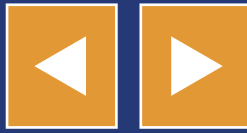


**SUSTAINING DURABLE GROWTH**  
2022 ENVIRONMENTAL, SOCIAL, AND GOVERNANCE REPORT





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# CEO Letter

The Vulcan Way is doing the right thing, the right way, at the right time.

We have a long history of servicing our customers and delivering results to our shareholders while embodying our commitments to people, to the safety and health of our Vulcan family members, to environmental stewardship, and to the neighborhoods and communities in which we live, work, and play. These commitments have always been part of the Vulcan Way.

Vulcan's 2022 Environmental, Social, and Governance Report highlights our programs, goals, and policies aligned to the Sustainability Accounting Standards Board (SASB) framework and the Task Force on Climate-Related Financial Disclosures (TCFD).

Most importantly, it highlights the great work of our people and partners.

In 2022, Vulcan focused on recruiting the best, most diverse talent, keeping them healthy and safe, and providing them with career paths and opportunities for growth. We launched WorkforVulcan.com so people looking for careers can learn not only about the work they will do but also about the culture that makes this company great. Technical skills training and other learning opportunities have been made available on mobile devices to all of our employees. Vulcan's new Under the Hard Hat program emphasizes mental health, an important aspect of safety.

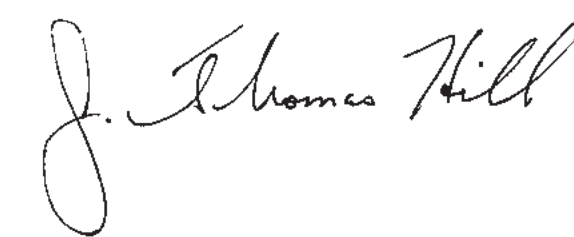
We continued to develop a better understanding of our greenhouse gas emissions (GHG) footprint. For the first

time, we inventoried our Scope 1 and 2 emissions by business segment and fully incorporated acquisitions and divestures into our calculations. We also piloted a Scope 3 supplier engagement program and calculated emissions for five of the 11 applicable reporting categories. This visibility will help us set new goals and shape effective emissions reductions strategies.

With the COVID-19 pandemic waning, our people accelerated engagement with our community partners as they strengthened educational initiatives, addressed environmental priorities, provided health and human services support, and invested in the civic and economic development of the communities where we work and operate. Over \$5 million was donated in 2022 to the work of our partner schools and nonprofit organizations from the Vulcan Materials Company Foundation, which complemented our community engagement.

I am so proud of our people and their commitment to this company and to one another. Together we will continue to focus on driving sustainable, durable growth the Vulcan Way.

Sincerely,



**J. Thomas Hill**  
Chairman, President, and Chief Executive Officer



**“The power and potential of Vulcan come from our Vulcan family's dedication to doing the right thing, the right way, at the right time.”**

**J. Thomas Hill**  
Chairman, President, and  
Chief Executive Officer

More information on environmental, social, and governance policies, guidelines, and performance is available at <https://csr.vulcanmaterials.com>.

# Vulcan at a Glance

Vulcan is the nation's largest producer of an essential product that goes into nearly all construction projects in our communities: aggregates. The materials we produce – crushed stone and sand and gravel, as well as asphalt and concrete – are used to build our nation's highways and public infrastructure, single-family homes, multifamily communities, manufacturing facilities, and distribution centers. We operate more than 400 aggregates facilities in 22 states, as well as targeted downstream asphalt and concrete operations in strategic markets.

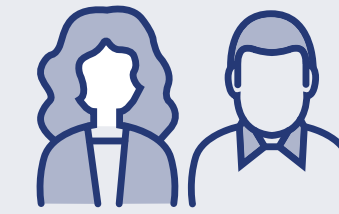
## OUR MISSION

*Provide quality products and services that consistently exceed our customers' expectations. Be responsible stewards with respect to safety and the environmental impact of our operations and products. Drive value and superior returns for our customers, employees, communities, and shareholders.*

- We maintain the highest degree of respect for people – for their dignity, talents, and interests. We believe that empowering, mentoring, training, and rewarding our people helps create a highly engaged and happy workforce and sustainable long-term value.
- We act fairly and honorably to earn the respect and trust of all parties with whom we interact. We hold ourselves to high ethical standards, including abiding by both the letter and spirit of the laws and regulations related to our business.
- We are committed to excellence in all of our activities. We value innovation. We strive to maintain a position of leadership in all our businesses.

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

<sup>1</sup> Aggregates and asphalt production are measured in short tons (tons). Ready-mixed concrete is measured in cubic yards and converted to tons. Conversion calculation: 1 cubic yard concrete = 4,000 pounds (or 2 tons).



## 11,974 employees

in 22 U.S. states; Washington, D.C.; and the U.S. Virgin Islands, the Bahamas, Canada, Honduras, and Mexico



## 235,039,000 tons<sup>1</sup>

2022 Total Production Volume



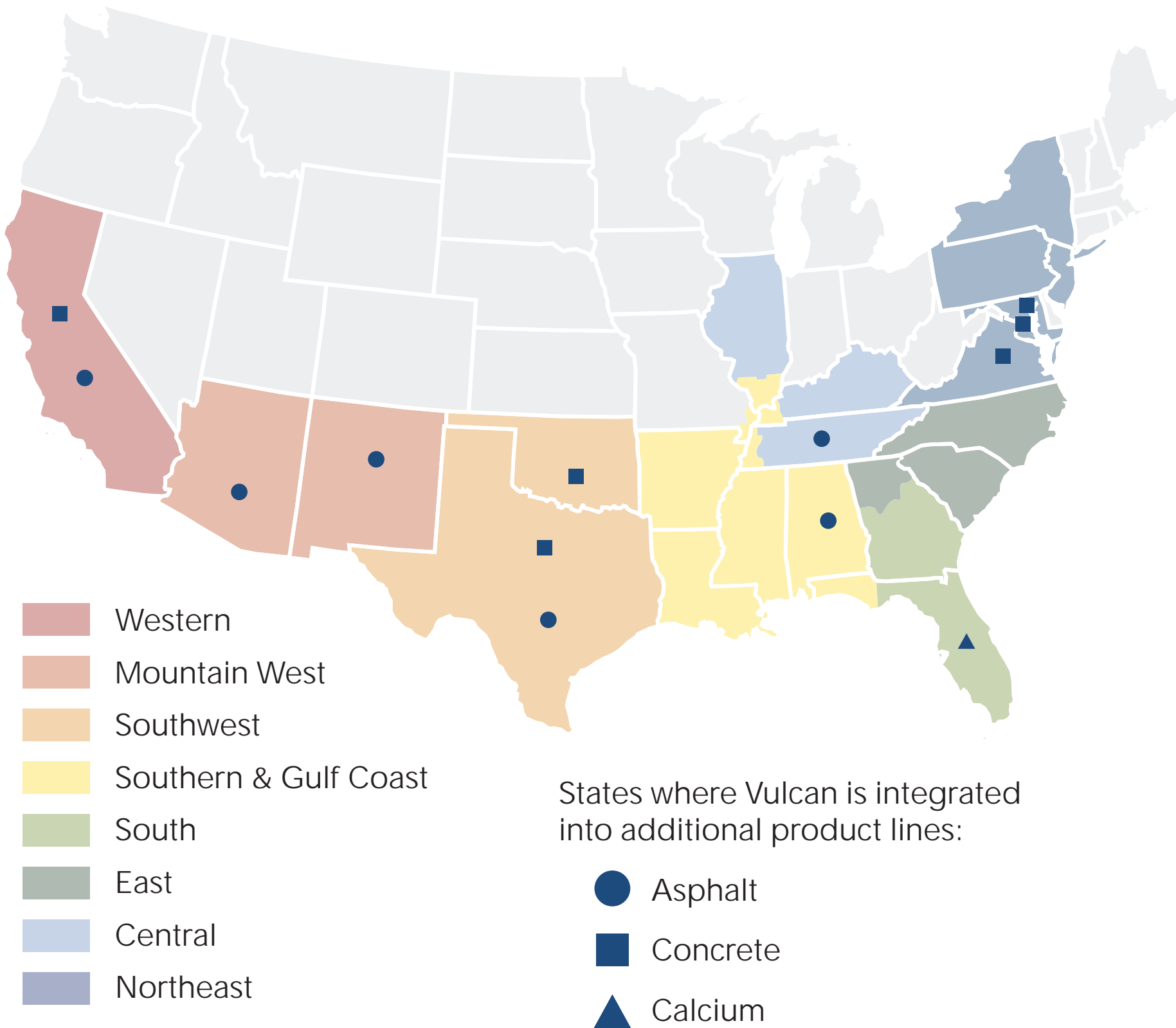
## \$7,315.2 million

2022 Total Revenue

In 2021, Vulcan made a major acquisition, U.S. Concrete, as well as several smaller acquisitions, and we expanded our footprint to Canada, New York, New Jersey, and the U.S. Virgin Islands. Data from the U.S. Concrete acquisition was not included in the 2021 ESG Report.

In 2022, we acquired aggregates, ready-mixed concrete, and asphalt operations in three states and Honduras, and we divested concrete operations in New Jersey, New York, and Pennsylvania. Data for 2022 acquisitions and divestitures is included in this 2022 report.

Vulcan has three primary operating segments: Aggregates, Asphalt, and Concrete. A fourth reportable segment, Calcium, accounts for less than 1% of total production volumes and revenues.



## AGGREGATES FACILITIES

Aggregates are made up of primarily crushed stone, produced by drilling and blasting stone within our quarries, and sand and gravel. They are used in the foundational building of cities, towns, and transportation networks. Aggregates are also used as input in both asphalt mix and ready-mixed concrete.

- **404 facilities**, including distribution yards and recycling operations
- **236.4 million tons shipment volume (235.0 million tons production volume)**, total aggregates shipments increased 6%, reflecting shipment contribution from acquisitions and healthy construction activity levels.
- **\$4,723.3 million revenue**, 65% of total



## ASPHALT SEGMENT

Aggregates make up 95% of asphalt mix, which also includes asphalt binder, additives, and modifiers. Asphalt serves as the paving surface for 94% of the paved roads and highways in the U.S.

- **71 facilities**
- **12.2 million tons shipment volume**, 7% increase over 2021
- **\$990.2 million revenue**, 13% of total



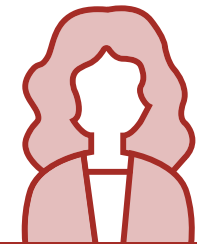
## CONCRETE SEGMENT

Ready-mixed concrete is made up of fine and coarse aggregates, cementitious binders, and water. Concrete is a durable, strong, water-tight, and abrasion-resistant material, making it desirable for a variety of construction projects.

- **142 facilities**
- **10.5 million cubic yards shipment volume**, 88% increase over 2021, reflecting shipment contribution from acquisitions. Same-store shipments were essentially flat.
- **\$1,593.9 million revenue**, 22% of total



# 2022 Highlights



## PEOPLE

Launched

**Under the Hard Hat** program to promote mental health awareness

Launched

**WorkforVulcan.com**

**Grew participation** in the four employee resource groups (ERGs)



## HEALTH & SAFETY

**92%** of facilities had zero lost-time injuries

**313** "triple zero" facilities with zero MSHA/OSHA injuries, MSHA citations, and environmental citations

**89%** of eligible employees participated in health screening



## ENVIRONMENTAL STEWARDSHIP

New **GHG** collection by segment

Completed **Phase 1 of Scope 3 inventory**

**1 million+** cubic yards of concrete injected with CO<sub>2</sub>



## NEIGHBORS & COMMUNITY

**\$840,000+** donated in educational scholarships

**230** K-12 educational institution partners

**~\$500,000** donated to diversity, equity, and inclusion (DE&I) efforts in our communities

















## GOVERNANCE

**42%** of Board members classified as "diverse"

**65%** of shareholders reached by governance teams

# Goals & Progress

 Achieved
  In Progress
  Not Achieved

CATEGORY	GOAL	STATUS	2022 PROGRESS
PEOPLE	By the end of 2023, implement a three-pronged employee engagement program.		<ul style="list-style-type: none"> <li>We have modified this goal to promote a more comprehensive engagement program.</li> <li>We introduced New Hire Surveys and exit surveys for departing employees.</li> <li>The new approach will incorporate a digital platform and pulse survey for regular communications and engagement with the entire Vulcan family.</li> </ul>
	Reduce employee turnover by 25% by 2030 and increase employee retention.		<ul style="list-style-type: none"> <li>Employee turnover rate increased to 25% in 2022 from the baseline of 21% in 2021.</li> <li>We are implementing programs aimed at increasing the recruitment of the right talent and promoting employee retention.</li> </ul>
	Develop leadership and employee programs to address gaps identified in employee surveys and provide training across the entire employee life cycle.		<ul style="list-style-type: none"> <li>We implemented a wide variety of additional programs in 2022 and are continuing to add employee development opportunities and expand our training library.</li> </ul>
	Increase employee diversity at the director level and above to 20% by 2030.		<ul style="list-style-type: none"> <li>The representation of diverse employees at the director level and above has increased from 14% in 2021 to 15% in 2022.</li> <li>The 2023 HR programs will focus on recruiting and development of diverse candidates.</li> </ul>
	Complete anti-bias and diversity training for all employees by 2022.		<ul style="list-style-type: none"> <li>All employees completed anti-bias coursework. New hires complete an online DE&amp;I training model as part of their onboarding.</li> <li>The DE&amp;I training is proposed as a refresher course for current employees every three years.</li> </ul>
	Fully implement ERGs by 2022 and expand to include additional relevant minorities by 2025.		<ul style="list-style-type: none"> <li>Four ERGs were operational in 2022, achieving the first portion of our goal.</li> <li>The DE&amp;I Council is working toward expanding the ERG program through increased participation and the launch of additional ERGs by 2025.</li> </ul>
HEALTH & SAFETY	Achieve and maintain zero fatalities at all sites under Vulcan's operational control.		<ul style="list-style-type: none"> <li>This goal was changed from the previous goal in 2021 to more accurately reflect our ongoing dedication to safety and commitment to annual disclosure.</li> <li>There were no employee fatalities reported in 2022 at any site under Vulcan's operational control.*</li> </ul>
	Reduce Mine Safety and Health Administration (MSHA) reportable/Occupational Safety and Health Administration (OSHA) recordable injuries by 25% by 2025.		<ul style="list-style-type: none"> <li>The MSHA reportable rate increased to 1.00 in 2022 from 0.99 in 2021, and OSHA recordable injury rates increased from 1.65 in 2021 to 1.81 in 2022.</li> <li>Progress toward this goal in 2023 will include the full launch of company-wide safety programs to recent acquisitions.</li> </ul>
ENVIRONMENTAL STEWARDSHIP	Reduce Scope 1 and 2 GHG emissions intensity per ton of product produced by 10% by 2030.		<ul style="list-style-type: none"> <li>In 2022, we improved our GHG emissions inventory and accounting practices in order to support collection of Scope 1 and 2 GHG emissions data by business segment. We are revisiting this and other GHG emissions-related goals in light of improved data and will report progress against the 2022 product baselines beginning next year.</li> </ul>
	Reduce energy intensity per ton of product produced by 6.7% by 2030.		<ul style="list-style-type: none"> <li>In 2022, we began using a data collection method to track energy consumption data by business segment or product line. We will use the 2022 data to report on progress in 2023.</li> </ul>
	Secure 5% of electricity from renewable sources by 2030.		<ul style="list-style-type: none"> <li>This goal was changed from the previous goal in 2021 stating: Secure 5% of all energy from renewable sources by 2030. The goal language was changed to more accurately reflect our renewable energy sourcing strategy that focuses on purchased electricity.**</li> <li>A total of 5.3% of 2022 electricity needs were supplied by renewable and clean energy partnerships.</li> <li>We are exploring the potential to increase the renewable energy sourcing goal.</li> </ul>

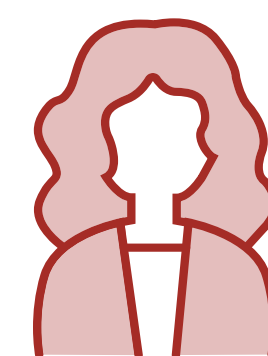
\* Unfortunately, there was one sub-contractor fatality at a non-operational site in 2022.

\*\* Renewable energy sources, such as renewable diesel for direct fuel combustion, have not been fully validated to meet renewable energy criteria.

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# People

TRAINING & CAREER GROWTH

DE&I

EMPLOYEE COMMUNITY & SUPPORT

WHAT'S NEXT?





At Vulcan, our team members are our most valuable asset and the reason for our success. When we say the “Vulcan family,” implicit in that description is a promise to every one of our almost 12,000 employees that we are dedicated to fostering a culture of integrity, teamwork, and mutual respect. We are proud to offer career development and training opportunities, a positive company culture, and comprehensive benefits designed to support the needs of our employees and their families. At Vulcan, we invest in the success of our business by first investing in our people.

### EMPLOYEE SURVEYS

We engaged our employees through surveys:

- New Hire Surveys collect information from new employees at 45, 90, and 120 days of employment. These surveys are optional, and the goal is to ensure that our new hires are provided with an effective and efficient onboarding process. Through these surveys, we collect information about the perception of our onboarding processes and practices, compensation and benefits programs, availability of training and resources, original expectations of the role compared to reality, and relationships with coworkers and supervisors, as well as awareness of growth and developmental opportunities.
- Exit surveys are a priority at Vulcan. We ask departing employees to reflect on their time with us and identify areas of strength, as well as opportunities for improvement. We encourage their candor and use this feedback to better the employee experience.

### GOAL

By the end of 2023, implement a three-pronged employee engagement program.



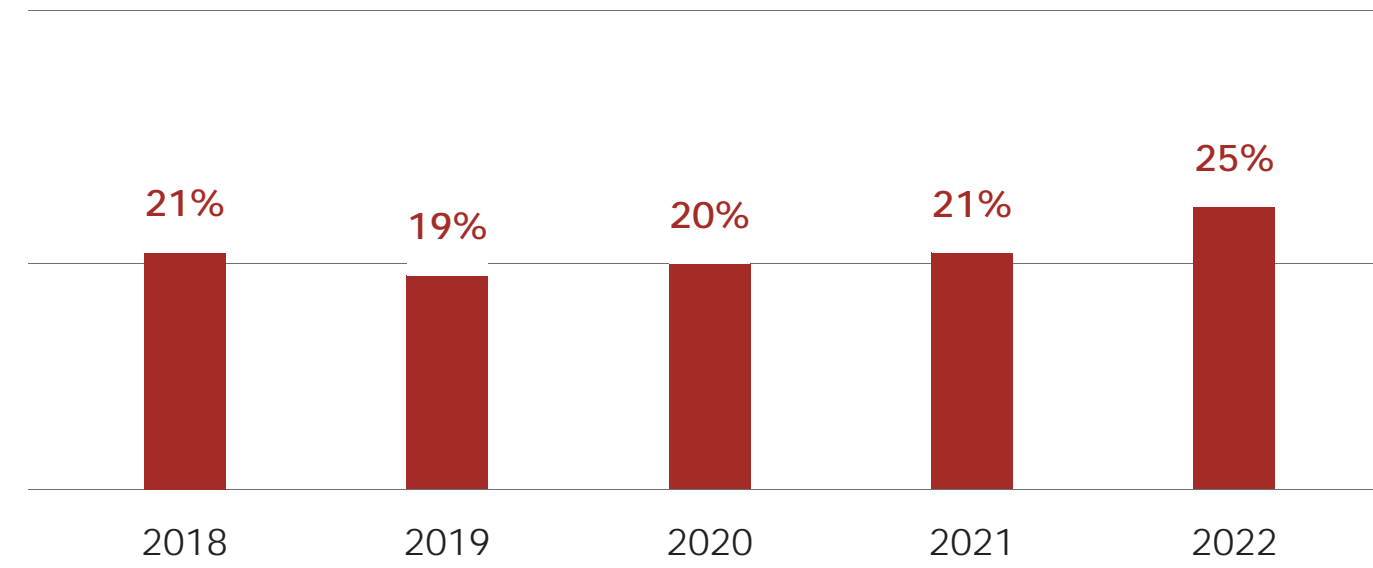
IN PROGRESS

We introduced New Hire Surveys and exit surveys for departing employees. Our new approach will incorporate a digital platform and pulse survey for regular communications and engagement with the entire Vulcan family.

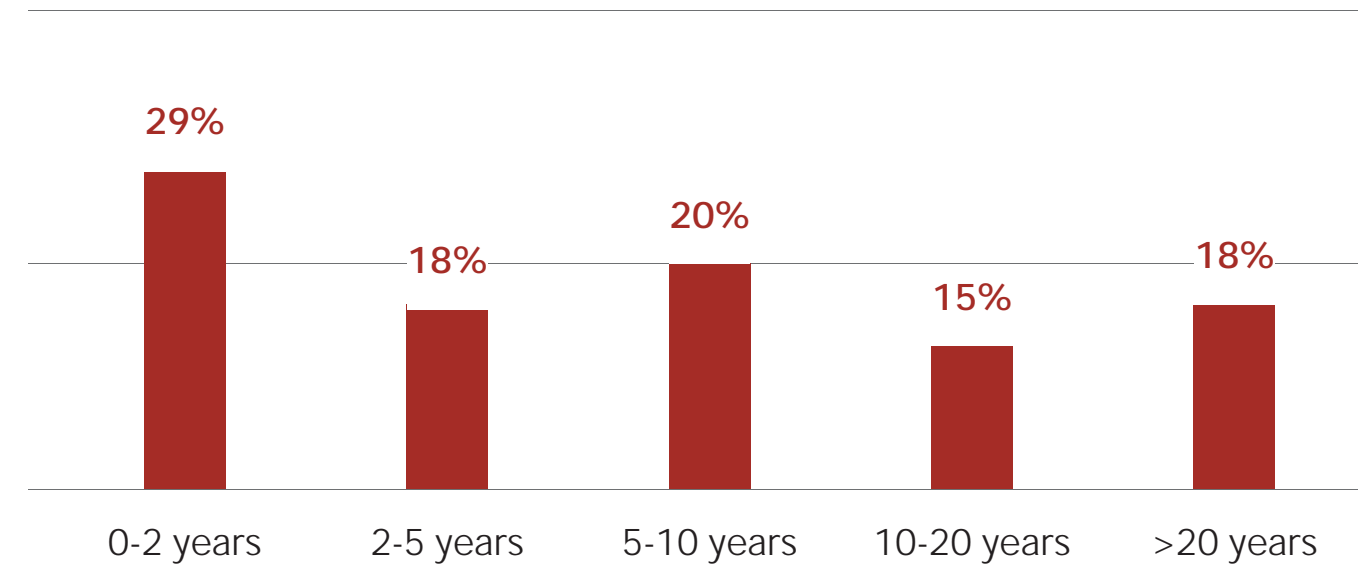


## TURNOVER & TENURE

### EMPLOYEE TURNOVER RATE



### EMPLOYEE TENURE

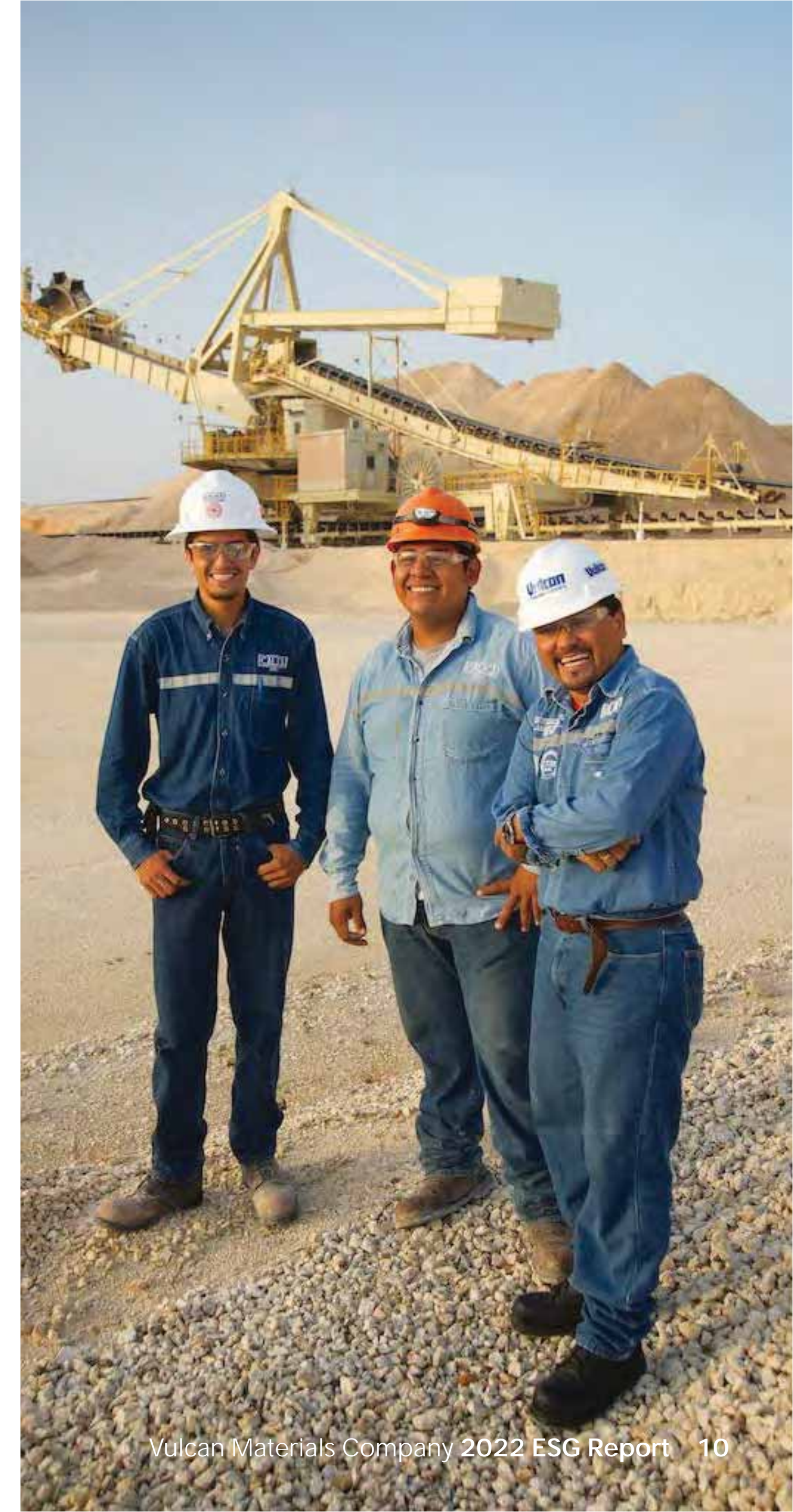


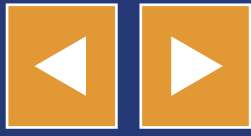
### GOAL

Reduce employee turnover by 25% by 2030 and increase employee retention.



The employee turnover rate increased to 25% in 2022 from the baseline of 21% in 2021. We analyzed exit surveys and collected additional information to gain a better understanding of the drivers of turnover. As a result, we are implementing programs aimed at increasing the recruitment of the right talent into the right positions, expanding the onboarding process, and developing clear options for career paths so that employees can see their future at Vulcan.





# Training & Career Growth

## GOAL

Develop leadership and employee programs to address gaps identified in employee surveys and provide training across the entire employee life cycle by 2023.



ACHIEVED

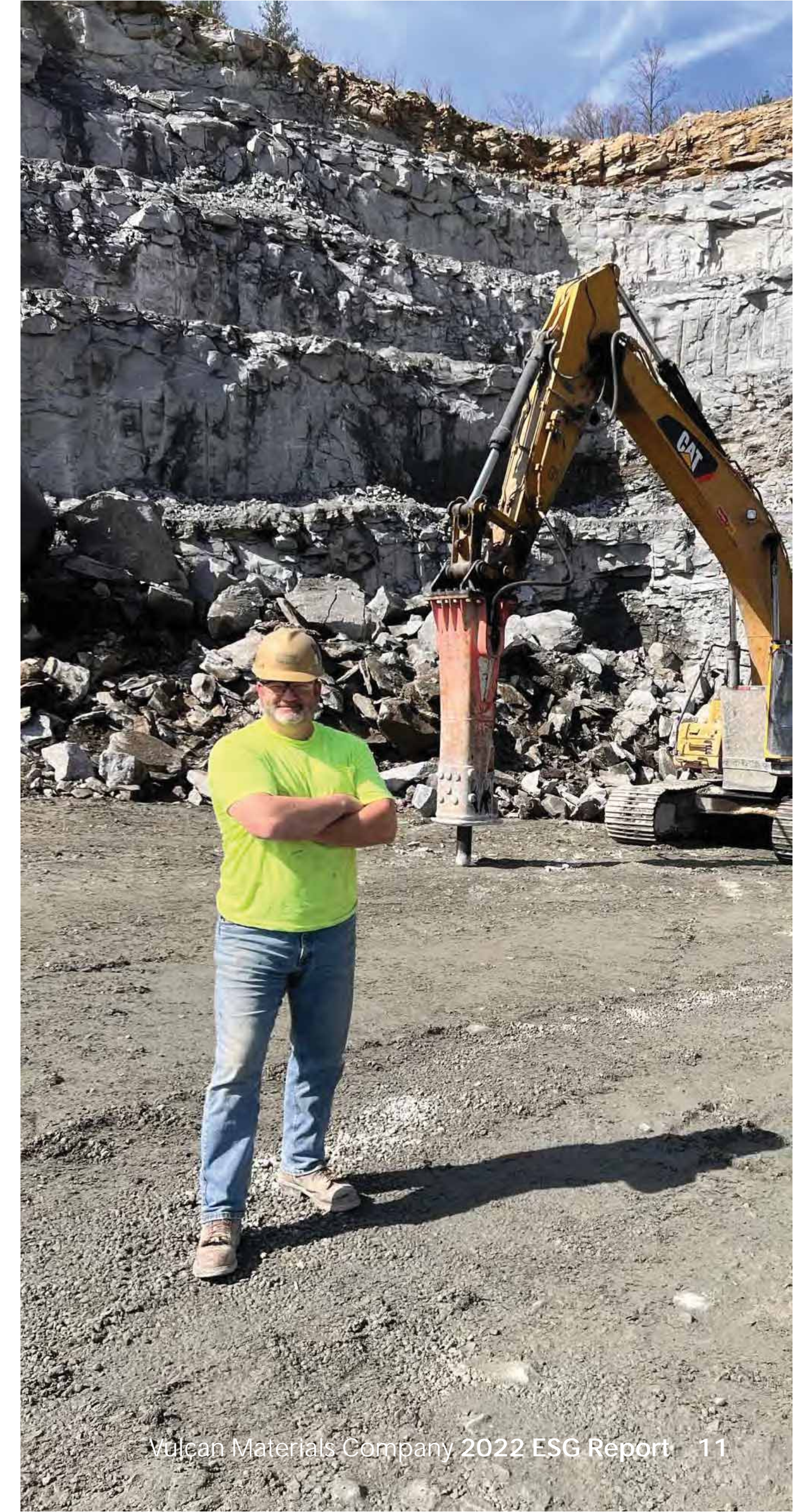
We implemented a wide variety of additional programs in 2022, adding to the existing employee development and training library.

At Vulcan, you can start here and stay here. We offer near-endless opportunities for training and professional development – from tuition reimbursement and leadership mentoring to technical and skills-based training. The Vulcan Way is to help our employees build a strong foundation to grow their careers and future.

## LEADERSHIP AND TRAINING

We have continued to develop and introduce leadership and employee training programs through Vulcan University. In 2022, we grew our collection of tools and training offerings to include:

- **Leading Self:** A program for individual contributors who may not formally manage others but can influence others and foster a positive work culture
- **Leading Others:** A program for first-line supervisors and managers who are directly responsible for managing a team of employees
- A total of 11 **Manager Toolkit** programs to support new managers and supervisors
- Additional modules in the **Vulcan Way of Operating** library for aggregates, asphalt, and mobile equipment
- Hosting 21 programs in the **Vulcan Pop-Up series** consisting of one-hour live Zoom sessions on topics such as technical training, Vulcan products and services, and leadership



### WHY CHOOSE VULCAN?

At Vulcan, we believe that whether you want to grow your skills, positively impact your community and the company, or launch your career, we can provide unlimited opportunities with career paths from general support, maintenance, and operations positions to supervisor and manager roles. But don't just take our word for it.

With the launch of our new recruitment website, [Work for Vulcan](#), anyone can hear testimonials from Vulcan employees describing in their own words why they chose Vulcan. This website was designed to provide information regarding the different roles at Vulcan, ensuring potential recruits understand the expectations of the role and the opportunities for development when they consider applying. By providing this education at the front end of our hiring process, we are finding the right people for the right roles.

**“You have your home family, and your Vulcan family. I know that my work family has my back, just like my home family ... I look forward to seeing how we can develop our younger talent and help them succeed here at Vulcan.”**

**Scott Merk**

District Operations Manager for South Carolina (24 years with Vulcan)



**“Vulcan shows initiative with training, making sure you are learning and experiencing everything you can before becoming a supervisor. Everyone knows I'm training to be a supervisor; they test me and let me show them what I can do!”**

**Meena Lahiri**

Operations Trainee (Two years with Vulcan)

**“I've been here for 16 years; I started here when I was 23 years old. I tell a lot of guys that this company taught me how to be responsible, how to take care of my family, to be a hard worker.”**

**Joe Porter**

Lead Driver Trainer (16 years with Vulcan)





# DE&I

Our organization is built on the foundation of a diversity of backgrounds, lived experiences, and thought. We believe true innovations and advancements in technology, processes, and productivity come when all voices and perspectives are heard. We embrace and value the unique racial, ethnic, religious, and cultural diversity of our Vulcan family. We are committed to creating a more equitable and inclusive work environment through continuous improvement and a dedication to seeking awareness and understanding.

Our DE&I programs are supported by executive leadership and led by the DE&I Council made up of division and corporate representatives. The Division DE&I Representatives are available to help our employees engage with local initiatives, discuss the Inclusion Briefing schedule, and address DE&I-related questions. Company-wide, the DE&I Council continued to increase engagement by supporting the ERGs, meeting monthly to align DE&I efforts with the broader business strategy, and hosting events such as:

- Autism Awareness Month
- Hispanic Heritage Month
- Women In Mining
- Juneteenth celebrations
- Breast Cancer Awareness Month
- Mental Health Awareness Month
- Veterans Day

## GOAL

**Increase employee diversity at the director level and above by 20% by 2030.**



IN PROGRESS

Representation of diverse employees at the director level and above has increased from 14% in 2021 to 15% in 2022.

## GOAL

**Complete anti-bias and diversity training for all employees by 2022.**



ACHIEVED

All employees completed anti-bias coursework. In addition, all new hires complete an online DE&I training model as part of their onboarding. The DE&I training is proposed as a refresher course for current employees every three years.

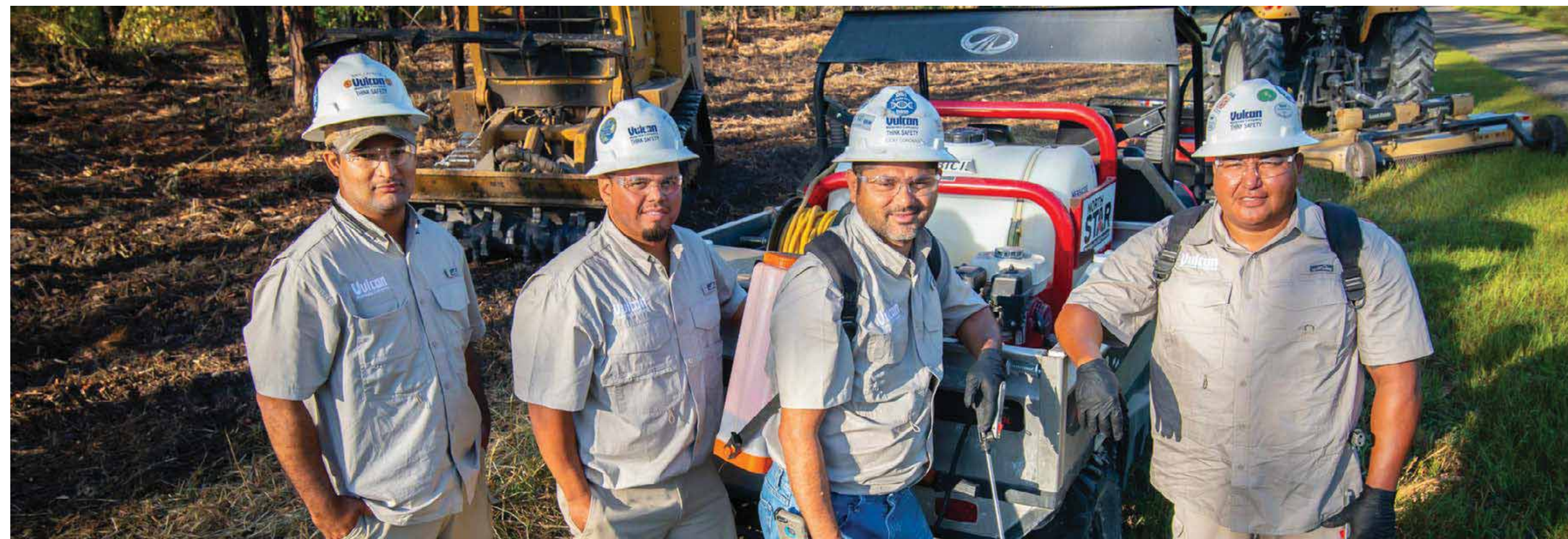
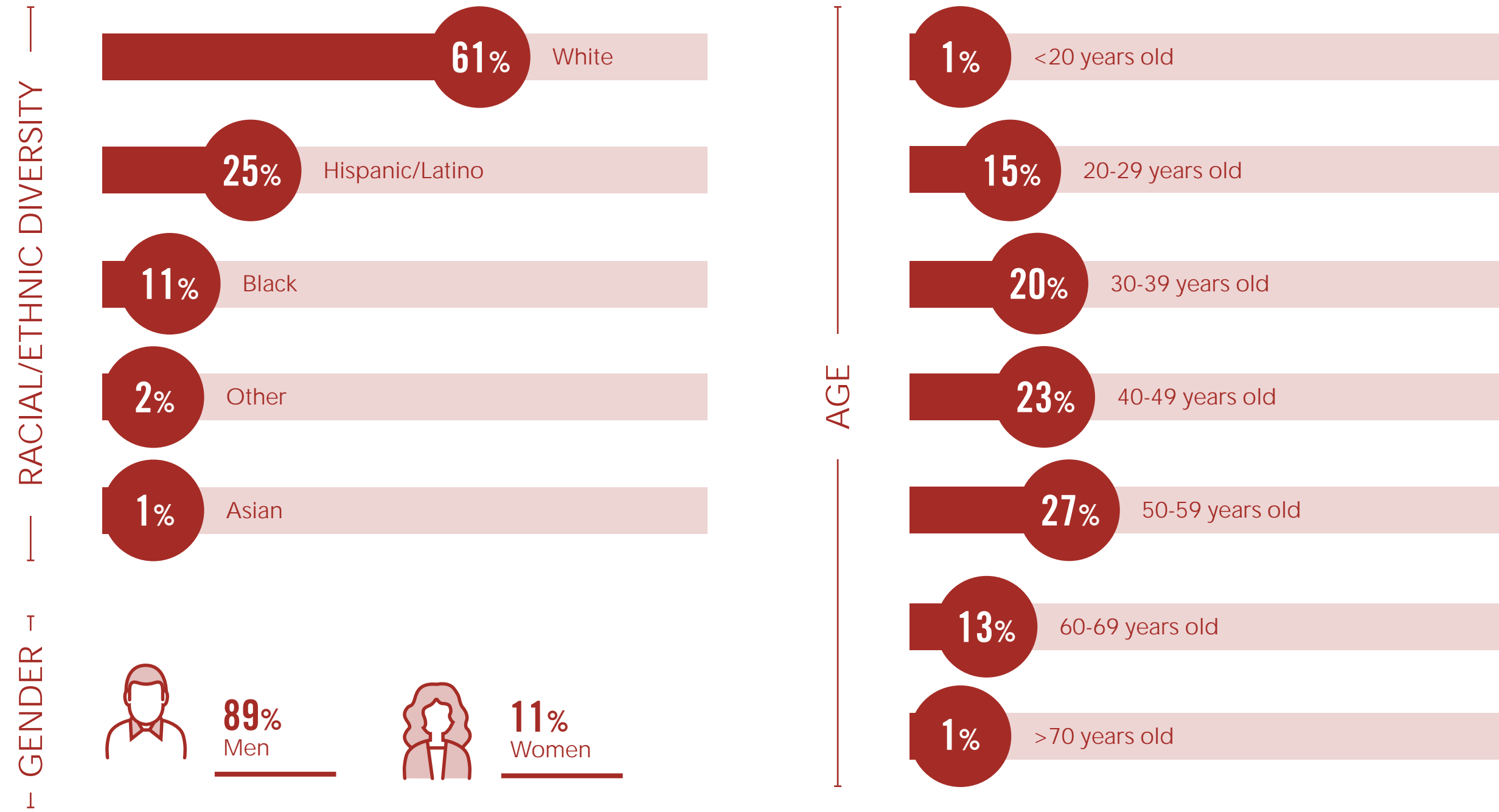


COMMUNITY

### Teaming Up to Raise Awareness

*Our Shelbyville Quarry team in Tennessee honored Autism Awareness Month by wearing custom blue shirts to show their support. According to the Centers for Disease Control (CDC), autism affects an estimated one in 44 children in the U.S. today. Autism awareness is key to fueling understanding and acceptance.*

## EMPLOYEE DEMOGRAPHICS



## HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (HBCUs) INITIATIVE

Since 2018, Vulcan has been hosting events that celebrate academic excellence and innovative thinking through our HBCUs Initiative. We partner with six academic institutions annually to host pitch competitions in which students submit and present their ideas for improvements to campus infrastructure or services designed to enhance the student experience. The 2022 pitch competitions brought in 450+ attendees. The winners received scholarships, and the first-place winners received an automatic internship offer to work at Vulcan.

We are grateful for the opportunity to build a diverse talent pipeline of the next generation of leaders in collaboration with our academic partners:

- North Carolina Agricultural & Technical State University
- Benedict College
- Tennessee State University
- Alabama Agricultural & Mechanical University
- Alabama State University
- Texas Southern University

# Employee Community & Support

## GOAL

Fully implement ERGs by 2022 and expand to include additional relevant minorities by 2025.



IN PROGRESS

Four ERGs were operational in 2022. The DE&I Council is working toward expanding the ERG program through increased participation and the launch of additional ERGs.

Our first four ERGs, launched in 2021, have continued their work through 2022 to offer Vulcan team members a place to celebrate, learn from, and share their diverse experiences. These groups are led by team members and inclusive of anyone at Vulcan who identifies as a member of, or wants to be an ally to, the respective groups.

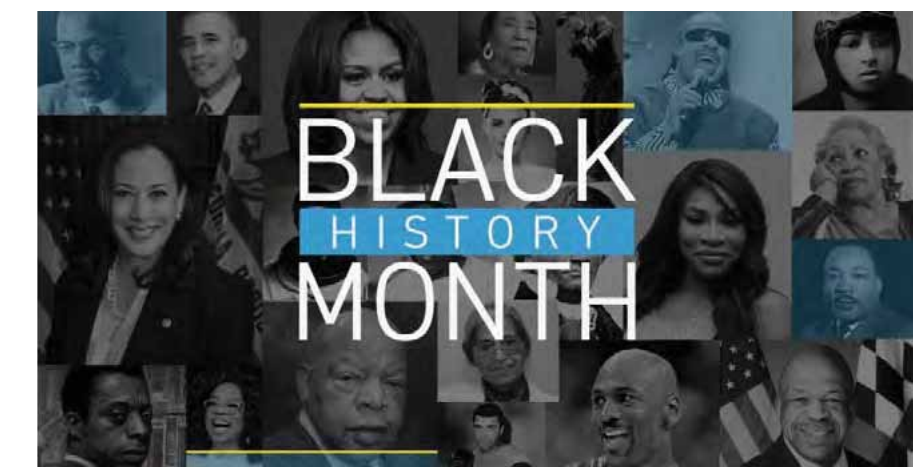
## BLACK COMMUNITY

**Mission:** Cultivate a community for Black employees to thrive by providing support, resources, strategy, and relationships that promote success and belonging in the workplace.

**2022 Highlights:**

- Our Black ERG consists of more than 60 members.
- Our Black ERG kicked off with several learning sessions, including Black History Month, corporate office connections and networking, and ended the year with a discussion on the importance and differences between mentors, advocates, and sponsors.

**2023 Aspirations:** Amplify voices to tell our stories, provide safe-space conversations, and expand the community by growing our engagement across the company.



*Just behind is Sunday!*

*Just behind is Sunday!*

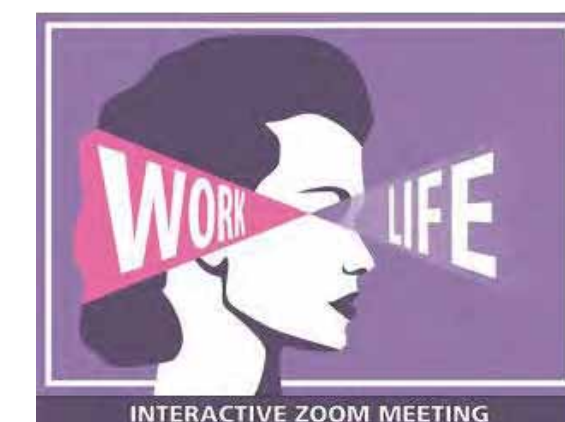
## WOMEN ROCK

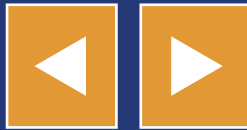
**Mission:** Be a community that connects, supports, and uplifts women of Vulcan, propelling them to success both professionally and personally.

**2022 Highlights:**

- Our Women Rock ERG consists of 240 members.
- Women Rock held learning sessions on work-life balance and professional development. In October, Women Rock hosted Dr. Heidi Ko from University of Texas Health San Antonio to discuss Breast Cancer Awareness.

**2023 Aspirations:** Develop relationships, empower others, enlarge our circle of participation and value, and actively live our mission.





## LATIN-HISPANIC COMMUNITY

**Mission:** Provide a forum for Vulcan's Latin-Hispanic groups and/or those interested to share ideas/ experiences, promote team building, engage in collaborative thinking, talk about our communities, have fun, and more.

**2022 Highlights:**

- Our Latin-Hispanic ERG consists of more than 60 members who represent all Vulcan divisions and more than 10 countries.
- Our Latin-Hispanic ERG virtually convened throughout the year to network, recruit, and celebrate Hispanic Heritage Month.

**2023 Aspirations:** Continue virtual educational events, broaden communication channels, and engage with the local Latin communities.



## MENTAL HEALTH AWARENESS CAMPAIGN

We believe that employee health is about more than physical health. It is also about mental health – the health of the whole person. We launched the 2022 Mental Health Awareness Campaign to address the growing focus on mental health as part of our comprehensive wellness program. This campaign was designed to educate while helping to remove the social stigma often associated with mental health. By focusing on a different topic every month, we provided our team and their families with educational resources and helpful tips on how to care, support, and show compassion toward those who may be struggling with mental health challenges. Monthly sessions are available to employees on demand and include topics such as:

- Promoting Employee Wellness
- Building and Maintaining Employee Morale
- Managing Burnout in Challenging Times
- Financial Wellness & Budgeting
- Men's Health Awareness Month

Under the Hard Hat is our internal program that connects stress and mental well-being to our established physical safety programs. The Employee Assistance Program (EAP) offers 24/7 confidential support for our employees who may be suffering from a wide variety of issues like grief and loss, anxiety and depression, or child and elder care challenges. This program offers support services, and contact information for the EAP is actively promoted.



## VULCAN VETERANS

**Mission:** Recruit and retain veterans, provide opportunities for professional development and community philanthropy, and establish a network to connect with fellow veterans and supporters.

**2022 Highlights:**

- Our Vulcan Veterans ERG has more than 90 members who represent all military branches, except Space Force.
- Our Vulcan Veterans ERG facilitated several calls with a focus on building awareness. We spotlighted ERG members in May for Military Appreciation Month, and on Veterans Day, we recognized all our veterans in appreciation of their service.

**2023 Aspirations:** Establish "Squads" with team leads to achieve our mission objectives, develop mentorship and professional development programs, and participate in community and philanthropic efforts.





HOME



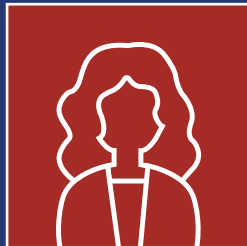
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## People: What's Next?

- Expand participation in existing ERGs and identify opportunities to form new ERGs.
- Continue to develop recruitment and training programs.
- Implement a three-pronged employee engagement program.



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# Health & Safety

SAFETY CULTURE

OCCUPATIONAL HEALTH AND INDUSTRIAL HYGIENE

WHAT'S NEXT?

The safety and health of our people is our top priority and the foundation of how we do business. Our Safety, Health, and Environmental (SHE) teams include input from every level of our organization – from senior leadership in the Safety, Health, & Environment Management Committee to operations and safety personnel from each site. We are dedicated to continuous improvement of our safety programs through ongoing internal inspections, regulatory audits, and sharing of best practices.

# Safety Culture

Safety is the first tenet of the Vulcan Way culture and applies to work both inside and outside our gates. Our culture of safety encourages every employee to speak up about safety concerns, collaborate on improvements, and watch out for their coworkers as if they were their own family.

## GOAL

**Achieve and maintain zero fatalities annually at all sites under Vulcan’s operational control.**



ACHIEVED

No employee fatalities occurred in 2022 at sites under Vulcan’s operational control. Unfortunately, there was one sub-contractor fatality at a non-operational site in 2022.

## SAFETY TRAINING

Vulcan has a comprehensive safety and health training program consisting of mandatory new-hire training, Annual Refresher Training (ART), and task training. Supplemental training is provided throughout the year with daily/weekly safety huddles, monthly Serious Injury and Fatality (SIF) Prevention focus topics, and safety alert distribution and discussions. These training activities are intended to support the overall goal of enhancing our employees’ and operations support teams’ ability to identify risks and understand how to assign and verify appropriate controls to maintain a safe work environment.

77K

Employees at sites regulated by MSHA received more than 77,000 hours of health and safety training in 2022.

“We talk safety every day. We want our employees and our coworkers to go home the same way they came to work, if not in better shape.”

Kelly Conder  
Plant Manager





### FATALITY PREVENTION PROGRAM (FPP)

Vulcan's FPP, which launched in 2021, has continued to grow and evolve to meet the changes to our operations by incorporating divisional lessons learned and best practices into our company-wide approach.

Historically, safety in the aggregates industry has been primarily focused on backward-looking metrics and accident prevention strategies. The common approach to injury and fatality prevention was to investigate incidents based on severity and not on the potential of severity. The FPP takes a more targeted approach, prioritizing incidents, including near misses, into 14 high-risk areas that have the highest likelihood to result in a serious injury or fatality and focuses on all incidents, even minor injuries, where potential was higher. Due to the FPP, Vulcan's percentage of actual and potential serious injuries and fatalities decreased from 2021 to 2022.



### QUARTERLY ASSESSMENTS

The Vulcan Safety & Health team is responsible for managing data and recommending best practices, but every Vulcan employee is ultimately responsible for helping maintain a safe work environment. To promote education and accountability of safety performance, the Vulcan Safety & Health team, in consultation with senior leadership, creates and distributes quarterly fatality prevention assessment materials. Each site manager uses a template to complete an assessment of their facility while actively engaging with their teams to validate that systems and controls are functioning properly, as well as to identify any items that could be improved. The results of these assessments are reviewed and instrumental in identifying additional improvement opportunities and focus areas.

A quarterly assessment in 2022 that focused on traffic patterns, controls, and signage highlighted the opportunity to reduce the interactions between light-duty support vehicles and mobile heavy machinery in parking areas. Through the assessment and subsequent control development process, multiple Vulcan facilities created designated staging areas and pull-throughs for mobile machinery. This new placement drastically reduced the need for backing up – a high-risk activity – and lowered the potential for collisions.

**92%** In 2022, 92% of our facilities had zero lost-time injuries.

<sup>4</sup> MSHA: [Mine Safety and Health Administration](#)  
<sup>5</sup> OSHA: [Occupational Health and Safety Administration](#)

### GOAL

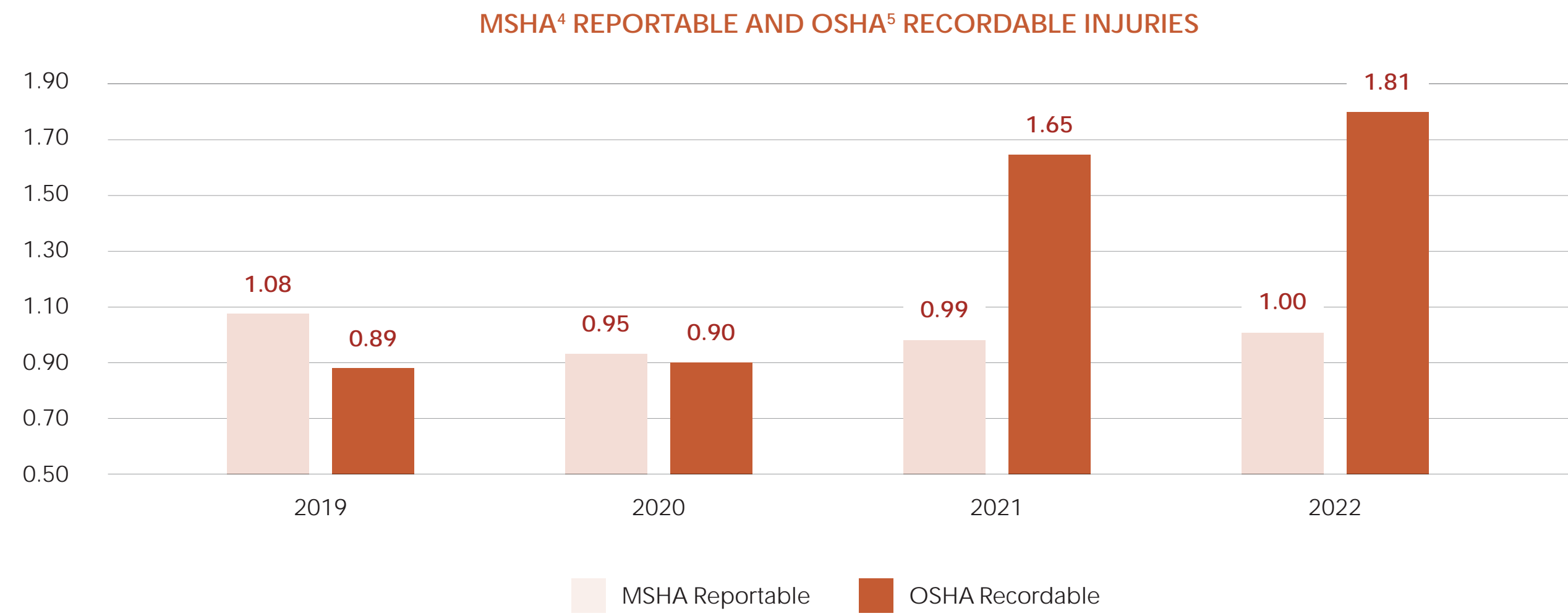
**Reduce MSHA reportable/OSHA recordable injuries by 25% by 2025.**

**IN PROGRESS**

The MSHA reportable rate increased to 1.00 in 2022 from 0.99 in 2021, and OSHA recordable injury rates increased from 1.65 in 2021 to 1.81 in 2022. Progress toward this goal in 2023 will include the full launch of company-wide safety programs to recently acquired companies.

### DID YOU KNOW?

Vulcan sites are regulated by two separate federal safety agencies – MSHA and OSHA. Above- and below-ground mining operations, including aggregates, use the MSHA reportable metrics. Other Vulcan operations, including asphalt, ready-mixed concrete, and sales yards, use OSHA recordable metrics.





### SAFETY ON THE ROAD

We hold our transportation and distribution operations on the road to the same high standards as our on-site operations. In 2022, we implemented a nationwide hiring standard for drivers. In 2023, we will enhance training provided to new and existing drivers. Additionally, we plan to support the health of our fleet drivers by adding to our fatigue management program. Specifically, this includes additional training and a robust sleep apnea screening/treatment program.

Vulcan's Northeast Division offers the [Drive Right Vulcan Academy](#). After successfully completing six weeks of paid classroom instruction and hands-on work experience, individuals know how to properly and safely operate a ready-mixed concrete truck and are prepared to obtain a commercial driver's license.

Over the past several years, we have invested significantly in technologies to improve the safety of our fleet operations, including:

- Electronic stability control
- Air disc brakes
- Rearview cameras
- Chute stops
- In-cab telematics
- In-cab cameras for driver coaching
- Anti-tip technology on trailers

In addition to safety, we have invested in features that improve driver quality of life, such as vertically hung lightweight chutes, ergonomic handles for entering and exiting vehicles, and vehicle-mounted working lights. All Vulcan-regulated fleet assets have deployed video telematics (in-cab cameras).

### DID YOU KNOW?

“Telematics” refers to the transmission of data from remote objects through a network to where it is stored and analyzed. The word telematics comes from a combination of two disciplines: telecommunications and informatics.





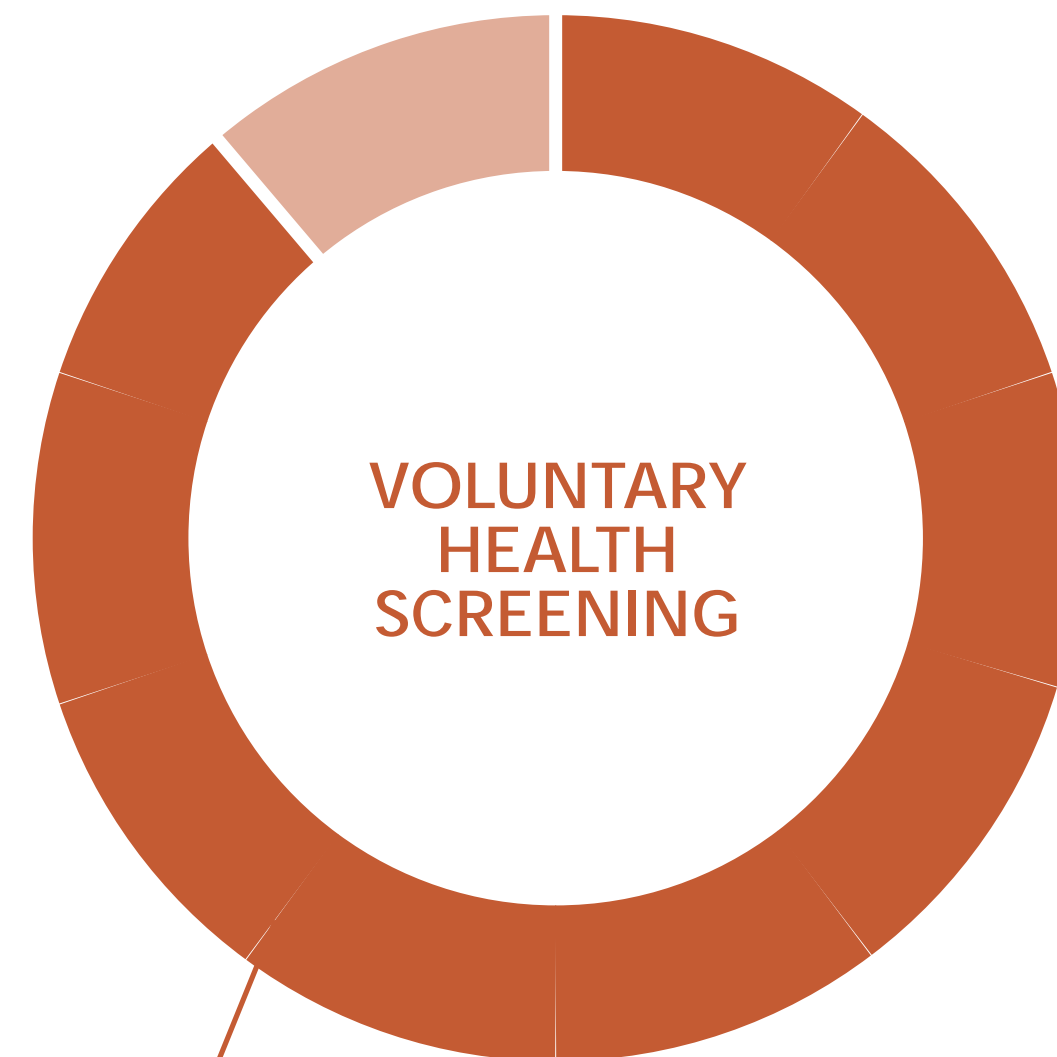
# Occupational Health and Industrial Hygiene

Our Occupational Health and Industrial Hygiene Program was launched more than 40 years ago and continues to offer new ways to protect the health and well-being of our employees. This program leverages the data from our industry-leading health screenings and industrial hygiene sampling programs to create predictive metrics that guide our preventive programs. We strive to prevent our team's exposure to health hazards before it manifests as measurable health impacts.



## HEALTH SCREENINGS

Vulcan covers the cost of periodic health screenings for all current employees to monitor any early warnings of health conditions, especially those associated with production facilities in our industry. In 2022, 89% of 6,967 eligible employees participated in a company-provided health screening. Additionally, all new hires are eligible for medical surveillance at the beginning of employment to establish baseline records through a hearing test, chest X-rays, and a pulmonary lung function test.



**89%**

of eligible employees participated in the health screening



## HEAT STRESS AWARENESS

From a region familiar with working in extreme temperatures, our Mountain West Division, which encompasses Arizona and New Mexico, presented best practices for reducing heat stress during our company-wide May 2022 Safety and Health Communication call. The team presented several real-life examples of shaded break areas with portable cooling and misting units, cold hydration stations, and personal protective equipment (PPE)/first-aid resources.

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## Health & Safety: What's Next?

- Continue to evolve the safety programs to address high-risk activities specific to all Vulcan lines of business.
- Continue to enhance the fatality prevention program and build an "On the Ground" risk-aware culture through engagement activities at all levels within the organization.
- Enhance our driver training program for new and existing drivers.

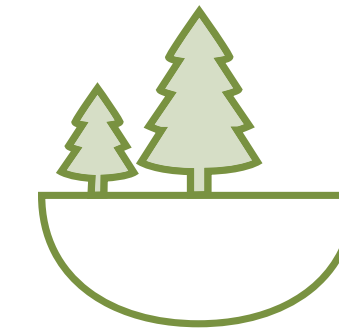




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# Environmental Stewardship

GREENHOUSE GAS EMISSIONS AND CLIMATE CHANGE

ENERGY

AIR QUALITY

LAND USE & BIODIVERSITY

WASTE REDUCTION & RECYCLING

WATER

PRODUCT SUSTAINABILITY

WHAT'S NEXT?



Environmental stewardship is necessary for Vulcan's long-term sustainability and growth. Production of construction aggregates requires land, energy, and water. Efficient use of these resources and management of the environmental impacts of our operations are embedded in our business planning. Our intentional approach to environmental stewardship has also produced increased operational efficiency and reduced costs, new opportunities for growth, and effective risk management.

# Greenhouse Gas Emissions and Climate Change

## SCOPE 1 & 2

Vulcan operations emitted 1.23 million metric tons of Scope 1 and 2 carbon dioxide equivalent (MTCO<sub>2</sub>e) from the production of construction aggregates, asphalt, and ready-mixed concrete, which represents a 7% increase compared to 1.15 MTCO<sub>2</sub>e in 2021.

We substantially improved our data collection processes and GHG inventory reporting methods in 2022 versus prior years. As a result, 2022 GHG emissions calculations reflect all acquisitions and demonstrate consistent and replicable data management processes and will, therefore, serve as the new baseline against which to measure GHG emissions reductions progress.

We will also revisit Scope 1 and 2 goals against the new baseline. Compared to peer companies that produce cementitious materials, Vulcan's Scope 1 and 2 GHG

emissions reductions will require us to identify business segment-specific strategies to target energy efficiency improvements across all phases of production. Due to greatly improved GHG inventory and accounting methodology, we now have additional insights to inform the development of our decarbonization strategy.

## DID YOU KNOW?

Vulcan has a significantly lower Scope 1 and 2 GHG emissions profile than other construction material companies due to our aggregates-focused business model. The Scope 1 and 2 GHG emissions intensities of aggregates are 200 times lower than that of cement.<sup>6</sup>



<sup>6</sup> In 2019, the U.S. Environmental Protection Agency (EPA) calculated data submitted to its [Greenhouse Gas Reporting Program \(GHGRP\)](#) and estimated the industry median for GHG emissions intensity to be 0.776 MT CO<sub>2</sub>/MT of cement.



### SCOPE 3

In 2022, Vulcan completed the first phase of our project to calculate Scope 3 emissions in conformance with the GHG Protocol Scope 3 Standard.

- Utilizing a spend-based analysis approach, we calculated emissions in five of the 11 applicable Scope 3 categories, which totaled 3.12 million MTCO<sub>2</sub>e.
  - Although more than 80% of Scope 3 emissions in the five categories were associated with 100 suppliers, survey response rates among publicly held or very large suppliers were lower than expected.
  - Many of Vulcan’s suppliers are local, privately owned companies that do not actively collect or report Scope 1 and 2 data.

The next phase of the Scope 3 effort will include:

- Analyzing the remaining applicable Scope 3 categories for inclusion in future reports
- Targeting supplier engagement efforts with the highest emissions-intensive products and other large publicly traded suppliers
- Engaging suppliers throughout the year, communicating expectations, identifying a point of contact for necessary data from each supplier, and partnering with suppliers to improve primary GHG emissions data and reporting

### CLIMATE-RELATED RISK MANAGEMENT

We are committed to identifying, planning for, and mitigating physical and transitional climate risks to our business. This strategy includes producing low-embodied emissions products and supporting the construction of climate-resilient infrastructure.

In 2022, we began a comprehensive, enterprise-wide climate risk analysis. This analysis will support a more robust, overarching climate-related risk management strategy for Vulcan and incorporate mitigation plans tailored to the unique impacts and opportunities of the major business lines. This work will be completed in mid-2023. Once complete, key findings will be incorporated into Vulcan’s 2023 CDP Climate Change Questionnaire submission and TCFD report.

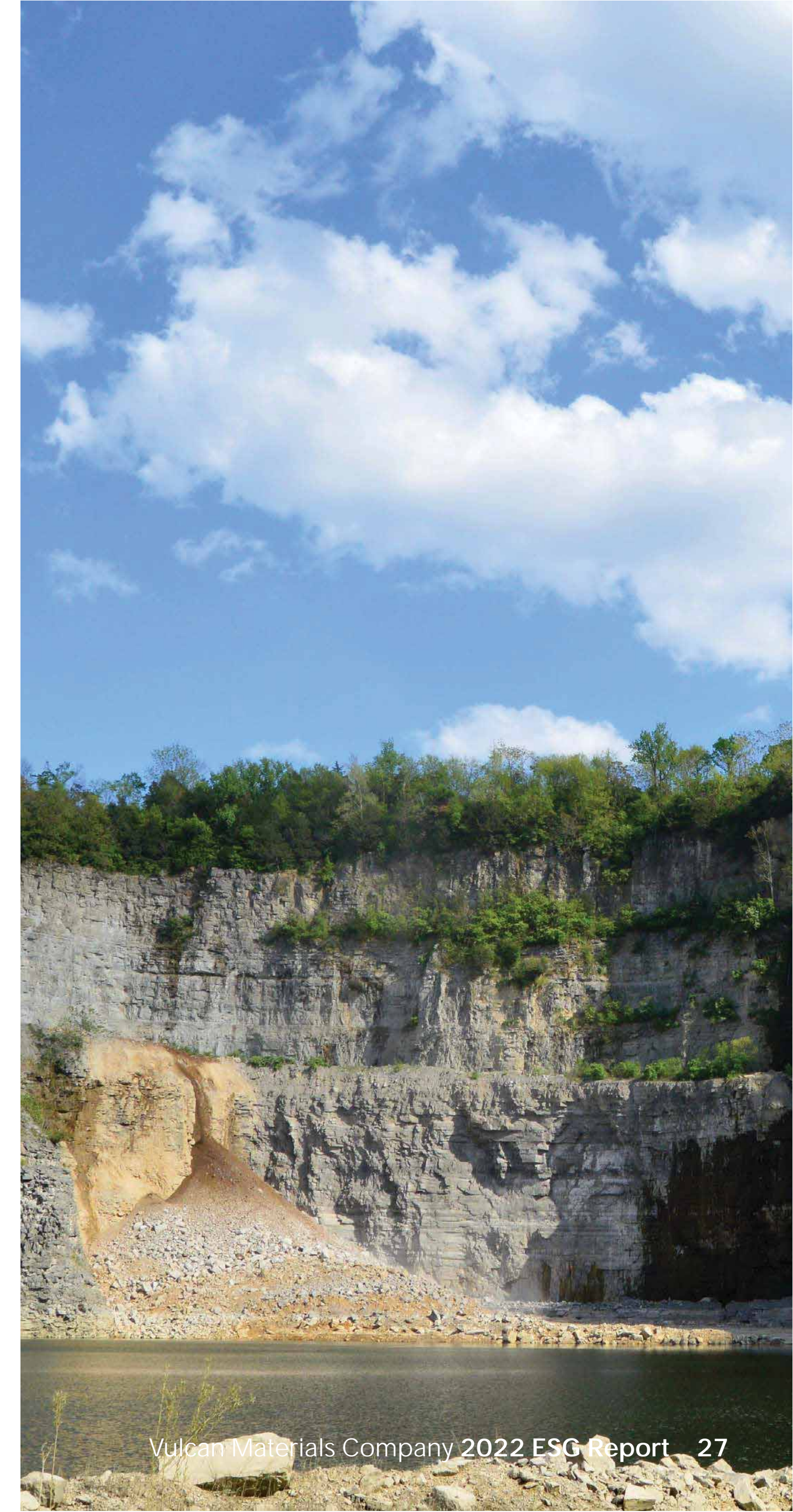
#### GOAL

**Reduce Scope 1 and 2 GHG emissions intensity per ton of product produced by 10% by 2030.**

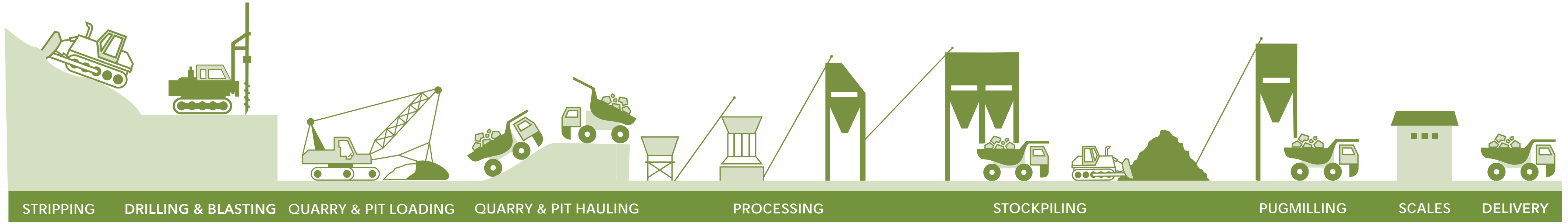


IN PROGRESS

In 2022, we improved our GHG emissions inventory and accounting practices in order to support the collection of Scope 1 and 2 GHG emissions data by business segment. We are revisiting this and other GHG emissions-related goals in light of improved data and will report progress against the 2022 product baselines beginning next year.

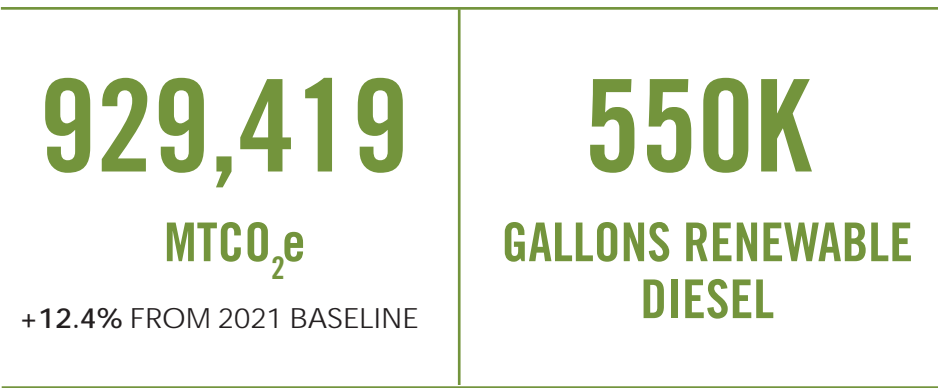


AGGREGATES PROCESS



SCOPE 1

- **Definition:** Direct emissions from Vulcan's owned and controlled operations, including the combustion of fuels.
- **Sources:** The primary drivers of Vulcan's Scope 1 emissions are diesel and natural gas used for both mobile and stationary operations.



SCOPE 1 STRATEGIES

- **Renewable Sources:** Emissions can be significantly reduced through renewable diesel sourcing. In 2022, 70% of Vulcan's overall Scope 1 emissions were from diesel.
- **Tier IV Engines:** Tier IV and hybrid engines for mobile equipment reduce fuel needs.
- **Operational Efficiency:** Increased efficiency in the equipment and processes used for asphalt mix drying can lead to reduced natural gas consumption.

SCOPE 2

- **Definition:** Indirect emissions as a result of generating electricity, steam, heating, or cooling purchased by Vulcan.
- **Sources:** The primary drivers to reduce Vulcan's Scope 2 emissions are to source renewable energy and increase production efficiencies.



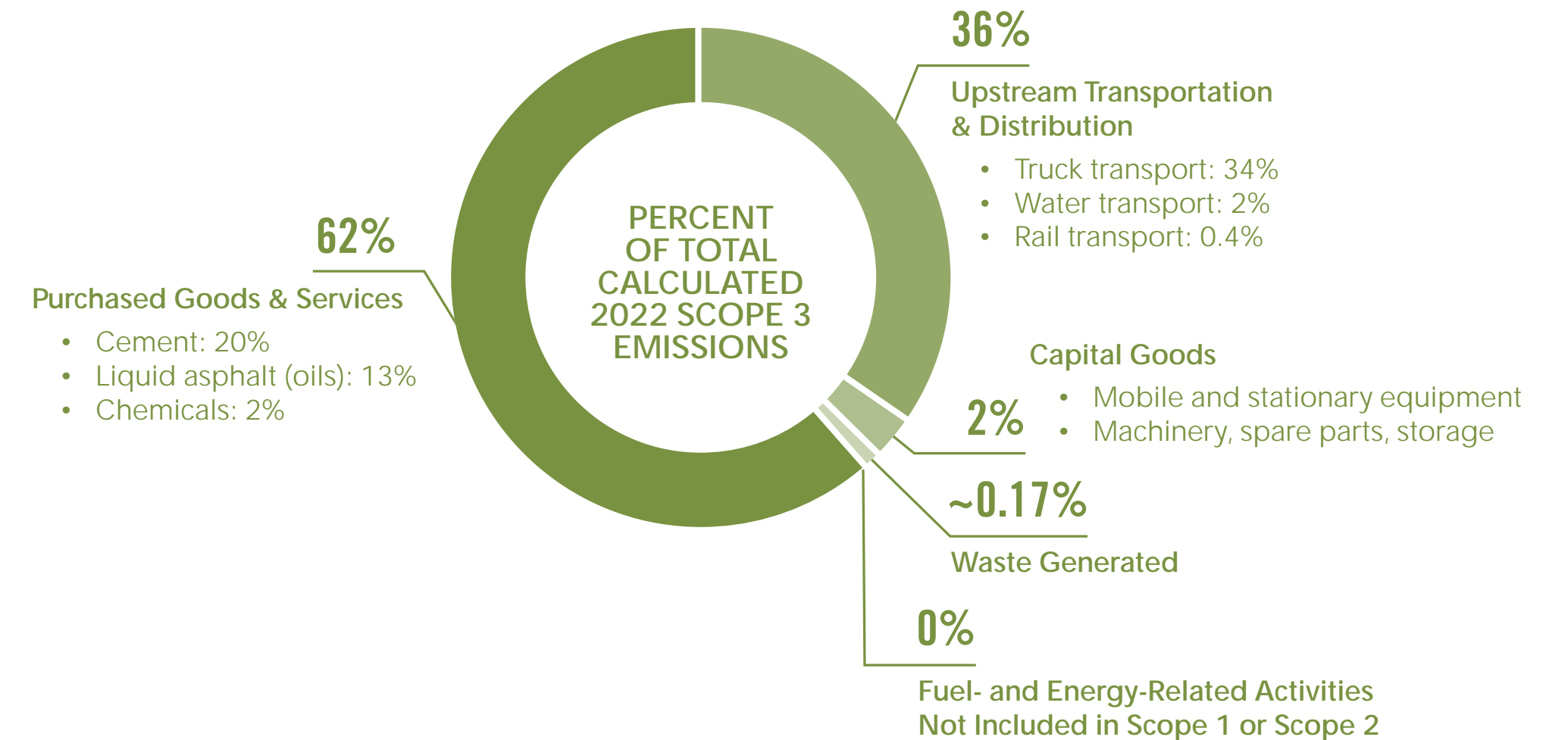
SCOPE 2 STRATEGIES

- **Renewable Electricity:** About 5% of purchased electricity was sourced through renewable energy in 2022, with additional projects in development.
- **Operational Efficiency:** Examples include energy audits, improvements in LED lighting, and installation of variable frequency drive (VFD) water pumps.
- **Generation and Battery Projects:** We are investing in on-site solar generation and battery storage projects in sites in California and are currently analyzing additional states for on-site solar development and battery projects.

SCOPE 3

- **Definition:** Indirect emissions not included in Scope 2 as a result of Vulcan's value chain, both upstream and downstream.
- 2022 was the first year Vulcan collected Scope 3 data and used a spend-based analysis from nearly 15,000 suppliers guided by the World Resources Institute (WRI) GHG Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard.
- This initial analysis considered five Scope 3 categories, out of 11 categories deemed applicable for Vulcan's operations.
- Approximately 98% of Scope 3 emissions from this analysis are attributed to purchased goods and services and upstream transportation and distribution.
- Future analyses will include data from the remaining applicable Scope 3 categories.

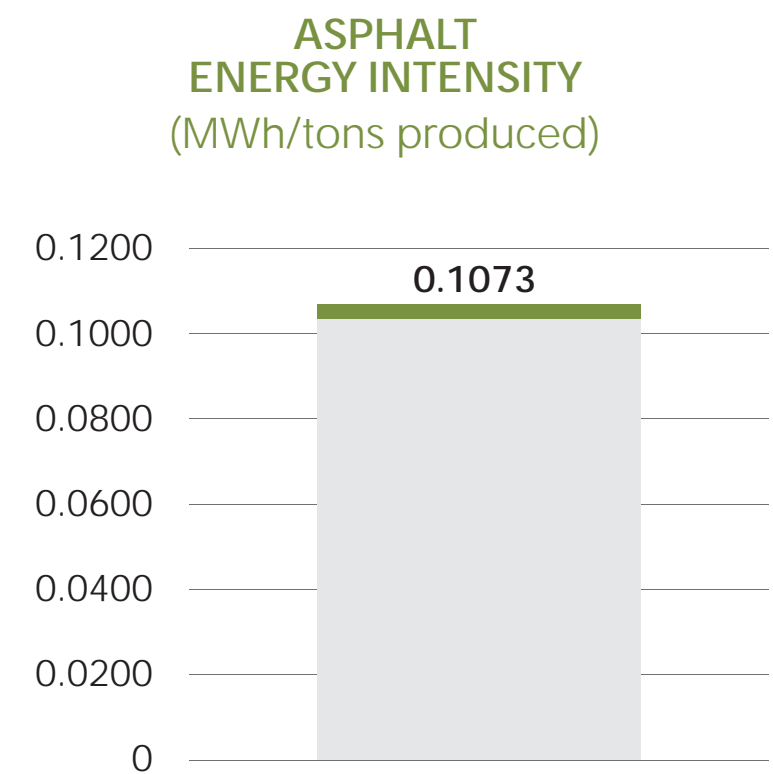
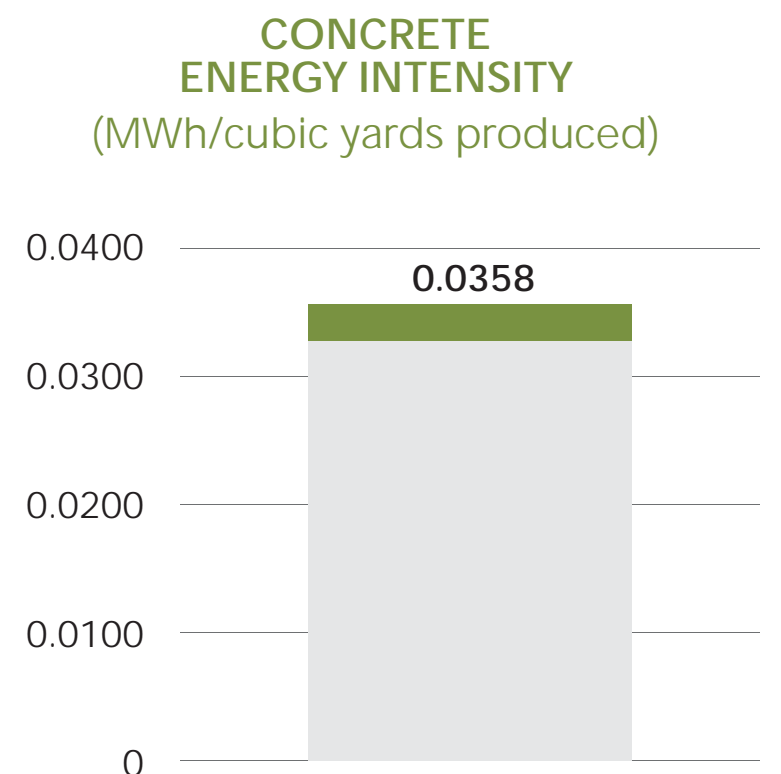
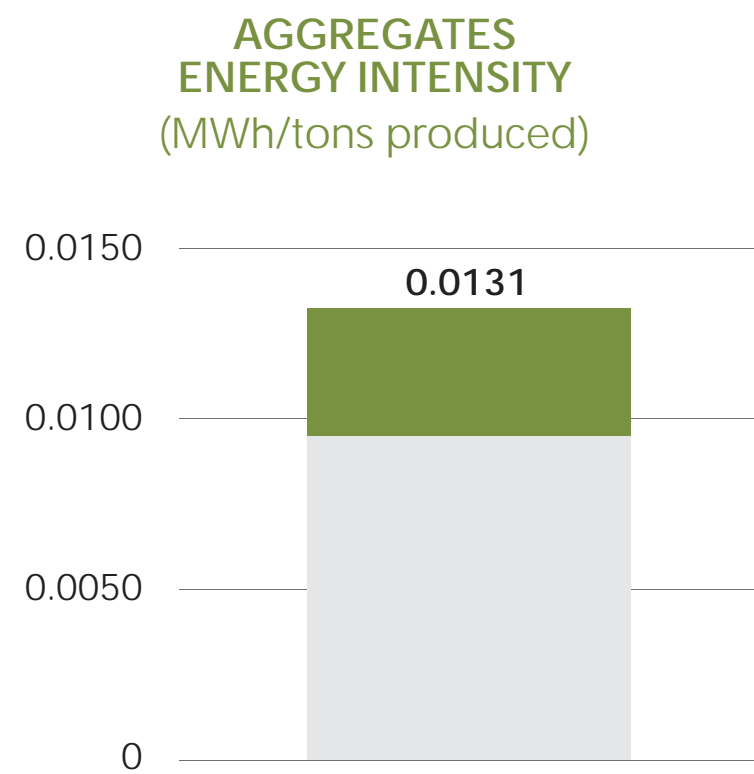
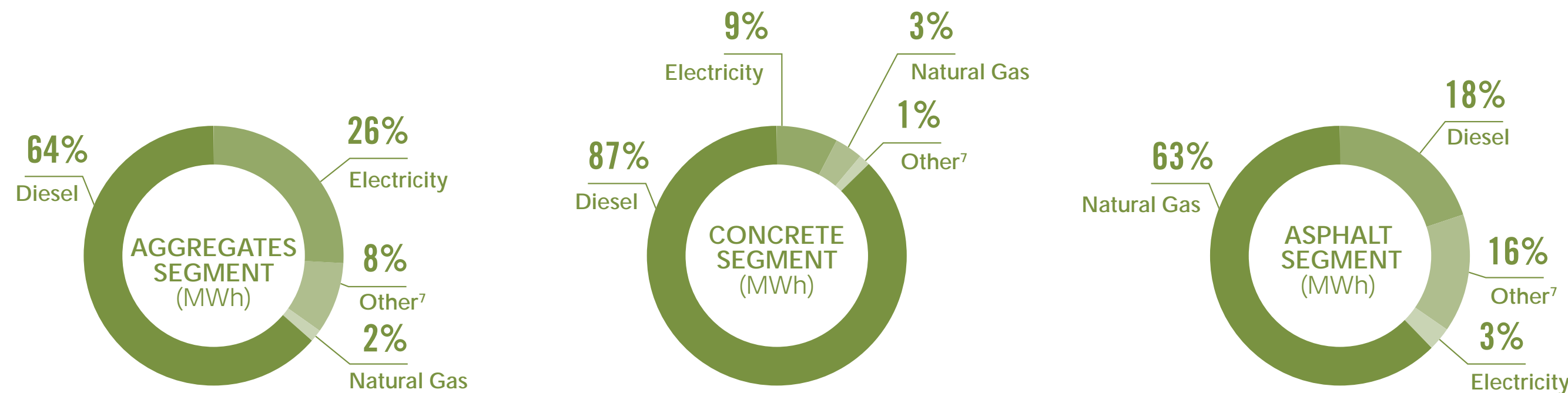
**3,123,697 MTCO<sub>2</sub>e**



2022 EMISSIONS BY BUSINESS SEGMENT



# Energy



Scope 1 (MWh)    Scope 2 (MWh)

<sup>7</sup> Other includes burner fuel, fuel oil 2, heating oil, and propane.

## SOURCES AND USES OF ENERGY

The top three sources of energy consumed at Vulcan are diesel, natural gas, and electricity.

Diesel and natural gas, sources of Scope 1 emissions, are used for mobile (58% of total MWh equivalent) and stationary (23% of total MWh equivalent) equipment:

- **Aggregates production:** Diesel fuel is used in on-site, off-road mobile equipment such as haul trucks.
- **Asphalt:** Natural gas powers the equipment used to dry aggregates before it is mixed with liquid asphalt.
- **Concrete:** Diesel fuel powers concrete trucks, which produce and deliver ready-mixed concrete.

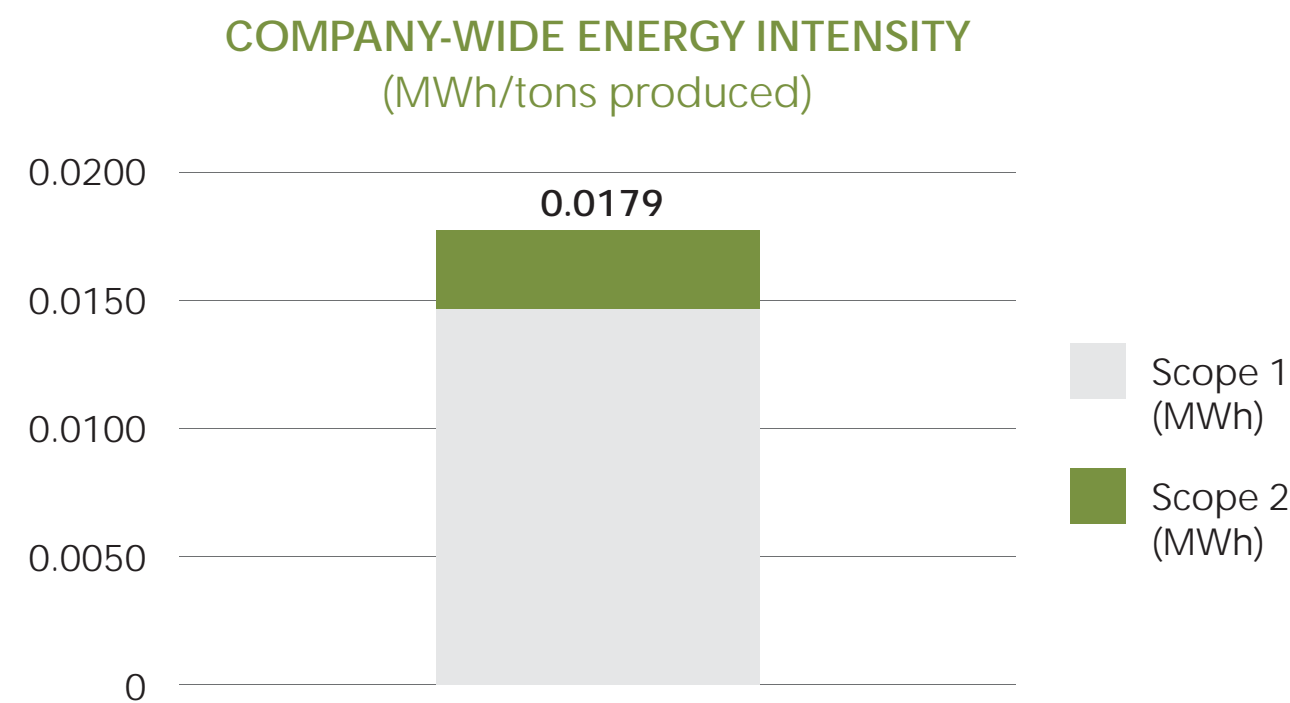
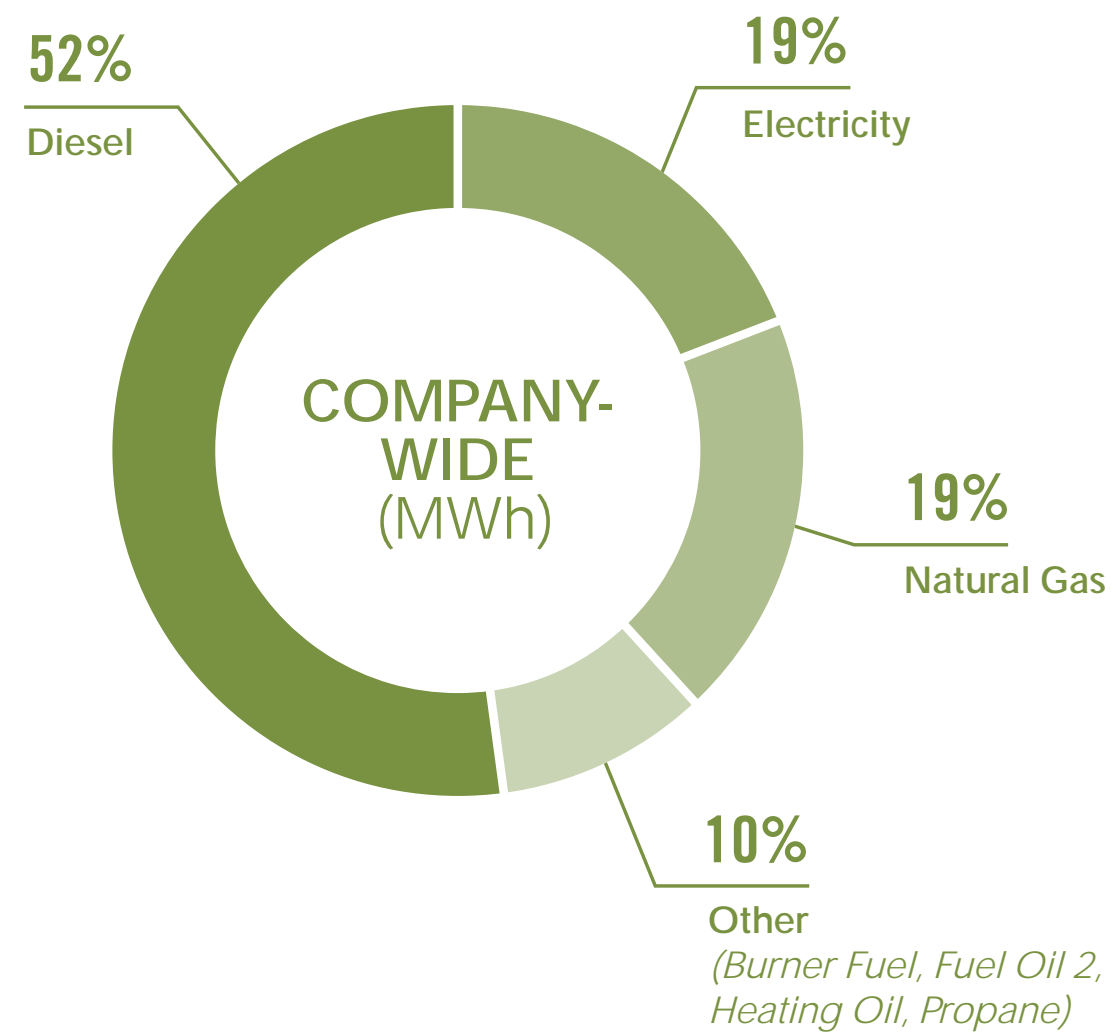
Purchased electricity, which generates Scope 2 emissions, ranks third among all energy sources consumed at Vulcan. In 2022, 19% of Vulcan's total energy consumption (MWh equivalent) came from purchased electricity used to power stationary production equipment and company facilities across all business segments.

**GOAL**

Reduce energy intensity per ton of product produced by 6.7% by 2030.

IN PROGRESS

In 2022, we began collecting data to track energy consumption by business segment. We will use this baseline to report on energy intensity progress in 2023.



### ENERGY EFFICIENCY OPPORTUNITIES

Careful management of energy is embedded in our business strategy and our company culture. In 2022 routine energy audits resulted in notable improvements to our comprehensive energy management system. We expect improved performance in 2023 from these strategies.

### PROCESS IMPROVEMENTS

The Vulcan Way of Operating, one of Vulcan’s strategic disciplines, uses technology and data analytics to optimize production efficiency. The resulting process improvements support continuous improvement and durable growth throughout the economic cycle and helps Vulcan achieve increased energy efficiency and reduced environmental impacts.

### MOBILE EQUIPMENT

More than 58% of our Scope 1 and 2 emissions in 2022 came from off-road mobile equipment. As we replace end of life off-road mobile equipment with new equipment, we see 30%–50% decreases in fuel consumption per engine.

- Tier IV: These engines were designed to meet EPA emissions standards for nonroad diesel by increasing fuel efficiencies through more complete combustion and reducing pollutants such as nitrogen oxide (NOx), sulfur oxide (SOx), and hydrocarbons. In 2022, Tier IV machines performed more than 57% of Vulcan’s off-road fleet work.
- Electric Hybrid: Functioning like an electric-hybrid passenger car, the engines of these machines operate in a reduced speed range and recapture energy while the operator slows the machine, maximizing fuel efficiency.
- Hydraulic Hybrid: By harnessing and storing the energy of hydraulic flows, these machines distribute power from the pumps to drive the wheels. When traveling, energy is put toward the movement of the machine. When stationary, energy is distributed to mechanical functions such as excavation.

### DID YOU KNOW?

In the aggregates business line, Vulcan replaced 120 pieces of mobile equipment, including haul trucks, front end loaders, excavators, and bulldozers, with more fuel-efficient models in 2022.

### FUEL CONSERVATION INITIATIVES

The total amount of fuel burned is part of a standard key performance and production metric in the aggregates industry – and the more fuel used is customarily viewed as indicative of better performance. In contrast, Vulcan’s fuel conservation initiative challenges its operators to conserve fuel and reduce idle equipment hours. For example, rather than letting machines idle and expend fuel on unproductive tasks, if a customer is late for product pickup Vulcan’s operators are encouraged to focus on other work or take a break.

### ENERGY EFFICIENT TECHNOLOGY

Variable frequency drive (VFD) controls on stationary equipment, LED replacements, lighting controls and optimized air-conditioning use less energy than the technologies they replaced.

In 2022, Vulcan used 550,000 gallons of renewable diesel, which accounts for less than 1% of the diesel fuel consumed by mobile equipment. Expansion of renewable diesel usage is being piloted in California where the most significant supporting infrastructure exists.

## RENEWABLE ENERGY OPPORTUNITIES



### Completed/In Operation (Active)

- Solar Project in Bakersfield, CA
- Wind-generated electricity and renewable energy certificates (RECs) in TX
- Community solar arrangements in FL for renewable electricity and RECs
- Additional market-purchased renewable energy beginning in 2023
- Battery storage projects in CA



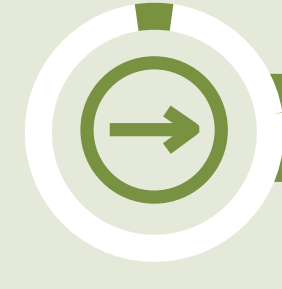
### Approved/Under Development (2024 & 2025)

- Two additional solar projects in CA (2024)
- Finalizing additional community solar projects in IL (2024)
- Additional battery storage projects in CA



### Under Evaluation/In Study (2025-2030)

- Currently analyzing additional quarries for on-site solar development in CA, SC, NM, and MD (anticipate progress in 2023)
- Additional battery storage projects in initial analysis phase



### And Beyond... (2030+)

- Continued technological improvements across solar, wind, and battery storage are needed to be the catalyst for increasing renewable electricity
- Rate design in regulated markets is required to present favorable economics for solar project development

## SAN EMIDIO QUARRY

Vulcan partnered with White Pine Renewables to convert 10 acres of our San Emidio Quarry outside of Bakersfield, California, into a solar facility. The on-site solar generation is projected to generate more than four million kilowatt-hours (kWh) of clean renewable energy annually: enough to provide approximately 70% of the quarry's annual electricity needs. The facility supports our goals to source renewable energy, reducing the carbon intensity of our products and improving energy resiliency.



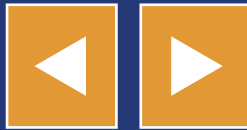
## GOAL

Secure 5% of electricity from renewable sources by 2030.



ACHIEVED

A total of 5.3% of 2022 electricity needs were supplied by renewable and clean energy partnerships. We are exploring the potential to increase the renewable energy sourcing goal.



# Air Quality

Most Vulcan sites are classified as minor or synthetic minor sources of air pollutants and operate under federally authorized state or local permitting programs. Through these programs, we most actively monitor and manage particulate matter (PM) and emissions from mobile and stationary combustion. To improve our overall emissions profile, we have integrated an emissions inventory into our environmental management system's digital platform to measure, manage, and mitigate our air quality impact.

We are continuing to identify and inventory emissions sources at a facility level. When inventories are completed, the sources and emissions parameters are uploaded to our SHE information system. This project will be conducted over several years to ensure we include many facilities; assess the quality of data gathered; and adjust the processes, as needed.

## DID YOU KNOW?

Fuel-efficient mobile equipment upgrades have significantly reduced our combustion emissions per horsepower-hour, including a **35%+ reduction in NOx** and **41%+ reduction in diesel PM** in the last six years.

PARTICULATE MATTER

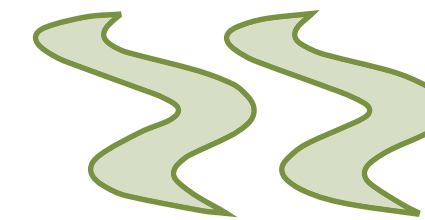
**Production:** Dust and other PM from the processing of crushing larger rocks into smaller rocks



**Dust Suppression:** We use state-of-the-art systems that apply water through high-pressure, low-flow nozzles, reducing dust without flooding processing equipment.

**Mechanical Systems:** We collect PM through baghouses and dust filtration equipment.

**Trackout:** Dirt, mud, and other debris tracked by our vehicles, from worksites to public paved roadways

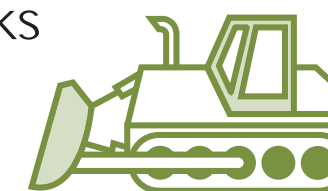


**Cleaning:** Rumble strips loosen debris that is then cleaned by wheel washes and truck sprays. Pavement, as opposed to dirt roads, lead up the exit from the facility to avoid adding debris after cleaning.

**Sweeping:** We use our own equipment or hire commercial sweepers to clean roads when trackout cannot be avoided.

COMBUSTION EMISSIONS (NOX, SOX, CO<sub>2</sub>)

**Mobile Equipment:** Air pollutants resulting from fuels being used in mobile equipment such as excavators and trucks



**Fuel-Efficient Engines:** We are in the process of replacing our fleet of mobile equipment with more fuel-efficient Tier IV and hybrid engines.

**Fuel Conservation:** We are reducing the number of idle hours spent on mobile machines and reducing emissions.

**Stationary Equipment:** Resulting from fuel burning on equipment used to process products



**Emissions Control:** We ensure our equipment has appropriate air filters and emissions controls.

**Production Efficiency:** We adjust production processes to optimize efficiency and fuel consumption by accounting for environmental conditions such as temperature and throughput needs.



# Land Use & Biodiversity

We actively manage more than 240,000 acres in our land portfolio using a long-term, holistic approach that prioritizes the preservation of land, water, and biodiversity. From permitting to development to end-of-life reclamation, we are dedicated to being accountable to the neighboring communities and protecting the local natural resources through responsible development.

Many of our operations not only meet regulatory requirements for reclamation planning at the end of a quarry's life, but they also use a proactive approach to conservation and engagement while quarries are in operation.



## PARTNERSHIPS

- **Wildlife Habitat Council (WHC):** WHC's Corporate Wildlife Habitat Certification/International Accreditation Program recognizes commendable wildlife habitat management

and environmental education programs at individual sites. Vulcan has been a proud national partner of WHC since 1990 when our Sanders quarry became the first site in the U.S. to obtain certification by WHC. In 2022, we received accreditation for 40 quarry sites containing wildlife enhancement programs. WHC was developed in 1988 to restore and improve wildlife environments through the help of corporations, conservation organizations, and individuals. It is a nonprofit, nonlobbying organization that assists landowners in turning unused lands into environmentally safe and flourishing ecosystems. For more information about WHC, visit [www.wildlifehc.org](http://www.wildlifehc.org).

- **Conservation Banking:** Vulcan originally purchased land in Polk County, Florida, with the intention of building a quarry. However, after an extensive review of the environmental impacts to sensitive species, our environmental team collaborated with the U.S. Fish & Wildlife Service (USFWS) and Florida Wildlife Commission (FWC) to find an alternative beneficial use for the land. The property became the Tiger Creek Conservation Bank (TCCB) and acts as protected habitat for endangered or sensitive species. Gopher Tortoises are listed as "threatened" by the state of Florida and can be safely relocated to TCCB through Vulcan's permits, finalized in 2022. Currently, 116 acres have been identified as occupied in the TCCB, with an additional 113

acres of potentially suitable habitat. Additional wildlife species that call the TCCB home include the Florida sandhill crane, red-bellied woodpecker, Florida scrub lizard, and southern cricket frog.

**“We take great pride in our environmental stewardship efforts and are committed to fostering meaningful partnerships to responsibly preserve the land where we operate.”**

**Lori Sanville**

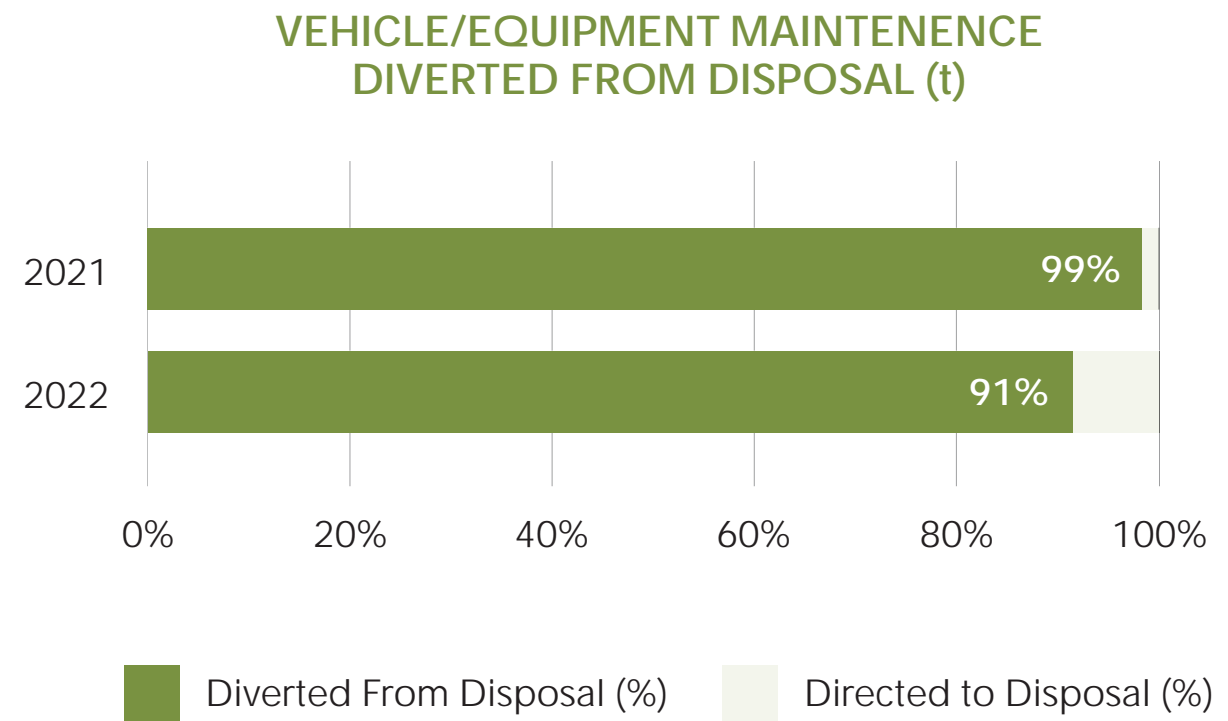
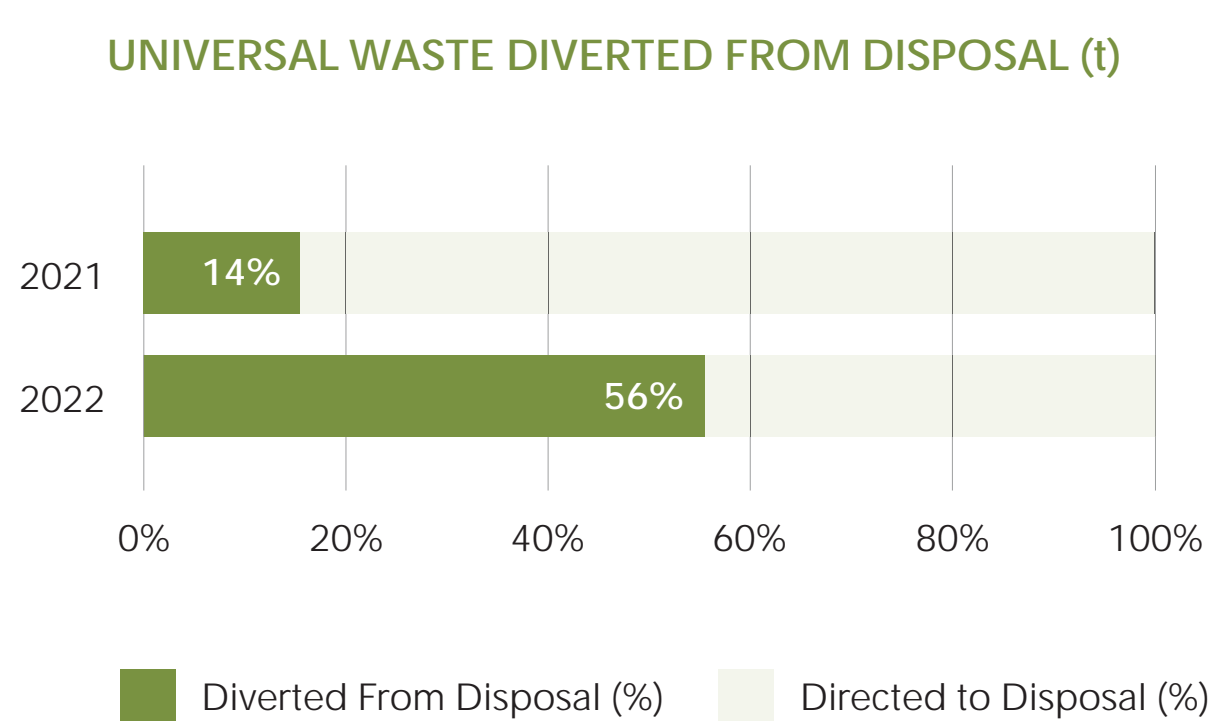
Environmental Manager, South Division,  
Vulcan Materials Company



# Waste Reduction & Recycling

Unlike other mining and construction materials sectors, waste from producing aggregates is largely considered inert. Our primary managed waste streams are (1) universal<sup>8</sup> and (2) vehicle and equipment maintenance waste.<sup>9</sup>

We finalized our transition to a single waste management vendor in 2021, and we were able to integrate waste tracking in 2022 company-wide, including recent acquisitions. With the inclusion of more locations and data, the overall volume of waste in both categories increased from 2021 to 2022, as did the volume that was diverted from landfill disposal.



<sup>8</sup> Universal waste is defined as batteries, pesticides, mercury-containing equipment, lamps, and aerosol cans.

<sup>9</sup> Vehicle/equipment maintenance waste is defined as antifreeze, fuels, lubricants, oils, oil filters, parts washer fluids (solvents), and used oil. The percentage of vehicle/equipment maintenance waste diverted from disposal decreased from 2021 to 2022, but the total tonnage diverted increased. The higher waste volumes in 2022 are driven by inclusion of data from recent acquisitions.



# Water

We continue to evolve our approach to water management beyond regulatory compliance to active stewardship, recognizing that water is a shared and, in many places, highly stressed resource. Water is an input to aggregates operations, our highest water intensity operation, in three primary ways:

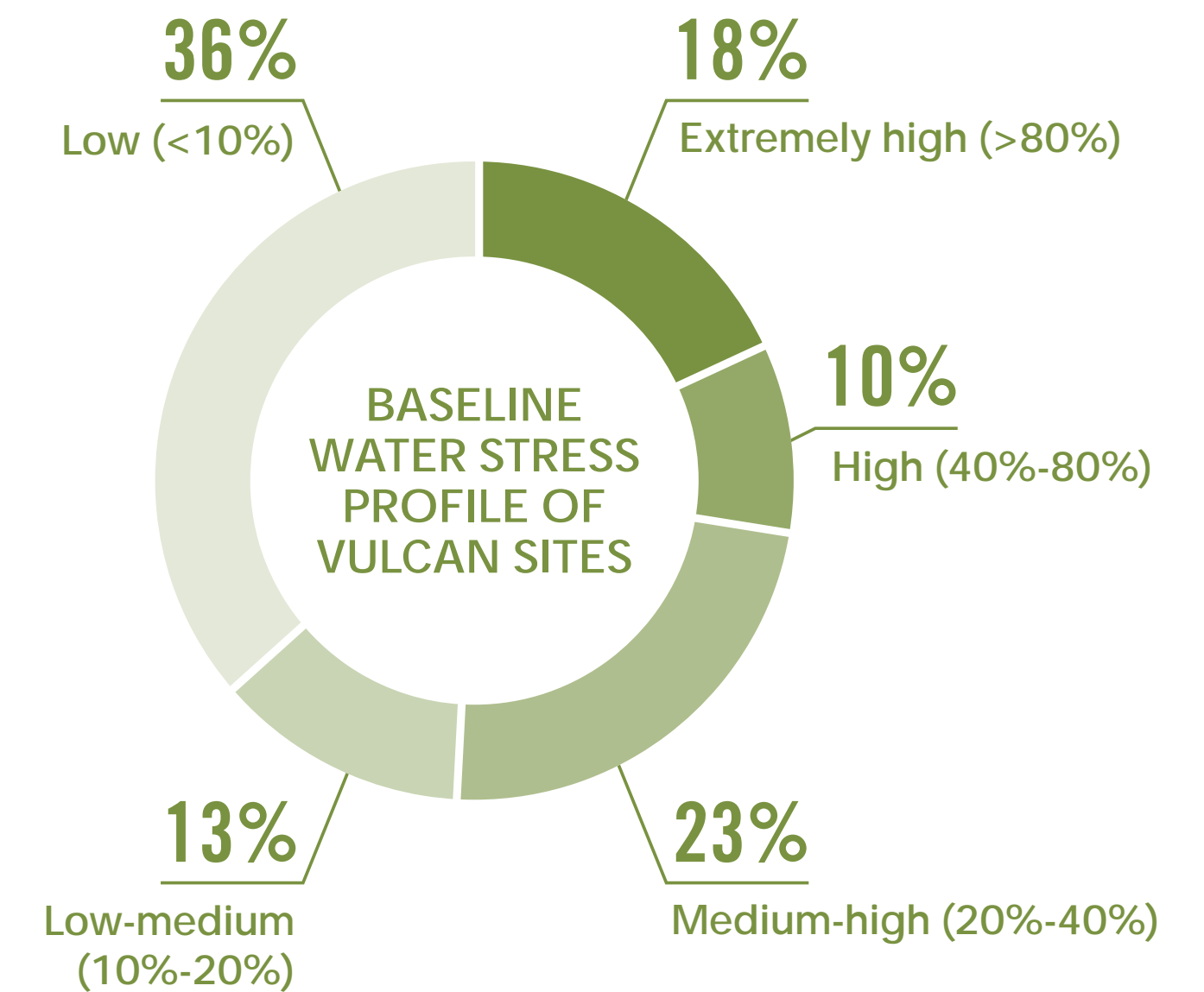
- **Production:** Washing aggregates removes fine particles and clay to meet product specifications.
- **Air quality:** Wetting roads and rinsing vehicle tires controls dust.
- **Health and safety:** We provide Water, Sanitation, and Hygiene (WASH) services for our employees in accordance with safety guidelines and best practices.

Vulcan also monitors the volumes and quality of water created as an output. Whenever possible, water is collected and recycled when pumped out of the quarries or through the dewatering process. When water is discharged, it is treated for Total Suspended Solids (TSS) and pH to meet all applicable federal, state, and local permit requirements, supported by regular testing through third-party laboratories.

Water resource management is approached as a hyperlocal issue to account for significant variability in regional water availability, quality, regulations, and accessibility. While our local sites have been developing

their own programs and processes to improve water efficiency for years, in 2022, we took the first step in creating a company-wide approach to water management. Our formal Water Risk Assessment (WRA) began at the end of 2022 and is slated for completion in 2023. The WRA process began with identifying the highest-priority sites by water stress using watershed-specific data from the Aqueduct Risk Atlas Tool developed by the World Resources Institute (WRI). Through this analysis, we established that 28% of our 2022 active sites<sup>10</sup> are in areas defined as “Extremely High” and “High” water stress. Of our 2022 active sites, 22% of aggregates facilities were located in areas of at least high water stress, 48% of asphalt facilities, and 28% of ready-mixed concrete facilities.

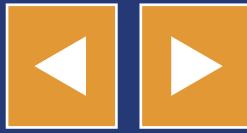
We further prioritized operations in our list that are known to have relatively high water use, such as aggregates, as opposed to sites with notably minimal water use like storage yards or distribution areas. Through this initial process, we identified 144 high-priority sites to participate in our water management pilot program in 2023. Our goal for the coming years is to continue adding sites to the company-wide managed water portfolio using data collection and water-efficiency best practices developed during the pilot program.



## DID YOU KNOW?

“**Water stress**” is defined by WRI as the ratio of total water withdrawals to available renewable surface and groundwater supplies. Water withdrawals include domestic, industrial, irrigation, and livestock consumptive and nonconsumptive uses. Available renewable water supplies include the impact of upstream consumptive water users and large dams on downstream water availability.

<sup>10</sup> Active sites include those producing asphalt, ready-mixed concrete, recycled materials, sand and gravel, and stone during 2022.



# Product Sustainability

We are committed to meeting the ever-increasing demand for more sustainable products and contributing to innovation in climate-resilient infrastructure. Our technical teams collaborate with our customers and communities to support the development of innovative products and processes that decrease the environmental impact while maintaining quality standards and cost-effectiveness.

From exploring alternative materials like slag and fly ash that replace more energy-intensive raw materials to recycling products and licensing innovative technology, Vulcan is investing in the future of our industry.



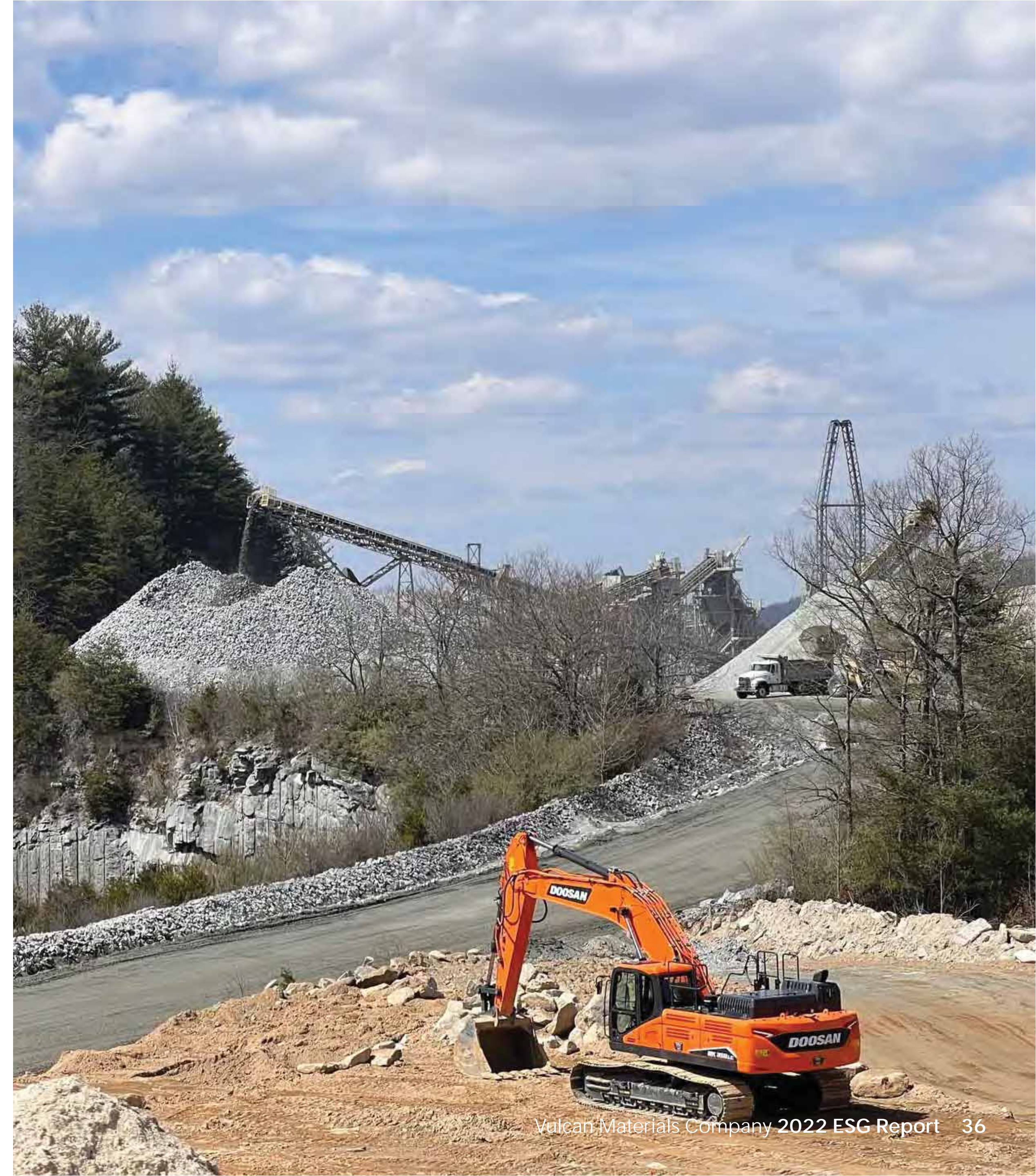
1.7M tons of recycled asphalt pavement reused



2.1M tons of recycled concrete used to produce aggregates

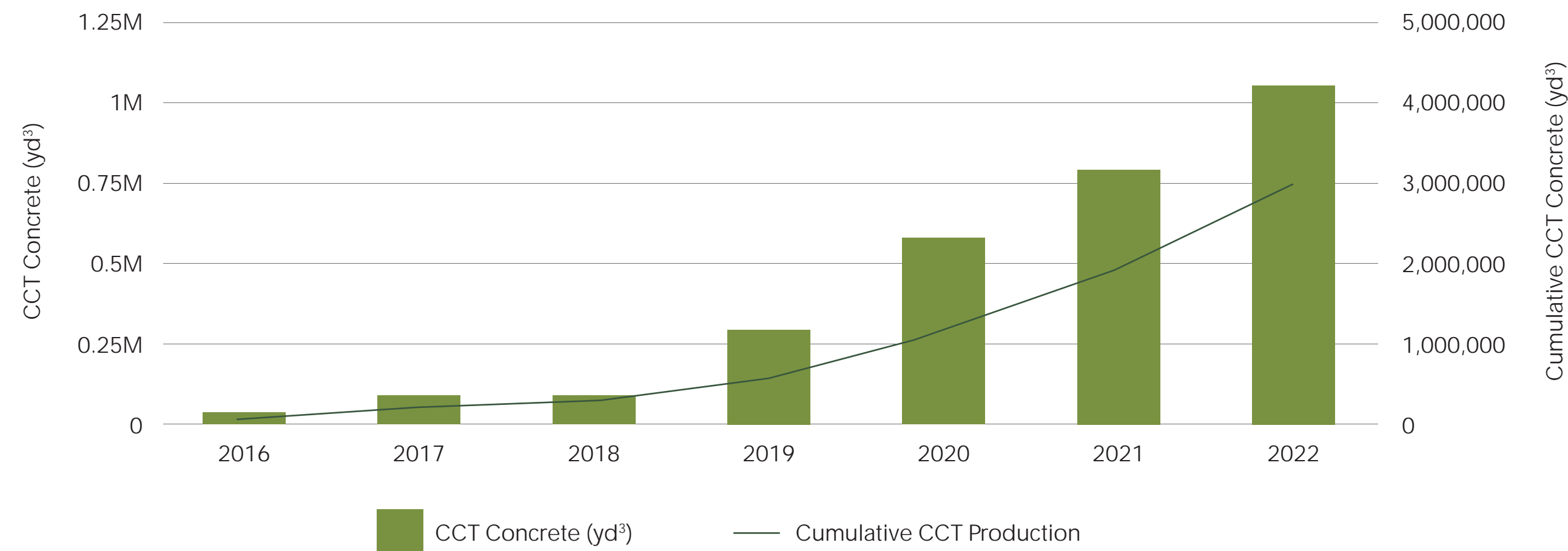
## DID YOU KNOW?

Though often mistaken as interchangeable terms, cement and concrete are different. Cement is a fine powder comprised of minerals, heated at high temperatures, to create a binding agent. Concrete is a mix of aggregates, water, and cement. Vulcan produces ready-mixed concrete and purchases cement as an input from our suppliers. The emissions from the production of cement are considered in Vulcan's Scope 3 emissions.



### CARBONCURE

We continued to leverage our partnership with CarbonCure, expanding the reach of its innovative and cost-effective process and allowing us to provide low-carbon concrete products to customers, big and small, in markets seeking more sustainable construction materials. Vulcan has installed CarbonCure injection technology at more than 20 of our ready-mixed concrete facilities across California; Texas; Virginia; Washington, D.C.; and Maryland.



This graph includes cumulative CarbonCure engagement for both legacy Vulcan and U.S. Concrete (USCR) facilities.<sup>11</sup>

**DID YOU KNOW?**

Vulcan is actively working with suppliers and customers to prioritize the use of Portland Limestone cement, also known as Type 1L cement, which uses more limestone and less clinker than traditional Portland cement. The replacement of Type 1L cement can yield an estimated global warming potential (GWP) savings of 7%-12%.

<sup>11</sup> USCR data was not presented in the CarbonCure figure in the 2021 ESG Report.

### CITY OF SAN JOSE AWARDED FOR LOW-CARBON INFRASTRUCTURE

In the heart of Silicon Valley, known more for its digital innovation, the city of San Jose has been recognized for its innovation in physical infrastructure. A pilot project to build or upgrade 94 curb ramps to comply with the Americans with Disabilities Act (ADA) using low-carbon concrete is increasing accessibility and decreasing the GWP of construction materials.

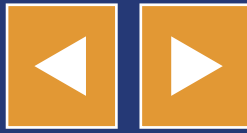
Central Concrete, a Vulcan Materials Company operation serving the San Francisco Bay Area, worked with the city and Spencon Construction to create three custom concrete mixes that substituted traditional Portland cement with alternative materials such as slag and fly ash and injected post-industrial waste CO<sub>2</sub>.

The San Jose Department of Transportation (DOT) pavement maintenance team was recognized for its work in the 2022 Concrete Construction Awards, under the American Concrete Institute (ACI) – Northern California Western Nevada chapter in the “Infrastructure” category. Regional winners of this award are submitted to the ACI national awards competition to be selected in 2023.

**DID YOU KNOW?**

In October 2022, Central Concrete, a subsidiary of Vulcan Materials Company, was featured in a [White House Fact Sheet](#) as part of private sector commitments to promote clean American manufacturing through the Federal Buy Clean Initiative.

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## Environmental Stewardship: What's Next?

- Complete the Water Risk Assessment and Climate Risk Analysis.
- Increase operational energy efficiency and product throughput using strategies designed for each business line.
- Develop new renewable energy sourcing partnerships.





# Neighbors & Community

INDIGENOUS RIGHTS & TRIBAL RELATIONS

COMMUNITY RELATIONS & DISASTER AID

VULCAN MATERIALS COMPANY FOUNDATION

WHAT'S NEXT?

Being a good neighbor and corporate citizen is not just the right thing to do for our business, but it is how we build lasting partnerships in our communities. From collaborating with local community groups and philanthropic organizations to government officials, supply chain partners, and Indigenous groups, we believe in being active and engaged neighbors.

The nature of our business is built on sustainable, long-term investments – if we operate in a community, we are committed to being a positive contributor to that community for years to come.

## Indigenous Rights & Tribal Relations

Vulcan has a long-standing tradition of engagement with both Native American tribes and Indigenous peoples outside of the U.S. We are committed to being a good neighbor and building our dialogues and partnerships with tribal leaders and organizations on a foundation of open communication and respect for tribal sovereignty.

### DID YOU KNOW?

In the U.S. alone, 11 of our quarries operate directly within federally recognized tribal land with permits managed by those tribes and regulatory agencies. Additionally, more than 70 of our quarries operate within 10 miles of tribal land.

### ORCA SAND AND GRAVEL

Orca Sand and Gravel, located on the northeast coast of Vancouver Island in British Columbia, is leading the way in progressive regional business practices. With 12% participating interest of the operations held by 'Namgis First Nation, maintaining a positive relationship with the local tribe is always a priority. Highlights of the economic, social, and environmental pillars of the regional sustainability program include:

- **Economic:** Contributions are made to the local economy by prioritizing spending with local businesses to supply goods and services.
- **Social:** The Orca team is a diverse group with at least half of employees identifying as Indigenous; approximately one-third are women; and all are local residents of the area.
- **Environmental:** An industry-leading environmental design promotes gradual reclamation through progressive forest replenishment to greatly reduce potential adverse effects on the marine environment.



*Nuu-chah-nulth children from Haahuupayak Elementary School performing the Animal Kingdom traditional dance.*





# Community Relations & Disaster Aid

We support our communities through the good times and the hard times. Our goal is to invest in the communities where we work and live by sharing our resources – volunteer hours, materials, or monetary donations – to create a positive community impact.

## DISASTER AID & TRAINING

As the providers of America's infrastructure, we know how devastating the effects of natural disasters can be on local communities, especially those with limited resources. When disasters strike, Vulcan is there to help communities rebuild. To mitigate the effects of disasters, we collaborate with first responders on safety training, with local governments on resiliency planning, and with emergency organizations on response preparedness plans.

## FORT MYERS

In the wake of Hurricane Ian, which struck Florida's west coast on September 28, 2022, among those hit hard were many of our own employees. And yet these same employees set aside their own hardships and reported to the Fort Myers quarry just hours after the storm. Vulcan produced and delivered more than 145,000 tons of essential construction materials, with the support of more than 60 employees and 100+ truck drivers, for the repair of the Sanibel Causeway, which enabled its reopening 10 days ahead of schedule.



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## COMMUNITY RELATIONS

Vulcan teams across the country contribute positively to their communities every day. From hosting school field trips to rebuilding community landmarks, we are inspired by our regional division teams and employees' dedication to meaningful community engagement.

**Western Division Partners in Education:** Our Western Division team provided a classroom at Santa Ana Unified School District with toys and enrichment activities, including Legos and paint supplies.

**A Historic Community Touchstone:** Our Virginia team helped construct a new parking lot for Woodville Rosenwald School in Gloucester, Virginia. The school is one of the remaining "Rosenwald Schools" built across the south for African American children between 1912 and 1931.

**Honoring Service:** Our Kennesaw Quarry in Georgia is partnering with the Cobb Veterans Memorial Foundation (CVMF) and the Cobb County Commission to supply 1,900 tons of material for the construction of a veteran's memorial. We employ more than 600 veterans company-wide.

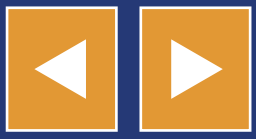
**Community Relations Excellence:** We are proud of our Medina Quarry team, which earned a 2022 National Stone, Sand & Gravel Association (NSSGA) Community Relations Excellence Bronze Award – a very well-deserved recognition for a team that goes out of its way to make the community a better place to live and work.

**Field Trip:** Teams from our Enka Quarry, located near Asheville, North Carolina, hosted 80 fourth graders from Hominy Valley Elementary School.

**Future Leaders in Infrastructure:** Teams from our Helotes Quarry near San Antonio hosted a group of high school students attending the UT San Antonio's Transportation Construction Institute Summer Course. The course is funded by the Federal Highway Administration (FHWA) and the Texas Department of Transportation (TXDOT).

**Future Leaders:** Members of our Alabama team participated in the Tarrant Elementary School Career Fair. K-6th graders at Tarrant Elementary School, near our Dolcito Quarry in the Birmingham metro area, along with parents and teachers, had the opportunity to explore various careers, including public service, manufacturing, audio-visual, and mining and geology.

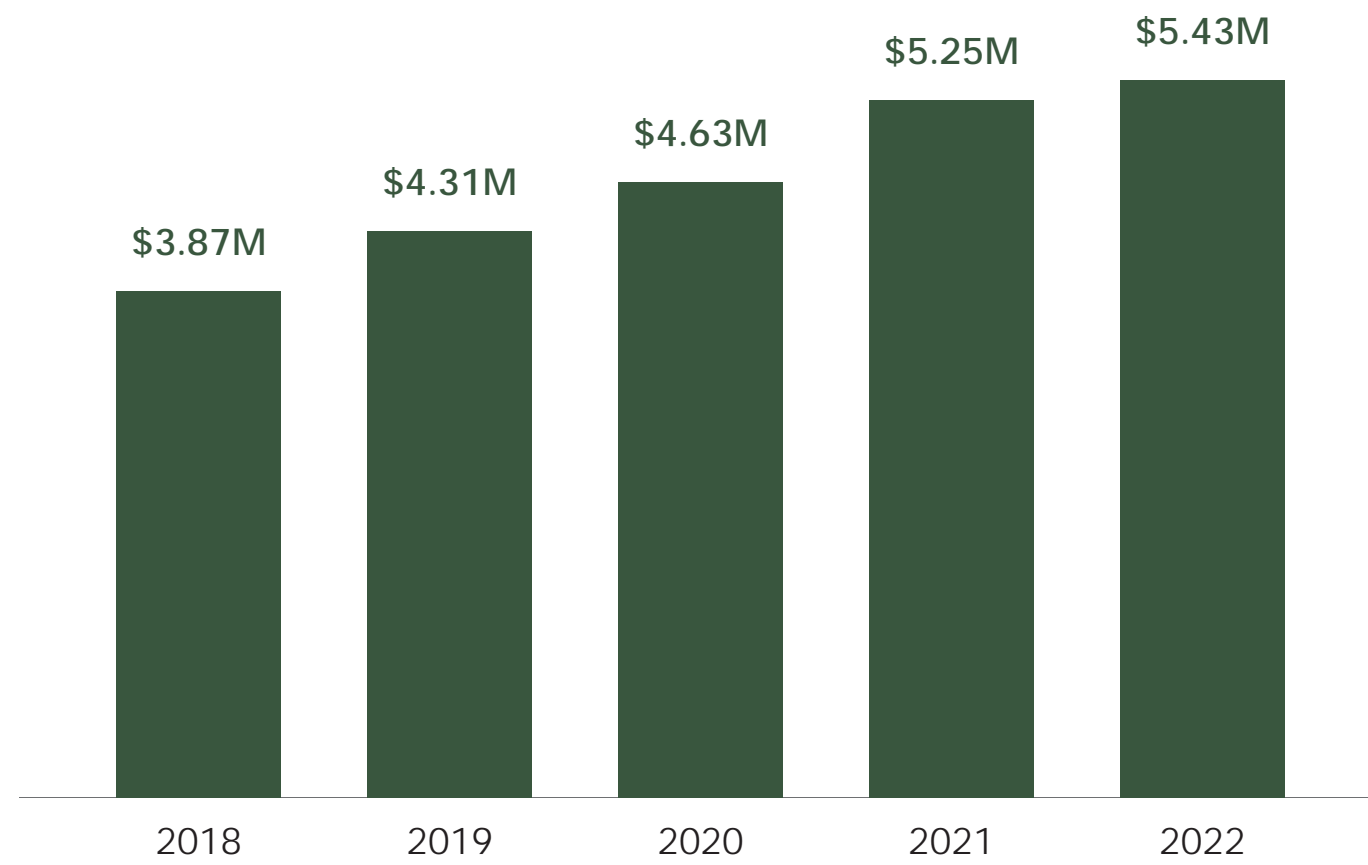
**An Achievement in Community Relations:** Congratulations to our Sac-Tun team in Quintana Roo, Mexico, which earned a 2022 NSSGA Community Relations Excellence Silver Award.



# Vulcan Materials Company Foundation

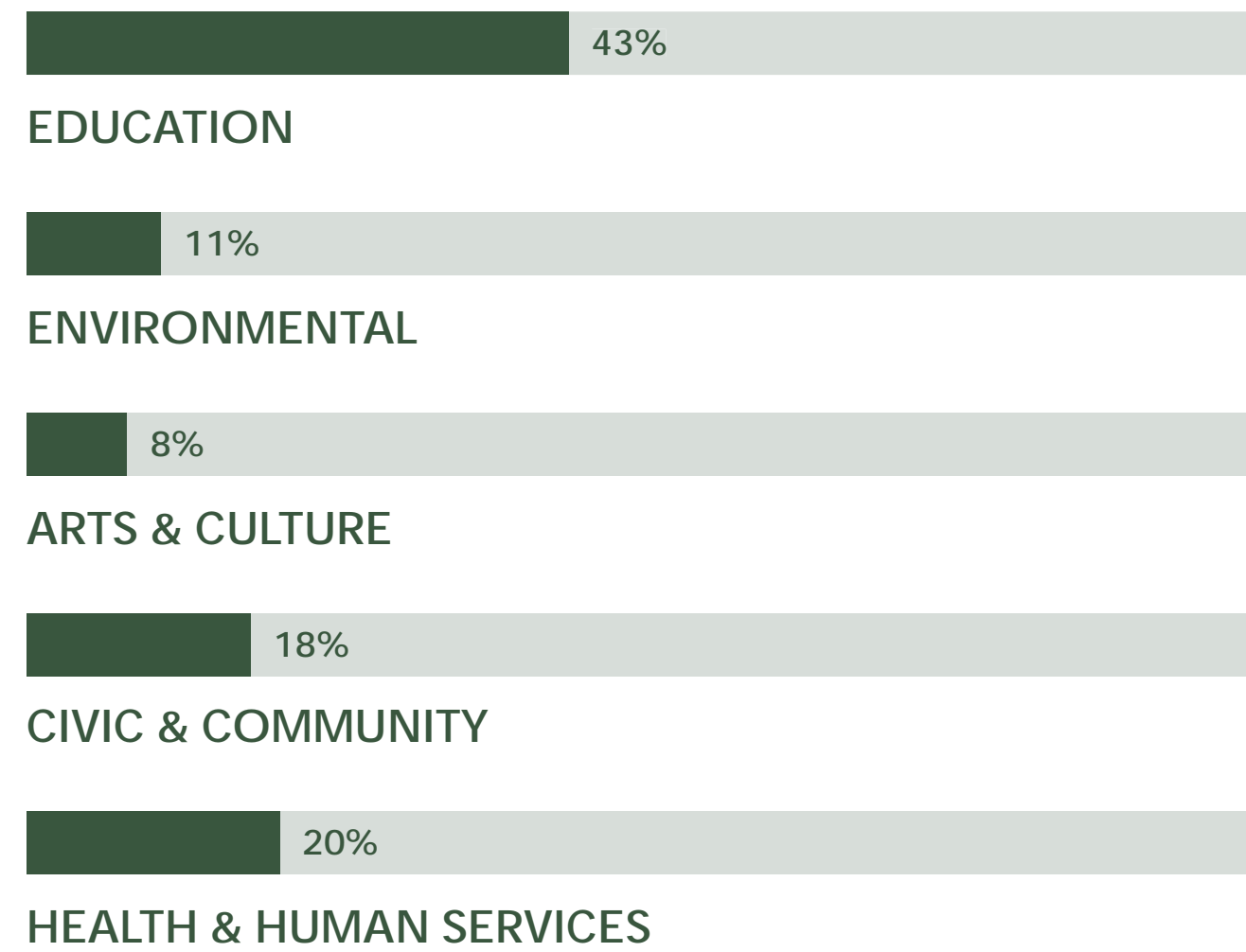
The Vulcan Materials Company Foundation was established in 1988 as part of Vulcan’s greater community giving program and has since donated tens of millions of dollars to the communities where we operate and live.

TOTAL FOUNDATION GIVING



The Foundation focuses contributions on five program areas that we have determined best reflect the personal interests of our employees and the impacts of our business.

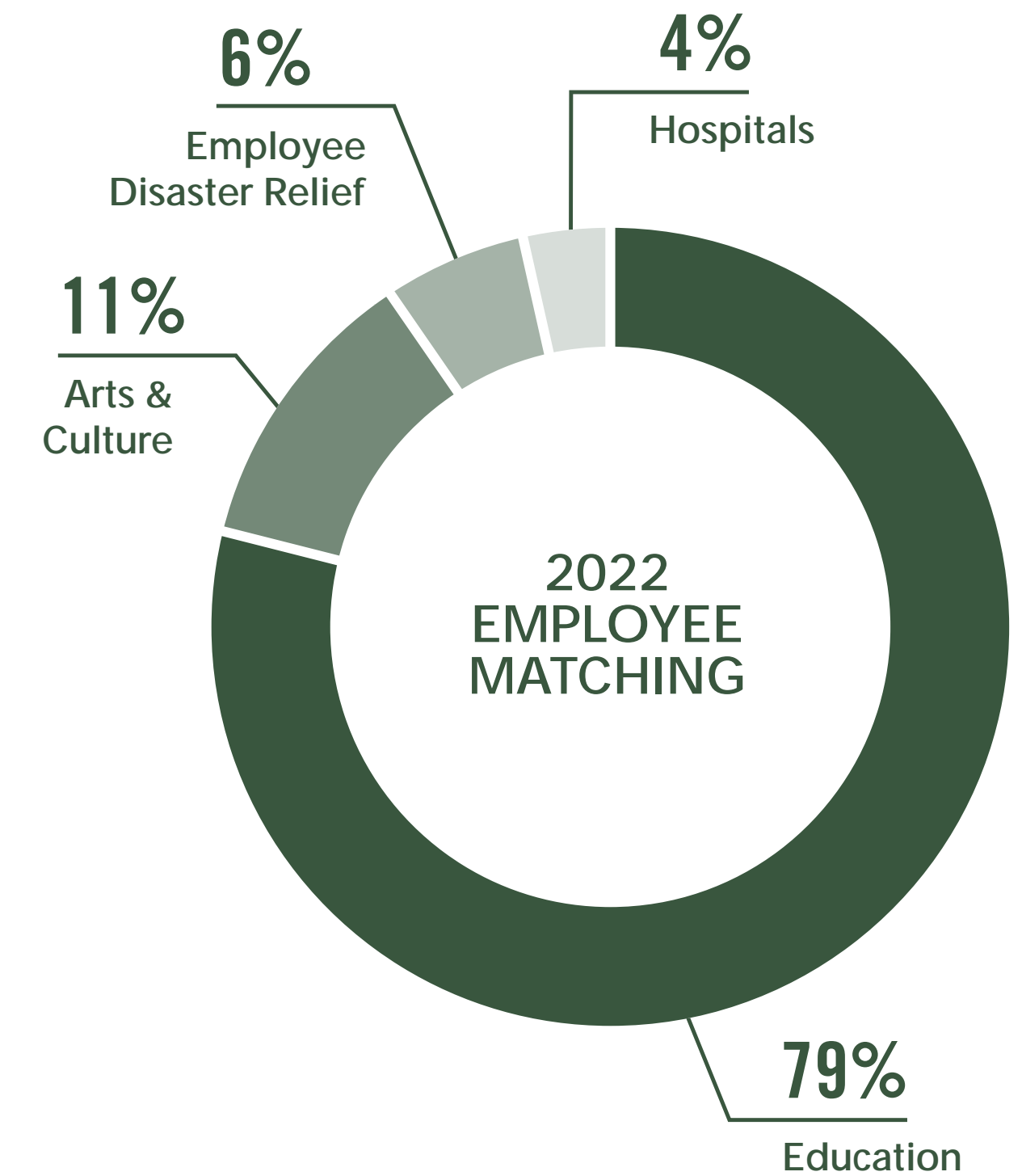
FOUNDATION GIVING BY FOCUS AREAS




\$840K+ in scholarships to 235+ recipients  
Partnered with 230 K-12 educational institutions

MATCHING GIFTS PROGRAM CONTRIBUTION AREAS

The Matching Gifts Plan was established as a reflection of Vulcan Materials Company’s commitment to the communities in which we operate and to encourage active financial support of worthy institutions. Eligible 501(c)(3) organizations include educational institutions, cultural organizations, hospitals, and employee disaster relief contributions.





Our **Central Division team**, which operates primarily in Illinois, Kentucky, and Tennessee, collected 115,135 pounds of food that will provide nearly 87,000 meals for people and families in need. Special recognition goes to our Chattanooga team for collecting nearly 43,000 pounds, which amounts to 1,400 pounds collected per employee.

The Knoxville Area Urban League Shoes for School event provided shoes and school supplies to 2,500 families. Kudos to our **Tennessee team** for supporting its community.



Our **Tennessee team** brought customers, vendors, and suppliers together at its 18th Annual Clay Shoot to help fight cystic fibrosis (CF). The team raised nearly \$220,000 for Cure Finders, a Sevierville-based nonprofit. The medical research funded through the years by small groups like Cure Finders has raised the average life expectancy of CF patients from their early 20s to 47.



In 1975, we began our partnership with the Shepherd Center in Atlanta, which is ranked a Top 10 Rehabilitation Hospital by U.S. News and World Report. Over the years, employees and their dependents have relied on the services the center provides. Our **South Division** recently made a multiyear \$100,000 pledge from the Vulcan Materials Company Foundation to support recreational therapy programs and the Pursuing Possibilities Capital Campaign.

### FOUNDATION SPOTLIGHT: DE&I GIVING

Vulcan has long focused on building both a workforce and a company culture that exemplifies the Vulcan Way. In 2020, we began to address DE&I directly in our communities.

In a June 2020 communication to employees, Chairman, President, and Chief Executive Officer Tom Hill said,

**"Within our Vulcan family, we will continue to work to better understand and build on the strengths of our different backgrounds and experiences. We are also developing efforts to aid our communities, which need both spiritual and physical rebuilding and healing. As a company, we are committed to doing the right thing. In this case, that means action...Everywhere we go, and in everything we do, we define our company's character. We must all challenge ourselves, in our own ways, to live the Vulcan Way at work, at home, and in our communities."**

Vulcan directed \$500,000 in company funds to the Vulcan Materials Company Foundation and charged the division DE&I Councils and Community Relations teams to contribute to efforts promoting healing, rebuilding, and addressing the fundamental causes of inequality. Since 2020, our leadership has continued to add \$500,000 annually to the Foundation's regular budget to support DE&I in our communities.

## 2022 DE&I GIVING HIGHLIGHTS

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### CORPORATE

**YMCA of Greater Birmingham:** The YMCA's renovation project is focused on improving the Roebuck area of metropolitan Birmingham. This project includes 22 Habitat for Humanity homes, two Alabama state Pre-K classrooms, healthcare/medical services, academic and job skills training, and other basic needs programs. Our support helps provide these necessary wraparound services for this underserved community.

### MIDEAST

**Boys & Girls Club of Greater Washington:** We support the Club's signature after-school program through targeted donations and volunteerism designed to uplift its focus on counseling and guidance for at-risk youth.

### SOUTHEAST

**Latin American Association:** We deliver financial support to elevate the Association's ¡Avanzando Juntas! and Latina Economic Empowerment programs, which provide courses for Latina entrepreneurs, an ecosystem to align resources, and an incubator that provides mentorship.

### SOUTHWEST

**San Antonio Area Foundation: African American Community Fund:** This foundation provides grantmaking education for nonprofits that serve the African American community in San Antonio. We provide guidance and support through the grant selection committee.

### CENTRAL

**The Nest Center for Women Children and Families:** The Nest Center provides education, counseling, and advocacy support services to at-risk individuals and families in the Lexington, Kentucky area. Our support is designed to strengthen families and improve the community by transforming the lives of those facing adversity and crisis.

### WESTERN

**Elk Grove Regional Scholarship Foundation:** This foundation funds an endowed scholarship and one year of annual scholarship funds for a graduating high school senior attending an HBCU.

### MOUNTAIN WEST

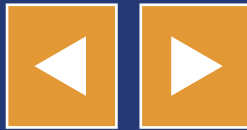
**Laveen Education Foundation – Southwest Phoenix:** This partnership supports the teacher STEM grant program. Grantees are encouraged to purchase equipment and software to provide students with opportunities not available in this underserved district. We provide funding for grants and volunteer representation on the selection committee.

### SOUTHERN AND GULF COAST

**The Lovelady Center:** The Lovelady Center is a state leader working to break the cycle of poverty and incarceration by providing women with the necessary tools to build lives of empowerment. Our support is designed to help the Center achieve this critical mission and support at-risk members of our society.



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## Neighbors & Community: What's Next?

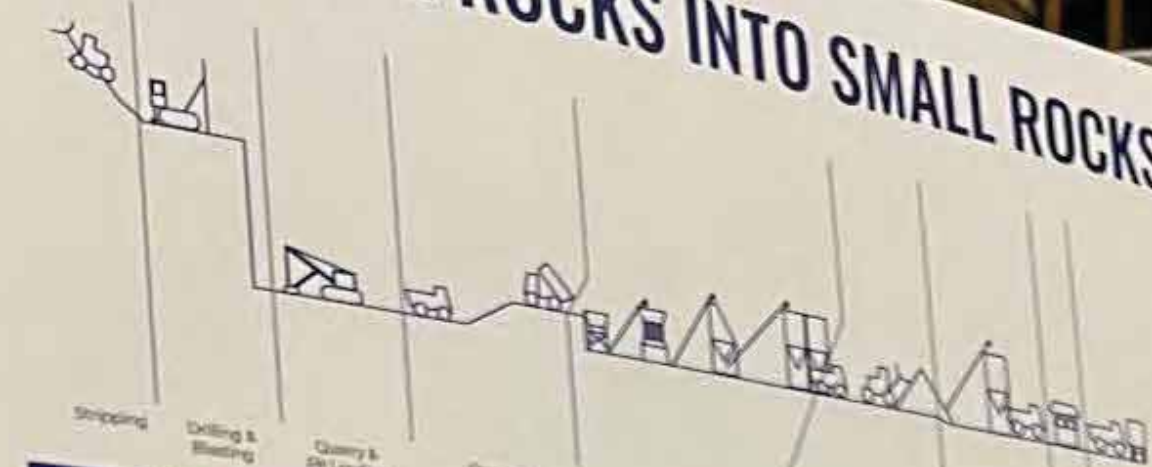
- Fully resume in-person community outreach and neighbor engagement activities that were paused during COVID-19, complemented by virtual engagement and regular communications at the most active locations.
- Identify impactful foundation investment opportunities that support intersecting priorities such as education and DE&I.
- Provide community engagement coaching to every new plant manager within three months of assuming that role.



Community Line (434) 326-5589 | VulcanSkippersQuarry.com



## WE MAKE BIG ROCKS INTO SMALL ROCKS



OPERATIONS

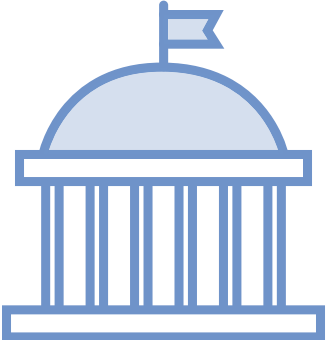
Community Line (434) 326-5589 | VulcanSkippersQuarry.com



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# Governance

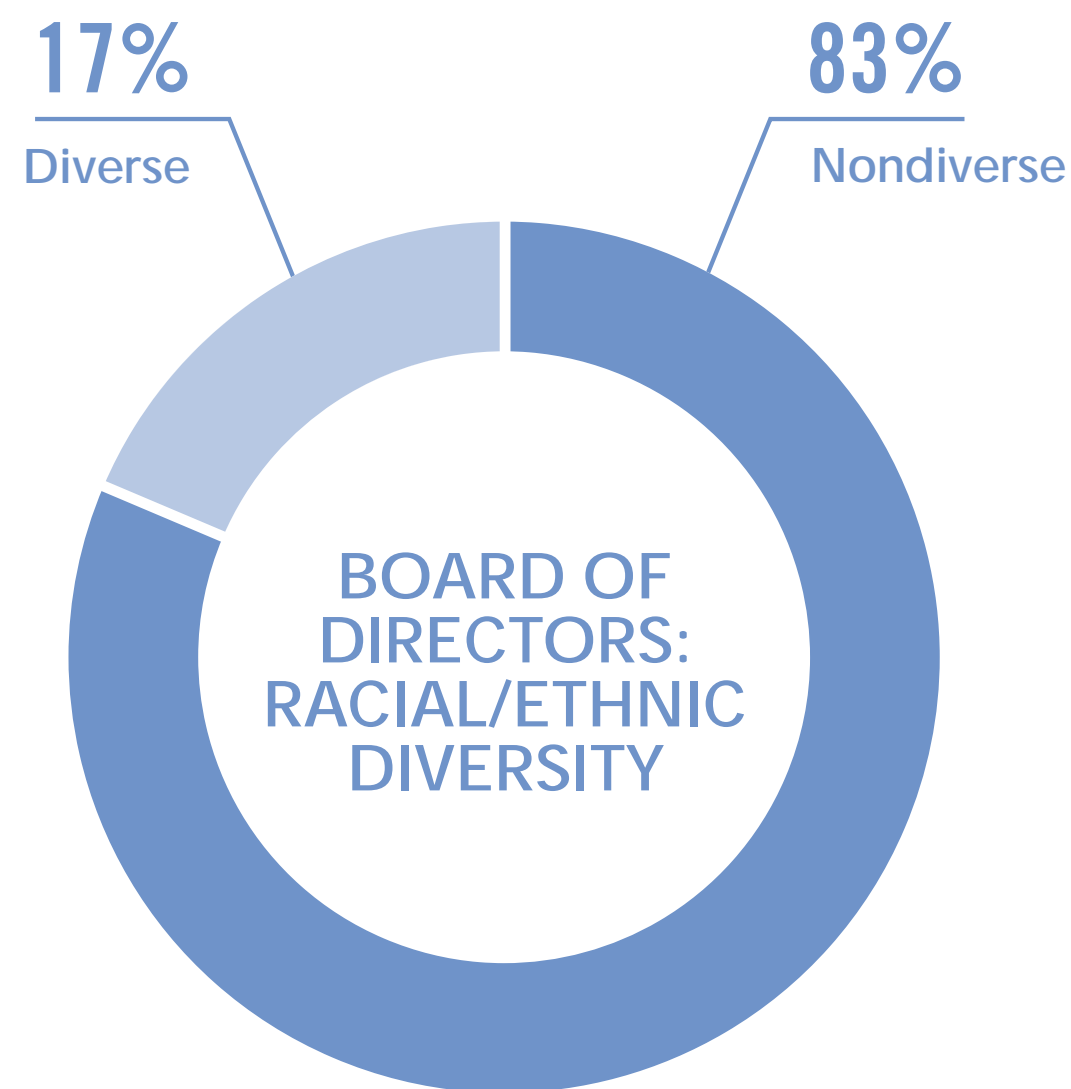
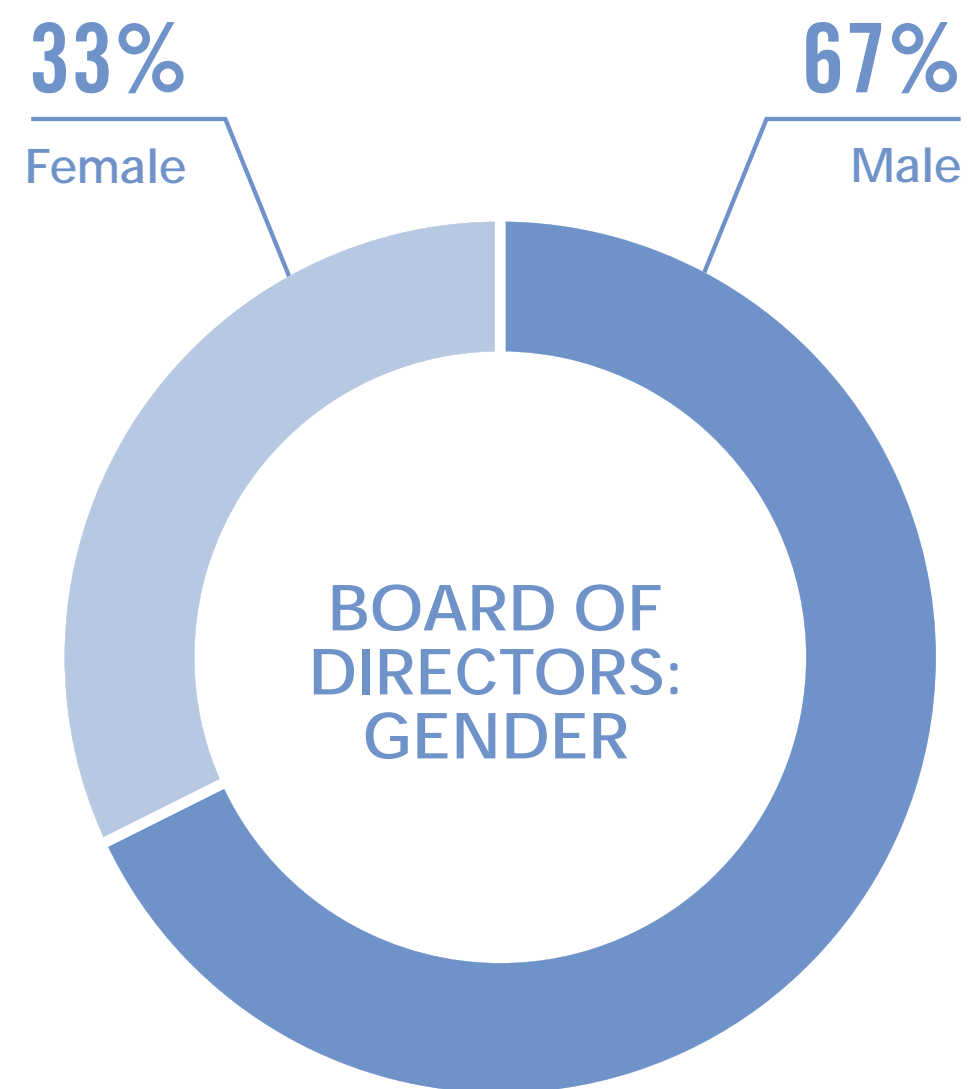
BOARD OVERSIGHT

INTERNAL OVERSIGHT



# Board Oversight

Our Board of Directors understands the importance of evaluating and determining the optimal leadership structure to provide independent oversight of management. We have established six committees on our Board, and all, other than the Executive Committee, are comprised entirely of independent directors. Additional information about the composition, structure, tenure, and compensation of our Board of Directors and committees can be found in our [2022 Proxy Statement](#).



## BOARD OF DIRECTORS

The Board of Directors reviews ESG goals for the CEO and receives regular reports on the various ESG ratings assigned to Vulcan. Our Board members come from a variety of industries and have experience and expertise in incorporating climate-related management into the governance strategy of their own organizations.

- **Governance Committee:** The Governance Committee oversees all ESG matters, including Vulcan's ESG strategies, goals, and policies.
- **SHE Committee:** The SHE Committee oversees all of Vulcan's environmental affairs, including monitoring the adequacy of Vulcan's policies, practices, and programs related to environmental compliance and stewardship.
- **Audit Committee:** The Audit Committee oversees Vulcan's risk assessment and risk management policies, including ESG-related risks.



# Internal Oversight

Our ESG Steering Committee is comprised of executives from across the organization. The four working groups under the ESG Steering Committee consist of subject matter experts who develop our goals in key areas of ESG performance:

- Employee Engagement and Well-Being
- Supply Chain and Operations
- Products and Services
- Governance, Stakeholder Engagement, Transparency, and Disclosure

In addition to our ESG Steering Committee, Vulcan has several key individuals who support our internal management of ESG performance and initiatives:

POSITION	ESG RESPONSIBILITIES
<b>Chief Executive Officer (CEO)</b>	Our CEO is also Vulcan's President and Board Chair, with the ultimate authority to ensure the proper management of Vulcan's resources and environmental and social impacts.
<b>Chief Financial Officer (CFO)</b>	Reporting to the CEO, our CFO is responsible for the management of the company's finances and compliance with approved accounting methods and financial reporting requirements. This includes assessing the impacts of climate change on financial reporting.
<b>General Counsel</b>	Reporting to the CEO, our General Counsel is responsible for assessing and managing risks, including ESG-related risks, and ensures that our disclosures are proper and accurate for financial reporting and external reporting on climate change impacts. In addition, our General Counsel monitors our processes and procedures to be fully compliant with legal requirements while representing Vulcan on legal matters.

# Sustaining Durable Growth

In 2022, we affirmed our commitment to continuously improving our ESG programs and our business. There has never been a more exciting time at Vulcan, as we find new ways to progress toward our goals and deliver long-term, sustainable value for our customers, employees, and communities.



# 2022 Performance Data Table

## PRODUCTION METRICS

Shipment Volume	2020	2021	2022
Aggregates - shipment volume (million tons)	208.3	222.9	<b>236.3</b>
Asphalt - shipment volume (million tons)	11.8	11.4	<b>12.2</b>
Ready Mixed Concrete - shipment volume (million cubic yards)	3.0	5.6	<b>10.5</b>
Total products - shipment volume (million tons)*	226.0	245.5	<b>269.6</b>

\*Aggregates and asphalt production are measured in short tons (tons). Ready-mixed concrete is measured in cubic yards and converted to tons. Conversion calculation: 1 cubic yard of concrete = 4,000 pounds (or 2 tons).

Production Volume	2020	2021	2022
Aggregates - production volume (million tons)	203.1	222.8	<b>235.0</b>
Asphalt - production volume (million tons)	11.9	11.4	<b>12.2</b>
Ready Mixed Concrete - production volume (million cubic yards)	3.0	5.0	<b>10.6</b>
Total products - annual production (million tons)	220.9	244.2	<b>268.4</b>

Revenue	2020	2021	2022
Aggregates - revenue (million \$USD)	3,672.9	4,000.8	<b>4,723.3</b>
Asphalt - revenue (million \$USD)	792.6	777.8	<b>\$990.2</b>
Ready Mixed Concrete - revenue (million \$USD)	383.6	766.8	<b>1,593.9</b>
Total Revenue (million \$USD)*	4,856.8	5,552.2	<b>7,315.2</b>

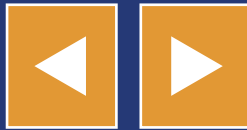
\*Total Revenue from Segment Sales was \$7,865 million, which included the Calcium Segment, \$8 million, and Aggregates Intersegment Sales of \$550 million.

Facilities by Business Segment	2020	2021	2022
Aggregates - facilities	380	404	<b>404</b>
Asphalt - facilities	70	69	<b>71</b>
Ready Mixed Concrete - facilities	46	173	<b>142</b>

Special Products	2020	2021	2022
Recycled asphalt pavement reused (tons)	1,141,885	1,504,325	<b>1,700,000</b>
Recycled concrete to produce aggregates (tons)	1,246,347	2,275,723	<b>2,100,000</b>
Concrete injected with CO <sub>2</sub> through CarbonCure (cubic yards)*	~580,000	793,974	<b>1,050,975</b>

\*Data includes cumulative CarbonCure engagement for both legacy Vulcan and U.S. Concrete (USCR) facilities.

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## PEOPLE METRICS

Employees	2020	2021	2022
Total number of employees	8,765	11,539	<b>12,150</b>
Female employees (%)	12%	11%	<b>11%</b>
Male employees (%)	88%	89%	<b>89%</b>

Employees - Special Categories	2020	2021	2022
New hires*	1,189	2,889	<b>3,007</b>
Veterans	526	629	<b>713</b>

\*This figure does not include new employees as part of acquisitions.

Employees by Age	2020	2021	2022
<20 years old (%)	1%	1%	<b>1%</b>
20-29 years old (%)	17%	15%	<b>15%</b>
30-39 years old (%)	20%	20%	<b>20%</b>
40-49 years old (%)	22%	23%	<b>23%</b>
50-59 years old (%)	27%	27%	<b>27%</b>
60-69 years old (%)	11%	13%	<b>13%</b>
>70 years old (%)	1%	1%	<b>1%</b>

Employees by Ethnicity	2020	2021	2022
White (%)	71%	66%	<b>61%</b>
Hispanic/Latino (%)	18%	21%	<b>25%</b>
Black (%)	9%	10%	<b>11%</b>
Asian (%)	1%	2%	<b>1%</b>
Other (%)	1%	1%	<b>2%</b>

Employees by Job Category	2020	2021	2022
Executive/Senior Managers (%)	–	1%	<b>1%</b>
First/Mid-Level Managers (%)	–	13%	<b>13%</b>
Professionals (%)	–	6%	<b>5%</b>
Technicians (%)	–	3%	<b>3%</b>
Sales Workers (%)	–	2%	<b>2%</b>
Admin Support (%)	–	8%	<b>8%</b>
Craft Workers (%)	–	17%	<b>18%</b>
Operatives (%)	–	45%	<b>45%</b>
Laborers & Helpers (%)	–	4%	<b>4%</b>
Service Workers (%)	–	0%	<b>0%</b>

Employee Turnover & Tenure	2020	2021	2022
Employee turnover rate (%)*	20%	21%	<b>25%</b>
Average employee tenure (years)	10.7	9.7	<b>9.8</b>
0-2 yrs. tenure	26%	23%	<b>29%</b>
2-5 yrs. tenure	21%	22%	<b>18%</b>
5-10 yrs. tenure	14%	21%	<b>20%</b>
10-20 yrs. tenure	18%	16%	<b>15%</b>
>20 yrs. tenure	21%	18%	<b>18%</b>

\*Turnover rates prior to 2022 does not incorporate historical turnover rates from acquisitions.

## HEALTH &amp; SAFETY METRICS

MSHA & OSHA	2020	2021	2022
MSHA reportable (rate)	0.95	0.99	<b>1.00</b>
MSHA reportable cases	62	68	<b>73</b>
OSHA recordable (rate)	0.90	1.65	<b>1.81</b>
OSHA recordable cases	39	84	<b>134</b>
MSHA & OSHA combined (rate)	0.93	1.27	<b>1.41</b>
MSHA & OSHA combined injury cases	101	152	<b>207</b>

Lost Time	2020	2021	2022
Lost Time (rate)	0.48	0.55	<b>0.63</b>
Lost Time cases	52	66	<b>92</b>

## ENVIRONMENTAL METRICS

Environmental Regulations	2020	2021	2022
Environmental agency inspections	554	666	<b>577</b>
Environmental agency citations*	14	17	<b>19</b>
Citation-free agency inspections	99%	99%	<b>98%</b>
Certified Wildlife Habitat Council (WHC) sites	37	40	<b>40</b>

\*Final environmental citation numbers defer slightly from those published in the 2021 ESG Report because several citations were still being contested, and, therefore not confirmed by the previous publication date.

Fatalities	2020	2021	2022
Vulcan employee fatalities	3	0	<b>0</b>

Health Screening & Audits	2020	2021	2022
Eligible employees participating in voluntary health screening	<i>Data tracking for screenings was placed on hold during 2020 and 2021 to accommodate COVID-19 protocols.</i>		<b>89%</b>

Gross GHG Emissions	2020	2021	2022
Gross Scope 1 (MTCO <sub>2</sub> e)	625,905	826,863	<b>929,419</b>
Gross Scope 2 (MTCO <sub>2</sub> e)	339,341	318,221	<b>298,594</b>
Combined Scope 1 & 2 emissions after applying renewable energy (MTCO <sub>2</sub> e)*	965,246	1,145,084	<b>1,228,013</b>
Gross Scope 3 (MTCO <sub>2</sub> e)	<i>2022 was the first year of calculating Scope 3 emissions.</i>		<b>3,123,697</b>

\*GHG emissions data management and calculation methodology has improved substantially each year. GHG emissions prior to 2022 do not reflect these improvements.

## ENVIRONMENTAL METRICS

Scope 1 & 2 GHG Emissions by Business Segment*	2022 MTCO <sub>2</sub> e	% of 2022 Total	2022 Emissions Intensity (MTCO <sub>2</sub> e/tons produced)
Aggregates	912,618	73%	<b>0.0039</b>
Asphalt	228,708	18%	<b>0.0188</b>
Ready-Mixed Concrete	90,515	7%	<b>0.0086</b>
Calcium	11,676	1%	–
Total Scope 1 & 2 before applying renewable energy	1,243,517	–	<b>0.0046</b>

\*2022 was the first year of calculating emissions by business segment. Renewable energy was not accounted for in the business segment-specific 2022 GHG inventory.

Scope 3 Emissions by Category (%)	2020	2021	2022
Purchased Goods and Services			<b>61.8%</b>
Upstream Transportation and Distribution			<b>36.3%</b>
Capital Goods			<b>1.7%</b>
Waste Generated in Operations			<b>0.2%</b>
Fuel- and Energy-related Activities (not included in Scope 1 and 2)			<b>0.0%</b>

2022 was the first year of calculating Scope 3 emissions.

Energy	2020	2021	2022
Total energy consumed (GJ)	–	14,424,594	<b>17,355,575</b>
Total energy consumed from grid electricity (%)	–	21%	<b>19%</b>
Electricity from renewable sources	–	–	<b>5.3%</b>

Scope 1 & 2 Energy Use by Business Segment*	2022 MWh	% of 2022 Total	2022 Energy Intensity (MWh/tons produced)
Aggregates	3,082,943	63.9%	<b>0.0131</b>
Asphalt	1,305,786	27.1%	<b>0.1073</b>
Ready-Mixed Concrete	378,767	7.9%	<b>0.0358</b>
Calcium	53,497	1.1%	–
Total Scope 1 & 2	4,820,993	–	<b>0.0179</b>

\*2022 was the first year of reporting energy use by business segment.

Scope 1 & 2 Energy Use by Energy Source*	2022 MWh	% of 2022 Total
Burner fuel	264,851	5.5%
Diesel	2,519,109	52.3%
Gasoline	155,187	3.2%
Renewable diesel (R1)	11,091	0.2%
Fuel oil 2	2,072	0.0%
Heating oil	567	0.0%
Natural gas	936,393	19.4%
Propane	36,259	0.8%
Electricity	895,464	18.6%

\*2022 was the first year of reporting energy use by source.

Waste	2020	2021	2022
Universal waste generated (t)	Company-wide waste data collection began in 2021	17	<b>19</b>
Universal waste diverted from disposal (%)		14%	<b>56%</b>
Vehicle/equipment waste generated (t)		1,565	<b>2,581</b>
Vehicle/equipment waste diverted from disposal (%)		99%	<b>91%</b>

## COMMUNITY METRICS

Foundation Giving	2020	2021	2022
Total Foundation, non-Foundation, and matching gifts (\$USD)	\$6,954,510	\$7,067,371	<b>\$8,467,546</b>
Total Foundation giving (\$USD)	\$4,614,115	\$5,250,380	<b>\$5,425,678</b>
Foundation and matching gifts recipients	814	837	<b>771</b>
Foundation giving to education (%)	43%	45%	<b>43%</b>
Foundation giving to environmental stewardship (%)	11%	9%	<b>11%</b>
Foundation giving to arts & culture (%)	9%	9%	<b>8%</b>
Foundation giving to civic & community (%)	14%	17%	<b>18%</b>
Foundation giving to health & human services (%)	23%	20%	<b>20%</b>

Matching Gifts	2020	2021	2022
Total matching gifts (\$USD)	\$391,785	\$300,997	<b>\$349,622</b>
Matching gifts to education (%)	85%	89%	<b>79%</b>
Matching gifts to hospitals (%)	1%	4%	<b>4%</b>
Matching gifts to arts & culture (%)	14%	7%	<b>11%</b>
Matching gifts to employee disaster relief (%)	0%	0%	<b>6%</b>

Matching Gifts	2020	2021	2022
Educational institution partners	225	229	<b>230</b>
Scholarships funds awarded (\$USD)	\$646,185	\$910,879	<b>\$842,236</b>
Scholarships awarded	175	206	<b>239</b>



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## CONSTRUCTION MATERIALS SUSTAINABILITY ACCOUNTING STANDARD

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	REPORT SECTION OR RESPONSE
Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Quantitative	Metric tons (t) CO <sub>2</sub> -e, Percentage (%)	EM-CM-110a.1	<p>Scope 1 emissions: 929,419 MTCO<sub>2</sub>e</p> <p>Currently, none of our operations are covered under emissions-limited regulations.</p> <p><b>Scope 1 and 2</b></p>
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion & Analysis	n/a	EM-CM-110a.2	<p>Scope 1 emissions represent a significant portion of emissions resulting directly from our operations.</p> <p>Our future decarbonization efforts will benefit from our data collection successes in 2022 to improve the accuracy of our GHG inventory; develop consistent, company-wide data management methods; and incorporate all acquisitions, including U.S. Concrete, into the GHG emissions baseline.</p> <p>The updated GHG inventory methodology provides visibility into segment-related GHG intensity and energy sources for Scope 1 and 2 emissions. As a result of this new data, in 2023 we will assess decarbonization strategies available to each line of business and revisit our Scope 1 and 2-related goals informed by an updated baseline. The enhanced data collection methods also enable us to target energy efficiency improvements by production phase.</p> <p><b>Scope 1 and 2</b></p>
Air Quality	Air emissions of the following pollutants: (1) NO <sub>x</sub> (excluding N <sub>2</sub> O), (2) SO <sub>x</sub> , (3) particulate matter (PM <sub>10</sub> ), (4) dioxins/furans, (5) volatile organic compounds (VOCs), (6) polycyclic aromatic hydrocarbons (PAHs), and (7) heavy metals	Quantitative	Metric tons (t)	EM-CM-120a.1	<p>We maintain compliance with air quality permits but are not currently able to track air emissions beyond GHG emissions at an enterprise level.</p> <p>We are continuing to identify and inventory emission sources at a facility level. When inventories are completed, the sources and emission parameters are uploaded to our environmental health and safety information system. This project is being conducted over several years to ensure we include many facilities; assess the quality of data gathered; and adjust the processes, as needed.</p> <p><b>Air Quality</b></p>



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TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	REPORT SECTION OR RESPONSE
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage alternative, (4) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	EM-CM-130a.1	(1) Total energy consumed: 17,355,575 GJ (4,820,993 MWh) (2) Percentage grid electricity: 19% (3) Percentage alternative: 0% (4) 5.3% of electricity came from renewable energy. Approximately 1% of total energy came from renewable sources. Renewable diesel is not included in this calculation. <b>Energy</b>
Water Management	(1) Total fresh water withdrawn, (2) percentage recycled, (3) percentage in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m3), Percentage (%)	EM-CM-140a.1	We are currently in the process of completing a comprehensive Water Risk Assessment to identify our highest-priority operations. We do not currently track water consumption data at a company level.  Many of our regional operations utilize water recycling in their operations; however, the percentage of water recycled is not currently quantified.  As of 2022, 28% of our active sites are located in areas of High or Extremely High Water Stress, as defined by WRI Aqueduct Risk Atlas Tool. However, because consumptive data has not been gathered, the locations of the sites are only a small portion of our overall water management strategy, as the water intensity of production varies significantly depending on the operations and products produced. <b>Water</b>
Waste Management	Amount of waste generated, percentage hazardous, percentage recycled	Quantitative	Metric tons (t), Percentage (%)		Our operations do not generate significant amounts of waste federally classified by the U.S. EPA as hazardous.  Amount of waste generated: In 2022, we generated 19 tons of Universal Waste and 2,581 tons of Vehicle/Equipment waste. Vulcan's waste data includes both Universal Waste and Vehicle/Equipment Maintenance waste streams.  Percentage hazardous: Hazardous waste designations and disposal regulations vary by state. We adhere to disposal requirements applicable in all states where we operate. Certain waste materials generated by Vulcan's operations that are designated as "hazardous" at a federal level are present in relatively small amounts in both the Universal Waste and Vehicle/Equipment Maintenance waste streams, however, the exact amounts are not currently quantified.  Percentage recycled: 91% of waste (2366.3 tons) was diverted from landfills in 2022. <b>Waste Reduction &amp; Recycling</b>

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TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	REPORT SECTION OR RESPONSE
Biodiversity Impacts	Description of environmental management policies and practices for active sites	Discussion & Analysis	n/a	EM-CM-160a.1	We actively manage more than 240,000 acres in our land portfolio using a long-term, holistic approach that prioritizes the preservation of land, water, and biodiversity. From permitting to development to end-of-life reclamation, we are dedicated to being accountable to the neighboring communities and protecting the local natural resources through responsible development. <b>Land Use &amp; Biodiversity</b>
	Terrestrial land acreage distributed, percentage of impacted area restored	Quantitative	Acres (ac), Percentage (%)	EM-CM-160a.2	We do not currently quantify and report this data. <b>Land Use &amp; Biodiversity</b>
Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) near miss frequency rate (NMFR) for (a) full-time employees and (b) contract employees	Quantitative	Rate	EM-CM-320a.1	Safety performance indicators are tailored to represent our industry and operations. MSHA Reportable Injuries: 1.00 per 100,000 work hours OSHA Recordable Injuries: 1.81 per 100,000 work hours <b>Fatalities</b> Employees: 0 Contractor/Subcontractor: 1 <b>Performance Data Table – Health &amp; Safety Metrics</b> <b>Health &amp; Safety</b>
	Number of reported cases of silicosis	Quantitative	Number	EM-CM-320a.2	Zero cases of silicosis <b>Health &amp; Safety</b>
Product Innovation	Percentage of products that qualify for credits in sustainable building design and construction certifications	Quantitative	Percentage (%) by annual sales revenue	EM-CM-410a.1	We support our customers in the development of certified low-carbon infrastructure and sustainable building design. We collaborate with customers to design product mixes using alternative and low-carbon materials. We do not currently quantify and report the revenue from these products. <b>Product Sustainability</b>
	Total addressable market and share of market for products that reduce energy, water, and/or material impacts during usage and/or production	Quantitative	Reporting currency, Percentage (%)	EM-CM-410a.2	We do not currently quantify and report this data. <b>Product Sustainability</b>

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TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	REPORT SECTION OR RESPONSE
Pricing Integrity & Transparency	Total amount of monetary losses as a result of legal proceedings associated with cartel activities, price fixing, and anti-trust activities	Quantitative	Reporting currency	EM-CM-520a.1	We were not the subject of any judgments, settlements, or fines in 2022 and did not incur monetary losses as defined by the guidance provided by the SASB Construction Materials Sustainability Accounting Standard (2018).
<b>Activity Metric</b>					
Production by major product line		Quantitative	Metric tons (t)	EM-CM-000.A	Aggregates: 235.0 million tons aggregates production volume Asphalt: 12.2 million tons, production volume Ready-Mix Concrete: 10.6 million cubic yards RMC production volume <b>Vulcan at a Glance</b>