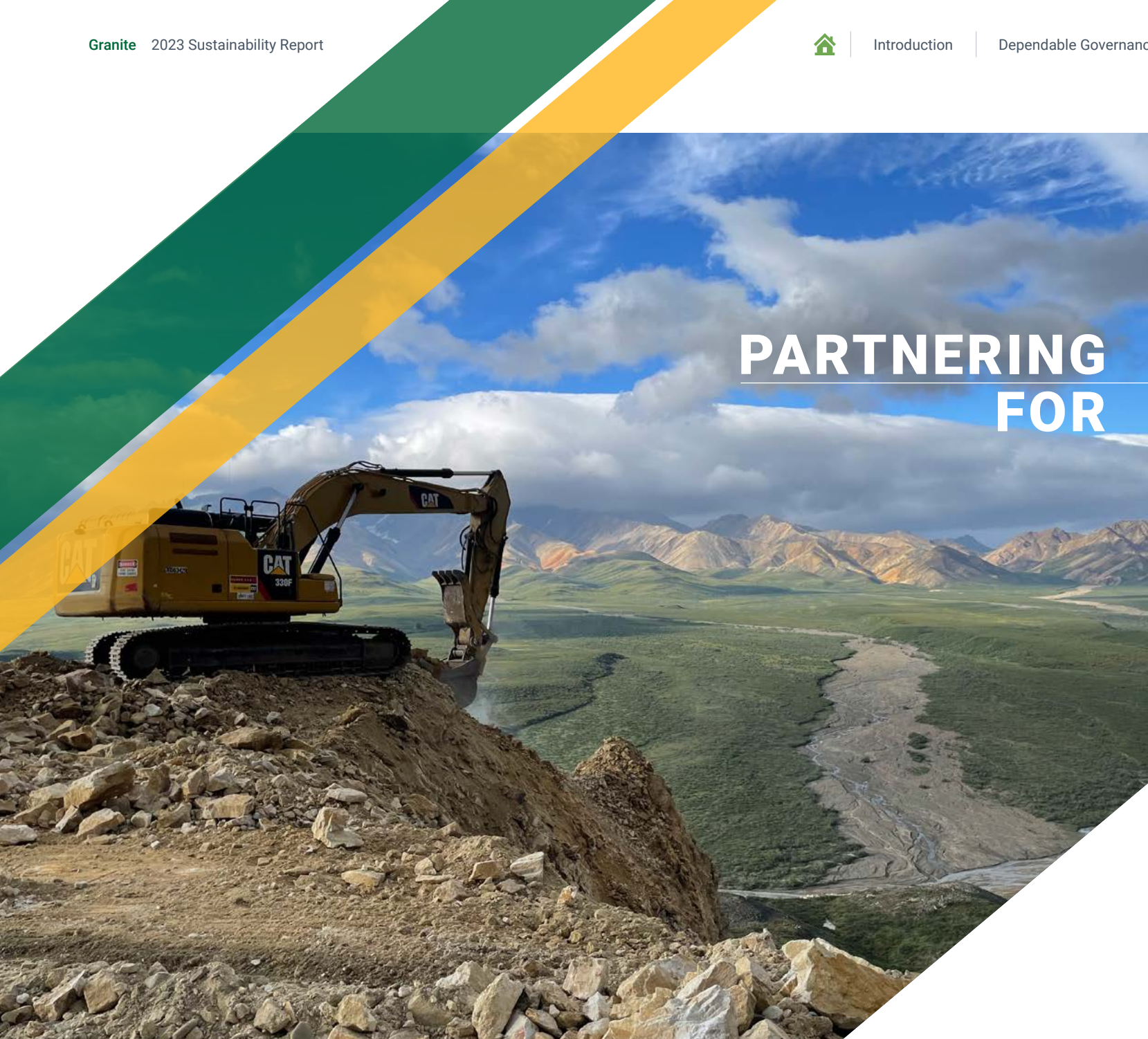


# PARTNERING FOR IMPACT

**GRANITE**<sup>®</sup>  
2023 Sustainability Report







# PARTNERING FOR

# Communities Shared Goals Sustainability Impact

The theme of this Sustainability Report—**Partnering for Impact**—emphasizes that challenges like achieving net zero emissions and developing circular economies cannot be solved by one company, government, or organization. We must work together, with all our stakeholders, to advance shared sustainability goals. This report demonstrates our dedication to partnership in a series of highlights that show how we collaborate with clients, industry groups, suppliers, and community organizations for positive impact.



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“

Our leadership in sustainability proved to be a competitive advantage in 2023.”



### A Message from our CEO

At Granite, our mission is to provide infrastructure solutions that support more prosperous and resilient communities. We don't just recognize our responsibility to contribute to a more sustainable future—we embrace sustainability as a core value, a key component of our business strategy, and a value driver.

Meeting the goals of sustainable development will require collaboration and innovation—not only technologically, but in partnership—in how we align our efforts across different industries and sectors of the economy. Challenges like achieving net zero emissions and developing circular economies cannot be achieved in isolation. That is why the theme of this Sustainability Report—**Partnering for Impact**—reflects our focus on developing strategic partnerships with our stakeholders to advance shared sustainability goals and enhance positive impacts.

Throughout this report, partnership highlights provide examples of how we collaborate with clients, industry groups, suppliers, and community organizations to advance sustainability. Our teams have stepped up for environmental and social responsibility through initiatives ranging from charitable partnerships to create career opportunities for underserved youth, to value chain partnerships that reduce waste and improve circularity for construction materials.

As a participant in the United Nations (UN) Global Compact, Granite has a zero tolerance for corruption and supports the Sustainable Development Goals (SDGs) and the Ten Principles of the Global Compact on human rights, labor, environment, and anti-corruption.

Our sustainability strategy aligns with the SDGs, and we further educated our teams about the importance of these goals in 2023 through our companywide Sustainability Week.

We continued to execute our sustainability strategic plan in 2023, maintaining recognition by Newsweek as one of America's Most Responsible Companies for 2024. This report details our progress in our sustainability objective areas of social responsibility, environmental stewardship, and dependable governance, all in pursuit of creating enduring value for our stakeholders. We have added an Executive Summary to provide a snapshot of key highlights and progress on our priority targets.

I'm proud of the remarkable progress Granite has made this year. Our leadership in sustainability proved to be a competitive advantage in 2023, as we successfully pursued projects for clients who share our commitment to sustainability. Through collaborative contracting methods, which allow earlier contractor involvement in a project, we are helping our clients achieve their sustainability goals. We plan to leverage our sustainability program to win work, gain a competitive advantage, and provide value to our clients, investors, employees, and communities—all while advancing the SDGs.

**Kyle Larkin**

President & Chief Executive Officer



# Executive Summary

This report details our progress in our sustainability objective areas of dependable governance, social responsibility, and environmental stewardship, all in pursuit of creating enduring value for our stakeholders. In 2023, we continued to execute our sustainability strategic plan, which aligns with the Sustainable Development Goals (SDGs). Partnership highlights throughout this report illustrate this year's theme—Partnering for Impact—and show how we are collaborating with stakeholders to advance shared sustainability goals. Project highlights, included at the end of each major section, demonstrate how the infrastructure projects we build contribute to developing more sustainable and resilient communities.

The content of the main body of this report presents our sustainability narrative, while the appendices provide additional information and data in alignment with standard reporting frameworks. Within these frameworks, Granite has selected industry-specific metrics that align with stakeholder expectations and reflect material impacts relevant to our business. This Executive Summary summarizes each main section of the report in a single page.

## SDG IMPACT:



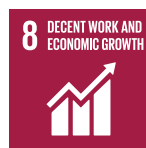




# Dependable Governance

This section of the report provides an overview of Granite’s sustainability strategic plan, governance framework, materiality assessment, and approach to stakeholder engagement. It presents performance assessments of all priority targets and includes progress updates on compliance and ethics, quality and product safety, and government affairs.

**SDG IMPACT:**



**Highlights include...**

Granite maintained recognition by Newsweek as one of America’s Most Responsible Companies for 2024.

We revised our sustainability governance framework to support more efficient oversight by our Board of Directors, leveraging the Board Nominating & Corporate Governance Committee (NCGC) to assist in oversight of Granite’s sustainability program.

Basic compliance training was completed by 98% of employees in 2023.

Granite achieved a first-time quality rate of 88% in 2023, advancing toward our target to improve our first-time quality rate for production of construction materials from 85% in 2020 to 90% by 2025.





# Social Responsibility

The Social Responsibility section of the report provides updates on employee programs and performance related to inclusive diversity, safety and health, and community engagement.

### SDG IMPACT:



### Highlights include...

Granite’s 2023 safety performance was the best in the company’s history. Our 2023 Occupational Safety and Health Administration (OSHA) recordable incident rate was 0.67, which surpassed our 0.70 target for 2023.

We made improvements to employee benefits for 2024, including offering four weeks of 100% paid parental leave for the birth, adoption, or foster placement of a child. This policy change supports our goal of creating a diverse, inclusive, and equitable workplace.

Starting in 2024, we are offering two paid days of volunteer time off annually to further empower our employees to contribute to the communities where we live and work.

We made significant progress on our Inclusive Diversity goals:

Inclusive Diversity Goals	2023 Performance
Increase female representation throughout the entire organization by 2025	Female representation: 13%
Increase women in leadership by 2025	Women in leadership: 19%
Increase persons of color in leadership by 2025	Persons of color in leadership: 20%
Increase Inclusion Index from 71% in 2020 to 80% by 2025	74% <sup>1</sup>

<sup>1</sup> 2022 survey results; next survey will be completed in 2024.





# Environmental Stewardship

This section of the report provides updates on environmental areas of focus including climate and energy, construction waste management, and advancing more sustainable construction materials.

## SDG IMPACT:



## Highlights include...

We further engaged our teams with decarbonization planning to reduce greenhouse gas (GHG) emissions in pursuit of our priority target to reduce total Scope 1 GHG emissions by 25% by 2030 by:

- Completing development of a new data dashboard to track emissions and give operational leaders enhanced visibility into performance
- Committing \$22M in projects to improve energy efficiency at materials facilities in 2023
- Introducing the first set of electric vehicles in our fleet and developing a strategy for electric vehicle charging infrastructure

We significantly increased our use of Environmental Product Declarations (EPDs), which help us understand the environmental impacts of materials. In 2023, 25 of our 41 asphalt plants had published EPDs, and six of our 44 aggregate facilities had draft EPDs. With a total of 36% of all materials facilities with EPDs, we are well on track to achieve our target to have EPDs available for 50% of our materials facilities by 2025.

We improved our understanding of how water risks related to climate change could impact our operations and completed our first water risk assessment.

We exceeded our target to earn recognition by the National Asphalt Pavement Association (NAPA) Diamond Sustainable Commendation for 75% of our asphalt plants by 2025. In 2023, 32 Granite plants, representing 78% of our asphalt facilities, received this recognition.





# About Granite

Granite Construction Incorporated (Granite; NYSE: GVA) delivers infrastructure solutions for public and private clients. Granite creates value for its shareholders by satisfying society's need for mobility, power, water, and essential services that sustain living conditions and improve quality of life.

## Granite is America's Infrastructure Company™

Incorporated since 1922, Granite is one of the largest diversified construction and construction materials companies in the United States (US). Granite is an industry leader in safety and an award-winning firm in quality and sustainability. Granite's Code of Conduct and core values guide the company to uphold the highest ethical standards and further its commitments to upholding dependable governance structures, reflecting diversity within all levels of the company, and enhancing a culture of inclusion.

## Our in-house expertise supports our clients in meeting their own sustainability goals

We recognize that reliable infrastructure is critical to the flow of people, goods, and energy, and provides the foundation of a sustainable society. We also understand the imperative for building increased resiliency in the face of more frequent extreme weather events. America's infrastructure is in critical need of upgrade and repair, and it needs to be built with increased sustainability and resiliency—we are here to build it.

 **#1**  
Highways (Top Contractors Sourcebook)

 **#4**  
Top Solar Contractors List

 **\$3.5B**  
2023 Revenue

 **6,343**  
Employees

# Markets & Customers

Granite serves customers in both public and private sectors within our reportable business segments: Construction and Materials. We provide infrastructure solutions in a range of markets as a diversified civil contractor and materials producer. Customers of our Construction segment are predominantly in the public sector and include federal agencies, state departments of transportation, local transit authorities, county and city public works departments, school districts and developers, utilities, and private owners of industrial, commercial, and residential sites. Customers in our Materials segment include our own construction projects and third-party customers. Our third-party customers include contractors, landscapers, manufacturers of products requiring aggregate materials, retailers, homeowners, farmers, and brokers. The majority of both our public and private customers are in the US. A directory of our locations is available [here on our website](#).



## Construction



Highways and Roads



Bridges



Federal



Rail



Renewables



Mining



Water and Wastewater



Commercial Site Development



Tunneling

## Materials



Aggregate



Asphalt Concrete

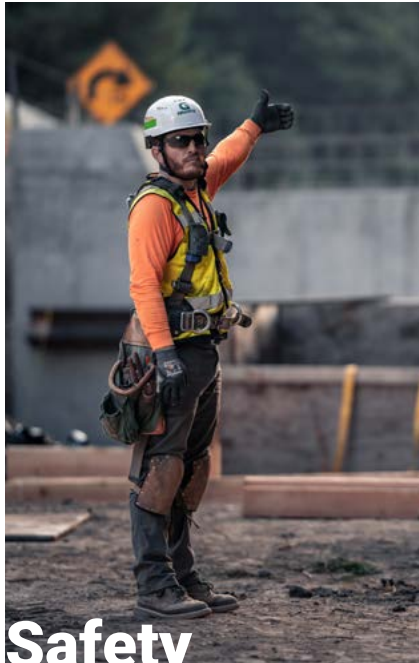


Recycled Materials



# Core Values

Our five core values are fundamental to the identity of our organization: how we treat one another, operate with safety and integrity, provide value to our stakeholders, and incorporate sustainability into all that we do to make a difference in our communities and the world.



## Safety for all

The safety and well-being of our people, our partners, and the public is our greatest responsibility. Every level of our organization is engaged in our safety culture.



## Integrity always

We operate with integrity and the highest ethical standards. We know and do what is right, and we are expected to speak up when something is not right.



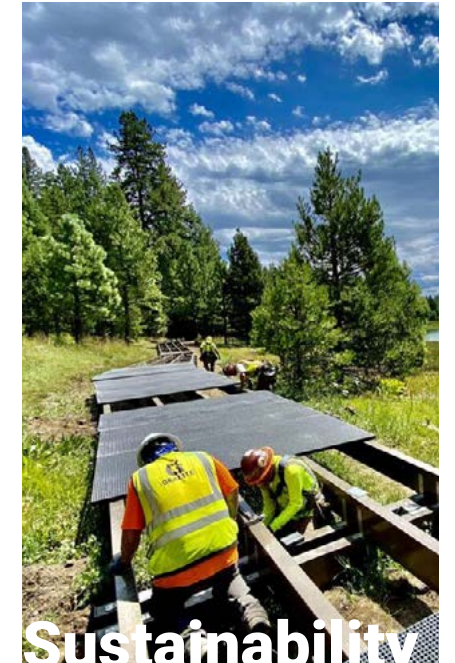
## Excellence for our stakeholders

We strive for a high-performance culture of continuous improvement, innovation, and quality in all aspects of our work. We always perform and deliver our work the right way for our stakeholders.



## Inclusion where everyone is valued

We value and respect a workforce diverse in perspective, experience, knowledge, and culture. We are committed to an inclusive environment in which everyone feels a sense of belonging and can grow.



## Sustainability to ensure enduring value

Together we build a better future by integrating values of social responsibility, environmental stewardship, and dependable governance to deliver enduring economic value.

# Commitments & Recognition

## External Commitments

- UN Global Compact
- Catalyst
- CEO Action for Diversity and Inclusion

## Company Awards

- Newsweek America’s Most Responsible Companies (for 2024), #56 overall, #5 for Industry (Capital Goods)
- Solar Power World 2023 Top Solar Contractors List #4
- **The Engineering News-Record (ENR) Magazine Top Contractors Sourcebook (for 2023)**



#1 Highways	#10 Mass Transit & Rail
#3 Mining	#13 Bridges
#5 Transportation	#13 Solar
#6 Sanitary & Storm Sewers	#18 Refineries & Petrochemical Plants
#6 Water Treatment	#23 Government Offices
#8 Water Supply	#23 Sewerage & Solid Waste
#9 Dams & Reservoirs	#33 Power

## Recognition for Quality & Excellence

Demonstrating Granite’s commitment to quality and excellence in producing construction materials and executing projects, Granite received the following commendations and awards as part of the National Asphalt Pavement Association (NAPA) Quality in Construction and Diamond Commendation programs in 2023:

- **32 Diamond Achievement Sustainable Commendations** representing an expanded level of the Diamond Achievement Commendation, which evaluates the social, economic, and environmental efforts of an asphalt facility and how it puts sustainability and community engagement principles into action
- **3 Diamond Achievement Commendations** emphasizing continuous improvement and including operations in a manufacturing plant and around a plant’s site
- **7 Diamond Paving Commendations** recognizing exceptional paving crews, including the use of best practices in paving and compliance
- **19 Diamond Quality Commendations** evaluating quality management practices related to recycled asphalt pavement and aggregate handling, asphalt storage, drying and mixing, air quality, truck scales, silos, and control rooms
- **31 Quality in Construction Awards** recognizing industry-leading performance for construction projects

The National Stone, Sand & Gravel Association (NSSGA) Awards of Excellence program recognizes NSSGA member company operations’ achievements in the categories of Environmental, Safety, and Community Relations Excellence. Granite received six Awards of Excellence in 2023:

- **One gold Louis Griesemer Sterling Safety Award** in recognition of one of the lowest total accident incident rates
- **One silver and four bronze Environmental Excellence Awards** for actively demonstrating a commitment to the exemplary use of environmental controls and systems





“

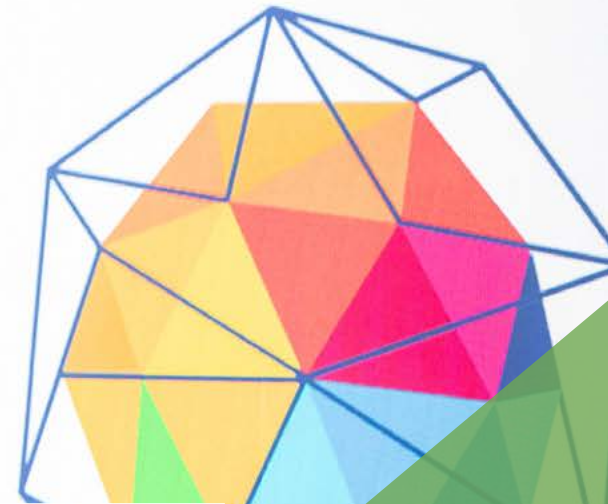
Infrastructure companies have a critical role to play in achieving the SDGs, especially SDG 11, sustainable cities and communities. Reliable civil infrastructure is critical to the flow of people, goods, water, and energy—it is truly the foundation of a sustainable society.”



## Recognition for Pioneering the SDGs

Granite strives to lead our industry in advancing the SDGs. In 2023, Granite’s sustainability lead was recognized by the UN Global Compact Network USA as the USA SDG Pioneer for Large and Multi-National Companies for championing the SDGs and inspiring others to advance the 2030 Agenda for Sustainable Development. Network USA selects only two SDG Pioneers annually (one for Large and Multi-National Companies and another for Small and Medium-Sized Companies), so this award brought Granite’s sustainability program into the international spotlight.

# SDG SUMMIT USA



Granite Sustainability Lead Raven Adams received the USA SDG Pioneer award from Ambassador Christopher Lu at the SDG Summit USA 2023 event.



# About this Report

## Report Overview

We use the term "sustainability" for this report because it encompasses Granite's aspirations toward a set of comprehensive goals in environmental stewardship, corporate social responsibility, responsible governance, and long-term financial success. This report demonstrates Granite's leadership in Environmental, Social, and Governance (ESG) responsibilities. This report provides updates on our evolving sustainability program, along with assessments of progress on sustainability objectives and targets.

## Reporting Period

January 1, 2023-December 31, 2023

## Report Cycle

Issued annually

## Report Boundaries

Companywide operations for Granite and its subsidiaries in 2023, except for companies acquired in 2023 (unless otherwise specified)

## WE SUPPORT



## Reporting Frameworks



Global Reporting Initiative (GRI)  
(Appendix A)



Sustainability Accounting Standards Board (SASB), Infrastructure—Engineering and Construction Services, and Extractives and Minerals Processing—Construction Materials Standards  
(Appendix B)



Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) (Appendix C)

## Report Structure

This report is organized around these sustainability strategic objective areas, which drive our creation of enduring value:



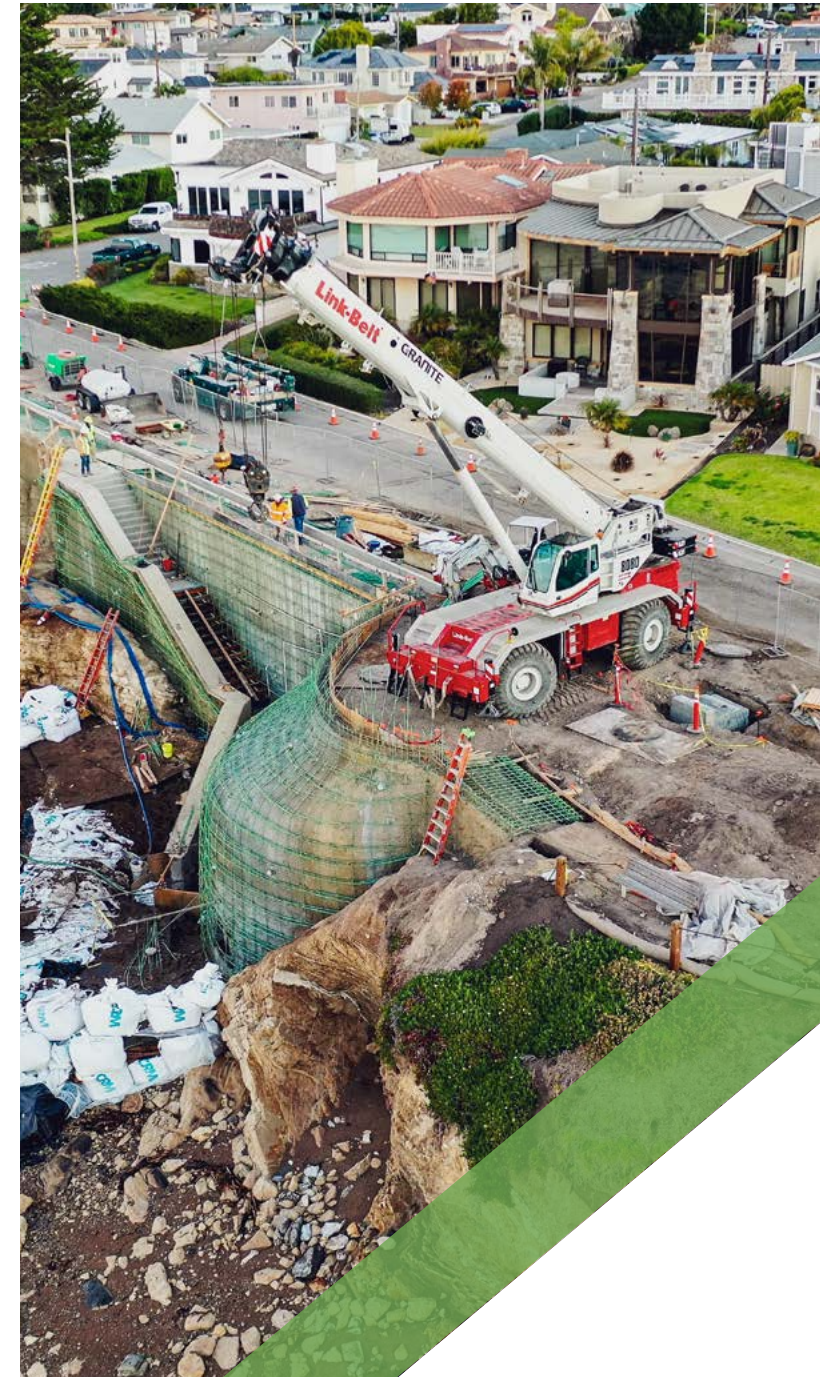
Dependable Governance



Social Responsibility



Environmental Stewardship







## Alignment to Standard Reporting Frameworks

Granite utilizes GRI and SASB as guiding frameworks to support performance, tracking and reporting, and responsible business behavior. Within these frameworks, Granite has selected industry-specific metrics that align with stakeholder expectations and reflect material impacts relevant to our business. This report has been prepared using GRI Sustainability Reporting Standards as guidance, following the revised version of the standards released in 2021. This report uses the SASB standards most significant to our operations: Infrastructure Engineering and Construction Services, and Extractives and Minerals Processing—Construction Materials. Granite also utilizes the SDGs prescribed by the UN to inform sustainability initiatives.

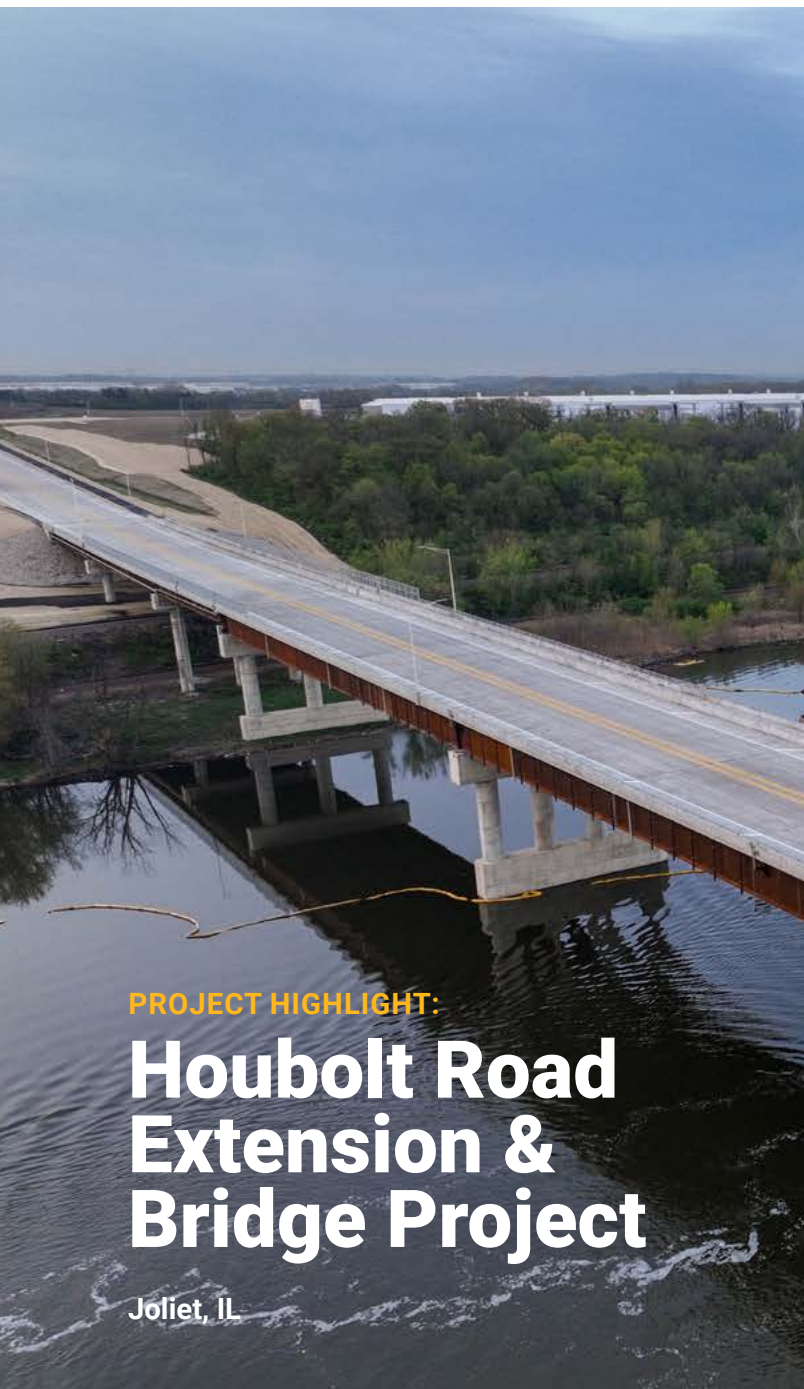
For issues related to climate change and its associated risks, Granite utilizes the TCFD recommendations. In alignment with TCFD, climate issues are considered under four categories: governance, strategy, risk management, and metrics and targets. These issues are addressed throughout the report and references to specific pages are provided in Appendix C. We recognize that many sustainability reporting frameworks underwent changes in 2023, including the culmination of TCFD work with the development of International Financial Reporting Standards (IFRS) sustainability standards, and the transfer of TCFD monitoring responsibilities to the International Sustainability Standards Board. While Granite's reporting for 2023 continues to align with TCFD, we will continue to evolve our approach to adapt to new standards as appropriate.

The final pages of this report include appendices with disclosures according to these reporting frameworks. Granite's approach to sustainability reporting is evolving. While Granite does not currently track to all the metrics within these standards, we are working to improve our data collection and reporting systems to support additional disclosures in the future. Granite is committed to continually improving sustainability in our business and working toward greater rigor, transparency, and increased alignment to industry frameworks that are relevant to our business.

Granite performed its second sustainability materiality assessment in 2022, to produce a matrix identifying the top priority sustainability topics, risks, and opportunities for our business and Granite's key stakeholders, including employees, investors, clients, partners and suppliers, and community members. The results of this materiality analysis inform our approach to reporting.

In 2023, Granite participated in the UN Global Compact's new Communication on Progress process, which was voluntary in 2023 and will be required beginning in 2024. The Communication on Progress is the UN Global Compact's annual disclosure mechanism and platform for business participants to report their progress toward the Ten Principles and the SDGs. Granite's participation is intended to signal our support of advancing transparency and contributing to benchmarking data to propel data-driven improvements related to advancing the SDGs and the Ten Principles.





**PROJECT HIGHLIGHT:**

# Houbolt Road Extension & Bridge Project

Joliet, IL

## Improving Safety & Quality of Life

As one of the first major design-build projects in Illinois, the Houbolt Road Extension project supports economic advancement and improves regional road safety by providing a more efficient route for the largest inland port in the country. This new toll bridge connection allows for significantly reduced emissions through less idling of truck traffic and substantially shorter travel distance, supports economic and job growth, and leverages an innovative private funding method for construction and operation of the bridge.

The Houbolt Road Extension leverages the industry’s growth and invests in the community’s quality of life by reducing traffic impacts. The growing demand for transportation logistics means increased truck traffic and congestion on the local road network. This project included the extension of Houbolt Road between US-6 and Schweitzer Road by constructing a new major river crossing over the Des Plaines River. The bridge spans railroad tracks to create a direct connection to Interstate 80 for trucks at the CenterPoint Intermodal Center at Joliet/Elwood, which manages roughly one-third of the country’s freight movement. The new access route for trucks allows for a quick 15-minute route across the river and eliminates a 45-minute detour. This project is the result of years of collaboration and thoughtful planning that will ensure the intermodal facilities remain a driver of jobs and revenue throughout the region for generations to come.

## Innovating for Structural Efficiency

Spanning across the Des Plaines River at an impressive 1,882-feet in length, with a main span of 460 feet, the effort required a team of dozens of engineers, tradespeople, and structures experts to collaborate on the best design and solution. To minimize river navigation impacts, all drilled shafts, substructure construction, and

steel erection that could be accessed and reached from the temporary causeway were built from land. The navigable river channel under the main span needed to remain open for river traffic, so for this portion of the bridge, equipment was placed on barges to complete the construction. The barges were positioned using tugboats of sufficient size and horsepower to safely maneuver on the water. All in-water work required intricate coordination with the U.S. Coast Guard. Using a strand-jack erection method allowed the project team to pre-build the main span on barges and utilize the strand-jack lift to float the main span for raising into its final configuration. This approach greatly reduced the impact to the navigable channel by requiring two short eight-hour closures to river traffic, whereas traditional steel erection methods would have required months of intermittent closures. After construction was complete, the 120,000 tons of stone used to build the temporary causeway was removed, stockpiled, crushed, and reused on various local construction projects.

## Partnering for Economic Prosperity

Granite led a joint venture (JV) to build this project for the Houbolt Road Extension JV, LLC, a business partnership between CenterPoint Properties and United Bridge Partners (UBP). UBP is a private infrastructure investment company that finances, designs, builds, owns, and operates private toll bridges across the US, meeting the unique needs of communities, governments, and private owners alike. CenterPoint Properties develops, acquires, and manages industrial property and transportation infrastructure that enhances supply chain efficiency.

This project successfully opened to the traveling public in Spring 2023.



# DEPENDABLE GOVERNANCE

**In this section:**

Sustainability Strategic Plan

Governance & Risk Management

Stakeholder Engagement

Materiality Assessment

Compliance & Ethics

Quality & Product Safety

Government Affairs: Advocating for Sustainable Infrastructure Investment

Project Highlight: Eastrail NE 8th Street Crossing

229710

EquipmentShare

**G**  
GRANITE  
**CC**  
CRAFT SAFETY  
CONNECTION

# Sustainability Strategic Plan

## Our Commitment to Sustainability

Granite is committed to contributing to the development of a more sustainable future. We strive to:

- Promote the safety, health, and vitality of our people
- Perform work ethically, with honesty and integrity
- Champion the current and future needs of communities we serve
- Recognize our impact on the environment and duty to protect it
- Manage operations, produce material, and deliver construction projects using sustainable practices
- Preserve the company for generations to come by delivering long-term economic performance

## Strategic Vision

We envision Granite as the leading provider of sustainable infrastructure solutions, differentiated by our pursuit of social, environmental, and financial excellence.

## Strategic Mission

To create enduring value and address relevant societal needs, Granite will leverage best practices in corporate social responsibility, environmental stewardship, and corporate governance to integrate sustainable practices into operations and drive accountability for social, environmental, and economic performance.

## Strategic Objectives

Our goal is to be a business leader in four strategic objective areas:



**Social Responsibility:** Participate meaningfully in the communities in which we operate by implementing socially responsible business practices, actively managing our social impacts, and engaging in charitable activities



**Environmental Stewardship:** Act as a responsible steward by actively managing our environmental impacts, preserving natural resources, and innovating to enhance environmental benefits



**Dependable Governance:** Uphold dependable governance structures that effectively create accountability for delivering sustainable performance, build in-house capacity to serve the current and future needs of our clients, and communicate our sustainability efforts through transparent reporting



**Enduring Value:** Use the growth of the sustainable economy as an opportunity to grow new markets and commercial opportunities to become a leader in providing sustainable infrastructure solutions

## Defining Sustainability

Sustainability is about people and their quality of life.

Sustainable development “meets the needs of the present without compromising the ability of future generations to meet their own needs.” (“Report of the World Commission on Environment and Development: Our Common Future, 1987.”)

Sustainability in infrastructure refers to “projects that are planned, designed, constructed, operated, and decommissioned in a manner to ensure economic and financial, social, environmental (including climate resilience), and institutional sustainability over the entire life cycle of the project.” (“Inter-American Development Bank, What is Sustainable Infrastructure?,” IDB-TN-1388, 2018.)

In simpler terms, we define sustainable infrastructure solutions as those that positively impact the environmental, social, and economic sustainability of the communities they serve.

Functionally, in the context of our business, sustainability is Granite’s strategic approach to managing business with the future in mind, by integrating values of social responsibility, environmental stewardship, and dependable governance to deliver enduring economic value.



# Ambition for Global Prosperity

While Granite supports all 17 SDGs, we focus on core SDGs that relate to our operations and areas of influence—where our business has direct impact or can create societal benefits.

## Core SDGs All SDGs



A photograph of construction workers on a site. In the foreground, a worker in a white hard hat with the Granite logo, orange long-sleeve shirt, and yellow safety vest is giving a thumbs-up. In the background, other workers in similar gear are working on a structure. The scene is set against a blurred background of construction materials and equipment.

# Performance Updates

The following charts provide an overview of Granite’s progress on our sustainability strategic plan, illustrating how the broad spectrum of our efforts fit together to support one mission of sustainability. For each focus area, related SDGs are listed to show how our efforts connect to the global goals. The charts also list notable efforts and initiatives—some of the efforts and initiatives relate to multiple focus areas, emphasizing the interconnected nature of our sustainability efforts. The remainder of this report elaborates on our most significant efforts and initiatives in 2023. We are also working to develop a new sustainability strategic plan, incorporating feedback from our most recent materiality assessment, and plan to share this new strategy in our next report.



## Performance Updates for Priority Targets

This first chart lists only the focus areas for which we currently have specific targets (first established in Granite's 2020 Sustainability Strategic Plan), and includes progress updates on key performance indicators (KPIs).

Strategic Objective Areas	Focus Areas	Long-Term Ambitions	Goals & Targets	2023 Performance	Key Initiatives
 <p><b>Dependable Governance</b></p>	<p><b>Business Ethics &amp; Anti-Corruption</b></p> 	<p>Emphasize an ethical culture and create commitment through training that empowers all employees to uphold the highest ethical, legal, and moral standards</p>	<p><b>Ongoing Goal:</b> Provide basic compliance training to all employees and achieve completion rates exceeding 99% for salaried employees</p>	<p>We achieved a completion rate of 98% in 2023, and continue to work toward our target</p>	<ul style="list-style-type: none"> <li>• Legal and compliance programs</li> <li>• Ethics and Compliance blogs</li> <li>• Legal webinars</li> <li>• Anti-corruption and anti-bribery training</li> </ul>
 <p><b>Social Responsibility</b></p>	<p><b>Safety</b></p>  	<p>Zero injuries</p> <p>Support an industry-leading culture of safety</p>	<p><b>Priority Target:</b> Reduce our Occupational Safety and Health Administration (OSHA) recordable incident rate from 1.07 in 2020 to 0.70 by 2023</p> <p><b>New Target:</b> Reduce our OSHA recordable incident rate from 1.07 in 2020 to 0.65 by 2024<sup>1</sup></p>	<p><b>Target Exceeded:</b> 0.67 OSHA recordable incident rate in 2022 surpassed our target for 2023</p>	<ul style="list-style-type: none"> <li>• Safety program</li> <li>• Stuff That Can Kill You (STCKY)</li> <li>• Craft Safety Connection</li> <li>• Safety onboarding and orientation</li> <li>• Speak Up/Listen Up</li> <li>• Motion Matters</li> <li>• Industry Safety Week</li> <li>• Monthly focus topics</li> </ul>
	<p><b>Inclusive Diversity</b></p>  	<p>Have a workforce that reflects the diversity of the communities where we work</p> <p>Foster a culture of inclusive diversity where everyone feels fully engaged in an accepting environment</p>	<p><b>Priority Goals:<sup>2</sup></b></p> <ul style="list-style-type: none"> <li>• Increase female representation throughout the entire organization by 2025</li> <li>• Increase women in leadership<sup>3</sup> by 2025</li> <li>• Increase persons of color in leadership<sup>3</sup> by 2025</li> <li>• Increase Inclusion Index<sup>4</sup> from 71% in 2020 to 80% by 2025</li> </ul>	<ul style="list-style-type: none"> <li>• Female representation: 13%</li> <li>• Women in leadership: 19%</li> <li>• Persons of color in leadership: 20%</li> <li>• Inclusion Index: 74%<sup>5</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Inclusive Diversity (ID) program</li> <li>• ID engagement portfolio</li> <li>• ID Community Hours</li> <li>• Podcasts</li> <li>• Partnerships for recruiting</li> <li>• Employee resource groups</li> <li>• Educational programs</li> </ul>

<sup>1</sup> This target is for legacy Granite operations, excluding Lehman-Roberts Companies acquired in December 2023, for which the development of new integrated targets is in progress.

<sup>2</sup> We remain fully committed to fairness and nondiscrimination in our employment practices by ensuring that the decision on who to hire and promote is based purely on merit and made without consideration of race, gender, or other protected characteristic.

<sup>3</sup> For these goals, "leadership" is defined as having direct reports or position title of supervisor or above.

<sup>4</sup> Inclusion Index obtained from Peakon/Workday survey.

<sup>5</sup> 2022 survey results; next survey will be completed in 2024.

Strategic Objective Areas	Focus Areas	Long-Term Ambitions	Goals & Targets	2023 Performance	Key Initiatives
<b>Environmental Stewardship</b> 	<b>Climate &amp; Emissions</b> 	Minimize GHG emissions as much as possible, to industry-leading levels	<b>Priority Target:</b> Reduce total Scope 1 GHG emissions by 25% by 2030 from 2020 baseline	Total Scope 1 GHG emissions (CO <sub>2</sub> equivalents in metric tons): 2023: 233,951 2022: 205,993 2021: 214,303 2020: 211,718  Scope 1 GHG emissions increased in total in 2023 compared to the 2020 baseline. However, due to data limitations, methodology improvements applied to 2023, 2022, and 2021 could not be applied to the baseline year 2020, which disrupts the comparability of these figures.	<ul style="list-style-type: none"> <li>• Development of decarbonization plan</li> <li>• Telematics and fuel economy management</li> <li>• Alternative energy equipment procurement</li> <li>• Hybrid-electric equipment procurement</li> <li>• Electric vehicle procurement</li> <li>• Electric vehicle charging infrastructure initiative</li> <li>• Renewable diesel initiative</li> <li>• Electric locomotives for tunnel work</li> <li>• Research and development related to plant operations</li> <li>• Plant energy conservation investments</li> <li>• Industry initiatives (e.g., The Road Forward)</li> </ul>
	<b>Sustainable Operational Practices</b> 	Employ industry-leading sustainability practices at our plants  Leverage alternative procurement to reduce environmental impacts of construction projects through innovation	<b>Priority Target:</b> Earn recognition by the National Asphalt Pavement Association (NAPA) Diamond Sustainable Commendation for 75% of our asphalt plants by 2025	<b>Target Exceeded:</b> 32 asphalt plants received this recognition (representing 78% of our total asphalt facilities)	<ul style="list-style-type: none"> <li>• Envision training initiative</li> <li>• Envision pilot project</li> <li>• Sustainable Operations Task Force</li> <li>• Electric vehicle charging station initiative</li> <li>• Project-specific plans</li> <li>• Waste management pilot project</li> </ul>
	<b>Environmental Impacts of Products</b> 	Capture the environmental impacts of our products and contribute to industry understanding of the environmental impacts of construction materials	<b>Priority Target:</b> Have EPDs available for 50% of our materials facilities by 2025	In 2023, 25 (out of 41) asphalt plants had published EPDs, and six aggregate facilities (out of 44) had draft EPDs—a total of 36% of all materials facilities with EPDs and on track to achieve our target	<ul style="list-style-type: none"> <li>• EPD initiative to increase use of EPDs for asphalt</li> <li>• Aggregate EPD development</li> <li>• Industry support for development of EPDs</li> </ul>



Strategic Objective Areas	Focus Areas	Long-Term Ambitions	Goals & Targets	2023 Performance	Key Initiatives
<b>Enduring Value</b> 	<b>First-Time Quality (&amp; Rework)</b> 	Achieve leading levels of first-time quality and product safety for construction and materials  Track and prevent rework	<b>Priority Target:</b> Improve our first-time quality rate for production of construction materials from 85% in 2020 to 90% by 2025 <sup>1</sup>	88% first-time quality rate on 26 million tons of product in 2023	<ul style="list-style-type: none"> <li>• Materials Quality program</li> <li>• Development of Construction Quality program</li> <li>• Voice of customer surveys</li> <li>• Development of quality strategy</li> <li>• Quality incident and rework reporting</li> </ul>

## Performance Updates for Other Focus Areas

This chart lists the other focus areas for which we do not currently have specific priority targets. For these strategic focus areas, we still have work to do to develop internal goals, action plans for improvement, and specific targets to measure our progress. One of our primary goals is to improve reporting systems to support the collection of baseline data for the impact areas where we do not yet have companywide data available, such as water use.

### Dependable Governance

Focus Area	Long-Term Ambition	Key Efforts & Initiatives
<b>Reporting</b>	Communicate our sustainability efforts to the public in a manner consistent with evolving industry standards and requirements	<ul style="list-style-type: none"> <li>• Sustainability program</li> <li>• Ongoing data collection and reporting system improvements</li> </ul>
<b>Stakeholder Engagement</b> 	Effectively engage our stakeholders regularly to validate and refresh the sustainability topics we manage and report	<ul style="list-style-type: none"> <li>• Sustainability Week</li> <li>• Sustainability program (ongoing engagement portfolio)</li> <li>• 2022 materiality assessment</li> <li>• Employee sustainability survey</li> </ul>
<b>Supply Chain</b> 	Go beyond our own operations and positively influence our supply chain to transition to more sustainable resource management	<ul style="list-style-type: none"> <li>• Recycled plastic in asphalt initiative (displaces use of petroleum binder)</li> <li>• Renewable diesel initiative</li> <li>• <a href="#">Human Rights Policy Statement</a></li> <li>• <a href="#">Supplier Code of Conduct Policy Statement</a></li> </ul>





<sup>1</sup>This goal has been revised to better align with owner/agency acceptance and payment practices. Quality performance is discussed in the Governance section of this report, under Quality & Product Safety, for better alignment as we streamline and update our strategy.

## Social Responsibility

Focus Area	Long-Term Ambition	Key Efforts & Initiatives
<p><b>Community Engagement</b></p> 	<p>Engage meaningfully in the communities where we work</p> <p>Empower our employees to volunteer and support charitable organizations</p>	<ul style="list-style-type: none"> <li>• Habitat for Humanity Build Days</li> <li>• Corporate Charitable Contributions Committee</li> <li>• Local charitable efforts</li> <li>• Paid volunteer time off (effective 2024)</li> </ul>
<p><b>Employee Engagement</b></p> 	<p>Actively engage our employees with our company purpose and mission for sustainability</p>	<ul style="list-style-type: none"> <li>• 2022 materiality assessment</li> <li>• Sustainability Week</li> <li>• Sustainability Spotlight articles</li> <li>• Sustainability engagement portfolio</li> <li>• Sustainability Center of Excellence forums</li> <li>• Envision training initiative</li> <li>• Inclusive Diversity engagement portfolio</li> <li>• Safety Week</li> <li>• Construction Inclusion Week</li> </ul>
<p><b>Project Site Relations</b></p>  	<p>Employ best practices at construction sites to avoid, minimize, and mitigate disruptions to surrounding communities</p>	<ul style="list-style-type: none"> <li>• Environmental Management System and program (project-specific plans)</li> <li>• Envision pilot project</li> </ul>
<p><b>Human Rights</b></p> 	<p>Uphold ethical business operations that ensure the protection of human rights in our operations and provide safeguards for our supply chain and business partners</p>	<ul style="list-style-type: none"> <li>• <a href="#">Human Rights Policy Statement</a></li> <li>• <a href="#">Supplier Code of Conduct Policy Statement</a></li> <li>• Onboarding core value trainings</li> </ul>



## Environmental Stewardship

Focus Area	Long-Term Ambition	Key Efforts & Initiatives
<p><b>Water</b></p> 	Protect water resources in all areas of our influence	<ul style="list-style-type: none"> <li>• Environmental Management System and program</li> <li>• Water conservation at plants</li> <li>• Project-specific water management plans</li> <li>• Assessment of tracking solutions to collect companywide baseline data</li> <li>• Climate and water risk assessment initiative</li> </ul>
<p><b>Air</b></p> 	Reduce air emissions at all plants, to the extent practicable, to industry-leading levels	<ul style="list-style-type: none"> <li>• Environmental Management System and program</li> <li>• Site-specific plans for materials facilities</li> <li>• Project-specific plans for construction projects</li> </ul>
<p><b>Waste and Recycled Content</b></p> 	Minimize waste and optimize the use of recycled content in asphalt production	<ul style="list-style-type: none"> <li>• Environmental Management System and program</li> <li>• Waste management pilot project</li> <li>• Recycled plastic in asphalt initiative</li> <li>• Recycled asphalt pavement advocacy</li> <li>• Project-specific waste management plans</li> <li>• Malarkey Roofing partnership</li> </ul>
<p><b>Land and Biodiversity</b></p> 	Protect and enhance biodiversity within our sphere of influence	<ul style="list-style-type: none"> <li>• Environmental Management System and program</li> <li>• Continued reclamation planning (site-specific for materials facilities)</li> <li>• Project-specific plans for habitat and wildlife</li> </ul>

## Enduring Value

Focus Area	Long-Term Ambition	Key Efforts & Initiatives
<p><b>Infrastructure Investment<sup>1</sup></b></p> 	<p>Participate in the advancement of industry-wide sustainable construction practices</p> <p>Continue to be actively engaged in industry, grassroots, and direct efforts at the local, state, and federal levels to advocate for adequate and sustainable public infrastructure funding</p>	<ul style="list-style-type: none"> <li>• Industry group participation</li> <li>• Industry climate plan support</li> <li>• EPD development support</li> <li>• Envision pilot</li> <li>• Local advocacy efforts</li> </ul>
<p><b>Client Alignment &amp; Satisfaction</b></p> 	<p>Effectively engage our clients regularly on sustainability topics to understand their current and future needs</p>	<ul style="list-style-type: none"> <li>• Sustainability strategic partnerships with clients</li> <li>• Business Development programs (regional)</li> <li>• Client alignment meetings (project-specific)</li> <li>• Envision training initiative</li> <li>• Envision pilot</li> </ul>
<p><b>Market Presence (Type of Work and End-Markets)</b></p> 	<p>Become a leader in providing sustainable infrastructure solutions</p> <p>Use the growth of the sustainable economy as an opportunity to grow new markets and commercial opportunities</p>	<ul style="list-style-type: none"> <li>• Expansion in solar and other renewable energy and energy storage markets</li> <li>• Recycled plastic in asphalt initiative</li> <li>• Envision pilot</li> </ul>
<p><b>Climate Resilience</b></p> 	<p>Implement systems to manage readiness to respond to new markets in the transition to a low-carbon economy</p> <p>Support the longevity of the company by monitoring the company's ability to be resilient and adapt to changing climate conditions</p>	<ul style="list-style-type: none"> <li>• Climate risk assessment integration into Enterprise Risk Management system</li> <li>• Recycled plastic in asphalt initiative (displaces use of petroleum binder)</li> <li>• Expansion in solar and other renewable energy and energy storage markets</li> </ul>

<sup>1</sup>Infrastructure Investment, for better alignment as we streamline and update our strategy, is discussed in the Governance section of this report.



# Governance & Risk Management

In this report, we focus on the governance issues most relevant to sustainability—namely, governance around improving our sustainability program, managing our social and environmental impacts, and integrating opportunities and risks posed by climate change into our business strategy. More information about our corporate governance—including details about our Board of Directors, Board governance, executive compensation, company strategy, and risk analysis—is available on our [investor website](#) and in our [financial filings](#).

## Granite Management System

We use the Granite Management System (GMS) to organize policies and procedures and hold people accountable. In practice, GMS is the collective policies, procedures, practices, and related infrastructure we use to support consistency across all functional areas of our business and to fulfill our safety and health, environmental, and quality requirements. Our goals are to satisfy specifications, standards, regulations, and client expectations in the most effective and efficient manner possible, and share knowledge and lessons learned throughout the organization.

## Enterprise Risk Management

Granite maintains a robust Enterprise Risk Management (ERM) practice informed and guided by our Board of Directors and in consultation with third-party risk advisors. The program, initially formalized in 2009, continues to evolve and expand to better incorporate emerging risks or areas of increased focus, including sustainability. Granite's practice aligns with the Committee of Sponsoring Organizations of the Treadway Commission framework and has been embedded into our strategic and operational planning. The ERM system integrates consideration of ESG-related risks, including those posed by climate change. The Environmental Stewardship section of this report provides further details on our approach to managing climate-related risks.

# Sustainability Governance Framework

Granite's governance framework for sustainability supports effective implementation of our sustainability efforts (including environmental, social, and governance or ESG) by clarifying sustainability/ESG roles, responsibilities, and lines of communication. We revised this framework in 2023 to support more efficient oversight by our Board of Directors. The Board of Directors oversees our sustainability program and how we manage sustainability and ESG-related risks, including those posed by climate change. The Board Nominating & Corporate Governance Committee (NCGC) assists the Board of Directors in its oversight of Granite's sustainability/ESG strategy, initiatives, and policies (including Granite's [Human Rights Policy Statement](#)). The Chair of the NCGC is Climate Leadership Certified by Diligent.

## Roles & Responsibilities

- **The Board of Directors** is responsible for overseeing company performance. The Board of Directors receives updates on sustainability/ESG performance and related risks at a minimum frequency of twice per year and provides approval for sustainability strategic plans and sustainability reports.
- **The Board Nominating & Corporate Governance Committee** recommends to the Board of Directors corporate governance guidelines and oversees the evaluation of the Board of Directors and management. The NCGC assists the Board of Directors

in its oversight of the company's sustainability/ESG program, receiving updates at a minimum frequency of twice per year. The NCGC reviews periodically and discusses with management the company's ESG strategy, initiatives, and policies, including communications with employees, investors, and other stakeholders. The NCGC also oversees mitigation of ESG risks faced by the company. The NCGC reports to the Board on ESG matters as it deems appropriate.

- **The Board Risk Committee** assists the Board of Directors in its oversight of the company's strategic, operational, and health, safety, and environmental compliance risks. The Risk Committee also oversees management's adoption and implementation of ERM policies and procedures. The ERM system integrates consideration of ESG-related risks, including those posed by climate change. Granite's Sustainability and Risk Management teams collaborate to address ESG-related risks and provide updates to the Board of Directors.
- **The Executive Committee** (EC) provides executive direction and resourcing for the sustainability program. The EC, which includes the President and CEO, receives updates on sustainability/ESG at least quarterly. The EC communicates ESG issues and risks to the Board of Directors and its Committees, either directly or as delegated to other subject matter experts such as the Sustainability Lead.
- **The Sustainability Lead** (SL) serves as the functional lead for the sustainability program to engage stakeholders, develop strategic plans, implement programs, and communicate progress. The SL provides updates to the EC at least quarterly and, as delegated by the EC, to the Board of Directors and its Committees.

- **Operational Leaders** are charged with implementing sustainability programs at the business unit level, supporting data collection from operations, and reporting their progress. Operational leaders are responsible for managing operational ESG risks and communicating emerging issues and risks to the SL.
- **Functional Leaders** are charged with implementing sustainability programs at the level of their functional business units, supporting data collection, and reporting their progress. Functional leaders are responsible for managing ESG risks in their functional area and communicating emerging risks to the SL.
- **The Sustainability Center of Excellence** is a forum for engagement and best practice sharing, open to all Granite team members—a key to effectively leveraging sustainability to create value.
- **The Sustainability Council** (within the Center of Excellence) is a forum of engagement for key functional and operational leaders to collaborate and support strategic planning and implementation of sustainability initiatives. The SL serves as Chair of the Sustainability Council.
- **The Climate Awareness Task Force** (within the Center of Excellence) aims to create and implement a strategic approach to integrating climate awareness into Granite's operations.
- **The Sustainable Operations Task Force** (within the Center of Excellence) supports the implementation of more sustainable practices in our operations.



# Organizational Chart for Sustainability



# Stakeholder Engagement

The extensive nature of Granite's work means we have a wide range of stakeholders, and all are welcome partners in our sustainability journey. In 2022, we conducted our second sustainability materiality assessment to update our understanding of stakeholder concerns and priorities (details in Granite's [2022 Sustainability Report](#)). We engage with stakeholders in a variety of ways beyond the materiality assessment process, including in the publication of this annual sustainability report, and by maintaining up-to-date information about our program on our website. As part of our communications plan, we have increased our focus on sustainability in our external communications. Internally, our primary focus in 2023 was to further educate our teams about how our mission for sustainability supports the SDGs. Granite implemented the "Quarterly Employee Listening Survey" in 2023—these short, confidential surveys provide employees with an opportunity to share feedback with leadership.





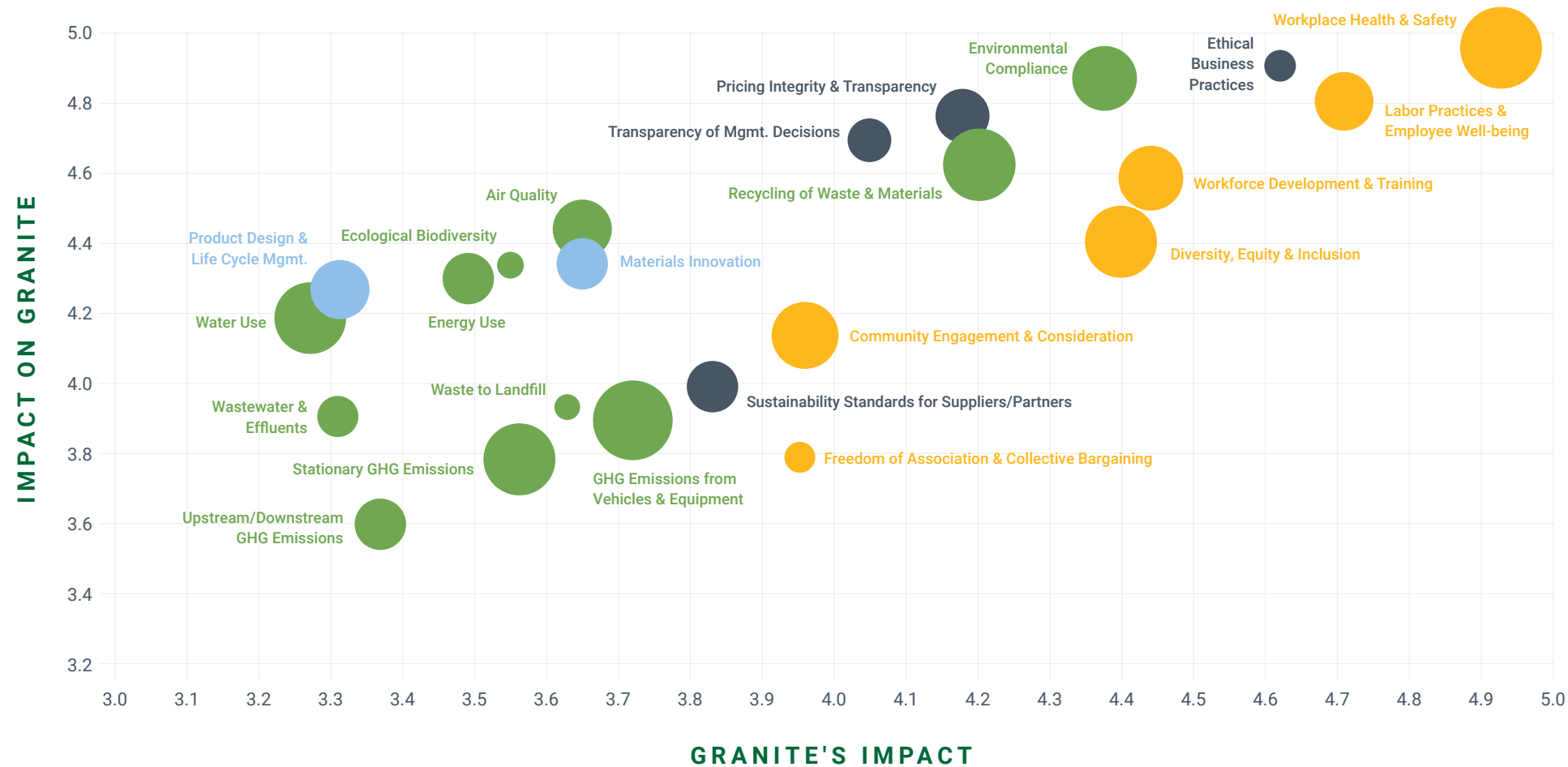
## How we engage with our stakeholders:

Stakeholder Group	Employees	Investors	Clients	Community	Partners & Suppliers
<b>Engagement Methods</b>	<ul style="list-style-type: none"> <li>• Surveyed in 2019 &amp; 2022 Materiality Assessments</li> <li>• Sustainability Center of Excellence discussion forums</li> <li>• Internal website &amp; resources</li> <li>• Viva Engage page</li> <li>• Engagement surveys, including Quarterly Employee Listening Survey</li> <li>• Direct engagement</li> <li>• Quarterly webinars</li> <li>• Town hall meetings</li> <li>• Core value &amp; onboarding trainings</li> <li>• Sustainability Week</li> <li>• Connections magazine</li> </ul>	<ul style="list-style-type: none"> <li>• Surveyed in 2019 &amp; 2022 Materiality Assessments</li> <li>• Quarterly investor calls</li> <li>• Direct engagement</li> </ul>	<ul style="list-style-type: none"> <li>• Surveyed in 2019 &amp; 2022 Materiality Assessments</li> <li>• Client alignment meetings</li> <li>• Client satisfaction surveys</li> <li>• Supplier questionnaires</li> <li>• Direct engagement</li> <li>• Sustainability strategic partnerships</li> </ul>	<ul style="list-style-type: none"> <li>• Elected officials &amp; organizational representatives surveyed in 2022</li> <li>• Materiality Assessment</li> <li>• Direct engagement with public representatives &amp; organizations</li> <li>• Press releases</li> <li>• Social media posts highlighting sustainability issues</li> <li>• Sustainability strategic partnerships</li> </ul>	<ul style="list-style-type: none"> <li>• Surveyed in 2022 Materiality Assessment</li> <li>• Direct engagement related to sustainability initiatives</li> <li>• Sustainability strategic partnerships</li> </ul>
<b>Top Concerns (2022 Sustainability Materiality Assessment)</b>	<ul style="list-style-type: none"> <li>• Workplace Health &amp; Safety</li> <li>• Ethical Business Practices</li> <li>• Environmental Compliance</li> <li>• Workforce Development &amp; Training</li> </ul>	<ul style="list-style-type: none"> <li>• Workplace Health &amp; Safety</li> <li>• Ethical Business Practices</li> <li>• Environmental Compliance</li> <li>• Labor Practices &amp; Employee Well-being</li> </ul>	<ul style="list-style-type: none"> <li>• Workplace Health &amp; Safety</li> <li>• Ethical Business Practices</li> <li>• Environmental Compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Workplace Health &amp; Safety</li> <li>• Stationary GHG Emissions</li> <li>• Materials Innovation</li> <li>• Labor Practices &amp; Employee Well-being</li> <li>• Workforce Development &amp; Training</li> </ul>	<ul style="list-style-type: none"> <li>• Workplace Health &amp; Safety</li> <li>• Diversity, Equity &amp; Inclusion</li> <li>• Ethical Business Practices</li> <li>• Recycling &amp; Reuse of Materials</li> </ul>

# Materiality Assessment

The following matrix illustrates the results of Granite’s sustainability materiality assessment survey, for which respondents rated the importance of each of the following topics in terms of Granite’s business and impacts on the economy, environment, and people. Ratings are based on a scale of one (1) (not important) to five (5) (very important). It is important to recognize that all the topics depicted were rated as at least moderately impactful (3 or above); therefore, the minimum axis values are adjusted for ease of distinguishing between topics. The results of the qualitative interviews are also depicted through the **bubble size** of this matrix, in that the larger bubbles indicate a higher frequency of a particular topic being emphasized in stakeholder interviews.

● Business Model & Innovation ● Environmental ● Leadership & Governance ● Social Responsibility







# Compliance & Ethics

We understand that ethical and compliance-positive decisions are fostered through engagement and reinforced through positive feedback and transparency throughout the organization. In 2023, our most significant efforts to enhance ethical business decisions came through continued communication, cross-functional collaboration, and educational efforts, combined with our peer-based core value award system.

Through webinars led by our Legal, Risk, and Compliance Departments and in-person training, we engaged team members on topics such as:

- Safety, Health, Environmental, and Quality Do's and Don'ts
- Contracts, Procurement, Compliance, Change Management
- Antitrust Compliance and Contract Administration Training
- Ethics in Quality Management
- Mechanics Lien and Stop Notice Training/Refresher
- Disadvantaged Business Enterprise Compliance

Granite maintains high expectations for ethical conduct by all employees. We are committed to providing a safe and professional workplace in which everyone is treated with respect and is free from unlawful discrimination, harassment, and retaliation. As part of this commitment, we enhanced our employment compliance trainings—Equal Employment Opportunity and Harassment/Discrimination Prevention—to continue to promote equal employment opportunities and foster a workplace that is free from harassment and discrimination.



In collaboration with cross-functional teams, we reviewed and updated financial policies and operational procedures, including our Employee Handbook, to ensure that institutional processes are sound, that policies reflect actions, and that policies and processes effectively prevent and detect wrongful or unethical conduct. These actions occur in the ongoing evaluation, elevation, and evolution of our Compliance program. In 2023, working with our Human Resources team, we implemented pay transparency processes that comply with new legal requirements and promote pay equity and equal employment initiatives.

Communication with employees on topics involving ethical conduct and compliance is critical to ensuring all team members remain vigilant when it comes to enforcing the expectation of ethical behavior. We regularly post blogs on topics to spark conversation and create an environment where doing the right thing is normalized and expected. Ethics and Compliance Blog topics in 2023 included:

- Insider Trading
- Granite's Code of Conduct: Our Behavior Playbook
- Conflicts of Interest
- Compliance and Ethics in Construction: Why is it Important?
- Case Study: How to Manage a Potential Antitrust Encounter
- The Art of Compliance: Turning Regulations into Opportunities
- Supplier Code of Conduct
- Before You Hit Send—Email Communication Do's and Don'ts
- Disadvantaged Business Enterprise Compliance and Red Flag Examples
- Doing the Right Thing
- Code of Conduct Certification and Conflict of Interest Disclosure
- Ethical Decision-Making Made Easy

In addition, we began using internal communication streams to regularly share policy bites to remind employees of critical policies that could trigger non-compliance, such as our Insider Trading, Gifts, Conflicts of Interest, Political Contributions, and Disadvantaged Business Enterprise policies.



Finally, we believe our quarterly compliance committee meetings, involving cross-departmental leadership and executive leadership, is a primary platform to learn about challenges related to our multi-departmental system of compliance. Through open communication with leadership across the company, we lay the groundwork for organic conversations to take place regularly, helping to identify potential areas of risk to be shared and discussed with leaders at the highest level. This dialogue empowers leaders to take critical issues and lessons learned back to their teams.

The Granite Choice Awards program is an employee recognition program where employees nominate team members who go above and beyond in exemplifying Granite's core values of Excellence, Inclusion, Integrity, Safety, and Sustainability. Awarding employees for their commitment to our core values is an important part of



driving success within the organization. When employees see desired behaviors in action, they emulate the same desired behaviors. While this program was introduced in 2021, it took time for it to take hold, and we saw notably increased participation in 2023. In 2023, we experienced a 36% increase in nominations over 2022, and awarded 413 employees for outstanding work in supporting our core values: 281 awards for Excellence, 36 for Inclusion, 55 for Integrity, 30 for Safety, and 11 for Sustainability.



# Quality & Product Safety

We hold ourselves accountable for satisfying client needs, mitigating risks, and driving continuous improvement in our operations. The processes defined in the GMS are the cornerstone of our quality risk prevention and product safety strategy, and support efficient, safe, quality-focused, and cost-effective operations. We hold ourselves accountable for following company best practices and quality procedures to achieve excellence and produce consistent results. We also deploy The Construction Playbook—a collection of standardized processes, essential tasks, and demonstrated best practices—to train our people and enable consistency across our construction operations. In 2023, Granite developed The Construction Materials Playbook, which sets the path for increased consistency, efficiency, and continuous improvement in our construction materials operations.

## Construction Materials Quality

As part of Granite’s focus on continuous improvement and risk management in our construction materials business, a comprehensive internal materials quality self-assessment process has been implemented for many years. In 2023, a total of 27 laboratories were assessed by regional quality teams who found them to be 97% in compliance with required procedures and recommended best practices. Each lab is implementing corrective actions that are monitored through completion to assure they achieve full compliance with required procedures and adopted best practices.



**2025**  
TARGET

Improve our first-time quality rate for production of construction materials from 85% in 2020 to 90% by 2025<sup>1</sup>

**2023**  
PERFORMANCE

We achieved a first-time quality rate of 88% in 2023

Granite began tracking first-time quality for each aggregate and asphalt product made throughout our construction materials operations in 2019. Material first-time quality is an internal Granite metric derived by using thousands of inspections and tests conducted in our quality laboratories. Granite’s 2025 target of 90% is intended to match a quality level where every ton of material produced is expected to receive full pay based upon statistical evaluation. Materials and quality teams continue to work toward this goal and use the metric to drive improvement.

Year	First-Time Quality Score	Tons of material produced (millions of US tons)
2019	81%	18
2020	85%	22
2021	88%	23
2022	89%	22
2023	88%	26

Our construction materials and quality teams maintain a critical focus on mix design optimization and recycled asphalt pavement utilization—both of which are tracked companywide and provide information that is essential to supporting reduction of the global warming potential of Granite’s asphalt mixes. Managing mix optimization creates the potential for significant cost savings and directly supports our sustainability goals. More details about our progress on developing EPDs and managing the impacts of the materials we produce is presented in the Environmental Stewardship section of this report.

<sup>1</sup>This goal has been revised to better align with owner/agency acceptance and payment practices.

## Construction Quality

Granite implemented an organizational change in 2023, with the formation of an integrated Safety, Health, Environmental, and Quality (SHEQ) team, bringing the Construction Quality Department under unified leadership with these other functional departments. This structural change will increase efficiency and improve strategic alignment. Revisions to The Construction Playbook in 2023 (for roll out in 2024) included revisions to the quality section and integration of new SHEQ strategic objectives. These revisions provide auditable requirements and will support SHEQ assessments that contain specific questions related to construction quality requirements. Integrating standard processes, essential tasks, and best practices into the playbook will enhance our ability to assess operational teams on performance for construction quality.

Granite's construction quality team continued to pursue our construction quality strategic objectives in 2023. In pursuit of our objective to "track, understand, and communicate the cost of poor quality," we continued to expand the implementation of our Quality Incident Tracking (QIT) process, a reporting system and database for capturing quality incidents and rework. The QIT system captured the following in 2023: 188 quality incidents at an estimated total cost of \$5.9 million, and 9,287 rework events totaling over \$4.6 million. We anticipate this system will capture more incidents and rework as it rolls out to additional regions.

Our goal in 2024 is to expand utilization of the QIT system, which will allow us to establish a baseline for the cost of poor quality, analyze events causing waste, and manage operations accordingly to drive down these negative impacts. The most powerful tool we have available in our QIT process is the quality Collaborative Learning Event (CLE). When significant issues occur, the CLE process allows us to identify contributing factors and focus on their root causes. The outcome of the CLE process allows us to share lessons learned, best practices, and quality alerts across the company. These quality alerts will empower our teams to discuss and share major incidents, their causes and impacts, and mitigation processes to prevent recurrence.

### Construction Quality Strategic Objectives

- Demonstrate quality's contribution to Granite's improved financial performance
- Communication of improved quality strategy throughout all functions
- Track, understand, and communicate the cost of poor quality
- Fortify our quality organization and expand quality career path
- Strengthen Granite's quality culture





# Government Affairs: Advocating for Sustainable Infrastructure Investment

Granite makes it a priority to advocate for the protection of sustainable infrastructure funding. Our business units across the country are involved in local, state, regional, and national associations that advocate for increased sustainable investment in infrastructure.

Granite has a key executive assigned to each of our four national trade associations to align Granite's interests in the areas of increasing federal infrastructure investment. These associations include:

- American Road & Transportation Builders Association (ARTBA)
- Associated General Contractors of America (AGC)
- National Asphalt Pavement Association (NAPA)
- National Stone, Sand & Gravel Association (NSSGA)

Granite also has members involved in other national industry and professional organizations and conferences, including:

- American Society of Civil Engineers (ASCE)
- Association of Construction Equipment Managers (ACEM)
- Association of Equipment Management Professionals (AEMP)
- Groundbreaking Women in Construction Conference (GWICC)
- National Association of Sewer Service Companies (NASSCO)
- National Association of Women in Construction
- Society of American Military Engineers (SAME)
- Society of Hispanic Professional Engineers
- Society of Women Engineers
- Women in Construction Conference
- Women of Asphalt

In coordination with our government affairs team, Granite subject matter experts also meet with agency representatives and local, state, and federal elected officials to discuss policy issues, many of which relate to funding infrastructure, workforce development, and advancing more sustainable practices in the industry. For example, we continue to advocate for state departments of transportation to allow higher percentages of recycled asphalt pavement to help reduce environmental impacts and global warming potential of asphalt mixes. Granite advocated in favor of California Assembly Bill 2953 (passed in 2023), which requires local municipalities, and other agencies with jurisdiction over streets and highways, to apply standard specifications that permit the use of recycled materials in roadways, starting in 2024. The bill requires, to the extent feasible, the “use of advanced technologies and material recycling techniques that reduce the cost of maintaining and rehabilitating streets and highways, and that exhibit reduced levels of greenhouse gas emissions through material choice and construction method” (CA AB 2953).



## Supporting Sustainable Industry Practices

Granite supports industry-wide efforts to advance sustainable practices and was a founding sponsor for two nonprofits that created frameworks used to assess the sustainability of infrastructure: Greenroads (now called the Sustainable Transport Council) and the Institute for Sustainable Infrastructure (which created the Envision rating system). In 2022, Granite became a member of the US Green Building Council. We will continue to seek opportunities to collaborate with other organizations to advance sustainability in our industry. Highlights of partnerships to advance sustainability are included throughout this report in relation to specific focus areas.



**PROJECT HIGHLIGHT:**

# Eastrail NE 8th Street Crossing

Bellevue, WA

## Constructing Connectivity

The Eastrail NE 8th Street Crossing project in downtown Bellevue, Washington, is a key part of King County Park's Eastrail program, which will convert 42 miles of former railroad tracks into a multipurpose trail, connecting communities in the eastern suburbs of Seattle. The NE 8th Street Crossing includes a signature bridge span, which provides pedestrian and bicycle access over the busy street. The six-span, steel-truss bridge ensures accessibility and connectivity with a new light rail station, local businesses, and hospitals.

## Social Impact & Community Engagement

Artwork is a key component of this project and honors the contributions of the Japanese Americans in the local community. The artwork installation includes a 100-foot mural, aluminum origami-styled cladding on the exterior of the mainspan, and steel exhibit walls featuring Japanese American heritage art exhibits. The bridge design team collaborated with Bellevue's Japanese American Legacy Project to incorporate art features that memorialize the

important history of the area, which was the site of the Bellevue Growers Association packing and shipping warehouse used by Japanese American farmers to distribute their produce.

## Environmental & Sustainability Features

The project team carefully managed environmental aspects of the project, which included construction next to a fish bearing stream. The project team used biodiesel for equipment to minimize GHG emissions. The project also incorporated a substantial amount of recycled content, primarily gravel borrow made from crushed concrete. Recognizing the importance of adhering to the Americans with Disabilities Act allowances, the Granite team collaborated with the design engineers to model potential changes in the deck surface before and after concrete placement. This proactive approach guaranteed that the final bridge slopes were fully within the Americans with Disabilities Act allowances to ensure accessibility for all and promote inclusivity within the project's design and execution.

This project started construction in 2022 and is expected to open to pedestrian traffic in Summer 2024.



# SOCIAL RESPONSIBILITY

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[Inclusive Diversity](#)

[Employee Demographics](#)

[Safety & Health](#)

[Granite Gives Back](#)

[Project Highlight: State Route 20  
Omega Curve Realignment Project](#)



# Our People

Our greatest asset is the partnership we have with our employees. Granite is focused on attracting, developing, and retaining extraordinary and diverse talent while fully developing each of our employee's capabilities. In our inclusive culture, we reward excellence and value diversity. We strive to attract top industry talent, create a fully engaged workforce, and provide growth opportunities for our team members.

## Compensation & Benefits

Granite's compensation programs are designed to align the remuneration of our employees with Granite's performance and provide incentives to attract, retain, and motivate employees to achieve superior results. We periodically conduct pay equity analyses to support our commitment to pay equity for all employees. The structure of our compensation programs balances guaranteed base pay with incentive compensation opportunities. We provide competitive wages that are consistent with employee position, skill level, experience, knowledge, and geographic location. We engage nationally recognized external compensation and benefits consulting firms to independently evaluate the effectiveness of our programs, and to provide benchmarking against our industry peers. Our executives' long-term equity compensation is aligned with our shareholders' interests by linking realizable pay and stock performance. Wage increases and incentive compensation are based on merit, which is communicated to employees at the time of hiring and documented



through our talent management process through annual review procedures and upon internal transfer and/or promotion.

All employees are eligible for health insurance, leaves of absence, a retirement plan with a generous six percent company matching contribution, and life and disability/accident coverage. We have a robust well-being program, Granite Cares, which supports our employees' physical, mental, and financial wellness. Granite Cares includes access to counseling, tools to build day-to-day resiliency, subsidized back-up care, and education on improving financial security. This program includes incentives for employees to engage with goals for their personal well-being by rewarding them with medical premium cost reductions and/or Health Savings Account contributions. We also offer a variety of voluntary benefits including pet, legal, and identity theft insurance options.

Paid time off ensures our employees have the necessary time away from work to spend with family, focus on personal goals, and recharge. In 2023, we reviewed our paid time off policies in

conjunction with employee feedback and industry benchmark data. Based on this review, we made enhancements to our paid time off policies, effective January 1, 2024. This includes offering four weeks of 100% paid parental leave for the birth, adoption, or foster placement of a child. This policy change supports our goal of creating an inclusive, diverse, and equitable workplace. We are also offering two paid days of volunteer time off annually to further empower our employees to contribute to the communities where we live and work.

## Learning & Development

Our people are the foundation of our success. Providing development opportunities for our employees supports our ability to attract and retain talent, and we encourage every employee to actively participate in their own career growth and development. Granite offers a wide variety of training opportunities to ensure our employees are supplementing on-the-job learning with classroom and online courses to promote performance and growth. Training topics range from soft skills to job-specific technical skills, and from formal instructor-led programs to self-guided online learning. Programs target specific employee populations including new employees, new engineers, managers, and leaders.

Granite regularly assesses the need for new employee development programs to meet the evolving demands of the organization. These assessments are conducted through surveys, focus groups, and subject matter expert interviews. We also evaluate the effectiveness of our development programs through robust training evaluations at the end of courses and through follow-up measures to determine if programs are driving the intended outcomes and behavior changes. Results of these evaluations are used to continually refine and improve the content and delivery of our programs.



## Sustainability Learning Initiatives

Training related to sustainability at Granite takes many forms. Training about our core value of sustainability is included in employee onboarding courses. Through Granite University, team members can also access sustainability-specific trainings. The functional departments that manage strategic focus areas related to sustainability, such as the Safety & Health, Environmental, and Quality Departments, also have robust training programs.

The most critical sustainability learning initiative in 2023 was Granite’s Sustainability Week, which focused on the theme “Granite and the Sustainable Development Goals (SDGs).” This theme week incorporated educational components through a leadership tool kit and toolbox talks, designed to further educate employees about how Granite’s sustainability efforts support the SDGs. Each day of the week focused on one SDG and shared information on how specific initiatives support the goals and targets of that SDG.

We continued our learning initiative around Envision, a framework for assessing sustainability and resilience in all types of civil infrastructure projects. Through virtual training sessions, team members can become certified as Envision Sustainability Professionals (ENV SPs), which qualifies them to submit projects for Envision verification through the Institute for Sustainable Infrastructure. So far, more than 16 Granite team members have completed the ENV SP certification process. Several more have registered for the ENV SP training, and we plan to integrate Envision training into additional Learning and Development programs to reach critical roles such as project engineers and project executives. This will empower team members embedded in operations to improve Granite’s approach to sustainability in the field and deliver more value to our clients.

# SUSTAINABILITY WEEK



**DAY 1:**  
**Leveraging Strength, Building Resilience**



**DAY 2:**  
**We are the Green Machine**



**DAY 3:**  
**The Foundation of our Future**



**DAY 4:**  
**The Inclusion Dimension**



**DAY 5:**  
**Introducing Operation Decarb**

### Performance Reviews for Career Growth

All salaried employees participate in the “G3” performance review and development program. The name represents the three components of the program—objectives, development, and progress. The G3 program is an opportunity for employees and managers to step back from the day-to-day tasks to review progress, set clear objectives, and discuss their futures. We have a robust talent and succession planning process, and have established specialized programs to accelerate



the development of our talent pipeline for critical roles in general management, engineering, project management, and operations. We annually conduct group succession planning reviews with senior leaders, including our President and CEO, that focus on our high-performing and high-potential talent, diverse talent, and succession for our most critical roles.

### Employee Tuition Reimbursement

Employees who wish to pursue higher education or obtain a degree are eligible for Granite’s Tuition Reimbursement Program. In 2023, 19 employees received tuition reimbursements totaling over \$70,000.

# Inclusive Diversity

At Granite, we understand that our success hinges on the strength of our people, and we are committed to building an inclusive and diverse workforce that sets us apart in the industry. We are dedicated to cultivating a work culture that encourages "Inclusive Diversity" (ID) which actively includes an infinite range of unique characteristics, experiences, backgrounds, and perspectives. Granite's ID program is our overarching initiative to go beyond legal compliance and support a more inclusive and diverse workforce.



## Inclusive Diversity Strategy

### Vision

To build ID into all aspects of Granite so that individual employee differences and similarities can be leveraged as drivers of employee engagement and a mechanism for attracting, retaining, and developing top talent.

### Mission

At Granite, we embrace individual differences and are committed to our inclusive environment where everyone is welcomed. We value, respect, and rely on the uniqueness of our employees, clients, and the communities where we live and work. Granite's culture includes the diversity we enjoy today, tomorrow, and into the future.

### Objective Areas

#### Create Clarity

Build internal and external understanding of ID

#### Develop Talent

Strengthen our talent pipeline with a focus on women and persons of color

#### Build Capability

Train leaders and employees on ID

### Focus Areas

Our path to a more inclusive culture involves four key steps, where diversity is the "mix" and acting on inclusion makes the "mix" work.

#### Commit to the Mix (2020-2023)

Focus on developing leaders as role models, achieving organizational understanding, and deploying ID education. Reach out and engage new talent pools to attract and retain the best diverse talent.

#### Improve the Mix (2021-2024)

Focus on leaders as mentors and sponsors to accelerate the representation of women and persons of color throughout all leadership levels.

#### Optimize the Mix (2023-2025)

Be recognized as an industry leader in diversity and inclusion to positively impact our communities and influence the marketplace.

#### Maximize the Mix (2025 and on)

Consistently achieve top-tier brand distinction on key diversity metrics.





Performance Update:

2025 GOALS <sup>1</sup>	2023 PERFORMANCE
Increase female representation throughout the entire organization by 2025	13% Female representation
Increase women in leadership <sup>2</sup> by 2025	19% Women in leadership
Increase persons of color in leadership <sup>2</sup> by 2025	20% Persons of color in leadership
Increase Inclusion Index <sup>3</sup> from 71% in 2020 to 80% by 2025	74% <sup>4</sup> Inclusion Index

In 2023, we continued to make progress towards our 2025 goals through broadening the diversity of our pool of qualified applicants and identifying and addressing any impediments to employment opportunity. Representation of women throughout the organization was maintained and representation of women and minorities in leadership increased in 2023.

<sup>1</sup> We remain fully committed to fairness and nondiscrimination in our employment practices by ensuring that the decision on who to hire and promote is based purely on merit and made without consideration of race, gender, or other protected characteristic.

<sup>2</sup> For these goals, "leadership" is defined as having direct reports or position title of supervisor or above.

<sup>3</sup> The diversity and inclusion index survey results, obtained from Peakon/Workday, represent employee responses to questions regarding our diversity and inclusion practices.

<sup>4</sup> 2022 survey results; next survey will be completed in 2024.

Strengthening ID Engagement

In 2023, our ID program elevated awareness and participation by engaging employees through several forums. Granite Radio, a monthly companywide call, provides a space for employees to share stories and accomplishments, amplifying a sense of shared purpose. Quarterly community calls and bi-monthly newsletters keep employees informed about initiatives, opportunities, and events. Other communication channels include the ID questions portal, an internal social platform, an intranet site with ID resources, and the "Inclusive Conversations" podcast.

We also enjoyed strong engagement from leadership in 2023. Executive leaders meet monthly to discuss ID initiatives, building momentum at the highest levels of the organization. Members of the executive team also serve as sponsors for employee resource groups. We established an ID ambassador program, where regional ambassadors serve to amplify communications to ensure that ID initiatives are implemented throughout the company.

Granite offers a comprehensive suite of courses to engage employees with ID. All Granite employees are required to complete training on our Code of Conduct as part of initial onboarding, and then on an ongoing basis. Our Code of Conduct training provides guidance on our policies to prevent discrimination and harassment, as well as methods to report misconduct, and conveys the message that inclusion is a priority at Granite. Leadership training courses have integrated content on ID, where leaders learn about the different dimensions of diversity, the cognitive neuroscience behind bias, and how to mitigate biased reactions. Self-assessment tools and personalized learning paths, including a suite of webinars and micro-learning, cater to individual needs and empower employees to learn more about ID.

## Employee Resource Groups

Granite provides resources, opportunities, and forums to build a sense of community through several employee resource groups: Granite Resources & Opportunities for Women (GROW); Supporting & Recognizing the Veteran Community (SRVC); SOMOS, a Hispanic/Latino employee resource group; and the newest addition in 2023, Building up Inclusion, Leadership, and Development (BUILD) for Black/African-American employees. These resource groups help build stronger ties within these communities, assist in leadership development, and provide invaluable support, networking opportunities, and a sense of belonging.



## Partnering for Recruiting

Granite leverages external partnerships to support our efforts to recruit talent for an increasingly diverse workforce. We believe these partnerships will help us reach our 2025 aspirations as we target recruitment of more women and persons of color. We have also established relationships with Historically Black Colleges and Universities and Hispanic Serving Institutions with targeted talent acquisition plans for these institutions.

## Impacting the Industry

Granite partners with many other organizations to support our goals of expanding the talent pool for the construction industry, fostering a more inclusive culture across the industry, and helping to design new approaches to recruitment, development, and retention. Granite participates in the Catalyst CEO Champions for

Change Gender Equality Initiative—this external pledge emphasizes Granite’s commitment to continue making diversity, inclusion, and gender equality a priority in the workplace. We continue to partner with Rosendin Electric, Inc., in the production of an external podcast discussing diversity, equity, and inclusion (DEI) topics related to the construction industry: Construction DEI Talks.

In 2023, Granite was the inaugural sponsor of the AGC of California’s Inclusive Leaders Institute, a program to equip executive leaders in the construction industry with the skills needed to create an inclusive workplace. “The demand for skilled workers in the construction industry is projected to continue growing in the next decade,” said Granite President and CEO Kyle Larkin. “We have a critical need to attract more people, including those who may not have traditionally considered construction as a career.”

Granite participates in Construction Inclusion Week each year, which provides an opportunity to showcase the company’s commitment to diversity with events, workshops, and celebrations. We engage with many industry associations and affinity engineering organizations in our ID efforts, including: American Indian Science and Engineering Society (AISES); American Road & Transportation Builders Association (ARTBA); Associated General Contractors of America (AGC); Blue Ocean Brain; BuildWitt; the Consortium of Latino Employee Organizations (CLEO); Groundbreaking Women in Construction (GWIC); Inclusion Allies Coalition; LEAP HR; The National Association of Women in Construction (NAWIC); National Hispanic Corporate Council (NHCC); National Society of Black Engineers (NSBE); the National Stone, Sand & Gravel Association (NSSGA); Psych/Armor; Red Shoe Movement; Seramount; Society of Hispanic Professional Engineers (SHPE); Society of Asian Scientists and Engineers (SASE); Society of Women Engineers (SWE); and Women of Asphalt.





# Employee Demographics

	Total		Employee Category							
	All US Employees		Administrative		Craft		Professional		Leadership <sup>1</sup>	
Gender	Count	%	Count	%	Count	%	Count	%	Count	%
Female	808	12.74%	28	34.57%	117	2.85%	663	30.78%	195	19.42%
Male	5,535	87.26%	53	65.43%	3,991	97.15%	1,491	69.22%	809	80.58%
Total	6,343		81		4,108		2,154		1,004	
Ethnicity										
American Indian/Alaskan Native	110	1.73%	1	1.23%	90	2.19%	19	0.88%	8	0.80%
Asian	159	2.51%	2	2.47%	58	1.41%	99	4.60%	29	2.89%
Black or African-American	181	2.85%	0	0.00%	120	2.92%	61	2.83%	13	1.29%
Hawaiian or Pacific Islander	104	1.64%	1	1.23%	81	1.97%	22	1.02%	11	1.10%
Hispanic or Latino	2,148	33.86%	23	28.40%	1,752	42.65%	373	17.32%	115	11.45%
Two or More Races	167	2.63%	4	4.94%	94	2.29%	69	3.20%	27	2.69%
White	3,474	54.77%	50	61.73%	1,913	46.57%	1,511	70.15%	801	79.78%
Age Group										
Under 30	1,238	19.52%								
30-50	3,342	52.69%								
Over 50	1,763	27.79%								

Total employees: 6,343; includes all US employees categorized as "active" in Human Resources system as of December 31, 2023. Percentages reflect rounding.

<sup>1</sup>"Leadership" is defined as having direct reports or position title of supervisor or above.

# Safety & Health

The safety and well-being of our people, partners, and the public is our greatest responsibility. Every level of our organization is engaged in our safety culture. Risks are inherent on every construction project, so we approach every task with safety planned into the process.

## Safety Program & Management System

Granite's Safety Department develops and advances companywide safety strategies, initiatives, and programs to manage our safety performance. Our professional safety staff members are embedded directly into our operations and provide the support and expertise to implement our safety program.

Granite's Safety and Health Management System (SHMS) procedures promote efficient and effective management that is verifiable and supports continuous improvement. The SHMS procedures incorporate our safety and health management system, which is built on the foundation of Occupational Health and Safety Assessment Series (OHSAS) 18001:2007 Standard for Occupational Health and Safety Management System. The SHMS procedures create a consistent approach throughout the company with processes that address planning, implementation, checking, and corrective action (i.e., plan, do, check, adjust, and review). The SHMS procedures cover all employees and all company activities—each employee is responsible for following the policies, procedures, laws, rules, regulations, and other requirements applicable to their activities.



Granite uses multiple mechanisms to communicate competency and awareness of the provisions of its safety and health policies and procedures. These include description documents, e-learning modules, webinars, company internal publications, company meetings, and conference presentations.

## Hazard Identification & Risk Assessment Granite's Hazard Identification

Risk Assessment and Determining Controls procedures proactively identify occupational safety or health hazards, assess and prioritize the risks associated with those hazards, and identify the controls necessary to eliminate or mitigate those hazards.

## Participation & Consultation

Granite procedures promote active employee participation and consultation with respect to safety and health in its standard operating procedure for Safety Communication, Participation, and Consultation. More information about our safety program and management system, including policies on hazard identification and risk assessment, and participation and consultation, is available at [Safety by Choice: Safety Program](#).

## Safety Strategy

Our safety strategic plan centers around three pillars of safety success:

- Peer-to-peer accountability and ownership
- Consistent, integrated approach
- Value creation at the project level

Our safety strategic plan identifies six key results areas:

- At-risk behavior prevention
- Planning and program management
- Performance monitoring and analysis
- Companywide training and communication
- Safety professional recruitment and development
- Citation prevention

Our safety strategic plan sets goals in these key results areas. Key performance indicators (KPIs) are identified to measure performance, with OSHA recordable incident rates being the KPI for overall safety program performance. Granite tracks several other leading indicators for safety, such as near misses. Our safety strategy aims to leverage the value of leading indicators and improve near miss reporting. KPI objectives are set with specific, measurable, time-bound targets. Key safety initiatives include Stuff That Can Kill You (STCKY), Craft Safety Connection, safety onboarding and orientation, new employee 90-day safety reviews, Speak Up/Listen Up, Motion Matters, safety dashboards, and reporting.



## Safety Performance

Granite achieved the safest year in the company’s history in 2023, demonstrating a collective effort to continuously improve our safety culture, which is at the heart of our commitment to sustainability. We attribute this success to our continued focus on implementing the STCKY initiative to eliminate STCKY risks and reduce the number and severity of injuries.

Granite’s safety performance improved significantly in 2023 compared to 2022:

	2023	2022
OSHA recordable incident rate	0.67	0.71
Lost time rate	0.26	0.18
Days Away, Restricted, and Transfer (DART)	0.31	0.31

Our goal is to learn from every injury or recordable incident, and to leverage our lessons learned program to avoid future injuries.

**2023**  
TARGET

Reduce our OSHA recordable incident rate from 1.07 in 2020 to 0.70 by 2023

**2023**  
PERFORMANCE

Target exceeded: 0.67 OSHA recordable incident rate

**2024**  
TARGET

Reduce our OSHA recordable incident rate from 1.07 in 2020 to 0.65 by 2024<sup>1</sup>

## Influencing the Industry

Granite has a long history of participation in organizations that advance safety performance, such as the National Construction Safety Executives (NCSE). NCSE provides a forum for construction safety professionals to share information and best practices. Granite is also part of the Construction Industry Safety Initiative, which strengthens the industry’s safety culture and performance by advocating for improved safety processes, mental health resources, and equipment standards. Granite participates in Construction Safety Week every year, joining other firms with a single goal: to inspire everyone in the industry to be leaders in safety. The theme of Safety Week 2023, “Strong Voices, Safe Choices,” was particularly relevant to our STCKY efforts—we are dedicated to empowering employees to call out potential risks so they can be mitigated.

Granite team members have advocated to improve work zone safety in Washington state for many years, and this culminated in 2023, with the passing of Washington State Senate Bill 5272, which allows for the use of cameras to ticket drivers speeding through state highway work zones. Granite team members were involved in several work zone safety committees: the Washington Asphalt Pavement Association/Washington State Department of Transportation/Associated General Contractors, Paving Work Zone Risk Reduction Committee, and the Unions, Senators, and Industry Leaders Work



<sup>1</sup>Note: This target is for legacy Granite operations, excluding Lehman-Roberts Companies acquired in December 2023, for which the development of new integrated targets is in progress.

Zone Safety Committee. A Granite project manager testified on the floor of the Washington State Senate during the bill's public hearing, highlighting what the legislation would mean to construction workers and their families statewide and the many benefits that speed safety camera systems would bring to highway work zones.

### From Hard Hats to Helmets

While the construction hard hat continues to be the standard industry head protection, Granite demonstrated its commitment to providing the best safety equipment options available by transitioning from hard hats to Type Two safety helmets in 2023, cementing the company as a change leader in the industry.

### Focusing on Mental Wellness

Granite elevated focus on mental wellness initiatives throughout the company in 2023. According to the Centers for Disease Control and Prevention, construction has one of the highest rates of death by suicide across all occupational groups.<sup>1</sup> Our teams are united in our efforts to overcome this crisis—our aim is to eliminate the stigma associated with seeking help for mental wellness and to eliminate deaths by suicide in our industry. We are focused on providing resources and education on how to best communicate about these issues with our team members, especially our craft workforce.

Our Human Resources and Safety teams partnered to conduct mental crisis awareness training sessions with leaders and craft workers. Granite offers an employee assistance program (available to both union and non-union workers) as part of the Granite Cares well-being program. Additionally, Granite partnered with industry peers to create a Mental Health Field Guide to disseminate mental wellness information during Construction Safety Week.

<sup>1</sup>Peterson C, Stone DM, Marsh SM, et al. "Suicide Rates by Major Occupational Group – 17 States, 2012 and 2015." MMWR Morb Mortal Wkly Rep 2018;67:1253–1260. DOI: <http://dx.doi.org/10.15585/mmwr.mm6745a1>

### Recycling Hard Hats into Asphalt

When Granite decided to transition to helmets, sustainability-minded team members realized that the plastic from old hard hats could be recycled and used in asphalt pavement mixes. Granite Construction Supply and Sign Shop developed a hard hat recycling program, through which they collected hard hats and sent them to Granite's oil terminal (Centennial Asphalt) to be incorporated into asphalt oil.







### Formation of Integrated Safety, Health, Environmental & Quality Team

Granite implemented an organizational change in 2023 with the formation of an integrated Safety, Health, Environmental, and Quality (SHEQ) team, bringing these functional departments together under unified leadership. This structural change will increase efficiency and improve strategic alignment. SHEQ leaders collaborated to create a SHEQ Strategic Plan with streamlined programs and processes. Through a monthly SHEQ meeting, leaders discuss lessons learned, innovations, and best practices.

#### SHEQ Strategic Foundations

Granite is committed to being an industry leader, creating value for all our stakeholders, and contributing to a more sustainable future by leveraging our multidisciplinary SHEQ approach to provide operational support, effective risk mitigation, and excellence in execution. We fulfill our commitments through a consistent, integrated approach to communication, training, and reporting. SHEQ is a performance-driven culture, where every team member is empowered to do their best work and achieve their highest potential.



## PARTNERSHIP HIGHLIGHT

### Supporting Construction Working Minds

In 2023, Granite sponsored the Construction Working Minds Summit hosted by the Construction Industry Alliance for Suicide Prevention and United Suicide Survivors International. This summit brings construction mental health advocates together to take action to prevent suicide, to share lessons for building industry capacity, and to strengthen strategic alliances and collaborative partnerships.



# Granite Gives Back

As part of our mission to make a lasting difference in the places we live and work, we give back to our communities through donations and by volunteering our services, supplies, and people power. Granite supports charitable organizations nationwide through financial contributions and we support our employees in their individual quests to better their communities. Each year, we make funds available to regional business units for charitable contributions to local nonprofit organizations.

In 2023, we found opportunities to improve our community engagement efforts and further empower our employees to contribute their time to the communities where we live and work. We enhanced Granite's paid time off policies and are offering employees two paid days of volunteer time annually starting in 2024. This new policy creates a foundation for us to act more strategically, plan team volunteer opportunities, and enhance how we contribute to a more sustainable future in our communities.

Granite's Corporate Charitable Contributions Committee partnered with GROW in 2023 to sponsor build days and women build days in several locations, where GROW coordinated volunteer events with local Habitat for Humanity affiliates. GROW organized eight events to help provide housing for families in need, supported by Granite volunteers in California, Florida, Illinois, and Texas.

## Volunteering Highlights

The causes we support are as diverse as our employees. Highlights of local volunteering activities in 2023 included:

### Adopting Community Route 18 Bus Stop (Piti, GU)

- Granite's adoption of a bus stop in Guam symbolizes a strong community bond, with dedicated volunteers committed to its continual maintenance and enhancement.





## Volunteering Highlights (cont.)

### Award-Winning Maintenance of the Tahoe Pyramid Trail (Lockwood and Waltham, NV)

- The Nevada Region exhibited dedication to maintaining a three-mile section of the Tahoe Pyramid Trail, enhancing accessibility for river fishing events for children, and earning the Bronze Community Award.

### Cal Poly Engineering Possibilities in College Program (San Luis Obispo, CA)

- Granite's sponsorship of the Cal Poly Engineering Possibilities in College (EPIC) program introduced high school students to the field of engineering, offering hands-on experiences in construction and civil engineering.

### Chili Cook-Off for the Boys & Girls Club (Ukiah, CA)

- Granite hosted its Annual Chili Cook-Off, acclaimed as the "best event" by Best of Lake and Mendocino magazine, and raised over \$40,000 for the empowerment of children of the Ukiah Boys & Girls Club.

### Donating Bike Helmets (Carlsbad, CA)

- In response to a bike safety state of emergency, Granite donated 30 helmets to the Carlsbad Unified School District, supporting the safety of students participating in the bike permit program.

### Donating School Supplies (Watsonville, CA)

- Granite's corporate office partnered with local charities, Community Bridges and the Santa Cruz Volunteer Center, to pack 300 backpacks with school supplies for students affected by floods in the Pajaro Valley.

### Mining Industry Workshops for K-12 Teachers (Las Vegas and Winnemucca, NV)

- Granite engineers volunteered with the Nevada Division of Minerals (NDOM) and the Nevada Mining Association (NVMA) Education Committee, conducting workshops for K-12 teachers on mining industry topics for continuing education credits.

### Mitigating Drought Impacts on Native Wildlife (Bells Canyon, NV)

- The Nevada Region's collaboration with the Nevada Department of Wildlife (NDOW) and Nevada Bighorns Unlimited (NBU) resulted in the construction of the state's largest guzzler, providing support to endemic wildlife species during droughts.

### Site Restoration for Native Medicinal Plant Cultivation (Mangilao, GU)

- The GO-JV2 team, in collaboration with Tâno, Tâsi, Yan Todu, restored an old dump site, removing over five truckloads of metals and trash to transform a 40-acre site into a native plant cultivation hub for medicinal purposes in partnership with the government of Guam.

### Supporting Health Equity and Access to Fresh Produce (Watsonville, CA)

- Granite continued its sponsorship of the Community Health Trust of Pajaro Valley's El Mercado program, a health-centric farmer's market, including a vegetable prescription program, that provides greater access to healthy choices in an area with concentrated poverty and high rates of health disparities.

# \$300,000

Granite's Corporate Charitable Contributions Committee donated \$300,000 to charitable organizations in 2023.

Granite's educational partnership contributions totaled over \$65,000.



## HIGHLIGHT

### Partnering to Support Student Work Experience

Granite's Corporate Charitable Contributions Committee donated \$50,000 to the Pajaro Valley Education Foundation to support students in building and construction trades pathways. Granite's donation funded a tiny homes construction program for students in the Pajaro Valley Unified School District. The program was embedded into Career Technical Education classes, which provide work-based learning and opportunities to explore different careers. This program exemplifies an effective partnership between industry and education, providing solutions to community housing challenges while equipping students with transferable and practical skills. Granite also created a paid summer internship program for students or recent graduates of the school district. Granite has a 100-year legacy as an active and engaged member of this community, and this donation to Pajaro Valley Education Foundation underpins our commitment to the students of the Pajaro Valley Unified School District and the greater Pajaro Valley area.



**PROJECT HIGHLIGHT:**

# State Route 20 Omega Curve Realignment Project

Nevada County, CA

## Identifying a Risk to the Public

The State Route 20 Omega Curve Realignment project was a Caltrans safety improvement project to realign two curves along the highway that were prone to accidents. This large earthwork project included new alignment of the roadway, widening of existing alignment of the roadway, drainage improvements, and wildlife safety improvements.

A three-year study of State Route 20 found that 39 collisions had occurred in two curving sections of the route, which was a higher rate of accidents than the statewide average for similar roads. Considering that over 5,000 vehicles drive on this roadway daily, Caltrans determined that safety improvements were necessary to protect the public.

## Improving Road Safety

The project team essentially moved mountains into canyons to construct safer alignments for the road. The

two problematic sections of the road, White Cloud and Lowell Hill, contained nonstandard curves where drivers had limited visibility. The project modified the vertical and horizontal curves in these two sections of the road to increase the curve radii and bring them up to current standards. This improved safety by eliminating a blind curve.

The project team also widened the shoulders of the road, added left-turn lane pockets, and added turnouts. The turnouts provide space for law enforcement to stop, and for slower vehicles to pull off the road to allow other vehicles to safely pass. Wildlife safety improvements included two animal crossings and a wildlife fence. The animal crossings, composed of 12-foot by 12-foot reinforced concrete boxes, will also reduce the potential for vehicle collisions with deer and other animals.

This project was completed in Fall 2023.



# ENVIRONMENTAL STEWARDSHIP

**In this section:**

Environmental Commitment

Environmental Program

Climate & Energy: Reducing Emissions

Improving Construction Waste Management

Advancing More Sustainable Construction Materials

Project Highlight: Deer Creek Intake Project





# Environmental Commitment

A core component of Granite's commitment to sustainability is our focus on environmental stewardship. While certain environmental impacts are inherent to Granite's work as an infrastructure builder and construction materials producer, including the mining of materials required to construct critical infrastructure, we recognize our duty to protect the environment and our responsibility to manage the environmental impacts of our operations. We are committed to creating a culture of environmental awareness, so that our dedicated teams are mindful of our environmental responsibilities and empowered to fulfill them. We strive to be an industry leader, with a focus on environmentally responsible construction operations that provides a competitive advantage.

We also recognize the importance of being transparent about our operations and engaging on environmental issues with the communities where we work. Granite is committed to consulting with stakeholders on environmental issues through our sustainability stakeholder engagement efforts. Individual construction and materials projects also involve stakeholder consultation on environmental issues, as appropriate for the specific project and client. We communicate with internal and external stakeholders on environmental management issues. Granite is committed to reporting on environmental initiatives through our annual sustainability reports.



# Environmental Program

## Mission

The primary mission of our environmental program is to manage and meet our environmental responsibilities, while controlling and reducing any environmental impacts associated with our work. Granite is committed to operating responsibly, managing our environmental risks, and continuously improving our practices. We are focused on the following objectives:

- Meet or exceed our clients’ environmental goals
- Meet or exceed requirements of applicable environmental laws and regulations
- Reduce our environmental impacts
- Protect habitat and wildlife
- Conserve natural resources
- Prevent pollution
- Reduce our carbon footprint

We achieve these objectives by retaining in-house expertise to analyze the regulatory framework around our projects, and engaging with clients to gain a comprehensive understanding of their environmental goals. Using best practices, innovation, and value engineering, Granite provides solutions that meet—and often exceed—our clients’ environmental goals. We recognize that effectively managing our environmental responsibilities provides a direct benefit to our clients, as it helps build confidence and trust with local communities and regulatory agencies.

## Environmental Management System

Granite’s Environmental Management System (EMS) is modeled after the internationally recognized Environmental Management Standards of ISO 14001. This approach focuses on a systematic process (which addresses planning, implementation, checking, and corrective action) that supports consistency of process and procedure while advancing continuous improvement in how we manage the environmental requirements of our work. More information about our environmental program and management system, including internal audits and monitoring of performance, is available in [Keeping Granite Green: Environmental Program](#).



### Protect Water

Prevent spills and manage stormwater



### Protect Land

Prevent contamination and practice good housekeeping



### Protect Air

Minimize dust and unnecessary emission



### Protect Wildlife

Avoid harming wildlife and their habitat



### Conserve Resources

Reduce, reuse, and recycle

## Aligning Teams for Increased Impact

The Environmental Services Department develops and advances companywide environmental strategies, initiatives, and programs to manage our environmental performance. Our professional environmental staff members are embedded directly into our local operations and provide support and technical expertise associated with all environmental aspects of our diversified business operations. Expert knowledge of local, state, and federal requirements is key to the successful execution and completion of projects, especially those that may present environmental sensitivities or risks. Our experienced environmental teams provide direct support to our construction and material production operations to successfully manage environmental aspects including air quality, water quality, waste and material resources, and any other specific project impacts.

As discussed above in the Safety & Health section of this report, Granite implemented an organizational change in 2023, with the formation of an integrated SHEQ team. The integration of these teams and related processes and procedures will help us work more efficiently and maintain focus on environmental stewardship. Improvement in planning work and managing time more efficiently in the field will also help improve efficiency in the consumption of resources. Combining our trainings and incident investigations for safety, environmental, and quality will reduce the time needed to discover the root causes of incidents, especially because these areas of performance are closely related and impact each other. For example, quality issues lead to rework, which increases exposure to safety risks, and safety incidents can cause distractions that disrupt a team’s ability to manage environmental aspects of a project. We believe that integrating these teams will lead to improved performance across areas and reduction of environmental impacts.

# Climate & Energy: Reducing Emissions

Granite recognizes that our industry must adapt and change with the evolving needs of society. We intend to drive that change by advancing more sustainable construction practices, reducing GHG emissions, and minimizing our carbon footprint.

## Climate Strategy

### Climate Risks & Opportunities

Granite performed its first climate risk assessment in 2020 to deliver a high-level picture of the potential risks and opportunities Granite may face with a changing climate. A summary of the results of Granite's climate assessment, identifying risks specific to our business, is included in Appendix C of this report. We have continued to further analyze the specific climate change-related opportunities and risks identified in the assessment, establishing action plans and appropriate goals for improvement. We focused on three top priorities for climate risk management in 2023:

- Reducing GHG emissions in pursuit of our priority target to reduce total Scope 1 GHG emissions by 25% by 2030 from our 2020 baseline
- Improving data collection and reporting systems to prepare for regulatory adaptation, so that Granite is positioned to comply with evolving disclosure requirements related to climate change

- Improving our understanding of how water risks related to climate change might impact our business

### Improving Data Collection

One of the top priorities for our sustainability program in 2023 was to deliver an improved system for collecting and reporting data on Granite's carbon footprint. Having these systems in place is critical to ensure Granite is positioned to comply with evolving disclosure requirements related to climate change. We successfully delivered an updated GHG data dashboard by leveraging cross-functional teams within the company, including experts in information systems management, information technology, equipment, environmental engineering, quality, supply chain, and sustainability. This new dashboard supports a more accurate GHG calculation methodology, which reflects asset-specific emissions (an improvement to previous systems that only reflected bulk fuel consumption). We also engaged a group of operational leaders as user stakeholders to enhance this dashboard with different views into operational emissions. The dashboard gives operational leaders visibility into emissions in their parts of the business, so that they can better assess their performance and track improvements as we move toward achieving our emissions reduction target.

### Decarbonization Planning

Granite's Climate Awareness Task Force further integrates climate awareness into our operations. In 2023, the Task Force continued developing improved strategies for measuring, reporting, and reducing our carbon footprint. One of our top priorities was to further educate teams across the company about Granite's climate goals and emission reduction efforts. We accomplished this by rolling out "Operation Decarb" (short for "decarbonization") during Granite's



Sustainability Week. One of the days focused on SDG 13 (Climate Action) and educated teams about Granite's initiatives related to climate change. Members of the Climate Awareness Task Force participated in a panel discussion held during an all-company virtual meeting, in which they discussed initiatives and challenges, and answered questions from the audience.

In 2023, we continued to build upon the decarbonization planning process launched the previous year, through which we more fully assessed opportunities to reduce our emissions in pursuit of our priority target to reduce total Scope 1 GHG emissions by 25% by 2030, from our 2020 baseline. We continue to engage a team of external climate experts to collaborate with key members of our management team.

The abatement measures we analyzed and continue to assess are organized into four main categories:

- Energy and Fuels (e.g., renewable natural gas)
- Products (e.g., warm-mix asphalt)
- Asphalt Plant and Field Equipment (e.g., hydrogen-fueled equipment)
- Electrification of Equipment (e.g., electric vehicles)

Our efforts focus on providing our decision-makers with relevant cost and carbon data to assist in the evaluation of solutions. We are using the results of this project to inform action plans to implement new abatement measures where feasible, while also exploring funding opportunities to support measures that are not currently feasible from a cost perspective. The sections that follow in this report provide more details about 2023 performance and initiatives to reduce emissions from our materials facilities and equipment fleet.



## PARTNERSHIP

### HIGHLIGHT

#### Partnering for Climate Action

Granite continues to partner with industry groups to advance climate action in the industry. Highlights from 2023 include:

- Granite participated in the AGC's Task Force on Decarbonization and Carbon Reporting, which worked to address the challenges of reporting and reducing carbon emissions in the construction industry, develop an industry playbook on carbon reporting, and deliver educational outreach.
- Granite continued to support NAPA's Sustainability Committee efforts, with our sustainability lead serving as committee vice-chair. We also supported NAPA in the development of an industry-wide strategic plan to address the impacts of climate change and reduce carbon emissions.
- Through NAPA, Granite continued to participate in a pilot program for the Environmental Protection Agency to develop an ENERGY STAR program for the asphalt industry. The goal of the program is to improve energy efficiency in asphalt plants.

- Granite continued its sponsorship as a partner of NAPA's climate initiative, The Road Forward, a vision for net zero carbon emissions for the asphalt pavement industry. Granite collaborated extensively in the development of this initiative.

The primary goals of The Road Forward include:

- Achieve net zero carbon emissions during asphalt production and construction by 2050
- Partner with customers to reduce emissions through pavement quality, durability, longevity, and efficiency standards by 2050
- Develop a net zero materials supply chain by 2050
- Transition to electricity from renewable energy providers in support of net zero carbon electricity generation by 2050, and reduce electrical intensities

# Carbon Footprint Assessment

## What is in our Carbon Footprint?

### SCOPE 1

## Direct Emissions

(the fuel we burn)



### Stationary Sources

Fuel used at materials plants and office buildings



### Mobile Sources

Fuel used in generators at mobile plants, vehicles, and equipment

### SCOPE 2

## Indirect Emissions

(the electricity we use)



### Electricity Usage

Emissions from generation of electricity used at our facilities

### SCOPE 3

## Indirect Emissions

(other indirect emissions in the value chain)



### Employee Travel

Employee work-related travel



### Upstream Emissions

Carbon embodied in materials we use



### Downstream Emissions

Emissions from use phase of materials or infrastructure projects

## Carbon Footprint Assessment: Methodology

Our carbon footprint assessment follows the Greenhouse Gas Protocol principles and methodologies established by the World Business Council for Sustainable Development, as well as the Environmental Protection Agency's Inventory Guidance. Scope 1 calculations include carbon dioxide, methane, and nitrous oxide, reported in equivalent CO<sub>2</sub> (metric tons) where available. The following emissions sources were included in Scope 1:

- Mobile sources (light-duty and heavy-duty vehicles, equipment, and corporate jets).
- Fuel used in rental equipment is included if Granite purchased the fuel (but there may be some data gaps where fuel is provided by the rental company, dependent on agreements).

- Reporting improvement: Mobile equipment calculations were based on the GHG Protocol for mobile combustion. Emission factors and tables from this protocol were used to calculate emissions of CO<sub>2</sub>, methane, and nitrous oxide. Supporting inputs such as hours of operation, miles driven, and equipment type were utilized to obtain the most accurate estimate of GHG emissions when possible. This methodology, which is more accurate than previous methods based on bulk fuel use, has been applied to update previous years 2021 and 2022 (but was not possible for 2020 due to data limitations).
- Asphalt plant production (includes CO<sub>2</sub> equivalents).
- Granite-owned diesel generators (includes CO<sub>2</sub> equivalents).

- Indoor heating of Granite-owned facilities provided by fuel combustion (primarily natural gas; includes CO<sub>2</sub> only).
- Reporting improvement: Hydrofluorocarbons (HFCs), including emissions from refrigeration and air conditioning equipment, were analyzed using the GHG Protocol for Refrigeration and Air-Conditioning Equipment. A screening method was used to determine the scale of emissions compared to other GHG emissions sources at Granite. It was determined that the GHG emissions from HFC-containing equipment were less than 2% of the total emissions from Granite's operations. The HFC emissions are not currently included in the report, but will be in future editions once an automated process has been created to collect the needed information to complete the calculations.



Additional explanations related to methodology and assessment:

- Emissions from renewable fuels are reflected separately as Scope 1 biomass emissions (within the total of Scope 1 emissions). Biomass energy is the energy from plants and plant-derived materials. In alignment with the Greenhouse Gas Protocol, emissions from renewable fuels are reflected separately as biomass emissions, which allows us to account for the use of renewable fuels more accurately, and demonstrate the reduction in life cycle GHG emissions achieved through renewable fuel initiatives. These benefits come from the fact that, unlike fossil fuels, biomass releases CO<sub>2</sub> that is largely balanced by the CO<sub>2</sub> captured in its own growth.
- In alignment with the Greenhouse Gas Protocol, the baseline year and previous years' emissions reported here have been adjusted for the divestiture of Inliner in 2022. Emissions from Inliner have been removed, which allows a more accurate assessment of progress toward emissions reduction.
- Granite completed acquisitions in 2023, including Coast Mountain Resources Ltd., Lehman-Roberts Company, and Memphis Stone and Gravel Company. These acquisitions are not reflected in this carbon footprint assessment due to the need to integrate new operations into our systems and collect historical data for baseline adjustment.

### Carbon Footprint Assessment

While our goal is to reduce GHG emissions in total, we also recognize that our emissions are directly correlated to business volumes and fluctuations in each year, so our approach is to compare emissions on an absolute basis as well as in relation to annual revenues. Scope 1 GHG emissions increased in total, and when normalized per revenue, in 2023, compared to the 2020 baseline.

## 2030 TARGET

Reduce total Scope 1 GHG emissions by 25% by 2030 from 2020 baseline

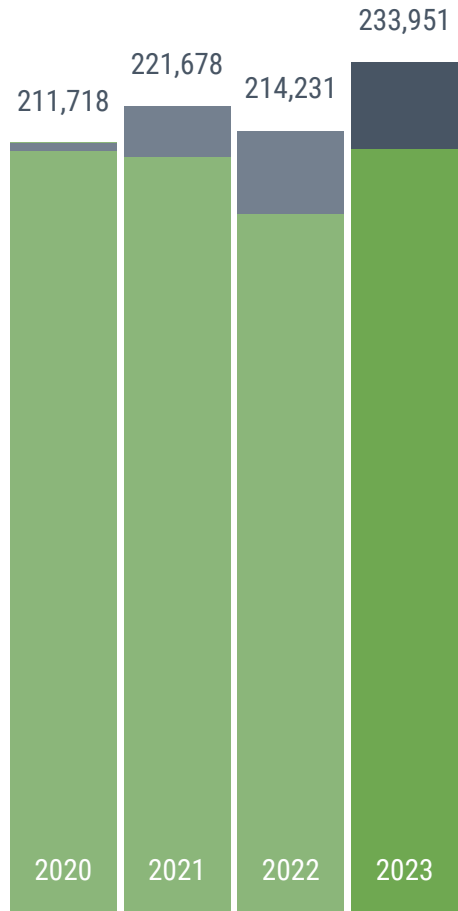
## 2023 PERFORMANCE

Scope 1 GHG emissions increased in total, and when normalized per revenue, in 2023 compared to the 2020 baseline. However, due to data limitations, methodology improvements applied to 2023, 2022, and 2021 could not be applied to the baseline year 2020, which disrupts the comparability of these figures.

As part of updating our strategic plan, we recognize we need to address these data limitations and adjust how we assess performance. Granite is developing a decarbonization plan for emissions reduction, and our intent is to expand our targets to include Scope 2 once we have further developed this plan. We also recognize that we may have to adjust this target once we further develop our action plan.



**Scope 1:**  
**2020-2023**



**Total Scope 1 CO<sub>2</sub> Equivalents**

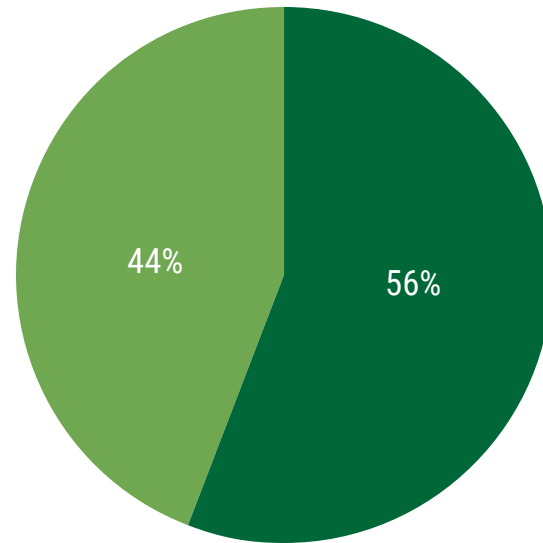
(Metric Tons)

	2020	2021	2022	2023
Total Scope 1 (CO <sub>2</sub> e)	211,718	221,678	214,231	233,951
● Biomass	266	14,001	22,726	23,828
● Non-Biomass	211,452	207,677	191,505	210,123
CO <sub>2</sub> e/\$1k Revenue	0.0594	0.0633	0.0649	0.0667
Revenue (thousands)	3,562,459	3,501,865	3,301,256	3,509,138

**Scope 1:**  
**Breakdown by Source**

2023 Scope 1 CO<sub>2</sub> Equivalents (Metric Tons) with % by Source

- Mobile Sources (Equipment Fleet)
- Stationary Sources (Facilities)



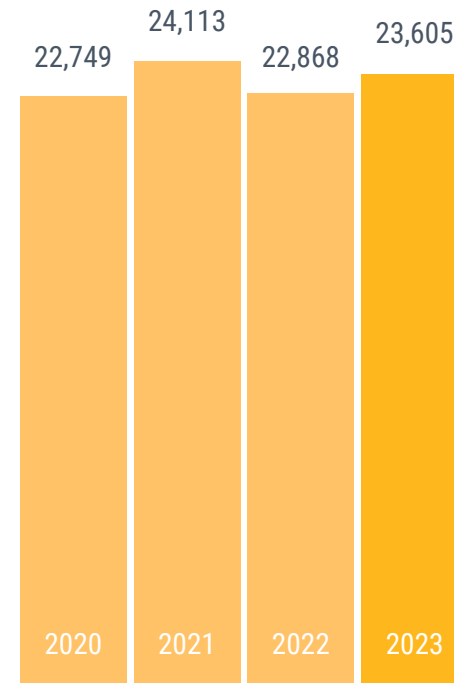
**233,951**

Total Scope 1 Emissions in 2023  
CO<sub>2</sub> Equivalents (Metric Tons)

Percentages reflect rounding

**Scope 2:**  
**2020-2023**

Scope 2 emissions were calculated through an external partner that collects energy use data from utility invoices, compares it to the energy mix available from each utility provider, and performs an overall calculation of the emissions used to generate the electricity we consume. This process used methodology established by the Environmental Protection Agency and Greenhouse Gas Protocol and includes CO<sub>2</sub> equivalents.

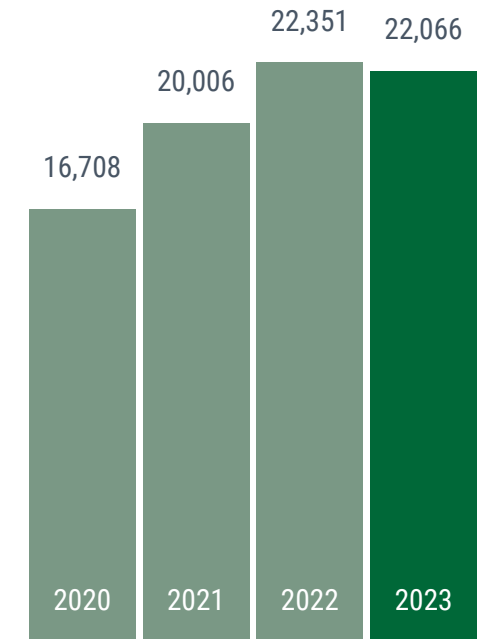


**Scope 2 CO<sub>2</sub> Equivalents**

(Metric Tons)

**Scope 3:**  
**Business Travel 2020-2023**

Emissions from employee business travel (not including standard commuting) was calculated from data gathered from a company travel platform and then extrapolated to other travel based on purchasing card data. This information is based on estimates and includes CO<sub>2</sub> only (not equivalents). Please note travel was restricted due to the COVID-19 pandemic in 2020-2021; historical data has been corrected due to system improvements.



**Employee Business Travel: Estimated CO<sub>2</sub> Emissions**

(Metric Tons)



# Energy Efficiency at Materials Facilities

Over the past decade, Granite has invested in energy conservation technologies at our construction materials facilities. These energy efficiency projects reduce costs and environmental impacts. Key examples of these projects include:

- Installing on-site solar power at three plant locations (two of which Granite still operates), with plans to complete installation of solar at another location in 2024
- Installing variable frequency drive technology to increase efficiency in plant operation, reducing electric power demand
- Insulating piping, storage tanks, and drums to prevent loss of thermal energy and reduce fuel use
- Replacing parallel flow drum plants with counterflow drum plants—counterflow plants allow more heat to be transferred from the burner to the finished asphalt product, increasing efficiency in heating and thus lowering fuel consumption (while also improving impact to air quality)
- Installing warm-mix asphalt systems to allow asphalt production at lower temperatures to reduce energy use—Granite was an early adopter of these systems, and has retrofitted 28 asphalt plants to produce warm-mix asphalt
- Optimizing recycled asphalt pavement content based upon finished product quality to reduce consumption of natural resources (including petroleum products)—all of Granite's asphaltic concrete plants have recycled asphalt pavement systems



- Utilizing battery demand management systems, which contribute to the resilience of the electrical grid by shifting demand from peak periods to periods with additional capacity, and adding systems at two additional facilities in 2023
- Purchasing long-term storage silos for load-out at a plant (to reduce emissions and cost)
- Installing a telescoping stacking conveyor to eliminate rehandling stockpile with a loader at a plant (to reduce fuel emissions)

## \$22M

committed in 2023 to reduce emissions and improve energy efficiency at materials facilities

Granite committed over \$22 million companywide in projects to reduce emissions and improve energy efficiency at materials facilities in 2023. Key energy efficiency projects in 2023 included: upgrading an aggregate plant to reduce power consumption by 40%; installing conveyor belts to replace mobile equipment; reducing fuel use; installing variable frequency drives to replace starters; upgrading to higher efficiency air compressors; installing surge piles and tunnels; automating a plant; starting installation of a new solar farm; installing power lines to remove a diesel-powered generator; upgrading to a more efficient plant; and starting replacement of a parallel flow plant with a counterflow plant.

### Energy Efficiency Dashboard

In 2023, we developed an energy efficiency dashboard for construction materials production, which serves as a major stride in data-driven sustainability initiatives through the visualization of various energy, cost, and production metrics. Through a visual and interactive data dashboard, this tool facilitates the comparison of various metrics between asphalt and aggregate plants, normalizes values for fair regional comparisons, promotes more accessible data analysis for reporting, and identifies data outliers for further review. Featured visuals include comparisons of costs and usage per production ton across all facility types. One innovative aspect of this tool is its ability to track and visualize our usage of energy types, including electricity, as well as different heat fuels such as natural gas, used oil, and propane. This tool ensures a comprehensive review of energy consumption and costs, identifying and addressing areas for improvement across all facilities, making it an asset in our commitment to sustainable practices.

# Reducing Fleet Emissions

Managing Granite's fleet to reduce GHG emissions involves two components: improving the performance of the assets we already own and incorporating emerging technologies as they become available. Our strategy to reduce emissions from our fleet includes:

- Managing the telematics data in our vehicle and equipment fleet to improve fuel efficiency
- Transitioning to the use of renewable fuels
- Investing in more fuel-efficient and emission-efficient equipment and vehicles
- Transitioning to hybrid, electric, and other zero-emissions equipment and vehicles as they become available

Improving the performance of our current fleet comes from monitoring assets, burning less fuel through efficient use of equipment, and reducing the fleet size where efficiencies are not being achieved. We started implementing telematics in Granite's fleet over 10 years ago, knowing it would take time to grow capacity with this new technology. Today, we are leveraging information from telematics to monitor fuel-consuming behaviors and improve fleet performance. Our Equipment and Information Technology Departments collaborated to develop telematic dashboards that will inform business leaders where they can improve efficiencies by improving the performance of operators and drivers. We also published six data dashboards that help us analyze performance and understand how to invest in assets that bring the best return on investment. The data from these dashboards shows where reinvestment makes sense and where fleet reduction is needed.

In 2023, we implemented the Asset Management Program (AMP). This program is a centralized maintenance program for fixed plant and mobile equipment that leverages telematics and places a powerful planning and communication tool in the hands of maintenance personnel. AMP will help reduce emissions through efficient routing of maintenance tasks and reduced rework. AMP supports improved analytics to reduce costs and sets the stage for artificial intelligence using predictive maintenance to anticipate maintenance events that have the potential to interrupt production.

We are rethinking the make-up of our operational vehicles to improve sustainability. In 2023, we delivered 10 F150 Lightnings, the first true electric assets to Granite's fleet. Using these electric vehicles (EVs) in the field is helping us evolve our understanding of what is possible when planning our work around rechargeable mobile equipment. We also delivered five battery-electric hybrid pickups that are smaller than the F150 and require less energy to operate.

In 2023, we piloted the use of an experimental, electric wheel loader in our construction operations. While most battery-electric construction equipment is smaller than our operations use, this medium-duty machine is the correct weight class for our work. Using a conventional diesel-powered wheel loader that simulated the use of battery power, the crews simulated recharge intervals to understand how to schedule these intervals while maintaining operational efficiency. We expect the electric wheel loader to be delivered in 2024, for pilot testing by our Utah Region. Reducing the size and fossil fuel energy demand of the fleet will be necessary to meet our goals, and we will need to continue to incorporate operationally appropriate products as they become commercially available.



## Electric Vehicle Charging Infrastructure Strategy

In 2023, we started developing a strategy for building the EV-charging infrastructure needed to support Granite's future fleet. With the aim of supporting employees with EVs and preparing for the electrification of our fleet, we proactively assessed the demand for EV-charging infrastructure at Granite facilities. Currently, there are seven EV-charging stations at Granite facilities in California and Utah. Key steps in developing our strategy included analyzing our anticipated future need for charging stations aligned with fleet electrification goals, evaluating the electric capacity of facilities to ensure sufficient installation capabilities, and exploring funding programs and resources. We also launched an internal communications campaign by publishing "Sustainability Spotlight" articles to educate Granite employees on topics related to EVs. These strategic measures form the foundation for our approach to integrating EV-charging infrastructure at our facilities as we progress toward our sustainability goals.

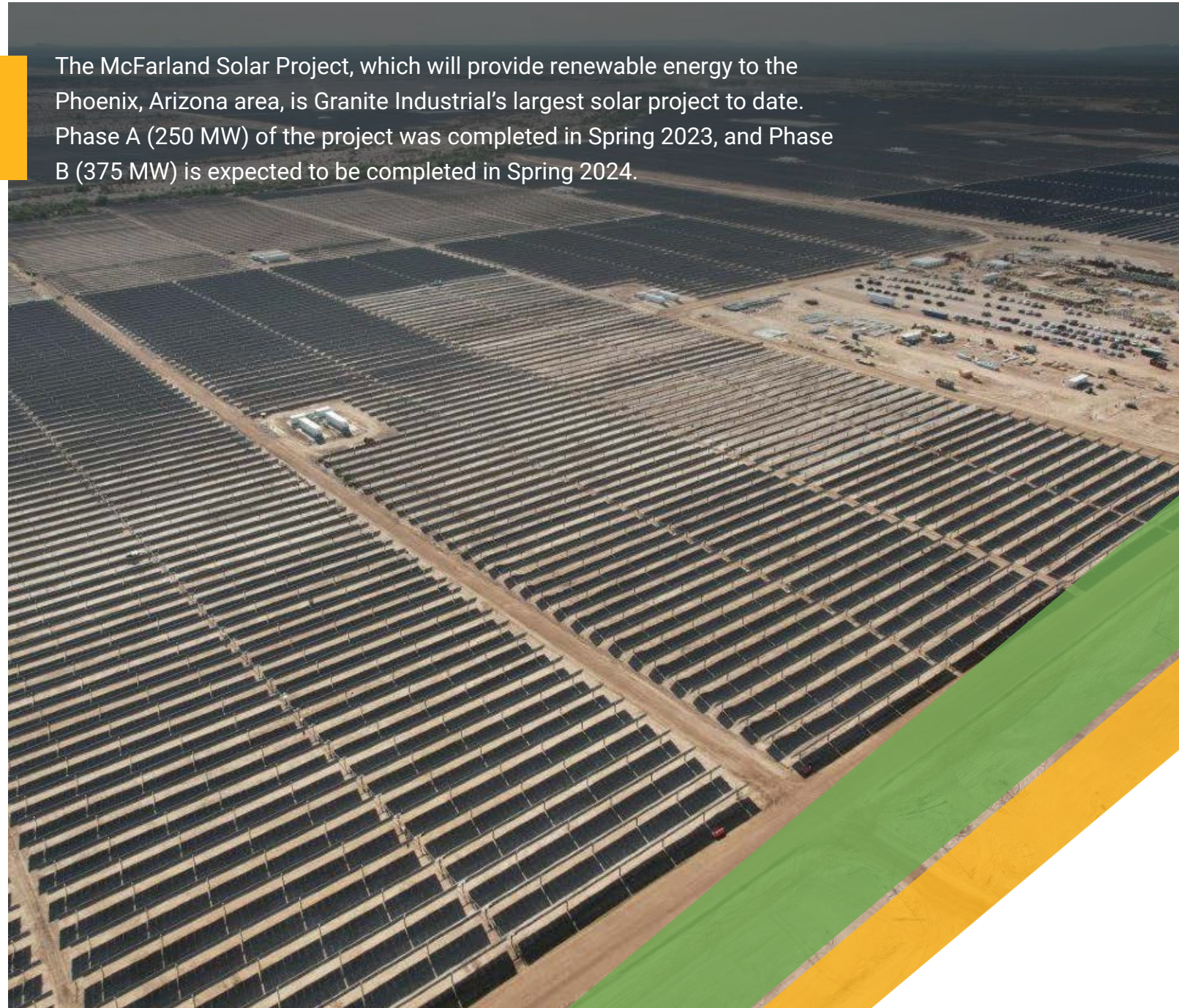


## Powering up with Solar on Construction Sites

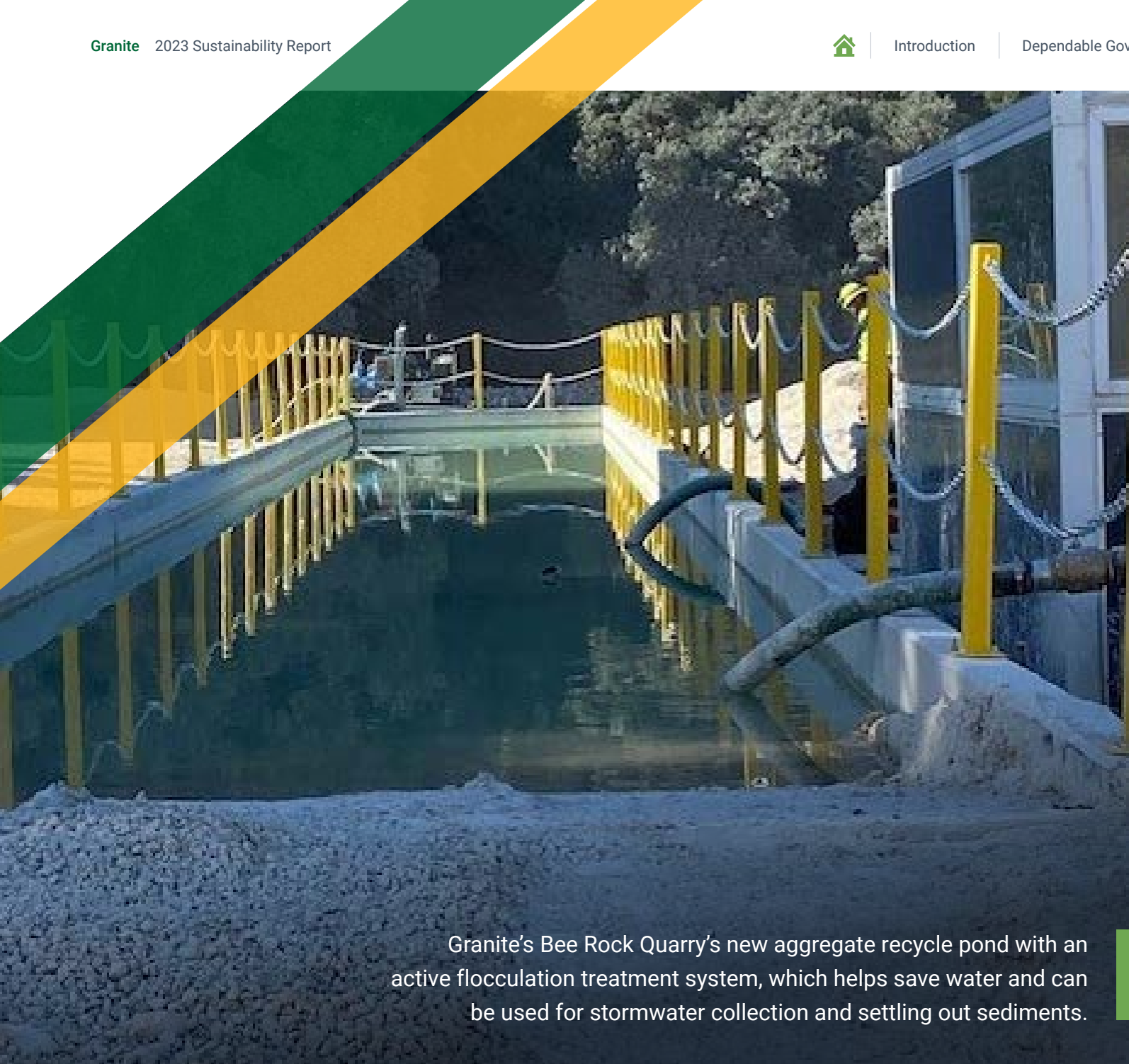
Several of our construction project teams deployed solar generators and electric equipment in the field in 2023. Granite's Midwest Region successfully pilot-tested the use of electric power tools, charged by solar-powered generators, on a construction project to help the client meet their goals of reducing GHG emissions. The foldable solar panels, adaptable to any location, offer increased versatility of the generators through multiple charging options. They also used solar-powered light fields. The Valley Region deployed a solar-powered carpenter trailer for a project, which utilized a built-in solar generator with its own solar panels, batteries to charge tools overnight, and on-board batteries for use during the day.

This innovative use of solar-powered generators reduces emissions compared to conventional fuel-powered generators. Using electric power tools not only reduces emissions, but also improves safety and health impacts by reducing workers' exposure to emissions. Positive feedback from on-site leaders has underscored the convenience and environmental benefits of these solar generators and electric tools. In addition to convenience, many team members have highlighted the alleviation of fuel-related concerns and expressed pride in working on a greener jobsite.

The McFarland Solar Project, which will provide renewable energy to the Phoenix, Arizona area, is Granite Industrial's largest solar project to date. Phase A (250 MW) of the project was completed in Spring 2023, and Phase B (375 MW) is expected to be completed in Spring 2024.







Granite's Bee Rock Quarry's new aggregate recycle pond with an active flocculation treatment system, which helps save water and can be used for stormwater collection and settling out sediments.

## Assessing Water Risks Related to Climate Change

Granite took steps in 2023 to further assess how a changing climate could impact our ability to use water. One of the physical risks posed by climate change is limited availability of water, particularly in water-stressed areas. The first step in managing this risk is to assess Granite's water footprint. We created our first water inventory, which prioritizes Granite-owned facilities and lists the type of water use (e.g., utility or well) and utility source information. We then performed a water risk analysis using the World Resource Institute's Aqueduct Tool. In terms of physical water risks, the results showed that 82% of our owned locations are in an area that is at "extremely high" or "high" risk of having too little or too much water available to operations. Other risk areas such as water quality, reputational, and regulatory risks were of lesser concern, with most Granite-owned sites in "low-medium" risk categories.

The work completed in 2023 has established a foundation for developing a more comprehensive water stewardship strategy grounded in a four-phase approach:

- Context setting and data collection
- Implementation
- Evaluation and reporting
- Gathering stakeholder feedback for continuous improvement

We are currently in the first phase of our strategy. Future steps will include improving our ability to track and report water use, providing a baseline of water use, and setting targets for improvement.



# Improving Construction Waste Management

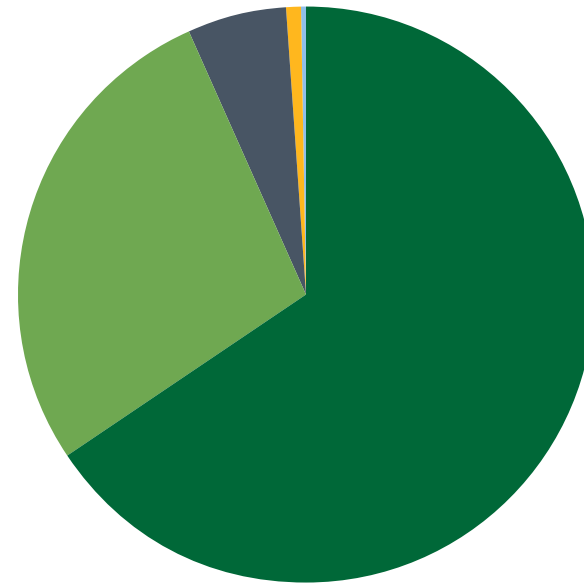
Many local communities are taking steps to require tracking and reporting of construction and demolition (C&D) debris, with the goal of reducing the volume of materials that are disposed of in municipal solid waste landfills. Many clients are also growing increasingly concerned about responsible waste management on their projects. Granite’s services support our clients in meeting waste management goals for their projects, including reducing waste and diverting usable resources for beneficial reuse.

We launched a regional pilot project in 2021, to improve our approach to waste management for C&D debris, and have continued tracking waste for this pilot project. The pilot tracked two tunnel projects and six construction projects in the Midwest Region. The goal of this pilot project is to use waste as a lagging indicator to learn where we can improve business operations and reduce waste. The recycled debris data collected thus far has provided more clarity into where we need to concentrate our efforts to reduce waste.

	Total debris (US Tons)	Recycled (US Tons)	Municipal Solid Waste (US Tons)	% Recycled	% Municipal Solid Waste
Tunnel Projects	716.62	238.21	478.41	33%	67%
Midwest Region Projects	79,891.21	78,684.49	1,206.72	98%	2%
Total (All Projects)	80,607.83	78,922.70	1,685.13	98%	2%

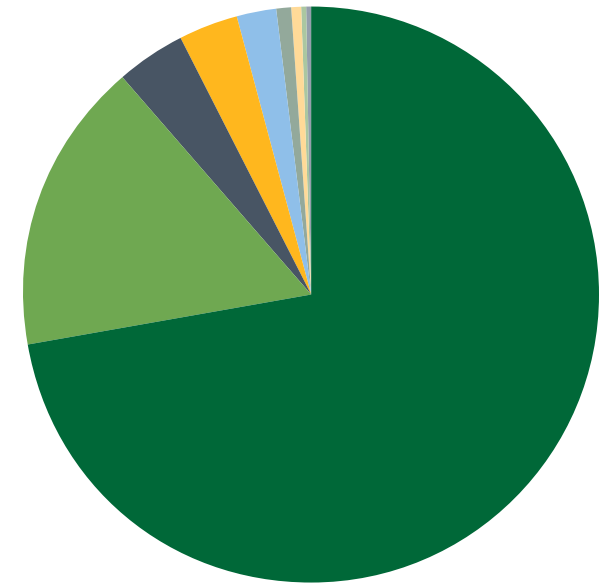
Percentages reflect rounding

## Pilot Project 2023 Results: Recycled Debris



Recycled Debris from Tunnel Projects

Metals	65.60%
Concrete	27.75%
Wood	5.75%
Cardboard	0.69%
Plastic	0.21%



Recycled Debris from Midwest Region Projects

Asphalt	73.57%
Concrete	16.65%
Wood	3.88%
Metals	3.37%
Brick/Masonry	2.40%
Mixed	0.06%
Plastic	0.04%
Cardboard	0.03%
Drywall	0.01%



## Reusable Wall Form Systems

Granite's Coastal Region expanded the use of reusable concrete wall forms in 2023, to reduce waste in the construction process. Wall forms, or wall formworks, are structures used during continuous concrete placement. Innovative form designs incorporate reusable molds that aid in supporting structural elements during vertical construction. These reusable systems provide safety benefits while reducing environmental impacts compared to the standard practice of using wood to fabricate forms.

Granite has used engineered wall form systems and conventional wood forms for decades. The Coastal Region identified a more cost-effective engineered form system, and in 2020, invested in purchasing reusable forms for two active projects. The forms were cost-effective when compared to wood forms with an affordable rental rate. In 2023, the Coastal Region utilized these forms on four retaining wall projects. The forms also aided in construction of four bridge projects, forming the foundations and abutments.

These reusable systems have been instrumental in forming and pouring over 243,000 square feet of walls and bridge abutments. Adopting this technology on several projects since 2020 has reduced consumption of wood, equivalent to saving over 150,000 board feet of timber material from disposal.

Using these forms offers safety advantages, as the simplicity and detailed layout drawings help the team reduce hazards. This allows structure crews to find efficiencies and improve production speed. Fabrication is almost twice as fast, and form setting/stripping is 30%-40% faster, compared to wood forms. This time savings reduces exposure to potential injury.



# Advancing More Sustainable Construction Materials

Granite’s construction materials team members continue to champion our mission of sustainability by continuously improving operations with the goal of reducing environmental impacts. We strive to positively influence the industry, and many of our materials facilities have earned recognition for their dedication to sustainability.



## 2025 TARGET

Earn recognition by the National Asphalt Pavement Association (NAPA) Diamond Sustainable Commendation for 75% of our asphalt plants by 2025

## 2023 PERFORMANCE

Target exceeded: 32 asphalt plants received this recognition in 2023 (representing 78% of our total asphalt facilities)

### Championing the Use of Environmental Product Declarations

Conservation of natural resources is one of our priorities for responsibly managing environmental impacts associated with our work. To better understand the environmental impacts of our products, one of the priority targets of our sustainability strategic plan is to increase the use of EPDs at our materials facilities. An EPD is a declaration that “quantifies environmental information on the life cycle of a product to enable comparisons between products fulfilling the same function” (ISO 14025). An EPD is like a nutrition label, but instead of providing nutritional content, it provides the environmental impacts of a product’s life cycle.

## 2025 TARGET

Have EPDs available for 50% of our materials facilities by 2025

## 2023 PERFORMANCE

In 2023, 25 (out of 41) asphalt plants had published EPDs, and six aggregate facilities (out of 44) had draft EPDs—with a total of 36% of all materials facilities with EPDs, we are well on track to achieve our target

Granite made significant progress in 2023 toward our goal of increasing the use of EPDs. In our 2022 update, we reported having two published EPDs for asphalt mixes. At the close of 2023, 25 Granite asphalt plants had published EPDs, reflecting a total of 110 published EPDs. This represented a sizable portion of the total asphalt EPDs developed through the NAPA EPD tool—estimated to reflect over 9% of total plants and over 5% of total mix designs available for the industry through this tool. Granite has made a notable contribution to the advancement of EPDs in the industry.

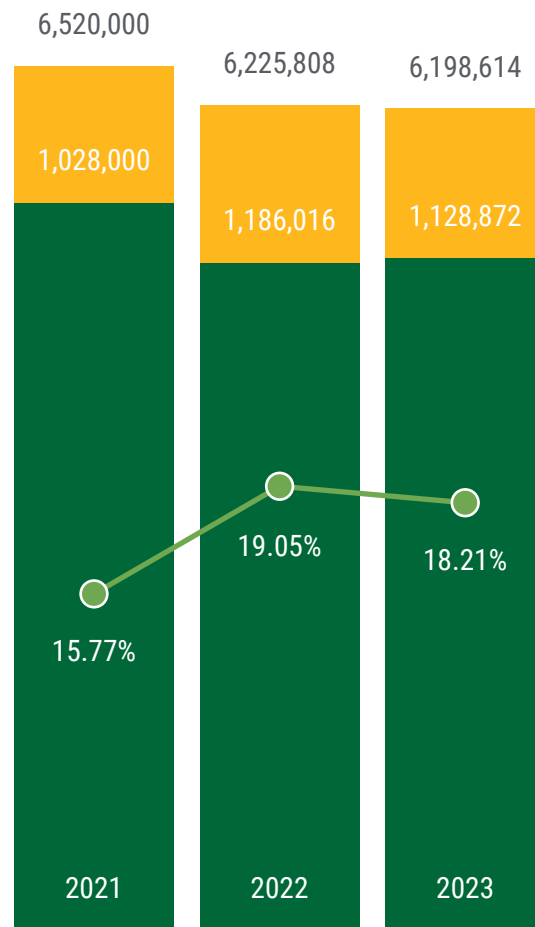
### Using More Recycled Materials

One of our goals is to increase the use of recycled materials. At our asphalt plants, this includes increasing the use of recycled asphalt pavement. Granite's ability to use more recycled asphalt pavement and other recycled materials in asphalt mixes is controlled by client specifications, with some specifications limiting the use of recycled asphalt pavement to 15% and others allowing 40% or more. We have strived to educate clients about the environmental benefits of allowing more recycled asphalt pavement and encourage them to allow higher percentages of recycled materials. Through innovations in technology, balanced mix design, and performance testing, asphalt can be produced with a higher percentage (over 40%) of recycled content while improving its long-term performance. This reduces material waste, overall cost, use of virgin aggregate, and use of asphalt binder (a petroleum product), which also helps reduce embodied carbon—all while maintaining high quality and performance.

## Use of Recycled Materials (2021-2023)

### Asphaltic Concrete Produced (US Tons)

● Recycled Content ● Percentage of Recycled Content





## Advancing Lower Carbon Asphalt

With the 2022 acquisition of Centennial Asphalt, a liquid asphalt terminal, one of our goals was to use the terminal as an opportunity to find new ways to incorporate recycled components and green alternatives to asphalt. In 2023, we experimented further with these products. During the year, we consumed 1,641 tons of post-consumer plastic and recycled oil. In addition, we replaced 363 tons of asphalt with bio-replacement products. We were able to replace approximately five percent of our binder with these products, which helped improve the quality and longevity of our finished products or had a neutral impact on quality. Going forward, we hope to find additional customers who want to improve their asphalt products while investing in more sustainable roads.

## Optimizing Asphalt Mix Design

In 2023, we developed new data dashboards to provide teams with visibility into data around EPD development, recycled asphalt pavement usage, and optimization of mixes. These dashboards give our teams the ability to better assess the environmental impacts of various asphalt mixes and adjust mix designs to optimize performance and impacts. We started tracking the percent of recycled asphalt pavement in mixes compared to the maximum percentage allowed by specifications, with the goal of maximizing the use of recycled content as permitted by clients.

In 2023, Granite performed over 180 mix designs to support the 63 million tons of asphalt produced and sold. The process and opportunity available for optimizing asphalt mix designs varies regionally and is often driven by common factors such as project specifications, project schedule, time available to complete the design, and availability of material. Focusing on optimization requires an extensive amount of planning to ensure items such as pit balance, asphalt binder selection, anti-strip selection, mix quality, field placement properties, and other factors are considered. In 2023, 83% of all mixes (tonnage based) with sales volumes greater than 5,000 US tons were optimized to their specifications.



# PARTNERSHIP

## HIGHLIGHT

### Value Chain Partnership Propels Improvements in Responsible Consumption & Production

Granite and Malarkey Roofing formed a strategic sustainability partnership in 2021, with the goals of reducing waste, increasing the use of recycled materials, and improving the “circularity” of construction materials. This partnership directly supports the SDGs by advancing SDG 12 (Responsible Consumption and Production). Granite and Malarkey are embracing SDG 17 (Partnership for the Goals) in this demonstration of their shared commitment to sustainability.

Malarkey and Granite’s goals to improve responsible resource consumption are well matched. Malarkey has an ambitious target to eliminate all waste created from the production of roofing shingles at their facilities by 2025. The proximity of Malarkey’s plant in Portland, Oregon, to Granite’s asphalt facilities in Vancouver, Belfair, and Olympia, Washington, provides an opportunity to efficiently divert waste from landfills. Granite has goals to increase the use of recycled materials

and reduce embodied carbon in asphalt mixes. Incorporating shingles from Malarkey’s waste stream into Granite’s asphalt mixes contributes to sustainability goals for both companies.

Through a meticulously managed recycling stream, waste from Malarkey’s plant is repurposed effectively into asphalt. The roofing shingle waste is a high-grade recycled polymer-modified asphalt material, which has better performance than post-consumer asphalt roofing shingles (gathered after being used on a roof where they have degraded). Compared to the use of post-consumer shingles, the use of these waste shingles allows production of a higher quality asphalt mix. The presence of elastomeric modification in the shingles creates desirable properties in the pavement. The use of the shingles also reduces the need for virgin asphalt binder (a petroleum product), which reduces the carbon embodied in the asphalt mix. Once the shingles are incorporated into an asphalt mix, the asphalt can be continuously recycled into new mixes to achieve circularity of the material.





**PROJECT HIGHLIGHT:**

# Deer Creek Intake Project

Wasatch County, UT

## Restoring Critical Infrastructure

The Deer Creek Reservoir, along the Provo River in western Wasatch County, Utah, facilitates water supply for over 1.5 million people, is one of the most used recreational ecosystems in Utah, and is vital to the state’s future growth and sustainability. Components of the Deer Creek Dam, built over 80 years ago, had exceeded their designed service life and needed to be modified, refurbished, or replaced. Additions to the existing infrastructure will allow for improved flexibility in future operations and maintenance of the dam. The Deer Creek Intake project aimed to find innovative construction methods to allow for maintenance without draining the reservoir, thereby minimizing disruption to water storage that supports the region’s water needs.

## Underwater Engineering Innovations

The project required excavation of a substantial bench on a challenging slope in a depth of 85-feet of water to support placement of heavy precast structures. This challenge demanded precise engineering and the use of specialized equipment positioned on barges. The project team deployed multiple technologies during excavation to provide on-screen guidance for the operator to dig to line and grades while not being able to see the bucket. Tethered, remotely-operated vehicle units and bathymetry surveys delivered real-time information to determine rock quality and design locations to

meet project specifications. A steel template was manufactured with strategic marked locations that were the same size as the footprint of the floor slab, and then lowered underwater, so divers and designers could analyze the real-time video and location of the structure in relation to the excavation zone.

## Protecting Water Resources

The need to excavate material without removing it from the lake presented challenges related to protecting water quality. The underwater excavation and placement of grout to secure precast structures posed risks of turbidity (the cloudiness of water due to suspended particles), which could adversely impact water quality. Water releases creating high-flow conditions heightened this risk, so managing this sensitive environmental factor was critical to avoiding impacts to downstream users. To manage these risks, the project team deployed turbidity curtains around the construction area, used synthetic grout bags attached to the precast structure to help mitigate turbidity while placing grout, and halted excavation activities during periods of increased flow. The project team also used turbidity monitors to react to conditions in real time and stay within acceptable parameters, ensuring water quality was protected.

Construction for this project began in Spring 2023, and is expected to be completed in 2026.



# APPENDIX A: GLOBAL REPORTING INITIATIVE (GRI) INDEX: DISCLOSURE TOPICS & ACCOUNTING METRICS

**Under Construction:** The GRI standards were updated in 2021 (for use starting in 2023), and we are still in the progress of adapting to these revisions. The following GRI Index is structured in alignment with the updated standards, but some reporting gaps remain. While Granite is committed to continuously improving our approach to sustainability reporting, data collection systems are not yet in place to support disclosures for all the metrics included in GRI, SASB, and TCFD. The recent GRI updates also made additional disclosures applicable under some of the material topics on which we have previously reported. Granite plans to make a comprehensive assessment of disclosures where information is missing by the end of 2025. This will allow us time to focus our efforts more effectively on the impact areas we are currently prioritizing. For disclosures where information is missing, a brief statement is made that "information is currently not available; update expected by 2026," and this statement is made in the greater context of our continuous improvement of reporting systems.

Note: All financial figures in \$USD

GRI Code	Metric/Description	2023
<b>GRI 1: Foundation</b>		
Statement of Use	Granite has reported with reference to the GRI standards for the period January 1, 2023-December 31, 2023	
	GRI 1 used: GRI 1: Foundation 2021	
GRI 2-1	Organizational details	
	Legal name of the organization	Granite Construction Incorporated
	Nature of ownership	Publicly traded corporation (NYSE: GVA)
	Location of headquarters	585 West Beach St., Watsonville, CA 95076
	Location of operation(s)	The majority of both our public and private customers are in the US (Alaska, Arizona, Arkansas, California, Colorado, Florida, Georgia, Idaho, Illinois, Iowa, Kansas, Kentucky, Louisiana, Minnesota, Missouri, Nebraska, Nevada, New York, Ohio, Oklahoma, Oregon, Tennessee, Texas, Utah, Washington, Wisconsin). We also have presence in Canada and Mexico. Locations: <a href="https://www.graniteconstruction.com/company/our-offices">https://www.graniteconstruction.com/company/our-offices</a> .
GRI 2-2	Entities included in the organization's sustainability reporting	Granite Construction Incorporated and its subsidiaries, except for companies acquired in 2023 (unless otherwise specified)



GRI Code	Metric/Description	2023
GRI 2-3	Reporting period, frequency, and contact point	
	Reporting period	January 1, 2023-December 31, 2023 (aligned with financial reporting)
	Reporting frequency	Annual
	Publication Date	May 1, 2024
	Contact point for questions regarding the report	sustainability@gcinc.com
GRI 2-4	Restatements of information	Reporting improvement: As described in the Climate & Energy section of this report, GHG Scope 1 emissions were calculated with an improved methodology. Mobile equipment calculations were based on the GHG Protocol for mobile combustion. Emission factors and tables from this protocol were used to calculate emissions of CO <sub>2</sub> , methane, and nitrous oxide. Supporting inputs such as hours of operation, miles driven, and equipment type were utilized to obtain the most accurate estimate of GHG emissions when possible. This methodology, which is more accurate than previous methods based on bulk fuel use, has been applied to update previous years 2021 and 2022 (but was not possible for 2020 due to data limitations).
GRI 2-5	External assurance	Granite's Sustainability Reports are reviewed and approved by the Executive Committee and the Board of Directors. The contents of this report have not been externally assured.
GRI 2-6	Activities, value chain, and other business relationships	
	A description of the organization's activities.	We deliver infrastructure solutions for public and private clients primarily in the US. We are one of the largest diversified infrastructure companies in the US. Within the public sector, we primarily concentrate on infrastructure projects, including the construction of streets, roads, highways, mass transit facilities, airport infrastructure, bridges, dams, power-related facilities, utilities, tunnels, water well drilling, and other infrastructure-related projects. Within the private sector, we perform various services such as site preparation, mining services and infrastructure services for commercial and industrial sites, railways, residential development, energy development, as well as provide construction management professional services.
	Primary brands, products, and services, including an explanation of any products or services that are banned in certain markets.	Our expertise allows us to provide infrastructure solutions in a range of markets as a diversified civil contractor and materials producer. Brands: <a href="https://www.graniteconstruction.com/company/our-brands">https://www.graniteconstruction.com/company/our-brands</a> .
	Provide information on markets served, including: geographic locations where products and services are offered; sectors served; types of customers and beneficiaries.	Granite serves customers in both public and private sectors within our reportable business segments: Construction and Materials. We provide infrastructure solutions in a range of markets as a diversified civil contractor and materials producer. Customers of our Construction segment are predominantly in the public sector and include federal agencies, state departments of transportation, local transit authorities, county and city public works departments, school districts and developers, utilities, and private owners of industrial, commercial, and residential sites. Customers in our Materials segment include our own construction projects and third-party customers. Our third-party customers include contractors, landscapers, manufacturers of products requiring aggregate materials, retailers, homeowners, farmers, and brokers. The majority of both our public and private customers are in the US.





GRI Code	Metric/Description	2023	2022	2021
	Describe significant changes to the organization's supply chain, entities downstream from the organization, and their activities compared to the previous reporting period	No significant changes		
GRI 2-7	Employees			
	Total number of employees	6,343	6,370	7,271
		Employee count includes all US employees categorized as "active" in Human Resources system as of December 31, 2023.	Employee count as of December 31, 2022.	Employee count as of December 31, 2021.
GRI 2-8	Workers who are not employees	Information is currently not available; update expected by 2026.		
GRI 2-9	Governance structure and composition			
	Governance structure	Board structure, including committees and responsibilities, are reported on in Granite's publicly filed Proxy Statement. Please see financial filings for more information: <a href="https://investor.graniteconstruction.com/financial-information/sec-filings">https://investor.graniteconstruction.com/financial-information/sec-filings</a> .	Board structure, including committees and responsibilities, are reported on in Granite's publicly filed Proxy Statement. Please see financial filings for more information: <a href="https://investor.graniteconstruction.com/financial-information/sec-filings">https://investor.graniteconstruction.com/financial-information/sec-filings</a> .	–
	Total number of Board members	9	12	12
	Independent Board members	8 (89%)	11 (92%)	–
	Employees/Executives sitting on the Board	1 (11%)	1 (8%)	–
	Number of female Board members	4	4	4
	Percentage of female Board members	44%	33%	33%
	Number of male Board members	5	8	8
	Percentage of male Board members	56%	67%	67%
	Number of Board members who are Black or African-American	1	1	1
Percentage of Board members who are Black or African-American	11%	8%	8%	



GRI Code	Metric/Description	2023	2022	2021
	Number of Board members who are Hispanic or Latino	1	2	2
	Percentage of Board members who are Hispanic or Latino	11%	17%	17%
	Number of Board members who are White	7	9	9
	Percentage of Board members who are White	78%	75%	75%
GRI 2-10	Nomination and selection of the highest governance body	For full description of selection and nomination process, please refer to the Granite Construction Incorporated Board of Directors Nomination Policy.		
GRI 2-11	Chair of the highest governance body	Michael F. McNally, Chairman of the Board of Directors, is an independent board member, not otherwise affiliated with the company.		
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	<p>The Board of Directors is responsible for overseeing company performance. The Board of Directors receives updates on sustainability/ ESG performance and related risks at a minimum frequency of twice per year and provides approval for sustainability strategic plans and sustainability reports.</p> <p>The Risk Committee is a standing committee of the Board of Directors. The purpose of the Risk Committee is to assist the Board of Directors in its oversight of the company's strategic, operational, and health, safety and environmental compliance risks. The Board of Directors recognizes that management has primary responsibility for the development and implementation of the company's commercial strategies, operations and compliance programs. The Committee has been formed to assist the Board of Directors in assessing and overseeing the risks associated with such strategies and the company's operations, health, safety, and environmental compliance. The Risk Committee also oversees management's adoption and implementation of ERM policies and procedures. The ERM system integrates consideration of ESG-related risks, including those posed by climate change. Granite's Sustainability and Risk Management teams collaborate to address ESG-related risks and provide updates to the Board of Directors.</p> <p>The Nominating and Corporate Governance Committee (NCGC) is a standing committee of the Board of Directors. The NCGC develops and recommends to the Board of Directors corporate governance guidelines applicable to the company and oversees the evaluation of the Board of Directors and management. The NCGC assists the Board of Directors in its oversight of the company's sustainability/ESG program, receiving updates at a minimum frequency of twice per year. The NCGC reviews periodically and discusses with management the company's ESG strategy, initiatives, and policies, including communications with employees, investors, and other stakeholders. The NCGC also oversees mitigation of ESG risks faced by the company. The NCGC reports to the Board on ESG matters as it deems appropriate.</p>		
GRI 2-13	Delegation of responsibility for managing impacts	The Executive Committee (EC) provides executive direction and resourcing for the sustainability program. The EC, which includes the President and CEO, receives updates on sustainability/ESG at least quarterly. The EC communicates ESG issues and risks to the Board of Directors and its Committees either directly or as delegated to other subject matter experts such as the Sustainability Lead (SL). The SL serves as the functional lead for the sustainability program to engage stakeholders, develop strategic plans, implement programs, and communicate progress. The SL provides updates to the EC at least quarterly and, as delegated by the EC, to the Board of Directors and its Committees. Operational Leaders are charged with implementing sustainability programs at the business unit level, supporting data collection from operations, and reporting their progress. Operational Leaders are responsible for managing operational ESG risks and communicating emerging issues and risks with the SL. Functional Leaders are charged with implementing sustainability programs at the level of their functional business units, supporting data collection, and reporting their progress. Functional leaders are responsible for managing ESG risks in their functional area and communicating emerging risks with the SL.		





GRI Code	Metric/Description	2023
GRI 2-14	Role of the highest governance body in sustainability reporting	Annual Sustainability Reports are approved by the Board of Directors. The Board of Directors is ultimately responsible for overseeing our sustainability program and how we manage sustainability and ESG-related risks, including those posed by climate change. The Board of Directors is responsible for overseeing company performance. The Board of Directors receives updates on sustainability/ESG performance and related risks at a minimum frequency of twice per year, and provides approval for sustainability strategic plans and sustainability reports.
GRI 2-15	Conflicts of interest	
	Discussion of processes for identifying and assessing conflicts of interest	Our Board has oversight of the company's Code of Conduct, which states that employees, officers, and directors must be free of outside influences or interests that conflict with their duty to act in the best interests of the company in business relationships and dealings. Employees are expected to deal with owners, suppliers, customers, contractors, and all others without favor or preference. A conflict of interest occurs when an individual's private interest interferes in any way with the interests of the company as a whole. Employees annually certify to their understanding of, and adherence to, the Code of Conduct and are asked to report all potential or known conflicts of interest. Any conflicts of interest reported are documented and reported to the Board, along with any remediation recommendations and actions taken, on a quarterly basis.
GRI 2-16	Communication of critical concerns	The company's Board of Directors commissioned the establishment of a Compliance Program, by resolution, in 1998. Since its formation, the company's Compliance Program has engaged the highest level of management within the company. The company's General Counsel, who is also a Senior Vice President, serves as the Corporate Compliance Officer (CCO). The CCO reports directly to the company's Audit/Compliance Committee (A/CC). In addition, the Compliance Program is integrated into the operating units of the company by delegation of compliance responsibilities to the leaders of Finance, Strategy, Operations, Treasury, Environmental Services, Quality Management, Information Technology, Human Resources, Safety, and the Operating Groups. The company's Vice President of Internal Audit has an administrative reporting line to the Chief Financial Officer and is a functional direct report to the company's A/CC. In addition, the company has a Corporate Compliance Committee (Committee). Responsibilities of the Committee include, but are not limited to, oversight of the company's Compliance Program, ensuring that the company's culture encourages ethical conduct, ensures proper reporting of compliance and ethics concerns, and promotes compliance with applicable laws and regulations. Executives who are part of the Committee are the President and Chief Executive Officer, Chief Financial Officer, General Counsel and Chief Compliance Officer, Chief Operating Officer, and Senior Vice President of Human Resources. Functional leadership who report at Committee meetings include: Legal & Compliance, Human Resources, Information Technology, Safety, Environmental, Tax, Internal Audit, Project Controls, Accounting, and Quality Management. The Committee meets quarterly, and minutes of the meeting are presented to the company's A/CC on a quarterly basis. If there is a material concern between meetings of the A/CC, it is communicated by the General Counsel and Chief Compliance Officer at the time it is discovered.
GRI 2-17	Collective knowledge of the highest governance body	The Board of Directors and Committees receive regular updates on sustainability per the Sustainability Governance Framework, and these include efforts to advance their understanding and knowledge of sustainable development and Granite's sustainability program.
GRI 2-18	Evaluation of the performance of the highest governance body	The Nominating and Corporate Governance Committee oversees the annual evaluations of the Board and certain senior executive officers of the company. These annual evaluations of the Board are conducted through questionnaires, which include a self-assessment, an assessment of the effectiveness of the Board and committees, and a peer evaluation.



GRI Code	Metric/Description	2023	2022
GRI 2-19	Remuneration policies	<p>Granite's compensation programs are designed to align the remuneration of our employees with Granite's performance and provide incentives to attract, retain, and motivate employees to achieve superior results. We periodically conduct pay equity analyses to support our commitment to pay equity for all employees. Granite's executive officer compensation program consists of total direct compensation generally targeted within the range of the 50th percentile of comparable positions within an established industry peer group. Actual pay levels reflect market data, individual experience, tenure, and impact on business and financial results. Short-term and long-term goals are aligned with interests of shareholders, with cash and stock-based incentives earned upon the attainment of pre-established financial and non-financial goals. Executives have a larger portion of their compensation package based on financial objectives. Executives are eligible for long-term equity compensation which is aligned with our shareholders' interests by linking realizable pay and stock performance. As described in our safety strategy, nothing is more important than the safety of our people. To further align our executive officers with our safety strategy, safety is one of the key performance metrics in our annual incentive plan. Executive officers have a safety performance metric which includes a severity metric of Days Away, Restricted, and Transfer (DART), along with an OSHA recordable incident rate, a nationally recognized metric, to benchmark our safety performance against the construction industry. All employees are eligible for our retirement savings plan which offers a six percent company matching contribution. Executives are also eligible to participate in our non-qualified deferred compensation plan. In accordance with SEC and NYSE rules, Granite adopted a clawback policy in October 2023. Under Granite's clawback policy, Granite will recover reasonably promptly the amount of erroneously awarded incentive-based compensation in the event that Granite is required to prepare an accounting restatement (as such terms are defined in the clawback policy).</p> <p>Granite's Compensation Committee of the Board of Directors reviews and approves all aspects of compensation for our executive officers. The Compensation Committee directly retains the services of Frederic W. Cook &amp; Co., Inc. (FW Cook) to provide advice and recommendations to the Compensation Committee on executive officer compensation programs. FW Cook reviews the company's executive compensation benchmarking peer group and recommended changes for the Compensation Committee's consideration. They review the competitive positioning of Granite's executive officers' base salaries, annual incentive, and long-term incentive compensation relative to available industry peer compensation data. They also advise on target award levels and plan design for the annual and long-term incentive program.</p>	
GRI 2-20	Process to determine remuneration	<p>Granite's Compensation Committee of the Board of Directors reviews and approves all aspects of compensation for our executive officers. The Compensation Committee directly retains the services of FW Cook to provide advice and recommendations to the Compensation Committee on executive officer compensation programs. FW Cook reviews the company's executive compensation benchmarking peer group and recommended changes for the Compensation Committee's consideration. They review the competitive positioning of Granite's executive officers' base salaries, annual incentive, and long-term incentive compensation relative to market data. They also advise on target award levels and plan design for the annual and long-term incentive program.</p>	
GRI 2-21	Annual total compensation ratio	<p>Full Information is currently not available; update expected by 2026. The Dodd-Frank Wall Street Reform and Consumer Protection Act requires we disclose the ratio of our CEO's total annual compensation to the median of the annual total compensation of all of our employees other than our CEO. The resulting ratio was 42:1. Please see page 50 of Granite's Proxy Statement: <a href="https://otp.tools.investis.com/clients/us/granite_construction2/SEC/sec-show">https://otp.tools.investis.com/clients/us/granite_construction2/SEC/sec-show</a>.</p>	<p>Full Information is currently not available; update expected by 2026. The Dodd-Frank Wall Street Reform and Consumer Protection Act requires we disclose the ratio of our CEO's total annual compensation to the median of the annual total compensation of all of our employees other than our CEO. The resulting ratio was 18:1. Please see page 47 of Granite's Proxy Statement for full details: <a href="https://otp.tools.investis.com/clients/us/granite_construction2/SEC/sec-show.aspx?FilingId=16552029&amp;Cik=0000861459&amp;Type=PDF&amp;hasPdf=1">https://otp.tools.investis.com/clients/us/granite_construction2/SEC/sec-show.aspx?FilingId=16552029&amp;Cik=0000861459&amp;Type=PDF&amp;hasPdf=1</a>.</p>





GRI Code	Metric/Description	2023
GRI 2-22	Statement on sustainable development strategy	See CEO Letter of this report. At Granite, our mission is to provide infrastructure solutions that support more prosperous and resilient communities. We don't just recognize our responsibility to contribute to a more sustainable future—we embrace sustainability as a core value, a key component of our business strategy, and a value driver. As a participant in the United Nations (UN) Global Compact, Granite supports the Sustainable Development Goals (SDGs) and the Ten Principles of the Global Compact on human rights, labor, environment, and anti-corruption.
GRI 2-23	Policy commitments	As a participant in the UN Global Compact, Granite supports the SDGs and the Ten Principles of the Global Compact on human rights, labor, environment, and anti-corruption. Granite has published a Human Rights Statement: <a href="https://www.graniteconstruction.com/sites/default/files/2024-01/Human-Rights-Statement_EN.pdf">https://www.graniteconstruction.com/sites/default/files/2024-01/Human-Rights-Statement_EN.pdf</a> . Granite's Supplier Code of Conduct establishes standards and expectations for suppliers related to human rights and other sustainability issues: <a href="https://www.graniteconstruction.com/sites/default/files/2024-01/Granite-Supplier-Code-of-Conduct_EN.pdf">https://www.graniteconstruction.com/sites/default/files/2024-01/Granite-Supplier-Code-of-Conduct_EN.pdf</a> . These commitments are approved by the Executive Committee.
GRI 2-24	Embedding policy commitments	<p>Granite Construction Incorporated, together with our subsidiaries and affiliated companies, has a strong commitment to upholding the highest ethical business standards, following the spirit and letter of the law, caring for the safety and well-being of our employees, and acting responsibly within the communities in which we live and work, in a manner that benefits society.</p> <p>The Audit/Compliance Committee of the Board of Directors oversees our Ethics and Compliance Program, participates in the annual evaluation of our Corporate Compliance Officer, and provides a detailed Annual Report to the Board on the progress of the program and plans for future activities.</p> <p>Through its first iteration in 1958, to today, Granite's Code of Conduct is the playbook for appropriate business conduct and ethical expectations that ties together our company's varied geographical operations. The company requires employees to annually complete a certification of compliance with the Code of Conduct. The certification requires employees to disclose whether they have information regarding a violation of the company's Code of Conduct.</p> <p>The company uses both internal and external auditors to monitor various areas of compliance, including but not limited to, Accounting, Government Contracting Compliance, Antitrust, Environmental Compliance, Motor Carrier Safety Compliance, and Foreign Corrupt Practices Act Compliance. The company's Human Resources, Finance, Risk, Information Technology, Legal &amp; Compliance, Quality Management, Safety, and Environmental Services functions conduct audits of the company's processes to ensure compliance with applicable laws and regulations in their respective fields.</p> <p>In addition to the use of audits, the company offers an anonymous reporting hotline to monitor compliance at all levels of the organization. This line is staffed 24 hours a day, seven days per week, and is available via the internet. The company's hotline, called the "Ethics and Compliance Helpline," is advertised prominently in internal newsletters, promotional posters, on the company's internal and external websites, at training events, and in the Code of Conduct. Calls to the Ethics and Compliance Helpline are reported to Human Resources, and the company's Chief Compliance Officer, in some instances, for investigation. In addition, a summary of Ethics and Compliance Helpline reports is reported to the Audit/Compliance Committee as part of the Chief Compliance Officer's quarterly report.</p> <p>The company undertakes risk assessments to assess the evolving risk landscape. The risk assessment examines substantive areas of law applicable to the company with the result being a tool the company uses to identify legal and compliance risks posing the greatest potential harm to the company. Based on this analysis, the ethics and compliance program is tailored through revision, development, and/or emphasis of policies and procedures that can best be used to mitigate risks identified through the assessment.</p> <p>At Granite, we believe that compliance begins with individual stakeholders throughout the organization taking positive actions, following well-designed patterns, and reinforcing behaviors so each employee contributes by acting as a model for others to follow and in concert with fellow employees to improve the company, positively impact the communities in which it operates, and create enduring stakeholder value.</p>



GRI Code	Metric/Description	2023
GRI 2-25	Processes to remediate negative impacts	Information is currently not available; update expected by 2026
GRI 2-26	Mechanisms for seeking advice and raising concerns	Granite has two policies that address reporting ethical and/or organizational concerns: Whistleblower Policy, and Fraud or Theft Reporting Policy. In addition, the company has a third-party administered Ethics and Compliance Helpline, available 24/7. Granite's Code of Conduct was revised and now includes a page devoted to reporting.
GRI 2-27	Compliance with laws and regulations	As a public company, we are required to report any significant fines and non-monetary sanctions that result from non-compliance with regulations and laws to which we are subject through public filings with the US Securities and Exchange Commission. Please see financial filings for more information: <a href="https://investor.graniteconstruction.com/financial-information/sec-filings">https://investor.graniteconstruction.com/financial-information/sec-filings</a> .

GRI Code	Metric/Description	2023
GRI 2-28	Membership associations	<p>Memberships include, but are not limited to: American Road &amp; Transportation Builders Association (ARTBA); American Society of Civil Engineers (ASCE); Associated General Contractors of America (AGC); Association of Construction Equipment Managers (ACEM); Association of Equipment Management Professionals (AEMP); Catalyst; Conference Board; Construction Industry Safety Initiative; Groundbreaking Women in Construction Conference; Handshake; Hispanic Association on Corporate Responsibility; National Construction Safety Executives (NCSE); National Asphalt Pavement Association (NAPA); National Association of Sewer Service Companies (NASSCO); National Association of Women in Construction; National Hispanic Corporate Council; National Stone, Sand &amp; Gravel Association (NSSGA); Society of American Military Engineers (SAME); Society of Hispanic Professional Engineers; Society of Women Engineers; UN Global Compact; US Green Building Council (USGBC); Women in Construction Conference; Women of Asphalt.</p> <p>Additional state organizations supported include: California Construction and Industrial Materials Association (CalCIMA); Florida Transportation Builders Association; Illinois Road and Transportation Builders Association (IRTBA); Nevada Contractors Association; Wisconsin Road Builders.</p> <p>Membership to the federal trade associations provides a forum for federal, legislative, and regulatory education and outreach on issues dealing with transportation funding, construction and construction materials regulations, educational opportunities for our employees, and developing industry relationships for potential business ventures and marketing.</p>





GRI Code	Metric/Description	2023
GRI 2-29	Approach to stakeholder engagement	<p>See Stakeholder Engagement section of this report. The extensive nature of Granite’s work means we have a wide range of stakeholders, and all are welcome partners in our sustainability journey. In 2019, we conducted our first materiality assessment to better understand stakeholder concerns and priorities around sustainability. In 2022, one of our major initiatives was conducting our second materiality assessment, to help us better understand how our stakeholders’ priorities have evolved over time and in reaction to the sustainability strategy that we are pursuing. Granite collaborated with an independent sustainability consultancy to conduct an updated materiality assessment to inform our strategic goals and priorities in our ongoing sustainability efforts. This new study built upon our first materiality assessment from 2019, and sought to engage a more diverse group of stakeholders to identify which sustainability issues were most important to them.</p> <p>Our 2022 materiality assessment included interviews and quantitative surveys conducted with a range of internal (Granite’s employees and Board of Directors) and external (outside of Granite) stakeholders. Interviews were conducted with internal stakeholders including Granite Board members, executive leadership team members, and other leaders, as well as a variety of external stakeholders such as clients, suppliers, investors, academics in the field of civil construction and materials, elected officials, members of the press, nonprofit organizations, and construction-related industry groups.</p> <p>We engage with stakeholders in a variety of ways beyond the materiality assessment process, including the publication of this annual sustainability report and up-to-date information about our program on our website. As part of our communications plan, we have increased our focus on sustainability in our external communications. Internally, our primary focus in 2023 was to further educate our teams about how our mission for sustainability supports the SDGs.</p>
GRI 2-30	Collective bargaining agreements	As of December 31, 2023, three of our wholly owned subsidiaries, Granite Construction Company, Layne Christensen Company, and Granite Industrial, Inc., were parties to craft collective bargaining agreements in many areas in which they operate. Additional information is currently not available; update expected by 2026.
	Percentage of total employees covered by collective bargaining agreements	Information is currently not available; update expected by 2026



GRI Code	Metric/Description	2023	2022	2021
<b>GRI 3: Material Topics</b>				
GRI 3-1	Process to determine material topics	Determination of Material Topics for 2022 Materiality Assessment: The first step in this process was to determine a list of material topics to guide stakeholder interviews and surveys. The GRI defines material topics as those that “represent the organization’s most significant impacts on the economy, environment, and people, including impacts on their human rights.” With sector-specific guidance from GRI, SASB, and industry peers, 24 material topics were identified that represent the greatest impacts from Granite’s business activities. This list of material topics was developed by our third-party consultants with support from Granite’s Sustainability Department, Sustainability Council, and other Granite team members with relevant expertise. For guidance in identifying material topics, the team specifically relied upon the G4 Sector Disclosure for the Construction and Real Estate Industry, the Governance & Accountability Institute’s Top 10 GRI Sustainability Aspects for the Construction Materials Sector, the SASB materiality map for Engineering & Construction Services, and peer ESG reporting examples.		
GRI 3-2	List of material topics	GRI Material Topics are as included in this index. Topics included in 2022 Materiality Assessment (which will inform Granite’s continued adaptation to GRI reporting): Leadership & Governance, Transparency of Management Decisions, Sustainability Standards for Suppliers & Partners, Ethical Business Practices, Pricing Integrity & Transparency, Social Responsibility, Workplace Health & Safety Labor Practices, Employee Well-Being, Diversity, Equity & Inclusion, Freedom of Association & Collective Bargaining, Workforce Development & Training, Community Engagement & Consideration, Environmental, Energy Use, Water Use, Stationary GHG Emissions, Mobile GHG Emissions, Upstream/Downstream GHG Emissions, Waste to Landfill, Recycling & Reuse of Materials, Wastewater & Effluents, Air Quality, Environmental Compliance, Ecological Biodiversity, Business Model & Innovation, Product Design & Life Cycle Management, Materials Innovation, and Competitive Strength in ESG.		
GRI 3-3	Management of material topics	Each GRI Topic in this table contains a specific management statement.		
<b>GRI 201: Economic Performance</b>				
3-3 Management Statement	<p>We are focused on execution, process efficiency, data-driven decision-making, and innovation to drive profitability. This theme represents our commitment to disciplined project pursuit and improving our financial performance by executing work and attaining best-in-industry project delivery—all of which are underway. We are focused on driving improved and consistent execution through standardized requirements and best practices across all our businesses, as well as automation within our materials business.</p> <p>A key conclusion of our strategic plan is that we perform best when we leverage our competitive advantages in our home markets. This has been demonstrated throughout Granite’s history by the performance of our vertically integrated businesses. We intend to continue evolving to a more client-centric culture and investing in our vertically integrated business model. Our strong liquidity, coupled with a positive macroeconomic environment, positions us to expand our business.</p> <p>Details about Granite’s financial performance and related governance mechanisms are available in Granite’s financial statements and filings with the US Securities and Exchange Commission; more information is available here: <a href="https://investor.graniteconstruction.com">https://investor.graniteconstruction.com</a>.</p>			
201-1	Direct economic value generated and distributed	Note: This financial information includes newly acquired businesses for consistency with the consolidated financial statements filed with the SEC.		
	Revenues (thousands)	\$3,509,138	\$3,301,256	\$3,501,865
	Cost of revenue (thousands)	\$3,112,739	\$2,931,762	\$3,139,220
	Employee wages and benefits (thousands)	\$186,603	\$177,506	\$190,975
	Payments to providers of capital (thousands)	\$371,354	\$125,164	\$8,922





GRI Code	Metric/Description	2023
201-2	Financial implications and other risks and opportunities due to climate change	Please see Appendix C: TCFD Index in this report for information on climate risks.
201-3	Defined benefit plan obligations and other retirement plans	
	Profit sharing and 401(k) plan	Profit Sharing and 401(k) Plan: The Profit Sharing and 401(k) Plan (401(k) Plan) is a defined contribution plan covering all employees except employees covered by collective bargaining agreements and certain employees of our consolidated construction joint ventures. Our 401(k) matching contributions can be up to 6% of an employee's gross pay at the discretion of the Board of Directors. Our 401(k) matching contributions to the 401(k) Plan for the years ended December 31, 2023, 2022, and 2021, were \$18.6 million, \$17.7 million, and \$19.1 million, respectively. Profit sharing contributions from us may be made to the 401(k) Plan in an amount determined by the Board of Directors. We made no profit sharing contributions during the years ended December 31, 2023, 2022, and 2021. The 401(k) plan is voluntary and as of December 31, 2023, our participation rate was 96%.
	Non-qualified deferred compensation plan	Non-Qualified Deferred Compensation Plan: We offer a Non-Qualified Deferred Compensation Plan (NQDC Plan) to a select group of our highly compensated employees and non-employee directors. The NQDC Plan provides participants the opportunity to defer payment of certain compensation as defined in the NQDC Plan. Our NQDC Plan obligations are funded through a Rabbi Trust which was fully funded as of December 31, 2023. The assets held by the Rabbi Trust at December 31, 2023 and 2022, are substantially in the form of company-owned life insurance and are included in other noncurrent assets in the consolidated balance sheets. As of December 31, 2023, there were 66 active participants in the NQDC Plan. NQDC Plan obligations were \$25.2 million and \$23.1 million as of December 31, 2023 and 2022, respectively, and were primarily included in other long-term liabilities in the consolidated balance sheets. In addition, we had supplemental retirement benefits of \$3.7 million and \$3.7 million in other long-term liabilities in the consolidated balance sheets as of December 31, 2023 and 2022, respectively. Our significant obligations related to the NQDC Plan are \$3.1 million in 2024, \$2.2 million in 2025, \$1.9 million in 2026, \$1.5 million in 2027, \$1.5 million in 2028, and \$15.0 million thereafter. Additional information is currently not available; update expected by 2026.
201-4	Financial assistance received from government	Information is currently not available; update expected by 2026



GRI Code	Metric/Description	2023	2022
<b>GRI 205: Anti-Corruption</b>			
3-3 Management Statement	<p>We are committed to defining, improving, and upholding the highest ethical values and responsible business practices through resources devoted to development, maintenance, communication, and enforcement of our Code of Conduct (<a href="https://www.graniteconstruction.com/sites/default/files/inline-files/Code_of_Conduct_final_2021.pdf">https://www.graniteconstruction.com/sites/default/files/inline-files/Code_of_Conduct_final_2021.pdf</a>), our anti-bribery compliance policies, our internal control processes, and our compliance-related policies.</p> <p>We expect our business partners to adhere to our Supplier Code of Conduct (<a href="https://www.graniteconstruction.com/supplier-code-conduct">https://www.graniteconstruction.com/supplier-code-conduct</a>), which states that suppliers must be aware of and adhere to applicable laws, including all aspects of the US Foreign Corrupt Practices Act. Any deviation found can have an adverse effect on the relationship with Granite, ultimately leading to an immediate discontinuation of the business relationship. Stakeholder engagement on this topic is included in our periodic Materiality Assessments, through stakeholder surveys and interviews.</p> <p>Granite’s Legal &amp; Compliance Department is responsible for managing adherence to anti-corruption policies. Our goal is to leverage corruption risk assessments, incident reviews, and industry trends to identify policy and training enhancements that act as a deterrent for fraud and corruption.</p> <p>Within Granite’s Sustainability Strategic Plan, under the Focus Area of Business Ethics &amp; Anti-Corruption, our long-term ambition is to emphasize an ethical culture and create commitment through training that empowers all employees to uphold the highest ethical, legal, and moral standards. We have an ongoing goal to provide basic compliance training to all employees and achieve completion rates exceeding 99% for salaried employees each year.</p>		
GRI 205-1	Operations assessed for risks related to corruption	Any significant risks associated during quarterly risk assessments are reported to the Board and subject to disclosure requirements of the US Securities and Exchange Commission.	Any incidents of fraud, illegal activity, or material breaches in company policies are communicated to the Audit Committee of the Board of Directors and may be subject to public disclosure in accordance with the US Securities and Exchange Commissions guidelines.





GRI Code	Metric/Description	2023	2022	2021
GRI 205-2	Communication and training about anti-corruption policies and procedures	<p>Non-craft employees situated in foreign countries, or who have been identified as individuals who are regularly exposed or have potential to conduct business on behalf of the company in foreign jurisdictions are given training on Granite's Anti-Bribery and Foreign Corrupt Practices Act (FCPA) Policy. All non-craft employees are enrolled at onboarding in Antitrust Laws and Fair Competition Training. Employee counts: 40 = Anti-Corruption and FCPA Compliance Training (95%); 279 = Antitrust and Fair Competition Standards (96%); 2,058 = Code of Conduct Refresher (99%).</p>	<p>Non-craft employees situated in foreign countries, or who have been identified as individuals regularly exposed, or have the potential to conduct business on behalf of the company in foreign jurisdictions, receive training on Granite's Anti-Bribery and Foreign Corrupt Practices Act (FCPA) Policy. All non-craft employees are enrolled in Antitrust Laws and Fair Competition Training during onboarding. Employee counts: 104 = Anti-Corruption and FCPA Compliance Training (27%*); 274 = Antitrust and Fair Competition Standards (95%); 1,635 = Code of Conduct Refresher (100%).</p> <p>*The lower completion rate year over year is due to enrollment taking place late in the calendar year and a 30-day completion timeframe.</p> <p>All vendors, suppliers, and subcontractors who are paid by Granite or by any joint venture partnership of which Granite is a managing partner, are encouraged to adhere to our Supplier Code of Conduct, which requires they comply with all aspects of the US Foreign Corrupt Practices Act (FCPA) and other applicable anti-corruption and anti-bribery laws enforceable in the jurisdictions in which they conduct business. We strictly prohibit illegal payments or promises to provide anything of value to a Foreign Government Official (FGO) designed to gain an illegal business advantage (bribe), including without limitation, inappropriate payments made directly or indirectly to an FGO. We require that our books, records, and accounts be kept in reasonable detail and that all transactions be accurately and fairly reflected in accounting records. These standards apply to our employees, suppliers, and any stakeholder acting on behalf of Granite.</p>	<p>(1) All employees are exposed to Anti-Bribery and FCPA Policy and Antitrust Laws and Fair Competition Standards during onboarding and annually through the Code of Conduct Certification Process. Due to Refreshed core values and corresponding education efforts, the Code of Conduct Certification was archived for 2021 and micro-learning on each core value were deployed. (2) Non-craft employees situated in foreign countries, or who have been identified as individuals who are regularly exposed or have potential to conduct business on behalf of the company in foreign jurisdictions are given training on Granite's Anti-Bribery and FCPA Policy. All non-craft employees are enrolled at onboarding in Antitrust Laws and Fair Competition Training. Employee counts: 72 = Anti-Corruption and FCPA Compliance Training (94%); 255 = Antitrust and Fair Competition Standards (98%); 2,099 = Core Value Refresh Campaigns (100%).</p>



GRI Code	Metric/Description	2023	2022	2021
GRI 205-3	Confirmed incidents of corruption and actions taken	None	None	None
<b>GRI 301: Materials</b>				
3-3 Management Statement	<p>Construction is inherently a materials-intensive industry, which heightens the importance of managing materials responsibly. Conservation of natural resources is one of our priorities for responsibly managing environmental impacts associated with our work. Managing the use of different materials in our supply chain is an essential part of conserving resources. Our teams in the field manage the use of materials on a project-specific basis. Our management of companywide strategic planning and initiatives in this area fall under Granite’s Sustainability Governance Framework. Stakeholder engagement on this topic is included in our periodic Materiality Assessments, through stakeholder surveys and interviews.</p> <p>In Granite’s Sustainability Strategic Plan, two different Focus Areas address materials use:</p> <p>First, under Waste &amp; Recycled Content, we state our long-term ambition to minimize waste and optimize the use of recycled content in asphalt production. This is tracked by the percentage of recycled content used in asphalt production. Specific initiatives in this area include: a waste management pilot project, our recycled plastic in asphalt initiative, recycled asphalt pavement advocacy, and project-specific waste management plans.</p> <p>Second, in the Environmental Impacts of Products focus area, we express our long-term ambition to capture the environmental impacts of our products and contribute to industry understanding of the environmental impacts of construction materials. Our priority target is to have Environmental Product Declarations (EPDs) available for 50% of our materials facilities by 2025.</p>			
GRI 301-1	Materials used by weight or volume	Information is currently not available; update expected by 2026		
GRI 301-2	Recycled input materials used			
	Percentage of recycled content input in total asphaltic concrete (AC) production	18.21%	19.05%	15.77%
GRI 301-3	Reclaimed products and their packaging materials	Information is currently not available; update expected by 2026		





GRI Code	Metric/Description	2023	2022	2021
<b>GRI 302: Energy</b>				
3-3 Management Statement	<p>Granite recognizes that our industry must adapt and change with the evolving needs of society to respond to climate change and its negative economic, environmental, and social impacts. This includes minimizing emissions from the use of electricity (as reflected in Scope 2) and transitioning to cleaner sources of energy. We intend to drive our response to climate change by advancing more sustainable construction practices that support emissions reduction, reducing greenhouse gas (GHG) emissions from our operations, and minimizing our carbon footprint.</p> <p>Climate &amp; Emissions is one of the focus areas of Granite’s Sustainability Strategic Plan, in alignment with SDG 13 (Climate Action). Our management of strategic planning and implementation of initiatives in this area fall under Granite’s Sustainability Governance Framework. Stakeholder engagement on this topic is included in our periodic Materiality Assessments, through stakeholder surveys and interviews. Granite has established an absolute target to reduce Scope 1 GHG emissions by 25% by 2030 from a 2020 baseline. This is a priority target within Granite’s Sustainability Strategic Plan. Once we have further developed our action plan to reduce Scope 1 emissions, we intend to expand our targets to cover Scope 2.</p> <p>Over the past decade, Granite has invested substantially in energy conservation technologies at our construction materials facilities. Key examples of such energy conservation improvements include:</p> <ul style="list-style-type: none"> <li>• Installing on-site solar power at three plant locations</li> <li>• Installing variable frequency drive technology to increase efficiency in plant operation, reducing electric power demand</li> <li>• Insulating piping, storage tanks, and drums to prevent loss of thermal energy and reduce fuel use</li> <li>• Replacing parallel flow drum plants with counterflow drum plants—counterflow plants allow more heat to be transferred from the burner to the finished asphalt product, increasing efficiency in heating and thus lowering fuel consumption (while also improving impacts to air quality)</li> <li>• Installing warm-mix asphalt systems to allow asphalt production at lower temperatures to reduce energy use—Granite was an early adopter of these systems, and has retrofitted 28 asphalt plants to produce warm-mix asphalt</li> <li>• Optimizing recycled asphalt product content based upon finished product quality to reduce consumption of natural resources (including petroleum products)—all of Granite’s asphaltic concrete plants have recycled asphalt product systems</li> <li>• Utilizing battery demand management systems, which contribute to the resilience of the electrical grid by shifting demand from peak periods to periods with additional capacity</li> </ul>			
GRI 302-1	Energy consumption within the organization			
	Total company grid electricity consumed	178,752,051.63 kWh	83,895,637.99 kWh	84,403,188.00 kWh
	Total solar production generated at plants	1,556,522 kWh	1,685,885 kWh	1,661,000 kWh
GRI 302-2	Energy consumption outside of the organization	Information is currently not available; update expected by 2026		
GRI 302-3	Energy intensity	Information is currently not available; update expected by 2026		
GRI 302-4	Reduction of energy consumption	Information is currently not available; update expected by 2026		
GRI 302-5	Reductions in energy requirements of products and services	Information is currently not available; update expected by 2026		



GRI Code	Metric/Description
<b>GRI 303: Water and Effluents</b>	

3-3 Management Statement	<p>Granite recognizes the importance of conserving water, and our goal is to protect water resources in all areas of our influence. Granite’s primary consumptive water uses are related to construction activities at project sites (such as dust suppression and grading activities) and construction material production activities (such as aggregate washing and dust control).</p>
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The primary mission of our environmental program is to manage and meet our environmental responsibilities, while controlling and reducing any environmental impacts associated with our work, including managing impacts to water. The Environmental Services Department manages our overall environmental performance utilizing Granite’s Environmental Management System (EMS), modeled after the internationally recognized environmental management standards of ISO 14001.

Potential impacts to waterways are assessed and managed on a project-specific basis. Our professional environmental staff members are embedded directly into our local operations and provide support and expertise associated with water-related environmental aspects of our operations.

**Water in Construction Activities**

Granite’s construction activities seek to acquire required water supplies near the project site via surface delivery systems or wells. Because potable water is not required for most construction activities, Granite commonly partners with local water suppliers to use reclaimed or recycled gray water, reducing impacts on potable water supplies. Our project teams aim to protect regional water quality and avoid negative water resource impacts by using best management practices. Examples of best practices include implementing stormwater management plans, deploying spill prevention plans, and scheduling work processes and activities to protect regional water resources.

**Water Conservation & Reuse in Construction Materials Production**

Granite operates construction materials facilities in the western US, which produce a wide range of construction sand, gravel, and crushed stone in addition to asphaltic concrete for use in local construction projects. Many of the aggregate operations rely on self-extracted groundwater as their primary water source and implement strategies to maximize operational water efficiency. Our aggregate operations capture stormwater to the extent feasible and recapture processed water from our aggregate operations. We use settling ponds, clarifiers, and filter presses to separate the rinsed sediment fines from slurry before recirculating the reclaimed water back into the aggregate washing operations. Utilizing water reclamation and recycling significantly reduces consumptive use of water resources (generally by 70% or more). Operational water recycling rates vary throughout our operations based on aggregate material quality, regional climate conditions, and pond loss resulting in groundwater recharge.

Facilities use closed-loop systems, whereby all post-processing water is reclaimed and recirculated through the system (meaning the total volume recycled and reused can exceed the total withdrawn). Consumptive use (approximately 25%) is limited to water lost to evaporation, dust control, and product capture (i.e., water absorbed by sand/gravel during washing). Analysis for permitting efforts for Big Rock and Solari Quarry indicate that we reclaim between 75%-85% of water for reuse.

Within Granite’s Sustainability Strategic Plan, under the focus area of Water, our long-term ambition is to protect water resources in all areas of our influence. Initiatives in this area include project-specific water management plans, water conservation at plants, and data collection improvements for water use. Stakeholder engagement on this topic is included in our periodic Materiality Assessments, through stakeholder surveys and interviews.





GRI Code	Metric/Description	2023	2022	2021
GRI 303-1	Interactions with water as a shared resource	Granite recognizes the importance of conserving water, and our goal is to protect water resources in all areas of our influence. Granite’s primary consumptive water uses are related to construction activities at project sites (such as dust suppression and grading activities) and construction material production activities (such as aggregate washing and dust control). The primary mission of our environmental program is to manage and meet our environmental responsibilities, while controlling and reducing any environmental impacts associated with our work, including managing impacts to water. The Environmental Services Department manages our overall environmental performance utilizing Granite’s Environmental Management System (EMS), modeled after the internationally recognized environmental management standards of ISO 14001.		
GRI 303-2	Management of water discharge-related impacts	Potential impacts to waterways are assessed and managed on a project-specific basis. Our professional environmental staff members are embedded directly into our local operations and provide support and expertise associated with water-related environmental aspects of our operations.		
GRI 303-3	Water withdrawal in megaliters (ML)	Disclosure limited in scope to material facilities in California with metered wells (approximately 15 out of 19 facilities). Withdrawal type: groundwater wells.	Disclosure limited in scope to material facilities in California with metered wells (approximately 15 out of 19 facilities). Withdrawal type: groundwater wells.	Disclosure limited in scope to material facilities in California with metered wells (approximately 15 out of 19 facilities). Withdrawal type: groundwater wells.
	Estimated water recycled/reused	Methodology is being reassessed	97,029.60 ML	119,685.42 ML
	Percentage recycled of total fresh water withdrawn	Approximately 75%	Approximately 75%	Approximately 75%
	Total groundwater well withdrawn	3,957 ML	4,078.47 ML	4,986.89 ML
GRI 303-4	Water discharge	Information is currently not available; update expected by 2026		
GRI 303-5	Water consumption	Information is currently not available; update expected by 2026		



GRI Code	Metric/Description	2023	2022	2021
<b>GRI 304: Biodiversity</b>				
3-3 Management Statement	<p>The primary mission of our environmental program is to manage and meet our environmental responsibilities, while controlling and reducing any environmental impacts associated with our work, including protecting biodiversity. The Environmental Services Department manages our overall environmental performance utilizing Granite’s Environmental Management System (EMS), modeled after the internationally recognized environmental management standards of ISO 14001.</p> <p>Potential biodiversity impacts are assessed and managed on a project-specific basis. Our professional environmental staff members are embedded directly into our local operations and provide support and expertise associated with all environmental aspects of our diversified business operations, including potential impact on habitat, wildlife, and biodiversity. Expert knowledge of local, state, and federal requirements is key to the successful execution and completion of projects, especially where potential biodiversity impacts are a concern. Granite maintains standard operating procedures and processes for managing environmental responsibilities and objectives. Through operationally embedded environmental professionals, Granite evaluates projects for all environmental requirements through a pre-construction process, which includes evaluation of critical or sensitive habitat as identified by the project owner and regulatory agencies. All construction methods include standard procedures for ensuring compliance with legal and other requirements, including Granite’s commitment to the protection of all resources identified through the local, state, and federal requirements impacting both Granite projects and facilities.</p> <p>For construction projects, clients are generally responsible for conducting Environmental Impact Assessments (through which the project owner and regulatory agencies identify critical or sensitive habitat and other environmental concerns) prior to engaging with Granite. Through the pre-construction process, Granite develops project-specific construction methods to protect identified resources, embeds environmental professionals within the operation, and actively monitors site activities to ensure resources are protected at the project location.</p> <p>Within Granite’s Sustainability Strategic Plan, under the focus area of Land &amp; Biodiversity, our long-term ambition is to protect and enhance biodiversity within our sphere of influence.</p> <p>In addition to managing our own environmental responsibilities, Granite also operates in end-markets aimed at helping others manage environmental impacts that relate to protecting or supporting wildlife habitat and biodiversity. Granite is committed to preserving and protecting our natural resources through conservation, remediation, and reclamation services.</p> <ul style="list-style-type: none"> <li>• Conservation services include in-water marine work, dredging, tide gates, jetties, sea walls, channel rerouting and dewatering services, wildlife refuge, marine sanctuaries, and state park construction services.</li> <li>• Remediation services include hazardous material abatement and removal, contaminated soils management and removal, brownfield sites, Environmental Protection Agency superfund sites, chemical or nuclear waste cleanup, and lead abatement services.</li> <li>• Reclamation services include a wide array of services for reclaiming areas that have been used for activities like mining, such as grading, slope repair/stabilization, tailings encapsulation, drainage controls, and process water storage improvements.</li> </ul>			
GRI 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Information is currently not available; update expected by 2026		
GRI 304-2	Significant impacts of activities, products, and services on biodiversity	Information is currently not available; update expected by 2026		





GRI Code	Metric/Description	2023	2022	2021
GRI 304-3	Habitats protected or restored	Information is currently not available; update expected by 2026		
GRI 304-4	International Union for Conservation of Nature (IUCN) Red List species and national conservation list species with habitats in areas affected by operations	Information is currently not available; update expected by 2026		

**GRI 305: Emissions**

3-3 Management Statement

**Energy**

Granite recognizes that our industry must adapt and change with the evolving needs of society to respond to climate change and its negative economic, environmental, and social impacts. Beyond GHG emissions, Granite recognizes the importance of reducing other air emissions to protect air quality. We intend to drive our response to climate change by advancing more sustainable construction practices that support emissions reduction, reducing GHG emissions from our operations, and minimizing our carbon footprint.

Climate & Emissions is one of the focus areas of Granite’s Sustainability Strategic Plan, in alignment with SDG 13 (Climate Action). Our management of strategic planning and implementation of initiatives in this area fall under Granite’s Sustainability Governance Framework. Stakeholder engagement on this topic is included in our periodic Materiality Assessments, through stakeholder surveys and interviews.

Granite has established an absolute target to reduce Scope 1 GHG emissions by 25% by 2030 from a 2020 baseline. This is a priority target within Granite’s Sustainability Strategic Plan. Once we have further developed our action plan to reduce Scope 1 emissions, we intend to expand our targets to cover Scope 2.

Within the Focus Areas of Granite’s Sustainability Strategic Plan, our Long-Term Ambition for Climate & Emissions is to minimize GHG emissions as much as possible, to industry-leading levels. Granite’s Long-Term Ambition for Air is to reduce air emissions at all plants, to the extent practicable, to industry-leading levels.

Granite’s approach to reducing our GHG emissions and carbon footprint is two-fold:

1. Improving data collection and reporting systems to quantify GHG emissions more accurately
2. Investing in technologies and practices that directly and immediately reduce our emissions in Scopes 1 and 2

We are working on these two priorities simultaneously because we recognize the importance of quickly and effectively mitigating our impact. We are focusing our efforts on the highest sources of emissions: the operation of our asphalt plants and our construction equipment fleet.

Granite reassessed the baseline for operational Scope 1 GHG emissions in 2020. We included employee travel as an expansion into Scope 3 emissions. We added Scope 2 in 2021 (including baseline data for 2020). We have achieved significant improvements in our data collection systems and are currently working to improve the level of specificity for calculations through a new system.



GRI Code	Metric/Description	2023	2022	2021
	<p>In 2023, we continued to build upon the decarbonization planning process launched the previous year, through which we more fully assessed opportunities to reduce our emissions in pursuit of our priority target to reduce total Scope 1 GHG emissions by 25% by 2030, from our 2020 baseline. We continue to engage a team of external climate experts to collaborate with key members of our management team.</p> <p>Efforts and initiatives (details in Climate &amp; Energy section of this report) include:</p> <ul style="list-style-type: none"> <li>• Development of decarbonization plan</li> <li>• Telematics and fuel economy management</li> <li>• Alternative energy equipment procurement</li> <li>• Hybrid-electric equipment procurement</li> <li>• Electric vehicle procurement</li> <li>• Electric vehicle charging infrastructure initiative</li> <li>• Renewable diesel initiative</li> <li>• Electric locomotives for tunnel work</li> <li>• Research and development related to plant operations</li> <li>• Plant energy conservation investments</li> <li>• Industry initiatives (e.g., The Road Forward)</li> </ul>			
GRI 305-1	Direct (Scope 1) GHG emissions	Note: Updated methodology as described in Climate & Energy section of this report	Note: Revised due to updated methodology as described in Climate & Energy section of this report	Note: Revised due to updated methodology as described in Climate & Energy section of this report
	Gross direct (Scope 1) GHG emissions (metric tons CO <sub>2</sub> e)	233,951 t CO <sub>2</sub> e	214,231 t CO <sub>2</sub> e	221,678 t CO <sub>2</sub> e
	Portion of total above Scope 1 emissions from biomass emissions (metric tons) (reporting improvement; added for historical years)	23,828 t CO <sub>2</sub> e	22,726 t CO <sub>2</sub>	14,001 t CO <sub>2</sub>
	Stationary Sources (Facilities)	44.24%	40.62%	45.21%
	Mobile Sources (Equipment Fleet)	55.76%	58.04%	53.41%
	Heating	(included in Stationary Sources)	1.34%	1.28%
	Inliner Processing	(no longer part of operations)	(no longer part of operations)	0.09%
GRI 305-2	Energy indirect (Scope 2) GHG emissions			
	Energy indirect (Scope 2) GHG emissions (metric tons CO <sub>2</sub> e)	23,605.98 t CO <sub>2</sub> e	22,868.03 t CO <sub>2</sub> e	24,113.00 t CO <sub>2</sub> e





GRI Code	Metric/Description	2023	2022	2021
GRI 305-3	Other indirect (Scope 3) GHG emissions	Note: Historical values corrected due to system improvement		
	Employee travel GHG emissions (metric tons CO <sub>2</sub> )	22,066 t CO <sub>2</sub>	22,351 t CO <sub>2</sub>	20,006 t CO <sub>2</sub>
GRI 305-4	GHG emission intensity			
	Numerator (metric tons CO <sub>2</sub> e)	233,951	214,231	221,678
	Denominator (revenues, thousand \$USD)	\$3,509,138	\$3,301,256	\$3,501,865
		Note: Includes revenue from newly-acquired businesses to align with financial filings. Acquisition revenue did not have a material impact on the calculation of CO <sub>2</sub> e/\$1k revenue.		
	GHG emission intensity (Scope 1)	0.0667	0.0649	0.0633
GRI 305-5	Reduction of GHG emissions			
	GHG emissions reduced as a direct result of a reduction initiative	Information is currently not available; update expected by 2026		
GRI 305-6	Emissions of ozone-depleting substances (ODS)	Information is currently not available; update expected by 2026		
GRI 305-7	Nitrogen oxides, sulfur oxides, and other significant air emissions	Note: Disclosure limited in scope to air emissions from asphalt plants	Note: Disclosure limited in scope to air emissions from asphalt plants	Note: Disclosure limited in scope to air emissions from asphalt plants
	Metric tons of NO <sub>x</sub>	70.76	72.30	72.50
	Metric tons of SO <sub>x</sub>	22.00	25.20	24.47
	Metric tons of particulate matter (PM10)	80.40	81.92	82.43
	Metric tons of VOCs	71.71	74.52	73.57
	Metric tons of CO	380.84	379.63	387.99



GRI Code	Metric/Description	2023
<b>GRI 306: Waste</b>		
3-3 Management Statement	<p>The primary mission of our environmental program is to manage and meet our environmental responsibilities, while controlling and reducing any environmental impacts associated with our work, including waste management. The Environmental Services Department manages our overall environmental performance utilizing Granite’s Environmental Management System (EMS), modeled after the internationally recognized environmental management standards of ISO 14001.</p> <p>In Granite’s Sustainability Strategic Plan, three different Focus Areas address waste and management of material use throughout the supply chain:</p> <p>First, under Waste &amp; Recycled Content, we state our long-term ambition to minimize waste and optimize the use of recycled content in asphalt production. This is tracked by the percentage of recycled content used in asphalt production. Specific initiatives in this area include: a waste management pilot project, recycled plastic in asphalt initiative, recycled asphalt pavement advocacy, and project-specific waste management plans. Based on the growing interest in Granite’s asphalt mix with recycled plastic (which also has a lower carbon footprint), we expect to start recycling significant amounts of plastic in our asphalt mixes in 2023. The plastic we use in this mix is not otherwise recyclable, so its use in this content removes it from the waste stream.</p> <p>Second, under Sustainable Operational Practices, we present our goal to utilize industry-leading sustainability and waste-handling practices at our plants; and to leverage alternative procurement to reduce environmental impacts of construction projects through innovation. Our priority target is to earn recognition by the National Asphalt Pavement Association (NAPA) Diamond Sustainable Commendation for 75% of our asphalt plants by 2025.</p> <p>Finally, in the Environmental Impacts of Products focus area, we express our long-term ambition to capture the environmental impacts of our products and contribute to industry understanding of the environmental impacts of construction materials. Our priority target is to have Environmental Product Declarations (EPDs) available for 50% of our materials facilities by 2025.</p> <p>Our management of strategic planning and implementation of companywide initiatives in this area fall under Granite’s Sustainability Governance Framework. Stakeholder engagement on this topic is included in our periodic Materiality Assessments, through stakeholder surveys and interviews.</p>	
GRI 306-1	Waste generation and significant waste-related impacts	Granite’s business operations do not generate large volumes of regulated or hazardous waste. Our equipment maintenance shops generate typical wastes including used oil, used antifreeze, paint waste, batteries, light bulbs, and electronic equipment waste. All our shop facilities located throughout the US are categorized by the Environmental Protection Agency as very small or small quantity generators of hazardous waste under the Resource Conservation and Recovery Act (RCRA).





GRI Code	Metric/Description	2023	2022	2021
GRI 306-2	Management of significant waste-related impacts	The primary mission of our environmental program is to manage and meet our environmental responsibilities, while controlling and reducing any environmental impacts associated with our work, including waste management. The Environmental Services Department manages our overall environmental performance utilizing Granite’s Environmental Management System (EMS), modeled after the internationally recognized environmental management standards of ISO 14001.		
GRI 306-3	Waste generated			
	Total amount of waste generated	Information is currently not available; update expected by 2026		
	Total hazardous waste (US tons)	31.18	102.46	127.65
		Disclosure limited in scope to hazardous waste for California sites, where tracking is required. Information pulled directly from CA Hazardous Waste Tracking System.	Disclosure limited in scope to hazardous waste in California operations.	
GRI 306-4	Waste diverted from disposal	Information is currently not available; update expected by 2026		
GRI 306-5	Waste directed to disposal	Information is currently not available; update expected by 2026		



GRI Code	Metric/Description	2023
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**GRI 401: Employment**

3-3 Management Statement  
 Our greatest asset is the partnership we have with our employees. Granite is focused on attracting, developing, and retaining extraordinary and diverse talent while fully developing each of our employee's capabilities. In our inclusive culture, we reward excellence and value diversity. We strive to attract top industry talent, create a fully engaged workforce, and provide growth opportunities for our team members.

GRI 401-1	New employee hires and employee turnover						
		Operating Group	Male	Female	Hourly (Craft)	Salaried (Professional)	Total
California	New Hires		1,097	78	1,059	116	1,175
	Total Turnover		670	51	624	97	721
Central	New Hires		1,003	73	940	136	1,076
	Total Turnover		929	63	887	105	992
Corporate	New Hires		13	26	13	26	39
	Total Turnover		10	21	9	22	31
Mountain	New Hires		1,401	162	1,449	114	1,563
	Total Turnover		1,305	151	1,332	124	1,456
Total Company (US)	New Hires		3,514	339	3,461	392	3,853
	Total Turnover		2,914	286	2,852	348	3,200





**2022 Disclosure**

Operating Group		Female	Male	Hourly	Salaried	Grand Total
California	New Hires	497	53	469	81	550
	Total Turnover	408	40	372	76	448
Central	New Hires	612	46	593	65	658
	Total Turnover	870	73	806	137	943
Corporate	New Hires	17	25	9	33	42
	Total Turnover	21	29	8	42	50
Mountain	New Hires	775	70	736	109	845
	Total Turnover	1,098	120	1,102	116	1,218
Total Company (US)	New Hires	1,901	194	1,807	288	2,095
	Total Turnover	2,397	262	2,288	371	2,659

**2021 Disclosure**

Operating Group		Female	Male	Hourly	Salaried	Grand Total
California	New Hires	72	763	757	78	835
	Total Turnover	78	999	963	114	1,077
Corporate	New Hires	21	10	3	28	31
	Total Turnover	22	16	2	36	38
Federal	New Hires	12	140	142	10	152
	Total Turnover	13	101	88	26	114
Heavy Civil	New Hires	34	423	41	46	457
	Total Turnover	66	526	452	140	592
Midwest	New Hires	21	295	287	29	316
	Total Turnover	15	199	173	41	214
Northwest	New Hires	150	1,064	1,130	84	1,214
	Total Turnover	81	547	547	81	628
Operations Services	New Hires	2	2	0	4	4
	Total Turnover	1	7	0	8	8
Water & Mineral Services	New Hires	28	409	383	54	437
	Total Turnover	38	426	374	90	464
Total Company (US)	Total New Hires	340	3,106	3,113	333	3,446
	Total Turnover	314	2,821	2,599	536	3,135



GRI Code	Metric/Description	2023	2022	2021
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	<p>All employees are eligible for health insurance, leaves of absence, a retirement plan with a generous 6% company matching contribution, an employee stock purchase program, and life and disability/accident coverage. We have a robust well-being program, Granite Cares, which supports our employees’ physical, mental, and financial wellness. Granite Cares includes access to counseling, tools to build day-to-day resiliency, subsidized back-up care, and education on improving financial security. This program includes incentives for employees to engage with goals for their personal well-being by rewarding them with medical premium cost reductions and/or Health Savings Account contributions. We also offer a variety of voluntary benefits including pet, legal, and identity theft insurance options. Paid time off ensures our employees have the necessary time away from work to spend with family, focus on personal goals, and recharge.</p> <p>In 2023, we reviewed our paid time off policies in conjunction with employee feedback and industry benchmark data. Based on this review, we made enhancements to our paid time off policies effective January 1, 2024. This includes offering four weeks of 100% paid parental leave for the birth, adoption, or foster placement of a child. This policy change aims to support our goal of creating a diverse, inclusive, and equitable workplace. We are also offering two paid days of volunteer time off annually to further empower our employees to contribute to the communities where we live and work.</p>	<p>Granite’s compensation programs are meticulously designed to align employee compensation with Granite’s performance, offering incentives to attract, retain, and motivate employees for superior results. The structure of these programs strikes a balance between guaranteed base pay and incentive compensation opportunities, ensuring competitive wages that align with employee positions, skill levels, experience, knowledge, and geographic location. The company engages nationally recognized outside compensation and benefits consulting firms for independent evaluation of executive compensation and benefit programs, benchmarking against industry peers. Granite aligns executives’ long-term equity compensation with shareholders’ interests by linking realizable pay and stock performance. Merit-based annual increases and incentive compensation are communicated at hiring, documented through the talent management process, and incorporated into annual reviews, internal transfers, and promotions. All employees enjoy eligibility for health insurance, leaves of absence, a retirement plan with a generous 6% company matching contribution, and life and disability/accident coverage. The comprehensive well-being program, Granite Cares, supports employees’ physical, mental, and financial wellness, providing access to counseling, tools for day-to-day resiliency, and opportunities to enhance financial security—all incentivized to encourage employees to focus on personal well-being goals. Additionally, Granite offers a range of voluntary benefits, including pet, legal, and identity theft insurance options.</p>	<p>Granite’s compensation programs are designed to align the compensation of our employees with Granite’s performance and to provide incentives to attract, retain, and motivate employees to achieve superior results. The structure of our compensation programs balances guaranteed base pay with incentive compensation opportunities. Specifically: We provide employee wages that are competitive and consistent with employee positions, skill levels, experience, knowledge, and geographic location. We engage nationally recognized outside compensation and benefits consulting firms to independently evaluate the effectiveness of our executive compensation and benefit programs and to provide benchmarking against our peers within the industry. We align our executives’ long-term equity compensation with our shareholders’ interests by linking realizable pay and stock performance. Annual increases and incentive compensation are based on merit, which is communicated to employees at the time of hiring and documented through our talent management process as part of our annual review procedures and upon internal transfer and/or promotion. All employees are eligible for health and wellness insurance, paid and unpaid leaves, a retirement plan, and life and disability/accident coverage. We also offer a variety of voluntary benefits that allow employees to select the options that meet their needs, including telemedicine, paid parental leave, prescription savings solutions, a personalized health wellness program, pet insurance, and a financial wellness program. For 2021, we continued our focus on improving mental health (emotional well-being) and added a comprehensive "emotional well-being" program, branded as "Granite Cares."</p>



GRI Code	Metric/Description	2023	2022	2021
			<p>For 2022, we added a new healthy incentives program that further incentivizes employees to focus on their personal well-being goals by rewarding them with medical premium cost reductions and/or HSA contributions for the following year. To ensure our employees have access to care when it meets their schedule, we have a new muscular skeletal (MSK) provider offering physical therapy in a virtual setting. To support our employees in cancer treatment, we offered a new cancer concierge program that provides high-quality, comprehensive, and personalized care in all areas of treatment. Providing paid time away from work is an important part of our benefits program and therefore, we added a new floating holiday for our salaried employees.</p>	<p>This program brings four benefit programs together to focus on a holistic approach to overall wellness. It includes tools to build day-to-day resiliency, access to counseling services, opportunities to build financial wellness skills, and a comprehensive incentive-based wellness program to encourage physical activity and healthy nutrition.</p>
GRI 401-3	Parental leave			
	Female employees that took leave	19	7	17
	Male employees that took leave	53	71	33
	Female employees that returned after leave	16	7	17
	Male employees that returned after leave	53	71	33





GRI Code	Metric/Description	2023	2022	2021
<b>402: Labor/Management Relations</b>				
3-3 Management Statement	<p>It is our objective to foster and maintain relationships founded upon trust, cooperation, and shared goals with our labor partners. Assuring decisions relating to interpretation and administration of collective bargaining agreements and employee relations are fair and focused on the mutual interests of the parties, leads to success for workers and Granite. We participate internally and externally in labor-management relations at every level and support communication in an open and constructive manner. We encourage dissemination of timely, relevant information in accordance with applicable laws, industry standards, and collective bargaining obligations to build alignment between labor and management, so that decision-making, and the management of change, can occur at the most effective level possible. Further, we promote total commitment from every employee, both management and craft workers, to improve the employment environment and support the sustained growth of our industry.</p> <p>Providing career opportunities based on fair pay with benefits, safe and respectful working conditions, training, skills development, and recognition for daily contributions is foundational to fostering a high-performance culture in our craft workforce. We support apprenticeship and pre-apprenticeship programs as entry level pathways to encourage individuals from diverse backgrounds to launch lifelong careers in the construction industry. We recognize the importance of providing working conditions at every jobsite where everyone is safe, treated fairly, feels valued, and can improve their personal skills, financial well-being, and value as construction industry professionals.</p> <p>Stakeholder engagement on this topic is included in our periodic Materiality Assessments, through stakeholder surveys and interviews.</p>			
GRI 402-1	Minimum notice periods regarding operational changes	It is Granite’s practice to provide notice in alignment with state and federal law. Our Union agreements contain language specific to the closure or layoff of employees, and our Labor Relations staff negotiates and manages these agreements with our Union partners.	It is Granite’s practice to provide notice in alignment with state and federal law. Our Union agreements contain language specific to the closure or layoff of employees, and our Labor Relations staff negotiates and manages these agreements with our Union partners.	It is Granite’s practice to provide notice in alignment with state and federal law. Our Union agreements contain language specific to the closure or layoff of employees, and our Labor Relations staff negotiates and manages these agreements with our Union partners.

**GRI 403: Occupational Health & Safety**

3-3 Management Statement	<p>Granite’s choice to include safety as a core value reflects our belief that the safety and well-being of our people, our partners, and the public is our greatest responsibility. Our focus on providing our employees with a safe place to work remains uncompromising. Team members at every level of our organization are empowered to take ownership in their own safety and well-being as well as that of their coworkers. Granite strives to promote a safe, healthy, and productive work environment for our coworkers, subcontractors, customers, and the public on each of our work sites. Granite is committed to continually providing employees a safe place to work and being a leader in the industry for safety innovation. Ensuring every employee returns home safely is our highest priority.</p> <p>Our core values define how we operate. Leaders at every level of our business demonstrate their commitment to providing team members with a safe work environment through planning, procedures, and commitment to excellence. This includes ensuring that safety is implemented during all phases of planning, bidding, and building work. Safety goals are visible through metrics and goals, for which leadership and employees at every level are supported and held accountable for achieving. Executives, managers, and supervisors proactively and visibly demonstrate their commitment to safety daily by integrating the specified planning and performance goals we have established. Executives, managers, and supervisors are responsible for portraying our core values, holding employees accountable for deficiencies and corrective actions, planning safety into the production cycle, and considering safety and health-related needs, training, equipment, and resources prior to the award of contracts. The Safety Department develops and advances companywide safety strategies, initiatives, and programs to manage our overall safety performance. Our professional safety staff members, who are embedded directly into local operations, provide support and expertise associated with implementing Granite’s safety program.</p>
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GRI Code	Metric/Description	2023	2022	2021
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Granite’s safety commitments are defined in our Safety and Health Management System (SHMS) policies. These commitments reflect the Granite Core Values and Code of Conduct while supporting our “zero incident” safety and health vision. Senior management proactively and visibly demonstrates their commitment to safety by integrating the specified planning and performance safety goals the organization has established as part of its strategic plan. Granite’s SHMS procedure provides a consistent framework that supports efficient and effective management across the company in a manner that is verifiable and supports continuous improvement. Our SHMS is built on the foundation of OHSAS 18001:2007 Standard for Occupational Health and Safety Management Systems. Our SHMS procedure is structured to establish a consistent approach across the company and includes processes that address planning, implementation, checking, and corrective action (i.e., plan, do, check, act, and review). All operations have implemented and work with the safety processes established by our Safety and Health Management System. This includes our construction work sites, for both our salaried and craft professionals, in addition to partners and subcontractors. Corporate and regional offices also have safety team members who support leadership by ensuring safety procedures are adequate and appropriate.

We strive to achieve zero injuries and support the construction industry through sharing innovations. We implemented the Stuff That Can Kill You (STCKY) initiative in 2020, and continue to prioritize the prevention of life-altering, permanently disabling injuries, and fatalities. We are members of the Construction Safety Research Alliance (CSRA), focused on transforming the construction industry through transformative research and science. We partner with industry leaders and academic experts to collaborate, creating opportunities to share and implement knowledge, providing a safer environment, not only for our employees, but construction workers throughout the US. We have laid out a plan and developed trainings and materials to share and educate our subcontractors on STCKY. We believe this will make our work sites safer and provide resources to smaller contractors to prevent life-altering injuries and fatalities.

Granite’s Sustainability Strategic Plan includes Safety as a Focus Area, and our long-term ambition is to record zero injuries and to support an industry-leading culture of safety. Our priority target was to reduce our OSHA recordable incident rate from 1.07 in 2020, to 0.75 by 2023. We achieved this target in 2022, and set a more ambitious target of 0.70 for 2023. In 2023, we again achieved our target with a 0.67 OSHA rate.

Granite’s safety strategic plan sets additional goals in key results areas. Key performance indicators (KPIs) are identified to serve as metrics to measure performance, with OSHA recordable incident rates being the KPI for overall safety program performance. Granite also tracks several other leading indicators for safety. Objectives are set for KPIs with specific, measurable, time-bound targets for certain key metrics. Metrics and goals are established annually. Every operation is responsible for evaluating risks and conformance with our safety and health management system. Health drivers and risks are evaluated both at the corporate and regional levels through a safety, health, and environmental business plan. Business plans are periodically reviewed to ensure actions support the achievement and management of established targets.

The involvement and commitment of each individual employee, from our craft workforce to our CEO, is necessary to create and maintain an incident-free environment. Through systematic training processes, we ensure that our managers, supervisors, and team members are educated and empowered to identify and control unsafe conditions. Supervisors at every level of our business integrate safety into their work through the development, review, and training of affected employees using the job hazard analysis. Work is managed more safely and productively when every member of the team has an opportunity to provide feedback and has a clear understanding of the work being conducted. Our supervisors begin work for the day by conducting a Take 5 meeting to discuss work activities, potential hazards, and direct controls. Additional information is communicated to personnel through weekly safety meetings, task-specific trainings, and communication with safety professionals and craft safety connection team members.

We encourage employees to actively participate in our safety and health management efforts. Employee participation includes involvement with craft employee safety teams regarding the following:

- Hazard identification, risk assessments, and determination of controls
- Incident investigations
- The development and review of safety and health policies and objectives
- Consultation where there are any changes that affect their safety and health
- Regulatory inspections
- Contributing ideas and recommendations during safety meetings and Take 5 meetings

Stakeholder engagement on this topic is also included in our periodic Materiality Assessments, through stakeholder surveys and interviews.



GRI Code	Metric/Description	2023	2022	2021
	<p>Following significant events or citations, an incident review committee is established to conduct a root cause investigation through a collaborative learning event (CLE). During the CLE, team members determine necessary controls and preventative measures to prevent a recurrence. Corrective actions are tracked through completion and measured for effectiveness. When necessary, procedures are updated and communicated to affected team members through safety meetings, task training, and safety alerts. Controls are reviewed and measured for effectiveness to ensure health and safety risks are appropriately controlled and processes are integrated into operations. CLEs continue to drive results and support our total safety culture. By doing a deep dive into the how and why, we are able to identify and implement strategies that will prevent serious incidents from occurring. Results of the CLEs are communicated companywide so that innovations, processes, and tools are implemented throughout the company.</p> <p>Implementation of STCKY and CLEs have helped us achieve the lowest incident rate in the history of our company, 0.67, a 30% reduction since 2020. Further demonstrating our commitment, our DART rate, which demonstrates the number of restricted or lost work day injuries, have reduced by 47% since 2020, from 0.65 to 0.31.</p>			
GRI 403-1	Occupational health and safety management system			
	Has the organization implemented an occupational health and safety management system?	All operations have implemented and work with the safety processes established by our Safety and Health Management System. This includes our construction work sites, for both our salaried and craft professionals, in addition to partners and subcontractors. Corporate and regional offices also have safety team members who support leadership by ensuring safety procedures are adequate and appropriate.	Yes; Granite's Safety and Health Management System (SHMS) procedures provide a consistent framework that supports efficient and effective management across the company in a manner that is verifiable and supports continuous improvement. The SHMS procedures are structured in a manner that creates a consistent approach throughout the company and includes processes that address planning, implementation, checking, and corrective action (i.e., plan, do, check, act, and review).	-
	Describe health service offerings and their functions	Granite engages with a medical direction service provider to ensure employees receive real-time, comprehensive, and convenient care for work-related incidents.	Granite engages with a medical direction service provider to ensure employees receive real-time, comprehensive, and convenient care for work-related incidents.	Granite engages with a medical direction service provider to ensure employees receive real-time, comprehensive, and convenient care for work-related incidents.
	Describe how Granite ensures the quality of these services	Consultation with employees and providers during and after assessments. Review of provider policies and notes, ongoing consultation, and review of incident rates.	Consultation with employees and providers during and after assessments. Review of provider policies and notes, ongoing consultation, and review of incident rates.	Consultation with employees and providers during and after assessments. Review of provider policies and notes, ongoing consultation, and review of incident rates.
	Describe how Granite facilitates workers' access to the services	Communicated through orientation and posters at jobsites in addition to town hall meetings and on-site training by providers.	Communicated through orientation and posters at jobsites in addition to town hall meetings and on-site training by providers.	Communicated through orientation and posters at jobsites in addition to town hall meetings and on-site training by providers.





GRI Code	Metric/Description	2023	2022	2021
GRI 403-2	<p>Hazard identification, risk assessment, and incident investigation</p> <p>Description of the processes used to identify work-related hazards and assess risks on a routine and non-routine basis</p>	<p>Hazard identification, risk assessment and incident investigation are integral components in the protection of the health and safety of our employees, stakeholders, and the general public. Our process is outlined in our SOP-003 Hazard Identification, Risk Assessment, and Determining Controls. Beginning with the completion of a work plan, where each identifiable activity or phase of work is evaluated to identify known or potential hazards, STCKY hazard categories are thoroughly analyzed, and appropriate controls are identified and communicated to affected personnel through pre-construction meetings, Job Hazard Analysis (JHAs), Take 5s, and safety meetings. In addition to supervisors, managers and safety professionals are required to complete daily jobsite inspections to identify potential or existing hazards and corrections are documented in HCSS (a software system). Additionally, observations are also conducted where we focus on identifying positive and appropriate safety measures and actions of people.</p>	<p>People, planning, and performance are vital for injury prevention and executing quality work. We identify hazards and assess risks through orientations, task training, Job Hazard Analysis development, and training. In addition to daily workplace assessments conducted by the jobsite supervisor, we have a robust near miss reporting program, and continually educate and encourage all team members to Speak Up/Listen Up, utilize Stop Work authority, and participate in daily Take 5 meetings. Through these routine and non-routine commitments, we are able to continually identify, assess, and control risks. A high-level risk assessment rating has been conducted for each type of work we perform. Specifically, a Job Hazard Analysis is developed for each job and each step of the job. For each job step, the hazards are identified, and actions to eliminate or minimize hazards are identified. The Job Hazard Analysis is communicated to the affected team members through the daily Take 5 meeting, where team members have the opportunity to provide input, feedback, and suggestions.</p>	<p>–</p>
	<p>Description of the processes for workers to report work-related hazards and hazardous situations, and an explanation of how workers are protected against reprisals</p>	<p>All personnel are responsible to identify and report unsafe conditions or behaviors. This can be done peer-to-peer through Speak Up/Listen Up, reported directly to the supervisor, communicated during a Take 5 or safety meeting, or to a Craft Safety Connection team member. In addition, all personnel can report a near miss or observation through HCSS.</p>	<p>Personnel are able to submit near miss reports to Craft Safety Connection Team Members, supervisors, and safety professionals. In addition, near miss reports can be reported electronically through HCSS. Through our deliberate training and communication around Speak Up/Listen Up and Stop Work authority, we are able to encourage reporting near misses without fear of reprisal. In addition, we have on-the-spot recognition programs for reporting near misses and good catches.</p>	<p>–</p>



GRI Code	Metric/Description	2023	2022	2021
	Description of the policies and processes for workers to remove themselves from work situations that they believe could cause injury or ill health	All personnel receive Speak Up/Listen Up and Stop Work authority as identified in our standard operating procedure. When a supervisor is notified of a situation that cannot be immediately resolved, the supervisor will intervene and halt operations until it is safe to proceed. Positive feedback is given to every person that utilizes Speak Up/Listen Up or Stop Work authority without criticism or retaliation. The responsible manager ensures that reports are investigated and documented, and that implemented controls are effective, opportunities for improvement have been identified, and lessons learned are communicated to affected team members as well as the company, where appropriate.	Speak Up/Listen Up and Stop Work authority, in conjunction with embedded Craft Safety Connection team members, provide psychologically safe avenues for stopping work when persons consider the environment or situation to be dangerous. All employees read and sign our "personal commitment to safety" which gives them the authority to intervene if an unsafe condition or behavior is identified.	-
	Description of the processes used to investigate work-related incidents, including the processes to identify hazards and assess risks relating to the incidents, to determine corrective actions using the hierarchy of controls, and to determine improvements needed in the occupational health and safety management system	Work-related incidents are evaluated through a Collaborative Learning Event (CLE). Project management, safety, supervisor, and affected personnel openly discuss the elements leading up to the event to determine a root cause and further develop corrective and preventative measures to prevent a recurrence. Following the CLE, a Safety Alert is created and distributed companywide. Alerts are used as safety meeting topics and automatically linked electronically to JHAs.	Work-related incidents are thoroughly reviewed and investigated through a Collaborative Learning Event (CLE). CLE's are a systematic evaluation of significant incidents or near misses where management and operations work together to determine how the incident occurred, the cause and contributing factors, and importantly, the necessary measures, innovations, controls, and communication necessary to prevent a recurrence.	-



GRI Code	Metric/Description	2023	2022	2021
GRI 403-3	Occupational health services  Description of the occupational health services functions that contribute to the identification and elimination of hazards and minimization of risks	Granite engages with a medical direction service provider to ensure employees receive real-time, comprehensive, and convenient care for work-related incidents. How Granite ensures the quality of these services: consultation with employees and providers during and after assessments, review of provider policies and notes, ongoing consultation, and review of incident rates. How Granite facilitates workers' access to the services: Communicated through orientation and posters at jobsites, in addition to town hall meetings and on-site training by providers.	Granite engages with a medical direction service provider to ensure employees receive real-time, comprehensive, and convenient care for work-related incidents. How Granite ensures the quality of these services: Consultation with employees and providers during and after assessments. Review of provider policies and notes, ongoing consultation, and review of incident rates. How Granite facilitates workers' access to the services: Communicated through orientation and posters at jobsites, in addition to town hall meetings and on-site training by providers.	Granite engages with a medical direction service provider to ensure employees receive real-time, comprehensive, and convenient care for work-related incidents. How Granite ensures the quality of these services: Consultation with employees and providers during and after assessments. Review of provider policies and notes, ongoing consultation, and review of incident rates. How Granite facilitates workers' access to the services: Communicated through orientation and posters at jobsites in addition to town hall meetings and on-site training by providers.
GRI 403-4	Work participation, consultation, and communication on occupational health and safety	The involvement and commitment of each individual employee, from our craft workforce to our CEO, is necessary to create and maintain an incident-free environment. Through systematic training processes we ensure that our managers, supervisors, and team members are educated and empowered to identify and control unsafe conditions. Supervisors at every level of our business integrate safety into their work through the development, review, and training of affected employees using the job hazard analysis. Work is managed more safely and productively when every member of the team has an opportunity to provide feedback and has a clear understanding of the work being conducted. Our supervisors begin work for the day by conducting a Take 5 meeting to discuss work activities, potential hazards, and direct controls. Additional information is communicated to personnel through weekly safety meetings, task-specific trainings, and communication with safety professionals and craft safety connection team members.	Participation & Consultation: Granite maintains procedures for employee participation and consultation with respect to safety and health in its standard operating procedure for Safety Communication, Participation, and Consultation. Employees actively participate in the company's safety and health management efforts.	–





GRI Code	Metric/Description	2023	2022	2021
GRI 403-5	Worker training on occupational health and safety	<p>All employees receive an overview of our Safety and Health Management System during onboarding, in addition to awareness trainings during weekly/monthly safety meetings. Granite has established a training matrix which outlines the training requirements for all employees. Each region conducts a training needs assessment based on the scope and type work to determine which skills and certifications are required.</p> <p>Granite’s Safety and Health Management System (SHMS) procedures provide a consistent framework that supports efficient and effective management across the company in a manner that is verifiable and supports continuous improvement. The SHMS procedures are structured in a manner that creates a consistent approach throughout the company and includes processes that address planning, implementation, checking, and corrective action (i.e., plan, do, check, act, and review).</p> <p>Granite uses multiple mechanisms through which competency and awareness of the provisions of its safety and health policies and procedures are communicated, which include but are not limited to, description documents, e-learning modules, webinars, company internal publications, and company meetings and conference presentations.</p> <p>Granite’s Hazard Identification, Risk Assessment, and Determining Controls procedure establish a process to proactively identify occupational safety or health hazards employees could be exposed to, assess and prioritize the risks associated with those hazards, and identify the controls necessary to eliminate or mitigate those hazards.</p>	<p>All employees receive an overview of our Safety and Health Management System during onboarding, in addition to awareness trainings during weekly/monthly safety meetings. Granite has established a training matrix which outlines the training requirements for all employees. Each region conducts a training needs assessment based on the scope and type work to determine which skills and certifications are required. Granite’s Safety and Health Management System (SHMS) procedures provide a consistent framework that supports efficient and effective management across the company in a manner that is verifiable and supports continuous improvement. The SHMS procedures are structured in a manner that creates a consistent approach throughout the company and includes processes that address planning, implementation, checking, and corrective action (i.e., plan, do, check, act, and review). Granite uses multiple mechanisms through which competency and awareness of the provisions of its safety and health policies and procedures are communicated, which include but are not limited to, description documents, e-learning modules, webinars, company internal publications, company meetings, and conference presentations. Hazard Identification &amp; Risk Assessment: Granite’s Hazard Identification, Risk Assessment, and Determining Controls procedure establish a process to proactively identify occupational safety or health hazards employees could be exposed to, assess and prioritize the risks associated with those hazards, and identify the controls necessary to eliminate or mitigate those hazards.</p>	<p>All employees receive an overview of our Safety and Health Management System during onboarding, in addition to awareness trainings during weekly/monthly safety meetings. Granite has established a training matrix which outlines the training requirements for all employees. Each region conducts a training needs assessment based on the scope and type work to determine which skills and certifications are required.</p>



GRI Code	Metric/Description	2023	2022	2021
		Emergency response training is conducted on an annual basis and includes alarm or other notifications, muster points, emergency services, first aid, and crisis communication requirements. Additionally, active shooter response training was conducted at all corporate facilities in 2023.	In order to identify and respond to emergencies, and minimize the potential negative impact on the safety and health of individuals and the environment, we have developed and maintain an overarching emergency response plan, in addition to region, site, and job-specific plans. Training and drills are conducted annually to familiarize personnel with emergency procedures and to measure the effectiveness of the Emergency Response Plan.	
GRI 403-6	Promotion of worker health	Information is currently not available; update expected by 2026		
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Information is currently not available; update expected by 2026		
GRI 403-8	Workers covered by an occupational health and safety management system			
	Has the organization implemented an occupational health and safety management system?	Yes	Yes	–
	Number of employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system	0	0	–
	Percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system	0	0	–
	Number of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system that has been internally audited	0	0	–



GRI Code	Metric/Description	2023	2022	2021
	Percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system that has been internally audited	0	0	–
	Percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organization, who are covered by such a system that has been audited or certified by an external party	0	0	–
	Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded	No exclusion	No exclusion	–
GRI 403-9	Work-related injuries			
	Total number of work-related fatalities	0	0	1
	Fatality rate for direct employees	0	0	0.01
	Explanation	All employee hours and injuries associated with any work directed by our personnel are included in our incident rates (i.e., not tracked separately as direct and contract employees).	All employee hours and injuries associated with any work directed by our personnel are included in our incident rates (i.e., not tracked separately as direct and contract employees).	All employee hours and injuries associated with any work directed by our personnel are included in our incident rates (i.e., not tracked separately as direct and contract employees).
	Main types of injuries	Hand Injury	Hand Injury	Hand injuries
	Percentage of occurrence	20%	21%	–
	Actions taken or underway to eliminate main hazards and minimize risk	We are building strategic relationships with top power tool manufacturers to standardize hand tools throughout the company. Our goal is to ensure we provide our workforce with the safest tools available. The two product lines we have identified offer increased engineering controls, automated braking, stop, antivibration, and dust control, in addition to cordless and Bluetooth technologies. By standardizing tools, we ensure the safest quality tools are used and provide consistent standardized task training through the manufacturer.	Hand injury prevention is a focus during Safety Week. Hand injury prevention is part of our STCKY prevention processes, and Take 5 meetings identify potential situations where there is a risk to pinches/crush, moves, crews focus on identifying and eliminating these potential hazards. Hand injury prevention training is included in safety onboarding orientation.	Persistent focus on managing line-of-fire hazards to ensure employees maintain awareness of their hand positioning. Ensuring all employees have and use the right gloves for their assigned tasks. Hand injury prevention and hazard awareness are discussed thoroughly during employee orientation, addressed in our Job Hazard Analysis (JHA), and are routine topics at our daily Take 5 meetings.





GRI Code	Metric/Description	2023	2022	2021
	Explanation	We continue to make hand injury prevention a significant focus in our training and daily safety meetings.	We achieved a 1% reduction overall in the number of hand injuries between 2021 and 2022. We continue to make hand injury prevention a significant focus in our training and daily safety meetings.	–
	OSHA recordable incident rate	0.67	0.71	0.92
	Lost Time Injury Frequency Rate (LTIFR)	0.26	0.18	0.14
GRI 403-10	Work-related ill health			
	Number of fatalities as a result of work-related ill health	0	0	0
	Number of cases of recordable work-related ill health	0	0	0
	The main types of work-related ill health	Heat illness is the most frequently identified ill health issue.	The most common ill health condition related to our work types is heat illness. There were no recordable heat illness events in 2022.	Heat illness
	Actions taken or underway to eliminate these hazards and minimize risks	We conduct annual training with all personnel to ensure awareness of symptoms of heat illness, as well as resources available to prevent ill health. Heat evaluations are considered as part of the work plan and JHA, and supervisors and project management evaluate weather and scope of work each day to identify and implement heat illness prevention measures. Measures include access to shade, frequent breaks, and ample availability and convenience to cool water and ice. Crews are provided with electrolyte replacements and frozen fruit to ensure hydration and health.	To prevent heat illness, we conduct heat illness training at onboarding, and continually throughout the year. Through innovation and sharing on jobs with a high potential for heat illness, we have implemented an introductory rotation, allowing newly hired personnel to work two hours the first day, four the next day and so on until they are fully acclimated and can work a full eight hours. In addition, apples, oranges, and grapes are stocked in coolers full of ice water and handed out to crew members in the morning and throughout the day to ensure proper nutrition and hydration.	Heat Illness prevention efforts include hazard identification for heat, acclimatization, provisions, communication, employee monitoring, emergency response, and training. Heat Illness training is conducted during onboarding orientation and regularly reviewed throughout the year. Jobsite assessments are conducted prior to the start of work to identify and mitigate heat-related concerns; water, rest, and shade are provided to prevent heat-related illness. Strict adherence to our Heat Illness Prevention standard operating procedure to ensure adequate hydration, shade and/or cooling stations, and adjusted work/rest cycles.



GRI Code	Metric/Description	2023	2022	2021
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**GRI 404: Training and Education**

3-3 Management Statement  
 The development of all employees is critical to Granite’s success and is a key factor in our ability to attract and retain talent. Our people are the foundation of our success, and we encourage every employee to actively participate in their own career growth and development. Granite offers a wide variety of training opportunities to ensure our employees are supplementing their on-the-job learning with classroom and online courses needed to promote performance and growth. Through Granite University, these training topics range from soft skills to job-specific technical skills, and from formal instructor-led programs to self-guided online learning. Our programs are targeted toward specific employee populations including new employees, new engineers, managers, and current and emerging leaders.

We have a robust talent and succession planning process and have established specialized programs to accelerate the development of our talent pipeline for critical roles in general management, engineering, project management, and operations. On an annual basis, we conduct group succession planning reviews with senior leaders focusing on our high-performing and high-potential talent, diverse talent, and succession for critical roles.

Stakeholder engagement on this topic is included in our periodic Materiality Assessments, through stakeholder surveys and interviews.

GRI 404-1	Average hours of training per year per employee	Disclosure limited in scope to salaried employees	Disclosure limited in scope to salaried employees	Disclosure limited in scope to salaried employees
	Average training hours per salaried employee	14.57	14.18	10.20
	Number of training hours provided to male employees	15,921	20,456.22	–
	Average training hours per male employee	15.16	14.32	–
	Average training days per male employee	1.90	1.79	–
	Number of training hours provided to female employees	6,565	8,774.25	–
	Average training hours per female employee	13.25	13.88	–
	Average training days per female employee	1.66	1.74	–



GRI Code	Metric/Description	2023	2022	2021
GRI 404-2	<p>Programs for upgrading employee skills and transition assistance programs</p> <p>Type and scope of programs implemented and assistance provided to upgrade employee skills</p>	<p>The development of all employees is critical to Granite's success and is a key factor in our ability to attract and retain talent. Our people are the foundation of our success, and we encourage every employee to actively participate in their own career growth and development. Granite offers a wide variety of training opportunities to ensure our employees are supplementing their on-the-job learning with classroom and online courses needed to promote performance and growth. Through Granite University, these training topics range from soft skills, to job-specific technical skills, and from formal instructor-led programs to self-guided online learning. Our programs are targeted toward specific employee populations including new employees, new engineers, managers, and current and emerging leaders.</p>	<p>The development of all employees is critical to Granite's success and is a key factor in our ability to attract and retain talent. Our people are the foundation of our success, and we encourage every employee to actively participate in their own career growth and development. Granite offers a wide variety of training opportunities to ensure our employees are supplementing their on-the-job learning with classroom and online courses needed to promote performance and growth. Through Granite University, these training topics range from soft skills, to job-specific technical skills, and from formal instructor-led programs to self-guided online learning. Our programs are targeted toward specific employee populations including new employees, new engineers, managers, and current and emerging leaders.</p>	<p>Providing development opportunities for our employees is a key factor in our ability to attract and retain talent, so we encourage every employee to actively participate in their own career growth and development. Granite offers a wide variety of training opportunities to ensure our employees are supplementing their on-the-job learning with classroom and online courses needed to promote performance and growth. Through Granite University, these training topics range from soft skills to job-specific technical skills, and from formal instructor-led programs to self-guided online learning. Programs target specific employee populations including new employees, new engineers, managers, and leaders. In 2021, we recorded over 36,000 course completions tracked in our Learning Management System, including more than 100 employees graduating from our multi-level leadership development suite that ranges from emerging leaders through senior leaders. The pandemic required Granite to convert many live programs to a virtual instructor-led format. We successfully delivered over 100 classes in this virtual format in addition to ongoing in-person and self-paced online learning.</p>
	<p>Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment</p>	<p>Granite has a tuition reimbursement program.</p>	<p>Granite has a tuition reimbursement program.</p>	<p>–</p>





GRI Code	Metric/Description	2023	2022	2021
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	Performance Reviews for Career Growth: Salaried employees participate in the G3 performance review and development program. The name represents the three components of the program—objectives, development, and progress. The G3 program is an opportunity for employees and managers to step back from the day-to-day tasks to review progress, set clear objectives, and discuss their futures. We have a robust talent and succession planning process and have established specialized programs to accelerate the development of our talent pipeline for critical roles in general management, engineering, project management, and operations.	Performance Reviews for Career Growth: All salaried employees participate in an ongoing performance review and development program: G3. The name represents the three components of the program—objectives, development, and progress—which are reviewed in two meetings throughout the year. The G3 program is an opportunity for employees and managers to step back from the day-to-day tasks to review progress, set clear objectives, and discuss their futures.	–

**GRI 405: Diversity and Equal opportunity**

3-3 Management Statement

In a strong macroeconomic market with a low rate of unemployment, the demand and competition for people at all levels of our organization is unprecedented. We want to be the contractor of choice, and we are committed to hiring and retaining the best people in the industry, building their knowledge and skills, modeling Inclusive Diversity, and accelerating our talent pipelines. We are proud of our focus on Inclusive Diversity not only as the right thing to do for our people but also as a differentiator in the construction industry.

Our culture is driven by our core values, including an unwavering commitment to inclusive diversity. This stems from our guiding belief that diverse backgrounds, perspectives, and experiences enhance creativity and innovation. In 2021, we added Inclusion as one of our core values and designated October as Inclusion Month throughout our operations.

Within Granite’s Sustainability Strategic Plan, under the focus area of Inclusive Diversity, our long-term ambition is to have a workforce that reflects the diversity of the communities where we work, and to foster a culture of inclusive diversity where everyone feels fully engaged in an accepting environment. Stakeholder engagement on this topic is included in our periodic Materiality Assessments, through stakeholder surveys and interviews.

GRI 405-1	Diversity of governance bodies and employees			
	Number of Board members over 50	9	12	12
	Percentage of Board members over 50	100%	100%	100%
	Number of female Board members	4	4	4
	Percentage of female Board members	44%	33%	33%
	Number of male Board members	5	8	8



GRI Code	Metric/Description	2023	2022	2021
	Percentage of male Board members	56%	67%	67%
	Number of Board members who are Black or African-American	1	1	1
	Percentage of Board members who are Black or African-American	11%	8%	8%
	Number of Board members who are Hispanic or Latino	1	2	2
	Percentage of Board members who are Hispanic or Latino	11%	17%	17%
	Number of Board members who are White	7	9	9
	Percentage of Board members who are White	78%	75%	75%

GRI Code	Metric/Description	2023									
GRI 405-1	Employee Diversity (2023)										
	Total		Employee Category								
	All US Employees		Administrative		Craft		Professional		Leadership		
Gender	Count	%	Count	%	Count	%	Count	%	Count	%	
Female	808	12.74%	28	34.57%	117	2.85%	663	30.78%	195	19.42%	
Male	5,535	87.26%	53	65.43%	3,991	97.15%	1,491	69.22%	809	80.58%	
Total	6,343		81		4,108		2,154		1,004		
Ethnicity											
American Indian/Alaskan Native	110	1.73%	1	1.23%	90	2.19%	19	0.88%	8	0.80%	
Asian	159	2.51%	2	2.47%	58	1.41%	99	4.60%	29	2.89%	
Black or African-American	181	2.85%	0	0.00%	120	2.92%	61	2.83%	13	1.29%	
Hawaiian or Pacific Islander	104	1.64%	1	1.23%	81	1.97%	22	1.02%	11	1.10%	
Hispanic or Latino	2,148	33.86%	23	28.40%	1,752	42.65%	373	17.32%	115	11.45%	
Two or More Races	167	2.63%	4	4.94%	94	2.29%	69	3.20%	27	2.69%	
White	3,474	54.77%	50	61.73%	1,913	46.57%	1,511	70.15%	801	79.78%	
Age Group											
Under 30	1,238	19.52%									
30-50	3,342	52.69%									
Over 50	1,763	27.79%									

Total employees: 6,343; includes all US employees categorized as "active" in Human Resources system as of December 31, 2023. Percentages reflect rounding. "Leadership" is defined as having direct reports or position title of supervisor or above.



GRI Code	Metric/Description	2022									
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	Total		Employee Category							
	All US Employees		Administrative		Craft		Professional		Leadership	
	Count	%	Count	%	Count	%	Count	%	Count	%
<b>Gender</b>										
Female	803	12.61	29	28.16	143	3.41	631	30.39	182	18.59
Male	5,567	87.39	74	71.84	4,048	96.59	1,445	69.61	797	81.41
Total	6,370									
<b>Ethnicity</b>										
American Indian/Alaskan Native	130	2.04	0	0	113	2.70	17	0.82	5	0.51
Asian	148	2.32	3	2.91	65	1.55	80	3.85	26	2.66
Black or African-American	188	2.95	3	2.91	130	3.10	55	2.65	16	1.63
Hawaiian or Pacific Islander	105	1.65	1	0.97	89	2.12	15	0.72	6	0.61
Hispanic or Latino	1,885	29.59	28	27.18	1,517	36.20	340	16.38	103	10.52
Two or More Races	179	2.81	4	3.88	119	2.84	56	2.70	21	2.15
White	3,735	58.63	64	62.14	2,158	51.49	1,513	72.88	802	81.92
<b>Age Group</b>										
Under 30	1,376	21.60								
30-50	3,196	50.17								
Over 50	1,798	28.23								

Total employees: 6,370; includes all US employees categorized as "active" in Human Resources system as of December 31, 2022. Percentages reflect rounding.

	Employee Diversity (2021)	See 2021 Sustainability Report, p. 37
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GRI 405-2	Ratio of basic salary and remuneration of women to men	Information is currently not available due to legal prohibitions, including attorney-client privilege; update expected by 2026
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GRI Code	Metric/Description	2023	2022	2021
<b>GRI 406: Non-discrimination</b>				
3-3 Management Statement	<p>All Granite employees are required to complete training on our Code of Conduct as part of initial onboarding, and then on an ongoing basis. Our Code of Conduct training provides guidance on our policies to prevent discrimination and harassment, as well as methods to report misconduct. Our Equal Opportunity and Violence, Intimidation and Harassment Prevention, and Whistleblower policies establish our commitment to non-discrimination. Our externally-operated, anonymous helpline operates around the clock, all-year long, allowing employees, clients, and others to report any incidents of discrimination. Granite’s discipline policy provides guidance on remediating incidents that are found to involve discrimination, including termination of employment, if warranted.</p> <p>Equal Employment Opportunity Policy Statement: Granite Construction, Inc. and its subsidiary companies (the company) embraces equal employment opportunity, diversity, and inclusiveness. It is the company’s policy to assure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, age, creed, national origin, citizenship, ancestry, medical condition, genetic information, marital status, sexual orientation, gender, gender identity, family responsibilities, disability, military or veteran status, or any other characteristic protected by federal, state, and/or local law. Such action shall include, without limitation: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship, pre-apprenticeship, and/or on-the-job training. This is not only the law; it is an essential component of the company’s core values.</p>			
GRI 406-1	Incidents of discrimination and corrective actions taken	<p>In 2023, there were three ethical compliance hotline claims alleging discrimination, all closed after completing an investigation. There were also two complaints filed with a government agency or court, alleging discrimination. Of those complaints, one was mutually resolved without any admission of liability or wrongdoing. The other is the subject of a pending court case in which the company disputes all claims.</p>	<p>In 2022, there was one hotline compliance call alleging discrimination. The allegation was investigated, and the claims were found to be unsupported. All claims were closed after investigation.</p>	<p>In 2021, there were 30 ethical compliance hotline calls, all closed after completed investigation.</p>



GRI Code	Metric/Description	2023	2022	2021
<b>GRI 413: Local Communities</b>				
3-3 Management Statement	<p>All our stakeholders, including community members, are welcome partners in our sustainability journey. Our engagement with community covers a broad range of activities, from charitable giving and supporting employee volunteering, to reporting, surveys, and site visits. Within Granite’s Sustainability Strategic Plan, under the focus area of Community Engagement, our long-term ambition is to engage meaningfully in the communities where we work, and to empower our employees to volunteer and support charitable organizations.</p> <p>We encourage our employees to be involved in their communities through local charities and projects, and we designate funds each year to support these efforts. The annual budget for charitable contributions is split between our operating groups. At the discretion of leadership, each operating group establishes local policies to determine the distribution of charitable funds. We are offering two paid days of volunteer time off annually, starting in 2024, to further empower our employees to contribute to the communities where we live and work. Our local businesses are engaged with community members, agency representatives, and elected officials through events like open houses for neighborhoods where our facilities are located, tours of jobsites and facilities, and other community-based events such as fundraisers for local nonprofits.</p> <p>We engage with our stakeholders in a variety of ways, including by publishing annual sustainability reports. We also maintain other information about our program on our website. As part of our communications plan, we have increased our focus on sustainability in our external communications. Additionally, we conducted our first materiality assessment in 2019, to better understand our stakeholders’ concerns and priorities around sustainability. We conducted our second materiality assessment in 2022-2023. Stakeholder engagement on this topic is included in our periodic Materiality Assessments, through stakeholder surveys and interviews.</p> <p>When it comes to our mining assets and projects, we strive for a constructive and mutually beneficial relationship with our local communities, based on shared respect, meaningful engagement, responsiveness, and transparency. Our mining assets and projects are governed by a complex, multi-levelled system that includes a variety of local, state, and federal laws and, depending on the project, require various permits from multiple agencies. Embedded in the diverse permitting and environmental review processes are public notice and comment periods and various opportunities for public participation. In addition to complying with applicable public notice and comment requirements, we engage in a range of proactive activities and outreach throughout the project life cycle to create opportunities for dialogue with local stakeholders about impacts and benefits of our developments. Such community engagement can take on a range of forms, depending on what is appropriate for a given project, and may include exchanging information and disclosing relevant project information (e.g., through fact sheets, website posts, community meetings, open days, etc.); collaborating and consulting with local communities on matters that directly affect them so as to provide them with opportunities to express their views and allow our team to consider and respond to them; and affording mechanisms through which complaints, grievances, and concerns may be raised, considered, and addressed. Our relationships with our local communities and stakeholders are based on honesty, equity, and integrity, and begin long before construction or operation of a facility commences, and are preserved throughout the life of the project and beyond.</p>			
GRI 413-1	Operations with local community engagement, impact assessments, and development programs			
	Local community engagement, impact assessments, and development programs	Our local businesses are engaged with community members, agency representatives, and elected officials through events like open houses for neighborhoods where our facilities are located, tours of jobsites and facilities, and other community-based events such as fundraisers for local nonprofits.	Our local businesses are engaged with community members, agency representatives, and elected officials through events like open houses for neighborhoods where our facilities are located, tours of jobsites and facilities, and other community-based events such as fundraisers for local nonprofits.	
	Percentage of operations with local community engagement, impact assessments, and/or development programs	100%	100%	100%
GRI 413-2	Operations with significant actual and potential negative impacts on local communities	Information is currently not available; update expected by 2026		





GRI Code	Metric/Description	2023	2022	2021
<b>GRI 415: Public Policy</b>				
3-3 Management Statement	<p>Granite makes it a priority to advocate for the protection of sustainable infrastructure funding.</p> <p>With the goal of advocating for the protection of sustainable infrastructure funding, Granite makes contributions to local and state campaigns, which are subject to state disclosure requirements.</p> <p>Granite has a key executive assigned to each of our four primary national trade associations to align Granite’s interests in the areas of increasing federal infrastructure investment. Granite also has members involved in other national industry and professional organizations and conferences. In addition, our business units across the country are involved in local, state, and regional associations that advocate for increased sustainable investment in infrastructure.</p> <p>Granite created a federal Political Action Committee (PAC) in 1998, which is governed by the Federal Election Campaign Act of 1971. The Granite Construction Inc. Employee PAC – GranitePAC (C0037394) (Granite PAC) collects voluntary receipts from qualified employees either through one-time payments or bi-weekly payroll deductions. These funds are held by the Granite PAC in accounts managed by a campaign legal firm. The Committee (each appointed to three-year terms by the Granite President) considers requests for disbursements to federal candidates running for office or other committees such as federal trade associations where Granite is an active member. The Granite PAC is a non-partisan PAC making disbursements to candidates regardless of political party and are guided by a set of Guiding Principals in deciding where to disburse funds.</p>			
GRI 415-1	Political contributions (USD)	<p>Granite total political contributions: \$86,250 (California: \$58,250; Florida: \$6,500; Illinois: \$3,500; Nevada: \$16,500; Utah: \$1,500).</p> <p>Granite Construction Employee PAC: \$47,500. The details of the receipts from employees (giving more than \$200 per calendar year) and the disbursements may be found at: <a href="https://www.fec.gov/data/committee/C0037394/">https://www.fec.gov/data/committee/C0037394/</a>.</p>	<p>Granite total political contributions: \$265,568.94 (California: \$198,518.94; Florida: \$16,500; Illinois: \$600; Michigan: \$200; Nevada: \$29,250; Utah: \$20,500).</p> <p>Granite Construction Employee PAC: \$46,000</p>	<p>Granite: \$82,350; Granite Construction Employee PAC: \$60,000. The Employee PAC is funded by voluntary employee contributions and overseen by an independent board of Granite employees. Granite advocates for and contributes to campaigns that support infrastructure funding.</p>

# APPENDIX B: SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX: DISCLOSURE TOPICS & ACCOUNTING METRICS

Note: All financial figures in \$USD

SASB Code	Metric/Description	2023	2022	2021
<b>Engineering and Construction Services Standard</b>				
<b>Environmental Impacts of Project Development</b>				
IF-EN-160a. 1	Number of incidents of non-compliance with environmental permits, standards, and regulations			
	Number of incidents	6	4	9
	Description of the nature, context, and any corrective actions taken as a result of the monetary losses	Granite received two Notices of Violation (NOVs) from air agencies in California due to either equipment that was not permitted or was permitted incorrectly. The process to correct both was the use of our compliance evaluation and permit review process for our fixed facilities and portable batch plant operations. Two asphalt plant facilities failed source tests (i.e., exceeded emissions limits established in the air permit). Both facilities were permitted with low limits of emissions and the facility permits were since modified to accommodate the efficiencies of the facility. Granite received two NOVs from air agencies in California for exceeding opacity limits at crushing operations. In both instances, sufficient water spray controls were not being applied which caused the exceedance. Granite completed Collaborative Learning	In two incidents, source tests were submitted beyond the allowed time frame for testing or submittal. Changes to contracts with source-testing consultants have been modified to ensure on-time delivery of the reports to the agency. One incident related to track-out onto a public street adjacent to a construction project. Training by the water board was completed for all construction employees to align expectations of track-out control on project sites. One incident involved a late submittal of a dewatering permit Discharge Monitoring Report (DMR). A consultant was assigned to this task to ensure compliance.	Nine incidents or NOVs total in 2021. Three incidents were caused by air quality violations, where opacities exceeded limits along the project boundary. Corrective actions included training of staff on EPA Method 9 (opacity observations) and instruction on project and facility limitations. One NOV was related to sediment track-out onto public roads. Increased inspections of project sites have been implemented to reduce instances of track-out. Two NOVs arrived from administrative errors, such as late submittal of required reporting. These were corrected by training and proper use of our permit tracking program. Two violations were caused by waste disposal errors such as inactive EPA identifications and not submitting hazardous materials business plans. Corrective actions



SASB Code	Metric/Description	2023	2022	2021
		Events for each event and shared the results companywide to improve the awareness of the permit requirements to all materials operators.		included updating the EPA identifications and the use of a tracking system for establishing a hazardous waste reporting schedule. One violation was caused by discharge of an oil emulsion into a storm drain during a storm event. The spill area was completely cleaned, and additional training was provided to the responsible team members.
<b>Structural Integrity &amp; Safety</b>				
IF-EN-250a.1	Amount of defect- and safety-related rework costs	Disclosure limited in scope: Granite continues to roll out implementation of a rework tracking system. The system captured the following in 2023: 188 quality incidents at an estimated total cost of \$5.9 million, and 9,287 rework events totaling over \$4.6 million. We anticipate this system will capture more incidents and rework as it rolls out to additional regions.	Disclosure limited in scope: Granite continues to roll out implementation of a rework tracking system. In 2022, this system captured approximately \$4.7 million (not yet reflecting the whole company). We expect this figure to grow as more regions implement the tracking system.	Disclosure limited in scope: Granite continues to roll out implementation of a rework tracking system. In 2021, this system captured \$4,721,901 (not yet reflecting the whole company). We expect this figure to grow as more regions implement the tracking system.
IF-EN-250a.2	Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents	Information is currently not available; update expected by 2026		
<b>Workforce Health &amp; Safety</b>				
IF-EN-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	(1) Total recordable incident rate: 0.67; (2) Fatality rate: 0. All employee hours and injuries associated with any work directed by our personnel are included in our incident rates (i.e., not tracked separately as direct and contract employees).	(1) Total recordable incident rate: 0.71; (2) Fatality rate: 0. All employee hours and injuries associated with any work directed by our personnel are included in our incident rates (i.e., not tracked separately as direct and contract employees).	(1) Total recordable incident rate: 0.92; (2) Fatality rate: 0.01. All employee hours and injuries associated with any work directed by our personnel are included in our incident rates (i.e., not tracked separately as direct and contract employees).





SASB Code	Metric/Description	2023	2022	2021
<b>Life-Cycle Impact of Buildings &amp; Infrastructure</b>				
IF-EN-410a.1	Number of (1) commissioned projects certified to a third-party multi-attribute sustainability standard and (2) active projects seeking such certification	Disclosure limited in scope to registered projects: one construction project is registered for Envision verification; full information is currently not available; update expected by 2026	Information is currently not available; update expected by 2026	Not yet available; assessing reporting improvements
IF-EN-410a.2	Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design	<p><b>Water</b></p> <p>Granite recognizes the importance of conserving water, and our goal is to protect water resources in all areas of our influence. Granite's primary consumptive water uses are related to construction activities at project sites (such as dust suppression and grading activities) and construction material production activities (such as aggregate washing and dust control).</p> <p>The primary mission of our environmental program is to manage and meet our environmental responsibilities, while controlling and reducing any environmental impacts associated with our work, including managing impacts to water. The Environmental Services Department manages our overall environmental performance utilizing Granite's Environmental Management System (EMS), modeled after the internationally recognized environmental management standards of ISO 14001.</p> <p>Potential impacts to waterways are assessed and managed on a project-specific basis. Our professional environmental staff members are embedded directly into our local operations and provide support and expertise associated with water-related environmental aspects of our operations.</p> <p><b>Water in Construction Activities</b></p> <p>Granite's construction activities seek to acquire required water supplies near the project site via surface delivery systems or wells. Because potable water is not required for most construction activities, Granite commonly partners with local water suppliers to use reclaimed or recycled gray water, reducing impacts on potable water supplies. Our project teams aim to protect regional water quality and avoid negative water resource impacts by using best management practices. Examples of best practices include implementing stormwater management plans, deploying spill prevention plans, and scheduling work processes and activities to protect regional water resources.</p> <p><b>Water Conservation &amp; Reuse in Construction Materials Production</b></p> <p>Granite operates construction materials facilities in the western US, which produce a wide range of construction sand, gravel, and crushed stone in addition to asphaltic concrete for use in local construction projects. Many of the aggregate operations rely on self-extracted groundwater as their primary water source and implement strategies to maximize operational water efficiency. Our aggregate operations capture stormwater to the extent feasible and recapture processed water from our aggregate operations. We use settling ponds, clarifiers, and filter presses to separate the rinsed sediment fines from slurry before recirculating the reclaimed water back into the aggregate washing operations. Utilizing water reclamation and recycling significantly reduces consumptive use of water resources (generally by 70% or more). Operational water recycling rates vary throughout our operations based on aggregate material quality, regional climate conditions, and pond loss resulting in groundwater recharge.</p>		



SASB Code	Metric/Description	2023
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Facilities use closed-loop systems, whereby all post-processing water is reclaimed and recirculated through the system (meaning the total volume recycled and reused can exceed the total withdrawn). Consumptive use (approximately 25%) is limited to water lost to evaporation, dust control, and product capture (i.e., water absorbed by sand/gravel during washing). Analysis for permitting efforts for Big Rock and Solari Quarry indicate that we reclaim between 75%-85% of water for reuse.

Within Granite’s Sustainability Strategic Plan, under the focus area of Water, our long-term ambition is to protect water resources in all areas of our influence. Initiatives in this area include project-specific water management plans, water conservation at plants; and data collection improvements for water use. Stakeholder engagement on this topic is included in our periodic Materiality Assessments, through stakeholder surveys and interviews.

**Energy**

Granite recognizes that our industry must adapt and change with the evolving needs of society to respond to climate change and its negative economic, environmental, and social impacts. Beyond GHG emissions, Granite recognizes the importance of reducing other air emissions to protect air quality. We intend to drive our response to climate change by advancing more sustainable construction practices that support emissions reduction, reducing GHG emissions from our operations, and minimizing our carbon footprint.

Climate & Emissions is one of the focus areas of Granite’s Sustainability Strategic Plan, in alignment with SDG 13 (Climate Action). Our management of strategic planning and implementation of initiatives in this area fall under Granite’s Sustainability Governance Framework. Stakeholder engagement on this topic is included in our periodic Materiality Assessments, through stakeholder surveys and interviews.

Granite has established an absolute target to reduce Scope 1 GHG emissions by 25% by 2030 from a 2020 baseline. This is a priority target within Granite’s Sustainability Strategic Plan. Once we have further developed our action plan to reduce Scope 1 emissions, we intend to expand our targets to cover Scope 2.

Within the Focus Areas of Granite’s Sustainability Strategic Plan, our Long-Term Ambition for Climate & Emissions is to minimize GHG emissions as much as possible, to industry-leading levels. Granite’s Long-Term Ambition for Air is to reduce air emissions at all plants, to the extent practicable, to industry-leading levels.

Granite’s approach to reducing our GHG emissions and carbon footprint is two-fold:

1. Improving data collection and reporting systems to quantify GHG gas emissions more accurately
2. Investing in technologies and practices that directly and immediately reduce our emissions in Scopes 1 and 2

We are working on these two priorities simultaneously because we recognize the importance of quickly and effectively mitigating our impact. We are focusing our efforts on the highest sources of emissions: the operation of our asphalt plants and our construction equipment fleet.



SASB Code	Metric/Description	2023	2022	2021
		<p>Granite reassessed the baseline for operational Scope 1 greenhouse gas emissions in 2020. We included employee travel as an expansion into Scope 3 emissions. We added Scope 2 in 2021 (including baseline data for 2020). We have achieved significant improvements in our data collection systems and are currently working to improve the level of specificity for calculations through a new system.</p> <p>In 2023, we continued to build upon the decarbonization planning process launched the previous year, through which we more fully assessed opportunities to reduce our emissions in pursuit of our priority target to reduce total Scope 1 GHG emissions by 25% by 2030, from our 2020 baseline. We continue to engage a team of external climate experts to collaborate with key members of our management team.</p> <p>Efforts and initiatives (details in Climate &amp; Energy section of this report) include:</p> <ul style="list-style-type: none"> <li>• Development of decarbonization plan</li> <li>• Telematics and fuel economy management</li> <li>• Alternative energy equipment procurement</li> <li>• Hybrid-electric equipment procurement</li> <li>• Electric vehicle procurement</li> <li>• Electric vehicle charging infrastructure initiative</li> <li>• Renewable diesel initiative</li> <li>• Electric locomotives for tunnel work</li> <li>• Research and development related to plant operations</li> <li>• Plant energy conservation investments</li> <li>• Industry initiatives (e.g., The Road Forward)</li> </ul>		

**Climate Impacts of Business Mix**

IF-EN-410b.1	Amount of backlog for (1) hydrocarbon-related projects and (2) renewable energy projects	(1) Hydrocarbon-related projects: \$1,374,980,279; (2) Renewable energy projects: \$19,282,972	(1) Hydrocarbon-related projects: \$1,331,201,136; (2) Renewable energy projects: \$70,518,517	(1) Hydrocarbon-related projects: \$982,496,590 (reflecting all projects except for renewable energy projects); (2) Renewable energy projects: \$54,262,831
IF-EN-410b.2	Amount of backlog cancellations associated with hydrocarbon-related projects	Information is currently not available; update expected by 2026		
IF-EN-410b.3	Amount of backlog for non-energy projects associated with climate change mitigation	\$1,387,484	\$2,414,729	\$452,051





SASB Code	Metric/Description	2023	2022	2021
<b>Business Ethics</b>				
IF-EN-510a.1	(1) Number of active projects and (2) backlog in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	(1) 0; (2) \$0	(1) 0; (2) \$0	(1) 0; (2) \$0
IF-EN-510a.2	Total amount of monetary losses as a result of legal proceedings associated with charges of (1) bribery or corruption and (2) anticompetitive practices	(1) \$0; (2) \$0	(1) \$0; (2) \$0	(1) \$0; (2) \$0
IF-EN-510a.3	(1) Total number and/or percentage of employees and governance body members that have received communication around Granite's anti-corruption policies and procedures and (2) Total number and/or percentage of employees and governance body members that have received anti-corruption training	Non-craft employees situated in foreign countries, or who have been identified as individuals who are regularly exposed or have potential to conduct business on behalf of the company in foreign jurisdictions, are given training on Granite's Anti-Bribery and FCPA Policy. All non-craft employees are enrolled at onboarding in Antitrust Laws and Fair Competition Training. Employee counts: 40 = Anti-Corruption and FCPA Compliance Training (95%); 279 = Antitrust and Fair Competition Standards (96%); 2,058 = Code of Conduct Refresher (99%).	Non-craft employees situated in foreign countries, or who have been identified as individuals who are regularly exposed or have potential to conduct business on behalf of the company in foreign jurisdictions, are given training on Granite's Anti-Bribery and FCPA Policy. All non-craft employees are enrolled at onboarding in Antitrust Laws and Fair Competition Training. Employee counts: 104 = Anti-Corruption and FCPA Compliance Training (27% *); 274 = Antitrust and Fair Competition Standards (95%); 1,635 = Core Value Refresh Campaigns (100%); *lower completion rate year-over-year is due to enrollment taking place late in calendar year and 30-day completion timeframe.	(1) All employees are exposed to Anti-Bribery and FCPA Policy and Antitrust Laws and Fair Competition Standards during onboarding and annually through the Code of Conduct Certification Process. Due to Refreshed Core Values and corresponding education efforts, the Code of Conduct Certification was archived for 2021 and micro-learnings on each core value were deployed; (2) Non-craft employees situated in foreign countries, or who have been identified as individuals who are regularly exposed or have potential to conduct business on behalf of the company in foreign jurisdictions are given training on Granite's Anti-Bribery and FCPA Policy. All non-craft employees are enrolled at onboarding in Antitrust Laws and Fair Competition Training. Employee counts: 72 = Anti-Corruption and FCPA Compliance Training (94%); 255 = Antitrust and Fair Competition Standards (98%); 2,099 = Core Value Refresh Campaigns (100%).



SASB Code	Metric/Description	2023	2022	2021
<b>Activity Metric</b>				
IF-EN-000.A	Number of active projects	931	823	518
IF-EN-000.B	Number of commissioned projects	872	951	991 (Note: Improvement in metric to align with standard; reflects number of completed projects in 2021)
IF-EN-000.C	Total backlog	\$5,545,754,000	\$4,485,139,000	\$4,010,063,998
<b>Construction Material Standard</b>				
<b>GHG Emissions</b>				
EM-CM-110a.1	Gross global Scope 1 emissions, percentage covered under emissions limiting regulations	Note: Updated methodology as described in Climate & Energy section of this report	Note: Revised due to updated methodology as described in Climate & Energy section of this report	Note: Revised due to updated methodology as described in Climate & Energy section of this report
	Gross direct (Scope 1) GHG emissions (metric tons CO <sub>2</sub> e)	233,951 t CO <sub>2</sub> e	214,231 t CO <sub>2</sub> e	221,678 t CO <sub>2</sub> e
	Biomass CO <sub>2</sub> emissions (metric tons) (reporting improvement; added for historical data)	23,828 t CO <sub>2</sub>	22,726 t CO <sub>2</sub>	14,001 t CO <sub>2</sub>
	Stationary Sources (Facilities)	44.24%	40.62%	45.21%
	Mobile Sources (Equipment Fleet)	55.76%	58.04%	53.41%
	Heating	(included in Stationary Sources)	1.34%	1.28%
	Inliner Processing	(no longer part of operations)	(no longer part of operations)	0.09%
EM-CM-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 and lifecycle emissions, emissions reduction targets, and an analysis of performance against those targets	See Climate & Energy section of this report	2022 Sustainability Report, p. 57-63	2021 Sustainability Report, p. 50-55



SASB Code	Metric/Description	2023	2022	2021
<b>Air Quality</b>				
EM-CM-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) particulate matter (PM10), (4) dioxins/ furans, (5) volatile organic compounds (VOCs), (6) polycyclic aromatic hydrocarbons (PAHs), and (7) heavy metals	Note: Disclosure limited in scope to air emissions from asphalt plants	Note: Disclosure limited in scope to air emissions from asphalt plants	Note: Disclosure limited in scope to air emissions from asphalt plants
	Metric tons of NOx	70.76	72.30	72.50
	Metric tons of SOx	22.00	25.20	24.47
	Metric tons of particulate matter (PM10)	80.40	81.92	82.43
	Metric tons of VOCs	71.71	74.52	73.57
	Metric tons of CO	380.84	379.63	387.99
<b>Energy Management</b>				
EM-CM-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage alternative, and (4) percentage renewable			
	Total company grid electricity consumed	178,752,051.63 kWh	83,895,637.99 kWh	84,403,188.00 kWh
	Total solar production generated at plants	1,556,522 kWh	1,685,885 kWh	1,661,000 kWh





SASB Code	Metric/Description	2023	2022	2021
<b>Water Management</b>				
EM-CM-140a.1	(1) Total fresh water withdrawn (in thousands of cubic meters), (2) percentage recycled, and (3) percentage in regions with High or Extremely High Baseline Water Stress	Disclosure limited in scope to material facilities in California with metered wells (approximately 15 out of 19 facilities). Withdrawal type: groundwater wells	Disclosure limited in scope to material facilities in California with metered wells (approximately 15 out of 19 facilities). Withdrawal type: groundwater wells	Disclosure limited in scope to material facilities in California with metered wells (approximately 15 out of 19 facilities). Withdrawal type: groundwater wells
	Total groundwater well withdrawal	3,957 ML	4,078.47 ML	4,986.89 ML
	Percentage recycled of total fresh water withdrawn	Approximately 75%	Approximately 75%	Approximately 75%
<b>Waste Management</b>				
EM-CM-150a.1	Amount of waste generated, percentage hazardous, percentage recycled	Disclosure limited in scope to hazardous waste for California sites where tracking is required; information pulled directly from CA Hazardous Waste Tracking System	Disclosure limited in scope to hazardous waste in California operations	Disclosure limited in scope to hazardous waste in California operations
	Total amount of waste generated	Information is currently not available; update expected by 2026		
	Total hazardous waste (US tons)	31.18	102.46	127.65
	Percentage of hazardous waste recycled	Estimated 1%	Estimated 1%	Estimated 1%



SASB Code	Metric/Description	2023	2022	2021
<b>Biodiversity Impacts</b>				
EM-CM-160a.1	Description of environmental management policies and practices for active sites	<p>Potential biodiversity impacts are assessed and managed on a project-specific basis. Our professional environmental staff members are embedded directly into our local operations and provide support and expertise associated with all environmental aspects of our diversified business operations, including potential impact on habitat, wildlife, and biodiversity. Expert knowledge of local, state, and federal requirements is key to the successful execution and completion of projects, especially where potential biodiversity impacts are a concern. Granite maintains standard operating procedures and processes for managing environmental responsibilities and objectives. Through operationally embedded environmental professionals, Granite evaluates projects for all environmental requirements through a pre-construction process, which includes evaluation of critical or sensitive habitat, as identified by the project owner and regulatory agencies. All construction methods include standard procedures for ensuring compliance with legal and other requirements, including Granite's commitment to the protection of all resources identified through the local, state, and federal requirements impacting both Granite projects and facilities.</p>	<p>Potential biodiversity impacts are assessed and managed on a project-specific basis. Our professional environmental staff members are embedded directly into our local operations and provide support and expertise associated with all environmental aspects of our diversified business operations, including potential impact on habitat, wildlife, and biodiversity. Expert knowledge of federal, state, and local requirements is key to the successful execution and completion of projects, especially where potential biodiversity impacts are a concern. Granite maintains standard operating procedures and processes for managing environmental responsibilities and objectives. Through operationally embedded environmental professionals, Granite evaluates projects for all environmental requirements through a pre-construction process, which includes evaluation of critical or sensitive habitat, as identified by the project owner and regulatory agencies. All construction methods include standard procedures for ensuring compliance with legal and other requirements, including Granite's commitment to the protection of all resources identified through the local, state, and federal requirements impacting both Granite projects and facilities.</p>	<p>Granite maintains standard operating procedures and processes for managing environmental responsibilities and objectives. Through operationally embedded environmental professionals, Granite evaluates projects for all environmental requirements through a pre-construction process, which includes evaluation of critical or sensitive habitat, as identified by the project owner and regulatory agencies. All construction methods include standard procedures for ensuring compliance with legal and other requirements, including Granite's commitment to the protection of all resources identified through the local, state, and federal requirements impacting both Granite projects and facilities.</p> <p>For construction projects, clients are generally responsible for conducting Environmental Impact Assessments (through which the project owner and regulatory agencies identify critical or sensitive habitat and other environmental concerns) prior to engaging with Granite. Through the pre-construction process, Granite develops project-specific construction methods to protect identified resources, embeds environmental professionals within the operation, and actively monitors site activities to ensure resources are protected at the project location.</p>



SASB Code	Metric/Description	2023	2022	2021
		For construction projects, clients are generally responsible for conducting any required Environmental Impact Assessments (through which the project owner and regulatory agencies identify critical or sensitive habitat and other environmental concerns) prior to engaging with Granite. Through the pre-construction process, Granite develops project-specific construction methods to protect identified resources, embeds environmental professionals within the operation, and actively monitors site activities to ensure resources are protected at the project location.	For construction projects, clients are generally responsible for conducting Environmental Impact Assessments (through which the project owner and regulatory agencies identify critical or sensitive habitat and other environmental concerns) prior to engaging with Granite. Through the pre-construction process, Granite develops project-specific construction methods to protect identified resources, embeds environmental professionals within the operation, and actively monitors site activities to ensure resources are protected at the project location.	
EM-CM-160a.2	Terrestrial acreage disturbed, percentage of impacted area restored	Information is currently not available; update expected by 2026	Information is currently not available; update expected by 2026	
<b>Workforce Health &amp; Safety</b>				
EM-CM-320a.1	(1) Total recordable incident rate (TRIR) and (2) near miss frequency rate (NMFR) for (a) full-time employees and (b) contract employees	Note: All employee hours and injuries associated with any work directed by our personnel are included in our incident rates (i.e., not tracked separately as direct and contract employees)	Note: All employee hours and injuries associated with any work directed by our personnel are included in our incident rates (i.e., not tracked separately as direct and contract employees)	Note: All employee hours and injuries associated with any work directed by our personnel are included in our incident rates (i.e., not tracked separately as direct and contract employees)
	Total Recordable Incident Rate (TRIR)	0.67	0.71	0.92
	Near Miss Rate (NMR) for full-time employees	7.15	8.90	2.80
EM-CM-320a.2	Number of reported cases of silicosis	0	0	0
<b>Product Innovation</b>				
EM-CM-410a.1	Percentage of products that qualify for credits in sustainable building design and construction certifications	Information is currently not available; update expected by 2026		
EM-CM-410a.2	Total addressable market and share of market for products that reduce energy, water, and/or material impacts during usage and/or production	Information is currently not available; update expected by 2026		





SASB Code	Metric/Description	2023	2022	2021
<b>Pricing Integrity &amp; Transparency</b>				
EM-CM-520a.1	Total amount of monetary losses as a result of legal proceedings associated with cartel activities, price fixing, and antitrust activities	\$0	\$0	\$0
<b>Activity Metric</b>				
EM-CM-000.A	Production by major product line (US tons)			
	Total asphaltic concrete production	6,198,614	6,225,808	6,520,000
	Total aggregate production	17,367,457	16,575,437	16,400,000
	Total recycled aggregate production	1,823,587	1,687,351	860,000

# APPENDIX C: TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) INDEX: RECOMMENDED DISCLOSURES

Note: All financial figures in \$USD

TCFD Issue & Code	Recommended Disclosure	2023 Response
Governance a)	Describe the organization's governance around climate-related risks and opportunities	<p>The Board of Directors is responsible for overseeing company performance. The Board of Directors receives updates on sustainability/ ESG performance and related risks at a minimum frequency of twice per year and provides approval for sustainability strategic plans and sustainability reports.</p> <p>The Risk Committee is a standing committee of the Board of Directors. The purpose of the Risk Committee is to assist the Board of Directors in its oversight of the company's strategic, operational, health and safety, and environmental compliance risks. The Board of Directors recognizes that management has primary responsibility for the development and implementation of the company's commercial strategies, operations and compliance programs. The Risk Committee has been formed to assist the Board of Directors in assessing and overseeing the risks associated with such strategies and the company's operations, health, safety and environmental compliance. The Risk Committee also oversees management's adoption and implementation of ERM policies and procedures. The ERM system integrates consideration of ESG-related risks, including those posed by climate change. Granite's Sustainability and Risk Management teams collaborate to address ESG-related risks and provide updates to the Board of Directors.</p> <p>The Nominating and Corporate Governance Committee (NCGC) is a standing committee of the Board of Directors. The NCGC develops and recommends to the Board of Directors corporate governance guidelines applicable to the company and oversees the evaluation of the Board of Directors and management. The NCGC assists the Board of Directors in its oversight of the company's sustainability/ESG program, receiving updates at a minimum frequency of twice per year. The NCGC reviews periodically and discusses with management the company's ESG strategy, initiatives, and policies, including communications with employees, investors, and other stakeholders. The NCGC also oversees mitigation of ESG risks faced by the company. The NCGC reports to the Board on ESG matters as it deems appropriate.</p>
Governance b)	Describe management's role in assessing and managing climate-related risks and opportunities	<p>The Executive Committee (EC) provides executive direction and resourcing for the sustainability program. The EC, which includes the President and CEO, receives updates on sustainability/ESG at least quarterly. The EC communicates ESG issues and risks to the Board of Directors and its Committees either directly or as delegated to other subject matter experts such as the Sustainability Lead (SL). The SL serves as the functional lead for the sustainability program to engage stakeholders, develop strategic plans, implement programs, and communicate progress. The SL provides updates to the EC at least quarterly and, as delegated by the EC, to the Board of Directors and its Committees. Operational Leaders are charged with implementing sustainability programs at the business unit level, supporting data collection from operations, and reporting their progress. Operational Leaders are responsible for managing operational ESG risks and communicating emerging issues and risks with the SL. Functional Leaders are charged with implementing sustainability programs at the level of their functional business units, supporting data collection, and reporting their progress. Functional leaders are responsible for managing ESG risks in their functional area and communicating emerging risks with the SL.</p> <p>See Climate &amp; Energy section of this report for additional updates.</p>



TCFD Issue & Code	Recommended Disclosure
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Strategy a)	Describe the climate-related risks and opportunities the organization has identified over the short (1-5 years), medium (6-15 years), and long (beyond 15 years) term
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Risk Type	Risk Area	Potential Impacts	Time Frame
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Physical Risk	Chronic physical risks (i.e., rising sea levels, increasing mean temperatures, changing wind and precipitation patterns)	Flooding risk to offices, plants, and facilities	Medium Term
		Cost and availability of insurance	Medium Term
		Construction timelines extended or disrupted due to increased frequency of extreme heat or precipitation	Short Term
		Increased energy demand	Medium Term
		Limited water availability	Short Term
		Changes in zoning and development code	Long Term
		Decreased demand for projects in particular markets and locations	Long Term
	Acute physical risks (i.e., increased severity and frequency of extreme events)	Delays in projects	Short Term
		Disruptions in supply and distribution routes	Medium Term
		Disruptions in operations	Medium Term
		Damaged infrastructure	Medium Term
		Cost and availability of insurance	Medium Term



Risk Type	Risk Area	Potential Impacts	Time Frame
Transition Risk	Policy (i.e., regulatory changes, pricing of GHG emissions, enhanced emissions reporting obligations)	Increased spend on reporting activities	Short Term
		Increased scrutiny from investors and other stakeholders on emissions reporting	Short Term
		Compliance risks become more material	Medium Term
		Higher carbon taxes or limited emissions allowances raise operation costs	Medium Term
		Increased competition from imported materials that are not subject to the same carbon taxes or emissions allowances	Medium Term
	Market (i.e., increased cost of raw materials, shift in consumer preferences)	Increased energy, water, and raw material prices affect operational costs	Short Term
		Demand for lower carbon services and products, particularly if a carbon tax increases the cost of high-carbon products	Medium Term
	Reputation (i.e., changing public perceptions of the sector)	Negative ESG-related public image of the sector and/or Granite reduces the demand for products and services, the interest of potential employees, and investments from investors	Short Term
	Legal Risk	Litigation risks (i.e., climate change litigation)	Litigation related to ESG disclosures
Increased exposure to damages claims			Long Term
Financial and reputational costs of defending litigation			Long Term
Reputational damage caused by legal action against the company			Long Term



TCFD Issue & Code	Recommended Disclosure	2023 Response
Strategy b)	Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning	<p>See Climate &amp; Energy section of this report for details on Climate Strategy. Our strategy is to first leverage the results of the climate risk assessment to address the risks it identifies, then progress toward more detailed planning for different climate scenarios. Our next steps will involve further analysis of the specific climate change-related opportunities and risks identified in the assessment. We will assess the relevant priorities of these risks, establish a process for identifying and managing them as they evolve, and implement key metrics and targets for improvement in risk management.</p> <p>Physical, transition, and regulatory risks related to climate change could have a material adverse impact on our business, financial condition, and results of operations. Physical risks related to climate change, such as changing sea levels, temperature fluctuations, severe storms, and energy and technological disruptions, could cause delays and increases in project costs, resulting in variability in our revenue and profitability, as well as potentially adverse impacts to our operating results and financial condition. In addition, growing public concern about climate change has resulted in the increased focus of local, state, regional, national, and international regulatory bodies on GHG emissions and climate change issues. Legislation to regulate GHG emissions has periodically been introduced in the US Congress and in the legislatures of various states in which we operate, and there has been a wide-ranging policy debate, both in the US and internationally, regarding the regulation of GHG emissions. Such policy changes, including any enactment of increasingly stringent emissions or other environmental regulations, could increase the costs of projects for us and for our clients and, in some cases, delay or even prevent a project from going forward, thereby potentially reducing demand for our services. Consequently, this could have a material adverse effect on our business, financial condition, and results of operations.</p>
Strategy c)	Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Scenario analysis not yet available; assessing improvements
Risk Management a)	Describe the organization’s processes for identifying and assessing climate-related risks	Granite performed its first climate risk assessment (as detailed in Granite's 2020 Sustainability Report) in partnership with external experts. Working with external experts helped us ensure greater objectivity and reliability of the results. The purpose of this assessment was to deliver a high-level picture of the potential risks and opportunities Granite may face with a changing climate, and to begin the process of integrating climate risks into Granite’s Enterprise Risk Management (ERM) strategies. The process for the climate risk assessment involved conducting interviews with Granite employees representing various departments, including Supply Chain, Legal, Equipment, Environmental Management, ERM, and other relevant subject matter experts. Industry insights were collected through research papers, webinars, interviews, and reporting standard guidelines. Interviews and external research were analyzed in parallel and synthesized into a final comprehensive report.
Risk Management b)	Describe the organization’s processes for managing climate-related risks	Climate-related risks are integrated into Granite's ERM framework. The Sustainability Department and Climate Awareness Task Force also provide input into managing these risks. The management of climate-related risks falls under the Sustainability Governance Framework.
Risk Management c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management	Climate-related risks are integrated into Granite's ERM framework.



TCFD Issue & Code	Recommended Disclosure	2023 Response
Metrics & Targets a)	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Our strategy is to first leverage the results of the climate risk assessment to address the risks it identifies, then progress toward more detailed planning for different climate scenarios. Our next steps will involve further analysis of the specific climate change-related opportunities and risks identified in the assessment. We will assess the relevant priorities of these risks, establish a process for identifying and managing them as they evolve, and implement key metrics and targets for improvement in risk management.
Metrics & Targets b)	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks	See Climate & Energy section of this report.
Metrics & Targets c)	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Target: Reduce total Scope 1 GHG emissions by 25% by 2030 from 2020 baseline. See Climate & Energy section of this report for performance updates.





## Cautionary Note Regarding Forward-Looking Statements

From time to time, Granite makes certain comments and disclosures in reports and statements, including in this Sustainability Report, or statements made by its officers or directors, that are not based on historical facts, including statements regarding future events, occurrences, circumstances, strategy, activities, performance, outlook, outcomes, and guidance, that may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are identified by words such as “future,” “outlook,” “assumes,” “believes,” “expects,” “estimates,” “anticipates,” “intends,” “plans,” “appears,” “may,” “will,” “should,” “could,” “would,” “continue,” and the negatives thereof or other comparable terminology or by the context in which they are made. In addition, other written or oral statements that constitute forward-looking statements have been made and may in the future be made by or on behalf of Granite. These forward-looking statements are estimates reflecting the best judgment of senior management and reflect our current expectations regarding future events, occurrences, circumstances, strategy, activities, performance, outlook, outcomes, and guidance. These expectations may or may not be realized. Some of these expectations may be based on beliefs, assumptions, or estimates that may prove to be incorrect. In addition, our business and operations involve numerous risks and uncertainties, many of which are beyond our control, which could result in our expectations not being realized or otherwise materially affect our business, financial condition, results of operations, cash flows, and liquidity. Due to the inherent risks and uncertainties associated with our forward-looking statements, the reader is cautioned not to place undue reliance on them. The reader is also cautioned that the forward-looking statements contained herein speak only as of the date of this Sustainability Report, and, except as required by law, we undertake no obligation to revise or update any forward-looking statements for any reason.



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Sustainability data can be challenging to measure accurately. We work continuously to improve data measurement, gathering, and reporting processes to increase the integrity of the information presented. This report contains the best data available at the time of publication. Data reporting periods are for calendar year 2023, unless otherwise noted. All of us at Granite are deeply committed to improving the way we share information with our stakeholders about our sustainability efforts. We welcome your feedback and comments. Contact for feedback about this report: [sustainability@gcinc.com](mailto:sustainability@gcinc.com).

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