

Advancing the  
**CONVERSATION**

2012 CORPORATE SOCIAL RESPONSIBILITY REPORT

REPORT CONTEXT FROM OUR CEO	1	Ethics and Diversity	26
MESSAGE FROM OUR PRESIDENT	3	Training and Education	27
ABOUT OUR REPORT	5	Safety	28
ORGANIZATION PROFILE	7	Health and Wellness	30
Mission and Principles	8	Social Responsibility	31
Governance	8	PLANET	33
WHO WE ARE	9	Environmental Management	34
Awards and Recognition	10	Energy and Climate Change	34
SUSTAINABILITY STRATEGY	11	Clean Water	36
Key Impacts, Risks and Opportunities	12	Recover, Recycle, Reuse	37
Stakeholder Engagement	13	Land Restoration	37
Partners and Collaborations	16	PROSPERITY	39
2012 PERFORMANCE	17	Economic Impacts	40
2013 BOLD GOALS	21	Sustainable Value Chain	41
PEOPLE	23	Innovation	42
Exceptional Workplace	24	CONCLUSION	43
		GRI CONTENT INDEX	45



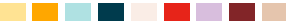
At Fairmount Minerals, we have been practicing sustainable development for nearly a decade, integrating it into our core business operations and culture. The structure we have in place to support sustainable development empowers our teams to deliver results year after year.

There is so much good being done by the Fairmount Minerals family and we are excited to share it with you in the pages to follow. As we celebrate our successes, we also recognize that our business is evolving and we need to evolve with it. In 2012, we added new platforms to our communications strategy, new facilities to our footprint

and new courses to our training curriculum. We also added several new members to the Fairmount family, an exciting development that expands the expertise and experience our world-class team. Though we grow and advance our capabilities, our core values have remained the same. We will continue to Do Good and Do Well and maintain that People, Planet and Prosperity stay at the forefront of all our business decisions. Furthermore, we will continue to empower our family members to lead and facilitate change for our organization and for the communities in which we operate and society as a whole. The Fairmount Family is the key to Fairmount’s sustainability, which is the reason why I often say that a leader’s role is to equip the team with tools and resources and then get out of the way!

Sincerely,  
*Chuck*  
Chuck Fowler  
Chief Executive Officer

FROM  
OUR CEO



# FROM OUR PRESIDENT



Dear Fairmount family members and friends,

## Welcome to Fairmount Minerals' seventh annual sustainability report, Advancing the Conversation.

As a company that lives by the principles of Appreciative Inquiry, conversation plays a crucial role in the development

of our sustainability strategy. Our values, our goals and our successes are all made possible through ongoing conversation with our valued stakeholders. In 2012, our conversations reached new heights. In addition to educating stakeholders and reporting our progress, we discovered new opportunities to invite stakeholder feedback, questions and reflections. The

conversation about sustainable development is a two-way dialogue. While we are proud of our progress to date, we understand that there are opportunities for advancement

DRAWINGS ARE FROM OUR 2005 AI SUMMIT WHERE WE FIRST ANTICIPATED OUR DREAM OF ONE DAY ACCOMPLISHING **ZERO WASTE TO LANDFILL.**



all around us. We rely upon others to help advance the conversation and in 2012, together, we did just that.

In 2012, we Advanced the Conversation by broadening the range of stakeholder groups who are able to listen and respond to our story. Through live presentations and online webinars, we are building awareness of sustainable development (SD) and acting as a resource to our valued stakeholders. In turn, they are asking us how they can get involved and what they can do within their own organizations, and they are sharing their own best practices with us. We Advanced the Conversation with our customers, suppliers and vendors through focus groups designed to discuss the shared challenges we face and the solutions that Fairmount Minerals can help to deliver. We redesigned our website, refreshed our logo and brand, established a presence in social media and enhanced our communications globally. Our SD teams set goals around family member participation and initiated one-on-one conversations at each facility so that unique needs could be met with customized solutions. Our outreach in 2012 has been vast and rewarding.

While we Advanced the Conversation in 2012, it began as a conversation in 2005. That year we held our first Sustainable Development Summit, where we began a dialogue with our stakeholders to dream about our vision for a shared future. We articulated our dreams by forecasting newspaper headlines in the year 2015 announcing our accomplishments. One group's headline read, "Fairmount Minerals Achieves

Zero Waste". Seven years ago, we saw this as an aspirational dream. This year, the vision of zero waste to landfill is now realized at six of our facilities – the headline is becoming a reality! Today, countless other aspirations ignited during conversations at the 2005 Summit are coming to life throughout the company. We collectively achieved 107.2% of our SD goals and saw record involvement from our family members in SD initiatives. 2012 was a remarkable year of growing and learning as a family.

Looking ahead, the goals that we have set to accomplish in 2013 and beyond are inspiring. With the amount of talent within Fairmount Minerals and with our commitment to ongoing conversation with our stakeholders, we have limitless potential for growth and innovation. Every day I am thankful for the opportunity to be a member of this dedicated Fairmount Family, and we look forward to further advancing the conversation with you—the many valued stakeholders of Fairmount Minerals.

Sincerely,

Jennifer Deckard  
President



# ABOUT OUR REPORT

Our annual Corporate Social Responsibility (CSR) Report provides our stakeholders with robust and accurate information about Fairmount Minerals. This report marks our seventh consecutive year of sustainability reporting. We report against the GRI G3.1 Guidelines and the 10 Principles of the United Nations Global Compact. GRI has verified that the report is prepared according to the GRI Guidelines, at Application Level A.

This report, published in May 2013, covers Fairmount Minerals' global operations and impacts for the 2012 fiscal year. This report is available in hard copy and online at [www.fairmountminerals.com/2012csr](http://www.fairmountminerals.com/2012csr).

We apply the GRI principles for defining report content and defining report quality to ensure a balanced and reasonable presentation of our sustainability performance.

**Materiality and Stakeholder Inclusiveness** We define report content by integrating stakeholder feedback into our own sustainability assessment process. Through our Sustainable Development (SD) teams, we set annual sustainability goals that ensure we address the material issues identified by our stakeholders.

**Sustainability Context and Completeness** Our report addresses Fairmount Minerals' environmental, social and economic performance and progress related to sustainability goals across our global footprint.

**Balance** We present favorable and unfavorable results equally in our report, offering updates on progress against stated sustainability goals and efforts to enhance our sustainability impacts.

**Comparability** We report metrics over a minimum of four years (less when the information is not available) and include a GRI Content Index to aid in report readability.

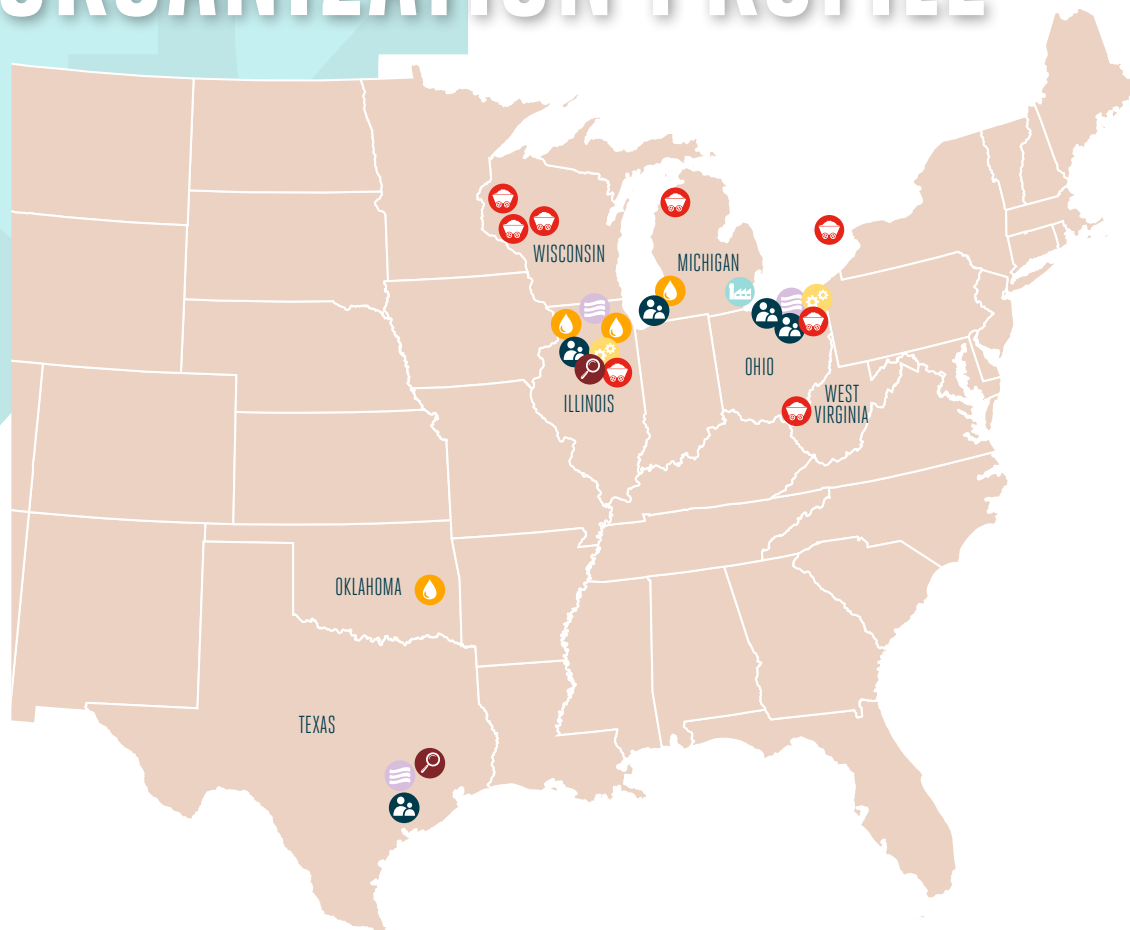
**Timeliness** We publish our Corporate Social Responsibility report on an annual basis, following the evaluation of the previous year's data, performance metrics and highlight stories.

**Accuracy and Reliability** This report was reviewed by the Fairmount Minerals' senior management team and is published with their support and approval.

“ Ken Husby of our Menomonie, WI facility takes 8th graders from Menomonie Middle School on a tour of our mine.



# ORGANIZATION PROFILE



Fairmount Minerals has upheld the mission of "Do Good. Do Well." since our first Appreciative Inquiry (AI) Summit in 2005.

## MISSION AND PRINCIPLES

AI is an organizational management method that builds on strengths, emphasizing what an organization does well. In 2011, our Communications team became the Communications & AI team to better educate family members on the method and importance of AI and continue integrating AI into SD communications across the organization. Our FML YOU team (which stands for "Your Opportunity University") develops and manages a corporate university learning and development program that allows for on-going education and growth opportunities for all Fairmount family members. This year the team worked closely with our Human Resources department to embed AI into the onboarding and orientation process for new family members, and in 2013 we plan to develop more training courses on the topic of AI.

Fairmount has 12 Principles it lives by every day which guide our business decisions and our overall company culture. These Principles shape our SD culture and truly define who we are as a family.



## GOVERNANCE

Fairmount Minerals is governed by a seven-person Board of Directors, with one executive, two independent and four shareholders (three of whom are representatives from American Securities). Board members are selected based upon an internal review process as well as feedback from independent business partners. The Board's three standing committees — Compensation, Audit and Executive — provide strategic counsel and oversight to the company. Our Board members act in accordance with our conflict of interest policy, which has been in existence since the formation of our Board.

### OFFICES

FAIRMOUNT MINERALS HEADQUARTERS—CHESTERLAND\*  
FAIRMOUNT MINERALS—BENTON HARBOR  
FAIRMOUNT MINERALS—CHARDON TECH CENTER  
FAIRMOUNT MINERALS—WEDRON  
SANTROL—SUGAR LAND

### RESEARCH & DEVELOPMENT

OTTAWA INNOVATION CENTER  
SANTROL TECHNOLOGY CENTER

### MINING OPERATIONS

BEST SAND CORPORATION  
BEST SOUTHERN  
LAKESHORE SAND  
WEDRON SILICA COMPANY  
WEXFORD SAND  
WISCONSIN INDUSTRIAL SAND—HAGER CITY/BAY CITY  
WISCONSIN INDUSTRIAL SAND—MAIDEN ROCK  
WISCONSIN INDUSTRIAL SAND—MENDOTA

### RESIN-COATED SAND OPERATIONS

SANTROL DE MEXICO  
SANTROL EUROPE  
SANTROL YIXING PROPPANT COMPANY  
TECHNISAND—BRIDGMAN  
TECHNISAND—ROFF COMPLEX  
TECHNISAND—TROY GROVE  
TECHNISAND—WEDRON

### SPECIALTY PRODUCTS

MINERAL VISIONS  
FAIRMOUNT WATER SOLUTIONS

### CUSTOM BLENDING

BLACK LAB LLC—CHARDON  
BLACK LAB LLC—FRESNO  
BLACK LAB LLC—SERENA

### RESIN MANUFACTURING

ALPHA RESINS, LLC

\*Until 2012 Fairmount Minerals was headquartered in Chardon, OH. Beginning in February 2013, Fairmount Minerals relocated its headquarters to Chesterland, OH (as stated on page 10 of this report).



# WHO WE ARE

Headquartered in Chesterland, Ohio, Fairmount Minerals is a market-driven company with strategically located facilities in North America, Europe and Asia, supported by a global distribution and customer support network.

While Fairmount Minerals is one of the largest producers of industrial sand in North America, our story and our mission are no longer simply about sand. Instead, Fairmount has become a world-leading expert in the science and art of transforming sand into value-added products whose performance far exceeds ordinary expectations.

Our Fairmount Family comprises 753 talented and hardworking individuals that strive to deliver the highest quality products and customer service possible. Our family members are committed to our organization, their peers and the communities in which we operate, and continue to exceed expectations year after year.

## EMPLOYEES BY CATEGORY

341  
SALARY EMPLOYEES

412  
HOURLY EMPLOYEES

753 TOTAL EMPLOYEES

## AWARDS AND RECOGNITION

Sustainable Development is a core element of our business, and we are proud to be honored and recognized by our peers for the following awards:

- » Michigan Aggregate Association's Five Year Safety Award (Michigan Region)
- » Pierce County Economic Development Corporation's "Business of the Year" (Wisconsin Region)
- » Green Masters Program/Wisconsin Sustainable Business Council's "Green Master" designation (Wisconsin Region)
- » Wildlife Habitat Council's Bat Conservation Action Award
- » NEO Success Award
- » Ottawa Area Character Counts! Coalition® 2012 Business of Character Award (Illinois Region)
- » IAAP (Illinois Association of Aggregate Producers) Community Relations Award (Illinois Region)
- » American Water Works Association 2012 Green Ribbon Award (Ohio Region)
- » Leading EDGE Award
- » American Red Cross Hero Award (Ohio Region)
- » Diversity Center's 2012 Humanitarian Award (Bill Conway and Chuck Fowler)
- » AFS Keating Founders' Freedom Award
- » Conservation Partner of the Year by Saving Birds Thru Habitat

## EMPLOYEES BY REGION

LOCATION	# OF EMPLOYEES		
ILLINOIS	234	CANADA	6
WISCONSIN	123	DENMARK	11
OHIO	104	CHINA	20
MICHIGAN	97	MEXICO	54
TEXAS	50	TOTAL	753
OKLAHOMA	54		

Ken Husby takes Cub Scout Pack 103 from Durand, WI on a tour of one of our mine in Menomonie, WI.



# SUSTAINABILITY STRATEGY

Being aware of our impacts, risks and opportunities is what ensures the sustainability and growth of Fairmount Minerals well into the future.

## KEY IMPACTS, RISKS AND OPPORTUNITIES

**People** At Fairmount Minerals, our single greatest responsibility is the safety of our employees. We foster a culture of safety that is backed by an unwavering commitment to provide the resources needed for safe operations. Managing relationships with our local communities remains a high priority for Fairmount. Advancing our Conversations with community stakeholders helps us ensure quiet and clean communities with ease of accessibility and a high quality of life. We see opportunities for growth in our use of emerging communications platforms, family member performance management and the continued assimilation of global family members into our culture of sustainable development.

**Planet** As a mining and mineral processing company, Fairmount Minerals has a responsibility to manage our environmental impacts related to land management and restoration, water and energy use, water discharge, waste reduction, natural resource conservation, carbon emissions and biodiversity. Our comprehensive environmental management systems and environmental SD teams are positioned to address global challenges associated with water, responsible land restoration and opportunities related to climate change. We see strategic value in managing the energy use and carbon emissions associated with operating our facilities, the transport of our products and monitoring environmental regulations.

**Prosperity** As a significant employer in our local communities with investments in long-term assets, our direct impact on local economies is delivered through local wages, benefits, taxes and ongoing community investment. At Fairmount Minerals, our most significant indirect economic impacts are the result of the kinds of products we provide. Fairmount products support the industries that drive global economic growth by delivering sand products needed in building materials, water filtration, glass-making, sports and recreation materials, foundry applications and energy production. Increasing global energy demand presents significant economic opportunity.

Fairmount's sustainability strategy is based upon the triple bottom line—people, planet, prosperity.



“ Local school children being creative with our colored sand products.”





Our health and wellness program is an important element of engaging Fairmount family members. Here Mark Waters, Plant Manager of Wisconsin Hager City, is donating blood at a local blood drive.

### STAKEHOLDER ENGAGEMENT

Stakeholder engagement is a core element of our business operations that helps inform and shape our sustainability strategy. We seek and have the opportunity to engage with a diverse group of stakeholders on material issues throughout the year. From our Fairmount family members to local communities to suppliers, we appreciatively take all thoughts and ideas into consideration during our strategic planning process. This is just one of the many ways we are Advancing the Conversation.

Fairmount Minerals has conducted three AI Summits since 2005, bringing together more than 1,000 internal and external stakeholders to engage in dialogue about our future vision. These AI Summits include a Day of Caring in which stakeholders participate in a volunteer project in the local community. Beyond the Summits, we engage with stakeholders in several other ways, including:

STAKEHOLDER GROUP	TYPE OF ENGAGEMENT	FREQUENCY			
FAIRMOUNT FAMILY MEMBERS	Appreciative Inquiry Summit	Every three years	COMMUNITY MEMBERS	Appreciative Inquiry Summit	Every three years
	Idea generation and feedback	Ongoing		Open Houses	Biannually
	Surveys	Ongoing			
CUSTOMERS	Appreciative Inquiry Summit	Every three years	SUPPLIERS	Appreciative Inquiry Summit	Every three years
	Satisfaction Survey	Annually		Sustainable Supplier Survey	Ongoing
	Focus Groups	Ongoing			

## WISCONSIN INDUSTRIAL SAND ASSOCIATION

In 2012, Fairmount Minerals signed on as a founding member of the Wisconsin Industrial Sand Association (WISA). The purpose of WISA is to “promote safe and environmentally responsible sand mining standards, promote a fact-

based discussion and create a positive dialogue among the industry, citizens and Wisconsin government officials.” Organizations joining WISA demonstrate a commitment to exceeding all federal, state and local rules for environmental operations, and focus on advancing conversation with the people of Wisconsin to support the well-being of

our local communities. WISA members commit to perform regular occupational health evaluations as well as land restoration and preservation activities. We look forward to advancing the conversation with local communities and within our industry together with WISA’s other member organizations.



The Environmentally Responsible Products and Processes (ERPP) SD team’s 2012 stated goal was to “design and implement a process for engaging stakeholders in the development of environmentally responsible products and processes by conducting two focus groups in two different markets.” The team exceeded this goal by conducting three focus groups in three markets—Oil & Gas, Foundry and Sports & Recreation. Prior to each focus group, the team sent surveys to each stakeholder group to identify environmental opportunities for their industry and within their companies. The survey also assessed the current level of satisfaction with Fairmount’s products and customer service.

The focus groups provided a venue for Fairmount’s value chain to discuss our common opportunities and the role each of us can play in developing a way to leverage these opportunities. Stakeholders were given the opportunity to provide feedback on our performance and explore ways to enhance our partnerships. The focus groups also helped to build awareness about who we are, what we do and the importance of

sustainable development in our day-to-day business. Beyond the valuable insights and innovative ideas generated, the conversations developed a shared understanding of what successful, long-term partnerships entail. They talked and we listened. We Advanced the Conversation.

The team has revised its mission for 2013 to focus on identifying and implementing environmentally responsible products and processes to help reduce Fairmount’s environmental footprint by continuing to engage internal and external stakeholders in fostering sustainable development.



Volunteering projects provide opportunities for ongoing conversation with our stakeholders.



Many of our volunteering projects are done in partnership with local non-profits and organizations that our family members are passionate about.



Many of our volunteering projects are done in partnership with local non-profits and organizations that our family members are passionate about.

## PARTNERS AND COLLABORATIONS

Our partners and collaborating organizations provide unique perspectives on our company, industry and the marketplace as a whole. Our valued partners play a critical role in helping us discover new ways to manage our sustainability impacts. We look forward to advancing the conversation as members of these industry and professional organizations:

- » American Chemistry Council Crystalline Silica Panel
- » American Foundry Society
- » American Institute of Chemical Engineers
- » American Petroleum Institute
- » American Red Cross
- » American Society for Quality
- » American Society of Safety Engineers
- » American Water Works Association
- » Baldwin Wallace Institute for Sustainable Business Practice
- » Casting Industry Supplier Association
- » Foundry Educational Foundation
- » Fowler Center for Sustainable Value
- » Geauga Growth Partnership
- » Golf Course Builders Association of America
- » Golf Course Superintendents Association of America
- » Greater Cleveland Partnership
- » Industrial Energy Consumers Association
- » Industrial Minerals Association of North America
- » International Society of Mine Safety Professionals
- » Marcellus Shale Coalition
- » National Association of Manufacturers
- » National Freight Transportation Association
- » National Industrial Sand Association
- » National Plasterers Council
- » National Safety Council
- » North American Rail Shippers
- » Northwest and Southwest Michigan Sustainable Business Forums
- » Ohio Parks & Recreation Association
- » Pennsylvania Parks & Recreation Association
- » Saving Birds Thru Habitat
- » Society for Human Resource Management
- » Society for Mining, Metallurgy and Exploration
- » Society for Petroleum Engineers
- » Society of Chemical Manufacturers and Affiliates
- » Synthetic Turf Council
- » United Nations Global Compact
- » U.S. Business Council for Sustainable Development
- » Water Environment Federation
- » Western Wisconsin Land Conservancy
- » Wildlife Habitat Council
- » Wisconsin Industrial Sand Association



# 2012 PERFORMANCE



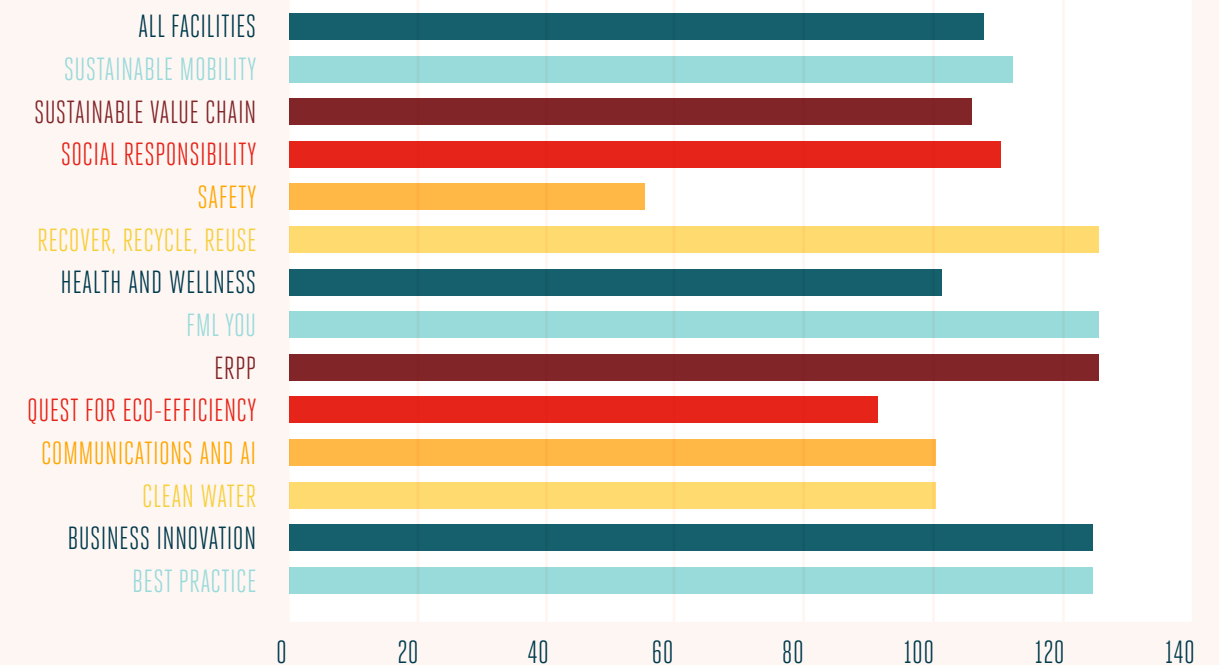
Family members at our Santrol de Mexico facility congratulate each other on exceeding safety performance standards.

2012 was an exciting year for Fairmount Minerals, as it marked the first year that we exceeded 100% average achievement of our SD goals.

We achieved zero waste to landfill at six of our facilities, developed a new stakeholder safety guide and launched six new training and education courses. Each SD team worked tirelessly to continue to make sustainable development an integral part of their job and their life, and more family members participated in SD initiatives in 2012 than ever before.

In years past, each SD team established two to three goals to achieve per year. In 2012, we decided to be more strategic and stretch our process by asking each team to establish one BOLD goal for the year, with various tactics necessary to achieve this goal.

## 2012 SUSTAINABLE DEVELOPMENT PERFORMANCE





In years past, each SD team established two to three goals to achieve per year. In 2012, we decided to be more strategic and stretch our process by asking each team to establish one **BOLD** goal for the year, with various tactics necessary to achieve this goal.

“
 The use of unit trains provides faster delivery with fewer trips and reduces the emissions associated with transporting our products.



SD TEAM	2012 GOAL	STATUS	COMMENT
RECOVER, RECYCLE, REUSE	Reduce waste by 20% over 2011.	🟡	Six zero waste to landfill facilities, including all of Wisconsin region.
BEST PRACTICE	Complete five best practice productivity projects resulting in \$50,000 in savings.	🟡	Seven projects complete, including reduced downtime in manufacturing process and new employee training at mining sites.
BUSINESS INNOVATION	Design and implement an organizational process for advancing concepts of innovation at each location. Capture and track at least five projects.	🟡	Developed stage gate process for gathering, vetting and implementing ideas; the Fairmount Family contributed 51 amazing ideas!
CLEAN WATER	Complete water footprint evaluations at all current Fairmount facilities.	🟡	Visited every site to conduct interviews with plant managers, gather/track/measure water consumption.
COMMUNICATIONS AND AI	Design SD communications plan and implement four communications tactics to enhance organizational effectiveness.	🟡	Developed SD Communications Plan, library of SD materials, established social media presence, and process for collecting SD stories and communicating to international family members.
ENVIRONMENTALLY RESPONSIBLE PRODUCTS AND PROCESSES	Design and implement a process to engage all stakeholders in development of environmentally responsible products by connecting with two focus groups in two distinct markets.	🟡	Conducted three focus groups and three surveys in three different markets—oil and gas, foundry, sports and recreation.
FML YOU	Identify and implement four learning and development offerings for all FML employees.	🟡	Developed three new course offerings: <ol style="list-style-type: none"> <li>1. People Development Training</li> <li>2. Frac 101</li> <li>3. Orientation</li> </ol>
HEALTH AND WELLNESS	Improve the health and wellness of our people by increasing program participation to 65%.	🟡	Increased participation by 68% and exceeded 40% participation in health and wellness challenges.
QUEST FOR ECO-EFFICIENCY	Improve FML's carbon footprint by completing projects that eliminate 3% of 2011 GHG emissions.	🟣	Planted more than 70,000 trees across our footprint.
SAFETY	Reach 1.5 million consecutive safe working hours.	🟣	Developed Stakeholder Safety Guide that was distributed to all stakeholders, and achieved 828,000 Safe Working Days.
SOCIAL RESPONSIBILITY	Launch FML CORES program where 400 or more Fairmount family members will participate in one of 10 local CORES programs.	🟡	More than 500 family members volunteered in more than ten CORES events.
SUSTAINABLE MOBILITY	Increase our usage of non-conventional shipment methods by 10%.	🟡	Shipped more than 9,000 carloads in excess of 104 tons in large capacity "286 type" cars and 72 barges, for a savings of \$6.2million and 146,000 gallons of diesel.
SUSTAINABLE VALUE CHAIN	Deliver 36 SD presentations to customers, vendors and communities and track impact.	🟡	Delivered 38 SD presentations to more than 750 individuals.



# 2013 BOLD GOALS

The Fairmount family members who make up our SD teams are empowered to set the strategic direction and annual performance goals for their teams.

As our 13 teams each identified one BOLD goal for 2013, some found opportunity in longer term goals—designed for delivery in 2014 and beyond, some revisited goals from previous years and some changed direction altogether. The variance among this year’s goals demonstrates the empowerment teams have to develop new and innovative ways to achieve BOLD goals and manage organizational impacts.

SD TEAM	2013 BOLD GOAL
RECOVER, RECYCLE, REUSE	All facilities to reduce year end average solid waste volume by 50% from 2012 baseline.
BEST PRACTICE	Implement four Best Practices Productivity Projects highlighting organization, standardization or technology. Embrace the Sharing of Best Practices through three face-to-face benchmarking meetings, communicating the opportunity to at least 50% of the impacted Fairmount family members while achieving \$75,000 in SD Pays.
BUSINESS INNOVATION	We will advance innovative strategies, culture, and processes within Fairmount Minerals that ensures 67% of facilities achieve the goal to generate one innovative idea in each area of SD – People, Planet, and Prosperity—of which one produces SD Pays.
CLEAN WATER	Develop five-year water reduction/development plans at facilities in North America.
COMMUNICATIONS & AI	Develop and execute an Employee Engagement Process and reach at minimum 75% of the Fairmount Family.
ENVIRONMENTALLY RESPONSIBLE PRODUCTS AND PROCESSES	Develop four new environmentally responsible products and/or processes.
FML YOU	Identify and implement one new course offering in the following topic areas: development for YOU, electronic enhancement, FML business, trade techniques.
HEALTH AND WELLNESS	Create, support and sustain a healthy work environment by establishing a baseline wellness enrichment evaluation score and improve by 10% at each location.
QUEST FOR ECO-EFFICIENCY	Improve FML's carbon footprint by completing projects that eliminate 3% of 2012 GHG emissions.
SAFETY	We must first be better than the industry's Lost Time Incident Rate (LTIR) of 0.9 ultimately improving upon the 2012 FML LTIR of 0.2 to achieve 100%.
SOCIAL RESPONSIBILITY	Achieve a Day of Caring at each facility or region with 60% participation.
SUSTAINABLE MOBILITY	Establish historical baseline of carbon emissions through traditional shipments and determine opportunity for improvement through barging, unit trains, and other alternate modes of transportation.
SUSTAINABLE VALUE CHAIN	Research all Supplier packaging/containers delivered to Fairmount manufacturing sites and labs; reduce disposal, handling, and/or landfill costs by 10% vs. 2012. Deliver Sustainability 101 presentation to 72 organizations.

“ Family members help paint the football stadium at West Geauga High School during one of the CORES events in 2012.



# PEOPLE



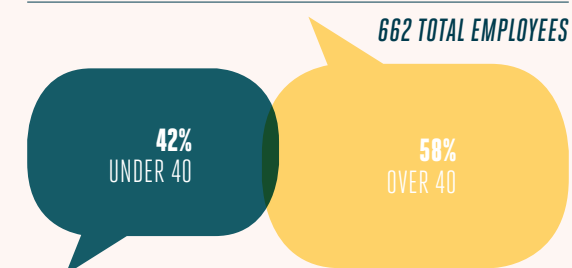
“ Family members at our Santrol de Mexico facility plant trees during a Day of Caring.

We are successful today because of our outstanding family members. Equally important to our success is the strong relationships we have with our stakeholders.

## EXCEPTIONAL WORKPLACE

We take extensive measures to make sure we provide our people with the best working conditions possible. This includes competitive compensation, medical benefits, a 401(k) plan and a wellness program. We make recruiting, developing and retaining top talent a priority in order to ensure a happy, healthy and productive workforce now and well into the future.

## AGE OVER/UNDER 40 (DOMESTIC ONLY)



We believe a job well done should be recognized. Every year we present the Fairmount Minerals Sustainable Development Employee of the Year Award to one family member at each facility. Anyone can nominate family members for this award on a rolling basis, and an external committee identifies one winner at each facility. The Bill Conway Founder's Award goes to the one family member who rises to the top of this list and is selected by our founder himself—a prestigious honor. Our 2012 winners are:

## 2012 WINNERS

ALPHA RESINS, LLC	Cheryl Sizemore
BEST SAND CORPORATION	Kevin Gaggiani
TECHNISAND – BRIDGMAN	Wilma Crowder
FAIRMOUNT WATER SOLUTIONS	Josh Holbrook
FAIRMOUNT MINERALS – BENTON HARBOR	Ryan Schwark
FAIRMOUNT MINERALS HEADQUARTERS – CHESTERLAND	Jessi O'Reilly
SANTROL TECHNOLOGY CENTER	Mary Labinsky
TECHNISAND – ROFF COMPLEX	Michael Bradley
WEXFORD SAND	Roger Evens
FAIRMOUNT MINERALS – WEDRON	Sandy Shreve
BLACK LAB LLC – SERENA	Becky Glaser
WISCONSIN INDUSTRIAL SAND – HAGER CITY	Jeff Himes
WISCONSIN INDUSTRIAL SAND – BAY CITY	Stephen Murphy
WISCONSIN INDUSTRIAL SAND – MAIDEN ROCK	Julie Mallon
WISCONSIN INDUSTRIAL SAND – MENOMONIE	Michele Maxson
TECHNISAND – WEDRON	Jan Bradford*
MINERAL VISIONS	Mark Smith
WEDRON SILICA COMPANY	Pat Gende
TECHNISAND – TROY GROVE	Rob Kiefel

\*Jan Bradford is the winner of the Bill Conway Founder's Award





Jan Bradford receives the Bill Conway Founder's Award from CEO Chuck Fowler.

## BILL CONWAY FOUNDER'S AWARD WINNER JAN BRADFORD

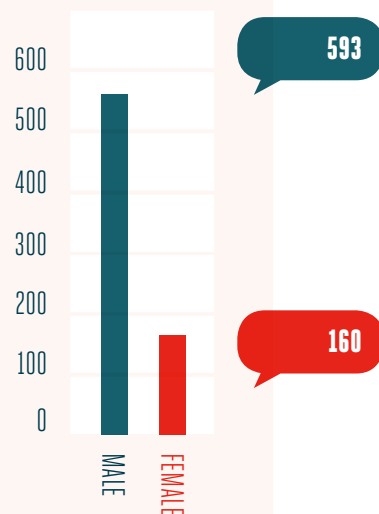
How many family members nominated Jan Bradford for SD Employee of the Year? Not one, not two, but a whole facility. Jan's fellow family members at Technisand Wedron collectively nominated him for the enormous amount of time, talent and treasure he volunteered in 2012. At the time of nomination, Jan had volunteered more than 80 hours to local charities, combining his passion for music with volunteering at

several community events. He plays harmonica with local bands at events in support of an animal shelter, diabetes research and cancer research. In addition, he helped sell raffle tickets and t-shirts, worked registration tables and helped set up and clean up after all the events. Jan encourages other family members to share his enthusiasm for giving back by helping them schedule their volunteer time throughout the year. He helped Technisand Wedron achieve ISO18000 certification and is a member of the Best Practice SD team. Jan's peers describe him as

a great team player and an asset to the facility, and he humbly recognized his peers upon winning: "Winning the Bill Conway Founder's Award is a tremendous honor. We have a great team here at TechniSand Wedron. Having the support of a great team makes it a pleasure to come to work every day. Fairmount Minerals gives us all the opportunity to donate our time and talents to make a difference in people's lives. I am very honored to be part of a company that gives so much back to our communities, and I'm proud to be a part of the Fairmount Family".

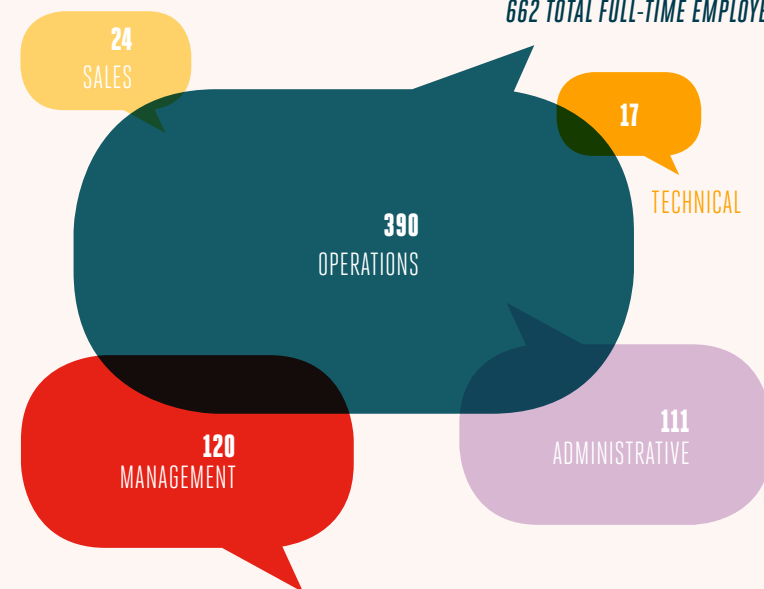
## GENDER (DOMESTIC AND INTERNATIONAL)

753 TOTAL EMPLOYEES



## TOTAL EMPLOYEES PER CATEGORY (DOMESTIC ONLY)

662 TOTAL FULL-TIME EMPLOYEES



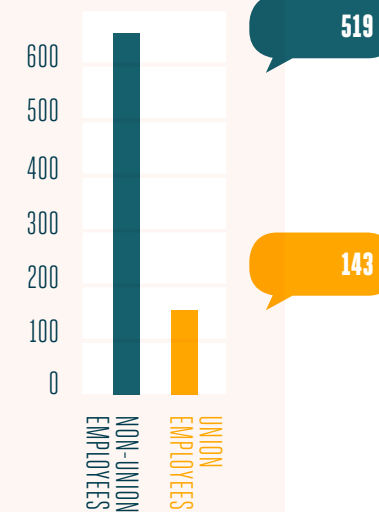
## ETHICS AND DIVERSITY

Fairmount Minerals complies with the rules and regulations of the global communities in which it operates and strives to exceed expectations as a good neighbor and model organization. We recognize and include the diverse cultures that make up our family and do not discriminate based on physical, religious, social or financial characteristics. We make hiring decisions based on skills and experience that meet our current and future needs, and we respect our family members' right to join and participate in collective bargaining organizations. By following these values and principles, we are able to attract and retain top talent, and foster an innovative working environment.

Our Code of Ethics, which includes our expectations for fair labor practices and human rights, is translated into the native languages of the countries where we operate. As a member of the UN Global Compact, we adhere to the 10 Principles for international human rights, labor, environment and ethical business practices. Further, our SD Communications & AI team is committed to engaging in more robust communication with our international family members.

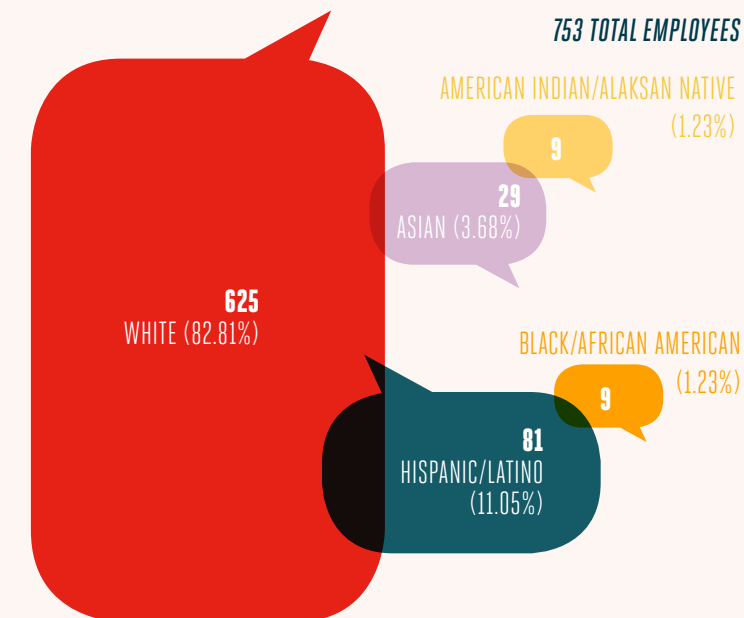
## UNION VS. NON-UNION (DOMESTIC ONLY)

21.6% UNION



## RACE (DOMESTIC AND INTERNATIONAL)

753 TOTAL EMPLOYEES





FML  
YOU

Your Opportunity University

Enrich the overall Fairmount experience through personal growth opportunities

Welcome and fully engage new talent in a positive and effective first step in their Fairmount journey

Foster personal development and a culture of innovative thinking in order to ensure a viable and competitive future for the organization

FAIRMOUNT  
MINERALS  
UNIVERSITY

Fairmount Minerals University strives to strengthen the organization by identifying core competencies, developing talent, and by offering lifelong learning experiences to our Fairmount Family Members.

INITIAL COURSE OFFERINGS

→ People Development Training

→ On-Boarding and New-Hire Training

→ Tuition Reimbursement

→ Life Safety Incentive

→ Individual Development Planning

→ Workplace Behavior and Sensitivity Training

Visit us on SharePoint

?

Contact  
FMLYOU@fmsand.com

FAIRMOUNT  
Minerals

The FML YOU Team used positive feedback from the new course offering evaluations to develop a poster that hangs in all facilities.

**TRAINING AND EDUCATION**

We know that continued training and education is imperative for our family members to thrive. We create an environment where our people can share their thoughts and ideas and actively participate in the conversation. Several of our SD teams were focused on education and innovation in 2012 and made great progress in developing more efficient processes for idea generation and implementation.

This year the FML YOU team surveyed family members to better understand how they wanted to learn and, in turn, developed curriculum to meet these needs. Through conversation, we developed six new learning opportunities last year, including Frac 101, Sustainable Development 101 and Personal Development (DiSC Assessment). Overall, 66% of family members participated in these additional learning opportunities. One of our most popular courses was the DiSC Assessment, a personality profile where family members wrote narratives about themselves which helped in determining their personality type — dominance, influencer, steadiness, or consciousness. The DiSC Assessment aids the Appreciative Inquiry process and facilitates better conversation through greater awareness of one’s own personality type and the personality types of your peers.

All course participants were asked to provide feedback on the course, including quality of content and effectiveness. Overall, we received very positive feedback which helped us create a poster that hangs in all facilities as a communications tool for our FML YOU team. Next year our team will be expanding its course offerings to include financial planning, computer software and an advanced course in hydraulic fracturing called Frac 201.

**SAFETY**

In our industry, health and safety is of the utmost importance. Fairmount is committed to providing the safest working conditions for our family members so they can perform their jobs at the highest level possible and come to work and return home safely to their families every day. In 2012, our Safety team developed a Stakeholder Safety Guide that was distributed to our family members, suppliers, vendors and contractors domestically and internationally. The Safety Guide is pocket sized so it can be carried at all times, and it provides stakeholders with our company policies, procedures, general safe work instructions, and contractor safety guidelines. The Safety Guide was a collaborative effort among the Safety team and family members across the organization. This is a great resource that advances the conversation about safety between our internal and external stakeholders.

Our comprehensive safety management program follows the criteria outlined in the internationally recognized Occupational Health and Safety Assessment Series (OHSAS) 18001 standard. Currently, nine of our facilities are OHSAS 18001 certified, with plans to certify three more facilities in 2013.

With zero incidences as our ultimate goal, we continue to achieve an incidence rate much lower than our industry peers.

A photograph showing several people in dark blue uniforms practicing first aid or emergency response. One person is lying on a stretcher, and others are attending to them. The setting appears to be an outdoor training area.

TOTAL CASE INCIDENCE RATE					
TCIR	2008	2009	2010	2011	2012
FML	3.9	3.5	3.1	2.9	2.1
INDUSTRY	3.3	3.1	3.3	3.0	3.1

LOST TIME INCIDENCE RATE					
LTIR	2008	2009	2010	2011	2012
FML	1.2	0.7	0.6	0.5	0.2
INDUSTRY	1.7	1.7	1.1	1.1	1.1

Another way we advance the safety conversation is through an annual safety calendar with pictures and safety messages created by the children of our family members. All facilities, domestic and international, are encouraged to participate, and all the submissions are included in the annual calendar that is available to all family members. The calendar is translated into the native languages of our international operations and is always a huge success.

The Safety team will continue its mission in 2013, adding new safety tactics, programs and communications vehicles to the fold. The team will continue the new safety performance incentive program that all family members will be encouraged to participate in to help maintain our high standard of safe working conditions. We also will produce a safety training video specific to each site and we offer First Aid/CPR/AED training courses. We include health and safety at all open houses at our plants and encourage families and local community members to attend. As always, we encourage our family members to embrace the Bringing Safety Home culture and practice safety outside of the workplace.

Medi-flight training at our Technisand Roff Complex.

27 “Advancing the Conversation” 2012 Corporate Social Responsibility Report

28





“ Kevin Gaggiani and other Fairmount family members playing kickball for our Kick It event to benefit children's cancer research..

## DIET AND EXERCISE HELP FAMILY MEMBERS STAY HEALTHY

During a routine physical last July, Fairmount family member Kathy Hite was diagnosed with high cholesterol. With an understanding of the Fairmount Health and Wellness resources available, Kathy decided to begin a diet and exercise

program to naturally bring her cholesterol back to a healthy level rather than taking medication. Kathy was already participating in the Gear up for Gold challenge so she was exercising regularly by biking, walking, doing kickboxing and playing on the Wii Fit. To help with her diet, she visited the Fairmount Minerals Health and Wellness site to find a diet plan that would fit her

needs. Kathy remarks that the Health and Wellness site allowed her to plan meals ahead of time and taught her about portion control and how to order when eating out. Less than a month after her original physical, she managed to lower her cholesterol by 89 points and lose 15 pounds! Kathy says she feels much healthier and credits the Health and Wellness program with her success.

“The result was more than I could have hoped for or believed. I still plan on keeping up with the diet and exercise program. I am so thankful we have this available to us. I don't think I could have made this type of progress without it.”

## BIKE TO WORK PROGRAM

Tuan Tran, Laboratory Manager at our new Santrol Technology Center in Sugar Land, Texas, began a bike to work program this year. Tuan bikes to and from the Technology Center three to four times a week, sometimes biking nearly 25 miles a day between commuting and recreation. Tuan hopes he is setting a good example for his fellow

family members and has set a goal of having at least 5% of his Santrol peers join him in biking to and from work. Tuan points out that, “although you may have to spend a little money on maintaining your bike, it's far less costly than filling up your car with gas or needing to make repairs”. In addition to the health benefits of the fresh air and mobility, he points out that you avoid rush hour traffic—and the

frustrations that sometimes come along with it, which makes you happier and more productive at work. Biking to work also saves about one pound of CO<sub>2</sub> for every mile biked. If you are not fully convinced to participate in the bike to work program, Tuan has this to say: “Albert Einstein thought up the Theory of Relativity while riding his bike!”



## HEALTH AND WELLNESS

Just as safety is a top priority at Fairmount, so is the health and wellness of our family members. In 2012, our Health & Wellness team increased program participation to 68% by year end. More of our family members took advantage of free health screenings and several facilities held follow-up screenings to check progress. We conducted two health challenges that saw double the participation from 2011. During the Summer Olympics, we conducted a program called Gear up for Gold through which participants pledged to exercise for 30 minutes a day, five days per week. Each week the team sent out a flyer with exercise tips and fun facts about the Summer Olympics to keep family members engaged and excited to participate in the challenge.

There were three individual winners and three winning facilities:

### Individual

- » Kerri Anderson
- » John Daleiden
- » Ryan Stafford

### Facility

- » Black Lab LLC – Serena
- » Black Lab LLC – Chardon
- » Fairmount Water Solutions

We also conducted a Hibernate for Health challenge in the fall that had even greater participation. Family members were asked to keep track of the number of hours they slept a night and record the corresponding points. Each week the team sent out a flyer with tips for better sleeping habits and facts about sleep and how with enough sleep it can benefit your health. Family members that participated in the challenge learned that good sleeping habits positively affect health, and many took proactive steps to change their sleeping habits striving for a healthier lifestyle. There were three winning facilities for this challenge:

- » Black Lab LLC – Fresno
- » Wexford Sand
- » Technisand – Wedron



PLANT A ROW FOR THE HUNGRY

Family members at our Mineral Visions facility in Ottawa, Illinois were in search of a new community program to support when they came across Plant a Row for the Hungry, a nonprofit, public-service program of the Garden Writers Association (GWA) and the GWA Foundation.

The program encourages gardeners to plant an extra row of produce and donate surplus to local food pantries, soup kitchens and service organizations every year. The facility experienced drought and above-average temperatures over the summer and family members were extra diligent in regular watering and weeding of the garden to enhance produce yield. At harvest, instead of donating

just one row, family members donated all of the produce to the shelter and plan to do so every year going forward.

“It’s always great to see our employees use their passions to help better our communities,” said Becky Andrews, Illinois Regional Sustainable Development Coordinator for Fairmount Minerals. “The amount of time and care spent on this

project is a testament to the type of community-oriented people we have.” The extra care paid off, as Mineral Visions was able to make a significant donation to The Food Pantry of Ottawa. “We’re always looking for ways to give back to the community,” plant manager Kurt Jeppson said. “This project was a good fit for us.”

SOCIAL RESPONSIBILITY

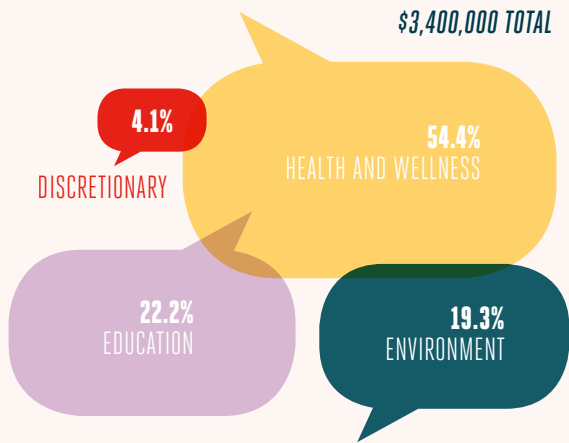
At Fairmount Minerals, our commitment to support our local communities is put into action every day. In 2012, our Social Responsibility team had a goal to conduct 10 local CORES (Community Out Reach and Engagement in Sustainability) events that called for 400 or more family members to participate in one of 10 events throughout the year. By the end of 2012, we held 23 events during which family members volunteered in our local communities, including building a playground at Ottawa Elementary School, a river cleanup in which 70 tires were removed, historical railcars cleaned, repaired and painted, and we worked with an

organization called Special Spaces to completely redesign and construct a healthy bedroom for a teenage girl living with Cystic Fibrosis. Overall, we donated \$100,000 to local charities and organizations through CORES events – and that’s not including time and talent! Because our Day of Caring is an essential element of our history and culture of sustainable development, we are going back to our roots and encouraging 100% of our family members to volunteer at least one hour of time and each facility or region will be holding a Day of Caring in 2013.

Fairmount volunteers build new playgrounds.



TOTAL DONATIONS BY CATEGORY



AVERAGE VOLUNTEER HOURS PER EMPLOYEE

2010	14.1 HOURS
2011	15.7 HOURS
2012	16.8 HOURS

TOTAL VOLUNTEER HOURS

2010	8,688 HOURS
2011	12,417 HOURS
2012	10,176 HOURS

CARE THROUGH THE CHARDON HEALING FUND

In 2012, we experienced a tragedy in our own backyard when a school shooting occurred in our headquarter town of Chardon, Ohio. The day after the shooting, Fairmount Minerals requested that United Way Services of Geauga County start the Chardon Healing Fund to facilitate the long term recovery and healing of the Chardon community. The first priority was to effectively address the immediate needs of the

families directly impacted by the event. Additionally, the funds are being used to Advance Conversations of healing through individual clinical counseling services, educational resources for parents and teachers and a community-wide AI summit to begin discussions about the future. More than a year later, the Chardon Healing Fund is still providing assistance to those in need. Our Fairmount family members have stepped up in a huge way to provide support for our community, and we could not be more proud of their efforts.

United Way Services of Geauga County Executive Director Kimm Leininger had this to say about our family members: “While this tragedy happened in our community, we refuse to let it define us. Rather, we will be defined as the community that rose above this adversity to become more caring and compassionate because of it. Much of this is due to the generosity we received from companies such as Fairmount...companies that stood up to meet the needs of the people of Chardon with not only their financial resources, but also their time

and talents. We cannot begin to thank the members of the Fairmount family enough for all that you have done to help us heal!”





# PLANET



“Diane Valen, Naturalist with the Geauga Park District, takes 5th graders from Cork Elementary School on a nature walk around the Walter Best Lake (surrounding our Best Sand site).”

Every day, we strive to exceed expectations for exceptional environmental stewardship in the communities where we live and operate, and to the earth.

## ENVIRONMENTAL MANAGEMENT

Our environmental management practices are aligned with the universal ISO Standards, and we ensure that we comply with (and where feasible, exceed) all necessary regulations. Currently, we have 10 facilities ISO 14001 certified, and we are working toward making this industry standard our standard for facilities across the board. We are also in the process of streamlining our environmental management policies and contractor procedures so all family members have one set to follow.

## ENERGY AND CLIMATE CHANGE

In 2013, we will begin to understand our Scope 3 Greenhouse Gas (GHG) Emissions and how to mitigate them going forward. This is exciting for us as this is the first year we were able to track this information. It is our hope to find ways to offset these emissions in the near future. We reduced normalized Scope 1 and 2 emissions by 1.1% from 2011, and 8.1% from our baseline.

We have been offsetting our carbon emissions through sequestration since 2006. In 2012, we planted almost 70,000 trees and planted 5,000 at a park in Portage County, Ohio to

help restore it to its natural state. Eventually this park will be a public park in the community, but it's currently being used for research by Kent State University. Overall, we have planted nearly 285,000 trees since 2007 and will continue this effort annually.

Our Quest for Eco-Efficiency (QEE) team helped facilitate several energy efficiency projects across the footprint in 2012. At a high-level, we replaced old, inefficient lighting with LED lighting at many facilities, as well as installed motion sensors on lighting to automatically turn off when no one is in the room. We continue to evaluate transportation routes to make them more efficient in order to reduce fuel consumption and carbon emissions. We've replaced flights, or specially designed fins, in dryers to reduce natural gas consumption and increase efficiency, and installed auto shut-off mechanisms on pumps and motors to reduce energy.

Our QEE team is excited about new opportunities to mitigate carbon emissions in 2013. One opportunity the team uncovered is called Miscanthus. Miscanthus is a non-invasive biomass crop that also has a high energy yield per acre. It is a perennial that, once planted, has a 20-year productive life. It grows on marginal soil but replaces nutrients as it grows. It can be used to make ethanol and pellet fuel, which are carbon neutral. If the project is viable for Fairmount Minerals, it would have a five-year payback on initial investment and be self-funding and profitable after eight years. Using Miscanthus as another means for GHG emissions mitigation moves us closer to our goal of becoming a carbon neutral organization. While we have not officially taken up this new endeavor, we are continuing to look into its feasibility in 2013.



ABSOLUTE ENERGY USE  
(GIGAJOULES)

	2008-2009	2009-2010	2010-2011	2011-2012
DIRECT ENERGY	1,148,762	1,427,347	1,709,263	1,902,936
INDIRECT ENERGY	269,339	338,707	377,315	403,565
TOTAL ENERGY	1,418,101	1,766,054	2,086,578	2,306,501

FUEL USE BY TYPE

1% BIODIESEL	5% BIODIESEL	10% BIODIESEL	20% BIODIESEL <sup>1</sup>	DIESEL #2	ELECTRICITY	FUEL #400	GASOLINE	LIQUID PROPANE	NATURAL GAS
88,724	104,129	123,292	0	715,933	112,079,135	503,092	32,173	825,143	1,513,705

<sup>1</sup>In previous years Fairmount used 5% Biodiesel and 20% Biodiesel interchangeably. In 2012, we ceased the use of 20% Biodiesel in favor of using 5% Biodiesel. This change has been a significant cost savings for Fairmount. In our 2011 report we reported the use of 45,000 gallons of 20% Biodiesel, and in this report we are reporting zero gallons, for the previously stated reason.

NORMALIZED GREENHOUSE GAS EMISSIONS  
(LBS. OF CO2/TON SHIPPED)

2008-2009	2009-2010	2010-2011	2011-2012
52.03	51.61	49.04	47.79

2.62%  
REDUCTION IN  
GREENHOUSE GAS EMISSIONS  
OVER ONE YEAR

Family members at the Technisand Roff Complex hard at work on one of their many volunteer projects.



CLEAN WATER

In 2012, our Clean Water team focused on tracking and measuring water use and disposal across the organization. The team successfully completed a water footprint at every domestic facility, measuring everything from well water, production water, surface water, groundwater and city water use. The team interviewed all the plant managers, toured the plants and documented all known water use to help set a baseline to reduce water consumption in the future. At facilities where we are just beginning to measure our water footprint, the Clean Water team facilitated conversations about the amount of water the facility uses, where the wastewater goes and the importance of conserving and reusing water whenever feasible.

Fairmount Minerals provides ongoing support to Aqua Clara International, an organization that develops, installs and monitors water filtration systems in third world countries, or places where clean water is scarce. In 2012, Katie Spatz, an advocate for clean water and a supporter of Aqua Clara, held an event at the Lake County Captains stadium for hundreds of elementary school students to educate them on the importance and necessity of clean water. Fairmount Minerals served as a title sponsor of the event and many of our family members volunteered at the event. There were a variety of activities available for the students such as African drumming, tic-tac-toe and a water balloon dash. During the event, the students and volunteers broke the record for the most people carrying water on their head at the same time. In our 2011 CSR Report, we noted that we would be working with Katie throughout 2012 to raise at least \$60,000 with local middle schools and high schools to



Understanding water ecosystems is an important element of responsible water use.

support Aqua Clara. We're pleased to report that our partner schools raised \$30,000 and Fairmount Minerals matched the money raised, for a total of \$60,000. In further support of Aqua Clara, members of the Clean Water team traveled to Nicaragua to install water filtration systems at a ranch and school, and verified that systems previously installed were still working properly and effectively. We are proud to have the opportunity to Advance the Conversation on a global scale, helping enhance the quality of life for people around the world.





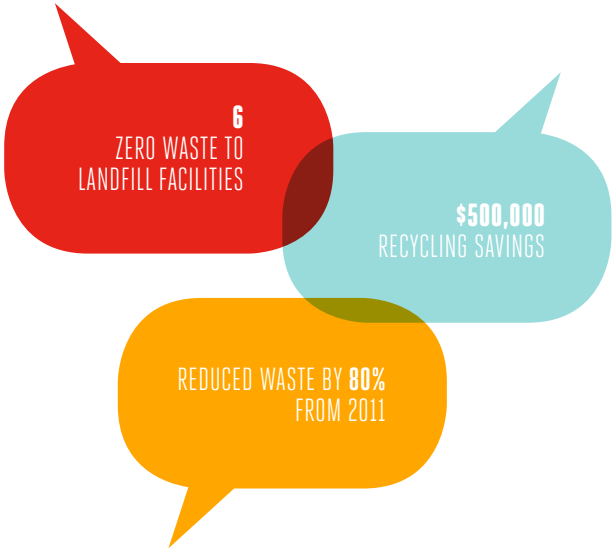
RECOVER, RECYCLE, REUSE

Our Recover, Recycle, Reuse (3R) team had a goal of reducing waste to landfill by 20% over 2011 and by 60% from our 2009 baseline. We greatly exceeded these goals, reducing waste by almost 80% from the previous year and nearly 87% from our baseline. One of our proudest accomplishments is that we have six zero waste to landfill facilities, including our Best Sand operation and headquarter building in Chardon, Ohio and all of our Wisconsin region operations. Our Wisconsin facilities began implementing waste to energy methods, such as recycling plastics to generate energy as a by-product. An incinerator captures the heat and emissions from the recycled plastics and turns it into energy.

In May 2012, 3R team Lead George Hubbard traveled to each of our domestic facilities to meet with plant managers and 3R champions to discuss their waste and recycling opportunities. The aim was to Advance the Conversation about Fairmount’s recycling initiatives and help facilities assess and implement recycling, composting and sand recycling programs. In 2012, we realized more than \$500,000 in savings from sand recycling alone. The team also helped Technisand Roff perform a waste audit that identified new ways to integrate facility recycling methods. The new process significantly reduced Roff’s waste to landfill and Advanced our internal Conversation about efficiency and innovation.

TOTAL WASTE TO LANDFILL  
(CUBIC YARDS)

2009	2010	2011	2012
28,482	21,593	18,483	3,339



LAND RESTORATION

We understand that the nature of our business requires innovative environmental practices with regard to preserving and restoring land. We are committed to maintaining a high quality of life for our family members, the community members and the biodiversity around us.

In 2012, Fairmount Minerals was recognized as Conservation Partner of the Year by Saving Birds Thru Habitat, an organization that we have worked with for several years on preserving the lives and natural habitats of birds. The QEE team sponsored a habitat restoration project at Grand Mere State Park, and we helped clean up part of the Lake Michigan shoreline by removing invasive species and working to restore the shoreline to its natural state.

LAND RESTORATION CHART  
(DOMESTIC ONLY)

FML FACILITY	TOTAL ACREAGE	TOTAL UNDISTURBED	TOTAL DISTURBED	PERMANENTLY RESTORED	PERCENT DISTURBED
ALPHA RESINS, LLC	10.5	0.1	10.4	0	0%
BEST SAND CORPORATION	491	74.7	335.1	81.2	68%
BEST SOUTHERN	307	263	44	0	14%
BLACK LAB LLC – CHARDON	17.02	14.02	3	0	18%
BLACK LAB LLC – FRESNO	5	0	5	0	100%
BLACK LAB LLC – SERENA	85.3	0	5	80.3	6%
FAIRMOUNT WATER SOLUTIONS	0.716	0	0.716	0	100%
LAKESHORE SAND	8.19	0	8.19	0	100%
MINERAL VISIONS	4.1	0	3.3	0.8	80%
TECHNISAND BRIDGMAN/BRIDGMAN LAKE	25.5	0	25.5	0	100%
TECHNISAND – ROFF COMPLEX	39	32	7	0	18%
TECHNISAND – ROFF COMPLEX II	166	118	48	0	29%
TECHNISAND – TROY GROVE	3	0	3	0	100%
TECHNISAND – WEDRON	5.1	0	5.1	0	100%
WEDRON SILICA COMPANY	1,407	825	417	165	28%
WEXFORD SAND	346	48.3	172.2	125.5	50%
WISCONSIN INDUSTRIAL SAND – BAY CITY	10.2	9.2	1	0	10%
WISCONSIN INDUSTRIAL SAND – HAGER CITY	12.29	2.62	9.67	0	79%
WISCONSIN INDUSTRIAL SAND – MAIDEN ROCK	687	674.9	6.5	15.6	1%
WISCONSIN INDUSTRIAL SAND – MENOMONIE	365	258.7	96.2	10.1	26%
TOTAL	3995	2320.6	1206.1	478.3	51%



# PROSPERITY



“Third graders from Prairie View Elementary School planting some native grasses and shrubs at our Hager City facility in May 2012.”

At Fairmount Minerals, we believe that an investment in sustainable development—our people, our environment and the communities where we operate—is an investment in our organization.

## ECONOMIC IMPACTS

Sustainable development is the foundation for our company's value, and we aim to advance the global conversation on sustainable value by measuring and reporting the financial return on our investment annually.

## CALCULATING SD PAYS

### 2012 SD INVESTMENT

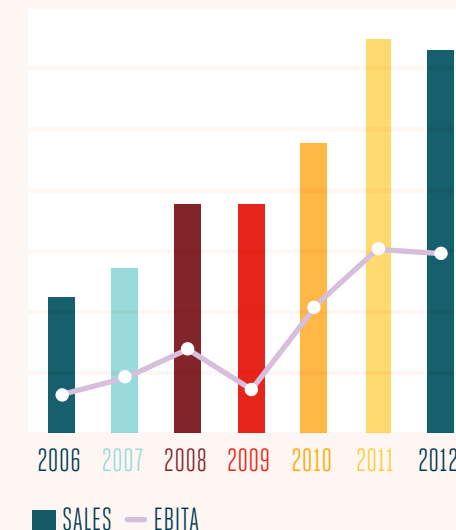
2012 EXPENSES	-\$5,100,000
---------------	--------------

### 2012 SD SAVINGS

FACILITY SAVINGS	\$560,000
TEAM SAVINGS	\$11,100,000
2012 SAVINGS	\$11,600,000
NET SD PAYS	\$6,500,000

## LET'S TALK ABOUT THE RESULTS

### EBITDA



Our economic impacts are also reflected in our revenues and donations, in regional job growth, taxes and business partnerships, in supporting the industries that drive global economic growth and in the security of a viable and positive working environment for our family members.

To ensure we are delivering the highest quality products while complying with all necessary regulations, we label and market our products honestly and with transparency. Further, our significant products are subject to life cycle analysis for health and safety, and we take necessary steps to improve upon these products if they do not meet our high standards. Not only do we hold ourselves accountable for our products and processes, but so do our stakeholders. This transparency maintains our relationships and allows us our social license to operate.





A child from the local community poses for the camera at an open house for one of our WISC region facilities.



### SUSTAINABLE VALUE CHAIN

One important way that we Advanced the Conversation in 2012 was through the efforts of our Sustainable Value Chain (SVC) team. The team had a goal to deliver 36 presentations on sustainable development and the Fairmount Minerals story. We finished the year with 38 presentations worldwide, delivered both in-person and via monthly webinars. Several of our external stakeholders participated on the SVC team and contributed to the number of presentations given. One stakeholder in particular, Bill Casey of Prairie Transportation, gave four presentations himself to groups large and small. The presentation emphasized the importance of sustainable development, how Fairmount Minerals has integrated SD into business practices successfully and how other companies can integrate SD into their operations. During this year’s presentations, the audience was particularly interested in the last point — wanting to know how they could get involved in sustainability and how they could bring it to their companies.

Bill made our presentation his own, educating his audiences on what Prairie does to be sustainable for themselves as well as for the communities in which they operate. They strive to be good neighbors, giving back to the local communities and hiring from the local workforce. Most importantly, Bill appreciated the opportunity to work with Fairmount in this capacity, and also provided him lessons learned that he could implement at his own company. He is looking forward to continuing his involvement on the SVC team in 2013, helping to spread the word about sustainable development.

In 2012, we continued to build on our successful bulk bag recycling program, diverting nearly 160,000 pounds of waste to landfill and generating more than \$900,000 in savings. This program gives us the opportunity to work more closely with our suppliers enhancing our environmental stewardship, while making our operations even more efficient.

This year our Sustainable Mobility team worked to find more efficient ways to transport our products to customers across our footprint. We used more than 9,000 carloads in excess of 104 tons in large capacity “286 type” cars , 12 unit trains and 72 barges to transport our products, saving nearly \$6.2 million and 146,000 gallons of diesel fuel! In 2013, the team will establish a baseline for our carbon footprint within the supply chain, an important step toward understanding the full scope of our carbon footprint. The team also plans to ship at least 26 unit trains in the coming year. A unit train transports 100 rail cars at one time and runs non-stop through the entire length of a trip. The use of unit trains will provide faster delivery with fewer trips and will reduce the emissions associated with transporting our products.

### INNOVATION

Another way we Advanced the Conversation internally was through the efforts of our Business Innovation team. Their 2012 goal was to design and implement a process for advancing concepts of innovation at each Fairmount location. This team is Advancing the Conversation of innovation we began at last year’s Summit. To help achieve this goal the team developed several communications portals for family members to submit ideas for consideration, and a process for managing incoming ideas for implementation. An idea moves through seven steps before being implemented:

1. *Concept*
2. *Feasibility*
3. *Business Case*
4. *Development*
5. *Testing and Validation*
6. *Implementation*
7. *Launch*

An idea management sub-team assigns roles and responsibilities for managing this process and facilitates the conversations needed to keep an idea moving through the process. Ideas are eventually presented to the appropriate internal group for implementation. A great example of an idea that successfully moved through the stage gate process is an alternative mixing paddle that is made of better quality materials, costs less and reduces the downtime needed for paddle repair. A team at our Troy Grove facility identified a vendor for the new mixing paddle and the paddle is actively being used and paying dividends at several Fairmount facilities.

We are excited to report that we have established the Santrol Technology Center in Sugar Land, Texas, which was opened in October 2012. When fully staffed, it will be home to 11 scientists and technical experts. The Technology Center houses state-of-the-art analytical capability for resin and polymer structure elucidation as well as surface analysis. The Technology Center is confident in its ability to synthesize newer and unique chemistries not only for superior performance and quality, but for increased customer health and safety.





# CONCLUSION

In 2012, we expanded our outreach by engaging a broader set of stakeholder groups and exploring a new set of tools for communication. Though the tools may change, the principle remains the same — conversation with our stakeholders is important for sustainable development.

Looking ahead, the goals set for 2013 and beyond continue to be inspiring. We renew our everyday commitment to make every business decision with all three pillars of Sustainability in mind. We take time to celebrate our past successes, and we look forward to Advancing the Conversation in 2013 and the many new discoveries it will bring.

“Fairmount family member Bob Ledyard walking down a trail during a clean up at Grand Mere State Park, near our Bridgman site.



“ The beginning stages of the Trimble River restoration near our Hager/Bay site.



“ Our Menomonie, Wisconsin facility.





# GRI CONTENT INDEX

● FULLY ○ PARTIALLY ● NOT

STANDARD DISCLOSURES PART I: PROFILE DISCLOSURES			
1. STRATEGY AND ANALYSIS			
1.1	Statement from the most senior decision-maker of the organization.	●	From Our CEO
1.2	Description of key impacts, risks, and opportunities.	●	Sustainability Strategy
2. ORGANIZATIONAL PROFILE			
2.1	Name of the organization.	●	Organization Profile
2.2	Primary brands, products, and/or services.	●	Who We Are
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	●	Who We Are
2.4	Location of organization's headquarters.	●	Who We Are
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	●	Who We Are
2.6	Nature of ownership and legal form.	●	Organization Profile
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	●	Who We Are
2.8	Scale of the reporting organization.	○	Who We Are; Organization Profile; Prosperity
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	●	We do not have any significant changes to report.
2.10	Awards received in the reporting period.	●	Awards and Recognition
3. REPORT PARAMETERS			
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	●	About Our Report
3.2	Date of most recent previous report (if any).	●	May 1, 2012
3.3	Reporting cycle (annual, biennial, etc.)	●	Annual
3.4	Contact point for questions regarding the report or its contents.	●	sustainability@fmsand.com
3.5	Process for defining report content.	●	The following topics have been deemed material by our stakeholders for this reporting period: Employment; Training and Education; Occupational Health and Safety; Community; Materials Stewardship; Economic Performance; Energy; Water; Biodiversity; Emissions, Effluents and Waste; and Transport. These topics are discussed at length throughout the report, and carry equal weight of importance. Our process for identifying and engaging with stakeholders can be found in the Stakeholder Engagement section of the report.
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	●	This report covers Fairmount Minerals' global operations and all its subsidiaries in the United States, Mexico, Denmark and China.

PROFILE DISCLOSURE	DISCLOSURE	LEVEL OF REPORTING	LOCATION OF DISCLOSURE
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	●	About Our Report
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	●	About Our Report
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	●	About Our Report
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	●	About Our Report
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	●	About Our Report
3.12	Table identifying the location of the Standard Disclosures in the report.	●	GRI Content Index
3.13	Policy and current practice with regard to seeking external assurance for the report.	●	We choose to review our report content internally as opposed to engaging an external auditor.
4. GOVERNANCE, COMMITMENTS, AND ENGAGEMENT			
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	●	Governance
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	●	Matt LeBaron, managing director at American Securities, serves as Fairmount Minerals' Board Chairman.
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	●	Governance
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	●	Stakeholder Engagement
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	●	All Fairmount Minerals non-union employees, including senior managers and executives, may be eligible for bonus compensation based on business metrics and the completion of our annual Bold Goals for sustainable development.
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	●	Governance
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	●	Governance
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	●	Governance
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	●	Message from our President; Sustainability Strategy
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	●	2012 Performance
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	●	Sustainability Strategy
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	●	Stakeholder Engagement
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	●	Stakeholder Engagement



PROFILE DISCLOSURE	DISCLOSURE	LEVEL OF REPORTING	LOCATION OF DISCLOSURE
4.14	List of stakeholder groups engaged by the organization.	⦿	Stakeholder Engagement
4.15	Basis for identification and selection of stakeholders with whom to engage.	⦿	Stakeholder Engagement
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	⦿	Stakeholder Engagement
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	⦿	Stakeholder Engagement

G3.1 MMSS DMAS	DISCLOSURE	LEVEL OF REPORTING	LOCATION OF DISCLOSURE
STANDARD DISCLOSURES PART II: DISCLOSURES ON MANAGEMENT APPROACH (DMAS)			
DMA EC	DISCLOSURE ON MANAGEMENT APPROACH EC		
ASPECTS	Economic performance	⦿	Economic Impacts
ASPECTS	Market presence	⦿	Economic Impacts
ASPECTS	Indirect economic impacts	⦿	Economic Impacts
DMA EN	DISCLOSURE ON MANAGEMENT APPROACH EN		
ASPECTS	Materials	⦿	Land Restoration
ASPECTS	Energy	⦿	Energy and Climate Change
ASPECTS	Water	⦿	Clean Water
ASPECTS	Biodiversity	⦿	Land Restoration
ASPECTS	Emissions, effluents and wasteCOMM	⦿	Energy and Climate Change
ASPECTS	Products and services	⦿	Sustainability Strategy
ASPECTS	Compliance	⦿	Environmental Management
ASPECTS	Transport	⦿	Sustainable Value Chain
ASPECTS	Overall	⦿	Environmental Management
DMA LA	DISCLOSURE ON MANAGEMENT APPROACH LA		
ASPECTS	EmploymentCOMM	⦿	Exceptional Workplace
ASPECTS	Labor/management relationsCOMM	⦿	Exceptional Workplace
ASPECTS	Occupational health and safetyCOMM	⦿	Safety
ASPECTS	Training and education	⦿	Training and Education
ASPECTS	Diversity and equal opportunity	⦿	Ethics and Diversity
ASPECTS	Equal remuneration for women and men	⦿	Exceptional Workplace; Ethics and Diversity
DMA HR	DISCLOSURE ON MANAGEMENT APPROACH HR		
ASPECTS	Investment and procurement practices	⦿	Sustainable Value Chain
ASPECTS	Non-discrimination	⦿	Ethics and Diversity
ASPECTS	Freedom of association and collective bargaining	⦿	Ethics and Diversity
ASPECTS	Child labor	⦿	Ethics and Diversity

G3.1 MMSS DMAS	DISCLOSURE	LEVEL OF REPORTING	LOCATION OF DISCLOSURE
ASPECTS	Prevention of forced and compulsory labor	⦿	Ethics and Diversity
ASPECTS	Security practices	●	—
ASPECTS	Indigenous rightsCOMM	●	—
ASPECTS	Assessment	⦿	Ethics and Diversity
ASPECTS	Remediation	⦿	Ethics and Diversity
DMA SO	DISCLOSURE ON MANAGEMENT APPROACH SO		
ASPECTS	Local communities	⦿	Sustainability Strategy; Social Responsibility
ASPECTS	Artisanal and small-scale mining	⦿	Economic Impacts
ASPECTS	Resettlement	⦿	Stakeholder Engagement; Economic Impacts
ASPECTS	Closure planningCOMM	⦿	Sustainability Strategy; Economic Impacts
ASPECTS	Grievance mechanisms and procedures	⦿	Stakeholder Engagement
ASPECTS	Emergency PreparednessCOMM	⦿	Sustainability Strategy; Social Responsibility
ASPECTS	Corruption	⦿	Ethics and Diversity
ASPECTS	Public policy	⦿	Stakeholder Engagement
ASPECTS	Anti-competitive behavior	⦿	Ethics and Diversity
ASPECTS	Compliance	⦿	Ethics and Diversity
DMA PR	DISCLOSURE ON MANAGEMENT APPROACH PR		
ASPECTS	Materials stewardship	⦿	Recover, Recycle, Reuse; Sustainable Value Chain
ASPECTS	Customer health and safety	⦿	Innovation
ASPECTS	Product and service labelling	⦿	Innovation
ASPECTS	Marketing communications	⦿	Innovation
ASPECTS	Customer privacy	●	
ASPECTS	Compliance	⦿	Innovation

INDICATOR	DISCLOSURE	LEVEL OF REPORTING	LOCATION OF DISCLOSURE
STANDARD DISCLOSURES PART III: PERFORMANCE INDICATORS			
ECONOMIC			
ECONOMIC PERFORMANCE			
EC1COMM	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	⦿	Economic Impacts; Social Responsibility
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	⦿	Sustainability Strategy
EC3	Coverage of the organization's defined benefit plan obligations.	⦿	Exceptional Workplace
EC4	Significant financial assistance received from government.	⦿	We do not receive significant financial assistance from local or federal governments.



INDICATOR	DISCLOSURE	LEVEL OF REPORTING	LOCATION OF DISCLOSURE
MARKET PRESENCE			
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	⦿	Our standard entry level wage meets, or exceeds, local minimum wage requirements at all Fairmount Minerals locations.
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	◯	Economic Impacts
EC7COMM	Procedures for local hiring and proportion of senior management and workforce hired from the local community at significant locations of operation.	◯	Economic Impacts
INDIRECT ECONOMIC IMPACTS			
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	⦿	Social Responsibility
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	⦿	Economic Impacts
ENVIRONMENTAL			
MATERIALS			
EN1	Materials used by weight or volume.	◯	Land Restoration
EN2COMM	Percentage of materials used that are recycled input materials.	●	
ENERGY			
EN3	Direct energy consumption by primary energy source.	⦿	Energy and Climate Change
EN4	Indirect energy consumption by primary source.	⦿	Energy and Climate Change
EN5	Energy saved due to conservation and efficiency improvements.	⦿	Energy and Climate Change
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	⦿	Energy and Climate Change
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	⦿	Energy and Climate Change
WATER			
EN8	Total water withdrawal by source.	◯	Clean Water
EN9	Water sources significantly affected by withdrawal of water.	◯	Clean Water
BIODIVERSITY			
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	⦿	Land Restoration
EN12COMM	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	⦿	Sustainability Strategy; Land Restoration
MM1	Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated.	⦿	Land Restoration
EN13COMM	Habitats protected or restored.	⦿	Land Restoration
EN14COMM	Strategies, current actions, and future plans for managing impacts on biodiversity.	⦿	Sustainability Strategy; Land Restoration

INDICATOR	DISCLOSURE	LEVEL OF REPORTING	LOCATION OF DISCLOSURE
MM2	The number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria, and the number (percentage) of those sites with plans in place.	⦿	All Fairmount mining operations have a complete (or are in the process of completing) site restoration plan, which include invasive species inventories and biodiversity impact assessments. Currently, 13 of our facilities are certified Wildlife at Work or Corporate Lands for Learning by the Wildlife Habitat Council.
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	◯	Land Restoration
EMISSIONS, EFFLUENTS AND WASTE			
EN16	Total direct and indirect greenhouse gas emissions by weight.	⦿	Energy and Climate Change
EN17	Other relevant indirect greenhouse gas emissions by weight.	⦿	Energy and Climate Change
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	⦿	Energy and Climate Change
EN19	Emissions of ozone-depleting substances by weight.	⦿	We had no releases in 2012.
EN20COMM	NOx, SOx, and other significant air emissions by type and weight.	⦿	We do not have any HAPs emissions to report.
EN21	Total water discharge by quality and destination.	●	
EN22COMM	Total weight of waste by type and disposal method.	⦿	Recover, Recycle, Reuse
MM3	Total amounts of overburden, rock, tailings, and sludges and their associated risks.	●	
EN23COMM	Total number and volume of significant spills.	⦿	We do not have any spills to report.
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	⦿	We do not produce any hazardous waste.
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	◯	Clean Water; Land Restoration
PRODUCTS AND SERVICES			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	⦿	Sustainability Strategy
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	●	Sustainable Value Chain
COMPLIANCE			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	⦿	We comply with all environmental laws and regulations.
TRANSPORT			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	⦿	Sustainability Strategy
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	●	Sustainable Value Chain
OVERALL			
EN30	Total environmental protection expenditures and investments by type.	⦿	\$627,512
SOCIAL: LABOR PRACTICES AND DECENT WORK			
EMPLOYMENT			
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	◯	Organization Profile, Exceptional Workplace
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	◯	Exceptional Workplace
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	⦿	Exceptional Workplace
LA15	Return to work and retention rates after parental leave, by gender.	●	



INDICATOR	DISCLOSURE	LEVEL OF REPORTING	LOCATION OF DISCLOSURE
LABOR/MANAGEMENT RELATIONS			
LA4	Percentage of employees covered by collective bargaining agreements.	⦿	Exceptional Workplace
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	⦿	We follow the minimum notice periods specified by the WARN Act whenever applicable.
MM4	Number of strikes and lock-outs exceeding one week's duration, by country.	⦿	We do not have any strikes or lockouts to report.
OCCUPATIONAL HEALTH AND SAFETY			
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	⦿	Safety
LA7COMM	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	◯	Safety
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	⦿	Health and Wellness
LA9	Health and safety topics covered in formal agreements with trade unions.	⦿	Safety
TRAINING AND EDUCATION			
LA10	Average hours of training per year per employee by gender, and by employee category.	◯	Training and Education
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	⦿	Training and Education
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	⦿	Training and Education
DIVERSITY AND EQUAL OPPORTUNITY			
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	◯	Governance; Exceptional Workplace
EQUAL REMUNERATION FOR WOMEN AND MEN			
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	●	Our Equal Employment Opportunities policy ensures that we provide equitable pay regardless of gender or other indicators of diversity.
SOCIAL: HUMAN RIGHTS			
INVESTMENT AND PROCUREMENT PRACTICES			
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	⦿	While we do not conduct a specific human rights screening of significant investment agreements, we do factor social risks into our due diligence process. Further, we review our suppliers based on a voluntary sustainable supplier checklist, which includes criteria pertaining to human rights issues.
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	⦿	One hundred percent of our suppliers are invited to complete a voluntary sustainable supplier checklist, which includes criteria pertaining to human rights issues.
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	⦿	We do not provide specific training on policies and procedures concerning aspects of human rights.
NON-DISCRIMINATION			
HR4	Total number of incidents of discrimination and corrective actions taken.	⦿	We do not have any incidents of discrimination to report.

INDICATOR	DISCLOSURE	LEVEL OF REPORTING	LOCATION OF DISCLOSURE
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING			
HR5COMM	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	⦿	We do not have any operations in which the right to exercise freedom of association and collective bargaining are at significant risk.
CHILD LABOR			
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	⦿	We do not have any operations in which child labor presents a significant risk.
PREVENTION OF FORCED AND COMPULSORY LABOR			
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	⦿	We do not have any operations in which forced or compulsory labor presents a significant risk.
SECURITY PRACTICES			
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	⦿	We do not employ any security personnel.
INDIGENOUS RIGHTS			
MM5	Total number of operations taking place in or adjacent to Indigenous Peoples' territories, and number and percentage of operations or sites where there are formal agreements with Indigenous Peoples' communities.	⦿	We do not operate on or adjacent to indigenous peoples' territories.
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	⦿	We do not have any incidents to report.
ASSESSMENT			
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	⦿	We do not currently conduct human rights reviews or impact assessments at our facilities.
REMEDATION			
HR11	"Number of grievances related to human rights filed, addressed and resolved through formal	⦿	We do not currently conduct human rights reviews or impact assessments at our facilities.
SOCIAL: SOCIETY			
LOCAL COMMUNITIES			
SO1COMM (MMSS)	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	⦿	Sustainability Strategy
SO1 (G3.1)	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	⦿	Sustainability Strategy
MM6	Number and description of significant disputes relating to land use, customary rights of local communities and Indigenous Peoples.	⦿	We do not have any disputes related to land use to report.
MM7	The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and Indigenous Peoples, and the outcomes.	⦿	We do not have any disputes related to land use to report.
ARTISANAL AND SMALL-SCALE MINING			
MM8	Number (and percentage) or company operating sites where artisanal and small-scale mining (ASM) takes place on, or adjacent to, the site, the associated risks and the actions taken to manage and mitigate these risks.	⦿	We do not operate any artisanal or small-scale mines.



INDICATOR	DISCLOSURE	LEVEL OF REPORTING	LOCATION OF DISCLOSURE
RESETTLEMENT			
MM9	Sites where resettlements took place, the number of households resettled in each, and how their livelihoods were affected in the process.	📍	We do not have any resettlements to report.
CLOSURE PLANNING			
MM10	Number and percentage of operations with closure plans.	📍	Sustainability Strategy
S09	Operations with significant potential or actual negative impacts on local communities.	📍	Each Fairmount facility has a unique set of environmental, social and economic impacts on the community that we strive to proactively address through stakeholder engagement, safety and environmental management plans and sustainable development programs. Based on our understanding and assessment of site-specific impacts, we do not identify any significant negative issues. Should local stakeholders raise an issue related to our operations, we welcome the opportunity to co-create solutions that meet our stakeholders' needs and support our broad organizational objectives.
S010	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	📍	While we have not identified any operations with significant negative impacts on local communities, we frequently engage with local stakeholders through community meetings, open houses and individual conversations to understand emerging issues and design relevant prevention and mitigation plans.
CORRUPTION			
S02	Percentage and total number of business units analyzed for risks related to corruption.	📍	While we do not conduct business unit analysis related specifically to corruption risks, we do incorporate compliance risk assessment as part of our broad risk management processes.
S03	Percentage of employees trained in organization's anti-corruption policies and procedures.	📍	We do not currently conduct anti-corruption training, but we do provide all Fairmount Minerals family members with a copy of our Code of Ethics, which outlines our expectations relative to ethical behavior.
S04	Actions taken in response to incidents of corruption.	📍	We do not have any incidents to report.
PUBLIC POLICY			
S05	Public policy positions and participation in public policy development and lobbying.	📍	Our participation in public policy development occurs through our involvement with trade associations, including the Industrial Minerals Association of North America (IMA-NA).
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	📍	We do not have any political contributions to report.
ANTI-COMPETITIVE BEHAVIOR			
S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	📍	We do not have any legal issues to report.
COMPLIANCE			
S08COMM	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	📍	We comply with all relevant laws and regulations.

INDICATOR	DISCLOSURE	LEVEL OF REPORTING	LOCATION OF DISCLOSURE
SOCIAL: PRODUCT RESPONSIBILITY			
MATERIALS STEWARDSHIP			
MM11	Programs and progress relating to materials stewardship.	📍	Our sustainable development product charter, which defines criteria for assessing environmental and social impacts of our products and processes, includes analysis of raw material inputs.
CUSTOMER HEALTH AND SAFETY			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	📍	Innovation
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	📍	We comply with all product regulations and voluntary codes.
PRODUCT AND SERVICE LABELLING			
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	📍	We require and provide Material Safety Data Sheets (MSDS) to ensure employees, customers and emergency personnel have the information and procedures necessary for handling or working with substances in a safe manner.
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	📍	We comply with all regulations and voluntary codes concerning product and service information and labeling.
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	📍	We surveyed and held focus groups with customers in 2012, a practice we regularly employ to gauge ongoing satisfaction. Overall feedback was positive and we are further pursuing issues identified by customers to find agreeable solutions.
MARKETING COMMUNICATIONS			
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	📍	While we do not have a specific program, we ensure that our marketing communications meet all laws, standards and voluntary codes, especially as it pertains to sustainability claims.
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	📍	We comply with all regulations and voluntary codes concerning marketing communications.
CUSTOMER PRIVACY			
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	📍	We do not have any breaches of customer privacy or data to report.
COMPLIANCE			
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	📍	We comply with all laws and regulations concerning the provision and use of products and services.





FAIRMOUNT  
Minerals

FAIRMOUNT MINERALS, LTD.  
8834 MAYFIELD ROAD  
CHESTERLAND, OHIO 44026

THIS REPORT IS PRINTED ON MOHAWK OPTIONS PC100 TRUE WHITE 80C AND 80T, WHICH CONTAINS 100% POST-CONSUMER WASTE FIBER. THESE PAPERS ARE CERTIFIED BY GREEN SEAL AND SMARTWOOD IN ACCORDANCE WITH FSC STANDARDS, AND MANUFACTURED WITH WINDPOWER.

REPORT IS PRINTED WITH SUPERIOR SUPER INK, 25-30% VEGETABLE BASE.

**FSC LOGO**