

Dr Mostyn Wall
Natural Resources Wales,
Rivers House,
St Mellons Business Park,
St Mellons,
Cardiff,
CF3 0EY

29th January 2021

Permit BU2110IS – Permit Condition 4.1.5

Dear Dr. Wall,

Please find below the formal response to Permit Condition 4.1.5 from on behalf of Cabot Carbon which states:

“Where the Operator has a formal environmental management system applying to the Permitted Installation which encompasses annual improvement Targets the Operator shall, not later than 31 January in each year, provide a summary report of the previous year’s progress against such Targets.”

Setting of Objectives and Targets

A procedure is in place which describes the process for the setting of environmental objectives and Targets which Cabot aims to meet in order to facilitate continuous improvement in fulfilment of its Environmental Policy and Management System.

Setting, Monitoring and Tracking Progress

In setting Environmental Objectives and Targets the following areas are taken into consideration:

- Cabot SHE Policy
- Legal and other requirements
- Significant environmental aspects
- Environmental Permit improvement actions and NRW recommendations
- Technological options and best practice
- Financial, operational and business requirements (Scorecard)
- Views of interested parties both internal and external, including clients
- Opportunities for continual improvement (short and long term)

Progress towards the objectives and targets are discussed at monthly Leadership Team (LT) meetings and/or monitored via the personal Performance Based Management process (i.e. personal objectives and targets). The meeting is chaired by the site Facility General Manager and attended by relevant functional heads. The site scorecard is reviewed on a regular basis and the meeting and minutes/actions recorded and tracked.

In lieu of an annual ISO Management Review meeting, monthly LT meetings have become the main forum for detailed discussion of Environmental Management including progress of, or changes that may affect the performance of the EMS and associated objectives and targets. The objectives and targets are also tracked on an excel spreadsheet and updated on a regular basis.

A selection of environmental objectives and targets are set by the FGM and the LT in the form of an ORCI chart. Environmental objectives from the ORCI occasionally form part of the site scorecard or they feature as a personal goal via the Performance Based Management program. These initiatives raise environmental awareness and help to drive continual environmental improvement across the site.

Due to the CoVID 19 pandemic we have not been able to undergo our scheduled certification body audit in 2020, this has been rescheduled for May 2021. However, we continue to seek opportunities to improve our environmental performance through the application of ISO 14001.

We have throughout 2020 enhanced our site inspection programme, Management by walk about (MBWA). These inspections are carried out daily and focus on safe systems of work, hazards and housekeeping, as well as looking for spills, drips, leaks & wisps. Using our Intalex incident reporting systems to report any deviations and corrective actions. Incident reports are reviewed every morning during a team call so any issues, if not rectified at the time, are investigated and corrected in a timely manner.

Cabot continues to focus on reducing Off Quality production, FY20 saw a record low volume of 25MT OQ produced, this equates to an 80% reduction in OQ over the last 4 years.

We also continue to look for landfill diversion initiatives. In 2018 we reached an agreement with an existing customer to replace an amount of their prime product with some of our start up material that broadly achieves the same specifications. The main parameter of concern with start-up material is not a concern for this customer. This has resulted in up to 45% of our start up material being converted to saleable prime product which would otherwise be destined for landfill.

We are committed to the ongoing training of all employees, equipping them with essential knowledge to carry out their jobs in a way that protects the environment and helps ensure compliance. Environmental Toolbox Talks and online training is delivered as part of the site training program. With online training making up the bulk of our efforts in 2020 due to the pandemic and work from home requirements.

In conjunction with the publication of our 2019 Sustainability Report Cabot Corporation announced a challenging set of Sustainability goals, stating

"At Cabot, we understand the role we play in leading and setting an example in our industry. We know we must live up to our responsibilities, honour our commitments and be accountable to our stakeholders. Advancing progress in sustainability is one essential way we will continue to demonstrate and maintain our leadership. Through our commitment to operate responsibly, conserve resources and develop innovative performance materials, we will be relentless in our pursuit of solutions to the sustainability challenges of our customers, our communities and our world."

At the Barry facility there will be significant focus over the next 5 years in the following areas

Energy Intensity – We will establish an energy intensity improvement team, develop tools to measure and track our performance daily and identify short, medium and long-term opportunities for energy intensity reduction

Community Engagement – Deepen community engagement by forming a team to identify and coordinate good causes for financial and volunteer help

Diversity and Inclusion- embrace D&I by raising awareness and creating an ERG to foster increased understanding

We look forward to bringing you updates on our sustainability initiatives over the coming years.

I hope that this report satisfies the annual Objectives and Targets reporting requirements of section 4.1.5 of our environmental permit BU2110IS. If you should have any further questions arising from the report, then please do not hesitate to contact me.

Yours sincerely,



Sian Llewellyn

STOP, THINK, ACT

Nothing we do is worth getting hurt for.

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Sian Llewellyn
Senior Quality & Environmental Specialist

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Date of Initial Review: 01.10.19

Final Review Date: 01.10.20

Environmental Objectives & Targets and Improvement Plans FY20							CABOT 
Ref	Objective	Target/KPI	Action Plan	Responsibilities	Timescales	Status	Environmental Objectives and Targets
FY20/1	Maintain compliance with our Environmental Permit.	100% compliance and no ENCs with our Environmental Permit.	Execute Compliance Calendar actions, Fulfil permit requirements (Quarterly/Annual Reporting, CAR response, IP actions). Base Data Provision - Steve Sims, Kate Case (Waste)	SHEQ Mgr	End of FY20	CAR reports issued on time to NRW. Zero ENCs/Permit Deviations: full compliance across all areas to date	
FY20/2	Control and reduce Off Quality (OQ) material produced.	<0.4% of hydrophilic silica, <0.75% treated silica produced in FY20. Establish quality KPIs (e.g. %OQ by Grade, Unit, Cause, Disposition).	Monitor via monthly/YTD %OQ and KPIs	Operations Manager	End of FY20	On target Apr, 0.2%, 0.61% On target Oct 0.19%, 0.48%	
FY20/3	Replacement of WPS lighting	Increase the lighting levels in the WPS to exceed the minimum required Lux identified in each area. Deliver energy use reduction and running cost savings through the installation of energy efficient lighting and controls	Approve and Execute CAPEX plan (£50,000)	Capital projects Manager	Q3 FY20	CAPEX executed and new lighting installed	
FY20/4	To fulfil obligations under the Climate Change Agreement and initiate a number of site wide energy improvement activities	Maintain SEC ratio < 0.742 Electricity Demand Reduction	Monitor Monthly SEC Ratio and YTD performance	SHEQ Mgr	Q1CY20	Target met CCA submission Feb 2020, 18k cumulative surplus tonnes of CO2	
FY20/5	Increase N2 pressure and flow to batch reactors PDMS nozzle	Reduction in use of LN2 for treated batch reactors	Change N2 control scheme to make better use of DOWN N2	E&T Manager	Q2 CY21	Control scheme change implemented Measurement of impact from changes to be completed in FY21 Q2	

Review Log: 1st October 2019
1st April 2020
1st October 2020

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