Environmental, Social and Governance Update

May 2019

Aggregates
Essential Material | Valuable Asset
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: those associated with general economic and business conditions; the timing and amount of federal, state and local funding for infrastructure; changes in Vulcan's effective tax rate; the increasing reliance on information technology infrastructure for Vulcan's ticketing, procurement, financial systems and other processes could adversely affect operations in the event that the infrastructure does not work as intended or 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; changes in the level of spending for private residential and private nonresidential construction; the highly competitive nature of the construction materials 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; 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; volatility in pension plan asset values and liabilities, which may require cash contributions to the pension plans; the impact of environmental clean-up costs and other liabilities relating to existing and/or divested businesses; Vulcan's ability to secure and permit aggregates reserves in strategically located areas; the effect of changes in tax laws, guidance and interpretations, including those related to the Tax Cuts and Jobs Act that was enacted on December 22, 2017; Vulcan's ability to manage and successfully integrate acquisitions; 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 we do business and how our 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.
## EXECUTIVE SUMMARY

### Our Mission

- Provide quality products and service; foster the safety, skills and development of our people; protect the environment; create superior, sustainable value for our shareholders

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<th>Section</th>
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<td><strong>Vulcan Materials Overview</strong></td>
<td>Positioned for long-term, sustainable growth in shareholder value</td>
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<td><strong>Corporate Governance</strong></td>
<td>Strong, independent Board with the experience and diversity to ensure shareholders’ interests are being served</td>
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<td><strong>Environmental Stewardship</strong></td>
<td>Protection of the environment is a core value embedded in Vulcan’s business, strategy and governance structure</td>
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<td><strong>Social Responsibility</strong></td>
<td>Deep commitment to the communities we serve and the safety, professional growth and well-being of our employees</td>
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Leading Building Materials Business with Superior Aggregates Operations

- Largest aggregates producer in the U.S.
- Favorable long-term growth prospects
- Largest reported proven and probable reserve base in the U.S.
- Industry-leading aggregates unit profitability from operational expertise and cost discipline, combined with pricing growth

Well-Positioned to Capitalize on Market Growth

- 80% of the U.S. population growth from 2020 to 2030 is projected to occur in Vulcan-served states
- Extremely well-positioned to further leverage fixed costs to sales, as we move forward
- Accelerating public sector demand; stable private sector trends
- State legislation and local ballot measures resulted in dramatic transportation funding growth in last three years: $20 billion+ in 10 states comprising 80% of Vulcan revenue

Solid Balance Sheet Enables Strategic Capital Allocation

- Sustain capital reinvestment in our current asset base
- Commitment to investment-grade credit position
- Maximize the return of capital to shareholders
- Prudently pursue attractive bolt-on acquisitions

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1Source: Moody’s Analytics, October 2018
VULCAN MATERIALS AT A GLANCE

Leading Positions in Attractive Growth Markets

- Largest national producer of construction aggregates, primarily crushed stone, sand and gravel
- Leading national producer of hot-mix asphalt
- 8,700+ employees
- Operates 351 aggregates facilities, serving markets in 20 states, the District of Columbia, Mexico and the Bahamas
- Strong revenue growth and profitability
STRONG PERFORMANCE

TOTAL REVENUES
(In Millions)

NET EARNINGS
(In Millions)

ADJUSTED EBITDA
(In Millions)

FIVE-YEAR CUMULATIVE TOTAL SHAREHOLDER RETURN

Competitors as noted in Vulcan’s 10K. TSR assumes an initial investment as of 12/31/2013 in each stock/index, with quarterly reinvestment of dividends. TSR data sourced from Bloomberg.
RECENT RESULTS IN LINE WITH LONGER-TERM TRENDS

- Compounding improvement in profitability
- Steady positive trend in aggregates demand
- Strong pricing climate as multi-year construction recovery continues
- Growing public construction activity coupled with stable trends in private demand
A STRONG AND BALANCED BOARD

Board Composition

- Strong, independent Board with diverse backgrounds, perspectives and experiences adds value for shareholders

**DIVERSITY**
- 25% DIVERSE

**AGE**
- AVERAGE AGE: 59.6
- 2 Directors: <56
- 3 Directors: 56-60
- 4 Directors: 61-65

**TENURE**
- AVERAGE TENURE: 5.1
- 3 of 9 Directors: More than 5 years
- 6 of 9 Directors: 5 years or less

8 of 9 Independent

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1 Kathleen Wilson-Thompson, EVP and Global Chief Human Resources Officer of Walgreens Boots Alliance Inc., served on the Company’s Board from 2009 until December 28, 2018, when she submitted her resignation

2 All figures as of 1/2/2019
DEEPLY EXPERIENCED BOARD WITH DIVERSE SKILL SET

**Thomas A. Fanning**
Director
Chairman, President and CEO of Southern Company
Valuable financial, cyber-security, risk management and health & safety skills
Joined Vulcan Board in 2015

**O.B. Grayson Hall, Jr.**
Director
Former CEO and Chairman of Regions Financial Corporation
Strong banking, finance, capital markets and cybersecurity risk experience
Governance Committee Chair
Joined Vulcan Board in 2014

**J. Thomas Hill**
Chairman & CEO
Over 30 years’ experience in the aggregates industry
Extensive aggregates operations and management expertise
Joined Vulcan Board in 2014

**Cynthia L. Hostetler**
Director
Former head of Private Equity and VP of Investment Funds at Overseas Private Investment Corporation
Extensive financial, investment, audit and legal experience
Finance Committee Chair
Joined Vulcan Board in 2014

**Richard T. O’Brien**
Director
Former President and CEO of Newmont Mining
Extensive mining, financial, accounting and risk management experience
Audit Committee Chair
Joined Vulcan Board in 2008

**James T. Prokopanko**
Lead Director
Former President and CEO of The Mosaic Company
Extensive executive management and mineral extraction expertise
Compensation Committee Chair
Joined Vulcan Board in 2009

**Kathleen L. Quirk**
Director
Executive VP and CFO of Freeport-McMoRan Inc.
Strong finance and accounting background with over 30 years in the mining industry
Joined Vulcan Board in 2017

**David P. Steiner**
Director
Former President and CEO of Waste Management, Inc.
Keen understanding of trucking and logistics management, legal, accounting and health and safety
Joined Vulcan Board in 2017

**Lee J. Styslinger, III**
Director
Chairman and CEO of Altec, Inc.
Wealth of management and business experience in the heavy equipment industry as well as finance, health and safety
Safety, Health and Environmental Affairs Committee Chair
Joined Vulcan Board in 2013
EXECUTIVE COMPENSATION FRAMEWORK
Designed to align executives’ interest with those of shareholders

A substantial portion of our Named Executive Officers’ (NEOs) compensation is dependent on company performance\(^1\)

![Pie chart showing percentage distribution of compensation types for CEO and Other NEOs.]

Over 98% of votes cast at 2019 Annual Meeting were in favor of the advisory vote to approve compensation of NEOs

Each business unit’s bonus pool is adjusted as much as 25% of target based on measurable performance in safety, health and environmental areas

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\(^1\)2017 Figures
\(^2\)Stock-only Stock Appreciation Rights
VULCAN’S MISSION FOR ENVIRONMENTAL STEWARDSHIP
Strong environmental management drives long-term results

Core Value
- Protecting the environment is the right social and business policy
- Reductions in our carbon footprint and operating costs enhance profitability and shareholder value
- Benefits relations with our communities, customers, regulators and employees and potential employees
- Mitigates against potential risks that could damage value

Management Focus
- Environmental management receives senior level management focus
- Close oversight by the executive Safety, Health and Environment (SHE) Management Committee, and a key responsibility of Chief Administrative Officer

Board Oversight
- Board reviews environmental and safety performance at every regular board meeting
- Board’s Safety, Health and Environment (SHE) Committee regularly reviews our policies, practices and programs with respect to the management of safety, health and environmental affairs
- SHE Committee, composed of independent directors, monitors compliance with safety, health and environmental laws and regulations (as a minimum standard) and oversees operational risk

We see land use as a privilege granted to us by the community. Responsible, sustainable operations benefit our communities and shareholders.
Vulcan Materials is not a major source of GHG emissions; Operations are well below EPA thresholds for reporting and permitting GHG emissions

- Completed 2018 Carbon Disclosure Project submission
- CO$_2$ Equivalent Financial Performance ratio continues to decrease year over year

Introducing efficient processes decreases GHG emissions and allows Vulcan to extract, create, and deliver more product while decreasing costs and increasing value for our shareholders

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1Scope 1 = Direct Emissions, less transportation and international operations
2CO$_2$ Equivalent Financial Performance Ratio = tons of CO$_2$ equivalent emissions / $M in revenue
32013 baseline of 571.65; Vulcan exited the cement business in 2013
INVESTING IN EFFICIENT TRANSPORTATION

Two New State-of-the-Art Ships for Gulf of Mexico Transportation

- Compliant with Energy Efficient Design Index (EEDI) standards
- Significantly more fuel efficient than prior fleet
- Scrubber systems eliminate SO$_2$ emissions and reduce particulate matter
- On-board water treatment systems treat ballast water

RESPONSIBLE WATER MANAGEMENT

- Vulcan focuses on water re-use and recycling; closed-loop systems reduce usage and minimize wastewater discharge
- Unlike metals mines, there is no toxicity associated with by-products from Vulcan quarries – only rock dust and particles that can be reclaimed from settling ponds and re-blended into saleable materials
- Every site Vulcan operates has unique environmental traits that call for tailored, site-by-site stewardship strategies and operations

**McCook Quarry, Illinois**

On average, Vulcan uses up to 170,000 gallons of recycled water per day at its McCook facility.

**Stockbridge Quarry, Georgia**

Automated dust suppression valves and road sprinklers enhance the safety of Vulcan employees and their communities.

Strong, sound management of water resources increases operational efficiency, reduces costs and mitigates against environmental risk
Vulcan is committed to environmental conservation

- Citation-free environmental inspection rate of over 98%
- Over the last 10 years, Vulcan facilities and programs have received 58 awards and recognitions for environmental excellence and stewardship
- Nursery at Vulcan’s Calica Quarry in Mexico produces more than 20,000 native plants and trees used for reforestation
- Vulcan repurposes land and water assets for valuable uses at the end of mining, including drinking water reservoirs, aquifer recharge basins and public parks
- More than 5,500 acres in conservation easements, along with extensive acres of buffer timberland maintained
- During 2018, we supported 44 Vulcan sites with national certification from the Wildlife Habitat Council (WHC)

Bellwood Quarry, Georgia
- Following the completion of mining, Bellwood Quarry was acquired by the City of Atlanta for a recreational facility and water reservoir with the capacity to hold 2 billion gallons of water

Crystal Lake, Illinois
- Sand and gravel operation was reclaimed and turned into a lake and recreation park facility for the community

Protecting, preserving, and restoring land
RELENTLESS FOCUS ON SAFETY
World Class Performance

- In 2018, Vulcan achieved best-ever performance with injury and citation rates
- Rate of less than 1 injury per 200,000 hours worked significantly outperforms Aggregates industry as well as many other industries
- Team approach to creating a workplace free of hazards
- In 2018, Vulcan employees received over 118,000 hours of dedicated Safety and Health training

Vulcan’s MSHA occupational injury rates have consistently been lower than the overall Aggregates industry

MSHA citations issued per inspection at Vulcan operations are significantly lower than the Aggregates industry

Vulcan’s MSHA/OSHA recordable injury rate has decreased significantly since 2008

97% of Vulcan facilities have had no lost-time injuries in past 12 months
CORPORATE CULTURE IS DRIVEN BY “THE VULCAN WAY”

Do the right thing, the right way, at the right time

The Vulcan Way is comprised of the core values that define us.
INVESTMENT IN OUR EMPLOYEES

We invest in the growth and development of our employees

215,000
Employee Training
Hours in 2018

5,172
Hours of Leadership
and Supervisory
Training for 113
Candidates in 2018

91.4%
Employee 401(k)
Participation Rate

483
University Interns and
Trainees Hired Since
2015

Five Traits Nurtured in Vulcan Leaders

**People & Values**
Establishes a performance culture centered on developing diverse and dynamic leaders for our operating divisions and the Company as a whole

**Commercial**
Earns full and fair value for products while positioning Vulcan as the market’s supplier of choice

**Operations**
Leads the market’s safest and most efficient operations, delivering high-quality products on time through a culture of excellence

**Entrepreneurial & Strategic**
Proactively executes on opportunities to improve Vulcan’s competitive position, reserve base and customer service

**Financial**
Helps build the long-term economic value of the Company
Vulcan’s positive and healthy culture is evidenced by McKinsey & Company’s Organization Health Index results

- Organizational health is the best indicator of an organization’s capacity to excel
- Companies with leading health scores deliver on average 3x greater TSR over time

Vulcan Demonstrated Outcomes and Effective Management Practices in Multiple Areas

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<th>SHARED VISION</th>
<th>EFFECTIVE LEADERSHIP</th>
<th>A GREAT PLACE TO WORK</th>
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<td>- Vulcan has a clear strategic vision that is understood and shared by its employees</td>
<td>- Vulcan’s management models the values of the company and demonstrates supportive and challenging leadership</td>
<td>- Vulcan’s “family” work environment influences positive behaviors and encourages retention</td>
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Positive view of Vulcan’s health runs throughout the organization

Source: McKinsey & Company’s Organizational Health Index, June 2017

1The Organizational Health Index utilized by Vulcan in 2015 and again in 2017 is a proprietary survey conducted by McKinsey and Company that measures the extent to which habits and practices are recognized by employees. The results are benchmarked against over 5 million respondents representing 1,700 engagements. For more information see https://www.mckinsey.com/solutions/orgsolutions/overview/organization-health-index

2According to McKinsey & Company’s Organizational Health Index
FOCUS ON ENABLING THE GROWTH OF OUR PEOPLE

Long-Term Employee Goals

- Continue to reinforce The Vulcan Way and our culture through:
  - Leadership
  - Visibility
  - Employee engagement
  - Training
  - Diversity & Inclusion initiatives

- Maintain best-in-class capabilities

- Promote top performance in safety, health and environmental stewardship

- Identify and build leadership skills across the organization

- Continue healthy lifestyle training and incentives

Emphasis on Diversity

- Fostering an environment of diversity and inclusion enables Vulcan to attract, grow and retain the best talent
  - 38% of Vulcan hires in 2018 were diverse

- Today:
  - 12% of Vulcan's workforce is female
  - 37% of Vulcan's workforce is diverse
  - Recognized in 2018 as a “Women on Boards” winning company

- More than doubled number of diverse Division and Corporate officers since 2013

- 27% of trainee program candidates are diverse

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1Diversity based on ethnicity and gender
Our Mission

- Provide quality products and service; foster the talents and growth of our people; serve as responsible stewards to the environment; **and create superior, sustainable shareholder value**