



2016 SUSTAINABILITY REPORT



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





For me, this year's report highlights the many and varied ways in which it is possible to build a more sustainable business. In one respect, we are busy doing our part to make a difference regarding some of the big global issues that we read about in the news every day. We are working to build relationships and understand the unique needs of Indigenous communities. We continue to work to measure and reduce our carbon footprint, and we have developed a Climate Management Program so that our company can continue to thrive in a climate-altered world. We invest in programs to support the physical and mental health and well-being of our employees.

Building a sustainable business is, of course, not limited to a focus on the big issues of the day. Whether it be supporting pollinator health, raising money to help fight Parkinson's disease or providing funding and employee volunteers to a number of Habitat for Humanity builds, our 2016 report contains many stories highlighting meaningful contributions our company and our employees are making to the social, environmental and economic well-being of the local communities in which we operate.

Our approach to sustainability continues to be shaped by our well-established value principles, which provide clarity and alignment as we look to the future.

I hope you enjoy this year's report.

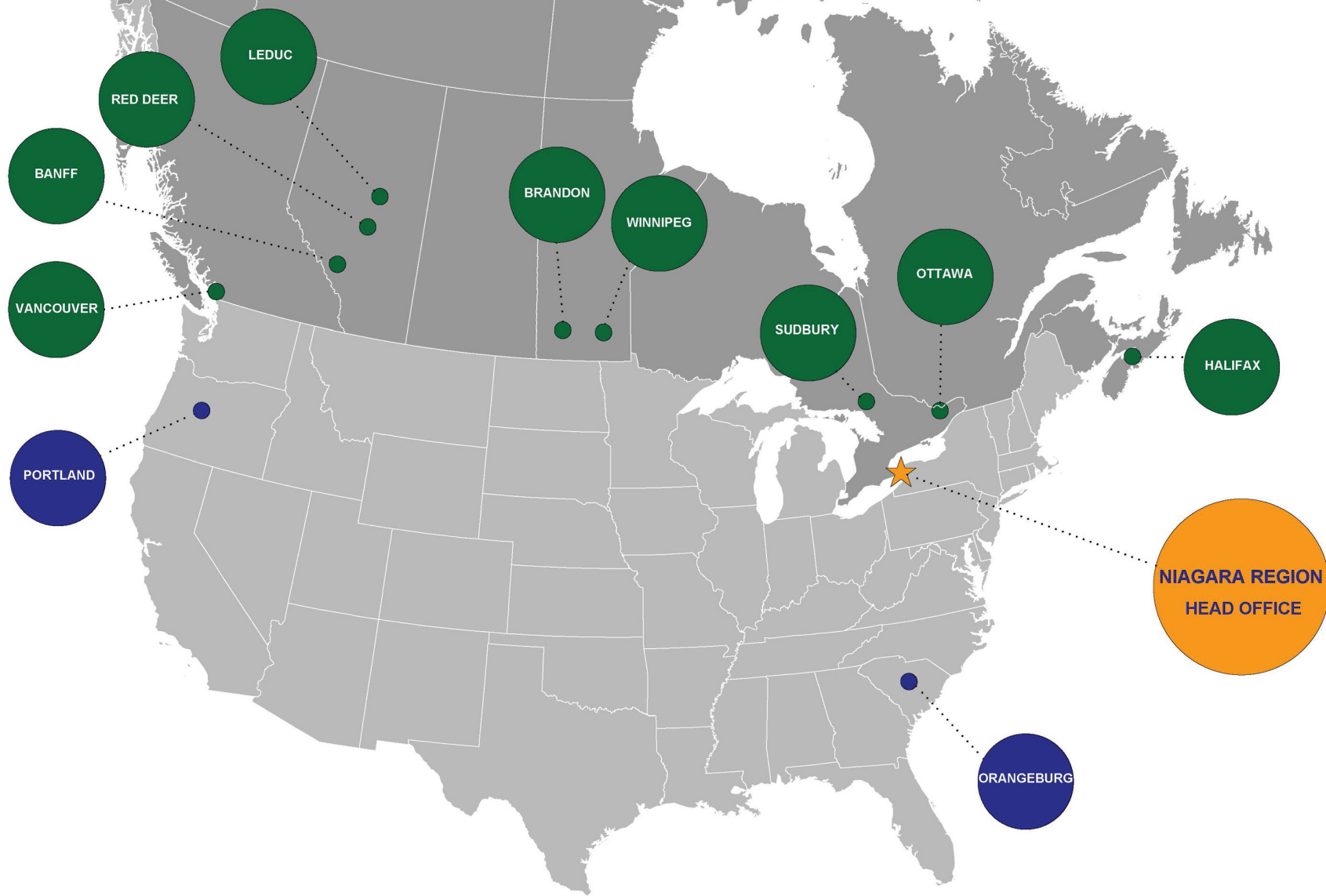
John Fisher, President & CEO

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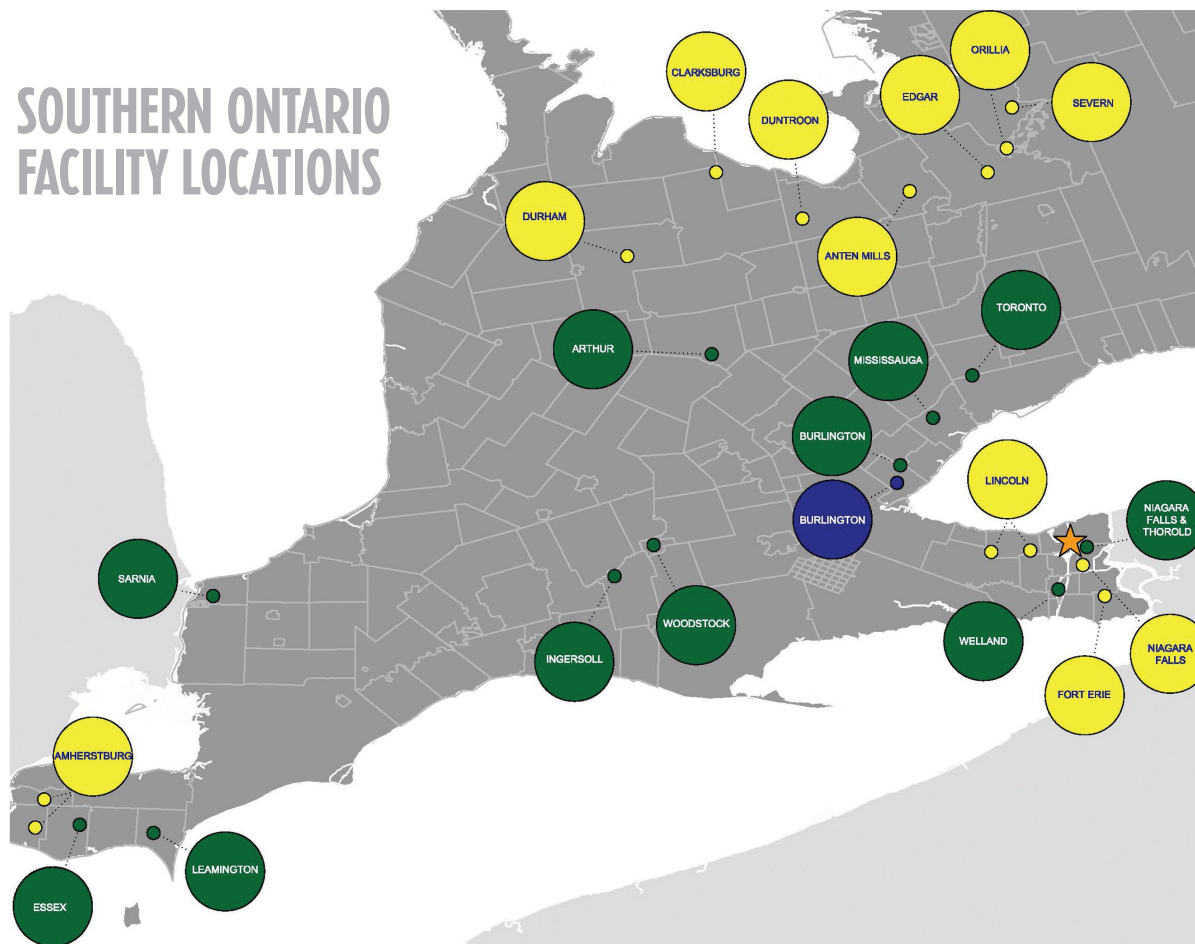
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WALKER INDUSTRIES FACILITY LOCATIONS

- 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.



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.



OUR VALUE PRINCIPLES

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.

**OUR COMPANY'S VALUE PRINCIPLES CONTINUE TO GUIDE US WITH CLARITY AND DETERMINATION —
THE SOURCE OF OUR ENDURING SUCCESS.**

OUR SUSTAINABILITY GOALS

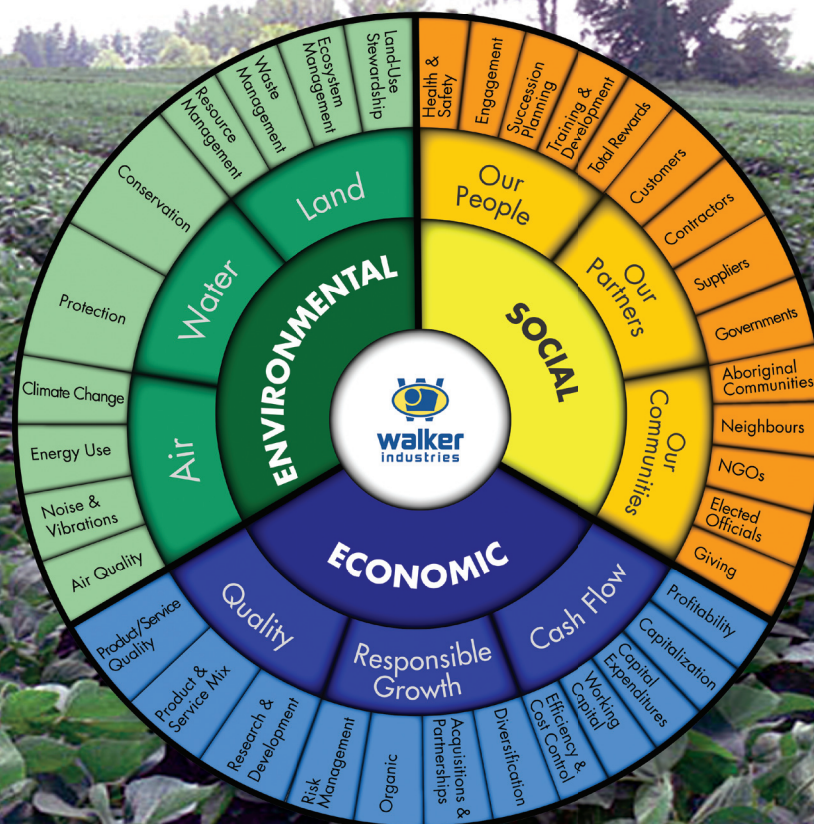
- Grow and strengthen our company
- Focus on sustainable energy and carbon management (conservation, wise use and renewable energy sources)
- Grow our waste diversion businesses
- Increase the percentage of revenue from
 - innovative products & services
 - sustainable products & services
- Nurture a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

SEE MODEL

The Walker Sustainability, or SEE Model, was introduced in 2012 to integrate sustainability into our business practices. The SEE Model provides a lens for us to reflect on the Social, Environmental and Economic aspects of our business decisions. It is our way of meeting today's needs without compromising the needs of future generations. It brings the value principles to life by providing a framework for decision making, risk assessment and strategic planning.

SUSTAINABILITY

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



*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

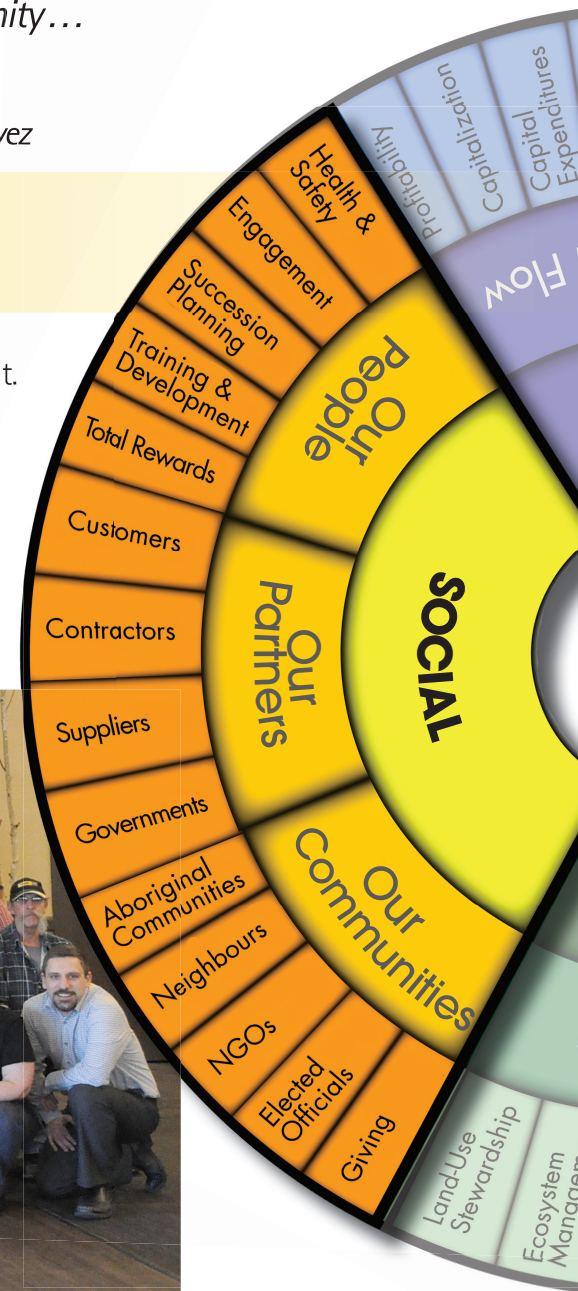
We work together to foster a healthy, positive and respectful workplace that motivates and recognizes high-performance people.

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 to thrive.



Steve Currie – 37 years of service

Since 1980, Steve Currie has been the scalehouse operator at Duntroon Quarry in Collingwood, Ontario. He was first hired by McKean Quarries as one of only 3 employees working in the office. In addition to operating the scale, Steve was also responsible for accounts payable and receivable as well as running the switchboard. At that time there were no computers onsite, so all record keeping was handwritten.

In 1996, Walker Industries purchased the site. Changes to Steve's job role have been minimal over the last 37 years. When the accounting department was established, Steve was no longer responsible for accounts payable and receivable and began focusing solely on the scalehouse.

In addition to the introduction of computers onsite in 1986, the Internet and cell phones brought many improvements to scalehouse operations. The Internet allowed for records to be sent out directly to those who needed them, instead of downloading them to a disk and sending them out for delivery. Cell phones made contacting the truck drivers much easier, enabling Steve to direct them to the locations onsite. Steve says he typically interacts with about 30 different drivers on any given day.

Highlights for Steve over the past 37 years include going to Toronto Blue Jays baseball games and camping weekends with his colleagues and their families.

Steve and his wife, Debra, are now empty nesters with their four children, Sarah, twins Michael and Matthew, and Erin, grown and launched into their own careers. In his spare time, Steve enjoys volunteering with his church, staying active at the gym, camping with his daughter, Sarah, and taking day trips on his motorcycle with Debra. Steve and Debra also like to play badminton every week.

I enjoy working here. The people are great to work with and they are a fun group. Walker is a good company to work for, and I've been treated well through each ownership transition.



Les Hegyes – 32 years of service

After more than 32 years working at Walker Industries, Les Hegyes retired in June 2016. Les began seasonal work with Norjohn Contracting in 1984 in road construction and then got a job at Walker Brothers Quarries in 2001.

At the quarry, he has done a bit of everything, from driving a water truck and snow plow to operating the crusher. Most recently he was a haul truck driver.

Les immigrated to Canada from Transylvania region of Romania in 1977. "They pulled my fangs so you don't need to worry about me," he jokes, in reference to his homeland's famous literary figure, Count Dracula.

Les had decided to flee the brutal regime of communist leader Nicolae Ceausescu to start a new life in the United States, Australia or Canada — whichever country would take him in first. He lived a few years in Toronto, where he met his future bride, Elizabeth, at a banquet hall. After their marriage, the couple moved to her hometown of Welland, where Les worked for a number of years at the former Union Carbide plant before joining Walker.

His enthusiasm for his work is evidenced by his routine of showing up for work an hour early each day, around 6 a.m., to have coffee with his workmates. Except for knee replacement surgery a few years ago, Les has never missed a day of work. "I love to come in every day," he says.

He has no intention of retiring completely and will be looking for a part-time job, one or two

days per week. "I like this company so much. I'd like to be part of it still a little bit," he said.

He will also be spending time doing chores around his home, including cutting his five acres of lawn and helping his wife care for their 27-year-old daughter, Lisa, who has cerebral palsy. "She will always live with us at home, and I'll be able to help out more," Les said.



Bud Walker – 32 years of service

Bud Walker has been an employee of Norjohn Contracting in Niagara Falls, Ontario, for the past 32 years. For the last 7 years, Bud has been the Traffic Control Superintendent.

Bud started as a choke truck driver for the cold-mix application operations. He later moved on to be a steel drum roller operator for 5 years. Bud also gained experience on the ground maintenance crew. He worked on cutting grass and cleaning up on all Walker sites in Niagara Falls and Burlington, Ontario. Bud then became the foreman of the preparation crew. The crew is responsible for prepping the site before the paving crew arrives. In this role, Bud was also responsible for working with municipal employees and getting set up for the grinders.

In 2005, Bud became the Construction Superintendent and began running a project for the parking lot at Brock University. His tasks in this role included preparing the parking area, pipe installation, as well as managing subcontractors.

All of the great experience Bud gained led him to his current and favourite job of Traffic Control Superintendent. "It's the best fit of any job I've had here," said Bud. Bud organizes signage for the crews and helps develop the initial traffic control plans for the projects.

Bud is proud of his Health and Safety responsibilities. He develops and maintains the safety manuals for all of the crews at Norjohn Contracting. His past experience has contributed to the accuracy and efficiency of the manuals. Bud enjoys the Health and Safety aspect of his role and has designed and implemented Health and Safety initiatives that meet all regulations while also simplifying and improving efficiency and operations. For example, he built a new holder for the coring drill. The drill is used to cut a hole around the catch basins while digging down into road subdrains. The holder allows the drill to stay upright so that it does not bind, protecting the operator's hands. This change has turned a 30-minute job into a 10-minute job while also increasing the functional life of the bit – from 1 year to 5 years.

Some highlights for Bud over the last 32 years are creating and maintaining the manuals for the crews and attending the company-wide Safety Summits. "It's nice to talk with people I don't normally get the opportunity to see and share our experiences, learnings and opportunities," said Bud.

Bud is proud of the strong safety culture at Walker and values that management, supervisors and crews understand and embrace that culture.

I love coming to work. The employees are great people to work with. Walker values what I do, and I couldn't see myself working anywhere else.

In his spare time, Bud enjoys cultivating and caring for his large garden at home. "If you can't eat it, I don't grow it!" Bud also likes to spend time wood working, building unique objects out of skid wood and often makes toys for his grandchildren.



Pat Blackmere – 30 years of service

Pat Blackmere spent 30 years at the Walker Aggregates Duntroon Quarry. He is not a person who spent his life looking forward to retirement. It wasn't until August 2016, when he turned 72, that he finally decided to retire. "It was the best job I ever had," Pat says. "I liked the work, the company always treated me well and the crew was good to work with."



He says he stayed on the job 7 years past the usual retirement age of 65 because he didn't know what else to do. "I still miss it," he says.

Pat notes that one of the benefits of retirement is that he's able to watch all of his grandsons' evening hockey games, since he doesn't need to get up at four or five o'clock to head into work.

Pat began his employment at the quarry in the summer of 1986. He had spent a year looking for a new job after being laid off from the Collingwood shipyards, where he had accumulated 17 years of service.

After one season at Duntroon running the stone crusher, he was laid off for the quarry's winter shutdown. When management learned

that Pat had been a welder at the shipyards, he was brought back to work doing equipment maintenance. From that point forward, Pat's responsibilities included installing, fabricating and maintaining equipment. In addition to Duntroon, he has also been involved in equipment maintenance and installation at Walker's other aggregate operations in Simcoe County.

"It's a great company," he says. "They go to every effort to teach you and help you do your job, and I can't say enough good things about them." Pat says he is especially impressed by Walker's annual commitment of bringing the employees of all quarries together for two days of intensive safety training.



OUR PEOPLE

Average Length of Service: 10 years

Number of Employees Over 20 Years of Service: 110

Number of Employees by Division

	2014	2015	2016
Aggregates & Construction	241	253	274
Emulsions	48	44	44
Environmental Solutions	225	244	336
Corporate Services	51	50	52
Totals	565	591	706

Voluntary Turnover Rate



Walker Industries Scholarship

Mallory Williams was the recipient of the 8th annual Walker Industries Scholarship. Mallory is the step-daughter of Tom Harz, Operations Manager, Organics at the N-Viro® plant in Halifax, Nova Scotia.

The Walker family shareholders awarded Mallory \$10,000 per year for 4 years at University.

Mallory has always been interested in life sciences and helping people. She is pursuing a Bachelor of Science degree in Nursing at Dalhousie University in Halifax.

She hopes to travel all over the world with her degree and eventually return to do a Master of Science degree, perhaps in the area of medical research.

Mallory said, "The Walker Scholarship has been so helpful. It has allowed me to stay on campus in residence and have the full university experience without having to worry about travelling back and forth every day."



Leadership Niagara

Leadership Niagara's mission is to foster leadership in Niagara. Inspired leaders create strong community, a vision we share with Leadership Niagara. The program is designed to encourage employees to explore and strengthen their 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, eighteen of our employees have graduated. Their involvement has bolstered their confidence and enriched the workplace.

Diana Aquino

Quality Control Supervisor - Organics, Walker Environmental

Leadership Niagara is an excellent program and has been extremely valuable for our community. The experience broadened and deepened my understanding of what it means to be a leader. The impact of collaborating together with a broad array of professionals who have different experiences to create a common outcome is truly powerful. I enjoyed the team project work especially, as each member of our team applied skills learned from our tailored workshops and dedicated great time, effort and care to completing the project. It is evident that the board and curriculum members are invested in ensuring the program participants have an exceptional leadership experience. I feel honoured to work for a great company that commits to their employees and provides the opportunity to expand my skills while giving back to Niagara. The program left me with lasting relationships and many tools and resources to keep moving forward in building my leadership journey.



Diana Aquino and Steve Shisler participated in the Leadership Niagara program in 2016. For their community projects, Diana assisted La Boîte à soleil in the development of the best practices technical report required to build small-scale vegetable gardens and provide an educational context to healthy eating while exploring different types of food for the children, and Steve helped plan a golf tournament fundraiser for The Learning Disabilities Association of Niagara Region.

Steve Shisler

Sales Representative - Niagara Region & West GTA, Walker Aggregates

My experience with Leadership Niagara throughout the 2015/16 term has been extremely rewarding. Since the opening retreat in September, I have had the opportunity to meet a wide variety of individuals from the public, private and non-profit sectors of Niagara. The program has given me the opportunity to develop my leadership skills through formal and informal workshops and networking events. Keynote speakers selected by the planning committee highlight leadership development strategies and opportunities, while focusing on the uniqueness of the region, as well as some of the challenges Niagara faces. I am happy and fortunate to participate in this program on behalf of Walker Industries. By supporting this program, Walker is clearly an employer that encourages the development of young professionals in the community in which they live.



Together WE Can

Winning the Chance to Give

With \$10,000 to give to the community, Together WE Can organized a lottery, for the third consecutive year, to disseminate the funds. Every employee's name was entered into the draw and fifteen employees won the chance to give to their chosen charity. Employees were excited to donate to the organizations for which they had a deep personal connection or held a strong belief in the cause.

The following organizations were supported:

DONATION ORGANIZATION

\$1,000 Autism Canada
Community Outreach Program Erie (COPE)
Ontario Federation of Anglers and Hunters Conservation Program
Five Counties Children's Centre – Peterborough Regional Health Centre

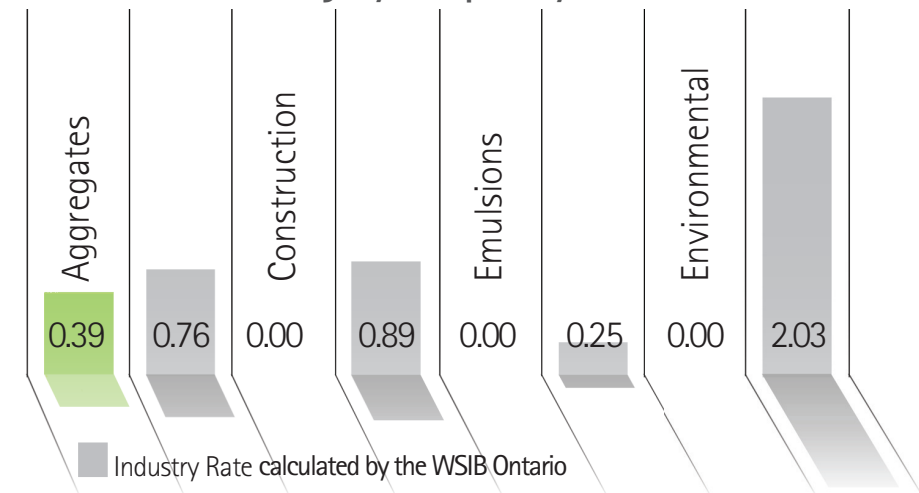
\$500 St. John's Ambulance – Therapy Dog Program
Lincoln County Humane Society
McMaster Children's Hospital
Sick Kids Hospital
Foundation Fighting Blindness
Help a Child Smile
Infantile Spasm Clinic – McMaster Children's Hospital
United Achievers Community Service
OneFoundation for Niagara Health System
Army Cadet League of Canada, Niagara Falls

\$250 Arthur Food Bank
Arthur Lions Club
Community Care West Lincoln
Community Living of Grimsby, West Lincoln and
Lincoln Natural Abilities

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.

2016 Lost Time Injury Frequency Rates



2016 Superior Safety Culture Champion

Our Superior Safety Culture engages everyone in the safety process. It is about learning and promoting within our business the direct relevance of working safely and keeping alive our vision of safety excellence.

Each year we encourage our employees to nominate a coworker who they feel exemplifies the values that have helped to create, maintain and advance our superior safety culture. The 2016 Superior Safety Culture Champion is Kevin Danku, Labourer for Walker Brothers Quarries. Kevin started working for Norjohn Contracting in 2012 and later joined Walker Brothers Quarries in August of 2016. An excerpt from the nomination form provides insight as to why Kevin is the champion of 2016. It reads, "Kevin is always aware of what his coworkers are doing and will say something or stop work if he feels the potential for injury exists. I do not believe that he is capable of working in a manner that is unsafe."

Safety is more than a program at Walker Industries. The employees truly live the superior safety culture on a daily basis.
Kevin Danku

The Canadian Tire Jumpstart program will receive a donation in Kevin's name. Jumpstart is a national charity that gives kids from families in financial need the same chance to participate in sports as their neighbours, classmates and friends.

In addition to the Superior Safety Culture Champion, employees from each division were chosen from the 2016 nominations and recognized for their active roles in job safety.

The 2016 divisional winners are as follows:

- Sue Kovacs, Norjohn Contracting
- Alex Buchan, Walker Emulsions-Burlington
- Krisztina Nagy, Niagara Compost Facility



WELLNESS

At Walker, we recognize the benefits of a healthy work force 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 281 employees participated in the wellness subsidy program in 2016.

In 2016, a number of lunch-and-learn sessions were held at the corporate head office in Niagara to provide employees with more information on heart health, healthy eating tips and the benefits program through Great West Life. In addition to these information sessions, Walker provided employees with the opportunity to participate in a 6-week workshop for recognizing and managing anxiety.

Yoga is also being offered on a bi-weekly basis at the Walker Environmental office building. This is an opportunity to reduce stress and tension while strengthening relationships among employees. The classes have been a success with approximately 15 employees attending per session.



Management Education Program

Based on the success and positive feedback from the first cohort of the Walker–Goodman Leadership program, Walker Industries decided to continue the partnership with Brock University and send a second group of emerging leaders to participate in this management education program. Participants were selected from across the divisions of Walker Industries, with all individuals having the same goal of developing their managerial skills as they grow in their careers. The layout of the program remained the same as the previous year, with 11 seminars focusing on business-related topics.

To ensure that the material covered in these seminars relates to how Walker Industries conducts business and runs its operations, Walker invited the instructors from Brock University for a tour of the Niagara Campus before the program began. Another improvement made to personalize the program toward the Walker business, was an in-house session scheduled for the cohort to attend and learn about Walker's 5-Year Strategic Plan. This allowed the participants to understand how the company strategizes and makes important decisions and enabled

them to link these learnings back to what was covered in the classroom. Lastly, a mentorship program was developed so participants of the program could share their learnings with their direct report and obtain advice on how they could apply what they had learned to their professional development.

With another successful group graduating from the program, a decision has been made to continue the program for another year, with the third cohort attending in January 2017.



Recognizing the Métis in Niagara

Each year, the Métis peoples of Niagara participate in the Welland Rose Festival Parade, the Louis Riel Day Celebration and the Encampment at Historic Fort George. Recently, they have also hosted dream-catcher and drum-making workshops to educate Niagara's youth in the rich history, culture, language and traditions of the Métis.

In June 2016, the Niagara Métis won the Best Cultural Float for the seventh year in a row at the Welland Rose Festival Parade. Walker Environmental has worked with the Niagara Métis for several years to help make this event a success. Walker provided a truck and trailer and made a donation to assist with the purchase and crafting of traditional regalia for the Niagara Region Métis Council. Walker's support assists the Council in their mission to unite the Métis people and

promote the historical values, culture, language and traditions of the Métis Nation.

"The Niagara Region Métis Council is very thankful to have a community partner like Walker Environmental. Over the last several years, Walker Environmental has helped our Council bring awareness of the Métis way of life and history to the citizens of the Niagara region," says Derrick Pont, President of the Niagara Region Métis Council.

Darren Fry, Project Director for Walker Environmental, added, "We're honoured to be able to support the Niagara Region Métis Council in sharing their rich traditions and culture of the Métis people. We look forward to learning more about the Métis history as we strengthen our relationship."



Caldwell First Nation Repatriation Pow Wow

The Caldwell First Nation celebrated their first ever Pow Wow in August 2016, inviting people from near and far to join in and celebrate the repatriation of their land in Leamington, Ontario.

The repatriation comes after the federal government approved a significant land claim settlement with the Caldwell First Nation back in 2010. With the funds, the Caldwell First Nation acquired approximately 200 acres of farmland in Leamington, Ontario, an area that was a part of their traditional territory.

Walker Industries was happy to be a part of such a memorable and celebratory day. Walker provided gravel to help shape the entrance into the Pow Wow site where people from all over Canada and the United States passed through. Walker also provided waste management solutions for the event, including garbage, recycling and compost services, with the goal of minimizing waste generated at the event. Contributing to the Caldwell First Nation's Pow Wow was a learning experience for our employees, and we gained knowledge that we can implement and build upon in the future.

We look forward to continuing our strong relationship with Caldwell First Nation and learning about their rich history and culture.

Experience Ontario

The Government of Ontario introduced Experience Ontario as a pilot program for a limited number of recent high school graduates who have an interest in attending post-secondary education or apprenticeship training, but are uncertain of their next steps. This is part of the provincial government's plan to support a highly skilled workforce.

The focus of the program is career exploration and involves a number of activities and components.

Each participant:

- Has a personal career coach to help the student develop a post-secondary education and career plan based on the individual's strengths and interests.
- Attends a conference to learn more about work habits, workplace safety, innovation, creativity and entrepreneurship.
- Has up to three paid, full-time work placements totaling up to nine months. These placements may be in sectors related to the student's career interests.
- Visits a nearby post-secondary education institution or apprenticeship training facility.
- Has the application fee to college, university or first-year college of trades membership fee for apprentices paid for through the program.

Participants benefit by:

- Identifying, exploring and refining career goals and making informed decisions about their future.
- Gaining sector-specific knowledge and/or technical skills that will assist them in their transition to apprenticeship training college or university.
- Further developing essential work habits and transferable skills.

Employers benefit through employees developing mentoring skills and by having motivated candidates for future employment upon the completion of post-secondary education or apprenticeship training.

For the second consecutive year, Walker partnered with Niagara College to partake in the Experience Ontario program. In October 2016, Nathan Wallace began his placement at Ridgemount Quarries in Fort Erie as a Heavy Duty Equipment Technician.

Participating in this program has allowed me to gain valuable work experience in different environments. I would like to eventually learn how to operate various types of heavy machinery. Working at Ridgemount will provide hands-on experience in the shop and as a loader operator.

Program participants also gain experience in the interviewing process and integration into an industry that interests them. Walker hopes to continue to participate in the Experience Ontario program and help students make informed career choices.



Partnering with Habitat for Humanity

In 2015 and 2016, Walker Industries partnered with Habitat for Humanity affiliates to help build stronger and prosperous communities. Habitat for Humanity Canada is a national non-profit organization working towards a world in which everyone has a safe and decent place to live.

The Walker family and Walker Industries donated \$200,000 to Habitat for Humanity, to be used to provide families in four regions of Ontario with safe, decent and affordable housing.

Habitats in Niagara, South Georgian Bay, Halton-Mississauga and Windsor-Essex each received \$50,000 to help hard-working, low-income families purchase their own homes. "The Walker family, the company and its employees are committed to making a difference in the communities where we do business," says Sheila Bonapace, one of the Walker Industries shareholders. "We continually look to find ways to improve the social and environmental conditions in these communities, and are so pleased to support Habitat for Humanity in helping families in need to purchase their own homes."

Walker's gift to Habitat Niagara was used to financially support a program to provide hands-on construction education for more

than 70 students in the Construction Technology and Renovation Techniques programs at Niagara College. The students built a modular home on campus and assembled it in Welland. Walker employees also volunteered their time to help frame two homes in St. Catharines and to participate in the Women Build Welland program.

In South Georgian Bay, the donation assisted Habitat for Humanity to build two homes instead of the one planned. Walker also supports the local Habitat for Humanity organization in other ways, including donating to and participating in their annual golf tournament.

In Halton-Mississauga, the donated funds were directed towards the construction of 13 town homes in Burlington, with Walker employees participating in the building process.

Habitat Windsor-Essex was able to purchase and service land in Windsor to allow the organization to build its 60th home. Employees will participate in the construction of a future home in the area, and aggregates will be provided by Walker Aggregates for the homes constructed by Habitat Windsor-Essex.



Walker Environmental – A Winner at the 2016 Brownie Awards

Each year, the Canadian Brownfields Network present Brownie Awards to the top builders, innovators and visionaries who have revitalized communities across Canada with their brownfield rehabilitation projects.

On November 29, 2016, the winners of the 17th annual Brownie Awards were announced at a gala held at the Delta Toronto Hotel. Out of thirty nominations received, Walker Environmental and the City of Welland earned one of the ten awards handed out at the event.

More than 120 brownfield industry professionals attended the event. The awards have six categories: reprogram, remediate, re-invest, rebuild, renew and reach out. Walker Environmental was the winning nomination in the reinvest category and a finalist in the remediate category for its partnership with the Corporation of the City of Welland and their Atlas Landfill Remediation project in Welland, Ontario.

The two groups worked to implement a unique approach to manage risks associated with an abandoned industrial landfill in the City of Welland. The model, developed by Walker Environmental, remediated the site and brought it into compliance with modern standards and re-opened it as a depository for solid, non-hazardous contaminated soils from brownfield sites and other large developments. This business model turned an environmental liability into a revenue source for both Walker and the City of Welland. Upon closure, the site will be returned

to the City of Welland to use as an area for public passive recreational use.

Mike Watt, Executive Vice-President of Walker Environmental, said, "I am extremely proud to have been part of something that took an environmental liability and turned it into a municipal and private sector asset. Truly a great example of what happens when government and business work together."

"We at the city are extremely excited that our partnership with Walker has resulted in a Brownie award. The partnership shows how a tremendous company and a proactive community can make things happen. An

environmental liability has now transpired into a win-win situation, creating unique opportunities for our municipality that otherwise would not have happened without the revenues generated from this site. Thank you to the Walker team," said Dan Degazio, Director of Economic Development with the Corporation of the City of Welland.

Walker Environmental looks forward to continuing the positive relationship they have with the City of Welland throughout the remaining phases of this project, and long after the project is completed.



Hotel Dieu Sold to Seasons Retirement Communities

In the spring of 2016, Walker Industries in partnership with Mountainview Homes sold the former Hotel Dieu Hospital site in St. Catharines, Ontario, to Seasons Retirement Communities.

Mountainview and Walker initially purchased the site in 2006 from the Niagara Health System. The two companies originally intended to work together to develop a mixed-use residential area, but eventually Walker and Mountainview shifted their sights to selling to developers interested in building senior-focused housing.

A number of interested developers looked at adaptive re-use of the existing hospital building, but the interior layout didn't lend itself well to developers' projects, and it was not financially viable. For this reason, Seasons has demolished the old hospital and has begun the construction of the housing redevelopment.



"It's a fabulous location," Mike Watt, Executive Vice-President of Walker Environmental, said. "A lot of amenities are within walking distance, and from a health care perspective, the new hospital is very close by. There's the whole downtown resurgence and the redevelopment going on. We all saw the opportunity that having that kind of housing downtown would have."

Watt went on to say, "The whole venture would not have been possible without assistance from the City of St. Catharines through their Tax Incremental Financing program. It has truly been a win-win for everyone." The program offers property tax relief on future assessments to assist in covering the environmental remediation and demolition costs.

The senior-focused community will provide a full spectrum of care options from independent living to assisted living, including memory care. The site will feature independent townhouses, a seniors' apartment building and an apartment complex, all within walking distance of downtown. The project will create a significant number of construction jobs and will ultimately produce up to 100 full- and part-time skilled jobs to support our retirement community residents.

OneFoundation – The Kids Ultimate Challenge

In 2016, Walker Industries sponsored and participated in the Kids Ultimate Challenge through OneFoundation for Niagara Health System. This challenge is a non-competitive 1-km obstacle course for children ages 4 – 13 years who are looking for a unique experience. The course is designed to test each child's level of endurance, stamina, strength and agility while encouraging teamwork and community spirit. The Kids Ultimate Challenge is an event unique to Niagara, raising money for children's health with the help of kids.

This highly anticipated family day is packed with kid-friendly activities and provides an opportunity for children to participate in an event that not only promotes healthy living but also gives them the chance to support a cause that ensures the youngest patients in the region have access to vital patient care equipment.

Since its inaugural event in 2013, the event has raised over \$76,000 for the Children's Health Unit.



2016 Ontario Stone, Sand & Gravel Association Awards

In February 2017, Walker Aggregates was honoured with five prestigious industry achievement awards from the Ontario Stone, Sand & Gravel Association (OSSGA). The awards were presented at the OSSGA 2017 Annual Conference in Ottawa.

Walker Brothers Quarries and Vineland Quarries, located in the Niagara region each received a Community Relations award. Walker's McGregor Quarry, located in the Town of Amherstburg, was presented with three awards: Community Relations, Progressive Rehabilitation and Property Enhancement. The Progressive Rehabilitation Award recognizes ongoing efforts of individual operators in rehabilitating their sites in accordance with their site plans.

The Property Enhancement Award recognizes operational best practices under seven categories: the site's entrance, approach and perimeter screening; the office and scalehouse areas; employee areas; plant appearance; environmental controls; truck and mobile equipment; and communicative signage. For each category, proponents must demonstrate and prove they met all the criteria and have exceeded industry practices to be eligible for a gold bar rating. The McGregor Quarry received a gold bar for each of the above requirements, which is a testament to the hard work and dedication of the employees, as it usually takes years to achieve this standard.

"I'm extremely honoured to be receiving these awards on behalf of the employees of these three quarries," says Walker Aggregates Executive Vice-President, Ken Lucyshyn. "Our employees host neighbourhood events, support community charities, ensure the property is clean and environmentally safe, and work to rehabilitate the mined-out areas of the quarries. I'm very proud of the work they do."

"We encourage our members to be sound stewards of the lands on which they operate, and to be engaged and valued members of their community," said Norm Cheesman, Executive Director of the OSSGA. "All of the award winners have met and exceeded those expectations."

The OSSGA is a non-profit industry association representing more than 280 sand, gravel and crushed stone producers and suppliers of valuable industry products and services. Collectively, the members produce the majority of the approximately 164 million tonnes of aggregate consumed annually in the province to build and maintain Ontario's infrastructure. The OSSGA works in partnership with the government and the public to promote a safe and competitive aggregate industry, contributing to the creation of strong communities in the province.



Walker Aggregates Makes the First Gift to Renovate Collingwood General & Marine Hospital's Emergency Department

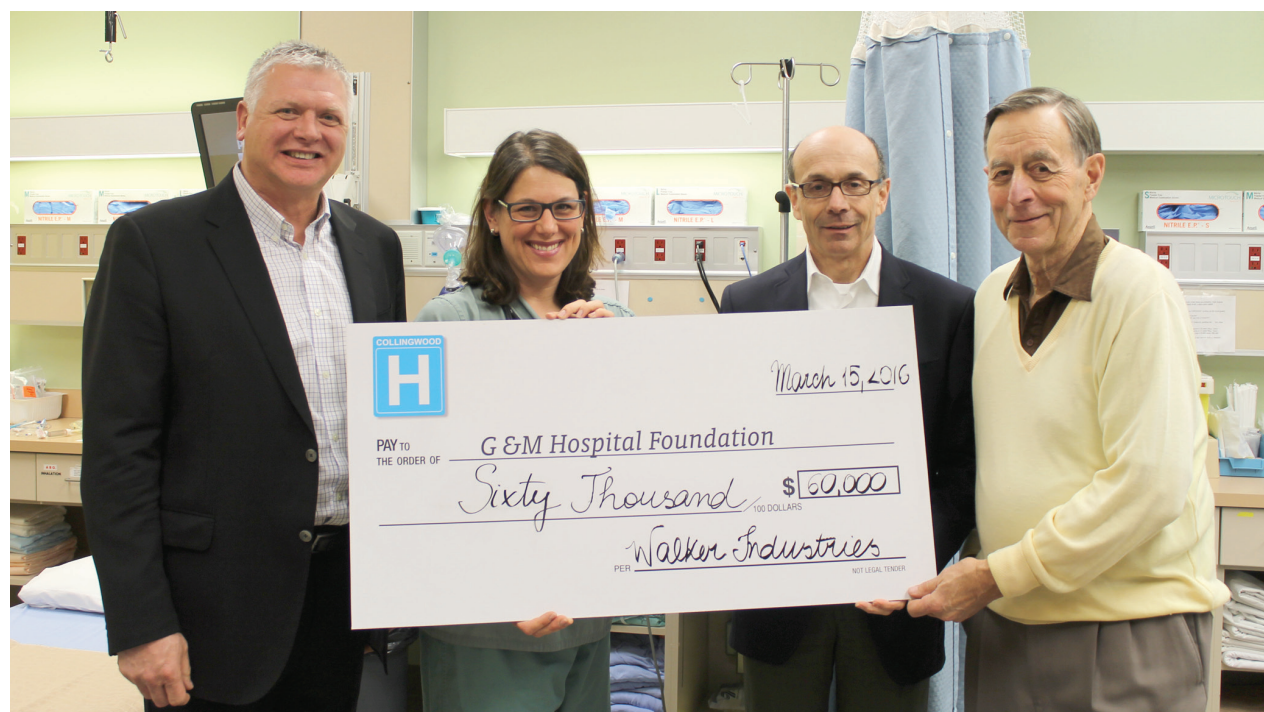
Walker Aggregates contributed the first gift to kick off a renovation designed to improve the efficiency and maximize the space in the Emergency Department at the Collingwood General & Marine Hospital (CGMH). The company has committed \$60,000 towards the \$1 million Emergency Department Renovation Campaign.

The demand for emergency medical treatment in Collingwood has grown exponentially over the past 10 years, yet the Emergency Department has remained the same in size and layout since 1999. Although a re-development project is part of future plans, there is a need to invest in the current facility.

Dr. Kylie Bosman, the Chief of the Emergency Department, explains that the most efficient solution is to renovate the department to better utilize space and to best meet the community's medical needs. "Almost 350,000 patients will be treated in our Emergency Department over the next 10 years. We are grateful to Walker Aggregates for its vision in recognizing the importance of initiating this project. It certainly is a forward-thinking company, and we are very fortunate to have the support of this organization as a hospital and as a community."

According to Walker Aggregates Executive Vice-President, Ken Lucyshyn, the company's donation was prompted by the concern for people in and around the Collingwood area to have access to quality local health care. "After a tour of the Emergency Department, we knew right away that investing in this project would ensure that our community has access to the best medical care when they need it most urgently," he said.

Hospital Foundation Board Chair, Ernie Purkis extended a sincere thank you to Walker Aggregates on behalf of the Hospital Foundation's Board of Directors. "We appreciate that the people of Walker Aggregates have been investing in the right tools at our Hospital for the past 20 years. Your support continues to be outstanding and our hospital is able to evolve to meet the demands of our community because of you."



Walker's Week of Giving

In October 2016, 104 Walker Environmental employees from eight offices across Canada took part in the division's annual strategic campaign. Employees formed 11 teams and competed against each other in a fun-filled week of giving back, demonstrating just how much of a difference a week of good deeds can make. The campaign became known as Walker's Week of Giving.

Throughout the week, all of the teams were strongly encouraged to do more than just make monetary donations. The campaign was a great success, with employees volunteering hundreds of hours at non-profit organizations in addition to making significant monetary contributions.

The employees of Walker Environmental gave back to a wide range of initiatives including community organizations, environmental efforts, education and awareness campaigns and much more. One team spent a day cleaning up the Heartland Forest in Niagara Falls, Ontario. Another team handed out flowers with encouraging notes to cancer patients. Many teams also donated to a variety of non-profit organizations including the Humane Society, Project SHARE, women's shelters and local food drives. In total, Walker Environmental employees spent 453 hours giving back to local organizations and causes over the week-long campaign.



Walker's Week of Giving, continued

The winners of the challenge were the members of team Super Seven, consisting of Shawn Jordan, Taylor Glover, Kate Fahey, Kelly Goulding, Val Wiebe, Mike McGarragan and Patti Bosco. The team received gold-medal status for knitting hats for premature babies in hospitals, taking their dogs to visit a local retirement home, donating clothes to Community Care, giving blood and volunteering at a local soup kitchen. Today, team Super Seven keeps their philanthropic spirit alive by continuing to volunteer at the soup kitchen once a week. As the winners, the team had the opportunity to donate \$500 to the charity of their choice. They chose the Niagara Falls Community Outreach Centre and presented the centre with the cheque in December.



Community

- 730 mouths fed at community programs
- 470 pounds of food donated
- 550 boxes of food sorted
- 77 bags of clothing donated
- 35 household items donated



Acts of Kindness

- 111 letters sent to peers, volunteers, first responders and armed forces
- 121 flowers gifted
- 72 baked goods delivered
- 50 Tim Horton's orders on us
- 30 neighbourly acts



Education & Awareness

- 4 acts to raise awareness for health support campaigns
- 56 books donated
- 120 children read to
- 30 gestures to brighten the days of patients, students and staff
- Blood donations to save 60 lives



Environment

- 19 yards cleaned
- 2 trees planted
- 5 recycling initiatives
- 1 EARTH 1st lesson taught



Career Guidance for High School Students

On October 5, 2016, Walker Aggregates in conjunction with the Heavy Construction Association of Regional Niagara (HCARN) hosted over 80 high school students for the Ontario Construction Careers Alliance's (OCCA) Construction Day.

Organized by HCARN, OCCA and the Niagara Catholic District School Board, students toured various job sites, one of which was Walker Brothers Quarries in Thorold. While at the quarry, students were able to witness a blast and speak to employees about their jobs.

"We are proud to participate in this event and to contribute to the education of today's students, who will be tomorrow's workers," said Shea Gordon, Walker Aggregates Sales Manager and HCARN representative.

Brad Brewster, General Manager of NPL Canada-Niagara Region and HCARN member responsible for organizing the event, said, "I'd like to give a special thanks to Walker Aggregates, Beam Excavating, Rankin Construction and O'Hara Excavating, who were all a big part in giving the students an up-close look at our industry."

After the tours, students gathered at Walker Industries' head office, where Jessica Steffler of the OCCA spoke to them about career options and also gave students a chance to try their hand at operating an excavator using a simulator.

"Construction Day allows students to connect with local employers and learn about the endless careers in the construction industry, a field often overlooked that provides a great career opportunity, pride in the work, as well as a financial reward," said Steffler.

With a skilled labour shortage affecting Canada's construction industry, the OCCA is hoping to resolve the problem by reaching out to high school students across Ontario with the goal of educating them about the many construction career opportunities available.



Students Gain Valuable Insight Through Quarry Tour

Sixty-five Grade-9 students of Sir Winston Churchill Secondary School in St. Catharines, Ontario, had the opportunity to tour the Walker Brothers Quarries site on May 17, 2016.

Paul Witterick, a geography teacher at the high school, and his colleagues had just completed a unit on rock formations, minerals and uses for stone with their classes and wanted to bring the students to the quarry to get a first-hand look.

"The students have been studying natural resource-based industries and to have an opportunity to visit

the quarry and speak directly to the employees demonstrated the practical realities of these industrial activities," said Witterick.

Mark Harmsworth, Quarry Superintendent for Walker Aggregates, arranged the tour. "Walker believes in a commitment to our community, the environment and to tomorrow's generations. We are always happy to help when it comes to educating the next generation," said Harmsworth.

While at the quarry, students learned about Walker's environmental programs, safety requirements for quarrying stone and also gained insight into how the stone itself is extracted and how it can be used within the community.

Students were impressed by the size of the operations and were surprised to learn just how much went into "making rocks."



Walker Aggregates – Where the Stone Goes

There are many uses for aggregates that people may not be aware of, including toothpaste, cosmetics and glassware, but the most impactful uses for aggregates are in our communities.

In 2016, Walker Aggregates contributed stone through our Niagara, Simcoe and Essex locations to several community projects.

Within the Niagara Region:

- Approximately 6,000 tonnes of dolomitic lime from the Walker Brothers Quarries and 15,000 tonnes of dolomitic and calcitic lime from Vineland Quarries are used by farmers in and around the Niagara region each year. Lime is used as a natural soil supplement, and both types of lime neutralize acidic soils. Dolomitic lime provides additional magnesium and calcium for plant uptake, while calcitic lime provides calcium but almost no magnesium.
- Stone extracted from the Ridgemount Quarries was used in the construction of the new Greater Fort Erie Secondary School on Garrison Road. Some 60,000 tonnes of gravel were used for the school footprint, to backfill the foundation walls and for the construction of roadways and parking areas of the site.
- Some 26,000 tonnes of stone from Walker Brothers Quarries were used in a construction project to refurbish the reservoir at the Sir Adam Beck Hydroelectric Generating Stations in Niagara Falls. The reservoir is the largest in Canada and can hold the equivalent of

8,000 Olympic-sized swimming pools of water. It is used by Ontario Power Generation to pump in and store water during off-peak periods, and later drained to generate hydroelectric power when demand is high.

- Approximately 40,000 tonnes of stone from the Ridgemount Quarries were used for the reconstruction of Catherine Street in Fort Erie, between Niagara Boulevard and Concession Road. The work included replacing the watermain and sanitary and storm sewers and rebuilding the roadway.
- Approximately 60,000 tonnes of stone from Vineland Quarries were used for the Lakeshore Road reconstruction in St. Catharines between Walker's Creek and O'Mara Drive and between Lake Street and Geneva Street. The work included replacing the watermain, sanitary and storm sewers, and rebuilding the road, curbs and sidewalks.



Walker Aggregates - Where the Stone Goes, continued

Within Simcoe County:

- Approximately 140,000 metric tonnes of limestone fill from the Duntroon Quarry were used in the site preparation for Collingwood's Balmoral Village subdivision on Harbour Street, just off Highway 26.
- More than 4,000 tonnes of sand fill from Anten Mills Pit have been used to replace contaminated soil on the property of a former gas station on Hume Street in Collingwood, in preparation for the site to be used for a new purpose.
- Approximately 15,000 tonnes of aggregate from the expanded Duntroon Quarry have been used for recent road reconstruction projects in Collingwood on portions of East, West, Fourth and Niagara Streets. The work has included installing or replacing sanitary and storm sewer watermains, as well as rebuilding the roads.
- Approximately 30,000 tonnes of stone from the Severn Quarry were used for road improvements along Mapleview Drive East in Barrie, between Huronia Road and Country Lane. The construction project includes widening the road and installing new sewer lines and watermains.



Within Essex County:

- Approximately 3,500 tonnes of stone from the McGregor Quarry have been shipped by barge to Pelee Island, Ontario. The stone was used to create base pads for the installation of hydroelectric generators on the island.
- More than 10,000 tonnes of stone from the McGregor Quarry were used in the construction of the building foundation and parking lot for the new Windsor Audi Dealership on Tecumseh Road East.



Walker Environmental Woodbridge Receives Token of Appreciation from Local Women's Shelter

In January 2017, the Walker Environmental Woodbridge location received a token of appreciation for their contributions to the Empowerment Through Achievement (ETA) Vaughan Women's Shelter.

The ETA Vaughan Women's Shelter is a non-profit organization that provides emergency shelter, counselling and support to women, youth and children from all demographics. The shelter provides emergency care to many women and children fleeing abuse and offers a safe and comfortable residential environment for families to access resources and support.

In October 2016, the Woodbridge location participated in a division-wide week of giving as part of their Walker Gives Back campaign. During this week, all Walker Environmental locations were encouraged to support important philanthropic initiatives in their communities. Many locations participated by volunteering and donating to local non-profit organizations.



Through this campaign, the Woodbridge team connected with the ETA Vaughan Women's Shelter in one of their efforts to give back to the community. The team was able to provide them with much-needed items to support the families currently living in the shelter.

Walker Assists in Relocating a Community Landmark

Following hospital restructuring, Walker Environmental partnered with Mountainview Homes to purchase the Hotel Dieu Hospital site in St. Catharines, Ontario in 2006. When the Hotel Dieu Hospital was closed, the Religious Hospitallers of St. Joseph assumed governance and management of the Shaver Hospital and Niagara Rehab Centre, also in St. Catharines – now named Hotel Dieu Shaver Health and Rehabilitation Centre. The Sisters and the St. Catharines community requested that the Statue of St. Joseph, a sculpture that had stood guard over the Hotel Dieu Hospital since 1952, be brought to the rehabilitation centre.

In October 2016, Walker Environmental and Mountainview Homes combined efforts to safely transport this important community landmark to its new home in St. Catharines, Ontario.



Coincidentally, while the statue was being transported, Rankin Construction was on a tour at Hotel Dieu Shaver. When asked about the best way to install the sculpture, Rankin Construction offered their time and resources to pour the concrete and fasten the sculpture to its new location. The efforts put forth by Walker Environmental, Mountainview Homes and Rankin Construction demonstrated three companies coming together to help secure and protect a key monument in the community.

Walker Industries Offers Location for Emergency Services Training

The Niagara Regional Police Emergency Services Unit consists of several diverse and critically important divisions. These include the Marine Unit, Underwater Search and Recovery Unit, Canine Unit, Emergency Task Unit, and the Special Enforcement Unit.

Each of these units offers specialized skill sets in support of front-line officers and day-to-day policing activities, thereby contributing to the safety of our communities.

Walker Industries has extended the opportunity for the Emergency Services Unit to use our vacant rental property for training purposes prior to its demolition. Most recently, the Emergency Task and Canine Units conducted training at one of our properties in Niagara Falls.

The Emergency Task Unit/Explosives Disposal Unit are trained under the Hostage Rescue Team provincial standard. They can undertake any call dealing with armed or barricaded persons and hostage rescue. Additionally, they deal with high-risk escorts, ground searches, search and rescue, and dynamic entry search warrants.

The Niagara Regional Police has one of the premier canine units in North America. The teams are capable of general patrol, building searches, search and rescue, and explosive and narcotics detection and tracking. The German

Shepherds and Belgian Malanois dogs use their highly refined sense of smell to identify and locate subjects on most types of terrain.

The Emergency Services Unit often reaches out to the public to secure use of a variety of vacant properties for training. One of the benefits to using different locations is to give the trainees the opportunity to practice breaching a building never used before.

Each building and its surrounding environment allow for a unique training experience.



Parkinson's SuperWalk

In Canada, more than 25 people are diagnosed with Parkinson's disease each day. To raise funds to find a cure for this debilitating disease, Parkinson's Canada created the Parkinson's SuperWalk. Since its inception in 1990, participants have signed up to support the 5-K fundraiser. Today, people take part in the SuperWalk all across Canada.

In September 2016, Walker Industries registered a team and took part in the fundraiser for the first time. Starting from the Grantham Lions Club in St. Catharines, 17 Walker employees walked the 5-K course and raised an impressive total of just over \$15,000, making them the top fundraising team in Ontario.

In addition to receiving corporate sponsorship from generous companies like L. Walter & Sons Excavating Ltd., the team organized many desirable raffle prizes, donated by local businesses, for employees to win. To wrap up the SuperWalk fundraising initiatives, the team hosted an employee BBQ that offered an array of homemade salads and treats.

Walker Industries was happy to contribute to such an important fundraiser and looks forward to participating in the SuperWalk again in the future.



Severn Quarry Receives Award from OATA

In December 2016, Severn Quarry was honoured with an award from the Ontario Aggregate Trucking Association (OATA). Severn was ranked the number one quarry in Ontario for achieving outstanding performance in overall service. The winner was chosen through a survey conducted by the OATA and its members. Quarries were rated on loading, scales and overall service. Approximately 500 driver members participated in the survey. The Director of the OATA, Mr. Ajitpal Singh Bhathal, visited Severn Quarry personally to present the award to Roger McGillvray, Deb Hales, Cassandra Stuart and Lacey Moore.

Members of the OATA recognized Severn Quarry for their outstanding efficiency. Employees consistently load trucks safely and accurately and get the drivers back on the road quickly with no time wasted and no delays at the scalehouse. Thanks to the loader and scalehouse operators, the quarry scored highest on service.

The site itself exemplifies company pride. Employees have been commended in the past for going the extra mile in their day-to-day operational tasks. The site is clean, safe, organized, functional and well maintained. Rob Fyles, General Manager of our Simcoe County operations, considers this to be an outstanding achievement and is very proud of all Severn employees.



Walker Emulsions Helps Boost Non-Profits in South Carolina

Walker Emulsions recently contributed \$30,000 over the next two years to the Community Foundation for Orangeburg and Calhoun Counties in South Carolina. The Community Foundation builds endowment funds and makes grants to local non-profits.

Walker Emulsions opened a plant in Orangeburg in the fall of 2014 to better service new and existing customers in the Southeastern United States.

Walker Industries President and CEO, John Fisher, and Walker Emulsions Executive Vice-President, Archie Reynolds, travelled from Niagara to make the presentation at an event organized to celebrate the success of local non-profits.

Archie Reynolds stated, "This contribution to the Orangeburg and Calhoun Community reflects a long-standing corporate value of Walker Industries in giving back to our communities, helping to improve the quality of life for all."

"We are extremely grateful for the gift from Walker Emulsions," said Chris Worley, Chair of the Community Foundation for Orangeburg and Calhoun Counties Advisory Board. "This generous gift will help strengthen our community and is an example for others to follow."



You must be the change you wish to see in the world.
Mahatma Gandhi

ENVIRONMENTAL



We grow and inspire outstanding environmental performers.

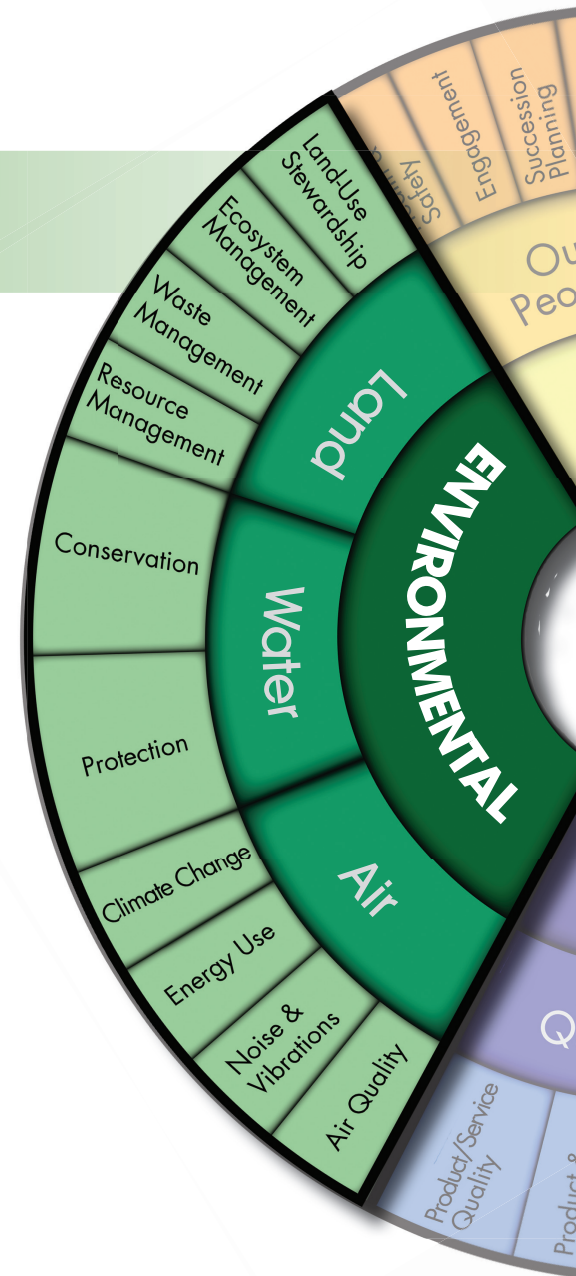
Our EARTH 1st program provides a clear, concise, positive message that is embraced by our employees. EARTH 1st acknowledges that, as a company and as individuals, we are part of the environment.

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.

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



We are the environment!
 commit ■ create ■ participate



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 towards 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

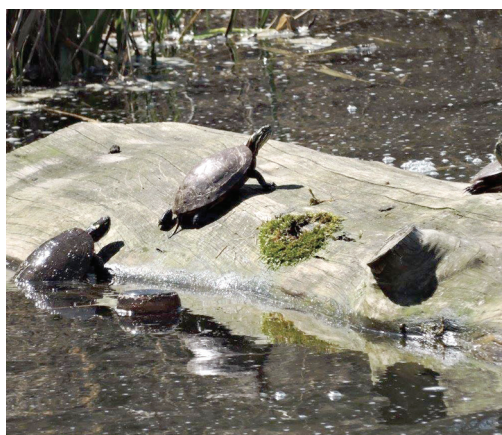
Successful planning considers preventive measures, creates the best solutions and usually solves more than one problem. This is key!

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.



Niagara College BioBlitz

In April 2016, Walker Industries was proud to sponsor and participate in the first-ever BioBlitz at Niagara College's Niagara-on-the-Lake campus. For 12 straight hours, students, professors, volunteers and naturalists worked together to conduct an intensive field study attempting to record all of the living species within a designated area.

"From the plants on the ground to the birds in the air, all living species and creatures were part of the count," said Brenna Thompson, a post-graduate student in the Environmental Management Assessment program and one of the organizers of the event.

The goal was to catalogue as much as possible. Although the survey is relatively new, similar blitzes are happening all across the Province of Ontario.

As individuals and as a company, we depend upon the balance of nature's cycles and the resources that nature provides. Every action that we take to create a healthy environment is a step towards a healthy self and a sustainable company.



Community Sustainability Initiatives

As part of our commitment to the communities we operate in and our continued support of the environment, Walker Industries and our partner organizations are working to make our communities more sustainable.

Operating as a network of nonprofit organizations throughout Ontario, Sustainability CoLab

supports businesses to become more environmentally responsible and sustainable. They offer a variety of target-based sustainability programs to help companies understand their environmental impacts and to provide resources to increase engagement and report progress year after year. Due to our diverse range of activities across Ontario, we are involved with three organizations from different jurisdictions:

Niagara Sustainability Initiative, Sustainable Hamilton Burlington and Rethink Green. Partnering with these local organizations allows Walker to create relationships with other businesses in the community that may not be within the same industry, as well as work towards a common goal of sustainability.

Niagara Sustainability Initiative

Niagara Sustainability Initiative is a Niagara-based non-profit organization that supports businesses in their efforts to measure, understand and work to reduce their carbon footprint through their Carbon Project program. Walker has a long-standing relationship with the organization as an advanced member and original partner since 2011. Through the membership, we report our carbon emissions for our facilities within the Niagara Region. The Niagara Sustainability Initiative recognized Walker as the most engaged member in 2013 for our sustainability efforts both within our organization and around the community. Walker employees throughout the company participate in and volunteer at their events, as well as represent Walker at workshops and keynote speaker events. In November 2016, Darren Fry, Project Director, Walker Environmental, spoke at the *No Time to Waste* speaker series, which provided members with information and updates related to the new waste regulations in Ontario.



Sustainable Hamilton Burlington

Our Walker Emulsions – Burlington facility is part of the Sustainable Hamilton Burlington network and is a Gold Level member of the Sustainable Business Initiative program. Walker Emulsions prepares an annual sustainability report based on the *G4 Sustainability Reporting Guidelines* from the Global Reporting Initiative. Industry representatives review the reports and provide valuable feedback for improvement.

The *2016 Sustainability Report* for Walker Emulsions – Burlington reported on the areas of our business that align with the Social, Economic, and Environmental (SEE) model. The Burlington facility has been involved with Sustainable Hamilton Burlington since 2014 and has received recognition for implementing initiatives that offer true bottom-line benefits, addressing all aspects of our SEE model. Sustainable Hamilton Burlington provides services and workshops for its members, such as carbon accounting training and an experiential learning program in which businesses work with students in environmental or engineering fields to tackle sustainability issues. Walker Emulsions – Burlington looks forward to its continued involvement with this program.



Rethink Green – Green Economy North

Rethink Green is the newest nonprofit to join Sustainability CoLab. N-Viro Sudbury partnered with Rethink Green in 2016 to participate in their Green Economy North program. The program supports members in their efforts to measure, manage and reduce carbon emissions. Through their Carbon Accounting Tool, N-Viro Sudbury established a 2016 baseline and will continue to measure and report their carbon emissions. Similar to the other organizations, Rethink Green holds workshops for their members. In November 2016, representatives of N-Viro Sudbury attended a business forum, which provided members with tools to engage sustainability teams within a business.



Walker Aggregates - Supporting Pollinator Health

Pollinators, such as bees, butterflies, wasps, flies, beetles and hummingbirds, are crucial contributors to ecosystem health and diversity. Pollination supports wildlife, creates healthy watersheds and stimulates plant and tree development. Over 75% of flowering plants need pollination to survive, with an additional 35% of crop production worldwide relying on pollination.

Many of Walker Aggregates' sites help to support pollinators by maintaining forests and marginal lands and working with local beekeepers to host hives. Having a location to house bees for the winter and early spring is critical to the success of beekeeping.

Tim Greer of Lilley Bee Apiaries said, "With the many challenges that the bees face these days, such as reduced areas to forage on nectar bearing plants, insecticide pressures, parasitic

mites, etc., a sheltered site to ease the harshness of the winter winds is essential to their survival.

"Walker Aggregates' willingness to not only host the beehives but to see to the proper management of their forests and marginal land goes a long way towards helping the bees. The variety of plants yielding pollen (the bee's protein) is a big boost in the spring build-up of colony strength.

"We greatly value the longstanding relationship we have had with the quarry site and can't thank you enough for providing an environment to safely grow our bees."

Walker currently hosts beehives at four of their quarry sites, one of which is the Walker Aggregates Vineland Quarry, where Tim Greer is housing beehives.



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

Land Use	2014	2015	2016
Total Farmed Land	770	733	760
Total Conservation Land	168	168	168
Total Managed Forest	103	102	102
Total	1,041	1,003	1,030

Climate Management Program

In 2016, we developed a Climate Management Program with the intention of taking action to mitigate our impacts on the climate, adapt practices to address climate-related changes, and develop resilience to grow the company in a climate-altered world. The program considered relationships between people, operations, markets, and climate from a company-wide as well as divisional and site perspectives. By implementing principles from our sustainability model, we demonstrated a commitment to continually improving operations to minimize risk and maximize opportunities from climate change. The program embraced our multigenerational approach to planning and managing business in a sustainable manner — social, environmental and economic.

We started by developing Climate Management Plans for Walker Brothers Quarries, Walker Emulsions – Portland and Walker Environmental Compost Site. Employee volunteers from each of the sites, along with representatives from the

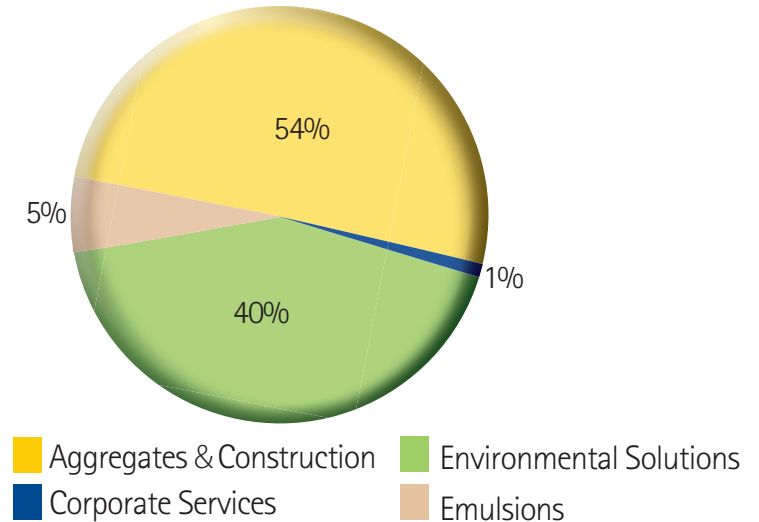
Environmental Performance, Health and Safety, Finance and Sales departments conducted brainstorming sessions and risk assessments to determine site-specific aspects and impacts. The assessments identified a series of opportunities and actions on site-specific, divisional and corporate bases.

With resources from the Environmental Performance Department, such as climate and weather predictions, jurisdictional incentive programs and legislation updates, action plans can be developed and carried out to ensure the sites are resilient and able to withstand the effects of climate change. The plans will serve as templates for other sites within their respective divisions moving forward in 2017. Once all of the sites establish Climate Management Plans, we will have a greater understanding of the opportunities and risks we face as a result of climate change and be better prepared to continue to grow.

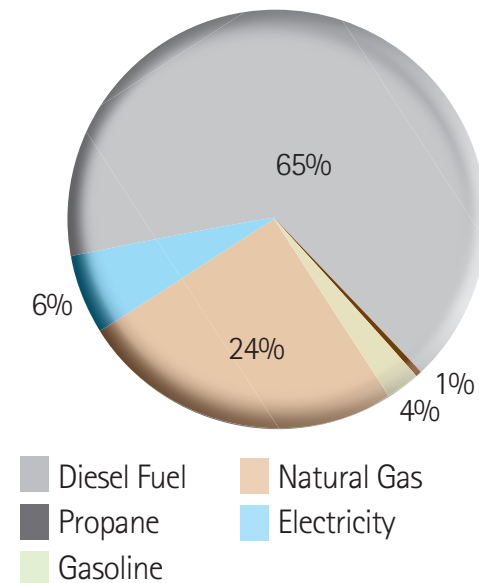


Carbon Footprint Total Emissions: 37,448 tonnes CO₂e*

Breakdown by Division



Breakdown by Source



* does not include Orillia Pits

Vineland Asphalt

Vineland Asphalt, located in Vineland, Ontario, provides asphalt to both municipal and private sector markets. The geographical location of the plant gives us the ability to satisfy asphalt demands in Vineland as well as other local markets including Beamsville, Welland, Grimsby, Stoney Creek, Smithville and Binbrook.

The asphalt plant uses natural gas as their main energy source. A portion of the natural gas is used in the drying process for the aggregate stockpile to ensure that all of the moisture has been removed. This is important because the binding material may not properly adhere to the aggregate if there is moisture coating it.

In 2016, new stockpile management solutions were implemented to help reduce the moisture

content of the aggregates prior to the drying process. By increasing the volume of the stockpile and improving the drainage through efficient floor grading, Vineland Asphalt was able to rotate their stockpiles more often and make use of the sun and wind to dry surface moisture. Plant efficiencies increased even further due to the higher temperatures and dryer weather of 2016.

By making use of the natural environment, Vineland Asphalt was able to make great strides in reducing their carbon footprint. Compared to their baseline year of 2014, the plant decreased total emissions by 22%, with emissions from natural gas being reduced by 21.5%. This resulted in a reduction of over 550 tonnes of carbon dioxide equivalent.

Notable Carbon Reductions from 2016

Niagara Biosolids: 55% Reduction

- Replaced old inefficient space heater with a newer, more efficient model
- Installed high-efficiency lighting throughout most of the plant and storage building
- Continued reduction from dryer bypass installation

Walker Brothers Asphalt: 29% Reduction

- Made repairs to the site's burner, which increased its efficiency and reduced natural gas consumption

Electricity Exported to Grid (kWh)

SOURCE	2014	2015	2016
WEG Landfills, Niagara Falls	6,980,195	7,440,632	7,545,016
Partnership Landfills	84,836,451	88,345,610	90,695,162
Organic Resource	8,662,779	11,851,186	13,493,614
Total	100,479,425	107,637,428	111,733,792

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, condition the gas and supply it for direct use at a local paper mill. We also produce electricity by using the landfill gas to run an internal combustion reciprocating engine. In 2016, we collected and processed 463,707 Gigajoules of landfill gas for direct use and electrical generation.

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 2016 Water Footprint: 4,967,471 (m³)

Summary	Blue Water (m ³)	Green Water (m ³)
Aggregates & Construction*	3,856,574	730,821
Emulsions	46,691	0
Environmental Solutions **	94,624	238,416
Corporate Services	345	0
Totals	3,998,234	969,237

* not including Orillia Pits

** not including N-Viro and Ottawa operations

Notable Reductions from 2016

Niagara Compost Facility: 38% Reduction

- Decreased precipitation resulted in a lower amount of water usage
- Increased use of stormwater pond to lower dust suppression water usage

Walker Environmental Office & Woodington: 21% Reduction

- Significant reduction in dust suppression
- Installed low flow urinals, toilets, and auto flow sinks in the Walker Environmental office washrooms to reduce water usage

Walker Emulsions – Orangeburg: 10% Reduction

- Reduced the amount of city water used and increased chiller water that is reused



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—that is what we stand for.

The 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 customer and suppliers are key partners in our economic success.

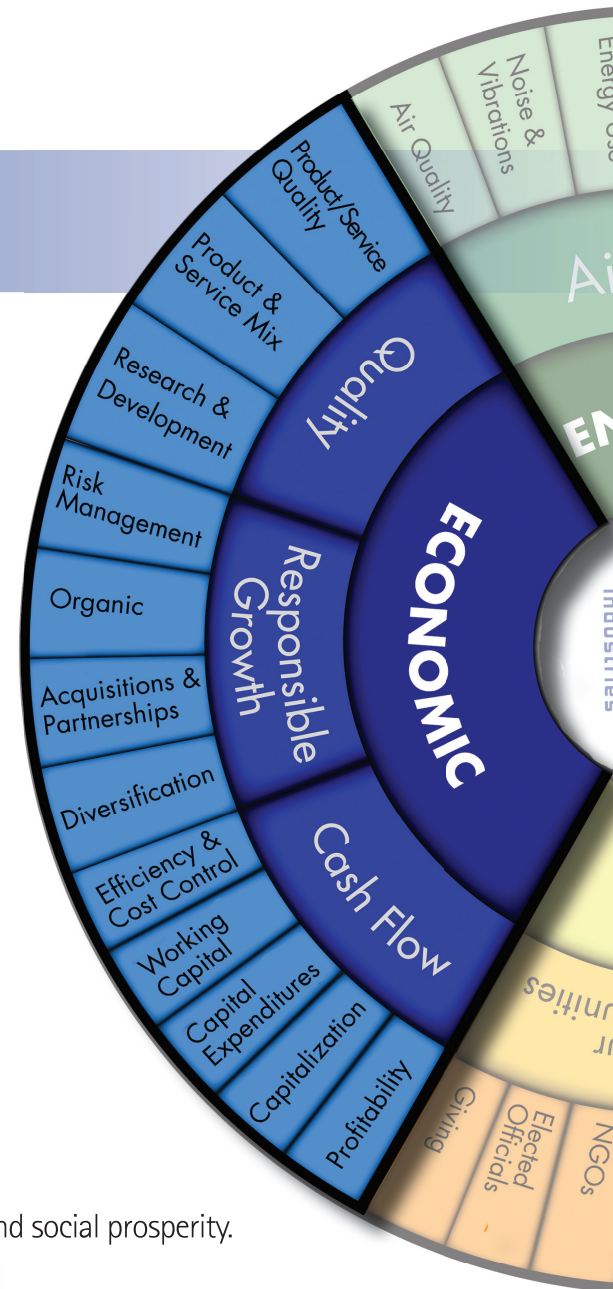


25% Revenue from Sustainable Products and Services

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

9% Revenue from Innovative Products and Services

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



Purchase of Stewart Group of Companies

In December 2016, Walker Aggregates expanded its Simcoe operations with the addition of four sand and gravel pits. The pits, located in Orillia, Ontario, were included in the assets purchased from the Stewart Group of Companies (GH Stewart Construction Inc. and Stewart Carriers Ltd.), along with the trucking operations of the group, which have since been sold to Duivenvoorden Haulage in Innisfil, Ontario.

Along with this new acquisition, we have also welcomed 12 Stewart aggregate and construction

employees into the Walker family. Some of these employees have been with the company for over 30 years. Walker's core values and family spirit have made the transition smooth for all involved.

The addition of the Orillia Pits to Walker Aggregates ensures that we can provide a continued supply of aggregates to our customers involved in construction projects that contribute to the growth and economic well-being of the communities in which we operate. With nearly 600 acres of operating land added to our portfolio, the Orilla Pits

enable us to serve more customers in Simcoe County.

With the new sand and gravel pits, we are also able to enhance the supply of products and services we offer, including the ability to accept reclaimed asphalt and concrete to crush and recycle these materials back into new projects. We are pleased to say that two of the newly acquired sand and gravel pits have this capability, adding extra momentum to our Green Initiative.

Property Taxes Paid

Division	2014	2015	2016
Aggregates & Construction	970,298	898,215	946,889
Emulsions	183,672	278,311	298,552
Environmental Solutions	585,328	582,745	908,557
Corporate Services	153,270	184,432	283,672
Total	\$1,892,568	\$1,943,703	\$2,437,670

Landfill Host Community Fees \$ 2,549,747

Aggregate Levy \$ 938,722



Purchase of All Treat Farms

In January 2016, Walker Environmental finalized the purchase of All Treat Farms in Arthur, Ontario. All Treat owns and operates one of the largest composting, soil blending and packaging facilities in Ontario. Its products are sold in many large retail stores and garden centres across Canada.

The purchase allows Walker to expand its support for municipal and commercial waste diversion programs and gives the company access to the bagging market for compost and soil additive products.

"The purchase of All Treat is the latest acquisition in our deliberate strategy to become Ontario's preeminent player in the processing of organic waste, and represents the latest piece in the development of our comprehensive organics strategy and focus," says Walker Environmental Executive Vice-President, Mike Watt.

All Treat owners, George and Linda White, said when they decided to sell their company, they chose Walker because its family culture and value system is closely aligned with their own. They stated, "We wanted to ensure that the company that purchases All Treat considers our employees and our community as we would."



Southwestern Landfill Terms of Reference

Since 2012, Walker Environmental has been working on a proposal for a landfill in Oxford County to support Ontario's waste disposal needs. In 2014, Walker submitted the Terms of Reference to the Ministry of the Environment and Climate Change. The ministry approved the Terms of Reference in March 2016. This document forms the framework for how the

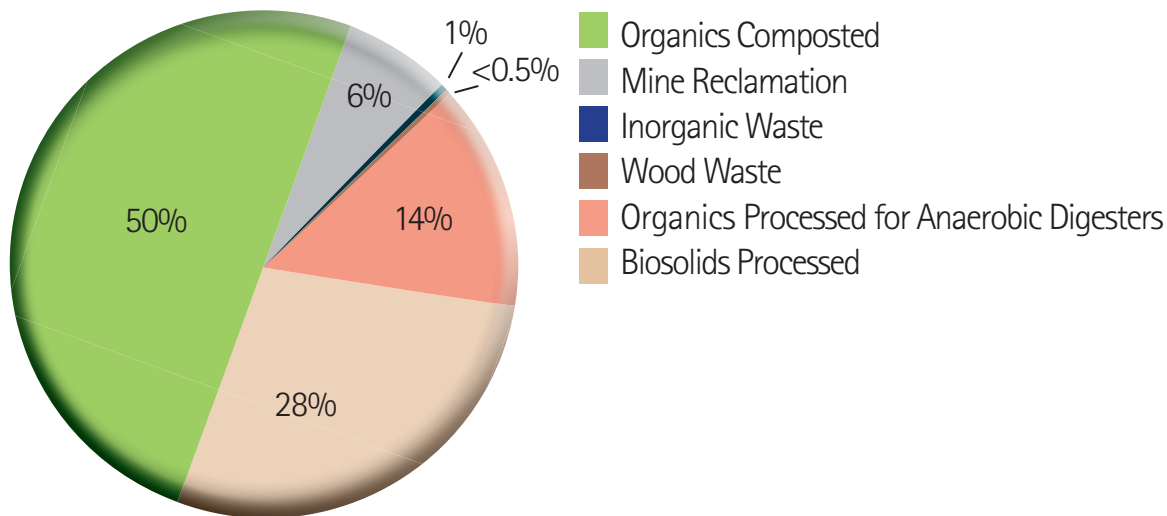
proposed landfill will be studied and how the local community and First Nations will be consulted.

With this approval, Walker is now able to begin the next phase of the landfill proposal, which includes carrying out technical studies to determine if the landfill can be built and operated safely.

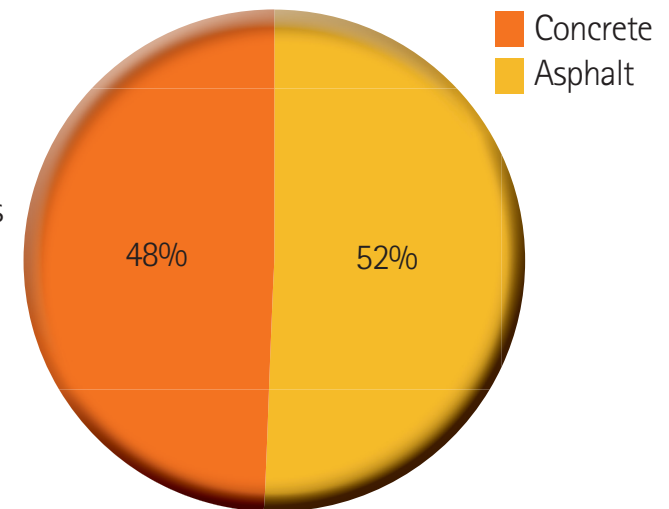
From March to December, Walker held a series of public events and meetings with local government officials, residents, organizations and First Nations to discuss this next phase of the project in more depth. By the end of 2016, Walker had completed a preliminary design of the proposed landfill, and is now ready to conduct the next phase. The technical studies are set to begin in the spring of 2017 and will take approximately one year to complete.

Tonnes of Wastes Diverted from Landfill

Walker Environmental: 337,817 tonnes



Walker Aggregates: 119,743 tonnes



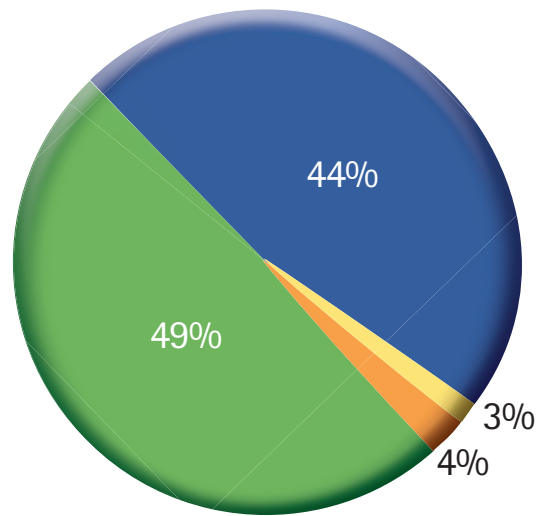
Production Rates

	Waste Disposed (tonnes)	Waste Diverted (tonnes)	Aggregates Produced (tonnes)	Emulsions Produced (kg)
2014	1,610,159	294,995	6,291,505	36,892,475
2015	1,663,506	226,950	7,040,225	39,911,402
2016	1,580,496	457,560	7,936,700	45,414,723

To reduce waste, Walker Emulsions has reworked 49,500 kg of emulsion into various emulsion products.

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 include the arts, education, health and community. In 2016, we donated the total of \$397,807 to support the needs of our communities. Not included in this amount are the contributions the Walker family shareholders made to various community initiatives.



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



In addition to the corporate giving, the shareholders of Walker Industries have recently committed to a number of projects including:

- Pathstone Mental Health (\$1 million)
- Niagara College (\$1.2 million)

The shareholders also continued their commitment to Habitat for Humanity by donating to their builds in Halton-Mississauga and Windsor-Essex in 2016.

In 2016, we donated \$397,807 to worthy causes within our communities.



WALKER AGGREGATES



NORJOHN CONTRACTING



WALKER EMULSIONS



WALKER ENVIRONMENTAL



CORPORATE SERVICES



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