

Graymont

2009

**Sustainability
Report**



GRAYMONT

Report to Stakeholders

Dear Stakeholder

Attached is Graymont's third annual sustainability report. In it we outline our aspirations and document our progress and deficiencies in achieving the balance we seek between the long term viability of our business and our impacts on communities and the environment.

2009 was a challenging year for all businesses, and ours was no different. We faced significant reductions in the demand for our product in all markets and geographies. Providing secure employment is an important part of the value we bring to our communities. Regrettably, reduced demand in 2009 resulted in the necessity of employee lay-offs in several areas. We take these decisions seriously, recognizing the impacts on the employees, their families, and the community. During the recession we maintained our efforts and investments in training and development, and our scholarship program.

Transparency and timeliness of communication is key to our long term relationship with you, our stakeholders. Through open communication we can develop and maintain a clear understanding of each other's goals and abilities. To strengthen communication, the attached Report contains an expanded discussion of our governance processes, together with an outline of our stakeholder engagement principles.

Reduction in SO_x emissions is a performance improvement of note. Our investment in new lime kilns with advanced pollution control technology is paying off for the environment as well as Graymont shareholders.

A Graymont employee at Bedford, QC lost his life due to a work related accident in April 2009. Full investigations were completed by regulatory authorities, the plant safety committee and a third party. Changes resulting from the investigations have been implemented across Graymont. I reaffirm our condolences to the family, friends, and co-workers of this member of our community. We take our responsibility for the well-being of everyone in and around our facilities seriously, and continue to build the culture to ensure we can work completely injury free.

As we emerge from the recession we will continue to build our strengths. Once again I invite each of you whose life we touch to provide your guidance so that we can continue to strive together towards a sustainable balance.



William E. Dodge
President and CEO
Graymont Limited
May 28, 2010



Profile

Challenges and Opportunities

Graymont engages in businesses which provide essential products and services, and which directly support society's sustainability objectives including environmental protection and remediation, and social and economic advancement. Graymont is well positioned to meet the demand for lime and limestone products that will result from North America's continued emphasis on environmental protection.

Graymont provides products for a variety of uses in a number of markets. These products are consumed across North America in applications such as water and sewage treatment, acid rain reduction, environmental rehabilitation, wind farm construction, agriculture, oil and gas production, and power generation. Graymont's products are essential inputs for the production of steel, alumina, pulp, paper, uranium, gold, copper, and other critical materials.

At the same time, Graymont facilities impact the environment by modification of the local physical environment through quarrying and plant-site activities, depositing native or foreign materials, and through the release of substances such as greenhouse gases and air pollutants such as sulphur oxides, nitrogen oxides, and dust into the environment. Increased societal expectations around industry performance and more stringent environmental regulations present challenges for the continued operation and expansion of facilities.

Graymont's response to these challenges and opportunities is to focus on improving our social license to operate through improved health and safety performance, improved environmental performance, and improved community and stakeholder relations. Our vision is to responsibly meet society's needs for quality lime and stone products.

Organizational Profile

Graymont is a family owned and controlled Canadian Private Corporation incorporated in 1948. It has evolved from a widely diversified investment holding company to a company primarily engaged in the production of lime and limestone. In addition, the Company operates a construction materials business, and a waste management business, Ecowaste Industries Ltd. The operating segments will be referred throughout this document as "Lime", "Materials", and "Ecowaste". The Company also has a significant investment in Mexico with a minority equity interest in Grupo Calidra S.A. de C.V. ("Calidra"), the largest lime producer in that country.

The Lime operations (19 facilities) are focused on the production of high calcium and dolomitic lime, pulverized limestone, value added lime based products such as hydrated lime and precipitated calcium carbonate, and construction stone. The Company is the third largest lime producer in North America. In Canada, it operates in New Brunswick, Quebec, Manitoba, Alberta and British Columbia, while in the United States, it operates in Pennsylvania, Ohio, Wisconsin, Utah,

Graymont products are essential for technological solutions to many of today's sustainability challenges:

- renewable energy
- greenhouse gas emission reduction
- environmental rehabilitation
- health
- transportation
- buildings and infrastructure

A glossary of terms and abbreviations is provided on page 17.

Nevada, Montana, Oregon and Washington. In addition to these plant locations, the Company has rail-truck trans-load terminals, extending the geographic market area of several plants. Company headquarters are located in Richmond, British Columbia, Canada. Lime operations are supported by four regional offices located in Boucherville, QC, Calgary, AB, Pleasant Gap, PA, and Salt Lake City, UT.

The Materials operations (4 facilities) are focused on providing construction stone, sand and gravel, asphalt products and ready-mix concrete for the infrastructure and general construction needs in upstate New York and southern Quebec. The head office of the Materials operations is located in Plattsburgh, NY.

Ecowaste (1 facility) operates a landfill for construction, demolition and excavation materials located in Richmond, BC.

As of December 31, 2009 Graymont employed 1146 people and produced approximately 3.1 million tonnes of lime products, 1.1 million tonnes of limestone products, 3.6 million tonnes of construction stone, 0.4 million tonnes of asphalt, and 0.1 million cubic metres of concrete ready mix per year. Industrial landfill intake was approximately 0.5 million tonnes per year.

Report Scope

This is the third Graymont sustainability report. Discussion, data and information contained herein relates, with noted exceptions, to the 2009 calendar year. Historical data is provided, again with noted exceptions, for the years 2006 through 2009. The 2010 report is scheduled for publication in May 2011.

This report deals with the Company and its subsidiaries. Graymont's Lime operations constitute the largest portion of the economic, environmental and social impacts of the organization. In this report, data and information contained in the Environmental Care section relate primarily to the Lime operations in Canada and the United States. Data and information in the Workplace Environment, Waste Reduction and Community Relations sections relate to all operations in Canada and the United States. Data and information related to Calidra is not included in this report.

Governance

The Graymont Board of Directors' principle role is stewardship of the organization. The Board's fundamental objective is the creation of shareholder value. The Board recognizes that to achieve this objective in the long term the company has to have a high level of economic, environmental and social performance.

The Board oversees the conduct of the business and management of the Company. Management is responsible for developing long-term strategy and conducting the Company's day-to-day business. In its oversight, the Board holds management accountable for responsible conduct of the business.

The Board Environmental, Health and Safety Committee monitors the environmental (including greenhouse gas emissions), health, and safety performance of the company. The Committee meets bi-annually. Management also provides environmental, health and safety reports to the Board of Directors at each regularly scheduled Board meeting. Other reports are provided throughout the year as appropriate.

The Board holds regular quarterly meetings and additional meetings as necessary. The Board has documented its governance policies in a Board Manual which includes a Code of Business Conduct and Ethics. The Chair of the Board, and of each Committee of the Board, is independent of management. All Directors except the President and Chief Executive Officer are independent of management.

The Board has appointed the following Committees to assist in fulfilling its role:

- Audit
- Pension and benefits
- Compensation
- Nominating
- Environmental, Health and Safety

The Board annually evaluates the performance of Board committees, the Chairs of the Board and Committees, and management.

Stakeholder Engagement

The people of Graymont interact with a wide range of stakeholders including the following:

- Communities in which Graymont operates facilities, which are primarily in rural locations
- Customers
- Employees and their families
- Trade unions which represent certain employees
- Lenders and insurers
- Governments at the local, municipal, provincial, state and federal levels
- Non-governmental organizations which represent the interests of citizens in regard to civic affairs, culture, education, the environment, and public health
- Suppliers which include fuel producers and distributors, material transportation firms (truck, rail and water), parts, materials and equipment suppliers, refractory suppliers and installers, construction contractors, engineering firms, telecommunications providers, and consultants (accounting, audit, human resources, legal, environmental)
- Shareholders

Graymont develops long-term relationships with stakeholders through information sharing, consultation and collaboration, which enable us to continue to contribute to the well being of people and the environment. By understanding stakeholder issues and striving for solutions, Graymont is able to maintain its social license to operate and gain support for its plans, which in turn help generate shareholder value.

At Graymont we believe that good stakeholder relations can:

- **Enable good decision making** – our best decisions are made when we inform stakeholders about our plans for the future, identify issues they may have and respond appropriately to those issues.
- **Resolve issues** – when we consult with stakeholders in a constructive manner we are better able to develop timely, cost effective and mutually beneficial solutions.
- **Build strong communities** – by working in collaboration with stakeholders we build trust between Graymont and its communities and are better able to create safe and healthy environments for our neighbours, employees, and their families.
- **Support shared learning** – by sharing information, knowledge and perspectives, Graymont and its stakeholders learn from one another.

Stakeholder Relations Guiding Principles

1. Stakeholders will be provided with timely and accurate information about Graymont's activities and plans for the future that affect them.
2. Stakeholders will be given an opportunity to participate in a transparent stakeholder engagement process, and to be involved in issues that affect them.
3. Graymont will proactively seek stakeholder input and feedback on its decisions and we will take into account the values, needs and concerns of stakeholders when making our decisions.
4. Graymont will maintain a flexible consultation process that is responsive to stakeholder needs.
5. Graymont respects the values and culture of each stakeholder. We recognize that disagreement with stakeholders may occur. Graymont always appreciates the diversity of views presented and believes that better solutions will be achieved even though all disagreements may not be resolved.

Workplace Environment

Graymont continues to build a company culture based on a set of values that promote caring for customers, for fellow workers, and for the environment and community. This means a workplace that delivers quality products and service, employees and communities that are safe from the risk of injury or harm, and stewardship of the environment.

Most Graymont production facilities are similar in that they process natural rock into finished products. These processes require the use of heavy equipment, machinery and materials which introduce certain hazards into the workplace. Graymont works to improve health, safety and environmental management practices to manage known hazards.

Graymont has a dedicated team of employees. They are committed and engaged, and undergo ongoing training in an effort to eliminate workplace injuries, and risks to the environment and our communities. Our employees are continually working to enhance the company culture to keep Graymont a safe, desirable and fulfilling place to work.

Health and Safety

Although Graymont’s reportable safety incident rate remains average compared to the mining and mineral processing industry, we aspire to a work environment where all workers function day-in and day-out without injury. We believe we can create that work environment by continuously improving our safety culture. We continue to develop safety best practices that emphasize employee involvement through safety committees, internal safety audits, training and certification, and safe work observation.

In 2009 we suffered the tragedy of losing one of our fellow employees to a workplace incident. Full investigations were completed by regulatory authorities, the plant safety committee and a third party. Changes resulting from the investigations have been implemented across Graymont.

In 2009 Graymont senior management toured all lime plants to discuss safety as a value. This continuing initiative was aimed at engaging employees and improving our safety culture. ***Also in 2009, a new safety management tool was implemented – a safety scorecard. Management tracks both leading and lagging safety indicators on the scorecard and uses the scorecard to bring increased focus to safety performance.***

Graymont conducts a safety self-audit program to track compliance with safety regulations and internal health and safety policies. In 2009 an enhanced auditing program was implemented. Audits identify potential risks, areas for improvement, and help create best practices, which are shared across Graymont. When non-compliance issues are identified, a corrective action plan is developed and implementation is tracked to ensure timely resolution. In 2008, completion of safety audit items was recognized as an area of poor performance. In 2009, a significant effort was made to complete past due safety audit action items. 1590 safety audit action items were completed during the year.

2009

2.9 reportable incident rate (benchmark, the 2008 U.S. mining industry average reportable incident rate, was 2.9)

1.5 lost time incident rate (benchmark, the 2008 U.S. mining industry average lost time incident rate, was 1.3)

1 fatality

64% of safety audit action items completed by due date

Training and Development

We believe that an engaged and well trained workforce is key to Graymont meeting its many objectives, be they safety, environmental, community, or financial. To this end Graymont continues to invest in developing and training its people.

Whether through safety training, one-on-one process training, in-house and external courses, conferences, seminars, departmental conferences, cross functional conferences or leadership training, employees across Graymont are continually learning new skills. Often, skill development is in preparation for anticipated or desired future roles within the company. This training model provides employees with opportunities for growth and mobility, both within and across functional work groups within our business.

In 2009, a key focus was cross functional effectiveness. Four teams of employees from across Graymont worked through the year to develop recommendations related to improving culture and collaboration, communication, project management, and definition of roles and responsibilities. One outcome of this process was implementation of project management training which was attended by 61 employees in 2009. Graymont employees also participated in a number of training programs including information systems training and leadership development.

Employee Engagement

Graymont offers a stable work environment, competitive remuneration including health and retirement benefits, empowers employees to make decisions, listens to their concerns and promotes individual development. Graymont also undertakes a number of activities that have employees engaged beyond their specific work function. This encourages employees to take a broader perspective of the business and Graymont’s place in the community and society. Employees have the opportunity to participate in any number of cross functional teams and to provide input on strategic business and sustainability issues.

2009 saw the introduction of employee town hall webinars. Virtual town halls were held quarterly to keep employees up to date, and to offer employees plenty of opportunity to quiz the CEO and senior management, as Graymont worked through the challenging economic conditions of 2009. Town hall meetings will continue going forward.

The average Graymont employee has been with the company for 13 years. Employee voluntary turnover at Graymont in 2009 was 5.8% which includes employees who retired. On December 31, 2009 there were 399 employees who had service with Graymont of greater than 20 years.

2009

1146 full time employees

5.8% voluntary turnover (includes employees who retired)

13 years - average length of service

399 employees with service greater than 20 years

0 days lost to strikes

Environmental Care

Graymont facilities impact the environment by modification of the local physical environment through quarrying and plant-site activities, depositing native or foreign materials, and through the release of substances such as greenhouse gases and air pollutants such as sulphur and nitrogen oxides, and dust into the environment. While some impact is inevitable as a result of the nature of Graymont’s business, Graymont is dedicated to minimizing the environmental impact of its operations.

This means that Graymont minimizes environmental impacts on its neighbours, communities, and work sites.

Environmental Performance Management

When fully implemented, each Graymont facility will have a specific environmental management system (EMS). **At the end of 2009, 47% of Graymont lime plants had fully implemented an EMS.** The EMS outlines performance expectations, defines environmental responsibilities at each facility and across the company, defines the role of facility environmental committees, and defines environmental audit requirements and procedures. Uniform environmental standards set out minimum environmental performance and operating standards that are applied to all facilities across Graymont. The standards are applied in areas where Graymont goes beyond regulatory obligations.

Graymont uses both internal and external environmental audits. Internal audits are completed by personnel from Graymont’s environment group and external audits are completed by third party environment firms. Audit action items are addressed through procedures outlined in the EMS document. 217 environmental audit action items were completed during the year.

Facility environment committees were engaged in 2009 in developing each facility’s EMS, particularly in defining the environmental responsibilities of employees at that facility. They also communicate environmental issues and successes to other facility employees and review environmental audits and audit action items.

Emission limit exceedances in 2009 were less than half those in 2008. However, a number of emission exceedances occurred at both the Superior, WI and Pleasant Gap, PA lime facilities as a result of issues with pollution control equipment. Efforts are being made to resolve these issues.

In 2009, employees at the Bedford, QC lime facility worked with the Quebec Government and local ornithologists to relocate the nesting site of a pair of peregrine falcons who had made the Bedford quarry home. This initiative is aimed at providing a suitable site for the falcons to continue to nest without disrupting or being disrupted by the quarry activities. The success of this project will be determined in 2010.

2009

32% of environmental audit action items completed by due date

47% of lime facilities with fully implemented environmental management systems

902 emission limit exceedances

Energy

Energy is an important resource for Graymont. Typically more than 95% of energy used at a lime production facility is associated with the lime kiln. Graymont continually looks for ways to reduce energy consumption in the lime kilns, and other areas of the business. Improving energy efficiency has the benefits of reducing both air pollutant and greenhouse gas emissions, and costs.

In 2009 Graymont completed an exciting new energy project at its Pleasant Gap, PA lime facility. Installation of a waste heat recovery boiler and power generation unit on the latest new kiln was completed and commissioned, and the first power generation occurred early in 2009. This “first of its kind in the lime industry” system uses waste heat from the lime kiln to produce electricity. *In 2009, a total of 8,465 MWhrs of power was produced by the waste heat recovery boiler and power generation unit. This was enough to power about 1700 average Pennsylvania homes.*

Also in 2009, Graymont started operation of its first biomass fuel project at the Marbleton lime facility in Quebec. This project allows biomass to be substituted for a portion of the fossil fuels that would otherwise be combusted.

Air Emissions

Graymont continues to work to reduce air emissions. These emissions result largely from the combustion process in Graymont’s lime kilns and can be reduced by improving energy efficiency. *In 2009, reported emissions of SO_x and NO_x were respectively 52% and 7% less than 2004 levels.* 2009 SO_x emissions decreased significantly from previous years, largely a result of the new more fuel efficient kilns and pollutions control equipment at the Pleasant Gap, PA lime facility. Graymont continued to improve its reported SO_x and NO_x emissions intensity levels as well. In 2009, reported SO_x and NO_x emissions intensity levels were respectively 51% and 4% less than 2004 levels.

Another type of air emissions that Graymont continues working to reduce is fugitive dust. Fugitive dust is uncontained dust that becomes wind borne and is blown from Graymont sites to neighbouring properties. Graymont has been paving and managing roadways, reclaiming yard areas, and better managing raw material and by-product storage areas to reduce fugitive dust emissions.

Graymont has uniform environmental standards related to fugitive dust control and exhaust gas scrubber and baghouse operations at all its facilities. These standards are designed to ensure that particulate emissions are minimized.

SO_x Emissions in Perspective

- In 2009 Graymont facilities emitted approximately 2.5 thousand tonnes of SO_x. In the same year Graymont products prevented the emission of approximately 630 thousand tonnes of SO_x from facilities in other industries.

2009

20 petajoules of energy consumed (total primary energy consumption in Canada and the U.S. was approximately 113,000 petajoules)

2.5 thousand tonnes of SO_x emissions (total industrial SO_x emissions in Canada and the U.S. were approximately 11 million tonnes)

6.0 thousand tonnes of NO_x emissions (total industrial NO_x emissions in Canada and the U.S. were approximately 7 million tonnes)

Climate Change

Graymont is dedicated to producing lime with the lowest carbon dioxide emissions in the lime industry in Canada and the United States.

While total carbon dioxide emissions from the production of lime are relatively small compared to overall emissions, lime production is an emission intensive process. This is because there are carbon dioxide emissions from two aspects of the lime production process; 1) from the chemical transformation (calcination) of limestone, and 2) from combustion of fuel.

Carbon dioxide is a natural by-product of the production of lime. Lime can not be produced without carbon dioxide being chemically released and emitted from the calcination of limestone. These fixed process emissions comprise approximately 60% of carbon dioxide emissions from lime production. The other 40% of carbon dioxide emissions from lime production are from the combustion of fuels, typically coal and petroleum coke. Unlike fixed process emissions, it is possible to reduce combustion related carbon dioxide emissions through measures such as energy efficiency improvement and use of lower carbon fuels.

By the end of 2009 Graymont had reduced its lime production fuel related emission intensity by 10% from 2004 levels. Based on 2009 lime production volumes, this represents an annual reduction of 188 thousand tonnes of greenhouse gas emissions compared to what emissions would have been if we had continued to emit at 2004 intensity levels. This was achieved through start up of new more fuel efficient kilns at the Pleasant Gap, PA and Superior, WI lime facilities, the use of biomass at the Marbleton, QC facility, and through energy efficiency improvements at numerous other facilities. Graymont expects to continue to reduce greenhouse gas emissions intensity through additional initiatives such as:

- Planning additional biomass fuel projects for other facilities.
- Shifting production to a more fuel efficient kiln at the Marbleton, QC facility.
- Researching alternative biomass fuels.
- An ongoing corporate energy efficiency program.
- Incorporating tomorrow's expected carbon costs into today's capital investment decisions.
- Researching carbon capture and storage.

At the Ecowaste industrial landfill site, landfill methane is captured and destroyed. This is important because methane is a powerful greenhouse gas. In 2009, approximately 882 tonnes of methane was captured and combusted which reduced greenhouse gas emissions by approximately 16 thousand tonnes of carbon dioxide equivalent.

Other Energy and Emission Reduction Initiatives

- In 2009, Graymont started to combust biomass at its Marbleton, QC facility. Graymont is planning additional projects to use this carbon neutral fuel source.
- A corporate automobile policy, initiated in 2004, mandates high efficiency vehicles for employees eligible for company automobile allowances and promotes best available technologies for vehicle fuel efficiency.

2009

4.1 million tonnes of greenhouse gas emissions (total greenhouse gas emissions in Canada and the U.S. were approximately 7,700 million tonnes)

A 10% reduction in fuel related greenhouse gas emission intensity vs. 2004 which equates to a 188 thousand tonnes greenhouse gas emission reduction

Waste Reduction

Graymont is dedicated to operating all of its facilities with zero waste. To Graymont that means creating value by using all the resources we touch, be they energy, stone or materials.

Graymont aims to achieve this goal by continuous improvement in two areas; 1) in converting all earth and rock that we touch into products, or into materials used to reclaim our sites, and 2) by recycling other materials rather than land filling them. Responsible use of our resources allows us to stretch those resources further and reduce our impact on the environment.

Stone

Natural limestone or other natural stone for construction products are Graymont's primary natural resource. Putting the stone we touch into valued use is the core of Graymont's business. While there traditionally has been some waste of the stone resource, Graymont is on a path to reduce this waste to zero.

At many facilities we have developed methods to use limestone, which might otherwise have become waste, to produce quality products. Utilization of this stone reduces the amount of stone quarried and transportation of material within the quarry each year. This reduces stone waste and saves energy as well. *At our Exshaw lime facility in Alberta the utilization of this limestone has been increased to over 30% of the stone processed at the facility.* Partially calcined by-products are sold for a number of beneficial uses, including soil stabilization, mine reclamation, acid mine drainage treatment, and for use in cement clinker production.

In quarry operations, overburden soils are stock piled for later use in reclamation. Overburden rock is either used directly in reclamation activities, stock piled for later use in reclamation, or placed in appropriate areas to be reclaimed. Overburden rock is typically an acid neutralizing, low grade limestone which presents no environmental risk.

Materials Recycling

At the Ecowaste landfill we receive yard waste (grass clippings and tree trimmings) and process it through a compost process to produce soil that is used for reclamation on site. Metals, tires, electronics and gypsum from wallboard are all separated from incoming waste and are sent for recycling.

2009

281 thousand tonnes of
partially calcined by-product
sold

Community Relations

Graymont has a long-term commitment to being a good neighbour. To us that means helping maintain and enhance the social fabric, the environment, and the economy of all communities where the people of Graymont live and work. To neighbours that means Graymont employees are actively involved in the community and Graymont's door is always open. Like all companies, Graymont is constrained in terms of time, resources and multiple priorities. However, Graymont does listen to people's expectations, priorities, ideas and concerns and does work hard to make the community a better place for everyone.

Graymont provides long term stable employment. Environmental performance is managed in consideration of community concerns and priorities and to meet all laws and regulations. Graymont also demonstrates support through investment in community programs, projects and activities, and by encouraging and supporting employee involvement in the community.

Community Investment

Whether it is office employees volunteering their time to plant and harvest vegetables for the Richmond food bank, contributing to local healthcare facilities and education initiatives, or offering renewable scholarships for dependents of employees, Graymont is actively investing in all our communities each year. ***In 2009, the Community Relationship Committee at the Exshaw, Alberta plant was recognized by the local municipality with a Volunteer recognition award.*** Also, the Pleasant Gap, PA plant was recognized by the Babb Creek Water Shed Association for their contribution to restoring Babb Creek and having it removed from the EPA's "Impaired Stream List".

Graymont will make investments, be it volunteers or money, in local environmental projects, local health projects, education and to support local community groups and sports teams. Employees at each facility make the decisions regarding which local initiatives they will support based in large part on community issues and priorities.

Community Engagement

Graymont's door is always open. We believe the foundation of being a good neighbour is open and honest communication. We want our neighbours to know what we are planning and doing and we want to understand what our neighbours are thinking; about Graymont and about their community.

Building upon this foundation, Graymont endeavours to be proactive in communicating our plans and seeking community input so that issues and ideas can be identified and addressed early. ***We expect to improve our performance in this area by continuing to create and participate in forums for dialogue.***

Top Five Community Investments - 2009

1. Contribution to community sidewalk project – Havelock, NB
2. Renewable academic scholarships for dependants of Graymont employees
3. Contribution to an international indigenous peoples leadership gathering – Pavilion, BC
4. Contribution to healthcare foundation – Exshaw, AB
5. Contribution to community garden – Bedford, QC

2009

\$302,000 in community investment

8 Graymont facilities participated in community dialogue meetings

5 Graymont facilities hosted open houses

● social performance data

KPI		2009	2008	2007	2006	Notes
Number of full time permanent employees	Canada	528	548	581	543	As of December 31 of each year.
	United States	618	618	547*	521*	* excludes Cutler-Magner employees acquired in November 30, 2007.
Voluntary turnover rate (includes employees who retired)	Total	5.8%	8.7%	8.7%	8.6%	
Composition of Graymont Limited Board of Directors and Officers	Board of Directors	6M 1F	8M 1F	8M 1F	7M 1F	M – male F - female
	Officers	11M 1F	10M 1F	10M 1F	8M 1F	
Reportable incident rate	Canada	2.7	3.1	2.2	6.0	Number of incidents that result in medical treatment, lost work days or restricted work days per 200,000 exposure hours.
	United States	3.0	3.1	5.1	4.9	
Lost time incident rate	Canada	1.4	1.6	1.2	2.9	Number of incidents that result in lost work days per 200,000 exposure hours.
	United States	1.6	2.4	3.2	2.2	
Fatalities	Canada	1	0	0	0	
	United States	0	0	0	0	
Monetary fines for safety non-compliance	Canada	\$1.5	\$0	\$0	\$0	Thousand CAD\$
	United States	\$40.1	\$59.7*	\$69.0	\$18.1	Thousand US\$ *Data restated (2008 report data was incomplete)
Safety audit action items complete by due date	Canada	65%	5%*	55%*	34%*	* Based on some incomplete data.
	United States	59%	70%*	24%*	86%*	
Number of days lost to strikes	Canada	0	0	0	0	
	United States	0	0	0	0	
Employees covered by retirement and health benefits	Canada	100%	100%	100%	100%	
	United States	100%	100%	100%	100%	
Employees covered by Employee Assistance Program	Canada	100%	100%	100%	100%	
	United States	100%	100%	87%	88%	
Community investment	Canada	\$207	\$173	\$205	\$183	Thousand CAD\$
	United States	\$95	\$123	\$141	\$132	Thousand US\$

● environmental performance data

KPI		2009	2008	2007	2006	Notes
Energy use	Canada	5.8	6.9	7.2	6.8	Petajoules. Total energy use at facilities including combusted energy and electricity.
	United States	14.6	17.6	15.2	16.0	
Direct greenhouse gas emissions	Canada	1.2	1.4	1.4	1.4	Million tonnes CO ₂ e. Lime production facilities only.
	United States	2.9	3.3	3.1	3.2	Million tonnes CO ₂ e. Lime production facilities only.
Production carbon intensity	Canada	1.28	1.33	1.31	1.32	Tonnes CO ₂ e per tonne lime. Lime production only.
	United States	1.34	1.31	1.36	1.34	Tonnes CO ₂ e per tonne lime. Lime production only. (2004 intensity was 1.31 in Canada and 1.43 in the U.S.)
NO _x emissions	Canada	2.6	2.7*	1.9	1.9	Thousand tonnes. Lime production only. NPRI data.
	United States	3.4	3.5	3.5	4.1	Thousand tonnes. Lime production only. TRI data. (2004 emissions were 2.2 in Canada and 4.3 in the U.S.) *Data restated (2008 report data was incorrect)
SO _x emissions	Canada	0.9	1.6	1.0	1.0	Thousand tonnes. Lime production only. NPRI data.
	United States	1.5	2.8	3.0	3.2	Thousand tonnes. Lime production only. TRI data. (2004 emissions were 1.6 in Canada and 3.6 in the U.S.)
Monetary fines for environmental non-compliance	Canada	\$0	\$0	\$0	\$0	Thousand CAD\$
	United States	\$0	\$0	\$6	\$9	Thousand US\$
Emission exceedance events	Canada	4	11	23	23	Number of exceedance events. An exceedance event can be an emission exceedance for as short as 6 minutes.
	United States	898	1956	284	419	
Environmental audit action items complete by due date	Canada	36%	0%*	29%*	0%*	* Based on some incomplete data.
	United States	30%	3%*	23%*	0%*	
Total cumulative land area disturbed	Canada	711	672	661	657	Hectares. Includes limestone and stone quarries but excludes plant sites.
	United States	810	814	821	779	
Land area reclaimed	Canada	1	1	5	7	Hectares. Includes limestone and stone quarries but excludes plant sites.
	United States	16	25	37	22	
Partially calcined by-products sold	Canada	8	8	9	7	Thousand tonnes.
	United States	135	134	130	148	Thousand tonnes.

● economic performance data

KPI		2009	2008	2007	2006	Notes
Production	Lime	3.1	3.5	3.4	3.5	Million tonnes
	Stone	4.7	5.5	6.5	6.1	Million tonnes
	Asphalt	0.4	0.4	0.3	0.5	Million tonnes
	Ready Mix	0.1	0.2	0.2	0.1	Million cubic metres
	Landfill intake	0.5	0.6	0.7	0.8	Million tonnes
Employee remuneration (includes wages, salaries, and health and retirement benefits)	Canada	\$56.6	\$51.0*	\$48.1	\$47.6	Million CAD\$
	United States	\$54.0	\$56.2*	\$50.6	\$49.6	Million US\$
*Data restated (2008 report data was incorrect)						
Financial assistance received from government	Canada	\$0.9	\$0.8	\$0.9	\$0.4	Million CAD\$
	United States	\$0.4	\$1.0	\$0.8	\$3.0	Million US\$
Expenditure on research and development	Total	*	\$7.8	\$6.0	\$6.6	Million CAD\$
* Data not available at time of publication.						

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 financial forecasts and projections, will 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.

EMS environmental management system

Environmental audit a systematic, documented verification process of objectively obtaining and evaluating audit evidence to determine whether specified environmental activities, events, conditions, management systems, or information about these matters conform with audit criteria.

Greenhouse gas emissions in Graymont's case these include carbon dioxide, methane and nitrous oxide.

Lost time incident an incident that results in an injured worker being unable to report for their next work shift.

MSHA the United States Mine Health and Safety Administration

NO_x oxides of nitrogen which are a by-product of combustion

NPRI national pollutant release inventory – Canada.

Petajoules 10¹⁵ joules.

Reportable incident 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.

Safety audit a systematic, documented verification process of objectively obtaining and evaluating audit evidence to determine whether specified occupational health and safety activities, events, conditions, management systems, or information about these matters conform with audit criteria.

SO_x oxides of sulphur which are a by-product of combustion

Tonne metric ton or 1000 kilograms.

TRI toxic release inventory – United States.

US\$ United States dollar.

Notes:

We Want to Hear From You



Questions and views on Graymont's sustainability performance can be directed to the Vice President Marketing and Sustainable Development at:

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