

**MARTIN MARIETTA MATERIALS, INC.**  
**AUDIT COMMITTEE CHARTER**

The Audit Committee will, except when such powers are by statute or the Articles of Incorporation or the Bylaws reserved to the full Board or delegated to another committee of the Board, possess and may exercise the powers of the Board relating to accounting, auditing and financial reporting matters of the Corporation.

**Purpose**

The purpose of the Committee is to assist the Board in overseeing the integrity of the Corporation's financial statements, the Corporation's compliance with legal and regulatory requirements, the qualifications and independence of the Corporation's independent auditors, and the performance of the Corporation's internal audit function and independent auditors.

**Composition**

The Committee will be comprised of three or more Directors, including a chairperson, who are not officers or employees of the Corporation. The members of the Committee will meet all the requirements of the New York Stock Exchange ("NYSE"), the Securities and Exchange Commission ("SEC") and other applicable rules and regulations, including the independence and experience requirements. Each Committee member will be financially literate or will become financially literate within a reasonable period of time after appointment to the Committee, and at least one member of the Committee will have accounting or related financial management expertise. A member of the Committee who satisfies the definition of "audit committee financial expert" may be presumed to be financially literate. No member of the Committee may serve on the audit committees of more than three public companies (including the Corporation) unless the Board of Directors determines that the service will not impair the ability of such member to effectively serve on the Committee and such determination is disclosed in the Corporation's annual proxy statement or Annual Report on Form 10-K. The foregoing qualifications will be determined by the Board in its business judgment. The members of the Committee and the Chairperson of the Committee will be elected by the Board to serve at the pleasure of the Board of Directors and until their successors are duly elected and qualified.

**Independence Requirements**

In addition to satisfying the Guidelines for Independence adopted by the Board of Directors, as amended from time to time, the members of the Committee will not receive, directly or indirectly, any consulting, advisory or other compensation from the Corporation or any of its subsidiaries, other than directors' fees and fixed compensation under a retirement plan for prior service with the Corporation, as long as the compensation is not contingent on continued service. A member of the Committee may not be an "affiliated person" of the Corporation or any of its subsidiaries, apart from serving as a director on the Board of Directors, who directly or indirectly through intermediaries, controls, or is controlled by, or is under common control with, the Corporation. A person who is not an executive officer and who does not beneficially own, directly or indirectly, more than 10% of the voting stock of the Corporation is not deemed to "control" the Corporation.

## **Meetings**

The Committee will hold at least five meetings annually and will meet in separate executive sessions with the Corporation's management, independent auditors, and internal audit department representatives to review and resolve matters of concern presented to the Committee. The Committee may meet as many additional times as the Committee deems necessary or appropriate.

## **Responsibilities**

The Corporation's management is responsible for maintaining an effective internal control structure and preparing the Corporation's financial statements, and the independent auditors are responsible for auditing the financial statements. The Committee will oversee the conduct of these activities by the Corporation's management and its internal and independent auditors. The Committee's policies and procedures will remain flexible to permit it to react to changing conditions and pertinent requirements. In carrying out its oversight responsibilities, the Committee is not providing any expert or special assurance as to the Corporation's financial statements or any certification as to the independent auditors' work.

In carrying out its oversight function, the Committee will perform the following:

### **Independent Auditors:**

#### Selection

Retain and terminate, in the Committee's sole discretion, the Corporation's independent auditors. This includes communicating to the independent auditors that they are ultimately accountable to the Committee.

#### Independence

1. Inquire as to the independence of the independent auditors and receive from the independent auditors, at least annually, a formal written statement delineating all relationships between the independent auditors and the Corporation as contemplated by Independence Standards Board Standard No. 1, *Independence Discussions with Audit Committees*. Assure regular rotation of the lead and concurring audit partners, and other significant audit partners, as required by applicable statute, rule or regulation.
2. Actively engage in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditors and, if appropriate, recommend that the Board take action in response to the independent auditors' report to satisfy itself of the independent auditors' independence.

#### Annual Procedures

1. Prior to the end of the fiscal year, review and approve the scope and timing of the annual independent audit of the Corporation's financial statements. The Committee's review should include an explanation from the independent auditors of the factors considered by the auditors in determining the audit scope, including the major risk factors.

2. Engage the independent auditors to perform a timely quarterly review of the interim financial statements in accordance with Statement on Auditing Standards No. 71, *Interim Financial Information*.
3. Engage the independent auditors to perform other non-audit services as deemed appropriate, consistent with the requirements of the SEC and the NYSE. The Committee may delegate the approval of such services to its Chairperson.
4. Authorize management to engage the independent auditors for other work as deemed necessary.
5. Adopt policies and procedures governing the Committee's pre-approval of all audit and permitted non-audit services to be provided by the independent auditors, and disclose pre-approval policies as required by applicable statute, rule or regulation.
6. Review and approve annually the fee arrangement with the independent auditors and approve the fees, terms, and other compensation to be paid to the independent auditors, including the nature, extent, and fees for any services performed for the Corporation outside of the annual audit. The Committee has the sole authority to approve all engagement fees and terms, but may consult with management as to the appropriateness of the fee arrangement. Discuss with management and the independent auditors the adequacy of funding for services approved by the Committee that are provided by the independent auditors or any advisors.
7. Review annually the independent auditors' registration form or annual update filed with the accounting oversight board. Significant matters noted should be discussed with the independent auditors.
8. Review annually a report by the independent auditor describing: the firm's internal quality control procedures; any material issues raised by the most recent internal quality-control review or peer review; and any material issues raised by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues. Assure the regular rotation of the lead audit partner, as required by law. Based on the foregoing report, the independent auditor's work throughout the year and the opinions of management, the Committee will report to the Board its conclusions with respect to the independent auditors' qualifications, performance and independence.
9. Discuss with the independent auditors the quality of the Corporation's financial, accounting, and auditing personnel.

**Internal Auditors:**

1. Review the qualifications and work of the Corporation's internal auditing staff, including the adequacy of its budget and staffing.
2. Review annually and discuss with management and the independent auditors the plan and scope of internal audit's work plan for the year, and any changes to such plan and/or scope, including coordination of the audit with the independent auditors.
3. Communicate to the internal auditors that they are ultimately accountable to the Committee.

## **Financial Reporting Process:**

*Audited Financial Statements.* At the completion of the annual audit, review with management, the internal auditors, and the independent auditors the following:

1. The annual financial statements and related footnotes and financial information to be included in the Corporation's annual report to shareholders and on Form 10-K prior to its filing, including the Corporation's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations."
2. Results of the audit of the financial statements and the related report thereon and, if applicable, a report on changes during the year in accounting principles and their application.
3. Significant changes to the external audit plan and significant variations in the actual scope of the independent audit, if any, and any serious disputes or difficulties with management encountered during the audit. Inquire about the cooperation received by the independent auditors during their audit, including access to all requested records, data, and information. Resolve disagreements between management and the independent auditors regarding the Corporation's financial reporting. Inquire of the independent auditors whether there have been any disagreements with management, which if not satisfactorily resolved would have caused them to issue a nonstandard report on the Corporation's financial statements and whether any limitations have been placed by management on the scope or nature of their audit procedures, and whether any accounting adjustments were noted or proposed by the independent auditors but were not made. Inquire about the quality and consistency of the accounting principles selected. Inquire of the independent auditors as to any consultations with its regional/national technical personnel.
4. Other communications as required to be communicated by the independent auditors by Statement of Auditing Standards (SAS) 61 as amended by SAS 90 relating to the conduct of the audit.
5. Discuss any relevant significant recommendations that the independent auditors may have, particularly those characterized as "material," review management's responses, and receive follow-up reports on actions taken.
6. If deemed appropriate after such review and discussion, recommend to the Board that the financial statements be included in the Corporation's annual report on Form 10-K.
7. Review and, at least annually, receive a written report from the Corporation's counsel regarding any legal, regulatory, and environmental matters that may have a material impact on the financial statements.

*Interim Financial Statements.* The Committee, through the Chairperson or the Committee as a whole, will review with management of the Corporation and the independent auditors, prior to filing the quarterly reports on Form 10-Q, any matters described in Statement on Auditing Standards No. 61, *Communications with Audit Committees* and identified as having a significant effect on the interim financial statements. In connection with this review, the Committee, through its Chairperson or as a whole, will discuss earnings press releases with management, prior to their release.

Financial Reporting Practices. The Committee will review annually with management, the internal auditors, and the independent auditors the following:

1. Management's assessment of and report on the effectiveness of internal control over financial reporting as of the end of the most recent fiscal year, and the independent auditor's related report, including (a) any significant deficiencies or material weaknesses in the design or operation of internal controls over financial reporting, (b) any fraud, whether or not material, that involves management or other employees having a significant role in the internal controls over financial reporting, and (c) any significant changes to internal controls over financial reporting, including corrective actions, since the last report to the Committee.
2. Significant accounting and reporting principles, practices, and procedures applied by the Corporation in preparing its financial statements, including any changes thereto, significant judgments that may affect the financial results and any recommendations to improve existing practices.
3. Inquire about the Corporation's significant risks and exposures and assess the steps taken by management to minimize such risks and exposures to the Corporation. Review periodically, as appropriate, the internal audit scope or work plan to ensure that it addresses the areas of significant risk and exposure identified by management.
4. Review significant reports prepared by internal audit together with management's response and follow-up to these reports.
5. Discuss guidelines and policies to govern the process by which the Chief Executive Officer and senior management will assess and manage the Corporation's exposure to risk.
6. Review major issues regarding accounting principles and financial statement presentations, analyses prepared by management and/or the independent auditors setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, and the effect of regulatory and accounting initiatives and off-balance sheet transactions on the financial statements.

Information Provided to Analysts and Rating Agencies. The Committee will review and discuss with management earnings press releases, financial information, and earnings guidance provided to analysts and rating agencies.

### **General Matters**

The Committee is granted the authority to investigate any matter or activity within the scope of its responsibility. All employees will be directed to cooperate as requested by members of the Committee.

The Committee may, in its sole discretion, at the Corporation's expense and without the requirement of obtaining Board approval, retain outside legal, accounting, or other consultants or experts, as it deems necessary to assist in its investigations.

The Committee will establish procedures for receiving, retention, and treatment of complaints regarding accounting or auditing matters, and will periodically receive reports regarding the status and treatment of complaints submitted through the procedures, subject to SEC, NYSE and other legal requirements.

The Committee will investigate any material violations of securities laws or breaches of fiduciary duty that are reported to them due to management not taking appropriate action on such matters.

The Committee will establish hiring policies and guidelines for employees or former employees of the independent auditors, subject to SEC, NYSE and other legal requirements.

The Committee will review and reassess the adequacy of this charter annually in compliance with applicable NYSE Audit Committee Requirements or other laws and regulations and recommend proposed changes, if any, to the Board for approval. The Committee will conduct and present to the Board and/or the Nominating and Corporate Governance Committee an annual performance evaluation of the Committee.

The Committee will approve the report required under SEC and NYSE rules to be included in the Corporation's annual proxy statement, including publication of this charter at least every three years as an appendix to the proxy statement.

The Committee will report to the Board the matters that come before it, and all formal actions will be reported to the Committee at its meeting next succeeding such action, and will be subject to revisions and alteration by the Board as appropriate, except as otherwise provided in this charter.