

Industry & Waste Regulation Team
 Rivers House
 St Mellons Business Park
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 Cardiff
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Date: 29th March 2018

Subject: Solutia UK Ltd, Newport Chemical Complex – EPR Permit Number: BR9715IB
 Permit Condition 4.1.5 – Annual Update of EMS Improvement Plan

The intention of this document is to address the 4.1.5 Permit requirement to update on the progress of the previous year's Improvement Items which form part of the formal Environmental Management System, in this case the EMS is certified to ISO14001:2015. The annual improvement plan is produced against a number of criteria which include:

- Regulatory 'Improvement Items' i.e. those written into our site Permit to operate
- To support Corporate goals & objectives, for example: Waste, Energy, and Sustainability
- Improvements to meet future compliance obligations e.g. where we know emission limits will be tightened
- To deal with Legacy issues
- Improvements to help improve our emissions performance, and to reduce our environmental impact
- To make our management systems more robust & effective

The table below lists the improvement items, including comments on progress against each, as reviewed in the annual Management Review at years end:

Planned	Status
Set-up Energy Improvement Team to identify projects that can achieve energy scheme targets in-line with Corporate Energy Target	Energy improvement team set-up, and now using the 'BEE' software tool which has highlighted a significant number of improvement opportunities that can be further investigated In addition; Team Leader and Environmental Specialist attended an EMEA energy workshop in 01/2018
Following cost benefit analysis - Initiate the next project phase to further reduce emissions of Pentachlorophenol	Trials completed. Project on target for Q2 2018
Optimize TH3 efficiency to reduce hazardous waste produced of per tonne of product. Note: Corporate target of 15% reduction 2020 v 2010, assess at year end	Some progress. Further column and autoclave optimization work is planned for 2018 to maximize T66 viscosity, and thereby drive down Santotar production. Action to roll into 2018 plan
Vary & consolidate the environment permit to accommodate removal of the Santicizer operation, and to reflect current operations	Subject to external factors. Application prepared at year end due for submission Q1 2018
Develop plans to achieve compliance with Common Waste water BREF in particular Suspended Solids & COD in effluent	Six Sigma group underway with a clear charter. Largely through concept stage, data collection to follow

Achieve certification of the environmental management system to the new 2015 revision of ISO14001	Complete – successful verification in 10/2018
Progress the preferred option to reduce NOx emissions from the No16 Boiler	CHP unit being recommissioned. Due by February 2018

Subject to external verification, it is intended that this table be included in our annual Environmental Statement, and issued in accordance with EMAS requirements

Signed:



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