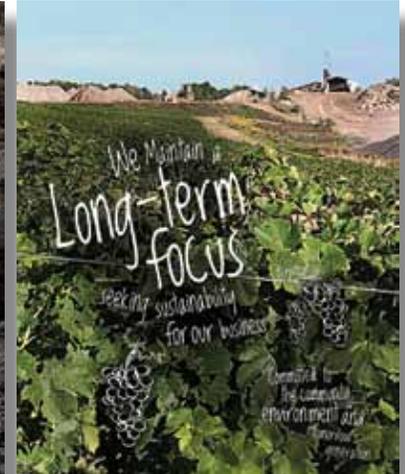
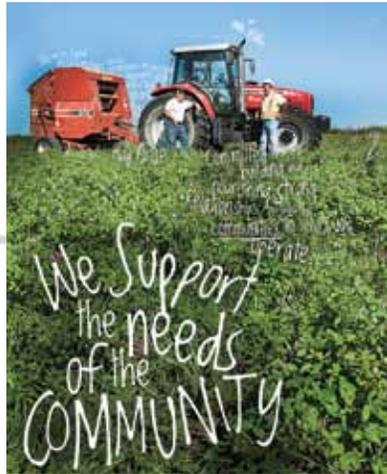


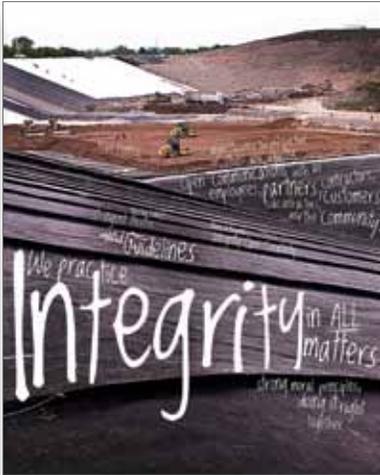
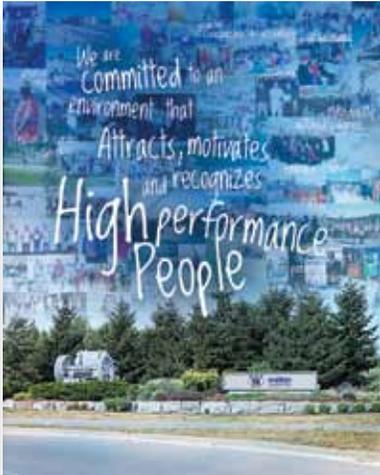
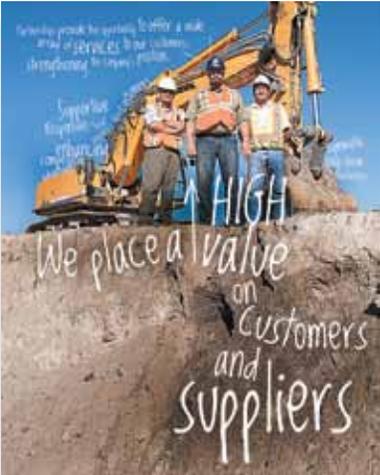


walker
industries



2015 SUSTAINABILITY REPORT

COMMITTED TO THE COMMUNITY, THE ENVIRONMENT AND TOMORROW'S GENERATIONS





Thank you for taking a moment to read through our 2015 Sustainability Report.

We are at a point in time when we find ourselves in an increasingly complex world. Important societal challenges such as climate change, income and other types of inequality, the consequences of an aging population in much of the world, and a changed business landscape due to globalization, are but a few of these challenges that come to mind. We are searching for new and creative ways to address these issues, while at the same time we are questioning existing approaches. One of the outcomes of this process is a growing expectation that the private sector should take on an increasing role, and in many cases a leadership role, in providing solutions.

For us, it is the intersection between many of these challenges and our company's family-business values that motivates us to become a more sustainable business. Each and every day we witness the interrelationships among the social, environmental and economic elements of what we do. We work to understand these relationships with a view to not only continuously improve our business, but also to make a meaningful contribution to the world around us.

We hope you enjoy this year's report. It is a compilation of many interesting and inspiring stories that illustrate what being a sustainable business means to us.

John Fisher, President & CEO

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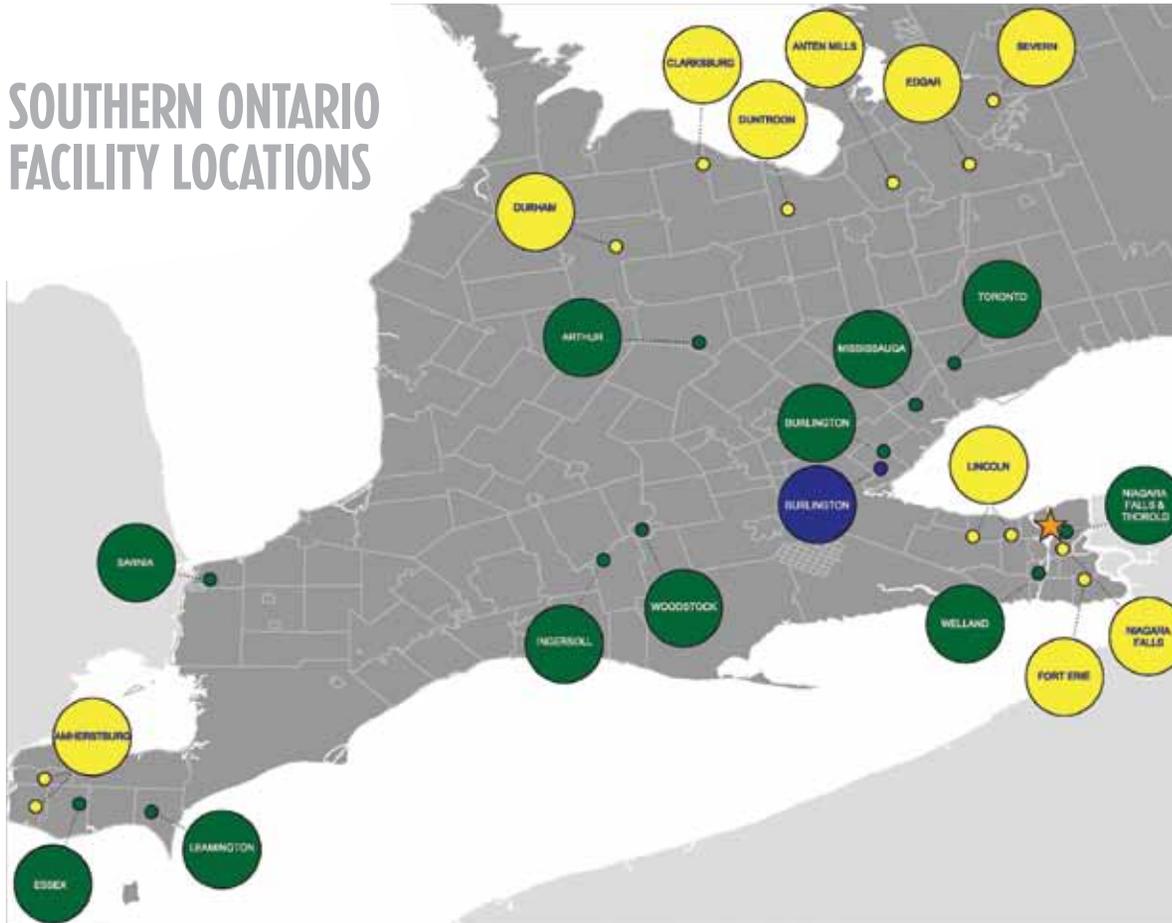


WALKER INDUSTRIES FACILITY LOCATIONS

- AGGREGATES
- EMULSIONS
- ENVIRONMENTAL



SOUTHERN ONTARIO FACILITY LOCATIONS



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.



walker
industries

Committed to the community,
the environment and tomorrow's generations.



AGGREGATES & 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 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 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, 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.

VALUES-BASED CULTURE

We firmly believe that to continue to grow and prosper we must remain true to the values upon which the company was founded. Several years ago, 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.



Direction

Our Value Principles Shape Our Future

Safe, Healthy and Profitable

We will maintain a safe, healthy and profitable workplace.

High Performance Employees

We are committed to an environment that attracts, motivates and recognizes high performance people.

Customers and Suppliers

We place a high value on customers and suppliers.

Community

We support the needs of our community.

Environment

We practice exemplary environmental leadership.

Long-term Focus

We maintain a long-term focus seeking sustainability for our business.

Integrity

We practice integrity in all matters.

Innovation

We innovate and continually improve business practices.

Shape Our Future

We embrace a willingness to shape our future.



Walker Industries is committed to an operating philosophy based on more than one hundred years of rock solid business practices.

ABOVE & BEYOND LEGACY STATEMENT

The values-based culture at Walker Industries is a defining characteristic for our employees, customers and partners. We are proud that our employees find various ways to show integrity, care and creativity in everything that they do. Our Above & Beyond legacy statement identifies these values as key to our success and has allowed us to celebrate, strengthen and grow in 2015. It has been just over 2 years since the inception of the legacy program, Above & Beyond, and its impact and momentum are building.

In the last year, the team of volunteer facilitators wrapped up the Above & Beyond workshops. Walker employees were exposed to these sessions that pushed the boundaries to ultimately open up dialogue, celebrate each individual and heighten our understanding of one another. To further support the Above & Beyond platform, the company began featuring stories in our *Cornerstone* newsletter about our people, partners and customers. These articles speak to our values and help us relate to each other. We have been fortunate to have had a variety of interesting people share their experiences so eagerly and willingly.

The workshops and newsletter stories aimed to include people in the conversation. It was important that a fair exchange of sharing and listening occur to support Above & Beyond.

Everyone who attended the workshops had the opportunity to provide feedback. The most prevalent comments focused on the same ideas: How do we keep this going? How do we continue to connect with each other? As a result of these and other valuable insights, exciting things are coming in 2016!

As Above & Beyond grows, it continues to be a collaborative effort. With the feedback from our employees, the help of our facilitators and consultants from Edge 3, and the support of the Walker executive team, the platform grows, as does our commitment to our legacy and our culture. The next phase of Above & Beyond is about seeing things through a different lens. We want to build on the success of the workshops and further help our employees feel valued and heard and to encourage them to move in the direction they want to go. How can we shift our perspective? Sharpen our focus? Realize our vision? These are ideas we are eager to explore together in the coming year to further develop a culture that coaches and supports its people.

We are moving in a direction that has us pushing ourselves, developing with each other and creating a variety of opportunities for people to pursue more of their passions. When you change the way you look at things, the things you look at start to change.

The Impact:

- 38 Above & Beyond Workshops were held by the close of 2015.
- 581 Walker employees received personalized appreciations .
- 33 years — the average length of time since people actually played with toys, used glitter glue or drew a picture.
- 15 Walker employees or affiliates were interviewed to share their stories in our *Cornerstone* newsletter.

What People are Saying:

- "These values will be the backbone of my future decisions and interaction with coworkers and customers."
- "The appreciations are the highlight for so many of us."
- "I hope people see the importance of sharing and providing a 'lift' to people."
- "When all employees are done the workshop, I hope new hires get to do it, too; it's a great introduction to our company."

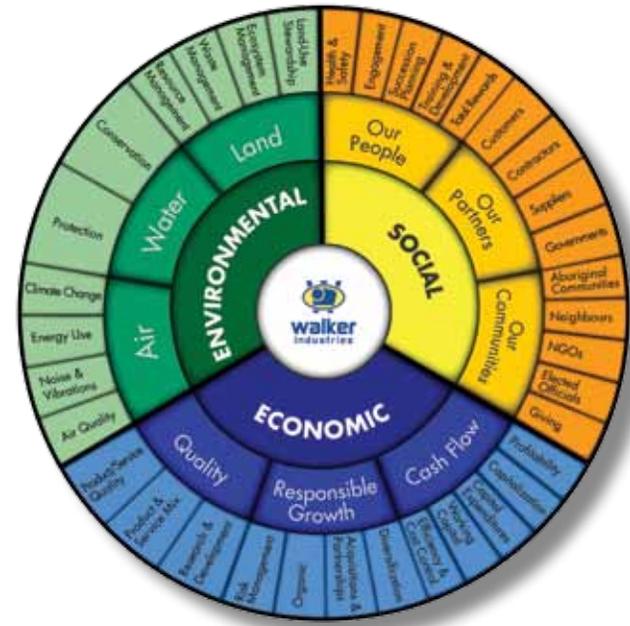
above & beyond



integrity • care • creativity

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
 - sustainable products & services
- Nurture a sense of belonging
- Publish an annual Sustainability Report



SUSTAINABILITY

sus-tain'a-bil'i-ty *n.*

Meeting today's needs without compromising the needs of future generations.

Our company's value principles continue to guide us 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

SOCIAL

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.



Les Hildebrand – 40 years of service

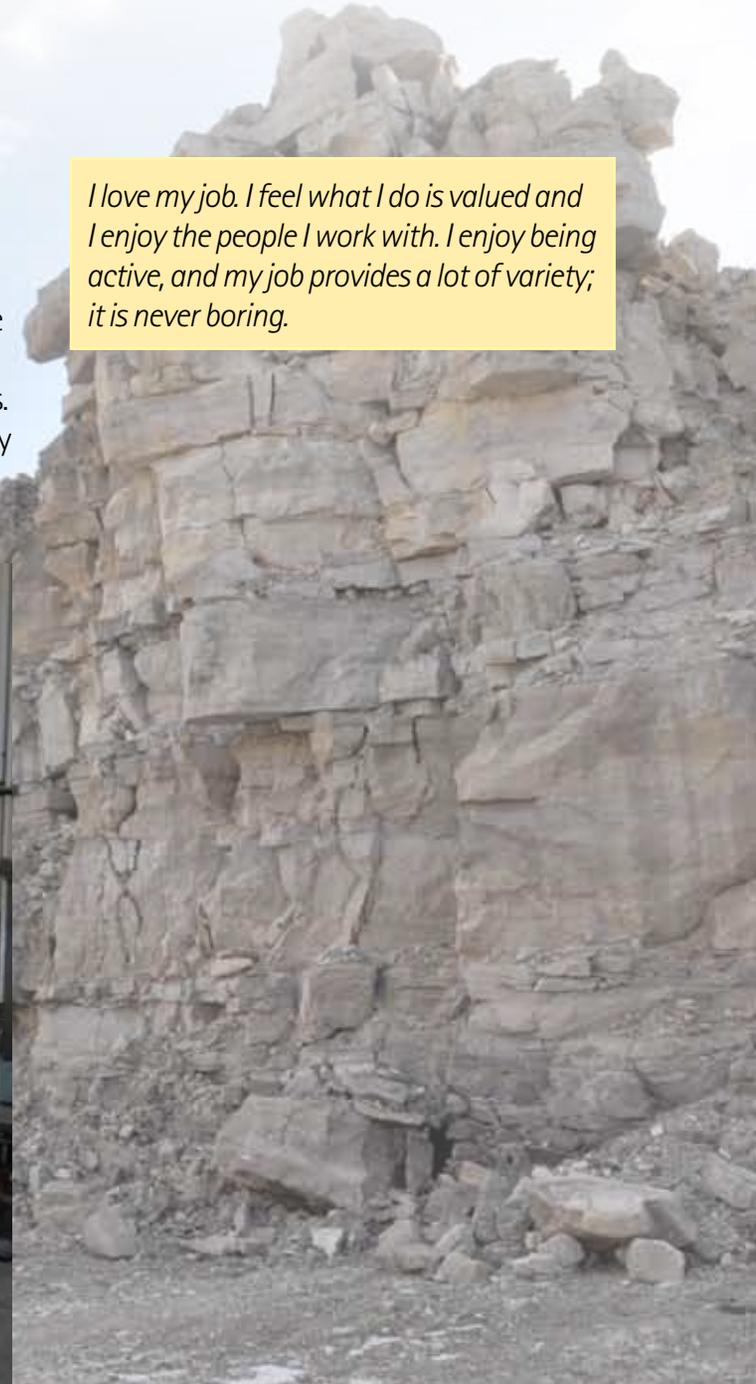
Les Hildebrand was hired as a labourer at Vineland Quarries in 1975, but was needed immediately at Ridgemount Quarries. After 6 months, Les took the Driller position at Vineland Quarries. During his time at Vineland, Les drove truck, was a loader operator, helped to operate the plant and ultimately took the Mechanic's Helper position in which he completed his apprenticeship and received his mechanics license.

In 1990, Les took the Head Mechanic position at Walker Brothers Quarries and has been there ever since.

One of the highlights for Les over the past 40 years was when he travelled to Germany in 1997 to look into equipment for the company. Les drove from Frankfurt to Holland to East Germany and back to Frankfurt, all in 3 days! "It was a trip to never be forgotten!"

The change in technology over the years has been significant. When Les started, there were no computers and now there are up to 6 computer systems in each of the new machines. "Looking back, it's crazy to think of the technology that has been made available. It's neat to see the advancements over the years," said Les.

I love my job. I feel what I do is valued and I enjoy the people I work with. I enjoy being active, and my job provides a lot of variety; it is never boring.



Roger McGillvray - 40 years of service

During his 40 years at Walker Industries, Roger McGillvray has reached many milestones. He was hired by McKean Quarries in 1975 as a haul truck driver and crusher operator at the Duntroon Quarry. In 1985, Seeley and Arnill Construction purchased the company and Roger continued working in all aspects of the quarry, including drilling, blasting, plant maintenance, equipment operator and training of new employees. In 1998, Walker Industries purchased the site, and, in 2000, Roger was promoted to also oversee our Simcoe County limestone and sand and gravel operations.

Shortly after his promotion, Roger was instrumental in the upgrades to the Duntroon Quarry. He worked with the late John Walker, co-owner of Walker Industries, on the design and installation of the primary crushing plant. During this and future projects, Roger toured various countries looking at equipment that would best suit our needs.

In 2003, Roger was placed in charge of the start up of our Severn Pines Quarry. The site operated until 2010 with 2 portable crushing plants, at which time a state of the art stationary crushing plant was installed.

Technology has advanced significantly over 40 years. The crushing plant can now start up at the push of a button instead of starting each piece of equipment separately. The systems now monitor and keep operators informed of the performance of the equipment and the throughput of crushed material instantaneously.

Roger and the employees at Severn are always looking into innovative ways to support the environment and increase efficiency.

I enjoy my job. The people I work with have become part of my extended family.



Vaughn Bryant - 35 years of service

Vaughn Bryant was hired as a haul truck driver at Ridgemount Quarries in 1980, and has been there ever since. During his time at Ridgemount, Vaughn operated the plant, conducted drilling and blasting and was trained in operating the face loader. Vaughn currently works in the paint shop and has worked there since its start up in 1997. Proud of his role, Vaughn is responsible for painting the machinery and vehicles that come into the shop.

"I've always enjoyed working at Walker. We have a good team here at Ridgemount,

and the company treats me very well," said Vaughn.

The equipment for the paint shop was state of the art at the time of installation and continues to be today. It consistently delivers impressive results and allows employees to work efficiently on a wide range of equipment.

"We work together to ensure each piece is painted properly and the high quality lasts for years," said Vaughn.



OUR PEOPLE

Average Length of Service: 10 years

Number of Employees Over 20 Years of Service: 77

Number of Employees by Division

	2013	2014	2015
Aggregates & Construction	238	241	253
Emulsions	42	48	44
Environmental Solutions	206	225	244
Corporate Services	52	51	50
Totals	538	565	591

Voluntary Turnover Rate



* Conference Board of Canada 2012-2013

Walker Industries Scholarship

Kelsea Tomaino was the recipient of the 7th annual Walker Industries Scholarship. Kelsea is the daughter of Joe Tomaino, Development and Approvals Manager, Strategic Growth for Walker Environmental. The Walker family shareholders awarded Kelsea \$10,000 per year for 4 years at university.

Kelsea is attending the University of Waterloo for Biomedical Engineering. After completing 4 years of university and a fifth year co-op term, Kelsea will receive her Bachelor of Applied Science degree. Although it is too soon to tell which promising path to take with her future electives, Kelsea looks forward to a fulfilling career directly related to helping people.



"I've always wanted to be an engineer and later became interested in the medical field," shared Kelsea. "The scholarship eased a lot of stress and allowed me to focus more on my studies. The university experience was challenging, being in such a competitive field, but it was a good experience and I enjoyed it. I learned a lot personally as well as academically."

Walker Industries Tradesperson/College Scholarship

Adrienne Bonsma was the recipient of the first annual Walker Industries Tradesperson/College Scholarship. Adrienne is the daughter of Dean Bonsma, an Information Technology Database Specialist at the corporate head office. The Walker family shareholders awarded Adrienne \$5,000 per year for up to 4 years at college.

Adrienne is attending Niagara College's Winery and Viticulture Technician program, with a long-term goal of working in the wine industry, either managing a vineyard or helping others get the same joy from wine as she does.



Adrienne loves her experience with this program and she especially enjoyed the courses in Old World Wines, The History of Ontario Wines and Sensory Evaluations of Wine.

Adrienne said, "I have discovered through the Sensory Evaluations of Wines course that I have a sensitive nose and palate and have a talent for identifying flavours in wines. I am also interested in using this talent to pursue a certified Sommelier designation following graduation."

Leadership Niagara

Leadership Niagara's mission is to foster leadership in Niagara. Inspired leaders create a strong community, a vision we share with Leadership Niagara. 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 Leadership Niagara got its start in 2007, a total of 16 of our employees have graduated. Their involvement has bolstered their confidence and enriched the workplace.

Lisa Reesor and Alex Badali participated in the Leadership Niagara program in 2015. For their community projects, Lisa worked on a business and marketing plan for a social enterprise at Pathstone Mental Health, and Alex worked on a marketing plan for Niagara Sustainability Initiative.

Lisa Reesor

Maintenance System Coordinator
Walker Industries



Leadership Niagara was an amazing opportunity for personal growth and an experience I am very grateful to have participated in. The learning day held each month always left me wanting more! The diverse topics, guest speakers and activities re-energized me and always sent me away with at least one new skill or realization. The community project reminded me of the importance of our role in the community, both personally and professionally. In business we meet people all the time, but seldom do we have the opportunity to really learn about them and what they do. Being part of this group of like-minded individuals, who were all there working towards a common goal was inspirational to say the least. I learned as much from them as I did from the program itself.

Alex Badali

Research & Development Supervisor
Walker Emulsions



The Leadership Niagara experience highlighted for me how important it is to be active in our local community. I learned many new leadership skills, and shifted the way I think about leadership. It was eye opening to understand that any person in our organization can be a leader, not just those in management. Leadership Niagara has given me the tools necessary to continue my journey of leadership growth within Walker Industries and in our wider communities.

Together WE Can (TWC)

Winning the Chance to Give

With \$10,000 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:

DONATION ORGANIZATION

\$1,000 Wellspring Niagara
Boys and Girls Club of Niagara
McMaster Children's Hospital

\$500 Partnership West Foodbank
Neighbour to Neighbour Centre
Niagara Falls Humane Society – General Operations
Lincoln County Humane Society (2 donations)
Welland Open Arms Mission
Hamilton Health Sciences
McMaster Children's Hospital
Fort Erie SPCA
Make-a-Wish Foundation
The Raft (Resource Action For Teens)

\$400 Children's Aid Society of Windsor – Essex – Sponsor a Family Holiday Program

\$350 Windsor Humane Society "all pets fund"

\$250 Children's Aid Society of Windsor – Essex – Backpack Program
McMaster Children's Hospital
Community Care St. Catharines and Thorold

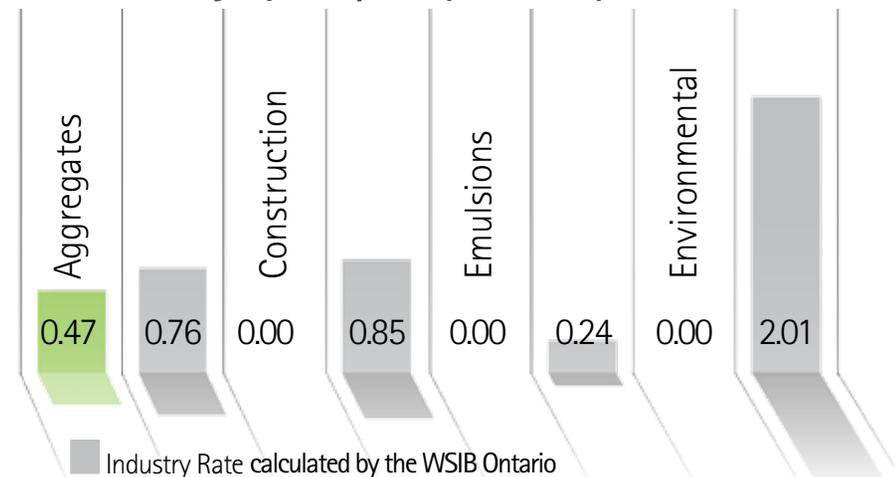


HEALTH & SAFETY

We believe every worker should go home safe and healthy every day. Our program instils 7 philosophies: pride in work, cooperation, cohesion, communication, participation, plan to work safe and "Just Think" to create our Superior Safety Culture.



Lost Time Injury Frequency Rates by Division



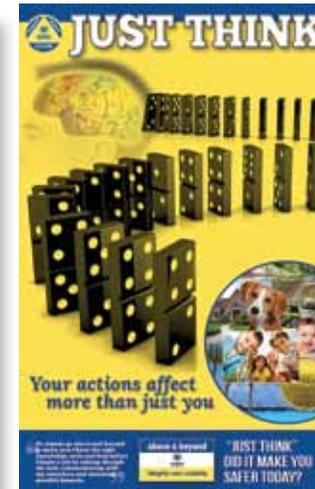
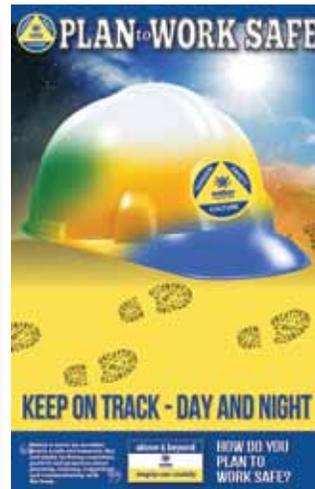
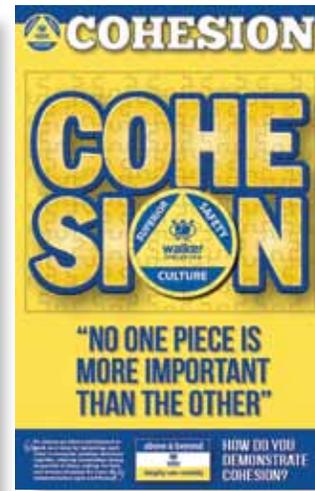
Health & Safety Summit

The 2015 Safety Summit brought together 65 members of the Joint Health and Safety Committees to review opportunities to expand our Superior Safety Culture to newly acquired businesses and strengthen it within our existing businesses.

The goal of the summit was to provide enhanced safety knowledge and skills to participants to enable them to return to their respective businesses as Superior Safety Culture champions.

Participants were led through exercises that helped them to learn more about our 7 philosophies – what they mean and how they impact our stakeholders.

Seven groups were formed, each one focusing on a different philosophy. Enthusiastic participants worked together to create a poster to represent their assigned philosophy. The polished posters are being released and discussed at the monthly Health and Safety meetings at each site.





Pride in Work



Cooperation



Cohesion



Communication



Participation



Plan to Work Safe



Just Think

Participants also learned to identify actions to help them apply the philosophies in real life. They were given the opportunity to develop a pledge that included 3 specific ways that they can live up to these philosophies. During every activity, participants were asked to align their thoughts and ideas with our Legacy Statement – Above & Beyond: Integrity, Care and Creativity.



WELLNESS

At Walker, we recognize the benefits of a healthy workforce and promote an active lifestyle for our employees. The Walker wellness program provides a physical wellness subsidy of up to \$200 per year to employees who participate in fitness-related activities and programs. A total of 251 employees participated in the wellness subsidy program in 2015.

Supporting Health in Health & Safety

"There are many benefits to exercising. When employees take the time to care for their health, it leads to an increase in energy, improved mood, stress management and much more. When employees are healthy and happy, awareness and productivity will improve at work and at home."

Diana Aquino and Lisa Immel
Walker Environmental

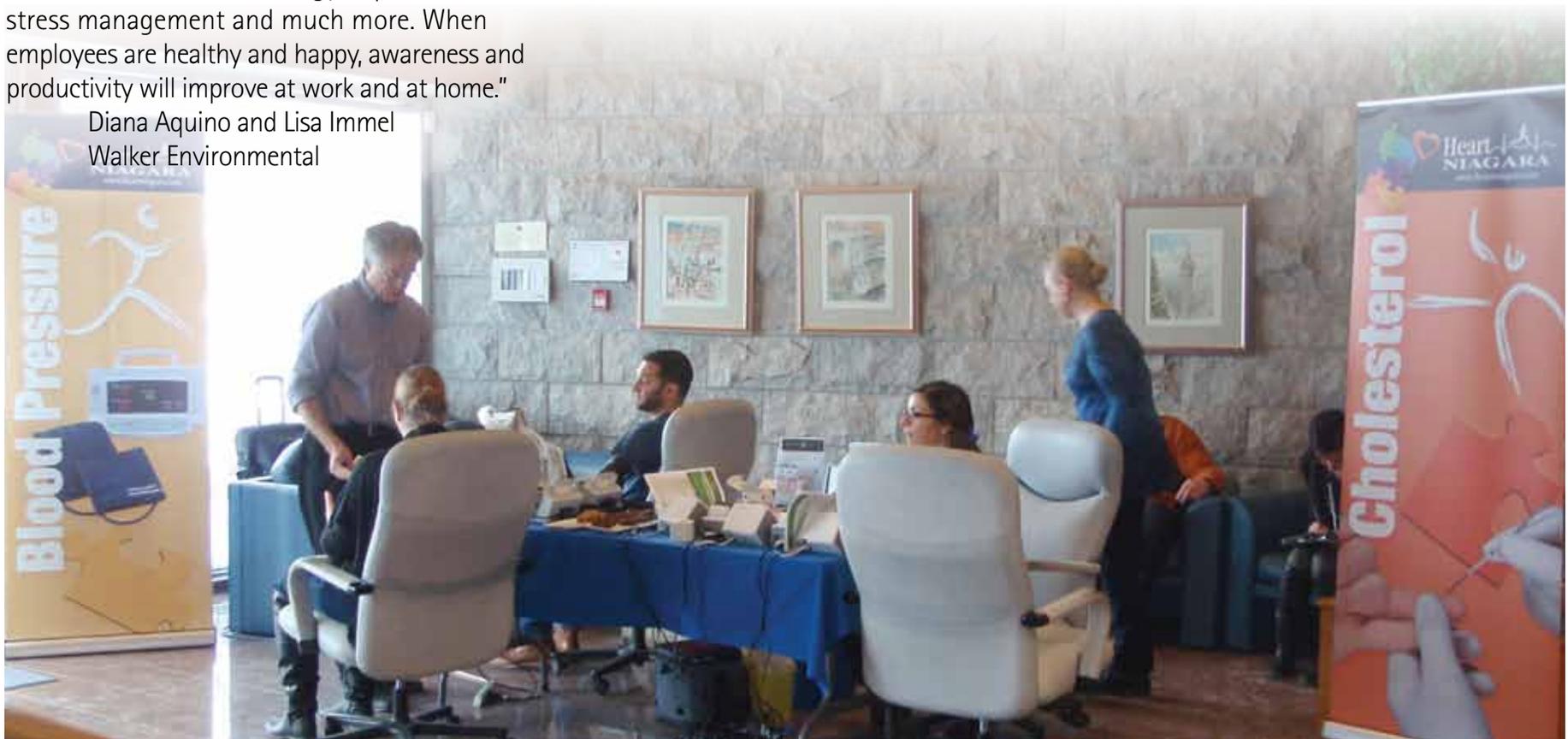
Cardiovascular Risk Reviews

In February 2015, approximately 70 employees participated in a clinic delivered at the corporate head office by Heart Niagara's health professionals. Each employee completed a cholesterol and heart disease assessment that included a non-fasting cholesterol profile, blood pressure test, lifestyle questions and a discussion on family history.

The results were shared with the employee at the time of the assessment and were also mailed to the individual as an official document that could be brought to the employee's doctor and added to his or her medical files.

When our employees are aware of their health status, they can be proactive in making changes to better support their wellness.

Julie Miller
Wellness Provider
Walker Industries



Project Management Training

In 2015, Walker Environmental began Project Management training with employees to maintain and improve the success rate of our projects and to apply a standardized set of project management principles to our business development process.

World Class Productivity began providing training on Project Management Essentials Parts 1 and 2, Microsoft Project and Project Sponsorship based on the principles recognized by the Project Management Institute.

The Project Management Framework embodies a project life cycle and five major project management process groups:

- 1. Initiating
- 2. Planning
- 3. Executing
- 4. Monitoring and Controlling
- 5. Closing

With project management training, organizations are more likely to complete their projects on time and on budget.

The employees who participated in the course have a new toolbox that holds some new techniques to assist in project management activities, along with exposure to best practices and current trends.



As a novice to Project Management, the training showed me the power of well-defined roles and responsibilities, goals and assumptions, and risks and opportunities to get a project off the ground.

*Becky Oehler
Consultation Manager for
Strategic Growth
Walker Environmental*

As someone who focuses significantly on the financial aspects of projects, it was beneficial to understand how to execute a project from start to finish with all the stakeholders who will contribute to a project's success. I have already seen the course participants capitalize on the momentum from the sessions and apply it successfully to ongoing projects.

*Andy Snazyk
Business Analyst
Walker Environmental*



Management Education Program

As we grow and expand our group of businesses, it is important that we have employees who understand our business and have the skills, knowledge and awareness to manage it. In 2015, Walker Industries and The Goodman School of Business at Brock University created a new management education program for Walker employees.

This program has been specifically designed for Walker employees who are engaged in supervisory roles or who aspire to fill future management roles within Walker Industries. The program consists of a series of 11 seminars on various business topics related to the identified needs of Walker managers. The aim of the program

is to equip our graduates with the knowledge and skills to categorize challenges and opportunities, and identify the resources and types of support needed to solve problems and realize business success. After successfully completing the first cohort, we are pleased to continue our partnership with Brock University with a second program in January 2016.



*Together we want to inspire greatness!
Do more, learn more and be the best
that we can be.*

2015 Walker Alumni

Walker Environmental & The Mississaugas of the New Credit First Nation Work Toward Waste-Free Pow Wow

Walker Environmental was pleased to work with the Mississaugas of the New Credit First Nation (MNCFN) at their 29th annual Three Fires Homecoming Pow Wow and Traditional Gathering at the Mississaugas' territory near Hagersville, Ontario. The Pow Wow, held on August 22 and 23, celebrated customs and culture, including traditional singing, drumming and dancing.

For the second consecutive year, Walker Environmental supported the event by providing recycling, composting and used cooking oil collection services to minimize the amount of waste material sent to landfill. Volunteers from Walker and MNCFN helped Pow Wow visitors, vendors and employees sort waste and increase awareness of how waste is managed after it is discarded.

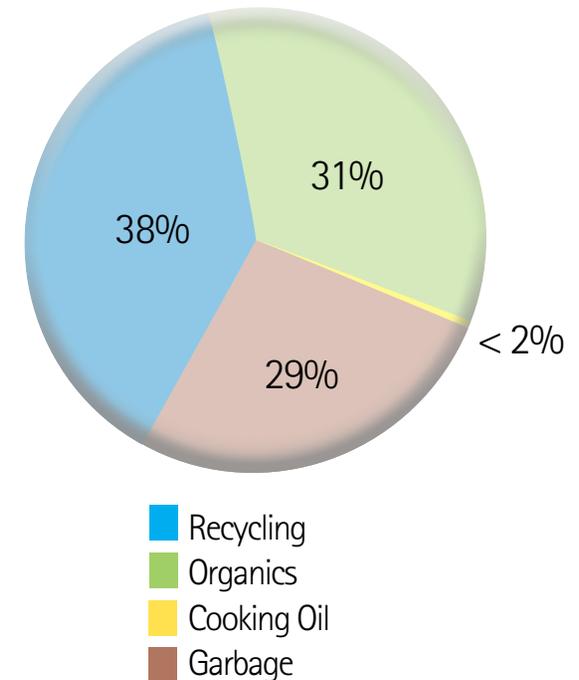
"This was a great opportunity to get involved in the community and learn about Anishinabe and First Peoples culture," said Walker volunteer, Bobbie Thoman. "It was rewarding to receive so much positive feedback from attendees. A lot of the Pow Wow visitors were really supportive of MNCFN's effort to reduce waste and make the event as green as possible."

In total, 69% of the waste generated from the Pow Wow was diverted from landfill, an increase of 21% from last year. More than two tonnes of waste was recovered and will be reused in various ways. Plastics will be recycled into new products, food waste will be composted and returned to the earth and the used cooking oil will be converted into biodiesel.

We're happy to have Walker here as a partner for a second year. It's our responsibility to look after Mother Earth today and to protect the environment for the next seven generations. I was pleased to see our vendors also taking up the cause. Many of them switched to paper containers, which can be composted.

*Faith Rivers, Chair
MNCFN Cultural Committee*

2015 Pow Wow Waste Breakdown



Banff Marathon

The 2nd annual Banff Marathon was held at the Banff National Park on June 21, 2015. It was a pleasure to provide Carbon Neutral Service to the event for the second consecutive year. The event is hosted by LifeSport Coaching Inc. and includes a full marathon, a half marathon, and a 10 km race. The event drew 1,500 participants from 18 countries and was considered the world's greenest marathon.

Walker Environmental worked with the Director of Sustainability for the Banff Marathon to conduct a voluntary greenhouse gas assessment for the 2015 event. The assessment was conducted to establish the marathon's carbon footprint.

The footprint included the following:

- All participant travel to and from the event
- Race operations while in Banff
- Race organizer travel between home offices in Victoria and Banff
- Incidental activities

This initiative was part of a 2-year carbon management strategy to measure, reduce and offset unavoidable emissions for the event. Participants' travel was the greatest carbon impact of the marathon.

In total, the estimated greenhouse gas emissions from the marathon were calculated to be 866 tonnes of CO₂ equivalents. An equivalent amount of high-quality carbon offsets from the Walker Environmental East Landfill-Landfill Gas Recovery and Utilization Project were retired on the CSA Group's CleanProjects™ Registry on behalf of the LifeSport Coaching Team and the 2015 Banff Marathon. As a result, the marathon may claim carbon neutrality for the footprint calculated within the assessment.



The organic wastes from the marathon were processed at our N-Viro facility into N-Rich®, a nutrient-rich soil amendment.

2015 Ontario Stone, Sand & Gravel Association Awards

In 2015, several of our Walker Aggregate quarries won the Community Relations Award from the Ontario Stone, Sand & Gravel Association (OSSGA). The award recognizes good neighbourly activities, community involvement, media relations, education and industry awareness.

Duntroon Quarry

The Duntroon Quarry won a Community Relations Award and a Progressive Rehabilitation Award from the OSSGA. The Duntroon Quarry was recognized for community events, such as the annual summer barbecue and quarry tour and Christmas holiday wine-and-cheese reception, support for local organizations, efforts to reduce noise and dust and regular print and online communications. The Progressive Rehabilitation Award recognizes ongoing efforts of individual operators in progressively rehabilitating their sites in accordance with their site plans. The Duntroon Quarry's rehabilitation efforts last year included the creation of a perimeter road around the quarry, and 75,000 m³ of overburden placed along the quarry's slopes for its eventual transformation into a lake.

McGregor Quarry

The McGregor Quarry was recognized for community relations, such as hosting picnics, tours and educational initiatives, support for local organizations, efforts to reduce noise and dust and regular communications through the *BorderStones* newsletter.

Ridgemount Quarries

Ridgemount Quarries were recognized for community relations, such as making the quarries available for military operations and paleontological explorations, support for local organizations, efforts to reduce noise and the effects of blasting and regular communications through the *RidgeRock* newsletter.

Vineland Quarries

Vineland Quarries were recognized for community events such as the annual Christmas holiday wine-and-cheese reception, information sessions, student programs, and regular communications through the *Stonevine* newsletter as well as efforts to reduce noise and dust. Vineland Quarries support organizations such as the "Fire Safety for Kids" Program and Scouts Canada and donate armour stone to projects including the War of 1812 "Battle of Cook's Mills" monument.

Anten Mills

Anten Mills won a Progressive Rehabilitation Award from the OSSGA. Anten Mills was recognized for their actions taken to return the site to its natural state including sloping and native seed planting.

Walker Brothers Quarries

Walker Brothers Quarries were recognized for community relations, such as hosting an annual holiday wine-and-cheese event, tours and educational initiatives, support for local organizations, efforts to reduce dust and the effects of blasting, and regular communications through the *Walk of the Town* newsletter.

Severn Quarry

The Severn Quarry was recognized for community relations, such as hosting an annual holiday wine-and-cheese event, neighbourhood picnics, participation in local Santa Claus parades, support for local organizations and efforts to reduce dust and the effects of blasting.

The awards review panel was comprised of judges including representatives of the Ministry of Natural Resources and Forestry, Ducks Unlimited, associate members of the OSSGA and Mayor Dennis Lever of Puslinch Township.



Niagara Business Awards



On October 22, 2015, the Greater Niagara Chamber of Commerce (GNCC) held their 12th annual Niagara Business Achievement Awards. Walker Environmental sponsored the Lifetime Achievement award. This honour was bestowed upon Cam Champion and John Mann of Performance Auto Group, two remarkable men whose passion for fast cars turned into a 50-year career and an impressive dedication to employees and community.

Mike Watt, Executive Vice-President of Walker Environmental, received the Volunteer Business Person of the Year award. This award is presented to an individual who demonstrates outstanding commitment to helping build a stronger, more prosperous and vibrant community. As a founding member of organizations like Smart Growth Niagara Committee, Land Care Niagara, Greater Niagara Chamber of Commerce and OneFoundation for Niagara Health System, there is no doubt that Mike has had a significant impact on Niagara over the years. Mike used his time on stage to encourage young professionals in the room to get involved in their community through the many not-for-profits in Niagara.

Mike also recognized Walker Industries for encouraging him to embrace one of the company's core values by getting involved and showing commitment to the community. He acknowledged his team as a hard working group of individuals who provide him the flexibility to work at Walker and get involved in outside organizations.

"More than 350 people came together for the 2015 Niagara Business Achievement Awards, celebrating the successes and contributions of exceptional individuals and their achievements in Niagara. It was our distinct privilege to recognize Walker Environmental as a long-time sponsor of these celebrations, and it was an equally great honour to recognize Mike Watt's extraordinary commitment to Niagara. We are a better community because of individuals and companies such as Mike Watt and Walker Environmental," said the GNCC Executive Director, Mishka Balsom.

Take time to decide where you can really make a difference because throughout your professional life that is where you will find the most fulfillment.

*Mike Watt
Executive Vice-President
Walker Environmental*

Walker Emulsions Participates in South Carolina Chamber of Commerce Business Week

Since 1983, the South Carolina Chamber of Commerce Business Week has prepared young adults for the business environment by introducing them to the principles of leadership, teamwork and the American free-enterprise system. Executives join students for an entire week, managing a 'company' team in an advisory capacity. Many of these advisors return year after year, some using vacation time, because they believe deeply in the program and know the impact they make on these young people's lives. Starting with the basics, students collaborate with executives in an intensive program designed to develop a thorough understanding of private enterprise.

Walker Emulsions – Orangeburg, South Carolina, got involved with Business Week in 2015 by sponsoring a student to attend the event, which took place from July 26–31. In addition, Pam Barton, Human Resources Business Partner for Corporate, Emulsions and Construction, presented a career-readiness session for attendees. She was excited to take part, and after spending time at the event she was doubly convinced that it's a fantastic program.

Students participate in a business simulation that tracks their progress with other teams. During the simulation, they are tasked with making key decisions at intervals that take into account marketing, staffing, forecasting and other important business concepts.

It's a fantastic program, filled with enthusiastic participants who are being guided by the best business leaders out there. The learning gained about their own self and the business world in general, not to mention life skills, is invaluable.

*Pam Barton
Human Resources Business Partner
for Corporate, Emulsions and Construction*

Not only does Business Week provide a great opportunity for high school students to gain experience interacting with other students, it also gives them an opportunity to hear about different careers and interact with professionals in many different industries, thereby honing in on their own future schooling and career paths.

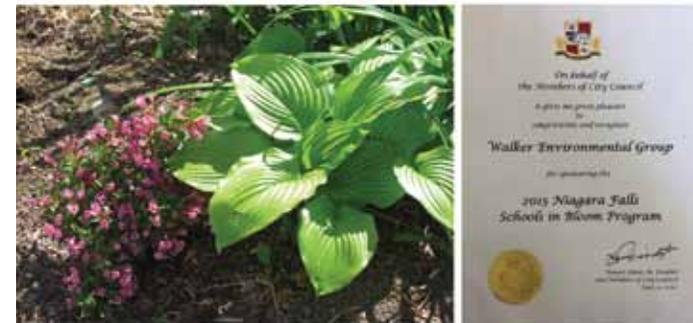
At the conclusion of the program, five students who exhibited exemplary leadership throughout the week were recognized with college and university scholarships.



Walker Environmental Recognized for Involvement in Schools in Bloom Program

Each year the Schools in Bloom Program gives schools and students across Niagara Falls the opportunity to participate in rewarding activities to landscape and beautify their schoolyard areas, while continuing to learn about horticulture, the environment and improve our community as a whole. The projects are mainly student driven, giving them a sense of pride and ownership for their school and work. Students are taught responsibility, teamwork and respect for the environment.

On June 11, 2015, the Park in the City Committee and the Niagara Parks Commission School of Horticulture recognized Walker Environmental for their involvement in the Schools in Bloom Program at their Recognition of Excellence Ceremony held at the Gale Centre in Niagara Falls, Ontario. Walker's annual donation of compost and mulch to the program helped 14 elementary and secondary schools in Niagara Falls participate in activities to landscape their schoolyards.



Fonthill Students Take on the Challenge of Robotics & Waste

Known as the "Nurdles," nine students between the ages of 10 and 15 from Fonthill, Ontario, became Regional Champions of the FIRST LEGO League's 2015–2016 challenge, TRASH TREK. The TRASH TREK Challenge asks teams to explore the world of trash, from collection, to sorting, to smart production and reuse. Teams must also invent a solution to a trash-related problem and create their own LEGO® MINDSTORMS robot to accomplish trash-themed missions and show how well they practise FIRST LEGO League Core Values. The team visited the Walker Environmental waste management campus in Niagara Falls to learn about composting, landfills, and how landfill gas is used for energy.

For the challenge, the Nurdles focused on the waste problem of gift cards. Gift cards cannot be recycled because their small size causes problems at recycling facilities. Through their research, the team discovered that if gift cards are collected separately, they can be recycled. Instead of just presenting their solution, the

Nurdles took action and collected over 90 pounds of used gift cards and presented their findings to Pelham Town Council. The Nurdles have also been invited to present their solution to Tim Hortons about a chain-wide collection program.

Jacob, a student in the program, commented, "I liked this year's challenge called TRASH TREK because we learned a lot about trash and what happens to our garbage. We visited Walker Environmental and Niagara Electronics Reuse and Recycling Depot. We also talked with David Boyd from Les Edge about turning garbage into energy. We had fun researching the problem of gift cards and collecting gift cards. We also repurposed gift cards into many items such as jewellery, key chains, notebooks, coasters, guitar picks and ear bud holders."

Another student, Iain, said, "I learned about what can be managed in landfills. I learned about specific materials and how much goes into a landfill each year. I liked that they could answer all of our questions and how it made me feel really special and important."

Scotland Agromart Tour Niagara Facilities

In March 2015, Scotland Agromart accompanied a group of farmers to our Niagara facility for a full tour of our operations. The Agromart group of franchised companies supplies a full range of crop production inputs such as crop nutrients, crop protection products and seed, along with associated services to farmers across Eastern Canada.

The farmers were interested in seeing the Biosolids facility where N-Rich® is produced, but also received a full tour of the rest of the facility from Geoff Boyd, General Manager of Organics. The tour provided a better understanding of landfill and compost operations as well as the process of treating municipal biosolids into a soil amendment product.

"We were all very impressed with the efforts that Walker is making for waste diversion. I truly believe every man, woman and child needs to go through that tour to fully understand where their waste (household, sewage, and organic) ends up," said Robin Poss of Scotland Agromart.



Afforestation Research at Duntroon Quarry

As part of the reforestation plans in the expansion area of Duntroon Quarry, more than 13,000 trees were planted in 2015. A total of 32,000 trees will be planted over the next 3 years.

Dr. Paul Richardson and Dr. Steve Murphy from the Centre of Ecosystem Resilience at the University of Waterloo, along with The Ontario Aggregate Resources Corporation, are studying the reforestation of the quarry expansion lands to determine how quickly an old-growth forest can be created through afforestation.

Afforestation is the process of establishing a forest on land not previously forested.

The woodlot provides a living classroom for students to measure the functionality of replacing old hardwood forests and seek out ways to replicate and accelerate the process.



Restoration of Historic Lime Kiln

Located in Duntroon, Franks' Lime Kiln is one of the best preserved lime kilns left standing in Ontario. The kiln was originally built in the mid-1800s to process local aggregate into quicklime. Lime production thrived along the escarpment where limestone and firewood were abundant. Lime provided the bonding ingredient in the plaster, mortar and cement that was needed for building in the growing province.

Walker Aggregates subsidized the kiln's restoration, with further donations from Clearview Township, Creemore Springs Brewery, Hamilton Bros., Ken Ferguson Enterprises, Raffay Stoneworks, and the Blue Mountains Bruce Trail Club. The masonry was entirely re-mortared to stabilize the structure and safety barriers were erected.

In 2015, landowner, Dr. William Franks decided this historic artifact should be accessible to the public and invited the Bruce Trail Conservancy to create a trail to it. To help support the project, Walker Aggregates made a donation and supplied materials to the construction of the trail. The side trail to Franks' Lime Kiln is about 400 metres along the section of the Bruce Trail that runs north of County Road 91 and is now open to the public.



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

ENVIRONMENTAL

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.



We are the environment!
 commit ■ create ■ participate

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 embrace the EARTH 1st principles to create a company that supports the environment.

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

Walker Living Campus

Walker Environmental partnered with Mountainview Homes in 2014 to construct a Living Campus at the District School Board of Niagara's (DSBN) Woodend Environmental Centre. 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. This project was completed in February 2015, in conjunction with MacDonald Zuberec Ensslen Architects Inc., Mountainview Construction, many local contractors and two groups of DSBN students in the High Skills Major Construction Program. Approximately 25 students worked alongside contractors and gained valuable hands-on skills, which can be applied in the future.

On December 9, 2015, the Niagara Construction Association (NCA) hosted the Winter Wednesday Awards Luncheon & Charity Food Drive. After recognizing NCA members for their construction excellence, awards were presented in several categories. Walker Environmental and Mountainview Construction were awarded the Project of the Year Award for the Walker Living Campus at Woodend Project.

"First and foremost, the Walker Living Campus at Woodend is a place for students to learn. This learning took place long before students ever walked through the doors of this beautiful new environmental education centre. Alongside teacher Ken Willms, the professionals at Walker Environmental and Mountainview Construction helped students in



the DSBN's Specialist High Skills Majors programs hone their chosen craft under their expert tutelage. Students spent over 1,700 hours working on the campus, adding to the exceptional job done by both Walker and Mountainview," said Warren Hoshizaki, DSBN Director of Education.

In addition, the DSBN and MacDonald Zuberec Ensslen Architects Inc. were awarded the 2015 Niagara Community Design Award for Sustainability for the project.

"We are thrilled with the recognition the Living Campus has received and are excited to have

been a part of a project that has longstanding value in the community," said Mike Watt, Executive Vice-President, Walker Environmental.

A special acknowledgement goes out to our very own John Koeman, who was the senior project manager on the Living Campus. Walker Environmental's, Jon Colamartini, Project Coordinator and Melanie Patterson, Health and Safety Business Partner, also provided support throughout the project along with Mountainview's Rene Fabbro, who acted as the site supervisor.

Walker Emulsions - Portland Receives Watershed Council Award

On May 21, 2015, representatives from Walker Emulsions-Portland received the Johnson Creek Watershed Council (JCWC) "Riffle" Award for their contribution to the restoration and stewardship of the Johnson Creek.

Johnson Creek remains an important home for a number of threatened and native fish and wildlife, including steelhead and cutthroat trout, coho and Chinook salmon, as well as red-legged frogs, painted turtles, salamanders, pileated woodpeckers and great blue herons. The creek faces problems common to other urban creeks such as flooding, erosion and pollution.

Employees from Walker Emulsions volunteer their time each year to plant shrubs and also walk along the creek collecting garbage to aid in the clean-up efforts. Since the beginning of their involvement, Walker Emulsions volunteers have planted 300 shrubs, and, in 2015 alone, the crew removed 500 pounds of garbage from the creek. The JCWC "Riffle" Awards are presented each year to individuals and groups whose actions best exemplify and support the mission of the council to promote restoration and stewardship of a healthy Johnson Creek Watershed through sound science and community engagement.



Walker Emulsions - Burlington Takes Home Sustainable Innovation Award

On June 23, 2015, Sustainable Hamilton held its 3rd Annual Evening of Recognition. As a first-year reporter, the Walker Emulsions team was able to share their experience on how they successfully adopt sustainable practices throughout operations. Based on the G4 Sustainability Reporting Guidelines from the Global Reporting Initiative, Walker Emulsions reported on several key indicators that range from human rights to health and safety to water reduction.

To recognize the achievements of their partners, Sustainable Hamilton presents Sustainability Awards at each Evening of Recognition. A panel of third-party judges, including representatives from St. Joseph's Healthcare Hamilton, KPMG and McMaster's DeGroot School of Business, evaluated the submissions from the 2014 reporting year to identify sustainability champions.

As described by Sustainable Hamilton, the Sustainable Innovation Award is "based on company initiatives that offer true 'triple bottom line' benefits, addressing environmental, social and economic issues.



The initiatives must represent an innovative new approach to an existing issue, or a brand new product or service."

Walker Emulsions was recognized for its engagement in the EARTH 1st program and its water and heat reclamation processes. One of the most impactful indicators of Walker Emulsions' 2014 report was a 38% reuse rate of processed water. Through efficiency upgrades and process improvements, Walker Emulsions has been able to reduce its demand of municipal water resources.

Behind-the-Meter Electricity Generation

In Ontario, electricity prices for commercial and residential customers have risen steadily for the past few years and are forecasted to increase. Walker Industries is mindful of the opportunities that could decrease electricity demand and consumption from the grid. Employee innovation fuelled the concept of powering our Niagara Falls campus with landfill gas from our East and South Landfill.

In 2015, a Detailed Engineering Study was completed to analyze the technical and economical feasibility of installing a 1 MW reciprocating engine to provide power to the Niagara Falls campus. This study is under final review, and we expect the project to be commissioned and fully operational in 2017.

Integrated Gas Recovery Services (IGRS), a Walker Environmental partnership company, will take advantage of the Save-On-Energy Process & Systems Upgrade Initiative incentive for this Landfill Gas to Energy project. Through the Independent Electricity System Operator, this program provides incentives to companies who complete projects to reduce their electricity consumption.

The 1 MW genset will produce approximately 6 million kWh of electricity behind the meter to IGRS, Glenridge Gas Utilization Inc. (a 100% owned subsidiary of IGRS), Walker Industries, Walker Environmental and Walker Aggregates. Annually, this will reduce the electricity consumption at the Niagara Falls campus by nearly 60%. Through the sale of electricity to the various companies for a minimum 10-year term, IGRS project payback is estimated to be 4 years.

The overall goal of the project is to save on electricity; however, in addition to this important initiative, we are able to further green the electricity grid, continue to lower our carbon footprint and improve public awareness of our sustainable practices and renewable energy projects.



Improving Lighting Efficiency

Organic Resource set a long-term goal to increase energy efficiency and decrease maintenance costs by upgrading the lighting in the process area at their Garyray facility.

In 2015, a total of 16 fixtures were replaced with new LED Vapour Fixtures that will result in a reduction of 44,290 kWh per year, or 69% less electricity.

In recognition of this important step toward higher efficiency, Hydro One offset 16% of the cost with rebates. This project will pay for itself in electricity savings within 2 years, after which the Garyray facility will continue to save on electricity costs and have a lower environmental impact.

This project continues in 2016 with the replacement of the outside metal halide fixtures with new LED lights and installation of motion sensors on the existing office lights.



Electricity Exported to Grid (kWh)

SOURCE	2013	2014	2015
WEG Landfills, Niagara Falls	6,865,259	6,980,195	7,440,632
Partnership Landfills	85,866,924	84,836,451	88,345,610
Organic Resource	6,604,287	8,662,779	11,851,186
Total	99,336,470	100,479,425	107,637,428

We harness the power of renewable energy and have turned environmental liabilities into renewable energy assets. At our Niagara Falls, Ontario landfills we collect landfill gas and supply it for direct use at a local paper mill. We also use landfill gas to run a reciprocating engine to produce electricity. In 2015, we collected and processed 569,405 Gigajoules of landfill gas for direct use and electrical generation.

Granular Road Conversion with Recycled Asphalt Product

Norjohn Contracting has been providing an alternative to traditional hot mix paving using a Midland Mix Paver to produce Cold-Recycled-Mix, which uses 100% Recycled Asphalt Pavement (RAP), rather than virgin aggregate material. By reducing the use of raw materials and including more recycled content, we conserve non-renewable resources and significantly decrease energy requirements, thereby producing fewer emissions. This alternative paving work results in significant energy and resource savings.

In 2014, Norjohn was recognized for a Cold-Recycled-Mix project in Haldimand County and was awarded the ORBA Green Award for Leadership and Sustainability by the Ontario Road Builders' Association.

The published article sparked conversation with other municipalities, and in 2015, Norjohn Contracting undertook a project for the Town of

Essex using a Midland Mix Paver to lay the Cold-Recycled-Mix followed by a single-surface treatment. The RAP was sourced from Walker Aggregates McGregor Quarry located in Essex County. This process was an alternative to pulverizing the existing material, laying additional granular, and placing a double-surface treatment. The option used by Norjohn Contracting saved an estimated 91,700 MJ of energy, the equivalent of about 2,800 L of fuel, during the project.

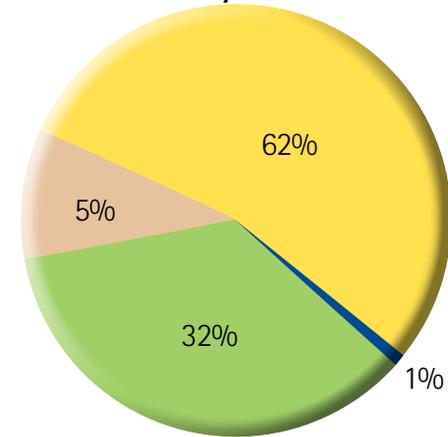
We estimate that for every tonne of Cold-Recycled-Mix placed with the Midland Mix Paver, we are preserving a tonne of virgin material and saving more than 14 MJ of energy. Our annual tonnage is typically between 25,000 – 40,000 tonnes for this type of work ... so it does add up.

Derek Nunn, Division Manager
Asphalt Emulsions



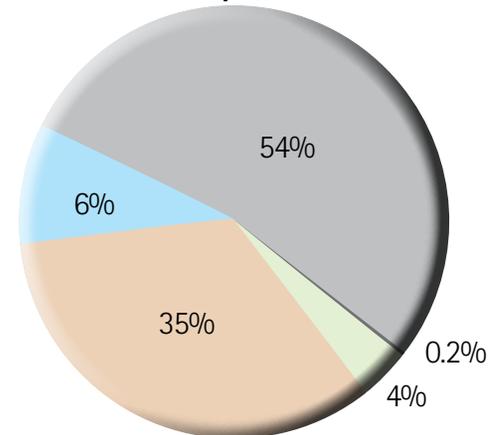
Carbon Footprint Total Emissions: 37,234 tonnes CO₂e

Breakdown by Division



- Aggregates & Construction
- Corporate Services
- Environmental Solutions
- Emulsions

Breakdown by Source



- Diesel Fuel
- Natural Gas
- Propane
- Electricity
- Gasoline

Improving Efficiency by Consolidating Servers

The Information Technology (IT) department's main sustainability goal is to continually make improvements to the efficiency of our data centres. This goal includes decreasing the amount of electricity used to run the computing and telecommunications equipment, reducing the amount of cooling required to keep rooms at optimal temperatures and cutting the energy used to build the systems. The IT department also recognizes the importance of reducing the amount of electronic waste that results from equipment disposal. The best way to save energy is to avoid unnecessary consumption. Approximately, 10%–30% of servers in data rooms consume energy without serving a function.

In July 2015, the technology world was faced with Microsoft's end-of-support deadline for its Windows Server 2003 operating system, forcing IT departments everywhere to completely overhaul their infrastructure. Our IT department faced the challenge of developing a plan for the 25 servers running the soon-to-be outdated operating system. It was a perfect opportunity for us to examine our environment and to take advantage of new technologies.

In June 2013, we introduced VMware® server virtualization technology to the Head Office data centre. This technology allows

multiple servers to operate on a single physical machine, dramatically reducing energy use and ultimately reducing e-waste. In addition, a virtualized environment provides better hardware utilization, flexibility and recoverability in the case of failures along with reduced operating costs. Fast forward to 2015 when we have four standalone bare metal servers along with three independent physical servers running 10 virtual Windows servers in the Thorold data centre with room to expand our capabilities virtually.

We also saw an overall reduction in physical servers at our satellite offices: Duntroon Quarry, Norjohn Contracting and Walker Emulsions Burlington. They went from two servers down to one. Organic Resource reduced their server inventory from 16 physical servers to 5.

These changes, along with our continued efforts in the areas of recycling equipment and toner, increasing the hardware refresh cycle and modifying our software to optimize truck routes for fuel savings, have all had positive impacts. As technology continues to improve, we are ever mindful of the importance of keeping sustainability as a key factor in our operating decisions.

Landfill Gas Milestone Reached

Walker Environmental reached a significant milestone in its efforts to reduce carbon emissions and help Ontario tackle climate change in 2015. Enough biogas from Walker's Thorold landfill has been used by nearby Resolute Forest Products since 2002 to offset the need for 200 million m³ of natural gas – the equivalent amount of natural gas used by 80,000 Ontario homes in 1 year.

Resolute Forest Products (formerly Abitibi-Consolidated) manufactures 100% recycled newsprint at its plant on Allanburg Road in Thorold.

For the past 13 years, rather than flaring off the gas emitted from the landfill as waste decomposes, Walker has processed and piped it to Resolute, transforming what was once waste into a valuable energy product. This has reduced Resolute's reliance on natural gas and eliminated more than 375,000 tonnes of carbon dioxide emissions.

"Projects such as this with Walker Environmental contribute to our ongoing efforts [to reduce our greenhouse gas footprint], and likewise provide a stable, low-cost, renewable energy source for our operations," said Gord Cole, the Vice-President and General Manager of Resolute's Thorold operations.

The Niagara Sustainability Initiative has recognized Walker's leadership in the development of a low-carbon economy. "This project supports a resilient Niagara region that wastes less and makes an efficient use of energy from waste resources," said its Executive Director, Katrina Kroeze.

Niagara Biosolids' New Dryer Bypass

Innovation has been the essence of the Walker Environmental Biosolids plant in Thorold, Ontario, since its inception in 2007. Ideas to improve both the process and product quality are frequently brought to the table, analyzed and implemented.

The Niagara Biosolids plant turns municipal biosolids into a valuable soil amendment using the N-Viro alkaline stabilization process. Our product, N-Rich®, is a safe, nutrient-rich, liming agent, which is approved under the Canadian Fertilizer Act.

When Walker Environmental began marketing N-Rich® in 2007, we received feedback from farmers that the product was releasing too much dust while it was being applied to fields. The team at Niagara Biosolids immediately began looking into ways to reduce the dust.

Initially, sprays and additives to reduce the dust were tested but did not provide the desired

results. Next, the team focused on the process itself, specifically the natural gas kiln or dryer. The purpose of the dryer in the process is to granulate the material, make it more uniform and reduce the moisture content of the product. However, the drying process also generates a small percentage of very fine dust that easily separates from the product during handling.

In 2010, trials on the dryer began by incrementally reducing the temperature and observing the results. It was discovered that by adding a little more cement kiln dust in the mixing stage prior to drying, the desired moisture content could be maintained in the product without any further drying. Analysis on the product that had not gone through the dryer confirmed that nutrient actually increased while dust was significantly decreased. A plan started to take shape to remove the drying stage of the process.

As the production schedule in the plant is such that it is nearly impossible to schedule a shut down of any length, we had to come up with a way of bypassing the dryer while maintaining plant operations. After various design iterations, equipment delays and other challenges, construction began in January 2015. On June 11, 2015, the new process rolled into production and has been operating daily ever since.

Several benefits have been realized as a result of this innovative project:

- Significant reduction in annual natural gas use of over 80%.
- Reductions in electrical, sulphuric acid and water consumption.
- Higher nutrient value in the N-Rich® due to the addition of more cement kiln dust.
- Improved customer satisfaction because the N-Rich® is now easier to apply to the fields and the dust does not impact their neighbours.
- Increased capacity at the plant due to the elimination of the dryer, which was a bottleneck in the process. Processing rate has increased by over 15%.
- Reduction in carbon footprint at the plant by 75%.

As a result of these benefits, both of our new N-Viro facilities in Banff and Sudbury were designed without a dryer. Cost and resource consumption reductions coupled with a higher quality product provide wins to both Walker and our customers.



Innovative Solutions to Meet Provincial Composting Standards

In 2013, the Ministry of the Environment and Climate Change released the Ontario Compost Quality Standards, in order to maintain a high standard of compost within the province. All compost facilities within the Province of Ontario must meet the specific requirements set out within the standards. The newest of the conditions, effective as of July 2015, include the requirement for compost to pass for sharps and foreign matter, as well as be maintained at > 40% moisture content during curing to meet the maturity criteria.

Since 2013, Walker Environmental has proactively explored operational changes necessary and conducted many water trials while minimally impacting their water and carbon footprint to meet the new standards.

The compost site has successfully accomplished meeting the new standards as well as significantly minimizing odour generation in 2015.

"Hard work and dedication allowed us to overcome these large barriers the last couple of years and encouraged us to continue making a positive contribution as we look forward," said Diana Aquino, Process Analyst for Walker Environmental.



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 2015 Water Footprint 4,085,263 (m³)

Footprint Source	Blue Water (m ³)	Green Water (m ³)
Aggregates & Construction	3,327,393	458,769
Emulsions	36,972	0.00
Environmental Solutions*	34,032	227,754
Corporate Services	343	0.00
Totals	3,398,740	686,523

* not including N-Viro, Organic Resource Ottawa and Organic Resource Vancouver operations

Notable Reductions from 2015

Walker Emulsions – Portland: 32% Reduction

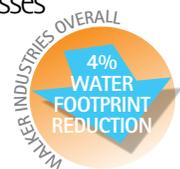
- Continue to recycle water through the use of the cooling tower
- Implemented a tracking system to measure and reduce water consumption
- Increased the reuse of wash water in the production process

Walker Emulsions – Burlington: 19% Reduction

- Water reclaimed from heat exchangers for use in asphalt wax emulsion processes

Walker Industries Overall Footprint: 4% Reduction

- Overall water reduction efforts by all operations as well as a year of decreased precipitation have resulted in a lower water footprint for Walker Industries



Carolinian Tree Saplings Collected at Closed Rice Road Landfill



On behalf of the City of Thorold, Walker Environmental operates a constructed wetland treatment system at the closed Rice Road Landfill. The treatment system uses the natural filtering capacity of an engineered wetland to treat stormwater impacted by the old landfill before it is discharged to the headwaters of Twelve Mile Creek. Wetland vegetation supports the treatment process.

Over the last 10 years, several tree saplings have taken root and required removal to prevent damage to the system. Many of the saplings were Carolinian Forest species such as Tulip, Black Walnut and Red Oak. Darren Fry, Project Director for Walker Environmental, assessed opportunities to work with the Kayanase Greenhouse at the Six Nations Grand River Territory, which specializes in conserving regionally genetic trees and plants.

On December 14, 2015, approximately 100 saplings of Carolinian tree species were collected from the wetland treatment system. Kayanase will replant and grow the trees; upon maturity, their seeds will be collected and stored in their regionally genetic seed bank. In spite of its small scope, this opportunity provided a great example of the benefits of working with Indigenous businesses.

"Kayanase's goal is to restore Mother Earth through wildlife enhancement and ecological restoration projects. So when we were contacted by Walker Environmental to help remove and save tree saplings from the constructed Wetland Treatment System at Rice Road, we were more than happy to assist. Not only will we give these trees a new home to grow and thrive, but we will allow them to be enjoyed by generations to come. We were happy to work with the staff of Walker Environmental and look forward to building on our new relationship," said Kayanase Greenhouse Ecologist, Dan Werner.

"Establishing this relationship gave us an opportunity to protect regionally native species and promote biodiversity, while working directly with an Aboriginal business. It also allowed us to further enhance an already innovative project where nature is providing a natural and effective means of water treatment in the wetland treatment system," said Tim MacGillivray, Project Manager of Technical Services. "We'll be looking for opportunities to work with Kayanase again."

Supporting Pollinator Health

In 2015, the Environmental Performance Department hosted interns from Niagara College and tasked them with two important projects: create a manual outlining the steps required to implement a pollinator habitat at any of our Ontario facilities and to perform an in-depth review of a parcel of Walker-owned land at the Thorold Campus to develop a site preparation and planting plan for a large pollinator garden.

With the decline of pollinators, such as bees and monarch butterflies, and the ongoing loss of their habitats, Walker Industries recognized the need to promote the importance of pollinator health. The decline and loss of pollinators poses a significant threat to agriculture and our ecosystem. During the 2015 Earth Day event held at Walker's head office, employees were educated on the importance of pollinators and how reliant we are on them. Pollinators are an essential part of the production of many of our favourite foods. Walker Industries will be rolling out pollinator habitats and gardens commencing in 2016.



Making Agricultural Connections at Canada's Outdoor Farm Show

Walker Environmental is proud to be part of the largest outdoor agricultural trade show in the country for the second year in a row. Canada's Outdoor Farm Show in Woodstock, Ontario, provides farmers with the opportunity to see the latest innovations in agriculture from a wide variety of agri-business exhibitors. From September 15–17, Walker Environmental and over 750 other exhibitors demonstrated a wide variety of farm-related products and services to more than 43,000 visitors.

The Farm Show provides those in attendance with a great opportunity to visit exhibitor booths and displays as well as field demonstrations of machinery, innovations at crop plots, and livestock demonstrations.

The Walker Environmental booth featured three of its products:

- Coloured Mulch
- Compost
- N-Rich®

N-Rich®, a soil amendment approved by the Canadian Food Inspection Association, is already being used by farmers across Canada and is distributed primarily through the Agromart Group.

Walker Environmental was pleased to meet visitors and showcase its many connections to agriculture.



Protecting Eastern Whip-Poor-Wills

As extraction of the Anten Mills Pit continues along the west side of the property, work is being done to protect and enhance the habitat of the eastern whip-poor-will, which has been found to inhabit five hectares of the site. The bird is considered threatened in Ontario.

Certified wildlife biologist Robin Craig was hired by the company to conduct a survey of eastern whip-poor-wills during the 2013 breeding season. The fieldwork was done in the evenings during the full-moon period in May and June, when the birds are most vocal. "You only know about their location at night when you can hear their calls," Robin says.

The birds are a bit smaller than a crow and have fairly wide wing spans. "They like to nest on the ground in semi-open forest areas, where there are poor soils and little or no ground vegetation," he says.

Walker is taking steps to ensure that areas around the pit continue to offer nesting, feeding and territorial habitats. As a result, a mitigation plan was developed in 2014.

The plan includes reducing the overall size of the extraction area from 19.4 hectares to about 17 hectares, with the west forested area and a section to the east of the licensed area to be excluded from future operations.

Stripping of overburden in the habitat areas of the whip-poor-wills will not be carried out between May 1 and September 30 to allow the birds to hatch and raise their young. Further, because eastern whip-poor-wills are nocturnal, operations of the pit will only happen between 5 a.m. and 8 p.m. to protect the birds while they are breeding and establishing their territories. In addition, Walker is creating more than 5 hectares of new habitat for whip-poor-wills

in an area to the east of the existing pit, including replacing topsoil and planting native grasses, ferns and trees.

Robin says the mitigation plan that Walker is adopting for the eastern whip-poor-will will benefit the species because it will create more habitat than what previously existed at the site.



Total hectares of Farm Conservation and Managed Forest Owned by Walker Industries

Land Use	2013	2014	2015
Total Farmed Land	803	770	733
Total Conservation Land	167	168	168
Total Managed Forest	103	103	102
Total	1,073	1,041	1,003

Any economy is about a relationship between people and the earth.

Paul Hawkins

ECONOMIC

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.



17.6 % Revenue from Sustainable Products and Services

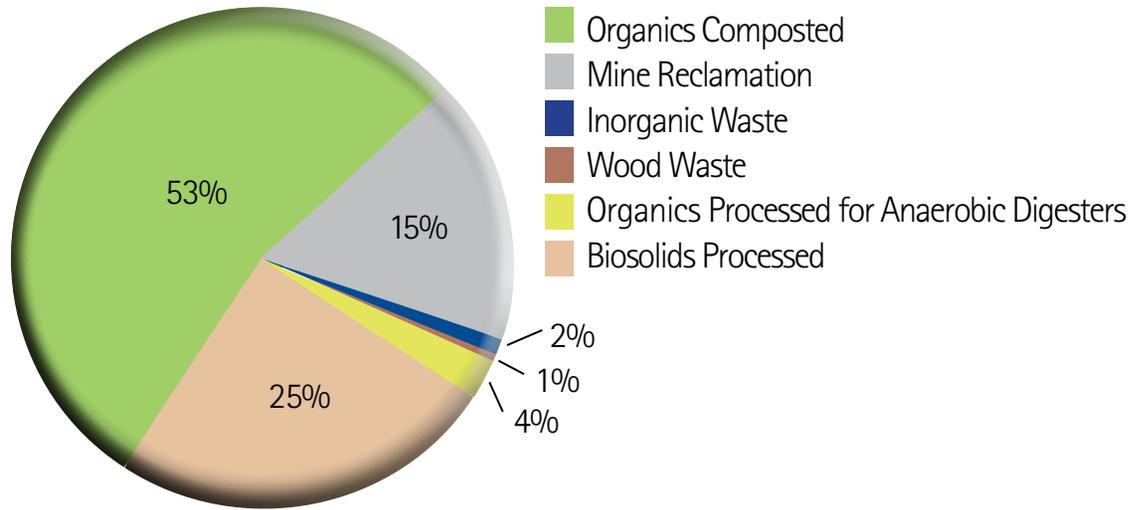
Sustainable products or services are those that support not only economic prosperity, but also environmental and social prosperity.

9.5 % Revenue from Innovative Products and Services

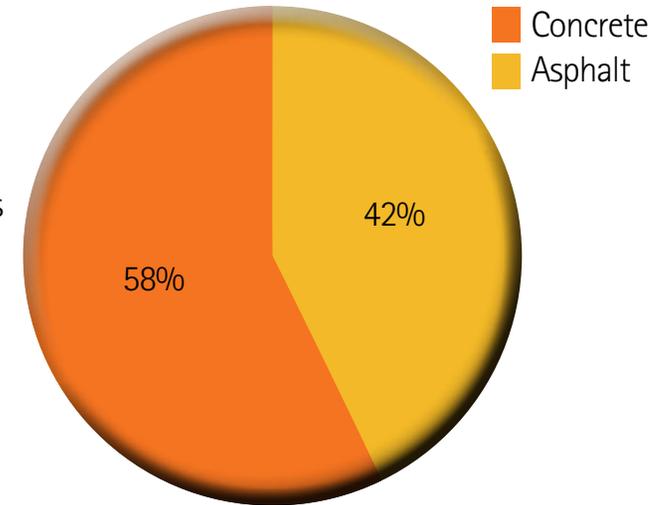
Innovative products or services are those introduced or sold to new customer segments in the last 5 years.

Tonnes of Wastes Diverted from Landfill

Walker Environmental: 105,304 tonnes



Walker Aggregates: 121,646 tonnes



Production Rates

	Waste Disposed (tonnes)	Waste Diverted (tonnes)	Aggregates Produced (tonnes)	Emulsions Produced (kg)
2013	1,472,961	125,558	6,297,707	21,926,183
2014	1,610,159	294,995	6,291,505	36,892,475
2015	1,663,506	226,950	7,040,225	39,911,402

Property Taxes Paid

Division	2013	2014	2015
Aggregates & Construction	907,702	970,298	898,215
Emulsions	186,336	183,672	278,311
Environmental Solutions	434,475	585,328	582,745
Corporate Services	130,796	153,270	184,432
Total	\$1,659,309	\$1,892,568	\$1,943,703

To reduce waste, Walker Emulsions has reworked 92,771 kg of emulsions into our wood products series.

Landfill Host Community Fees \$ 2,316,658
 Aggregate Levy \$ 868,479

Organic Resource Woodstock

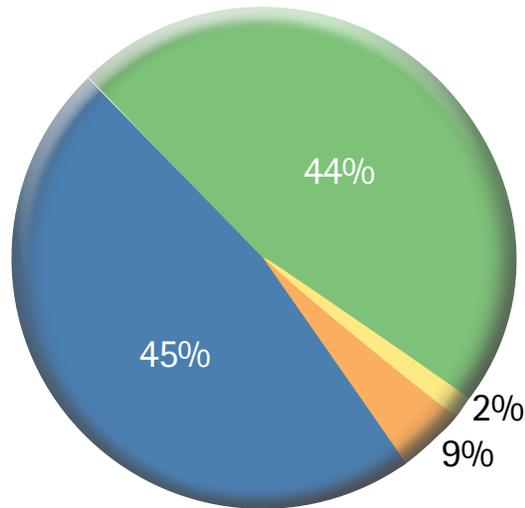
In June 2015, the Organic Resource Woodstock facility underwent significant changes to eliminate truck-to-truck transfers of waste and to maximize truckloads to our Garyray facility in Toronto. Full loads of organic waste are delivered to Garyray for further processing. To meet these initiatives, a 10,000 gallon consolidation tank (reused from Organic Resource storage) was installed with containment walls, tank-level monitors and piping for efficient loading and unloading of trucks.

Part of the facility was also modified for a truck wash bay with efficient lighting as well as an oil and grease trap. The oil and grease trap allows for the collection of waste material before wastewater is discharged to the municipal sewer system. A sewer discharge permit was obtained from the local municipality prior to discharging wastewater. Additional facility upgrades included the installation of two exhaust systems: one for truck engine exhaust and one for the pump exhaust.



CORPORATE GIVING

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 2015, we donated a total of \$451,825 to support the needs of our communities. Not included in this amount are the contributions the Walker family shareholders made to various community initiatives.



- Community Sponsorships
- Direct Giving
- Together WE Can
- Employee Giving



Charity Hockey Game for United Way



Big Move Cancer Ride

In 2015, we donated \$451,825 to worthy causes within our communities.

In addition to the corporate giving, over the past year the shareholders of Walker Industries have donated \$1.2 million to Niagara College to support the development of the college's Advance Manufacturing Innovation Centre. It will provide local manufacturers with access to much-needed facilities, equipment and technical expertise. The new centre will be named the Walker Advanced Manufacturing Innovation Centre.

The shareholders also made donations to Habitat for Humanity and Community Living in 2015.





Walker
Aggregates



Norjohn
Contracting



Walker
Emulsions



Walker
Environmental



Corporate
Services

Walker Industries
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