

## **1.0 Purpose**

The purpose of this procedure is to ensure that the environmental aspects of Fracht's business are effectively and systematically managed as required by the various standards and regulations applicable to Fracht's industry sector.

## **2.0 Scope**

This procedure applies to all Fracht Houston's activities in relation to environmental aspects.

## **3.0 Procedure**

Fracht Houston complies with environmental laws and regulations of the state of Texas. Access to the relevant and current environmental laws and regulations can be accessed via the website located at <https://www.epa.gov/laws-regulations>. Typically, environmental laws are known and identified at the time of acceptance of the lease contract for any given facility.

Fracht's Environmental System is managed and administered through our Integrated Management System (IMS).

Each new staff member goes through an introduction process detailing the essential elements of the Environmental System and its policies.

## **4.0 Communication**

### **External Parties**

Several external parties may be interested in the environmental aspects and impacts of Fracht's activities, such as regulators, residents, investors, insurers, customers, and the general public.

We make every effort to ensure that all aspects of our environmental system are available to genuine interested external parties, including communication regarding our significant environmental aspects. We use a number of mechanisms to ensure effective communication with these interested parties, including disclosures when applying for permits and informal and formal discussions with regulators, community representatives, and local business leaders. Our intent is to provide understandable and adequately explained information and to present an accurate and verifiable picture of our environmental performance and related matters.

Management and/or The Compliance Team conduct these external communications. These communications are documented when appropriate or if required by law or regulation (e.g., communication in relation to emergencies and external hazards). Details of communications demanded by statutory regulations are retained for the period specified in the applicable regulations.

## Internal Parties

All Fracht personnel are involved in all aspects of environmental management and are encouraged to participate in improving Fracht's environmental performance. Fracht employees are made aware of any changes that impact our environmental performance and are provided with relevant training to ensure they can perform their tasks competently and with minimum environmental impact.

## 5.0 *Environmental Impacts and Risk Assessment*

Fracht has identified the environmental impacts and risks associated with our processes and activities. The major impacts and risks are: electricity usage, water usage, waste, office consumables, and the transportation of hazardous materials.

Fracht monitors resource usage and waste output with the goal of reducing both. The data is analysed to reveal trends and to identify opportunities for improvement.

Fracht arranges for dangerous goods training for its employees in order to ensure that staff are able to handle hazardous goods competently. DG-certified staff take appropriate measures to reduce the risk of any hazardous spills and understand emergency procedures so they may effectively handle any issues. See *WI19 Dangerous Goods Handling* for further details.

The Management Team reviews environmental data during its Management Review (see *SOP04 Management Review*) and takes appropriate actions to optimize resource utilization, minimize waste, and evaluate our effectiveness in handling dangerous goods safely.

Appendix 1 shows the Risk Rating Matrix, which indicates the possible outcomes (e.g. Moderate Effect) of an activity versus the likelihood of these outcomes. In Appendix 2, Fracht has identified activities within the office setting and indicated aspects, associated risks, and measures to control these risks.

## 6.0 *Environmental Management Monitoring and Non-Conformances*

Fracht conducts both formal (e.g. *SOP08 Internal and External Audits*) and informal (e.g. visual inspections of the workplace) regular checks of its Environmental Management System. Records are retained of all formal processes.

Verification of legal compliance is conducted under the Management Review as explained in *SOP04 Management Review*. Legal requirements are described in *Form007 Legal Requirements Matrix*.

The Houston site is inspected by a member of the Compliance Team. *Form020 Environmental Inspection Record* is completed and retained within the IMS.

Problems identified through inspections, audits, or informal checks are evaluated and handled as per *SOP09 Non-Conformance Handling and Resolution*.

## **7.0** *Emergency Procedures*

Most of Fracht's activities present limited risks and few hazards. Any Fracht activities which pose the potential for an unplanned release of pollutants or hazardous spills are identified so that we can prevent, mitigate, or minimize the threat of environmental impact.

Any Contract (e.g. routed order, purchase order, etc.) that requires the handling of dangerous goods should be reviewed in order to verify that all parties involved in the transaction are competent and qualified according to regulatory laws.

Only staff that have obtained the proper training and certification may be involved in the handling of dangerous goods. Properly trained staff and vendors are responsible for verifying that commodity-specific emergency procedures are in place.

Staff are responsible for contacting the Management Team and Compliance Team immediately if they are involved in or are knowledgeable of an environmental incident, or if they have information regarding a significant violation while handling dangerous goods.

The Compliance Team reviews all information and is responsible for contacting local environmental officials if needed.

## **8.0** *Preventions and Improvements*

Fracht aims to be proactive in its environmental management style. Data collected during monitoring, audits, investigations, and any other relevant activities is analysed for trends.

The Compliance Team reports to management those areas where the negative outcomes of environmental impacts can be improved, reduced, or prevented. Whenever possible, achievable targets are set and progress is monitored.

## **9.0** *Documents and Data*

- a) Form006 Management Review Agenda and Report
- b) Form007 Legal Requirement Matrix
- c) Form020 Environmental Inspections Record
- d) Form021 Property Management Questionnaire
- e) FORM071 Non-Conformance & Incident Report
- f) Dangerous Goods Certification

**10.0 Amendments**

<b>Rev</b>	<b>Date</b>	<b>Description</b>
0	05/18/2012	Created Environmental Management
1	11/26/2012	Added Fracht Employees to Risk Matrix
2	02/27/2013	Added Verification of Compliance & Form 007 Information
3	12/17/2013	Clarified communication decision regarding significant environmental aspects.
4	01/21/2016	Updated SOP to reflect requirements of ISO 14001:2015; corrected typographical errors and formatting.
5	10/23/2017	Update formatting.
6	3/30/2023	Update formatting, update procedure to apply to only Fracht Houston's site; update procedure to include accurate site links; updated section 9.0 with correct document reference numbers.



**Appendix 1: Environmental Risk Rating Matrix**

16-25 = Extremely High			Likelihood of Occurrence				
11-15 = High Risk							
6-10 = Moderate Risk			Certain	Likely	Possible	Unlikely	Rare
0-5 = Low Risk			5	4	3	2	1
Severity of the Outcome	Massive Effect	5	25	20	15	10	5
	Major Effect	4	20	16	12	8	4
	Moderate Effect	3	15	12	9	6	3
	Minor Effect	2	10	8	6	4	2
	Slight Effect	1	5	4	3	2	1

**Appendix 2: Environmental Aspects, Risks, and Controls**

Activity	Aspect	Likelihood	Severity	Risk Rating	Associated Risk	Controls	Person Responsible
Office Environment	Energy use	5	1	5	Depletion of Resources	Lights turn off automatically when not in use	Management Committee
	Water Use	5	1	5	Pollution	Environmental Awareness Policy	
	Paper Used	5	1	5		Recycle bins	
						Environmental Checklist	
Infrastructure						Faxes are received via email and only printed when needed	
	Energy Use	5	1	5	Depletion of resources	Air conditioner/heating units turn off on weekend	Management Committee
	Water Use	5	1	5	Pollution	Light sensors installed	
	Land Use	5	2	10	Contamination	Pesticides and fertilizers used are environmentally friendly	
Waste	5	2	10		Waste discharged according to regulatory standards		
Fracht Employees	Energy Use	5	1	5	Depletion of resources	Engage in environmental programs (e.g. recycling program, participation in environmentally-friendly charities)	Management Committee, all employees
	Water Use	5	1	5	Pollution		
	Land Use	5	2	10	Contamination		
	Waste	5	2	10			
<b>Areas of Influence</b>							
Activity	Hazard	Likelihood	Severity	Risk Rating	Associated Risk	Controls	Person Responsible
Trucking		2	5	10	Spill	Use truckers who are qualified to move dangerous goods	All employees

	Movement of Dangerous Goods				Accident Harm to Environment	Employees' hazmat certificate is required for handling DG Obtain all required documents (e.g., DG Declaration, SDS)	
Warehouse	Handling of Dangerous Goods	2	4	8	Spill Accident Harm to environment	Use vendors who are qualified to handle dangerous goods Employees' hazmat certificate is required for handling DG Obtain all required documents (e.g., DG Declaration, SDS)	All employees

