Vulcan Materials Company

4Q 2020 SUPPLEMENTAL INFORMATION FOR EARNINGS CONFERENCE CALL

February 16, 2021

Disclaimer

Safe Harbor

This document contains forward-looking statements. Statements that are not historical fact, including statements about Vulcan's beliefs and expectations, are forward-looking statements. Generally, these statements relate to future financial performance, results of operations, business plans or strategies, projected or anticipated revenues, expenses, earnings (including EBITDA and other measures), dividend policy, shipment volumes, pricing, levels of capital expenditures, intended cost reductions and cost savings, anticipated profit improvements and/or planned divestitures and asset sales. These forward-looking statements are sometimes identified by the use of terms and phrases such as "believe," "should," "would," "expect," "project," "estimate," "anticipate," "intend," "plan," "will," "can," "may" or similar expressions elsewhere in this document. These statements are subject to numerous risks, uncertainties, and assumptions, including but not limited to general business conditions, competitive factors, pricing, energy costs, and other risks and uncertainties discussed in the reports Vulcan periodically files with the SEC.

Forward-looking statements are not guarantees of future performance and actual results, developments, and business decisions may vary significantly from those expressed in or implied by the forward-looking statements. The following risks related to Vulcan's business, among others, could cause actual results to differ materially from those described in the forward-looking statements: general economic and business conditions; a pandemic, epidemic or other public health emergency, such as the recent outbreak of COVID-19; Vulcan’s dependence on the construction industry, which is subject to economic cycles; the timing and amount of federal, state and local funding for infrastructure; changes in the level of spending for private residential and private nonresidential construction; changes in Vulcan’s effective tax rate; the increasing reliance on information technology infrastructure, including the risks that the infrastructure does not work as intended, experiences technical difficulties or is subjected to cyber-attacks; the impact of the state of the global economy on Vulcan’s businesses and financial condition and access to capital markets; the highly competitive nature of the construction industry; the impact of future regulatory or legislative actions, including those relating to climate change, wetlands, greenhouse gas emissions, the definition of minerals, tax policy or international trade; the outcome of pending legal proceedings; pricing of Vulcan's products; weather and other natural phenomena, including the impact of climate change and availability of water; energy costs; costs of hydrocarbon-based raw materials; healthcare costs; the amount of long-term debt and interest expense incurred by Vulcan; changes in interest rates; the impact of a discontinuation of the London Interbank Offered Rate (LIBOR); volatility in pension plan asset values and liabilities, which may require cash contributions to the pension plans; the impact of environmental cleanup costs and other liabilities relating to existing and/or divested businesses; Vulcan's ability to secure and permit aggregates reserves in strategically located areas; Vulcan's ability to manage and successfully integrate acquisitions; the effect of changes in tax laws, guidance and interpretations; significant downturn in the construction industry may result in the impairment of goodwill or long-lived assets; changes in technologies, which could disrupt the way Vulcan does business and how Vulcan’s products are distributed; and other assumptions, risks and uncertainties detailed from time to time in the reports filed by Vulcan with the SEC. All forward-looking statements in this communication are qualified in their entirety by this cautionary statement. Vulcan disclaims and does not undertake any obligation to update or revise any forward-looking statement in this document except as required by law.

Non-GAAP Financial Terms

This presentation contains certain non-GAAP financial terms which are defined in the Appendix. Reconciliations of non-GAAP terms to the closest GAAP terms are also provided in the Appendix.

2020 Total Company Highlights

Continued earnings growth and margin expansion despite lower revenues

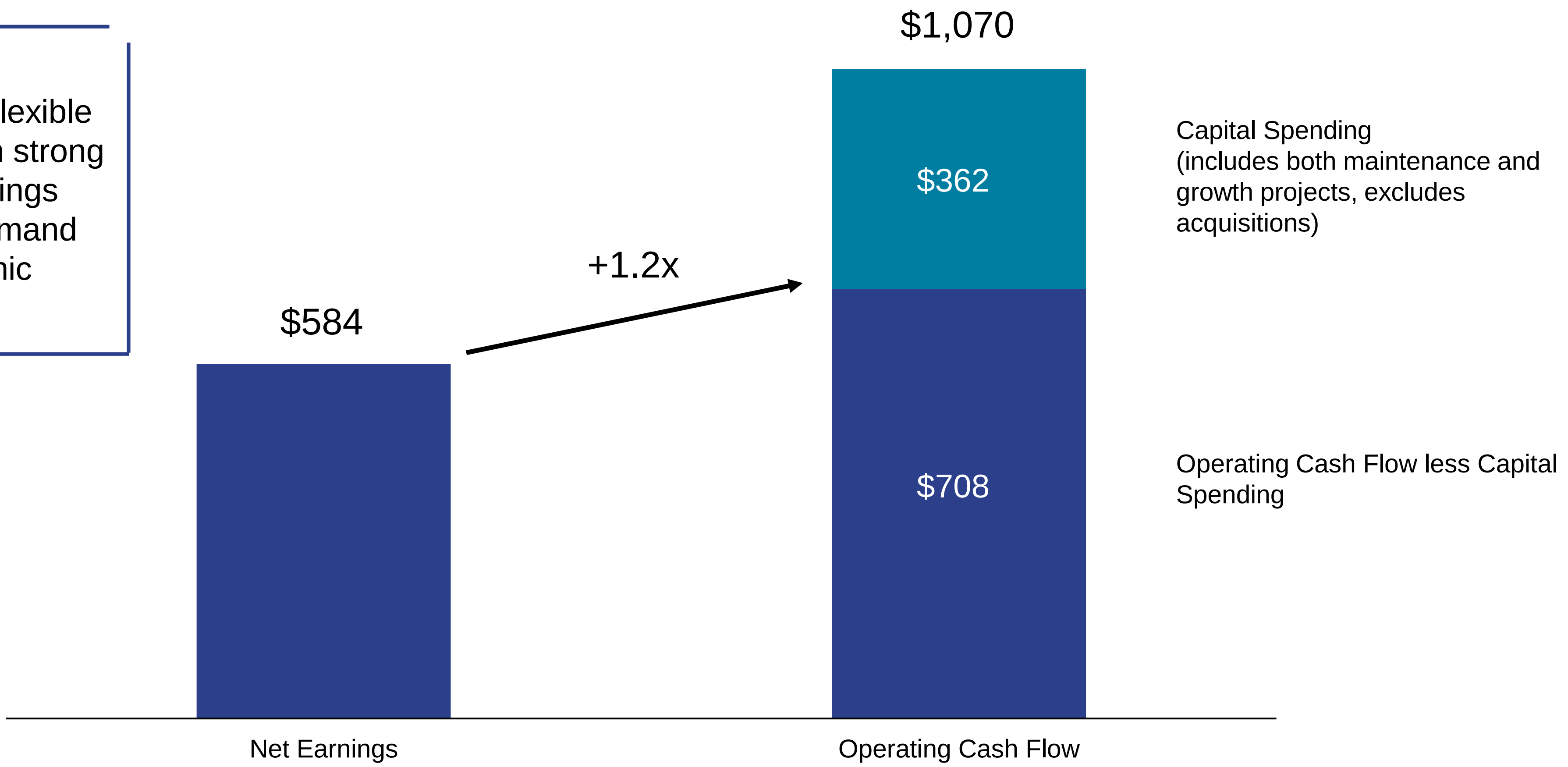
4Q 2020	Chg. vs. 4Q 2019		2020	Chg. vs. 2019
$1,175	-1%	Total Revenues	$4,857	-1%
25.8%	+110 bps	Gross Profit Margin	26.4%	+90 bps
$311	+4%	Adjusted EBITDA*	$1,324	+4%
26.5%	+130 bps	Adjusted EBITDA Margin*	27.3%	+150 bps

Amounts in millions. * Non-GAAP measure. See Appendix for reconciliation.

2020 Total Company Highlights

Strong cash flow generation and earnings conversion

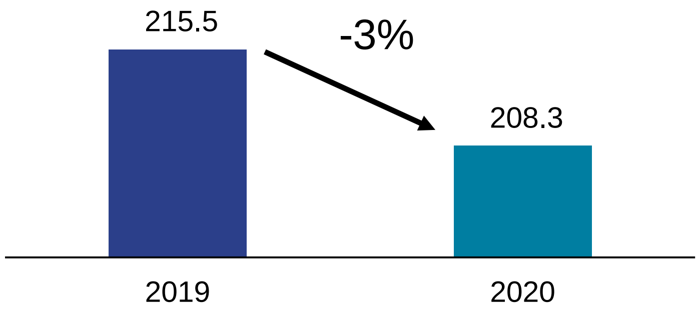
Effective cost control and flexible production plans resulted in strong cash conversion of earnings despite a disruption in demand caused by the pandemic



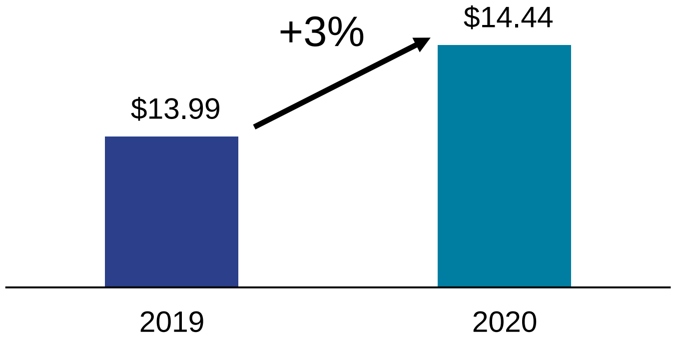
2020 Key Performance Indicators – Aggregates

Cost control and price growth led to increased unit profitability throughout the year

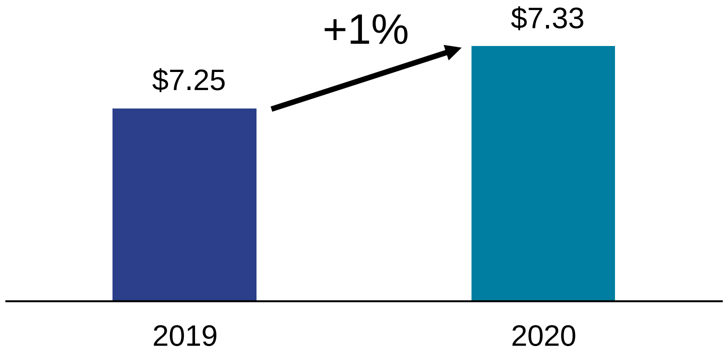
Volume
(in millions)



Freight-Adjusted Price



Cash Cost of Sales



Cash Gross Profit per Ton*
$7.11, +5.5%

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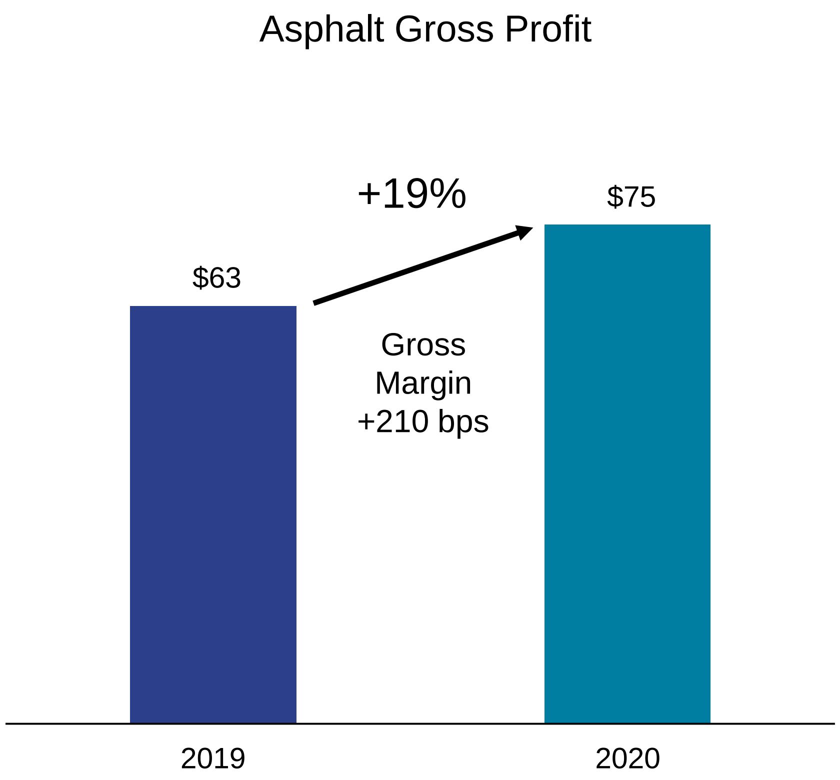
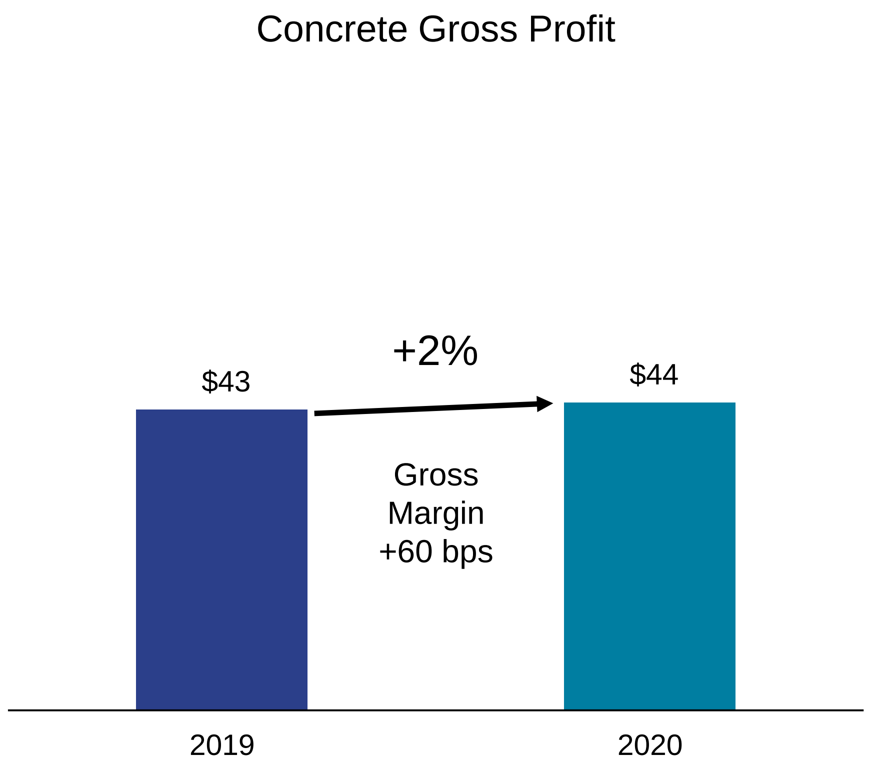
* Non-GAAP measure. See Appendix for reconciliation.

2020 Asphalt and Concrete Earnings

Earnings improvement and margin expansion despite lower revenues





Amounts in millions.

Capital Allocation and Financial Position

Leveraging our capital base to drive shareholder value

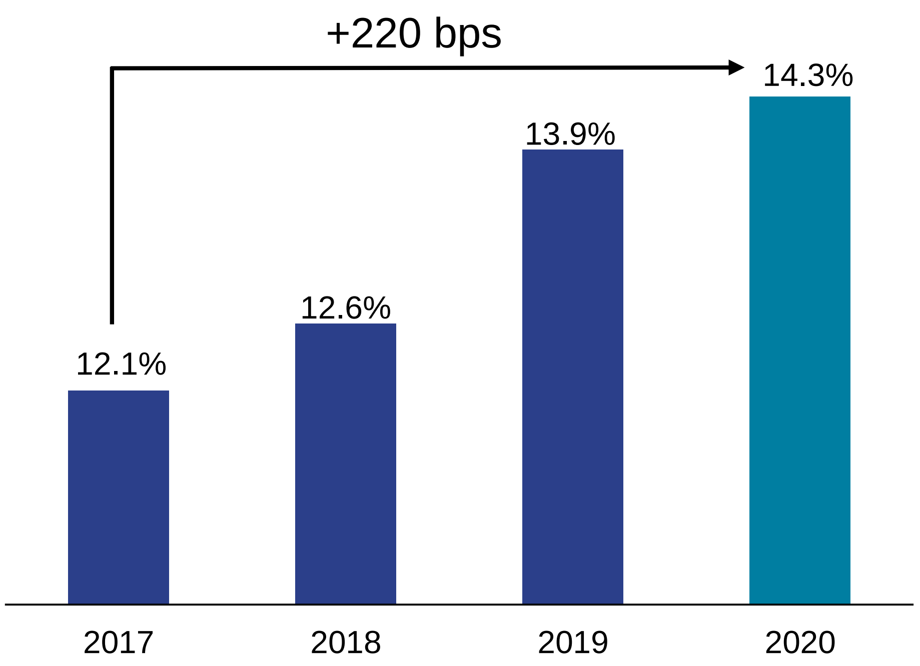
2.5x Total Debt to TTM Adjusted EBITDA*

1.6x Net Debt to TTM Adjusted EBITDA*

13 Years
Weighted-Average Maturity of Debt

4.1 Percent
Weighted-Average Interest Rate

Return on Invested Capital*



* Non-GAAP measure. See Appendix for reconciliation.

End Market Outlook

Residential construction and other leading indicators support further recovery in 2021

Private

Residential

- Continued growth, particularly single-family, following surge in 2H 2020
- Vulcan-served markets outpacing other markets
- Fundamentals remain attractive

Nonresidential Buildings

- Some aggregates-intensive categories (distribution centers, warehouses and data centers) remain positive
- Pandemic related weakness elsewhere could give way to improvement later in 2021

Public

Highways

- Recent improvement in contract awards, Vulcan-served markets outpacing other markets
- State transportation budgets healthier than most expected 6 months ago

Buildings and Non Highway Infrastructure

- Impacted by pandemic related revenue shortfalls
- Strong housing growth could support future growth in infrastructure related investment

2021 Outlook

Well positioned for earnings growth

Aggregates

- Continued strength in residential and recent improvement in highway contract awards signal recovering demand during 2021. Shipments down 2% to up 2% versus 2020.
- Pricing environment remains positive with widespread growth. Freight-adjusted price improvement of 2% to 4% versus 2020.

Non-Aggregates

- Gross profit up mid- to high-single digits versus 2020

- SAG expenses of $365 to $375 million
- Interest expense of approximately $130 million
- DDAA expense of approximately $400 million

Adjusted EBITDA*

$1,340 - $1,440 million

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* Non-GAAP measure. See Appendix for reconciliation.

2020 Safety and Environmental Performance

Committed to doing the right thing for our people, our business and our environment

MSHA/OSHA Reportable Injury Rate

0.87

Fourth consecutive year below 1.0

MSHA Citation Rate

0.58

Record low rate

Change in Scope 1 and 2 GHG Emissions

(3%)

Fifth consecutive year of improvement

MSHA = Mine Safety and Health Administration. OSHA = Occupational Safety and Health Administration.
Injuries per 200,000 hours. GHG emission reduction calculated on a per ton basis.

Position of Strength

Four strategic disciplines support our ability to grow unit margins

- Unique industry position – Aggregates focus with no cement
- Broad operational footprint provides diversification and long-term growth
- Experienced management team
- Healthy balance sheet and strong liquidity

OPERATIONAL EXCELLENCE

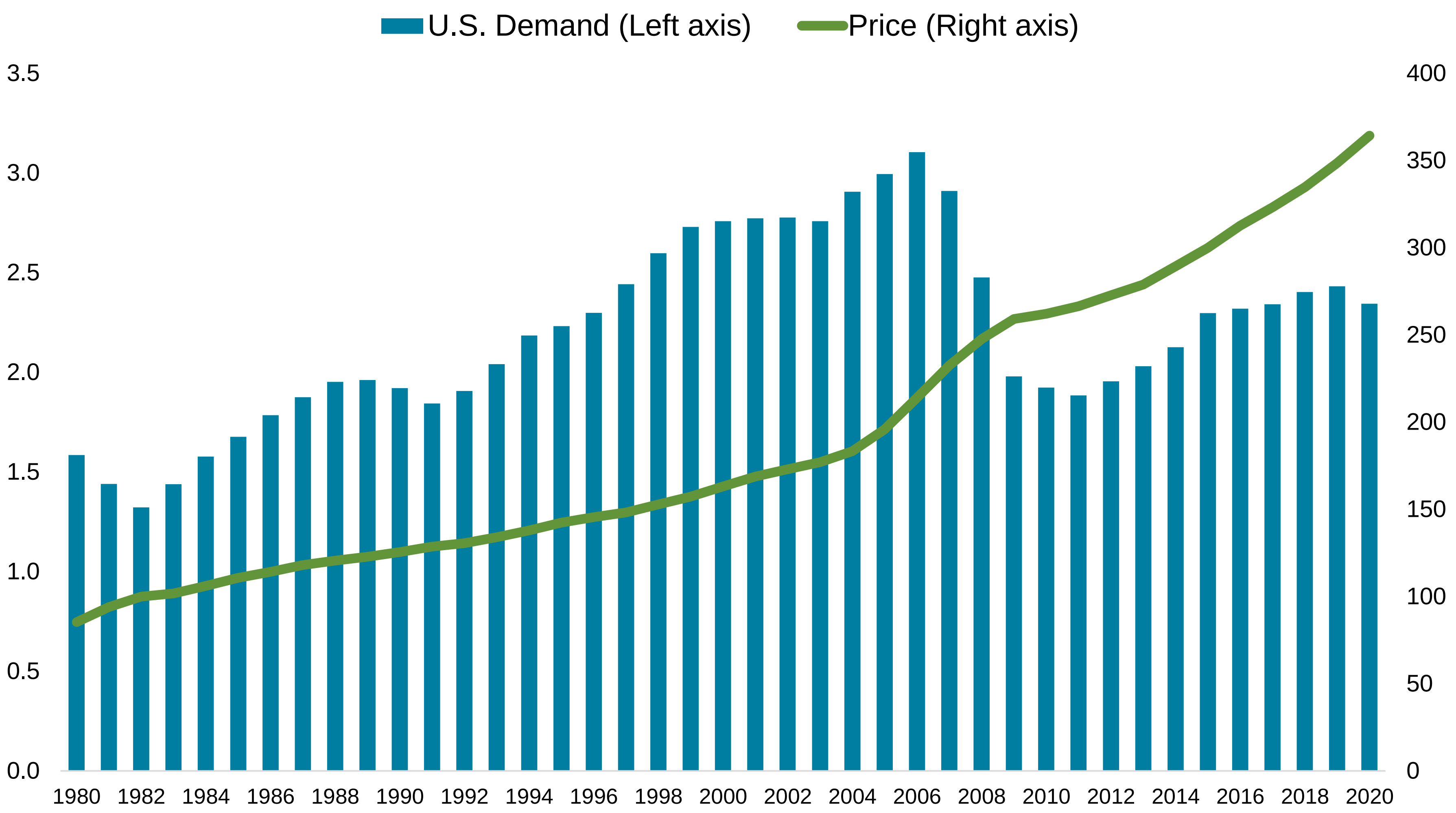
STRATEGIC SOURCING

COMMERCIAL EXCELLENCE

LOGISTICS INNOVATIONS

Attractive Fundamentals in Aggregates Lead To Compounding Results

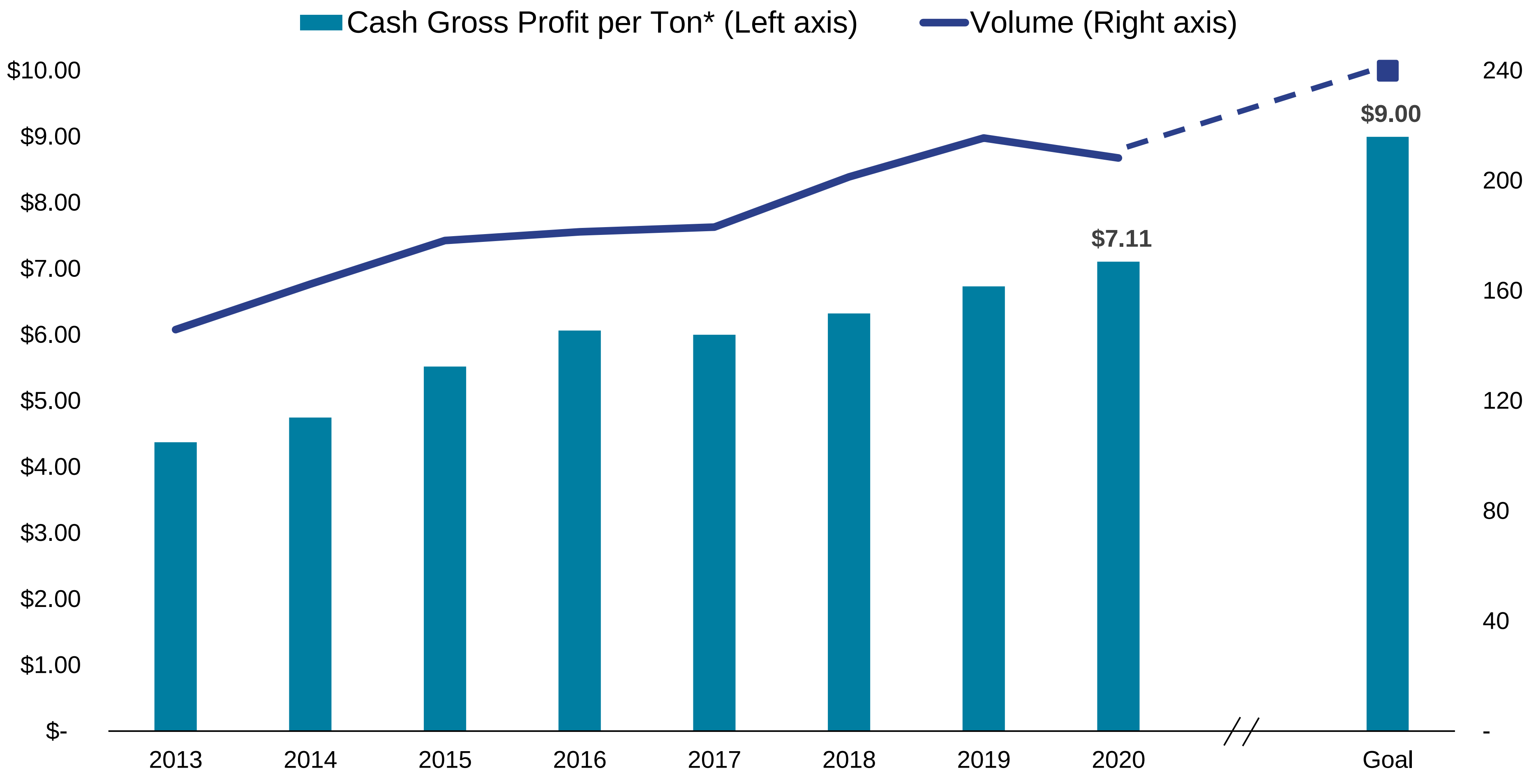
Price growth through all parts of a cycle



Source: BLS and Company estimates. Demand in billions of tons. Price is indexed (1982 = 100)

Attractive Fundamentals in Aggregates Lead To Compounding Results

Continued progress toward unit margin goal



Unit profitability goal of $9 Cash Gross Profit per Ton when volumes reach 230 to 240 million tons.

* Non-GAAP measure. See Appendix for reconciliation.

Reconciliation of Non-GAAP Measures

EBITDA

EBITDA is an acronym for "Earnings Before Interest, Taxes, Depreciation and Amortization" and excludes discontinued operations. GAAP does not define EBITDA and it should not be considered as an alternative to earnings measures defined by GAAP. We adjust EBITDA for certain items to provide a more consistent comparison of earnings performance from period to period. We use this metric to assess the operating performance of our business and as a basis for strategic planning and forecasting as we believe it closely correlates to long-term shareholder value.

EBITDA *(dollars in millions)*	Q4 2020	Q4 2019	YTD Q4 2020	YTD Q4 2019	Projection 2021
Net earnings	$ 114.5	$ 141.1	$ 584.5	$ 617.7	$ 680.0
Income tax expense	25.3	23.4	155.8	135.2	180.0
Interest expense, net	33.9	30.8	134.4	129.0	130.0
Loss on discontinued operations, net of tax	1.4	1.5	3.5	4.8	-
EBIT	$ 175.1	$ 196.9	$ 878.2	$ 886.7	$ 990.0
Depreciation, depletion, accretion and amortization	100.9	95.7	396.8	374.6	400.0
EBITDA	$ 276.0	$ 292.5	$ 1,275.0	$ 1,261.3	$ 1,390.0
Gain on sale of businesses	-	(9.3)	-	(13.4)	
Property donation	-	10.8	-	10.8	
Charges associated with divested operations	0.3	3.0	6.9	3.0	
Business development	9.4	1.3	7.3	1.7	
COVID-19 direct incremental costs	2.8	-	10.2	-	
Pension settlement charge	22.7	-	22.7	-	
Restructuring charges	-	-	1.3	6.5	
Adjusted EBITDA	$ 311.2	$ 298.5	$ 1,323.5	$ 1,270.0	
Total revenues	$ 1,175.1	$ 1,186.2	$ 4,856.8	$ 4,929.1	
Adjusted EBITDA Margin	26.5%	25.2%	27.3%	25.8%	

Aggregates Segment Cash Gross Profit

Aggregates segment cash gross profit adds back noncash charges for depreciation, depletion, accretion and amortization (DDA&A) to Aggregates segment gross profit. Aggregates segment cash gross profit per ton is computed by dividing Aggregates segment cash gross profit by tons shipped. We present this metric as we believe it closely correlates to long-term shareholder value and we and the investment community use this metric to assess the operating performance of our business.

Cash Gross Profit *(in millions, except per ton data)*	YTD Q4 2020	YTD Q4 2019	YTD Q4 2013
Gross profit	$ 1,159.2	$ 1,146.6	$ 413.3
DDA&A	321.1	305.0	224.8
Aggregates segment cash gross profit	$ 1,480.3	$ 1,451.7	$ 638.1
Units shipments - tons	208.3	215.5	145.9
Aggregates segment gross profit per ton	$ 5.57	$ 5.32	$ 2.83
Aggregates segment cash gross profit per ton	$ 7.11	$ 6.74	$ 4.37

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Reconciliation of Non-GAAP Measures

Return on Invested Capital

We define "Return on Invested Capital" (ROIC) as Adjusted EBITDA for the trailing-twelve months divided by average invested capital (as illustrated below) during the trailing 5-quarters. Our calculation of ROIC is considered a non-GAAP financial measure because we calculate ROIC using the non-GAAP metric EBITDA. We believe that our ROIC metric is meaningful because it helps investors assess how effectively we are deploying our assets. Although ROIC is a standard financial metric, numerous methods exist for calculating a company's ROIC. As a reuslt, the method we use to calculate our ROIC may differ from the methods used by other companies.

Return on Invested Capital *(dollars in millions)*	**Q4 2020**	**Q4 2019**	**Q4 2018**	**Q4 2017**
Trailing-twelve months Adjusted EBITDA	$ 1,323.5	$ 1,270.0	$ 1,131.7	$ 981.9
Average trailing 5-quarters:				
Property, plant & equipment	$ 4,374.0	$ 4,281.3	$ 4,095.4	$ 3,541.7
Goodwill	3,170.1	3,165.7	3,150.3	3,104.2
Other intangible assets	1,104.0	1,084.1	1,095.2	866.4
Fixed and intangible assets	$ 8,648.1	$ 8,531.1	$ 8,341.0	$ 7,512.4
Current assets	$ 1,845.7	$ 1,224.3	$ 1,125.9	$ 1,481.4
Less: Cash and cash equivalents	698.9	93.5	68.3	506.5
Less: Current tax	18.5	12.6	-	-
Adjusted current assets	1,128.3	1,118.2	1,057.6	974.8
Current liabilities	833.6	599.3	626.2	503.1
Less: Current maturities of long-term debt	305.0	0.0	8.3	114.5
Less: Short-term debt	-	89.7	178.6	-
Adjusted current liabilities	528.6	509.6	439.3	388.6
Adjusted net working capital	$ 599.7	$ 608.6	$ 618.3	$ 586.2
Average invested capital	$ 9,247.8	$ 9,139.7	$ 8,959.2	$ 8,098.6
Return on invested capital	14.3%	13.9%	12.6%	12.1%

Net Debt to Adjusted EBITDA

Net Debt to Adjusted EBITDA is not a GAAP measure and should not be considered as an alternative to metrics defined by GAAP. We, the investment community and credit rating agencies use this metric to assess our leverage. Net debt subtracts cash and cash equivalents and restricted cash from total debt.

Net Debt to Adjusted EBITDA *(in millions)*	**YTD Q4 2020**	**YTD Q4 2019**
Current maturities of long-term debt	$ 515.4	$ 0.0
Long-term debt	2,772.2	2,784.3
Total debt	$ 3,287.7	$ 2,784.3
Less: Cash, cash equivalents, restricted cash	1,198.0	274.5
Net debt	$ 2,089.7	$ 2,509.8
Adjusted EBITDA	$ 1,323.5	$ 1,270.0
Total debt to Adjusted EBITDA	2.5x	2.2x
Net debt to Adjusted EBITDA	1.6x	2.0x