



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

30th January 2017

Permit BU2110IS – Permit Condition 4.1.5

Dear Mr Kemp,

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 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 2016**

The site is intending to become certified to the new ISO 14001:2015 standard in the summer of 2017, a gap analysis is currently underway.

Recommendation 3 from CAR Report ID: BU2110IS/0255762 has been noted. Cabot welcomes a review of internal and external audit reports and management review minutes, perhaps this can be added to the agenda on your next visit to site.

As recorded in the Waste Minimisation report, Cabot has realized success in diverting off quality silica away from landfill and into a re-use option with a company that manufactures polymeric rubber compound, successfully displacing Titanium Dioxide, a component in their formulation. This will have a positive impact on waste to landfill quantities and Cabot hopes to realize a reduction on historical landfill quantities.

We continue to seek opportunities to improve our environmental performance through the application of the site ISO 14001 system.

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

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Date of Initial Review: October 20th 2015		Final Review Date:		Oct 1st 2016			
Environmental Objectives & Targets and Improvement Plans FY16							CABOT 
Ref	Objective	Target/KPI	Action Plan	Responsibilities	Timescales	Status	Environmental Objectives and Targets
FY16/1	Maintain compliance with our Environmental Permit.	100% compliance and no ENC's 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 FY16	Target Met	
FY16/2	Control and reduce Off Quality (OQ) material produced.	<0.9% of hydrophilic silica, <2.0% treated silica produced in FY16. Establish quality KPIs (e.g. %OQ by Grade, Unit, Cause, Disposition).	Monitor via monthly/YTD %OQ and KPIs	Doug Graham	End of FY16	OQ was 0.5%- exceeding the year to date target of 0.8%, with 3.76 % v 2% treated silica OQ	
FY16/3	Reduce waste to landfill	Divert OQ Silica from Landfill	Establish an alternative outlet for landfill waste silica by working with external companies to identify one or more opportunities to prevent silica otherwise being sent to landfill	P.Lloyd	End of FY16	Target Met. Supplier has trialled and approved OQ for use in rubber compound. Awaiting final contract terms.	
FY16/4	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	Utilities & Energy Review Team/Jason Jones	End of FY16	Formal Compliance Report submitted as part of CCA. Target Met with surplus CO2	

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