



**WHEREAS:** Granite Construction discloses to shareholders that: (i) Granite’s environmental goals include conserving natural resources and protecting water, air, land, and wildlife, (ii) the Company is focused on meeting or exceeding requirements of applicable environmental laws, and (iii) Granite recognizes the importance of engaging with impacted communities on environmental issues.<sup>1</sup>

Granite’s own materiality assessment defines these issues — air quality, environmental compliance, water use, ecological biodiversity, community engagement & consideration — as critical to the Company’s business and stakeholders.<sup>2</sup> More specifically, Granite has disclosed to shareholders that upholding the Company’s environmental commitments “provides a direct benefit to our clients” and “is just good business.”<sup>3</sup>

However, a review of Granite’s operations appears to indicate that the Company’s disclosed environmental commitments to shareholders are not upheld in practice.

A chief example is Granite’s actions related to its I-80 South Quarry project in Utah (“Project”). In contrast to conserving natural resources and protecting water, air, land, and wildlife, the Project would install a major industrial operation in a protected watershed area, expose nearby communities to toxic fugitive dust, excavate up to 634 acres of forest land, and displace the known presence of elk, moose, black bear, mountain lion, golden eagle, and other species.<sup>4</sup>

In contrast to the Company’s stated goal of meeting or exceeding requirements of applicable environmental laws, Granite’s partner has filed a lawsuit to weaken Salt Lake County’s mining ban, which currently prevents mining in the proposed site of the Project.<sup>5</sup>

Further, in contrast to engaging with impacted communities on environmental issues, Granite’s observable local engagements include: (a) a website accusing the local community of “alarmist ... outrageous claims,”<sup>6</sup> and (b) the Company’s first financial

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<sup>1</sup> [https://www.graniteconstruction.com/sites/default/files/inline-files/Keeping\\_Granite\\_Green-Environmental\\_Program\\_3.pdf](https://www.graniteconstruction.com/sites/default/files/inline-files/Keeping_Granite_Green-Environmental_Program_3.pdf)

<sup>2</sup> <https://investor.graniteconstruction.com/sites/granite-construction-v2/files/granite-2022-sustainability-report.pdf>, p.30

<sup>3</sup> [https://www.graniteconstruction.com/sites/default/files/inline-files/Keeping\\_Granite\\_Green-Environmental\\_Program\\_3.pdf](https://www.graniteconstruction.com/sites/default/files/inline-files/Keeping_Granite_Green-Environmental_Program_3.pdf)

<sup>4</sup> <https://www.utahopenlands.org/pledge-for-parleys>

<sup>5</sup> <https://www.sltrib.com/news/environment/2022/05/17/salt-lake-county-mining/>

<sup>6</sup> <https://parleyssq.com/what-you-should-know>



contributions to Utah state politicians since 2019, prior to the passage of a bill that added protections for gravel pit operators.<sup>7</sup>

To the extent that Granite’s actions related to the Project are representative of how the Company’s disclosed environmental commitments to shareholders are applied in practice, there are reasons to conclude that these commitments do not actually translate to the projects Granite selects and the ways those projects are executed. Given the Company’s own materiality assessment of these critical issues, shareholders appear to have cause to be concerned about Granite’s practices more broadly and the I-80 South Quarry project in particular.

**BE IT RESOLVED:** Shareholders request that the Board issue a report, at reasonable cost and excluding proprietary information, assessing the risks posed by the Project’s apparent misalignment with the Company’s disclosed environmental and community engagement commitments.

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<sup>7</sup> <https://disclosures.utah.gov/Search/PublicSearch/FolderDetails/1411814>