

Keeping Granite Green: Environmental Program

GRANITE'S ENVIRONMENTAL COMMITMENT

Granite's commitment to sustainability includes a focus on environmental stewardship—we recognize our duty to protect the environment and our responsibility to manage the environmental impacts of our operations. Our goals are to responsibly perform our work with a focus on reducing our carbon footprint, conserving natural resources, and protecting water, air, land, and wildlife. We are committed to creating a culture of environmental awareness, so that our teams are mindful of our environmental responsibilities and empowered to meet them. We strive to be an industry leader where our focus on environmentally responsible construction operations provides a competitive advantage.

We also recognize the importance of engaging with impacted communities on environmental issues and being transparent about our operations. Granite is committed to consulting with stakeholders on environmental issues through our sustainability stakeholder engagement efforts. Individual construction projects also involve stakeholder consultation on environmental issues as appropriate for the specific project and client. Granite is committed to reporting regularly on environmental issues and our successes through our annual sustainability progress reports.

STRATEGIC MISSION

The primary mission of our environmental program is to manage our commitments of environmental responsibility while controlling and reducing 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:

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

We achieve these objectives by having in-house expertise to analyze the regulatory framework around our projects and to engage 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—these 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—**being a good neighbor is just good business.**

Our wide range of regional environmental expertise allows us to provide and share best practices to effectively manage environmental requirements anywhere within the nation. Environmental requirements vary tremendously by geography and location. Collaboration and sharing of experience and ideas allows for a solution-based approach on every project site, with access to innovative ideas and best practices from a national perspective. Leveraging our in-house expertise, we continue to make positive progress in environmental sustainability on our projects, at our plant facilities, and at our office locations.

ENVIRONMENTAL MANAGEMENT SYSTEMS & GOVERNANCE

The environmental services department develops and advances company-wide environmental strategies, initiatives, and programs to manage our overall environmental performance. Granite's environmental director leads this department and reports to the senior vice president of group operations, who reports to the chief operating officer.

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. Expert knowledge of federal, state, and local requirements is key to the successful execution and completion of projects, especially those where elevated environmental sensitivity and risk are present. Our experienced environmental teams provide direct support to our construction operations to successfully manage environmental impacts including air quality, water quality, waste management, and any other unique environmental components of a project.

Granite's Environmental Management System (EMS) is modeled after the internationally recognized environmental management standards of ISO 14001. This approach focuses upon a systematic process of "Plan, Do, Check, Act" that supports consistency of process and procedure while supporting continual improvement in how we manage the environmental requirements of our work.

Granite's system procedures for environmental management ("Procedures") establish the procedures for managing environmental responsibilities in our regional operations through each business unit (BU), from assigning managerial responsibility to auditing and corrective measures. These Procedures define the processes for managing Granite's environmental responsibilities and objectives. They provide a consistent framework that supports efficient and effective environmental management in a manner that is verifiable and supports continual improvement.

- **Assigned Roles and Responsibilities:** All employees are responsible for following the environmental procedures associated with their job duties. The designated environmental professional is responsible for implementing the Procedures. Top management is required to demonstrate leadership and commitment to the EMS by ensuring that the environmental policy and objectives are established; ensuring that the environmental policy and objectives are established; communicating the importance of the EMS; and promoting continual improvement and sustainability.

- **Managerial Responsibility:** Each BU is required to maintain a forum of key management personnel to periodically discuss and document: environmental requirements; opportunities for improvement; objectives of the BU; and roles and responsibilities to ensure they are appropriately assigned, communicated, and that adequate resources are in place. For construction projects, BUs assign roles and responsibilities as part of the preconstruction meeting process. As appropriate for the operation, but no less than once per year, BUs must review the assignment of roles and responsibilities to ensure that assignments have been made to appropriately qualified and trained staff.
- **Training and Awareness Programs:** Granite's Procedures require it to communicate the environmental policy to all employees through applicable methods, including new employee orientation, and training and awareness programs. As part of the on-boarding process, new employees are required to watch an environmental awareness training video that discusses potentially significant environmental aspects and the importance of conforming to the environmental requirements associated with their job duties. A training matrix identifies minimum training requirements based on roles and environmental responsibilities. Each BU must determine training needs for individuals that are assigned environmental responsibilities or associated with activities that could result in a significant environmental impact. This includes training required by contract, regulation, or permit, and in-house environmental awareness training specific to the employee's role and responsibilities. The Procedures also require that Granite ensure all persons doing work under its control (including subcontractors and suppliers) are aware of the environmental policy and site-specific environmental regulatory requirements.
- **Operational Planning and Control:** BUs are required to establish, implement, control, and maintain the processes needed to meet EMS requirements by documenting and maintaining operational controls and guidance documents, including environmental tailgate topics and other standard operating procedures for controlling operations that can have an environmental impact.
- **Planning for Environmental Aspects:** Granite's Procedures identify the following significant environmental aspects: storm water discharges; working in or near water bodies; fugitive dust emissions; land disturbance on sites with endangered species present; and storage of fuel, oil, or chemicals. Communication materials have been developed around these significant environmental aspects to raise awareness of their importance. The Procedures establish that significant environmental aspects must be considered when establishing environmental objectives. The Procedures require that all persons working for, or on behalf of Granite be made aware of significant environmental aspects.

- **Monitoring and Measurement:** Environmental staff are required to maintain resources to determine legal and regulatory requirements. Designated management and compliance software, including a specific system for ongoing operations such as fixed facilities and permitted equipment, are used to document compliance obligations. Compliance evaluations and inspections are conducted using designated software and forms.
- **Environmental Performance Records:** BUs are required to maintain all EMS documentation in a designated electronic library and retain records in accordance with regulatory and permit requirements as well as the period required by an internal document control retention schedule.
- **Internal Audits:** The EMS Committee conducts internal audits at planned intervals to provide information on whether the EMS conforms to its own requirements, the requirements of the ISO 14001:2015 Standard, and is effectively implemented and maintained. Internal auditors are required to evaluate findings from previous inspections, compliance evaluations, and internal audits to review and evaluate effectiveness of corrective actions. The internal auditor is required to prepare an audit report, which must provide a performance narrative of activities, findings statements, audit checklists, observations of nonconformity, and recommended corrective actions (as applicable).
- **Corrective Actions:** Following audits, the environmental staff or auditee is responsible for completion of all corrective actions within 30-90 days based on audit findings. The only exception to this timeline is for corrective actions that require capital expenditure approval or have a procurement lead time. BUs achieving an internal audit score of less than 75% must undergo a follow-up audit within six months of completion of the corrective actions.
- **Internal and External Communication:** Granite's Procedures require it to maintain processes for internal and external communications relevant to EMS. BUs are required to internally communicate information relevant to environmental requirements through meetings, training, tailgate meetings, memos, e-mails, and posted information on bulletin boards. BUs are required to utilize applicable management software to document incidents of any alleged violations of regularity or permit requirements, spills, or releases of chemicals based on regulatory reporting thresholds, and to communicate and report these incidents to corporate environmental services within 48 hours. All external communications must comply with Granite's Crisis Management Plan.

ENVIRONMENTAL SERVICES

In addition to managing our own environmental responsibilities, Granite also operates in end-markets aimed at helping others manage environmental impacts. Granite is committed to preserving and protecting our natural resources through conservation, remediation, and natural disaster/emergency response services.

- **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.
- **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.
- **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.
- **Emergency response services** include on-call services for county, state, and federal agencies. Granite provides immediate response for natural emergencies including mudslides, floods, earthquakes, wildfires, avalanches, and bridge and structural collapse. With in-house crews and a large fleet of construction equipment, we can mobilize nationwide for immediate support.