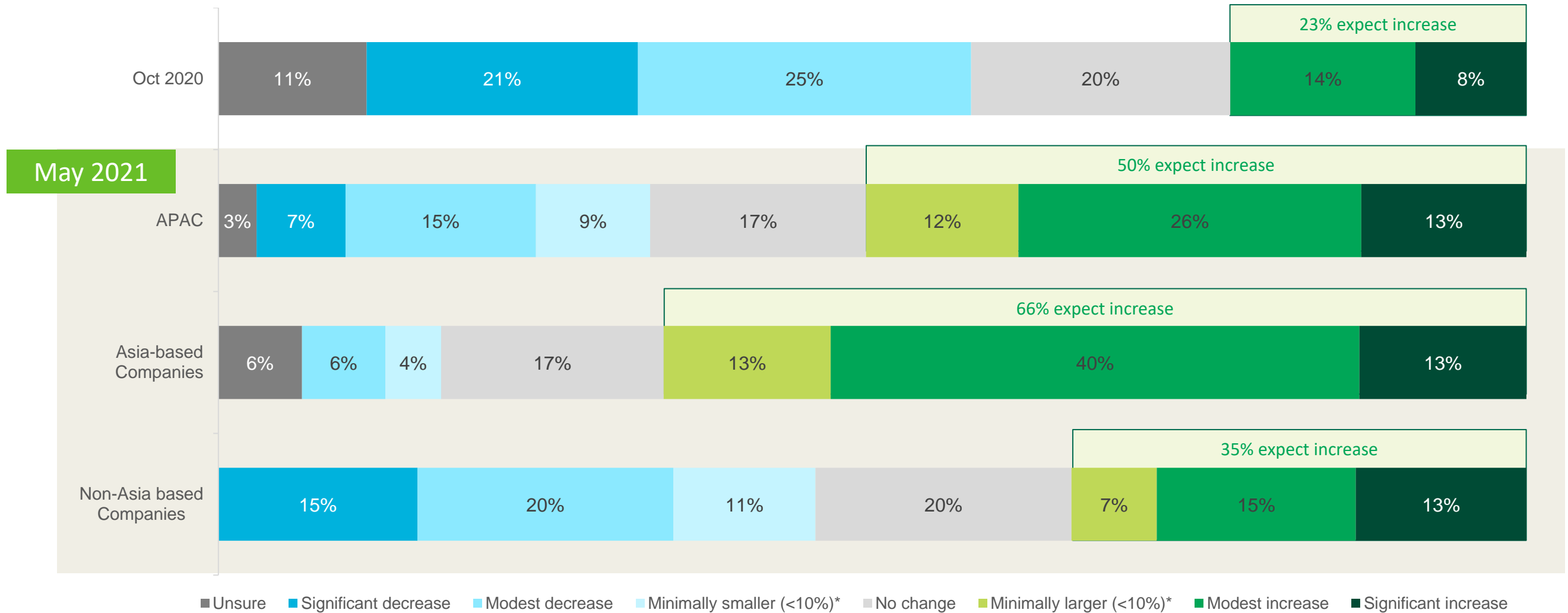




**PORTFOLIO GROWTH  
& FLEXIBILITY**

# OCCUPIER APPETITE FOR EXPANSION IS STRENGTHENING

How do you expect your corporation's real estate portfolio to change over the next three years?



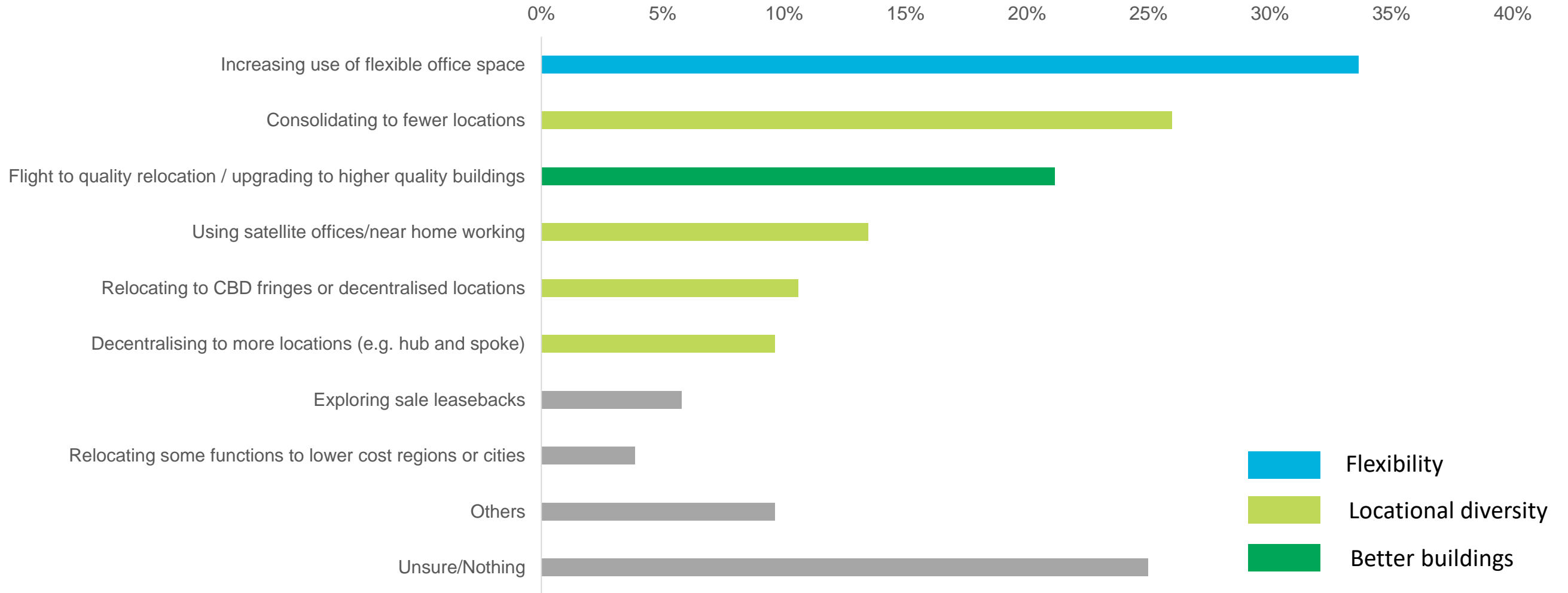
N = 109 respondents in 2021; N=106 respondents in 2020

Note: \* No such options in 2020 APAC occupier survey

Sources: CBRE Research, July 2021

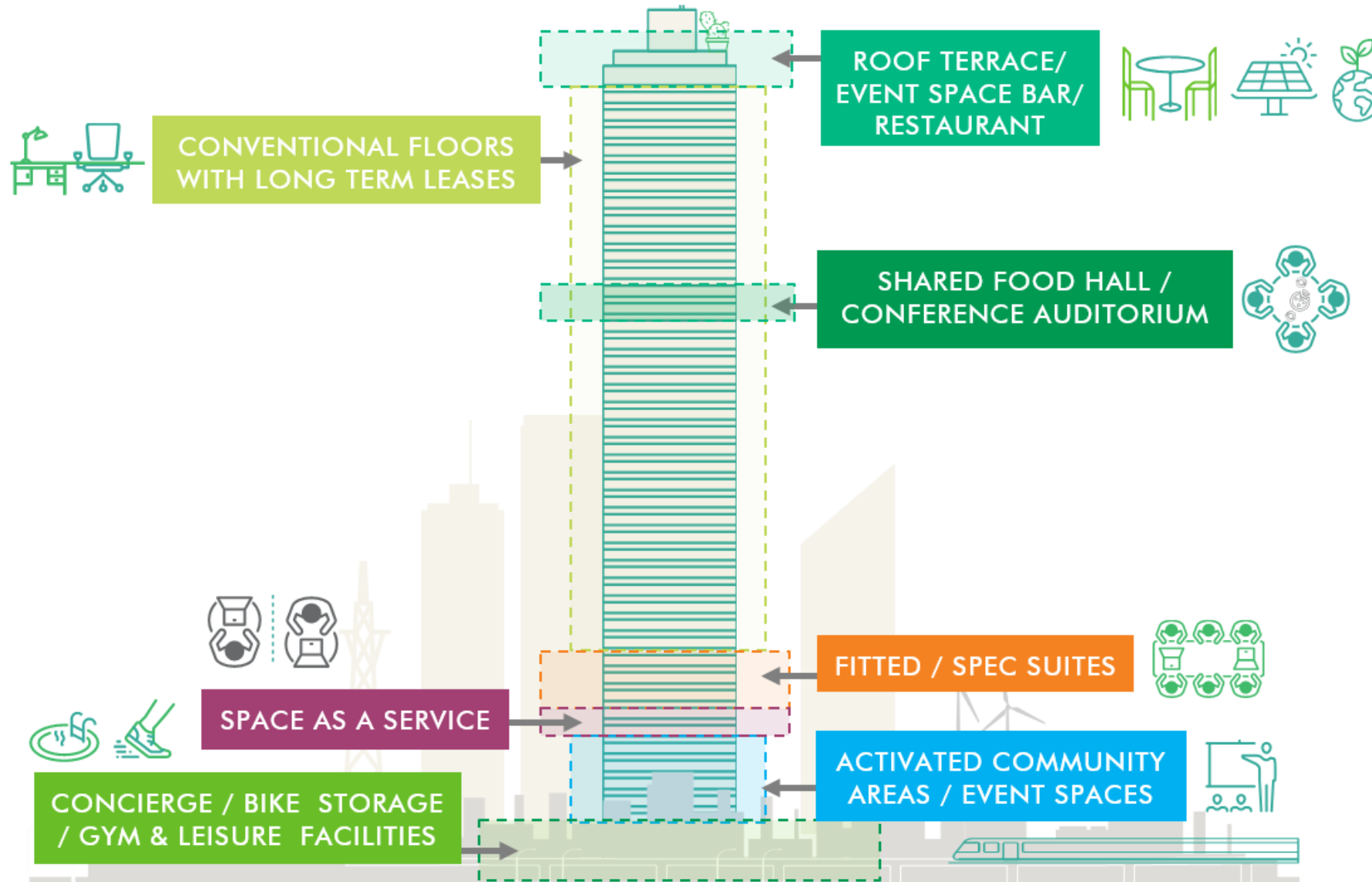
# PORTFOLIO FLEXIBILITY IS TOP OF MIND

What portfolio strategies are you currently pursuing or planning to pursue?



N = 109 respondents  
 Note: Multiple options applied  
 Sources: CBRE Research, July 2021

# THE HOTELISATION OF OFFICE SPACE



## Steady economic **RECOVERY**

Understand that occupiers are shifting away from the bearish outlook adopted at the onset of the pandemic.

Track gradual improvement in office leasing demand

Focus on markets where leasing activity is recovering, such as mainland China, Hong Kong SAR, Korea and Singapore

## Greater adoption of **HYBRID WORKING**

Observe relatively milder impact of hybrid work in Asia Pacific, especially in Greater China

Favour assets catering to Asian domestic companies or sectors exhibiting more stable space demand

Monitor working patterns in a steady state environment

## More optimism towards **PORTFOLIO GROWTH**

Take note of strong occupier intentions to expand, particularly among Asian companies

Focus on market segments benefitting from growth (e.g. TMT sector, non-multinational tenants)

Capture flight-to-quality demand to achieve a rental premium in the medium term

## Connectivity and collaboration in the **FUTURE OFFICE**

Follow occupier preferences towards assets offering wellness, technology and flexibility

Consider potential requirements for flexible offices and meeting space on demand

Ensure building design includes locations for unexpected meetings and connections as well as relevant amenities and service support

## Greater flexibility in the **WORKPLACE**

Include a flexible space offering in portfolios

Understand consequences of change in rental income structure

Monitor potential portfolio impacts resulting from tenants who may undertake aggressive densification



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**THANK YOU**

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