SUSTAINABILITY REPORT 2014

Committed to the community, the environment and tomorrow’s generations.
We are excited and proud to be publishing our second annual sustainability report. Our Sustainability Model – the SEE Model – was developed by our employees to integrate sustainability into our business decisions. The SEE Model depicts all of the important elements of managing a sustainable business and gives a sense of the level of complexity that is involved to do it right. It is our hope that the many stories which make up this year’s report will bring to life our approach to sustainability.

Elsewhere in the report you will find our sustainability goals. I am pleased to report that during 2014 we made some very good progress towards each of these goals. We said that we would grow and strengthen our business, and 2014 saw us expand our footprint across North America by purchasing the remainder of N-Viro®, our biosolids treatment business, and by commissioning a third emulsion manufacturing plant in Orangeburg, South Carolina.

We have grown our waste diversion business. Organic Resource introduced its Used Cooking Oil collection and processing service, which takes this valuable waste material and converts it to a biodiesel fuel. Furthermore, throughout 2014, we worked closely with the City of Toronto to process 41,000 tonnes of wood waste, which resulted from the winter’s ice storm and turned it into mulch.

We are also focused on sustainable energy management. From reworking the lighting systems in our plant in Portland, to Norjohn Contracting being recognized for using alternative paving methods in Haldimand County to upgrading the oil heater at the Walker Brothers Asphalt plant, we were able to make material reductions in energy usage.

It is also our goal to nurture a sense of belonging for our employees. We made very good progress in 2014 in rolling out to many of our locations our new in-house training program, “above & beyond,” which aligns employees with the company’s value principles and creates a sense of belonging. This report showcases stories of the involvement of our employees in supporting the needs of our communities.

We have learned over time that building a sustainable business never really reaches an end point, but rather needs to be viewed as a work in progress, with an ongoing commitment by all of our employees to provide energy, innovative thinking, and a willingness to shape our future.

I hope you enjoy the report.

John
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Walker Industries

We are a fifth-generation, family-owned company headquartered in Niagara Falls, Ontario, Canada. We are organized into three distinct divisions – Aggregates and Construction, Emulsions and Environmental Solutions. We have a strong reputation for integrity, care and creativity and take a generational view in our business planning.

We are a company dedicated to the environment, community and the safety of our employees. Over the years, we have kept pace with the changing markets, and we will continue to combine traditional values with progressive concepts to meet new and exciting challenges.

Committed to the community, the environment and tomorrow’s generations.
AGGREGATES AND CONSTRUCTION

Walker Aggregates products – crushed limestone, sand and gravel – support the infrastructure needs of our communities and beyond.

We participate in the circular economy by recycling asphalt and concrete at several of our locations.

Norjohn Contracting provides the public and private sectors with pavement preservation strategies that maintain quality roadways sustainably extending the life of our road networks while they are still in good condition. It reduces energy use, non-renewable resource consumption and greenhouse gas (GHG) emissions. We also provide underground servicing, site development and traditional road reconstruction services.

MISSION:
Be a prominent, forward-thinking aggregate company providing high-quality materials and services.

EMULSIONS

Walker Emulsions provides both wax and asphalt emulsions and specialty chemicals to a variety of industries and municipalities across North America. Less dependency on fossil fuels is a business imperative for our Emulsion Division. This means driving innovation higher and faster. In the last few years we have developed and patented a range of alternative chemistry – bio-based emulsions and defoamers – derived from sustainable raw materials. We are committed to providing value-added customer service and consistent top-quality products.

MISSION:
Be a high-quality formulated product manufacturer providing innovative solutions to our customers.

ENVIRONMENTAL SOLUTIONS

Walker Environmental Group provides perpetual care for society’s inefficiencies, supplying customers with safe disposal options for their non-hazardous wastes. Our facilities are designed and operated to provide reliable disposal services while protecting the environment and preserving the character of our local communities. At Walker Environmental Group, we mimic nature’s cyclical approach by creating a web of interdependent relationships that harvest and transform resources for maximum value by providing organics management, harnessing and supplying renewable energy and offering our Carbon Neutral Service.

MISSION:
Be a leading waste management company.
Over the past few years, Walker Industries has experienced tremendous growth and change. These changes are important in shaping our future by creating a stronger more diverse organization. The challenge with any type of growth is to maintain and build on what has made us successful — our value principles. In July 2013, our executive team took time in nature to reflect on their experiences with Walker Industries and the legacy they wished to leave. What resulted is our legacy statement:

**above & beyond**

**integrity • care • creativity**

With these things in mind, the above & beyond workshop was developed with the help of Edge 3, a Toronto-based consulting firm. The intention of the workshop was to create a forum of respectful exchange, to align our employees with the Legacy Statement and to nurture a sense of belonging so that everyone feels valued for their unique contributions.

The program provided an opportunity for employee development. We requested volunteers to help facilitate the roll out of the program. Those volunteers, after a few train-the-trainer sessions, have become our facilitators.

The workshop is unique and each employee experiences it differently. The following is a list of some of the feedback we have received so far:

- “I feel fortunate to work for an organization that encourages people to do the right thing, whether or not it gets recognized.”
- “I hope to see more active and meaningful interactions and people giving recognition.”
- “I will continue working to the best of my ability knowing how much I am appreciated at work.”
- “I will help foster positivity.”
- “[After the workshop] . . . workers related to each other better.”

With the legacy statement defined, we knew our next step was to develop a program to align all employees with the vision. Our employees expressed the desire to:

- Connect to a larger corporate mission.
- Create a sense of belonging and a respectful, caring workplace.
- Improve communication within the organization.
- Provide more opportunities for development.
- Create a “value chain ecosystem” — a web of relationships that encourage our employees, customers and communities to feel part of the Walker experience.
We firmly believe that to continue to grow and prosper we must remain true to the values upon which the company was founded. In the early 2000s, as the company transitioned from a family-owned and managed business, we took time to carefully reflect upon and document the value principles that have guided us since 1887.

Our value principles form the foundation for how we conduct ourselves and for how we make decisions. They create alignment in our organization that allows us to speak a common language and share common goals. Our value principles will allow us to continue to chart a clear direction and shape our future.
OUR SUSTAINABILITY GOALS

- Grow and strengthen our company
- Focus on sustainable energy and carbon management (conservation, wise use and renewable energy sources)
- Grow our waste diversion businesses
- Increase the percentage of revenue from innovative products & services
- Nurturing a sense of belonging
- Publish an Annual Sustainability Report

SUSTAINABILITY

sustain‘abil’i.ty: n., meeting today’s needs without compromising the needs of future generations.

Our company’s value principles guide us still, with clarity and determination – the source of our enduring success.
We cannot seek achievement for ourselves and forget about progress and prosperity for our community . . .

Our ambitions must be broad enough to include the aspirations and needs of others, for their sakes and for our own.

Cesar Chavez

We work together to foster a healthy, positive and respectful workplace that motivates and recognizes high-performance people.

We encourage innovative ideas by engaging, empowering and appreciating our employees, promoting their growth and development, and working to create a sense of belonging.

The health, wellness and safety of our employees are paramount.

Since 1887, we have contributed to the social and economic development of our communities.

We see that our success requires that we help our communities thrive.
**Sandra Beauvais – 27 years of service**

From her very first day, Sandra felt part of the Walker family.

“A job is just a job. But for me, working at Walker has always been about the people, and I have worked with some marvellous people.”

She remembers the company Christmas parties in the basement of Norris Walker’s home, going to Buffalo Sabres games with John Walker and potluck lunches in the office.

Sandra joined Walker Industries in 1987, the year we celebrated 100 years of operation. Starting as a Landfill Waste Inspector, she ended up in the Scalehouse the next week. In 1989, she became the Invoicing Clerk for the landfill operation and has been there ever since.

The company has grown significantly since her early days, and the technology has definitely improved. When she started, scale tickets were hand written and employees communicated with 2-way radios.

**Vic Pare – 38 years of service**

Vic Pare is a bit of a lone wolf, the consummate quiet man. Working as a Loader Operator at Ridgemount Quarries suited his personality beautifully. Vic started with us in 1976 after trying out several other jobs and employers. His first job was driving a haul truck.

“I love my job, which is nice to be able to say after such a long run of employment, and I’m grateful for the life it has provided me.”

In 1987, he became the Loader Operator at the quarry. Vic prides himself on serving the truckers, ensuring they are loaded safely and efficiently. The truckers have become his second family.

Career highlights for Vic were Norris Walker personally congratulating him on his years of service and the three new loaders he had over the course of his career. Each new loader brought new technology to discover.

Vic also enjoyed the quiet times at Ridgemount when he could watch the wildlife that cut through the quarry.
Diane Danku – 23 years of service

Diane is a champion of first impressions! She welcomes visitors to our office with a warm smile and a friendly greeting. Diane not only remembers people’s names, but also remembers what is important to them.

Diane has passionately served as the unofficial ‘face’ and ‘voice’ for our Head Office for years.

Diane’s enthusiastic, caring and contagious nature acts to inspire others. In 2008, Diane placed second in the EARTH 1st Get the Static Out Contest. Her proud sharing of the steps she took to reduce electricity use in her home motivated others to action.

Her impact ripples throughout the organization.

“These people are like my family. I am ‘me’ here; I love my job and feel well rewarded.”

Average Length of Service: 10 years
Number of Employees Over 20 Years of Service: 80

Number of Employees by Division

<table>
<thead>
<tr>
<th>Division</th>
<th>2013</th>
<th>2014</th>
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</thead>
<tbody>
<tr>
<td>Aggregates &amp; Construction</td>
<td>238</td>
<td>241</td>
</tr>
<tr>
<td>Emulsions</td>
<td>42</td>
<td>48</td>
</tr>
<tr>
<td>Environmental Solutions</td>
<td>206</td>
<td>225</td>
</tr>
<tr>
<td>Corporate Services</td>
<td>52</td>
<td>51</td>
</tr>
<tr>
<td>Totals</td>
<td>538</td>
<td>565</td>
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Voluntary Turnover Rate

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
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</thead>
<tbody>
<tr>
<td>Canada</td>
<td>0.073</td>
<td>0.065</td>
</tr>
<tr>
<td>Walker 0</td>
<td>0.028</td>
<td>0.034</td>
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*Conference Board of Canada 2012-2013

Walker Industries Scholarship

William Pedwell was the recipient of the 2014 Walker Industries Scholarship. William is the stepson of the late Trevor Jones, who was a Haul Truck Driver at our Severn Quarry in Orillia, Ontario. The Walker family shareholders awarded William $10,000 per year for 4 years at university.

William’s fine arts and graphic design skills are being honed in his animation studies at OCAD University in Toronto, Ontario.

Ultimately, William would like to become a movie or video game concept artist.
Leadership Niagara (LN)
Leadership Niagara’s mission is to grow leadership in Niagara. Inspired leaders create strong community, a vision we share with LN. The program is designed to explore and strengthen leadership skills, develop a network of meaningful contacts and learn more about Niagara’s unique challenges and opportunities through experiential learning days. Since LN got its start in 2007, fourteen of our employees have graduated. Their involvement has bolstered their confidence and enriched the workplace.

Graham Guest
“Leadership Niagara provides an incredible toolbox of leadership skills. I came away from each learning day with one or two ah-hah moments that I could take into the workplace. I apply the coaching techniques we learned to bring my team along, even if they are to eventually pass me on the corporate ladder.”

Shea Gordon
“Leadership Niagara was an excellent opportunity to develop my leadership skills. The process of selecting a community project really opened my eyes to the vast needs of the not-for-profit sector in our community. The most gratifying aspects of participating in Leadership Niagara were the relationships that developed throughout the year and continue to grow today.”
Together WE Can (TWC)

Finance & I.T.

In early October, 34 employees volunteered with Community Care in St. Catharines and Thorold by sorting and packaging food, clothing and household donations. In addition, they assisted with the housing program and sorted the toy room in preparation for Christmas.

When the Christmas season arrived the team collected funds, winter clothing, toys and non-perishable food items for Project Share, Niagara Falls and Community Care, St. Catharines.

Winning the Chance to Give

With $10,000 left to give to the community, TWC organized a lottery to disseminate the funds. Fifteen employees won the chance to give to their chosen charity. Some employees had a deep personal connection to the organization they chose, others held a strong belief in the cause. Employees were so grateful for the opportunity to make a difference.

The following organizations were supported:

<table>
<thead>
<tr>
<th>DONATION</th>
<th>ORGANIZATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,000</td>
<td>McNally House Hospice, Grimsby</td>
</tr>
<tr>
<td></td>
<td>Heart &amp; Stroke Foundation, Essex County</td>
</tr>
<tr>
<td></td>
<td>Red Roof Retreat, Niagara-on-the-Lake</td>
</tr>
<tr>
<td></td>
<td>Hotel Dieu Shaver Health &amp; Rehabilitation Foundation, St. Catharines</td>
</tr>
<tr>
<td></td>
<td>Canuck Place Children’s Hospice, Vancouver</td>
</tr>
<tr>
<td>$750</td>
<td>Alzheimer Society of Niagara Region</td>
</tr>
<tr>
<td>$500</td>
<td>Canadian Tire Jumpstart, Welland</td>
</tr>
<tr>
<td></td>
<td>Niagara Falls Humane Society (Cage &amp; Kennel Program)</td>
</tr>
<tr>
<td></td>
<td>Dr. Bob Kemp Hospice, Hamilton</td>
</tr>
<tr>
<td></td>
<td>Project Share, Niagara Falls</td>
</tr>
<tr>
<td></td>
<td>Samaritans Purse International – Project Christmas Child</td>
</tr>
<tr>
<td></td>
<td>Freedom Village Canada</td>
</tr>
<tr>
<td>$250</td>
<td>Canadian Breast Cancer Foundation</td>
</tr>
<tr>
<td></td>
<td>Project SHARE, Niagara Falls</td>
</tr>
<tr>
<td></td>
<td>Community Care, St. Catharines &amp; Thorold</td>
</tr>
<tr>
<td></td>
<td>Sick Kids Foundation</td>
</tr>
<tr>
<td>$150</td>
<td>Canadian Cancer Society</td>
</tr>
<tr>
<td>$100</td>
<td>MS Society of Canada</td>
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</table>

HEALTH & SAFETY

We believe every worker should go home safe and healthy every day. Our program instills pride in work, cooperation, cohesion, communication, participation, planning to work safe and “Just Think” to create our Superior Safety Culture.


**Superior Safety Culture Award**

Our 2014 Superior Safety Culture Champion is Brian Doucette, a 35-plus-year driver and Certified Joint Health and Safety Committee member for Woodington Systems Inc. Brian was recognized by his peers for his active role in assessing job safety and his clear advice to drivers of potential hazards and required safety protocols. Brian is a valuable resource, keeping up to date and communicating the latest safety news, legislation and raising awareness. He was instrumental in developing our Driver’s Handbook and our certified road tester. Brian is a true safety champion and has a passion for ensuring people go home safe and healthy each day.

“Our Superior Safety Culture is a lifestyle that employees within our company adopt and exercise. I am very proud to be part of this culture, this lifestyle”.

West Lincoln Memorial Hospital will receive a donation in Brian’s name.

**Lost Time Injury Frequency Rates by Company**

<table>
<thead>
<tr>
<th>Industry</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregates</td>
<td>0.95</td>
</tr>
<tr>
<td>Construction</td>
<td>0.85</td>
</tr>
<tr>
<td>Emulsions</td>
<td>3.9</td>
</tr>
<tr>
<td>Environmental</td>
<td>0.99</td>
</tr>
<tr>
<td>Industry Rate*</td>
<td>0.21</td>
</tr>
<tr>
<td>Environmental Rate</td>
<td>0.23</td>
</tr>
<tr>
<td>Overall Rate</td>
<td>1.23</td>
</tr>
</tbody>
</table>

* Ontario Ministry of Labour Average of Rate Groups
Partnering to Green the Pow Wow

On August 23 and 24, 2014, the Mississaugas of the New Credit First Nation celebrated their 28th Annual Pow Wow and Traditional Gathering. This sacred event included dance and drumming competitions, walking tours, traditional teaching circles, a children’s corner and many vendors. All that celebrating generated about 2 tonnes of waste from the 2,000 plus attendees.

Understanding the potential environmental impact of the event, the event planning committee for the Mississaugas of the New Credit First Nation’s gathering worked with Walker Environmental Group to understand the types of waste that would be generated and developed a strategy to divert as much waste as possible from the landfill.

A “Green Team,” which consisted of both community members and our employees, was established for the event. The role of the Green Team was to help educate vendors and attendees about waste diversion and to ensure waste was separated so that it could be easily recycled. With the help of Davidson Environmental, green and blue bins were provided at the event to divert organic waste and beverage containers. We also provided containers to food vendors to collect used cooking oil. The Green Team encouraged participants to bring their own utensils and water bottles to reduce the amount of waste produced. Food vendors were encouraged to use recyclable or compostable plates, cups and cutlery.

Organics collected from the event were used to create compost, which circled back to create nutrients for the earth. Collected food and beverage containers were used as resources to create new containers and products. The used cooking oil gathered from food vendors was directed to a biodiesel facility to create renewable energy.

Approximately 48% of the waste from the Pow Wow was diverted from the landfill.

The lessons learned will be applied to make the 2015 Pow Wow even more supportive of the environment.
Alberta Winter Games Greener with Walker Environmental Group

The Alberta Winter Games were held February 6-9 with more than 2,500 participating in 22 sports in the Banff–Canmore area. Walker Environmental Group joined the games as the Sustainability Sponsor. We worked with the Advisory Committee to measure, reduce and offset the carbon impact of the event. This carbon footprint included greenhouse gas (GHG) emissions from all ground transportation vehicles, running of equipment and heating the 17 venues. Carbon offsets from the East Landfill – Gas Recovery and Utilization Project were retired on the CSA Clean Projects® Registry to offset the event. We recommended to the Advisory Committee actions to further reduce GHG emissions for future events.

We donated $10,000 to the Games to cover the costs of processing biosolids and source-separated organics generated from the event. All this material was recycled into a beneficial fertilizer that will be used in turf grass production and soil-blending applications.

“Walker Environmental has been key to enable our vision for more sustainable Alberta Winter Games.”
Joey O’Brien,
Co-Director Advisory Committee
Banff Marathon

June 23, 2014, was the inaugural Banff Marathon in the Banff National Park and UNESCO World Heritage site. We were thrilled to provide Carbon Neutral Service to such a historic event. The marathon not only captivated participants with the beauty of the course but also gained the scrutiny of environmental groups concerned about impact to the sensitive ecology of the park. The marathon drew more than 1,300 participants from 17 countries.

The fact that we operate an N-Viro® facility at the Banff Wastewater Treatment Plant makes us a good partner in creating a more sustainable race. Our Banff operation converts the town’s wastewater treatment residuals (biosolids) and source-separated organic waste into an agricultural fertilizer.

The organic wastes from the Banff Marathon were processed at the N-Viro® facility into N-Rich®, a nutrient-rich soil amendment. We also developed, with the Banff Marathon Sustainability Committee, a 2-year carbon management strategy to measure, reduce and offset unavoidable emissions for the event.

The targeted greenhouse gas (GHG) emissions associated with the 2014 Banff Marathon encompassed all operations offices and race activities as well as the 61 athletes travelling from China. Participants’ travel is the greatest carbon impact of the Banff Marathon.

Next year, together, we will seek to measure and reduce the GHG emissions associated with that travel by promoting carpooling and the use of alternative, efficient modes of transportation. We will look to offset the entire footprint to make travelling to and from the event carbon neutral.
Partnering with Habitat for Humanity

In 2014, we said good-bye to the Duntroon office building. The building had to be demolished to access and extract the aggregate resource beneath it. Prior to demolishing the old office, we took what we needed for our new office and then invited Habitat for Humanity to deconstruct the office. Deconstruction is the hand demolition of a building in the reverse order that it was constructed to maximize material reuse.

Exercise Stalwart Guardian

From August 16 to 24, the Niagara region hosted a massive Canadian Army exercise. The exercise included soldiers from the US Army's 48th Infantry Combat Team of the Georgia National Guard and the British Army's Royal Regiment of Scotland. Approximately 2,500 soldiers participated. Normally, these exercises are conducted on military bases; however, in 2014, the military stepped out into the community. The Niagara region provided a range of environmental conditions and complex terrain for more challenging and realistic scenarios for the soldiers to hone their skills. Walker Aggregates offered up two of our quarries for the exercises. Ridgemount Quarries was the site of a large combat scenario, and Spring Creek Aggregates was used for reconnaissance exercises. Employees at both locations were thrilled to have the opportunity to observe such an extensive exercise and get up close and personal with our troops.
Seeing the Unseen

Geologists working in the petroleum industry rarely have a chance to get a good look at the layers of rock in which oil can be found. Their experience is often limited to studying drilled core samples. In September, approximately 25 members of the Eastern Section of the American Association of Petroleum Geologists and the Ontario Petroleum Institute visited our McGregor Quarry to see a rock formation that hosts oil deposits in Ontario. The group of delegates were attending a conference in London, Ontario, which was organized by the two associations. Dr. Denis Tetreault, from the Department of Earth and Environmental Sciences at the University of Windsor, and Terry Carter, of the Ontario Ministry of Natural Resources, led the visit.

While the McGregor Quarry is not a source of petroleum because the rock there is too close to the surface, the actual formation is indicative of the geology of areas of Ontario where petroleum is available.

“You can see a good cross-section of the rock stratigraphy at the quarry. It helps us understand what is going on underground elsewhere in Ontario.”

Dr. Denis Tetreault

In addition to bringing professional geologists to the quarry, Denis often brings groups of his students in for visits.

“It’s the only location in this part of the province where students can study limestone formation in place.”

Dr. Denis Tetreault
Supporting the Mending Children’s Minds Campaign

Did you know?

- 1 in 5 Canadians will experience a form of mental health illness at some point in their lives.
- 70% of mental health problems onset during childhood or adolescence.
- Young people aged 10 to 24 are more likely to experience mental illness and/or substance use disorders than any other age group.
- After accidents, suicide is the second leading cause of death among youth aged 10 to 19.

Understanding the impact mental illness can have on a family and a community, the Walker family and Walker Industries contributed to the Mending Children’s Minds campaign to support the future home of Pathstone Mental Health.

“This gift of support from the Walker family recognizes the power of business in our community in providing much needed mental health support service for Niagara’s children.”
- Debbie Zimmerman, Campaign Co-chair

In Niagara, the Pathstone Foundation is taking action to address these issues with their Mending Children’s Minds Campaign.

Their vision is to transform children’s lives by building a state-of-the-art mental health treatment facility to provide desperately needed treatment for more children, youth and families in Niagara. Pathstone Mental Health was the only accredited regional provider of mental health services assisting children, youth and their families last year.

“This transformational gift is now the catalyst for reaching the campaign goal and bringing the highest quality of mental health care to children in Niagara.”
- Walter Sendzik, Co-chair Mending Children’s Minds Campaign
Encouraging Students into Construction

Within the next 5 to 6 years the Aggregate and Construction industry will experience a labour shortage as its aging workforce begins to retire. We are looking for ways to attract high-performance employees to sustain our business. Other companies in the industry are also feeling the pinch, which has led us to look for creative ways to encourage students to pursue careers in Aggregates and Construction.

In October, we hosted approximately 80 Niagara region students from Grades 11–12, as part of Niagara’s first-ever Construction Day.

The event was organized by the Ontario Civil Construction Careers Institute (OCCCI) and the Heavy Construction Association of Regional Niagara (HCARN) with the support of the Niagara Catholic District School Board and the District School Board of Niagara.

The students had the opportunity to see the preparation for building a residential subdivision, the construction of a bridge and the installation of sanitary sewers. At our Walker Brothers Quarry the students witnessed a blast, had a tour of the processing plant and had the chance to operate an excavator simulator. The students learned from the OCCCI how to begin a career in the Civil Infrastructure industry. As safety is paramount in this industry, Jim Martinson, our Aggregates Safety Partner, explained the safety basics to the group.
The Living Campus

Walker Environmental Group partnered with Mountainview Homes to construct a Living Campus at District School Board of Niagara’s (DSBN) Woodend Environmental Centre. In 2012, the Walker family and Walker Industries donated $500,000 towards the construction and revitalization of the Woodend Property located on the Niagara Escarpment adjacent to our Niagara Falls facilities. The living campus features both indoor and outdoor learning environments where thousands of students from the Niagara region can enjoy hands-on, interactive environmental educational experiences. Students are challenged to acknowledge their connection to the environment and to reduce their environmental footprint.

The interactive learning began with the construction of the campus. An essential part of the contract with DSBN was to integrate the district’s Specialty High Skills Major Construction program students into the project. Approximately 25 students were involved. They worked alongside contractors and gained valuable hands-on skills. They demolished the existing structures by hand, learned masonry skills, framed the new structures and shadowed tradespeople.

Students also learned important concepts such as material reuse — what someone may define as waste could very well be of value to another — the importance of deadlines, teamwork and collaboration.

The value for the students was the hands-on skills gained, which can be applied in the future.

The campus will be open for learning in 2015.
Investing in Niagara’s Youth

At Walker Industries, good science is important to our business decisions. Encouraging a love of science in youth is important for the long-term sustainability of our businesses. It is for this reason we sponsored the Niagara Regional Science and Engineering Fair (NRSEF) for the first time in 2014. NRSEF is dedicated to the encouragement of science in students within the Niagara region. They challenge students to apply scientific methods to research an issue or a problem that they are passionate or curious about. NRSEF then awards students who excel. Students can apply their minds to problems in an array of scientific disciplines including mathematics, engineering, biology, chemistry and behavioural sciences.

Our own Laura Bratley had the privilege of awarding the Walker Environmental Group Trophy to Shabaz Momi, a Grade-8 student at Glynn A. Green Public Elementary School in Pelham, Ontario. Shabaz developed a “T3Board” — an anti-tendinitis keyless keyboard. He used creative research techniques such as measuring the movement of his fingers and wrists on a normal keyboard with elastics and tape, and showcased his keen computer programming skills by writing over 20,000 lines of code in order for his invention to work successfully. Shabaz showed extraordinary innovative thinking with his winning creation.

Project Prom

When Sheena Yarek found out that the District School Board of Niagara (DSBN) Emergency Relief Fund was looking for volunteers to help with the Prom Project she jumped at the opportunity. The Prom Project helps students who have overcome adversity to reach graduation celebrate by attending their prom in style. The project provides a selection of outfits — dress or suit — in five locations across Niagara. Several Walker women enthusiastically helped to sort donated formal wear in preparation for the May event and assisted students from around Niagara to find the perfect outfit for their prom.
Touch a Truck

Saturday, October 4, a parade of sparkling clean and newly painted trucks and equipment from Walker Industries migrated down the road to Niagara College. There they were joined by vehicles from Niagara Emergency Medical Services, Niagara Regional Police, Region of Niagara, the Niagara-on-the-Lake Fire Department, a chopper from Niagara Helicopters as well as a grape picker, a tow truck, race cars and an excavator. These vehicles and equipment were gathered to raise money for children’s literacy in Niagara. Touch a Truck is designed for fun and to raise awareness of the importance of reading to our children on a daily basis. This fundraiser has thrilled the children of Niagara every other year since 2005.

The event was the brainchild of John and Carol Walker who, with their grandson Logan, attended a Touch a Truck event in Connecticut and decided to make it happen in Niagara. Not only are we the main sponsors of the event, our employees are actively involved in making the day a success. The late Gene Fortin, Equipment Manager, was the master-mind for the logistics for the day. Gene was instrumental in making Touch a Truck a reality from its inception. He will be missed.

Brian Doucette, a driver for Woodington Systems Inc., who has been involved with the event for a number of years, said, “I love the excitement of the youngsters as they explore so many trucks up close.”

Over $50,000 has been raised for children’s literacy since the first Touch a Truck event.
Team Building at Evergreen Brick Works

Walker Environmental Group (WEG) chose the Evergreen Brick Works in Toronto for their 2014 team-building day. The site’s environmental centre is an ideal location for workshops, and Evergreen provides volunteer opportunities on site as well.

Evergreen’s four main areas of focus are:
- Greenspace
- Food
- Children
- Smart City Building

These objectives nicely align with our EARTH 1st principles, our values and our desire to make a difference.

In the morning, we learned how Evergreen brings sustainability to life by helping to prepare planting boxes for a mobility garden, mending broken fences with recycled building materials, shovelling compost and tending existing gardens.

In the afternoon and evening, the focus was connecting with each other – this was especially important for WEG, as we have grown significantly since 2013. Strong relationships between our employees are fundamental to our success as a company. Providing a safe environment that fosters good discussion and the sharing of ideas, learning and discovery starts with people knowing and understanding each other. The Evergreen Brick Works was a great place and organization to help us develop those relationships and demonstrate to our new acquisitions our commitment to community.
Responding to Extreme Weather

Toronto was hit hard by a devastating ice storm that wreaked havoc from the southern tip of Ontario to the Maritimes on December 22, 2013. An estimated 300,000 Toronto Hydro customers were left without electricity due to downed trees and branches. The city declared a state of emergency and approached our Grinding Division to assist with the clean up. It took 10 months to work through an estimated 41,000 tonnes of material, which had been consolidated at 9 sites across the City of Toronto.

This was one of our largest grinding responses to date, and our team quickly created the systems necessary to effectively communicate both internally and externally to get the job done. We worked collaboratively to ensure that the material was transported efficiently and developed innovative reuse options. Ground wood, a by-product of the clean-up efforts, has been used as mulch, bulking agent in composting, and as biofilter material.

Giving Away the Farmhouse

When good friends of one of Walker Aggregates’ employees lost their home to a chimney fire, our Duntroon employees rallied to raise money and offer help. The family had no insurance and nowhere to live. Walker Aggregates owned a home located on the quarry expansion lands that was slated to be demolished. Seeing a potential solution, employees asked if the family could live there until they got their lives in order. Volunteers fixed the house up, and we replaced the furnace so the house would be comfortable for living.

When the quarry licence was granted and the house had to be removed, it wasn’t demolished. Instead, it was donated to the family, who moved it a few kilometres down the road to their old property where a foundation had been prepared.

“It feels good to make a decision that so positively impacts one of our neighbours.”

Ken Lucyshyn, Executive Vice-President, Walker Aggregates
The greatest danger for most of us is not that our aim is too high and we miss it, but that it is too low and we reach it.

Michelangelo

We grow and inspire outstanding environmental performers.

Our EARTH 1st program provides a clear, concise, positive message that is embraced by our employees.

EARTH 1st acknowledges that as a company and as individuals we are part of the environment.

Every step that we take to create a healthy environment is a step towards creating a healthy self, a healthy community and a sustainable future.

EARTH 1st empowers our employees to commit, create and participate, to improve our environmental performance.

We believe we are the environment.

We ask our employees to commit, create and participate by embracing the EARTH 1st principles to create a company that supports the environment.
Most Engaged Member —
Niagara Sustainability Initiative

Walker Industries was recognized as the Most Engaged Member at the Niagara Sustainability Initiative’s (NSI) 3rd Annual Evening of Recognition. NSI is a Niagara-based not-for-profit organization with a focus on advancing environmental and economic performance through the greening of local businesses and municipalities. They accomplish this through “The Carbon Project,” their educational forums and technical workshops. We were a founding member of the organization and have been actively involved ever since. We received this award due to the enthusiasm and passion of our employees who volunteer with the organization and for the help we provide to support this community initiative.

Learn more about NSI at www.niagarasustainability.org.

The EARTH 1st Principles

**E** Efficiently Operate
Operating efficiently creates higher environmental performance. Look for ways to use less resources, less water, less energy and create less waste.

**A** Acknowledge Our Part
We must consider ourselves as part of the environment. Every step that we take to create a healthy environment is a step toward creating a healthy self.

**R** Reduce Our Impacts
Our performance and how it may affect the environment is important to understand. Can we adapt our operations to better support the environment?

**T** Take Time to Plan
Successful planning considers preventive measures, creates the best solutions and usually solves more than one problem. This is key!

**H** Higher Environmental Performance
It starts with commitment to our EARTH1st principles.

**1st** Innovation and Leadership
It is our company’s intention with the program to be leaders and innovators in its industries.

“You must be the change you wish to see in the world.” Mahatma Gandhi
Evergreen Canada Support

On Tuesday, May 13, 2014, Walker Environmental Group (WEG) employees presented Evergreen Canada with a cheque for $10,000. WEG was the winner of our 10th anniversary EARTH 1st challenge. In 2013, we celebrated the 10th anniversary of our EARTH 1st program by challenging our employees to take actions for the environment. There were 10 challenges through the year. With the guidance and enthusiasm of Laura Bratley, WEG won the challenge by having the highest and most enthusiastic participation rate of all our divisions. They won the opportunity to donate to the environmental cause of their choice, and they chose Evergreen Canada.

Evergreen is a nationwide non-profit organization that strives to enact positive change and restore the natural health of the communities in which we live. Its head office is located in Toronto, and it is situated at the old Don Valley Brick Works site and quarry. It was at this location that bricks were made to create many of Toronto’s landmarks and homes. The factory was abandoned in 1984, and in 1991 Evergreen rehabbed the site into the environmental centre that it is now.

WEG chose Evergreen Canada because of its national focus on urban greenspace and environmental education initiatives. Since WEG has grown and now has operations across Canada, it was important to WEG to choose a charity that would positively impact the communities that WEG operates in. Evergreen has two main offices in Toronto and Vancouver, and hosts many environmental initiatives and events in cities across the country where our Organic Resource and N-Viro® employees work and live.
Award for Biosolids Management

We were presented with the prestigious Water Environment Association of Ontario (WEAO) Exemplary Biosolids Management Award. The award recognizes those who go beyond and raise the bar in the management of residuals and biosolids in Ontario. Biosolids are a nutrient rich by-product of municipal wastewater treatment, and we have been treating them since 2007. Our Niagara Biosolids plant supports the Region of Niagara and the City of Toronto with the management of their biosolids.

The plant uses N-Viro® technology to process these organic residuals from wastewater treatment plants and turns them into a safe, nutrient-rich fertilizer known as N-Rich®. Farmers across Southern Ontario value N-Rich® for both its nutrient content and pH adjustment properties.

Norjohn Contracting ORBA Green Award

Norjohn Contracting and Paving's alternative paving work with Haldimand County resulted in significant energy and resource savings last year. The project was awarded the 2014 ORBA Green Award for Leadership & Sustainability by the Ontario Road Builders Association (ORBA). This award was established in 2010 to recognize environmental leadership and sustainable practices in the construction of Ontario's transportation infrastructure. The award recognizes contractors who go beyond the scope of requirement on a specific project or develop or adopt innovative strategies to enhance sustainability.

“ORBA is delighted to congratulate Norjohn Contracting as the winner of the 2014 ORBA Green Leadership and Sustainability Award,” said ORBA Executive Director Geoff Wilkinson.

Joe Tiernay, the Executive Director of the Ontario Good Roads Association, also expressed his congratulations and said, “It’s this kind of innovative thinking that makes Ontario’s roads the safest in North America while protecting our environment.”

Over 30,000 tonnes of N-Rich® have been sold as fertilizer.
Carbon Footprint Total Emissions: 30,773 tonnes CO$_2$e

In 2014, Organic Resource shipped approximately 13,221 tonnes of organic waste with an energy value of 69,868 gigajoules, creating 6,604,287 kilowatt hours of electricity. That is enough energy to power about 550 Canadian homes for a year.
Asphalt Plant Efficiencies Improved

Significant upgrades were made to the Walker Brothers Asphalt plant to improve its performance. Hot oil lines are used to maintain the temperature of the asphalt cement as it moves through the plant. The heater that heats the oil was replaced with more efficient equipment. Due to the effectiveness of the new heater, 50% of the existing hot oil lines were removed and 5 pumps used to circulate the hot oil eliminated. Fewer hot oil lines means less oil is required. Insulation was also added to the new lines, preventing heat loss and conserving energy. Upgrades were also done to the burner on the plant to improve its efficiency.

In 2014, the plant reduced its natural gas use by 14,067 m³, resulting in 103,332 kW of reduced energy.

Improving Lighting Efficiency

When Walker Emulsions identified the need to upgrade lighting in Portland, Oregon, we saw it as an opportunity to increase energy efficiency and decrease operating costs. Approximately 350 lights were changed and activity sensors installed to reduce light waste in areas where no one is working. The switches work on motion detection. In addition to the energy and cost savings, the new lighting provides better light distribution, which improves working conditions by reducing dark areas.

Energy Trust of Oregon completed an analysis of the work before it began and estimated that the annual energy savings for lighting will be over 250,000 kWh per year, or 68% less electricity!

In recognition of this important step toward higher efficiency, the Energy Trust offset 55% of the cost with rebates. This project will pay for itself in electricity savings in less than 2 years, after which the plant will continue to save on electricity costs and have a lower environmental impact while improving plant safety.

Electricity Exported to Grid (kWh)

<table>
<thead>
<tr>
<th>SOURCE</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>WEG Landfills, Niagara Falls</td>
<td>6,865,259</td>
<td>6,980,195</td>
</tr>
<tr>
<td>Partnership Landfills</td>
<td>85,866,924</td>
<td>84,836,451</td>
</tr>
<tr>
<td>Organic Resource</td>
<td>6,604,287</td>
<td>8,662,779</td>
</tr>
<tr>
<td>Total</td>
<td>99,336,470</td>
<td>100,479,425</td>
</tr>
</tbody>
</table>

We harness the power of renewable energy. We have turned environmental liabilities into renewable energy assets. At our Niagara Falls, Ontario landfills we collect landfill gas and convey it for direct use at a local paper mill. In 2014, we collected and processed 771,360 GJ of landfill gas for direct use and electrical generation. We also flared 660,850 GJ of landfill gas.
We Have an App for Fat

Walker Environmental Group is helping the City of London save money and improve their management of their grease trap interceptor programs with our Grease Interceptor (GI) Compliance software.

Grease traps are found in the plumbing of commercial kitchens. Grease traps remove fats, oils and grease (FOG) from wastewater before it enters the municipal sewer system. FOG is the leading cause of sewer damage and sewer system overflows. The proper installation, cleaning and pump-out of grease traps is an essential part of a healthy sewer system. To ensure that happens, municipalities have bylaws that set standards for interceptor installation and management. GI Compliance is being developed to simplify the management of the bylaw compliance. Barry Orr, a Bylaw Enforcement Officer, City of London, trialed the software. Barry’s use of GI Compliance has streamlined data entry and location management, making compliance status and inspection information readily available. Barry estimates that the City of London has saved nearly $100,000 in sewer maintenance costs since adopting the GI Compliance program.

The City of London is considering running a fully integrated GI Compliance pilot program. That pilot would allow commercial kitchens to upload their interceptor service details to the city. With 2,200 food service establishments and only one GI bylaw compliance officer, the GI Compliance Live Monitoring program could prove to be what the City of London needs to keep FOG out of their sewers.

Water Footprint

Blue Water Footprint:
The amount of water abstracted from groundwater or surface water that does not return to the catchment from which it was withdrawn.

Green Water Footprint:
Volume of rainwater consumed during the production process.

Total 2014 Water Footprint 4,268,097 (m³)

<table>
<thead>
<tr>
<th>Footprint Source</th>
<th>Blue Water (m³)</th>
<th>Green Water (m³)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregates &amp; Construction</td>
<td>3,819,178</td>
<td>58,211</td>
</tr>
<tr>
<td>Emulsions*</td>
<td>36,529</td>
<td>0</td>
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<tr>
<td>Environmental Solutions**</td>
<td>40,413</td>
<td>313,336</td>
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<tr>
<td>Corporate Services</td>
<td>430</td>
<td>0</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>3,896,550</td>
<td>371,547</td>
</tr>
</tbody>
</table>
| * not including Walker Emulsions South Carolina  
**not including Organic Resource Ottawa or Vancouver operations |

Notable Reductions from 2014

Norjohn Contracting: 32% Reduction
- high efficiency, company-owned water truck
- utilization of an air sweeper for dust suppression

Norjohn Transfer Station: 24% Reduction
- installation of high efficiency dust suppression system
- upgrade to plumbing fixtures, including waterless urinals

Niagara Biosolids: 17% Reduction
- utilization of condensed water from the production process to reduce water requirements in the biofilter
When Walker Environmental Group heard of the level of importance of the Thames River Watershed to the ten First Nation groups that were being consulted as part of the Southwestern Landfill Environmental Assessment, we decided to do something about it. In June, we hosted our first Thames River Workshop in Woodstock, Ontario. Our intention was to explore opportunities to develop a greater understanding of the history, connections and influences of the river to the spiritual, social, environmental and economic aspects of First Nations’ communities along the Thames.

The day of sharing provided us an understanding of the relationship the First Nations have to the Thames River and raised our awareness of their history, spirituality, values, culture and current presence on the land. The First Nation representatives who attended shared their stories of “awareness and loss” and their desire for the stewardship of the Thames. Protecting water is of vital importance to the health of the children of the communities. Priorities included improving watershed health, understanding the fisheries and ecology of the area as well as the impacts the river currently experiences and taking action to improve the health of the river while raising awareness of their history and culture.

In November, we hosted a Thames River Ecosystem Day. We invited the Upper Thames River Conservation Authority and Stewardship Oxford to share their knowledge of the Thames with us and the First Nation representatives. Phil Holst of Stewardship Oxford shared his passion for wetland restoration projects. The conservation authority shared their knowledge of water quality, the reptiles and fish of the Thames and what actions they take in collaboration with their communities to caretake the watershed. Together we brainstormed ways for First Nations and non-indigenous peoples to work together as stewards of the Thames; to integrate First Nations’ perspectives, stories, values and culture into projects along the Thames; to establish a project that would not only restore the health of an area of the Thames but also showcase First Nations’ values, culture and stories and to raise awareness and create a greater connection to the Thames River.
Park in the City Sponsorship with the City of Niagara Falls

Since March of 2012, Walker Industries has been a proud sponsor of the Niagara Falls, Ontario, Park in the City program. Park in the City is a volunteer committee of the Niagara Falls City Council with the mandate to encourage environmental responsibility, enhance citywide beautification, bolster civic pride through community action as well as promote the use of recreation trails and bike ways. Our 3-year sponsorship contributes to the Schools in Bloom and Street Tree Planting programs as well as the Summer Trillium Award.

Tansley Woods, Burlington Earth Day Cleanup

In celebration of Earth Day 2014, Walker Emulsions employees kept their efforts local — to about 650 m in fact. Tracey Kelly, Jason Bertrim, Alex Buchan, Sahand Dabbaghi and Becky Oehler carried out a cleanup of Tansley Woods, southeast of the Burlington plant. Several garbage bags, a drum and miscellaneous car parts, including a transmission, were pulled out of the woods by the team.

Walker Emulsions sets goals for community involvement annually to remind employees of the importance of taking time to acknowledge their responsibility to the community.
Improving Soil Conditions for Tree Survival Near Highways

Highway construction results in soil compaction, which can impact tree growth. Our Walker Environmental Group teamed up with the Vineland Research and Innovation Centre (VRIC) to help address that challenge. Our compost facility worked with VRIC to develop a special blend of compost that was designed to aid in improving soil quality, thereby enhancing the health of roadside plant life.

Compaction during highway construction results in low-porosity soil, which limits tree root growth. It also affects the ability of the roots to absorb oxygen and water, thereby reducing the survival rate of vegetation near our highways. A pilot project was launched in 2014 aimed at improving soil conditions for tree survival near highways. The trial is looking at a practical approach to addressing the effects of compaction through tilling and amending the soil with compost.

We donated a total of 640 yards of the special blend compost to the project. VRIC planted 600 trees at three locations along highways in Niagara and are monitoring their growth and health. The goal of the research is to create guidelines that improve the viability of vegetation planted along highways after construction.

Making the Switch to Support Our Local Community

Since 2008, our Residential Waste and Recycling Drop-Off Depot in Niagara has been collecting batteries for recycling. In May 2014, we took a different approach. We began aligning our battery collection program with supporting the needs of the community with Jack Sinke’s United For Others (UFO) program.

Jack suffered a stroke and was rehabilitated at St. Catharines Hotel Dieu Shaver Health and Rehabilitation Centre. Being touched by the love and dedication of the team at Shaver, he wanted to give back — his idea was recycling. Jack started by engaging youth in his own neighbourhood to collect metal, pop cans and refundable bottles to raise money for the hospital. UFO now collects alkaline batteries in the community to be recycled into fertilizer in partnership with Community Care and the Hotel Dieu Shaver Health and Rehabilitation Centre. Community Care provides the much-needed labour to make the collection work and proceeds raised are split 50/50 between the two organizations.

Since we made the switch to this community-based program we have collected 875 kg of batteries that support our local community with a total of 1,195 tonnes of batteries diverted in 2014.
Any economy is about a relationship between people and the earth.

Paul Hawkins

To grow and prosper, we firmly believe we must remain true to our founding values.

Respect – for employees, customers, suppliers, neighbours, the environment and our communities – is what we stand for.

Key to our economic success is our long-term view.

Our employees are innovative and look to maximize value from our operations.

Participating in the circular economy and providing sustainable options are imperative moving forward.

We take a generational approach to decision making and look for conservative business growth based on innovating within our existing operations and acquiring related businesses.

Our customers and suppliers are key partners in our economic success.

18.3% Revenue from Sustainable Products and Services
Sustainable products or services are those that support not only economic prosperity, but also environmental and social prosperity.

11.1% Revenue from Innovative Products and Services
Innovative products or services are those introduced or sold to new customer segments in the last 5 years.
To reduce waste, Walker Emulsions has reworked 886,792 kg of emulsions into our products.

### Property Taxes Paid

<table>
<thead>
<tr>
<th>Division</th>
<th>2013</th>
<th>2014</th>
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</thead>
<tbody>
<tr>
<td>Aggregates &amp; Construction</td>
<td>907,702</td>
<td>970,298</td>
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<tr>
<td>Emulsions</td>
<td>186,336</td>
<td>183,672</td>
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<tr>
<td>Environmental Solutions</td>
<td>434,475</td>
<td>585,328</td>
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<tr>
<td>Corporate Services</td>
<td>130,796</td>
<td>153,270</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,659,309</strong></td>
<td><strong>$1,892,568</strong></td>
</tr>
</tbody>
</table>

**Landfill Host Community Fees** $2,199,333

**Aggregate Levy Paid** $790,871
After seven successful years operating our Niagara Biosolids facility in Thorold, Ontario, with N-Viro® Systems Canada LP, we purchased the company. The acquisition enhances our support for municipal waste diversion programs and aligns with our current focus on beneficial reuse for municipal wastewater treatment organics. The purchase of N-Viro® expands our comprehensive organics strategy and waste diversion business and broadens our geographic base.

The objective of our biosolids program is to harvest the resources in municipal biosolids, transform them and return them to the earth to benefit the soil. After being processed by us, approximately 100,000 tonnes of biosolids are beneficially used each year across Canada. We receive biosolids from municipal wastewater treatment plants and stabilize them with lime.

An increase in temperature and pH pasteurizes the material, killing off unwanted pathogens. The lime adds to the value of the biosolids as a soil amendment and fertilizer with the ability to adjust the pH of the soil. Our Banff facility co-processes source-separated organic wastes with the municipal biosolids to produce a registered fertilizer, N-Rich®.

Our products can help improve the sustainability of farms by offering significant crop benefits at a lower cost than other available soil amendments. These products also provide phosphorus and potassium, nutrients that are not renewable in nature.

Through N-Viro®, we now hold several Canadian patents, licenses and trademarks related to biosolids products and processing technology.
Orangeburg Grand Opening

Walker Emulsions was full of activity in 2014. At the beginning of the year we purchased a 53,000 ft² manufacturing facility in Orangeburg, South Carolina. On October 23, we unveiled the new Walker Emulsions plant with a ribbon-cutting ceremony. Orangeburg County government and economic officials welcomed Walker Emulsions Board of Directors and Executives with southern hospitality and charm.

The plant is part of our strategic plan to grow and sustain our emulsions division. Our location in Orangeburg allows us to expand our market reach for emulsions into the southern United States, with our Burlington, Ontario, plant supplying the northeastern part of North America and our Portland, Oregon, plant supporting the west.

We currently have five employees hired from the local Orangeburg workforce, led by Scott White, Operations Manager. Scott has been with Walker for over 10 years; he began his career in the Environmental Division and moved to the Emulsions Division in February of 2009. Scott embodies our values and has been instrumental in aligning our new Orangeburg team to drive our success in the southern U.S. Getting the plant up and running to make quality products has been an enormous accomplishment for the Emulsion team.

For a leader in business and economic development, South Carolina is the right place to be. From unbeatable logistical advantages, unparalleled business tax incentives and a friendly climate, this location offers us a great collection of resources. The Walker Emulsions high-performance team researched South Carolina laws, designed the process, obtained the applicable permits, equipped the plant, installed tanks and equipment and trained new employees. The Orangeburg County Development Commission was a great ally during our building process. Their support made for a successful start-up and we appreciate all of their help.

It is an exciting time for us, as we continue to formulate high-quality emulsion products to provide innovative solutions to our customers.

Sierra Septic Solutions Purchase

Walker Environmental Group’s purchase of Sierra Septic Solutions Ltd. in September strengthens our organic waste services and grows our waste diversion business. Based in Red Deer, Alberta, Sierra had provided grease trap collection services across the province for our Organic Resource division as well as its own customer base.

Organic Resource provides liquid organics collection and processing services across Canada. Organic Resource manages wastes from restaurants, grocery stores and food processing operations. Our treatment facilities process organic wastes by separating the aqueous phase from the organics. The aqueous phase is treated for discharge to the sewer. The organic phase becomes feedstock for anaerobic digestion to generate clean renewable energy. Our grease trap collection supports municipal sewer bylaw compliance by removing fats, oils, greases and organics that cause damage to the infrastructure, including line ruptures and spills.

Sierra Septic now operates as Organic Resource.

“The purchase of Sierra’s grease trap operations allows us to more directly service our national and regional customers in Alberta and helps Sierra to provide a greater range of services and reporting to its existing customer base in Alberta.”

Mike Watt, Executive Vice President of WEG
The Greening of Used Cooking Oil

In 2014, Organic Resource entered the used cooking oil (UCO) market with a new no-muss, no-fuss approach for our customers. UCO is a resource and when managed well has a significant value as raw material in biodiesel production. UCO is generated by restaurants and other food preparation facilities.

Historically, UCO has been collected outside in a large bin that can be odorous. The handling of UCO in the kitchen and walking pails of UCO to the outside collection bin presents health and safety risks to employees.

Our indoor storage options and secure-lock system provides enhanced security for this valuable resource. Our direct, quick connections from the fryer to the tank eliminates odours and spills and requires minimal handling of hot oil, reducing burns, slips and falls. Our wireless level sensors and see-through rolling carts allow the customer to accurately measure the volumes of UCO they produce.

With our UCO collection service, we provide our customers with one-stop shopping for the management of both their grease trap and used cooking oil.

Delivering a new service like this is an opportunity to develop our people. UCO Manager Stephany Capogna led the roll out of the service and described it as the most exhilarating and challenging work experience of her career. Through this experience Stephany has come to appreciate the value of teamwork and accountability.

Organic Resource Evolves

It has been a busy couple of years at Organic Resource’s west coast operations. The New Westminster site has successfully transformed to a fully functional processing facility. What started as an empty shell in 2013 is now buzzing with activity.

Development at the site happened in two major phases. First, the office space for the overall management of Vancouver operations was built. In 2014, the second phase began, and the processing plant came together. A total of three large tanks were installed with engineered sloped floors for containment. The operation is designed to process 23 million litres of organics per year.

The hard work of our construction and commissioning team paid off tremendously. With the new capabilities of the plant, we will be able to process organic wastes (fats, oils and grease) in house prior to hauling it to anaerobic digesters within the Greater Vancouver Area to treat the resulting wastewater.

Organic Resource
A Walker Environmental Group Company
Emulsions Coast to Coast

Walker Emulsions identified the need to be more than a regional player and achieve market penetration of our products across all of North America. This goal is what drove the purchase of Associated Chemists Inc. (ACI, now Walker Emulsion Inc.) in Portland in 2012 and the start-up of our Orangeburg South Carolina operation in 2014. Portland provides us with coverage in the Northwestern U.S. and Western Canada and South Carolina provides close-to-market manufacturing for the Southeastern United States.

ACI had a solid market share supplying specialty chemicals to the pulp and paper industry, just the market for our emulsion products. Our Portland facility has proven that it was a platform for growth. The technical expertise and production know-how of the Portland group made for a seamless transition into manufacturing of our emulsion in the west. The efforts of our sales and technical services teams have been paramount in serving the needs of our customers to substantially grow the business.

Each geographic location brings its own challenges, such as understanding the effect of water hardness and weather conditions. The unique conditions and different technologies of each operation have created opportunities to share and learn. The lessons and ideas generated as a result of the acquisitions have strengthened our operations across the continent.

Portland and Orangeburg have secured our position as a key supplier in the North American market. We are now recognized as a leading supplier of emulsion chemistry.
Supporting the needs of the communities in which we operate is a founding value of Walker Industries. Giving back to the community has been instilled into each of our employees by the Walker family. Our corporate philanthropic focus includes the arts, education, health and community. In 2014, we donated a total of $397,617 to support the needs of the communities. Not included in this amount are the contributions the Walker family shareholders make to various community initiatives.

In addition to the corporate giving, over the years the shareholders of Walker Industries have been active supporters of many community initiatives. The shareholders have taken the lead in these large community projects:

- Niagara Regional Cancer Centre: $5 million
- Pathstone Mental Health: $1 million
- Walker Living Campus at Woodend: $500,000
- Conservation Area

In 2014, we donated $397,617 to worthy causes within our communities.