

Vulcan Materials CO
Form PRER14A
March 25, 2008

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549
SCHEDULE 14A
SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement.

Confidential, for use of the Commission Only (as permitted by Rule 14a-6(e)(2)).

Definitive Proxy Statement.

Definitive Additional Materials.

Soliciting Material Pursuant to § 240.14a-12.

Vulcan Materials Company

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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**1200 Urban Center Drive
Birmingham Alabama 35242**

March 28, 2008

Dear Fellow Shareholder:

You are cordially invited to attend the Annual Meeting of the Shareholders of Vulcan Materials Company, which will be held at the Company's headquarters, 1200 Urban Center Drive, Birmingham, Alabama 35242, on May 9, 2008, at 9:00 a.m., Central Daylight Time.

We hope that you will attend the meeting. However, whether or not you plan to attend the meeting, we encourage you to vote by proxy. This year, we are pleased to be taking advantage of the Securities and Exchange Commission rule that allows companies to furnish their proxy materials over the Internet. As a result, we are mailing to many of our shareholders a notice instead of a paper copy of this proxy statement and our 2007 Annual Report to Shareholders. The notice contains instructions on how each of our shareholders may receive a paper copy of our proxy materials, including this proxy statement, our 2007 Annual Report to Shareholders and proxy card. All shareholders who do not receive a notice will receive a paper copy of the proxy materials by mail. We believe that this new process will provide shareholders with the information they need, while conserving our natural resources and reducing the costs of printing and distributing our proxy materials.

For your convenience, you can vote your proxy in one of the following ways:

- Use the Internet at the web address shown on your proxy card;

- Use the telephone number shown on your proxy card; or

- Complete, sign, date and return the enclosed proxy card in the postage-paid envelope provided.

Instructions regarding each method of voting are contained in the proxy statement and on the enclosed proxy card. If you attend the Annual Meeting and desire to vote your shares personally rather than by proxy, you may withdraw your proxy at any time before it is exercised. **Your vote is important. Whether you own one share or many, your prompt vote is greatly appreciated.**

Thank you for your ongoing support and continued interest in our company.

Sincerely yours,

DONALD M. JAMES

Chairman and

Chief Executive Officer

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**1200 Urban Center Drive
Birmingham, Alabama 35242
NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON MAY 9, 2008**

To our Shareholders:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of Vulcan Materials Company will be held at the Company's headquarters, 1200 Urban Center Drive, Birmingham, Alabama 35242, on Friday, May 9, 2008, at 9:00 a.m., Central Daylight Time, for the following purposes:

1. To elect four nominees as directors;
2. To ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2008;
3. Adoption of the Legacy Vulcan Corp. Restated Certificate of Incorporation; and
4. To conduct such other business as may properly come before the meeting or any adjournments or postponements thereof.

Only shareholders of record as of the close of business on March 14, 2008 are entitled to receive notice of, to attend and vote at the meeting.

By Order of the Board of Directors,
JERRY F. PERKINS, JR.

Secretary

Birmingham, Alabama

March 28, 2008

NOTE WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING IN PERSON, TO ASSURE THE PRESENCE OF A QUORUM, PLEASE VOTE YOUR PROXY BY INTERNET, TELEPHONE OR BY COMPLETING, DATING, SIGNING AND MAILING THE ENCLOSED PROXY AS SOON AS POSSIBLE.

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**VULCAN MATERIALS COMPANY
1200 URBAN CENTER DRIVE, BIRMINGHAM, ALABAMA 35242
PROXY STATEMENT FOR
ANNUAL MEETING OF SHAREHOLDERS
MAY 9, 2008**

GENERAL INFORMATION ABOUT THE ANNUAL MEETING AND VOTING

Why am I receiving these materials?

This proxy statement is furnished in connection with the solicitation by our Board of Directors of proxies to be voted at the 2008 Annual Meeting of Shareholders for the purposes set forth in the accompanying notice, and at any adjournments or postponements thereof. This proxy statement is being sent to all shareholders of record as of the close of business on March 14, 2008 for use at the Annual Meeting of Shareholders. This proxy statement, the enclosed proxy card and Vulcan's 2007 Annual Report to Shareholders are being first mailed or delivered to our shareholders on or about March 28, 2008. The meeting will be held at the Company's headquarters, 1200 Urban Center Drive, Birmingham, Alabama 35242 on Friday, May 9, 2008, at 9:00 a.m., Central Daylight Time.

Why did I receive a notice in the mail regarding the Internet availability of the proxy materials this year instead of a paper copy of the proxy materials?

This year, we are pleased to be using the Securities and Exchange Commission's rule that allows companies to furnish their proxy materials over the Internet. As a result, we are mailing to many of our shareholders, primarily our large institutional shareholders, a notice about the Internet availability of proxy materials instead of a paper copy of the proxy materials. All shareholders receiving the notice will have the ability to access the proxy materials over the Internet and request to receive a paper copy of the proxy materials by mail. Instructions on how to access the proxy materials over the Internet or to request a paper copy may be found in the notice. In addition, the notice contains instructions on how shareholders may request to receive proxy materials in printed form by mail or electronically by e-mail on an ongoing basis.

Why did I not receive a notice about the Internet availability of the proxy materials?

For those shareholders who did not receive a notice regarding Internet availability, our company has determined to send paper copies of the proxy materials instead of a notice about the Internet availability of the proxy materials.

How can I access the proxy materials over the Internet?

Your notice about the Internet availability of the proxy materials, proxy card or voting instruction card will contain instructions on how to:

View our proxy materials for the Annual Meeting of Shareholders on the Internet; and

Instruct us to send our future proxy materials to you electronically by e-mail.

Choosing to receive your future proxy materials by e-mail will help us conserve natural resources and reduce the costs of printing and distributing our proxy materials. If you choose to receive future proxy materials by e-mail, we will provide instructions containing a link to the website where those materials are available and a link to the proxy voting website. Your election to receive proxy materials by e-mail will remain in effect until you terminate it.

How may I obtain a paper copy of the proxy materials?

Shareholders receiving a notice about the Internet availability of the proxy materials will find instructions about how to obtain a paper copy of the proxy materials on their notice. All shareholders who do not receive the notice will receive a paper copy of the proxy materials by mail.

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What should I do if I receive more than one notice about the Internet availability of the proxy materials or more than one paper copy of the proxy materials?

You may receive more than one notice or more than one paper copy of the proxy materials, including multiple paper copies of this proxy statement and multiple proxy cards or voter instruction cards. For example, if you hold your shares in more than one brokerage account, you may receive a separate notice or a separate voting instruction card for each brokerage account in which you hold shares. If you are a shareholder of record and your shares are registered in more than one name, you may receive more than one notice or more than one proxy card. To vote all of your shares by proxy, you must complete, date, sign and return each proxy card and voting instruction card that you receive and vote over the Internet the shares represented by each notice that you receive (unless you have requested and received a proxy card or voting instruction card for the shares represented by one or more of the notices).

Who can attend the Annual Meeting?

Only shareholders of our company as of the record date, March 14, 2008, their authorized representatives and invited guests of our company will be able to attend the annual meeting.

Who is entitled to vote?

All of our shareholders as of the record date, March 14, 2008, will be entitled to vote at the 2008 Annual Meeting of Shareholders. As of the close of business on such date, we had 485,000,000 authorized shares of common stock, of which 108,579,389 shares were outstanding and entitled to vote. Each share of common stock is entitled to one vote on each matter properly brought before the meeting. Our by-laws do not provide for cumulative voting and, accordingly, the shareholders do not have cumulative voting rights with respect to the election of directors.

What is the difference between a registered shareholder and a beneficial holder of shares?

If your common stock is registered directly in your name with our transfer agent, Broadridge Investor Communication Solutions, Inc., you are considered a registered shareholder with respect to those shares. If this is the case, the proxy materials, or the notice of Internet availability of proxy materials, have been sent or provided directly to you.

If your common stock is held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial holder of the shares held for you in what is known as street name. If this is the case, the proxy materials, or the notice of Internet availability of proxy materials, have been forwarded to you by your brokerage firm, bank or other nominee, or their agent which is considered the shareholder of record with respect to these shares. As a beneficial holder, you have the right to direct your bank, broker or nominee on how to vote the shares.

How do I vote?

Proxies are solicited to give all shareholders who are entitled to vote on the matters that come before the meeting the opportunity to vote their shares whether or not they attend the meeting in person. You can vote in one of the following manners:

By Internet Shareholders who received a notice about the Internet availability of the proxy materials may submit proxies over the Internet by following the instructions on the notice. Shareholders who have received a paper copy of a proxy card or voting instructions card by mail may submit proxies over the Internet by following the instructions on the proxy card or the voter instruction card;

By Telephone Shareholders of record who live in the United States or Canada may submit proxies by telephone by calling 1-800-690-6903 and following the instructions. Shareholders of record who have received a notice about the Internet availability of the proxy materials will need to have the control number that appears on their notice available when voting. Shareholders of record who have received a proxy card by mail will need to have the control number that appears on their proxy card available when voting. Most shareholders who are beneficial owners of their shares living in the United States or Canada and who have received a voting instruction card by mail may vote by phone by calling the number specified on the voter instructions card provided by their broker, trustee or nominee. Those shareholders should check the voting instruction card for telephone voting availability. Telephone and Internet voting facilities for shareholders will be available 24 hours a day and will close at 11:59 p.m. Central Daylight Time on May 8, 2008.

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By Mail Shareholders who have received a paper copy of a proxy card or voting instruction card by mail may submit proxies by completing, signing and dating their proxy card or voting instruction card and mailing it in the accompanying pre-addressed envelope.

In Person Shareholders of record may vote shares held in their name in person at the Annual Meeting. Shares for which a shareholder is the beneficial holder but not the shareholder of record may be voted in person at the Annual Meeting only if such shareholder is able to obtain a legal proxy from the broker, trustee or nominee that holds the shareholder's shares, indicating that the shareholder was the beneficial holder as of the record date and the number of shares for which the shareholder was the beneficial owner on the record date.

Shareholders are encouraged to vote their proxies by Internet, telephone or completing, signing, dating and returning the enclosed proxy card, but not by more than one method. Choosing to vote via the Internet or calling the toll-free number listed on the proxy card will save our company expense. If you vote via the Internet or by telephone, please do not return a signed proxy card, unless you change your vote. If you vote by more than one method, only the last vote that is submitted will be counted, and each previous vote will be disregarded.

How do I specify how I want my shares voted?

You can specify how you want your shares voted on each proposal by marking the appropriate boxes on the proxy card or submitting your vote on each proposal via the telephone or Internet. Please review the voting instructions on the proxy card and read the entire text concerning the proposals in this proxy statement prior to voting.

If a proxy is properly given and not revoked, it will be voted in accordance with the instructions, if any, given by the shareholder. If your signed proxy card or your telephone or Internet instructions do not specify how your shares are to be voted on a proposal, your shares will be voted: (a) FOR the election of the nominees for directors described in the proxy statement; (b) FOR ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm; (c) FOR the adoption of the Legacy Vulcan Corp. Restated Certificate of Incorporation; and (d) in accordance with the recommendation of our Board of Directors on any other proposal that may properly come before the meeting or any postponement or adjournment thereof.

How are my shares voted if I am a beneficial holder and I do not return voting instructions?

Your shares may be voted if they are held in the name of a brokerage firm, even if you do not provide the brokerage firm with voting instructions. Brokerage firms have the authority, under the listing standards of the New York Stock Exchange, to vote shares on certain routine matters for which their clients do not provide voting instructions by the tenth day before the meeting. The election of directors, the ratification of the independent registered public accounting firm and the adoption of the Legacy Vulcan Corp. Restated Certificate of Incorporation are considered routine matters.

What items will be voted upon at the Annual Meeting?

There are three proposals that will be presented at the meeting:

§ election of four nominees for directors;

§ ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2008; and

§ adoption of the Legacy Vulcan Corp. Restated Certificate of Incorporation.

These proposals have been submitted on behalf of our Board of Directors. We know of no other matters that may be brought before the meeting. However, if any other matters are properly presented for action, it is the intention of the proxies named on the proxy card to vote on them consistent with the recommendations of the Board of Directors.

What are the Board of Directors' voting recommendations?

For the reasons set forth in more detail later in this proxy statement, the Board recommends a vote FOR the election of each of the director nominees, FOR the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ended December 31, 2008 and FOR the adoption of the Legacy Vulcan Corp. Restated Certificate of Incorporation.

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What constitutes a quorum for the Annual Meeting?

A majority of the shares of common stock entitled to vote, represented in person or by proxy, is required to constitute a quorum. If a quorum is not present at the time of the Annual Meeting of Shareholders, the shareholders entitled to vote, present in person or by proxy, shall have the power to adjourn the Annual Meeting until a quorum shall be present or represented by proxy.

How many votes are needed to have the proposals pass?

The affirmative vote of a majority of the votes cast is required to elect each of the director nominees and to ratify the appointment of Deloitte & Touche LLP. The affirmative vote of 80% of the shares outstanding is required to adopt the proposed Legacy Vulcan Corp. Restated Certificate of Incorporation.

How are the votes counted?

For purposes of determining the number of votes cast with respect to a particular matter, only those cast For or Against and, with respect to the election of directors, Withheld are included. Abstentions and broker non-votes are counted only for purposes of determining whether a quorum is present at the meeting, are not considered votes cast, and thus will not affect the outcome of the vote to elect each of the director nominees and to ratify the appointment of Deloitte & Touche LLP. Abstentions and broker non-votes will have the effect of a vote against the proposal to adopt the Legacy Vulcan Corp. Restated Certificate of Incorporation, as that proposal requires the affirmative vote of at least 80% of the shares outstanding.

How can I revoke my Proxy?

You may revoke your proxy at any time before it is voted at the meeting by taking one of the following actions:

- § by giving timely written notice of the revocation to: Corporate Secretary, Vulcan Materials Company, 1200 Urban Center Drive, Birmingham, Alabama 35242, prior to the Annual Meeting of Shareholders;
- § by executing and delivering another valid proxy with a later date;
- § by voting by telephone or Internet at a later date; or
- § by attending the Annual Meeting of Shareholders and voting in person by written ballot.

If you vote by more than one method, only the last vote that is submitted will be counted, and each previous vote will be disregarded.

Who counts the votes?

Tabulation of the votes cast at the meeting is conducted by Broadridge Investor Communication Solutions, Inc., independent inspectors of election.

Is my vote confidential?

Proxy instructions, ballots and voting tabulations that identify individual shareholders are handled in a manner that protects your voting privacy. Your vote will not be disclosed either within Vulcan or third parties, except: (1) as necessary to meet applicable legal requirements; (2) to allow for the tabulation of votes and certification of the vote; and (3) to facilitate a successful proxy solicitation.

Who will pay for the costs involved in the solicitation of proxies?

Vulcan is making this solicitation and will pay the entire cost of preparing, assembling, printing, mailing and distributing the notices and these proxy materials and soliciting votes. In addition to the mailing of notices and these proxy materials, the solicitation of proxies or votes may be made in person or by telephone.

What is householding and how does it affect me?

Some banks and brokers may be participating in the practice of householding proxy statements and annual reports. This means that only one copy of this proxy statement or our Annual Report to Shareholders may have been sent to multiple shareholders in your household. We will promptly deliver a separate copy of either or both documents to you if you write

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or call us at the following address or phone number: Vulcan Materials Company, P.O. Box 385014, Birmingham, Alabama 35238-5014, Attention: Mark D. Warren, Director, Investor Relations, phone: (205) 298-3220. If you want to receive separate copies of our Annual Report to Shareholders and proxy statement in the future, or if you are receiving multiple copies and would like to receive only one copy for your household, you should contact your bank or broker, or you may contact us at the above address and phone number.

Can I view the Proxy Statement and Annual Report over the Internet instead of receiving them in the mail?

You may access our company's proxy statement and Annual Report on Form 10-K for the year ended December 31, 2007, which includes our 2007 Annual Report to Shareholders, via the Internet at www.vulcanmaterials.com under the heading Investor Relations. For next year's shareholders meeting, you can help us save significant printing and mailing expenses by consenting to access the proxy statement, proxy card and Annual Report to Shareholders electronically over the Internet. If you hold your shares in your own name (instead of through a bank, broker or other nominee), you can choose this option by following the instructions at the Internet voting website at <https://www.proxypush.com/vmc>, which has been established for you to vote your shares for the meeting. If you choose to receive your proxy materials and Annual Report to Shareholders electronically, then prior to next year's shareholders meeting you will receive an e-mail notification when the proxy materials and Annual Report to Shareholders are available for on-line review over the Internet, as well as the instructions for voting electronically over the Internet. Your choice for electronic distribution will remain in effect for subsequent meetings unless you revoke it prior to future meetings by sending a written request to: Corporate Secretary, Vulcan Materials Company, 1200 Urban Center Drive, Birmingham, Alabama 35242, or revoking your request online.

A copy of our Annual Report on Form 10-K for the year ended December 31, 2007 will be provided to you without charge (except for exhibits) upon written request to Mark D. Warren, Director, Investor Relations, Vulcan Materials Company, 1200 Urban Center Drive, Birmingham, Alabama 35242.

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PROPOSAL 1. ELECTION OF DIRECTORS

In accordance with the by-laws of our company, the Board of Directors shall be comprised of not fewer than nine nor more than 12 directors. Our by-laws further provide that the number of directors may be set by a resolution of our Board of Directors and the Board of Directors has determined that the size of the Board shall be currently fixed at 11. Pursuant to our company's by-laws, the Board is divided into three classes, with the term of office of one class expiring each year. One class is elected at each annual meeting to serve a three-year term. Our by-laws provide that a director shall retire from the Board at the annual meeting following his or her 72nd birthday, provided that the Board may waive the mandatory retirement age and nominate such director for an additional term of one or more years if the Board determines that such an extension is in the best interests of our company and its shareholders.

The Board has nominated Donald M. James and Ann McLaughlin Korologos for re-election as directors to serve three-year terms expiring in 2011. In addition, the Board has nominated Philip J. Carroll for re-election as a director to serve a two-year term. Mr. Carroll is being nominated to serve a two-year term because of the Board's policy of mandatory retirement at age 72. Finally, the Board has nominated Orin R. Smith for re-election as a director to serve a one-year term. The Board has determined that the continued service of Mr. Smith is in the best interests of the company and the shareholders. Unless otherwise directed, proxies will be voted in favor of these four nominees. Should any of the nominees be unable to accept election, the proxies will be voted for the election of such other person or persons nominated by the Board on the recommendation of the Governance Committee. Each of the nominees has consented to serve if elected, and the Board has no reason to believe that any of the persons nominated will be unable to serve as a director.

**NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS
TERMS EXPIRING IN 2011**

Donald M. James

Age: 59. Director since 1996.

Chairman and Chief Executive Officer of Vulcan since May 1997.

Other directorships: The Southern Company; Wachovia Corporation.

Committee memberships: Executive.

Ann McLaughlin Korologos

Age: 66. Director since 1990.(*)

A former U.S. Secretary of Labor; Chairman of the RAND Corporation Board of Trustees since April 2004 (RAND is a nonprofit institution that helps improve policy and decision making through research and analysis); Senior Advisor to Benedetto, Gartland & Company, Inc. (an investment banking firm in New York) from October 1996 until December 2005.

Other directorships: AMR Corporation; Harman International Industries, Inc.; Kellogg Company; Host Hotels & Resorts, Inc.

Committee memberships: Finance and Pension Funds; Governance.

(*) Ms. Korologos was first elected a director in 1990 and served until May 14, 2004. She was reelected a director of Vulcan by the Board of Directors on July 13, 2007.

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TERM EXPIRING IN 2010

Philip J. Carroll, Jr.

Age: 70. Director since 1999.

Retired Chairman and Chief Executive Officer of Fluor Corporation, Aliso Viejo, California (an engineering, construction and diversified services company), from July 1998 to February 2002.

Other directorships: BAE Systems; Texas Medical Center; Environfuels, LLC.

Committee memberships: Compensation; Executive; Governance; Safety, Health and Environmental Affairs.

TERM EXPIRING IN 2009

Orin R. Smith

Age: 72. Director since 1983.

Retired Chairman and Chief Executive Officer of Engelhard Corporation, Iselin, New Jersey (provider of environmental technologies, performance products, engineered materials and related services), from January 1995 to December 2000.

Other directorships: Ingersoll-Rand Company.

Committee memberships: Compensation; Executive; Governance; Safety, Health and Environmental Affairs.

**The Board of Directors recommends a vote FOR
each of the nominees named above.**

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**DIRECTORS CONTINUING IN OFFICE
TERMS EXPIRING IN 2009**

John D. Baker II

Age: 59. Director since 2007.

Chief Executive Officer and President of Patriot Transportation Holding, Inc. since February 2008; Former President and Chief Executive Officer of Florida Rock Industries, Inc., Jacksonville, Florida (an aggregates, ready mix concrete and cement company), from 1996 to November 2007.

Other directorships: Patriot Transportation Holding, Inc.; Wachovia Corporation.

Committee memberships: Finance and Pension Funds; Safety, Health and Environmental Affairs.

Phillip W. Farmer

Age: 69. Director since 1999.

Retired Chairman of the Board of Harris Corporation, Melbourne, Florida (an international communications equipment company) from February 2003 until June 2003; Chairman, President and Chief Executive Officer from June 2000 to February 2003.

Other directorships: George Weston, Limited

Committee memberships: Audit; Finance and Pension Funds; Governance.

H. Allen Franklin

Age: 63. Director since 2001.

Retired Chairman and Chief Executive Officer of Southern Company, Atlanta, Georgia (a super-regional energy company in the Southeast and a leading U.S. producer of energy) from April 2004 until July 2004; Chairman, President and Chief Executive Officer from April 2001 to April 2004.

Committee memberships: Audit; Compensation; Safety, Health and Environmental Affairs.

James V. Napier

Age: 71. Director since 1983.

Retired Chairman of the Board of Scientific-Atlanta, Inc., Atlanta, Georgia (a manufacturer and designer of telecommunication systems, satellite-based communications networks, and instrumentation for industrial, telecommunications and government applications) from 1992 to 2000.

Other directorships: Intelligent Systems, Inc.; McKesson Corporation; WABTEC, Inc.

Committee memberships: Audit; Compensation; Executive; Finance and Pension Funds.

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TERMS EXPIRING IN 2010

Douglas J. McGregor

Age: 67. Director since 1992.

Blue Point Capital Partners, Cleveland, Ohio (a national private equity firm), since January 2003

Committee memberships: Audit; Executive; Finance and Pension Funds; Safety, Health and Environmental Affairs.

Donald B. Rice

Age: 68. Director since 1986.^(*)

President and Chief Executive Officer of Agensys, Inc. (a Santa Monica, California based operating subsidiary of Astellas Pharma, Inc.) (a biotechnology company developing monoclonal antibody therapeutics for cancer), since 2007; Chairman, President and Chief Executive Officer of Agensys, Inc. (a privately held company) from 2002 to 2007.

Other directorships: Chevron Corp.; Wells Fargo & Company.

Committee memberships: Compensation; Executive; Finance and Pension Funds; Governance.

Vincent J. Trosino

Age: 67. Director since 2003.

Retired President, Vice Chairman of the Board and Chief Operating Officer of State Farm Mutual Automobile Insurance Company, Bloomington, Illinois (a mutual insurance company), from 1998 until December 2006.

Committee memberships: Audit; Finance and Pension Funds; Safety, Health and Environmental Affairs.

^(*)Dr. Rice was first elected a director in 1986, and served until May 1989, when he was appointed Secretary of the Air Force. He was reelected a director of Vulcan by the Board of Directors on February 12, 1993.

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**PROPOSAL 2. RATIFICATION OF APPOINTMENT
OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee, which is comprised solely of independent directors, has appointed Deloitte & Touche LLP, as the independent registered public accounting firm for our company and its subsidiaries for the fiscal year ended December 31, 2008. The function of the independent registered public accounting firm is to audit our accounts and records; to report on the consolidated balance sheet, the related statements of consolidated earnings, consolidated shareholders' equity and consolidated statements of cash flows of our company and its subsidiaries; and to perform such other appropriate accounting services as may be required by the Audit Committee. Although shareholder ratification is not required, the Board has determined that it would be desirable to request an expression from the shareholders as to whether or not they concur with this appointment. If a majority of the votes cast at the meeting fails to ratify the selection of Deloitte & Touche LLP as an independent registered public accounting firm, the Audit Committee will consider the selection of another independent registered public accounting firm.

The firm of Deloitte & Touche LLP, or its predecessors, has audited our financial statements since 1956. A representative of that firm is expected to be present at the meeting, will be given an opportunity to make a statement and will be available to respond to appropriate questions.

**The Board of Directors recommends a vote FOR
the proposal to ratify the appointment of Deloitte & Touche LLP as our company's
independent registered public accounting firm.**

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**PROPOSAL 3. ADOPTION OF THE
LEGACY VULCAN CORP. RESTATED CERTIFICATE OF INCORPORATION**

Our merger with Florida Rock Industries, Inc. was effected using an acquisition structure in which a new holding company was formed to own all of the shares of Florida Rock and Legacy Vulcan Corp. Under New Jersey law, in order to use this acquisition structure, the certificate of incorporation of Legacy Vulcan Corp., our wholly-owned subsidiary, immediately following the closing was required: (i) to be substantially identical to the certificate of incorporation of Vulcan Materials Company; and (ii) provide that amendment of Legacy Vulcan Corp.'s certificate of incorporation would require approval by the shareholders of Vulcan Materials Company.

In addition, because Legacy Vulcan Corp.'s predecessor in interest was a public company immediately prior to the transaction, its certificate of incorporation is currently in a form that is more administratively burdensome and costly to maintain than the standard form used by our company's other wholly-owned subsidiaries.

The Board has determined that it would be desirable to restate Legacy Vulcan Corp.'s certificate of incorporation to eliminate the provision requiring approval by the shareholders of Vulcan Materials Company for subsidiary-level actions and to otherwise conform the governance and administration of Legacy Vulcan Corp. to that of the company's other wholly-owned subsidiaries. If the shareholders approve this restatement, then future changes to Legacy Vulcan Corp.'s certificate of incorporation will not need to be submitted to our shareholders. The affirmative vote of 80% of the outstanding shares is required to adopt the restatement. The form of the proposed restated certificate of incorporation is attached to this Proxy Statement as Appendix A.

**The Board of Directors recommends a vote FOR
the proposal to adopt the Legacy Vulcan Corp. Restated Certificate of Incorporation**

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**CORPORATE GOVERNANCE OF OUR COMPANY AND
PRACTICES OF THE BOARD OF DIRECTORS**

Our company takes its corporate governance responsibilities very seriously and has adopted Corporate Governance Guidelines which provide a framework for the governance of our company. The Guidelines build on practices which we have followed for many years and, we believe, demonstrate our continuing commitment to corporate governance excellence.

In addition, we have a Business Conduct Policy that applies to all of our employees and deals with a variety of corporate compliance issues, including conflicts of interest, compliance with laws, confidentiality of company information, fair dealing and use of company assets. All employees are required to fill out a questionnaire annually regarding their personal compliance with the Business Conduct Policy and are encouraged to report any illegal or unethical behavior of which they become aware.

The Board has adopted a Code of Ethics for the Chief Executive Officer and Senior Financial Officers. The Code of Ethics defines Senior Financial Officers to include the Chief Financial Officer, Controller and Principal Accounting Officer. The Code of Ethics covers such topics as financial reporting, conflicts of interest and compliance with laws. If we make any amendment to, or waiver of, any provision of the Code of Ethics, we will disclose such information on our website. As discussed in this proxy statement, our Governance Committee regularly reviews corporate governance developments and adopts appropriate practices as warranted. You can access our by-laws, Corporate Governance Guidelines, Business Conduct Policy and Code of Ethics at our website www.vulcanmaterials.com or you can obtain a printed copy free of charge by writing to us at: Corporate Secretary, Vulcan Materials Company, 1200 Urban Center Drive, Birmingham, Alabama 35242. Please note that the information contained on our website is not incorporated by reference in, nor considered to be a part of, this proxy statement.

Director Independence

The Board believes that all of the directors, with the exception of Messrs. Donald M. James and John D. Baker II, are independent under the New York Stock Exchange listing standards, the Board's Director Independence Criteria, and the applicable SEC rules and regulations. The New York Stock Exchange listing standards provide that a director does not qualify as independent unless the Board affirmatively determines that the director has no material relationship with our company (either directly or as a partner, shareholder or officer of an organization that has a relationship with our company). The New York Stock Exchange rules require a board to consider all of the relevant facts and circumstances in determining the materiality of a director's relationship with our company and permit the Board to adopt and disclose standards to assist the Board in making determinations of independence. Accordingly, the Board has adopted the Director Independence Criteria to assist it in determining whether a director has a material relationship with our company. The Director Independence Criteria provide that a director will be considered independent if he or she:

- (a) has not been an employee of our company, or any of its consolidated subsidiaries, nor has any immediate family member of such director been employed in an executive officer position, during the last three years;
- (b) has not received, nor has any member of his or her immediate family received, more than \$100,000 per year in direct compensation from our company, or any of its consolidated subsidiaries, other than director and committee fees and pension or other forms of deferred compensation for prior service during any twelve-month period within the last three years;
- (c) (1) does not have an immediate family member who is a current partner of our company's external auditor;
(2) does not have an immediate family member that is a current employee of our company's external auditor and who participates in the firm's audit, assurance or tax compliance (but not tax planning) practice;
(3) has not, and has no immediate family members that have, been a partner or employee of our company's external auditor and personally worked on our company's audit during the past three years.

- (d) during the last three years, has not, and has no immediate family members that have, been employed as an executive officer of another company where any of our company's present executives during that time served on that company's compensation committee;

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- (e) during the past three years, has not served as an employee or had a member of his or her immediate family serve as an executive officer of any company that makes payments to, or receives payments from, our company, or any of its consolidated subsidiaries, for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1,000,000 or 2% of the consolidated gross revenues of such other company;
- (f) during the past three years, has not served, nor has a member of his or her immediate family served, as a director, trustee, advisory board member, executive officer or other similar position of any charitable organization that received contributions any year from our company in excess of \$1,000,000, or 2% of such charitable organization's consolidated gross revenues;
- (g) has no other relationship not described above between the director or an immediate family member (directly or as partner, shareholder, director or officer of any entity or organization which has a relationship with our company) and our company, or any of its consolidated subsidiaries or the management of our company which could affect the director's independence; and
- (h) with respect to the Audit Committee members only, did not receive during the last fiscal year any compensation from our company other than director's fees (including committee fees).

Further, the Director Independence Criteria requires the Board to consider all relevant facts and circumstances, including the director's commercial, industrial, banking, consulting, legal, accounting, and charitable relationships and such other criteria as the Board may determine from time to time.

In February 2008, the Board conducted an evaluation of director independence, based on the Director Independence Criteria, the New York Stock Exchange listing standards and applicable SEC rules and regulations. In connection with this review, the Board evaluated commercial, charitable, consulting, familial or other relationships with each director or immediate family member and their related interests and Vulcan and its subsidiaries, including those relationships described under Other Matters Relating to Executive Officers and Directors.

As a result of this evaluation, the Board affirmatively determined that Messrs. Carroll, Farmer, Franklin, McGregor, Napier, Rice, Smith, Trosino and Ms. Korologos are independent directors under the Board's Director Independence Criteria, the New York Stock Exchange listing standards and the applicable SEC rules and regulations.

Director Nomination Process

The Governance Committee considers director candidates recommended by shareholders. Any shareholder wishing to recommend a candidate for election at the 2009 Annual Meeting must submit that recommendation in writing, addressed to the Governance Committee, in care of our Corporate Secretary, at 1200 Urban Center Drive, Birmingham, Alabama 35242, by November 25, 2008. The notice should include the following:

- § The name and address of the shareholder who intends to make the nomination(s) and of the person or persons to be nominated;
- § A representation that the shareholder is a holder of record or a beneficial holder of stock entitled to vote at the meeting (including the number of shares the shareholder owns) and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice;
- § A description of all arrangements and understandings between the shareholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the shareholder;
- § Such other information regarding each nominee proposed by such shareholder as would have been required to be included in a proxy statement filed pursuant to the proxy rules of the SEC (whether or not such rules are applicable) had each nominee been nominated, or intended to be nominated, by the Board of Directors, including the candidate's name, biographical information, and qualifications; and

§ The written consent of each nominee to serve as a director if so elected, with such written consent attached thereto.

The Governance Committee will identify nominees by first evaluating the current members of the Board willing to continue service. Current members of the Board with skills and experience that are relevant to our business and who are willing to continue in service are considered for nomination, balancing the value of continuity of service by existing members of the

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Board with that of obtaining new Board members. If any member of the Board does not wish to continue in service or if the Governance Committee or the Board decides not to nominate a current Board member for reelection, the Governance Committee may identify the desired skills and experience for a new nominee in light of the above criteria. Directors and members of management may also suggest candidates for Board service. Timely recommendations by shareholders will receive equal consideration by the Governance Committee. In some cases the committee engages, for a fee, the services of a third-party executive search firm to assist it in identifying and evaluating nominees for director.

Meetings and Attendance

Our Board held 8 meetings in 2007. In 2007, each director attended more than 75% of the total number of meetings of the Board and meetings of the committees of which he or she was a member, except for John D. Baker II, who joined the Board in November 2007.

Annual Meeting Policy

Our directors are expected to attend the Annual Meeting of Shareholders. In furtherance of this policy, our Board holds a regularly scheduled Board meeting on the same day as the Annual Meeting of Shareholders. In 2007, all of the Board members attended the Annual Meeting.

Non-Management Executive Sessions and Presiding Director

Our Board of Directors has adopted a policy relating to non-management executive sessions. Under this policy, the Board of Directors must meet at each regularly scheduled Board meeting in an executive session in which management directors and other members of management do not participate. During 2007, the non-management directors met in executive session 8 times.

Each year at the May Board meeting, the Board designates a non-management presiding director, a position which is filled by rotation among the chairs of the Board committees. The duties of the presiding director are delineated in our Corporate Governance Guidelines, which are available on our website at www.vulcanmaterials.com. The Chairman of the Audit Committee, Mr. Napier, served as the presiding director at the executive sessions after the annual meeting in 2007. Mr. Carroll, incoming Chairman of the Compensation Committee, will serve as the presiding director following the 2008 Annual Meeting.

Committees of the Board of Directors

Our Board of Directors has established six standing committees as follows:

- § Executive Committee;

- § Audit Committee;

- § Compensation Committee;

- Governance Committee;

- § Safety, Health and Environmental Affairs Committee; and

- § Finance and Pension Funds Committee.

The charters of the Audit, Compensation and Governance Committees are available on our website at www.vulcanmaterials.com, or you can obtain a printed copy free of charge by writing to us at: Corporate Secretary, Vulcan Materials Company, 1200 Urban Center Drive, Birmingham, Alabama 35242.

The Audit, Compensation and Governance Committees are comprised entirely of independent, non-management directors.

Executive Committee

The Executive Committee has the same powers as our Board of Directors, except as limited by the New Jersey Business Corporation Act. In practice, the powers of the Executive Committee are exercised only for matters that arise between meetings of the Board. Members of the Executive Committee are Messrs. James (Chair), Carroll, McGregor, Napier, Rice and Smith. The Executive Committee did not meet in 2007.

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Audit Committee

The Audit Committee advises the Board and management from time to time with respect to internal controls, financial systems and procedures, accounting policies and other significant aspects of our company's financial management. Pursuant to its charter, the Audit Committee selects our company's independent registered public accounting firm and oversees the arrangements for, and approves the scope of, the audits to be performed by the independent registered public accounting firm. The Audit Committee's primary responsibilities under its written charter include the following:

- § Hiring, evaluating and, when appropriate, replacing the independent registered public accounting firm, whose duty it is to audit our books and accounts for the fiscal year in which it is appointed;
- § Determining the compensation to be paid to the independent registered public accounting firm and, in its sole discretion, approving all audit and engagement fees and terms and pre-approving all auditing and non-auditing services of such firm, other than certain *de minimis* non-audit services;
- § Reviewing and discussing with management, the independent registered public accounting firm and internal auditors our internal reporting, audit procedures and the adequacy and effectiveness of our disclosure controls and procedures;
- § Reviewing and discussing with management and the independent registered public accounting firm the audited financial statements to be included in our Annual Report on Form 10-K, the quarterly financial statements to be included in our Quarterly Reports on Form 10-Q, our disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations, and the selection, application and disclosure of accounting policies used in our financial statements;
- § Reviewing and discussing with management quarterly earnings press releases and financial information and earnings guidance provided to analysts and rating agencies; and
- § Reviewing and reassessing the adequacy of the Audit Committee Charter adopted by the Board of Directors, and recommending proposed changes to the Board of Directors.

The members of the Audit Committee are Messrs. Napier (Chair), Farmer, Franklin, McGregor and Trosino. All members of our Audit Committee are non-management directors. Our Board of Directors has determined that each is independent and financially literate within the meaning of the listing standards of the New York Stock Exchange, SEC rules and regulations, and the Director Independence Criteria adopted by our Board of Directors and posted on our website at www.vulcanmaterials.com under Investor Relations. In addition, our Board has determined that Mr. Napier is an audit committee financial expert as defined by rules adopted by the SEC. He has served on our Board since 1983 and on our Audit Committee since 1987. The Audit Committee met 7 times during 2007. Further detail about the role of the Audit Committee may be found in the Report of the Audit Committee on page 19 of this Proxy Statement.

Compensation Committee

The Compensation Committee is responsible for, among other things:

- § determining and setting the amount of compensation paid to each of our executive officers, including the Chief Executive Officer, senior officers and division presidents;
- § reviewing compensation plans relating to officers;
- § interpreting and administering the Executive Incentive Plan, Management Incentive Plan, and the 2006 Omnibus Long-Term Incentive Plan; and
- § making recommendations to the Board with respect to compensation paid by our company to any director.

The Compensation Committee also reviews and discusses with management the Compensation Discussion and Analysis required by SEC rules to be included in our proxy statements.

The Compensation Committee has engaged Compensation Strategies, Inc. as its independent compensation consultant. The Compensation Committee obtains specific data and reports from Compensation Strategies, Inc. at times upon request. The Compensation Committee invites representatives of Compensation Strategies, Inc. to attend meetings of the Compensation Committee from time to time. The Compensation Committee also meets with the Chief Executive Officer to consider recommendations for the compensation arrangements for executives other than the Chief Executive Officer. For a

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description of the process undertaken by the Compensation Committee to set compensation, please refer to the section entitled "Compensation Discussion and Analysis" in this Proxy Statement.

The members of the Compensation Committee are Messrs. Smith (Chair), Carroll, Franklin, Napier and Rice. The Committee is comprised solely of non-management directors who are independent within the meaning of the listing standards of the New York Stock Exchange and the Board's Director Independence Criteria. The Compensation Committee met four times during 2007.

Governance Committee

The Governance Committee is responsible for reviewing and assessing our policies and practices relating to corporate governance, including our Corporate Governance Guidelines. The committee also plans for the succession of the Chief Executive Officer and other senior executives. In addition, the committee serves as the nominating committee and as such it is responsible for identifying and assessing candidates, including making recommendations to the Board regarding such candidates. In fulfilling its responsibilities, the Governance Committee, among other things:

§ identifies individuals qualified to become Board members consistent with criteria established in its charter;

§ recommends to the Board director nominees for the next annual meeting of shareholders; and

§ evaluates individuals suggested by shareholders as director nominees.

In recommending director candidates to the Board, the Governance Committee Charter requires the committee to select individuals who, at a minimum, possess high ethical standards, integrity and sound business judgment. In its assessment of each potential candidate, the Governance Committee will review the candidate's experience, potential conflicts of interest, understanding of our company's industry or related industries, financial acumen and such other factors the Committee determines are pertinent in light of the current needs of the Board. The committee also may take into account the contribution of the candidate to the diversity of the Board, the ability of a candidate if elected a director to devote the time and effort necessary to fulfill his or her responsibilities as a Board member, and the needs of our company given the range of talent and experience represented on the Board. The Governance Committee believes it appropriate for at least one member of the Board to meet the criteria for an audit committee financial expert as defined by the SEC rules, and that a substantial majority of the members of the Board meet the definition of independence as defined by the listing standards of the New York Stock Exchange and the Board's Director Independence Criteria.

The Governance Committee also reviews the Board's committee structure and recommends to the Board, for its approval, directors to serve as members of each committee. The Committee also is responsible for overseeing the evaluations of the Board and its committees.

Members of the Governance Committee are Dr. Rice (Chair), Ms. Korologos, Messrs. Carroll, Farmer and Smith. This Committee is comprised solely of non-management directors who are independent within the meaning of the listing standards of the New York Stock Exchange and the Board's Director Independence Criteria. The Governance Committee met three times during 2007.

Safety, Health and Environmental Affairs Committee

The Safety, Health and Environmental Affairs Committee has the responsibility for reviewing our policies, practices and programs with respect to the management of safety, health and environmental affairs and monitoring our compliance with safety, health and environmental laws and regulations. Members of the Safety, Health and Environmental Affairs Committee are Messrs. Carroll (Chair), Baker, Franklin, McGregor, Smith and Trosino. The Committee met two times during 2007.

Finance and Pension Funds Committee

The Finance and Pension Funds Committee has responsibility for overseeing our financial policies and recommending to the Board financial policies and actions to accommodate our goals and operating strategies while maintaining a sound financial condition. Its functions include keeping informed about our financial condition, recommending a dividend policy, reviewing and recommending changes in the quarterly dividend payments, and evaluating and making recommendations concerning the appropriate mix of debt and equity, incurrence of long-term debt, and changes in the authorized limit of short-term debt. The Finance and Pension Funds Committee also is responsible for

overseeing the funding and

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management of assets for pension plans sponsored by our company. To fulfill these functions, it establishes funding policies and methods consistent with pension plan objectives and the Employee Retirement Income Security Act of 1974, selects and removes investment managers, and appoints trustees for the pension plans. Members of the Finance and Pension Funds Committee are Mr. McGregor (Chair), Ms. Korologos and Messrs. Baker, Farmer, Napier, Rice and Trosino. The Finance and Pension Funds Committee met two times in 2007.

Compensation Committee Interlocks and Insider Participation

None.

Transactions with Related Persons

The brother-in-law of Mr. Donald James, Chairman and Chief Executive Officer, and the son of Mr. Philip Carroll, Jr., a member of the Board of Directors, are both partners in a large law firm which provides legal services to our company. In determining that this is not a material relationship involving Mr. James or Mr. Carroll, the Board determined that payments made by our company to the firm represented less than 2% of the firm's consolidated gross revenues, and the revenues from our company received by Mr. James' brother-in-law and Mr. Carroll's son as a result of their status as partners were not material. Additionally the Board made the assessment that Mr. Carroll was independent and that this was not a material relationship. Neither Mr. James' brother-in-law nor Mr. Carroll's son were directly involved in providing significant legal services to Vulcan.

Patriot Transportation Holding, Inc.

Mr. Baker serves as Chief Executive Officer and President and is a director of Patriot Transportation Holding, Inc. (hereinafter referred to as Patriot Transportation). Prior to its merger with our company, Florida Rock entered into a joint venture agreement with a subsidiary of Patriot Transportation called Florida Rock Properties (hereinafter referred to as FRP). The joint venture agreement establishes a real estate joint venture to develop land located in Florida. Under the terms of the joint venture, FRP contributed land that Florida Rock leased from FRP under a long-term mining lease. Vulcan will continue to mine the property and pay royalties to FRP for as long as mining does not interfere with the development of the property. Florida Rock contributed a parcel of land that it owned as well as its leasehold interest to land it was mining. It also contributed another land parcel. Now, Vulcan will jointly control the joint venture with FRP, and we will each have a mandatory obligation to fund additional capital contributions of up to \$2 million. Distributions also will be made on a 50-50 basis.

The property does not yet have the necessary entitlements for real estate development. Approval to develop real property in Florida entails an extensive entitlement process involving multiple and overlapping regulatory jurisdictions, and the outcome is inherently uncertain. We expect that the entitlement process may take several years to complete.

Transportation and Leasing Services

Patriot Transportation hauls petroleum products, cement, construction aggregates and other products for our company. Patriot Transportation has numerous hauling competitors at all terminal and plant sites and the rates charged are, accordingly, established by competitive conditions.

Our company also leases from FRP certain construction aggregates mining sites and other properties. Our company paid rents, royalties and transportation services to subsidiaries of Patriot Transportation totaling \$8,530,242 in 2007.

Shareholder Communication with the Board of Directors

The Board has established a process for shareholders and other interested parties to communicate directly with the presiding director or with the non-management directors individually or as a group. Any shareholder or other interested party who desires to contact one or more of our non-management directors, including the Board's presiding director, may send correspondence to the following address:

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Board of Directors (or presiding director or name of individual director)
c/o Corporate Secretary
Vulcan Materials Company
1200 Urban Center Drive
Birmingham, Alabama 35242

All such communications will be forwarded to the appropriate director or directors specified in such communications as soon as practicable in accordance with the Policy on Shareholder Communications with the Board, adopted by the independent directors in February 2004.

Policy on Reporting of Concerns Regarding Accounting Matters

As provided on our website at *www.vulcanmaterials.com* under the heading Investor Relations under the subheading Corporate Governance Contact the Board of Directors, any shareholder or interested party who has any concerns or complaints relating to accounting, internal accounting controls or auditing matters, may contact the Audit Committee by writing to the following address:

Vulcan Audit Committee
c/o Corporate Secretary
Vulcan Materials Company
1200 Urban Center Drive
Birmingham, Alabama 35242

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REPORT OF THE AUDIT COMMITTEE

The Audit Committee of the Board is responsible for, among other things, reviewing our company's financial statements with management and our company's independent registered public accounting firm. The Audit Committee acts under a written charter which is available on our website at www.vulcanmaterials.com. Each member of the Audit Committee is an independent director as determined by our Board, based on the requirements of the New York Stock Exchange, the SEC and our Board's Director Independence Criteria.

Our company's management has the primary responsibility for our company's financial statements and financial reporting process, including the system of internal controls. Our independent registered public accounting firm is responsible for expressing an opinion on the conformity of our company's audited financial statements with generally accepted accounting principles. Our independent registered public accounting firm also audits, in accordance with the standards of the Public Company Accounting Oversight Board (the PCAOB), the effectiveness of our company's internal control over financial reporting. The Audit Committee is responsible for monitoring and overseeing these processes.

In this context, the Audit Committee has reviewed and discussed our company's audited financial statements with management and the independent registered public accounting firm. The Audit Committee has discussed with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 61 (Communication with Audit Committees) as amended. The Audit Committee reviewed and discussed with the independent registered public accounting firm the auditor's independence from our company and management. As part of that review, the Audit Committee has received from the independent registered public accounting firm the written disclosures required by Independence Standards Board Standard No. 1 (Independence Discussions with the Audit Committees) and discussed with the independent registered public accounting firm the auditor's independence and considered whether the auditor's provision of any non-audit services is compatible with the auditor's independence. The Audit Committee has concluded that the independent registered public accounting firm is independent from our company and management.

Based on the reviews and discussions noted above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in our company's Annual Report on Form 10-K for the year ended December 31, 2007, for filing with the SEC.

Audit