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

28th January 2016

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's Objectives and Targets procedure describes the process 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 areas are 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 monthly Leadership Team (LT) meetings and/or monitored via the personal Performance Based Management process (i.e. personal objectives and targets). Chaired by the site Facility General Manager and attended by relevant functional heads, the site scorecard and incentive plan performance is reviewed at the LT meetings 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 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 2015**

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,



Paula Lloyd

Environmental Manager

Tel: +44 1446 709606

Date of Initial Review: October 29th 2014		Final Review Date:	15.10.2015			

Environmental Objectives & Targets and Improvement Plans FY15

CABOT

Ref	Objective	Target/KPI	Action Plan	Responsibilities	Timescales	Status	
FY15/1	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 FY15	**Target Met**	Environmental Objectives and Targets
FY15/2	Control and reduce Off Quality (OQ) material produced.	<0.9% of total silica produced in FY15 Establish quality KPIs (e.g. %OQ by Grade, Unit, Cause, Disposition).	Monitor via monthly/YTD %OQ and KPIs	Alex Saunders	End of FY15	**Year End Total 0.91%- Target Met**	
FY15/3	Reduce waste to landfill	50% Reduction in waste to Landfill versus FY14 totals	Toolbox talk to site, set up new dry mixed recycling stations and introduce recyle of food waste Monitor KPIs and track performance	P.Lloyd	End of FY15	**Target Met 61% Material diverted from landfill**	
FY15/4	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 reminders to site on how individuals can help	Utilities & Energy Review Team/Jason Jones	End of FY15	**Formal Compliance Report submitted as part of CCA. Target Met with surplus 5,100 CO2e carry over to next reporting phase.**	
FY15/6	To improve communication and awareness on permit requirements within Operations Dept.	Ensure Operations Team are aware of emission control points, significant aspects and key requirements of Permit Compliance	Create an Evironmental Control Plan for use in Operations Dept.	Paula Lloyd	End of FY15	**Induction training provided to new starters. New Environmental Awareness issued to all new employees since May 2015.Target Met**	

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