

# Environmental Policy

## Background and Exhibits

Once your shipyard has its EMS Team (the EMR, EMS Coordinator, and CFT) trained and in place, the next step is to create a working draft of your shipyard's environmental policy. As your EMS Team moves forward, the policy should serve as the foundation for your EMS and provide a unifying vision of environmental principles that will guide the actions of employees and management. This policy statement should provide the framework for setting environmental objectives and targets.

The EMS policy should set out the facility's overall commitment to a cleaner environment. Examples of commitments that should be stated in your EMS policy are those presented by EPA's Performance Track program:

- Compliance with legal requirements and any voluntary commitments;
- Pollution prevention;
- Continuous improvement in environmental performance, including areas not subject to regulations; and
- Sharing information about environmental performance and the operation of your EMS with the community.

## Points to Consider When Developing Your Policy

- Your facility probably has some type of environmental policy now, even if it's not written down. For example, your facility is probably committed to complying with the law and avoiding major environmental problems, at a minimum. Document existing commitments and goals as a starting point.
- The environmental policy should relate to your activities, products, and services.
- The environmental policy can be a stand-alone document or it can be integrated with your health and safety, quality, or other organizational policies.

- The environmental policy should be explicit enough to be audited. If you choose to use phrases such as "We are committed to excellence and leadership in protecting the environment," consider how you would demonstrate that this commitment is being met.
- Keep your policy simple and understandable. Ask yourself what you are trying to achieve and how you can best communicate this to the rest of the facility. Test simplicity and clarity by asking, "Could our employees describe the intent of our policy in twenty words or less?"
- Before finalizing your environmental policy, consider the results of establishing your facility's objectives and targets (see *Module 6*) so that it reflects consistency with those.
- Make sure top management commits to the environmental policy statement. The facility's president should sign and date it. The final environmental policy statement should be posted or distributed to employees and other interested parties.
- Make sure that your employees receive and understand the policy. Options for communicating your policy internally include posting it around work sites (e.g., in lunchrooms), using paycheck stuffers, incorporating the policy into training classes and materials, and referring to the policy at staff or all-hands meetings. Test awareness and understanding from time to time by asking employees if they know there is an environmental policy, what the policy means to them, and how it affects their work.
- The policy also should be communicated externally. Some options for external communications include placing the policy on business cards, in newspaper advertisements, in annual reports, and on a facility Web site (if you have one). You might choose to communicate the policy proactively and/or in response to external requests. This decision should be factored into your overall strategy for external communication (see later discussion in *Module 9*).

Use your answers to the questions provided in *Exhibit 3-1: Element Review Questions* to begin the process of developing an EMS policy. Customize the text provided in *Exhibit 3-2: Environmental Policy Template* to fit your facility's needs.

### Exhibit 3-1: **Element Review Questions**

Questions	Your Answers
<p>Do we have an <b>existing environmental policy</b>?</p> <p>If yes, how was the policy developed?</p> <p>When was the policy last reviewed?</p>	
<p>Does the policy <b>reflect key commitments</b> (for example, compliance, prevention of pollution, and continual improvement)?</p> <p>What other commitments do or should our policy contain?</p>	
<p>How does our policy <b>take into account the environmental attributes</b> of our activities, products, and services?</p>	
<p>How would we <b>demonstrate conformance</b> to our policy?</p>	
<p>How is the <b>policy communicated</b> to our employees? Do our employees understand the critical elements of our policy? How do we know?</p>	
<p>What <b>feedback</b> have we received on the policy (from employees, contractors, or other interested parties)?</p> <p>What happens when we receive feedback on the policy?</p>	
<p>How do we make our policy <b>available to external parties</b>? Is this process effective?</p>	
<p><i>Our next step on environmental policy is to . . .</i></p>	

## Exhibit 3-2: **Environmental Policy Template**


It is the policy of **[Facility's Name]** to conduct its operations in a manner that is environmentally responsible and befitting of a good corporate neighbor and citizen. In accordance with this policy, **[Facility's Name]** complies with all environmental laws and manages all phases of its business in a manner that minimizes the impact of its operations on the environment. To further this policy, **[Facility's Name]** shall:

1. Comply with applicable environmental laws and regulations and voluntary commitments to which the facility subscribes.
2. Eliminate, or reduce to the maximum practical extent, the release of contaminants into the environment, first through pollution prevention (material substitution and source reduction), then recycling, and finally through treatment and control technologies.
3. Effectively communicate with facility employees, suppliers, regulators, and customers, as well as the surrounding community, regarding EMS performance.
4. Periodically review and demonstrate continuous improvement in the facility's environmental performance, including areas not subject to regulations.

# Examples

*Example 3-1: Sample Environmental Policies* presents environmental policies from South West Marine, Inc., Bath Iron Works, Electric Boat, and First Wave Marine, Inc.

## Example 3-1: Sample Environmental Policies

	<b>ENVIRONMENTAL POLICY</b> For Reference Only.					
	<b>SUBJ CODE</b> 12600	<b>SERIAL</b> 001	<b>REV.</b> B	<b>DATE</b> 6/20/02	<b>PAGE</b> i	<b>OF</b> ii
	<b>AUTHOR</b> Manager of Environmental Affairs			<b>APPROVED BY</b> Senior Vice President Operations		
<b>SUBJECT:</b> Environmental Management Policy			<b>APPLICABILITY</b>	A		

**PURPOSE:** To provide goals and objectives for the protection of the environment in Southwest Marine, Inc. ship repair operations. To profess the commitment of top management to those goals and objectives.

**1.0 LIST OF REFERENCES**

1.1 None.

**2.0 ENCLOSURES**

2.1 None.

**3.0 POLICY**

3.1 Policy Statement: Southwest Marine, Inc. (SWM) is an environmental leader committed to the protection of natural resources through the implementation of proactive environmental programs.

3.2 This policy shall be integrated into all aspects of SWM operations.

3.3 SWM Management affirms the commitment necessary to accomplish the goals and objectives of this policy to mitigate potential adverse environmental effects from ship repair operations.

3.4 Specific commitments to environmental protection include:

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### Example 3-1: Sample Environmental Policies (continued)

- 3.4.1 Development and implementation of environmental procedures to control significant environmental aspects.
- 3.4.2 Consideration of environmental impacts related to facility infrastructure design and maintenance.
- 3.4.3 Pollution prevention and waste minimization.
- 3.4.4 Immediate response to environmental releases.
- 3.4.5 Compliance with legal and customer requirements and voluntary commitments.
- 3.4.6 Public communication of environmental policy.
- 3.5 Each employee has an affirmative obligation to comply with the environmental policies, procedures, rules, and regulations implemented at SWM. These policies include management practices for the protection of air, land, and water and implicitly incorporate all local, state, and federal laws, rules, and regulations.
- 3.6 Top management shall review this policy to ensure consistency with established goals and objectives.

Example 3-1: Sample Environmental Policies (continued)

# Bath Iron Works

A GENERAL DYNAMICS COMPANY

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## ENVIRONMENTAL POLICY

Bath Iron Works' ability to accomplish our mission requires daily interaction with the environment. BIW is committed to operating in a manner compatible with our environment. Manufacturing efficiency and environmental protection are, and must continue to be, compatible goals. To this end, BIW is committed to the following principles:

- BIW shall operate its facilities in compliance with all applicable environmental laws and regulations, in a way that is protective of the health and safety of its employees and the surrounding communities and environment.
- BIW will strive to be a leader in the shipbuilding industry in improving environmental quality, by minimizing waste and emissions, reusing and recycling, reducing the use of natural resources and promoting pollution prevention efforts throughout the company.
- BIW shall review its facilities and programs on a regular basis and shall establish goals for continuous improvement in the environmental arena.
- BIW shall encourage the integration of environmental considerations into business planning and decisions, including design, procurement, production, facilities management and product support.
- BIW shall promote a workplace in which all employees are properly trained to comply with applicable environmental laws, regulations, and procedures, to meet environmental program goals and to take personal responsibility for protecting the environment.
- BIW will work with its customers in ascertaining and meeting their environmental needs and goals consistent with BIW's environmental compliance and management programs.

Management at all levels of BIW is responsible for ensuring that this policy is adhered to by all employees and subcontractors.

## Example 3-1: Sample Environmental Policies (continued)

**ENVIRONMENTAL MANAGEMENT SYSTEM POLICY STATEMENT**

Electric Boat is committed to the preservation of the environment and compliance with all relevant environmental laws and regulations.

We foster this commitment through the implementation of environmentally sustainable processes, pollution prevention, and a continual improvement focus in the design, construction, delivery and repair of submarines, and other contracted products and services.

**ENVIRONMENTAL POLICY****APPLICABILITY**

This PS applies to all Company locations and to work performed by Electric Boat personnel at non-Company locations.

**POLICY**

1. Electric Boat recognizes environmental resources management as among the highest of its priorities. Environmental considerations will be integrated into all business decisions. Electric Boat must be proactive in reducing or eliminating the use of hazardous/industrial materials as well as the generation and disposal of hazardous or mixed waste.
2. Electric Boat will establish environmental standards that meet all applicable Federal, state and local laws and regulations.
3. Electric Boat will regularly review its environmental policy to ensure its suitability as well as to ensure continuous improvement in environmental management systems, practices and procedures.
4. Electric Boat will conduct periodic environmental assessments, including annual Corporate Annual Review for Environment (CARE) package, to evaluate performance against Company and legal requirements and provide results to management.
5. Electric Boat will design its products and select its processes in such a way as to reduce or eliminate hazardous/industrial material wherever possible and to minimize or eliminate pollution. Product design and process selection will adhere to proven principles, including material review prior to selection, thorough engineering controls, adequate pre-work planning, minimization of materials used, and segregation of hazardous from non-hazardous materials.
6. Electric Boat is committed to conducting its operations in a manner that safeguards the natural environment and preserves natural resources; therefore, source reduction, material recovery and material recycling, as opposed to disposal will be considered wherever feasible.

### Example 3-1: Sample Environmental Policies (continued)

7. Electric Boat requires active participation and involvement by all personnel in following established procedures including the proper identification, collection, storage and disposal of hazardous materials. Every employee is encouraged to recommend improved hazardous materials work practices.
8. Electric Boat will educate, train and motivate employees to conduct all activities in an environmentally responsible manner.
9. All levels of leadership and management are responsible for establishing and attaining goals within each organization to effect this policy.
9. Electric Boat will promote sound environmental practices and principles with suppliers and subcontractors. Electric Boat encourages open communications with surrounding communities, employees, customers and government officials.

#### POLICY IMPLEMENTATION

A. Applicable Laws. Electric Boat operations are governed by Federal, state and local environmental laws and their regulatory/permit systems. Federal laws do not pre-empt those of state and local authorities but the Federal environmental laws are a comprehensive regulatory structure. The principal Federal environmental laws are:

1. National Environmental Policy Act of 1969;
2. Clean Water Act, 1972;
3. Clear Air Act, 1973 - 1984;
4. Clear Air Act Amendment, 1990;
5. Resource Conservation and Recovery Act (RCRA), 1976;
6. Comprehensive Environmental Response, Compensation and Liability Act (Superfund or CERCLA), 1980; and
7. Toxic Substance Control Act (TSCA), 1981.

(State and/or local environmental laws may vary from place to place and each Company location must comply accordingly.)

B. 1. Principal Standard Practices. Compliance with environmental protection requirements is achieved through controls implemented by the Environmental Resources Management Manual and the following Standard Practices (SPs):

- SP 07-03 Radioactive Material
- SP 07-04 Mercury Identification and Control
- SP 07-08 Industrial Gases and Liquids
- SP 07-10 Hazardous Material Identification and Control
- SP 07-11 Water Pollution Control
- SP 07-12 Air Pollution Abatement
- SP 07-13 Hazardous and Industrial Wastes
- SP 07-15 Toxic Substances Control
- SP 07-20 Chemical Risk Reduction



### Example 3-1: Sample Environmental Policies (continued)

2. Programs (see CP03-104, paragraph D.1). The programs discussed below are designed to maintain the highest standards and ensure full compliance.

Environmental Permit Management System (EPMS) - A consolidated tool available to all affected departments which:

- Identifies environmental permits, orders and other regulatory requirements;
- Provides a general overview of the applicable regulatory programs; and
- Functions as a resource for regulatory environmental compliance activities, including record keeping, reporting, and permit renewal requirements.

Training - Both mandatory training programs (driven by regulation or contract) and prudent programs are provided within the company or outsourced as necessary.

Environmental Discrepancy Report (EDR) System - The EDR system is used to identify noncompliance issues and document completion of corrective actions. The EDR system provides the means to focus on issues while they are small and manageable. Trend analysis of the issued EDRs is performed on a quarterly basis to identify systemic problems.

- C. ERM Program Management The President has appointed the Vice President - Quality and Material responsible for coordination of Company-wide ERM activities. The Vice President responsible for each Facility, Site, Engineering Office, or other Company location appoints a Facility ERM Program Coordinator who is responsible for ERM activities at that location. Facility ERM Program Coordinators are under the technical direction of the ERM Program Manager (D503) at Groton. ERM Program Coordinators oversee fulfillment of environmental requirements as set forth in the SPs referenced above and apprise the ERM Program Manager of significant environmental issues. The ERM Program Manager achieves and monitors compliance as set forth in the SPs referenced above by:

- Developing and implementing written environmental policies and procedures as required;
- Reporting to the Vice President - Quality and Material and the cognizant facility Vice President on environmental issues;
- Ensuring employees are properly trained in environmental compliance and management;
- Fostering a commitment to continuous improvement in environmental matters;
- Ensuring that environmental requirements are met, and practices and procedures are followed and appropriately enforced; and

Representing the business unit at Corporate Environmental Council Meetings and providing information as needed.

- D. ERM Committee. Committee membership is comprised of the following:

- Vice President - Quality and Material (Chairman),
- ERM Program Manager, Groton,
- Legal Counsel Representative,
- President,
- Vice President - Finance,
- General Counsel,
- Vice President - Innovation,
- Vice President - Human Resources/Administration,
- Vice President - Operations,

### Example 3-1: Sample Environmental Policies (continued)

On an ad hoc basis, representatives of other organizations/locations deemed necessary by the Chairman may be included in the ERM Committee.

The Committee will meet at least semi-annually to address environmental issues such as:

- Development of annual ERM Program goals and objectives;
- Evaluation of current or anticipated regulatory issues or trends;
- Potential operational impact and potential legal and financial exposures of the Company;
- Ensuring Electric Boat aggressively pursues the use of environmentally sound processes and materials;
- Assessment of serious or repeated violation of regulations, policies or procedures;
- Evaluation of environmental metrics and performance as compared to established goals and objectives;
- Promoting effective integration of environmental programs, policies and initiatives with all EB functional areas; and
- Initiating implementation of programs and practices as approved by the Corporate Environmental Council (see Corporate Policy 03-104).

#### E. Reporting and Notification Requirements

1. EB will submit metrics information on a quarterly basis to the Corporate Senior Vice President and General Counsel.
2. EB will submit an environmental compliance review annually to the Corporate Senior Vice President and General Counsel.
3. Any governmental inspection which results in a finding of noncompliance or a financial penalty shall be reported to the Corporate Senior Vice President and General Counsel within 5 days of the receipt.
4. Any release or event which poses a risk to the environment or public health and safety outside of Company property shall be reported to the Corporate Senior Vice President and General Counsel immediately.
5. Any release or event which poses a risk to the environment or public health and safety at the Company property line shall be reported to the Corporate Senior Vice President and General Counsel within 5 days.
6. Any lawsuit filed claiming environmental noncompliance by EB shall be reported to the Corporate Senior Vice President and General Counsel within 5 days.
7. Any sale or purchase of real property or closure or opening of significant facilities shall be reported to the Corporate Senior Vice President and General Counsel in advance of its occurrence. The responsible EB personnel shall confer with the Corporate Senior Vice President and General Counsel to develop a strategy to minimize environmental impact and risk to the Company from such an occurrence.
8. EB shall implement and enforce procedures for the accurate and complete reporting of all environmental information to appropriate government agencies as required by law.

### Example 3-1: Sample Environmental Policies (continued)




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#### Environmental Policy

First Wave Marine, Inc. and its subsidiary companies are committed to protecting the environment. It is the policy of First Wave Marine, Inc. to provide shipyard services to our customers in a manner that complies with all applicable environmental regulations. More importantly, we will work cooperatively with communities and regulatory agencies to implement sound management practices that will ensure that our jobs are accomplished in an environmentally protective manner.

The key to a successful environmental management system is the involvement and commitment of our employees. This commitment requires a thorough understanding of the environmental aspects of each job we perform. We will educate our employees in the impact their jobs have on the environment. It is each person's responsibility to ensure that he or she understands the environmental aspects of their job and to take an active part in protecting the environment. Performance appraisals of employees shall incorporate the demonstration of this commitment.

We will diligently strive to improve the effectiveness of our environmental management systems. Each person shall immediately report hazardous conditions, practices or behaviors in his/her work area including any spills or un-permitted releases of a product, constituent or waste. Management will conduct a review of these reports and shall take prompt action to correct any hazardous or violative conditions and take steps to prevent reoccurrence in the future. Employees are encouraged to make suggestions to improve our environmental management system. Suggestions for improvement will be evaluated and implemented as appropriate. These reporting systems combined with periodic self-assessments will promote continuous improvement in our process.

Designing, operating, and maintaining shipyard fabrication and repair services with a focus on pollution prevention, shall be a high priority in our organization. We will strive to eliminate foreseeable hazards that could negatively impact our community, our personnel, or the environment. There must be absolute clarity of this principle throughout our organization. Management will neither condone nor allow a job to be performed in a manner that would harm the environment, or in a manner that would violate any law or regulation. Demonstration of this commitment to protecting our environment is a condition of employment.

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