



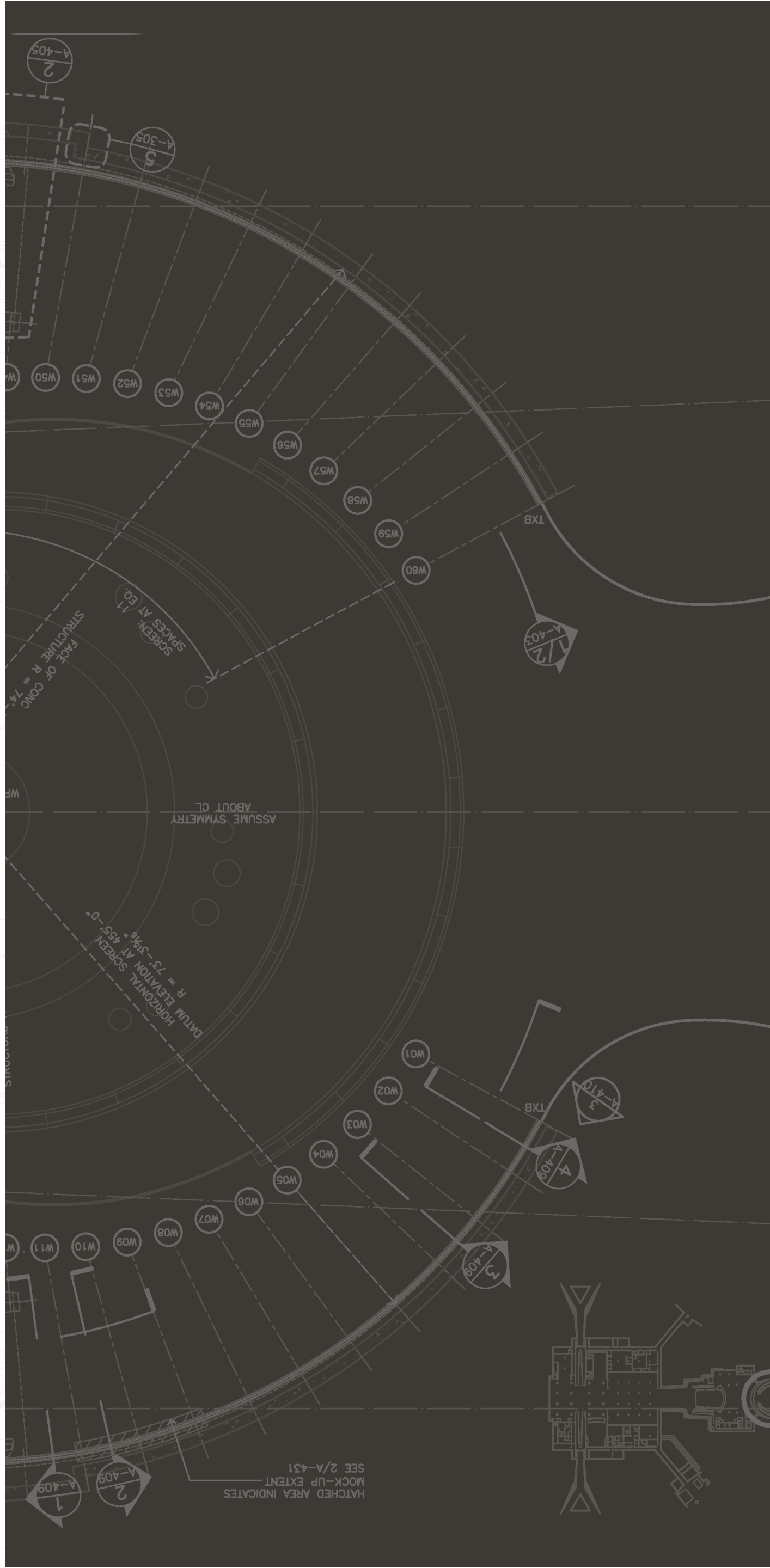
GREENHOUSE GAS EMISSIONS | 2025 REPORT

INTRODUCTION

At McCarthy Holdings, Inc (McCarthy) and subsidiaries, including McCarthy Building Companies, Inc., our goal is to be the best builder in America. That purpose is reflected not only in what we build, but in how we build it. Our sustainability work supports that goal by helping us operate responsibly, improve performance, and meet the changing expectations of clients, partners and communities. Our core values — Genuine, We, Not I, and All In — continue to guide that work.

As expectations around sustainability continue to grow, our clients and the communities where we live and work want reliable emissions data, greater transparency about supply chain impacts, and evidence that our project teams can meaningfully reduce environmental impact.

McCarthy starts by measuring emissions to meet these expectations. This helps us understand how energy and resources are used, make better decisions and give clients a clearer view of each project’s impact.



SUSTAINABILITY PRIORITIES:

IMPACT, PEOPLE, & ENERGY

McCarthy's sustainability strategy is built around three priorities. This approach turns company goals into practical actions across offices, jobsites and with clients.

Impact: Understanding how our work affects the environment and finding ways to do better. This includes measuring greenhouse gases more accurately, tracking waste and materials more closely, and using better supply chain data.

People: Supporting our employee-owners, project teams and the communities we serve. We aim to make sustainability part of everyday work by encouraging teamwork, practical solutions and respect for everyone involved.

Energy: Understanding consumption and improving efficiency through better fuel and electricity visibility, stronger operating choices and practical decarbonization opportunities that support cost, schedule and performance.

2025 GHG INVENTORY SUMMARY

McCarthy's greenhouse gas inventory provides a company-wide view of emissions from Scopes 1, 2 and key Scope 3 categories, in accordance with the GHG Protocol. The inventory includes fuel used in our fleet and operations, purchased electricity and major supply chain activities.

The program continues to expand. McCarthy collected and analyzed 836,000 unique data points for limited assurance, demonstrating a more advanced, activity-based approach to measuring and reporting emissions.



AI-ENABLED GHG DATA COLLECTION AND REPORTING APPROACH

OVER 10,000 HOURS OF SITE-BASED DATA COLLECTION AVOIDED ANNUALLY

A key part of McCarthy's sustainability efforts is using an AI-enabled approach to collect greenhouse gas data. Instead of relying on large volumes of manual project reports, our AI platform reviews company-wide invoices and transactions to track details such as kilowatt-hours of energy and gallons of fuel.

We created this approach to meet reporting requirements and reduce the administrative burden on our project teams. We estimate that by using this technology responsibly, we can avoid more than 10,450 hours annually of manual data collection at the project level. This means that our project teams can focus on safety, quality and efficiency at their sites rather than data collection.



CLIENT VALUE & OPERATIONAL INSIGHTS

For clients, the value of McCarthy's emissions work is clear: better data, less friction and more useful insight into energy use and supply chain impacts.

Project teams also see practical benefits. By using data already collected in regular work, teams reduce the need for manual data collection, helping sustainability fit more naturally into operations.

For the business, these capabilities support stronger trust, clearer differentiation and better alignment with clients whose sustainability commitments continue to evolve.



TEASER SUMMARY

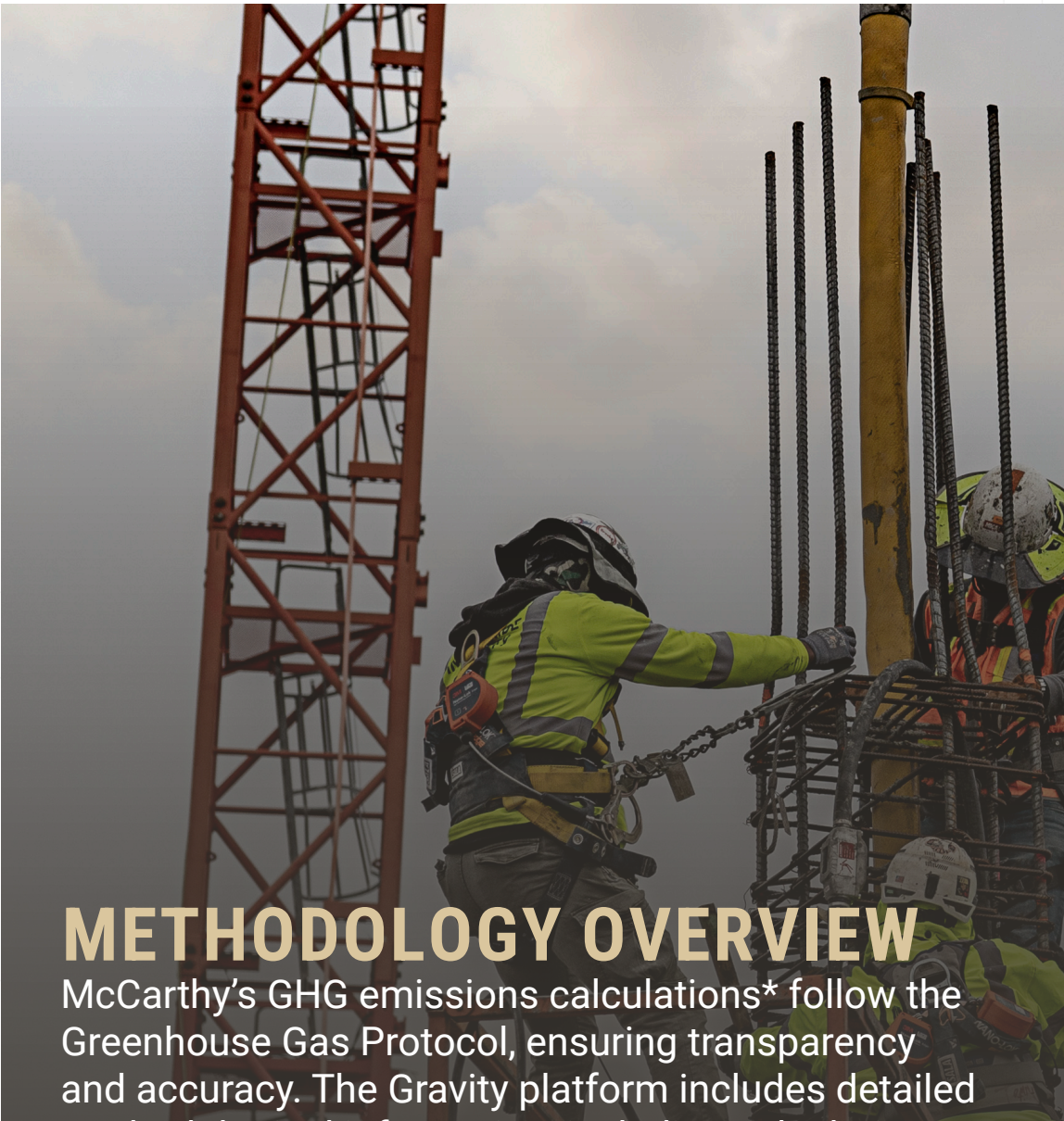
MAKING SUSTAINABILITY WORK ACROSS CONSTRUCTION TEAMS

Sustainability is most effective when it matches how construction teams already work. In [Making Sustainability Work Across Construction Teams and Clients](#), McCarthy explains how tracking emissions, designing practical processes and using AI-enabled automation can make reporting easier, give clients better insight and make sustainability easier to adopt across project teams.

WHAT'S NEXT

Looking ahead, McCarthy's direction is to unify measurements without making operations harder, make governance simpler to add value to the organization, and highlight successes to deliver more value to clients.

Priority focus areas include choosing the right equipment and logistics, improving procurement discussions, integrating software, making the supply chain sustainable and offering practical solution packages that make it easier to use lower-consumption options on projects. Using the data in this report helps us identify efficiency opportunities that can bolster operational excellence, focusing on emissions-reduction actions that are easy to adopt and align with our core values.



METHODOLOGY OVERVIEW

McCarthy’s GHG emissions calculations* follow the Greenhouse Gas Protocol, ensuring transparency and accuracy. The Gravity platform includes detailed methodological information, including calculation-level emission factor transparency, primary data attachments, and exports of all calculations. This document provides additional details on the emissions sources and data included in the 2025 carbon footprint, methodological notes for cases where physical activity data were unavailable, and the estimates used.

**Developed by Gravity*

METHODOLOGY:

- **GHG PROTOCOL COMPLIANCE:** All calculations comply with the GHG Protocol methodology.
- **EMISSIONS FACTOR SELECTION:** Emission factors are sourced from trusted governmental and academic sources, such as the US Environmental Protection Agency (EPA) and the International Energy Agency (IEA).
- **OPERATIONAL CONTROL APPROACH:** The operational control approach is applied for organizational boundaries, ensuring accurate emissions reporting.

	2023	2024	2025
SCOPE 1	52,620	50,851	49,486
STATIONARY COMBUSTION	30,043	24,193	20,414
MOBILE COMBUSTION	22,577	26,658	29,072
SCOPE 2	7,139	7,824	5,311
ELECTRICITY	7,139	7,824	5,311
SCOPE 3	215,958	268,500	272,281
PURCHASED GOODS & SERVICES	161,235	177,088	165,475
CAPITAL GOODS	1,123	1,767	10,401
FUEL & ENERGY-RELATED ACTIVITIES	8,397	7,586	13,794
UPSTREAM TRANSPORTATION & DISTRIBUTION	25,481	32,033	12,538
WASTE GENERATED IN OPERATIONS	9,872	39,049	60,722
BUSINESS TRAVEL	2,043	2,429	3,557
EMPLOYEE COMMUTING	3,948	4,178	3,897
UPSTREAM LEASED ASSETS	3,859	4,373	1,897

All emissions values are reported in metric tons of carbon dioxide equivalent (tCO₂e) unless otherwise noted.
2023 emissions data has been updated to reflect a revised methodology and improved data inputs. As a result, previously reported emissions may differ from current disclosures, and year-over-year comparisons should be based on the restated figures presented here.

SCOPE 1

STATIONARY COMBUSTION

Business Activity Description & Assumptions, Part I

155 construction projects were identified as active and reporting Scope 1 data in 2025, with a mix of fuels combusted on-site (diesel, gasoline, propane, acetylene). Some combustion has taken place in equipment rented by McCarthy (as inferred from the supplier of the invoices, e.g., United Rentals, Sunbelt Rentals). Even though this equipment is not owned by McCarthy, because McCarthy personnel are responsible for operating decisions about equipment usage, it is assumed that McCarthy has operational control. Emissions associated with combustion in rental equipment are therefore classified as McCarthy’s Scope 1.

These 155 projects are referred to in the Gravity platform as Sites. They were created based on their association with the invoices uploaded to Gravity as outlined above.

2025 Data Used

Primary data on consumption from McCarthy invoices.

For monthly fuel purchase summary receipts, the Gravity platform used the invoice date for consistency. When no fuel type was specified, Gravity referenced the vehicle type to identify the appropriate emission factor.

Business Activity Description & Assumptions, Part II

16 corporate offices and yards were found to be under control. To determine operational control, McCarthy personnel contacted office-level personnel to discuss decision-making control around HVAC equipment, utility providers, temperature conditions, etc.

17 corporate offices and yards were found to not be under operational control by McCarthy. Emissions associated with energy consumption in these buildings have been classified as Scope 3, Category 8.

2025 Data Used

Where available, energy consumption data from primary sources (utility bills, API utility integrations) was used.

For offices for which primary data on natural gas consumption were not available, consumption was estimated based on building type and square footage, using energy-intensity data from the Energy Information Administration’s 2018 Commercial Buildings Energy Consumption Survey (Reference [Electricity](#) and [Natural Gas](#)). Estimates were prorated for lease starts and move-outs during 2025.

PROPOSED EMISSION FACTOR SOURCE PART I & II | US EPA

MOBILE COMBUSTION

Business Activity Description & Assumptions

McCarthy’s fleet of mobile combustion equipment, classified by business region. Fuels combusted include diesel, gasoline, and small quantities of ethanol.

2025 Data Used

Primary data on fuel consumption at the transaction level in McCarthy fuel records spreadsheets has been utilized. Fuels assumed to be combusted in light-duty trucks. The emission factors for the trace gas emissions (CH₄ and N₂O) are provided by the original EPA source in terms of mass/mileage. To enable calculation using the common unit of fuel volume in the company source data, these factors were converted to mass/ fuel volume using the average fuel efficiency of light-duty trucks over the past 20 years ([DOE AFDC](#)). Refer to Gravity’s Methodology Supplement for more details. The trace gas component comprises a small portion of the overall fuel calculation, and the differences among various vehicle type and year combinations do not materially impact the calculation.

Proposed Emission Factor Source | US EPA

FUGITIVE

Business Activity Description & Assumptions

Any fugitive emissions from McCarthy-owned or controlled equipment were not found to be material during the reporting cycle.

PROCESS

Business Activity Description & Assumptions

No process emissions identified as relevant by McCarthy during the reporting cycle.

BIOGENIC

Business Activity Description & Assumptions

In 2025, McCarthy engaged in biomass burning via land clearing at one site (004031.000 Eagle Springs Solar). The resulting Scope 1 emissions and outside-of-scope biogenic emissions are documented at that site.

2025 Data Used

McCarthy provided acreage burned, which was combined with assumptions on land-use classification, biomass quantities, and an estimated portion of biomass combusted. For the complete calculations, see the relevant activity data rows in the platform table.

Proposed Emission Factor Source | IPCC

SCOPE 2

AQUIRED ENERGY — LOCATION-BASED

Business Activity Description & Assumptions, Part 1

73 sites reported electricity usage in 2025.

2025 Data Used

Primary data on electricity consumption from McCarthy invoices.

Business Activity Description & Assumptions, Part II

16 corporate offices and yards – under control. To determine operational control, McCarthy personnel contacted office-level personnel to discuss decision-making control around HVAC equipment, utility providers, temperature conditions, etc.

17 corporate offices and yards were found to not be under operational control by McCarthy. Emissions associated with energy consumption in these buildings have been classified as Scope 3, Category 8.

2025 Data Used

Where available, energy consumption from primary data (utility bills, API utility integrations) was used.

For offices for which primary data on electricity consumption were unavailable, consumption was estimated based on building type and square footage, using energy-intensity data from the Energy Information Administration’s 2018 Commercial Buildings Energy Consumption Survey. Estimates were prorated for lease starts and move-outs during 2025.

Proposed Emission Factor Source | US EPA eGRID 2024

SCOPE 3

CATEGORY 1

PURCHASED GOODS & SERVICES

Business Activity Description & Assumptions

All upstream (cradle-to-gate) emissions from purchased goods and services.

2025 Data Used

Annual total company spend provided, categorized by expenditure type, and matched to spend-based factors from the Cornerstone Sustainability Data Initiative using US EPA EEIO models.

Additional Methodological Notes

Transactions that are not considered goods or services purchased by the reporting company have been excluded, e.g., salary and tax payments. Additionally, any transactions already covered in other Scopes and categories have been excluded to avoid double counting, including waste services, lease or utility spend, and business travel.

For all spend-based factors, inflation adjustments are applied and documented on the platform when necessary to align the spend year and base year.

CATEGORY 2

CAPITAL GOODS

Business Activity Description & Assumptions

All upstream (cradle-to-gate) emissions of purchased capital goods.

2025 Data Used

The company supplied data on dollars spent by asset type, apportioned to the year 2025 and matched to spend-based factors from the Cornerstone Sustainability Data Initiative using US EPA EEIO models.

CATEGORY 3

FUEL & ENERGY RELATED ACTIVITIES

Business Activity Description & Assumptions

Emissions associated with upstream electricity production, transmission and distribution losses, and upstream emissions that are associated with fuel consumption.

2025 Data Used

Primary data for Scopes 1 & 2 were assigned complementary upstream factors from DEFRA, IEA, and EPA.

Transmission and distribution loss emissions for purchased electricity were calculated using eGRID data to account for both the generation of electricity lost in transit and the upstream supply chain associated with that generation.

CATEGORY 4

UPSTREAM TRANSPORTATION & DISTRIBUTION

Business Activity Description & Assumptions

Emissions (cradle-to-gate) associated with postal and delivery services.

2025 Data Used

The company-supplied dollars spent on third-party logistics services, apportioned to the year 2025.

CATEGORY 5

WASTE GENERATED IN OPERATIONS

Business Activity Description & Assumptions

The Scope 1 and Scope 2 emissions of waste management suppliers that occur during disposal or treatment of relevant company waste, sewage and water usage.

2025 Data Used

Data incorporated included physical activity data, spend-based data, and estimates based on intensity factors calculated from actual waste and recycling consumption data for each business unit.

Additional Methodological Notes

To provide a comprehensive inventory of waste activity across the portfolio, a waste estimate was applied to any active site without available consumption data. This estimate was based on the average reported waste activity for each business unit.

CATEGORY 6

BUSINESS TRAVEL

Business Activity Description & Assumptions

Airfare and rail travel booked for company employees for business-related activities.

2025 Data Used

Data obtained from travel agent reports. Emissions from hotel stays were calculated based on the number of hotel days.

Emissions from air travel were calculated using distance-based factors applied to multi-destination itinerary data, with emission factors varying by flight distance category.

All other travel emissions were measured based on spend data.

CATEGORY 7

EMPLOYEE COMMUTE & REMOTE WORK

Business Activity Description & Assumptions

Emissions include those from employees commuting between their residences and the company sites.

2025 Data Used

The inventory measurement for this category applied national commuting averages to a company count of employees who operate personal vehicles to travel to McCarthy sites.

CATEGORY 8

UPSTREAM LEASED ASSETS

Business Activity Description & Assumptions

Scope 1 and Scope 2 emissions occurring at leased facilities not already included in the company’s operational boundary.

2025 Data Used

For leased office locations, emissions were estimated based on building square footage and energy intensities from the Commercial Buildings Energy Consumption Survey (CBECS).

CATEGORY C8

UPSTREAM LEASED ASSETS

Business Activity Description & Assumptions

Emissions associated with 17 corporate offices and yards that were found to not be under operational control by McCarthy.

Emissions associated with leased rental equipment were conservatively classified under Scope 1. Even though this equipment is not owned by McCarthy, because McCarthy personnel are responsible for operating decisions about equipment usage, it is assumed that McCarthy has operational control.

2025 Data Used

Where available, primary data (utility bills, API utility integrations, rental equipment, fuel invoices) for energy consumption and fuel combustion were utilized.

For offices for which primary data on electricity and natural gas consumption were unavailable, consumption was estimated based on building type and square footage using energy-intensity data from the Energy Information Administration’s 2018 Commercial Buildings Energy Consumption Survey. Estimates were prorated for lease starts and move-outs during 2025.

Proposed Emission Factor Source | US EPA