



Mr Andi Kemp
Natural Resources Wales,
Rivers House,
St Mellons Business Park,
St Mellons,
Cardiff,
CF3 0EY

21st January 2015

Permit BU2110IS – Permit Condition 4.1.5

Dear Mr Kemp,

Please find below Cabot Carbon's formal response to Permit Condition 4.1.5, 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."

Objectives and Targets

Cabot documented Objectives and Targets procedure provides the procedural foundation for the setting of environmental Objectives and Targets which the company 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 is taken into consideration:

- Cabot Environmental Policy
- Legal and other requirements
- Significant environmental aspects
- Environmental Permit improvement actions
- Technological options and best practice
- Financial, operational and business requirements (Scorecard)
- Views of interested parties, including clients
- Opportunities for continual improvement.

Progress towards the Objectives and Targets are discussed at the monthly SH&E Leadership Team meetings (LT & SHE), the annual Management Review (last held 4th Dec 2014) and the monthly site scorecard and incentive plan performance meetings. The annual Management Review meeting and monthly LT & SHE is the main forum for detailed discussion of Environmental Objectives and Targets. Both meetings take place whereby senior management monitor the progress against the Objectives and Targets set at the beginning of each fiscal year. The objectives and targets are also tracked on an excel spread-sheet and updated on a regular basis.

A selection of environmental objectives and targets often forms part of the site scorecard and the site incentive plan. These initiatives raise environmental awareness and help to drive continual environmental improvement across the site.

Please refer to the attached table: **Cabot Environmental Objectives & Targets and Improvement Plans 2014**

I trust 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,



Paula Lloyd

Environmental Manager

Tel: +44 1446 709606

Date of Initial Review: October 1st 2013		Final Review Date: Nov 13th 2014					
Environmental Objectives & Targets and Improvement Plans FY14							CABOT
Ref	Objective	Target/KPI	Action Plan	Responsibilities	Timescales	Status	Environmental Objectives and Targets
FY14/1	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 -Simon Melksham, Kate Case (Waste)	P.Lloyd	End of FY14	Achieved -100% Compliance	
FY14/2	Control and reduce Off Quality (OQ) material produced.	<1.0% of total silica produced in FY14 Establish quality KPIs (e.g. %OQ by Grade, Unit, Cause, Disposition).	Produce monthly/YTD %OQ and KPIs	Alex Saunders	End of FY14	Achieved: OQ 0.9% total at the end of FY14	
FY14/3	To ensure the Waste Packaging Regulations 2008 (Amended) and obligations are understood and met, now that Cabot at Barry is responsible for complying with these regulations.	Meet timescale of Feb 28th 2014 forValpak Waste Packaging on-line compliance scheme. Obtain certificate of Waste Packaging Compliance for 2013	Maintain records and metrics pertaining to Waste Packaging. Base Data Provision: Ian Thickpenny	P.Lloyd	Q2 FY14	Achieved: Received packaging compliance certificate on 16.06.14 for the year 2013	
FY14/4	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	Execute Energy Activities FY14 CIP (TBD) Produce Monthly SEC Ratio and YTD performance, provide reminder to site on how individuals can help	Utilities & Energy Review Team/Jason Jones	End of FY14	CCA Target for FY14 exceeded SEC 0.6 v 0.74 target. Site communications on energy sent out in Dec 13 and Feb 14. Opportunities need to be explored for future energy reductions in FY15.	
FY14/5	Transition of EMS documents into new doc control system	All EMS 14001 documentation approved, current and accessible by all employees and auditable	Set up IMS structure to accommodate SHE documentation. Transpose docs to new format & upload to SharePoint and provide training	Paula Lloyd	Q2 FY14	Achieved: Environmental Manual and associate docs moved to hub and approved.	
FY14/6	To improve the sytem for identification and execution of PMs on Environmental Control equipment requiring preventative maintenance or calibration.	Improved Env PM system. PMs identified in JDE. Scope defined, frequency reviewed for effectiveness, auditable system. Be Corporate Audit ready.	Ref: Environmental Improvements CIP (MW)	Paula Lloyd & Mike Williams	Q2 FY14	Achieved:Six meetings during FY14 with Maint Team. MOC raised to cover all of the changes and improvements in Env PM system (78 PMs reviewed and updated, PM system fully compliant to regulatory and pemit requirements)	

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