



# 2021

Sustainability  
Report



*Our Hatton Quarry  
Cove, Arkansas*





## Contents

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A Message From Our CEO	1	Our Roadmap to GHG Reduction Goals	48
Company Overview	3	Water Management	51
Company Highlights	4	Waste Management	54
Corporate Governance	5	Biodiversity and Land Use	55
Inclusion, Engagement & Diversity	9	Employee Well-Being	66
Award Winning Impact	14	A Career, Not a Job	67
Political Contributions & Lobbying	17	Inclusion and Engagement	69
Our Sustainability Approach	21	ONE Rewards Program	72
Safe Operations	25	Tuition Reimbursement Program	74
World Class Performance	26	Adoption Assistance	76
Safety Audit Initiative	30	Scholarship Program	77
Why I Want YOU to Work Safely	32	Community Well-Being	80
Environmental Stewardship	34	Corporate Giving	81
The Role of our Employees, Management and Board	35	Experience of Discovery	82
Greenhouse Gas Emissions	37	Historic Freedmen's Community	84
Understanding Carbon Intensity	41	Partnership with HBCU Shaw University	85
		Appendix	92



## A Message from Our CEO

Despite the formidable challenges of the last two years, Martin Marietta delivered in 2021 another year of record-setting financial, safety and operating performance. We accomplished this while managing the potential risks of COVID-19 to our business and employees as we operated in person every day at all our sites across the country as an essential business, with limited disruption. We believe our commitment and focus on creating a positive, lasting impact while delivering exceptional, sustainable value is demonstrated by our performance. This Sustainability Report highlights our approach, accomplishments, and goals in 2021 relating to Safe Operations, Environmental Stewardship, Employee Well-Being, and Community Well-Being — the four pillars that comprise our sustainability program. We discuss our meaningful initiatives and investments that helped us advance our long-term sustainability strategy.

Sustainability is a core value at Martin Marietta, as well a driver for continuous improvement and a key element of delivering greater long-term value to our stakeholders. This commitment is shared throughout our enterprise — from our Board of Directors to our managers to our employees — and is integral to each of our businesses and their day-to-day operations. As part of our commitment to sustainability and acting in an environmentally responsible manner, we also recognize the global threat posed by climate change and the need for a global and ambitious response.

Martin Marietta has vigorous governance and oversight in place relating to climate and other environmental matters. With respect to climate concerns in particular, in 2019, we established Scope 1 reduction targets for the direct greenhouse gas (GHG) emissions associated with our cement and magnesia specialties businesses which, although responsible for a small portion of our revenue, generate the vast majority of our GHG emissions. We also have made new investments expanding our ability to use alternate fuels and new operational changes, such as vertical integration at our Hunter, Texas cement facility, to reduce our GHG footprint. We also have continued to enhance our disclosure related to the environmental impact of our operations. In last year's report, we provided additional information about GHG emissions related to our operations, including our efforts to implement new initiatives to achieve our Scope 1 emissions reduction commitments, and reported our Scope 2 emissions. In this year's report, we establish goals to reduce or offset our Scope 2 GHG emissions.

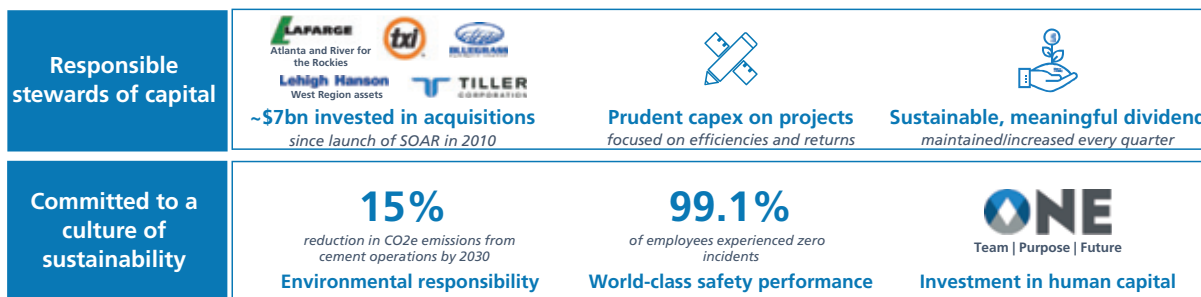
### WE CONTINUE TO PROVE THAT ZERO IS POSSIBLE



Our priorities remained focused on the health and safety of our employees, as well as continuing to perform and meet the needs of our customers and communities. Through our collective hard work and commitment to our Guardian Angel vision, we were able to achieve world-class safety performance, with a goal of zero accidents. In addition, we moved forward with our strategic plan, SOAR 2025, which is our five-year Strategic Operating Analysis and Review. We successfully completed four value enhancing acquisitions in 2021 that expanded Martin Marietta's footprint to the West Coast, grew our customer and product reach, and strengthened existing positions. Our commitment to and execution of our strategic plan has enabled us to position our business as an aggregates leader in approximately 90% of the geographies in which we operate and to align our product offerings to leverage strategic cement and targeted downstream opportunities with our aggregates. These accomplishments also helped us create industry leading shareholder returns over the last 1-, 3- and 10-year periods.



We also continued to focus on our commitment to sustainability and good governance. We strictly adhere to our Code of Ethical Business Conduct, which provides the framework for what we do and how we do it. It demands respect for all in the workplace, with no exceptions or tolerance of harassment or retaliation. Our Board of Directors and independent Committees actively oversee our performance relating to ethics, safety and health of our employees, our environmental programs, inclusion and engagement, and other sustainability matters, working closely with the senior executive team to enable our employees to operate with the utmost integrity and commitment to our values. The composition of our Board of Directors, which includes a diversity of expertise, tenure, gender and race, has been refreshed over the past few years, with seven new independent Directors in the past six years. We discuss these matters, including recent changes we've made, that ensure that we meet our commitments to our customers, communities and stakeholders.



These achievements result from a purposeful focus on fulfilling our responsibilities to our shareholders, our employees and our communities. Sustainability is a key component of this strategy and our business plan at Martin Marietta. Sustainability excellence is not only the right thing to do and a key driver of shareholder value for us, but it is also a vital component of our short-term and long-term planning processes.

Importantly, we have also had the opportunity to engage with many of our shareholders and other stakeholders on a variety of matters, including our Board composition, ESG matters, diversity and inclusion, political contributions and lobbying, and our sustainability vision, approach, and achievements. We spoke to more than 200 investor groups in 2021, and the views communicated to us have been instrumental in helping us develop our governance approach and sustainability policies, some of which are reflected in the report that follows. We look forward to more conversations with you about our work to continue strengthening Martin Marietta and its impact, as well as our achievements. We are excited about our Company's progress and, while there remains much to do, we know that our partnership with you on this journey makes us ever more able to conquer whatever challenges lie ahead and to continue making a positive impact on our communities and environment. We are proud to present you with our 2021 Sustainability Report and look forward to continuing to report our commitment, shared purpose and strategy to building a more sustainable world.

Sincerely,



**C. Howard Nye**  
Chairman, President and  
Chief Executive Officer

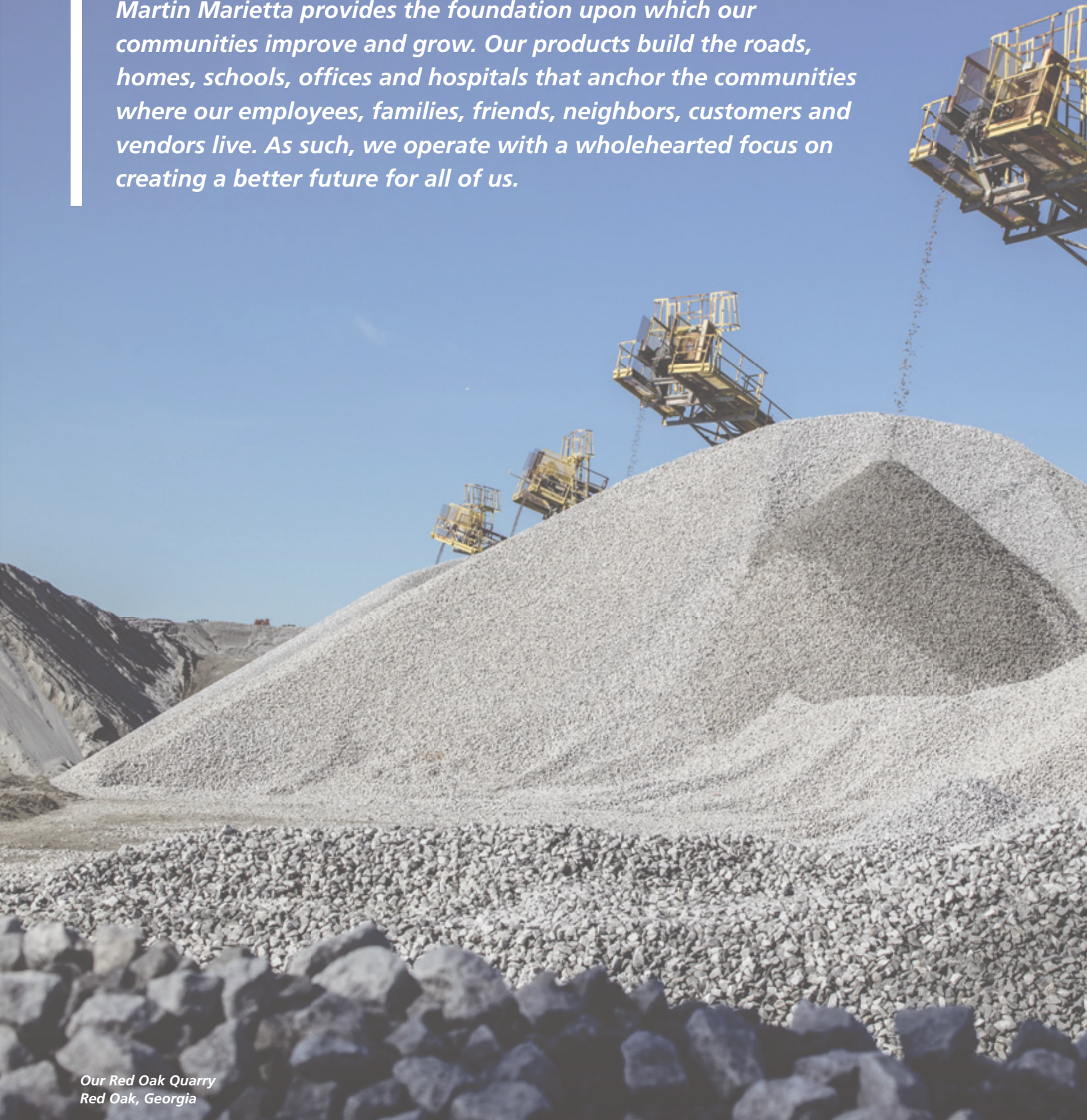






## Company Overview

*Martin Marietta provides the foundation upon which our communities improve and grow. Our products build the roads, homes, schools, offices and hospitals that anchor the communities where our employees, families, friends, neighbors, customers and vendors live. As such, we operate with a wholehearted focus on creating a better future for all of us.*



Our Red Oak Quarry  
Red Oak, Georgia





# Company Highlights

While there has been a recent push for companies to more thoughtfully consider the needs of both stakeholders and shareholders, this has always been at the forefront for Martin Marietta. Our 2021 results underscore our commitment to excellence in all that we do, as well as the importance of continued responsible investment in our facilities to maintain a safe and healthy workplace. Equally important is our steadfast investment of time and resources to ensure our employees, customers, vendors, communities and the environment are taken care of and protected. We believe it is both the smart and right thing to do.



**10,000+**  
Employees<sup>1</sup>



**350+**  
Aggregates  
Quarries,  
Mines, Yards



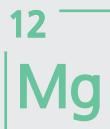
**2**  
Cement  
Plants<sup>2</sup>



**130**  
Ready Mixed  
Concrete Plants<sup>2</sup>

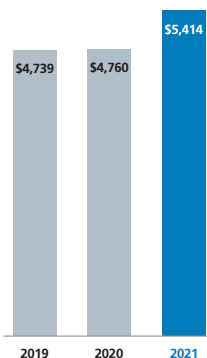


**35**  
Asphalt  
Plants

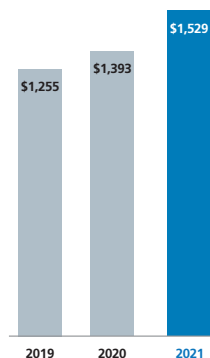


**2**  
Magnesia  
Specialties  
Facilities

**TOTAL REVENUES**  
(in millions)

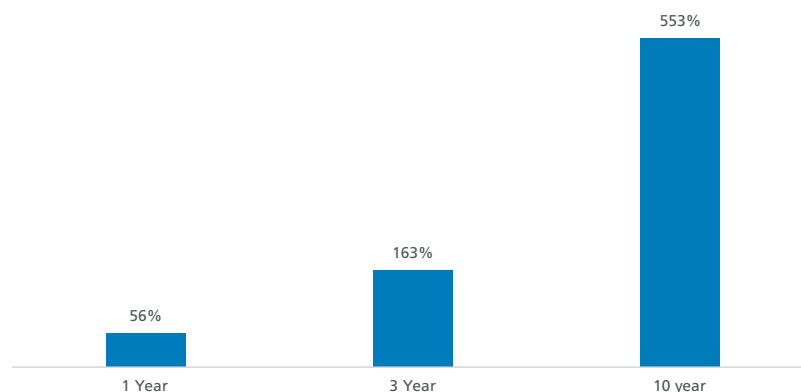


**ADJUSTED EBITDA**  
(in millions)



Our ability to deliver these record results while enhancing our corporate governance practices, delivering world-class safety performance and strengthening our sustainability reporting, has been rewarded by the public markets. The following graphs highlight Martin Marietta's total shareholder return for the 1-, 3- and 10- year periods ending December 31, 2021.

**Martin Marietta Common Stock  
Total Return (Including Dividends)**



\* Chart as of December 31, 2021.

<sup>1</sup> Includes leased employees and employees in operations acquired in 2021.

<sup>2</sup> Ready Mix assets sold in 2022 are included in these totals; Certain assets acquired in October 2021 and held for sale in 2022 are not included due to the short period of ownership.





# Corporate Governance Serves as Our Foundation

Martin Marietta has a culture dedicated to ethical business behavior and responsible corporate activity. We believe strong corporate governance is the foundation for delivering on our commitments.

## Our Board of Directors

As stewards of Martin Marietta, our Board plays an essential role in determining strategic priorities and considers sustainability issues an integral part of its business oversight. Our *Corporate Governance Guidelines*, available on our website, set forth a flexible framework within which the Board, assisted by its Committees, directs the affairs of Martin Marietta. The Board receives a report from each of these Committees on its work relating to sustainability matters. Importantly, as discussed in the next section, the Board's strategic review and risk assessments also includes management's sustainability goals, our performance relating to sustainability and our engagement with investors with regard to sustainability matters.

***"These examples reflect the ways in which sustainability is a priority in our risk oversight, strategic planning and management, as well as the ongoing dialogue with our shareholders."***

## Our Ethics, Environment, Safety and Health (EESH) Committee

- Established in 1994 and meets at least three times annually
- Updated charter in February 2022 to codify the Committee's responsibilities in light of our increasing focus on EESH matters
- Comprised wholly of independent directors, whose members are diverse and have relevant expertise to provide appropriate oversight in helping us achieve sustainable growth and reduce our risks
- Reviews our Sustainability Report and our sustainability performance commitments and goals, including capital

investments and improved practices that reduce greenhouse gas (GHG) and other emissions

- Reviews the input we have had from, and our engagement with, investors on sustainability matters
- Monitors our safety performance, Ethics Office activity, and compliance with environmental laws and regulations, as well as our public reporting and disclosure with respect to climate change-related risks and opportunities and other environmental issues
- Has the authority to investigate any matter falling within its purview
- Reports to the full Board

These examples reflect the ways in which sustainability is a priority in our risk oversight, strategic planning and management, as well as the ongoing dialogue with our shareholders.

### 45%

Women or minorities represent 45% of our Board

### 7 OUT OF 11

7 out of 11 new Board members since 2016, increasing refreshment and blending new ideas with experience

### 100%

All Board members comply with our *Corporate Governance Guidelines*, including those relating to overboarding; all directors sit on no more than three public company boards

### 91%

Board members are non-management and independent

## Our Other Board Committees

In addition to our EESH Committee, we have established a number of Board Committees with overlapping responsibilities for sustainability matters. We believe this approach has been effective in integrating sustainability as a core element of our corporate governance:

- Our **Management Development and Compensation Committee** reviews management's performance with regard to its sustainability goals and considers those achievements in determining incentive pay





- Our **Audit Committee** reviews our significant environmental matters and assesses the potential risks and liabilities they may pose to our business
- Our **Finance Committee** reviews large capital projects relating to sustainability and growth as well as all our political contributions and political activities, including lobbying and trade associations

## Actions in 2021

Our Board of Directors updated several Committee charters to reflect their increased oversight of our strategic priorities, including those relating to sustainability matters. Our Committee charters are available in full on our website. These are the functions and responsibilities added to the Committees' oversight.



### Ethics, Environment, Safety and Health Committee

- Reviews and discusses our sustainability efforts, goals and risks, and our annual Sustainability Report
- Oversees environmental performance, initiatives and results, including annual and long-term targets and commitments
- Reviews our strategy, programs, initiatives and performance relating to climate change and other sustainability matters



### Finance Committee

- Oversees our policies and practices relating to political contributions and political activities, including lobbying and/or through trade associations of which we are a member, and expenditures
- Reviews and approves charitable contributions and community support budgets



### Management Development and Compensation Committee

- Reviews matters relating to human capital management, diversity, equity and inclusion (DEI), talent acquisition and retention, and compensation matters related thereto

## Our Employees

Martin Marietta employees play a critical role in enforcing good governance and sustainability practices. It is their commitment to each other and to our communities that elevates our efforts and performance as a Company. Our employees understand the importance of acting with integrity in all of their interactions. We provide them with a variety of resources to guide them in daily decision-making and support them should they have questions, including training and compliance policies and education.

These resources include an engaged senior leadership team, our *Code of Ethical Business Conduct*, a confidential ethics hotline managed by an independent third party, and annual ethics training.





## Our Code of Ethical Business Conduct

As a Company dedicated to fulfilling its mission and living its values, we understand how important it is to provide resources that help guide our hardworking Martin Marietta team members in the countless decisions they make every day. Our *Code of Ethical Business Conduct*, which has been in place since the 1980s, is regularly updated. This code provides our policies and expectations on a number of topics, including our commitment to good citizenship, promoting a positive and safe work environment, avoiding conflicts of interest and operating with integrity in all that we do. The *Code of Ethical Business Conduct* applies to everyone on the Martin Marietta team, including Board members, and annual ethics training is required to ensure our policies are communicated and understood. **The Code also applies to our vendors, suppliers and contractors and sets out our expectations both in terms of how they behave with regard to their interactions with our Company and employees, as well as in their own businesses. It addresses topics such as Anti-Corruption, Bribery, Antitrust, Safety and Health, Environmental Regulation, and Slavery and Human Trafficking.**



## Board With Diverse Skills and Experience

1

only 1 director is  
management; all other  
directors are independent

45%

of directors  
are women  
or minorities

64.9  
YEARS

average  
director age

3

3 of our 11  
directors are  
women

7.5  
YEARS

average  
director tenure

45%

of directors are current  
or former public  
Company CEOs



## Corporate Governance Highlights

- Directors elected annually to serve one-year terms
- Adopted proxy access
- Established robust stock ownership guidelines for officers and directors
- No poison pill
- Eliminated excise tax gross-up, walk-right and value of perquisites in the severance calculation in Employment Protection Agreements
- Proactive, year-round engagement with shareholders
- Lead Independent Director
- Independent chairs of Board Committees
- Eliminated single-trigger vesting in equity award agreements for grants beginning in 2019
- Implemented anti-hedging and anti-pledging policy
- Adopted clawback policy
- Seven new Board members since 2016

*Our Chattanooga Quarry  
Chattanooga, Tennessee*





# INCLUSION, ENGAGEMENT AND DIVERSITY

At Martin Marietta, in a world that's focused on the power of many, we believe in the

power of **ONE**

This is the magic of bringing together our diverse perspectives, backgrounds, experiences and talents to create a shared vision and future.



**Inclusion is creating an environment where the power of ONE can thrive.**

At Martin Marietta, inclusion is a commitment, renewed each day, to show up with heart for our co-workers, customers, communities and loved ones to enable and ensure a sense of belonging, safety, and well-being in body and in mind. This means embracing our uniqueness by treating everyone with dignity and respect, looking out for each other, speaking up, showing up and always doing what is right. Our strength is derived from our people, and championing this strength empowers each of us to be genuine and make a difference in our pursuit of excellence.



**Engagement at Martin Marietta is the power of ONE in action.**

Engagement happens when we bring together exceptional and diverse talent with different backgrounds, genders, ethnicities, qualifications, perspectives, experiences, voices and skills to ensure that we will consistently develop the best ideas and advance our world-class ambition. Enabled by an inclusive environment where each person feels like they belong, are valued and can speak up, engagement allows us to forge stronger, more productive connections fueled by trust, compassion and authenticity. It ensures we pursue excellence and continuously improve - as ONE.

"We can affirm our values through our actions by reiterating our commitment to providing a safe workplace – in every way. But we can't stop there. Outreach in the communities we serve is vital. We must consistently treat our co-workers, customers, vendors, neighbors and other stakeholders with dignity, care and respect. Carefully listen. Both provide and seek support and help when it's needed. ... We're not perfect. But we are trying to be our best. Much of that is because we're **ONE. One Team. One Purpose. One Future.**"

— Ward Nye | Chairman, President and CEO

In 2020, we launched an **Inclusion and Engagement Task Force** comprised of employees with diverse race, gender, background and experience, and which is focused on hiring, developing, and retaining diverse employees to strengthen our talent pipeline and increase engagement and retention. This group is lead by the Chairman and CEO and the Senior Vice President, Chief Human Resource Officer.

Our Board of Directors and its Committees have oversight of our Inclusion, Engagement and Diversity strategy, work and compensation.



We also took these other actions relating to our Inclusion, Engagement and Diversity work:

- We updated our website to include a **dedicated section on Inclusion & Engagement** with diversity content
- We appointed a new **Head of Inclusion and Engagement Programs**
- We retained an external party to conduct **employee and leader group focus group sessions** regarding perspectives about Inclusion and Engagement in our company culture, as well as a pay equity review
- We are launching our **Employee Resource Groups** to support Engagement and belonging
- We are reporting our **EEO-1 data** for 2020, which we plan to update annually



We joined the **CEO Action for Diversity & Inclusion™**, a coalition of more than 2200 CEOs which aims to rally the business community to advance diversity and inclusion in the workplace. The CEO Action pledge outlines specific actions participating companies can take to cultivate a workplace where diverse perspectives and experiences are welcomed and respected.

**CEO ACTION FOR DIVERSITY & INCLUSION**



## Diversity and Inclusion at a Glance

**41%**

of our workforce are minorities

**33%**

of our workforce are racially/ethnically diverse

**10%**

of our workforce are women

## 2021 Culture Survey Results

We retained an independent third party to conduct a survey of employees, including senior leaders and members of our Inclusion and Engagement Task Force, to identify areas for improvement. The survey included 20 questions and had an 80% response rate. The results were reported to the Chairman and CEO and the Senior Vice President, Chief Human Resource Officer. These are examples of some of the responses:

**> 80%**

respondents gave favorable responses

### % respondents who agree that Martin Marietta supports equality of opportunity

- All surveyed employees: 94%
- Employees who are women or of color: 81%

### % respondents who agree that people at Martin Marietta treat each other with dignity and respect regardless of their personal identities

- All surveyed employees: 97%
- Employees who are women or of color: 87%





## Inclusion & Diversity

Martin Marietta's diverse, engaged and dedicated workforce is our greatest asset, and the continuing well-being of our employees is critically important for our success. We are committed to providing all employees with the programs, resources, support and opportunities necessary to grow. We strive to create safe, healthy, diverse and highly engaging workplaces and hope that our decisions in this area will extend far beyond our business, positively affecting people and communities for generations to come.

**Our employees include those from more than 30 non-U.S. countries, as well as the U.S. Virgin Islands and Puerto Rico.**



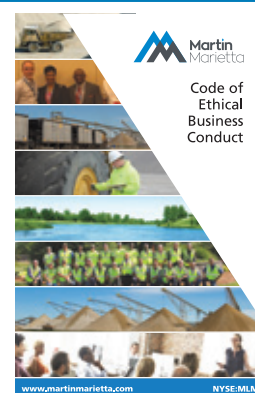
## Workplace Environment

Martin Marietta conducts mandatory annual ethics training, which includes courses relating to harassment, discrimination and respect in the workplace. Our *Code of Ethical Business Conduct* specifically addresses our commitment to a safe, respectful and inclusive workplace and a harassment-free environment for all our employees.

### Respect in the Workplace and No Discrimination

Martin Marietta will not tolerate workplace harassment. Martin Marietta is committed to providing a professional work environment for its employees that is free of physical, psychological and verbal harassment. In connection with employment opportunities, the Company will not tolerate discrimination on the basis of race, color, religion, sex, age, natural origin, citizenship status, disability, sexual orientation, veteran status or any other protected status under applicable laws.

Conduct that is intended as an innocent joke or harmless flirting may still constitute harassment. The intent of the act is irrelevant; what is critical is how the other party perceives the conduct.



Martin Marietta will not tolerate retaliation against employees who raise concerns to any source in good faith. Our Ethics Hotline is available 24/7, and our policy provides that no employee will suffer indignity or retaliation because of a report they make. The person making a report will be given anonymity if they so wish.



## Inclusion at Work

At Martin Marietta, inclusion is a commitment, renewed each day, to show up with heart for our coworkers, customers, communities and loved ones to enable and ensure a sense of belonging, safety, and well-being – in body and in mind. There is strength in what makes each of us different, and in what we have in common. Regardless of position, we all have a unique combination of traits, backgrounds, skills and ideas. Those diverse perspectives are what inspire growth at all levels, both inside and outside of the organization.



### Inclusion & Engagement Task Force

The Task Force is made up of 13 Martin Marietta leaders with various experiences and backgrounds from across the company to ensure our culture is consistently welcoming to all current and future employees, as well as open to new and diverse thought.



### Employee Resource Groups

Our strength is derived from our people, and championing this strength empowers each of us in our pursuit of excellence. We are in the process of implementing peer-led and executive sponsored Employee Resource Groups to support engagement and belonging at Martin Marietta.



### Our Sustainability Approach

Rooted in our core values and a commitment to being responsible stewards of the Earth's resources, our sustainability approach allows us to create lasting results that benefit our employees, customers, communities and society as a whole.



### Our Future Together

We provide high-quality heavy building materials, but life at Martin Marietta is about more than what we do, it's about how we do it. Guided by our values, we're on a journey to be a world-class organization.





## BOARD DIVERSITY



**Dorothy M. Ables**  
Director since 2018



**Sue W. Cole**  
Director since 2002



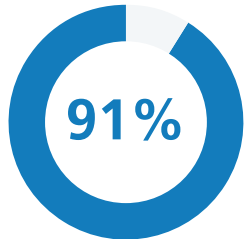
**Smith W. Davis**  
Director since 2018



**Anthony R. Foxx**  
Director since 2020



**Laree E. Perez**  
Director since 2004



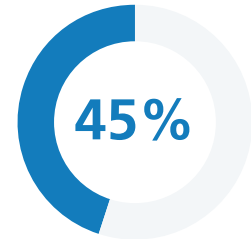
**BOARD MEMBERS ARE  
INDEPENDENT**



**NEW BOARD MEMBERS  
ADDED IN PAST 6 YEARS**



**INDEPENDENT BOARD  
MEMBERS ARE WOMEN**



**BOARD MEMBERS ARE  
WOMEN OR MINORITIES**

## BOARD MEMBER REFRESHMENT AND SPOTLIGHT

The Board seeks a diverse group of candidates who possess the background, skills, expertise and time to make a significant contribution to the Board, the Company and its shareholders. We believe our balanced mix of Board members with different backgrounds and other qualifications, including tenure, bring the **right blend of independence and diversity that combines experience and continuity through business cycles with fresh perspective**. We spotlight two of our Board members that reflect the rich diversity they bring, including with regard to tenure.



**Laree Estes Perez**  
Director since 2004

Chair, Audit Committee  
Member, Nominating and  
Corporate Governance Committee

- First woman appointed by New Mexico's Governor to serve on the New Mexico State Investment Council
- Former Vice Chairman, Baylor University Board of Regents
- Former Chairman, New Mexico State University Board of Trustees
- BBA in Finance and Economics from Baylor University Hankamer School of Business



**Anthony R. Foxx**  
Director since 2020

Member, EESH Committee  
Member, Finance Committee

- Seventeenth United States Secretary of Transportation
- Mayor of Charlotte, North Carolina, the youngest in Charlotte's history and its second African American mayor
- Senior Fellow at the Harvard University Kennedy School's Belfer Center for Science and International Affairs
- Executive in Residence, Carnegie Mellon University
- JD from New York University School of Law and BA in History from Davidson College



## Our Award-Winning Impact

All awards are meaningful, but it's particularly gratifying when we're recognized for achievements consistent with our core values of safety, stewardship and community. For example, Martin Marietta aggregates operations lead the industry in 2021, receiving 227 awards below from the National Stone, Sand & Gravel Association (NSSGA).

# NSSGA

NATIONAL STONE, SAND  
& GRAVEL ASSOCIATION

### 2021 NSSGA Safety Excellence Awards



**Gold**

Benson Quarry (NC)



**Bronze**

Onslow Quarry (NC)  
Charlotte Quarry (NC)



**Safety Certificates**

163 Quarries received

### 2021 NSSGA Environmental Excellence Awards



**Silver**

Hatton Quarry (AR)  
Specification Agg Quarry (CO)



**Bronze**

41 Quarries received

### 2021 NSSGA Community Relations Awards



**Gold**

Granite Canyon Quarry (WY)



**Silver**

North East Quarry (MD)



**Bronze**

16 Quarries received

Martin Marietta also received national recognition from each product line's respective trade association. Our Ready Mix Concrete operations were recognized by the National Ready Mixed Concrete Association (NRMCA) for environmental excellence and safety, as well as the quality of our work.





## Environmental Excellence Award

### Western Region

1st Place: Summit View Ready Mix (CO)

Runner Up: Rock & Rail – Highway 34 (CO)

## Excellence in Quality Award

Southwest Division (TX)

West Division (CO)

## Excellence in Safety:

**Gold: 35 sites**

**Silver: 2 sites**

**Bronze: 2 Sites**



Similarly, our Asphalt Paving Business received the Quality in Construction Award from the National Asphalt Pavement Association for the following 7 projects:

Bear Creek Lake Park Beach and Marina Parking Lot - Lakewood, CO

US 40 - Golden, CO

HWY 52 - Roggen, CO

Various Roads - Greeley, CO

Various Roads - Windsor, CO

City of Fort Collins Overlay - Fort Collins, CO

I-76 - Brighton, CO



## Keith 'Sarge' Hurlbert Named Indiana Mineral Aggregates Association's Miner of the Year

Not only did many of our plants receive awards from the NSSGA, NRMCA and NAPA, but Indiana plant manager Keith "Sarge" Hurlbert earned the Indiana Mineral Aggregates Association's (IMAA) Miner of the Year Award.

Hurlbert was surprised at first being nominated, but what was truly shocking for the veteran miner was hearing that he had won. Still, with more than 30 years of industry experience – including 23 years with Martin Marietta – Sarge is most certainly among the most respected miners in the state, says Central Division Safety Manager Jeff McIntosh, the man responsible for nominating Sarge for the honor. "You will be hard pressed to find a more genuine ambassador for the aggregates community," McIntosh says. "He lives it every day, in everything he does."

Every year, the IMAA presents the Miner of the Year Award to a professional who makes outstanding contributions to the aggregates industry. Winners are leaders and stewards of their communities. Beyond that, however, they serve as beacons, regularly calling attention to the industry's many positive impacts.

Beginning his career in the mid-80s with Beemsterboer in Gary, Indiana, Sarge soon moved his family to Martinsville, Indiana, to start work with American Aggregates. American Aggregates was then acquired by Martin Marietta in the mid-90's, bringing Sarge into the company fold. Since joining Martin Marietta, Sarge has held numerous positions of increasing responsibility, including maintenance lead and foreman. Currently, he serves as plant manager at the Belmont and Waverly Sand plants.

McIntosh says Sarge's leadership goes beyond his operations. He has served on various IMAA boards over the years and, while leading the team at Waverly, helped establish a new community park.



Drive around Indianapolis and Sarge quickly begins to note the projects his team has helped supply – the Indianapolis International Airport, Lucas Oil Stadium, the Downtown Indianapolis Convention Center, and ongoing work on I-69.



Spend enough time with Sarge and it's likely that his other nickname will come out eventually. On a July morning while overseeing a photo shoot at Belmont Sand, Sarge was approached by a gentleman from the Indiana Department of Environmental Management.

"Am I still the nicest plant manager you'll ever meet?" Sarge asks with a smile beaming from ear to ear. With a nod given without hesitation, the answer is shot back quickly: "Yep!" He may be a respected leader and experienced miner who always puts the well-being of his friends and co-workers first, but at the end of the day, that's all Sarge really hopes to be: "the nicest plant manager you'll ever meet."

Later, when he walks into his office, Sarge points to photos of his wife, his children and grandchildren, and his friends. He tells stories about the people he loves and the times they've had together. Then, he pauses a moment before saying that these are the people who have shaped him. "This award wouldn't be possible without my team, and it belongs to them as well. I wouldn't be who I am or where I am, without every one of these people," he says. "I've been blessed with meeting so many people from every facet of life. If there is one thing that has made me into who I am today, it's these relationships."



**Not only were we recognized for our performance in our core values of safety, stewardship and community, but in 2021, Martin Marietta's financial performance was also recognized on the Fortune 1000 listing and on Forbes' Global 2000 World's Largest Public Companies.** Our disciplined and significant growth, plus key financial metrics, including sales, assets and market capitalization, landed us on these impressive lists.



In addition, we seek to include a diverse group of directors on our Board to provide different perspectives to the Board's oversight responsibilities. Our Board demonstrates diversity in the form of experience, geography, gender, ethnicity, age and tenure. We were recognized in 2021, 2019, 2017 and 2015 at the **Women's Forum of New York** at its Biennial Breakfast of Corporate Champions for our Board diversity. We were also recognized by **2020 Women on Boards** as a **3+ Company** for championing Board diversity.



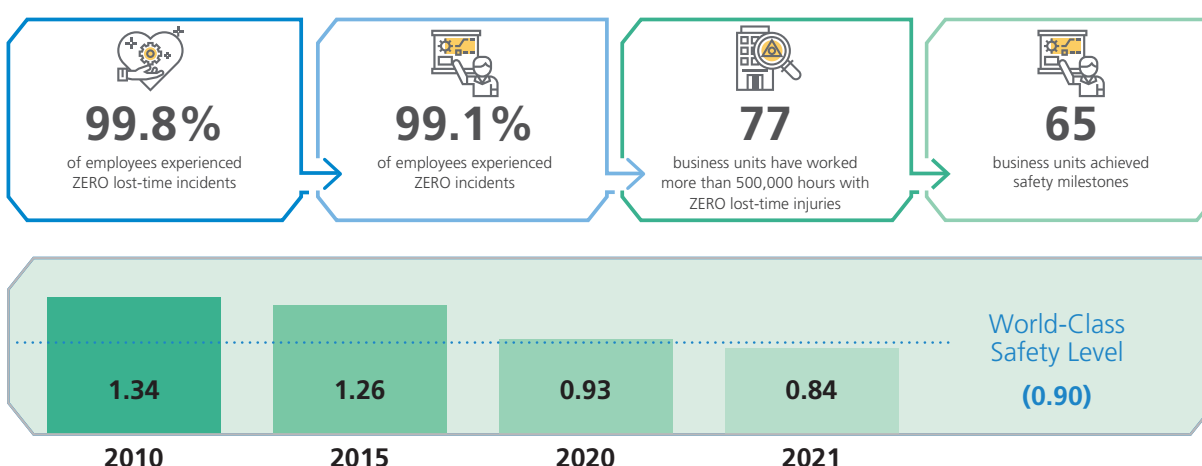
## Committed to Safety

2021 was again one of the Company's safest years on record, with a Company-wide Total Injury Incident Rate (TIIR) of 0.84, exceeding the world-class rate of 0.90 for the first time, **inclusive of acquired operations**. Our Southwest, East and Central Divisions led the way with TIRRs of 0.66, 0.72 and 0.75 respectively. For the fifth consecutive year, we also attained a world-class Lost-Time Incident Rate (LTIR). At Martin Marietta, safety performance sets the foundation of long term financial strength and successful execution of our SOAR strategy.



### World-Class Safety

We are committed to our Guardian Angel safety culture where **Zero is Possible**, and achieved a **world-class lost-time incident rate (LTIR)** for the **fifth consecutive year**. With a company-wide Total Injury Incident Rate (TIIR) of 0.84, we exceeded the world-class rate of 0.90.



Note: Safety data as of 12/31/21. TIIR per 200,000 man hours worked. World-class levels based on general industries.

## Political Contributions and Lobbying

At Martin Marietta, we believe our success depends on the ability to integrate important values into our long-term corporate strategy. In addition to safety, environmental, employees, communities, and our other important considerations that advance our sustainable value, this includes making sure that our political expenditures and advocacy are aligned with our core business strategy, goals and values. In particular, we recognize the importance of monitoring our political spending and our participation in trade associations, including those that may lobby on climate change-related concerns, as well as maintaining our robust governance procedures. To continue our transparency with investors regarding these and other sustainability and climate-related topics, we are providing this information to promote an understanding of the issues that are important to Martin Marietta in this regard and the governance we have on these actions.





***“We believe that contributions that do not align with a company’s stated values and business strategy and for which boards do not have appropriate oversight could have a negative impact on shareholders.”***

## Political Contributions

Martin Marietta does not have a Political Action Committee and, accordingly, does not make direct contributions to political candidates, parties or committees at the federal level. In 2021, Martin Marietta’s direct political contributions in respect of state and local matters totaled \$67,500, including the following:

• Political campaign support	\$28,000
• Infrastructure funding	\$28,500
• Regulatory reform	\$11,000

## Trade Associations

We are a member of various national and state trade associations, in addition to the U.S. Chamber of Commerce, that make political contributions. We believe all the groups of which we are a member share and otherwise further our goals, as well as providing both a useful forum for discussing issues of general industry significance and an effective platform for advocating positions on issues of importance to the members, including Martin Marietta. We periodically review lobbying registrations submitted by these associations as part of our continuing membership and do not believe any have taken any position as part of their lobbying efforts that are inconsistent with our stated strategy or in conflict with the interest of our shareholders, though from time to time such associations may take positions on issues that are not fully representative of ours. Overall, we believe that Martin Marietta’s membership in such associations is in the long-term interests of the Company and its shareholders. Our total indirect lobbying payments made in 2021 were \$188,224. The four national trade associations to whom we have paid dues, that include a portion that goes towards lobbying or political donations are the National Stone Sand & Gravel Association, the National Ready Mixed Concrete Association, the National Asphalt Pavement Association, and the US Chamber of Commerce.

## Lobbying on Infrastructure and Climate Change

Given our businesses’ relatively low GHG emissions profile, Martin Marietta does not conduct, at the federal or state level, any direct lobbying on climate change matters. We periodically review positions taken by the trade associations of which we are a member and are not aware of any recent lobbying efforts that are inconsistent with the Paris Agreement.

- The Portland Cement Association (PCA), the only cement industry association in which we are a member, recently adopted and published its own “Roadmap to Carbon Neutrality” for the cement and concrete industry, looking across the value chain from clinker production to carbon capture and sequestration (CCS). Among other things, the Roadmap calls for greater market acceptance of alternative fuels usage and low-carbon cement blends, as well as increased research and investment in CCS technologies.
- The U.S. Chamber of Commerce, which represents U.S. businesses across all sectors, has published “Our Approach to Climate Change” which includes its support for U.S. participation in the Paris Agreement and acknowledges that our climate is changing, that humans are contributing to these changes and that “inaction is not an option.” The Chamber has pledged to support its members in developing, financing and implementing the technology and other solutions needed in mitigating GHG emissions, increasing fuel efficiency and use of renewable fuels and investing in commercially-viable technological solutions for lower-carbon infrastructure and CCS.



We also are closely monitoring relevant industry developments in key areas relating to climate change. For example, as recognized by a number of international organizations (including the International Energy Agency) as well as various industry associations, the cement sector's ability to contribute to limiting GHG levels in a manner consistent with the goals of the Paris Agreement depends on successful future development and implementation of CCS technologies on a commercial scale. Similarly, acceptance of lower clinker content cements in the United States by the federal Department of Transportation and ASTM International may also be critical in allowing the cement sector to achieve carbon neutrality across the value chain by 2050.

## Oversight on Political Activities and Trade Associations

From a governance standpoint, our Finance Committee, which is comprised exclusively of independent directors, oversees the Company's political and lobbying expenditures and activities. This includes setting an annual cap of \$250,000 on total Company spending, as well as capping any individual Company contribution at \$25,000 annually, and ensuring that such spending is consistent with Martin Marietta's business interests, strategy and goals. All political expenditures are reviewed by our Chief Financial Officer after consultation with our General Counsel's office, and final authorization is required from the Chief Executive Officer or an authorized delegate. In addition, our lobbying and political expenditures are reviewed annually by management with the Finance Committee, which reports its review to the full Board of Directors. The Finance Committee's charter is available on our website.

All of Martin Marietta's employees, contractors and agents acting in the Company's name are governed by our *Political and Advocacy Activities Policy and Procedures*, which is a robust set of procedures that applies to political and advocacy activities of Martin Marietta, our subsidiaries and our affiliates, including political contributions to trade associations, political parties, campaigns and individual candidates, lobbying activities or gifts to public officials or public employees. This policy provides that all political and advocacy activities, including contributions, by Martin Marietta must comply with federal, state and local requirements associated with participating in the policy-making and political process, as well as our *Code of Ethical Business Conduct*.

Our Code applies to all employees and directors of Martin Marietta. The Code explicitly acknowledges the "right of its employees to support any candidate or political party" with their own time and money but states that no Martin Marietta assets, funds or employee work time may be contributed to any political party, campaign or candidate without "the prior approval of the company's Political Contribution Committee or Legal Department", who review the requests for compliance with applicable law and have final authority over our corporate political spending. The Code is available on our website.

Although it is the Company's policy to encourage our employees to participate in trade associations, both at the national and state levels, to monitor industry policies and trends, build skills and to participate in civic activities, the Code makes clear that, despite Martin Marietta's membership in any trade association, the Company's position on issues may from time to time differ from that trade association.

Any employee who wishes to request that Martin Marietta contribute to state or local candidates, candidate committees, political action campaigns, ballot questions, 501(c)(3) donation, political organizations or other political committees is required to submit a completed form to our Political Contributions Committee (PCC), which consists of senior management. The PCC then provides an annual report on such contributions to our Finance Committee.

## Public Policy

We engage with legislatures and regulators to educate them on issues that impact Martin Marietta and our industry. These are consistent with our strategy and our core values. The top issues for us in recent years have been infrastructure investment as well as health and safety.



Aggregates are the second most utilized product in the world and are the foundation to create buildings, roads, airports, bridges, schools and communities. They are indispensable in developing the infrastructure needed to access clean water, deliver reliable energy, and advance environmental stewardship. We advocate for increased investment in our nation's roads, buildings and the environment through efficient material sourcing and transportation, along with sustainable construction supply chains and effective project delivery, and for provisions that streamline permitting and approval of large infrastructure projects.

The health and safety of our employees is a core value for us and an area in which we spend extraordinary management resources to achieve our goal of zero incidents. We believe open conversations with our regulators, including the Mine Safety and Health Administration (MSHA) and Occupational Safety and Health Administration (OSHA), to improve the applicable rules and regulatory inspections promote a safer and healthier workplace.







# Our Sustainability Approach

*Sustainability isn't just a word at Martin Marietta. It's the embodiment of our commitments to creating value for all of our stakeholders – including our employees, customers, communities, vendors and investors. Sustainability is a core value at Martin Marietta and, both in the quarry and the boardroom, stands at the heart of every Company decision. As an organization reliant upon the Earth's natural resources, our sustainability approach helps us remember that our purpose is to bring value to all Company stakeholders. Our pledge is to protect and enhance the environment while creating the products that build communities. As an organization built upon the strength of its employees, our approach also reflects that we care deeply about their safety, well-being, and being able to welcome and include a diverse workforce.*

Our Stamper Mine  
Kansas City, Missouri

The four pillars are integral to our day-to-day and long-term strategies and drive our ability to create value for all our stakeholders:



## Safe Operations

Keeping safe all who come into contact with our business by providing the environment, resources and knowledge necessary to always make the prudent decision, and fostering a culture of responsible leadership



## Environmental Stewardship

Remaining cognizant of and responsive to our impact on climate, air, water, wildlife and other natural resources



## Employee Well-Being

Encouraging and assisting our people in their growth and development, while recognizing that the diversity of our employees is a strength that enhances our entire Company



## Community Well-Being

Being a responsible neighbor and caring for the communities in which we live, work and serve



# Sustainability Highlights for 2021



## Safe Operations

- Fifth consecutive year of world-class lost time incident rate (LTIR) performance
- For the first time achieved a total injury incident rate (TIIR) performance below the world class rate of 0.90, the safest year on record
- 99 percent of our employees worked without a reportable safety incident
- MSHA citations per inspection continue to be well below industry average
- Introduced a monthly Guardian Angel E-Newsletter to reinforce key safety messages, heighten awareness and keep safety in the forefront during the operating season
- Launched our “Why I Want YOU to Work Safely” campaign to allow family members to provide their stories. The initiative is an extension of 2020’s highly successful “Why I Work Safely” effort



## Environmental Stewardship

- Only 13 notices of violation across more than 400 operating locations, which were all generally minor
- Reduced coal in our cement kiln fuel mix from 70 percent to 14.7 percent of total fuel usage
- Continued to work toward our Scope 1 carbon intensity reduction targets for 2030 for our cement and magnesia businesses that we believe will continue to position us ahead of the U.S. domestic cement industry average
- Disclosed Scope 2 CO<sub>2</sub>e emissions in the 2020 Sustainability Report, and established 2030 and 2050 goals in this year’s report
- Have begun the rollout of Portland Limestone Cement (PLC) in response to the approvals of CALTRANS and TXDOT. This product can reduce GHG emissions by up to 10% over traditional cement





## Employee Well-Being

- Transitioned Martin Marietta's 401(k) to Fidelity Investments with enhanced employee features
- Launched new, company-wide ONE Rewards & Recognition platform, with enhanced Safety Incentives and Service Awards
- Implemented management *Hire Training* to increase diversity candidate sourcing and launched an Internal Careers site to increase internal employee development and career opportunities
- Increased online training, development, hiring and communications platform to provide easy access company-wide
- Provided employees current information and enacted safety and health protocols during the COVID-19 pandemic
- Conducted annual ethics training for all employees



## Community Well-Being

- Sold magnesia-based products which are used to purify drinking water, reduce sewer system pollution and improve electricity efficiency
- Maintained our water quality efforts at our Woodworth Louisiana facility which helped contribute to an increase in the endangered Pearl Shell Mussel in nearby Bayou Clear
- Contributed to local communities across the country, including the donation of more than \$100,000 to the Durham NC Museum of Life and Science, events such as Bash the Trash in Austin Texas, and participation in a variety of charity related events, including one in our North Texas/Oklahoma District where more than \$80,000 was raised for United Way





# Martin Marietta Continues to Focus on Sustainability via our SOAR Strategy

Martin Marietta incorporates sustainability in its long-term strategy, day-to-day operations, and assessment of how well the business is performing. We refresh our Strategic Operating Analysis and Review, or SOAR, every five years, and include performance objectives relating to our sustainable growth and performance. Execution of our SOAR objectives has led to a dynamic 10 years of growth; our most recent SOAR 2025 was presented to our Board of Directors in 2020. We have achieved this growth responsibly, with a focus on safety, the environment, our employees, our communities, as well as growth and capital allocation.



As you have read in this report, 2021 was again one of the safest years in our Company's history. Our Company-wide total injury incident rate, or TIIR, and lost-time incident rate, or LTIR, both exceeded world-class levels. This means more of our colleagues go home safely at the end of each shift than ever before. It's the right thing to do, and it's good business.

Safety sets the foundation for achieving our long-term objectives. Safety is part of our culture, it is part of our strategy, it is part of our day-to-day operations, and it is part of our performance objectives, as are the other pillars of our Sustainability program. These topics were all in focus during our most recent Investor Day held in February 2021.

***"Our business is guided by its Mission, Vision and Values. Its foundation is to operate Safely, Ethically, Sustainably, and to pursue Operational Excellence. In doing this we focus on our four pillars of Safety, Environmental Stewardship, Employee Well-Being and Community Well-Being. And we undertake what we view as our duties, not just as a building materials Company, but as a world-class organization:***

- ✓ ***Building a better organization***
- ✓ ***Building a more valuable organization"***

– Ward Nye, Chairman and CEO





## Safe Operations

*Safety is present in every element of Martin Marietta, from our operational excellence and proven best practices to the science-based protocols adopted to ensure the health and well-being of our employees, neighbors and communities during the COVID-19 pandemic. Safety is a shared responsibility that every member of our team takes seriously.*



*Our Kentucky Avenue Underground Mine  
Indianapolis, Indiana*



# World-Class Safety Performance

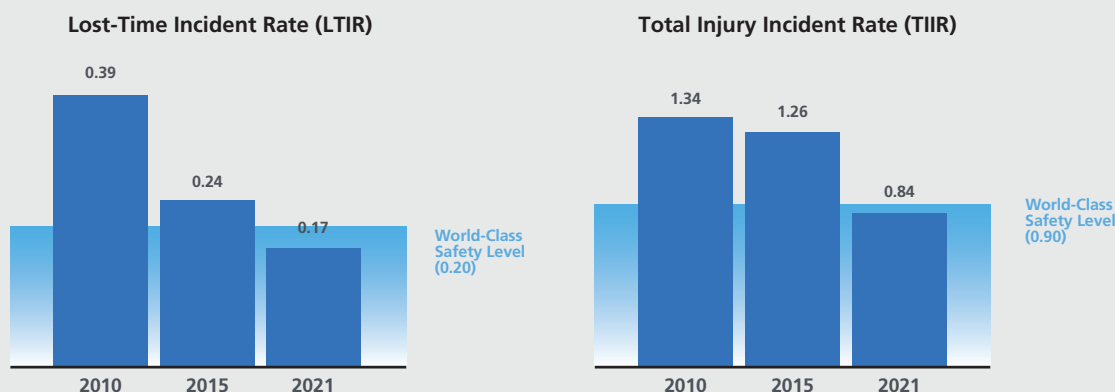


Given the nature and physical demands of our quarrying activities, operating our business safely is at the core of our long-term success and our ability to continue delivering value. We believe our employees are our most valuable asset, and, in 2021, we continued our impressive safety performance.

***“In 2021, our lost-time incident rate was 0.17, meaning 99.8 percent of our ~10,000 employees experienced zero lost-time incidents, a world-class level for the fifth straight year.”***

And our 2021 performance is the again one of best safety records in Martin Marietta’s history, despite nearly continuous operations, with Company-wide lost time and total injury incidents exceeding world-class levels. In 2021, our total injury incident rate (TIIR) of 0.84, **exceeded the world-class rate of 0.90 for the first time, inclusive of acquired operations.** Also, our lost-time incident rate was 0.17, meaning 99.8 percent of our ~10,000 employees experienced zero lost-time incidents, achieving a world-class level for the fifth straight year. We believe that we are on the right track to realizing our goal of zero incidents and our Guardian Angel safety culture is a key part of our ongoing efforts to keep our employees safe.

## Achieving World-Class Safety



\*LTIR and TIIR are per 200,000 people hours worked. World-class levels determined by external benchmarking against companies inside and outside the aggregates industry.

## Safety Highlights

- Safest year on record, with TIIR of 0.84, below the world-class rate of 0.90 for the first time in the company’s history
- Southwest, East and Central Divisions exceeded world-class Total Injury Incident Rate (TIIR) with TIIRs of 0.66, 0.72 and 0.75, respectively
- World-class LTIR for the 5th consecutive year
- Safety performance sets the foundation for long-term financial strength and successful SOAR execution
- 99.8% of employees worked with ZERO lost-time incidents in 2021
- 99.1% of employees worked with ZERO incidents in 2021
- 77 business units finished 2021 with ZERO lost-time incidents during 500,000+ consecutive hours of work
- 65 Business units achieved new safety milestones during the year.





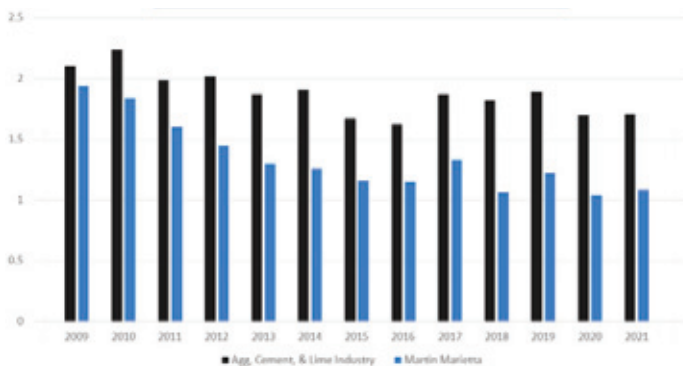


## MSHA Citations

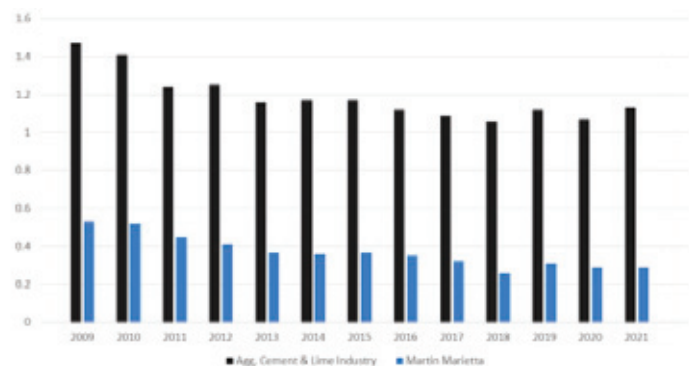
The United States Department of Labor's Mine Safety and Health Administration (MSHA) inspects each surface mine at least twice a year and each underground mine at least four times a year. As shown below, in the citations per inspection graph, MSHA conducted 549 inspections and spent 2,040 inspection days at Martin Marietta sites in 2021. Our 2021 compliance performance was consistent with our strong historical performance as follows:

- Citation-per-Inspection (CPI) Rate: 1.08 vs. 1.71 for the industry
- Citations-per-Day (CPD) Rate: 0.29 vs. 1.13 for the industry.

MSHA citations issued per inspection at Martin Marietta operations are lower than the rate for the Aggregates, Cement and Lime Industry



MSHA citations per day at Martin Marietta operations are far lower than the rate for the Aggregates, Cement & Lime Industry





Despite the numerous challenges, concerns and disruptions associated with the lingering pandemic, we continued to see dramatic safety improvements over the prior year. One of the values we embrace that has enabled this achievement is our Guardian Angel Creed. With Guardian Angel as the foundation of our safety culture, safety performance, ownership and engagement of the safety process extends beyond division lines and allows our employees to be consistently reminded that each one of us is responsible for their own and each other's safety.

In this regard, we established a Safety Task Force in 1999, comprised of employees from across the enterprise who engaged in extensive benchmarking of companies within and outside of the mining industry. From this effort, the foundational elements of Martin Marietta's safety program were developed. Their task was to pursue safety and occupational health functional excellence. In 2021, our efforts resulted in the continued rollout of the Safety Mentor Program. This program trained 341 of our experienced employees to be mentors to 841 new hires in respect to safety. We expect that this program will reduce the number of accidents experienced by new miners as our experienced employees share their knowledge and encouragement in this important part of our business.

To further emphasize the importance of safety, Martin Marietta presents annually **DIAMOND AWARDS**, and one of our facilities receives the **DIAMOND ELITE AWARD**.

The **DIAMOND AWARDS** are a recognition and commitment that at Martin Marietta, we view ourselves as an industry leader, respected for the work we do to help make things possible. Whether it's roads or bridges or buildings, our specialty is building strong foundations. The foundation of our success as a Company is the dedicated, talented teams of employees who day in and day out work hard, safely and ethically to provide our customers with quality products and materials. We know that our people are our most precious asset, essential to everything we accomplish.

To recognize our employees' excellent efforts, **DIAMOND AWARDS** are presented each year to the "best of the best" at Martin Marietta. Consisting of three tiers (**Achievement**, **Honor** and **Elite**), the **DIAMOND AWARDS** program rewards exceptional performance in all of our divisions and business segments.

The criteria for each of our award levels are:

1. **No reportable safety incidents** during the previous calendar year;
2. **No environmental notices of violation** during the previous calendar year; and
3. **Return on assets that exceeds the Company's weighted average cost of capital** for the previous calendar year, in addition to other financial performance.

All operations that achieve this criteria receive Martin Marietta's **Diamond Achievement Award**. To be considered for a **Diamond Honor Award**, an operation must meet the criteria for no environmental violations and the financial metric for three consecutive years. They must also show continuous safety improvement over a three-year period, with zero incidents the third year. The **Diamond Elite Award** winner is recognized for performance and achievements above all the rest.



**KEY DIAMOND AWARD PERFORMANCE METRICS**

- Lost-time incidence rate
- Total incidence rate
- Environmental stewardship
- Sustainability
- Productivity
- Corporate citizenship
- Innovation
- Weighted average cost of capital
- Return on investment
- No environmental notices of violation

In 2021, Hatton Quarry was recognized as our **DIAMOND ELITE AWARD** winner for the first time. Because Hatton discharges water into the Cossatot River daily, and because the river is home to a variety of fish and endangered plant species and serves as a wintering ground for several American bald eagles, water testing at the operation is as much a priority as safety. Plant Manager Salomon Hernandez says the team regularly examines discharges from three separate testing points and hasn't received an environmental violation in more than 16 years. "This award means everything to us, especially during this year of pandemic," said Hernandez. "We overcame challenges we had never faced before, and we did it all safely while maintaining excellent levels of production and customer service."



*Our Hatton Quarry  
Cove, Arkansas*



## Corporate Safety Audit Initiative

Our corporate safety audit initiative has been an essential element in our safety journey. Originally implemented with a core team of seven safety professionals, the audit team was expanded in recent years to include all safety professionals and operational staff as well. The purpose of the initiative was to share best practices and to identify process and communication improvements to further the Company's safety performance to world-class levels.

COVID-19 and related travel safety concerns paused the corporate safety audit team's activities in 2021. However, recognizing that the audit process has become an important element of the Company's safety program, we asked local personnel to act as safety auditors to continue driving better performance. In total, these audit teams conducted 432 safety audits across the Company's footprint in 2021. Led by hourly employees, the audits were accompanied by safety blitzes and safety engagements conducted by operations leadership, including our Division Presidents. This process allowed our teams to maintain a strong, boots-on-the-ground presence, which contributed to Martin Marietta's safest year on record. In this regard, our MSHA citation per inspection (CPI) rate of 1.08 and our MSHA citation per inspection day (CPD) rate of 0.29 outperformed the 2021 aggregates/cement/lime industry averages of 1.17 and 1.13, respectively.

*We Continue to Prove  
that Zero is Possible*

**99.8%** of employees experienced ZERO lost-time incidents in 2021

**99.1%** of employees experienced ZERO incidents in 2021 business

**77** units have worked more than 500,000 hours with ZERO lost-time injuries

## 'You're Messing with the Bull'

*Safety Manager Points to Space Shuttle Disaster to Bring Potential Quarry Hazards to Light*

The term "You're Messing with the Bull" was popularized in the wake of a tragedy that shook the world 6 years ago, but it's just as relevant today as it ever was, especially in industries like mining. Dr. Diane Vaughan, an American sociologist, defines the normalization of deviance as "the gradual process through which unacceptable practices or standards become acceptable." In her book, "The Challenger Launch Decision," she details how NASA engineers knew in 1977 that O-rings being used in the Space Shuttle Program contained potentially catastrophic flaws, but did nothing to correct the problem. In 1986, the O-rings finally failed, leading to the Challenger disaster that claimed the lives of seven astronauts.



At Magnesia Chemicals in Manistee, Michigan, Environmental Health and Safety Manager Shane Surd is determined to prevent the normalization of deviance from affecting the operation's team. "We all have deviant behaviors in our lives," he says. "Texting and driving is a good example. You're driving home and you need to send a message – just three quick words, maybe it takes just five seconds. So, you do it. You know you shouldn't have done it, but nothing happens, so the next day, you do it again, and again, and again. Studies have shown that texting and driving is extremely dangerous, but through your actions, you've normalized the behavior. What it comes down to now is that ***you're messing with the bull***, and one day, you're going to get the horns."

The lesson applies perfectly to the work environment, Surd says while rattling off a dozen possible examples from the top of his head. Maybe you're not wearing proper hearing protection. Maybe you're using improper lifting techniques. Maybe you're using the wrong tool for the job. Maybe you're not speaking up as a good Wingman should.

"There are any number of "maybes" that affect our work, and for our own good, as well as the good of our co-workers, we need to pay more attention to them," Surd says. "This is why SLAMs (Stop, Look, Analyze, and Manage) and workplace inspections are so important," he says. "We have to make sure that we're always looking for the hazards in our environment. Once we've seen them, we have to measure the risk and then take every step possible to effectively manage that risk."

"Beyond that, preventing the normalization of deviance is another reason every Company employee should be engaged in the Guardian Angel safety culture," Surd says. "When I go to work, whether here in Manistee, or elsewhere across the Company, I expect every Martin employee to be a good Wingman. If someone notices that my gloves are too worn, or that they're not the proper type for the job, I want that person to say something. That's how we avoid complacency. That's how we prevent the normalization of deviance."



# Why I Want YOU to Work Safely

Southwest Division President Kirk Light and his children



## Company Expands Popular Safety Initiative to Encourage Greater Family Involvement

Martin Marietta adapted one of its most popular safety initiatives in 2021, taking the values of the Guardian Angel culture beyond company walls and into employee homes.

Officially launched in spring 2021, the **Why I Want YOU to Work Safely** campaign is an extension of 2020's Why I Work Safely effort. The key difference, however, is that while 2020's campaign urged Martin Marietta employees to share their personal reasons for safe work, the 2021 initiative relied upon the participation of team members' families.



Martin Marietta spouses, partners, children and others were asked to write a letter to their loved one, describing the reasons why the employee is needed at home.

"Dad," starts the letter written by Tripp and Tucker Jolly, the young sons of Pomona Quarry (North Carolina) Safety Champion Russell Jolly. "We want you to come home because ... We love you. You keep us safe. You crank our four-wheelers for us. You pay for us to go to Tennessee. We love when you play with us. ..."

Submissions to the campaign were then published on Martin Marietta's digital signage network as well as in the company magazine, The Conveyor. Shortly before the holiday season began in November, the Jolly boys' example became part of a mailer to advertise the campaign that was distributed to every employee home.





"In 2020, our safety professionals and others made a concerted effort to encourage our people to be active in our Guardian Angel safety culture. That effort continued in 2021," said Vice President of Safety and Health Michael Hunt. "When we launched Why I Want YOU to Work Safely, our aim was to engage our employees' families. This provided our people with additional reasons for safe work, but with a different voice and from a different perspective."

Hunt said an additional goal of the Why I Want YOU to Work Safely campaign was to spur at-home, family-based safety discussions between family members to ensure safety becomes as much a family value as it is a company value.

Diana Light, along with her children, Brayden and Lexi, submitted two letters to the Why I Want YOU to Work Safely campaign. The letters — one from Diana and the other from the children — urge their loved one, Southwest Division President Kirk Light, to avoid potential incidents by focusing on the work at hand.

"I am so proud of you and your commitment to the Martin Marietta Wingman culture, and I love that our family is committed as well," writes Diana. "I want you to work safely every day, so we can enjoy many happy days together and so that we can teach our children the importance of safety in every part of our lives."





## Environmental Stewardship

*As stewards of our natural resources, we strive to minimize our environmental impact while providing the materials on which our communities grow. Sustainable business practices are necessary for our Company's long-term success, but beyond that, they help ensure the preservation of our air, water and land so that each may be enjoyed for generations to come.*



*Our Marshalltown Sand Plant  
Marshalltown, Iowa*



# Our Approach

Martin Marietta is committed to operating in an environmentally responsible and safe manner and reporting our performance with respect to key areas of focus as well as how our sustainability practices and goals are embedded in our corporate strategy. All aspects of our sustainability approach, including environmental stewardship, are an integral part of Martin Marietta's annual planning process and day-to-day business. We strive to safely and sustainably manage our business and to pursue our economic objectives.

## The Role of Our Employees, Management and Board

Martin Marietta has robust governance and oversight in place as it relates to environmental matters, including climate change-related issues. We place day-to-day responsibility for compliance with our operations management and view it as an important part of our ongoing strategy. In this regard:

- We have strong oversight of environmental matters at each of the Board, management and operating levels.
- We view sustainability as a part of our day-to-day and long-term strategies and as a driver of our ability to create value.
- We strive for continuous improvements in our environmental performance and view it as an area that can also create business opportunities for us.
- Our stewardship programs are guided by a combination of industry best practices, innovative operational improvements and the use of clean technologies.
- We include environmental matters in our management discussions, goals and compensation.

***"We view sustainability as a part of our day-to-day and long-term strategies and as a driver of our ability to create value."***

Various aspects of our business are highly regulated, including by governmental standards and permitting requirements related to air emissions, water discharges, waste management, noise and dust control, land use and other environmental matters. It is our policy to continually meet and, where possible, exceed compliance with applicable environmental laws and regulations, which in the U.S. (where almost all of our operations are conducted) can be stricter than in Europe or other parts of the world. We also continually invest in new or upgraded equipment and processes to maintain compliance and to outperform in building value for our shareholders. To achieve our environmental-related goals, we employ a full-time staff of engineers and managers with significant expertise in environmental compliance and sustainability.

- Most hold degrees in various engineering disciplines or environmental-related sciences, including mining and civil engineering, geology, biology and soil science.
- Many are members of, or have leadership positions in, industry associations and hold professional certifications that require continuing education and training.
- Many are former staff of regulatory agencies or of organizations that are dedicated to wildlife and conservation, such as The Nature Conservancy.
- Many of our environmental professionals and operations managers are outdoorspeople with a keen interest in wildlife and habitat conservation, as evidenced by their active memberships in organizations such as Ducks Unlimited, the Rocky Mountain Elk Foundation and the Wildlife Habitat Council.





Our operations are subject to periodic self-audits, as well as regular inspections by regulatory authorities, and our confidential ethics hotline is available for reporting suspected environmental issues and bringing those issues to the attention of management. Our internal practices and procedures often go beyond regulatory requirements. For example, our Magnesia Specialties business has maintained ISO 9001 quality management certifications for both of our magnesia facilities since 1996.

Our proactive management of environmental matters at our sites and the high skill level of our employees, coupled with advice from qualified outside advisors when appropriate, have allowed us to achieve a strong compliance record. As we have responsibly grown our business, we have maintained our focus on these goals by prioritizing environmental stewardship and compliance during integration.

At the Board of Directors level, we have an Ethics, Environment, Safety and Health (EESH) Committee, comprised wholly of independent directors, which meets at least three times annually to review and discuss our sustainability goals, including an update on capital investments and improved practices that reduce greenhouse gas (GHG) and other emissions, and performance with respect to these undertakings. Given the increasing importance on EESH matters, we reviewed and updated our EESH Committee charter in February 2022. Our EESH Committee members are diverse and have relevant expertise to provide appropriate oversight in helping us achieve sustainable growth and reduce our risks. In particular, our EESH Committee is tasked by the Board with reviewing and monitoring our compliance with environmental laws and regulations, our public reporting and disclosure with respect to climate change-related risks and opportunities and other environmental issues, and has the authority to investigate

any matter falling within its purview. The EESH Committee receives reports relating to environmental, safety, ethics and other sustainability matters, including GHG emissions, directly from management, which in turn receives at least quarterly updates from operating personnel directly responsible for compliance in these areas. The EESH Committee reports to the full Board.

***“Our EESH Committee members are diverse and have relevant expertise to provide appropriate oversight in helping us achieve sustainable growth and reduce our risks.”***

In the sections that follow, we further detail our performance with respect to various issues that are, or may be, material to our business. This includes the issue of climate change-related risks and goals, which are increasingly important considerations for our business as well as our shareholders. Specifically, we provide important information regarding the carbon footprint of our overall business and important steps we have taken and plan to take in reducing the carbon intensity of our operations. With respect to our cement and magnesia specialties businesses, this includes providing Scope 1 CO<sub>2</sub>e emissions intensities on a per metric tonne of product basis. Moreover, as reported in the past and further detailed below, we also have committed to Scope 1 CO<sub>2</sub>e emissions intensity reduction targets for those businesses by 2030 (as compared to a baseline year of 2010). With respect to our business as a whole, in this report we are for the first time establishing goals for our Scope 2 CO<sub>2</sub>e emissions.



## Ethics, Environment, Safety and Health Committee



Chair, Smith W. Davis



Dorothy M. Ables



Sue W. Cole



Anthony R. Foxx



# Greenhouse Gas Emissions

## Overview

Scope 1 emissions are direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organization (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles). Scope 2 emissions are indirect CO<sub>2</sub>e emissions associated with the purchase of electricity, steam, heat, or cooling. Although Scope 2 emissions physically occur at an offsite facility where they are generated, they are accounted for in an organization's GHG inventory because they are a result of the organization's energy use. Last year we reported for the first time on our Scope 2 CO<sub>2</sub>e emissions for all business lines: aggregates, cement, ready mixed concrete, asphalt and paving services and magnesia specialties. This year we are announcing goals for reducing or offsetting our Scope 2 emissions. This is in addition to our existing Scope 1 CO<sub>2</sub>e emissions reduction commitments for our cement and magnesia specialties businesses.

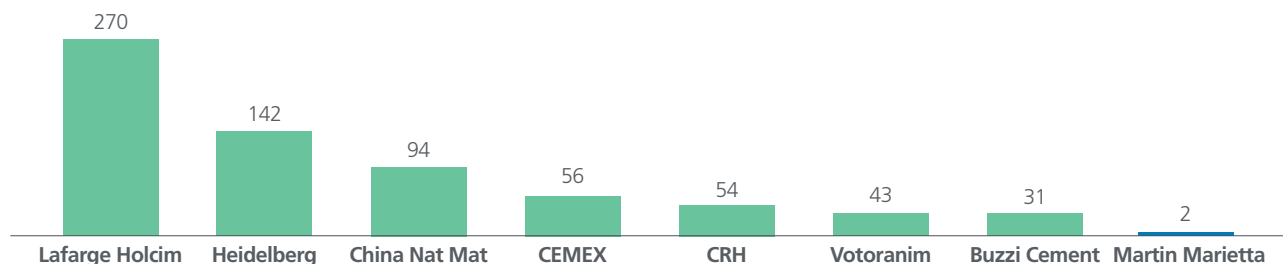
Martin Marietta is, overwhelmingly, an aggregates-led Company (crushed stone, sand and gravel) in terms of our revenue and operational footprint. In fact, the vast majority of our facilities are associated with our aggregates business, including more than 350 quarries, mines and distribution yards. Construction aggregates businesses are not large emitters of GHGs, with the predominant source being diesel fuel used in trucks and other mobile equipment. We also have two targeted downstream businesses: ready mixed concrete and asphalt and paving services. Finally, we operate a small, but strategic, cement business and a magnesia specialties business that, collectively, account for 88 percent of our Scope 1 GHG emissions.

## 2021 GHG for All Business Lines<sup>1</sup>

**Scope 1** 4.547 million metric tonnes CO<sub>2</sub>e

**Scope 2** 0.553 million metric tonnes CO<sub>2</sub>e

### Select Examples of Number of Cement Plants Worldwide



Sources: 2019 annual reports, sustainability reports and corporate websites

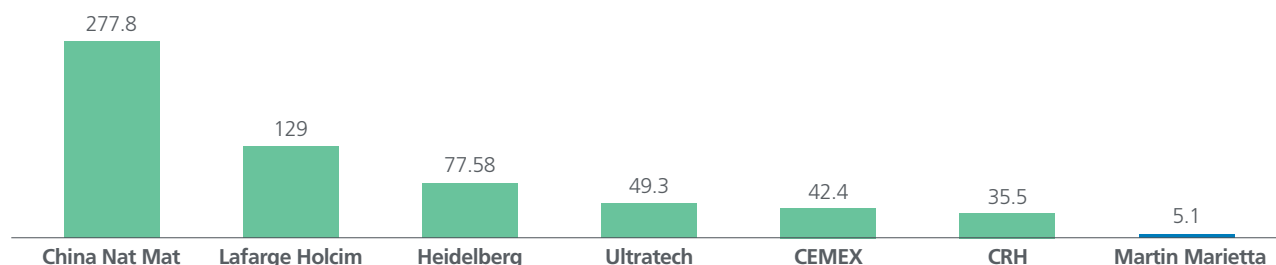
Not surprisingly, our total GHG footprint in absolute terms — from our heritage cement operations as well as all our other business lines — is a small fraction of the footprint of many domestic and international cement companies. Our 2021 Scope 1 CO<sub>2</sub>e emissions were 4.547 million metric tonnes of CO<sub>2</sub>e across all business lines (including stationary and mobile sources), of which 2.7 million metric tonnes were attributable to emissions from our cement business. Even if we were to include in our totals the 2021 GHG emissions from the two cement plants acquired from Lehigh Hanson and now held for sale, our total Scope 1 cement footprint would have only increased a reported 1,069,881 million metric tonnes of CO<sub>2</sub>e, which still places us at a fraction of the emissions of our larger competitors.

<sup>1</sup> The Scope 1 GHG totals do not include any of the assets acquired in October 2021 and held for sale in 2022 due to our short period of ownership.



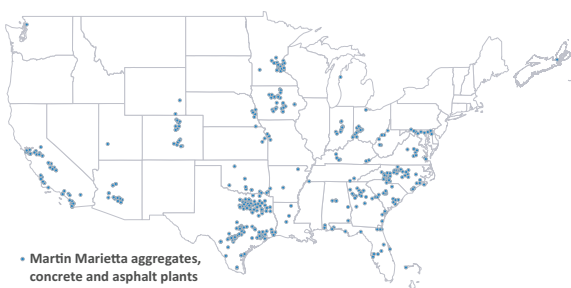
This level of Scope 1 CO<sub>2</sub>e emissions constitutes less than 4 percent of total GHG emissions attributed to the cement industry in the United States, as reported to the USEPA in 2020. Our 2021 Scope 2 CO<sub>2</sub>e emissions were 0.553 million metric tonnes across all business lines. On a global basis, the emissions from our cement business constitute less than 0.2 percent of the worldwide CO<sub>2</sub>e emissions from cement production and our combined Scope 1 and 2 emissions for our entire business is only a fraction of those of our global competitors as shown in the chart below.<sup>1</sup>

### Select Examples of Scope 1 and 2 GHG Footprints (million metric tonnes CO<sub>2</sub>e)



Sources: 2019 Annual Reports, Sustainability Reports, USGS, USEPA and PCA

Put succinctly, we are a very small contributor to the CO<sub>2</sub>e emissions attributed to the global cement sector. This is consistent with the fact that our cement operations represent a small share of our overall business. In fact, those operations, together with our Magnesia Specialties business, accounted for approximately 14 percent of our consolidated revenue in 2021, exclusive of the two months of contribution from the two California cement plants. This is in stark contrast to other operators in the cement sector who have a substantially greater number of cement plants, total GHG emissions, and percentage of their revenue derived from such cement operations.



**The small size of our heritage cement operations<sup>2</sup> compared to our overall business — both in terms of revenue and production — is an important and significant differentiator between Martin Marietta and other companies operating in the cement industry. Our cement business:**

- Operates from two modernized, efficient plants, both in the state of Texas, that have benefitted from more than \$1 billion in investments since 2008
- Accounts for 9.1 percent of our consolidated revenue in 2021
- Has a carbon intensity better than the U.S. cement industry average
- Represents 59 percent of our gross CO<sub>2</sub>e emissions, but still less than 0.2 percent of total GHG emissions from the cement industry worldwide

<sup>1</sup> Total estimated GHG emissions attributed to the cement industry in 2020 worldwide were 1.5 gigatonnes or, 1,500 million metric tonnes, of CO<sub>2</sub>e according to R.M. Andrew of the Global Carbon Capture Project.

<sup>2</sup> The Scope 1 GHG totals do not include any of the assets acquired in October 2021 and held for sale in 2022 due to the short period of ownership.





As noted above, Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. Our ability to control the actual emissions of the third party providers is obviously limited. However, to achieve Scope 2 emissions targets, multiple tools are available including the purchase of Renewable Energy Credits (RECs), the purchase or installation of green power (such as our Woodville Wind project described elsewhere in this report), and the sponsorship or financing of offsite green power projects.

In 2021 our heritage operations consumed 1.468 million kilowatt hours of purchased power which generated 584,422 mtCO<sub>2</sub>e of GHG. In this report we are adopting a target to reduce or offset those Scope 2 emissions by **30% by 2030 versus a baseline year of 2021**. In addition, while we are still considering a long term target for our Scope 1 emissions as discussed above, we believe that the available offset and reduction methods in regard to Scope 2 emissions are certain enough that we are also committing to reducing or offsetting these emissions a goal of **Net Zero Scope 2 emissions by 2050**. This goal will apply to all Scope 2 emissions across all product lines.

## Our Cement Business

Cement and aggregates are critical components of building materials, such as concrete, and in the construction and maintenance of roads, buildings, bridges and other infrastructure assets that are vital to economic growth and quality of life. While it is well known that the cement sector is a significant contributor to global GHG emissions, a holistic approach that takes into account the environmental impacts of embodied carbon during the entire life cycle of cement and concrete building materials (including materials sourcing, distribution, use, productive reuse, recycling and disposal) means that cement and concrete products can play an important role in a sustainable low-carbon economy.

## Recarbonation

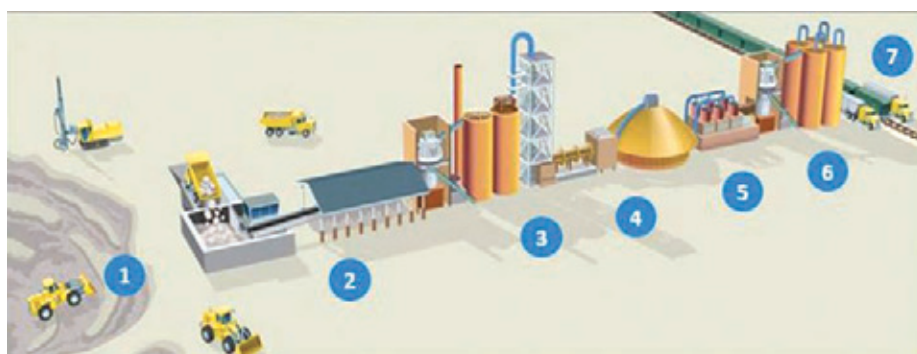
Emerging research suggests that up to 25 percent of the CO<sub>2</sub> originally emitted during cement production can be captured over the lifecycle of concrete through the process of “recarbonation”. According to Cembureau, the European Cement Association, recarbonation is a slow process that occurs in concrete where lime (calcium hydroxide) in the cement reacts with carbon dioxide from the air and forms calcium carbonate. At the end of their useful life, buildings and infrastructure (reinforced concrete structures) are demolished. If the concrete is then crushed, its exposed surface area increases and this further increases the recarbonation rate. The amount of recarbonation is even greater if stockpiles of crushed concrete are left exposed to the air prior to reuse.<sup>1</sup>

## Cement Manufacturing

Carbon dioxide (CO<sub>2</sub>) emissions are an unavoidable component of manufacturing cement due to the nature of the raw materials and chemical reactions involved. In fact, our GHG footprint is largely driven by the operation of our two cement kilns and, in particular, the calcination process that is chemically necessary to transform the raw materials used in manufacturing cement.

<sup>1</sup> <https://lowcarboneyconomy.cembureau.eu/5-parallel-routes/downstream/recarbonation/>





- 1 Limestone and other raw materials quarried
- 2 Raw materials are ground and blended
- 3 Raw materials are heated to 2,850° F in a kiln
- 4 Heat transforms the materials into pellets of “clinker”
- 5 Clinker is ground with gypsum into a fine gray powder to make cement
- 6 Cement is stored and shipped via truck or rail
- 7 Primary end use consumption is concrete



During the calcination process, limestone is heated in excess of 2,800 degrees Fahrenheit. This breaks down the molecular structure of the stone into clinker (mainly comprised of calcium oxide (CaO) compounds) and CO<sub>2</sub> gas. While the solid clinker is subsequently ground and incorporated into cement, the CO<sub>2</sub> is emitted from the plant. In a modern kiln, more than 50 percent of the Scope 1 GHG emissions are a result of this calcination process, with the remaining emissions coming from the combustion of fuels needed to heat the kiln and the on-site generation of electricity.<sup>1</sup>

Cement producers have limited ability to abate or reduce process emissions resulting from calcination due to the fundamental chemical composition of the limestone. While awaiting development of commercial-scale carbon capture and storage technologies that may provide new, practical means of addressing the CO<sub>2</sub> emitted from limestone, cement producers must focus on opportunities to use lower-carbon fuel sources and improving energy efficiency in the manufacturing process.

## Carbon Capture and Sequestration

As recognized by a number of international organizations (including the International Energy Agency) as well as various industry associations, the cement sector's ability to contribute to limiting GHG levels in a manner consistent with the goals of the Paris Agreement depends on successful future development and implementation of carbon capture and sequestration (CCS) technologies on a commercial scale. In fact, the Science Based Targets Initiative (SBTi) at page 10 of its draft Cement Science Based Target Setting Guidance published in March 2022 specifically acknowledged that “(i)n addition to more traditional decarbonization levers already being implanted today, such as energy efficiency, fuel switching, and clinker substitution, the IEA Net Zero report describes carbon capture and storage (CCS) as “central” to mitigating process (geogenic) emissions in clinker production.” Similarly, further acceptance of even lower clinker content cements by Departments of Transportation and ASTM in the United States will also be critical in allowing the cement sector to achieve carbon neutrality across the value chain by 2050. We are monitoring these developments closely.

<sup>1</sup> Testimony for the Congress of the United States House of Representatives Select Committee on the Climate Crisis hearing on “Solving the Climate Crisis: Reducing Industrial Emissions Through U.S. Innovation”, September 26, 2019. Jeremy Gregory, PhD, MIT on behalf of the PCA.



## Our Investments in Reducing our Carbon Intensity

We have worked hard and invested heavily in our sustainability practices and improved carbon intensity in our heritage cement manufacturing operations, including employing and improving on patented production processes, upgrading equipment, improving fuel efficiency and increasing our use of lower-carbon alternative fuels, and reducing total air emissions. In fact, since 2008, we have invested more than \$1 billion to upgrade kilns and equipment at both Texas cement plants, including replacing “wet process” cement production with modern pre-calcliner technology and installing state-of-the-art emissions control equipment at our Midlothian Cement Plant. We believe our two heritage cement plants are now among the most modern in the United States.

Not surprisingly, in 2015, the Company’s Midlothian Cement Plant was recognized by the USEPA as a high performing, energy efficient facility following investments in innovative air pollution control technologies and usage of alternative fuels.

### Understanding Carbon Intensity Calculations

**As a result of these efforts, we have successfully reduced the carbon intensity of our cement business to 0.77 net metric tonnes of CO<sub>2</sub>e/metric tonnes of cement as of 2021 over the 2010 intensity of 0.836.**

This also places us well below the U.S. cement industry average intensity of 0.80 metric tonnes of CO<sub>2</sub>e/metric tonnes of cement (inclusive of biogenic GHG) in 2020 (the most recent year for which data is available from the USEPA) and makes us one of the more carbon efficient cement producers in the United States. 2021 saw a slight uptick in our intensity due to EPA rules which required us to include the biogenic GHG previously excluded from our calculations for the year as well as changes in our fuel mix.

We report our carbon intensity in terms of metric tonnes of “cement” we produce (which is comprised of clinker and certain blend materials) rather than “cementitious material” typically used by EU cement companies. Although our cement includes some blending with non-clinker materials, like other U.S. operators, we are not permitted to substitute clinker at the higher percentages permitted in the EU. Therefore, we use the term “cement”

to differentiate the products. The above considerations are discussed in greater detail below in “Understanding Blending and the Impact of Fuel Choice”.

***“As a result of these efforts, we have successfully reduced the carbon intensity of our cement business to 0.77 net metric tonnes of CO<sub>2</sub>e/metric tonnes of cement as of 2021 over the 2010 intensity of 0.836.”***

While our carbon intensity is reported in terms of CO<sub>2</sub>e emissions including emissions from biogenic sources, it is notable that our net and gross emissions from our operations would not materially differ if we excluded the biogenic component. This is due to the fact that the use of alternative fuels is significantly less incentivized in the U.S. (where we operate) than in the European Union, including that biogenic sources are only partially credited in calculating emissions required to be reported to the USEPA.





## Understanding the Impact of Blending and Fuel Choice

While we are proud of these achievements — and, in fact, as discussed below with respect to our 2030 Scope 1 GHG reduction goals, we have committed to further reduce the carbon intensity of our cement and magnesia businesses — we also believe it is important to recognize both critical regulatory differences between the U.S. and the EU (and other international jurisdictions) and differing calculation methodologies that result in meaningful differences in the makeup of corresponding end-products and reported emissions metrics. Those differences, in turn, make like-for-like comparisons of the emissions performance of such companies challenging.

### Clinker Substitution and Blending

For example, outside of the U.S., the allowable rate of “clinker substitution” — the replacement of ground clinker in cement with alternate materials such as pozzolan, slag and fly ash — is much higher than it is in the U.S. because of the limitations imposed by the American Society for Testing and Materials, Inc. (ASTM) and Department of Transportation (DOT) standards for cement. While our clinker substitution rate (like other U.S. producers) generally does not exceed 10 percent, the average clinker substitution rate for international cement companies is in the range of 28 percent to 50 percent, depending on the type of cement.<sup>1</sup> Accordingly, even where their clinker intensity (the amount of CO<sub>2</sub> generated in producing a tonne of clinker) is comparable to our 2021 rate of 0.85 net metric tonnes of CO<sub>2</sub>/metric tonnes of clinker (and in many cases is actually higher), international cement companies can reduce the carbon intensity they publicly report by simply substituting higher percentages of non-clinker products for clinker in their end product, rather than actually reducing total emissions or improving efficiencies in the manufacturing process.

**In fact, if we were to use a hypothetical 75% clinker factor for our cements, we estimate our intensity would be reduced from 0.77 to approximately 0.64 net metric tonnes of Absolute Gross CO<sub>2</sub>/metric tonnes of cement equivalent.**

***“This also places us well below the U.S. cement industry average intensity of 0.80 metric tonnes of CO<sub>2</sub>e/metric tonnes of domestic cement in 2020 (the most recent year for which data is available from the USEPA) and makes us one of the more carbon efficient cement producers in the United States.”***

### Alternate Fuel Use

Similarly, not only is clinker substitution different around the world, but the reported numbers are being generated using different calculation methods. Our reported intensity is based upon the USEPA Clean Air Act Part 98 and the data generated by our Continuous Emission Monitors (CEMs) and reflects actual measured CO<sub>2</sub>e. If instead of this method, we were simply to switch to the World Business Council For Sustainable Development (WBCSD) calculation method, and make no change to our actual clinker factor, our intensity would drop from 0.77 to 0.63 (taking full credit for the biogenic component of our GHG).

In addition, alternative fuel use by the cement industry in the United States averages only 15 percent of the fuel mix, compared to 36 percent of the fuel mix used in the European Union and as high as 60 percent in Germany.<sup>2</sup> In large part, this is because combustion of secondary alternate fuels is incentivized in the European Union, whereas in the U.S. environmental laws and USEPA regulations create hurdles to using these materials as fuel sources. Moreover, the calculation of reportable CO<sub>2</sub> emissions under international regulations differs materially from the calculation allowed under USEPA regulation. The European Union Gross CO<sub>2</sub> Emission rates exclude CO<sub>2</sub> emissions from biogenic fuels while the widely reported Net CO<sub>2</sub> emission rates using the WBCSD method as noted above do not include the biogenic or alternative fuel CO<sub>2</sub> contributions. **Again, if we used a hypothetical 75% clinker factor and calculated our emissions using the Global Cement and Concrete Association (GCCA)/European calculation method and our current fuel mix, we estimate that our intensity would see a further reduction to approximately 0.53 net metric tonnes of CO<sub>2</sub>/metric tonnes of cement equivalent basis.**

<sup>1</sup> European cement standard EN 197-1 “Cement – Part 1: composition, specifications and conformity criteria for common cements”, as reported by CEMBUREAU.

<sup>2</sup> PCA Response to House Select Committee on Climate Crisis dated 11/22/2019, pg. 5.



*Our Midlothian Cement facility  
Midlothian, Texas*

## Initiatives to Reduce Our Carbon Intensity

Although our actual carbon emissions from clinker production may be comparable to or better than European producers, their ability to calculate reportable CO<sub>2</sub> emissions differently leads, in part, to a seemingly lower carbon intensity calculation.

Simply put, because U.S. producers are more heavily regulated if they wish to use alternative fuels in production, must report a greater amount of the related CO<sub>2</sub> emissions from such fuels than their European competitors and use more higher-CO<sub>2</sub> clinker in cement, carbon intensities are effectively calculated differently for U.S. and European producers. We believe that our track record of achieving comparably favorable clinker intensities to European producers, despite key regulatory differences that give us fewer options for easily reducing emissions through clinker substitution and alternative fuel use in the U.S., highlights our record of investing in our plants and continually improving our processes. It further underscores our continued dedication to sustainable practices in our operations.

***“Despite these regulatory constraints, Martin Marietta views the use of alternate fuels and improving fuel efficiency as important components of our overall commitment to sustainability, including climate change-related issues and concerns.”***

Despite these regulatory constraints, Martin Marietta views the use of alternate fuels and improving fuel efficiency as important components of our overall commitment to sustainability, including climate change-related issues and concerns. In this regard, in addition to significant plant upgrades and other modernization in which we have invested, our accomplishments include the following:

- As noted in prior Sustainability Reports, we have made a significant investment in tire processing systems at our Midlothian Cement Plant and are actively exploring adding additional equipment to our Hunter Cement Plant in the next several years. In total between our two plants, tires made up 26.8 percent of our fuel mix in 2021.
- In the last seven years, we have dramatically reduced the use of coal in our kiln fuel mixes at both cement plants from almost 70 percent to 13.5 percent of our total fuel usage. We are actively engaged in a pipeline project to obtain additional supplies of natural gas at Hunter as an alternative to coal use. We expect this project to be completed late in 2022.
- In late 2021, CALTRANS approved the use of Portland Limestone Cement (PLC) Cement in its specification, and has given specific approval to our Type 595 IL at both California Cement plants that we acquired from Lehigh Hanson. TXDOT has also approved PLC in its standard specification and we are rolling out our new Type 1L at our two Texas plants. It is estimated that PLC cement production will reduce GHG emissions by up to 10 percent per ton of cement.



## Our Magnesia Specialties Business

After our cement business, our magnesia specialties business, which has two plants — one in Ohio and one in Michigan — is the second largest contributor to our Scope 1 GHG footprint. This is due almost entirely to the operation of our Woodville, Ohio, plant where we operate six lime kilns of varying ages. The calcination process at Woodville is very similar to our cement business, except that Woodville processes dolomitic limestone, which contains a higher CO<sub>2</sub> component than the high calcium limestone used in our cement plants. In contrast to cement, our Magnesia Specialties business cannot achieve GHG reductions through substitution for our calcined lime product since both internal and external customers require that we maintain extremely high purity to allow further processing.

***“Notably, our products manufactured at this plant help control emissions and result in other environmental benefits.”***

Nevertheless, we have seen a considerable reduction in GHG emissions intensity in our Magnesia Specialties business in recent years. This is primarily driven through our investments in modernizing the Woodville plant, most notably construction of a new, more efficient kiln that was completed in 2012. In 2018, under a consent decree negotiated with USEPA, the Company committed to spend an additional +/- \$30 million at this site to add preheaters and other state-of-the-art control technology to two other large kilns. While primarily designed to control NO<sub>x</sub> and SO<sub>2</sub> emissions, based on our initial experience with the first preheater in 2021, we believe we will see GHG emission reductions although it is too early to quantify them. This project is in its second phase with an additional preheater and additional bag house installations underway.

We are currently evaluating systems to achieve additional reductions through implementation of heat recovery systems, improvements in combustion efficiency through new product mixes, process changes and upgraded equipment, and minimizing the generation of fines and other byproducts.

We also manufacture magnesia-based products at our Manistee, Michigan, facility, which are a relatively insignificant source of direct GHG emissions. Notably, our products manufactured at this plant help control emissions and result in other environmental benefits.

Some of those applications for our products include:



**Purification of drinking water as well as industrial and municipal wastewater**



**Optimization of transformer electricity transmission**



**Replacement of hazardous chemicals with our non-hazardous magnesium oxide and hydroxide products**



**Sulfur oxide pollution reduction**



**Nuclear waste neutralization**



**Improvements in gas turbine electric generation efficiency**



**Reduction of chemical usage in pulp bleaching and improvements in paper grade pulp yield, reducing wood demand, and fertilizers to maximize crop yield and to replenish soil nutrients**



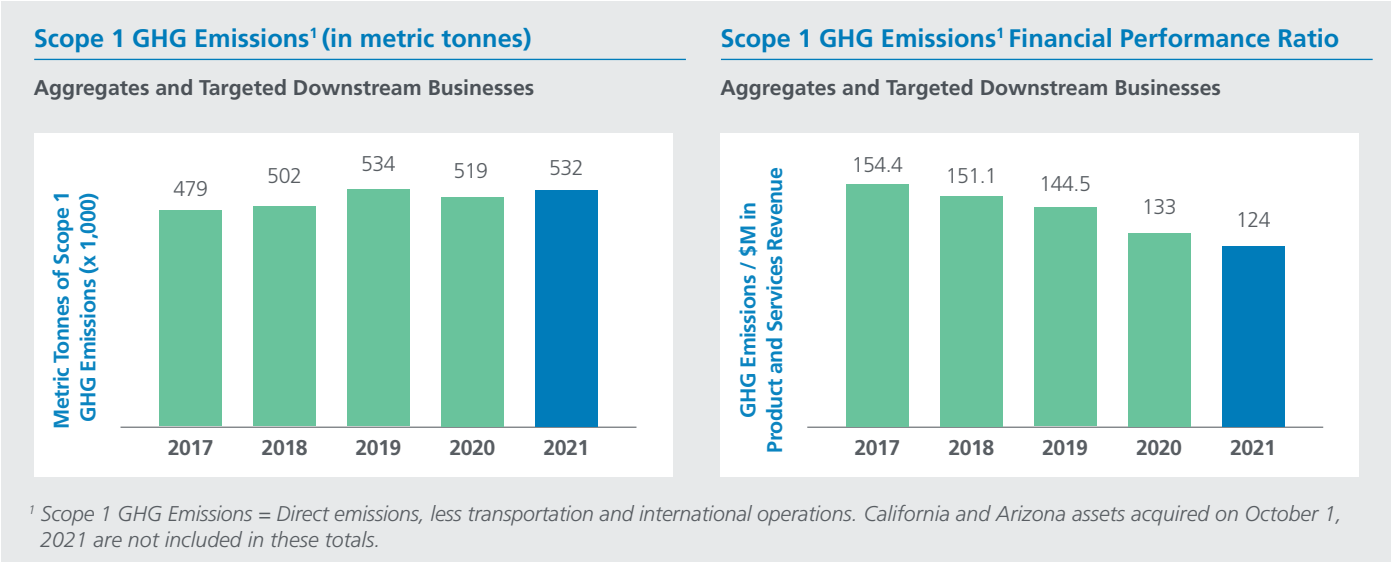
**Reduction of sewer system pollution, such as hydrogen sulfide gas**





Our Aggregates and Downstream Businesses

In our aggregates product line, which is the largest of our businesses, the primary source of our Scope 1 CO<sub>2</sub>e emissions is the consumption of diesel fuel in our mining operations. The same is largely true of our targeted downstream operations, namely ready mixed concrete and asphalt and paving services, that have similar mobile combustion sources, including off-road and on-road equipment. These downstream businesses also use natural gas in their processes, and those emissions, while considerably smaller than their diesel-related emissions, are included in the total carbon footprint provided in this report.



In an effort to mitigate the risks to the Company associated with GHG emissions while ensuring and improving financial sustainability, we have made significant capital investments in our mobile fleet in both the aggregates and targeted downstream businesses. We have also invested significant capital to right-size our operations, which can result in an operation using fewer pieces of equipment and, for the aggregates business, shorter haul distances from the mine to the crushing plant. See “Our Roadmap” starting on page 48 of this report.

***“In an effort to mitigate the risks to the Company associated with GHG emissions while ensuring and improving financial sustainability, we have made significant capital investments in our mobile fleet at both the aggregates and targeted downstream businesses.”***

Notably, like our Magnesia Specialties business, our aggregates business also produces material that is used by others to reduce emissions. For example, our limestone aggregate operations produce substantial quantities of scrubber stone sold to power producers for use in reducing the sulfur dioxide (SO<sub>2</sub>) emissions generated by their coal-fired plants. **As noted earlier, our aggregates production — although it represents the majority of our facilities and consolidated revenue — has a small direct GHG emissions footprint.**



In addition to products like our scrubber stone, in 2021 we took further steps to increase our presence in the recycled aggregate market with the acquisition of assets in both Texas, Minnesota and California. In 2021, across our network of operations, we accepted more than 2.8 million tons of concrete generated from various construction/ demolition projects (i.e. bridge/building demolition, highway projects, airport reconstruction, port projects). During this same period, our operations processed over 3.2 million tons of this material for reuse. This material is recycled and converted to various recycled products such as crushed base, ballast and rip rap.

As noted above, recycled concrete can play a significant part in reducing the GHG footprint of cement through the process of recarbonation. Moreover, by recycling concrete versus mining virgin aggregate, a certain portion of the GHG emissions that would otherwise be released are eliminated. Finally, the EPA estimates that 600 million tons of construction and demolition debris was generated in the United States in 2018. That volume is more than two times

the amount of municipal solid waste generated in the country each year. Landfills are finding it hard to meet the growing demand for space so every pound of material that can be recycled is a net gain.

Jason Lynch, Regional VP/GM — Southern Texas Aggregates Region, oversees a network of recycling yards around Houston, Texas. In 2021, these 10 operations recycled more than 1.3 million tons of concrete from a 2,900 square mile area around metropolitan Houston. Lynch sees benefits on many levels. “The production of locally sourced materials supplements the supply of aggregates in this market with few local natural sources. The business is a little different than a quarry because we are working with other companies and the public to acquire the raw materials that will ultimately be recycled for their own use on projects in the future. There is also a substantial amount of steel that is salvaged from the reinforcement within the concrete. These operations also generated approximately 18,000 tons of steel that can go back into use.”



*Our Hunter Cement Plant  
New Braunfels, Texas*



# Our Roadmap to Achieve 2030 and 2050 GHG Reduction Goals

## Our Goals

Notwithstanding our operational focus on aggregates, we have made considerable strides in reducing the intensity of our GHG emissions, as described previously.

In connection with our continuing commitment to sustainability, including concerns relating to climate change, we commit to a total of:

**15%** Reduction in the intensity of our Scope 1 CO<sub>2</sub>e process emissions from our heritage cement operations as compared to 2010 levels by 2030<sup>1</sup>

**10%** Reduction in the intensity of our Scope 1 CO<sub>2</sub>e process emissions from our magnesia specialties business as compared to 2010 levels by 2030<sup>1</sup>

**30%** offset or reduction of Scope 2 CO<sub>2</sub>e emissions by 2030 versus our 2021 baseline and NET ZERO Scope 2 CO<sub>2</sub>e emissions by 2050

Our Heritage Cement and Magnesia businesses (four plants) are responsible for approximately:

**87%** of Martin Marietta's overall Scope 1 CO<sub>2</sub>e emissions

<sup>1</sup> Facilities in most source categories subject to the USEPA's Greenhouse Gas Reporting Program (codified at 40 CFR Part 98), including cement production, began reporting emissions in 2010. Thus, we believe 2010 is a year with reliable and comparable data across a wide range of facilities in the U.S. Our Scope 1 CO<sub>2</sub>e emissions intensity associated with our cement operations in 2010 was 0.836. Notably, when we announced our 2030 emissions reduction targets in 2019, as described above, we took into account that we have been investing heavily over the past decade to reduce our cement and magnesia emissions, which is reflected in our favorable CO<sub>2</sub>e intensity performance relative to the U.S. cement industry average. We also believe this has allowed us to achieve significant environmental benefits from reduced emissions well ahead of many other operators in the industry and will position us not only to achieve our targets but to be in a good position to evaluate additional actions in the future.

Martin Marietta continues to issue enhanced climate-related disclosures, including information about the physical and transition risks and opportunities relating to climate change, in our annual reports to the SEC. We believe this enhanced disclosure:

- Helps to facilitate more informed business and investment decision-making, including by comparison with our peers in our industry
- Is consistent with the objectives of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and Sustainability Accounting Standards Board (SASB) guidelines for the construction materials sector

We are currently evaluating the SEC's proposed rules to enhance and standardize climate-related disclosures and will update disclosures as required. All of our public reports are available on Martin Marietta's website.

Our long-term reduction targets were selected based on a number of factors, including the significant investment we have made in our plants in the past two decades; the use of improved technologies in our plant processes that has resulted in a reduction in GHG emissions; the current limited ability in the United States to use alternative fuels to operate our plants, both from a regulatory and a customer perspective; the stringent requirements included in all of our air permits for our cement and magnesia specialties plants; and the absence of high-emissions sources, such as wet or older cement plants, that could be shut down or removed. We chose 2010 as our base year because that was the first year that most sources were required to, and started reporting, emissions to the USEPA resulting in reliable and comparable data.



Midlothian Cement Tire Processing





## Our Roadmap

Our roadmap to achieving these reduction targets includes numerous actions we have committed to, through current or recent investments and operational improvements, as well as future steps we are evaluating, including:

### Coal replacement and tire derived fuel (TDF) investments

- In the last five years, we have invested in tire handling systems at both the Midlothian and Hunter Cement plants and in 2021, tires made up almost 30% of our fuel mix. We are currently considering additional tire handling upgrades at the Hunter facility.
- We are in the process of permitting and installing a larger natural gas line to the Hunter Cement Plant which is now expected to be completed in the second half of 2022 and will further reduce our coal usage.
- We have reduced coal in the fuel mix at our cement plants from a high of almost 70% to 13.5%.

### Use of additional alternative fuels, including the purchase of wind energy and other renewables

- In 2021 we continued to make use of B99 Biodiesel in our Midwest Division and emitted 5600 fewer metric tonnes of CO<sub>2</sub> than if we had used ordinary diesel.
- At our Woodville, Ohio lime Magnesia Specialties plant we have embarked on a wind energy project that will provide much of the power needed to operate the facility.
- We are currently evaluating both wind and solar power projects in our cement businesses.

### Rollout of PLC Cement

- With the approval of PLC by both CALTRANS and TXDOT, we have begun a rollout of this product.
- PLC cements can reduce the GHG footprint of our cement product line up to 10%.

### Continued use of synthetic gypsum as a substitute for natural gypsum

- Synthetic gypsum is a byproduct of flue gas desulfurization (FGD) — a scrubbing technology utilized by many coal-fired power plants to reduce SO<sub>2</sub>.
- In 2021 we reduced our need for mined gypsum by 46% over 2017.
- Using recaptured gypsum helps to divert 51,000 tons from overburdened landfills.

### Capital investments in more efficient, lower emission transportation systems and emissions reduction equipment

- Reduced fuel use in our aggregates business by converting from quarry trucks to conveyor belt systems, right-sizing trucks and installing fleet management software.
- Currently we are using five (5) 944K John Deere hybrid wheel loaders in five different operations to evaluate them in a variety of conditions. Initial results are promising with up to 5700 fewer gallons of fuel used annually versus a comparable traditional diesel loader. We are working with our other heavy equipment vendors as they develop their own heavy electric and hybrid vehicle technology.
- Continued upgrading our mobile equipment fleets to newer, cleaner burning equipment

### Operational improvements

- Adding slag to our process, using our CemStar patented technology. In 2021, the slag addition represented almost 5% of our clinker production.
- We are conducting pilot studies of the CarbonCure system in our ready mix business. This system injects recycled CO<sub>2</sub> into the concrete mix to reduce its carbon footprint without impacting its performance.
- We are currently undertaking a \$135 million modernization of our Finish Mill 7 at the Midlothian Cement plant, which will increase efficiency and reduce energy consumption at the facility.

### Investments in our business to develop and market products that deliver meaningful environmental benefits, including reducing emissions and chemical use

- Scrubber stone produced by our limestone operations is used by power producers in controlling sulfur dioxide emissions.
- Products manufactured by our magnesia specialties business assist in purifying industrial and municipal wastewater, neutralizing nuclear waste and reducing chemical usage and wood demand in paper production.



### Leadership positions in industry and advocacy associations that support actions to control climate change

- Participating in working groups at both the PCA and NRMCA to evaluate the feasibility and/or opportunity associated with PCA's 2050 "Net Zero Roadmap" published in the 3<sup>rd</sup> quarter of 2021, along with other developments relevant to commercial-scale CCS technologies that we anticipate being considered by the industry in the coming years.
- Working with Fortera at our newly acquired Redding California cement plant to permit and construct a pilot carbon capture plant and determine the feasibility of this technology at other locations.
- Support for the MIT Sustainability Hub, which conducts research supporting the beneficial use of low-carbon footprint concrete and brings together leaders from academia, industry and government to develop a holistic approach that will achieve durable and sustainable homes, buildings and infrastructure in ever more demanding environments.

We also recognize the importance of continuing to set goals for sustainability and to increase transparency around GHG emissions reporting, and thus, we expect to make additional reports and commitments for our businesses in the years to come. Therefore in this Sustainability Report we have included, for the first time, Scope 2 emissions reduction/offset targets.

## Environment and Community First

### *Woodville Wind Turbine Project to Reduce Emissions, Provide Community Aid*



Our Magnesia Specialties Lime operation has entered into an agreement that will decrease the site's greenhouse gas emissions and provide valuable community assistance for decades to come.

Reached in the final weeks of 2021, the deal with industrial power company One Energy will bring three wind turbines to the division's Woodville, Ohio, operation that are projected to lower the site's Scope 2 GHG emissions by up to 10,000 metric tonnes per year.

"We've been looking into this for some time, but we wanted to fully understand the technology and its impacts in order to make sure this move would be sustainable for us," said Wade Weaver, the site's general manager. "We've worked closely with One Energy and we've seen the studies. We believe this project will greatly help us lower our carbon footprint."

Set to be constructed in mid-2022 on a reclaimed section of the property, each turbine base will stand about 260 feet tall and feature three, 143-foot blades.



Before signing the formal agreement, One Energy worked with Martin Marietta to conduct a series of feasibility studies. The studies took into account a wide number of factors, including the turbines' potential shadow and noise impacts and the potential for ice to become hazardous and/or affect turbine performance during the colder months.

One Energy Senior Vice President and Head of Project Planning and Technology Jessica Grosso said the turbines will be positioned to perform safely and optimally. Once up and running, the turbines will immediately help the Woodville plant meet its energy needs, Grosso said. Though their impact will vary from month to month based upon seasonal weather conditions, on average, the turbines are expected to annually create 14 million kilowatt hours (kWh), or enough energy to run approximately 1,200-1,350 average-sized homes.

Weaver said safely maintaining the turbines was one of Magnesia Specialties' chief concerns when first learning about the technology. Quickly, however, the Lime and Stone team found that safety at One Energy is just as important as it is at Martin Marietta.

Grosso said the Ohio-based company has experienced no lost-time injuries and just one recordable injury since opening in 2009.

"One Energy is vertically-integrated, meaning we don't just design these turbines, we do all of the development work up front, perform the construction and then handle all of the maintenance," she said. "The reason we've built our company this way is because it allows us to prioritize safety. It allows us to uphold our own high standards and not rely on the practices of a contractor."

One Energy will fund the installation of the turbines and then provide the region about \$27,000 in additional annual tax revenue. Beyond that, however, One Energy will create one \$5,000 Megawatt Scholarship for each turbine to be awarded to local college-bound students during each year the turbines are in operation. Martin Marietta has signed a 20-year contract with One Energy, meaning the scholarships will assist at least 60 students in the Woodville area who plan to enter a STEM field (science, technology, engineering and mathematics) and provide total college aid of at least \$300,000.

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"We have long valued our partnership with the people of Woodville and very much appreciate this opportunity to give back to the community," said Magnesia Specialties Division President Chris Samborski. "As we move forward, these wind turbines will significantly reduce our environmental impact and bring substantial tax benefits to the town. Additionally, the Megawatt Scholarship will provide support to dozens of our local students over the course of our contract with One Energy. The overall impact of this project will be truly great."





# Water Management

We use water for production, maintenance activities, environmental controls and reclamation. We recognize that water availability is critical to the future of our communities and our operations. We also recognize that our diversion and discharge of water into the environment impacts our communities and the ecosystem. We are committed to responsible and efficient water management and continuously seek opportunities to use renewable and recycled sources. As with our GHG emissions strategy, we invest in new processes and technologies following appropriate testing.

In 1972, the U.S. Congress enacted the Federal Water Pollution Control Act, now known as the Clean Water Act (CWA). This law, as amended, established the basic framework for regulating water pollution in the United States. Compliance with water quality requirements under the CWA is a critical aspect of Martin Marietta's environmental stewardship.

While we make significant efforts to reuse and recycle water in our processes, we do have discharges at or from a number of our locations. In those cases, we have obtained

permits under the National Pollutant Discharge Elimination System (NPDES) that contain site-specific limits designed to maintain the health of the receiving water body and the aquatic species that call it home. We use treatment systems designed to ensure that permit compliance is maintained and conduct regular monitoring and reporting to ensure compliance.

In addition, stormwater discharges associated with industrial activity are regulated pursuant to the CWA. These regulations require that the site operate under either a general permit applicable to all similar facilities or a site-specific permit depending upon many factors.

The storm-water permitting system is designed to minimize and reduce pollution in the runoff from industrial facilities. Sites must maintain a Storm Water Pollution Prevention Plan, implement Best Management Practices, and undertake certain sampling and reporting.

By the end of 2021, we operated more than 350 aggregate facilities across the United States and recorded a total of only five CWA-related violations, almost all of which were minor.



*An expansive lake created at a reclaimed site in Georgetown, South Carolina*



## Water and the Needs of Our Communities

Not only do we focus on ensuring that our discharges do not diminish the quality of local water resources, we also are committed to being responsible users of the available water in the communities in which we operate. Martin Marietta's production processes rely on water. Importantly, we implement water management practices recognizing that clean and reliable water is also critical to our local communities.

To this end, in 2020 we examined the water stress levels of these communities, measured as a ratio of annual water withdrawals to total available annual renewable supply. A higher percentage indicates that there are more water users competing for the water resource.

Areas with high water stress are those with a range of 40 percent to 80 percent and areas with extremely high water stress are those greater than 80 percent. We analyzed our operating locations by zip code, using the World Resources

Institute's Water Risk Atlas tool, known as Aqueduct. A profile of our building materials operations (which includes all businesses other than Magnesia Specialties) is shown below:

***"Importantly, we implement water management practices recognizing that clean and reliable water is also critical to our local communities."***



**43** aggregates locations in areas classified as high water stress

**48** aggregates locations in areas classified as extremely high water stress



**20** ready mixed concrete locations in areas classified as high water stress

**58** ready mixed concrete locations in areas classified as extremely high water stress



**1** cement plant located in area classified as high water stress

**1** cement plant in area classified as extremely high water stress

Geographically, the majority of our locations classified as high or extremely high water stress areas are primarily in Texas, Colorado and California. In those areas, responsible water use and recycling are critical, and we have made significant efforts to reduce water waste, as described in the following examples.

Over the past several years, Martin Marietta has invested in water recovery equipment at Medina Rock & Rail Quarry, Beckmann Quarry, Chico Quarry, Black Spur's Bird Hill Plant and Hunter Stone Quarry, each located in Texas. For example, at our Medina Rock & Rail plant between 2018 and 2020 we completed a number of operational improvements, including an on-site water recycling pond as well as paving 4 miles of roadway. While the plant's production of washed products has increased dramatically

over time, these improvements still led to an estimated 20 percent drop in water usage per ton of stone produced or an annual savings of approximately 390 acre feet of water.

The water recovery system at Beckmann Quarry, installed in 2010, continues to provide significant benefits and reduced the facility's water withdrawal by an average of 50 percent compared to 2009. This equates to a pumping reduction of more than 20,000 acre-feet, resulting in billions of gallons of additional Edwards Aquifer water that is available to South Central Texas communities for other beneficial uses.

In 2020 and 2021, our Texas ready mix operations undertook initiatives designed to reduce water waste. In particular, all but one of our North Texas plants have

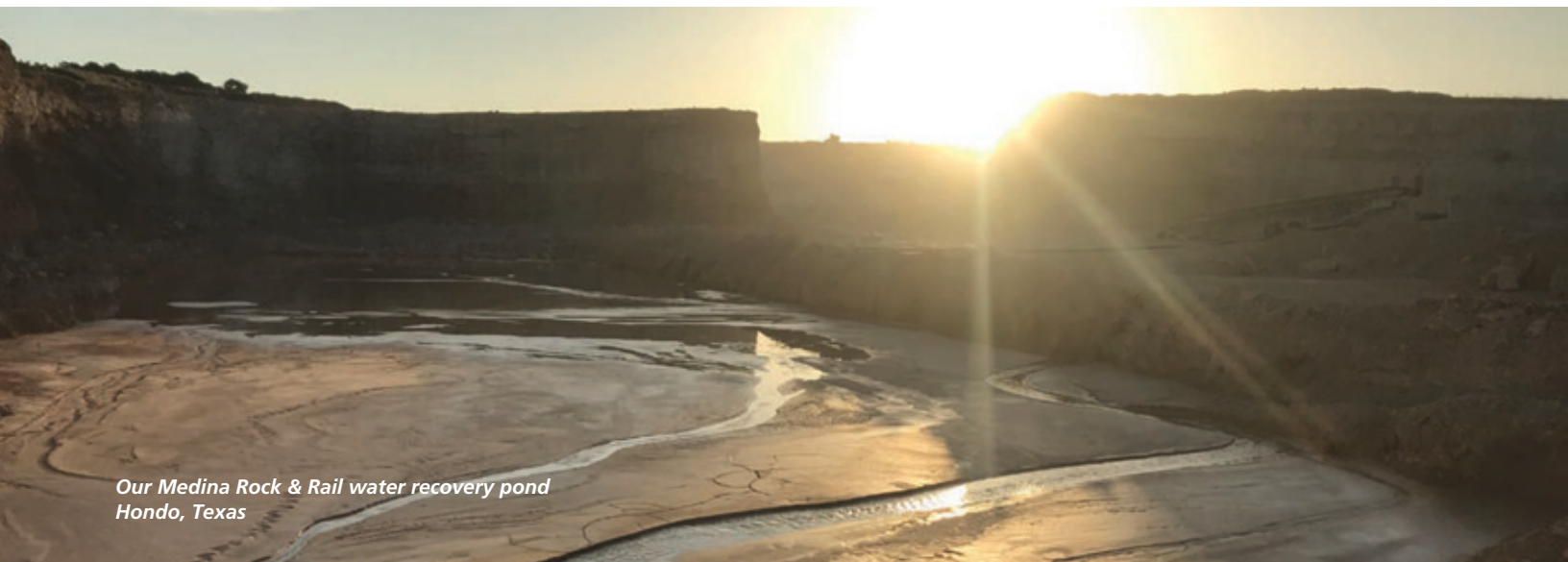


installed Shumaker Industries “Load and Go Ready Mix Truck Wash”® systems, with the final 13 being installed in 2021. These systems dramatically reduce the amount of water used to clean ready mix trucks after loading, reducing both water use and runoff.

The West Division continues to work in cooperation with the City of Denver, the City of Aurora and the State of Colorado to create much-needed new fresh water reservoirs at our facilities. These water projects include on-going projects at our Riverbend Sand & Gravel, 35th Avenue, Taft Sand & Gravel, Specification Aggregates, Duckworth, and Heaton facilities with the opportunity to repurpose more pits in the future. The West Division is also working to develop storage facilities in other locations within its footprint.

Our Colorado Front Range operations are situated adjacent to rivers, streams and ditches that provide vital water for agricultural, residential and commercial purposes. This system of water distribution through streams and ditches was established in the 1880’s supplying water from the Mountains to the Front Range below. Through our numerous water rights, 3 state approved reservoirs and 4 leases, Martin Marietta operates to ensure there is no net water loss to the stream system. This means that our total water usage is returned back monthly to the stream system and the surrounding aquifers. In 2021, Martin Marietta again returned over 130 million gallons of water back to the environment through this process.

While water conservation and protection is key in our western operations, it is not neglected elsewhere. For example, our East Division has spent more than \$5 million dollars in the past two years on clarifier and other water system upgrades to ensure both process water recovery and stream protection.



*Our Medina Rock & Rail water recovery pond  
Hondo, Texas*





## Waste Management

We are committed to improving resource efficiency through reuse, recovery and/or recycling of waste materials in our businesses. We also dispose of waste using safe and responsible methods.

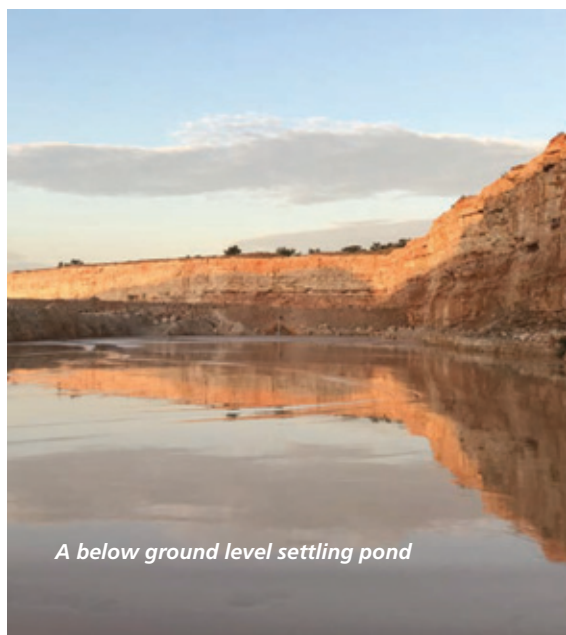
In recent years, following the failure of the Brumadinho Dam at a Vale iron mine in Brazil, there has been increased attention by regulators and the public to the environmental and safety risks associated with the storage and disposal of mine tailings. Although our aggregates operations result in certain waste products, ours are meaningfully different than tailings produced through metals mining. Whereas, in a metals mine, a very high percentage of the mined material becomes waste or tailings (e.g., some copper mines waste in excess of 80 percent of their raw material),<sup>1</sup> the waste fraction in our quarries and mines is generally less than 20 percent of the mined stone.

Further, tailings in metals mines can release toxic metals, such as arsenic and mercury, and may lead to acid mine drainage (caused by microbial action on sulfide ores) which can result in significant environmental impacts, particularly in the case of a sudden release. Our operations, on the other hand, involve mining limestone and granite; the resulting fines are non-hazardous.

Notwithstanding these important differences, we attempt to minimize the need to store and/or dispose of aggregates waste products at our facilities by selling the fine material from our processes for reuse in other commercial activities. We often sell fine material as a replacement for natural sand where customer specifications allow. To the extent that we maintain settling basins for fine material on our mine sites, these are generally constructed below grade in mined out areas of our pits or in specially engineered settling basins.

These pits and basins are regulated by MSHA, as well as various state laws, and are subject to multiple inspections each year. Further, to the extent water is discharged from a pit or basin, it is regulated by the CWA and various state laws and subject to periodic monitoring.

These pits and basins often serve as more than simply a place to collect the fine rock fraction. As an adequate supply of water is essential at any aggregate mining operation for processing and dust control, water from our settling basins is reintroduced to our process. This reduces our reliance on other water sources and lessens stress on local aquifers and surface water bodies.



*A below ground level settling pond*

**The 282-foot-high Brumadinho Dam in Brazil was built using the “upstream” method in which terraced embankments are constructed successively higher on the upstream side of the dam as the impoundment fills with tailings. Thus, it was not a single engineered structure. Brazil has now banned new upstream tailings dams and ordered the removal of existing ones. None of Martin Marietta’s 34 dams, all of which are located in the United States, were constructed using the upstream method. The vast majority of our dams are under 30 feet, and none exceeds 70 feet in height. All of our dams are designed and operated in compliance with stringent U.S. regulations, including those of MSHA, various states and the Army Corps of Engineers. Additionally, these structures are regularly inspected by our qualified personnel. The majority of our dams are maintained in connection with fresh water ponds.**

<sup>1</sup> D. R. Nagaraj “Minerals Recovery and Processing” in Kirk-Othmer Encyclopedia of Chemical Technology, Wiley-VCH doi:10.1002/0471238961.1309140514010701. a01.pub2



## Biodiversity and Land Use

We own or lease significant land holdings on which we operate our businesses. We are committed to minimizing operational impacts on local ecosystems' biodiversity. In addition to complying with applicable laws and regulations, we integrate various protection measures into the way we operate, as described below. Further, our environmental management practices consider the relevant ecosystem throughout the lifecycle of an operation, including reclamation.

### Habitat and Species Protection

Throughout the duration of our operations at a particular location, we take a variety of steps to mitigate impacts on habitats and species and to restore disturbed ecosystems. Our environmental staff works in concert with our mine planners and operations teams to ensure sensitive areas and species are not impacted. We follow the U.S. Fish and Wildlife Service guidelines and regulations for operations near endangered or threatened species, and we obtain required permits and conduct necessary mitigation in connection with our activities in or near waters of the United States.

An excellent example of this practice can be found at our Woodworth facility in Louisiana which borders Bayou Clear, home to the endangered Louisiana Pearl Shell Mussel. This mussel is restricted to only two river drainages in central Louisiana, and as a result had declined by over 80% during the last few decades.

As both sedimentation and water diversion could impact the Pearl Shell Mussel, during construction of the Woodworth facility a number of steps to prevent such impacts were taken including the use of substantial buffers between operations and stream banks; levees constructed on a 3-1 slope; and the use of matting, silt fencing, and seeding to prevent sedimentation from erosion. The facility also installed a closed loop water recycling system to prevent any discharges of process water. In part due to these efforts, during the last mussel survey conducted in late 2019 by the Louisiana Department of Fish and Wildlife, it was found the numbers of mussels has increased.

Additionally, many of our quarries benefit biodiversity by creating and maintaining valuable habitats for many species of wildlife, including threatened or endangered species. This occurs both in the ordinary course of maintaining large rural sites and through set-asides and conservation easements we have granted. In addition, in many of our sand and gravel operations, we create wetland features that improve water quality long term and water-storage basins that help to supply local water needs.

Because we own and lease many thousands of acres of land, we are also active managers of significant forest resources. Management and replenishment of this resource is top of mind for our operations. For instance, beginning in 2015, our East Division implemented a timber management program. In the last 4 years alone the division has planted more than 560,000 trees reclaiming many acres of forest.



*Pearl Shell Mussels*



Our sites also actively partner with local agencies, as well as organizations like the South Carolina Department of Natural Resources. For example, our Berkeley Quarry has undertaken significant steps to encourage the protection and enhancement of wildlife. In 2020 the Company entered into a Safe Harbor Agreement with the South Carolina Department of Natural Resources covering 2,050 acres at its Berkeley property for the protection of the endangered Red Cockaded Woodpecker. This 99 year agreement includes habitat buffers to protect the existing nesting tree, along with annual habitat enhancement activities including thinning, controlled burns and construction of artificial nesting boxes to encourage additional birds into the habitat. This site also participates in the South Carolina Wildlife Federation's W.A.I.T. (Wildlife and Industry Together) program. This program encourages the protection and enhancement of wildlife on industry lands.

Not only has the Company partnered with local agencies and groups for conservation projects on our sites, but we now also have made significant contributions to offsite projects as well. While, it's common knowledge that Martin Marietta limestone is incredibly important in the construction of roads, homes, buildings and other land-based structures, it's not well known that our products are playing an increasingly important role beneath the sea. From the Outer Banks to the South Carolina border, North Carolina has about 300 miles of coastline that is home to not only millions of people, but also many wildlife species. Numerous organizations, both public and private, are working to protect this coastal habitat and Martin Marietta's material is vital to their mission.

One of the private organizations working to ensure coastal preservation is Martin Marietta customer RS Shorelines. Formed by Restoration Systems in 2020, RS Shorelines uses native materials to build living shorelines that serve as viable, and, in many ways superior, alternatives to traditional coastal barriers like bulkheads and seawalls. Many manmade sea barriers effectively protect the immediate vicinity in which they're placed. The problem, however, is that the force of the water on such barriers is not eliminated, only diverted elsewhere along the coast. This means that while the area nearest the barrier wall may be protected, erosion and other harmful effects are still felt along other points of the shoreline.



*Endangered Red  
Cockaded Woodpecker*

In an effort to remedy these problems, RS Shorelines' affiliate RS Solutions invented QuickReef™. Utilizing a variety of native North Carolina materials, including marine limestone, or marl, from the Company's Belgrade Quarry, QuickReef™ works in conjunction with other elements of a living shoreline — including local flora and rock structures — to offer a more “breathable” coastline option that effortlessly blends into the natural environment. RS Solutions spent a considerable amount of time searching for just the right mix of natural materials to use in QuickReef™ before settling on Belgrade's marl as a primary ingredient in their recipe.



*Largely because of our efforts to maintain habitat diversity,  
we easily coexist with wildlife at our Specification Aggregates Quarry*





In addition to having a longer lifespan than many traditional coastline barriers, living shorelines provide a number of environmental benefits, including the promotion of marsh land that helps decrease the amount of greenhouse gases in the atmosphere and the creation of valuable habitats for fish, crabs and a host of other wildlife, including oysters. Many QuickReefs™ are loaded with the mollusks within one year of placement, she said.

Oysters have an enormous benefit for the environment with adult oysters filtering about 30 gallons of water each day. Though not currently an endangered species, their worldwide population has decreased dramatically in recent decades as a result overharvesting, disease and loss of natural habitat.

While one benefit of RS Shorelines QuickReef™ is to restore oyster habitats, the creation of natural oyster reefs is the sole driving force behind a number of other projects for which Martin Marietta provides materials, including those being run by agencies and organizations like the North Carolina Division of Marine Fisheries, the North Carolina Coastal Federation, The Nature Conservancy (headquartered in Virginia), and a handful of others. The efforts of these groups have had an immense impact in recent years. Since 1996, there have been 15 sanctuaries developed in the Pamlico Sound near the Outer banks with a combined area of more than 350 acres.

Martin Marietta's marl has played a major role in the creation of these sanctuaries with class B rip rap (bowling ball-sized limestone rock) from Clarks Quarry being used as the primary material for oyster reefs. Since 2018, more than 111,000 tons of Martin Marietta limestone has been used for oyster reef creation with an additional 36,000 tons scheduled for shipment in 2022. North Carolina has one of the strongest oyster sanctuary programs in the country and other states are taking note. Such programs are on the rise across other coastal states.

Buzz Crosby, Regional Vice President / General Manager of Martin Marietta's Raleigh District (home to both Belgrade and Clarks quarries), says he is excited his team's products are being utilized so sustainably. "As a company that heavily values environmental stewardship, it's great that Martin Marietta has the opportunity to work with organizations so completely dedicated to our environment," Crosby said. "Whether we're talking about oyster reef sanctuaries, or the construction of QuickReefs™, the goals are one in the same. These groups work to ensure the overall health of our wildlife habitats so that they will be preserved for future generations. That's definitely a mission our team is proud to support."



Oyster reef under construction



Oyster growth at 14 weeks on a Quick Reef™



## Land Reclamation Activities

Our approach to reclamation includes the protection of the environment while we are quarrying as well as its restoration after mining, both of which we typically plan before we open a new site. In so doing, we commit to activities that include minimizing impacts to neighboring properties, wildlife and fauna, adjacent streams and water quality. We are generally required by state or local laws, or pursuant to the terms of an applicable lease, to reclaim quarry sites after use, which usually includes a requirement to post a reclamation bond to guarantee performance of that work. During the process of applying for permits, we include extensive information regarding our reclamation activities, and consider any concerns expressed by local communities and other stakeholders.

We own or lease more than 250,000 acres of land and have developed reclamation or restoration management plans for approximately 90 percent of our operating quarry sites. Generally, we perform reclamation activities on an ongoing basis as an integral part of the normal quarrying process.

An important aspect of reclamation is returning the land to beneficial use. Lands that are reclaimed are often improved by a more diverse plant community and weed control. As such, reclaimed lands often provide valuable wildlife habitat. Other common land uses for our reclaimed quarries post-mining include water storage and reservoirs, parks and other recreational uses and sometimes commercial development.



*A reclaimed quarry in  
Rocky Point, North Carolina*

An Ohio District reclamation project that has successfully transitioned an open-pit limestone quarry to a sprawling open space has been recognized nationally by the Interstate Mining Compact Commission (IMCC). The site — formerly the district's Clinton Quarry — once provided the crushed stone needed for cities like Cincinnati and Dayton, Ohio, to

thrive. Today, it's helping the community in another way: as an 86-acre natural area featuring a 30-acre lake stocked with fish. The IMCC has recognized the project with its National Mine Reclamation Award in the noncoal category.

"We're proud to receive this award," said Regional Land Manager Matt McCoy. "These types of projects are a great way for us to give back to the community, so we're excited to do more as similar opportunities come up in the future."

McCoy said work on the reclamation project began in the spring of 2014 and was aided by several wet summers that filled the pit with relative quickness. While the company is no stranger to reclamation efforts, McCoy said this particular project was a bit different in that Clinton County required a split-bench before grading could begin. This step, which hasn't been required at any other company location in the state, added time, effort and expense to the reclamation project. Since completing the grading and seeding, county and state officials have reached out to McCoy to note that many species of birds, fish and semiaquatic mammals like minks have been spotted on the grounds.

Ohio District Vice President-General Manager Franz Peters said the project is further evidence that Martin Marietta is a company that lives up to its commitments. "This is proof that our work doesn't end when the mining ends," he said. "Not only did we do what we promised we would do when this site was first permitted, but we did it to the Martin Marietta standard. That's what is being recognized here."



*Reclaimed areas at  
the former Clinton County Quarry*





McCoy said District Engineer Philip Rangitsch, who completed the project's awards application, and Plant Manager Ian Trefz were instrumental in the honor, which, according to the IMCC, recognizes Martin Marietta's dedication to environmental protection through effective and efficient mining and reclamation practices.



We meet our local and state commitments once we're done mining and restore the land so it can be beneficial for the entire community," McCoy said. "That's something we do across the entire company. We have a track record of reclaiming beautiful stretches of land and turning them over for the community's benefit. For me, this site ranks right near the top of our best projects."





## Continuous Cycle of Production and Reclamation Offers Ongoing Benefits to Colorado Communities

As the population boom in Colorado continues, two natural resources above most others are in incredibly high demand: sand and water storage. What makes Martin Marietta's Taft Hill Sand & Gravel such a valuable community partner is it provides one as a direct result of producing the other.

Increasing its population by nearly 15% between 2010 and 2020, according to the U.S. Census Bureau, Colorado is the sixth fastest growing state in the country. Supplying the housing and infrastructure needed to accommodate that growth requires ample amounts of ready mixed concrete, which requires high-quality sand and gravel. Taft Hill has plenty of it.

While many think of beautiful mountains and mountain lakes when they picture Colorado, much of the state – including Denver and its surrounding areas – rests in what is technically a semi-arid high desert. To put that in perspective, Denver receives about 14 inches of precipitation annually compared to other cities like New York City (46 inches), Seattle (37 inches), Chicago (36 inches) and Phoenix (9 inches). For Denver to make the most of its precipitation requires water storage options. As a result of its production processes, Taft Hill has plenty of those, too.

It's all part of the mining cycle, says Area Production Manager Britney Guggisberg. "Mining is important because it provides the materials we need for our homes, roads and public buildings. Locally, Taft Hill has produced the sand and gravel needed for this construction since the early 1970s," she says. "But there's more to this operation than just mining. Reclamation efforts are ongoing here. We mine, we reclaim. We mine, we reclaim. Because water is so important in Colorado, much of our reclamation efforts focus on water storage."

Whereas most large crushed stone operations elsewhere in the country mine in a concentrated area over the course of decades, Taft Hill, like other Martin Marietta sand and gravel operations in the West Division, is able to mine its deposit in a series of smaller cells. This allows the team to reclaim significant sections of its property while active mining continues along a different section of the materials seam.

West Division Director of Natural Resources James Sharn says that once a cell is depleted of sand and gravel, it can be converted into a reservoir. At Taft Hill, the team is currently taking a phased approach to convert a pair of adjacent cells. Phase I of the project, which was awarded the Jack Starner Memorial Reclamation Award by the Colorado Division of Reclamation, Mining and Safety, was completed in 2020 and resulted in the creation of a 420-acre reservoir.



Sharn says the first step to reclaiming Phase I required the local Martin Marietta team to make it leak proof by adding a clay liner composed of compacted clay and overburden. Once certified leak proof by engineers from the state's Division of Water Resources, the team made sure the surrounding land was properly reclaimed by planting a variety of native grasses, flowers, plants and other greenery.



Phase II of the project, which is set for completion in 2022, received similar care and attention throughout 2021. Once finished, it, too, will become a valuable reservoir.

While the added water storage is important, Guggisberg says the ancillary benefits of the project are having additional impacts on both the local community and its wildlife. As part of the reclamation effort, a local bike path was extended to cross a causeway between the two new reservoirs. This path is now heavily utilized by local residents.

Additionally, built into each reservoir are shallow entrance and exit points so that the water can be safely accessed by animals like foxes, deer, geese, moose and racoons. Once Phase I of the reclamation was completed, Martin Marietta entered into a partnership with the Greenwood Wildlife Rehabilitation Center, which now regularly releases rehabilitated wild animals on the reclaimed property.

"Our reclamation work at Taft Hill has been exceptional, and I think it's important that we take the time to shine a spotlight on it and other, similar projects," Guggisberg says. "The positive impact our operations can have really is astounding. Our mining is needed to help build communities, and we take that work seriously. Equally as important,



however, is the responsibility we have to care for our environment. We want to make sure that the land we leave behind can be properly and safely enjoyed for generations to come.”

## Enhanced by Our Presence

*Winner of The Company's Diamond Award Champions Stewardship*

### Hatton Quarry Earns Top Company Honors Focus on Environment, Safety and Community Engagement Propels Arkansas Team to First Diamond Elite Award

“It’s not just the center of the park, it’s the center of the community,” says Plant Manager Salomon Hernandez as he ponders the impact of the Cossatot River. “This river is visited by people from across the state. It’s used by every member of our team. This is why it’s so important for us to be good environmental stewards.”



*Plant manager Salomon Hernandez*

Found on 5,000 acres of beautiful land about 140 miles west of Little Rock, Arkansas, Hatton Quarry plays a large role in its rural community of just a few hundred people. Among the area’s largest employers, the site offers safe work to 30 men and women from across the region. That team, in turn, is more than willing to represent Martin Marietta and does so frequently throughout the community.

In recent years, the Hatton team has gone above and beyond to support its neighbors, organizing toy drives for children in foster care, working with the company’s local ready mixed concrete team to build a basketball court at the local elementary school, sponsoring a half-marathon through Cossatot River State Park and funding an annual \$1,500 industrial maintenance scholarship at the local community college.

Still, because the site and its people are so close to Mother Nature, many of the most important community efforts have been made to ensure the site operates in a truly sustainable way.

Because Hatton discharges water into the Cossatot River daily, and because the river is home to a variety of fish and endangered plant species and serves as a wintering ground for several American bald eagles, water testing at the operation is nearly as much a priority as safety. Hernandez says the team regularly examines discharge from three separate testing points and hasn’t received an environmental violation in more than 16 years.

“This team shows up for the environment,” says Foreman Denson Broach, who, this year, celebrates 24 years with Martin Marietta. “We participate in an annual river cleanup. For many of us, if we’re not here at work, we’re out on that river, so it’s our duty to care for that resource.”

But the team is active on more than just water. In recent years, Hernandez says, the group has worked with the Arkansas Game and Fish Commission to transform 30 acres of the quarry’s forest land into a natural wildlife habitat. The multi-year process called for controlled burns and the removal of a great many existing trees and grasses from the land. Nut-bearing trees were spared and new, native grasses were planted. The goal, says Hernandez, was to create a habitat suited to rabbits, deer, foxes and wild birds like quail and geese.

“This land is near the entrance to our site and in the spring, when the flowers bloom, it’s very pretty,” Hernandez says. “The effort was so successful that we decided to meet with a biologist from Game and Fish to discuss a second phase of this project. By the end of this year, we plan to begin work on an 8-acre section of land that we will turn into a habitat for water fowl.”





Important though it may be, community and environmental work would not be possible without production and safety. Hatton excels at both. A rail-connected operation that sends the vast majority of its material to Louisiana, Hatton and its crew are a picture of efficiency. In recent years, the team has continued to increase volume while lowering cost. The group has additionally utilized technology to improve many of its practices, making the operation more productive and, most importantly, safer.

Foreman Barbara Pollard, who will celebrate 25 years at Hatton this November, says the innovation that has occurred at the quarry is impressive, but that the people are still the driving force behind the site's success.

Pointing to the team's reaction to the COVID-19 pandemic, she's quick to note that the group's collective ability and skill are what enable the operation to thrive.

"At one point, we were short-handed because we had five or six people who were quarantined. Another operation may not have been able to effectively handle that situation, but because safety is always such a priority here, we know that every member of this team is cross-trained and can safely and properly operate three to six pieces of equipment," Pollard says. "That's how we got through the worst of the pandemic. We worked together and we stayed safe."

With the Diamond Elite trophy now firmly at home in Hatton, team members say they intend to do everything they can to hold on to the honor for as long as possible. While giving a nod to the quarry's Diamond Elite predecessor, Lemon Springs, Hernandez says doing so will take continued focus on safety, stewardship, community and operational excellence.

"Lemon Springs has already provided a great example for the entire company," the plant manager says. "We had always believed that you win this award once and then it moves on. When they pulled back-to-back Diamond Elite wins, they proved that it can be done. Our people took notice of that, and you can bet that they're going to do everything within their power to stay safe, give back, care for our resources and crush as much rock as possible. If we have our way, this trophy isn't going anywhere!"



# Bashing Austin's Trash

*Company Volunteers Partner with Community on Colorado River Cleanup*



Forty-one people. Eight hours. Almost ten tons of trash.

The ways to quantify the impact of November's LoCo Trash Bash are many, but the one thing Regional Vice President-General Manager Wesley Salem couldn't calculate was the emotion of it all.

"It was tremendously rewarding," he said. "I was blown away by the level of engagement our employees brought to the event. Everyone was energized, and everyone worked really hard."

The November 13 environmental cleanup has been a growing event in the Austin area for the past few years, and, in 2021, involved about 175 volunteers working along 11 locations in and around the Colorado River.

Ready Mix Operations Manager Brian Ridlon had participated in the Trash Bash before and, after being impressed with the event, brought it to the attention of other Martin Marietta leaders in the area.

Seeing the opportunity to make a strong local impact, Salem gained support from Southwest Division President Kirk Light and Vice President of Operations Services Jason Reed, and offered to help sponsor the event at a cost of \$5,000.

"We have three locations near the Colorado in Austin, so we're very much stakeholders in this area," Salem said. "It's our duty to help protect it."





Working with Ridlon and Environmental Engineer Jayde Young, Salem put out a call for volunteers and was blown away by the response. People began responding from sites in Austin, San Antonio and even Houston (a city about 160 miles to the east). They represented the division's ready mix and aggregates businesses as well as its production, sales, technical services, human resources, environmental and finance teams. Salem says the 41 Martin Marietta volunteers made up about 25% of the event's total participation.

Together, the Trash Bashers removed more than 9.5 tons of refuse from the river, an improvement of 40% over previous years' hauls. Ridlon was recognized for his efforts on the day, while Kirby Ready Mix Plant Supervisor Bill Coburn was acknowledged for removing the largest item from the river. Both men were awarded prizes from event organizers.

Young was responsible for ensuring all Martin Marietta volunteers were properly fed, equipped and organized, and said the Trash Bash was of immense value for several reasons.

"It gave us the ability to interact with and serve the community in which we work and allowed us to proudly display our Martin values," Young said. "Events like this also give our people the opportunity to unite with their community, which allows our respective populations to learn from one another. There's no better way I can think of to clean up a river that is so important to us all."



*Plant managers Bill Coburn (l) and Jose Rodriguez (r) help bash the trash.*





## Employee Well-Being

*Behind every great success at Martin Marietta, you will find a committed group of diverse people all working toward the same goal. We believe our people are our greatest asset and remain dedicated to ensuring that each has the programs, resources, support and opportunity necessary to grow.*



Senior Safety Representative Caitlin Darnall



# A Career, Not a Job

## Company Workforce Enjoys Improved Martin Marietta Experience

Social distancing and remote working continued through portions of 2021 and brought with it certain challenges, including how to effectively attract, recruit, hire and develop employees. At Martin Marietta, one of our goals is to make sure our people know that if they're going to invest their time in us, we're going to do the same for them, and that we have shared goals to work together to build a legacy.

As previously reported in 2020, the Company launched a new Martin Marietta Careers website and applicant tracking system. Designed primarily to enhance the experience of job candidates, the site highlights the overall diversity of the Martin Marietta workforce and business while offering a better understanding of the Company, its history, Mission, Vision and Values, benefits, and opportunities. In 2021, this effort was expanded to a newly designed internal job board to improve the candidate experience for current employees seeking other opportunities within Martin Marietta.



***"Martin Marietta has helped me grow and learn about the type of professional that I want to be."***

**– Kyle Vincent, Manager of Infrastructure and Network Architecture**

"Take the next step in your rock-solid career."

That's the instruction at the lead of the My Martin Careers internal job board, our latest tool to highlight opportunity and encourage development among our workforce.

Powered by Jobvite, the same software adopted to launch Martin Marietta's careers website in 2020, the job board serves as a one-stop shop for any employee looking to advance their career within the company.

"One of our primary goals at Martin Marietta is to continuously provide our people with opportunities to grow," says Andrea Wun, senior manager of talent acquisition and a lead member of the My Martin Careers project team. "While that's incredibly important for our employees, it's also vital for Martin Marietta. If our company is going to remain strong, we have to make sure we're challenging and retaining our most talented teammates."

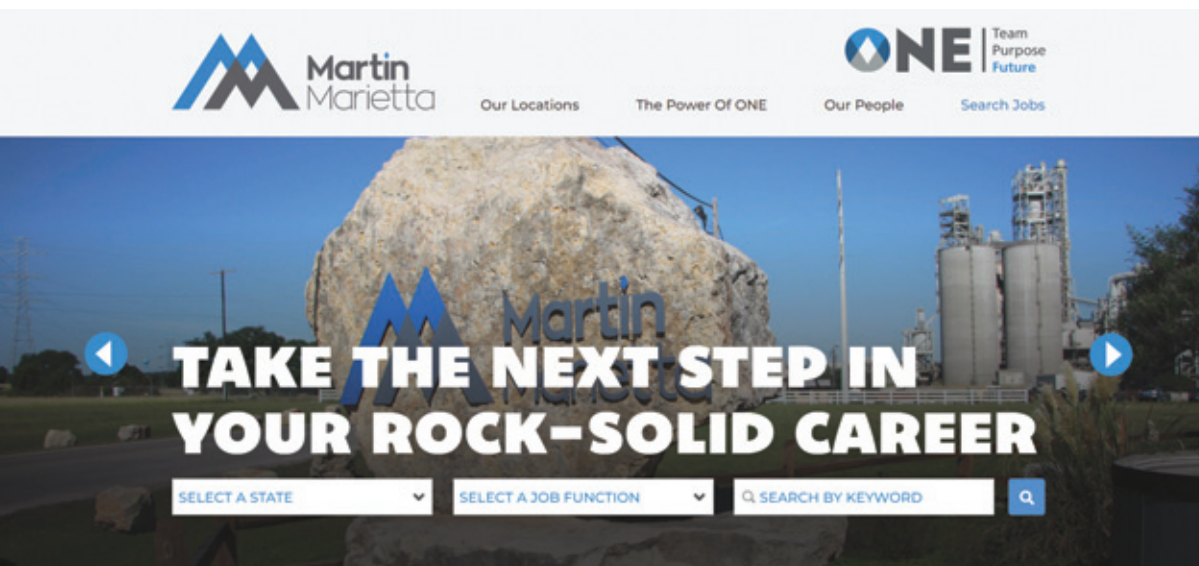
Much like the external careers website, the job board provides a brief glimpse into Martin Marietta's culture. The page includes details about the company's geography, an overview of our ONE employer brand and testimonials from employees who have grown their careers by seeking new opportunities across districts, divisions and business lines.

Near the top of the My Martin Careers page are statements from Chairman and CEO Ward Nye and Chief Human Resource Officer Craig LaTorre.

"Giving our employees the chance to push themselves, to develop their skills and to meet new challenges is very much in line with our ONE culture," LaTorre writes. "As a company that truly cares for its people, it's our responsibility to provide each one with every opportunity to succeed."







Martin Marietta's internal job board aims to enhance the job applicant experience with Martin Marietta.

The job board is also easy to use and provides a listing of all available positions that can be searched by state, function or keyword.

Wun urges employees searching for a new opportunity within the company to utilize the job board over the external careers page.

"Our My Martin Careers internal job board clearly identifies internal candidates and marks those applications so that they receive special attention from our HR professionals," she says. "Additionally, just the act of applying through My Martin Careers can help you open up conversations about your future because it tells local management that you may be ready for greater challenges."

Wun anticipates the My Martin Careers internal job board will become increasingly important as Martin Marietta continues to grow its business and expand across the United States.

### Additional Employee Well-Being Highlights



We maintain a full slate of health and welfare and retirement plans. Importantly, in addition to a retirement savings plan that includes a company match of employee contributions, we provide a qualified pension plan to which we contributed \$75 million in 2021 and is fully funded.



Martin Marietta partnered with a new benefits administrator (Alight Solutions) that began serving the Company's workforce on Jan. 1, 2021.



The ONE culture continued to grow as it provided a rally point around which the entire workforce could unite.



Employees were offered greater access to flu shots as part of an ongoing effort to ensure the overall health of the workforce.



Digital signage (installed Companywide in 2019) is used heavily to convey vital information directly to employees regarding a number of topics, including updates on COVID 19 pronouncements, wellness and safety.





# An Employer of Choice Continues to Evolve

## Inclusion and Engagement Efforts Dedicated to Strengthening Company Culture

First formed in 2020, the Company's **Inclusion and Engagement Task Force** set the Company on a journey that will ensure our culture is consistently welcoming and engaging with new and innovative thoughts, based on feedback from its current and future employees.

Led by Chairman and CEO Ward Nye and Senior Vice President and Chief Human Resource Officer Craig LaTorre, the task force is comprised of 13 leaders who **represent the Company's various divisions and corporate functions as well as a diversity of opinions, experience, race, gender, sexual orientation, tenure and background.**

"When we first met as a group, we realized quickly that the work of this task force will help strengthen our already extraordinary culture," Nye says. "We're looking at this as a continuous improvement journey. The best elements of Martin Marietta have always come from task forces like this – committees of our people. Guardian Angel is a perfect example. Our World Class Task Force and the emergence of our ONE employee branding effort are others. Just as we've done historically, this committee will act deliberately to position our people and Company for sustainable growth and long-term success."

Referring to the effort as "a roll up (from the people) rather than a rollout (from leadership)," Manny Sifuentes, a task force member, agrees with Nye's assessment and says it's exciting to be part of this next phase in the Company's evolution.

***"The team has a unique moment to help shape the next generation of thought leadership at Martin Marietta; that's not an opportunity we're taking lightly. This responsibility compels us to be our best. Our interactions have been energetic and highly engaging. It's been great."***

– Manny Sifuentes, Inclusion and Engagement Task Force member



While the group's formation ran parallel to many of the national events that garnered media attention, the team had actually been in the works for quite some time and will focus on matters that go much deeper than the headlines, task force members say.

"This team is discussing inclusion and engagement from a diversity perspective, but we're also discussing elements like trust, valuing the opinions of others, and feeling a sense of belonging – elements that align perfectly with the sentiments behind Guardian Angel and ONE," says Aileen Gibson, Magnesia Specialties vice president of technical services and a task force member, added, "By working toward an even more inclusive culture, we'll be better able to engage our employees, which will make Martin Marietta more productive and more innovative."

Highlighting senior managements' commitment to this issue, a discussion of the importance of Inclusion and Engagement was an important part the Company's biennial senior management meeting in March 2021. In addition to this discussion, the Task Force collected feedback from leaders and groups across the enterprise through a leader survey, focus groups, and interviews. Through these activities, the Task Force identified new opportunities to strengthen diversity, inclusion and employee engagement within our already strong, people-focused culture.

Based on some of the feedback received, the Company began working with third-party advisors on a communication campaign focused on inclusion and engagement that will be designed to increase awareness about the importance of inclusion and engagement across our Company and the role every employee needs to play in making sure Martin Marietta's culture is consistently welcoming to all current and future employees, as well as open to new and diverse thought.



In addition to these efforts, we determined that, to be most effective, we need an executive leader who would both spearhead the company-wide objective and bring fresh perspective. Thus, we created the position of the **Head of Inclusion and Engagement Programs**.

Reporting to Senior Vice President LaTorre, Vice President Kelly Bennett has been promoted into this role. Bennett began her career in our industry in 2004 after working as a financial analyst upon her graduation from Vanderbilt.

Since then, Bennett has held a variety of positions, with only a two year break to obtain her MBA at Harvard. She's lived in the West, Southwest, Northeast and Southeast U.S. "Bennett's diverse experience and her qualifications made her uniquely suited to this task", said Nye. "We believe that the creation of this position and the promotion of someone of Kelly's caliber is an important next step in our Inclusion and Engagement journey", Nye continued.

## Heroes Make Martin Marietta

*Safety Representative Finds Company Through Program Helping Veterans Transition to Civilian Life*



As a United States Marine, Master Sergeant Tony Perez spent the bulk of his 24 years of service concerned with bullets, Band-Aids and beans. Now retired from the military, he intends to spend the next phase of his career using his logistical skills for another cause: safety.

"I was an inventory management specialist, which means I managed everything from rations to clothing to battlefield items like tents," Perez said. "In the final seven years with the Marines, I took on another challenge as a safety



officer. There's an element of safety involved with just about everything Marines do."

While active, Perez traveled the world in service to his country. He spent time in the Philippines, Thailand and, between 2007 and 2008, was stationed in Fallujah, Iraq. After returning home, he was stationed at Marine Corps Base Camp Lejeune in North Carolina when he learned about a group that helps military servicemembers transition from military life to civilian life.



"I found Heroes MAKE America, a program run through The Manufacturing Institute," he said. "Never did I think manufacturing would be something I would get into, but I did understand that manufacturing requires safety, so I participated in the program thinking that was how I would market myself."

While Martin Marietta hosted very few quarry tours in 2020 or 2021 because of the pandemic, the Company worked with Heroes MAKE America on numerous occasions in 2019. One such venture brought Perez to Pomona Quarry in Greensboro, North Carolina.

"(Senior Safety Representative) Andy Whitworth was there doing the safety briefing and making sure we had the right site-specific training, and that's when I said, 'This is the guy I have to talk to,'" Perez said.

The men met that afternoon and discussed Perez' time in the Marines and a bit about what is required of a Martin Marietta safety representative. Perez grew even more interested when he heard Whitworth mention that the East Division was hiring.

"When I went home and realized how large Martin Marietta really is, I thought this could be a real opportunity," Perez said.

He applied with the Company and, soon after, accepted a position as a safety representative in the Maryland District. Recently, he celebrated his first year of Martin Marietta service.

Babs Chase, vice president of military and veterans programs for The Manufacturing Institute, said partnerships between the Heroes MAKE America program and organizations like Martin Marietta are incredibly important for many servicemen and women.

"We are honored every time a service member, veteran or military spouse trusts Heroes MAKE America with their transition to prepare for and find their next 'mission,'" Chase said after learning of Perez' story.

For Perez, the program couldn't have worked any better. He found a job he loves and his wife, Larissa Perez, and their children, Brisais, 14, and D'Artagnan, 19, are enjoying their Maryland home.

"In the Marine Corps, we value honor, courage and commitment," Perez said. "One of the things that attracted me to Martin is that there's a similar foundation here. The Company is world class. For me, it's proven to be a great decision."





# ONE Company, ONE Rewards Program

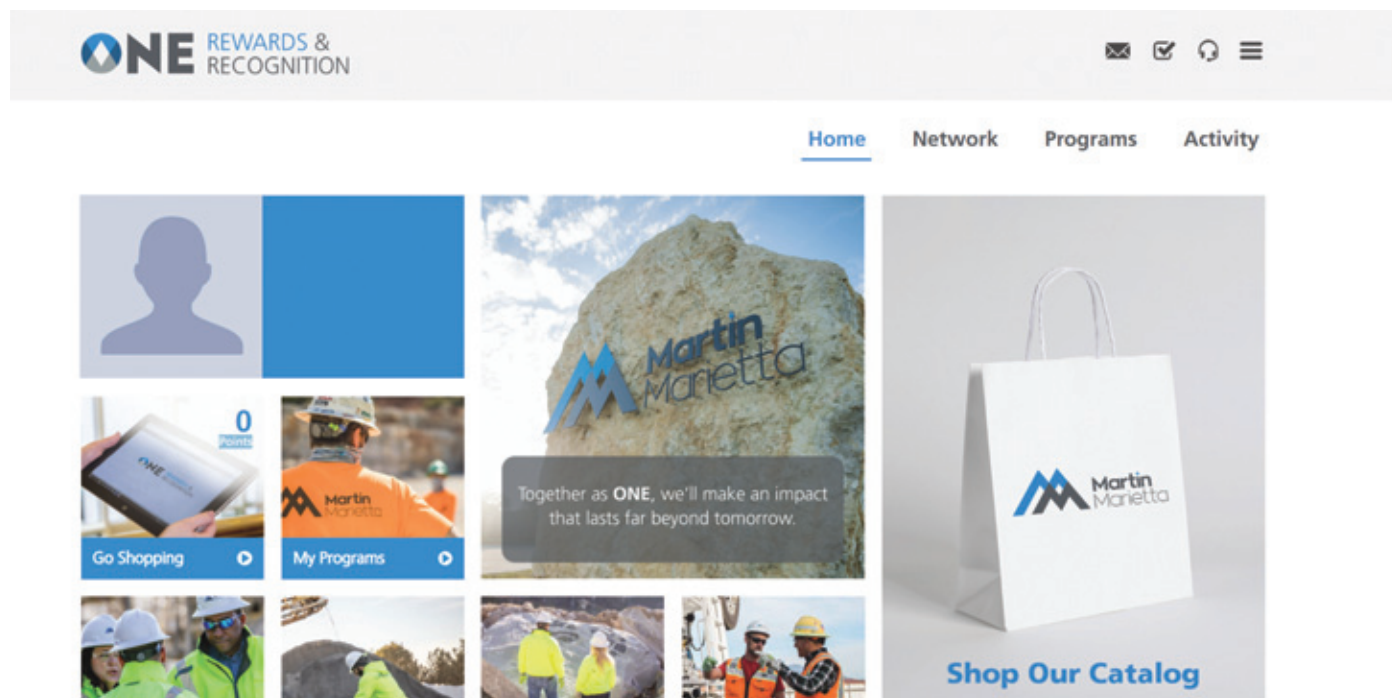
## *New Martin Platform Recognizes Safety, Service and More*

A new company program is offering employees improved recognition and more flexibility while uniting all divisions and business lines around ONE Martin Marietta.

ONE Rewards and Recognition kicked off a three-stage debut in April 2021 with revamped Martin Marietta Safety Achievement Awards. In November, the program expanded to include Service Awards. In 2022, ONE Rewards will expand again.

HR Specialist Jessica Holmes, ONE Rewards administrator, says the platform is superior to Martin Marietta's past recognition program in several ways.

First, ONE Rewards is an online platform that is convenient and easy-to-use, and helps the Company minimize its reliance on paper communications. Next, the number of award items available to employees has grown significantly. Additionally, because each employee has an individualized account on the platform, award points can be banked over time, meaning the quality of the gift employees ultimately receive can be much higher.



Some of the more popular awards on the platform include electronics like Bluetooth speakers, cell phones and noise-canceling headphones; digital and physical gifts from such vendors as Mastercard, Home Depot and Amazon; home improvement and decor items like tools, kitchen knife sets and backyard dining tables; and jewelry like men's and women's watches ranging from a 26-point Time and Sport watch with a leather strap to a 2,066-point Michele Deco Madison White Ceramic Diamond Watch.

ONE Rewards relies upon a fairly simple point system in which one point is equal to \$1.

"There are so many options with ONE Rewards," Holmes says. "If you don't know what you want, you can save your points. The more points you accumulate, the more substantial of an award you can receive down the line."

Holmes says that when ONE Rewards launched with the new Safety Achievement Awards program last year, it was an important step in strengthening the Company's ONE culture. Previously, each division had utilized its own safety recognition program. ONE Rewards brought unity to safety recognition, while still allowing divisions the ability to determine what specific safety achievements each will recognize.

When ONE Rewards expanded to provide Service Awards, it greatly upgraded the recognition level. Whereas the old system awarded an employee's first and fifth anniversaries followed by all five-year milestones thereafter, ONE Rewards additionally recognizes an employee's third anniversary.

The Service Award certificates have also been upgraded and now include a more modern design with a higher-quality frame.

The final stage of the ONE Rewards rollout will occur later this year and involve a yet-to-be-named "on-the-spot" award that will allow supervisors to award points for daily actions that demonstrate Martin Marietta's values.

"ONE Rewards is a significant development in our ongoing mission to better recognize the extraordinary effort Martin Marietta employees put forth each day," Holmes says. "There is so much about this platform that our people are going to appreciate and that's really exciting for us because we want every member of our team to understand just how important they are to this Company."



# Company's Tuition Reimbursement Program is Changing Lives

## On a Path Toward Leadership

### *Martin Marietta's Tuition Reimbursement Program is Helping People Grow Their Careers*

Barbara Pollard knows the mining business inside and out. A team member at Hatton Quarry, Martin Marietta's DIAMOND ELITE AWARD winner in 2021, she has consistently risen through the ranks during her 25-year career. Joining the Company as a weighmaster, she eventually moved on to serve as an office manager. When the urge to learn more about production became too much to ignore, she stepped into a role as foreman. It was soon after that she sat down with her local Human Resources representative to discuss her long-term goals.

"It was actually our HR person who asked if I had any interest in going back to school," Pollard says. "I had gotten my associate degree right after high school, but I never finished my bachelor's program." As that discussion continued, Pollard learned the details of the Martin Marietta Tuition Reimbursement Program.

Available to all full-time employees who have been with the Company for more than one year, the program aims to

provide assistance to people pursuing an associate, bachelor's or master's degree in a subject that aligns with their career path or current job responsibilities. Annually, the program is allowed to provide up to \$5,250 in reimbursement benefits that can be used for expenses like books, academic fees and other related charges.

Pollard, who graduated in December 2021 and is now assistant plant manager at Hatton, says she utilized the program for three years as she worked toward earning her Bachelor of Science degree in Business Administration from Southern Arkansas University.

"I knew I could do it, I just couldn't do it quickly, so for me, the program worked really well," she says. "I took two classes per semester and was reimbursed for nearly all of it."

Katie Beardslee has also utilized the Tuition Reimbursement Program while working along a less traditional company path.



*Barbara Pollard surveys the Hatton Quarry*





Hired directly out of college in 2017, Beardslee spent the bulk of her first year at Martin Marietta in the Management Associate Program, which aims to train future company leaders. In 2018, she jumped at the chance to become a safety specialist in the Central Division's Alden District. Later, she became an engineer for the Indiana District. Looking to lead a team, Beardslee spoke to division leadership about how she could best serve Martin Marietta while moving her own career forward as well.

"I knew I wanted to get back into operations and I came to believe that an MBA would improve my chances," she says. "I had learned all about safety and the technical pieces of mining, but this program helped me focus on management – of both projects and people. Much of the course work was about conflict management, problem solving and leadership. It's all been incredibly helpful."

In May 2021, Beardslee earned her MBA from The University of Missouri – Kansas City. Early in 2022, she was promoted to assistant plant manager. She now helps lead teams at both the Kokomo Stone and Kokomo Sand & Gravel operations north of Indianapolis.

Both Pollard and Beardslee utilized the Tuition Reimbursement Program while taking separate paths to positions of leadership, but there is another equally important shared element in their respective stories.

"I received a great amount of support from across the district and division. (Central Division Vice President of Human Resources) Tom Nelson was especially helpful," Beardslee says. "He and I sat down at the beginning of this journey and he helped me go through the various MBA programs I was considering. My direct supervisors were important, too. They always asked about my classes. We often spoke about ways I could incorporate what I had learned into our work environment."

Pollard, too, says her leadership team was incredibly helpful as she worked to balance her personal, professional and academic responsibilities.

"I am so grateful to our management team in the Arkansas District," she says. "(Vice President-General Manager) Todd Wheeler would often check in to ask about my program and to make sure I had all the support I needed. At times, I was able shift some of my hours at the quarry to work around my testing schedule. The team here really helped out."

## High Achievers

Among the Tuition Reimbursement Program participants earning degrees this year are:

### What's Your Major?

At any given time, there are scores of Martin Marietta people utilizing the Company's Tuition Reimbursement Program. Spread out across the company's footprint, these students currently attend such institutions as Penn State University, Colorado State University, Georgia Tech, the University of North Carolina, the University of North Texas, and more. Degree specialties include:



Civil Engineering



Business Administration



Project Management



Accounting



Organizational Leadership



Communications



Occupational Health and Safety



Katie Beardslee seen here with Stamper Mine  
Asst. Plant Manager Scott Brennan



# Company Helps Bring Family Together in Wake of Tragedy

## *San Antonio Ready Mix Instructor Utilizes Assistance Program to Adopt Granddaughter*

Juan Trevino is in a good place today. At 52, he's raising a toddler and loving every minute of it. But neither this, nor the pain he and his family have endured in the past two years, was part of his original plan.

Their story begins on New Year's Eve 2019. While most families were preparing for the birth of a new year, the Trevinos were dealing with a tragedy; their daughter, 20-year-old Jesamie Friend, had been killed in a car crash.

The news was shocking, says Trevino, a ready mix instructor in San Antonio. Learning to live without his daughter would be difficult enough, but he would also have to make sure her children – Ava Lyn Delilah (3) and Azaylea Zoe (2 months) – were cared for.

Quickly, the older child's father stepped in to take custody of the 3-year-old. Trevino and his wife, Linda, took the baby.

"We took responsibility for Azaylea right away," Trevino says. "We wanted to begin the adoption process. The baby needed standard medical care, but every time we'd take her to the doctor, it would be very expensive. The adoption would allow us to get her on my insurance plan."

The Trevinos paid out of pocket for adoption expenses until they learned about Martin Marietta's Adoption Assistance Reimbursement Program.

The program ultimately reimbursed Trevino for more than \$8,000 in adoption-related costs.

Before his career in ready mix, Juan Trevino was often involved in raising money for friends and communities experiencing difficult times. The karma he banked in those years would be returned to him in his family's greatest time of need.

In addition to the company helping to ensure his granddaughter would be cared for, Trevino says his Martin Marietta colleagues went out of their way to show support.

"We held a plate sale to raise money for Jesamie's funeral," Trevino says. "When I started with Martin Marietta, I was a driver at O'Connor Ready Mix and so many of the drivers there came to buy plates. There was also a driver from Kirby Ready Mix. We had never met before, but he told me he had heard a Martin co-worker needed help and he was just there to do his part. He didn't know me, but he knew we were part of the same Martin family."

Jesamie will be gone for two years this New Year's Eve. Last month, Azaylea turned 2. While the changes his family has faced have been hard, Trevino says he and his wife are lucky to be raising such a beautiful little girl.

"Azaylea is like a female Dennis the Menace," he says. "If we take our eyes off of her for even one second, she's climbing the kitchen counters. She keeps us busy, but that's a good thing. We need the exercise. She really is a blessing."



*Juan Trevino and his adopted granddaughter Azaylea*



*Azaylea Zoe Trevino*



*Juan Trevino and Family*



# Scholarship Recipients

## *Company Celebrates Achievements of 9 Students, Moves to Strengthen Scholarship Program for 2022 and Beyond*

In the spring of 2021, Martin Marietta awarded partial scholarships to eight high school graduates attending four-year colleges and universities, and provided financial support to a ninth graduate attending the United States Military Academy at West Point. These students — all children of our employees — are talented, dynamic, and exceptional leaders both in and out of the classroom. We're proud to offer them our support and know their achievements will be spectacular.

For several decades, the Martin Marietta scholarship has provided hundreds of thousands of dollars to scores of students. In 2022, that impact will only grow stronger.

The scholarship program — which historically recognizes eight students annually, awarding each \$3,500 per year for up to four years — was improved at the end of 2021.

### *Wade Alford*

- United States Military Academy at West Point
- Alvarado High School, Texas
- Son of Midlothian Cement Electrician Tony Alford and Jenifr Alford



Moving forward, the program will recognize as many as 12 students per year and award each \$5,000 annually for up to four years. This increases to the total value of the scholarship from \$14,000 per student to \$20,000.

"The Martin Marietta Scholarship program is one of many ways we demonstrate our commitment to our people and their families," said Vice President of Total Rewards, Head of Inclusion and Engagement Programs Kelly Bennett. "We recognize both the importance of higher education and the challenges so many face while trying to provide their children with access to it. This is why we've strengthened the program. Our hope is that the scholarship will continue to provide additional resources that will help guarantee these students experience the success they deserve."

Our 2021 Martin Marietta Scholars are:

### *Dane Nguyen*

- University of Colorado Denver
- STRIVE Prep Rise, Colorado
- Daughter of mixer Wayne Nguyen and Linda Nguyen





**Lauren Dombroski**

- Webber International University
- Enlightium Academy, Washington
- Daughter of Senior Sales Representative Jim Dombroski and Julie Dombroski

**Aria Saucedo**

- The University of Texas at Austin
- John Jay Science and Engineering Academy, Texas
- Daughter of HR Manager Jenny Saucedo and Eddie Saucedo

**Halle Elder**

- Cleveland State University
- Clyde Senior High School, Ohio
- Daughter of Service Technician Melissa Elder (stepmother) and Deric Elder; Kendra Klos

**Abby Sendef**

- Colorado Mesa University
- Englewood High School, Colorado
- Daughter of Office Manager Laurie Lakomiak and Chris Sendef



### *Ricardo Espinoza*

- The University of Texas at Austin
- Robert L. Paschal High School, Texas
- Son of Utility Man Juan Espinoza and Patricia Espinoza



### *Angel Zavala Custodio*

- The University of Texas at Austin
- Killeen Early College High School, Texas
- Son of Mixer Driver Armando Zavala-Vega and Rita Zavala



### *Spencer Lucero*

- Colorado State University
- Berthoud High School, Colorado
- Son of Senior Sales Representative Bernard Lucero and Erin Lucero.





## Community Well-Being

*In communities large and small, the relationships that we build in our own backyards define Martin Marietta. We are committed to being a responsible neighbor and supporting the communities that are home to our operations and colleagues. We are invested in each community's well-being and proud to serve as a ready and willing partner.*

*Mary, a third grader in Wake County, North Carolina, reads while wearing a face covering provided by Martin Marietta. The Company donated more than 47,000 face coverings to the school district, which is the state's largest.*





# A Trusted Community Partner: Corporate Giving

Our corporate philanthropic priorities focus our giving and community support activities to create a deeper, more meaningful impact in the areas where we live and work. Our philanthropic support is in four key areas: disaster preparedness and response, meeting families' basic needs, education and workforce development, and environmental preservation. Our commitments in these areas helps us be a good neighbor and trusted partner in the more than 400 communities in which we live and work, while creating the most value for our diverse stakeholders.



## Disaster Preparedness and Response

Safety is a core value of Martin Marietta and a key sustainability focal area. In line with our uncompromising commitment to the safety and health of our people and our neighbors, we support programs that help our communities prepare for and respond to disasters, and that bring aid to our communities when in need.



## Meeting Families' Basic Needs

Our mission statement says we provide the foundation upon which our communities improve and grow. It's hard for communities to flourish if working families are struggling to make ends meet. As such, we support programs focused on meeting the basic needs of families, including food, shelter and access to healthcare.



## Education and Workforce Development

An educated and skilled workforce is critical to a community's foundation and to the future of Martin Marietta. We support educational programs that help people develop the knowledge, skills and expanded views that will help them succeed and contribute to society. Additionally, we support programs that provide young or transitioning adults with training and technical skills to equip them for satisfying and productive careers.



## Environmental Preservation

Environmental stewardship, a core value of Martin Marietta, embodies our commitment to making tomorrow's world better than today. We support projects that provide tangible improvements to the environment, such as ecosystem conservation and restoration, improvements in air and water quality, waste reduction, and conservation education.



# An Experience of Discovery

*With Company Support, Life and Science Museum Seeks to Inspire*



Filled with families, the line to enter stretched around the corner with staff politely asking members to limit their stay to 45 minutes. At its start, the Earth Moves exhibit was, by every measure, a smashing success. Then came COVID-19.

Earth Moves, which debuted at the Museum of Life and Science in Durham, North Carolina, in summer 2019, experienced the peaks and valleys familiar to all outdoors exhibits with numbers climbing in the warm months and declining in the late fall and winter. Just as museum staff were preparing to ramp the exhibit back up for its first full season, the world shut down.

“We shut down in March and it wasn’t until July 2020 that we were able to re-open the exhibit,” says Michele Kloda, the museum’s director of learning environments. “It was actually quite beautiful. It gave people a respite and an opportunity they couldn’t find anywhere else. We had people come to us with tears in their eyes and thank us for this. To offer something like that to parents and children was significant for us.”

Though still early in its life, Earth Moves, with support from Martin Marietta, has already had a meaningful impact. What excites museum staff most, however, is the effect it will most certainly have in the future. Carrie Heinonen, president and CEO of the museum, says she and her team annually welcome about 500,000 guests – most of them young children who are experiencing many elements of science for the first time. Knowing this, she and her team take their work seriously.

“First and foremost, it’s about inspiring kids to see the practical, fun and engaging side of science and math,” Heinonen says. “Secondarily, the way we build out exhibitions, and our programming around those exhibitions, seeks to enhance critical thinking skills in children. We don’t want to give them the answers, we

want to encourage them to discover the answers for themselves.”

Covering just about 1 acre, Earth Moves does just that.

From its initial conception through to its grand opening, the exhibit took about five years to build and includes a number of multi-purpose elements that are designed to appeal to a wide variety of children and adults.

The waterfall and erosion stream, for example, do a wonderful job of keeping people cool in the summer, but also teach about how water and rock react to one another. At a simple glance, the stone yard seems like a fun place to stack rocks, but it also provides the chance to get hands on with a wide number of different stone types. All of it is possible, in part, because of Martin Marietta.

The Company is currently in the middle of an agreement to provide \$100,000 in funding over a five-year period. Additionally, the museum has received about 11 tons of in-kind donations from 14 different quarries.

Much of that material can be seen in Earth Moves, which, from its sandstone exploration cave to its sculptures and walls, is almost entirely made of stone. Some of the





exhibit's largest rocks are boulders that originated in 12 Martin Marietta quarries in North Carolina, South Carolina, Georgia, Virginia and Maryland, said Senior Manager of Geological Services Josh Kirby. Martin Marietta's geology and exploration groups worked closely with East Division operations staff to facilitate the boulder donation with the goal of showcasing the wide variety of rock types present in the Mid-Atlantic region of the United States.

"We started by reaching out to our plant managers, who all were very excited about this opportunity," Kirby says. "We then sent out our geologists, who worked with our operations teams to select samples that were of interest. Our exploration crews then picked up and prepared each sample for delivery."



Once the boulders were placed, Kirby and his team prepared a brief writeup for each, detailing the rock type, the original location and other relevant background information. In total, the process took several months from start to finish.

Kloda says the boulders are very much a draw in the exhibit, which also includes a sheltered classroom space where children can participate in geology-related workshops.

While Martin Marietta and the Museum of Life and Science both have an interest in educating the public, doing so safely is the top priority. Just as company teams seek to minimize potential hazards, so, too, does the museum staff.

"We think about it in terms of hazards versus healthy risks," Kloda says. "We tell visitors that they may get bumped here because that's part of being outside. And that's okay. This is all about body participation. What we don't want are hazards. If we identify hazards, we work to eliminate them."

To that end, the exhibit is built with fall surfaces in areas where climbing is likely to take place. While it is expected that visitors will climb the stone walls, they are asked to avoid taller sculptures and the stone cave's roof, among other areas. Staff and volunteers have also learned where to position themselves in order to provide assistance to children who may need it.





## Southwest Division Team Shows Continuing Support for Residents of Historic Freedmen's Community



*From left: Randy Rutledge, Shalondria Galimore and Bradley Jackson providing assistance and support to the families of Joppa, Texas*

In 2020, Rail Operations Manager Bradley Jackson first worked with Production Supervisor Randy Rutledge, Management Associate Ashley Trappe and Executive Administrative Assistant Nancee Trinh and Dallas' South Central Civic League to source, package and deliver backpacks filled with school supplies, along with hand sanitizer and face coverings, to the children of Joppa, an historic Dallas neighborhood near the Company's Miller Rail Yard in southeast Dallas.

Joppa, occasionally spelled Joppee, Joppie or Joppy, was first settled by formerly enslaved people from a nearby plantation shortly after the Civil War. It is said to be one of three Freedmen's Communities remaining in Texas and one of the best preserved in the country. The South Central Civic League, whose main goal is to improve living conditions for local families, was founded in 1948 by Mrs. Laurabelle Foster and has been instrumental in the completion of many projects that benefited the Joppa neighborhood, including the addition of paved streets,

better schools, the installation of street lights, and sewer line extensions.

In 2021, Martin Marietta's Southwest Division team again worked with South Central Civic League president Shalondria Galimore to help improve the Joppa community. This year, the Company donated \$5,000 to the Melissa Pierce Project, a local non-profit Galimore helped start which seeks to turn the former Melissa Pierce school into a multipurpose center whose aim is "to help educate, elevate and empower Joppa residents."

The Melissa Pierce School was a segregated school that was built in Joppa in 1953. It was part of the former Wilmer-Hutchins Independent School District, south of Dallas. Melissa Pierce School was a little bit different than many other segregated schools of the era because the land for the school was actually given by a resident of Joppa, Melissa Pierce. Known as Auntie Melissa, Pierce was a benefactor and a pillar of the community.



The community has rallied around the restoration of the school as an important landmark in its history. The school is significant because Joppa was such a tight-knit community. The NAACP organized a protest where Melissa Pierce students actually went to Linfield elementary school which was the white elementary school in Wilmer-Hutchins ISD, to protest and ask for admission to Linfield Elementary.

In addition to its donation to the Melissa Pierce Project, the Company also donated the use of its street sweeper. At the request of the local community, and although not arising due to its operations, the Company has helped keep five of the local streets that accumulate dirt and debris clean over the past year.

## Company Expands Academic Outreach by Partnering with HBCU Shaw University

In yet another move to support education and develop the young leaders needed to ensure future success, Martin Marietta has entered into a partnership with Shaw University, a historically Black university in Raleigh, North Carolina. Working specifically with Shaw's School of Business and Professional Studies, the Company has provided support in the form of the Martin Marietta Faculty Fellowship Award. Earlier this year, Cassandra Burney, an assistant professor at Shaw, was named the first to earn the honor, according to a statement from the university.



***“The partnership bolsters Shaw’s School of Business and Professional Studies and deepens ties with the Raleigh business community.”***

“We are thrilled that Martin Marietta is committed to the development of a cadre of strong and dynamic faculty like Prof. Burney,” said Dr. Lynette Wood, dean of the business school. “Corporate partnerships such as this are investments in building futures that are sure to yield great returns.”

The Company and the university first discussed a potential partnership in early 2020 and that the agreement makes Shaw the latest institution to receive financial support at the corporate level. “We’re proud that through the Martin Marietta Faculty Fellowship we’ll be able to help Shaw continue its mission of advancing knowledge, facilitating student learning and achievement, and enhancing ethical values to develop future global leaders,” Marc Santre, the Company’s Senior Director of Talent Management said. “Through her work as an educator, Professor Burney has done much to further this mission. She’s talented, dedicated and more than deserving of this recognition.”

As with most good partnerships, Martin Marietta’s work with colleges and universities has grown out of mutual respect and mutual benefit. For years, the Company has provided financial assistance to such schools as West Virginia University, Virginia Polytechnic Institute and State University, Missouri University of Science and Technology, the University of Kentucky and the Colorado School of Mines. That level of support has led to greater recruiting opportunities at these institutions, which in turn, has led to a steady flow of talented and diverse employees into the workforce.



Though the Martin Marietta/Shaw partnership is still relatively new, the Company is confident there will be ample opportunities for the company and the university's students to work together. "Partnering with Shaw University – a renowned institution right here in our corporate home of Raleigh – is directly aligned with our commitment to investing in the strength of the communities in which we live and work," Santre said.

Founded in 1865, Shaw University is a private liberal arts institution affiliated with the Baptist Church. It was the first historically Black university in the Southern United States and is among the oldest such universities in the country. Throughout its history, the school has consistently moved academics forward in North Carolina. Shaw was the first college in the state to offer a four-year medical school, the first institution of higher learning established for freedmen after the Civil War, and the first historically Black university to open its doors to women. Learn more at [shawu.edu](http://shawu.edu).

## Historic Colorado Quarry Bridge Finds a New Home

### *100-year-old Structure Once Used by Horses Then Customer Trucks Will Now Serve Park Community*

The Colorado bridge that has long connected Parkdale Quarry to the world outside is shrouded in 100 years of speculation and hearsay. Now, as site leadership moves to make necessary upgrades to the quarry grounds, the Company moved to preserve the bridge. "We have absolutely no architectural or engineered drawings of this bridge, but what we do know is that it was built by a German immigrant sometime between 1915 and the mid-1920s," Mike Sheahan, Business Unit Consultant said. "At the time, it served the Harvey Ranch, which owned most of the land between the Arkansas River and the Bureau of Land Management holdings to the north and west."

What the bridge's day-to-day life looked like for much of its first 70 years isn't entirely clear, however since the 1990s, it has served a variety of quarry owners. But the bridge was originally intended for horses and covered wagons, not haul trucks and mining equipment. "It's about 13 feet wide, which really limited what we were able to bring across it," Sheahan said. "Much of the equipment we use here is 12- to 13-feet wide, so it has always been difficult just to find truckers comfortable and skilled enough to get things across."







While Fremont County, Colorado owned the bridge, Martin Marietta had responsibility for maintaining the structure. Though more than \$75,000 had been spent to maintain the bridge in the decade before, state regulators told the Company in 2019 that the bridge would need substantial improvements should it continue to be used for quarry business.

“Basically, we were told that we would need to make significant upgrades, but that afterward, state engineers still wouldn’t be able to confirm its capacity,” Sheahan said. “Given that and the other problems we had experienced related to its width, we decided we should work toward a more functional, more current solution.” While West Division leadership had few qualms about building a new bridge for the quarry, the question remained: What would become of the original 100-year-old structure?

“Over the years, the bridge had been identified as having significant historical value, and it was nominated several times for inclusion on the Colorado State Register of Historic Properties,” Sheahan said. “When we took over responsibility, we did so with the understanding that we would need to handle it as required by state laws pertaining to the preservation of historical structures.”

Knowing the bridge could still be of use elsewhere and keeping to an agreement Martin Marietta had made with the U.S. Army Corps of Engineers and the State Historical Preservation Office, Sheahan sought to find a new owner for the structure by placing an ad in the local newspaper. While the offer came with few conditions, preference was given to local parties as well as those most capable of maintaining the bridge’s historic value, Sheahan said. Additionally, whoever took ownership of the bridge would have to transport and place it at their own expense.



In total, 17 groups from across the region answered the ad. Ultimately, just one was selected: Colorado businessman Slawomir “Bart” Bartkowiak. A community-minded man with a love for history who enjoys the region’s parks, Bartkowiak said he had great interest in securing the bridge in order to gift it to the Cañon City Area Recreation and Park District. While the final details of the plan are still coming together, Bartkowiak said the bridge will likely be moved to Pathfinder Regional Park in Fremont County, Colorado, where it will serve as a foot bridge over a creek leading to the Arkansas River.

“I read the article, learned that Martin Marietta was willing to turn the bridge over for the gracious price of \$1, and just wanted to do what I could to preserve it,” Bartkowiak said. “I’ve always had a strong interest in history and historic items like antique airplanes and cars. I realized that very few would have the resources needed to move this bridge, so for me, it was a great way to give back to the community.”

Sheahan said construction on the new bridge began in January 2021. Once the west section of the new structure was completed, the team then removed the 100-year-old bridge while taking extra care to preserve as much of the original structure as possible. The old bridge was then placed to a side staging area.

“Part of me is really happy to no longer have to worry about this bridge and it’s engineering,” Sheahan said. “The other part of me is in awe. It’s something to think about all this bridge has meant over an entire century. For as old as it is, it was the only access to our quarry for years and allowed our people and customers to safely enter our site. I’m thrilled that it will continue its life by serving the people of Cañon City, Fremont County and beyond.”

### ***“I’ve got a bridge to sell you”***

Here are a few key facts about the bridge at Parkdale Quarry:

- The bridge doesn’t have an official name, per se, but is widely known as the Harvey Bridge.
- The structure crossed the Arkansas River and was the only access road to Parkdale Quarry until earlier this year.
- Between the quarry team of 26, the occasional customer truck (98% of the site’s materials are shipped by rail) and assorted visitors (including river rafters), about 100 vehicles crossed the span each day.
- According to The Colorado Sun, the bridge is the only riveted Warren pony truss bridge left in the state.
- The bridge was partially built upon a concrete pier planted in the water about 15 feet from the river’s edge. The pier’s removal is widely viewed as an environmental benefit.





## Inaugural Charity Clays Shootout Benefits Local United Way Chapter

Members of the North Texas/Oklahoma District hosted the inaugural Rocks, Shells and Clays Charity Shootout in June of 2021, raising thousands of dollars for the benefit the United Way of Wise County, Texas.

Management Associate Ashley Trappe, the event's lead organizer, said the shootout drew a crowd of about 280 people and featured food and live music. Though the goal was to collect \$50,000, Trappe says the team raised more than \$80,000 for the United Way, which, according to its website, "fights for the health, education and financial stability of every person in every community."

Trappe says it was an honor to assist such a worthwhile cause.

"2020 was a trying year for many families and businesses, and the United Way was no exception," she said. "It was such a privilege to help put on an event that allowed Martin Marietta, our vendors and our customers to give back to the community. The fact that it allowed our customers, vendors and employees to all be with one another again only added to that privilege."

Trappe credited the success of the event to all the Martin Marietta team members that participated.



*Martin Marietta  
Shootout Team*



## Company Partnership with Renowned K9 Search & Rescue Training Company has Invaluable Impact

Though mining at Spring Valley-Cook Road Sand & Gravel may currently be idle, a partnership between Martin Marietta and the Center for Forensic Training and Education (CFTE) has allowed the site to become one of the most important K9 search and rescue training locations in the world. Each year, more than 300 K9 teams from across the globe venture to the sand and gravel pit just a few miles southeast of Dayton, Ohio, to participate in live find search and human remains detection (HRD) training. Offering a perfect mixture of both land and water environments, the property allows each dog team to experience a wide number of staged, real world scenarios designed to strengthen its abilities to respond effectively during a true emergency.

“The Spring Valley site is fantastic for our purposes,” says CFTE President and CEO Deana Hudgins, who has worked closely with Martin Marietta since 2018. “It’s secluded and private, which allows us to train dogs without having neighbors complain about barking, and it also prevents the public from stumbling into the middle of training sessions that are often sensitive in nature.” Serving beginner level search and detection teams through advanced, the training typically involves between 16-30 dogs and their handlers, Hudgins says. A few days before classes begin, CFTE instructors prepare the grounds by setting up mock scenarios and adding distractions and obstacles across the property that will test the teams for several days.

Beginner courses aim to provide each dog team with a foundation to develop strong odor recognition and search skills. Intermediate classes then help teams prepare for certification prior to being deployed during real searches. Advanced workshops are geared specifically toward operational teams looking to challenge their skills and knowledge.

Hudgins says the most sensitive classes focus on human remains detection, which can involve water searches, full or partial burial searches, searches for burned remains, searches of crime scenes and searches of areas with advanced distractions. “The property itself mimics many of the areas we are called to during searches for missing people, and this is critical to prepare teams for real world operations,” Hudgins says. “The wooded, open areas, and gravel piles allow us to change up training frequently and present teams with a wide variety of scenarios. The lakes on the property are perfect for water recovery training. We do many searches every year that involve water recoveries, and the lakes here are some of the best we have worked in the state of Ohio. Their clarity, depth, and aquatic health provide us with a safe and diverse environment to train dogs to work along the shoreline as well as from boats.”

Hudgins, who entered the field of emergency search and rescue dog training after witnessing the importance of such work during and after 9/11, says the most rewarding element of her job is seeing the changes that occur as the dogs and their handlers become increasingly confident in their abilities. As the dogs become stronger, so, too, does their drive to



succeed in their mission. “A dog that loves to work has unparalleled drive and focus. They work despite horrible weather, dangerous environments, injury and illness. Their desire to do the job and get their reward outweighs everything,” she says.

Spring Valley-Cook Road has hosted dog teams from across the United States, Canada, Switzerland, Australia, and the Netherlands. In summer 2022, the Dutch National Police K9 teams are scheduled to train there. When not in use by CFTE, the site also offers valuable training opportunities to the Beaver Creek Township Fire Department, which regularly drills its firefighters in water rescues, burn exercises, and pump tests on fire equipment.

Randy Arner, plant manager at the Company’s nearby Cook Road Sand & Gravel operation, facilitates the partnerships with CFTE and local emergency responders, and says that Martin Marietta staff meets with all training participants before sessions begin to make sure the company’s safety requirements are fully met. “This is very intense training so we try to keep a safe distance and not distract the teams from their work,” Arner says. “We have received many thanks for all that we do.”

K9 search and rescue teams save countless lives worldwide while responding during isolated emergencies as well as during large-scale events like hurricanes, earthquakes and terrorist attacks, so placing an accurate value on CFTE’s work would be nearly impossible. Knowing that she and her team are providing such invaluable training, Hudgins says she’s grateful for her company’s partnership with Martin Marietta. “I know this is a unique relationship. No matter how crazy one of our training ideas may sound, the Martin Marietta staff helps make it happen,” she says. “Each and every team member we have the opportunity to interact with has been helpful and supportive of our efforts. We would not be able to reach nearly as many students if we did not have access to such a great site.”



# Appendix

## Non-GAAP Measures

Non-GAAP financial measures disclosed by management are provided as additional information to investors in order to provide them with an alternative method for assessing our financial condition and operating results, and are often requested by investors. These measures are not in accordance with, or a substitute for, generally accepted accounting principles (GAAP) and may be different from or inconsistent with non-GAAP financial measures used by other companies. Adjusted EBITDA is an indicator used by the Company and investors to evaluate the Company's operating performance period to period.

EBITDA is a widely accepted financial indicator of a company's ability to service and/or incur indebtedness. EBITDA is not defined by GAAP and, as such, should not be construed as an alternative to earnings from operations, net earnings or operating cash flow.

The following presents a reconciliation of net earnings from continuing operations attributable to Martin Marietta to consolidated Adjusted EBITDA for continuing operations for the years ended December 31, 2021, 2020 and 2019.

### Consolidated Adjusted EBITDA for year ended December 31:

(dollars in millions)	2021	2020	2019
Net Earnings from continuing operations Attributable to Martin Marietta	\$ 702.0	\$ 721.0	\$ 611.9
Add back:			
Interest expense, net of interest income	142.4	117.6	128.9
Income tax expense for controlling interests	153.1	168.2	136.3
Depreciation, depletion and amortization expense and earnings/loss from nonconsolidated equity affiliates	442.5	386.0	377.4
Acquisition-related expenses	57.9	—	—
Impact of selling acquired inventory after markup to fair value as part of acquisition accounting	30.6	—	—
Consolidated Adjusted EBITDA from continuing operations	\$1,528.5	\$1,392.8	\$1,254.5







*Our Red Canyon Quarry  
Colorado Springs, Colorado*





## Safe Operations

Keeping safe all who come into contact with our business by providing the environment, resources and knowledge necessary to always make the prudent decision, and fostering a culture of responsible leadership

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## Employee Well-Being

Encouraging and assisting our people in their growth and development, while recognizing that the diversity of our employees is a strength that enhances our entire Company



## Environmental Stewardship

Remaining cognizant of and responsive to our impact on climate, air, water, wildlife and other natural resources

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## Community Well-Being

Being a responsible neighbor and caring for the communities in which we live, work and serve







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