

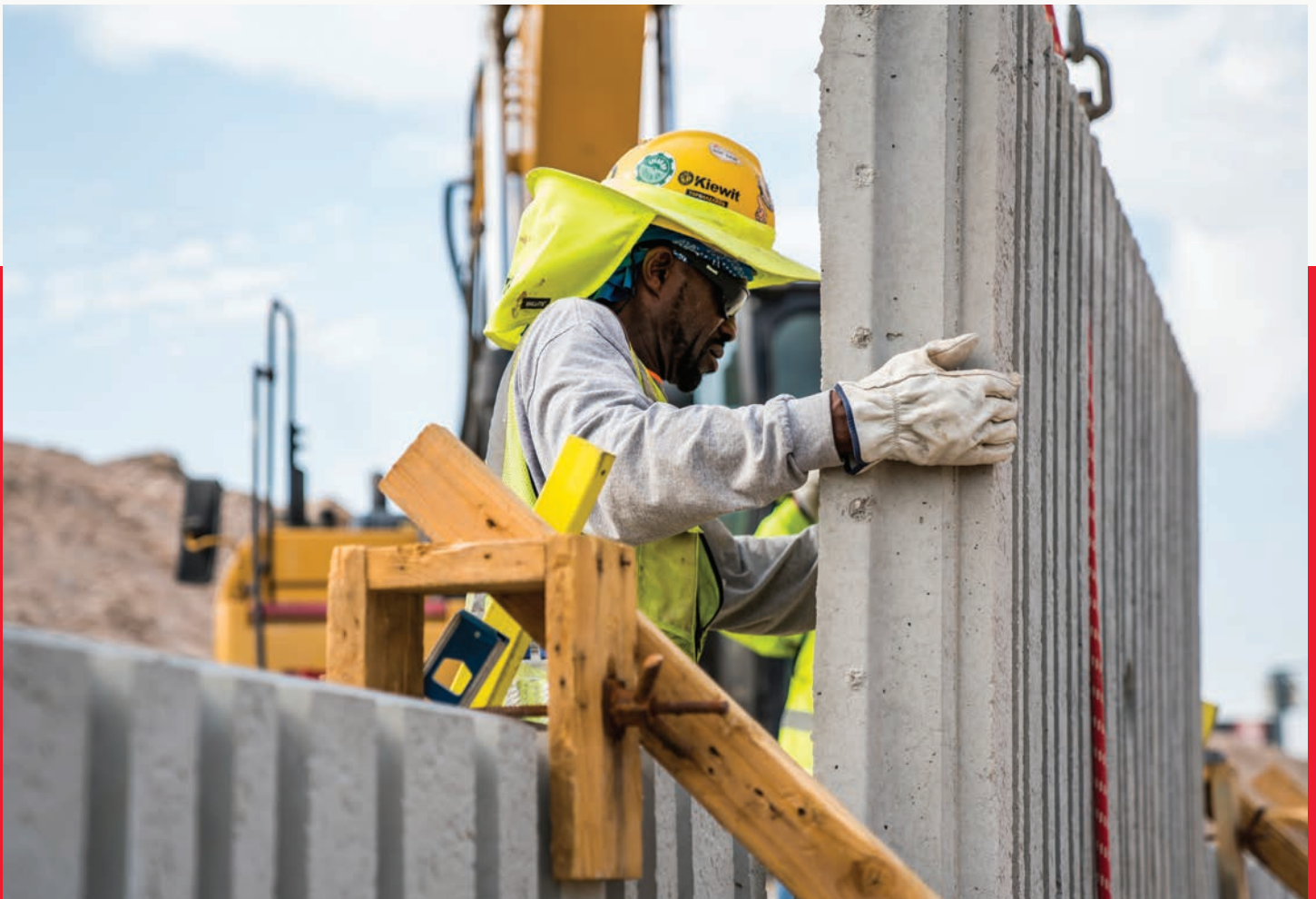


AGC
THE CONSTRUCTION
ASSOCIATION

AGC 2021 ANNUAL REPORT

BUILDING A BETTER TOMORROW

SPONSORED BY **PROCORE**[®]



AGGC ANNUAL REPORT

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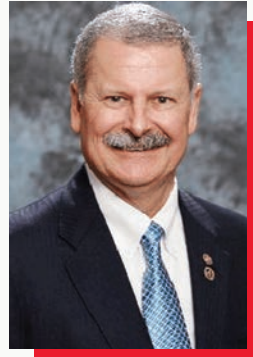
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AGC OF AMERICA PRESIDENT BOB LANHAM



BUILDING A BETTER TOMORROW

This is the second annual report to go out during my tenure as your AGC of America president. And while I would have preferred the world stay normal to serving a two-year term, we wanted to make the most of this opportunity. While last year's annual report focused on the first part of my theme – engaging today – this report looks more closely at how that engagement is building a better tomorrow for our industry and our association.

We had more opportunities to focus on the long game in 2021 as the immediate crises of 2020 gave way and new opportunities and challenges emerged last year. This included opportunities to secure a multi-year, trillion-dollar investment in infrastructure, earn a seat at the climate change decision making table and prevent legislation and regulations that would have saddled our industry with needless new anti-growth measures for years to come.

We didn't just focus on building a better political environment, however. We also were able to invest time and resources in building a better and safer workforce. We led a national push to encourage construction workers to get vaccinated. We launched a comprehensive new workforce development campaign. We continued our relentless pursuit of workplace safety. And we launched a new scholarship program to support top-quality construction students in the nation's historically black colleges and universities.

We spent a lot of time and effort focusing on building an even better association for our members. We launched a range of new virtual education programs to make it easier for members to take advantage of our world-class content. We started a new customer service program to better meet members' needs. And we, safely, returned to a full schedule of in-person meetings and events.

Of course, even as we focused on building a better tomorrow, we continued to meet members' immediate needs. We held federal officials to their original promise with the Paycheck Protection Program. We helped pass important highway work zone safety legislation. We saved members millions of dollars through our affinity discount programs. And we did it all while keeping your association financially secure and in the black. Our industry knows how to turn challenges into opportunities. We do it every day on our job sites. And that is exactly what we do with your association. As this annual report makes clear, AGC of America spent 2021 converting challenges into opportunities. We took advantage of your – the members' – engagement to meet immediate needs and build a better tomorrow for our industry, our association, and our country.

Thank you for the honor of serving as your president these past two years. I have been humbled by your energy, enthusiasm, and engagement. And I hope you will take as much pride in the many accomplishments listed in this annual report as I do.



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AGC OF AMERICA CEO STEPHEN E. SANDHERR



THE WINNING FORMULA: ENGAGED MEMBERS AND A GREAT STAFF

Pulling together this year's annual report allows us to reflect on all that your national association accomplished in 2021. As rewarding as that experience is, the most gratifying part of assembling the annual report is appreciating how we were able to accomplish so much. The short – and accurate – answer is that we were so successful last year because we have engaged members and a great staff.

Having engaged members is important because it gives tremendous authenticity to our advocacy efforts. It is one thing for us to tell a member of Congress why some new bill will help or hurt the industry. But it is a lot more convincing to have members contact their Congressmen and Senators and explain to them how a piece of legislation will impact their business and the people who work for them.

It was that engagement that brought home the need for a new bipartisan infrastructure bill, for example. And it is what allowed us to keep the so-called Build Back Better and PRO Acts from becoming law in 2021. Member engagement has made our efforts to improve the health and safety of the workforce so successful. You organized vaccine clinics at your offices and job sites. You held safety stand downs during National Construction Safety Week. You shared our vaccine PSAs with your employees and took advantage of our vaccine toolkit. And many of you embraced our Culture of Care program to ensure the mental well-being and diversity of your teams.

Your involvement in our first-ever National Construction Industry Workforce Summit made that event the tremendous success it was. Your embrace of our expanding slate of virtual education programs has contributed to their success. Your participation helped us safely restart in-person meetings and events. And your contributions to our AGC Construction Advocacy Fund made 2021 a record fundraising year in support of our advocacy efforts.

Important as having engaged members is, it is also vital to have good people working on your behalf here in the nation's capital. And I am proud to report that we have an incredible team of dedicated professionals working for you. They understand their issues, know how to get things done and are passionately committed to this industry. And they bring tremendous energy and initiative to their work.

Each year we invite AGC's elected officers to sit in on some of our all-staff meetings. And every year I get the same feedback – the team is amazing.

As you review this annual report, take a moment to thank yourselves for being so engaged. We really appreciate it. And I hope you will also take a moment to appreciate the great team working on your behalf at AGC of America.



**BUILDING A BETTER
TOMORROW**

“Procore is a partner who understands our industry’s challenges.”

BENJAMIN ALEXANDER, PE
ENGINEERING MANAGER, ELDECO

At Procore, we have one focus—construction. It’s why we’re meeting the toughest challenges of our industry head on. From the labor shortage to technology adoption, it’s a big job. It will take everyone working together to ensure tomorrow’s construction industry is bright.

Learn more at procore.com/WFD



PROCORE

MESSAGE FROM THIS YEAR’S SPONSOR

PROCORE



Thank you to the Associated General Contractors of America (AGC) and its members for your continued partnership and for building the world around us. I’m continually inspired and humbled by the work you do every day. You build the hospitals we so desperately need, the schools our children attend, and the infrastructure that powers and brings them to life. Many of these structures will outlast most of us, as will the impact they have on the communities that use them. You have a lot to be proud of.

Your work touches everyone’s lives, every day. It’s one of the many reasons why I’m so passionate about this industry that I grew up in and love. It’s also why we have one focus at Procore: construction. Our priority is to develop the platform that allows you to do the best work of your lives, helping our communities thrive now, and far into the future.

“Procore built a platform for people in construction. Procore is not just a technology company scanning the market and adding a new niche to their portfolio of products. We’re a global company, our global footprint is expanding all the time, every day—and so is Procore. We had a goal, we had a vision, and we needed a product that would help us achieve it. Procore has assisted in bringing this vision to life.” – Kasey Bevans, CIO, Balfour Beatty

Since day one, Procore’s mission has been to connect everyone in construction on a global platform. This year marks two decades into that journey. While this is an exciting moment, what’s clearest to me is that we’re just getting started.

Reaching this milestone would not have been possible without our partnership with the AGC and its members. Together we’re working to solve the industry’s toughest challenges. At Procore, we know this goes beyond building the best products and services for the industry. Through our Capstone Partnership and membership in several local chapters nationwide, Procore has strengthened its alliance with the AGC to advance the industry.

We are a proud supporter of continuing education initiatives as well as AGC’s Culture of Care, which aims to create a more diverse and inclusive industry. We were humbled when AGC reached out to ask us to co-create the first matching scholarship for Historically Black Colleges and Universities, or HBCUs. Through our partnership, we’re continuing to work toward greater equity in construction by creating new pathways to onboard the next generation of construction leaders. We are also committed to closing the labor gap by supporting current and future essential workers through our workforce development efforts.

As we look to the future, we are committed to being a true partner to you, always working toward our vision of improving the lives of everyone in construction. We are honored to partner with the AGC and work alongside many of you as we drive the industry forward.

To learn more about our workforce development efforts, visit www.procore.com/workforce-development.

Kasey Bevans

A background image of construction workers in safety gear (hard hats, high-visibility vests) working on a job site. The image is overlaid with a semi-transparent dark grey layer. The text 'BUILDING A BETTER TOMORROW' is centered in large, bold, white letters with a red outline. The AGC logo is in the bottom right corner.

BUILDING A BETTER TOMORROW

AGC

01. BUILDING A BETTER POLITICAL ENVIRONMENT

Getting a Bipartisan Coalition in Congress to Pass a Massive New **Federal Infrastructure Bill**

Thanks to resources from the AGC Construction Advocacy Fund, AGC executed a successful lobbying, advertising and media relations campaign to convince a bipartisan majority in Congress to pass a \$1.2 trillion federal infrastructure funding bill. Just as important, the bill made permanent significant environmental streamlining measures first put in place by President Trump. The bill provides significant increases in funding for a wide range of infrastructure projects and will boost demand for many types of projects. After enactment, AGC launched a digital advertising and public relations campaign to dispel misinformation about the infrastructure bill to help ensure that future versions remain bipartisan.

Keeping the **Paycheck Protection Program** Focused on Helping the Industry

AGC of America waged a successful campaign to block the Biden administration's unlawful effort to retroactively disqualify countless construction firms from having their PPP loans forgiven. In late 2020, the Small Business Administration attempted to impose a loan forgiveness questionnaire that would have disqualified most firms from having their loans forgiven, disregarding clear Congressional intent. AGC was the lone organization to file suit – financed by the AGC Construction Advocacy Fund – to block the questionnaire. Because of our efforts, the administration, in 2021, withdrew its questionnaire and allowed the loans to be forgiven based on Congress' original conditions.

Challenging the Administration's Conflicting, Confusing and Coercive **Vaccine Mandates**

Using funds from the AGC Construction Advocacy Fund, AGC filed suit against two Biden administration vaccine mandates that would undermine members' ability to hire enough workers to complete projects. The first mandate, issued by the Occupational Safety and Health Administration, would have forced employees of firms that employ 100 or more workers to be vaccinated or tested weekly. The other rule would have forced all employees of firms that perform direct federal construction to be vaccinated, with no testing option. In filing our legal challenges, we noted the administration lacked the authority to impose either measure. In addition, we noted that the two rules were unlikely to boost vaccination rates within the industry, since roughly 64 percent of construction jobs would not be covered. Instead, the rules would only encourage vaccine-hesitant workers to leave larger firms and federal contractors to work at smaller firms. (The Construction Advocacy Fund also financed the development of vaccine PSA's, *See page 16*).

Making Construction Supply Chain Problems a National Issue and **Pushing for Solutions**

AGC of America made sure government officials, owners and reporters across the country were aware of the significant disruptions in the supply chain for a host of construction materials. We made sure they understood that these disruptions were leading to big increases in the costs of many materials and widespread delivery delays. Via direct briefings to officials and owners, our series of Construction Inflation Alerts, media briefings and events, we took the issue national and got the Biden Administration to acknowledge the need for solutions. While some of their actions – such as working to reduce port bottlenecks – have been helpful, we continue to push the administration to remove costly tariffs on key materials and take other steps to fix the nation's broken supply chains.



ADVOCACY

Ensuring the Construction Industry Will Shape Construction-Specific Measures to **Combat Climate Change**

In order to avoid Washington's habit of regulating first, and consulting industries later, AGC of America proactively crafted a series of climate change recommendations for the construction industry and shared them with government officials, owners and the media. These measures are intended to ensure that contractors' skills are used to reduce the environmental impacts of the projects they are hired to build. More important, they will guarantee that the construction industry, through AGC of America, has a seat at the table when government officials create new, construction-focused measures to combat climate change.

Blocking **Build Back Better**, the Dangerous PRO Act and a Host of Other Anti-Construction Measures from Becoming Law

AGC, with resources from its Construction Advocacy Fund, waged a successful lobbying, advertising and media relations campaign to block Congress from passing a host of anti-construction measures in 2021. This includes blocking passage of the so-called "Build Back Better" social spending measure; the dangerous PRO Act that would have undermined decades of existing labor law and stability; and other measures – including apprenticeship requirements for federal contractors and local hire preferences for infrastructure projects. These measures, if enacted, would have done significant harm to a construction industry already coping with supply chain problems, labor shortages and ongoing Covid-related project delays and cancellations.

Cataloging Problems with the Current **811 System**

All too often, contractors are blamed for utility strikes despite inaccurate, late or non-existing line locates done on behalf of utility firms. As part of our efforts to correct this mistaken narrative, we conducted a survey of utility infrastructure members to catalog exactly how often they are mistakenly blamed for others' mistakes. We used the survey results to educate government officials, the media and key stakeholders about what is actually happening on, or rather under, the ground and to push for improvements to the current 811 call-before-you-dig system.

WE
TAKE
MATTERS
SERIOUSLY

Raising Significant Amounts for the **AGC PAC and AGC Construction Advocacy Fund** – More Money from More Contributors

\$574,490 Raised

AGC PAC - \$574,490 (2nd highest annual haul) raised from 548 donors.

\$884,850 Raised

AGC Construction Advocacy Fund - \$884,850 (highest annual haul) raised from 209 individuals, member companies and AGC chapters. A record number of members contributed to the Construction Advocacy Fund in 2021.

Key Advocacy Data Points

11,338 Advocates

11,338 different AGC advocates contacted their elected officials on our behalf.

85,371 Emails

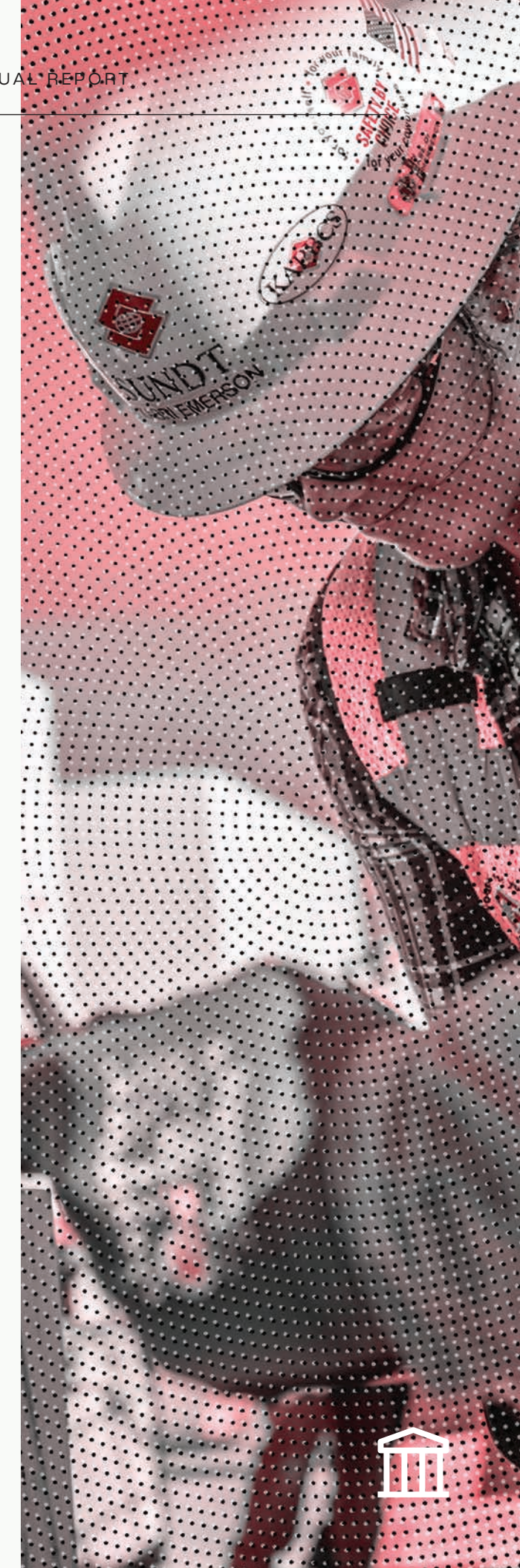
AGC members sent 85,371 emails to government officials about key AGC priorities.

7,004 Tweets

AGC members sent 7,004 Tweets to elected officials urging support for key pro-construction measures.

3,145 New Advocates

AGC of America added 3,145 new advocates in 2021.



02. BUILDING A BETTER AND SAFER WORKFORCE

Holding the Inaugural National Construction Industry Workforce **Development Summit**

AGC organized the first-ever National Construction Industry Workforce Development Summit in October. During the event, which took place in St. Louis, over 150 construction professionals, AGC chapter staff and construction educators and trainers gathered to share workforce development success stories. They also crafted a series of recommendations for contractors to overcome the recruiting, training and retention challenges that are at the heart of workforce shortages.

Becoming a Signature Supporter of the First-Ever Construction Industry **Inclusion Week**

AGC of America joined on as a signature supporter of the first-ever Construction Industry Inclusion Week. This event, which was designed to encourage construction firms to create even more inclusive work environments, challenged member firms to hold inclusion events along the lines of a safety stand down. As part of our involvement, we worked with AGC chapters and members to encourage the broadest possible participation in the event and promote AGC's Culture of Care program.

Expanding Participation in our **Culture of Care Program**

AGC worked to significantly expand the number of construction firms committed to use our Culture of Care program. This program offers training and education materials to help construction job sites create more welcoming and inclusive environments. The intent is to increase the retention of new and more diverse workers, and to create a work environment that nurtures positive mental health for all workers. In 2021, the number of firms participating in Culture of Care nearly doubled, with 323 firms signing on, bringing the total number of Culture of Care pledges to 687.

Launching the **“Construction is Essential”** Workforce Digital Recruiting Campaign

AGC created and launched, in cooperation with three different chapters, a first-of-its-kind targeted digital advertising campaign to recruit new workers into the construction industry. The campaign, called “Construction is Essential,” is designed to highlight the many benefits of working in the industry. It uses the same technology many online retailers use to target shoppers to find and reach potential construction workers and their influencers. They are then showered with a range of online ads encouraging them to consider careers in construction. Those ads then direct them to the chapters' local workforce recruiting website and encourage them to apply to start their career track.

Releasing a Template Workforce **Recruiting Website for Chapters**

We created a template workforce recruiting website that all AGC of America chapters can use, free of charge, as the online basis for their local workforce recruiting campaigns. The template site is an easy to use, easy to adapt site that can be customized to look and function to each chapter's specific needs. Released in mid-November, by the end of the year, 14 AGC chapters had already signed up to use the template site.



Establishing a New **HBCU Scholarship**

The AGC Education & Research Foundation launched, thanks to a generous challenge gift from Procore, a new scholarship that will support minority students studying construction at any of the nation's Historically Black Colleges & Universities, or HBCUs for short. The Foundation is raising money to meet and exceed Procore's initial \$250,000 challenge gift and will begin awarding the new scholarships as early as 2022.

Issuing Hundreds of **Scholarships** to Collegiate Construction Students

The AGC Education and Research Foundation awarded 133 scholarships in 2021 totaling \$440,000. These scholarships support students studying construction management or related fields at four-year as well as two-year community and career colleges. The Foundation also sponsored four new faculty internships at member firms. These internships allow construction educators to learn, hands on, about the latest construction practices and needs.

Organizing the First-Ever **Vaccine Awareness Week** for the Construction Industry

AGC of America organized a first-of-its-kind vaccine awareness week for the construction industry in April. As part of that week, we worked with AGC chapters and member firms to encourage construction workers to get vaccinated. Member firms and chapters organized vaccine education stand-downs, hosted vaccination clinics and distributed information to employees about the safety and effectiveness of coronavirus vaccines.

Launching a National Campaign to Urge Construction Workers to **Get Vaccinated**

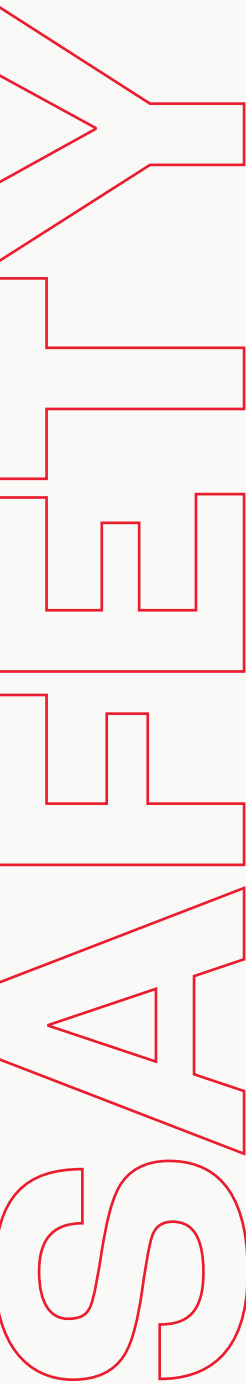
In addition to organizing the vaccine awareness week, AGC also executed a year-long campaign designed to encourage and educate construction workers about the coronavirus vaccine. The campaign included creating a series of dramatic public service ads featuring construction workers who, after refusing to be vaccinated, contracted the virus and nearly died. They are now using their stories to urge construction workers to get vaccinated. We also invested in a targeted digital advertising campaign to make sure vaccine-hesitant construction workers saw the ads. We also created a separate public service ad with the Centers for Disease Control and Prevention specifically for the construction industry. And we added a special Coronavirus Vaccine toolkit on the AGC website.

Serving as a Signature Sponsor of Construction Safety Week 2021 & the National Safety Stand-Down to **Prevent Falls in Construction**

AGC also continued to serve as a signature supporter of the two primary nationwide safety campaigns in 2021: Construction Safety Week and the Occupational Safety & Health Administration's National Safety Stand-Down to Prevent Falls in Construction. As part of our support for both events, we worked to encourage chapters and member firms across the country to hold special safety stand-downs and take other steps to educate construction workers about safety and health practices.

Working to Improve Highway Work Zone **Safety Laws**

AGC worked with HCSS to conduct its 2021 Highway Work Zone Safety Survey in the spring. We used the results of this survey to educate public officials across the country about the need to improve laws and enforcement of work zone safety. Among the results of this education campaign – we successfully worked with the AGC of New York State to use the survey data to get the state legislature to pass legislation allowing the use of speed cameras in highway work zones.



1 ANNUAL REPORT
**VACCINE
 AWARENESS**

03. BUILDING THE ASSOCIATION OF TOMORROW

Launching New **Virtual Education Programs**

AGC continued to expand its educational offerings for members in 2021. This included launching new virtual education programs with a broad range of AGC chapters. These new virtual offerings are making it easier for members to take advantage of the association's world-class educational programming, regardless of location. AGC will be expanding its range of virtual offerings significantly in 2022.

Successfully Returning to **In-Person Programs**

AGC successfully, and safely, returned to in-person programming in 2021. This included hosting nearly a dozen in-person meetings and our first Annual Convention since the start of the pandemic. These events gave AGC members an opportunity to reconnect with colleagues and peers, learn from each other and share success stories. And it offered members an opportunity to reconnect with old friends and make new ones.

Saving Members **Over \$18 Million** Through Our **Members-Only Discount Programs**

AGC members around the country who took advantage of our 21 different members-only discount programs saved a cumulative \$18 million in 2021. This included savings on motor vehicles, shipping, technology and educational programming. Members who take advantage of these programs can easily save more than the total cost of their annual membership dues.

Launching a New **Customer Service Program** for Members

In 2021, AGC assembled a customer service team with the goal of improving the AGC member experience. In addition to launching a new live chat feature on the AGC website, which provides members a way to obtain quick answers to their frequently asked questions, AGC also created a customer service ticketing system so staff can track interactions with members and improve our members' overall customer service experience.

Welcoming **New Members** to AGC

AGC continued to improve how we welcome and onboard new members. By building on our email campaign and implementing direct mail outreach, we provide new members key information as it relates to the benefits and opportunities available to all AGC members. In addition to outlining how members can maximize their membership, we also encourage companies to communicate about AGC membership and share AGC resources with employees to engage more individual members.



ANNUAL REPORT
**\$18 MIL IN SAVINGS
FOR MEMBERS**

Engaging More Members through **Volunteering**

In 2021, AGC held its second call for volunteers. AGC's volunteers play a vital role in the development of key programs, resources and events. Engaging more members in a volunteer role, and diversifying AGC's volunteer groups, contributes to the growth of AGC and the advancement of the construction industry. During the last call for volunteers, 233 individuals completed the volunteer interest form, which was triple the number of individuals who submitted a form in 2020. Volunteering with AGC provides members with the opportunity to make connections, share knowledge, learn industry trends and get involved in areas they are passionate about.

Organizing Successful **AGC Charities Volunteer Project** in Orlando during the Annual Convention

AGC Charities Inc. delivers a lasting reminder that contractors care about the communities where we hold our Annual Convention. AGC Charities organized a successful volunteer charity project in Orlando during our Annual Convention. This year, AGC's charitable arm partnered with member-firm Wharton-Smith to make improvements to Give Kids the World Village. The Village offers families with terminally ill children an all-expenses paid trip to Orlando and its world-famous theme parks. Several dozen AGC members arrived in Orlando early to spend the day building fences, painting walls and making new connections, all in the name of helping a worthwhile cause.

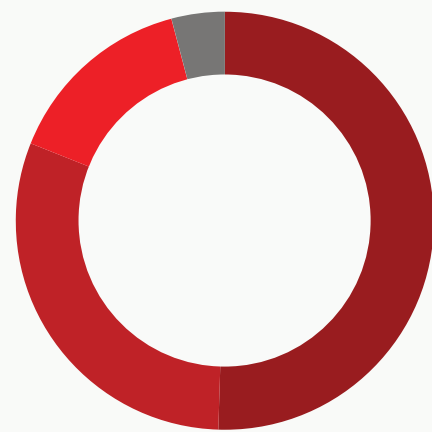
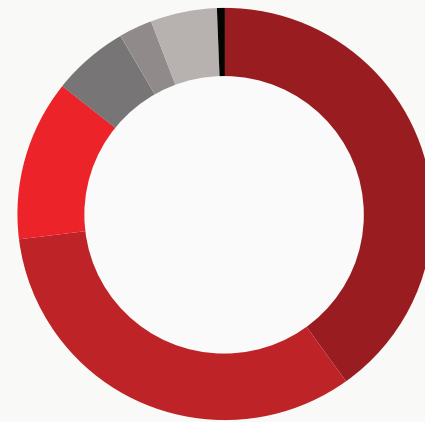


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**VISIT THE
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AGC.ORG

ASSOCIATION FINANCIALS

2021 REVENUE

Dues Revenue	40.08%
Programs, Products, Services	32.96%
Investment Income	12.62%
Construction Advocacy Fund	5.95%
Advertising/Misc	2.60%
Employee Retention Tax Credit	5.18%
OSHA Grant	.61%

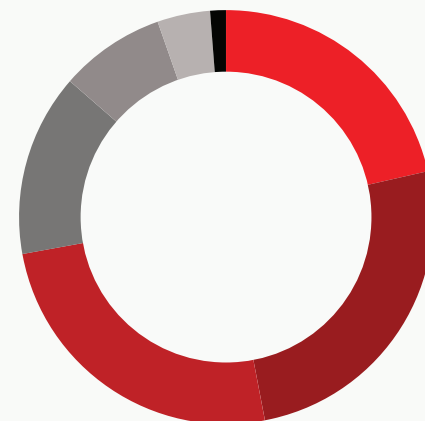


HOW DOES AGC SPEND THE REVENUE IT RECEIVES?

Chapter & Member Support	50.50%
Government & Industry Affairs	30.53%
G&A/Support Resources	14.84%
Association Leadership	4.12%

2021 PRODUCTS, PROGRAMS, AND SERVICES REVENUE

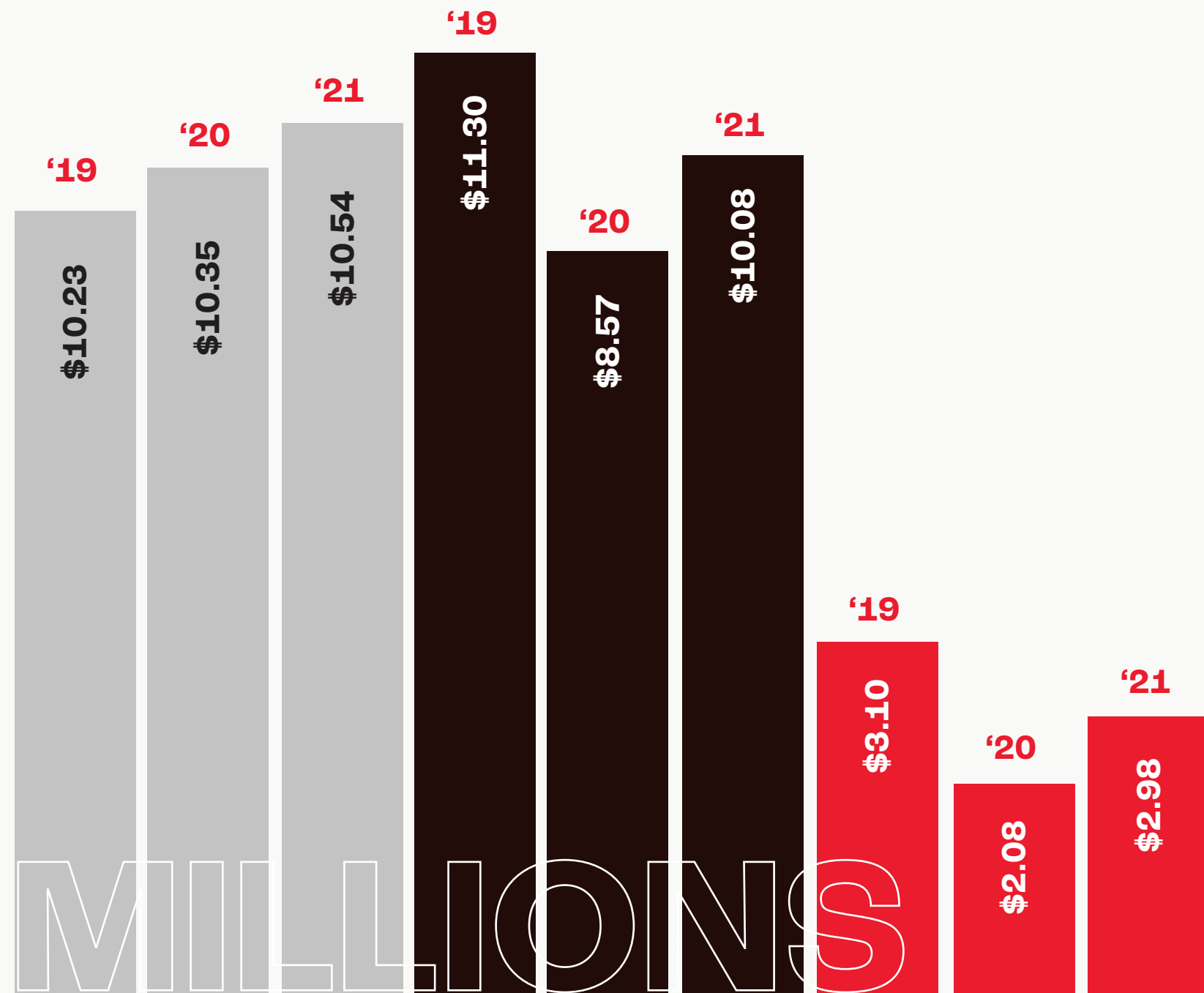
Convention	21.44%
Management Conferences	25.56%
Strategic Alliances/Sponsors	25.15%
Consensus Docs	14.26%
Product Line	8.24%
Committee Meetings	4.13%
Credentialing	1.23%



REVENUE HISTORY

2019-2021

- Dues Revenue
- Non-dues Revenue
- Investment Income/(Loss)



WE'RE LOOKING FORWARD

TO 2022 AND

BUILDING A

BETTER

TOMORROW



AGC
THE CONSTRUCTION
ASSOCIATION