



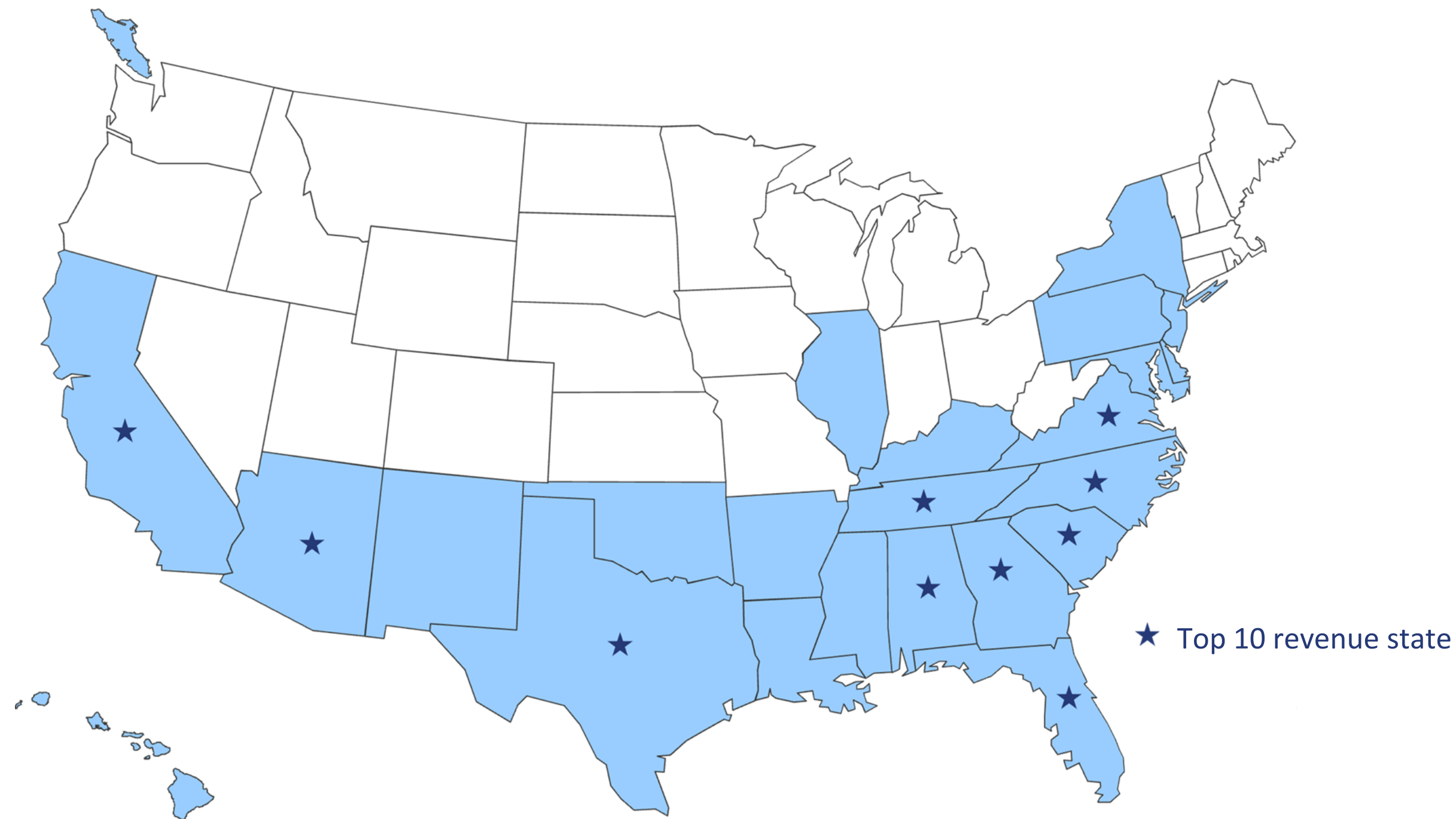
**Vulcan**  
Materials Company



**Durable Growth**  
August 2024



# Vulcan at a Glance



Vulcan is the leading aggregates supplier in the U.S., with an unmatched footprint that covers the nation's high growth markets

**397** active aggregates operations

**234** million tons of aggregates shipped

**\$7.8** billion of revenues

**\$2.0** billion adjusted EBITDA

**1.5x** net debt/adjusted EBITDA

# Value Proposition

What we aim to offer investors

**Focused Strategy:** Two-pronged approach to durable growth supported by foundation of talent, sustainability and innovation

**Right Product:** Most aggregates focused in the U.S. construction materials industry

**Compelling Footprint:** Serving markets better advantaged for growth

**Track Record of Success:** Best-in-class execution has ensured resiliency regardless of external market conditions

**Disciplined Capital Allocation:** Balanced approach to support existing franchise, grow the business and return cash to shareholders

**Financial Strength:** Investment grade balance sheet to support growth

Total Revenues



Gross Profit



# Why Aggregates?

Diminishing natural resource with attractive fundamentals



Diverse end market demand



Attractive pricing characteristics



Limited product substitutions



High barriers to entry



High weight to value creates wide logistical moat



Flexible production capacity



Lifecycle of quarry creates lasting value



Estimated U.S. Market Size is  
~ **3 billion tons**, or **\$35 billion**

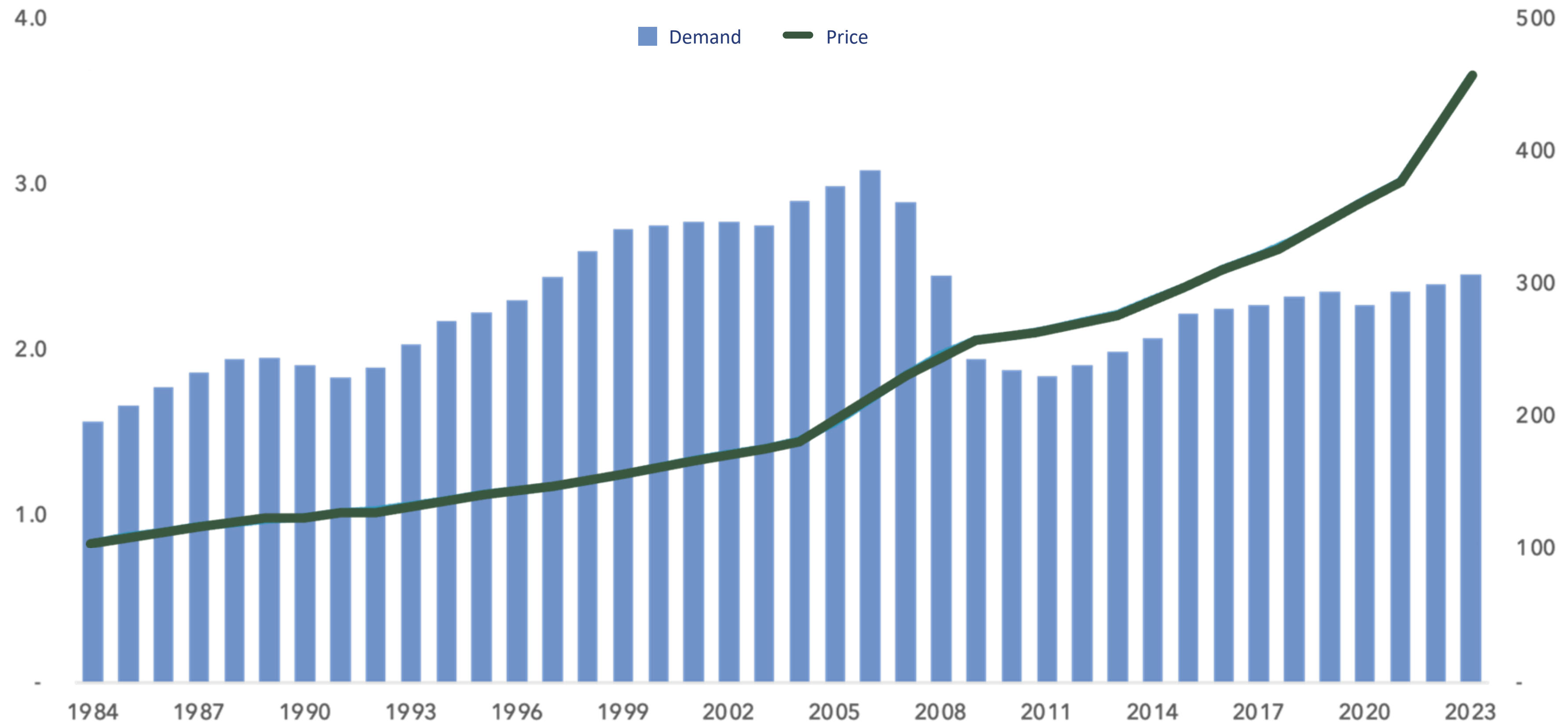
Over **5,000** companies operating  
~**10,000** operations

Top 10 producers account for ~**1/3**  
of industry volume

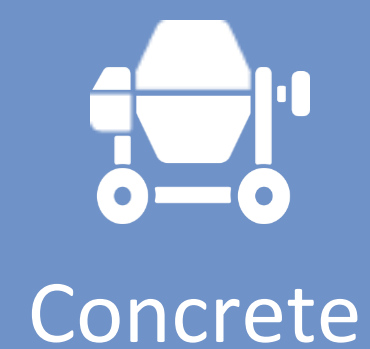


# Attractive Fundamentals Lead to Compounding Results

Price growth in aggregates through all parts of a cycle



# Aggregates-intensive Downstream Products in Select Markets

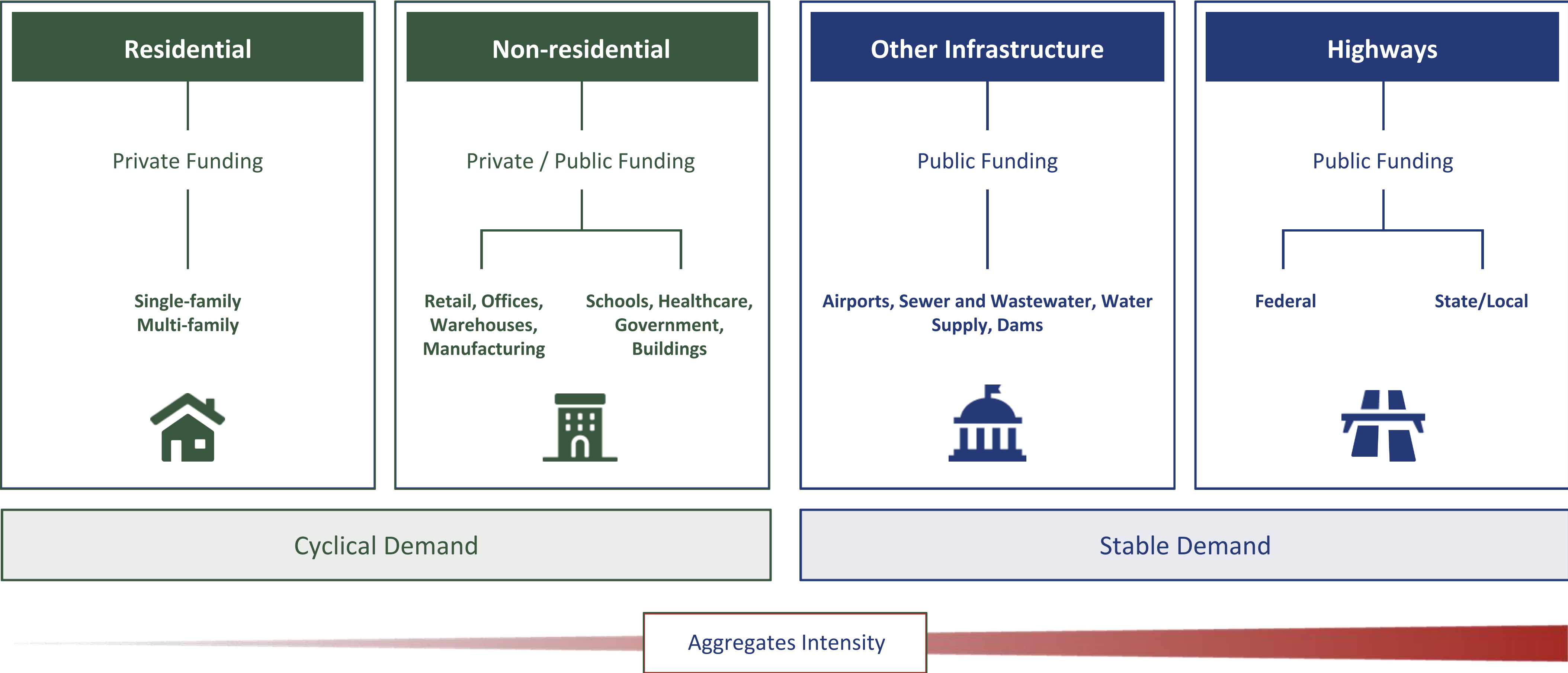


## Asphalt and Concrete

- Asphalt 95% aggregates by weight
- Concrete 80% aggregates by weight
- Lower gross profit margins but less capital intensive
- Asphalt exposure weighted to more stable public demand with an estimated U.S. market size of \$30 billion
- Concrete estimated U.S. market size of \$45 billion

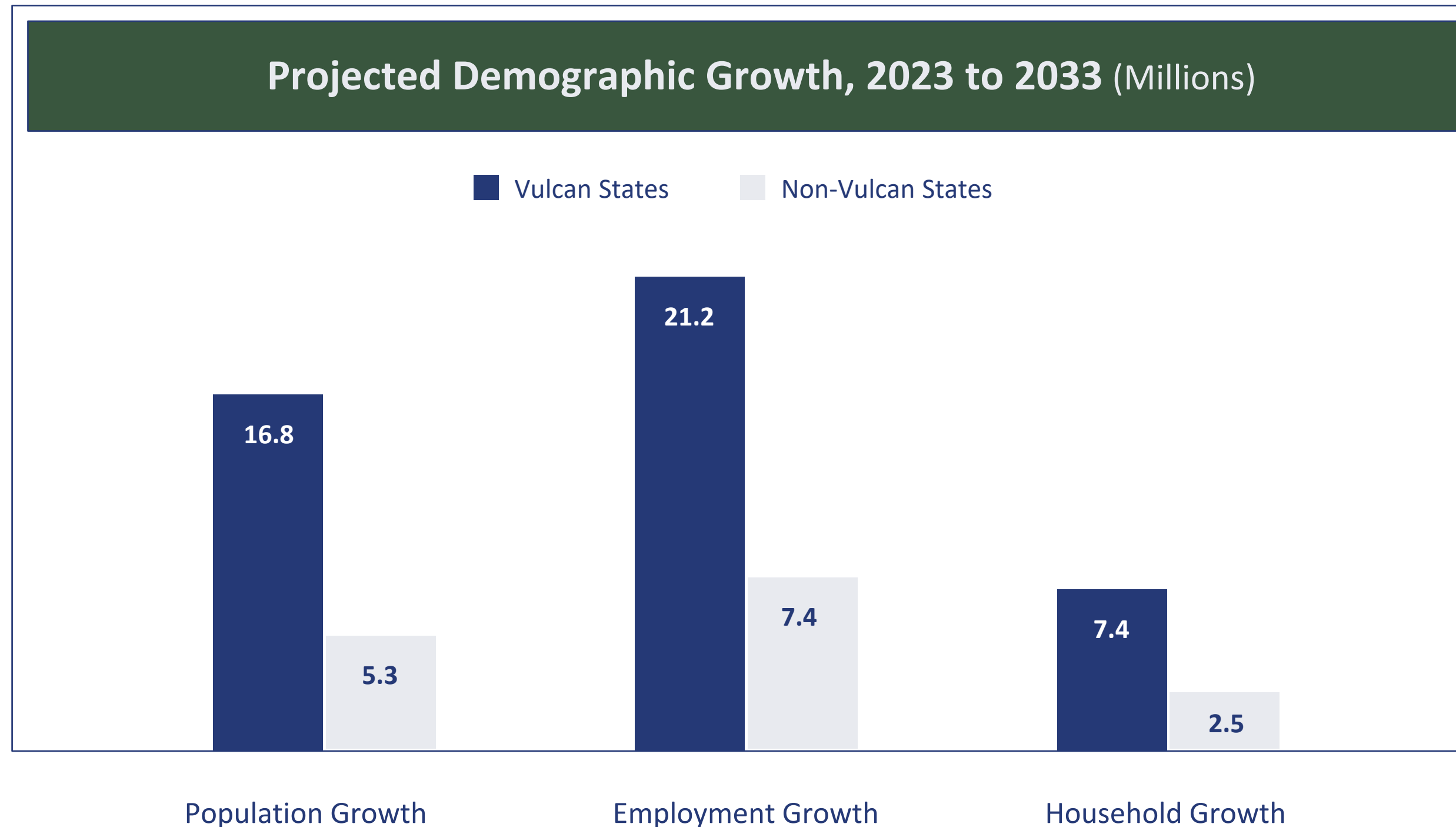
# Diverse End Market Demand

Aggregates used in virtually all forms of construction



# Demographics Help Drive Demand Growth

Vulcan served states are advantaged for better growth



**60%** of population live within 50 miles of a Vulcan operation

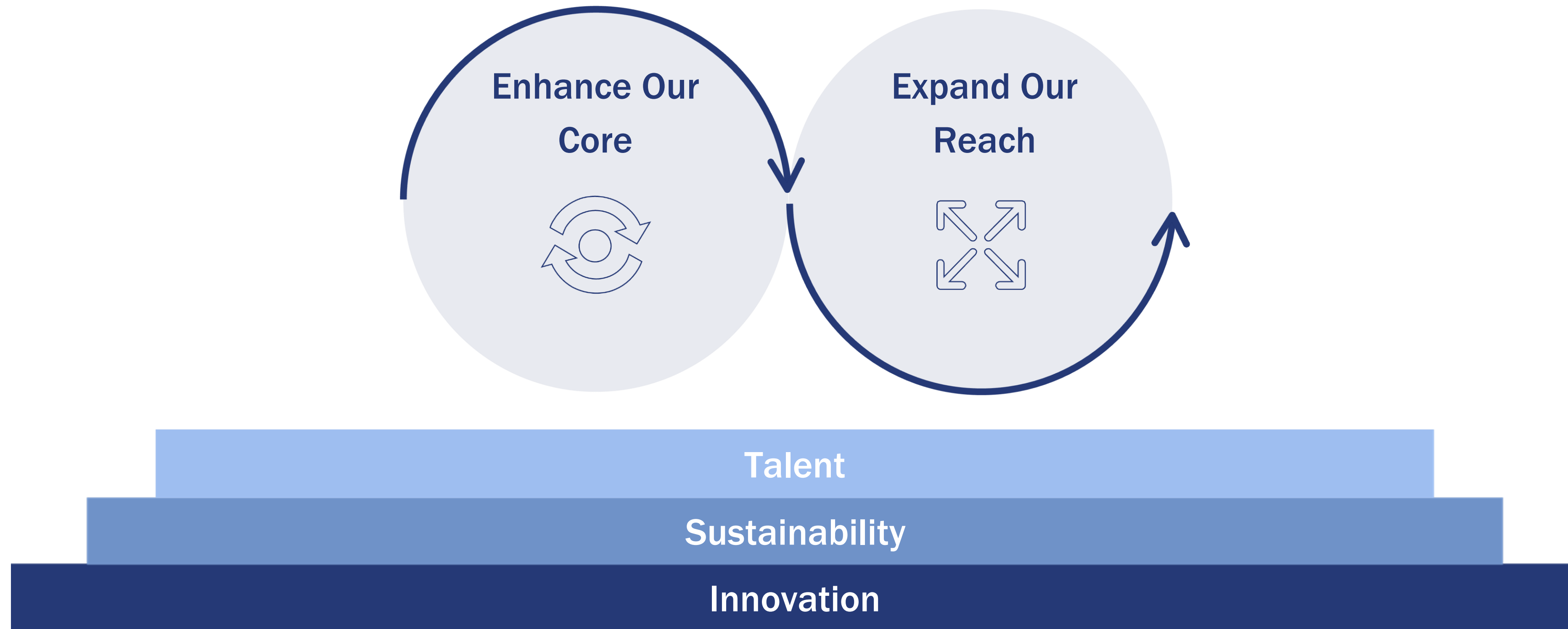
**35** of the top 50 MSAs served

**67%** of Infrastructure Investment and Jobs Act formula dollars going to Vulcan states



# Our Strategic Approach to Durable Growth

Two-pronged approach to durable growth supported by foundation of talent, sustainability and innovation



# Enhancing Our Core

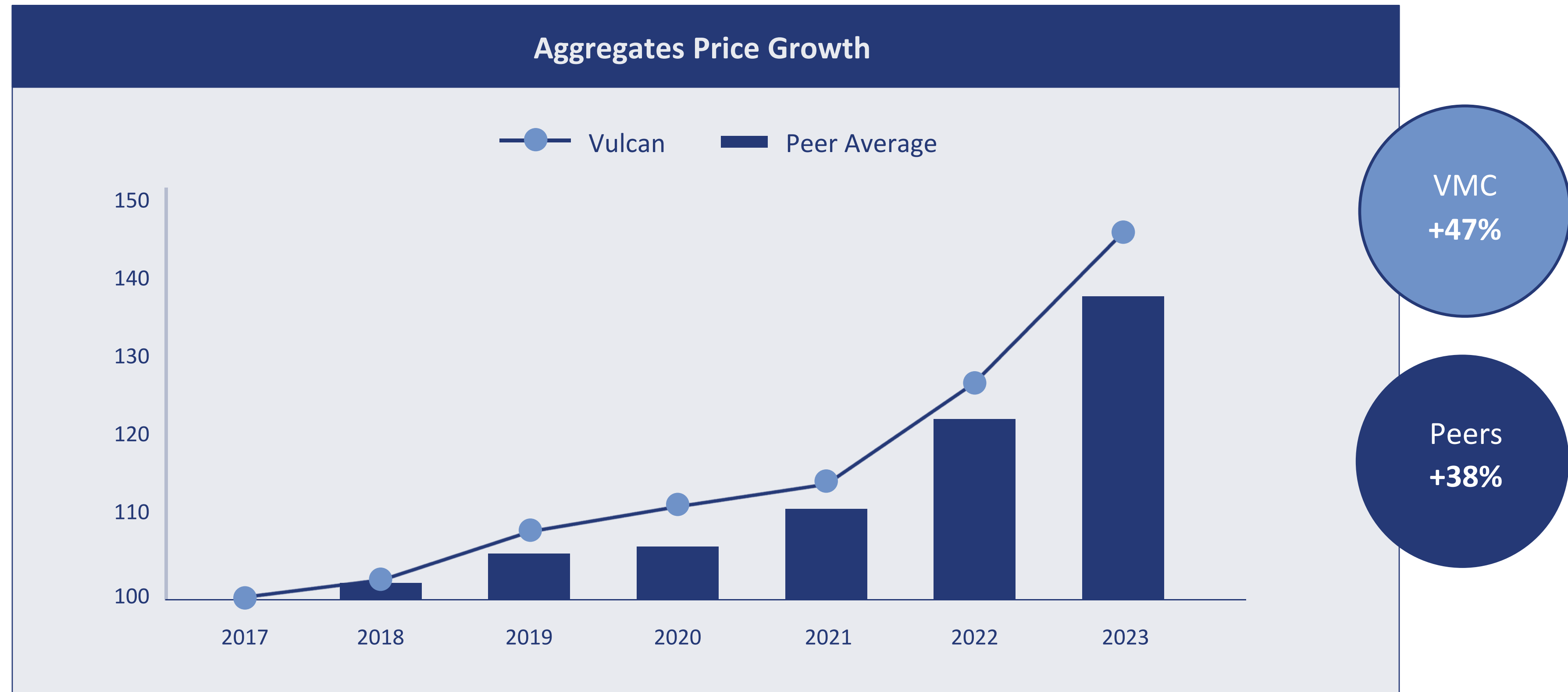
Our strategic disciplines drive revenue and earnings growth and separate Vulcan from the competition





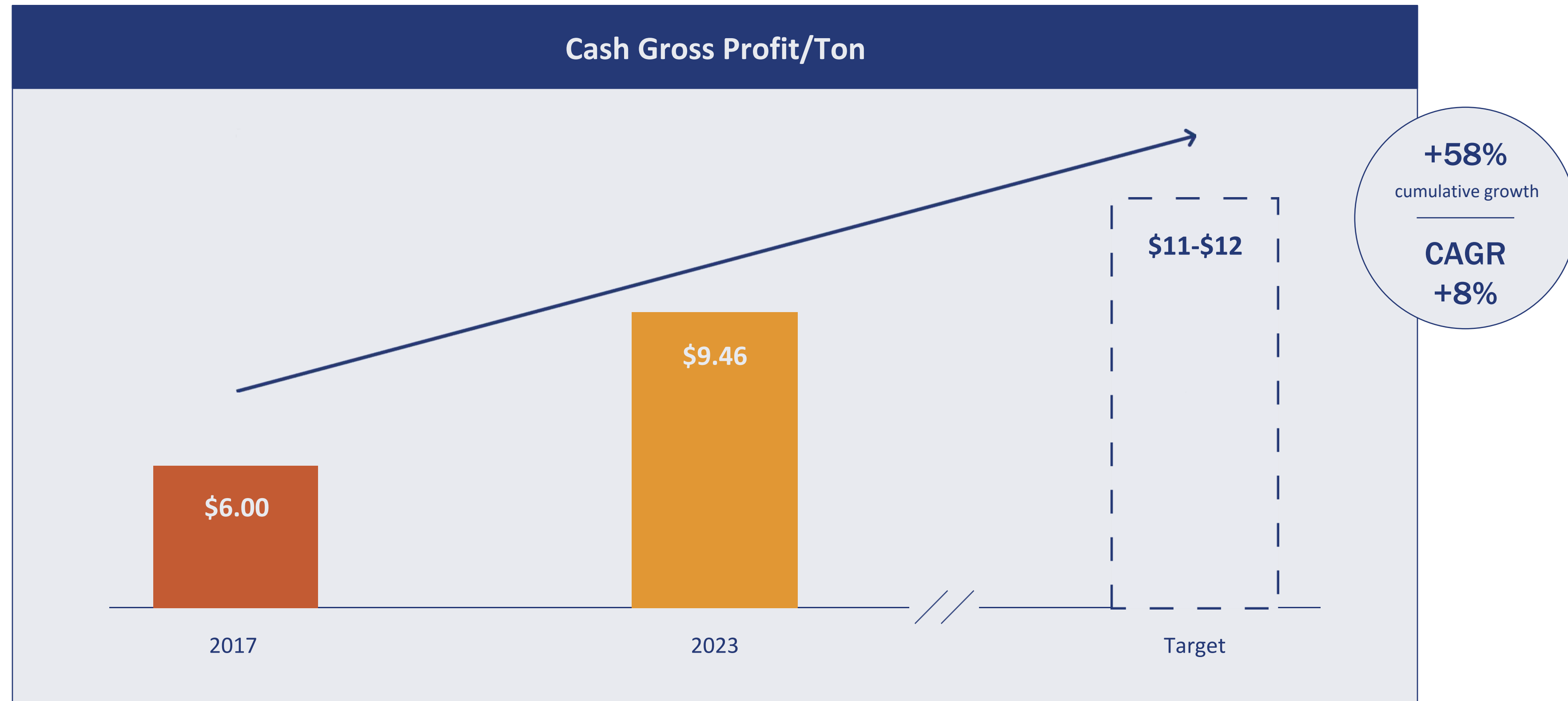
# Enhancing Our Core – Superior Pricing Performance

Vulcan Way of Selling helps drive best-in-class performance



# Proven Performance

Best-in-class execution leads to resiliency and durability regardless of macro challenges





# Expanding Our Reach

Track record of strategic growth and portfolio optimization...

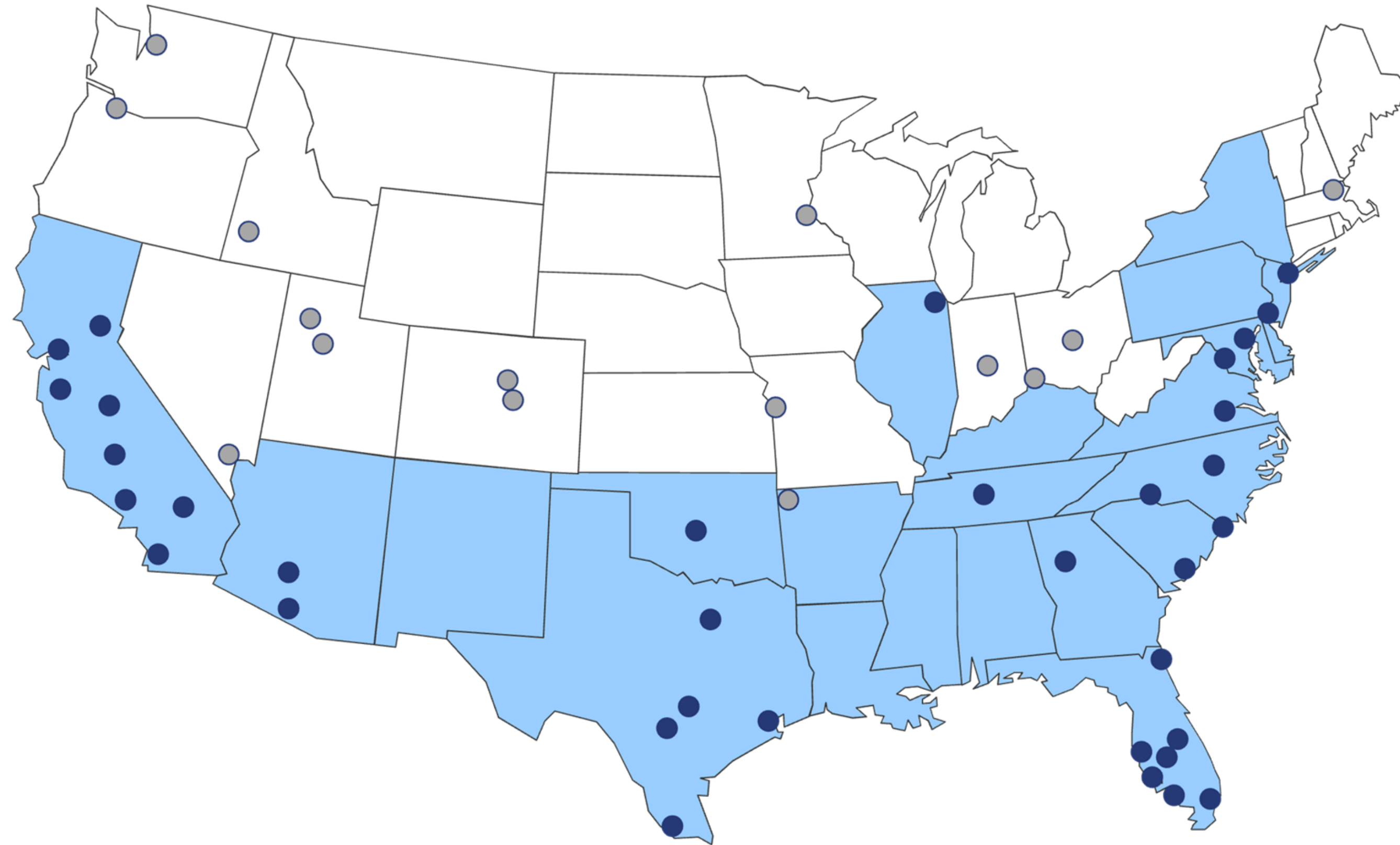


During the last 10 years we have completed almost 40 acquisitions across our top 10 revenue states. Over that same time frame, we also expanded through greenfield developments.

● Operations added through acquisitions and greenfields

# Expanding Our Reach

... with ample opportunities for future growth



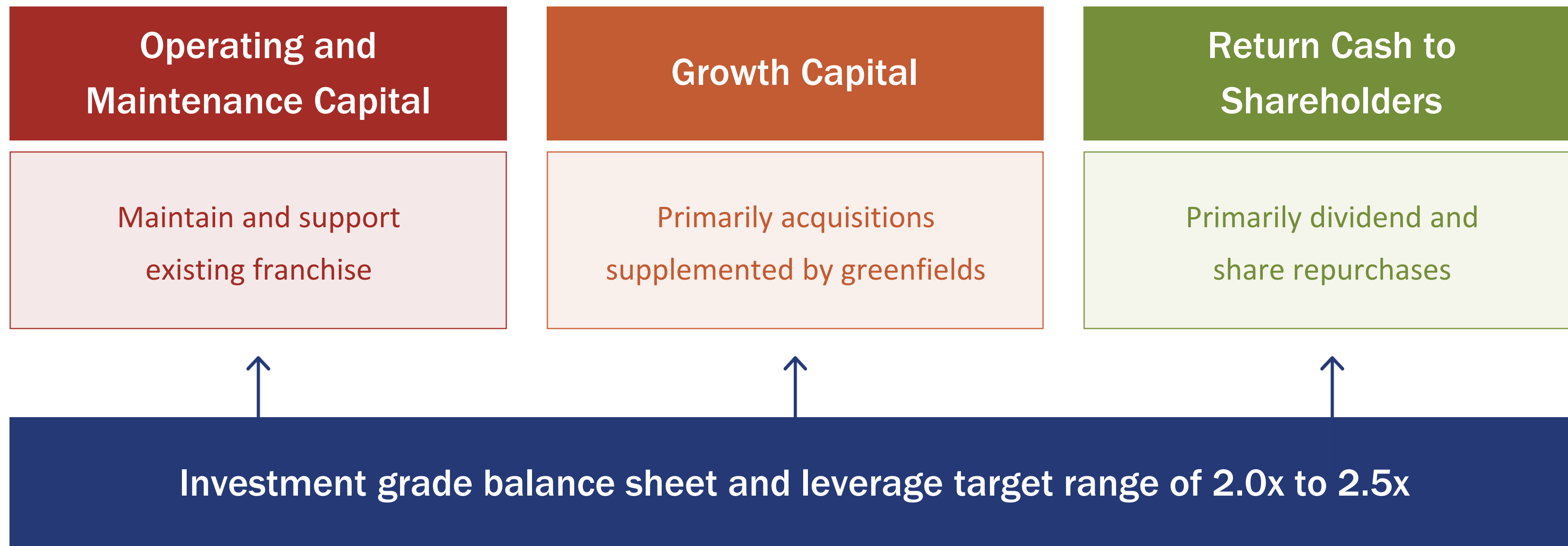
We have a coast-to-coast footprint that serves **35 of the top 50** highest-growth metropolitan statistical areas (MSA).

- Vulcan-Served MSA
- Other MSA



# Capital Allocation Priorities

Disciplined and balanced approach sustains and strengthens the business



# Capital Discipline Helps Drives Returns Higher

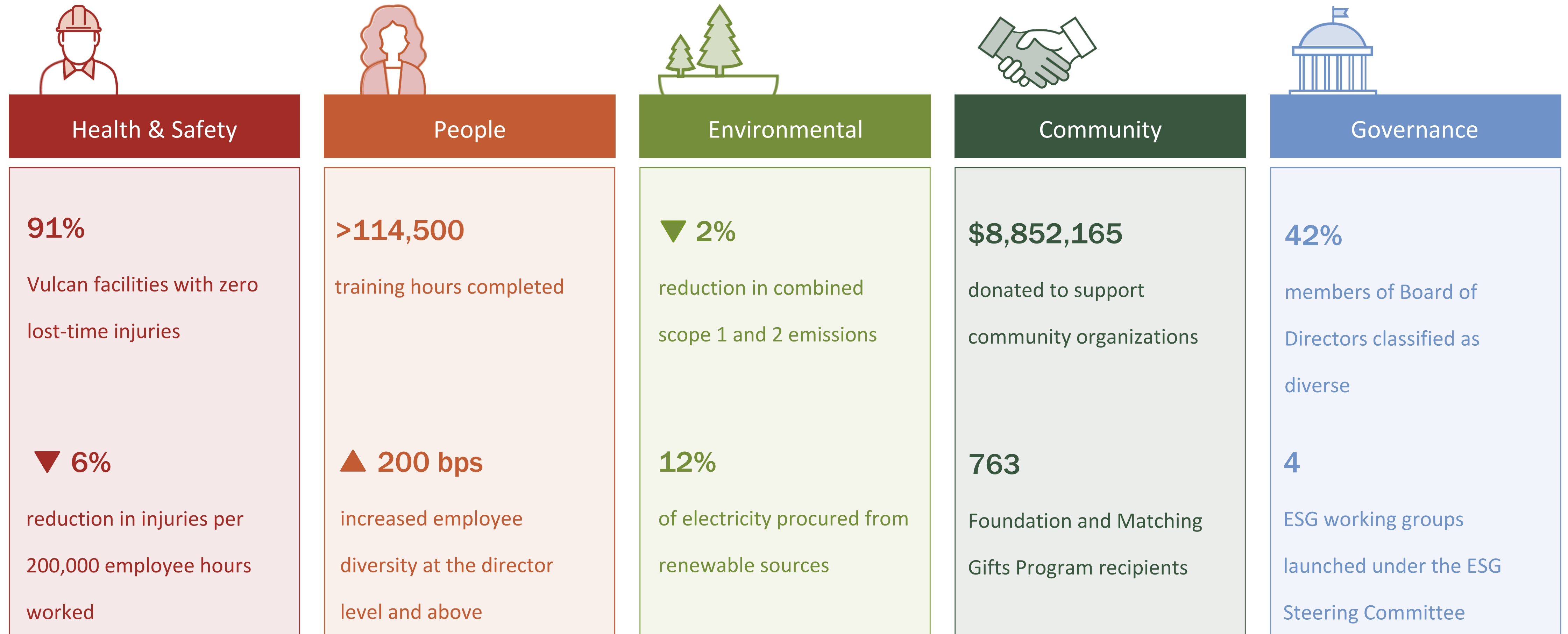
Last 10 Years:





# Sustainability with a Value-Creation Mindset

Focus is on environmental, social and governance priorities material to our business



2023 Sustainability Report.

# Vulcan Offers Significant Value Creation Opportunity

**Focused Strategy:** Two-pronged approach to durable growth supported by foundation of talent, sustainability and innovation

**Right Product:** Most aggregates focused in the U.S. construction materials industry

**Compelling Footprint:** Serving markets better advantaged for growth

**Track Record of Success:** Best-in-class execution has ensured resiliency regardless of external market conditions

**Disciplined Capital Allocation:** Balanced approach to support existing franchise, grow the business and return cash to shareholders

**Financial Strength:** Investment grade balance sheet to support growth





# Appendix

# Experienced and Skilled Management Team



**J. Thomas Hill**

Chairman of the Board and  
Chief Executive Officer



**Thompson S. Baker II**

President



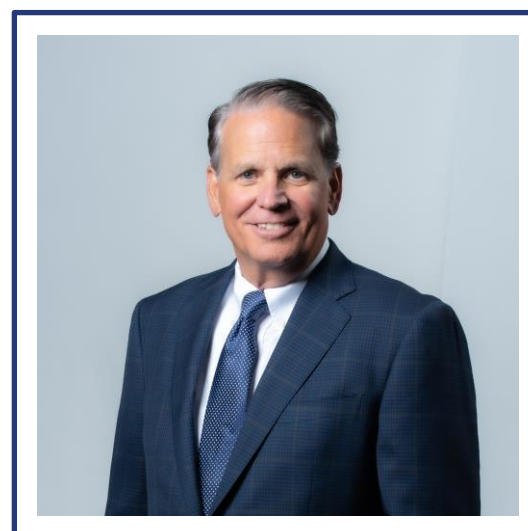
**Mary Andrews Carlisle**

Senior Vice President and  
Chief Financial Officer



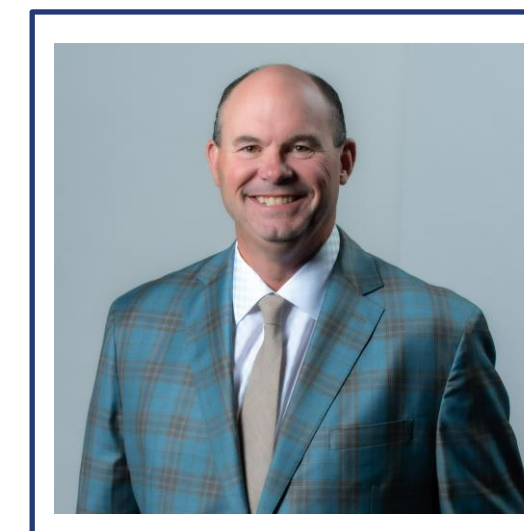
**Denson N. Franklin**

Senior Vice President,  
General Counsel and Secretary



**Stanley G. Bass**

Chief Strategy Officer



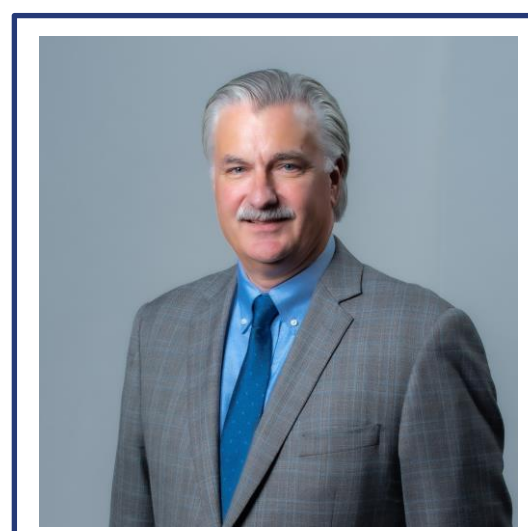
**Ronnie A. Pruitt**

Chief Operating Officer



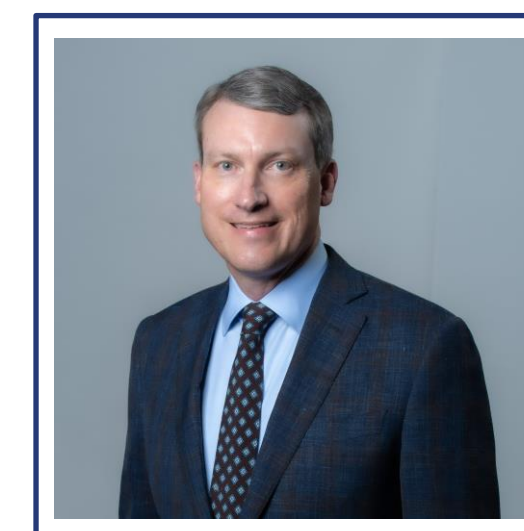
**Darren L. Hicks**

Senior Vice President and  
Chief Human Resources Officer



**David P. Clement**

Senior Vice President,  
Operations Support, Procurement



**Jerry F. Perkins Jr.**

Senior Vice President,  
Commercial Excellence, Business  
Development, Land, Logistics



# Safe Harbor and Non-GAAP Financial Measures

This presentation contains forward-looking statements. Statements that are not historical fact, including statements about Vulcan's beliefs and expectations, are forward-looking statements. Generally, these statements relate to future financial performance, results of operations, business plans or strategies, projected or anticipated revenues, expenses, earnings (including EBITDA and other measures), dividend policy, shipment volumes, pricing, levels of capital expenditures, intended cost reductions and cost savings, anticipated profit improvements and/or planned divestitures and asset sales. These forward-looking statements are sometimes identified by the use of terms and phrases such as "believe," "should," "would," "expect," "project," "estimate," "anticipate," "intend," "plan," "will," "can," "may" or similar expressions elsewhere in this document. These statements are subject to numerous risks, uncertainties, and assumptions, including but not limited to general business conditions, competitive factors, pricing, energy costs, and other risks and uncertainties discussed in the reports Vulcan periodically files with the SEC. Forward-looking statements are not guarantees of future performance and actual results, developments, and business decisions may vary significantly from those expressed in or implied by the forward-looking statements. The following risks related to Vulcan's business, among others, could cause actual results to differ materially from those described in the forward-looking statements: general economic and business conditions; domestic and global political, economic or diplomatic developments; a pandemic, epidemic or other public health emergency; Vulcan's dependence on the construction industry, which is subject to economic cycles; the timing and amount of federal, state and local funding for infrastructure; changes in the level of spending for private residential and private nonresidential construction; changes in Vulcan's effective tax rate; the increasing reliance on information technology infrastructure, including the risks that the infrastructure does not work as intended, experiences technical difficulties or is subjected to cyber-attacks; the impact of the state of the global economy on Vulcan's businesses and financial condition and access to capital markets; international business operations and relationships, including recent actions taken by the Mexican government with respect to Vulcan's property and operations in that country; the highly competitive nature of the construction industry; the impact of future regulatory or legislative actions, including those relating to climate change, biodiversity, land use, wetlands, greenhouse gas emissions, the definition of minerals, tax policy and domestic and international trade; the outcome of pending legal proceedings; pricing of Vulcan's products; weather and other natural phenomena, including the impact of climate change and availability of water; availability and cost of trucks, railcars, barges and ships, as well as their licensed operators, for transport of Vulcan's materials; energy costs; costs of hydrocarbon-based raw materials; healthcare costs; labor relations, shortages and constraints; the amount of long-term debt and interest expense incurred by Vulcan; changes in interest rates; volatility in pension plan asset values and liabilities, which may require cash contributions to the pension plans; the impact of environmental cleanup costs and other liabilities relating to existing and/or divested businesses; Vulcan's ability to secure and permit aggregates reserves in strategically located areas; Vulcan's ability to manage and successfully integrate acquisitions; the effect of changes in tax laws, guidance and interpretations; significant downturn in the construction industry may result in the impairment of goodwill or long-lived assets; changes in technologies, which could disrupt the way Vulcan does business and how Vulcan's products are distributed; the risks of open pit and underground mining; expectations relating to environmental, social and governance considerations; claims that our products do not meet regulatory requirements or contractual specifications; and other assumptions, risks and uncertainties detailed from time to time in the reports filed by Vulcan with the SEC. All forward-looking statements in this communication are qualified in their entirety by this cautionary statement. Vulcan disclaims and does not undertake any obligation to update or revise any forward-looking statement in this document except as required by law.

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

Because GAAP financial measures on a forward-looking basis are not accessible, and reconciling information is not available without unreasonable effort, we have not provided reconciliations for forward-looking non-GAAP measures. For the same reasons, we are unable to address the probable significance of the unavailable information, which could be material to future results.



# Reconciliation of Non-GAAP Financial Measures

## EBITDA

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

<b>EBITDA</b> <i>(dollars in millions)</i>	<b>YTD</b> <b>Q4 2023</b>	<b>YTD</b> <b>Q4 2013</b>
Net earnings attributable to Vulcan	\$ 933.2	\$ 24.4
Income tax expense (benefit)	295.6	(24.5)
Interest expense, net	179.6	201.7
Depreciation, depletion, accretion and amortization	617.0	307.1
<b>EBITDA</b>	<b>\$ 2,025.4</b>	<b>\$ 508.7</b>
Loss (gain) on discontinued operations	14.7	(3.6)
Gain on sale of real estate and businesses, net	(67.1)	(36.8)
Charges associated with divested operations	7.9	0.5
Acquisition related charges	2.1	-
Restructuring charges	-	1.5
Loss on impairments	28.3	-
<b>Adjusted EBITDA</b>	<b>\$ 2,011.3</b>	<b>\$ 470.3</b>

## Net Debt to Adjusted EBITDA

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

<b>Net Debt to Adjusted EBITDA</b> <i>(dollars in millions)</i>	<b>Q4 2023</b>
Current maturities of long-term debt	\$ 0.5
Short-term debt	-
Long-term debt	3,877.3
<b>Total debt</b>	<b>\$ 3,877.8</b>
Cash, cash equivalents, restricted cash	(949.2)
<b>Net debt</b>	<b>\$ 2,928.6</b>
Trailing-Twelve Months (TTM) Adjusted EBITDA	\$ 2,011.3
<b>Total debt to TTM Adjusted EBITDA</b>	<b>1.9 x</b>
<b>Net debt to TTM Adjusted EBITDA</b>	<b>1.5 x</b>

## Return on Invested Capital

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

<b>Return on Invested Capital</b> <i>(dollars in millions)</i>	<b>YTD</b> <b>Q4 2023</b>	<b>YTD</b> <b>Q4 2013</b>
Adjusted EBITDA	\$ 2,011.3	\$ 470.3
Property, plant & equipment	\$ 6,106.3	\$ 3,213.8
Goodwill	3,626.5	3,083.5
Other intangible assets	1,593.4	696.2
<b>Fixed and intangible assets</b>	<b>\$ 11,326.2</b>	<b>\$ 6,993.5</b>
Current assets	\$ 2,192.9	\$ 975.3
Cash and cash equivalents	(352.8)	(198.0)
Current tax	(32.7)	(39.7)
<b>Adjusted current assets</b>	<b>1,807.4</b>	<b>737.6</b>
Current liabilities	833.7	391.2
Current maturities of long-term debt	(0.5)	(58.3)
Short-term debt	(20.0)	(20.0)
<b>Adjusted current liabilities</b>	<b>813.2</b>	<b>312.9</b>
<b>Adjusted net working capital</b>	<b>\$ 994.2</b>	<b>\$ 424.7</b>
<b>Average invested capital</b>	<b>\$ 12,320.4</b>	<b>\$ 7,418.2</b>
<b>Return on invested capital</b>	<b>16.3%</b>	<b>6.3%</b>

## Aggregates Segment Cash Gross Profit

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

<b>Cash Gross Profit</b> <i>(in millions, except per ton data)</i>	<b>YTD</b> <b>Q4 2023</b>	<b>YTD</b> <b>Q4 2017</b>
Gross profit	\$ 1,733.6	\$ 854.5
DDA&A	482.2	245.2
<b>Aggregates segment cash gross profit</b>	<b>\$ 2,215.8</b>	<b>\$ 1,099.7</b>
Units shipments - tons	234.3	183.2
<b>Aggregates segment gross profit per ton</b>	<b>\$ 7.40</b>	<b>\$ 4.66</b>
<b>Aggregates segment cash gross profit per ton</b>	<b>\$ 9.46</b>	<b>\$ 6.00</b>

# Vulcan

Materials Company



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