

Massey Bros (Feeds) Ltd **Environmental Report 2012**

Chairman's Report

We now have 11 years of environmental data. We recognise that our business activities do have an impact on the environment and have developed our Environmental Policy to provide a system to help manage our impact on the environmental.

The raw materials Massey Bros use are renewable from organic resources and co-products from other processes with minimal waste and so have limited impact on the environment. Our most significant environmental impacts come from 2 sources. The first is power consumption at our manufacturing sites which has the effect of producing carbon dioxide. The second is diesel from our commercial fleet of vehicles which again release various greenhouse gases into the atmosphere such as Carbon Monoxide, various hydrocarbons and Oxides of Nitrogen and particulates.

Taking figures collected over previous years it is possible to see that the carbon dioxide produced per tonne of feed manufactured. With the use of regular monitoring to ensure operators run the plant as efficiently as possible and the replacement of existing plant with more energy efficient plant, this year shows the lowest emissions we have achieved since starting measurements. We have more plans to implement to try and continue this trend.

Using figures collected for diesel usage and relating them to the types of engines installed in these vehicles, both the emissions / km and emission / tonne have stayed reasonably static. These figures still represent a significant improvement since 2001. And with the introduction of the Euro VI engine, Hydro-Carbons and Nitrous Oxides will significantly reduce again.

We have 11 years of figures for the waste produced which demonstrate that we have cut our waste by about 85% since we started to measure it. We now separate our waste and recycle much more. As a result it is very difficult to achieve any additional waste reduction as our raw materials are renewable and organic. As a guide, our waste is about 15% of the initial figure and this represents only 0.04% of our production.

We have 10 years of water usage figures. This year our water usage was half the figure from 2003. While not quite matching last year, it is still a significant improvement from 2003. Water is an integral part of the process and these stable levels now reflect that we have approached the minimum usage for the operation.

In summary, both our water usage and waste levels are at a level that is difficult to reduce. Water is an integral part of the process. Our carbon dioxide emissions per tonne have fallen this year from our electricity usage and our vehicles emissions are continuing their long term downward trend.

Richard Massey
Chairman

Environmental Policy

Mission Statement

Massey Bros (Feeds) Ltd play an important part in the food chain. As a consequence of this we must satisfy the most rigorous standards of quality control to ensure that the resultant food is safe and wholesome. Animal welfare standards must always be met and we recognise our responsibility to the environment.

Scope

This environmental policy statement applies to our manufacturing facilities.

Environmental Policy

- We will manage our business activities that have the potential to significantly impact the environment following the principles of BS EN ISO 14001:2004.
- We will comply with all relevant environmental legislation, regulations and other appropriate requirements.
- We are committed to continually improving environmental performance and prevent pollution.
- We will use resources efficiently and take appropriate opportunities to minimise waste through re-use and recycling.
- We will develop environmental action plans with achievable and realistic targets which will be monitored and reviewed periodically.
- We will provide appropriate training and information to our staff so that we are all able to comply with this policy and achieve our aims.
- This policy will be periodically reviewed by the directors to ensure its continuing relevance.

Kynan Massey
Managing Director

January 2013

Profile of the Organisation

Massey Bros (Feeds) Ltd has 2 manufacturing sites, both in the North West of England. One is based in Holmes Chapel, Cheshire and the other in Preston, Lancashire. It is a family business established over 130 years ago and still run by the family. It produces animal feed at both sites that is delivered to farms from the midlands to Scotland and into Wales.

Management Systems

The board member with overall responsibility for the environmental system is the Managing Director. The environmental team has been expanded to include not only the site managers but supervisors from each of the mill teams. This team has led the implementation of an Environmental Management system that assesses our environmental impacts. Objectives and targets are set at least annually in accordance with our environmental policy. At each site there is a local team, led by the site manager that ensures the environmental system is implemented. There is an annual review to ensure the system is kept up to date, objectives and targets are assessed and training is reviewed.

Key Environmental Impacts

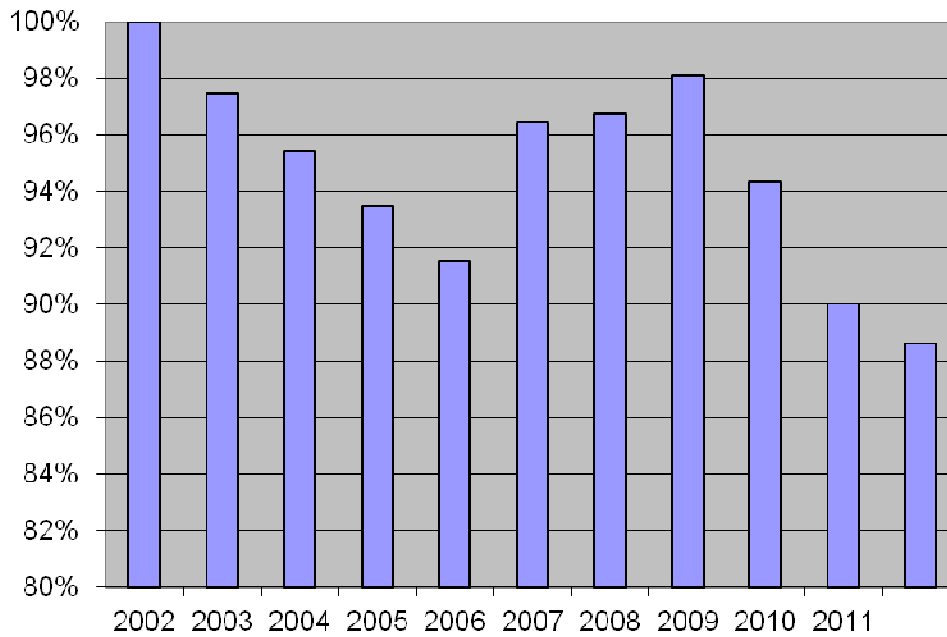
From our environmental management system, we have established that our key environmental impact is the emission of greenhouse gasses (notably Carbon Dioxide.) The greenhouse gases are emitted in two main ways. First, carbon dioxide emitted can be calculated from the grid electricity, gas and gas oil that is used at each site. Second, various emissions can be calculated from the diesel used by our fleet of commercial vehicles and knowing the type of engines in each one. Below is a table detailing the emissions for both Articulated Vehicles and Rigid vehicles by engine specification.

HGV	Carbon Monoxide	HydroCarbon	Nitrous Oxides	Particulates
Euro I	4.5	1.1	8.0	0.61
Euro II	4.0	1.1	7.0	0.25
Euro III	2.1	0.7	5.0	0.10
Euro IV	1.5	0.5	3.5	0.02
Euro V	1.5	0.5	2.0	0.02
Euro VI	1.5	0.1	0.4	0.01

Carbon Dioxide from Manufacturing Sites

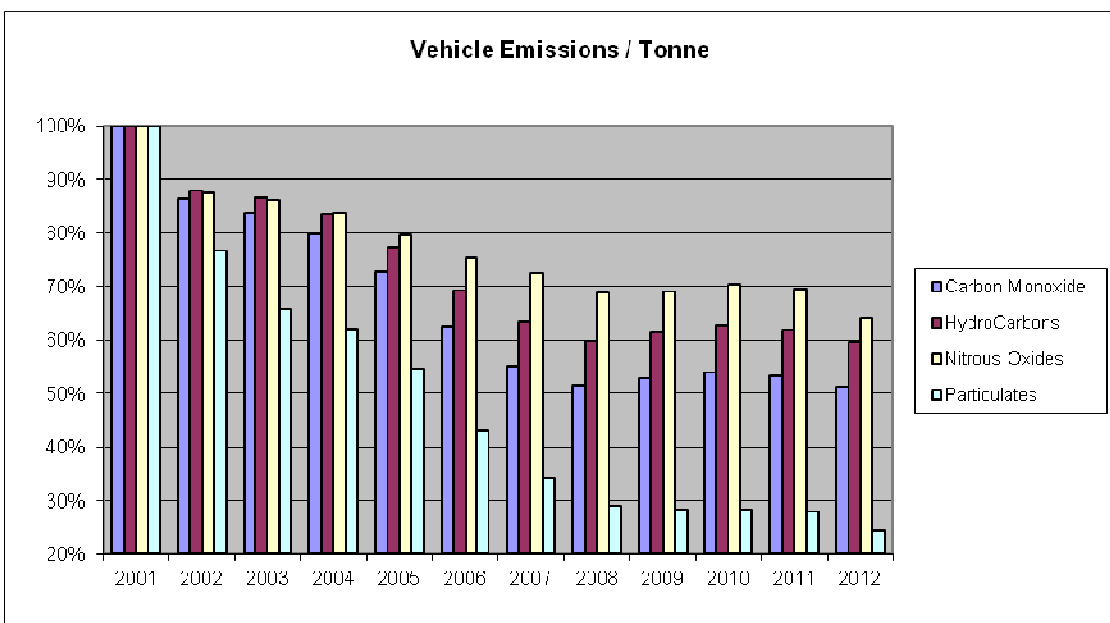
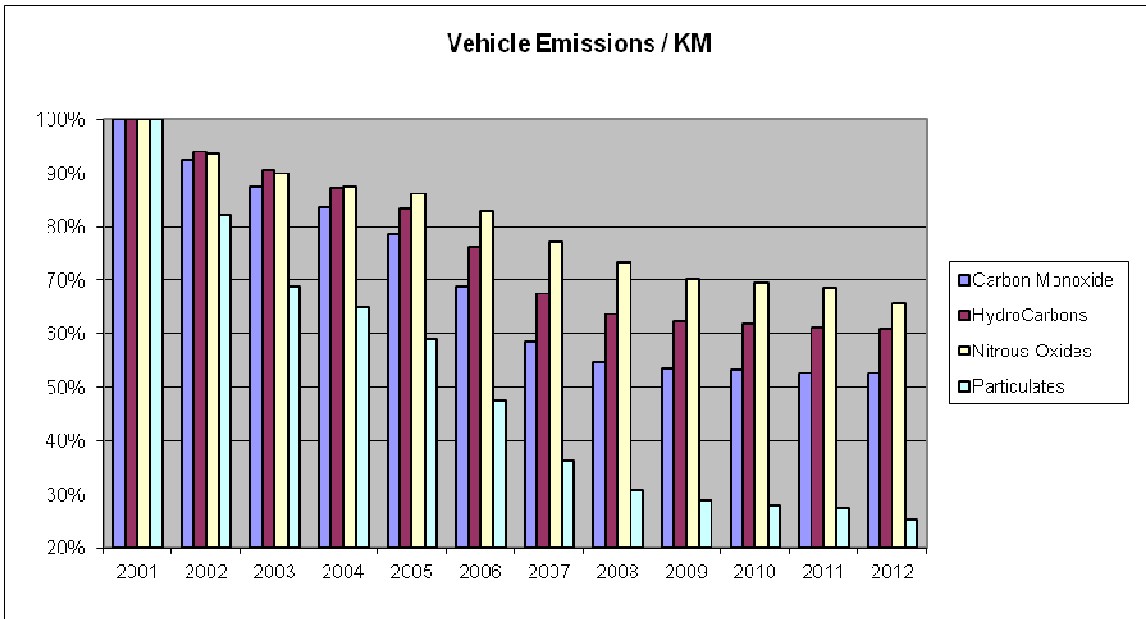
Taking 2002 as the base year, we have calculated the units of electricity and quantity of gas and gas oil used at each site. This has been converted to an amount of carbon dioxide produced and divided by the tonnage manufactured. We work hard every year to try and improve our efficiency and it can be seen that this year we have seen significant improvements. We continue our regular monitoring to ensure that the plants are run as efficiently as possible. Two years ago, we replaced the presses on one of our production lines with a single larger press to help cut energy usage and thus carbon dioxide emissions on that line by about 25%. Last year, we had an increase in our usage of gas oil and gas. This has been investigated and the reduced environmental impact is clear to see. We have more plans to implement to try and continue this trend.

Carbon Dioxide Emmissions per Tonne



Greenhouse Gases from Commercial Fleet

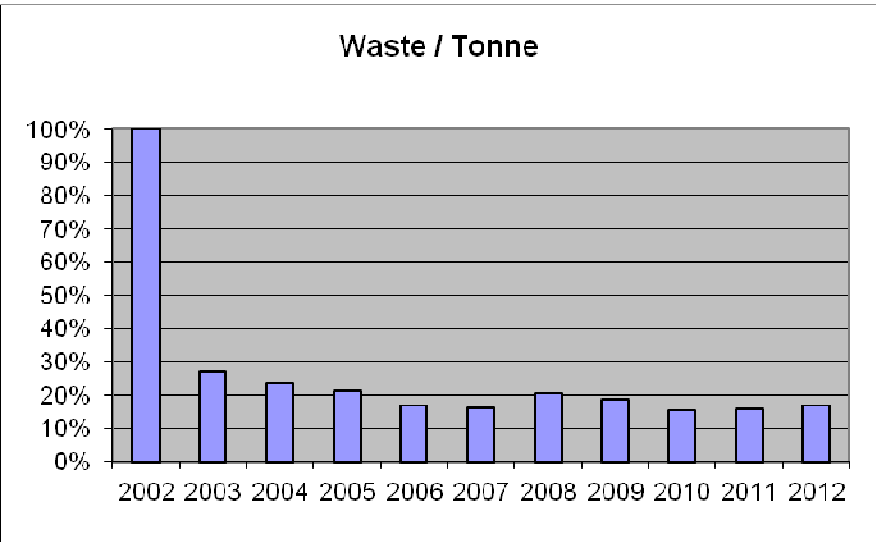
Taking 2001 as the base year, we have calculated the amount of diesel used by each engine specification in the fleet and from this we have calculated how much of each of the 4 measured gases has been produced. There has been a significant reduction in emissions / 100 Kms travelled. Emissions / tonne delivered have increased from last year but the overall trend is still down for each type of emission. The most impressive reduction is in particulates which are now less than 30% of what they were in 2001.



As we continue to replace our vehicles with Euro V and Euro VI vehicles, we will continue to see a reduction in these emissions.

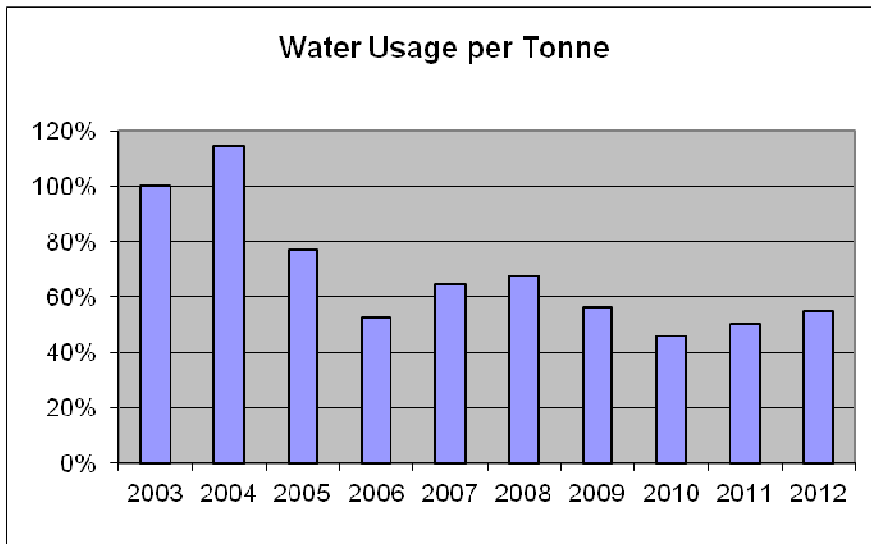
Waste

We are now keeping records of the amount of waste that is produced. In 2003 we began recycling. The effect this has had on the waste we have produced per tonne of feed can clearly be seen from the graph. Since we examined this area of waste in 2002, we have significantly reduced the waste we produce to such a level where it is hard to reduce it any further. It is pleasing to see that this level has been maintained for a number of years.



Water Usage

For the last eight years we have kept records of our water usage.



Having seen increases in 2007 and 2008, we have found areas of improvement that have meant a decrease in water usage and, although the figure has crept up over the couple of years, we have only used about half the water we used in 2003. Additionally, the figures do not show that we are using an increasing quantity of non-potable water in our plant which further lessens our environmental impact.

Conclusion

We have now got 11 years of environmental data. Our most significant impact continues to be carbon dioxide emissions relating to our power usage. We can see that this has decreased to the best figure we have achieved since we began to keep records. We are investigating our gas and gas oil usage and we are investigating various projects to further reduce our electricity usage. We have seen the benefits of all the action we have taken and it is pleasing to see this decrease.

We also have a significant impact from diesel usage in the commercial fleet. We can also see that this has reduced over each year and we have implemented a policy of regularly replacing the fleet with the latest fuel efficiency technology to help continue this trend.

It is clear to see the benefit of assessing our environmental impact and continuing to measure it year after year. We will continue to try and find ways of reducing our environmental impact but each year it becomes more and more difficult to find additional improvements. Taking the four areas above and the results we have achieved and actions we have taken, this shows our clear commitment to reducing our environmental impact.