

<b>Policy Title:</b>	<b>Environmental Policy</b>
<b>Document Owner:</b>	Executive Chairman
<b>Owning Department:</b>	Group Services, Chief Executive
<b>Classification:</b>	KCOM Group Internal use only
<b>Business Units affected by this Policy:</b>	<ul style="list-style-type: none"> <li>All</li> </ul>
<b>Policy Approved By:</b>	<ul style="list-style-type: none"> <li>Bill Halbert</li> </ul>
<b>Details of Last Change:</b>	<ul style="list-style-type: none"> <li>New signatory to the Policy</li> <li>Key job titles changed</li> <li>Various responsibilities reassigned</li> </ul>

<b>Definitions of Terms Used:</b>

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## ENVIRONMENTAL POLICY STATEMENT

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The KCOM Group PLC Board recognises the importance of effective environmental management to both the Company and the wider environment.

We will comply with all applicable legislation and other relevant requirements associated with our environmental aspects and impacts.

We are committed to the continual improvement of all environmental aspects and impacts associated with our operations.

We are committed to the prevention of pollution in all that we do.

A sustainable approach to the development and provision of our products and services will be adopted where possible.

The Company is committed to these high environmental standards and we expect all employees to be familiar with and comply with the contents of this Policy, failure of which will be treated as a disciplinary matter.

A copy of this Policy and all material changes will be communicated to all employees and all persons working on or on behalf of the Company by whatever means are needed to ensure they understand and can comply with the requirements.

This policy will be modified whenever necessary and will be reviewed at least annually.

A handwritten signature in blue ink that reads 'Bill Halbert'.

Bill Halbert  
Executive Chairman

01.03.11

## 1 SCOPE & REASON FOR POLICY

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This Policy relates to all Company sites and activities, and all employees, contractors, visitors and members of the public at these sites. The Policy also extends to non-Company sites / areas where employees are undertaking approved work activities.

This Policy forms part of the Company's overall Integrated Business Management System (IBMS), ensuring that environmental management is effectively integrated within the daily management of the Company and is continuously developed and improved.

## 2 KCOM GROUP PLC'S ENVIRONMENTAL STRATEGIC AIMS & OBJECTIVES

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KCOM Group PLC aims to deliver environmental improvements on three levels:

1. Universal - i.e. to act in a way that will protect our planet for future generations.
2. Corporate - To comply with relevant legislation to avoid prosecution and to protect our corporate reputation. This in turn boosts our brand and our bottom-line.
3. Individual – Taking responsibility for how we contribute to the sustainability of the planet and how we help to promote the company's compliance and credibility. The individual benefits include enhanced job security and satisfaction

The following strategic aims and objectives have been agreed in order to achieve the above.

### 2.1 Strategic Aim 1 – To develop and maintain a Proactive Culture

We believe that a pro-active environmental culture is an important element of our success. To create this culture and to continually improve our environmental performance we ensure that: -

- Our environmental impacts are effectively **controlled** by *making sure that our employees understand their responsibilities*
- Our employees are **competent** by *assessing the skills needed to carry out their tasks from an environmental perspective and providing all employees with appropriate and adequate instruction and training.*
- **Co-operation & consultation** with us is encouraged *through the participation of employees in consultation forums, involvement in the development of this policy, supporting plans / programmes environmental working practices and the undertaking of environmental roles.*
- **Communication** is *clear, understandable and visible to all in relation to the environment to ensure that all employees understand the environmental issues facing KCOM and how they can positively impact on these issues*
- Environmental arrangements and working practices are effectively **co-ordinated** across the Company *to ensure consistency and maximum effectiveness.*
- All aspects of environmental management are **checked** and monitored by management to *identify areas for improvement or non-compliances so that appropriate action can be taken*

## **2.2 Strategic Aim 2 - To uphold and build on legal compliance**

We have implemented and will continue to develop our BSI (British Standards Institute) certified ISO14001:2004 EMS to ensure that we manage all our environmental impacts across the KCOM Group effectively and against agreed international standards, and continuously improve our environmental performance in line with our overall Strategy, Policy and Programmes.

## **2.3 Strategic Aim 3 - To focus on our environmental impacts, identify areas for improvement and measure performance**

We have assessed our environmental impacts and identified those that are significant. These relate to energy consumption and waste.

### **2.3.1 Energy consumption**

We are committed to responsible energy management and will utilise energy efficiency schemes, methods and technologies throughout our premises, processes, plant and equipment by:

- Reviewing and improving our working practices.
- Building energy management and awareness into the decision making process.
- Delivering effective energy management information to all areas of the business and regularly reporting performance and benchmarks.
- Raising employee awareness through training and communication.
- Keeping abreast of all new and emerging low carbon technologies.

### **2.3.2 Waste**

We are committed to responsible waste management and aim to reduce, reuse and recycle waste generated through our premises, processes, plant and equipment by:

- Reviewing and improving our working practices
- Building effective waste management and awareness into the decision making process
- Delivering effective waste management information to all areas of the business and regularly reporting performance and benchmarks.
- Raising employee awareness through training and communication.

As part of our Annual Environmental Programme, our Environmental Operations Team (EOT) will agree specific energy consumption and waste related objectives and target and monitor progress against these objectives and targets in our quarterly EOT meetings.

**2.4 Strategic Aim 4 - To extend focus beyond our organisation and into employees' homes and to other stakeholders such as suppliers and customers**

We will work with our employees and also our suppliers and contractors in order to influence and improve environmental performance as much as possible.

## **3 ORGANISATIONAL RESPONSIBILITIES FOR THE IMPLEMENTATION OF THE ENVIRONMENTAL POLICY**

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All employees have environmental responsibilities and these must be understood in order to ensure our Policy's effective implementation.

The responsibilities of various categories of people are defined in section 3.1 below.

In addition, a number of specialist groups have been formed to provide further environmental focus across the Group and these are identified in 3.2 below.

### **3.1 Environmental Responsibilities**

#### **3.1.1 The Main Board**

- The Company's Board of Directors has ultimate executive responsibility for the Environment across the Group.
- The Directors will ensure that environmental issues are fully considered in all relevant Board decisions.
- The Board have delegated operational responsibility for the environment to the Executive Chairman however they retain overall accountability.

#### **3.1.2 Executive Chairman**

The Executive Chairman is responsible for:

- Delegated executive management of its environmental function on behalf of the Board of Directors.
- Ensuring compliance with the Company's environmental legal responsibilities and duties.
- Ensuring that environmental matters are considered within the context of all board decisions.
- Ensuring that as part of the overall Environmental Management System, an appropriate Environmental Strategy, Policy and supporting Plans / Programmes are developed that reflect Board priorities and that they receive Board approval.
- Ensuring that the necessary resources are made available to enable effective compliance with the Environmental Strategy, Policy, Plans / Programmes and other related requirements.
- Ensuring that a positive working environmental culture is in place and remains effective.

#### **3.1.3 Company Secretary**

The Company Secretary is responsible for:

- Risk management for the Group through compliance with Financial Reporting Council Guidance and ensuring environmental risks are effectively controlled.
- Ensuring that environmental performance of the business is regularly reviewed by the board.

- Ensuring that the board is kept informed of and alerted to, relevant environmental risk management issues including any significant environmental failures, and the outcome of the investigations into their causes.
- Ensuring that an Environmental Management System is established, implemented and maintained in accordance with ISO14001:2004.
- Working with the Group HSE Manager to ensure that business unit Managing Directors and Corporate Directors:
  - (i) Understand and fulfill their Environmental responsibilities in relation to the Environmental Strategy, Policy and Plan.
  - (ii) Consider the Environment when making decisions in their areas of responsibility; and
  - (iii) Implement arrangements to support the Environmental Strategy, Policy and Programme with any variations required to reflect conditions specific to their businesses/functions.

#### **3.1.4 Group HSE Manager**

The Group HSE Manager is responsible for:

- The development of the overall Environmental Strategy, Policy, Plans / Programmes for approval by the Board.
- Working with the Company Secretary to ensure that business unit Managing Directors and Corporate Directors:
  - (iv) Understand and fulfill their environmental responsibilities in relation to the Environmental Strategy, Policy, Plans / Programmes
  - (v) Consider the environment when making decisions in their areas of responsibility; and
  - (vi) Implement arrangements to support the Environmental Strategy, Policy, Plans / Programmes with any variations required to reflect conditions specific to their businesses/functions.
- Providing advice to the operating businesses and Group functions in their preparation of environmental budgets.
- Advising on new legislation and changes to existing legislation relating to the environment and assessing and advising on the implications for the Group.
- Generating progress reports for the Company Secretary at quarterly intervals highlighting implementation and progress against agreed environmental plans and programmes including data on the Group's Environmental Key Performance Indicators for the relevant period

#### **3.1.5 Risk Operations Support Manager**

The Risk Operations Support Manager is responsible for:

- Ensuring the ISO14001 Environmental Management System continues to remain effective and that it integrates with the company's overall Integrated Management System.
- Analysing the results of internal audits to ensure appropriate corrective and preventive action is implemented.

- Providing advice on best practice and new techniques in relation to the environment.
- Working with the Group HSE Manager to ensure the ISO14001 Environmental Management System continues to remain effective and that it integrates with the company's overall Integrated Management System.
- Providing informed advice and support on environmental issues.
- Providing support for the development and implementation of a programme of training in relation to environmental legislation and related responsibilities and obligations.
- Representing the Company with relevant enforcement authorities as may be required and providing advice and support in respect of any legal proceedings on environmental matters

### **3.1.6 Business Unit Managing Directors & Corporate Heads of Function**

Business Unit Managing Directors and Corporate Heads of Function are responsible for:

- Ensuring that appropriate budgets are prepared for their units / functions to facilitate implementation of the Environmental Strategy, Policy and supporting Programmes
- Implementing appropriate plans and programmes in respect of their operational areas.
- Ensuring that staff in their areas of responsibility understand and fulfill their responsibilities for the environment and where necessary arranging for appropriate training.
- Committing reasonable resource to ensure effective environmental management in respect of their operational areas.
- Ensuring that environmental issues are fully considered when making decisions.
- Co-operating through the Board to facilitate co-ordinated implementation of the Company's Environmental Policy.
- Ensuring environmental issues are regularly reviewed in Management Meetings and Team Briefings.

### **3.1.7 Business Unit Directors**

Business Unit Directors are responsible for:

- Allocating resource as far as is reasonably practicable to ensure compliance with environmental legal requirements and agreed Key Performance Indicators.
- Ensuring that Managers understand and fulfill their responsibilities for the environment, and where necessary identifying and arranging for appropriate training.
- Ensuring that environmental issues are given sufficient consideration when making decisions in their areas of responsibility.
- Notifying the Group HSE Manager of any changes to current activities which may have a significant environmental impact at the earliest possible stage i.e. planning, to ensure that an effective assessment of the impact is undertaken in conjunction.
- Ensuring effective communication, understanding and implementation of the Policy and supporting Plans / Programmes.

- Ensuring environmental issues are included on the agenda of all regular management meetings / team briefings under their control.
- Releasing employees to attend necessary training and encourage participation in the development of policies, arrangements procedures, and environmental working practices associated with work activities they undertake.

### **3.1.8 Managers**

Managers are responsible for:

- Ensuring all employees receive environmental induction and other appropriate training as is necessary in compliance with environmental related Regulations.
- Ensuring all employees receive, understand and act upon information, instruction, and supervision as is necessary in order that they can undertake their role in an environmentally compliant manner
- Ensuring that environmental issues are given sufficient consideration when planning and making decisions in their areas of responsibility.
- Identifying and managing budgetary requirements in their areas of responsibility to ensure compliance with environmental legal requirements and agreed KPIs.
- Ensuring that workplace and work practice inspections and checks are regularly undertaken in their areas of responsibility.
- Implementing both existing and any new specific arrangements, procedures and environmental working practices to ensure compliance with the Environmental Policy, Plans / Programmes and environmental legislative requirements.
- Allocating tasks appropriate to the individuals' capabilities and environmental training.
- Ensuring environmental incidents are appropriately reported and investigated promptly and that any corrective or preventive actions are taken as appropriate.
- Ensuring that environmental performance in their areas of responsibility is assessed, monitored and reviewed in order to continually improve on performance.

### **Non-people Managers**

Non-people managers are responsible for:

- Ensuring that environmental issues are given sufficient consideration when making decisions e.g. financial or technical, in their areas of responsibility as these decisions may have an effect on the environment.

### **Supervisors / Team Leaders**

- Supervisors / Team leaders may be assigned certain tasks by their Manager to enable those managers to fulfil their responsibilities as identified above, however the responsibility itself is not delegated.

### **3.1.9 Employees**

Individual employees must:

- Carry out their assigned duties and tasks in accordance with the Environmental Policy and relevant arrangements, environmental working practices and Company rules and instructions.
- Not interfere with or mis-use anything provided in the interests of the environment or to do anything likely to endanger the environment.
- Co-operate fully with their Manager or any other person on environmental matters so far as is necessary to enable any statutory duty or requirement to be performed or complied with.
- Make full and proper use of all equipment provided to protect the environment.
- Familiarise themselves with the location of emergency spill kits in their areas and relevant emergency arrangements at the sites where they are based.
- Report any known defects in equipment or systems that they believe is or may become the cause of an environmental incident.
- Report situations in which they believe there are circumstances at work that pose a serious environmental risk.
- Report environmental incidents or near misses promptly and co-operate with any investigations.

## **3.2 Environmental Specific Groups**

### **3.2.1 Environmental Operations Team (EOT)**

The EOT is a cross-functional team with the remit of ensuring that the Environmental Strategy and supporting Greener Me programme is implemented effectively from an operational perspective and that the programme aligns with the company's overall ISO14001:2004 Environmental Management System.

## **4 SANCTIONS**

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Failure to comply with this Policy will be investigated and managed in accordance with the Company's Disciplinary Policy.

## **5 CONTACTS**

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The Group HSE Manager should be contacted in relation to this Policy.

## **6 REVIEW ARRANGEMENTS**

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The Group HSE Manager will review the Policy at least annually, or sooner if significant changes occur.