| TCFD Disclosure | Vulcan Response | CDP |
|---|---|---|
| ***Governance***<br>*Disclose the organization's governance around climate-related risks and opportunities.* | | |
| *a. Describe the board's oversight of climate-related risks and opportunities.* | Oversight of sustainability and climate-related risks and opportunities is embedded across three of the Board of Director's (Board) six standing committees, each of which plays a distinct role in the Company's broader sustainability governance framework. All three committees meet at least twice annually and at times as deemed necessary by the Chair of the Committee, the Chairman of the Board, the CEO, or any two members of the Committee.<br><br>• The **Governance Committee** is responsible for the oversight of "ESG Matters" including strategies, goals, policies and disclosures and any related developments that may materially impact the Company. In practice, this includes reviewing strategic plans, sustainability reports, and third-party sustainability assessments.<br>• The **Safety, Health and Environmental (SHE) Affairs Committee** is charged by the Board with the responsibility for (1) reviewing the Company's policies, practices and programs with respect to the management of safety, health and environmental affairs; (2) monitoring Company compliance with safety, health and environmental laws, regulations, and Company policies relating thereto; (3) overseeing the Company's sustainability-related risks, opportunities and responsive strategies, and (4) reporting on its work to the Board, as appropriate. Committee duties and responsibilities, related to environmental issues, are to assist the Board in identifying, monitoring, evaluating and responding to sustainability-related risks and opportunities, including regulatory and public policy developments that may materially impact the Company's business activities and performance.<br>• The **Audit Committee** oversees the Company's risk assessment and management policies, including those related to climate-related risks, and reviews periodic reporting for alignment with internal controls, company standards, and applicable accounting requirements.<br><br>The full Board receives quarterly updates on sustainability-related risks, including climate-related regulatory developments, stakeholder expectations, and emerging assessments. These inputs inform the Board's review of strategy, major plans, risk policies, performance objectives, and capital allocation decisions. Climate-related metrics are regularly included in Board and committee materials to support effective oversight.<br><br>The Governance Committee annually evaluates board composition to confirm that members collectively possess the skills, experience, and knowledge needed to oversee Vulcan's strategy, operations, and sustainability-related matters. Director education includes briefings on regulatory trends and emerging risks.<br><br>*Note: The Governance Committee charter refers to "ESG Matters." For this disclosure, the term "sustainability" is used as the overarching reference for environmental, social, and governance considerations.* | 4.1<br>4.2 |
| *b. Describe management's role in assessing and managing climate-related risks and opportunities* | The CEO, CFO, and Senior Vice President (SVP) / General Counsel (GC) each hold sustainability-related responsibilities. The CEO leads sustainability strategy and goal setting; the CFO allocates capital to decarbonization and resilience initiatives; and the SVP / GC oversees legal risk, disclosure, and overall governance matters, serving as the principal corporate officer responsible for day-to-day sustainability performance. | 4.3 |

| | | |
|---|---|---|
| | Subject matter experts integrate sustainability factors into their respective functions as part of the company's overall strategy. For example, the VP of Organizational Development leads recruiting, retention, and training; the VP of SHE leads health and safety initiatives; and the VP of External Affairs and Corporate Communications coordinates cross-functional work on environmental sustainability and leads community and government relations to address social factors relevant to neighbors, communities, and external stakeholders. | |
| ***Strategy***<br>*Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.* | | |
| *a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.* | Vulcan considers climate-related risks across short-, medium-, and long-term time horizons, with implications for operations, product strategy, capital allocation, and resilience planning. These factors can influence investment priorities, risk mitigation efforts, and long-term resilience planning, particularly in areas such as permitting, equipment upgrades, and infrastructure adaptation.<br><br>Climate-related opportunities, such as growing demand for lower-carbon construction materials and advances in operational efficiency, are also considered in Vulcan's long-term planning efforts. The time horizons in this voluntary disclosure are defined differently than Vulcan's required financial reporting and are intended to account for the relative uncertainty and evolution of the data and guidance used to inform Vulcan's climate risk management strategy.<br><br>Vulcan defines its climate-related time frames as follows:<br><br>• **Short-term (0–5 years):** Aligns with financial planning and operational performance cycles. This period includes progress toward near-term greenhouse gas (GHG) reduction targets.<br>• **Medium-term (5–10 years):** Encompasses major capital investments, technology adoption, and partnership development to support science-based targets and decarbonization strategies.<br>• **Long-term (10–50 years):** Represents the period when many physical climate risks are expected to intensify. Long-term planning focuses on climate resilience, carbon reduction, and evaluating the cost-benefit of mitigation measures. | 2.1<br>3.1<br>3.6 |
| *b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.* | The climate strategy table below illustrates how identified risks are expected to influence operational continuity, capital planning, product innovation, and regulatory preparedness. While Vulcan has not yet conducted a full financial quantification of these risks, they increasingly inform budget decisions and long-term investment strategies, particularly in technology upgrades and resilient infrastructure. They also can influence how financial resources are allocated across permitting processes, emissions tracking systems, clean fleet investment, and site-level infrastructure enhancements in areas exposed to climate risk. | 3.1<br>3.6<br>5.3<br>5.11 |

## RISKS

| Category | Horizon | | | Key Risks | Potential Impacts | Strategy |
|---|---|---|---|---|---|---|
| | Short | Mid | Long | | | |
| Transition Risk<br><br>Reputation | ✓ | | | Reputational risk from increased stakeholder concern or scrutiny; association with higher-emitting sectors without transparency | Reputational harm; stakeholder concern; decreased access to capital | Engaging on sustainability goals; educating on product/company emissions; collaborating with suppliers on carbon reduction; releasing new sustainability goals and targets |
| Physical Risk<br><br>Acute | ✓ | ✓ | ✓ | Acute weather events (e.g., storms, extreme heat) disrupt operations and supply chains | Delayed construction activity and decreased revenue resulting from reduced production capacity; health and safety impacts; infrastructure damage | Improving maintenance of infrastructure; conducting scenario planning; implementing heat stress protocols; strengthening safety and emergency management programs in vulnerable regions |
| Physical Risk<br><br>Chronic | | ✓ | ✓ | Chronic physical risks (e.g., water stress, sea level rise, precipitation variability, heat stress) impacting operations and resource availability | Water scarcity limiting water use in production; decreased productivity from heat stress days; increased operational costs | Conducting scenario planning; implementing heat stress protocols; strengthening safety and emergency management programs in vulnerable regions |

## OPPORTUNITIES

| Category | Horizon | | | Key Opportunities | Potential Impacts | Strategy |
|---|---|---|---|---|---|---|
| | Short | Mid | Long | | | |
| Resource Efficiency Opportunity<br><br>Increased efficiency of production and/or distribution processes | ✓ | | | Energy efficiency in production can lead to operating cost and emissions savings in energy-intensive operations | Operating cost savings; more efficient product distribution; reduced energy consumption | Upgrading mobile equipment to more efficient models; energy efficient technology upgrades in production facilities; fuel conservation programs; process improvement through technology and data |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Energy Source Opportunity<br><br>Use of low-carbon energy sources | ✓ | | | Greater availability of cost-effective renewable energy can increase energy supply resilience and reduce environmental impacts | Direct financial cost savings from utilities; increased energy supply chain resiliency; reputational gains and/or mitigation | Evaluating low-carbon energy sourcing strategies; balancing project costs and potential cost savings; piloting projects in areas with high return on investment (e.g., California) | |
| | Product/ Services Opportunity<br><br>Development and/or expansion of low emission goods and services | ✓ | | | Aggregates are low-carbon relative to construction materials but with limited quantification. Asphalt and ready-mixed concrete have carbon capture and low-carbon input opportunities | Increased revenue from low-carbon products; ability to meet growing demand for low-carbon products in specific markets | Investing in R&D of low-carbon products and services; partnering with key suppliers; leveraging Technical Services team to support customer decision-making; advancing quantification and education on product carbon footprints | |
| | Market Opportunity<br><br>Increased demand for certified and sustainable materials | ✓ | | | Customer demand for low-carbon and climate resilient infrastructure is growing with potential increases in revenue | Meeting purchasing requirements for certain markets; meeting sustainable certification eligibility; access to climate-related funding | Defining sustainable product methodologies and certifications; advising clients on product quality and sustainability through the Technical Services; developing environmental product declarations (EPDs); expanding recycling and reusing products (e.g., RAP, recycled concrete) | |
| | Resilience Opportunity<br><br>Strengthened social license to operate | ✓ | ✓ | | Climate resilience and environmental stewardship is a way to support local communities and protect its corporate reputation | Reducing community opposition for permitting; avoiding negative media coverage; building community trust; recruiting local employees | Investing in community relations teams; tailoring programs and messaging to local communities; training employees as ambassadors; supporting community organizations and disaster response efforts; creating climate-resilient infrastructure in fast-growing metro markets | |
| | *Risks and opportunities are further summarized in Vulcan's FY2023 TCFD Report; updated mitigation actions are further detailed in the 2025 CDP questionnaire.* | | | | | | | |
| *c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios,* | Vulcan recognizes the importance of climate scenario analysis in evaluating strategic resilience under a range of potential futures, including a 2°C or lower scenario. A formal scenario analysis, including a comprehensive group of stakeholders, is ongoing. Vulcan's goal is to integrate this analysis into the company's climate strategy as part of enterprise risk management (ERM). This will inform future disclosures and support alignment with regulatory guidance such as California's SB 261. | | | | | | | 5.1<br>5.2<br>5.3<br>5.11 |

| | | |
|---|---|---|
| *including a 2°C or lower scenario.* | After evaluation and testing during initial scenario analysis exercises, Vulcan selected the Net Zero Emissions by 2050 (NZE Scenario and the Stated Policies Scenario (STEPS) from the International Energy Agency for inclusion in the formal scenario analysis. These scenarios were selected because of their relevance to Vulcan's industry and considerations of market, technological, and emissions dynamics of the global energy system. | |
| ***Risk Management***<br>*Disclose how the organization identifies, assesses, and manages climate-related risks.* | | |
| *a. Describe the organization's processes for identifying and assessing climate-related risks.* | Vulcan identifies and assesses climate-related risks, opportunities, impacts, and dependencies of our direct operations through a multi-disciplinary organization-wide risk management process. Vulcan applies its ERM framework to identify and assess climate-related risks and opportunities alongside other business risks. Vulcan also created a category for substantive effects as part of a climate-specific risk assessment.<br><br>A substantive effect has a considerable or relatively significant, but less than a material, effect on Vulcan at the corporate level in terms of risks and opportunities. This could include operational, financial, or strategic effects that undermine, or provide opportunities for, the entire organization or part of the organization.<br><br>From a financial reporting perspective, Vulcan defines substantive as 2.0 percent of annual pre-tax income or 1.5 percent of annual EBITDA, before considering qualitative factors. The quantitative evaluation of substantive risks is conducted at least annually as part of our ERM process. Different time horizons are considered, depending on the specific risk or sustainability-related topic. Consistent with our ERM approach, these risks are analyzed using a matrix that weighs:<br><br>- Likelihood (probability that the risk, if unmitigated, will occur)<br>- Impact (financial impact if the risk occurred) of a risk<br>- Mitigant Strength Score (effectiveness of a control to reduce the likelihood or impact of a risk)<br><br>This process produces an Inherent Risk Score (Likelihood x Impact) and a Residual Risk Score (Inherent Risk – Mitigant Strength). Likelihood scores range from Very Unlikely (<20 percent) to Very Likely (>80 percent). Financial impact, which ranges from Very Low to Very High, considers different thresholds depending on if the impact from the risk is a one-time event or recurring.<br><br>Climate-related risks, such as regulatory changes or extreme weather, are assessed through this process and informed by input from subject-matter experts and cross-functional working groups. The framework incorporates both existing and emerging regulatory requirements and allows Vulcan to evaluate the size and scope of risks using quantitative thresholds and standardized definitions. | 2.2<br>2.4 |
| *b. Describe the organization's processes for managing climate-related risks.* | Climate change is included in Vulcan's ERM risk library, with a designated risk owner responsible for collecting data and stakeholder input on the topic to assign a series of risk scores. The scores are reevaluated annually by the risk owner and then reviewed by the Risk Committee. Risks and opportunities determined through this process are communicated to company leadership and used to direct strategic responses from management at a company and local level. | 3.1<br>5.1 |

| | | |
|---|---|---|
| | Subject matter experts lead climate-related activities as part of their functional roles. For example, the VP of SHE manages risks tied to health, safety, and extreme weather; the VP of External Affairs and Corporate Communications coordinates cross-functional input on environmental sustainability and regulatory developments; and the SVP and GC oversee governance and disclosure obligations.<br><br>Mitigation strategies include operational adaptation, regulatory monitoring, and investment in lower-emitting technologies. Examples include enhancing permitting responses to address evolving regulations, implementing safety protocols for extreme weather events, and phasing in equipment with reduced emissions. Identified risks are assigned to business leads and integrated into capital planning, permitting reviews, and resilience-related investments. | |
| *c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.* | Climate-related risks are evaluated through Vulcan's ERM process and considered within the company's broader risk portfolio. Rather than treated as an entirely separate track, climate risks are assessed using the same likelihood, impact, and mitigation criteria as other strategic and operational risks, only with minor alterations to the assessment definitions, where appropriate. | 5.1 |
| ***Metrics and Targets***<br>*Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.* | | |
| *a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.*<br><br>*b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.*<br><br>*c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.* | Vulcan uses a defined set of climate-related metrics to assess and manage climate-related risks in alignment with its broader sustainability strategy and operational planning. These include Scope 1 and Scope 2 GHG emissions (reported in both absolute terms and intensity per ton of product), energy intensity per ton of product, and the percentage of electricity sourced from renewable energy. These metrics are calculated in accordance with the GHG Protocol and disclosed annually to enable trend analysis, support compliance preparedness, and inform capital allocation decisions tied to decarbonization efforts.<br><br>Scope 1 and Scope 2 emissions data are reported in the 2024 Data Appendix for the years 2021 through 2024, with 2021 serving as the base year. Scope 3 emissions were first estimated in 2022. Vulcan is currently evaluating category boundaries and data availability to enhance future disclosures in alignment with GHG Protocol guidance and emerging regulatory requirements, including California's SB 253. Improvements in GHG emissions data management and calculation methodology have enhanced the accuracy and consistency of disclosures over time and will support future risk modeling and regulatory alignment.<br><br>The company has set the following intensity-based targets for 2030, measured against the 2021 baseline:<br><br>• 10 percent reduction in Scope 1 and Scope 2 GHG emissions intensity<br>• 6.7 percent reduction in energy intensity<br>• 5 percent of electricity sourced from renewable energy<br><br>Progress toward these targets is tracked annually and reviewed by senior management. Performance against targets informs near-term priorities, guides investment decisions, supports assessments of mitigation effectiveness, and communicates | 3.1<br>3.6<br>4.5<br>5.10<br>6.1<br>7<br>13.1 |

| | | |
|---|---|---|
| | progress to internal and external stakeholders. While Vulcan does not currently disclose metrics related to climate-related opportunities, such as revenue from low-carbon products or avoided emissions, these areas are under active review. The company is exploring methodologies to track and disclose such metrics as part of its long-term decarbonization strategy. | |