

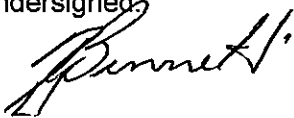
## Environmental Policy

The board of Directors and management of the Northern Co Operative Meat Company Ltd. have a firm commitment to the long term care of the land and environment from which our members and our industry derive our existence, raw material and viability. Our activities will be based on respect and custodianship for the natural environment while maintaining our future viability.

To ensure that the actions of the company and all of its business units, inclusive of bovine, porcine, tannery and farming operations, are aligned with the above principles, the Board of Directors and management are committed to:

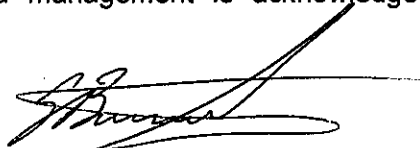
- Continually monitor the effects of current operations on the environment and include the concept of environmental stewardship in the decision making process for future changes.
- Provide sufficient resources and expertise to minimise the environmental impact of all activities and mitigate unavoidable impacts in a manner which provides the best possible outcome for the environment, the community and the bottom line of the company.
- Use water, energy and other resources efficiently, minimising waste and emissions where practicable, in a manner that is consistent with food safety requirements and international standards relating to the use of restricted substances.
- Foster a culture among all employees and contractors, through training and ongoing communication, an understanding and sense of responsibility for the environment and an awareness of environmental impacts and appropriate regulatory requirements associated with their roles in the operation of the company.
- Take the necessary measures to ensure compliance with environmental licences and have in place appropriate responses for emergency events
- Ensure that all relevant legislation is abided by, future developments in legislation are anticipated and a good working relationship with all authorities is maintained.
- Conduct regular reviews of the company's environmental policy and associated management systems and procedures to ensure that they are achieving continual improvement.
- Support and maintain an active role in the research and development of environmental policies, guidelines and practices for a fully integrated meat processing facility which are fair and equitable and deliver sustainable benefits to the environment and the organisation.

Support for this policy from the Board of Directors and management is acknowledged by the undersigned:



George Bennett

*Chairman of the Board of Directors*



Gary Burrige

*Chief Executive Officer*

November 2009

## Supporting Statements

The purpose of the following supporting statements is to explain the intent of each item in the environmental policy.

➤ *Continually monitor the effects of current operations on the environment and include environmental concerns in the decision making process for future changes.*

- Continually monitoring the effects on the environment involves monitoring resource utilisation and waste generation such as water use in various parts of the plant, electricity use, wastewater generation, byproduct recovery, the amount of solid waste generated and wastewater quality. By measuring these things we can get an idea of where we should concentrate effort and money to get the greatest environmental benefit and we also obtain an idea of the success of improvement measures we have introduced.
- The organisation is continually making improvements to various aspects of the operation. Decisions will continue to take into account the effect of a change on environmental performance and on the quality of life of the community of which the company is part, as well as financial/maintenance considerations.
- Each alteration will be taken has an opportunity to improve the overall environmental performance of the company. For example where possible (and if the cost is not prohibitive) new equipment will be more water and energy efficient and acceptance criteria for new designs will have enhancement of environmental performance as a high priority.

➤ *Provide sufficient resources and expertise to minimise the environmental impact of all activities and mitigate unavoidable impacts in a manner, which provides the best possible outcome for the environment, the community and the bottom line of the company.*

- This statement recognises that there is a fine balance between environmental performance, social amenity and maintaining a viable business. This is often termed the "triple bottom line". If this balance is not managed sensibly, and the viability of the business is threatened, our ability to maintain and improve environmental performance and our capacity to fulfil our social commitment to the community will be severely restricted.
- The company intends to make sure that sufficient resources are available to avoid impacts before they occur. At the same time we recognise that there may be some impacts that occur which cannot be avoided. In this case, the intention is to find the appropriate solution considering the information available and the level of risk associated with the impact.
- If expertise is required which is not available within the company it will be sort from external sources.
- Sufficient resources will be determined based on a thorough understanding of the problem and an efficient, holistic approach to the solution. The level of resources provided must also be affordable to the company.

## Supporting Statements

➤ *Use resources efficiently, minimising waste and emissions where practicable and consistent with food safety requirements.*

- Where possible wastes should be avoided but where waste is unavoidable it should be minimised or even reused. The extent to which waste should be minimised will be limited by issues such as cost and other resources. These issues need to be balanced with the general goal of waste minimisation.
- It is not only the more familiar solid and liquid wastes that should be considered but gaseous emissions (including odours, waste packaging etc).
- Food manufacturing companies are more limited in introducing green innovation than many manufacturing companies since their first priority must be to ensure a safe food product. In some cases this slows or prevents adoption of environmental innovations such as reuse of water or packaging or use of less packaging, where food safety might be compromised.
- The use of chemicals and other substances must be in line with food safety requirements and in line with international standards on the use of Restricted Substances. For example, where a chemical is identified internationally as a restricted substance, all reasonable endeavours will be made to avoid the use of that chemical.

➤ *Foster among all employees and contractors, through training and ongoing communication, an understanding and sense of responsibility for the environment and an awareness of environmental impacts and appropriate regulatory requirements associated with their roles in the operation of the company.*

- Individual employees are acknowledged by the company to play an extremely important role in achieving a high level of environmental performance. To enable each employee to contribute, it is considered essential for them to understand the reasons behind the need for considering the environment and how their job and others can impact on the environment.
- We anticipate that increased environmental awareness will also assist employees of the company to be more environmentally responsible members of the community as a whole. Environmental education therefore provides a means of fulfilling a broader obligation we have to the community and the environment on which we depend.
- Employees are also a very valuable source of information and ideas about problems that exist or improvements that can be made. It is intended that each employee will consider reducing environmental impact as a high priority. Each employee should also feel comfortable with openly communicating environmental problems or ideas to the appropriate person. This person should endeavour to provide the individual with feedback on the ideas or problem they highlighted, particularly if it is decided no action will be taken.
- We recognise that company officers are held personally responsible by modern environmental legislation to ensure compliance with regulations.

## Supporting Statements

➤ *Take the necessary measures to ensure compliance with environmental licences and to have in place appropriate responses for emergency events.*

- Compliance includes pollution that spreads across the boundary of the company's property whether at the plant itself or at the irrigation site. Compliance also includes the contamination of water ways, and other contamination which may affect the local community.
- Off site pollution is often difficult to control simply because it has escaped the control system the company has in place. The intention is to make sure that these control systems are working, and that in the event of a failure there is a response system in place. This response includes availability of the necessary equipment and education of appropriate employees about methods of handling the emergency.

➤ *Ensure that all relevant legislation is abided by, future developments in legislation are anticipated and a good working relationship with all authorities is maintained.*

- There is a range of environmental legislation which covers various topics including odour management, planning, contaminated sites, liquid and non-liquid waste disposal, environmentally hazardous chemicals, vegetation management and water management. It is important that we keep up to date with developments and trends in these areas not only for the sake of the NCMC operations but for the shareholders who are so essential to our existence.
- One of the most significant pieces of legislation is the 'NSW Protection of the Environment Operations (POEO) Act' administered by the NSW Department of Environment, Climate Change & Water (DECCW). This is the act through which our Environment Protection Licence is issued. Our licence outlines the rules we must abide by. It also explains the testing results and the other information we must give to the EPA. It is reviewed, altered and reissued every year to make sure we continually improve.
- The value and necessity of maintaining a good working relationship with all authorities cannot be emphasised enough. We wish to foster relationships which are based on fairness, co-operation and communication.

*Conduct regular reviews of the company's environmental policy and associated management systems and procedures to ensure that they are achieving continual improvement.*

- Environmental management is a dynamic, ever-evolving facet of modern business. The purposes and objectives of environmental management structures are likely to change as the organisation continues to develop and improve, as new technology and methods become available and as community expectations vary. For this reason it is necessary to review the appropriateness of the environmental policy and the environmental management system and procedures regularly.
- The time intervals selected are annually for the environmental procedures and biannually for the environmental policy and environmental management system (intervals commence from the approval date of the original document).

## Supporting Statements

- *Continue to support and maintain an active role in the research and development of environmental policies, guidelines and practices for a fully integrated meat processing facility which are fair and equitable and deliver sustainable benefits to the environment and the organisation.*
  - Being one of the oldest, largest and most diverse single site operations in the meat industry, we believe that we have a responsibility to speak out on issues that affect us, the shareholders and the meat processing, rendering and tannery industry in general. Any contribution we make to debates on environmental policies, guidelines or codes of practices will come from an informed position consistent with all of the companies policies.
  - Generally comment on topical issues will occur through industry bodies such as the Australian Meat Industry Council (AMIC) or Meat and Livestock Australia (MLA).
  - We recognise that we rely on the environmental sustainability of our operation to survive and we readily embrace our custodial role. However we wish to encourage a pace of change that is economically sustainable and direction of change that is based on sound scientific evidence.
-