

Environmental Policy

Document Ref:	
Issue No:	1.0
Date:	02.07.14
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Approved by:	

Environmental Policy

Policy statement

NWF Agriculture recognises its responsibility for the environment and will ensure compliance with all relevant legislation, regulations and appropriate codes of practice relating to the processes and activities of the Company. It is the Company's objective to cooperate and maintain good working relationships with all regulatory authorities.

We are committed to a continuous improvement culture whereby we will, year on year, target to reduce our environmental impact. We will operate in a way that minimises the environmental impact on all of our neighbours.

We are committed to:

- Reducing our overall energy usage on a kWh per tonne basis
- Increase the overall fuel efficiency of all of our distribution operations
- Having regular two way communication with the local community
- Reducing the amount of waste produced and recycle as much waste as possible
- Ensuring all employees are aware of their individual environmental responsibilities and the overall objectives of the Company.

Signed: _____

Richard Whiting
Managing Director, NWF Agriculture Ltd.

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1 Introduction and Aim

NWF Agriculture started life in 1871 as a farmer owned trading company and now forms part of the AIM market quoted NWF Group plc.

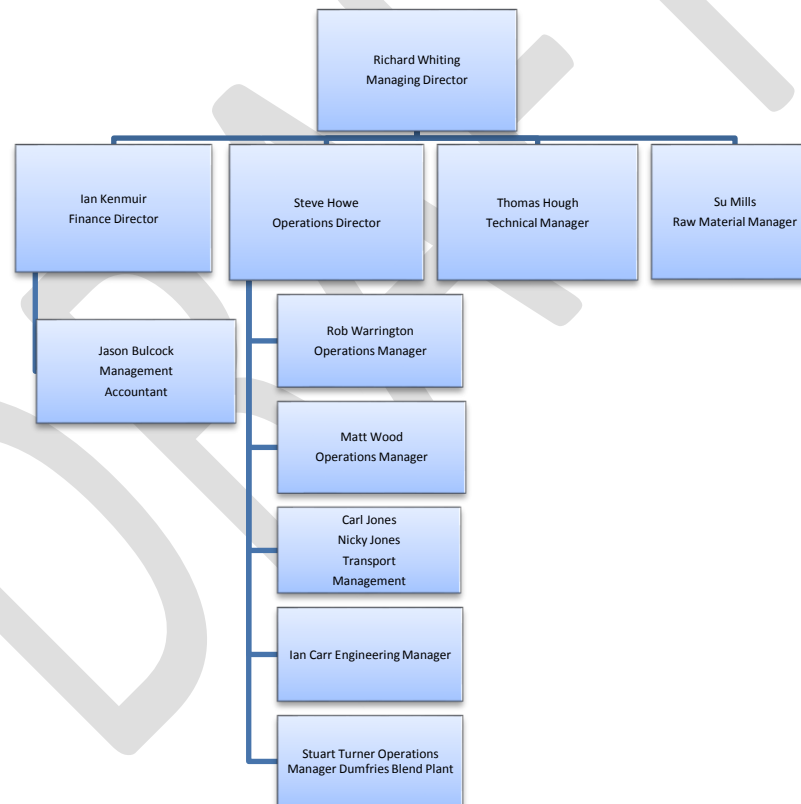
Covering the major dairy farming areas from Central Scotland all the way down the UK to Cornwall, our main business is the manufacture and supply of ruminant compound feeds and blends, supported by a comprehensive Trading Desk supplying a range of straights and speciality feeds, forage seeds and additives.

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2 Responsibilities

NWF Agriculture Organisation Responsibility Diagram



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NWF Agriculture Ltd. management is responsible for ensuring that the business is run in compliance with this Environmental Policy. The diagram above identifies key individuals with specific responsibility for environmental management activities.

Managing Director

The Managing Director of NWF Agriculture Ltd. accepts overall responsibility for exercising the duties of NWF Agriculture Ltd. as an employer, and for implementation of this policy.

The Managing Director will:

- Provide adequate resources to achieve the goals set out in this Policy.
- Ensure that board decisions are consistent with the objectives of the environmental policy
- Actively monitor environmental performance.
- Carry out an annual review into the effectiveness of the environmental policy.

Operations Director

The Operations Director is responsible for the implementation, monitoring and reviewing of environmental performance for all operational areas under his control. Additionally the Operations Director will liaise with Production and Transport Managers and their teams to ensure that high standards of health and safety are maintained.

The Operations Director shall:

- Visibly demonstrate commitment to high levels of environmental compliance and management.
- Proactively communicate and cooperate with the various regulators.
- Set objectives for continuous improvement activities in relation to environmental performance specifically energy and fuel reduction, waste reduction and waste recycling

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- Ensure every site, function and businesses activity is aligned to the company's environmental policy and that an implementation programme exists for the management system
- Ensure that appropriate KPIs are in place to monitor performance
- Ensure an annual environmental performance review is completed based on the management system procedures and that all findings are addressed via Corrective Action Plans.
- Oversee the development of environmental improvement plans with each site /function manager.
- Ensure adequate resources are set aside for training and development of NWF Agriculture employees.

Finance Director

The Finance Director, along with the Operations Director, shall ensure that environmental issues are considered when budgeting and allocating funds

The Finance Director will ensure that the reporting requirements for the Climate Change Agreement are met.

Engineering Manager

The Engineering Manager reports to the Operations Director and is responsible for engineering maintenance and projects at the NWF Agriculture Mills.

The key environmental responsibilities of the Engineering Manager are:

- Ensure that environmental impact is considered as part of the design, installation, commissioning and operational phases of all projects.
- Develop and implement a planned preventative maintenance program for all equipment that is installed to reduce the Company's environmental impact – e.g. cyclones, bag filters.
- Ensure that all environmental monitoring equipment is maintained and calibrated e.g. continuous dust monitors

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Operations / Production Manager / Transport Manager / Shift Manager's & Supervisors

Operations / Production / Transport Managers report directly to the Operations Director and are responsible for overseeing environmental impact on a day to day basis.

The key environmental responsibilities are as follows:

- Ensure that environmental performance in their areas of responsibility are of equal importance to other priorities (e.g. cost, service etc)
- Ensure, that in the event of an environmental incident the appropriate action is taken and proactive communication with the relevant regulators takes place.
- Make sure that employees are made aware of the contents of the Policy and are adequately trained in their environmental responsibilities
- Ensure that all maintenance, inspection and testing of equipment is carried out in line with statutory provisions and company standards and maintain adequate records.
- Ensure that the annual reporting requirements of the regulators are met in a timely fashion.

Technical Manager

The Technical Manager is responsible for the following:

- Providing a range of feeds and a level of expertise within the team that interface with farmers to ensure performance of farm livestock achieves the goals set out by the customer, maximising feed efficiency on the farm, which will, in turn, minimise the environmental impact of the farm. To achieve this the following is required:
 - Formulating feed to complement the other feed that livestock is consuming to minimise the production of greenhouse gases by the livestock.
 - Providing comprehensive technical training for technical advisors and technical sales people such that the advice they then provide on farm is aligned to the minimisation of greenhouse gases.

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Drivers / Blenders / Mill Operatives / Technicians / Schedulers / Weighbridge Operatives / Engineers / Cleaners

The effective implementation of this policy requires the active participation all NWF Agriculture Ltd. drivers, blenders, mill operatives, technicians, schedulers, weighbridge operatives, engineers and cleaners. All those listed must comply with the following:

- Act in a way that minimises the environmental impact of the area in which they work e.g. scheduling vehicles in a way that minimises the distance travelled, operate the feed mills in a way that minimises electricity requirements, driving vehicles in a way that maximises fuel efficiency etc.

3. Resources

The Company will make sufficient resources (people and time) available to implement this policy.

The team will be suitably trained at the required frequency to ensure they can undertake their responsibilities with respect to the policy

4. Objectives

The current objectives with respect to the Company's environmental performance are:

- Reduce our overall energy usage on a kWh per tonne basis
- Increase the overall fuel efficiency of all of our distribution operations
- Have regular two way communication with the local community
- Reduce the amount of waste produced and recycle as much waste as possible
- Ensure all employees are aware of their individual environmental responsibilities and the overall objectives of the Company.

These objectives will be cascaded throughout the team into specific SMART objectives

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5. Targets

The current environmental targets are:

- Have no reportable environmental incidents
- By December 2020 reduce the Company's overall energy usage to 130kWh/tonne of product produced or less
- Year on year increase the fuel efficiency (miles per gallon (mpg)) of the NWF Agriculture fleet of HGVs by 5%
- Attend 6 local community meetings a year specifically to address NWF Agriculture's impact on our neighbours
- Year on year reduce the total waste produced by 10%
- Over a five year period, for members of the team, provide 5 hours of environmental performance training.

6. Monitoring and Auditing

The following activities will be undertaken to monitor our performance

- Environmental performance will be monitored monthly at the HS&E Management Meeting
- Performance against the Climate Change Agreement Objectives will be reported internally every 3 months
- Electricity and Fuel Efficiency performance will be reviewed monthly at the Operations Performance meetings
- Annual audits of the operating sites will be completed annually by the regulators (EA, local authority, SEPA). In the case of the EA this will provide an OPRA score for the site which will help track overall performance
- An annual environmental return will be completed for the regulators which will help us identify areas for future improvement
- Following any environmental incidents a full investigation will be completed to enable an improvement plan to be put in place

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7. Communication

Communication of our environmental objectives and performance will be communicated in the following ways:

- **Management Team**
 - Monthly HS&E Meeting
 - Monthly Operations Performance Meetings
 - Quarterly individual performance reviews

- **Operations Team**
 - Team briefings
 - Training sessions
 - Noticeboards
 - Vehicle Tracking system Greener Fleet reports

- **Neighbours**
 - Attendance at local community meetings