



REACHING HIGHER

VULCAN'S SOCIAL RESPONSIBILITY
COMMITMENT TO YOU

2019 CORPORATE SOCIAL RESPONSIBILITY SUMMARY REPORT

Vulcan
Materials Company

WHEN IT COMES TO
MAKING GOOD ON OUR
COMMITMENTS TO SAFETY
& HEALTH, ENVIRONMENTAL
STEWARDSHIP, PEOPLE AND
COMMUNITY, WE'RE REACHING HIGHER.
THAT'S THE VULCAN WAY.

FROM TOM HILL, OUR CHAIRMAN & CEO



Today we supply infrastructure markets coast-to-coast, serving 20 states, Washington D.C., the Bahamas and Mexico. But it's the everyday actions of our 8,700 employees that set us apart from the rest of the industry.

We believe in "The Vulcan Way," which means doing the right thing, the right way, at the right time. We foster a culture that encourages, supports and rewards our people to make good on our commitments to our stakeholders – our customers, fellow employees, shareholders and the communities we serve. Simply put, doing the right thing is good for our business, our environment and our society.

Our economic, social and environmental stewardship and sound business performance are at the core of our success.

We will continue to lead and exceed in these business practices, with a strong focus on community, health, safety and wise management of land and environmental resources.

Our current and future success is built on a firm ethical foundation, formed more than six decades ago, that recognizes the importance of every stakeholder. As we continue to build on that legacy, we do so with a clear view of our responsibility to future generations, to the planet and to people – our own and the many we serve.

Sincerely,

Tom Hill

Chairman of the Board, President & Chief Executive Officer



More than 50 percent of our salaried non-exempt employees are women. We cultivate diversity in our workforce by emphasizing hiring and promotion procedures that are inclusive of diverse aspects of every individual.



DOING THE RIGHT THING, THE RIGHT WAY, AT THE RIGHT TIME. IT'S THE VULCAN WAY.

We are the company we are today thanks to the positive actions of our 8,700 employees. We believe that doing the right thing is good for our business, our environment and our society. That's our commitment.

Front cover: Diana Fernandez, Operations Trainee, helps Special Growers employee Emily Knapp harvest herbs and spices. Special Growers operates a commercial garden hosted on our Maryville Quarry property in Tennessee.

OUR COMMITMENTS



SAFETY & HEALTH

LEADING THE INDUSTRY.

Protecting people guides everything we do.

We have a responsibility to one another, our families, neighbors and communities. Our promise goes beyond regulatory compliance and is reinforced through the everyday actions of our people. Their expertise, dedication and innovation make us a longtime industry leader with proven performance.



ENVIRONMENTAL STEWARDSHIP

REDUCING OUR IMPACT.

Protecting the environment is the right social and business policy.

We believe responsible, sustainable operations benefit our communities and drive long-term results. As an industry leader, we meet and strive to exceed environmental regulations. This means going beyond compliance: streamlining operations, improving efficiencies, deploying new technologies and exploring alternative energy sources.



PEOPLE

PEOPLE MAKE THE DIFFERENCE.

Our everyday actions matter for everyone.

We foster a culture of mutual respect, integrity and commitment that forges our stewardship, growth and success. Our people share a competitive drive for excellence that fosters an environment of trust, teamwork, positive reinforcement and inclusion. They are motivated to be the best they can be to the benefit of all our stakeholders.



COMMUNITY

WE'RE IN THIS TOGETHER.

Partnering with others helps build stronger communities.

We are committed to serving and supporting the neighborhoods and communities where our people live and work. Our people volunteer their time and talents to help make our communities stronger by assisting in disaster response, fighting hunger, and supporting veterans and schoolchildren.

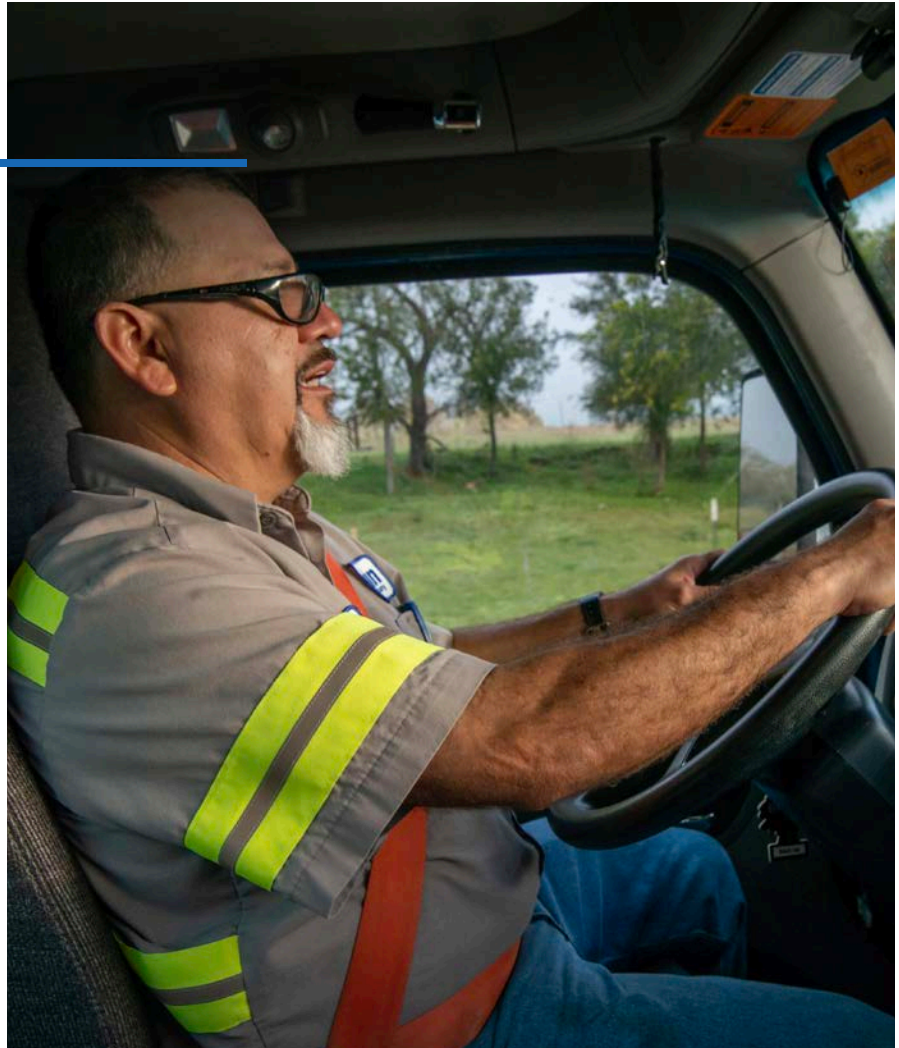
SAFETY & HEALTH

SAFETY DRIVES AND REINFORCES EVERY ACTION WE TAKE.

Rooted in strong leadership and training, we strive for a workplace that's free of injuries and accidents. Vulcan's comprehensive safety programs lead the industry. We prioritize a safe work culture in recruiting and hiring people who are as committed to safety as we are.

Our safety culture depends on teams and individuals committed to working together to create and maintain a workplace that's free of hazards for everyone. We prevent accidents through ongoing training and innovation.

With oversight from our Board of Directors and safety teams at the Corporate, Division and facility levels, our commitment to safety has resulted in a record that outperforms industry averages. In 2017, we achieved the best MSHA/OSHA safety record of our 60-year history, a world-class performance. Our 2018 safety performance was even better, with 0.92 lost-time injuries per 200,000 employee work hours.

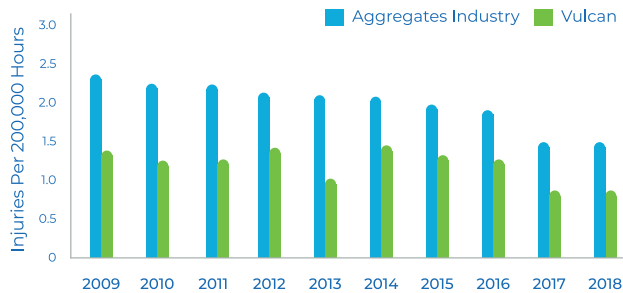


We deploy the latest technology and safety features in our trucks and mobile equipment to ensure our employees go home the same way they arrived.



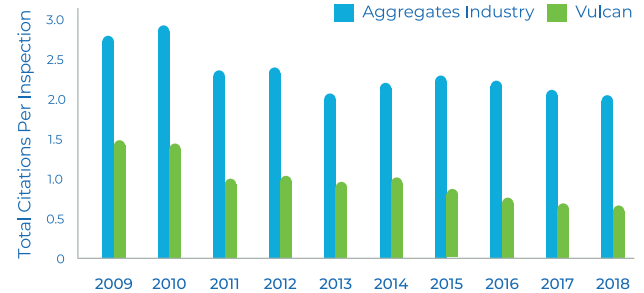
CONSISTENTLY LOWER THAN THE INDUSTRY

MSHA Reportable Injury Rate



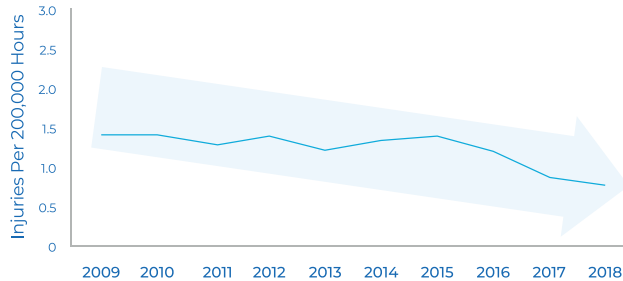
SIGNIFICANTLY LOWER THAN THE INDUSTRY

MSHA Citation Rate



SIGNIFICANTLY DECREASING SINCE 2009

MSHA Reportable & OSHA Recordable Injury Rate



We actively engage all employees in safety. Routine inspections at our facilities help ensure everyone's well-being.

94%
FACILITIES WITH ZERO
LOST-TIME INJURIES
2018

<1
INJURY PER 200,000
HOURS WORKED
2017-2018

2,916
MSHA INSPECTIONS
WITHOUT A CITATION
2008-2018



We use video exposure monitoring backpacks to help identify potential high-risk activity in real time, preventing issues before they happen.



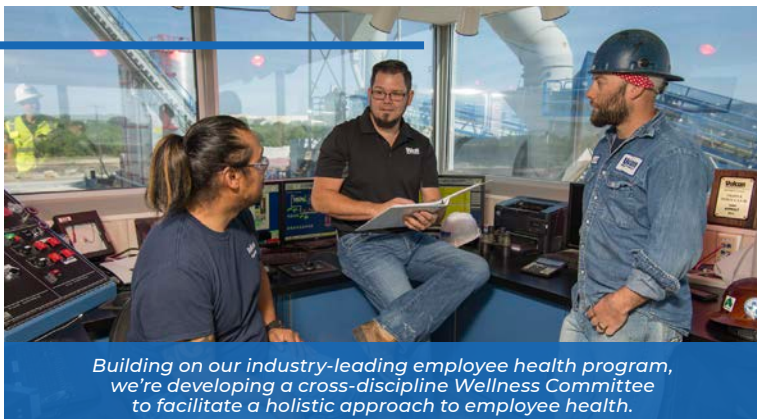
CONTINUALLY INNOVATING TO PROTECT EMPLOYEE HEALTH.

Decades ago, Vulcan was the first company in the industry to launch a comprehensive occupational health and industrial hygiene program. The initiative set the industry benchmark by monitoring employee exposure to dust and noise and offering routine medical screenings.

Today, we recognize that total well-being occurs when individuals are given the opportunity to excel in every facet of their lives: physically, emotionally,

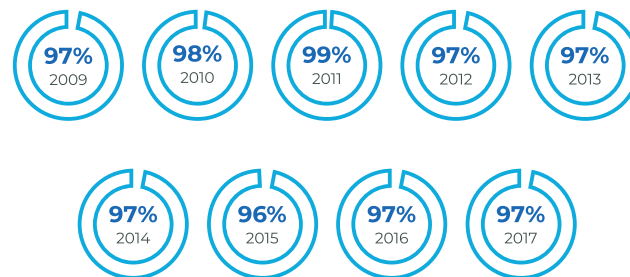
socially and financially. We are focused on creating opportunities for individuals to live their best lives and do their best work.

Not only do we have healthy employees and exposure levels well below state and federal safety limits and industry averages, but we're building a positive culture that promotes and encourages a healthy workplace for all of our people.



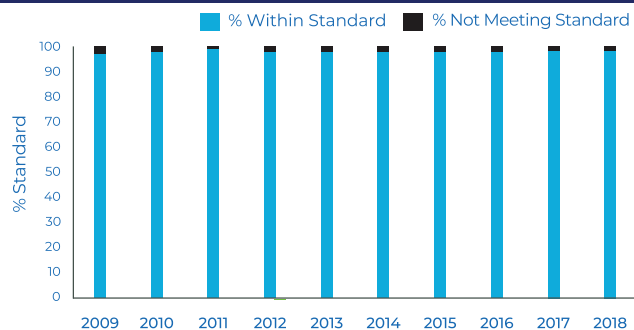
CONSISTENTLY NEAR 100% PARTICIPATION

Employee Participation in Voluntary Occupational Health Screening



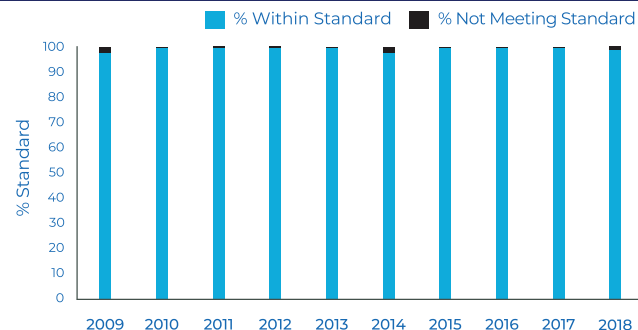
10-YEAR AVERAGE: 98.7% WITHIN STANDARD

MSHA Respirable Dust/Silica Exposure Sampling



10-YEAR AVERAGE: 97.3% WITHIN STANDARD

MSHA Noise Exposure Sampling



ENVIRONMENTAL STEWARDSHIP

CLEAN AIR, WATER & ENVIRONMENTAL RESPONSIBILITY ARE ESSENTIAL TO OUR SUCCESS.

Environmental stewardship is a core value embedded in our business, strategy and governance structure. We bring together engineers, geologists, hydrologists and environmental specialists to develop the best methods to protect, restore and preserve land that countless people, ecosystems and wildlife depend on.

In 2018, we maintained a citation-free environmental inspection rate of over 98 percent from state and federal agencies. We are focused on protecting plant and animal habitats, water and air.

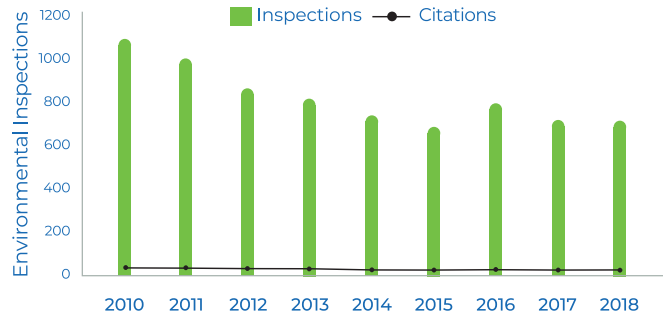
Coupled with our holistic approach to land management and commitment to sustainable operations, our commitment to the environment will continue to lead the industry while reducing our impact on the environment.



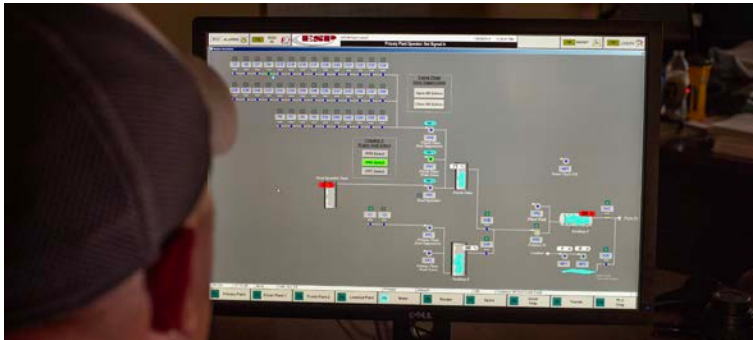
Our facilities minimize water usage through closed-loop and stormwater management systems by capturing and recycling water throughout the production process.



98% OF INSPECTIONS ARE CITATION-FREE
Environmental Citations & Agency Inspections



Before beginning a new operation, we take all necessary steps to preserve and protect cultural and historic resources such as this historic Midden Mound adjacent to our Witherspoon Quarry in Florida.



Computerized plant control systems allow our employees to manage and reduce water use at facilities and suppress dust at transfer points.



58

ENVIRONMENTAL AWARDS
AND RECOGNITIONS
2008-2018



170,000

AVERAGE DAILY GALLONS
OF WATER RECYCLED
AT MCCOOK QUARRY,
CHICAGO, ILLINOIS



20,000

NATIVE PLANTS &
TREES PRODUCED AT
CALICA QUARRY NURSERY,
PLAYA DEL CARMEN, MEXICO



We support wildlife and conservation organizations, including raptor centers and Audubon societies. These efforts resulted in 58 environmental awards and recognitions from 2008 to 2018.



MANAGING LAND HOLISTICALLY MEANS MUCH MORE THAN MINING.

We're working with governmental and non-governmental partners on innovative projects that will help communities improve access to recreation and wildlife, protect water quality, reduce flooding and ensure safe drinking water supplies for decades to come.

Our land management, environmental and operations teams are committed to fostering a safe and mutually beneficial coexistence with nature.

Our newest certified wildlife habitat site at the Grandin Sand Plant in Florida, where 100 bird species have been observed at its on-site rookery, received the 2018 Avian Project Award from the Wildlife Habitat Council.

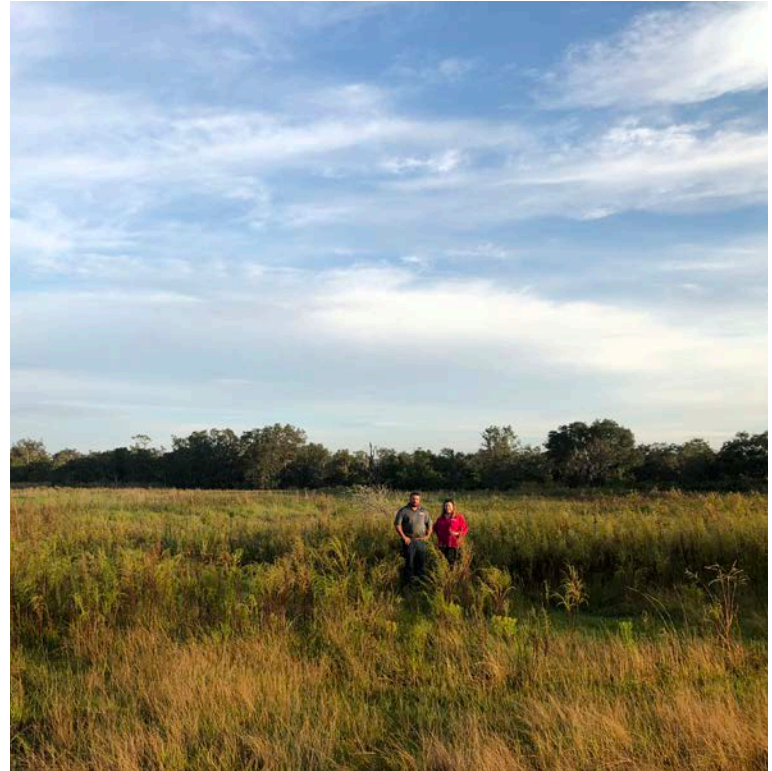
We will continue to re-think and re-imagine how we plan future sites, use them and prepare them with future community and environmental benefits in mind.



More than 40 of our facilities maintain Wildlife Habitat Council Conservation Certificates. These sites are vital for the resiliency and sustainability of threatened animal species.



Our facilities are designed to accommodate future land uses that benefit our communities. Our former Bellwood Quarry in Atlanta, Georgia, is being converted to a drinking water reservoir for the city.



We have developed thousands of acres of land mitigation banks to protect listed plant and animal species in their natural habitats in perpetuity.




~240,000
ACRES OF LAND
IN OUR PORTFOLIO


44
WILDLIFE HABITAT
COUNCIL CERTIFIED SITES
2018


5,500
ACRES IN
CONSERVATION
EASEMENTS

PROTECTING THE ENVIRONMENT IS THE RIGHT SOCIAL AND BUSINESS POLICY.

All of our operations are well below the Environmental Protection Agency thresholds for reporting and permitting greenhouse gas emissions.

Our operations are focused on projects and activities that improve operational efficiency to reduce long-term fuel and energy needs. These actions both reduce our greenhouse gas emissions and improve our long-term profitability. These efforts combined with an ongoing focus on upgrading older, less efficient mobile equipment have reduced our carbon emissions as a percent of revenue significantly since 2013.

In 2006, our Western Division, headquartered in Greater Los Angeles, was the first aggregates producer to sign on to state legislation that set the stage for California's planned transition to a sustainable, low-carbon future. We'll continue to evaluate and employ new technologies to decrease our impact on the environment and increase efficiencies.

We recognize that sustainable operations reduce our climate footprint while serving as one of the most efficient ways to improve profitability through reduced energy costs. It's a win-win approach, and we intend to continue being a leader in our industry.

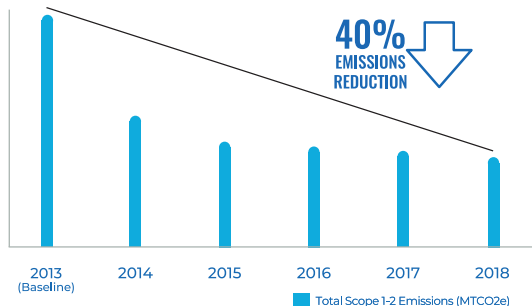


We have upgraded our blue-water ships with innovative technologies that improve energy efficiency and prevent the transfer of non-native species.



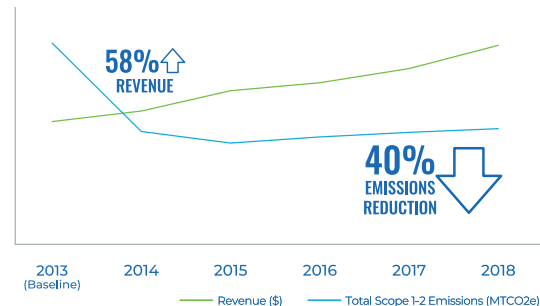
EMISSIONS DOWN 40% SINCE 2013

GHG Emissions



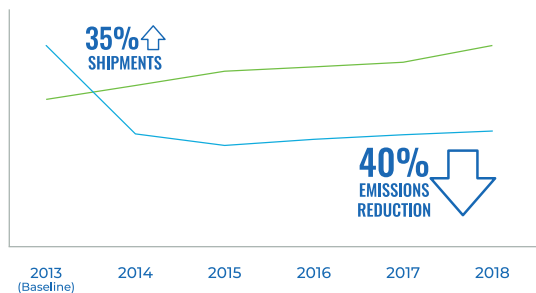
REVENUE UP 58% WHILE EMISSIONS DROP 40% SINCE 2013

GHG Emissions vs. Revenue



SHIPMENTS INCREASED 35% WHILE EMISSIONS DECREASED 40% SINCE 2013

GHG Emissions vs. Shipments (All Products)



Our retire-and-replace program reduces emissions and improves efficiency by replacing older mobile equipment with new units that meet Federal Clean Air Act Tier 3/Tier 4 engine emissions standards.



62%

REDUCTION IN
SCOPE 1 - 2 EMISSIONS
PER REVENUE \$ 2013 VS. 2018



175

TIER 4 ENGINE MOBILE
EQUIPMENT PURCHASED
2016-2018



25%

ENERGY SAVINGS BY
NEW BLUE-WATER
SHIP FLEET

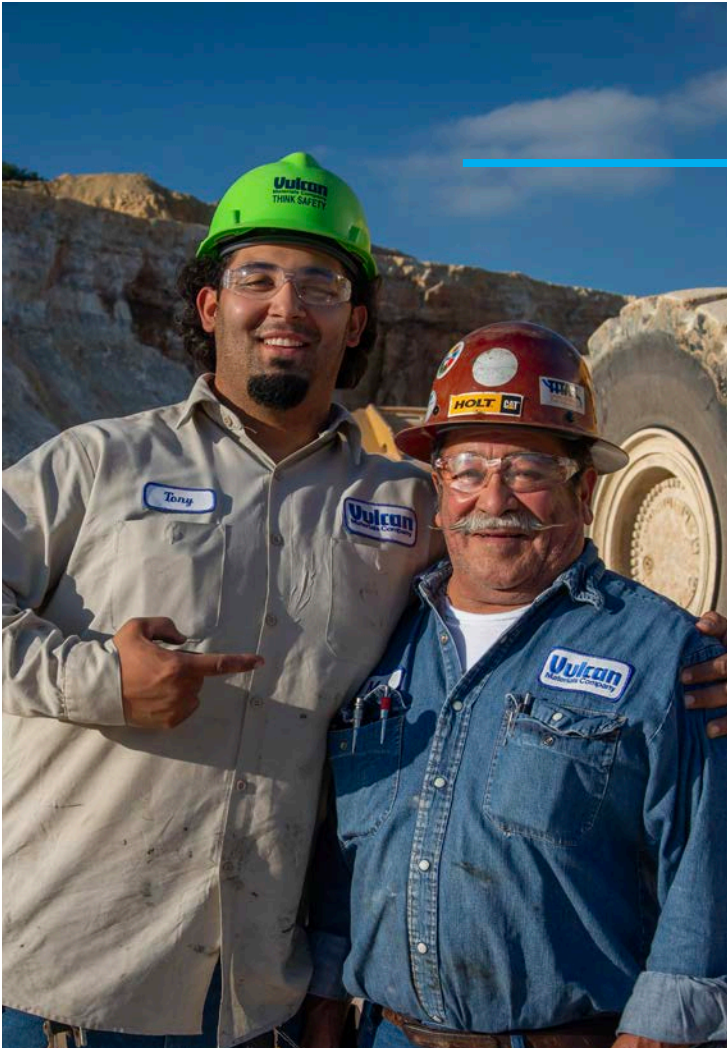
PEOPLE

WE INVEST IN THE GROWTH AND DEVELOPMENT OF OUR EMPLOYEES.

Our continued investment in people and strong commitment to diversity and inclusion will help us attract, grow and retain the best talent possible. Today 28 percent of Vulcan's workforce is diverse, and we have a number of initiatives to continue building a diverse and inclusive workforce. We have more than doubled the number of diverse Division and Corporate officers since 2013. And we earned recognition in 2017 by *2020 Women on Boards* for having 20 percent or more of our board seats held by women.

We believe that learning is fundamental to every job and we encourage our people to expand and explore their capabilities for continued growth. Our industry-leading training and development programs encourage collaboration and enable people to innovate and flourish on the job and in the community.

The result is strong employee engagement that puts Vulcan in the top 10 percent of 1,700 companies surveyed as part of McKinsey & Company's Organizational Health Index. By cultivating a diverse and dynamic culture, we're exponentially increasing the social, safety and environmental capabilities of our company, benefiting all of our stakeholders.

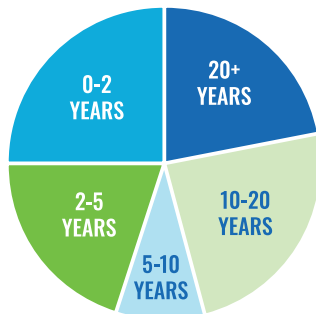


We pair tenured employees with new hires to share their institutional experience and knowledge of plant sites, equipment and situations.



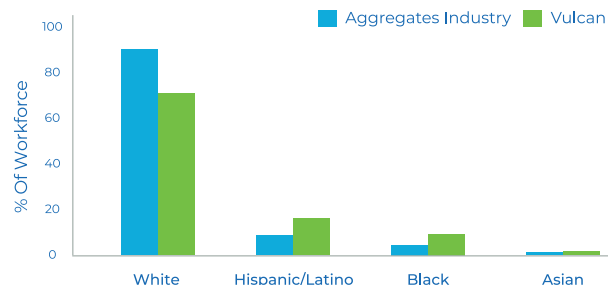
46% OF OUR EMPLOYEES HAVE 10+ YEARS OF TENURE

Employees by Tenure



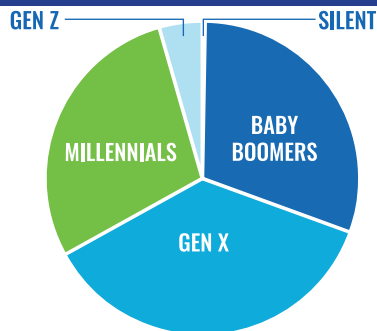
FOSTERING AN ENVIRONMENT OF DIVERSITY AND INCLUSION

Workforce Racial/Ethnic Diversity vs. Aggregates Industry



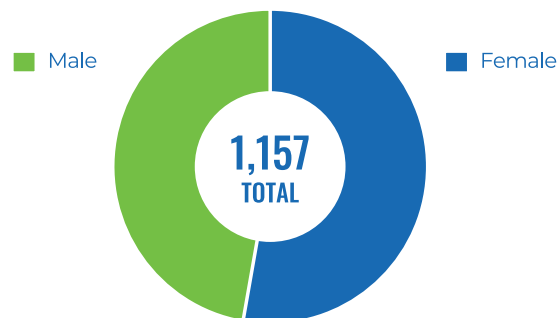
WE HAVE A STRONG, MULTI-GENERATIONAL WORKFORCE

Employees by Generation



MORE THAN 50% OF SALARIED NON-EXEMPT EMPLOYEES ARE WOMEN

Salaried Non-Exempt Employees by Gender



38%

DIVERSITY OF
NEW HIRES
2018



599

VETERANS EMPLOYED
(SELF-IDENTIFIED)
2018



400

UNIVERSITY INTERNS
& TRAINEES HIRED
2015-2018



From 2010 to 2018, we opened our facilities to over 238,000 visitors who had the opportunity to learn about natural resources and earth sciences.



COMMUNITY

HELPING BUILD STRONGER COMMUNITIES.

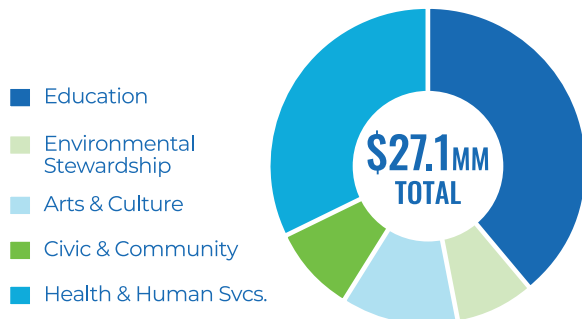
We recognize that we have a social contract with our communities. It is a symbiotic relationship that benefits all stakeholders.

One way we help is providing financial support to our communities via the Vulcan Materials Company Foundation, with a focus on environmental stewardship, education and employee involvement. In addition, we use corporate funds to match employee contributions to select charitable organizations up to \$10,000 per year, per employee.

We build long-term community relationships and take pride in being a trusted neighbor. We engage in open dialogue about our operations and work hard to be a responsible partner. We volunteer in our community schools and for civic and charitable causes. We're committed to working together to strengthen the growing communities we serve.

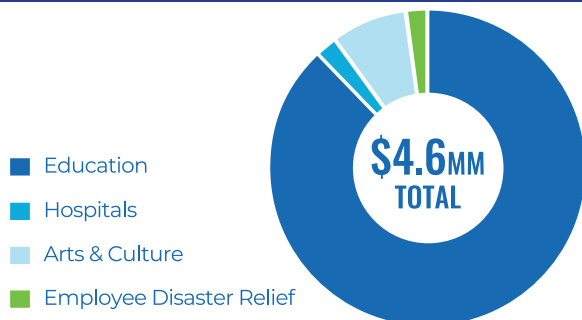
GIVING BENEFITS A VARIETY OF WORTHY CAUSES

Foundation Giving by Focus Area (2009-2018)



FOCUSED ON EDUCATION, CULTURE AND HEALTH

Matching Gifts by Focus Area (2009-2018)



We actively partner with community organizations to improve science, technology, engineering and math (STEM) instruction and encourage careers in STEM fields.



\$81MM

COMMUNITY GIVING & SUPPORT
(FOUNDATION, NON-FOUNDATION
AND MATCHING GIFTS)
2009-2018



767,000+

MEALS DONATED
TO FEED THE HUNGRY
2017-2018



238

PARTNER
SCHOOLS
2018

We are committed to protecting endangered and threatened species through robust habitat conservation plans. Our Tiger Creek mitigation bank in Florida hosts unique wildlife and plant species. In total we maintain 5,500 acres in conservation easements.



Learn more at csr.vulcanmaterials.com

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