SUSTAINABILITY REPORT 2018



The following Sustainability Report covers energy & GHG emission management and excess process material & waste management for sites complying with the NSC 373 standard. All sites are certified and operate according to the standard's guidelines.

ENERGY

Quarry operations are powered by different sources of energy such as diesel, gasoline, propane, and electricity. Those sources of energy release GHG emissions on two levels: direct GHG emissions (scope 1) related to diesel-powered equipment, coloured diesel-powered equipment, and gasoline-powered equipment; indirect GHG emissions (scope 2) related to electricity. At plant sites, a large part of the energy consumed is related to consumption of electricity which is a source of indirect GHG emissions (scope 2). Plants also consume energy related to direct GHG emissions (scope 1) like fuel-powered equipment for loaders, propane heating systems, natural gas heating systems, etc. The amount of stone dust produced is not monitored. However, procedures to reduce stone dust are in place in every site.

Since the first NSC 373 certification of the CAMBRIAN BLACK® quarry in 2017, the goal for all quarries and plants being certified has been to reduce energy consumption and GHG emissions by 2% each year over the course of next five years. Therefore, over a five-year period, certified sites should have reduced consumption and emissions by a total of 10%. The Energy & GHG Emissions Report shows improvements and will be updated annually in order to track improvement on a net cubic metre (m³) basis.

| Energy | & GHG | Emissions | Report - | - 2018 |
|--------|-------|------------------|----------|--------|
|--------|-------|------------------|----------|--------|

| | Site | 2016 | 2017 | 2018 | 2019 | 2020 |
|----------|--|----------------|--------------|--------------|------|------|
| | Curbs & Urban Landscaping | | | | | |
| Plants | Manufacturing Plant | | | | | |
| | Energy Consumed (kW h) | - | - | 2 488 455,99 | - | - |
| | kWh per m³ | - | - | 832,45 | - | - |
| | GHG emissions - Scope 1 & 2 (T CO2e) | - | - | 289,80 | - | - |
| | T CO2e per m³ | - | - | 0,10 | - | - |
| | Georgia Marble Plant | | | | | |
| | Energy Consumed (kW h) | - | - | 1 463 390,95 | - | - |
| | kWh per m ³ | - | - | 807,17 | - | - |
| | GHG emissions - Scope 1 & 2 (T CO2e) | - | - | 820,98 | - | - |
| | T CO2e per m³ | - | - | 0,45 | - | |
| Quarries | CAMBRIAN BLACK® Quarry | | | | | |
| | Energy Consumed (kW h) | - | 4 743 375,62 | 4 803 502,47 | - | - |
| | kWh per m³ | - | 1 181,74 | 1 542,43 | - | - |
| | GHG emissions - Scope 1 & 2 (T CO2e) | - | 1 135,24 | 1 184,96 | - | - |
| | T CO2e per m³ | - | 0,28 | 0,38 | - | - |
| | CALEDONIA™ Quarry | | | | | |
| | Energy Consumed (kW h) | 605 445,43 | - | - | - | - |
| | kWh per m³ | 406,75 | - | - | - | - |
| | GHG emissions - Scope 1 & 2 (T CO 2e) T CO2e per m ³ | 160,01 0,11 | - | - | - | - |
| | Georgia Marble Quarry | 0,11 | | | | |
| | Energy Consumed (kW h) | _ | _ | 4 579 364,42 | _ | _ |
| | kWh per m ³ | - | - | 996,73 | - | - |
| | GHG emissions - Scope 1 & 2 (T CO2e) | - | - | 1 711,59 | - | - |
| | T CO2e per m³ | - | - | 0,37 | - | - |

*CALEDONIA™ Quarry was not open during 2017 and 2018.

EXCESS PROCESS MATERIAL

The industry's two main sources of excess materials are roughbacks and breakages. All excess process material is accumulated to one side of the site to be reclaimed as aggregates or for the rehabilitation of the site. Quarries and manufacturing plants that have crushing installations can reduce a large amount of excess process materials. However, Polycor is always looking to improve material yield.

As quarries and manufacturing plants comply with NSC 373, their goal is to reduce excess process materials by 0.5% each year over the course of next five years of production. Therefore, over a five-year period, certified sites should have reduced excess material by a total of 2.5%. The Energy & GHG Emissions Report shows improvements and will be updated annually in order to track improvement on a net cubic metre (m³) basis.

Excess Process Material Report - 2018

| | Site | 2016 | 2017 | 2018 | 2019 | 2020 |
|----------|---|----------|-----------|-----------|------|------|
| | Curbs & Urban Landscaping | | | | | |
| Plants | Manufacturing Plant | | | | | |
| | Excess Process Materials (m³) | - | - | 1 429,10 | - | - |
| | Excess Process Materials per m³ | - | - | 0,48 | - | - |
| | Georgia Marble Plant | | | | | |
| | Excess Process Materials (m³) | - | - | 927,00 | - | - |
| | Excess Process Materials per m³ | - | - | 0,51 | - | - |
| Quarries | CAMBRIAN BLACK® Quarry | | | | | |
| | Excess Process Materials (m³) | - | 19 091,37 | 17 966,18 | - | - |
| | Excess Process Materials per m³ | - | 4,76 | 5,77 | - | - |
| | CALEDONIA™ Quarry | | | | | |
| | Excess Process Materials (m³) | 2 697,59 | - | - | - | - |
| | Excess Process Materials per m³ | 1,81 | - | - | - | - |
| | Georgia Marble Quarry | | | | | |
| | Excess Process Materials (m³) | - | - | 18 036,00 | - | - |
| | Excess Process Materials per m ³ | - | - | 3,93 | - | - |

*CALEDONIA™ Quarry was not open during 2017 and 2018.

SOLID WASTE

In our quarries and manufacturing plants, solid waste is mostly generated by workshop maintenance and offices. The five main categories of solid waste are trash, recycling, empty containers (reclaimed by suppliers), metals, and hazardous materials. Waste from each category is picked up by a different waste management company. It is important to note that some sites like CAMBRIAN BLACK® quarry, act as a central site providing maintenance and dispatching for other sites. This means that part of the waste generated by the site could be attributed to other sites.

As quarries and manufacturing plants comply with NSC 373, their goal is to reduce solid waste by 1% each year over the course of next five years, for a total reduction of 5% five years.