

SHARPENING OUR FOCUS

2007 Corporate Social Responsibility Report



FAIRMOUNT
MINERALS



FAIRMOUNT
MINERALS

"With a focus on making sustainability a way of life for our Fairmount family members and our valued stakeholders, Fairmount Minerals has sharpened the way we think about People, Planet and Prosperity. No longer can we view them as three separate concepts; instead, we must see the interconnections among the social, environmental and economic so we can build on them. To truly be a sustainable organization, we must be conscious of the ways in which our business decisions have resonance across industries, geographies and generations to come."

Bill Conway

Chairman of the Board, Fairmount Minerals



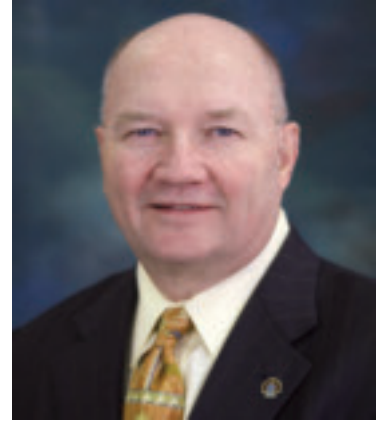
FAIRMOUNT
MINERALS



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Dear Valued Stakeholders,

Being a great company requires more than sustained economic performance and technical expertise – it demands an awareness of and focus on the world's most pressing social and environmental issues. At Fairmount Minerals, our mission is to conduct business in a way that respects people and the environment while working towards increasing the prosperity of our shareholders, employees, customers, communities and the global environment.

In 2007, Fairmount Minerals achieved record success across all areas of sustainable development – people, planet and prosperity. This achievement is due to the tremendous effort of all Fairmount Minerals family members to “Do Good” and “Do Well.” We sharpened our focus by further educating and involving our family members around specific targets to promote environmental stewardship, social investment and economic performance, and we held ourselves accountable to 59 goals. This enhanced focus on sustainable outcomes allowed Fairmount Minerals to achieve more than 97% of our goals.

With our Fairmount family fully engaged, we have the momentum to build on our defined targets while escalating our reach. Our growth into new markets—including China and Mexico—expands our view of what it means to be inclusive while providing a great opportunity to incorporate feedback and insights from a more diverse group of stakeholders. Furthermore, we will look to

our continued participation in organizations such as the United Nations Global Compact, the Center for Business as an Agent of World Benefit, and the U.S. Business Council for Sustainable Development for strategic counsel and guidance on our sustainable development efforts.

Sustainable development is about finding the inherent links amongst people, planet and prosperity that create new ways of understanding and contributing to the world. I am proud of Fairmount Minerals' achievements thus far and look forward to reporting on future accomplishments in the years to come.

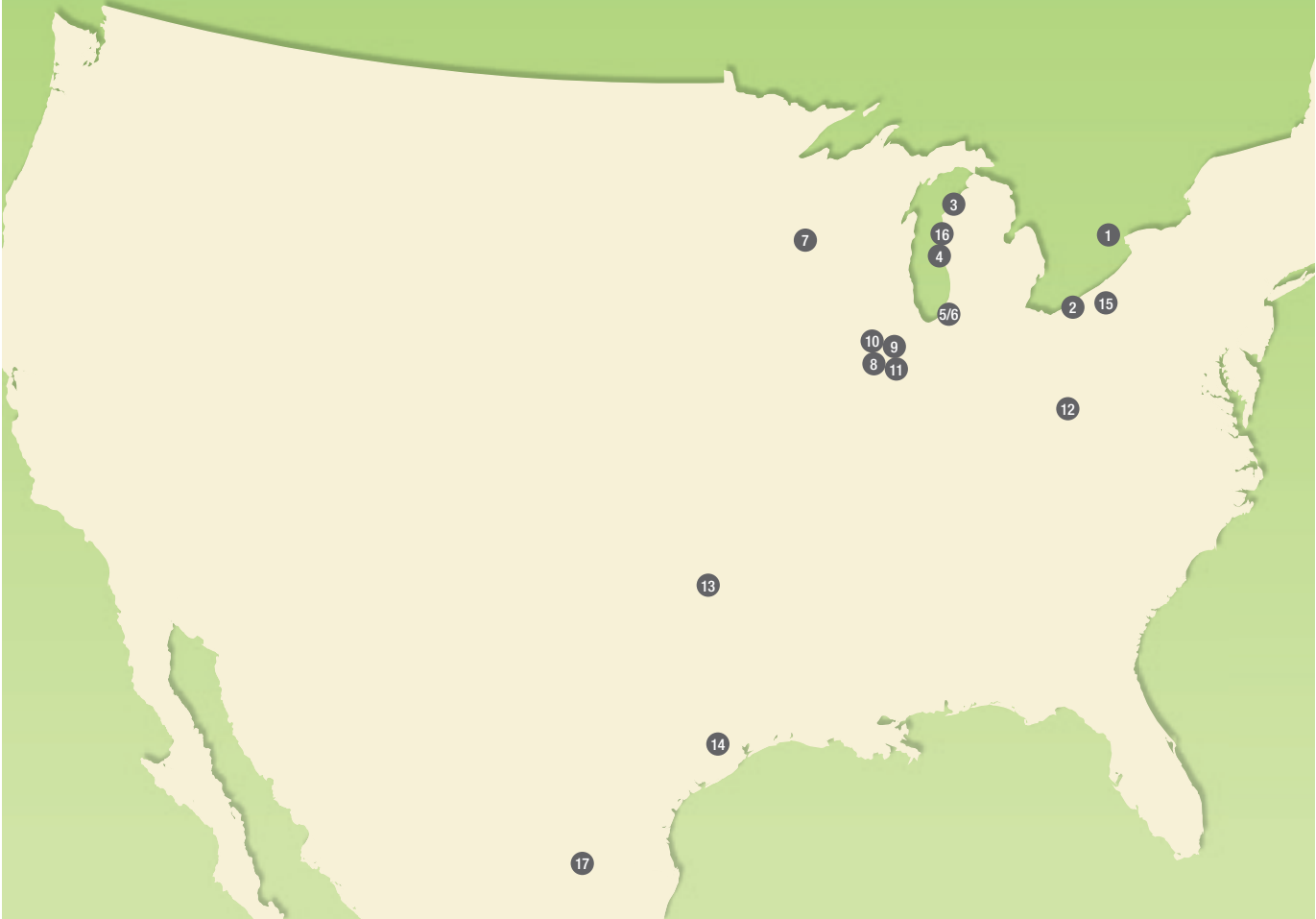
Chuck Fowler

A handwritten signature in black ink that reads "Chuck Fowler". The script is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Fairmount Minerals is a privately held company with significant employee ownership. Our employee family comprises 394 talented individuals who contribute to Fairmount Minerals' success. Because we value each of our family members, we strive to make Fairmount a meaningful and rewarding workplace. We commit to paying our employee family a living wage that allows them to meet basic needs as well as have discretionary income. We also offer benefits to full-time employees including medical coverage, a wellness incentive program, education assistance, and a 401K plan. In an industry with traditionally low retention rates, our rate of 78% is higher than typical industry averages, which range closer to 67%.

FACILITY LOCATIONS

- | | | | |
|---|--|--------------------------------------|---|
| 1 Lakeshore Sand Co.
HAMILTON, ONTARIO | 4 Standard Sand Co.
GRAND HAVEN, MI | 8 Mineral Visions Inc.
OTTAWA, IL | 13 Technisand Inc.
ROFF, OK |
| 2 Best Sand Corp.
CHARDON, OH | 5 Technisand Bridgman Resin
BRIDGMAN, MI | 9 Technisand Inc.
WEDRON, IL | 14 Santrol
FRESNO, TX |
| 3 Wexford Sand Co.
HARRIETTA, MI | 6 Technisand Bridgman Lake
BRIDGMAN, MI | 10 Technisand Inc.
TROY GROVE, IL | 15 D.M. Boyd
VOLANT, PA |
| | 7 Wisconsin Industrial Sand
MAIDEN ROCK, WI | 11 Wedron Silica Co.
WEDRON, IL | 16 CACM
FERRYSBURG, MI |
| | | 12 Best Sand Corp.
BEAVER, OH | 17 Santrol de Mexico
MONTERREY, N.L. |



Organization Profile

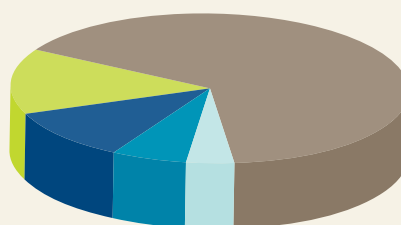
Fairmount Minerals, headquartered in Chardon, Ohio, is one of the largest industrial sand producers in the United States. Serving a variety of industries, Fairmount Minerals supplies industrial sand and related products to the foundry, oil and gas, turf and landscape, water filtration, glass, construction, industrial, and retail markets.

Fairmount Minerals' North American operations currently include 10 mining and mineral processing plants and seven manufacturing coating plants. We also run one toll manufacturing operation in Denmark and in 2008 will open a new facility in China. In 2007, we added new facilities in Wisconsin and Illinois, which will be fully operational in early 2008.

Governance Structure

Fairmount Minerals is governed by a six-person Board of Directors, with three independent and three executive members. Board members are selected based on an internal review process as well as feedback from independent business partners. The Board has three standing committees – Compensation, Audit and Executive – that provide strategic counsel and oversight to the company. The Board remains in compliance with Fairmount's conflict of interest policy, which, while continuously evolving, has been in existence since the company's inception.

EMPLOYEES BY CATEGORY



- Sales
- Professional
- Administration
- Management
- Operational

EMPLOYEES BY LOCATION

Best Sand Corp.	48	Lake Shore Sand	04	Technisand Inc.	114
Construction Aggregates	07	Mineral Visions	09	Wedron Silica	73
D.M. Boyd	04	Standard Sand Co.	08	Wexford Sand	14
Fairmount Minerals	57	Technisand-Lake	16	Wisconsin Industrial Sand	40
					Total
					394

Report Parameters

In this, our 2007 Corporate Social Responsibility report, Fairmount Minerals employs the Global Reporting Initiative (GRI) G3 Sustainability Reporting Guidelines to report on our activities in calendar year 2007. While our 2006 report, published in April 2007, provided a broad overview of Fairmount's key sustainability outcomes and bold goals for the future, our latest report includes data from our North American operations, progress against 2007 goals and a new statement of goals for 2008. The scope of this report is limited to data or activities within Fairmount Minerals and its subsidiaries, and does not include sustainability performance data from external stakeholders such as suppliers, distributors or customers.

We drew data in this report from internal databases that are used regularly in our operations. Environmental data is obtained through activities including physical measurement, representative and other sampling. While we seek to improve our processes for collecting and calculating environmental, health and safety data, all equations and estimations used in this report are accepted within our industry and by all pertinent regulatory authorities.

To ensure a balanced and reasonable presentation of our performance, Fairmount Minerals applied the GRI principles for defining report content. We identified material issues for inclusion by selecting topics and indicators that reflect Fairmount's significant impacts. We also consulted with key stakeholders to identify topics of greatest relevance and importance. Based on these considerations, we have developed a report that aligns with Fairmount's mission and strategic direction while seeking to exceed the expectations of our valued stakeholders.

Changes in Reporting

There have not been significant changes from our previous reporting period in the scope, boundary or measurement methods applied in this report. We also do not have any restatements of information from our previous report.

Report Reliability

With this report, we intend to provide our valued stakeholders with factual information regarding:

- Opportunities to enhance our economic, social and environmental activities;
- Initiatives we have developed to address these opportunities; and,
- Performance relative to our stated goals.

Contacts

For more information on Fairmount Minerals' 2007 Corporate Social Responsibility report, please contact Kristin Lewis at sustainability@fairmountminerals.com.

Global Reporting Initiative Application Level



To help readers easily recognize the extent to which we have applied the GRI Guidelines in the preparation of this report and to provide our team with a baseline for incrementally expanding our reporting, Fairmount Minerals self-declares a GRI Application Level with each Corporate Social Responsibility report. We declare this report to meet the application level criteria of a Level B report. The accuracy of our self-declaration has been verified by GRI.

In 2007, Fairmount Minerals opened our doors to the community when we hosted open house events at each of our facilities and several school tours. With food, music, exhibits, and more, the open houses allowed our neighbors and community members to visit our facilities and learn about our operations. During the school tours, we taught students about the basics of our mining and mineral processing operations with demonstrations and inside views of our processing facilities. Students also participated in tree plantings at many locations, allowing them to experience an element of our sustainable development efforts.



REPORT APPLICATION LEVELS

		C	C+	B	B+	A	A+
STANDARD DISCLOSURES	G3 PROFILE DISCLOSURES OUTPUT	REPORT ON: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15	REPORT EXTERNALLY ASSURED	REPORT ON ALL CRITERIA LISTED FOR LEVEL C PLUS: 1.2 3.9 - 3.13 4.5 - 4.13, 4.16 - 4.17	REPORT EXTERNALLY ASSURED	SAME AS REQUIREMENT FOR LEVEL B	REPORT EXTERNALLY ASSURED
	G3 MANAGEMENT APPROACH DISCLOSURES OUTPUT	NOT REQUIRED		MANAGEMENT APPROACH DISCLOSURES FOR EACH INDICATOR CATEGORY		MANAGEMENT APPROACH DISCLOSURES FOR EACH INDICATOR CATEGORY	
	G3 PERFORMANCE INDICATORS & SECTOR SUPPLEMENT PERFORMANCE INDICATORS OUTPUT	REPORT ON A MINIMUM OF 10 PERFORMANCE INDICATORS, INCLUDING AT LEAST ONE FROM EACH OF: Economic, Social and Environmental		REPORT ON A MINIMUM OF 20 PERFORMANCE INDICATORS, INCLUDING AT LEAST ONE FROM EACH OF: Economic, Environmental, Human Rights, Labor, Society, Product Responsibility		REPORT ON EACH CORE G3 AND SECTOR SUPPLEMENT* INDICATOR WITH DUE REGARD TO THE MATERIALITY PRINCIPLE EITHER: a) Reporting on the indicator or b) explaining the reason for omission	

* Sector supplement in final version

Stakeholder Engagement

As a responsible business that values transparency and insightful feedback, Fairmount Minerals makes stakeholder engagement a key priority for our organization. We strive to provide two-way communication mechanisms through which Fairmount Minerals can share information and updates with our employees, customers, suppliers, neighbors, and non-profit partners while also receiving important comments and recommendations from these groups. It is only through an active engagement with our valued stakeholders that Fairmount Minerals can remain current and responsive to essential needs.

With the publication of our first-ever Corporate Social Responsibility report in early 2007, Fairmount Minerals entered into new territory for our privately held company – we put our actions and goals into the public realm – and, we received a tremendous

response. In addition to posting the report on our corporate website, Fairmount Minerals shared the report with the following groups:

- All employees and families
- Customers
- Neighbors
- Vendors/suppliers
- Non-profit partners
- Local governments

We emphasized employee engagement during this reporting cycle to enhance understanding and participation in our Bold Goal initiatives. Through facility presentations, manager meetings, online surveys, and local site communication materials, Fairmount Minerals shared updates and information about progress on our 59 Bold Goals. Because of these efforts, we learned that Fairmount family members desire more communication – they want regular updates

on progress and opportunities to become involved in the Sustainable Development Initiative Teams. We are responding to these requests in 2008 by increasing the frequency and quality of our internal communications initiatives.

We also conduct annual customer surveys to ensure we are meeting customer needs relative to quality, delivery and service. In 2007, our Quality group reviewed customer feedback and determined that we achieved 99.92% customer satisfaction.



Mission and Principles

Fairmount Minerals grounds our work in a shared commitment to “...exceed all expectations while fulfilling our economic, social and environmental responsibilities.” The following principles unite Fairmount Minerals in our vision of sustainability, allowing our organization to easily understand the alignment of our values and actions:

- Ethics
- Safety
- Health and Wellness
- Leadership
- Total Quality
- Environmental Stewardship
- Empowerment
- Personal Excellence
- Continuous Improvement
- Celebrate / Fun
- Teamwork / Shared Ownership
- Social Responsibility

External Commitments and Memberships

Our participation in the United Nations Global Compact (UNGC) reinforces our organizational commitment to sustainable development. We endorse the Global Compact's 10 principles of human rights, labor standards, environment, and ethical business practices not only in our own business activities, but also through active promotion of the Global Compact. In 2007, Fairmount Minerals partnered with Case Western Reserve University to develop a Global Compact regional network in Northeast Ohio.

Fairmount Minerals shares our sustainable development learning and best practices with the more than 40 organizations and associations of which we are members. From trade associations to local sustainability networks, we participate in a broad spectrum of organizations, a few of which include:

- American Chemistry Council Crystalline Silica Panel
- American Foundry Society
- American Society for Quality
- American Society of Safety Engineers
- Business as an Agent of World Benefit Center
- Casting Industry Suppliers Association
- Foundry Educational Foundation
- Golf Course Builders Association of America
- Golf Course Superintendents Association of America
- Industrial Minerals Association of North America
- National Association of Manufacturers
- National Freight Transportation Association
- National Industrial Sand Association
- National Plasterers Council
- National Safety Council
- North American Rail Shippers
- Society for Human Resources Management
- Society for Mining, Metallurgy and Exploration
- Society for Petroleum Engineers
- U.S. Business Council for Sustainable Development
- U.S. Chamber of Commerce Business Civic Leadership Center



Strategy and Analysis

Key Impacts and Opportunities

The guiding values that drive our business strategy are reflected in Fairmount Minerals' motto, mission and shared corporate principles. This strategy defines how our company approaches sustainability.

As a leader in the mining and minerals industries, Fairmount Minerals has an opportunity and an obligation to act intelligently when it comes to using natural resources and adopting a global perspective. We have to encourage technological innovation in order to reduce energy use and waste. We need to identify new methods of collaboration that lead to industry advancement. And, we must operate efficiently and effectively so we have the resources to invest in new and better product development while advancing our own environmental health and safety practices.

The industry in which we operate presents particular challenges including land disturbance, energy use and safety. Fairmount Minerals addresses these issues through our targeted sustainable development initiatives. We respect biodiversity and natural habitats through our extensive land restoration efforts. We continually look for ways to reduce our fuel usage and, thereby, greenhouse gas emissions, by employing energy-efficient technologies and increasing use of renewable energy resources. And, we have expanded our safety initiatives to make safety a central theme in Fairmount communications and actions. Our products, practices and social investments allow Fairmount Minerals to contribute to strong, prosperous communities and a healthy, beautiful environment.

Our approach to sustainable development includes the anticipation and vetting of potential social and environmental outcomes before proceeding with business decisions. This "systematic simplicity" scheme allows us to set achievable and powerful targets through a process informed by stakeholder feedback and an assessment of current states.

SYSTEMATIC SIMPLICITY

Corporate Social
Responsibility Team



Vision & Mission



Identify Stakeholders



Impacts/Footprint



Performance Indicators



Goals & Targets



Measure/Evaluate



CSR Report























Stakeholders

2007 Bold Goals

With 59 Bold Goals for sustainable development in 2007, Fairmount Minerals sharpened our focus on our social, environmental and economic activities. We looked for new and better ways to mine, process and manufacture our products to achieve our goals, and we sought feedback from our internal stakeholders on opportunities for social engagement. We also participated in several external presentations and group meetings to educate others on sustainability.

In reporting progress on our 59 Bold Goals, Fairmount Minerals offers a transparent picture of where we met our goals and where we have opportunities to improve. Going forward, these goals will continue to shape the way in which we practice sustainable development and manage our business.

KEY	
	Met Target
	Ongoing Progress
	More Work Required
	Positive Trend
	Opportunity for Improvement

GOAL AREA	PERFORMANCE	COMMENTS	TREND
We will be a leader in education, safety and health.			
Promote and sponsor continuing education for internal stakeholders in the areas of professional certifications, higher education and post-secondary education.		Employees received increased communications on Fairmount's 100% reimbursement policy for education and training.	
Develop training goals for individual stakeholders by working with managers at all Fairmount Minerals facilities.		Individual training plans completed for employees at all Fairmount manufacturing facilities.	
Achieve an average of less than or equal to 50% of current permissible exposure limit (PEL) on silica dust levels.		Fairmount Minerals achieved an average of 41% of 2007 PEL levels for silica dust.	
Achieve one million safe work hours as a total corporation.		Fairmount Minerals' longest safe working time period in 2007 was 408,869 hours.	
Publish Fairmount Minerals safety manuals.		Fairmount identified applicable 2004 safety manuals and is in the process of adapting them to ISO18001 standards.	
Offer to provide Life Line Screenings to all employee family members and spouses.		281 employees and spouses participated in Life Line Screenings, which were offered to the entire Fairmount family.	
Increase participation in the Wellness Program by 30%.		Increased participation in the company wellness program by 87%.	
Establish a scholarship program to reward socially and environmentally responsible behavior in our youth.		Fairmount Minerals awarded \$5,000 academic scholarships to four children of Fairmount employees.	
Establish QUEST, our signature program, to support environmental education.		The CSR Team created the QUEST sub-committee, which planted more than 40,000 trees to help offset carbon emissions in 2007.	
All internal stakeholders will receive a minimum of eight hours of safety training per year.		86% of all Fairmount employees received eight hours of safety training, with the average number of hours reaching 14.5 per employee.	
Develop a plan to roll out ISO14001 at each resin-coating facility.		All four resin-coating facilities registered to the ISO14001:2004 international standards in 2007.	
Communicate our progress and successes in Sustainable Development.			
Develop a comprehensive communications plan.		Fairmount crafted a communications plan in 2007 that will increase effectiveness of communications to all key stakeholders.	
All facilities will host a minimum of one plant tour or open house in 2007.		Every Fairmount facility hosted an open house or plant tour during the year.	
Develop an introductory Employee Awards and Recognition Program.		Our Communications Team created the employee awards and recognition program in early 2007 based on feedback from the organization.	
Establish the Bill Conway Founder's Award to recognize employees who embrace the ideals and principles of community impact through the personal contribution of time, talents and treasure.		Two employees received the Bill Conway Award in its inaugural year.	
Publish Fairmount Minerals' first Corporate Social Responsibility Report in 2007.		We published our first-ever Corporate Social Responsibility Report using the Global Reporting Initiative framework in April 2007.	
Implement a facilities presentation for all domestic plants.		We created facility-specific brochures for all Fairmount operations that provide an overview of the company as well as local contact information.	

GOAL AREA	PERFORMANCE	COMMENTS	TREND
Invest our time, talents and treasure to enhance our communities.			
Donate a minimum of 1.5% of pre-tax / pre-equity earnings through financial, volunteer and in-kind support to 501(c)3, tax-exempt organizations.	⦿	Fairmount Minerals donated 1.76% of pre-tax / pre-equity earnings.	⬆
Reach 100% participation in employee volunteerism, with an aggregate average participation of 20 hours per employee or 6,700 hours of volunteer time.	🔄	Fairmount employees donated 4,873 hours of volunteer service in the past year.	⬆
Match employee contributions to 501(c)3, tax-exempt organizations on a 1:1 ratio up to \$500 annually per employee.	⦿	We matched nearly \$10,000 in employee gifts.	⬆
Grant \$100 to 501(c)3, tax-exempt organizations to which an employee donates 20 or more personal volunteer hours annually.	⦿	We provided 29 grants to organizations where our employees volunteer personal time.	⬆
Hold our first company-wide Day of Caring in 2007.	⦿	Every Fairmount Minerals facility hosted their own Day of Caring, where employees participated in group volunteer projects.	⬆
Implement Community Investment Policy in first quarter 2007.	⦿	We shared our new Community Investment Policy internally in early 2007 and began applying it to grants and volunteer activities during the year.	⬆
Our family members will maintain a healthy balance between community involvement, work and family.			
Promote a minimum of two company-sponsored events annually at each site where employees and their families can participate.	🔄	Each facility hosted at least one event for employees and families.	⬆
Achieve 30% participation in company-sponsored events.	⦿	Participation in company-sponsored events exceeded 30%.	⬆
Measure reductions in Fairmount Minerals' employee family stress in "life load" section of the health risk assessment.	⦿	273 employees completed the health risk assessment.	⬆
Encourage employee vacation for all employees.	🔄	Fairmount plans for employee vacation time by allocating additional support at times when employees schedule time off.	⬆
Conserve energy and water.			
Create a baseline document for reporting electricity, fuel and water usage.	🔄	We established consistent measurement techniques at each facility for fuel and electricity usage, and we are working towards a baseline measurement of water use.	➡
Implement five company-wide initiatives for energy conservation.	⦿	We identified and implemented five initiatives to conserve energy.	⬆
Promote and encourage Fairmount Minerals family members to purchase hybrid vehicles.	⦿	Fairmount extended our hybrid purchase incentive program into 2007.	⬆
Identify the environmental impacts of the modes of transportation used by our organization and determine areas of conservation and efficiency improvements.	🔄	We identified methods for measuring total organizational transportation.	➡
Profile total direct energy consumed to determine areas of conservation and efficiency improvements.	⦿	Fairmount determined total direct energy use at each facility.	⬆
Engage stakeholders in site planning and restoration.			
Develop Site Plan Portfolio with input from stakeholders. In 2007, focus on two plant locations.	⦿	We identified two properties to focus our efforts on site planning and began the process of engaging with stakeholders in those areas.	⬆
Reduce waste and optimize resources.			
Establish a process to determine total raw material purchases & Establish a process to determine the percentage of packaging materials used that are recycled materials.	🔄	Our Packaging Team identified total packaging purchases and calculated the percentage of input packaging materials that are recycled.	⬆
Identify the amount of products and packaging materials reclaimed at the end of their useful life.	🔄	We initiated a survey with customers to determine the ways in which our packaging material is recycled or reclaimed.	⬆
Establish a baseline total amount of waste by method.	🔄	Fairmount Minerals developed a method for calculating total waste at each facility.	⬆
Create a baseline document for reporting plant recovery.	🔄	Our resin-coating facilities developed a reporting document that is currently under review by our industrial sand facilities. By 2008, all of our facilities will use a consistent method to report plant recovery.	⬆
Create a recycling program and/or teams at all Fairmount Minerals locations.	⦿	Our 3R Team created recycling teams at each facility to focus on eliminating waste and increasing recycling.	⬆
Convert solid resin shipments from disposable cardboard boxes to reusable super sacks.	⦿	We have converted all resin shipments to reusable super sacks, eliminating approximately 15,700 pallets and 4,000 units of packaging annually.	⬆
Explore and potentially develop a recycling facility for spent foundry sand.	⦿	We have continued to explore and test specific markets for recycling spent foundry sand.	⬆

GOAL AREA	PERFORMANCE	COMMENTS	TREND
Reduce waste and optimize resources cont.			
Evaluate viability of recovering clay from spent foundry sand for reuse.	🕒	We have analyzed the demand and costs associated with recovered clay and, at this point, have not been able to create a viable business case for moving forward.	⬆️
Move to zero waste by reducing solid waste by 1.5%.	🔄	In 2007, our resin-coating facilities reported reductions in solid waste by at least 1.5%. Our industrial sand facilities will begin measuring and reporting waste in 2008.	⬆️
Move to renewable energy.			
Conduct wind energy weather analysis.	🕒	We have completed the first phase of wind analysis required to continue evaluating the viability of a wind energy resource at a Fairmount facility.	⬆️
Explore and analyze renewable energy options by plant (fuel, hydro power, solar power, etc.).	🕒	Fairmount has contacted several partners on a variety of potential renewable energy projects. In 2007, we identified potential hydro power and co-generation power projects that we will further explore in 2008.	⬆️
Improve air and water quality.			
Reduce hazardous air pollutants (HAPs) from 2000 level by 50%.	🕒	Fairmount Minerals has driven down HAPs levels by 50% over 2000 baseline.	⬆️
Determine a baseline measurement for volatile organic compounds (VOCs).	🕒	VOC levels are currently measured at locations where permitting is required.	⬆️
Establish a baseline measurement for greenhouse gas emissions, NOx, SOx, and particulate matter.	🔄	Fairmount has established processes to measure greenhouse gas emissions and criteria pollutants, but we have not yet implemented the process at all targeted facilities.	⬆️
Enhance potable water quality standards.	🕒	We tested local water quality at every Fairmount facility and determined that all sites meet potable water standards.	⬆️
Reduce odor impact to communities.	🕒	With the advent of our Neozien technology, we have dramatically reduced odor impact in and around our resin-coating facilities.	⬆️
Exceed annual growth-oriented financial plan.			
Reduce health and well-being costs by increasing participation in wellness program.	🕒	We increased participation in Fairmount's wellness program by 87% in 2007.	⬆️
Increase our partnerships with sustainable companies and/or members of the UN Global Compact or similar organizations.	🔄	Fairmount Minerals extended our relationship with the UN Global Compact by participating in the creation of a regional network in conjunction with Case Western Reserve University and its Center for Business as an Agent of World Benefit (BAWB).	⬆️
We will be a leader of sustainable products and technologies.			
Promote sustainable development principles in foreign operations.	🔄	Fairmount upholds our stringent environmental and social standards in our newest international operations.	⬆️
Create a campaign to inform our new Chinese team and European and Mexican partners about sustainable development initiatives.	🔄	We are currently in the process of translating many of our sustainable development communications.	➡️
Author a product development charter that creates guidelines in synergy with our three pillars – people, planet and prosperity.	🕒	In 2007, we created a product charter that requires all product development activities to consider environmental, social and economic consequences equally.	⬆️
Do Good. Do Well. Globally.			
Develop a comprehensive plan for Aqua Clara potable water filtration system.	🔄	We founded and developed a plan for placement of 1,000 filtration systems in 2008.	⬆️
Increase sales revenue and profit from expansion in China.	🔄	Our China facility will be fully operational in early 2008.	⬆️
Measure greenhouse gas emissions to use as benchmark for future operations.	🕒	We measured and reported on greenhouse gas emissions in 2007.	⬆️
Continue to exceed expectations of UN Global Compact by embracing the set of core values in the areas of human rights, labor standards, the environment and ethical business practice.	🕒	We submitted our first "Communication on Progress" in 2007 and continue to actively support the UN Global Compact.	⬆️

“Fairmount Minerals is not just a company that exists in this community - they are an integral part. Geauga County benefited immensely when Fairmount participated in a company-wide Day of Caring, donating over 400 hours of service in one afternoon. It saved our non-profit community nearly \$8,000 while touching hundreds of lives. We can't thank Fairmount Minerals enough for their commitment to 'do good and do well'.”

Kimm Leininger

Executive Director, United Way Services of Geauga County



Jeremy Dove teaches students from Holmes School in Spring Lake, Michigan about mining and land restoration during one of Fairmount Minerals' school tours.

Goal Setting

Building on our 59 Bold Goals in 2007, Fairmount Minerals will review where we made progress and where we had opportunities for improvement. For 2008, we have identified 57 specific, company-wide Bold Goals as well as individual plant goals related to each goal area. This allows our company to work together to achieve excellence in sustainable development as an organization while giving our facilities the flexibility to develop appropriate goals based on their size and scope of work.

The goals we have created for 2008 align with our company focus on expansion and inclusion. As we grow both geographically and in new markets, Fairmount Minerals commits to adopting an inclusive approach. By bringing new partners and perspectives into our planning and sustainable development efforts, we expect to accomplish more than we can even imagine today.

2008 Bold Goals

We will be a leader in education and communication.

1. Implement communications plan following a phased approach.
2. We will create and implement an employee orientation package and training plan that includes information on Fairmount's Sustainable Development initiatives.
3. We will implement a system to track our community investment goals, volunteer hours and contributions.
4. Establish QUEST site committee at targeted facilities to focus on environmental education.
5. Host at least one internal environmental education activity at each facility.
6. Partner with two other organizations to further the QUEST program and environmental education.
7. We will sponsor an intern or graduate student from a university or technical school on a subject relating to sustainability.
8. We will commit to a minimum of 10 outside presentations or collaborations to promote sustainable development.
9. Plant specific goal(s) related to education and communication.

We will be a leader in health and safety.

10. Promote employee health by participating in the "Walk for the Health of It" Challenge. Reach a collective goal of 250,000,000 steps in one year.
11. Research and present a proposal to incorporate children into our existing wellness program.
12. Increase participation in the Wellness Program by 30%.
13. Achieve one million consecutive safe work hours as a company.
14. Achieve an average of less than or equal to 50% of current permissible exposure limit (PEL) on silica dust levels by occupation for each facility.

15. Establish a safety observation process that provides for proactive safety involvement with success measured at 500 safety observations.
16. Ensure the health and safety of our employees and their families through implementation of the "Bringing Safety Home" initiative.
17. Perform 25% better than our peers on industry averages on Incident Rates as a total company.
18. Develop a health and safety checklist for all on-site and off-site events, projects and volunteer opportunities.
19. Complete a cooperative assistance visit at all terminals (where granted access) to evaluate performance with respect to permits, safety and environment.
20. Plant specific goal(s) related to health and safety.

We will invest our time, talents and treasure to enhance our communities both locally and globally.

21. We will donate a minimum of 1.5% pre-tax / pre-equity earnings through financial, volunteer and in-kind support to tax-exempt organizations.
22. Each plant will donate a minimum of 0.25% of their pre-tax / pre-equity earnings through financial, volunteer and in-kind support to tax-exempt organizations.
23. We will achieve 100% participation in employee paid volunteerism (every employee providing at least one paid volunteer hour).
24. We will achieve 6,000 paid volunteer hours.
25. We will establish a Fairmount Foundation and have it operational in 2008.
26. We will create a Community Investment Disaster Relief team.
27. Plant specific goal(s) related to community investment.



We will promote and support a healthy balance between community involvement, work and family.

- 28. Support and educate our Fairmount family in the areas of health and well-being. Improve our measurements in the four primary risk factors that affect our family's health status—nutrition, physical activity, body weight, and stress.
- 29. Plant specific goal(s) related to work-life balance.

We will optimize assets and conserve resources.

- 30. Establish a baseline on fuel consumption for Fairmount Minerals shipments and develop a tracking system.
- 31. Identify lanes of travel and increase average tons per rail car load.
- 32. Increase the amount (quantity) of recycled, recyclable, or re-useable raw material in finished goods packaging by 5%.
- 33. Establish plant recycling teams at new FML facilities - Santrol de Mexico, Menomonie, Santrol Yixing, Hager City, Technisand Wedron, Bay City, and Mineral Visions.
- 34. Establish and measure plant process waste including packaging waste, general waste and office/lab waste by facility. Resin Plants will reduce waste sand by 5% from 2007 base.
- 35. Identify and evaluate three markets for a spent foundry sand processing facility.
- 36. Identify customer waste streams to increase 3Rs on products we supply.
- 37. Eliminate bottled water at each facility by implementing water purification technology.
- 38. Install and commission meteorological tower at the Wedron facility to study wind energy opportunities.
- 39. Complete a hydro power feasibility study for Fox River Dam.
- 40. Complete a cogeneration feasibility study for Chardon.
- 41. Add water management to Local Energy Profile Baseline.
- 42. Complete investigation of the benefits of purchasing "green energy" (up to 20% of total energy purchase) at each location.
- 43. Formalize and implement five company-wide energy conservation initiatives.
- 44. Best Practices Mining, Resin and Bulk Loading teams to visit facilities and make recommendations for improvement.
- 45. Plant specific goal(s) related to optimization and conservation.

We will be a leader in the development of sustainable products and processes.

- 46. Identify, track, and measure the carriers using biodiesel by amount and percentage of mix in biodiesel. Create ways to partner/ encourage use of identified carriers.
- 47. Implement new Supplier Code of Conduct for inventory purchases.
- 48. Each Fairmount facility will implement at least one project to reduce PM/PM10 levels by October 31, 2008.
- 49. Reduce greenhouse gas emissions by 1.5% in 2008 (using 2006 as baseline) on a per unit basis by facility.
- 50. Identify the top five invasive plant species for each U.S. Fairmount location and apply information to carbon sequestration efforts.
- 51. Reduce HAP's by 25% on a per unit basis from 2006 levels.
- 52. Reduce the Criteria Pollutant "Ammonia" by 25% on a per unit basis from 2006 levels.
- 53. Introduce three new sustainable products or processes to benefit new or existing markets.
- 54. We will formalize a licensing agreement to expand the use of our sustainable products globally and implement with at least one user.
- 55. In partnership with the Aqua Clara Foundation, we will complete the installation of 1000 CBCR (Chemical Biochemical Reactors) in designated underdeveloped nations by December 2008.

Plants to support goals related to sustainable products and processes.

We will exceed our annual growth-oriented financial plan.

- 56. Achieve economic performance aligned with annual financial plan.

Plants to support goals related to financial performance.

We will continue to embrace and share the principles of the UN Global Compact as we expand internationally.

- 57. We will increase company knowledge by educating our employees on the principles of the UN Global Compact and the Center for Business as an Agent of World Benefit (BAWB).

Plants to support goals related to UN Global Compact membership.

Prosperity

Fairmount Minerals' economic prosperity is a vital element of our sustainability - with implications for our key stakeholders who rely on Fairmount's continued financial success. We have a responsibility to achieve exceptional financial performance in order to deliver profits to all Fairmount shareholders, ensure investment in new technologies and provide support to our local communities. Our approach to economic prosperity considers not only financial outcomes, but the social and environmental effects of our business decisions.

Fairmount Minerals' management approach to economic performance and market presence aligns with and reinforces our commitment to sustainable development. Our financial solvency allows Fairmount Minerals to remain in operation, providing jobs and generating taxable income to support our operating communities. In 2007, Fairmount Minerals experienced our sixth consecutive year of growth with record sales and profits. Because we are a private company, we do not publicly report specific financial information; however, our goal is to continue to realize our mission of providing exceptional products in a way that builds sustainable value for our customers, employees, suppliers, and communities.

In the past year, Fairmount Minerals strengthened our commitment to sustainable development by tying 50% of all bonus compensation to progress on our 59 Bold Goals. By allocating a significant portion of bonus compensation to demonstrated progress on sustainable development initiatives, Fairmount Minerals created a tangible link between social and environmental outcomes and our own prosperity.

Superior Products

One way in which we achieve superior performance is through the creation of unique products that meet our customers' needs while ensuring environmental integrity. Two examples of these distinctive offerings include our dynamic **FlexSand** turf product and our **SpectraQuartz** colored quartz product.

With FlexSand, Fairmount Minerals provides an alternative to crumb rubber – a material that raises toxicity concerns with watch groups – by using an engineered elastomer and high purity quartz sand to achieve superior application performance. Our focus on performance safety, environmental responsibility in use and recyclability has allowed Fairmount Minerals to create a product that is non-flammable, leach resistant and completely recyclable.

A second unique product that differentiates Fairmount Minerals in the competitive market is SpectraQuartz. From the earliest product development stage, we employed a water-based pigment dispersion in the coloring process, which eliminates the volatile organic compounds (VOCs) found in solvent-based dispersions. We also use a revolutionary, low temperature thermal curing process to bond the pigment to the quartz surface to reduce the amount of energy use. With SpectraQuartz, we achieve an environmentally sound product with a process that uses less energy and, as a result, lowers operational costs.

Geographic Expansion

Fairmount Minerals' growth in 2007 included an expanded geographic focus with the construction of six new facilities, including two international facilities in China and Mexico. These facilities will help Fairmount meet the growing demand for our extensive array of products while contributing to our overall prosperity.

Fairmount commits to following the same standards in our international operations that we uphold in our U.S. operations with regard to labor, human rights and environmental responsibility. Our Fairmount Code of Ethics has been translated into Spanish and Chinese and will be distributed as new team members come on board.

A Global Reach

Since 2006, Fairmount Minerals has partnered with the Aqua Clara Foundation to deliver water remediation technology to underdeveloped countries. In the past year, Fairmount enhanced our relationship with Aqua Clara, providing more than 60 new "Waters for Life 1000" filtration units for installation. In 2007, we expanded the sustainability of the water filtration tool itself, allowing for the removal of contaminants without the use of harsh chemicals. Additionally, Aqua Clara partners conducted training for water filtration recipients to ensure there is no re-contamination of the water in the process.

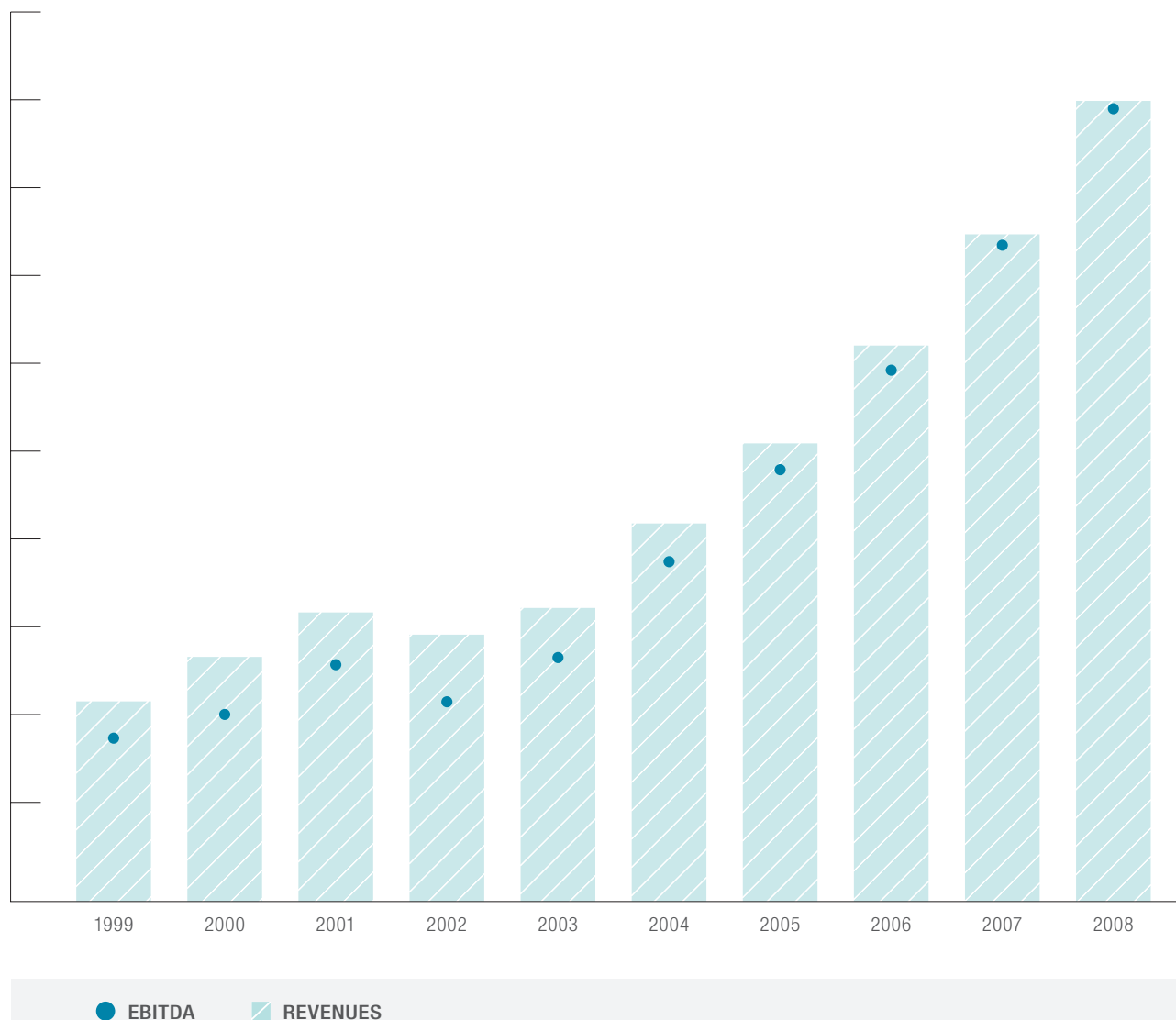
Fairmount Minerals, together with its partner Aqua Clara, plans to deliver 1,000 water filtration units to underdeveloped countries in 2008 while also exploring ways in which this technology can open new markets. With this "Do Good, Do Well" approach, Fairmount Minerals hopes to strengthen its own prosperity while addressing a critical global issue – water scarcity.



“Fairmount Minerals stands as a worthy example of ‘enlightened self interest’ – doing good and doing well. While some critics contend that companies must sacrifice profits and competitiveness in order to be good stewards, Fairmount Minerals proves this assumption false. Other companies have much to learn from this commitment to prosperity as well as to the planet and people.”

Dr. Paul J. Voss
Founder & President, Ethikos

EBITDA & REVENUES



People

At the core of our corporate citizenship is a longstanding commitment to social responsibility – ensuring the people and communities we touch receive the resources they need to live and prosper. Fairmount Minerals’ management approach to social responsibility includes specific goals in the following areas:

- Community Investment
- Employee Relations
- Safety
- Labor Practices and Human Rights
- Health and Wellness

Our notion of social responsibility extends outside Fairmount Minerals and into the communities where we live and work. While many of our social initiatives focus on our own Fairmount family members – health, safety and personal excellence – we understand our commitment to be inclusive of those outside our walls – our family, friends, neighbors, and other stakeholders within the global community.

Community Investment

Fairmount Minerals believes in the power of a strong community, and we are dedicated to participating as a responsible corporate citizen in our locations around the world. We manage this aspect of our business by allocating necessary resources to each facility to ensure our management team can meet their community investment goals.

We made community investment a significant focus for our company during the past year by implementing a new volunteer and charitable donation policy, and we have seen exceptional social outcomes as a result. From environmental conservation to one-on-one support in health and human service, our Fairmount family members gave their time, talent and treasure to enhance communities and assist those in need.

Fairmount Minerals donated more than 1.76% of our pre-tax, pre-equity earnings to organizations supporting education, health and wellness, and the environment in 2007. Our corporate contributions were augmented by Fairmount family members’ own fundraising efforts, which raised an additional \$91,000 for local United Way campaigns and other health and human service organizations.

Above and beyond financial investment, our Fairmount family members donated 4,873 hours of volunteer time. From coaching little league teams to serving meals at a soup kitchen, our Fairmount family provided much-needed services in their local communities. Nearly 70% of our entire workforce took advantage of our new corporate employee volunteer policy, which allows up to 40 hours of paid volunteer leave annually. Our goal is to obtain 100% participation in our employee volunteer program in the future.

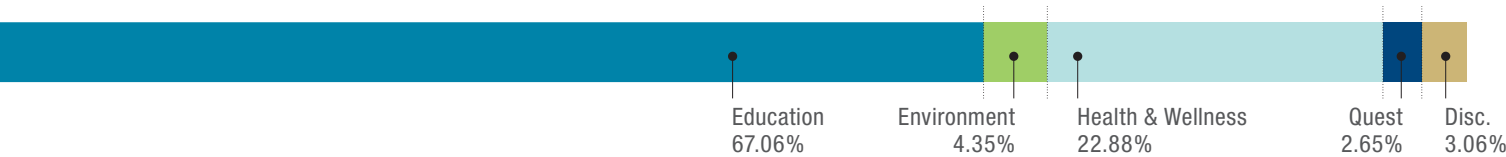
Fairmount Minerals also initiated group volunteer projects in 2007 with our Days of Caring. We committed to host a volunteer day at every Fairmount facility, and we enjoyed a wide variety of group projects. Employees across the company participated in activities such as river and playground clean-up, spending time with the elderly, maintenance at a domestic violence shelter, and Boys and Girls club projects.

In September 2007, Fairmount Minerals hosted a golf outing fundraiser to honor Bill Conway, Chairman of Fairmount Minerals’ Board, for his longtime commitment to philanthropy and community service. With business and community leaders from around the region, Fairmount Minerals raised more than \$65,000 for health and human service organizations. Held at the nationally ranked Sand Ridge golf course, this outing proved to be the largest special event ever held for United Way Services of Geauga County. In addition to raising critical funds for the community, participants enjoyed spectacular golf alongside 370 acres of woods, pastures and wetlands certified as Audubon International Signature Wildlife Sanctuary.



Pictured: Kimm Leininger and Bill Conway

COMMUNITY INVESTMENT



Established by the Corporate Social Responsibility Team, the Bill Conway Founders Award honors outstanding Fairmount Minerals family members who embrace the ideals and principles of community impact through their personal contribution of time, talents and treasure. In its inaugural year, our highest employee honor went to two highly deserving individuals – Tim Campbell and Mick Pfeiffer. From our Standard Sand and Wexford Sand facilities respectively, these gentlemen exhibit exemplary dedication not only to fulfilling their work commitments but to championing sustainable development professionally and personally.

Tim spends up to 300 hours each year volunteering as a Special Olympics coach, serving meals at a local soup kitchen and spending time with seniors in a nursing home. Mick was instrumental in establishing Wexford Sand's native prairie habitat, which has grown into a home for several bird species of special concern. Tim and Mick were both granted \$500 to donate to their charity of choice and invited to sit on Fairmount's Sustainable Development Steering Committee for a one-year term.

Employee Relations

Supporting our employee family is a critical aspect of Fairmount's social responsibility. Members of our management team work to establish personal goals for all Fairmount family members to ensure every employee participates in his or her own development plan. We have also adopted an inclusive approach to many of our key corporate initiatives, inviting employees across the company to share their insights or feedback to help improve our efforts in sustainable development as well as traditional business objectives.

Scholarship Program

One way in which Fairmount Minerals invests in the ongoing cultivation of sustainable development while supporting the employee family is through our newly formed scholarship program. In the past year, Fairmount Minerals awarded four \$5,000 college scholarships to children of Fairmount employees who demonstrate a commitment to sustainable development. The students selected in 2007 submitted applications that cited a wide variety of projects and activities that promote environmental education and social awareness. With this scholarship program, Fairmount Minerals aims to foster in our youth an appreciation for sustainable development.

Employee Awards and Recognition

Because employees are our most valuable asset, Fairmount Minerals seeks to recognize their good work and effort in the area of sustainable development. In addition to informal recognition activities, we started a formal employee awards and recognition program this year to demonstrate our appreciation of our employee family. Across the company, employees nominate one another for this recognition, and nominees are then selected for the Sustainable Development Employee of the Year distinction.

Training and Education

Equipping our employees with the education and training they need is another way Fairmount Minerals supports our employee family. In 2007, we invested more than \$290,000 in education opportunities for our employees, reimbursing undergraduate, graduate and continuing education program fees. We also reinvigorated communications around our 100% education reimbursement policy to generate interest in the program, and we expect to see even greater participation in 2008.

External Awards

Fairmount Minerals received two special awards this year for our community service activities. In August, the National Association of Manufacturers presented Fairmount Minerals with the first-ever Sandy Trowbridge Award for Community Service. We also received the Richard Shatten Civic Distinction Award from the Entrepreneur's EDGE for our commitment to community investment and environmental responsibility.

Safety on the job is just as important as safety at home, and Fairmount Minerals creates initiatives that ensure the safety and health of our employees, their families and community stakeholders. Our “Bringing Safety Home” program provides tools and resources for safety outside the work environment. A program component includes a reference brochure for use when participating in community volunteer projects.

Safety

Every day on the job and at home, Fairmount Minerals makes safety a priority. Our ongoing goal is for all of our family members to enter work and return home safely. With a focus on heightened awareness and training, Fairmount Minerals works to bring safety messages top of mind for every Fairmount family member.

Our management approach to safety involves committed leaders and empowered, informed employees. Key companywide tools that support this approach include:

- Annual companywide performance objectives
- A standard process to report and investigate incidents
- A database to manage incident data
- An audit process to assess regulatory compliance and continuous improvement
- Robust communications

Our current target is to reach one million safe working hours.

While we did not meet this threshold in 2007, Fairmount Minerals experienced incidence rates lower than and comparable to industry rates. Our Industrial Sand division achieved an incidence rate of 2.9 compared to the industry rate of 3.7; and, for 11 months out of the year, our Manufacturing division met the industry rate of 3.0.

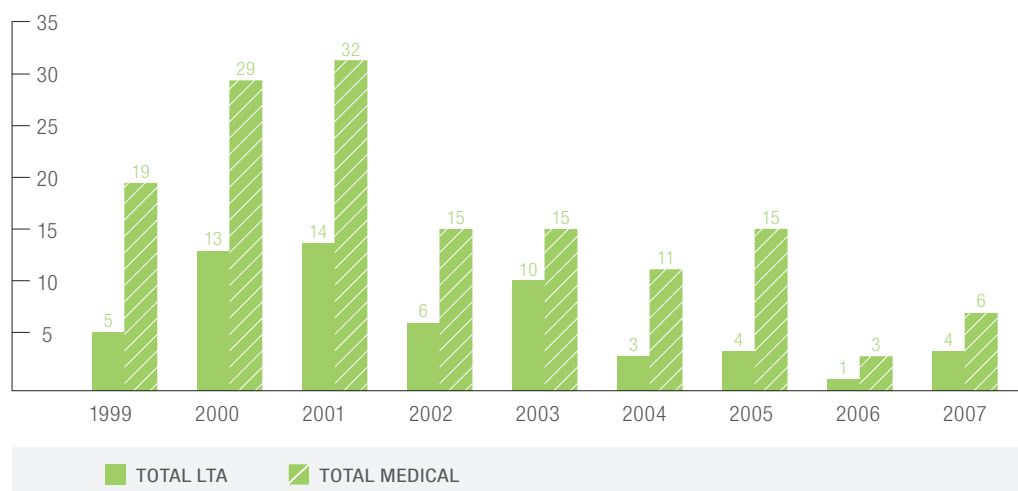
With an incident occurring at a new facility in December 2007, our incidence rate shifted to 3.8 for the year.

Because workplace safety is paramount at Fairmount Minerals, we invest significant time and resources in safety training for all employees. Nearly 20% of our workforce participates in formal safety committees established at all facilities. On average, employees received 14.5 hours of safety training this year, with 86% of our workforce receiving at least eight hours. Training included “We Lead by Example” safety leadership workshops as well as CPR classes for interested individuals.

Safety messages are consistently communicated through multiple channels, including a new monthly newsletter focused on safety tips and training notices. Fairmount’s volunteer Safety Initiative Team identified and are in the process of adapting safety manuals for both industrial sand and resin-coating facilities for ISO 18001. The goal is to be ISO 18001 compliant at every facility by 2009.

Fairmount Minerals sought external safety practice verification with third party compliance assistance visits at every facility and our rail terminal locations. Our specialized rail safety program evolved in 2007 to include training with terminal operators as well as a written rail safety manual.

ACCIDENT ANALYSIS ALL LOCATIONS





Labor Practices and Human Rights

Fairmount Minerals' Code of Ethics provides a set of guidelines for the way in which we operate. The Code outlines our position on issues related to ethical business practices and labor standards while setting expectations on behavior. Within our Code, Fairmount Minerals also outlines an equal opportunity policy that protects the personal right to be treated with respect and dignity regardless of gender, race, color, religion, national origin, age, disability, sexual orientation or other statutorily protected characteristics.

Our policies and management practices reflect international conventions and norms in respect of human rights, including those supported through our participation in the United Nations Global Compact. We comply with all laws related to child and forced labor, and we have not, at any time in the company's history, incurred a human rights fine or sanction. We recognize the right of our employees to freely associate and join trade unions by complying with all local employment law requirements.

Fairmount Minerals also follows the Worker Adjustment and Retraining Notification Act (WARN Act), which requires 60-day advance written notice to employees affected by mass layoffs or plant closings.

Health and Wellness

Fairmount Minerals focuses on the health and vitality of our employee family through programs that concentrate on personal wellness. And, while we support health and wellness because it is in the best interest of our employee family, we also see business benefits – individual employee health costs dropped 5% from 2006 to 2007 with an overall decrease in claims.

As part of our focus on prevention activities, every Fairmount facility now hosts employee health fairs. The fairs promote Fairmount's health and wellness key indicators – nutrition, exercise, weight management and stress – and lend expertise through nutritionists, nurses and other health professionals. We also conducted blood tests and administered health risk assessments at these fairs to identify major health risk factors.

Employee participation in our wellness program increased by 87% in 2007, with targeted communications and a renewed focus on healthy living contributing to this boost. Our wellness program continues to offer smoking cessation, gym membership reimbursements, bi-annual physicals, personalized care plans, and more, while improved accessibility to Life Line Screenings has resulted in an increased number of employees and spouses receiving important health check-ups. We also continue to offer an employee assistance program that provides education, training and counseling on disease management.

In 2008, our Health and Wellness team will implement a company-wide walk challenge program. All employees will receive a pedometer and regular updates on their progress towards 250 million steps as an organization. The goal of the program is two-fold – through regular exercise, employees will work on their overall health while offering friendly competition and team-building opportunities.



Planet

As our commitment to environmental responsibility has grown, Fairmount Minerals has adopted increasingly rigorous standards and practices to ensure we act in a way that respects environmental integrity. We recognize our core business inherently has an environmental impact. Because of this, we have a great responsibility to create products and processes that support a greener, healthier and more prosperous future.

Our goal is to effectively reduce our environmental footprint through greenhouse gas reductions, the conservation of natural resources and energy, and the elimination of waste. All managers share responsibility for implementing our environmental policy, which is supported by both a formal environmental health and safety management structure and volunteer-led initiative teams that focus on issues such as energy use, land restoration and recycling. These teams report to an executive-led Sustainable Development Steering Committee, which oversees all of Fairmount's sustainable development initiatives.

In 2007, we achieved ISO 14001 certification at all of our resin-coating facilities. The ISO 14001 management system is the system we use to ensure we act with the highest degree of responsibility and transparency. In addition to providing a framework for our environmental management approach, it creates competitive opportunities by unveiling environmental issues in our processes. Increasing productivity by reducing unnecessary wastes and improving resource efficiency streamlines work processes, which enhance quality throughout the process. In 2008, we intend to achieve ISO 14001 certification at four targeted industrial sand facilities.

Energy Use

Reducing overall energy consumption and diversifying our fuel sources is a central focus of Fairmount's environmental responsibility. We monitor our progress by collecting and analyzing data on electricity and fuel usage from all of our facilities. Specific to fuel usage, we track diesel and biodiesel fuel, gasoline, propane, fuel oil, and natural gas. In addition to our on-site fuel consumption (direct energy use), we also track indirect energy through electricity purchased. We are in the process of developing a system to track and measure additional indirect energy usage by product and employee transportation. We expect to include this information in our 2008 report.

Our total energy use increased in the past year as we added new facilities and increased production at existing facilities. While we increased our overall usage, we have invested in efforts to conserve energy and, as a result, reduce greenhouse gas

emissions. We are also implementing the following energy conservation activities:

- Replace standard electric motors with high-efficiency models
- Improve variable frequency drives to allow for changes in energy intensity
- Replace old lighting with energy efficient bulbs
- Install motion detection systems and programmable thermostats in all facilities
- Identify efficiencies in water management systems

To support energy conservation efforts, we are investing in the best available technology for all new Fairmount facilities. In Wisconsin, we made a significant investment in fluid bed dryer technology that uses natural gas combustion to more evenly heat and dry sand than traditional rotary dryers. In Wedron, Illinois, our newest Technisand facility is incorporating a continuous resin coating

process to increase energy efficiency and productivity while eliminating hydrocarbon emissions through a thermal oxidizer.

Fairmount Minerals will continue our energy conservation efforts by enlisting facility "energy champions" to track consumption and identify opportunities for improvement.

In 2007, our Eco-Efficiency Initiative team explored a variety of alternative energy options. One example of these efforts is obtaining approval to install a meteorological tower at our Wedron facility to determine the feasibility of wind-generated energy. We are also looking into partnerships and opportunities for a direct hydro power source in Illinois as well as a potential co-generation project that would use natural gas to run a high-efficiency engine.



FUEL USE BY TYPE 2006

FUEL USE BY TYPE 2007

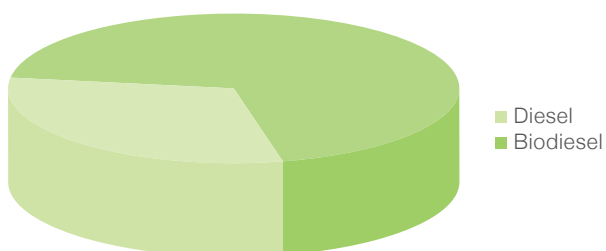
432,783	Fuel #400 GALLONS	363,278
128,994	Diesel #2 GALLONS	176,417
249,766	5% Biodiesel GALLONS	227,089
147,010	20% Biodiesel GALLONS	148,784
1,286,373	Liquid Propane GALLONS	1,543,954
639,753	Natural Gas MCF	786,613
17,187	Gasoline GALLONS	24,799
62,320,809	Electricity KW - HR	72,488,255

TOTAL FUEL USE BY FACILITY 2006* (MMBtu equivalent)

TOTAL FUEL USE BY FACILITY 2007* (MMBtu equivalent)

3,542	Best Southern	2,259
53,581	Bridgman Raw Sand	68,800
11,184	Bridgman Resin	14,761
177,563	Chardon	182,866
N/A	D.M. Boyd	7,445
3,362	Ferrysburg	4,101
8,284	Fresno	8,780
19,543	Grand Haven	23,554
N/A	Hamilton	65,550
84,008	Harrietta	70,000
109,397	Maiden Rock	127,067
44,600	Roff	46,176
48,214	Troy Grove	54,711
537,635	Wedron	624,292

BIODIESEL FUEL CONSUMPTION



*Total comprised of electrical, natural gas and other hydro carbon fuels



2006 NORMALIZED CO2 EQUIVALENTS*		2007 NORMALIZED CO2 EQUIVALENTS*
27.05	Best Southern	29.69
33.37	Bridgman Raw Sand	38.93
68.42	Bridgman Resin	68.48
55.20	Chardon	56.84
N/A	D.M. Boyd	28.53
3.49	Ferrysburg	12.07
119.80	Fresno	110.62
24.22	Grand Haven	31.72
N/A	Hamilton	52.65
55.65	Harrietta	49.37
51.08	Maiden Rock	40.35
65.50	Roff	65.88
53.70	Troy Grove	53.77
53.05	Wedron	65.93

*Data reported on a lb. per ton shipped basis

Greenhouse Gas Emissions

Fairmount Minerals reports greenhouse gas emissions in the form of carbon dioxide (CO2) equivalents, which are calculated from fuel and electricity consumption using emissions factors from the U.S. Environmental Protection Agency (USEPA) eGRID database, USEPA emission factors from AP-42 (5th edition, Compilation of Air Pollutant Emission Factors, Volume 1: Stationary Point and Area Sources), the FIRE (Factor Information Retrieval System) database, the Revised 1996 IPCC Guidelines and the World Resources Institute/World Business Council for Sustainable Development GHG Protocol. Our total direct and indirect greenhouse gas emissions from operations increased from 2006 to 2007. Part of this increase may be attributed to improved measurements and data collection techniques that allow for a more accurate reporting of our emissions. We plan to reduce our overall greenhouse gas emissions by 1.5% in 2008 based on a 2006 baseline. The remainder of the emissions will be sequestered in the long term by an ongoing program of planting trees and prairie grasses.

Criteria Pollutants

In 2007, Fairmount Minerals once again met our goals for reductions in respirable silica and diesel particulate matter, with reported levels less than 50% of the regulated permissible exposure limits. We saw a 50% reduction in hazardous air pollutants (HAPs) at our resin-coating facilities in 2006 based on 2000 baseline data, and our goal is to continue reductions by 25% in 2008 against 2006 measures.

Efforts to reduce the environmental impact of air emissions from our operations include a variety of technological advancements. We retrofitted major machinery at our Best Sand location with a diesel particulate filter to reduce carbon monoxide (CO) and particulate matter (PM) emissions. We also achieved significant reductions pound for pound of resin coated sand for ammonia (81%), phenol (77%) and formaldehyde (37%) against prior 2006 levels with expanded use of our TechniSand Signature Series Gold technology. This technology eliminates the use of ammonia-producing hexamine and includes our patented Neozen technology, which reduces odor impacts to our customers and surrounding communities. Our goal in 2008 is to include the unique Neozen odor neutralization technology in 100% of our coated sand products and further expand the use of Signature Gold Technology.



QUEST

Fairmount Minerals' signature environmental education program, QUEST, began in 2007 by focusing on carbon sequestration. We distributed and planted more than 40,000 trees – far exceeding our goal – to help offset our carbon emissions for the year. We also partnered with local non-profits and schools to distribute the saplings across our communities. In the future, we hope to expand this program to include more non-profit partners while educating our Fairmount family on the ways in which we can contribute to a greener planet.

Recovery and Recycling

In 2007, we made progress on our zero waste and recycling goals. Our resin-coating facilities decreased product waste by 1.5% while our industrial sand facilities began collecting data on product waste. We also established site-specific recycling teams who identify sources and amounts of waste at our facilities and develop programs and plans to increase our recovery and recycling efforts.

Our 3R (Recover, Recycle, Reuse) team sought feedback from customers and metal casting industry members on the viability of recycling spent foundry sand. While the market has yet to show a demand for this service, recent government approval of spent foundry sand for agricultural applications may open opportunities for recycling.

Water Use

Thanks to our utilization of closed-loop processes at all of our resin-coating and mining facilities, Fairmount Minerals does not have significant wastewater effluents. The most significant environmental impact Fairmount must manage related to water is the energy required to move water through our processing facilities.

In 2007, an independent vendor conducted water testing at all Fairmount facilities for contaminants and drinkability. The data showed that all facilities have potable water free from contaminants. Our goal is to inform and encourage internal stakeholders to begin drinking water at the facilities so as to eliminate bottled water at Fairmount sites.

Packaging

Our Sustainable Packaging team has made significant progress in developing a method for measuring total purchased packaging and calculating the percentage of packaging that comes from recycled materials. In 2008, Fairmount Minerals will develop a baseline measure for total packaging and work towards volume reduction. Our Sustainable Packaging team reached out to customers to better understand how we can help them recycle the packaging material they receive from Fairmount Minerals.

Positive trends in our packaging work include the expanded use of recyclable bulk bags for our resin-coated products and a transition to recycled bulk bag plastic liners. The bulk bag conversion project, which began in 2006, has proved to be successful in reducing our packaging waste while increasing the volume of product that can be shipped. Our project expanded this past year when a vendor recognized Fairmount's desire to move to more sustainable packaging and offered a bulk bag liner alternative made of 100% recycled content.

Sustainable Supply Chain

A significant achievement for Fairmount Minerals in 2007 included the creation of the company's first-ever sustainable supplier code of conduct. With a desire to promote sustainable development deep within Fairmount's supply chain, we studied best practices and developed a code of conduct that asserts our position with suppliers. In 2008, we will create the policy to enforce the code and formally publish our supplier code of conduct.

MAIDEN ROCK'S BAT CAVE

Fairmount Minerals' Maiden Rock, Wisconsin facility is unique in our company for a couple of reasons. Not only is it our company's only underground mine location, but it is the second-largest winter bat "hotel" in Wisconsin. With a temperate climate and high humidity, the hollowed out areas in the sandstone at Wisconsin Industrial Sand make the perfect environment for bat populations.

Fairmount is partnering with the Wisconsin Department of Natural Resources to monitor the bats that winter in the mine, and we are working to enhance the wildlife habitat by installing bat-friendly doors and osprey and bald eagle platforms. We seek to grow the bat population, which has been on the decline for several years. While some may fear these furry, winged creatures, bat populations are important to a healthy ecosystem. They dine on several insect varieties — many of which are crop pests — so they often help reduce the need for pesticides.

Biodiversity and Land Restoration

Fairmount Minerals makes site planning and restoration a key priority in our efforts to support environmental sustainability. With more than 4,000 acres of property across all of our mining and mineral processing facilities, Fairmount Minerals has a significant environmental impact on the biodiversity of our locations. Our commitment to restoring sites to a state better than that in which we found them allows Fairmount Minerals to thoughtfully address wildlife habitat conservation.

A demonstration of our commitment to environmental stewardship is seen in Fairmount's multiple Wildlife Habitat Council certifications.

In 2007, our Wedron facility was the seventh Fairmount location to be recognized for outstanding contributions to wildlife habitat conservation. This facility includes man-made lakes that are used by a variety of wildlife species and stocked with fish for employee recreation. Special attention has been paid to planting native species in the area to promote nesting opportunities for birds.

In 2008, Fairmount Minerals aims to achieve Corporate Lands for Learning (CLL) certification from the Wildlife Habitat Council. CLL certification recognizes cooperative efforts with schools using corporate lands for outdoor classrooms or involving employees in one-to-one student mentoring.

TOTAL LAND FOOTPRINT

	Total Average	Total Undisturbed	Total Disturbed	Disturbed Prior to FML	Permanently Restored	Percent Disturbed
Best Sand Southern	307	263	44	39	0	14
CACM	337	166	81	70	90	24
Chardon	545	160	320	N/A	65	59
Clark Farm	475	404	52	71	20	11
Fresno	5	0	5	5	0	100
Gulliver-Peters	49	45	3	34	31	6
Lakeshore Sand	7	0	7	7	0	100
Maiden Rock	20	6	11	14	3	55
Nadeau Pit	181	50	24	62	107	18
Nadeau Site (Taube Road)	153	103	21	41	29	14
Roff	42	35	7	7	0	17
Standard Sand	133	89	36	16	8	27
Technisand/Bridgman - Resin	17	0	17	17	0	100
Troy Grove	3	0	3	3	0	100
Wedron	1407	855	397	N/A	155	28
Wexford	347	58	187	274	102	54

Total Disturbed: Does not include restored areas (only presently open areas)

Total Undisturbed = Total average minus total disturbed minus permanently restored.

Responsible Products

Our responsible practices come to life through the products we create.

Fairmount exhibits this responsible focus by manufacturing products that exceed customer expectations. With a product development charter that requires consideration of the three Ps – people, planet and prosperity – Fairmount Minerals aims to develop products that make the world a better place.

Our TechniSand Signature Series product provides a solution to the foundry market that reduces the HAPs emitted during production and emits lower free phenol levels during use. In addition to improving air quality in and around our own facilities, this gives customers a cleaner, healthier environment when they are using our resin-coated product.

The demand across industries for product offerings that mitigate environmental harm is growing rapidly. This demand, along with Fairmount's commitment to and focus on sustainable development, gives us a competitive advantage to innovate for industry. One example is in the oil and gas industry where Fairmount developed the first-ever biodegradable ball sealer – BioBalls. This environmentally friendly technology eliminates the inconvenience of conventional ball sealers by replacing them with a dissolvable alternative. In the turf market, Fairmount partnered with Georgia-Pacific to create Nitamin®, a steady delivery nitrogen source coated onto sand. The product provides a more effective method of distributing nitrogen that binds to soil, thus reducing leaching and run-off.

Another application of our SpectraQuartz product involves a retail product for children – colored play sand licensed through Crayola™. Partnering with Pavestone, we took a deliberate environmental approach to creating this product, using water-based pigments and a unique color bonding process to eliminate VOCs. The product is the only play sand marketed with the Arts and Crafts Material Council approval.

Conclusion

After a year of focused capacity growth, Fairmount Minerals is poised to move into 2008 and beyond with a solid vision and goals for sustainable development. By sharpening the way we understand and commit to sustainable development, we can continue to evolve. Going forward, we plan to broaden the people and places we engage in our efforts. Fairmount's geographic and market expansion will necessitate a more inclusive approach, and we commit to inviting our stakeholders along as we grow.

"From the very beginning of my relationship with Fairmount Minerals, I have been impressed by the company's commitment to environmental responsibility. Whether we are working together to identify native plants for a restoration project or educating youth on bird conservation, the Fairmount family demonstrates respect and integrity for the natural environment. Fairmount Minerals is a company that gives me hope for the future."

Kay Charter

Executive Director
Saving Birds Thru Habitat



GRI INDICATOR	DESCRIPTION OF INDICATOR	EXPLANATORY NOTE	PAGE NUMBER
1. Strategy and Analysis			
1.1	Statement from senior decision-maker	See Letter from CEO	1
1.2	Description of key impacts, risks, and opportunities	See Key Impacts and Opportunities	7
2. Organizational Profile			
2.1	Organization's name	See Organization Profile	2-3
2.2	Major products	See Organization Profile	2-3
2.3	Organizational structure and major divisions	See Organization Profile	2-3
2.4	Location of headquarters	See Organization Profile	2-3
2.5	Countries of operation	See Organization Profile	2-3
2.6	Nature of ownership	See Organization Profile	2-3
2.7	Markets served including geographic breakdown/sectors served/customers	See Organization Profile	2-3
2.8	Scale of organization including number of employees, nets sales/revenues, total capitalization	See Organization Profile for employee information	2-3
2.9	Significant changes during reporting period	See Organization Profile for new facilities information	2-3
2.10	Awards	See Community Investment section	16
3. Report Parameters			
3.1	Reporting period	See Report Parameters	4
3.2	Date of previous report	See Report Parameters	4
3.3	Reporting cycle	See Report Parameters	4
3.4	Contact point	See Report Parameters	4
3.5	Process for defining report content	See Report Parameters	4
3.6	Boundary of the report	See Report Parameters	4
3.7	Limitations on the scope or boundary of the report	See Report Parameters	4
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	See Report Parameters	4
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.	See Report Parameters	4
3.10	Restatements of information	See Report Parameters	4
3.11	Significant changes from previous reporting periods	See Report Parameters	4
3.12	GRI Content Index table	See GRI Content Index	26-29
3.13	External assurance	Other than a GRI Application Level check, we did not seek external assurance for this report.	
4. Governance, Commitments, Engagement			
4.1	Governance structure including committees	See Governance Structure	3
4.2	Indicate whether chair of highest governance body is also an executive officer	See Governance Structure	3
4.3	Percent of independent directors	See Governance Structure	3
4.4	Mechanisms for shareholders and employees to provide recommendations/direction to highest governance body	See Governance Structure and Stakeholder Engagement sections	3, 5
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives, and the organization's performance.	As a privately held company, we choose not to report this information.	
4.6	Process for the Board to ensure conflicts of interest are avoided	See Governance Structure	3
4.7	Processes to determine qualifications and expertise for guiding strategy	See Governance Structure	3
4.8	Mission and values statements, codes of conduct, principles relevant to economic, environmental and social performance, and status of implementation	See Mission and Values	6
4.9	Procedures of highest governance body for overseeing economic, environmental and social performance including compliance, codes of conduct	See Governance Structure	3
4.10	Processes for evaluating performance of governance body with respect to economic, environmental and social performance	See 2007 Bold Goals Progress	8-10
4.11	Explanation of how precautionary approach/principle is addressed by organization	See Key Impacts and Opportunities	7
4.12	Externally developed, voluntary economic, environmental, and social charters, sets of principles, or other initiatives	See External Commitments and Memberships	6
4.13	Significant memberships in associations and/or advocacy organizations	See External Commitments and Memberships	6
4.14	List of stakeholder groups	See Stakeholder Engagement	5
4.15	Basis for identification and selection of stakeholders with whom to engage	See Stakeholder Engagement	5
4.16	Approaches to stakeholder engagement, including frequency and type	See Stakeholder Engagement	5
4.17	Key issues raised through stakeholder engagement and how organization has responded	See Stakeholder Engagement	5

GRI INDICATOR	DESCRIPTION OF INDICATOR	EXPLANATORY NOTE	PAGE NUMBER
Economic			
Disclosure on Management Approach		See Prosperity and Goal Setting sections	12-14
Economic Performance			
EC1	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.	General descriptions of our significant economic impacts are reported in the Prosperity section.	14-15
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Risks and implications outlined in Key Impacts and Opportunities.	7
EC3	Coverage of the organization's defined benefit plan obligations.	Summary of benefits described in Organization Profile.	2-3
EC4	Significant financial assistance received from government.	We do not receive significant financial assistance from local or federal governments.	
Market Presence			
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	We do not track this information.	
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	We do not track this information.	
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	We do not track this information.	
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.	Community engagement described in Community Investment section of the report.	16
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	General description of indirect economic impacts described in Prosperity section.	14-15
Environmental			
Disclosure on Management Approach		See Planet and Goal Setting sections	12-13, 20
Materials			
EN1	Materials used by weight or volume.	Efforts to track specific materials described in Packaging section.	23
EN2	Percentage of materials used that are recycled input materials.	Efforts to track specific materials described in Packaging section.	23
Energy			
EN3	Direct energy consumption by primary energy source.	Fuel usage statistics reported in Energy section.	20-21
EN4	Indirect energy consumption by primary source.	Indirect energy reported in Energy section.	20-21
EN5	Energy saved due to conservation and efficiency improvements.	Energy conservation and efficiency improvements described in Planet section.	20
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-efficient products described in Responsible Products section.	25
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Renewable energy opportunities described in Energy section.	20-21
Water			
EN8	Total water withdrawal by source.	General water usage reported in Water section. We are in the process of developing measurement processes to calculate total water withdrawal.	23
EN9	Water sources significantly affected by withdrawal of water.	General water usage reported in Water section.	23
EN10	Percentage and total volume of water recycled and reused.	General water usage and closed-loop process described in Water section.	23
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.	Total land owned and leased reported in Biodiversity and Land section.	24
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	Significant impacts and activities reported in Biodiversity and Land section.	24
EN13	Habitats protected or restored.	Total restored acreage reported in Biodiversity and Land section.	24
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Current actions and future plans reported in Biodiversity and Land section.	24
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	We do not currently track this information.	24
MM3	The number/percentage of sites identified as requiring biodiversity management plans, and the number/percentage of sites with plans in place.	Environmental management plans described in Planet section.	20
Emissions, Effluents and Waste			
EN16	Total direct and indirect greenhouse gas emissions by weight.	Greenhouse gas emissions reported in Energy section.	22
EN17	Other relevant indirect greenhouse gas emissions by weight.	We do not currently have the systems to track this information, but we plan to include it in future reports.	
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Initiatives to reduce greenhouse gas emissions described in Energy section and Key Impacts and Risks.	7, 22
EN19	Emissions of ozone-depleting substances by weight.	Emissions reductions described in Criteria Pollutants section.	22
EN20	NOx, SOx, and other significant air emissions by type and weight.	Air emissions described in Criteria Pollutants section. Reductions in particulate matter listed in 2007 Bold Goals Progress chart.	22

GRI INDICATOR	DESCRIPTION OF INDICATOR	EXPLANATORY NOTE	PAGE NUMBER
Emissions, Effluents and Waste <i>cont</i>			
EN21	Total water discharge by quality and destination.	We do not currently have the systems to track this information, but we plan to include it in future reports.	
EN22	Total weight of waste by type and disposal method.	We do not currently have the systems to track this information, but we plan to include it in future reports.	
EN23	Total number and volume of significant spills.	We do not have any significant 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 currently have the systems to track this information, but we plan to include it in future reports.	
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.	We do not currently have the systems to track this information.	
Products and Services			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Environmental impacts of products described in Responsible Products section.	25
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Description of process to measure packaging material and reclamation reported in Packaging section.	23
MM5	Describe policies for assessing the eco-efficiency and sustainability attributes of products.	Description of product development charter reported in Responsible Products section.	25
Compliance			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	We comply with all environmental laws and regulations.	
Transport			
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Plans for calculating environmental impacts of transportation reported in Energy section.	20-21
Overall			
EN30	Total environmental protection expenditures and investments by type.	We do not currently have the systems to track this information.	
Social Performance: Labor Practices and Decent Work			
Disclosure on Management Approach		See Employee Relations, Safety, Labor Practices & Human Rights, and Goal Setting Sections	12-13, 17-19
Employment			
LA1	Total workforce by employment type, employment contract, and region.	Employment information reported in Organization Profile.	2-3
LA2	Total number and rate of employee turnover by age group, gender, and region.	Employee retention rate reported in Organization Profile.	2-3
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Employee benefits described in Organization Profile and People sections.	2-3, 16-17
Labor/Management Relations			
LA4	Percentage of employees covered by collective bargaining agreements.	29% of our workforce belongs to a union.	
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Practices outlined in Labor Practices and Human Rights section.	19
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.	Employee participation in health and safety programs described in Safety section.	18
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region.	Data reported in Safety section.	18
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Education, training, counseling, prevention and risk-control programs regarding serious diseases are covered by our employee assistance and health programs.	
MM12	Describe approach to identifying, preparing for, and responding to emergency situations affecting employees, communities, or the environment.	Training information described in Safety section.	18
Training and Education			
LA10	Average hours of training per year per employee by employee category.	Training information described in Safety section.	18
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Employee education program described in Training and Education section.	17
LA12	Percentage of employees receiving regular performance and career development reviews.	Career development information reported in 2007 Bold Goals Progress chart.	8-10
Social Performance: Human Rights			
Disclosure on Management Approach		See Labor Practices & Human Rights and Goal Setting Sections	12-13, 19
Investment and Procurement Practices			
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	We currently do not have the tracking systems in place.	
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Supplier Code of Conduct described in Sustainable Supply Chain section.	23

GRI INDICATOR	DESCRIPTION OF INDICATOR	EXPLANATORY NOTE	PAGE NUMBER
Freedom of Association and Collective Bargaining			
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	See Labor Practices and Human Rights and Sustainable Supply Chain sections for our position on freedom of association and collective bargaining.	19, 23
Child Labor			
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	See Labor Practices and Human Rights and Sustainable Supply Chain sections for our position on child labor.	19, 23
Forced and Compulsory Labor			
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	See Labor Practices and Human Rights and Sustainable Supply Chain sections for our position on forced or compulsory labor.	19, 23
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 have security personnel.	
Indigenous Rights			
HR9	Total number of incidents or violations involving rights of indigenous people and actions taken.	We do not have any incidents to report.	
Social Performance: Society			
Disclosure on Management Approach		See Community Investment, Labor Practices & Human Rights, and Goal Setting sections	12-13, 16, 19
Community			
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	Site planning efforts reported in 2007 Bold Goals Progress chart.	8-10
MM7	Describe significant incidents affecting communities during the reporting period, and grievance mechanisms used to resolve the incidents and their outcomes.	While we do not have any significant incidents to report, communication and feedback process are reported in Stakeholder Engagement section.	5
Corruption			
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	Code of Ethics described in Labor Practices and Human Rights section.	19
SO4	Actions taken in response to incidents of corruption.	We do not have any incidents to report.	
Public Policy			
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	No political contributions to report.	
Anti-Competitive Behavior			
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	No legal action to report.	
Compliance			
SO8	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	We comply with all relevant laws and regulations.	
Social Performance: Product Responsibility			
Disclosure on Management Approach		See Prosperity, Responsible Products and Goal Setting sections	12-15, 25
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.	Product development charter described in Responsible Products section.	25
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.	
Products and Services Labeling			
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.	See Stakeholder Engagement	5
Marketing Communications			
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.	
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

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“With a focus on making sustainability a way of life for our Fairmount family members and our valued stakeholders, Fairmount Minerals has sharpened the way we think about People, Planet and Prosperity. No longer can we view them as three separate concepts; instead, we must see the interconnections among the social, environmental and economic so we can build on them. To truly be a sustainable organization, we must be conscious of the ways in which our business decisions have resonance across industries, geographies and generations to come.”

Bill Conway

Chairman of the Board, Fairmount Minerals



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