



2018
SUSTAINABILITY REPORT



About Graymont

A global leader in the supply of lime and limestone products, Graymont serves major markets throughout the United States and Canada and has extended its reach into Asia-Pacific through recent strategic acquisitions. Graymont also has a significant investment in Grupo Calidra, the largest lime producer in Mexico. Professionally managed and family owned, the Company has roots stretching back more than 70 years.

Graymont's Lime operations are focused on the production of high-calcium and dolomitic lime and value-added lime-based products such as hydrated lime, as well as pulverized limestone and construction stone.

A Multitude of Environmental Applications for Lime

Graymont's main product, lime, is a versatile industrial chemical that has long been indispensable for vital industrial processes and applications, including the production of steel, alumina, pulp, paper, uranium, gold, copper and other materials. More recently, lime has also been an essential element for addressing a myriad of complex environmental issues and challenges, both naturally occurring and man-made. Acid rain reduction, environmental rehabilitation, water and sewage treatment, agriculture, oil and gas production, and power generation are among the long and growing list of crucial sustainability-related applications of Graymont's products.

Report Scope

Graymont's 2018 Sustainability Report summarizes the sustainability performance of Graymont and its subsidiaries. The Company's Lime operations constitute the largest portion of its economic, environmental, and social impacts. In this report, data and information contained in the Environmental Care section relate primarily to the Lime operations. Data and information in the Workforce Culture and Community Relations sections relate to all operations, including the Materials Group, until it was divested mid-year in 2017.

Discussion, data and information contained herein relates, with noted exceptions, to the 2018 calendar year. Historical data is provided, again with noted exceptions, for the years 2014 through 2018 and includes references to the year 2004, which has been established as the baseline. The 2019 report is scheduled for publication in April, 2020.

Graymont's Mission

Improving our world by responsibly meeting society's needs for quality lime and limestone products.

Our Vision

Graymont's vision is to be world-class in everything we do!
That vision will be realized when:

- ▶ You know that we are operating safe, clean and orderly facilities where everyone shares a strong commitment to an injury-free workplace;
- ▶ You recognize our commitment to exceeding our customers' needs by reliably delivering quality products and services;
- ▶ You feel that we are proactively developing and maintaining relationships of mutual support with our neighbours and others for the long-term success of Graymont and our communities;
- ▶ You know that we are dedicated to improving our environmental performance;
- ▶ You see that we are continuously optimizing our processes and activities to deliver increased value to all stakeholders; and
- ▶ You know that we are a talented team of engaged and empowered individuals collaborating to deliver world-class performance.

Our Values

Graymont's ultimate success requires encouraging individual effort while embracing the value of teamwork and cross-functional collaboration in accordance with our shared values.

Those values are:

- ▶ Integrity
- ▶ Respect
- ▶ Teamwork
- ▶ Innovation
- ▶ Excellence
- ▶ Long-term Perspective
- ▶ Accountability

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A Word From the CEO

Over the course of the past year, Graymont moved to further expand its global footprint, underscoring the importance of our commitment to mine and process limestone deposits in a manner that meets world-class standards for environmental, workplace and operating practices, wherever in the world we operate.

Following a comprehensive strategic review carried out in 2017, Graymont shifted into action mode in 2018. I issued a personal challenge to all employees, a call to action enlisting their support for a strategic plan designed to propel Graymont to higher levels of performance and secure our status as a bona fide, world-class industry leader.

Our plan encompasses three key elements: pursuing opportunities to profitably grow the business through strategic acquisitions in North America and overseas; renewing our focus on deployment of state-of-the-art technology that can deliver significant benefits from both the operational and environmental perspectives; and stepping up development of new value-added lime and limestone products – particularly those products designed to help mitigate environmental impacts and support vital industrial processes.

With regard to that first element, we were delighted to announce in January 2019 that Graymont and its Mexican-based partner Grupo Calidra had agreed to purchase

the global lime and limestone business of the Belgium-based Sibelco Group. Under the terms of that agreement, Graymont is acquiring nine lime facilities in Australia and South-East Asia that collectively employ some 550 people and are strategically positioned in their respective markets. Although this deal was technically a post-year-end event, it is a milestone agreement that will significantly expand the Company's foothold in rapidly growing Asia-Pacific and represents the culmination of a lot of hard work done in 2018. Accordingly, I felt it would be remiss of me not to cite this acquisition, expected to close by the middle of 2019, as one of the highlights of the past year.

We were also busy working to advance our agenda with respect to those other two elements of the strategic plan. A good example of our renewed focus on product development is the launch of a new 'enhanced hydrate' produced at Graymont's Pleasant Gap facility in Pennsylvania. As well we completed an evaluation of all our lime plants to assess their readiness for technological upgrades towards automation projects in the near future.

Meanwhile, of course, we continued striving to achieve continuous improvement in those critical sustainability-related areas that remain the primary focus of this report: health, safety, the environment, our communities and people.

With respect to safety, our 2018 results might best be described as mixed. We turned in an outstanding performance through the first part of the year, when we managed to go more than 90 consecutive days without a single reportable incident. However, things came unraveled during the second half, when we turned in a sub-par performance. The full-year results



demonstrate that Graymont clearly is capable of achieving truly world-class performance in safety, but we need to find ways to get those results on a consistent basis. Nevertheless, we continued to drive down our overall severity rate in 2018, meaning that the incidents which occur at our facilities have, on average, less impact on employees. Rest assured that safety remains our top priority and that we will be striving to drive further improvement, through recent initiatives such as our innovative Safety Culture program, which is focused on employee behavior, as well as time-proven winners like the annual Graymont Safety Challenge and our safety- awareness campaigns.

On the environment front, 2018 saw a significant reduction in the overall number of environmental incidents, mostly due to a dramatic drop in exceedances. This is largely the result of initiatives begun in 2018 to review and improve our monitoring systems for air emissions across the company. While we did encounter challenges at our Pleasant Gap, PA, and Superior, WI, facilities with respect to Carbon Monoxide (“CO”) and Nitrogen Oxides (“NOx”) emissions, we were proactive in addressing and resolving those situations as quickly as possible. Furthermore, we were able to reduce total emissions of NOx and Sulphur Oxides (“SOx”) and lower the intensity of energy consumption across the company, enabling us to reach an all-time record low for greenhouse gas (“GHG”) emissions intensity. During 2018 we also carried on with our Environmental Standards Implementation Project. We are confident that this initiative will soon bear fruit and contribute to an improved performance over the next several years.

In line with Graymont’s long-term strategic approach, we continued advancing several major projects designed to help renew, expand

and ensure the future sustainability of our steadily growing network of quarrying and manufacturing operations. One of the highlights in that respect was the official launch last May of the Heritage Project at our Bedford plant in the Eastern Townships region of Quebec, an initiative that demonstrates the benefits of our commitment to meaningful dialogue and collaboration with the communities where we are present. Elsewhere, we received all environmental and mine permits as well as the rezoning authorization required for a proposed new quarry and lime plant at Giscome, in central British Columbia, while completing the decommissioning of the idled Pavilion plant in southern B.C. As well, we submitted a request for an environmental permit for the Harmony Project, which would enable us to access significant additional quantities of limestone reserves at our facility in Marbleton, QC, and we continued with advanced planning for other proposed expansion initiatives, including the Rexton Project in Michigan’s Upper Peninsula, and the Oparure Project in New Zealand.

Finally, I should note that in 2018, as in other years, Graymont and its employees helped organize and were enthusiastic participants in a wide variety of community outreach activities and events, about which you can read more in the Community Relations section of this report.



Stéphane Godin
President and Chief Executive Officer
Graymont
March 20, 2018

Corporate Governance and Accountability

Central to Graymont’s corporate philosophy is a long-term approach to business, built on a solid commitment to sustainable growth and strict adherence to responsible environmental, workplace and operating practices. This philosophy is evident in actions taken at every level of the company, from the Board of Directors and the Strategic Leadership Team (“SLT”) to managers, supervisors and front-line employees throughout the organization.

Board Oversight

The fundamental objective of Graymont’s Board of Directors is to create shareholder value. To achieve this objective, the Board recognizes that the Company must maintain a high level of health and safety, economic, environmental, and social performance. Accordingly, in keeping with its oversight and governance responsibilities, the Board holds management accountable for the responsible conduct of the business.

The Board’s Environmental, Health and Safety (“EHS”) Committee, which meets bi-annually, exercises due diligence by closely monitoring performance in those three vital areas and reporting back to the full Board on its activities and observations. In addition, management reports on EHS matters at each regularly scheduled Board meeting. Additional reports are provided throughout the year as appropriate.

Four other Board committees oversee additional aspects of the business that are crucial to Graymont’s long-term sustainability and viability: the Pension & Benefits and Compensation Committees, with respect to employee recruitment and retention; the Reserves Committees, with respect to business continuity; and the Audit Committee, with respect to financial accountability and viability.

Strategic Leadership Team

The Strategic Leadership Team, in turn, develops and implements a broad strategy that reflects Graymont’s world-class vision. The strategy aims to drive continuous improvement in six key areas as depicted below:

Safety

Customers

Communities

Environment

Value Creation

People

A Responsibility Shared by All

In summary, from an organizational perspective, accountability for sustainable development rests with focused management and leadership at the local, regional and corporate levels.

Graymont utilizes an annual performance-review process that is integrated at all levels of management, to ensure goals are set in accordance with corporate strategy and that we move forward and drive continuous improvement. However, the Company's strong commitment to corporate social responsibility transcends divisional, departmental and hierarchical boundaries. There is a fundamental expectation within Graymont that all employees share in the responsibility for developing and maintaining a sustainable organization.

Code of Business Conduct and Ethics

Graymont's commitment to operating with integrity and according to the highest ethical standards is an integral part of the foundation on which we are building a world-class organization. Our Code of Business Conduct and Ethics sets out the standards that all Graymont employees, officers and directors must adhere to.

In addition, Graymont maintains an Ethics Reporting System, managed by an independent third-party provider, which allows employees to report alleged violations of the Code on an anonymous and confidential basis.

Graymont's Code of Business Conduct and Ethics is available on our website: <http://www.graymont.com/en/about-us/mission-vision-values>

Aboriginal, First Nations and Indigenous Peoples Policy

Graymont recognizes that collaboration with First Nations, Aboriginal and Indigenous communities is essential for the realization of our mission and world-class vision. We strive to build and maintain effective long-term relationships based on trust and respect that are mutually beneficial. Our Aboriginal, First Nations and Indigenous Peoples Policy sets out the guiding principles of this commitment and outlines focus areas for mutual value-creation opportunities.

Graymont's Aboriginal, First Nations and Indigenous Peoples Policy is available on our website: <http://www.graymont.com/en/sustainability/aboriginal-first-nations-and-indigenous-peoples-policy>





WORKFORCE CULTURE



Graymont derives its competitive edge in large part from some 1,250 remarkable men and women who bring their skills and energy to work every day at offices and plant sites across North America and New Zealand. The Company strives to provide competitive wages and benefits, a safe, healthy work environment, and ample opportunities for employees to grow and develop in order to achieve their full potential.





Safety

Health and safety (“H&S”) are core Graymont values — and essential to realizing our vision of being world-class in everything we do. Nothing is more important than ensuring that our co-workers return home safely to their families and loved ones at the end of the day. Hence our commitment to the ultimate goal of zero workplace injuries. Our multi-disciplinary approach stresses the value of teamwork and cross-functional collaboration to achieve continuous improvement in safety performance throughout the Company, in keeping with our “One Graymont” culture.

Dual Focus on Systems and People

As knowledge about workplace accidents has evolved, increased emphasis is being placed on improving the work system itself, to complement employee-awareness and training initiatives. Accordingly, Graymont has adopted a balanced approach that focuses on both systems and people. The research shows that enhancing a company’s safety performance involves tackling two distinct aspects of risk:

- 1) Avoiding, eliminating or reducing the probability of hazard-related incidents occurring; and
- 2) Reducing the severity of harm or damage if an incident or exposure does occur.

2018 Performance Yields Mixed Results

An outstanding all-round safety performance achieved in the first half of 2018 was marred by setbacks experienced during the second half of the year, which saw two key performance metrics – the Graymont Reportable Incident Rate (“GRIR”) and the Lost Time Incident Rate (“LTIR”) – registering year-over-year increases.

The good news is that we continued to make excellent progress in reducing the severity of incidents, driving down the Graymont Severity Rate (“GSR”) to a record low during 2018. Best of all, 2018 marked the ninth straight year that Graymont has experienced zero workplace fatalities.

A brief look at the relevant statistics underscores the sharp contrasts in our first-half and second-half 2018 performance with respect to the GRIR and LTIR metrics. For the first half, we delivered an outstanding GRIR of 1.14 and a LTIR of 0.65 – both of which were well ahead of the U.S. metal/non-metal industry average. We also operated for over 90 days, during the spring, without a single reportable incident anywhere in the company – demonstrating Graymont’s potential to achieve truly exemplary performance. However, during the second half of the year, the number of incidents increased to levels that exceeded our recent historic average: we registered a GRIR of 4.05 and a LTIR of 1.52. Disappointed

SAFETY SCORECARD

2.57

Reportable Incident Rate

(The benchmark 2017 US metal/non-metal mining industry average was **1.84**)

1.08

Lost Time Incident Rate

(The benchmark 2017 US metal/non-metal mining industry average was **0.77**)

0

Fatalities

2018 marked the 9th consecutive year Graymont has had no workplace fatalities



Workforce Culture

though we were with the slippage in those two metrics, it should be noted that the year-end 2018 figures still represented a significant improvement from the levels of just a few years ago.

For Graymont Health and Safety teams, the inconsistencies evident in our 2018 performance underscored the importance of 'keeping our foot on the gas' to achieve continuous improvement and attain world-class H&S standards. To that end, Graymont's safety leaders gathered for a roundtable discussion to ascertain the underlying causes of the second-half lapses and identify initiatives to get back on track towards world-class performance levels.

Tracking "near misses" and "good catches" helps us identify opportunities for improvement before someone gets injured. A "good catch" is a situation involving a potential hazard that is identified and resolved prior to causing injury to a worker, while a "near miss" is an incident that resulted in no harm to a worker.

In 2018, the combined total of reported near misses and good catches climbed to an all-time high. This is a welcome development that shows our safety culture continues to gain traction and that employees understand and appreciate the value of accident prevention.

Teamwork and Collaboration

Behind that overall trend is Graymont's multidisciplinary approach to safety performance, which stresses the value of teamwork and cross-functional collaboration to achieve continuous improvement. Key elements of that approach include a set of health and safety standards that have been embedded in at all Graymont's facilities over the past several years, along with an internal reporting system that provides us with valuable data on occurrences across the organization, enabling us to continue to improve our action plan and/or take corrective action as may be required.

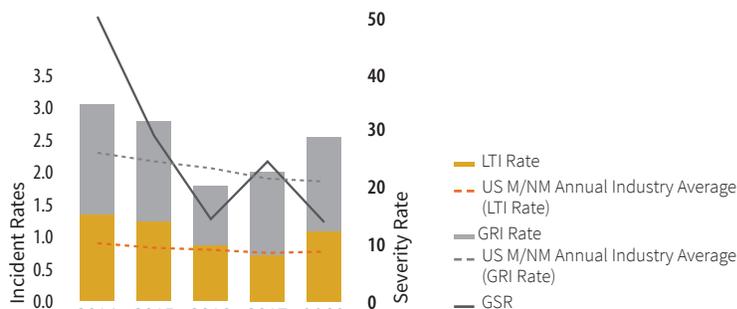
Safety Culture Project a Potential Game-changer

The Safety Culture Project, a noteworthy, on-going initiative that focuses on the area of human behaviour to help instill a robust safety culture, gained further traction in 2018. It is widely believed that a behavioural approach holds the key to the next "step change" advance in workplace safety. Simply put, because all human behavior is learned, "risky" behaviours can be unlearned and replaced by new more desirable behaviours. To that end, Graymont aims to nurture a culture of stewardship and mutual consideration, where the main driver of behaviour is the employees' wish to stay safe as a team and look out for one another. In that type of

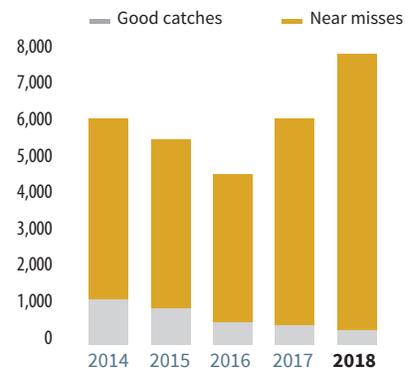
environment, employees are motivated to operate in a safe manner and avoid undue risks, not because the rules and regulations say they must, but rather because they care about one another's well-being: it is essentially a case of "we've got your back".

Implementation of the Safety Culture Project continued in 2018, with baseline assessments completed at Marbleton, QC and Exshaw, AB. Additionally, action plans were refreshed at Superior, WI, Pilot Peak, NV and Pleasant Gap, PA. Pleasant Gap in particular invested significant effort to review the site's baseline culture assessment and develop a tailored approach for further improvement that includes a sharp focus on moving the safety culture towards "private compliance". Here again, the aim is to have employees view safety measures as being important for self-protection, rather than as rules and regulations that must be obeyed simply because they are company policy. The H&S team in Superior also conducted Zero Incident Process or "ZIP" training in collaboration with consultant partners. This training, provided to all plant personnel, focused on tools designed to develop more positive attitudes toward health and safety and promote teamwork. Going forward in 2019, our teams will be completing action plans at Marbleton and Exshaw and restarting the Safety Culture improvement process at St. Marc, QC, among other initiatives.

1 Graymont Safety Performance



2 Total Near Misses and Good Catches Reported in Graymont





Workforce Culture

Standards Implementation

Underpinning our continuous-improvement approach is a comprehensive set of health and safety standards that were rolled out across Graymont in 2015 and 2016. During 2018, we made some minor updates to certain standards based on feedback from the plants as well as the findings of our internal audit program. We also commenced the second cycle of the audit program, which is designed to ensure compliance with those standards and best practices. To that end, a multidisciplinary team of trained internal auditors, drawn from different functions as well as multiple locations, is responsible for performing the comprehensive audits that involve evaluating compliance with more than 500 different requirements. Nine more employees were trained in 2018 and are now part of the internal-audit team.

The audit exercise is meant to be constructive, and aims to ensure compliance while providing opportunities for the respective sites to learn from one another and share good practices that can help drive continuous improvement. When the program is fully up and running, each facility will be audited every second year. Eight of the company's production facilities were audited in 2018, most of them for the second time. (Planned audits of our New Zealand locations were postponed to 2019.) The results of the latest audits indicate that the Graymont safety standards are effectively being maintained. Through the audits, we also have been able to identify some good practices that are common to high-performing facilities and, hence, ought to be adopted across the organization: among them are supervisors taking a lead role with respect to safety standards; consistent knowledge of safety practices and procedures; demonstrated personal accountability for the safety of co-workers; and proper documentation that goes beyond mere "paper pushing".

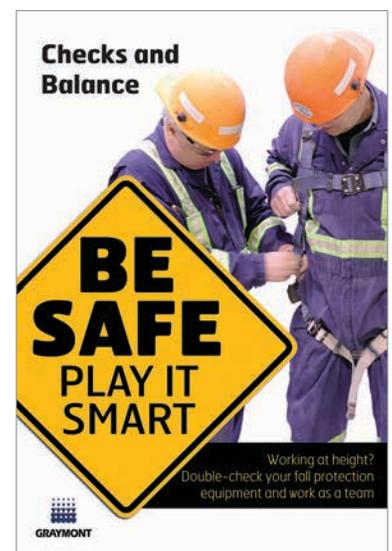
Building on the Success of Legacy Safety Programs

While embracing new approaches like the Safety Culture Project, Graymont's commitment to continuous improvement also involves leveraging the success of established programs such as the Safety Challenge and our safety-awareness poster campaign. The annual Graymont Safety Challenge, which made its debut in 2015, was a great success again in 2018. Staged during the same week at all facilities across Graymont, the Safety Challenge features a highly engaging game-show format, whereby employees are divided into multidisciplinary teams and challenged to show which side can demonstrate the best knowledge and understanding of Graymont safety standards and culture. It has proven to be a very effective training tool, providing an opportunity for peer-led learning that promotes a positive safety culture while fostering camaraderie and teamwork. Utilizing the experience gained from past years, we have been able to continuously refine the format and optimize its impact by sharing the most effective scenarios and exercises among our many sites. In 2018, we added a new element to the 'game' that provides an additional opportunity to achieve continuous improvement through the sharing of best practices: two employees from each facility were selected to participate in Safety Challenge activities at another Graymont location, in order to observe and learn about winning ideas they can take back to their own sites to help drive further improvements.



Be Safe – Play it Smart

The Be Safe – Play it Smart poster campaign, designed to raise awareness of potential hazards among employees and their families, is another annual fixture on the Graymont safety calendar. Thanks to generous input from people at all of our facilities, we were able to pinpoint specific messages tailored to the issues and situations highlighted in 2018. The eye-catching posters focused on the importance of pre-task safety evaluations, and the proper use of protective gear and equipment. The fact that the posters also featured photos of current employees at various Graymont sites helped create maximum impact for the campaign.





Employee Engagement and Retention

At Graymont, we strive to create a unifying “One Graymont” culture that motivates employees across the organization — in dozens of locations spanning the United States and Canada and extending into Asia-Pacific — to take ownership of the tasks assigned to them and help sustain Graymont’s evolution into a dynamic global industry player.

We understand that the long-term success of our business ultimately depends on engaging with and mobilizing the remarkable men and women who must implement our growth strategy. It’s about living up to Graymont’s shared values, including integrity, respect and accountability. Ongoing training and professional development are crucial to fulfilling Graymont’s mission — as is our commitment to open, two-way communication.

The Company’s people-centered approach and its commitment to making Graymont an employer of choice is reflected in a loyal, engaged workforce that numbered some 1,250 full-time permanent employees at year-end 2018. The employment rolls remained mostly stable in 2018, while the voluntary turnover rate decreased slightly to 6.9%. However, for the first time since we started producing our annual sustainability reports more than a decade ago, we found ourselves reporting on a strike at one of our Canadian facilities. A 42-day work stoppage at the Saint-Marc-de-Carrières, QC

facility idled part of the operations at the site, although deliveries to most customers continued uninterrupted.

Training and Development – Investing in Our People

Graymont understands that, to attract and retain top-quality people, we must strive not only to provide meaningful, challenging jobs and competitive remuneration but also training and development opportunities that enable employees to enhance their skill sets and prepare themselves to take on greater responsibilities. At the heart of these efforts is the Investing in Our People (“IOP”) Program, an ongoing initiative focused on providing key employees from the various production sites and corporate functions with the means to make the best decisions about their respective areas of Graymont’s operations. IOP employs a variety of specialized training tools and programs tailored to ensure that participants possess the level of skill and motivation required to support Graymont’s quest to become a truly world-class organization, thereby furthering his or her own career.

Employee involvement has been a driving force behind the success of the IOP initiative. During 2018, we continued to develop more employees as facilitators to support the program’s continued growth and expansion. Going forward, Graymont intends to emulate the IOP model in other initiatives, with a view to leveraging the significant benefits to be derived from connecting front-line employees to its business goals and objectives.

In addition to in-house training and development initiatives, Graymont provides support for personnel who wish to improve their formal education. Full-time employees who pursue approved post-secondary academic or vocational training can have their tuition costs reimbursed. The Company also offers financial assistance to the children of employees to help them take advantage of a wide variety of educational opportunities through the Graymont Scholarship Program.

In 2018, a new initiative was launched with the aim of increasing the number of people from “Generation Z” (defined as people born from the mid-1990s to the early 2000s)

EMPLOYMENT

1,243	6.9%	13 years	311	42
Full-Time Permanent Employees	Voluntary Turnover (includes employees who retired)	Average Length of Service	Employees With Service Greater than 20 Years	Strike Days



Workforce Culture

employed by Graymont. To that end, a formal internship program is being developed for the Engineering Department, where it is believed there is the greatest need and opportunity to attract Gen Z recruits. The 12-week internships will begin with a week at Graymont's office in Sandy, UT, where the interns will learn about our business, processes and products. They will then be assigned to Graymont facilities elsewhere to assist on specific process-related projects. At the end of the program, the interns will present their findings to management. We are confident that this initiative will enable Graymont to identify and attract exceptional young talent to permanent entry-level positions, from where they will have the opportunity to progress and take on increasingly senior roles in process engineering.

WIN Program Promotes Smart Lifestyle Choices

Graymont's inclusive, people-centered culture is exemplified by the Wellness is Now or "WIN" program, designed to engage employees across the Company's Canadian and U.S. operations — and their families — and assist them in making healthier lifestyle choices. WIN participants are encouraged to take part in a series of activities organized over the course of the year, focused on four key areas of

wellness: Emotional Health, in the first quarter of the year; Physical Activity in Q2; Nutrition in Q3; and Financial Wellness, which includes tips on budgeting and how participants can better manage their money, in Q4.

U.S. participants who successfully complete the various program components qualify for reductions in the employee portion of their medical insurance premiums, while their Canadian colleagues earn points that can be converted into "Wellness Dollars". These may be applied against the purchase price of sports gear and other merchandise or gym memberships. In addition to promoting healthy lifestyles, WIN has fostered an increase in camaraderie and competitive team spirit. An example of this healthy rivalry is the annual Holiday Challenge, which encourages Graymont employees to continue eating healthy and exercising over the holidays, when people are tempted to over-indulge. During the 2018 holiday season, employees participated in an expanded "Holiday Challenge", which included an additional activity tracker to help keep participants' minds focused and in good spirits and their bodies in good health — while continuing to maintain and not gain weight.

Other 2018 WIN highlights included a four-week walking challenge. During the second quarter of the year, when the focus is on encouraging people to step up their physical activity, some 490 employees from U.S. and Canadian locations throughout Graymont participated in the "Walking Challenge". Participants were asked to keep track of their steps and enter the data in the Graymont WIN portal, or to manually track and hand-deliver weekly totals in to their 'Wellness Champion'. Employees who managed to take at least 50,000 steps each week had their names entered in a draw, with prizes awarded weekly at each location. Over the four weeks of the event, participants averaged 75,000 steps each week, which translates into 37 miles or 60 kilometers. The combined total for all locations over the duration of the event was an amazing 146 million steps, which corresponds to 73,000 miles or 116,800 kilometers. To put things in perspective, one million steps is equivalent to a walk from Detroit, Michigan, to New York City, or from Paris, France, to Milan, Italy.

Employee Assistance Program

The Employee Assistance Program ("EAP") is also indicative of Graymont's people-centered approach. EAP is a confidential short-term counselling service established to assist employees and family members encountering personal problems that may impact their work performance. Those seeking assistance can access a range of highly qualified, health-and-wellness resources, either in person, over the telephone or online.





ENVIRONMENTAL CARE



We are committed to operating in a sustainable manner, and are proud of the fact that Graymont's products are part of the solution in terms of addressing many of today's environmental challenges.

Graymont aims to consistently meet or exceed its regulatory and permit obligations, while working proactively to minimize the environmental impacts of its operations. To fulfill our commitment, we integrate environmental accountability into our strategic planning and take a systems approach to our practices with respect to environmental impacts.





Environmental Care

Revised Standards

In 2018, Graymont lime facilities developed plant-specific environmental-improvement plans that outlined tasks and projects to be completed over the next three years. The plans are tailored to the unique circumstances of each plant and are designed to provide flexibility such that maximum value is created at each site. The plans will continue to be updated each year, to provide a rolling, three-year aspirational vision for environmental improvement. Over the course of 2018, each facility also completed a key environmental initiative of the plant's choosing. Three representative examples of these initiatives are highlighted below.

At Graymont's Exshaw, AB facility, the focus was on mitigating fugitive dust emissions. Given that dust sources are very diverse, this entailed a multi-faceted effort to find solutions tailored to specific problem areas. Measures deployed included replacing fine-material stacker conveyors with dust-proof equipment; paving certain high-traffic areas on site; and eliminating the open storage of dusty material in favour of controlled, confined storage. While there remains ample opportunity for additional improvements, these projects had a major impact on overall dust emissions.

Fugitive dust emissions were also targeted at the Otorohanga, NZ site, where operations are located close to neighboring properties. Manual spraying efforts gave way to a fully-automated water spray system, which not only significantly reduced dust emissions but also led to a decrease in water usage and helped avoid flooding.

At Port Inland, MI, the focus was on aesthetic improvements. An assortment of equipment and gear, including handrails, ducts, a silo and stack received fresh coats of paint to restore their like-new appearance (Photo 1 & 2). In addition to the aesthetic impacts, these initiatives provided an opportunity to conduct in-depth inspections of the equipment. The front office landscaping was also refreshed (Photo 3).

Plants also continued implementation of core aspects of each of the seven environmental standards. The seven standards are: Air Management, Fugitive Dust, Water, Residual Materials, Energy, Planning and Reclamation, and Aesthetics.

A Systems-based Approach

To help us fully comprehend our environmental performance and identify opportunities for improvement, Graymont relies on a dual-component system. We utilize our environmental-compliance tracking system to record all actions identified and implemented with respect to compliance obligations, which vary according to location. A comprehensive audit program, which includes both internal and external auditors, serves as a second line of control over compliance. Six Graymont facilities in North America and New Zealand were audited by third parties for environmental compliance in 2018, as part of our three-year auditing plan.





Air and Energy – 2018 Progress

Air emissions from Graymont’s lime kilns are tracked, either by real-time emissions-monitoring devices or period testing, to ensure that limits are respected. Historically, the incidents recorded have mostly involved exceedances of short duration detected by the emissions-monitoring equipment. Nevertheless, we have been stringent in terms of ensuring that the causal issues were addressed and corrective actions taken to prevent recurrences. We worked hard in 2018 to swiftly address two problematic situations that occurred at our Pleasant Gap, PA, and Superior, WI, sites, which were faced with exceedances of CO and NOx. Appropriate corrective and monitoring actions were taken to resolve the issues.

In 2018, our efforts resulted in a dramatic 46 % overall reduction in environmental exceedances. This represented a welcome contrast to an increase of exceedances experienced in 2017, which prompted an extensive audit of air emissions monitoring and reporting (the source of most exceedances) to be carried out throughout the organization. The audit identified opportunities for improvement related to both equipment and procedures, which will enable Graymont to continue reducing the number of exceedances in the years ahead.

That large reduction in exceedances achieved in 2018 was reflected in a 24% year-over-year decrease in total environmental incidents compared to 2017, despite increases in other categories of environmental incidents such as deviations, spills and complaints, which were up 25% year over year. Even though this represented a significant jump, it is worth

noting that we are still well below the average levels of incidents recorded just a few years back. Furthermore, we are confident that the on-going implementation of our environmental standards will lead to a continuing reduction in environmental exceedances and help reverse the trend with respect to ‘other’ incidents.

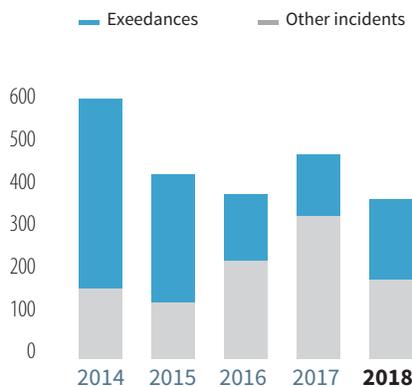
Process Control

The calcination of limestone to produce quicklime is an energy-intensive process. Improved energy efficiency translates into reduced levels of air pollutants and GHG emissions as well as lower costs. The approach we have taken to process control is integrated and multidisciplinary, encompassing Graymont’s Technical Services, Health, Safety and Environment, Quality and, of course, the Operations departments. Our multi-disciplinary teams

look at ways to ensure our processes are as efficient as possible, in order to meet the quality requirements of our customers while respecting relevant environmental and emissions standards.

Graymont’s total energy consumption decreased by 5.7% in 2018, primarily reflecting decreased output and improved energy efficiency at the facility level. Our total energy intensity, that is the amount of energy used to produce one tonne of lime, decreased by 3.5 %, reflecting the benefits of strategic kiln operations planning and energy-efficiency projects. At the same time, we have been working hard to reduce both the volume and intensity of SOx and NOx emissions, which are by-products of combustion, deploying a three-pronged approach that involves the utilization of monitoring equipment as well as specialized training and process-control initiatives.

3 Number of Graymont Environmental Exceedances and Other Environmental Incidents



4 Combustion-related GHG Emissions Intensity Reduction for all Graymont Lime Operations, Compared to the 2004 Baseline





Environmental Care

In 2018, we were able to reduce actual SOx and NOx emissions as well as the emissions intensity. SOx emissions dropped by 13% while NOx emissions decreased by 26% compared to 2017.

Greenhouse Gases Strategy

Graymont takes an integrated approach to monitoring requirements with respect to GHG emissions, in order to ensure that the Company remains fully cognizant of any real or potential issues and has ample time to take any changes that might be necessary to ensure operational efficiency and full compliance with regulatory requirements and norms. We do our utmost to meet all requirements in the respective jurisdictions where we operate, and work proactively to reduce our GHG emissions intensity. In 2018 we achieved new record-low combustion GHG emissions intensity, 17.3% below our 2004 baseline level.

Partnering to Improve Our World

Graymont constantly strives to leverage the unique properties of lime products to help resolve and mitigate the many environmental issues our modern world faces. This goal could not be achieved without strong partnerships with other companies equally committed to addressing environmental concerns in their particular spheres of activity. We continue collaborating with a number of partners to further advance environmental uses of lime, in applications such as the scrubbers used to curb emissions like SOx from coal-fired generating plants.

2018 EMISSIONS IN NUMBERS

3.90	24.42	5.12	1.63	4.52
million tonnes of lime produced	petajoules of energy consumed	million tonnes of CO₂e_q in total GHG emissions	thousand tonnes of SOx emissions	thousand tonnes of NOx emissions
<ul style="list-style-type: none"> – a 2% decrease compared to 2017 – 23% above 2004* levels 	<ul style="list-style-type: none"> – a 3.5% decrease compared to 2017 intensity – 12% above 2004* levels 	<ul style="list-style-type: none"> – North American Operations 17.3% below 2004* levels of fuel-related emission intensity (equates to 392,000 tonnes of avoided GHG emissions) 	<ul style="list-style-type: none"> – 59% under 2004* levels 	<ul style="list-style-type: none"> – 4% under 2004* levels

* 2004 is the established baseline year for reporting.



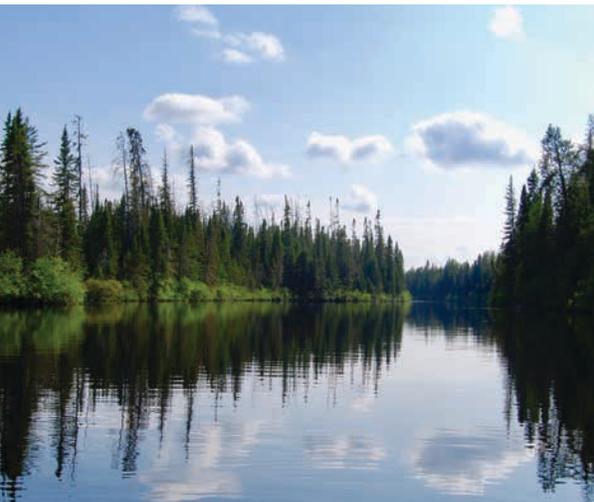
Air Pollution Monitoring and Control

The mining and processing of minerals, including lime, can generate dust and other air pollutants which, if left uncontrolled, could potentially pose a nuisance or have a negative impact on the environment. Consequently, Graymont operates in accordance with stringent company-wide environmental standards and practices aimed at reducing air pollutants and emissions.

During 2018 a number of air-pollution control-equipment capital projects were either completed or undertaken. At Pilot Peak, NV, new baghouses are operating on Kilns 1 and 2, and a third new baghouse is anticipated for Kiln 3. Likewise, a new baghouse is now operating on Kiln 2 at Otorohanga, NZ, significantly reducing process water discharge to the Mangapu River.

The installation and implementation of bag-leak detection systems (“BLDS”) is now complete across all Graymont plants, with the exception of Green Bay, WI. This equipment enables earlier detection of bag leaks in dust collectors’ filtration systems, and limits emissions of airborne dust into the atmosphere. Green Bay’s BLDS system is scheduled to be completed in 2019. The first Continuous Parametric Monitoring System (“CPMS”) was commissioned at Pleasant Gap in 2018.

Graymont also successfully completed the installation of a new Continuous Emission Monitoring System (“CEMS”) at Pilot Peak. The new Kiln 3 CEM was scheduled to be certified in Q1 2019, with the Kiln 1 and Kiln 2 CEMS certifications to follow.



2018 SOx SCORECARD

Graymont’s SOx emissions:	SOx emissions averted in other industries by the use of Graymont products:
1,630	933,000
tonnes	tonnes



Environmental Care

Waste Reduction

At the heart of Graymont's approach to waste reduction is the Company's determination to create added value and reduce its environmental footprint by fully utilizing all of the materials and resources touched by its operations — be it limestone, natural stone, overburden, fuel or other materials. The ultimate goal is to reach the point where our processes essentially generate zero waste, by ensuring that no waste is sent to landfills or incinerators and that all products are reused or recycled to make new products.

Over the past few years, Graymont successfully pushed forward with an organization-wide initiative aimed at reducing stockpiles of by-products traditionally associated with lime operations. Sales of by-products increased for the second consecutive year, reaching 400,000 tonnes in 2018. This represents an increase of 28% compared to 2017. We remain firmly committed to finding new applications and opportunities for waste reduction, in line with our zero-waste goal.

2018
PARTIALLY CALCINED
BY-PRODUCT SALES

400

thousand tonnes

of calcined
by-products sold





COMMUNITY RELATIONS



Building a sustainable future for Graymont involves engaging in a meaningful way with key stakeholders such as governments, NGOs and communities — including First Nations, aboriginal and indigenous peoples — demonstrating that the Company is committed to operating in a responsible manner that creates real value and lasting benefits for all parties.





Community Relations

Open, Honest and Principled

Graymont believes that the foundation of being a good neighbour is open and honest communication. We endeavour to be proactive in communicating our plans and seeking community input so that concerns and potential issues can be identified and addressed early on. To that end, many Graymont locations maintain open lines of communication with citizens, local governments and other local businesses. The Company also has an internal process to track complaints and ensure that community concerns are taken into account. Everywhere we operate, we try to give back to the communities — large and small — that we call home. In all instances, we strive to operate in accordance with our values and our Stakeholder Relations Guiding Principles.

Building On Our Track Record

Graymont has established a solid track record of community-engagement success stories, involving both companywide programs and innovative local initiatives tailored to the wants and needs of a particular host community. As our Company has continued to grow, so has the scope and scale of financial support and engagement extended to the communities where we are present. In addition to contributing to many local initiatives and events, Graymont has provided financial support for specially established community funds in locations where the Company has major projects under way, namely the Rexton and Harmony Projects in Michigan and Quebec, respectively. Allocations to community investments, including community funds, totaled more than CAD \$912,000 in 2018.

Furthermore, virtually every Graymont plant and office location — and their employees — provides additional support in the form of “donations in kind” of goods and services, not to mention that many employees and family members volunteer their time, evenings and weekends, to lend a hand with worthwhile community causes.

STAKEHOLDER RELATIONS GUIDING PRINCIPLES

- ▶ Stakeholders will be provided with timely and accurate information about Graymont’s activities and plans for the future that may impact them.
- ▶ Stakeholders will be given ample opportunity to participate in a stakeholder-engagement process, express their views and voice any concerns they might have if and when issues arise.
- ▶ Graymont will strive to respect the culture and values of each stakeholder.



Community Engagement – Making a Difference

The positive outcomes and progress made during 2018 on a wide variety of initiatives reinforced Graymont’s belief that effective stakeholder engagement makes for sound strategic planning and decision-making, which benefits all stakeholders.

Again this year, we wish to showcase some representative examples of the remarkable array of projects conceived and carried out by local teams of Graymont employees determined to make a difference by giving back to their communities, encouraged and supported by the Company. As is evident from the initiatives outlined below, the employees’ energy and enthusiasm serves to enhance practically every aspect of community life.

Support For Sports

Sports are, of course, woven into the fabric of community life virtually everywhere we operate, be it in Canada, the United States or New Zealand, and Graymont and its employees have earned a reputation for stepping up to the plate to support the home team and contribute to local recreation programs.

For instance, our Bedford, QC, plant provided financial support to the 2018 Graham Neil Winter Classic organized by Graymont employee David Verville, which brought together 16 teams from around the region to

compete in this annual outdoor, four-on-four hockey tournament. Proceeds from the tournament provided financial assistance that enabled 36 local youngsters, who might otherwise have been left on the sidelines, to compete in organized sports. (Photo 1)

In West Wendover, NV, after the community’s brand new batting cage was damaged by a wind storm, employees of Graymont’s Pilot Peak plant pitched in to help rebuild the facility, utilizing materials donated by Graymont and other local businesses. (Photo 2) Employees from our Eden, WI, facility attended the Eden Junior Athletic Association directors meetings month after month to help plan and design a lighting project for the Eden Community Park, and assist with fund raising. The entire cost of the project, estimated at approximately US\$350,000, will be funded by donations.

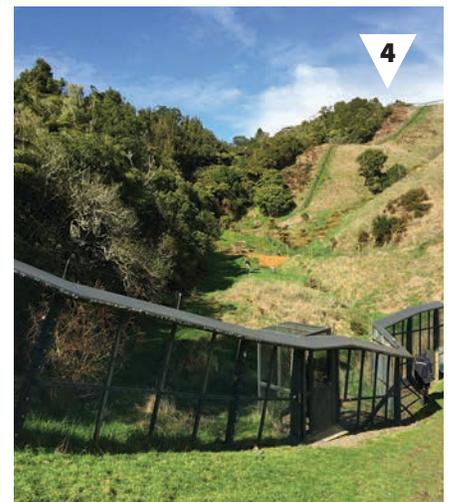
Environment Front and Centre

Protection of the environment is part and parcel of Graymont’s core values. Accordingly, the company provides financial support to several significant environmental enterprises

each year, and employees routinely help out with the planning and implementation of community initiatives designed to help keep the places where they live clean and safe.

Our New Zealand facilities were active on the environment front in 2018, with two noteworthy initiatives. Graymont provided support with tree planting at Lake Arohena, assisting the Department of Conservation with tidying up and landscaping a campsite at this popular recreation area on the North Island. (Photo 3) Elsewhere on the North Island, customer service supervisor Theresa Williams represented Graymont and released a breeding pair of takahe — a flightless, vegetarian bird indigenous to New Zealand and thought until recently to be extinct — on Sanctuary Mountain Maungatauri, a mainland ecological island and wildlife sanctuary. Graymont also was a major sponsor in the building of an enclosure for the birds at the sanctuary. (Photo 4)

Graymont’s Bedford plant contributed to a restoration project led by the Nature Conservancy Canada to protect the habitat of the spiny softshell turtle. Successive basins





Community Relations

have been created and mounds, logs and flat stones have been set up to create an optimal environment where turtles can live and bask in the sun. Reynolds Pond, near the shore of Lake Champlain, has now become an oasis for the turtles, fishes and several other wildlife species.

In Bellefonte, PA, 14 volunteers from the Pleasant Gap plant collaborated with the ClearWater Conservancy to clean up trash along Valley View Road. More than two tons of refuse was collected. Meanwhile, volunteers from Graymont's Richmond, BC, head office participated in the Great Canadian Shoreline Clean-up, collecting trash along the Fraser River shoreline at Deas Island Regional Park. The Great Canadian Shoreline Cleanup is a national conservation program that provides Canadians with the opportunity to contribute to the betterment of their communities, one bit of trash at a time.

Plenty to be Proud of

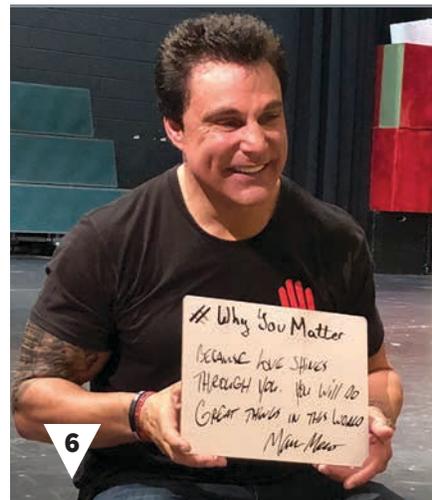
Below is a representative sampling of the myriad of community initiatives undertaken over the course of 2018 by Graymont, its employees, families and loved

ones. We are proud to say that such initiatives are so numerous that space limitations do not allow us to mention them all.

In New Zealand, the Makareao plant organized a fundraiser for the Maniatoto Hospital, contributing \$1 to the community hospital for every tonne of agricultural limestone sold. A total of NZ\$16,000 was donated to the hospital and an additional NZ\$8,000 to the local medical centre. As well, our Oparure facility donated \$5,000 to the Maniapoto Maori Trust Board for an educational scholarship. (Photo 5)

Ron Goudreau, a kiln attendant at Graymont's Port Inland plant in Gulliver, MI, has taken the cause of anti-bullying to heart. Ron spearheaded an initiative to collect donations for an anti-bullying event staged for the benefit of area schools and the community. Star of the show was Marc Mero, former WWE wrestling Champion and founder of the 'Champion of Choice' non-profit, who presented his "Make it Stop!" program. (Photo 6) In Western Canada, in line with the finest Alberta cowboy tradition, Graymont's Exshaw, AB, plant holds an annual Community

Stampede breakfast, providing free pancakes and entertainment to townspeople. (Photo 7) And in Genoa, OH, employees hosted a school-supplies drive in collaboration with teachers in area schools to help under-privileged children who may be lacking supplies. (Photo 8) Finally, on a completely different note, Graymont's Eden, WI, facility makes a building on its site available for use by the City of Fond du Lac and its police SWAT teams throughout the year for training exercises.





Major Projects Update

Bedford Heritage Project

Years of planning and hard work came to fruition in May 2018, with an official ribbon-cutting ceremony to celebrate the greenlighting for construction of the Bedford Heritage Project in Quebec's Eastern Townships region. (Photo 1 & 2) This is a game-changing initiative that promises to unlock value for Graymont and its key stakeholders, enabling the company to properly dispose of a large accumulation of unusable stone overburden while gaining access to reserves of ore sufficient to extend the viable operating life of the Bedford operations for another 40 years.

The project employs a transformative approach that represents a step-change from current industry norms with respect to site remediation. It essentially involves stacking the unusable overburden on site in accordance with a carefully conceived master plan, then covering it with earth and vegetation to create a new regional park and green space that will be a terrific asset for the community. Graymont is also establishing a fund to cover management, maintenance and security costs associated with the new park, as well as several related community initiatives.

With the required permits and regulatory approvals for the hills in hand, construction got under way in June 2018 and has been proceeding on track. In accordance with its commitment to local stakeholders, Graymont established a Heritage Project Monitoring Committee, whose members include representatives of the various municipalities involved and of local community organizations, as well as citizens from neighbourhoods adjacent to the site. The Committee's role is to ensure that the development work complies with applicable rules, regulations and industry best practices, in order to reduce

impacts such as noise and dust, and to keep the public informed of developments in order to ensure amicable community relations as the work continues.

The multi-phase, multi-year Heritage Project was first conceived back in 2011-2012. Bringing it to fruition has entailed years of hard work by Graymont's project team, working in collaboration with representatives of the three municipalities involved, the Quebec Environment Agency and NGOs, including the Nature Conservancy of Canada.

Marbleton Harmony Project

Projet Harmonie (the Harmony Project) is another reflection of Graymont's commitment to ensure the continued sustainability of its operations in Quebec's Eastern Townships region. It was conceived with the aim of securing long-term operations at the company's Marbleton facility — a significant source of employment for the small community. This project primarily involves re-organizing management of the plant's overburden, which will require undertaking a number of land-reclamation initiatives designed to better integrate activities at the site and thereby improve the quality of life in the area. Some important first steps





Community Relations

towards the realization of this project have been undertaken over the past several years, including construction of the new Lac Miroir stockpile; the building of a new segment of private road leading to Quarry 6; and the planting of trees along a stretch of public roadway that traverses the Graymont site; along with several initiatives aimed at better controlling suspended solids and dust emissions.

Advanced planning for the Harmony Project moved forward in 2018, subject to a number of adjustments to reflect changing circumstances. The mining plan for the site was reviewed and subsequently revised, to reflect a slower market, with the result that development of one section has been put on hold to avoid delaying implementation of the overall project. An environmental permit request submitted to the provincial government remained under analysis at the deadline for this report. Meanwhile, discussions continued with community representatives regarding the creation of a fund that would be designed to help achieve mutually beneficial value-creation objectives for the community and Graymont. Such considerations have taken on added importance, given that the rehabilitation of Quarry 4 will now be completed at a later date than initially planned. As 2019 unfolds, Graymont intends to continue discussions with stakeholders and will proceed with tree planting at the Lac Miroir Stockpile.

Giscome Project

The Giscome Project, which involves the development of a new limestone quarry and lime production complex planned for a site in central British Columbia, reached new milestones in 2018. During the second quarter of the year, Graymont received the requisite environmental and mine permits to operate the quarry and lime

plant. An application to rezone the plant site for industrial use was submitted to the Regional District in the second quarter of 2018 and, following public hearings, was formally approved on December 20, 2018.

Rexton Project

Project-design, infrastructure-evaluation and resource-exploration initiatives to facilitate development of a new limestone processing plant in Michigan's Upper Peninsula, known as the Rexton Project, continued in 2018. As well, Graymont completed the installation of new infrastructure at a nearby dock on the shores of Lake Michigan to accommodate the handling and shipping of limestone. Stone quarried from the Company's Borgstrom Road Quarry was subsequently delivered to the dock and successfully loaded onto vessels for transport to the Green Bay plant. Graymont also moved forward with the establishment of another quarry on the eastern edge of the project site. In keeping with its commitment to provide additional direct economic benefits to the area, the Company continues to finance a Community Development Fund that is administered at arm's length by Lake Superior State University. Disbursements in 2018 provided financial assistance to four townships, one school, two historical organizations and a church.

Oparure Expansion Project

Graymont's Oparure quarry on New Zealand's North Island supplies its nearby Otorohanga and Te Kuiti kiln sites with stone, while also addressing the pulverized limestone, agricultural limestone and aggregate markets. The objective of the proposed expansion project is to identify accessible limestone deposits sufficient to extend the life of the quarry by 50 to 100 years, and to obtain the permits that would be required to quarry such deposits.

Extensive exploration drilling carried out on neighbouring sites has identified two properties of interest, and applications have been made to obtain the requisite government approvals to purchase the properties in question. Once conceptual design work has been completed, the proposed project will be discussed with key local stakeholders. In the meantime, Graymont continues its efforts and outreach to gain further understanding and appreciation of the history and cultural values of the area, including its unique cave systems and underground streams and time-honored Maori values.

Pavilion Plant

The demolition and dismantling of equipment at Graymont's shuttered Pavilion, BC plant was completed during 2018. The lime operations were indefinitely idled in 2016, due to a combination of poor market conditions, an uncompetitive cost structure and limited stone resources, and were permanently closed in late 2017. The Company's objective now is to engage in constructive dialogue with the Ts'kw'aylaxw First Nation ("TFN"), regarding the site's longer-term future, including a transition plan designed to appropriately assist in addressing the impact of the permanent lime operations closure on the TFN community. The Company continues to meet its legal obligations under its Mines Act and Environmental Act permits; it also continues to operate the limestone operations.

SUSTAINABILITY PERFORMANCE DATA



Following are three tables presenting Graymont's Key Performance Indicators ("KPIs") related to social, environmental and economic performance. Current and historical data is provided for the years 2014 through 2018 and includes references to the year 2004, which has been established as the baseline.



Social Performance Data

KPI		2018	2017	2016	2015	2014	Notes
Number of full time permanent employees	Canada	525	536	555	640	611	As of December 31 of each year.
	New Zealand	70	72	82	84		
	United States	648	651	758	804	748	
	Total	1243	1,259	1,395	1,528	1,359	
Voluntary turnover rate (includes employees who retired)	Total	6.9%	8.3%	8.4%	5.4%	5.7%	Excludes Summer Student and temporary employee separations.
Composition of Graymont Limited Board of Directors and Officers	Directors Officers	8M 2F 10M 3F	8M 2F 10M 3F	8M 2F 11M 3F	8M 2F 13M 1F	8M 2F 12M 1F	M – male F – female
Reportable incident rate	Canada	1.91	2.44	2.44	3.06	4.36	Number of incidents that result in medical treatment, lost work days or restricted work days per 200,000 exposure hours.
	New Zealand	2.58	1.19	1.02	2.58		
	United States	3.05	1.91	1.56	2.71	2.22	
	Total	2.57	2.09	1.92	2.70	2.97	
Lost time incident rate	Canada	1.06	1.01	1.31	1.29	1.45	Number of incidents that result in lost work days per 200,000 exposure hours.
	New Zealand	2.58	1.19	1.03	0.00		
	United States	0.91	0.44	0.52	1.23	1.24	
	Total	1.08	0.71	0.86	1.22	1.33	
Fatalities		0	0	0	0	0	
Monetary fines for safety non-compliance	Canada	\$0.0	\$3.4	\$3.2	\$12	\$1.8	Thousand CAD\$ Thousand NZD\$ Thousand USD\$ Thousand CAD\$
	New Zealand	\$0.0	\$0.0	\$0.0	\$0.0		
	United States	\$78.2	\$49.2	\$48.0	\$38	\$44.5	
	Total	\$100.4	\$67.5	\$66.8	\$59.8	\$51.0	
Number of days lost to strikes	Canada	42	0	0	0	0	
	New Zealand	0	0	0	0	0	
	United States	0	0	0	0	0	
	Total	42	0	0	0	0	
Employees covered by retirement and health benefits	Canada	100%	100%	100%	100%	100%	
	New Zealand	100%	100%	100%	100%	100%	
	United States	100%	100%	100%	100%	100%	
	Total	100%	100%	100%	100%	100%	
Employees covered by Employee Assistance Program	Canada	100%	100%	100%	100%	100%	
	New Zealand	100%	100%	100%	100%	100%	
	United States	100%	100%	100%	100%	100%	
	Total	100%	100%	100%	100%	100%	
Community investments	Canada	\$528	\$303	\$616	\$423	\$370	Thousand CAD\$ Thousand NZD\$ Thousand USD\$ Thousand CAD\$
	New Zealand	\$9	\$26	\$77	\$3		
	United States	\$276	\$179	\$185	\$260	\$239	
	Total	\$913	\$562	\$932	\$759	\$634	

Environmental Performance Data

KPI		2018	2017	2016	2015	2014	Notes
Energy use intensity	Canada	5.76	5.61	5.75	5.96	5.84	Energy use intensity at facilities, including combusted energy and electricity, in Gigajoule per tonne of lime produced
	New Zealand	6.71	6.93	7.40	5.00		
	United States	6.39	6.73	6.73	6.44	6.41	
	Total	6.27	6.49	6.54	6.29	6.27	
Direct greenhouse gas emissions	Canada	0.96	1.04	1.06	1.15	1.26	Million tonnes CO ₂ e Lime production only
	New Zealand	0.17	0.22	0.29	0.16		
	United States	3.99	4.11	3.93	4.08	4.46	
	Total	5.12	5.37	5.28	5.39	5.71	
Production carbon intensity	Canada	1.15	1.19	1.18	1.21	1.21	Tonnes CO ₂ e per tonne lime. Lime production only (2004 intensity = 1.31 in Canada and 1.43 in the U.S.)
	New Zealand	1.26	1.29	1.31	1.27		
	United States	1.36	1.41	1.41	1.38	1.40	
	Total	1.31	1.35	1.35	1.33	1.35	
NOx emissions intensity	Canada	1.33	1.83	2.24	2.15	2.22	Kilograms/tonne of lime produced Lime production only NPRI and TRI data (2004 emissions = 2.2 in Canada and 4.3 in the U.S.)
	New Zealand	0.66	0.51	0.73	0.63		
	United States	1.13	1.24	1.31	1.29	1.32	
	Total	1.16	1.34	1.49	1.47	1.54	
SOx emissions	Canada	0.23	0.32	0.47	1.32	1.43	Kilograms/tonne of lime produced Lime production only NPRI and TRI data (2004 emissions = 1.6 in Canada and 3.6 in the U.S.)
	New Zealand	0.78	0.61	0.58	0.75		
	United States	0.45	0.63	0.56	0.50	0.56	
	Total	0.42	0.56	0.54	0.70	0.77	
Monetary fines for environmental non-compliance	Canada	\$0.5	\$10	\$10	\$0	\$5	Thousand CAD\$ Thousand NZD\$ Thousand USD\$ Thousand CAD\$
	New Zealand	\$0.0	\$0	\$0	\$0		
	United States	\$0.0	\$2	\$17	\$0	\$14	
	Total	\$0.5	\$12	\$27	\$0	\$19	
Emission exceedance events	Canada	24	28	37	61	34	Number of exceedance events An exceedance event can be an emission exceedance for as short as 6 minutes.
	New Zealand	2	8	19	5		
	United States	154	294	169	62	127	
	Total	180	330	225	128	161	
Other environmental incidents	Canada	97	70	65	97	66	Other environmental incidents include spills, deviations and complaints.
	New Zealand	6	1	8	7		
	United States	86	67	79	192	371	
	Total	189	138	152	296	437	
Total cumulative land area disturbed	Canada	1128	1,155	1,146	1,068	1,003	Hectares. Includes plant sites, quarries and pits.
	New Zealand	98	97	89	85		
	United States	1018	959	1,092	1,072	1,101	
	Total	2244	2,211	2,327	2,225	2,104	
Land area reclaimed	Canada	1	3	14	3	7	Hectares. Includes plant sites, quarries and pits.
	New Zealand	0	0	0	0		
	United States	4	0	0	61	9	
	Total	5	3	0	64	16	
Partially calcined by-products sold	Canada	31	33	33	52	38	Thousand tonnes.
	New Zealand	4	4	8	5		
	United States	365	271	247	352	587	
	Total	400	313	289	409	626	

Economic Performance Data

KPI		2018	2017	2016	2015	2014	Notes
Sales	Lime	3.91	3.95	3.95	4.02	4.23	Million tonnes
Employee remuneration (includes wages, salaries, and health and retirement benefits)	Canada	\$69.8	\$72.0	\$75.0	\$80.1	\$74.4	Million CAD\$
	New Zealand	\$7.4	\$7.5	\$9.0	\$4.3		Million NZD\$
	United States	\$72.7	\$75.2	\$80.8	\$84.1	\$80.0	Million USD\$
	Total	\$170.6	\$177.0	\$190.5	\$191.5	\$162.7	Million CAD\$
Financial assistance received from government	Canada	\$0.2	\$0.8	\$1.6	\$1.3	\$1.5	Million CAD\$
	New Zealand	\$0.0	\$0.0	\$0.0			Million NZD\$
	United States			\$0.5	\$0.8	\$0.5	Million USD\$
	Total	\$1.4	\$0.7	\$2.3	\$2.3	\$2.1	Million CAD\$
		\$2.0	\$1.6				
Expenditures on research and development	Total	\$10.8	\$2.7	\$4.2	\$6.1	\$6.7	Million CAD\$



Graymont North American Lime Operations



LEGEND

-  Lime Operations
-  Terminals
-  Regional Offices
-  Other Offices

Graymont's North American Lime operations (19 plants) are focused on the production of high-calcium and dolomitic lime, pulverized limestone and value-added lime-based products such as hydrated lime. In Canada, the Company operates in the provinces of British Columbia, Alberta, Manitoba, Quebec and New Brunswick. In the United States, Graymont is present in Washington, Oregon, Montana, Nevada, Utah, Wisconsin, Michigan, Ohio, and Pennsylvania. The Company also operates rail-to-truck trans-load terminals that extend the geographic market reach of several plants. The corporate office is located in Richmond, BC. North American Lime operations are supported by regional offices in Boucherville, QC, West Bend, WI and Salt Lake City, UT, and by the Graymont Engineering office in Joliette, QC, as well as offices in Calgary, AB, and Bellefonte, PA.

Graymont New Zealand Lime Operations



LEGEND

- Lime Operations
- Terminals
- Regional Offices
- Other Offices

Graymont's New Zealand Lime operations (four plants) supply quality lime and limestone products to the agricultural, animal health and industrial markets in New Zealand and Asia-Pacific. The regional office is located in Hamilton. Reliability of supply is critical for customers in these markets. Consequently, the Company places great importance on managing production and logistics in such a way as to ensure it is always in a position to accommodate customer requirements from its facilities on New Zealand's North and South Islands.

Forward-looking Statements

Prospective Information

This report contains some information that is prospective in nature and which may be affected by known or unknown risks and uncertainties.

There can be no assurance that any of this information, in particular statements regarding forecasts and projections, will prove to be accurate.

Actual results and future events could be materially different from those reflected in this report.



Glossary and Abbreviations

CAD\$ – Canadian dollar

CEO – Chief Executive Officer

CO₂e – carbon dioxide equivalent

Emission exceedance event – an event where emissions exceed an environmental permit limit or internal standard for a prescribed duration of time. Prescribed durations of time can be as short as six minutes

Good Catches – a situation including a potential hazard which has been identified for resolution prior to causing injury to worker

Greenhouse gas emissions (“GHG”) – in Graymont’s case these include carbon dioxide, methane and nitrous oxide

Graymont Severity Rate (“GSR”) – a metric based on the sum of lost workdays times two, plus the number of restricted workdays over a given period of time. The total is then divided by the number of Graymont Reportable Incidents.

Graymont Reportable Incident (“GRI”) – an incident that results in an injured worker requiring medical treatment beyond first aid, an injured worker being unable to report for their next work shift, or an injured worker being restricted in their work duties

Graymont Reportable Incident Rate (“GRIR”) – number of GRIs per 200,000 exposure hours
Health, Safety and Environmental (“HSE”) – describes activities and processes used to enhance the health, safety and environmental performance of the Company

KPI – key performance indicator

Lost Time Incident (“LTI”) – an incident that results in an injured worker being unable to report for their next work shift

Lost Time Incident Rate (“LTIR”) – number of LTIs per 200,000 exposure hours

MSHA – the United States Mine Health and Safety Administration

Near Miss – an incident which resulted in no harm to worker

NOx – oxides of nitrogen, which are a by-product of combustion

NPRI – national pollutant release inventory – Canada

NZD\$ – New Zealand dollar

Petajoules – 10¹⁵ joules

SOx – oxides of sulphur, which are a by-product of combustion

Tonne – metric ton or 1,000 kilograms

TRI – toxic release inventory – United States

USD\$ – United States dollar

Contact Us

At Graymont, we regard our commitment to achieving all-around world-class performance as a journey — not a destination. As we strive for continuous improvement in crucial areas such as environmental stewardship, workplace health and safety and stakeholder relations, we welcome your comments and feedback.

Communications should be directed to:

E-mail: ehs@graymont.com

Or visit us at: www.graymont.com



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