



ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT 2023



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LETTER FROM OUR FOUNDER & CEO

I am pleased to share with you our second annual Corporate Social Responsibility report. When CoStar Group first undertook the task of formally laying out our environmental, social and governance (ESG) progress and goals, we knew we had much to be proud of, and more we could accomplish. Now, as we look back at the past year of achievements we've made in these spaces, I am encouraged by all we've done, and all we are still poised to do, in making CoStar Group as sustainable, transparent and diverse a company as it can be.

I am particularly proud of the myriad ways in which CoStar Group is playing its part in meeting the challenges of climate change and environmental justice. With real estate and the built environment accounting for approximately 40% of global carbon emissions, according to the World Economic Forum, it's clear that we need to be a leader in our industry's path towards Net Zero. That's why we have calculated CoStar Group's baseline greenhouse gas (GHG) emissions for the first time this year, and why we'll continue to rely on this measurement in tracking and reporting our energy consumption going forward. This metric is key to our commitment to energy-efficient buildings, with nearly 70% of our occupied and planned office footprint being LEED-certified or Energy Star rated and 50% of our data centers utilizing renewable energy sources. We look forward to researching and implementing renewable energy

certificates and carbon offsets in the future in our continued effort to reduce our footprint. Moreover, we have successfully implemented green building classification criteria into our CoStar© commercial real estate information and analytics platform, allowing users to identify and prioritize properties with these and other sustainable designations. Across our online listing sites, more than 30 million unique visitors took tours of properties in 2022, avoiding the carbon emissions associated with travel to tour a location in person.

Our work on this front goes beyond buildings, however. At all levels of our operations, we have sought to find ways large and small to minimize our environmental footprint. We have electrified our fleet of more than 200 research vehicles and equipped employee parking spaces with EV (electric vehicle) charging stations, partnered with certified e-waste disposal companies to recycle electronic equipment responsibly and safely, and have expanded our usage of over 1,100 drones for aerial photography in lieu of less efficient methods. Looking ahead, I am pleased to announce that CoStar Group expects to complete the CDP (formerly known as the Carbon Disclosure Project) Climate Change Questionnaire this year for the first time.

We are bringing the same spirit of innovation to our internal culture-building, based on my firm belief that CoStar Group's greatest asset





is our incredible pool of talented, thoughtful, and mission-driven people. For that reason, we have enhanced transparency in job opportunities - not only for external applicants, but for internal candidates as well. More than 1,100 of our people moved into new roles within CoStar Group in 2022, nearly 800 of those employees were promoted. I firmly believe that building the best teams anywhere begins with investing in and recognizing the growth and achievements of our people.

It's also of critical importance that our workforce accurately represents the communities we serve; for that reason, we partner with more than 300 organizations that target underrepresented populations and require external search partners to ensure at least 50% of our candidates are from underrepresented groups. Among existing CoStar Group employees, we have sought to integrate Diversity, Equity and Inclusion principles at all levels of the organization. Our six Employee Resource Groups (ERGs), from the Black, Latinx, LGBTQIA+ and other communities, sponsored programs and events on topics including financial wellness, personal branding and transgender awareness over the course of 2022.

Our commitment to progressive and representative governance is a reflection of our belief that company leadership has a particular responsibility to live up to the corporate social responsibility goals. As a result, we have amended our Principles of Corporate Governance to ensure that when identifying, screening, recruiting and recommending candidates to the Board of Directors, the Nominating & Corporate

Governance Committee is committed to including in each search qualified candidates who reflect diverse backgrounds, including diversity of gender and race/ethnicity. Moreover, we have established resources for ethics and transparency concerns, developed best practices around protecting data privacy for both employees and customers, and have taken critical steps to ensure greater information security for all CoStar Group products and services.

I have always believed that best-in-class ESG policies would enhance our mission to make CoStar Group the world's most powerful commercial real estate intelligence platform; indeed, I feel strongly that our commitments to these principles have made us a more unified, thoughtful, and transparent organization. Because of the work of our team and partners, we are at the forefront of the sustainability revolution, we draw from an increasingly diverse and inclusive pool of talent, and we operate under forward-thinking governance and values. I am tremendously proud of what we have been able to accomplish in 2022 and look forward to even greater progress in the years to come.

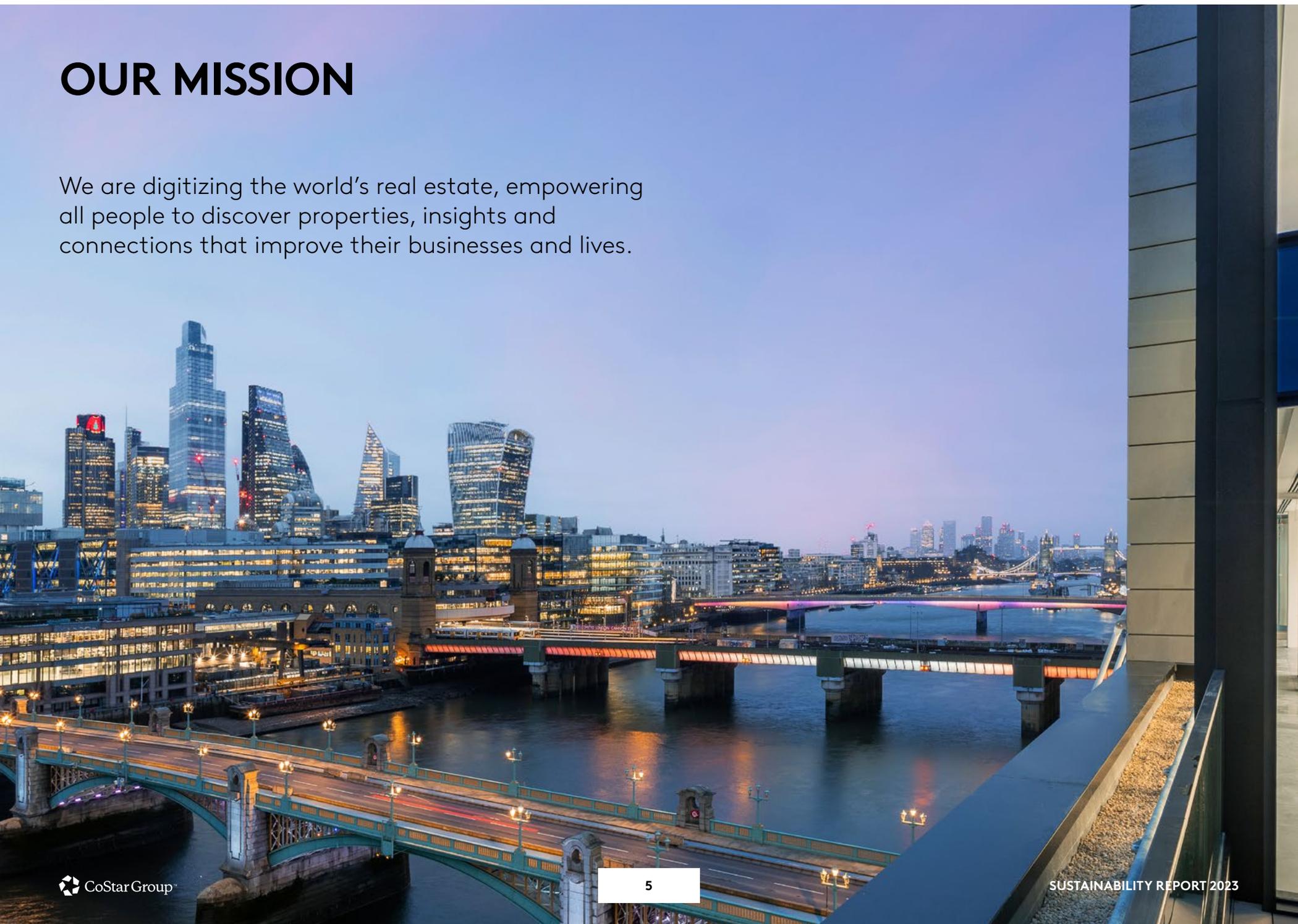
Sincerely,

A handwritten signature in blue ink, appearing to read 'Andrew C. Florance'.

Andrew C. Florance,
Founder & CEO

OUR MISSION

We are digitizing the world's real estate, empowering all people to discover properties, insights and connections that improve their businesses and lives.



OUR VALUES

INTEGRITY

We uphold the highest ethical standards at all times. We earn our colleagues, customers, and stakeholders' trust by saying and doing the right thing.

KEEP THE CUSTOMER AT THE CENTER OF ALL WE DO

We succeed only when our customers succeed. We treat each of our customers the way we would prefer to be treated when buying a product or service. We invest in and enjoy the strong bonds and long-lasting, authentic friendships built with our customers.

EMBRACE AND DRIVE CHANGE

At our core we are about change. We challenge the status quo and constantly seek a better way.

RESPECT FOR THE INDIVIDUAL

Value diversity and cherish uniqueness. We are inclusive always. CoStar is for all people, without exception. We recognize that the thoughts and feelings of others are as important and valuable as our own.

COHESIVE INNOVATION

We create products of vital utility, delivering information and tools that are critical to the success of our customers and industry. Our solutions mobilize individuals to enable them to make confident, intelligent decisions.

BE COLLABORATIVE

We are all part of the bigger team, and we are at our best when we communicate, empathize, and collaborate.

WORK-LIFE BALANCE

We work hard and take pride in our professional accomplishments. We are committed to creating value for our customers, while still recognizing the need to have a sacrosanct place for our personal lives and families.

THE BEST TEAMS ANYWHERE

We hire the best. We work and learn alongside exceptionally talented peers who are passionate about building the best possible workplace and taking our business to great heights. We have a zero-tolerance policy for jerks.

BUILD AWESOME THINGS

We work passionately to design and build awe-inspiring, beautiful products that delight and improve the lives of billions of people. We know that design matters.

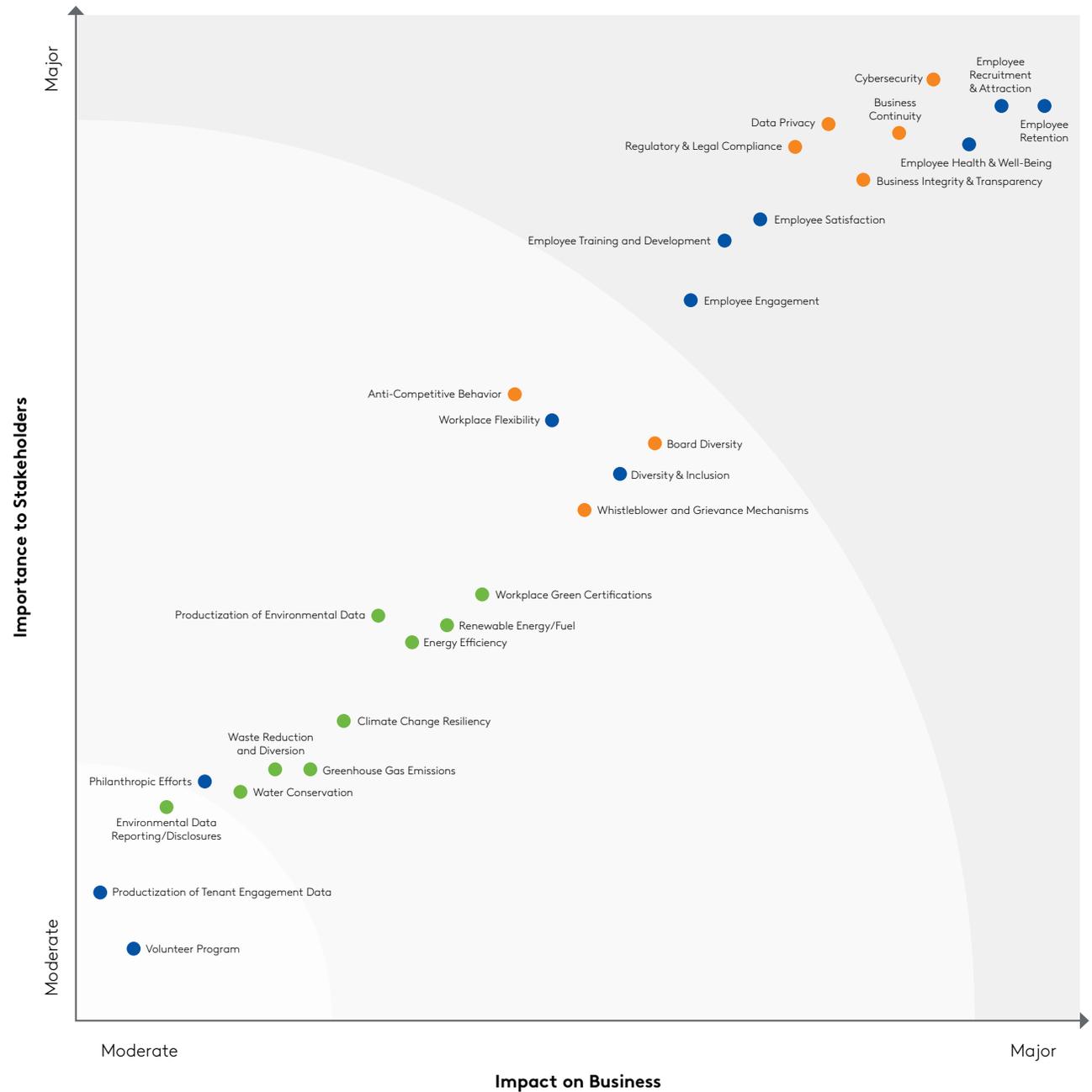
CONTINUOUS LEARNING

We are curious. We want to learn, grow, and better ourselves. We view mistakes as a necessary part of learning. Through the expertise we develop, we are better partners to our clients, shareholders, communities, and colleagues.

MATERIALITY ASSESSMENT

In 2021, we conducted a materiality assessment to determine and understand the Environmental, Social and Governance related issues that are most relevant and impactful to our business. A materiality assessment is considered best practice as the first step in an ESG planning roadmap. We used a third-party to conduct the assessment and gauge which ESG priorities are most relevant to CoStar Group and our stakeholders. Stakeholders included internal leaders from 12 contributing departments as well as seven selected investors who provided feedback on 27 categories across the three topics. Responses were gathered from internal representatives who work closely with our associates, clients, investors, external partners and suppliers as well as select external investors. The results demonstrated several top priorities of interest to our stakeholders, while also highlighting programs and initiatives already underway at CoStar Group. We are proud to say we have made several improvements this year based on these priorities and have enhanced transparency in our disclosures as seen throughout this report.

● Environmental ● Social ● Governance



ENVIRONMENTAL

CoStar Group is committed to environmental sustainability both inside and outside the company. Inside CoStar Group, we have been incorporating resilience and efficiencies into our workplaces to conserve resources and use energy responsibly - selecting LEED certified and/or Energy Star rated buildings for most of our 80+ office footprint, reducing total annual data center energy consumption despite significant company growth and transitioning to cloud-based service providers. Through a combination of energy efficient facilities, a fleet of electric vehicles and responsible use of our research aircraft, we are committed to maintaining a sustainable work environment. We provide our customers with up to date, reliable environmental information on real estate properties and offer virtual property tours which reduce the need for in person visits. We aim to effectively manage environmental risks, including those related to climate change, for our customers while also minimizing our own environmental footprint.



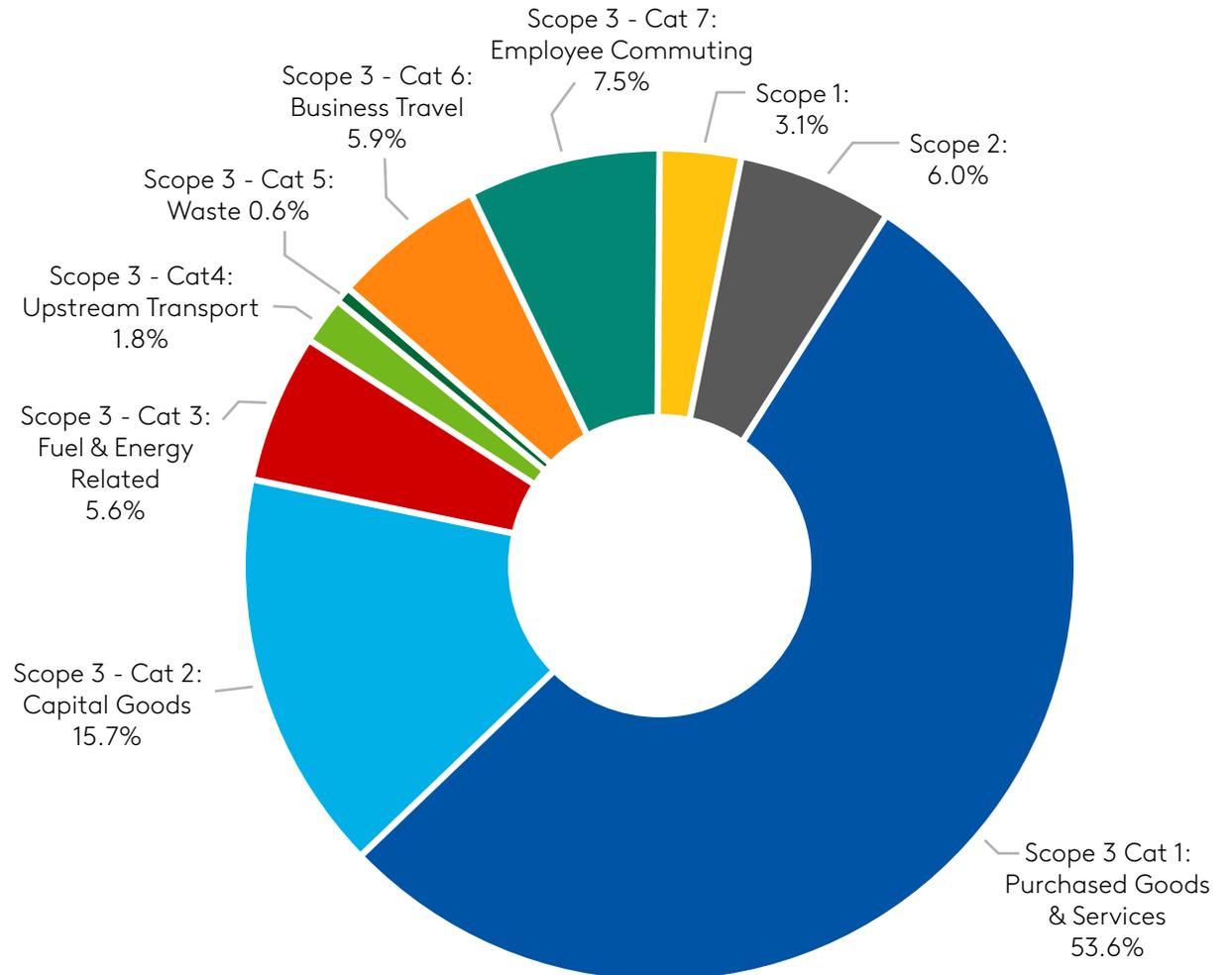
GREENHOUSE GAS EMISSIONS

For the first time this year, we have calculated our baseline GHG inventory in line with the Greenhouse Gas Protocol, covering Scope 1, Scope 2 (location and market based) and relevant Scope 3 emissions using an operational control approach. Scope 1 accounts for emissions that CoStar Group is directly responsible for, including natural gas, steam, fuel and refrigerant leakages. Scope 2 accounts for indirect emissions mainly consisting of electricity, including our electric vehicles. CoStar Group’s 2022 total carbon footprint was 96,725 MT CO₂e (metric tons of carbon dioxide equivalent), with Scopes 1 & 2 accounting for about 9% of the overall GHG inventory. Scope 3 are corporate supply chain emissions and are made up of 15 Categories. Through a careful analysis of our business, we determined that Categories one through seven are most material to our business. These make up 91% of our total GHG emissions. Calculating our GHG allows us to better understand where our emissions are coming from and identify opportunities where we can implement reductions and efficiencies across our footprint. We look forward to tracking and reporting our energy consumption and efficiencies over time. See tables in the [appendix](#) for further details.

GREENHOUSE GAS EMISSIONS BY METRIC TON

Scope 1	3,033
Scope 2 (Market Based)	5,773
Scope 3 (Cat 1-7)	87,919
Total	96,725

**EMISSIONS (MARKET-BASED)
BY CATEGORY**



DATA CENTERS

CoStar Group is committed to reducing the amount of electronic waste and power consumption associated with our data center usage. In 2014, we embarked on a data center consolidation initiative that reduced the number of physical data center locations by more than 75%. We have closed 18 data centers and are now down to 6. We also lowered our data center cabinet counts by over 40%, from 70 to 40. This consolidation initiative transitioned our on-premise sites to more energy-efficient colocation facilities. We achieved this reduction by replacing slower, less energy-efficient spinning disk technologies with multi-terabyte flash arrays. We plan to continue our investment including our plan to replace 100% of our blade servers residing in colocation centers with Energy Star compliant blade servers. The next-gen blade servers will provide a combination of density, performance, modularity and simplified manageability. These servers can deliver up to 64% better performance and 31% lower power usage compared to previous models for greater efficiency and sustainability. We will continue to evaluate and look for efficiencies in our data centers and improvements in our data center footprint.

COSTAR GROUP VALUE:
EMBRACE & DRIVE CHANGE



All of CoStar Group's computer equipment is Energy Star rated and uses automated shut-down controls whenever possible. By partnering with local electronics recyclers, we also dispose of equipment responsibly.

We continue to optimize sustainability by moving a significant amount of processing capacity to the cloud. Our research shows that CoStar Group's movement to cloud service implementation is 3.6 times more efficient than a colocation footprint. The improved efficiency is the result of lower office energy consumption both directly—from the more efficient systems—as well as indirectly—from the lower cooling requirements of the more efficient Energy Star

systems. In addition, our cloud provider is on the path to reach 100% renewable energy by 2025, which will provide opportunities to harness wind and solar technologies.

50%+

of electricity consumed at our
colocated data centers came from

RENEWABLE ENERGY SOURCES

ENERGY CONSUMPTION & WASTE

Facilities & People

The majority of CoStar Group's occupied and planned office footprint is in buildings that are LEED certified and/or Energy Star rated. Many of our offices have updated building systems to improve energy and water efficiencies and employ further sustainability measures including building management technology and controls, LED lighting, green

cleaning and FSC-certified recycled paper products. Many of our offices are constructed with an open work environment utilizing daylight harvesting technology that controls the light levels and window shades to optimize energy savings and reduce glare. Many of our offices are equipped with office lighting systems helping us save energy since open spaces throughout our facilities are controlled with occupancy sensors,

while lighting in enclosed spaces is controlled by vacancy sensors. We offer our employees generous benefits for using mass transit to reduce emissions related to commuting. Over 50% of our Washington, D.C. headquarters staff utilizes mass transit subsidies.

[Building Sustainability Certifications](#)



50%+

DCHQ EMPLOYEES UTILIZE
MASS TRANSIT SUBSIDIES



Research Fleet

CoStar Group's Field Research fleet is comprised of customized, high-tech, and eco-friendly electric and hybrid vehicles, equipped with state-of-the-art technology to collect comprehensive real estate information and high-quality property photography. Many of our office parking garages are equipped with electric charging stations so that our employees and fleet of cars can park-and-charge. Additionally, CoStar Group owns and operates a Cessna Grand Caravan aircraft that can perform in one day the same amount of work that would take five cars a full week.

6 TONS

OF COMPUTER EQUIPMENT
RECYCLED IN THE PAST TWO YEARS

Waste

As a technology company offering real estate research and internet listings to our customers, the most material waste stream for CoStar Group is electronic equipment. We do not generate hazardous waste from our operations, but hazardous materials are often a component of e-waste. CoStar Group is committed to responsible disposal of 100% of our IT equipment. This applies to both our data centers and our office facilities. We partner with certified e-waste recycling companies in each of our locations to ensure that



our equipment is responsibly recycled or disposed of. This prevents hazardous materials from entering the waste stream via landfill or export. All drives are wiped and destroyed to ensure data security for us and our customers.

Over the past two years, CoStar Group recycled roughly 6 tons of computer workstations and monitors through a combination of resale on the secondary market, donation to schools, and recovery by recycling companies.

830+

METRIC TONS OF CO₂

AMOUNT OF CARBON EMISSIONS SAVED BY
USING OUR FLEET OF ELECTRIC VEHICLES*

*Using U.S. EPA estimate for GHG emissions from a typical passenger vehicle. Our fleet drove over 2 million miles in 2022.

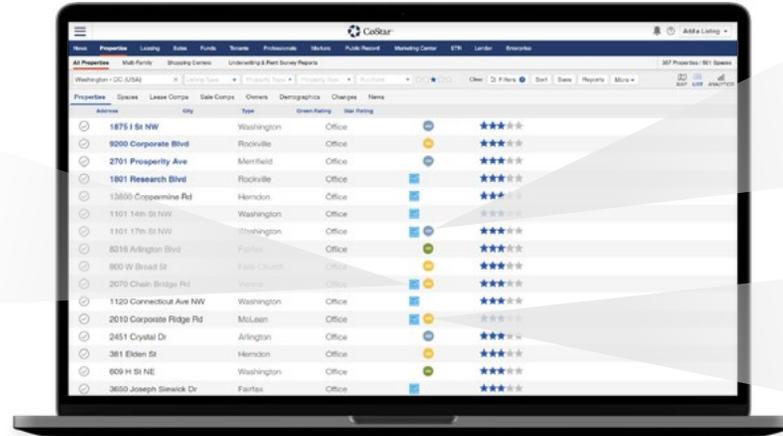
PRODUCT OFFERINGS

Our products help millions of consumers and professionals achieve their sustainability goals. We are democratizing access to real estate information, tools and online marketplaces; helping to digitize the \$300 trillion global real estate asset class; and transforming the way people interact with real estate. CoStar®, our subscription-based integrated platform for commercial real estate intelligence, provides users with green rating certifications on buildings. Customers can identify properties that are Energy Star, BREEAM, and LEED certified.

Users can also add a Flood Risk filter to their property search to assess potential risks associated with in a geographic area. The product is also enabled with a FEMA (Federal Emergency Management Agency) flood risk map layer for U.S. properties. Properties also have flood risk information on their property details screen.

CoStar News delivers breaking updates and features on commercial real estate. Our award-winning international news operation highlights news coverage on sustainability and leadership in healthy building environments.

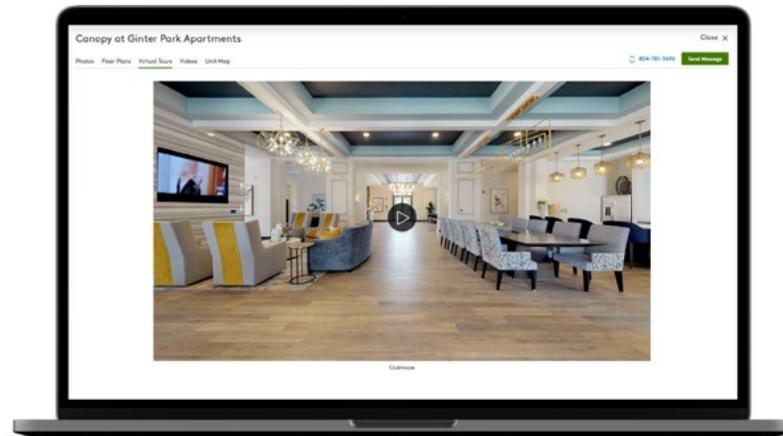
COSTAR GROUP VALUE:
BUILD AWESOME THINGS



130K METRIC TONS OF CO₂e AVOIDED

due to more than 30 million unique virtual tours of properties on CoStar Group platforms in 2022, which avoided the need for in-person visits.*

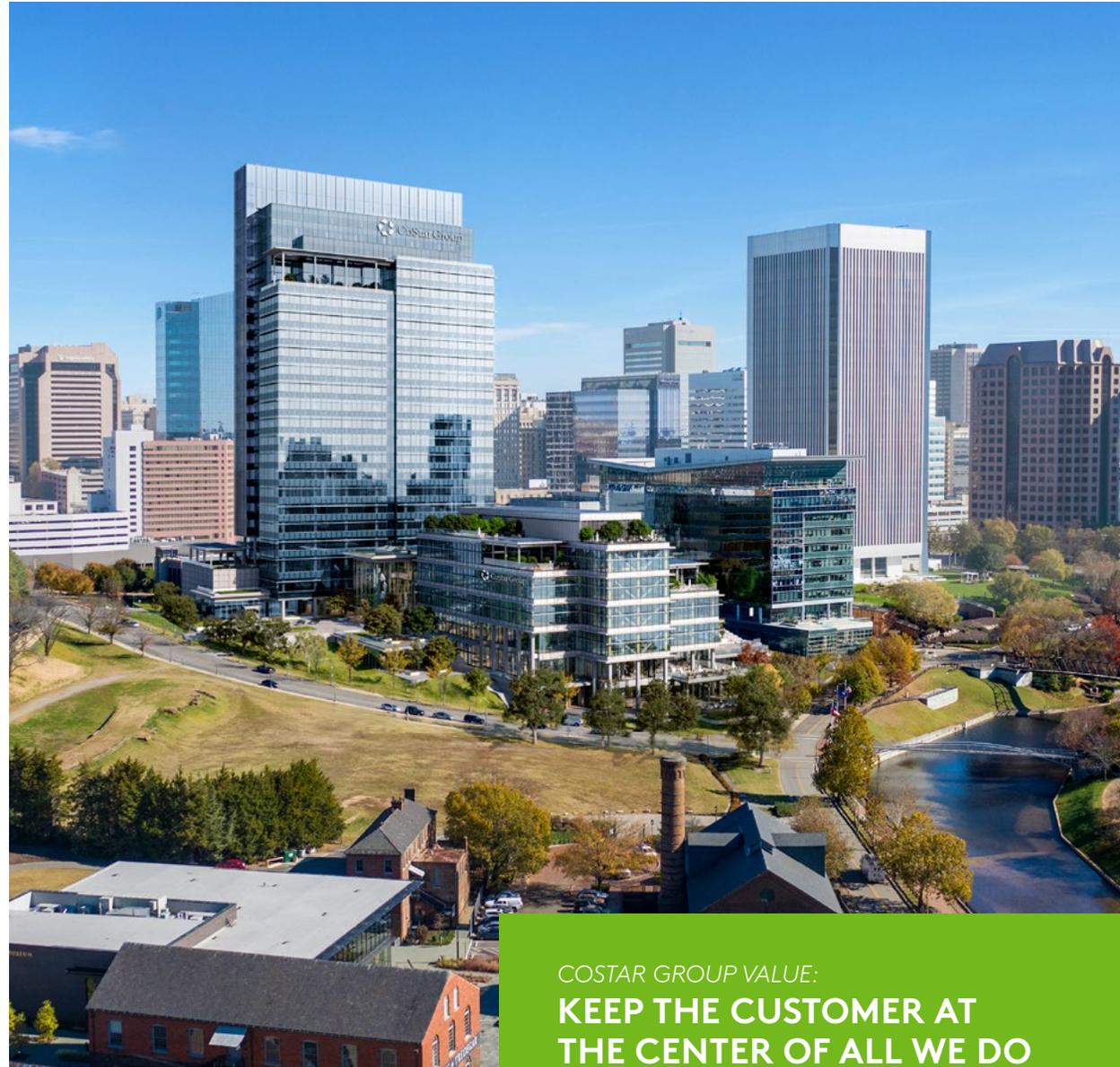
*Using a conservative estimate of a 10-mile round trip and EPA estimated emissions of an average passenger vehicle.



LOOKING TOWARD THE FUTURE

We aim to reduce GHG emissions and pollution across our own operations, and continuously evaluate opportunities and solutions for us and our customers to maximize energy efficiency and to minimize impacts on the environment. We expect to complete the CDP Climate Change Questionnaire for the first time in 2023. Our GHG inventory will be third-party validated prior to completion of the Questionnaire. CDP is a non-profit disclosure platform aiming to increase awareness and disclosure of organizations' impact on climate and the environment. Submitting our response to the Questionnaire will demonstrate to our stakeholders that CoStar Group is committed to better understanding and continually improving on climate related issues.

In November 2022, we broke ground on our new corporate campus in Richmond, Virginia. The campus is designed to meet both LEED Platinum Zero and WELL Platinum certification upon completion. The sustainable design features include indigenous landscaping, photovoltaic panels (to harness the sun's energy to help power the building) and rainwater recycling for irrigation. We look forward to providing wellness promoting amenities for our employees like a 25,000 square foot gym, gender-neutral bathrooms on all floors and underfloor air distribution.



COSTAR GROUP VALUE:

**KEEP THE CUSTOMER AT
THE CENTER OF ALL WE DO**



SOCIAL

At CoStar Group people are the heart of our company and drive our success. We take great care to attract, hire and retain a diverse and world-class workforce. Through training and collaboration, we work diligently to provide our employees with the skills and resources needed to transform real estate information and marketplaces. Along with quality healthcare and healthy lifestyle incentives, continuous learning and development and community programs, we strive to create an inclusive culture that supports diversity and an environment that cultivates our people's success.



COSTAR GROUP VALUE: THE BEST TEAMS ANYWHERE

We start with being transparent about our job opportunities, not only for our external talent pools, but also for our internal population. This transparency has created new opportunities and career advancement for our internal population. In fact, more than 300 of our employees moved to new roles internally in 2022 and nearly 800 were promoted.

Our structured interview process includes both behavioral and technical assessments which vary by positions. Our process is designed to coax out individual attributes that align to the technical skills required for the job and CoStar Group's mission and values. Deploying a structured interview process has allowed us to drive greater consistency in assessing talent across the departments and functions. When we work with external search partners, we require short lists that are at a minimum 50% from underrepresented groups. Throughout the year we have participated in regional industry events designed to network with diverse talent in order to build and grow our pipelines. Additionally, we partner with more than 300 external organizations that target underserved populations to attract the most diverse talent pools for our positions.

Like many skills in business, interviewing is a learned skill that must be practiced in order to improve and develop prowess. In 2022, we rolled out new interviewer training that resulted in more than 400 managers being trained in behavioral and competency-based interview strategies and best practices. Additionally, we continue to iterate on unconscious bias training to ensure interviewers are aware of and understand how to spot biases in the interview process. We worked with an external partner to conduct unconscious bias training for more than 300 managers and recruiters in 2022.

In addition to hiring experienced talent, we intentionally source entry level talent from universities for both full-time roles and summer internships. In 2022, we hired more than 150 college seniors for full-time roles and more than 100 summer interns from 50 different colleges and universities across the United States. Our ten-week summer intern program includes best-in-class work assignments, structured feedback for interns, an assigned "Buddy" for each intern, professional development training, social events, an executive speaker series and introductions to and invitations to join the ERGs of their choice. While students from all colleges and universities are welcome to apply to our roles, we target a short list of schools that fit our specific criteria of school ranking, number of students majoring in our targeted fields of study, and relative geographic proximity to our office locations. Our list of targeted schools we

visit regularly to engage with students, faculty and administrators includes eight Historically Black Colleges & Universities and five Hispanic Serving Institutions. We also partner with a variety of student groups to ensure that we are recruiting a diverse applicant pool at every target university.

CoStar Group supports several of Management Leadership for Tomorrow's (MLT) talent development programs. MLT is a national non-profit organization that coaches African American, Latinx and Native American talent to secure high trajectory post-college jobs that deliver economic mobility for their families and, provides the social capital they need to become high-impact senior leaders. Our participation in MLT's Career Prep and MBA Professional Development programs provides exposure to highly talented individuals who may become candidates for internships and/or full-time roles with our organization.

COSTAR GROUP IS COMMITTED TO PAYING A FAIR & LIVING WAGE*

* While there is no generally accepted standard of a fair and living wage, no full-time employee in the U.S. makes less than \$60K

EMPLOYEE ENGAGEMENT



Once we recruit the best people anywhere, we work to retain them by focusing on employee engagement. Our goal is to provide every employee with a meaningful experience that includes continuous learning opportunities, employee affinity groups to foster community, opportunities to volunteer, a myriad of health benefits and healthy lifestyle incentives, an inclusive workplace culture and a safe place to work.

Each year, we partner with a third-party agency to administer an Employee Engagement Survey to all employees. Surveying our employees each year helps us understand what is working well and where we can continue to improve. Input from prior years has resulted in many enhancements to our employee programs, benefits, environment, and processes.

In 2022, 4,293 employees, representing 89% of the population participated in the survey which contained 45 survey questions in the following areas:

- Individual Alignment
- People Leadership
- Growth & Development
- Team Performance
- Culture
- Senior Leadership
- Engagement Outcomes
- Benefits
- DE&I

We are thrilled to celebrate our outstanding employee engagement scores for 2022, with an overall engagement score of 83%, an impressive

83% OVERALL ENGAGEMENT SCORE

85% DEI DIMENSION SCORE

7-point increase from the three-year average. With a DEI Dimension Score of 85% (up 6 points from 2021), our commitment to creating a diverse and inclusive workplace is paying off. Our managers have also made a huge impact, with a Manager Index Score of 84% measured for the first time this year. We are proud to have a highly engaged workforce, reflected in our average annual retention rate of 80.8%, and attribute this success to our flexible work policy that was created to address employee feedback. Our employees' collaboration and engagement is further enhanced by working together in the office.

Our Surveys Drive Change

CoStar Group uses the survey results to identify opportunities for improvement and creates action plans to address employee feedback. Our strong retention and career mobility success reflect the positive impact our employees' feedback has on the entire organization. In response, we have made investments in our employees' professional growth by building specialized training programs such as RISE, Management Accelerator Program (MAP), and Leadership Executive Accelerator Program (LEAP) with a focus on leadership, management, and career advancement for employees. More details about these programs can be found in [Continuous Learning](#).

TRAINING & EDUCATION

We strive to retain the best teams anywhere by investing in them professionally through a number of training programs. The breadth of our enterprise training programs include:

- Expert-Led Professional and Personal Development:** We offer employees an expansive catalog of digital and instructor led courses, to facilitate personalized learning pathways for upskilling, reskilling, and general professional growth.
- Peer-to-Peer Learning:** Our popular mentoring program pairs individuals across the organization to spark learning and career development. The program was created in 2020 and continues to gain momentum. Since its inception, approximately 600 individuals have participated in the program. Mentor pairs are matched based on goals and interests, and participants are provided training as well as a roadmap and toolkit to help support the working relationship. The most recent feedback survey indicated that 90% of mentees reported their mentor to be a good match, and more than 85% of mentors and mentees expressed overall satisfaction with the program.

- Leadership Development:** We provide training opportunities for managers of others, as well as nomination based, experiential programming for high potential leaders. In addition, 100% of our employees receive a regular performance and career development review.
- Internships:** Our early workforce recruiting strategy is growing exponentially, from hosting just over 20 summer interns in three cities in the summer of 2021 to over 100 summer interns in eight cities in the summer of 2022.

44 AVERAGE TRAINING HOURS PER EMPLOYEE



Ongoing Skills Development

Our enterprise partnership with LinkedIn Learning gives all employees full access to a library of more than 14,000 online courses across business, technology and creative topic areas.

2022 Learning & Development by the numbers:

- 85% of employees had active accounts on the platform, up 37% from 2021
- 67% of employees actively viewed courses, up 18% from 2021
- 33,890 courses were accessed, logging 11,965 hours of learning, up 23% from 2021

COSTAR GROUP VALUE:
CONTINUOUS LEARNING

Management & Leadership Training

Managers are offered training through the CoStar Group Manager Development Series. This instructor-led course includes modules on making the transition from individual contributor to manager, self-awareness via a DiSC assessment, understanding CoStar Group's human resources policies, building trust and inclusivity among the team and managing performance both formally through our performance management cycle, as well as informally through regular coaching.



Since the manager training program launch in 2020:

- 428 managers (~40% of all CoStar Group managers at all levels) have completed
- 100% of respondents reported learning actionable strategies, tools, and/or tactics that they can implement.
- Understanding Generational Differences, a new offering in 2022, equipped more than 100 leaders with strategies to successfully lead a multigenerational workforce.
- Also new in 2022, we rolled out the RISE new manager training program for research managers, with 98 managers attending.

Since Q1 2022, CoStar Group has been proud to partner with the University of Virginia's Darden Executive Education School to offer experiential leadership development programs for high-potential managers and leaders (selected by senior leadership). Both programs, titled MAP and LEAP, extend over multiple months and include multiday in-person sessions with Darden Faculty, a 360 assessment, team-based project work, and individualized coaching. Inaugural programs in 2022 received overwhelmingly positive feedback from participants resulting in a net promoter score of 73. Over the course of two years CoStar Group has invested more than \$2 million in these programs, with nearly 150 leaders from across functions and geographies participating.

Tuition Assistance

With a strong emphasis on providing educational avenues to support the career growth of our employees, CoStar Group offers tuition assistance and reimbursement of up to \$5,250 per year towards an accredited undergraduate degree, graduate degree or graduate certificate program course to employees located in North America.

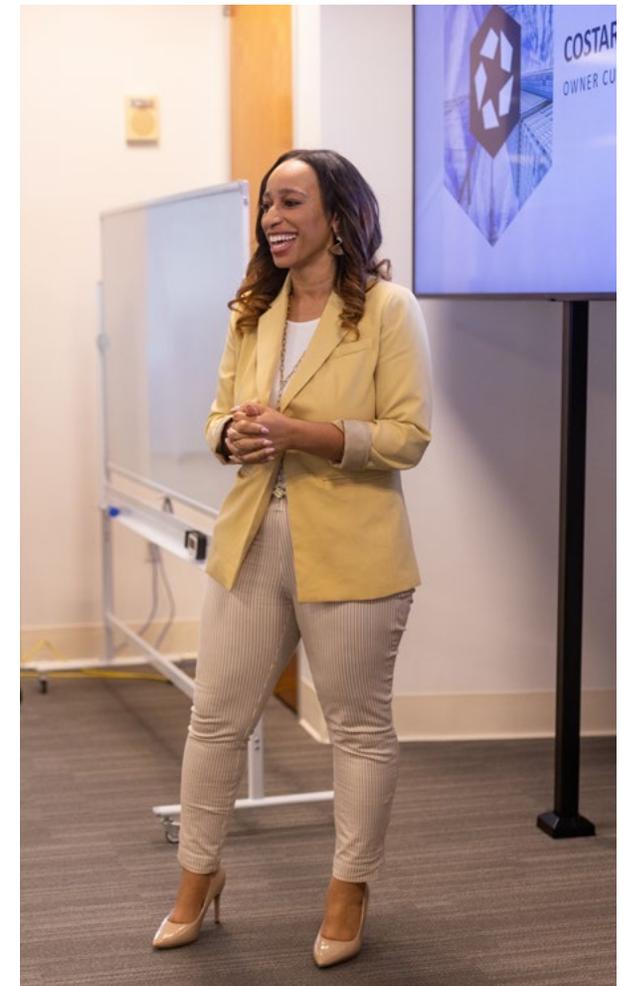
Compliance Training

Outside of educational employee resources, mandatory compliance training is required of all employees. Employees must re-certify their understanding of agreement with our Code of Business Conduct and Ethics, Anti-Corruption Compliance Policy and Policy Statement on Corporate Information, which can be found [here](#). This recertification includes digital training around key elements of the Code of Conduct, including:

- Reporting and Retaliation
- Anti-Bribery
- Confidential Information
- Conflicts of Interest
- Data Privacy
- Insider Trading
- Workplace Violence and Abusive Conduct

This training also includes a module on Anti-Human Trafficking, accompanied by CoStar Group's [Anti-Slavery and Human Trafficking Policy](#).

New hires are assigned compliance training on their start date and are required to complete it within their first 30 days. In 2022, 100% of employees fulfilled their annual recertification requirement. This training is available in seven languages to accommodate employees globally.



DIVERSITY, EQUITY & INCLUSION

CoStar Group believes that the diversity of thought resulting from different perspectives and backgrounds can foster creativity and lead to more innovative research and technology solutions that best serve our customers.

Cultivating a diverse team requires dedication to equitable practices and a commitment to building a more inclusive workplace. CoStar Group aims to build an organizational culture of authenticity in which our global workforce feels valued, respected, and able to fully contribute.

COSTAR GROUP VALUE:
RESPECT FOR THE INDIVIDUAL

Leadership Commitment

Over the course of 2022, CoStar Group made significant progress in developing its diversity, equity, & inclusion strategy, which includes having

a focus on international employee engagement. The Vice President for Diversity, Equity, & Inclusion hosted one-on-one discussions with employees in CoStar Group’s European locations to gain better insights on DEI from a global perspective. These discussions will influence future programming within the region.

CoStar Group also offered two new workshops for employees in support of our DEI strategic goals. “The Culture Map: Building a Global Mindset” was attended by more than 300 employees globally. This training was designed to aid employees with communicating, building trust and challenging one another in the context of a global workplace. The second workshop, “Mitigating Bias in Hiring” was attended by nearly 150 recruiting staff and hiring managers in the United States. Additionally, CoStar Group also developed a three-hour inclusive leadership course for new managers in the research organization.

Throughout the year, CoStar Group celebrated major heritage months in partnership with its six Employee Resource Groups (ERGs).



Employee Resource Groups

In recognition of the diversity among our global talent pool, CoStar Group supports six ERGs:

- Black Excellence Network
- Latinx Network
- Pride Network
- Veterans Network
- Women in Tech Network
- Women's Network

Our ERGs create avenues for belonging, mentoring and professional development within their respective communities, as well as education and awareness across the organization. Our ERGs currently have more than 750 unique members across all six groups.

In 2022, the ERGs sponsored programs and events on topics including financial wellness, personal branding and transgender awareness. Our ERGs also partnered with external organizations like American Corporate Partners to support mentoring for veterans and, the Susan G. Komen Race for the Cure to support breast cancer research and awareness.

The ERGs also supported international programming this year including a Pride Month campaign in Madrid and events in support of Black History Month in the United Kingdom.





COSTAR GROUP VALUE: BE COLLABORATIVE

Partnership with MLT

CoStar Group continues to support MLT. Our Founder and CEO is on the Governing Board of MLT and, in 2022, CoStar Group announced a \$5 million dollar commitment to MLT.

CoStar Group has partnered with MLT's Career Prep, the organization's signature program for undergraduate students. We also enrolled several employees in MLT's Career Advancement Program (CAP). CAP is a 12-month leadership development program designed to provide highly talented, mid-career professionals with the keys to unlock their full potential and advance

to senior leadership roles. The cohort-based program includes real-world business simulations, executive coaching, and sustainable strategies for professional growth and development.

Supplier Diversity

CoStar Group's commitment to diversity, equity and inclusion extends to how we buy goods and services and the suppliers with which we partner. In 2022, CoStar Group re-energized its supplier diversity program and increased the total direct spend with diverse suppliers by 325%. Nearly 40% of our total diverse supplier spend was with suppliers that were added in 2022.

Global Accessibility Awareness Programming

CoStar Group is dedicated to raising awareness on digital access and inclusion for the more

than one billion people with disabilities and impairments. To recognize Global Accessibility Awareness Day, we host webinars to encourage conversation, thought and learning about access and inclusion for people with different abilities. CoStar Group is committed to providing usable and accessible content for all users, including those with disabilities. To that end, we work with an outside vendor to make our products more accessible to people with disabilities.

[Accessibility Statement](#)

325%

INCREASED TOTAL DIRECT SPEND
WITH DIVERSE SUPPLIERS

HEALTH & SAFETY

Most CoStar Group employees work at desks in offices and we strive to ensure a safe environment in all our facilities. In 2022, we hired three new leadership positions in Corporate Security: Director of Security and two Senior Managers of Corporate Security. We offer a number of safety-related resources to our employees as our safety mission is to ensure our employees are safe by proactively mitigating risk. To that end, we provide a safety incident reporting portal for employees, on call escorts to our parking facilities, and a number of published resources for our employees, including: a third-party whistleblower reporting portal, safety tips, travel safety reminders, domestic violence education, holiday safety tips, and reminders of mental health resources. Also new in 2022, we established a system of CoStar Group Floor Wardens who are trained in safety protocols to lead employees during emergency situations. We have also drafted and published emergency action plans for eleven major North American offices. This year we also reduced enterprise risk by consolidating from eight access control systems to a total of four, with the goal to reduce to one in the near future.

In the field, we maintain safety protocols and policies for our employees who drive fleet vehicles as part of their job duties. These employees are required to undergo regular Motor Vehicle Record (MVR) checks.

The CoStar Group Field Research Manual outlines and enforces fleet safety. The fleet safety section outlines multiple safety precautions that drivers should take while driving company vehicles.

Safety policies include:

- Corporate Vehicle Accident & Insurance Policy
- Drug and Alcohol-Free Workplace
- Prevention of Workplace Violence
- Safety in the Workplace

Supporting Healthy Habits

The healthy habits of our employees are supported by the elimination of vending machines

and by stocking pantries with healthy snacks, including organic fruit and vegetable options, salads and low-sodium, low-fat fare at no cost to the employees. Additionally, our workplaces are outfitted with water coolers that use three stage reverse osmosis filtration and help eliminate plastic bottle waste.

CoStar Group provides a comprehensive wellness program that incorporates technology, incentives and personalization. We partner with Vitality™ to provide employees with the opportunity to participate in a unique and fun wellness program. To help employees stay active, they are rewarded and offered up to \$250/year for gym, health club or at-home fitness equipment and subscriptions.



COSTAR GROUP VALUE:

WORK-LIFE BALANCE**New Health Benefits in 2022**

We have enhanced our mental health benefits, and access to technological solutions to manage or prevent illnesses and manage pain. We now offer all employees and their family members on-demand confidential emotional support available 24/7, 365 days per year through text-based chats with a behavioral health coach and self-guided activities. This new benefit is free to our employees and their family members. Also new in 2022, we offer advanced technology for our employees and their family members, such as glucose meters or connected blood pressure cuffs, to help prevent diabetes, manage diabetes or manage hypertension. Likewise, we offer a comprehensive musculoskeletal solution to reduce joint or back pain, avoid surgery and improve depression and anxiety stemming from chronic pain.

COVID-19 Response

CoStar Group continued to follow CDC guidelines for U.S. offices and local government guidance internationally throughout 2022. We established protocols for both positive and exposure cases to maintain a safe, supportive and productive environment while also managing employee privacy rights as a top priority. Mask guidance was updated regularly for U.S. offices based on the most recent CDC county transmission levels

and we facilitated contact tracing and alerting employees as necessary.

Employees on our medical insurance plans were eligible to receive up to eight at-home rapid COVID-19 tests every month or alternatively they were also able to obtain no-cost, on-demand PCR tests for themselves and their families through a bridged relationship with LabCorp.

We expanded mental health support benefits with the ComPsych Employee Assistance Program, virtual and in-person counseling through Aetna as well as enhanced virtual mental health support referenced earlier.

In 2022 CoStar Group continued to maintain the following actions to keep our workplace safe for our employees.

Air Quality Improvement

- Installed medical grade IQAir air purifiers in all locations.
- Increased frequency of building HVAC system air filter changes.
- Installed UVC lighting in the base building mechanical systems in Washington, D.C., Richmond, Virginia and Hendersonville, Tennessee to further disinfect circulating air.
- Upgraded building air filters to higher MERV rating where possible.
- Increased fresh air intake in buildings where possible.

Personal Protection Supplies

- Made supply of masks and sanitizing wipes available to employees in common areas throughout each office.
- Installed hand sanitizer dispensers and pump units throughout the offices.
- Added touchless door opener tools that are available to staff.

Cleaning

- Each office has contracted with professional cleaning services to provide disinfection and sanitization.
- Supplemental hospital-grade disinfection is carried out as needed.



PHILANTHROPIC PROGRAMS

Through purposeful investment and employee engagement, volunteerism and strong partnerships, we work with global and local organizations to help improve, sustain, and brighten the lives of those in need. Volunteerism and giving areas include health and wellness, education, environment and sustainability, housing and social and community equity.

CoStar Group Builds

CoStar Group Builds is our volunteer arm. Committee-led, employees work together to better the lives of their fellow citizens and support the communities in which they live and work.

In 2022 we focused efforts on charitable giving by donating more than \$3 million to over 50 partners in charitable giving and community engagement programs across the United States, Canada and Europe.

11,400+

VOLUNTEER HOURS

TRACKED SINCE THE INCEPTION
OF COSTAR GROUP BUILDS IN 2008

4,200 VOLUNTEER HOURS IN 2022



Key Community Activities:

Back to School Backpack Drives

We donated thousands of backpacks with school supplies to support grade school students in the United States as they started the 2022 school year.

- In Richmond, Virginia, CoStar Group Builds partnered with Richmond Public Schools for the 5th annual Ultimate Backpack Supply Drive. More than 300 CoStar Group volunteers participated in filling 31,472 backpacks. CoStar Group contributed more than a third of the backpacks for the event.
- CoStar Group employees in the Bethesda, Maryland office provided more than 200 backpacks with school supplies to students through the Community of Hope organization.

- On the West Coast, team members in San Francisco, California partnered with Bay Area non-profit Family Giving Tree to fill 250 backpacks for students in Bay Area public schools. Family Giving Tree’s Institutional Giving Officer Margarita Galindo said they can always depend on CoStar Group to help students. “Family Giving Tree’s annual Back-to-School Drive aims to level the playing field for students and relieve some of the financial burden for their parents. CoStar Group has been a committed partner of Family Giving Tree’s work since 2018,” said Galindo.



Doing our Part to Support Communities in Need

CoStar Group employees are proud to support community organizations that provide essential goods and services for people in need.

- Texas-based CoStar Group employees teamed up with Rise Against Hunger to pack more than 20,000 meals to aid efforts for food security. More than 50 employees in both Austin and Dallas Texas contributed to the success of these events.
- CoStar Group is committed to supporting at-risk and homeless youth in the Washington, D.C. metropolitan area through a partnership with Sasha Bruce Youthwork. CoStar Group Builds supported Sasha Bruce's effort with a \$25,000 contribution and organized three volunteer events to assemble furniture at Thrive House to prepare for at-risk and homeless youth.

Humanitarian Disaster Relief

CoStar Group welcomed employees to support humanitarian relief efforts with matching programs throughout 2022.

- CoStar Group donated a total of \$150,000 to three organizations to provide support and relief for Ukrainian refugees: – Global Giving, Save the Children and World Central Kitchen.
- After the devastation of Hurricane Ian in Florida, CoStar Group contributed \$50,000 to the American Red Cross to support emergency response and relief efforts. In both instances, CoStar Group matched employee donations if they were reported, increasing the total donation amount to over \$80,000.

Holiday Volunteer and Giving Efforts

CoStar Group employees participated in holiday volunteer and giving to support children and people in need during the holiday season.

- During the holiday season across the United States, Canada and the United Kingdom, CoStar Group employees provided support to more than 13 organizations by donating \$20,000 towards food supply and humanitarian efforts as well as providing 3,900 meals and more than 5,000 gifts to local community organizations.

GOVERNANCE

CoStar Group has adopted strong corporate governance principles to build a foundation of responsible business strategies that drive value for our people, communities and shareholders through positive environmental, social and governance practices. We believe that our corporate governance principles support the interests of our communities, customers, employees, public officials, shareholders and suppliers.

COSTAR GROUP VALUE: INTEGRITY

In April 2022, our Board of Directors adopted amended bylaws to incorporate new stockholder-friendly provisions, including (i) eliminating supermajority voting requirements in order to implement simple majority voting on all matters submitted for a stockholder vote, (ii) providing for the right of holders of 25% of our outstanding common stock to call a special meeting of stockholders, and (iii) adopting a proxy access provision that allows up to 20 holders of an aggregate of 3% of our outstanding common stock for at least three years to nominate the greater of 20% of the Board or two nominees for inclusion in the proxy statement for our annual meeting.

As part of the Board of Directors' oversight of strategy and risk management, it considers various topics that are part of ESG. In December 2022, our Board of Directors adopted a Human Rights Policy to memorialize the company's commitment to human rights in the workplace. This commitment includes respecting the dignity and worth of all employees, encouraging all employees to reach their full potential and providing equitable opportunities to all employees, across all levels. This Human Rights Policy, along with the corporate governance

principles for our Board of Directors, and their committee charters, can be found in the Corporate Governance Documents section of our corporate website.

Commitment to Diversity & Inclusion

In addition, the company furthered its commitment to diversity and inclusion by amending its Principles of Corporate Governance to provide that when identifying, screening, recruiting and recommending candidates to the Board of Directors, the Nominating & Corporate Governance Committee is committed to including in each search qualified candidates who reflect diverse backgrounds, including diversity of gender and race/ethnicity. Of our eight current board members, 37.5% are diverse.

Commitment to Ethics

CoStar Group engages a third-party vendor to maintain a confidential whistleblower hotline, which can be accessed globally and allows for anonymous submissions. The third-party vendor routes employees' concerns to our Board or Directors or legal department, as appropriate, to investigate. Our Employee and Director Codes of Conduct, our supplier code of ethics and business conduct and our current Modern Slavery Statement can be found [here](#).

We require vendors to complete supplier questionnaires, which are then vetted and verified through a due diligence process by our procurement team.



DATA PRIVACY

Data Privacy section: Privacy protection is a priority for our company, and we have established measures for protecting employee and customer information in compliance with applicable privacy laws, safeguarding the information that is entrusted to us.

At CoStar Group, we have invested in several key areas to address privacy risk. In 2021, we added a global Senior Director of Privacy to our Legal team and made a \$500,000 investment in OneTrust to fortify and automate our privacy operations, including data mapping, privacy assessment automation, privacy rights processing and privacy incident reporting and response. These, and other related investments continued into 2022.

Our core privacy priorities and capabilities have been organized into six program pillars:

- Program Strategy and Governance
- Notices and Contracts
- Policies and Procedures
- Privacy Operations
- Monitoring and Auditing
- Training and Awareness

During 2022, we made significant progress across all program pillars to support the global growth of CoStar Group's products and services. Specific examples include:



Governance and Oversight

CoStar Group has established a Data Protection Forum made up of senior representatives from across the Company's core functions and products. This forum meets quarterly and provides strategic leadership in the development, implementation and sustainability of CoStar Group's data protection and information security programs; monitors compliance with relevant CoStar Group privacy and data protection policies including the Data Protection Policy and Data Subject Rights Policy; provides advice, support and assistance in the implementation of global

privacy and data protection program; assists in the promotion of a strong privacy culture within CoStar; provides a forum for sharing knowledge and best practices, and driving awareness to the wider data protection community; monitors identified and emerging data protection and information security risks and advises on their prevention, mitigation and management; monitors the performance of the privacy and data protection program by reference to key performance indicators; and determines and monitors the resources required to deliver the privacy program.

Privacy by Design

CoStar Group launched a program to further embed privacy and security by design into our existing product design and product development processes, enabled by OneTrust. This has resulted in a significant increase in the number of privacy impact assessments conducted during 2022, as well as overall improved timeliness of assessments being initiated, fewer operational delays, and increased privacy awareness across product teams.

Acquisitions

CoStar Group has developed a consistent methodology to assess privacy compliance and data protection risks related to new acquisitions during 2022. The M&A privacy integration checklist and associated processes helps us to identify, prioritize and mitigate regulatory/legal and operational data protection matters (e.g., consolidating disclosures, conducting privacy impact assessments, centralizing data access rights processing), and to support other critical integration efforts.

Our information services, online marketplace services and external-facing privacy notices below outline how we collect, use and protect personal data.

- [CoStar.com privacy notice](#)
- [Apartments.com privacy notice](#)

Internal facing data privacy and data protection policies include:

- Data Protection Policy
- Data Protection by Design and Default Policy
- Data Subject Rights Policy
- Privacy Incident Management & Breach Notification Policy



CYBERSECURITY

Customer trust through continual product availability and information integrity is the guiding principle of CoStar Group's Information Security Program. CoStar Group's Chief Technology Officer and Vice President of Cybersecurity oversee teams, strategies and programs to protect, employees, customers and information in accordance with all applicable laws and industry-leading practices. Our programs integrate feedback from customers, regulatory bodies, and industry professionals to stay resilient against an evolving risk landscape. We have increased our investment in cybersecurity every year since our inception to continuously ensure our safeguards outpace threats.

CoStar Group is committed to aligning with industry-leading, cyber risk management practices and complying with all legal and regulatory requirements. Our global information security program is based on ISO 27001 and aligned with the EU's GDPR. All our payment card impacted products and applications comply with PCI DSS Level 2 requirements. Our CoStar Risk Analytics and CoStar Real Estate Manager products maintain SOC-1, Type 2 accreditations. CoStar Real Estate Manager and CoStar Lender maintain SOC-2, Type-2 accreditations.

Cyber Threat Management

Our cyber threat group operates 24/7/365 to analyze threat intelligence against activity across CoStar Group's ecosystem to identify, classify, and

neutralize potential information security related events. CoStar Group's incident response plan governs our response to events and incidents identified by our teams. We augment our internal threat management operation with an industry recognized threat management service to ensure comprehensive, early identification of potential events. CoStar Group validates our cyber threat management capability through multiple, annual internal and external penetration tests, tabletops and red team exercises. against our applications and networks. We regularly exercise and update our incident response plans based on industry trends, changes in our operating environment and regulatory requirements. We have engaged a third-party vendor to conduct an annual audit of our information security systems in accordance with NIST CSF benchmarks. In the past three years, we have not experienced a materially disruptive information security breach.

Cyber Defense

CoStar Group builds, operates and enhances cyber defenses across our enterprise, platforms and applications. Cyber defenses are continually measured and enhanced to maximize asset coverage, effective tuning, and emerging threat defense. Our cyber defense strategy is based on defense in depth, which operates sensors and controls across each layer, including web, networks, platforms, applications, endpoints, identities, development pipeline, and data.



Risk Management

Our cybersecurity risk management program starts with asset identification and classification and then identifies, analyzes, monitors and mitigates risks to an acceptable level. Risk identification is sourced through internal sensors and controls, business operation feedback loops, and external sources. As risks are identified, they are added to a register, analyzed for potential and impact, and assigned a mitigation strategy. Executive management provides oversight of the risk management process by reviewing identified risks and providing guidance on mitigation strategies, when required.

The cybersecurity team reviews proposed third-party vendors (at an organization level) and applications for information security posture prior to introducing third-party users and applications to the company's IT environment.

Product Security

CoStar Group security starts in product design and development and extends through production run-time. Utilizing a secure software development lifecycle, threat modeling occurs at the design phase in conjunction with product development and Product Security to identify risks early on to establish a secure foundation. As software development begins a series of automated security scans occur inside the pipeline to gate builds between development, test and pre-production environments. Dynamic scans are conducted against pre-production environments to identify run-time risks. Scanning in the pipeline and pre-production run-time environments significantly reduces risks from escaping into production applications. Production applications undergo annual penetration tests via internal application security teams and external providers.

Production applications and underlying platforms employ layered defenses that provide sensors and controls to block threats and inform our cyber threat management group of potential security related events.

Information Security Training and Awareness

CoStar Group management understands each employee, regardless of role, contributes to protecting the company and customer's information. As such, management ensures employees receive regular information security training and awareness campaigns. All CoStar Group employees must complete the company's security awareness training upon hire and annually thereafter. The training is annually reviewed and updated by the cyber security team to provide relevant and actionable guidance. Certain departments are required to take supplemental, specialized security training annually. For example, software developers undertake secure coding training annually. Throughout the year, all CoStar Group employees receive periodic, simulated social engineering communications. Furthermore, the cybersecurity team pushes regular cybersecurity alerts for employees to implement in their personal and business activities.

COSTAR GROUP VALUE:

COHESIVE INNOVATION

PERFORMANCE TABLES



DEMOGRAPHICS

Race/Ethnicity

US Employees	Total	American Indian or Alaska Native	Asian	Black or African American	Hispanic or Latino	Native Hawaiian or Other Pacific Islander	Two or More Races	Undisclosed	White
Female	1,790	0.3%	11.9%	17.3%	7.2%	0.4%	3.9%	1.6%	57.4%
Male	3,131	0.2%	13.4%	11.9%	7.5%	0.1%	2.7%	1.9%	62.3%
Undisclosed	6	0.0%	16.7%	0.0%	16.7%	0.0%	0.0%	16.7%	50.0%
Total	4,927	0.2%	12.9%	13.9%	7.4%	0.2%	3.1%	1.8%	60.5%

Age

Region	Total	20-29	30-39	40-49	50-59	60+	Undisclosed
US	4,927	27.7%	33.4%	22.9%	12.6%	3.3%	0.0%
International	642	28.8%	35.8%	21.3%	10.4%	1.9%	1.7%
Total	5,569	27.9%	33.7%	22.7%	12.4%	3.1%	0.2%

Contractor vs Employee

	Total
Employee	5,569
Contractor	86
Total	5,655

Leadership

	Total	Female	Male	LGBTQIA+
Board of Directors	8	2	6	1
Named Executive Officers	5	1	4	0

	Diverse	Non-Diverse
Board of Directors	3	5
Named Executive Officers	1	4

EEO-1

US	Total			American Indian or Alaska Native			Asian			Black or African American			Hispanic or Latino			Native Hawaiian or Other Pacific Islander			Two or More Races			Undisclosed			White		
	F	M	U	F	M	U	F	M	U	F	M	U	F	M	U	F	M	U	F	M	U	F	M	U	F	M	U
All Employees	1,790	3,131	6	5	5	0	213	420	1	310	373	0	129	235	1	7	2	0	70	84	0	29	61	1	1,027	1,951	3
Executive/ Senior Level Officials & Managers	22	79	0	0	1	0	1	4	0	0	3	0	0	5	0	0	0	0	0	2	0	0	0	0	21	64	0
First/Mid-Level Officials & Managers	222	491	1	0	1	0	20	57	1	25	29	0	10	32	0	1	0	0	3	11	0	5	7	0	158	354	0
Professionals	872	1,654	5	1	1	0	167	332	0	143	194	0	57	125	1	3	2	0	39	51	0	10	37	1	452	912	3
Technicians	0	8	0	0	0	0	0	1	0	0	3	0	0	1	0	0	0	0	0	0	0	0	0	0	0	3	0
Sales Workers	371	686	0	4	2	0	8	14	0	32	67	0	28	51	0	2	0	0	9	13	0	4	14	0	284	525	0
Administrative Support Workers	303	206	0	0	0	0	17	11	0	110	76	0	34	20	0	1	0	0	19	6	0	10	3	0	112	90	0
Laborers	0	6	0	0	0	0	0	1	0	0	1	0	0	1	0	0	0	0	0	1	0	0	0	0	0	2	0
Service Workers	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0

F = Female M = Male U = Undisclosed

NEW HIRES

Age

Region	Total	20-29	30-39	40-49	50-59	60 and over	Undisclosed
US	1,902	45.8%	31.4%	13.9%	7.3%	1.5%	0.1%
International	242	44.6%	31.8%	13.2%	5.8%	0.8%	3.7%

Gender

Region	Total	Female	Male	Undisclosed
US	1,902	38.4%	61.4%	0.2%
International	242	39.3%	51.2%	9.5%

Race/Ethnicity

Region	American Indian or Alaska Native	Asian	Black or African American	Hispanic or Latino	Native Hawaiian or Other Pacific Islander	Two or More Races	Undisclosed	White
US	0.3%	11.9%	18.0%	7.2%	0.1%	3.8%	2.7%	56.0%

EMPLOYEE RETENTION

Age

Year	Average	20-29	30-39	40-49	50-59	60 and over
2022	80.8%	73.8%	79.8%	87.6%	91.5%	84.0%
2021	72.9%	60.0%	72.5%	79.7%	86.2%	79.6%

Gender

Year	Female	Male
2022	80.7%	82.2%
2021	79.2%	80.1%

Race/Ethnicity - U.S. Only

Year	Average	American Indian or Alaska Native	Asian	Black or African American	Hispanic or Latino	Native Hawaiian or Other Pacific Islander	Two or More Races	Undisclosed	White
2022	82.4%	55.6%	83.1%	83.2%	80.0%	88.2%	76.8%	87.4%	82.5%
2021	73.3%	85.7%	76.0%	69.5%	81.2%	33.3%	65.2%	92.7%	73.0%

EMPLOYEE PARENTAL LEAVE

	Female	Male	Undisclosed	Total
Employees Eligible	2,063	3,475	31	5,569
Employees that took Parental Leave	45	130	0	175
Employees that Returned Back	44	127	0	171
Employees Still Employed	44	121	0	165

SAFETY

	2022
Total # of Incidents	4
Total # of Deaths	0
Total # of Days Off Work	30
Total # of EE Job Transfers or Restriction	0
Anonymous Hotline	0

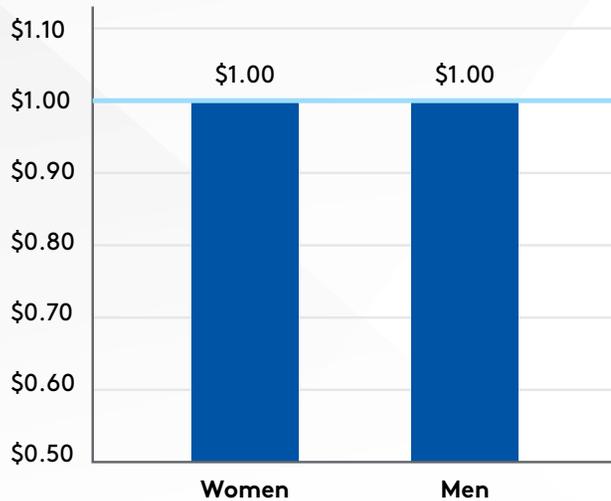
Full-Time US Employees & All International EEs**US Part-Time 30+ Hours*

US / International Equivalent Benefit	US	UK	France	Germany	Spain	Italy	Australia	China	Indonesia	Japan	Singapore	Dubai	Colombia
Life Insurance	X	X	X	X									
Health Insurance	X	X	X					X			X	X	
Disability Coverage/ Permanent Medical Insurance	X	X											
AD&D Insurance	X												
Voluntary Life Insurance	X												
Parental Leave	X	X	X	X	X	X	X	X	X	X	X		X
Retirement Provision	X												
401K*/Pension/CPF	X	X	X	X			X	X	X	X	X		
Stock Ownership	X	X	X	X	X	X	X		X		X	X	X
Employee Stock Purchase Plan	X												
Vacation*/Sick/Bereavement Leave	X	X	X	X	X	X	X	X	X	X	X		
Fitness Benefit/Gym Membership	X			X									
Holidays/Bank or Public Holiday	X	X	X	X	X	X	X	X	X	X	X	X	X
Business Travel Accident Insurance*	X	X	X	X	X	X	X	X	X	X	X	X	X
Employee Assistance Program*	X	X	X	X	X	X	X	X	X	X	X	X	X
Commuter Benefits	X	X	X							X			
Health Savings Account	X												
Dental Plan	X	X											
Vision Plan	X	X											
Long-Term Care	X												
Meal Vouchers			X	X									
Company Paid Sick Leave		X		X	X				X		X	X	X
Housing Allowance												X	
Season Ticket Loan		X											

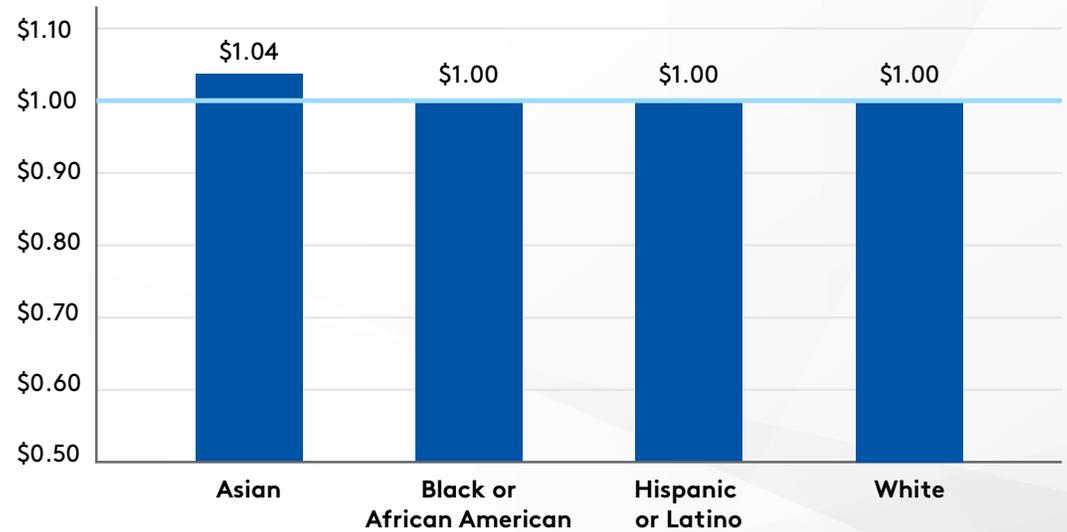
PAY EQUITY - U.S. ONLY

CoStar Group is fully committed to diversity, equity, and inclusion. One key priority for the company is equitable pay. As of February 2023, when we compare pay based on role, women earn \$1.00 for every dollar earned by men. Similarly, when race/ethnicity is considered, Black or African-American, Hispanic or Latino, and Asian employees earn at least \$1.00 for every dollar earned by White employees.

Gender



Race/Ethnicity



— \$1.00

GREENHOUSE GAS EMISSIONS

CoStar Group Overall Footprint FY2022 (in MT CO2e)

	Location Based	Market Based
Scope 1	3,033	3,033
Scope 2	6,594	5,773
Scope 3 (Categories 1-7)	87,919	87,919
Total	97,546	96,725

Electricity (in MT CO2e)

	Location Based	Market Based
Electricity	6,353	5,532

Intensity

FTE	Scopes 1 & 2 Market-Based Operational Intensity	Scopes 1, 2 & 3 Emissions Intensity	Scope 1, 2 & 3 Financial Intensity
5,569	1.6 MT CO2e per employee	17.4 MT CO2e per employee	49.75 MTCO2e per \$1 million in 2021 revenue

Scope 1 Fuel, Steam & Refrigerant Emissions (MTCO2e)	
Domestic	801
International	151
Total	952

Facility Market-Based Electricity Emissions (MTCO2e)	
Domestic	5,060
International	472
Total	5,532
Percent Renewable Electricity	14.03%

Waste Emissions - Scope 3: Category 5 (MTCO2e)	
Domestic	530
International	88
Total	618



BUILDING SUSTAINABILITY CERTIFICATIONS

City	State	SF Occupied	LEED Base Building	Energy Star	BREEAM Rating	LEED Interiors
Phoenix	AZ	4,122	Platinum	Yes		
Sacramento	CA	3,753	Gold	Yes		
Los Angeles	CA	17,361	Platinum	Yes		Gold
San Francisco	CA	24,582	Platinum	Yes		Gold
San Diego	CA	36,241	Platinum			Platinum
Irvine	CA	41,301	Gold			
Irvine-Spectrum	CA	114,000	Pending LEED Gold			Pending LEED Gold
Toronto	Canada	15,773	Gold			
Denver	CO	6,558	Gold	Yes		
Washington	DC	169,089	Gold	Yes		Platinum
Tampa	FL	2,701	Gold			
Orlando	FL	3,352		Yes		
Fort Lauderdale	FL	4,766	Gold			
Miami	FL	6,133	Gold			
Atlanta	GA	82,005	Gold	Yes		Platinum
Chicago	IL	12,099	Gold	Yes		
Boston	MA	25,236	Gold	Yes		Platinum
Minneapolis	MN	4,502	Gold	Yes		
Charlotte	NC	4,114	Gold	Yes		
Florham Park	NJ	6,049	Certified			
New York	NY	11,644	Gold	Yes		
Cincinnati	OH	3,104	Gold			
Portland	OR	3,311	Gold			
Pittsburgh	PA	4,665	Certified			
Philadelphia	PA	6,107	Silver	Yes		
Houston	TX	5,820	Gold	Yes		
Austin	TX	11,362	Gold			
Manchester	UK	2,252			Excellent	
London	UK	6,979			Very Good	
London	UK	23,063			Excellent	
Seattle	WA	7,415	Platinum	Yes		
Richmond	VA	755,000	In development. Targeted for LEED Platinum.			

FRAMEWORK REFERENCE CHARTS



GRI INDEX

Topic	Section	#	Sub #	Disclosure Title	Response
Universal Standards	General Disclosures	101	1	Stakeholders	Overview > Materiality Assessment
Universal Standards	General Disclosures	101	2	Report	ESG Report
Universal Standards	General Disclosures	102	1-7	Company Information	10-K, Business Overview
Universal Standards	General Disclosures	102	8	Employee vs Contractors	Contractor vs Employee Table
Universal Standards	General Disclosures	102	14	CEO Statement	Overview > Letter from CEO
Universal Standards	General Disclosures	102	16	Company Values	Overview > Company Values
Universal Standards	General Disclosures	102	17	Mechanisms for Ethical Concerns	Governance > Employee Code of Conduct
Universal Standards	General Disclosures	102	18	Governance Structure	Proxy Statement
Universal Standards	General Disclosures	102	19-20	ESG Governance	ESG initiatives are overseen by CoStar Group's executive leadership and the Board of Directors.

GRI INDEX

Topic	Section	#	Sub #	Disclosure Title	Response
Universal Standards	General Disclosures	102	21	Consulting Stakeholders	Overview > Materiality Assessment
Universal Standards	General Disclosures	102	22-23	Composition of Board	Proxy Statement
Universal Standards	General Disclosures	102	24	Nominating and selecting Board	Nominating and Corporate Governance Committee Charter
Universal Standards	General Disclosures	102	25	Conflicts of interest	Our Audit Committee reviews related party transactions and they are disclosed per SEC rules in our Proxy Statement . None of our executive officers are directors of any companies in which our directors serve as executive officers.
Universal Standards	General Disclosures	102	26-27, 29,31-32	ESG Management and Oversight	As part of the Board's oversight of strategy and risk management, it considers various topics that are part of ESG as well as our participation as a global corporate citizen.
Universal Standards	General Disclosures	102	35-37	Remuneration	See Proxy Statement for the process of determining compensation of our Board and our executive officers and independent consultants involved.
Universal Standards	General Disclosures	102	38	Annual total compensation ratio	Proxy Statement

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Topic	Section	#	Sub #	Disclosure Title	Response
Universal Standards	General Disclosures	102	40, 42-43	Stakeholders	Overview > Materiality Assessment
Universal Standards	General Disclosures	102	41	Collective bargaining	As of 12/31/22, none of our U.S. employees are covered by a collective bargaining agreement.
Universal Standards	General Disclosures	102	45	Entity list	Form 10-K Exhibit 21.1
Universal Standards	General Disclosures	102	45	Report topics	Overview > Materiality Assessment
Universal Standards	General Disclosures	102	50	Reporting date and period	The reporting period is from January 1, 2022 through December 31, 2022.
Universal Standards	General Disclosures	102	51	Date of most recent report	Our most recent previous report covered calendar year 2021 and was published in February 2022.
Universal Standards	General Disclosures	102	52	Reporting cycle	Annual
Universal Standards	General Disclosures	102	53	Contact point for questions regarding the report	investorrelations@costar.com
Universal Standards	General Disclosures	102	54	Claims of reporting in accordance with GRI Standards	This report has been prepared with reference to GRI: Core Option.

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Topic	Section	#	Sub #	Disclosure Title	Response
Universal Standards	General Disclosures	102	55	GRI Content Index	www.globalreporting.org/standards
Universal Standards	General Disclosures	102	56	External assurance	CoStar Group has engaged an independent third party to provide limited assurance on our report's accuracy and completeness. The scope of this review includes our Scope 1 and Scope 2 GHG emissions and Scope 3 GHG emissions related to business travel and employee commuting. Their work will be complete prior to our submission to CDP.
Economic	Economic Performance	201	1	Direct economic value	Form 10-K
Economic	Economic Performance	201	3	Defined benefit plan obligations	Form 10-K
Economic	Market Presence	202	1	Ratios of entry level wage by gender compared to local minimum wage	Pay Equity Table
Economic	Indirect Economic Impacts	203	2	Significant indirect economic impacts	Social > Philanthropic Programs and Talent Recruitment and Development

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Topic	Section	#	Sub #	Disclosure Title	Response
Economic	Anti-Corruption	205	1	Risks related to corruption	Form 10-K - Item 1A. Risk Factors , See also Cybersecurity .
Economic	Anti-Corruption	205	2	Communication and training	<ul style="list-style-type: none"> • Training & Education • Governance • Employee Code of Conduct • Supplier Code of Conduct • Modern Slavery Statement
Economic	Anti-Corruption	205	3	Confirmed incidents of corruption	We are not aware of any allegations of violations or violations of anti-corruption laws in 2022 by CoStar.
Economic	Approach to tax	207	1	Approach to tax	Form 10-K - FN12 Income Taxes .
Economic	Tax governance, control and risk management	207	2	Tax strategy and assurance	Form 10-K - Report of Independent Registered Public Accounting Firm
Environment	Energy Consumption	302	1	Energy consumption within organization	Environmental > Energy Consumption & Waste
Environment	Energy Consumption	302	2	Energy consumption outside organization	Environmental > Energy Consumption & Waste
Environment	Energy intensity	302	3	Energy Intensity	Emissions Table

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Topic	Section	#	Sub #	Disclosure Title	Response
Environment	Emissions	305	1-3	Scopes 1, 2 & 3 GHG emissions	Emissions Table
Environment	Emissions	305	4	GHG Intensity	Emissions Table
Environment	Waste	306	1-3	Waste generation	Environmental > Waste
Environment	Environmental Compliance	307	1	Non-Compliance	We are not aware of any allegations of violations or violations of environmental laws or regulations by CoStar Group and we have not incurred environmental fines or sanctions in 2022.
Social	Employment	401	1	New employee hires and employee turnover	Voluntary turnover 19.2%, Involuntary 6.2%, New Hire Table & Employee Retention Table
Social	Employment	401	2	Full-time EE benefits	Benefits Table
Social	Employment	401	3	Parental Leave	Parental Leave Table
Social	Occupational Health & Safety	403	1	OH&S System	Social > Health & Safety
Social	Worker training	403	5	Worker training on OH&S	Social > Health & Safety

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Topic	Section	#	Sub #	Disclosure Title	Response
Social	Workers covered by OHS	403	8	Workers covered by OH&S system	100%
Social	Work-related injuries	403	9-10	Work-related injuries & ill health	Safety Table
Social	Training & Education	404	1	Average hours of training per year per employee	Social > Training & Education
Social	Programs for upgrading employee skills	404	2	Programs for upgrading employee skills and transition assistance programs	Social > Skills Development
Social	% of employees receiving regular performance reviews	404	3	Percentage of employees receiving regular performance and career development reviews	100%
Social	Diversity and Equal Opportunity	405	1	Diversity of governance bodies and employees	Leadership , EEO-1 Table , Age Table
Social	Diversity and Equal Opportunity	405	2	Ratio of basic salary and remuneration of women to men	Pay Equity Table
Social	Forced or Compulsory Labor	409	1	Risk in Operations and Suppliers	Modern Slavery Statement & Supplier Code of Conduct

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Topic	Section	#	Sub #	Disclosure Title	Response
Social	Security Practices	410	1	Trained Security Personnel	Human Rights Policy
Social	Human Rights Assessment	412	1	Operations subject to human rights assessment	Human Rights Policy & Employee Code of Conduct
Social	Local Communities	413	1	Local community development programs	Social > Philanthropic Programs
Social	Marketing and Labeling	417	1	Customer Privacy	www.costar.com/about/privacy-notice
Social	Socioeconomic Compliance	419	1	Non-compliance with laws and regulations in the social and economic area	We are not aware of any allegations of material violations or material violations of social or economic laws or regulations by CoStar Group in 2022.

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Topic	Section	#	Sub #	Disclosure Title	Response
Environment	Energy	TC-SI-130	a.1	Total energy consumed; percentage grid electricity; percentage renewable; energy intensity	Greenhouse Gas Emission Tables
Environment	Energy	TC-SI-131	a.3	Description of the integration of environmental considerations into strategic planning for data center needs	Environmental > Data Centers
Social	Customer Privacy	TC-SI-220	a.1	Description of policies and practices relating to behavioral advertising and user privacy	Governance > Data Privacy
Social	Customer Privacy	TC-SI-221	a.2	Number of users whose information is used for secondary purposes	Governance > Data Privacy
Social	Security Practices	TC-SI-230	a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards; number of data breaches	Governance > Cybersecurity
Social	Opportunity	TC-SI-330	a.2	Employee engagement as a percentage	Social > Employee Engagement
Social	Opportunity	TC-SI-331	a.3	Percentage of gender and racial/ethnic group representation for management, technical staff and all other employees.	EEO-1 Table
Economic	Economic Performance	TC-SI-550	a.2	Description of business continuity risks related to disruptions of operations	Form 10-K, Item 1A

We realize this is not a complete SASB index for our industry. Since we are a GRI reporter as well, we decided to include relevant topics from our industry SASB index.



ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT 2023

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