

2022

INAUGURAL

ESG Report

PROCORE

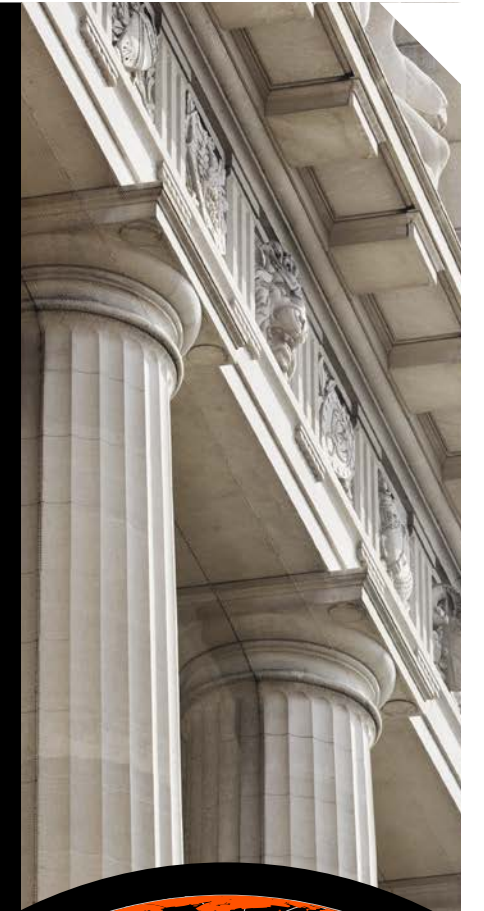




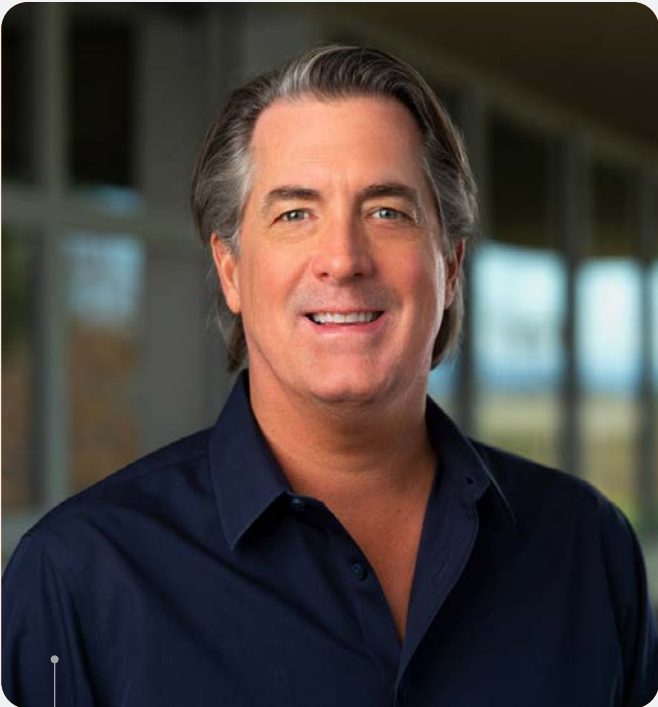
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About This Report

Unless otherwise noted, all quantitative company data provided throughout this report covers our fiscal and calendar year 2021. Our disclosures align with the Sustainability Accounting Standards Board (SASB) Standards for the Software and Information Technology Services industry. In the Appendix, we have identified several United Nations Sustainable Development Goals (SDGs) that our business activities and priorities support. Throughout this report, we guide readers to additional sources of information on our corporate website and provide other website references for convenience. Please see our [Forward-Looking Statements](#) at the end of this report for more details.

Introduction



Tooley Courtemanche, Jr.
Founder, President, Chief Executive Officer,
and Chairperson of the Board of Directors

A Message from Our CEO

I've been in construction for most of my life, and one of the things I love most about this industry is the ability to positively impact the world around us. To me, what we leave behind in the process of building is just as important as the finished product. With today's construction technology, it's no longer just about building, but about building better and leaving a legacy behind for future generations.

At Procore, building our communities means more than just building the structures themselves—it's about fostering the culture and values that help our communities thrive. Since Procore's inception 20 years ago, our vision has been to improve the lives of everyone in construction, and we remain deeply committed to driving this industry forward and supporting the people who build our communities. This includes working hand-in-hand with the industry on everything from educating and training the next generation of construction professionals while upskilling today's workforce, to helping our customers build more sustainably, to creating a more equitable and diverse construction industry.

Procore is in a unique position to reduce not only our own impact on the environment but also that of the industry we serve. Construction is one of the world's largest industries and one of the biggest contributors to carbon emissions and waste.

According to a [2018 Industry Report by FMI](#), the construction industry spent over \$500 billion globally on rework, over half of which was caused by poor project data and communication. Our platform allows all stakeholders to collaborate on a central platform with real-time data to make better decisions. This visibility helps our customers avoid costly mistakes and rework—and therefore, carbon emissions and waste from the construction process—by reducing the inefficiencies in construction that stem from poor communication. Procore offers integrations through our [App Marketplace](#), including an integration that allows customers to measure and understand the carbon footprint of their projects and realize their sustainability targets. The industry can progress toward a more climate-conscious future with a more streamlined construction process and readily available tools.

Since day one, Procore has been a people-first company—we invest in our customers, employees, and the people who comprise the broader industry. I'm particularly proud of our social impact arm, [Procore.org](https://www.procore.org), which supports several workforce development initiatives in construction, including certified continuing education courses, training programs, online content libraries, and in-kind donations of software and training to universities, K-12 school programs, training centers, trade associations, disadvantaged business enterprises, and non-profits. We are committed to ensuring all employees feel valued, safe, and supported. We are continually working to build and maintain a thriving workplace culture based on three core values: **openness**, **ownership**, and **optimism**.



Openness



Ownership



Optimism

All of this work—from investing in our employees' health and well-being to helping our customers build more efficiently to creating a more inclusive, diverse, and equitable industry—are important pieces in helping us achieve our vision of improving the lives of everyone in construction.

We are still in the early days of a long journey and have an opportunity to further drive ESG efforts at Procore and within the industry. That's why I'm excited to deliver our inaugural ESG Report, which shares our key priorities and progress so far. Most importantly, the collective insights from this report will help set a baseline for us to measure against as we continue to learn, iterate, and improve.

Ultimately, this report is an essential first step as we work toward a more socially responsible and climate-conscious future. Thank you to our customers, partners, employees, and stockholders for supporting us on this crucial journey. We look forward to sharing our progress with you along the way.

Tooley Courtemanche, Jr.

Founder, President, Chief Executive Officer,
and Chairperson of the Board of Directors



Ben Singer

Chief Legal Officer,
Corporate Secretary,
and Executive
Sponsor of Procore's
ESG Committee

A Message from Our CLO

At Procore, we are committed to promoting sustainability through our environmental stewardship, social initiatives, and corporate governance practices. We look forward to sharing our ESG efforts with you in this inaugural report.

Ben Singer

Chief Legal Officer, Corporate Secretary, and
Executive Sponsor of Procore's ESG Committee

About Us

BUILDING A BETTER WORLD, TOGETHER

Procore is a leading global provider of cloud-based construction management software. Since 2002, we have pursued our mission of connecting everyone in construction on a global platform.

Over one million projects and more than \$1 trillion in construction volume have run on Procore's platform. Our platform connects key project stakeholders to solutions we have built specifically for the construction industry—for the owner, the general contractor, and the specialty contractor. Headquartered in Carpinteria, California, we have offices around the globe.



~\$515M

Revenue

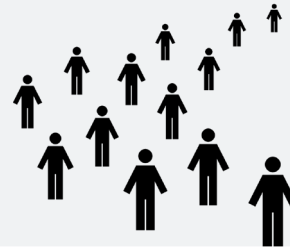


2002

Founded

12,000+

Customers



2M+

Users

Our platform connects key project stakeholders to solutions we have built specifically for the construction industry



150+

Countries

projects are running in

2,500+

Global employees



All metrics as of December 31, 2021

RECOGNITION AND ACCOUNTABILITY

We consider recognition and accountability to be twin concepts. When others recognize us for our progress, it tells us that we are pushing forward in the right areas and in the right ways. To the right are some notable acknowledgments we've received in 2021 and 2022. Learn more [here](#).



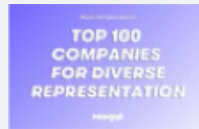
Recognition



Accountability



Built In's List of Best Places to Work in 2022 for the cities of Austin, Los Angeles, and New York



Mogul's Top 100 Workplaces for Diverse Representation in 2022 for making "enormous strides in implementing practices, investing in resources and tools to hire diverse talent"



TrustRadius 2022 Tech Cares Award for "demonstrating a strong commitment to corporate social responsibility programs"



Glassdoor's Best Places to Work in 2022 based on employee reviews of over 600,000 companies worldwide



The Software Report's Top 100 Software Companies of 2022



Early Matters Greater Austin Best Places for Working Parents 2022 for leading the way in supporting working parents, through family-friendly workplace policies and practices



Our ESG Approach

OUR ESG STRATEGY

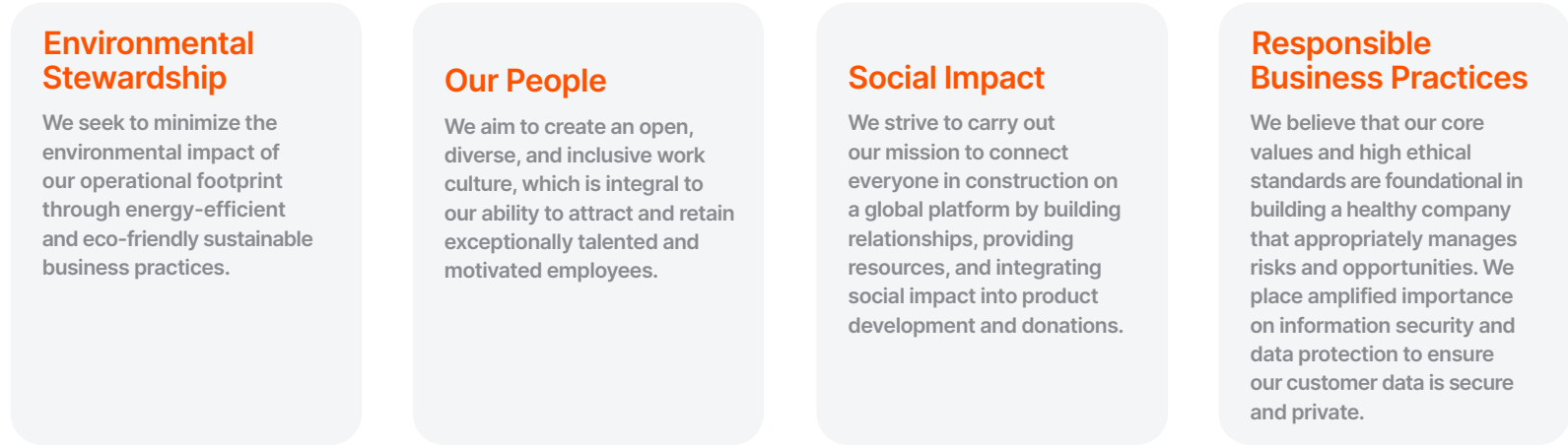
We are pleased to release our inaugural ESG Report to unveil how we embrace the **core pillars** of our ESG strategy and how they support our long-term business success.

ESG OVERSIGHT

Our Board of Directors and management team believe that environmental stewardship, social responsibility, and solid governance are important to our business strategy and long-term value creation for our stockholders, employees, customers, communities, and industry.

Our full Board of Directors has ultimate responsibility for ESG matters that impact our business. Each Board committee works closely with management to oversee ESG matters across our business operations and in the areas that align with their respective responsibilities. Our Nominating and Corporate Governance Committee develops and exercises oversight of our ESG policies, practices, and disclosures, and periodically informs the Board of ESG matters in accordance with its charter.

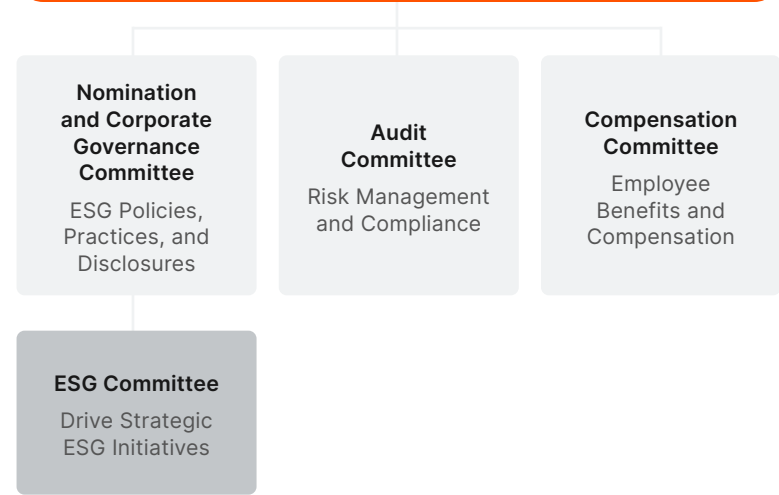
Procore's ESG Pillars



Additionally, our Audit Committee oversees risk management (including pertaining to financial matters) and compliance with applicable laws, and our Compensation Committee oversees our overall employee compensation and benefits philosophy and programs.

We have an ESG Committee composed of cross-functional leaders representing core business areas, including: Legal, Regulatory, and Compliance; Investor Relations; Environmental Health and Safety; and Global Talent Organization (including Diversity, Equity, Inclusion, and Belonging). These leaders generally meet every two weeks as needed to develop and drive our strategic ESG initiatives across our business operations and provide quarterly updates to the Nominating and Corporate Governance Committee.

Procore's Board of Directors



ENVIRONMENTAL IMPACT:

Building a Better World

The construction industry is responsible for incredible feats of engineering, and for building, maintaining, and powering the places where we live, learn, work, and play. But it is also one of the most complex and high-risk industries with substantial impacts on the environment.

At Procore, we build software for the people who build the world. For us, this means partnering with the construction industry to provide software that can make their lives safer, easier, and more productive. We have an opportunity to leave behind a positive and lasting legacy for future generations.

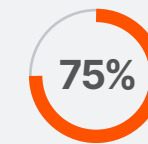


Environmental, Health, and Safety Impact of Our Products

According to a [2018 Industry Report by FMI](#), the construction industry spent over \$500 billion globally on rework, over half of which was caused by poor project data and communication. As the leading global provider of construction management software, Procore's products and platform help reduce construction waste and help our customers mitigate the risk of rework by aligning various project stakeholders to ensure the appropriate work is performed by the right people using the correct materials at the precise time. As such, Procore has an opportunity to play a vital role in reducing the construction industry's environmental impact by reducing inefficiencies.

The Procore platform enables our industry partners to upgrade from legacy communication tools such as fax, phone, and paper. Access to real-time and streamlined communication can significantly reduce the waste and inefficiencies that come from workers referring to outdated information, such as showing up at the wrong jobsite at the wrong time, bringing the wrong materials and equipment, or performing the wrong tasks.

Building right the first time with a 16% reduction in rework.



of customer respondents agree Procore has helped **reduce the amount of rework** taking place on their projects



Customer respondents who agreed stated an average of **16% reduction in rework**

Source: [Procore 2022 ROI Report](#).

ENVIRONMENTAL IMPACT

The Procore platform leverages unified communications to connect stakeholders, systems, and data on a single construction management platform to improve accuracy and transparency. Our platform reduces costly rework and construction waste by reducing miscommunication and errors. With Procore, teams have a more holistic view of data and projects, which enables better decision-making for building more sustainable and resilient buildings, emitting less carbon, and reducing overall environmental impact.

We acknowledge our responsibility to continue investing in construction technology that helps reduce carbon emissions in construction. Procore invests in our planet by providing integrations for ESG and sustainability tools through our [App Marketplace](#). For example, we are integrated with the following applications:



Building Transparency's [Embodied Carbon in Construction Calculator \(EC3\)](#) is a free tool and data-base that calculates the embodied carbon emissions associated with design and material procurement. Once generated, embodied carbon emissions cannot be reduced or eliminated from the atmosphere; therefore, we must address these emissions in the early stages of planning. By partnering with Building Transparency, Procore can help specialty contractors, general contractors, and owners measure and understand the carbon footprint of their projects and reach their sustainability goals.



[Green Badger](#), a cloud-based LEED certification software solution, allows customers to streamline workflows for LEED projects by incorporating a company's automation and compliance solutions directly into Procore's platform. The complexity of LEED documentation and certification is a barrier for many contractors. Through this partnership, Procore can empower the industry to explore the possibilities of sustainable construction with less risk and an intuitive interface.



[SustainIQ](#) is an ESG and sustainability reporting software used by companies across the construction sector to support their ESG and sustainability reporting commitments. Through this partnership, Procore empowers users to capture and access their ESG and sustainability performance data for each project while helping to increase speed and efficiency for project teams.

We believe ongoing education supports climate-conscious development. Procore has a robust [Learning Portal](#) with free resources and courses geared explicitly toward green building and environmentally-friendly solutions in the construction industry, such as [Building Green: What It Takes and Why It's Worth It](#), [Navigating LEED Practices for Achieving Green Certification](#), and [Planning for Sustainable Infrastructure](#).



QUALITY AND SAFETY

Procore's Quality and Safety product enables teams, from the field to the office, to take a proactive approach to building higher-quality projects in a safer environment. Our Quality and Safety solution is purpose-built for the field, making it easy for teams to comply with construction safety regulations and quality specifications, create accountability, and have greater insight into the root causes of quality and safety issues, risky behaviors, and incidents.

Safer Jobsites with Better Quality Control



of customer respondents that use our Quality and Safety products agree Procore has **improved their company's safety program**



of customer respondents agree that Procore has helped their company **improve its overall quality control** in order to deliver **higher-quality projects**

Source: [Procore 2022 ROI Report](#).

Procore supports field teams with continuing education to facilitate recording, monitoring, evaluating, and improving compliance and safety procedures and specifications. Additionally, the training provided by Procore may help users identify, understand, and proactively resolve the causes of issues and risky behaviors before they result in an injury or an accident.

We believe the best way to create a safer jobsite is by educating teams about developing a culture of safety. The [Procore Safety Qualified](#) program is an annual program accessible to all. It was designed by the educational content team of our social impact arm, Procore.org. Each year, the team chooses a theme and builds focused coursework to explore critical details that impact safety. Topics include heat hazards, physical well-being on the jobsite, fall protection, and proactive and preventive safety.

Commitment to Stewardship

We recognize our responsibility to care for and protect the environment in which we operate. We are fully committed to improving environmental performance across our business activities. We encourage employees to practice environmental stewardship by following Procore's Environmental Plan, which aims to integrate a philosophy of sustainable development into Procore activities and to establish and promote sound environmental practices in our operations.

Our Executive Leadership Team is responsible for environmental sustainability at Procore, and our head of Environmental Health and Safety (EHS) takes the lead in implementing our Environmental Plan, including an annual review of the Environmental Plan.

ENVIRONMENTAL FOOTPRINT OF OPERATIONS

We are committed to integrating sustainability into all aspects of our operations, including the following:

Considering

leading green standards when building our workplaces

Focusing On

energy efficiency, waste reduction, and water conservation

Taking

environmental considerations into account when leasing or purchasing property

Measuring and Tracking

environmental metrics

While we are in the early stages of our journey, we have taken several steps across our operational footprint to reduce negative environmental impact. These include installing LED lighting, motion-detection lighting, and low-flow toilets and faucets in various office locations. We also source products made from environmentally-friendly materials where feasible and provide electric vehicle charging stations and electric shuttles at our headquarters for a low-emissions transportation option.

In 2019, we created a voluntary, employee-led Sustainability Committee to manage environmental initiatives at our headquarters. This group facilitated initiatives such as paper waste reduction programs, an educational program on composting, and an e-waste collection day. In 2021, Procore developed a role within the EHS program to manage our environmental sustainability initiatives previously managed by the Sustainability Committee.

SOCIAL IMPACT:

Our People and Communities

From day one, Procore's north star has been to put people first in everything we do. This informs how we treat our customers and employees as well as how we build our products. It drives us to build customer-first products and culture-first teams.



OUR PEOPLE AND OUR VALUES

Our people are our most vital asset in building and growing our business. We have worked hard to create and maintain a culture based on three core values:

- + **Openness** — We define openness as “a willingness to engage and express, as well as to consider, new information and ideas.” We ask our employees to be honest without ego, meaning that employees can share critical opinions without fear of retribution and admit when they don’t know something. We include different voices and points of view. We believe that diversity of thought makes us stronger and more innovative.
- + **Ownership** — We define ownership as “a sense of having a personal stake in a project’s or team’s success and the feeling of empowerment and responsibility that goes with it.” We ask our employees to take initiative and move forward, and in so doing, to vigorously advocate for our vision, volunteer for work that challenges and inspires them, and solicit feedback from leaders and colleagues. We also believe in providing equity incentives to our employees to foster an ownership mentality and align their interests with those of our stockholders.



Openness



Ownership

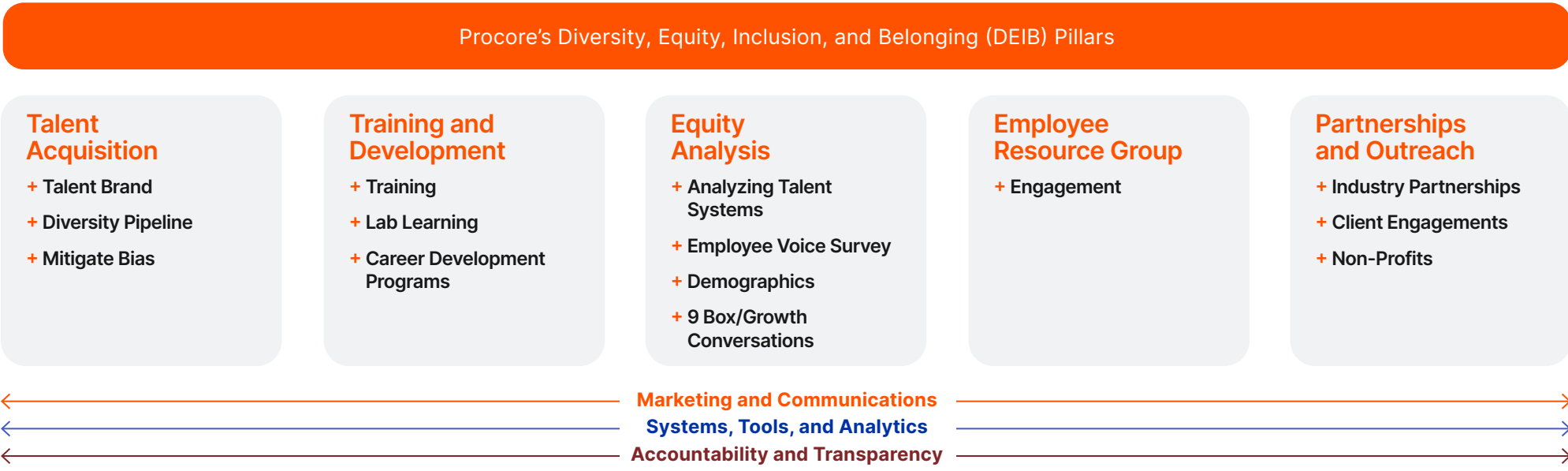


Optimism

- + **Optimism** — We define optimism as “the ability to envision and pursue favorable outcomes, even in the face of challenges, and to believe in the capabilities and goodwill of oneself and others.” We ask our employees to build toward the possible, which means that they assume positive intent in others, let themselves have a bad day, and pursue the rewards of hard work. We believe in embracing a growth mindset for continuous learning.

Diversity, Equity, Inclusion, and Belonging (DEIB)

An open and inclusive work culture is integral to our ability to attract and retain exceptionally talented and motivated employees. We continue to evolve our DEIB initiatives to drive engagement with our employees, customers, and other industry stakeholders.

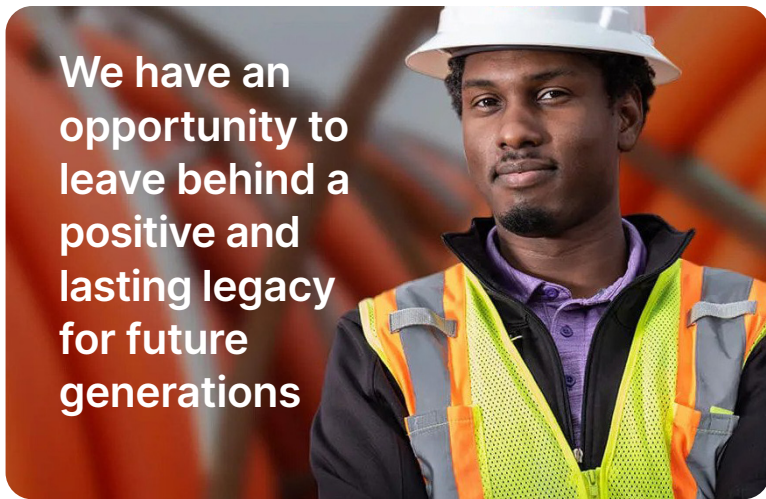


TALENT ACQUISITION

We continue to seek out enhanced tools and refine methods in our talent acquisition practices to hire more inclusively. We aim to scale how we identify, attract, and nurture talent from underrepresented groups.

We have implemented a recruiting toolkit that provides bias-free job descriptions, accessible hiring processes, tailored sourcing, fair internal hiring, no-bias screening, and structured interview processes. All of our Talent Acquisition employees have completed a Diversifying the Pipeline training provided by a third-party partner.

In the spring of 2021, we partnered with the National Society of Black Engineers (NSBE), whose mission is to increase the number of culturally responsible black engineers who excel academically, succeed professionally, and positively impact the community. Our partnership with NSBE allows us to seek diverse candidates through NSBE's platform. It also allows us to attend NSBE's annual convention, which hosts thousands of members, speakers, and job seekers. In November 2021, we participated in Oakland, California's AfroTech Conference for black technologists. We have also continued our partnership with PowerToFly, a diversity recruiting and retention platform, which we began in 2020. We partner with PowerToFly to help drive candidates from underrepresented backgrounds in tech into our talent pipeline and community.



We have an opportunity to leave behind a positive and lasting legacy for future generations

TRAINING AND DEVELOPMENT

Procore continuously delivers DEIB training throughout Procore and has trained thousands of employees on inclusivity, unconscious bias, and allyship. We build upon that work by developing on-demand guides embedded into our talent management tools to help managers mitigate bias in the flow of work.

Diversity Development Programs

Our DEIB Leadership Development programs provide career growth opportunities for underrepresented groups within Procore's leadership. In 2021, we piloted two Women's Leadership Development programs: Signature Leaders and Magnolia Leadership Program, focusing on director-level women and senior manager-level black women, respectively. These programs are founded by women and go beyond the traditional leadership development curriculum to focus on the importance of identity and intersectionality in the modern workplace. The programs were so well-received that we expanded our partnership with both vendors in 2022, nominating and training over 10 director-level women leaders.

PAY EQUITY FRAMEWORK

We are committed to delivering fair and equitable compensation to our employees. Our pay equity framework incorporates analysis and available demographic information to assess individual pay. This information is helping us formulate our equitable pay policies as we work to improve diversity across teams and at every level of Procore.



EMPLOYEE RESOURCE GROUPS

Employee Resource Groups (ERGs) are key to building a stronger sense of community at Procore. We have improved our engagement model to recruit and retain long-term purposeful volunteer participation. Volunteering helps employees advance their careers by developing their leadership skills, elevating their visibility within Procore, and increasing their access to senior executives. In 2022, we invested in program budgets for our ERGs and added two dedicated positions to help support ERGs.

We have nine ERGs that have contributed to informing policy, building inclusive benefits, community events and connections internally and externally, hosting speaker series and panel discussions, and more.

Procore Employee Resource Groups
(as of October 31, 2022)

- Women and Allies**
- A Better Life for Everyone (ABLE)**
- ProQueer+**
- Veterans**
- ProBLAC**
- Caregivers**
- Asian Pacific Islander (API)**
- Jewcorians**
- Hispanic/Latinx (Unidos)**

PARTNERSHIPS AND OUTREACH

We partner with several community organizations, universities, and industry groups to promote diversity across the industry. For more information, please read the [Social Impact](#) section of this report.

DIVERSITY DATA REPORTING

The diversity data reporting graphic below provides a snapshot of where we are in our DEIB journey. While we are not where we aim to be, we are working hard to lay the groundwork for solid, stable, long-term change.

Global Gender Identity Statistics



Global VP+ Gender Identity Statistics



U.S.-only VP+ Ethnicity Statistics



Based on Procore internal data as of December 2021, as self-reported by employees.

Employee Engagement, Training, and Development

EMPLOYEE ENGAGEMENT

There are several ways we ensure employees feel heard, seen, and supported at Procore. We encourage feedback and communication on an individualized basis through quarterly growth conversations between employees and their managers. We also conduct two company-wide employee engagement surveys each year. In the spring of each year, we conduct our comprehensive annual Employee Voice Survey, and in the fall, we distribute a shorter Employee Voice Pulse Survey that focuses on company-wide actions.

In the past four years, we have consistently hit a participation rate of 80% or higher for our annual engagement surveys.

In November 2021, we received an engagement score of 73%, up from 71% in April 2021.

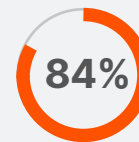
Highest 3 Overall Scores from November 2021 Employee Voice Pulse Survey



"I am proud to work for Procore."



"I would recommend Procore as a great place to work."



"My manager (or someone in management) has shown a genuine interest in my career aspirations."



We provide tools and resources for employees and managers to be successful

EMPLOYEE LEARNING AND DEVELOPMENT

At Procore, onboarding, leadership effectiveness, talent effectiveness, construction education, and career development resources form the foundation of our Learning and Development approach. We provide tools and resources for employees and managers to be successful, including skills training, a learning management system, and support for employees who pursue a technical certification relevant to their role. To promote career mobility, employees participate in quarterly growth conversations with their managers to understand training needs and the necessary steps to continue to develop and grow. In addition to the quarterly growth conversations, Procore also provides career maps to help employees better understand the competencies expected of them in their existing roles as well as potential career development opportunities.



We maintain an online platform to support learning, inclusion, and collaboration

We use a third-party system to engage with new hires before they are onboarded and conduct a week-long orientation program for every employee, including an introduction to our values and culture, a construction industry bootcamp, and an overview of how we approach DEIB. We offer many different training programs, including Employee Journey Maps, a program that lays out our steps for connecting talent to an opportunity, all the way from recruitment, to onboarding, to role growth.

We also maintain an online platform to support learning, inclusion, and collaboration that is accessible to all employees and offer access to a range of LinkedIn Learning courses.

Employee Health and Well-Being

Investing in our employees' physical, mental, and financial well-being is important to us. We provide our employees with comprehensive benefits centered on wellness, appreciation, connection, and community, including:



Values-Driven Paid Time Off — based on openness, ownership, and optimism; allows employees to take time off when they need it



Paid Parental Leave Program — provides up to 16 weeks of paid time off at 100% of base pay plus 60% of any target incentive compensation



Gradual Return to Work Program — supports new parents returning from parental leave



Additional Time-Away Benefits — includes salary continuance, paid family care leave, and bereavement



Retirement Plan — builds wealth security with company contribution



Family-Building Benefits — creates a level playing field for eligible employees by offering multiple options in building a family, including adoption, fertility, surrogacy, and pregnancy (U.S. only)



Employee Stock Purchase Plan — gives eligible employees the opportunity to purchase shares of Procore common stock at a discount



Inclusive Mental Health Resources — includes a library of self-guided resources as well as six coaching sessions and six therapy sessions



Hybrid Work Environment — empowers employees in eligible roles to do their best work by allowing them to choose to work remotely and/or in the office

Active full-time and part-time employees are also eligible for our Procore Perks program, which provides a quarterly stipend that can be spent on an array of eligible perks in the areas of physical wellness, financial wellness, work/life well-being, and workplace experience. Procore also offers one-time capped reimbursements for a desk and chair for employees working from home. Similar programs are available globally based on currency equivalents. Learn more [here](#).

HEALTH AND SAFETY

We strive to ensure that all employees, contractors, and onsite vendors comply with safe and healthy work practices. Procore's EHS program tracks and reviews many factors that affect the health and safety of our employees. The EHS program maintains security reports, offers ergonomics assessments to employees, and provides EHS inspections.

Our EHS Incident Reporting Policy, developed in line with Occupational Safety and Health Administration (OSHA) requirements, defines the requirements for immediate investigation, reporting, corrective action, and training for EHS incidents. As part of our commitment to continuous improvement, action plans are developed and implemented monthly with oversight from our head of EHS.

We maintain a Physical and Environmental Security Policy to protect critical information from unauthorized access, damage, and interference. At least annually, we perform comprehensive testing of the physical security controls of each office location and conduct monthly fire safety inspections.

New hires receive introductory training on office safety, how to request an ergonomic evaluation, emergency evacuation procedures, and how to report a workplace injury. Every employee receives training on general safety procedures and job-specific hazards in accordance with our Injury and Illness Prevention Program. All employees also undergo mandatory emergency response and evacuation training on an annual basis.

COVID-19 RESPONSE

In response to the global COVID-19 pandemic, we are committed to maintaining a safe and healthy workplace for employees, vendors, and visitors. As part of our Global COVID Prevention Plan, we established a Global Voluntary Vaccination Policy, preventative measures, paid time off benefits, and localized policies to protect our employees and comply with applicable local law. Our comprehensive [COVID-19 Resource Center](#) offers access to tools and support for our employees and the construction community at large.



Community Contributions

We proactively partner with many industry and community constituents to drive engagement across our platform and deliver value to a broad audience. Through [Procore.org](#), our in-house social impact team, we offer an array of resources to support the advancement of construction, including certified continuing education courses, training programs, online content libraries, and in-kind donations of software and training to universities, K-12 school programs, training centers, trade associations, disadvantaged business enterprises, and non-profits. Learn more [here](#).

University and School Partnerships

We provide access to Procore software, training, tools, and certifications at no cost to participating educational institutions to prepare students to enter an increasingly technology-driven construction workforce. 97% of American undergraduate construction management programs accredited by the American Council for Construction Education use Procore (as of the third quarter of 2022). Educating these future construction professionals is the best way to inspire our next-generation workforce. Learn more [here](#).



In 2021, 240 universities used Procore in their curriculum



In 2021, Procore was taught in colleges and universities in nine countries



In 2021, ~28,000 university students learned how to use Procore as part of their coursework

[Brick by Brick](#) is an educational game we developed to combine Procore software, toy building material, and construction management fundamentals to teach students about the teamwork and technology required today for a career in construction. We made Brick by Brick available for educational purposes in 2017. In 2021, it was played by approximately 1,800 students from over 33 states.

Educational Resources for the Public

Procore provides the general public access to a robust offering of continuing education courses at no cost. Participants can access industry knowledge and professional skills development to help increase their income potential, as well as earn continuing education credit to maintain professional licenses. Learn more [here](#).



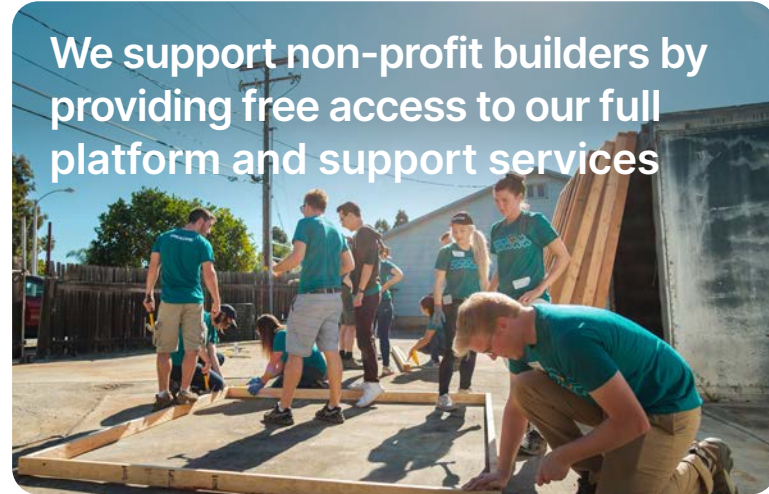
In 2021, Procore offered over 100 free continuing education courses



In 2021, Procore received 31,981 registrations



In 2021, participants completed 25,495 courses (a 79.7% course completion rate)



Engagement with Non-Profits

Procore provides non-profit builders with technology that would otherwise be cost-prohibitive. We give non-profit builders in the U.S. and Canada free access to Procore's full platform and support services as well as the training and certification necessary to optimize their projects. Learn more [here](#).



In 2021, Procore launched accounts for 27 new Habitat for Humanity affiliates



From the start of our partnership through September 30, 2022, Team Rubicon has built 294 homes in disaster zones using Procore



From the start of our partnership through September 30, 2022, Purple Heart Homes has remotely managed 1,417 builds for veterans

Partnership with Trades

As more projects require construction professionals to engage with the latest tools and technology, it is essential to encourage tech literacy. Procore offers training to equip the industry's workforce for the jobsites of tomorrow. By providing access to Procore software, certifications, and classroom training, [Procore.org](#) helps bridge the gap between workers' current skills and potential employers' expectations.



In 2021, Procore launched new accounts across five trade associations to provide access to Procore software



In 2021, Procore supported over 30,000 apprentices



In 2021, Procore partnered with trade associations across three countries

In addition to Groundbreak, our annual construction industry conference, we maintain *Jobsite*, our industry-focused blog site, and Procore Community, our online user community forum. Learn more [here](#).

PRODUCT DONATIONS AND GIVING

In addition to supporting our communities and the public by providing access to free resources, we also contribute through product and industry donations.

Product Donations

In 2021, we partnered with 107 new organizations to donate Procore products. As of the end of 2021, we have partnered with over 600 organizations to donate Procore products.

DONATED PRODUCT USERS IN FY 2021



Industry Donations

In 2021, we donated \$250,000 to a newly-created [HBCU Scholarship Fund](#) we launched in partnership with the Association of General Contractors of America to assist black and other disadvantaged minority students studying construction at historically black colleges and universities (HBCUs).

Procore is a founding member of CareerStarter, a tool that provides career-seekers direct connections to local training programs and entry-level jobs in partnership with the [National Center for Construction Education and Research \(NCCER\)](#).

VOLUNTEERING

Giving back to our community through service is part of Procore's culture. Every employee receives 16 hours of Volunteer Time Off annually, and we hosted eight volunteer events in six locations in 2021. In 2022, we launched a corporate social responsibility platform that gives most of our full-time employees (excluding employees in Singapore, Egypt, and the United Arab Emirates) access to over two million volunteer opportunities in 200 countries, including virtual and skills-based options. Employees receive personalized opportunities based on skills, interests, ERGs, location, and department.



DIVERSE VOICES IN CONSTRUCTION

To expand the sense of belonging across the industry, we are building a connected ecosystem of construction industry leaders to inspire meaningful dialogue and drive sustainable change. Through Procore's long-standing Women in Construction (WIC) initiative, we advocate for improved gender equality. We aim to drive diversity, equity, and inclusion and expand the labor pool across the construction industry. In 2019, we created the WIC Community group for advocates to connect and interact in one virtual space. Group members network, share insights and questions, and stay updated on new resources from the Procore WIC initiative. As an extension of this effort, in August 2022, we partnered with Lean In to expand their Circles for Union Tradeswomen into our network to connect and empower women in the industry. We are proud of the over 13,000 people who have benefited from the WIC initiative and minority contractor programs from 2017 to the present. Learn more [here](#).

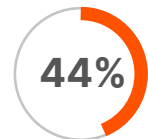
We also bring thought leaders and thousands of construction professionals together to facilitate conversations that lead to more engaged, productive teams as part of our [Foundations for Progress](#) webinar series.

GOVERNANCE IMPACT:

Governance and Responsible Business Practices

Board Independence and Diversity

Our highly effective Board of Directors oversees Procore. We believe that our Board members possess skills and experience relevant to leadership in their respective fields as well as the ability to exercise sound business judgment. These strengths collectively reinforce the Board's effectiveness in the governance of Procore's business practices.



Four of our nine Board members are female

For more information about the composition of our Board, please refer to our [2022 proxy statement](#).

Business Ethics and Compliance

We consistently aim for excellence in the way we operate our business and to do so with integrity and high ethical standards. Our [Code of Business Conduct and Ethics](#) is a statement of certain fundamental principles, policies, and procedures that govern our business conduct. It applies to all directors, executives, employees, and independent contractors of Procore. Our Code emphasizes the role that each of Procore's directors, executives, employees, and independent contractors plays in operating our business ethically and with integrity. Our Code addresses diversity, conflicts of interest, compliance with anti-corruption, insider trading and antitrust laws and regulations, confidentiality, and corporate opportunities.

All employees are required to read and acknowledge our Code upon hire and when our Code changes. Certain employees may be required to complete additional periodic reviews of the Code based on their tenure, their level of responsibility, the nature of their work, or as otherwise recommended by the Ethics and Compliance team. On an annual basis, we also conduct compliance-related training on topics from our Code, the prevention of harassment and discrimination, and the prevention of corruption and bribery.

WHISTLEBLOWER POLICY AND INCIDENT REPORTING

We expect employees to report any suspected misconduct, and we maintain an independent and secure ethics hotline that allows for anonymous reporting. The Audit Committee of the Board oversees the incident investigation process of concerns received through the hotline and receives compliance updates every quarter or more frequently as required by our Whistleblower Policy. Procore will not retaliate against any individual for filing a good-faith concern nor against any individual participating in an investigation.

GOVERNMENT AFFAIRS AND ADVOCACY

Procore does not maintain a political action committee and does not generally engage in lobbying activities. We did not make any corporate contributions or contributions to political parties in 2021. We do not reimburse, compensate, or otherwise incentivize employees for making political contributions.

We are committed to information security as a continuous improvement process



Information Security, Data Protection, and Privacy

Trust is a top priority for Procore, and we continue to invest in security, data protection, and compliance initiatives designed to maintain the safety, security, and privacy of our customer data. We use a shared responsibility model, which means that while Procore provides data processing security measures, customers manage their accounts, project access, documents, and more.

Procore has documented and implemented policies and procedures based on the National Institute of Standards and Technology (NIST) Cybersecurity and Risk Management Frameworks. This commitment to security as a continuous improvement process is essential as new threats arise and existing threats evolve.

Our Information Security team deploys an information security program to handle the processing of customer data, including transmission, storage, and access, based on industry standards and frameworks. Highlights include:

- + **Security Training** — Annually, every employee is required to complete Security and Privacy Awareness Training, and certain employees are required to complete dedicated role-based security training.
- + **Data Center Security and Compliance** — Our cloud service provider has adopted measures designed to host data securely and privately.
- + **Incident Response** — Preventative work performed before a security incident is as vital as work performed after a security incident.
- + **Disaster Recovery Management** — Procore's disaster recovery plans and activities are designed to support the critical functions for delivering our SaaS application. We plan for a wide spectrum of issues ranging from small-scale hardware failures to widespread natural and man-made disasters.
- + **Backup and Retention** — We maintain a “high-availability” strategy designed to protect our customers against software problems, hardware failure, and large-scale natural disasters.

We review our Incident Response and Management Policy annually and after material security incidents. Procore's Chief Security Officer coordinates responses to potential material security incidents and is responsible for reporting to executive leadership promptly after any material security incident. Learn more [here](#).

DATA PROTECTION AND PRIVACY

We built our construction management platform with data protection and privacy in mind at every level, and our platform is designed to protect customer data. Procore's approach to data protection and privacy incorporates principles from applicable data protection laws, including the European Union's and the United Kingdom's General Data Protection Regulation (GDPR), the California Consumer Privacy Act (CCPA), and the Australian Privacy Principles. A cross-functional data protection and security team responds to customer and partner information inquiries regarding Procore's data protection and privacy practices.

Read more about our process for handling privacy inquiries and the additional safeguards we have to ensure customer privacy in our [Privacy Notice](#) and our customer-facing [Data Processing Addendum](#).



We built our construction management platform with data protection and privacy in mind at every level

Additionally, Procore's Third-Party Management Policy outlines our third-party vendor selection, risk assessment, and management processes and guidelines. It establishes internal controls designed to ensure we work with third parties whose systems and services meet our standards and data protection programs, including adherence to applicable law, regulatory compliance, and data transfer obligations. We maintain contracts with third parties and obtain other assurances that require the third parties we engage to safeguard data as required by our information security program and applicable law.

Risk Management and Business Continuity

The Audit Committee of our Board exercises oversight of Procore's regulatory compliance and risk management activities, including our Enterprise Risk Management (ERM) program and Business Continuity and Disaster Recovery Plan (BCP/DRP).

We take a proactive approach to identifying emerging risks and building resilience through an annual Enterprise Risk Assessment. We also have departmental risk committees, assign enterprise risk owners, and allow employees to submit risks that are escalated to the respective leaders based on our Enterprise Risk Framework. Our ERM Committee, which is composed of senior executives, provides regular reports to the Audit Committee.

Our BCP/DRP and associated program seek to prepare Procore to minimize the likelihood of business interruption events impacting critical business operations and to outline the appropriate response in the event of a business disruption or disaster. The policy and corresponding procedures are designed based on leading industry standards and frameworks. To ensure the continuity of Procore's platform, we maintain standard operating procedures around data backup frequency and storage, restoration, threat assessments, stress testing, employee training, and enforcement.

Vendor Management

Procore worked with approximately 1,100 vendors in 2021, managing each relationship intentionally to align with our commitment to responsible and ethical business practices. Due to the high volume and variety of vendors we utilize, our process for selection and qualification varies by need. However, we expect all vendors we partner with to treat their workers fairly in compliance with applicable laws and regulations. For example, when we negotiate buy-side vendor agreements, we seek to ensure that each agreement contains language holding the vendor responsible for ensuring the labor rights of its workers are respected and for providing appropriate working conditions. We are also in the process of updating our Master Service Agreement for vendors to include these provisions as a default.




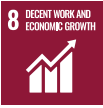



We recognize that our procurement decisions can have important impacts on our industry and beyond. As a result, we are developing a supplier code of conduct that outlines our expectations and guidelines for our vendors. We also believe in the value of diversity in our supply chain. To that end, we are creating a supplier diversity program to promote vendor diversity.

APPENDIX:

Frameworks and Standards

United Nations Sustainable Development Goals (SDGs)

The [United Nations Sustainable Development Goals \(SDGs\)](#) represent a collaborative, global effort to achieve a better and more sustainable future for people and the planet. Represented by 17 Global Goals and 169 targets, the SDGs address challenges of poverty, inequality, climate change, environmental degradation, peace, and justice. We have identified key areas within the 17 Global Goals where we may have the greatest influence and impact through our business strategy, products, and services.

| GOAL | DESCRIPTION | ALIGNMENT TO PROCORE | ESG REPORT SECTION |
|--|--|---|--|
|  | Ensure healthy lives and promote well-being for all at all ages | <ul style="list-style-type: none"> Resources and programs centered on wellness, appreciation, connection, and community, including values-driven paid time off, mental health resources, and Procore Perks | Employee Health and Well-Being |
|  | Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all | <ul style="list-style-type: none"> Partnerships with schools and universities In-kind donations of Procore software and training to universities, K-12 school programs, training centers, trade associations, disadvantaged business enterprises, and non-profits | Community Contributions |
|  | Achieve gender equality and empower all women and girls | <ul style="list-style-type: none"> Our DEIB strategy aligns with five pillars: Talent Acquisition, Training and Development, Equity Analysis, Employee Resource Groups, and Partnerships and Outreach 4 of 9 directors on our Board are women Women in Construction initiative | Diversity, Equity, Inclusion, and Belonging (DEIB) Board Independence and Diversity Community Contributions |
|  | Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all | <ul style="list-style-type: none"> Our people are our most vital asset in building and growing our business We build and maintain a workplace culture based on our three core values of Openness, Ownership, and Optimism Our platform aims to help our customers grow their own businesses, and customers report an average of 48% more construction volume managed per person through using Procore (Source: Procore 2022 ROI Report) Procore provides access to Procore software, training, tools, and certifications at no cost to participating educational institutions to prepare students to enter an increasingly technology-driven construction workforce | Social Impact: Our People and Communities Employee Engagement, Training, and Development Community Contributions |
|  | Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation | <ul style="list-style-type: none"> We partner with the construction industry to provide software and solutions that support and enhance safety and productivity | Environmental Impact: Building a Better World |
|  | Reduce inequality within and among countries | <ul style="list-style-type: none"> We support equal opportunities through our pay equity framework We create an inclusive culture with our DEIB strategy We provide educational resources to a wide range of stakeholders (trades, universities, the public, and non-profits) | Pay Equity Framework Diversity, Equity, Inclusion, and Belonging (DEIB) Community Contributions |
|  | Make cities and human settlements inclusive, safe, resilient, and sustainable | <ul style="list-style-type: none"> Our platform reduces costly rework and construction waste by reducing miscommunication and errors Our platform enables better decision-making for building more sustainable and resilient buildings, emitting less carbon, and reducing overall environmental impact | Environmental, Health, and Safety Impact of Our Products |

Sustainability Accounting Standards Board (SASB)

The following tables incorporate the [Sustainability Accounting Standards Board \(SASB\) Standards](#), part of the International Financial Reporting Standards Foundation, related to Software and Information Technology Services. They include the relevant topic metric(s) where available and references to sections within this report where specific topics are discussed.

| TOPIC | ACCOUNTING METRIC | SASB CODE | UNIT OF MEASURE | ESG REPORT SECTION AND NOTES |
|--|--|--------------|---|--|
| Environmental Footprint of Hardware Infrastructure | (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable | TC-SI-130a.1 | Gigajoules (GJ), Percentage (%) | Commitment to Stewardship |
| | (1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress | TC-SI-130a.2 | Thousand cubic meters (m ³), Percentage (%) | |
| | Discussion of the integration of environmental considerations into strategic planning for data center needs | TC-SI-130a.3 | N/A | |
| Data Privacy & Freedom of Expression | Description of policies and practices relating to behavioral advertising and user privacy | TC-SI-220a.1 | N/A | Information Security, Data Protection, and Privacy Refer to our Privacy Notice, User Terms of Service , and Subscription and Services Agreement detailing our data privacy practices, and how and from whom Procore uses data. |
| | Number of users whose information is used for secondary purposes | TC-SI-220a.2 | Number | |
| | Total amount of monetary losses as a result of legal proceedings associated with user privacy | TC-SI-220a.3 | Reporting currency | Information Security, Data Protection, and Privacy Any material losses occurring as a result of legal proceedings, including those related to user privacy, would be reported in our public filings with the SEC. As of December 31, 2021, Procore did not report any material monetary losses of this nature. |
| | (1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure | TC-SI-220a.4 | Number, Percentage (%) | Information Security, Data Protection, and Privacy |
| | List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring | TC-SI-220a.5 | N/A | Information Security, Data Protection, and Privacy Procore complies with any necessary obligations, including, but not limited to, requirements under the Foreign Corrupt Practices Act and Export Control Regulations. Please refer to our Privacy Notice, User Terms of Service , and Subscription and Services Agreement detailing our data privacy practices. |
| Data Security | (1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected | TC-SI-230a.1 | Number, Percentage (%) | Information Security, Data Protection, and Privacy Any material data incidents would be disclosed in our public filings with the SEC. As of December 31, 2021, Procore has not reported any material data incidents. |

Sustainability Accounting Standards Board (SASB), continued

| | | | | |
|--|--|--------------|--------------------|---|
| Data Security (continued) | Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards | TC-SI-230a.2 | N/A | <p>Information Security, Data Protection, and Privacy</p> <p>The Procore Platform is a cloud-based SaaS Multi-Tenant solution with end-to-end data encryption built on Amazon AWS Infrastructure. Procore employs several security monitoring and protection solutions.</p> <p>We protect the private data of our customers using tools and solutions such as third-party verification and certification of our program, regular third-party penetration and vulnerability investigations, internal scans, and reviews.</p> <p>Please visit our Trust and Security page for more information.</p> |
| Recruiting & Managing a Global, Diverse, & Skilled Workforce | Percentage of employees that are (1) foreign nationals and (2) located offshore | TC-SI-330a.1 | Percentage (%) | <p>Diversity, Equity, Inclusion, and Belonging (DEIB)</p> <p>Global Full-Time Employees: 2,885 Full-Time Employees in U.S.: 88% Full-Time Employees outside U.S.: 12%</p> |
| | Employee engagement as a percentage | TC-SI-330a.2 | Percentage (%) | <p>Employee Engagement, Training, and Development</p> <p>November 2021 (Employee Voice Pulse Survey): 73%</p> |
| | Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees | TC-SI-330a.3 | Percentage (%) | <p>Diversity, Equity, Inclusion, and Belonging (DEIB)</p> <p>Global Female Employees: 38% Global Male Employees: 61% Global Undeclared Employees: 1%</p> <p>Global Female Employees (VP+ Only): 38% Global Male Employees (VP+ Only): 62%</p> <p>U.S. Asian Employees (VP+ Only): 14% U.S. Hispanic/Latinx Employees (VP+ Only): 2% U.S. White Employees (VP+ Only): 69% U.S. Undeclared Employees (VP+ Only): 15%</p> |
| Intellectual Property Protection & Competitive Behavior | Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations | TC-SI-520a.1 | Reporting currency | <p>N/A</p> <p>No material monetary losses as a result of legal proceedings were associated with anti-competitive behavior regulations in fiscal year 2021.</p> <p>We recognize the importance of intellectual property and continually review our development efforts to assess the existence and patentability of new intellectual property. Please review our latest Annual Report on Form 10-K for more information.</p> |

Sustainability Accounting Standards Board (SASB), continued

| | | | | |
|---|---|--------------|--------------|--|
| Managing Systemic Risks from Technology Disruptions | Number of (1) performance issues and (2) service disruptions; (3) total customer downtime | TC-SI-550a.1 | Number, Days | Risk Management and Business Continuity Procore serves customers globally via a distributed platform across multiple regions. The platform is designed for fault tolerance. There are rare instances in which customers may experience a reduction in the quality of service, but our services are built to limit customer impact to isolated feature availability. |
| | Description of business continuity risks related to disruptions of operations | TC-SI-550a.2 | N/A | Risk Management and Business Continuity Procore has a multi-phased approach to maintaining business continuity. This includes regularly running exercise drills to ensure that our response, preparedness, data backups, and observability continue to allow us to maintain a quick response to any service disruption. See Item 1A (Risk Factors) of our most recent Annual Report on Form 10-K for more information about business continuity risks. |

Forward-Looking Statements

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, about Procore and its industry that involve substantial risks and uncertainties. All statements in this report other than statements of historical fact are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally relate to future events and may be identified by the use of words such as “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will,” or “would,” or the negative of these words, or other similar terms or expressions that concern Procore’s expectations, strategy, plans, or intentions. Forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause Procore’s actual results, performance, or achievements to differ materially from results expressed or implied in this report. Risks that contribute to the uncertain nature of the forward-looking statements include, among others, risks listed or described in Procore’s filings with the U.S. Securities and Exchange Commission. You should not place undue reliance on Procore’s forward-looking statements. Procore assumes no obligation to update any forward-looking statements to reflect events or circumstances that exist or change after the date on which they were made, except as required by law.

Numbers and percentages in this report include estimates or approximations and may be based on assumptions or incomplete data. We believe that the estimates employed are appropriate and reasonable; however, due to inherent uncertainties in making estimates and assumptions, actual results could differ from the original estimates. The inclusion of information and data in this report is not an indication that such information or data or the subject matter of such information or data is material to Procore for purposes of applicable securities laws or based on any financial impact of that information. The principles used to determine whether to include information or data in this report, and any use of the term “material” or other similar terminology in this report, may not correspond to the principles of materiality contained in federal securities laws, the concept of materiality used to determine whether disclosures are required to be made in filings with the U.S. Securities and Exchange Commission or otherwise disclosed, or principles applicable to the inclusion of information in financial statements. Procore makes no representation or warranty regarding the information set forth in this report.

This report also includes certain information regarding ESG practices that has been obtained from published sources or third parties. The accuracy and completeness of such information are not guaranteed. Although Procore believes such information is reliable, such information is subject to assumptions, estimates and other uncertainties, and Procore has not independently verified this information. Any references to sources outside of this report are provided for convenience only and the content of such sources are not incorporated by reference into this report. The standards of measurement and performance for ESG issues are developing or are based on assumptions, and norms may vary.