

NFU Mutual



NFU Mutual

ClimateWise 2008 - 2009 Second Annual Progress Report

June 2009

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1.0 Introduction

Our Business

NFU Mutual was founded in 1910 to help meet the insurance needs of the farming community. These historic roots and continued close relationships with the UK Farmers' Unions mean that we have a core of farming related business. However the bulk of recent expansion has taken place in the wider rural, non-farming market from which we now receive 33% of our General Insurance premiums.

Our principle activities are the transaction of General Insurance, Life Assurance and Pensions business and related financial services, including investment schemes and investment management. Our principal sales channel for General Insurance is through a network of Tied Agents, located mainly in rural areas, throughout the United Kingdom. At the end of 2008 we had 738 NFU Mutual Agents working out of 320 offices.

Financial services business is sold through our direct sales force of Financial Consultants and customer Telephone Advisers.

In premium volume terms, we manufacture over 95% of the products that we sell. The remainder of our business is represented by certain specialist business lines, which are 'in-sourced' from carefully chosen providers.

NFU Mutual is a group of companies. The core component of the group is NFU Mutual which provides 95% of our General Insurance premium income. The remainder comes from our Avon Insurance subsidiary which specialises in offering accident insurance products to customers of major financial institutions.

We are a mutual organisation whose members are our customers. All members have voting rights relative to the level of their premium income placed with us, hence our members have a say in voting, in direct proportion to the scale of their relationship with us.

We have a clear set of values to ensure that we focus on the needs of our customers, which are communicated throughout our organisation. These values, summarised in our Vision and Mission statements, are:

To set the market standards in terms of all round value, service and trust for the products and services we offer; to safeguard the financial security, and enhance the financial prosperity of our customers.

We report on how well we have performed against both these objectives.

NFU Mutual has been a signatory to the ClimateWise Statement of Principles since their introduction in September 2007.

2.0 Foreword

“In 2009 NFU Mutual continued to manage its impact on the environment.

This is a fundamental part of our commitment to conduct our business responsibly.

We are committed to reduce our resource use, provide energy effective transport with our staff and develop more effective management of our properties.”

Lindsay Sinclair

NFU Mutual

Group Chief Executive

3.0 Embedding the Principles of ClimateWise at NFU Mutual

As an organisation NFU Mutual is undertaking a number of wide ranging activities that will help it work individually and collectively to raise awareness of and reduce the impact from effects of climate change.

3.1 Lead in Risk Analysis

3.1.1 NFU Mutual takes part in two types of research network that have a climate change / environment dimension: firstly, that of the ABI and secondly, that involving our own network of tied agents, regional boards, member forums, links with the Farming Unions and customer feedback. We contribute to certain lines of research by the ABI and receive from them output relating to key climate risks such as flood. Our regional boards and member forums are more fully explained under Principle 3 - they form a key source of guidance on research most relevant to climate risks faced by our members.

3.1.2 One example of how our tied agents and customer feedback have contributed to climate risk related research is a recent initiative around green fuels. The Government's active promotion of green fuels resulted in feedback from our customers about how different approaches to the production of bio-diesel could affect their insurance needs. Their input and our experience of farm business underwriting, allowed us to research and compile guidelines on the insurance implications of different forms of bio-diesel production and as a result, allowed the farming community to respond to the bio-diesel initiative with greater confidence and certainty. An example of the guidance produced is given in Appendix A1. This is a typical example of how our involvement in climate

change related research is more often orientated around the implications for UK farming industry, than around more international initiatives.

3.1.3 We attend events organised by the Willis Research Network.

3.1.4 Climate change is taken into account in our reinsurance strategy and is now a factor in both the amount and type of reinsurance cover we consider purchasing. The extent to which we have so far been able to develop this has been limited however by limitations in the risk models that are available to us: firstly, the scope of our models to accommodate greater levels of refinement about how climate change will impact on our loss patterns, and secondly, the models available have some way to go before their understanding of European weather patterns matches that of US and Caribbean weather patterns. With all of our business being UK based and with the pattern of losses that climate change could create for an insurer like us, this means that both ourselves and our reinsurers have much to do going forward.

3.1.5 Climate change is a factor in the levels of capital our business operates under. The principal way in which these are linked is through the influence of climate change on patterns of loss such as storm and flood, which then feed into our Individual Capital Adequacy assessment.

3.1.6 Climate change is a factor in our pricing of various property damage risks, through the influence it has on the loss patterns of certain perils: for example, storm and flood. The exposure of a property to such insured perils will be a key influence on the premium that is charged, exposure being determined by both location and construction.

3.1.7 The insurance we provide supports the development of technologies relating to climate change in a number of ways:

3.1.7.1 Insurance for small, farm based wind farms;

3.1.7.2 Insurance for forests;

3.1.7.3 Insurance for crops;

3.1.7.4 Insurance for the farm based production and distribution of bio-diesel

3.1.7.5 Insurance for environmental liabilities arising from events such as pollution, available on a basis much broader than the traditional 'sudden and unforeseen' basis;

3.1.7.6 Our household cover can be extended to cover wind turbines;

3.1.7.7 Our poultry insurance includes cover for heat stress;

3.1.7.8 As well as following the ABI's group rating for hybrid and electric cars, we also provide cover for vehicles that have undergone a post manufacture conversion for use of alternative fuels;

3.1.7.9 Our group level process for new product development will specifically require that projects under consideration take account of climate change within their evaluation matrix.

3.1.8 We do not underwrite Directors and Officers insurance.

3.1.9 We have used the knowledge built up through our underwriting of farms and farm related insurances to contribute a chapter on "Climate Change – Agriculture and Forestry" in one of the Chartered Insurance Institute's text books.

3.1.10 We have taken that same knowledge and entered in dialogue with the Severn & Avon Vales Wetlands Partnership, on approaches to flood alleviation, bio-diversity and agriculture.

3.2 Inform Public Policy Making

3.2.1 NFU Mutual is represented and participates in the main UK insurance industry forums for example, appropriate committees hosted by the Association of British Insurers. We publicly support the ABI's Statement of Principles for the provision of flood insurance.

3.2.2 Our mutual basis has traditionally led us to focus our collaborative energies on our members. This has recently now been extended to working with other mutual insurers under the auspices of Euresa, a European wide, mutual insurance think tank. One of Euresa's initiatives is a framework for sustainable development that can be adopted across Europe by mutual insurers. The framework covers environmental issues of importance in insurance products, investments, supply chains and in building customer awareness.

3.2.3 As members of ClimateWise, NFU Mutual supports the Statement on the UNFCCC negotiations.

3.2.4 NFU Mutual is a signatory member of the Carbon Disclosure Project.

3.2.5 Much of NFU Mutual's business comes through a network of several hundred tied agents. For many years, prior to the advent to text and email systems, those agents also played a key role in the Environment Agency's storm warning system for the farming community.

3.3 Support Climate Awareness Amongst Our Customers

3.3.1 Our network of several hundred tied agents has an extremely close working relationship with the farming community in their area and a key part of their role is to meet with customers and advise them on a range of issues, amongst which would be how to reduce the risk from the wide range of environmental impacts that farms are exposed to.

3.3.13.3.2 We are currently amending our policyholder documentation and website based information to give appropriate prominence to customer guidance on flood risks.

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3.3.3 Some examples of climate related press releases issued by our Group Corporate Communications team can be found in Appendix A3 and A4.

3.3.4 Our household policy has been designed to encourage customers to adapt to climate change and reduce their carbon emissions, for example we provide cover for wind turbines and have a rating approach that reflects exposure to flood risks. In 2007, we offered a flood resilience survey to our household customers.

3.3.43.3.5 As a mutual insurer, we have established a local governance and member relations network to ensure that we receive regular and organised feedback from our customers. The network of Regional Advisory Boards and member forums that meet on a regular basis allow us to respond quickly to issues that have been raised. We have not set up any subject specific boards or forums, but rely on this fully embedded, cross company structure to respond to all issues, as the impact on the farming and wider customer community of something like climate

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change is varied and widespread. As a mutual, this structure is central to how we work, not an occasional marketing add-on.

3.3.6 Our policies do not allow an insured to rebuild to a higher environmental standard in the event of a loss, but our claims management processes are flexible, allowing us to agree a basis of settlement with the insured that does not stand in the way of that higher environmental rebuild still going ahead.

3.3.7 With our business being entirely sourced from within the UK, there have been no opportunities to engage with the developing world on climate change.

3.4 Incorporate Climate Change into our Investment Strategies

3.4.1 Our mainstream investment decision making process takes account of the environmental impact, practices and policies of companies across those sectors where it is a driver of financial value.

3.4.2 We make use of tools such as the ABI IVIS monitoring service.

3.1.93.4.3 In terms of the life business as part of the investment funds option we researched the possibility of introducing a UK and/or International SRI (Socially Responsible Investment) fund. However, we concluded against introducing such products at this time, but left open the option of amending investment strategies on our existing funds in light of developing climate issues.

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3.4.4 We are completing Energy Performance Certification (EPC's) on each of our investment properties and from that will look to see if we can upgrade some of our ratings by following planned Maintenance programmes.

When we acquire properties we now want to see their EPC's and are interested to see any BREEAM ratings.

3.4.5 NFU Mutual is a signatory member of the Carbon Disclosure Project.

3.4.23.4.6 As a mutual, our members are our shareholders and our network of Regional Advisory Boards and member forums allow us to have an open dialogue with them on a wide range of matters, including those relating to investments.

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3.4.7 The NFU Mutual Pension Fund Trustees have delegated responsibility for the selection, retention and realisation of investments to NFU Mutual Investment Services Limited, within guidelines given by the Trustees. The Trustees consider that the long-term investment return is best achieved by investing in responsible companies which have good corporate governance and believe that a portfolio of securities predominantly in quoted companies with their explicit reporting requirements is likely to achieve strong investment returns coupled with social, environmental and ethical responsibility.

3.4.8 NFU Mutual attended the Members' Investment Workshop hosted by ClimateWise.

3.5 Reduce the Environmental Impact of Our Business

3.5.1 During 2008, our Group Procurement function developed an assessment tool to objectively measure the environmental, social and ethical status of our suppliers. The aim of this is to embed responsible behaviour across our supply chain.

3.5.2 One hundred percent of our marketing material is sustainably sourced. We conducted customer research in 2008 into the feasibility and cost of producing our marketing literature and communications on recycled paper. This research

concluded firstly that there was little demand for recycled paper and secondly, that we should continue to use paper that was sustainably sourced and chlorine free. We have proceeded on that basis, but this will be subject to a review at a later date.

3.5.3 The environmental impacts of our operations are managed within the framework of an overall Corporate Social Responsibility (CSR) programme. In 2008, a team drawn from key departments with a business interest in the environment commenced work on reassessing our vision for the environmental aspects of the CSR programme. This resulted in a new environmental programme being introduced, along with a new environmental policy. It introduced a renewed focus on the monitoring of our carbon footprint and the benchmarking of our performance.

3.5.4 The range of performance measures that we monitor can be found in the table on page 16. Those relating to energy use are based upon our Stratford sites, while those for travel are company wide. We have previously measured our energy use at the sites based in Stratford, but the basis upon which this was done changed in 2008, in consequence of our forthcoming participation in the Carbon Reduction Commitment and a change in metering that resulted from this. New Smart meter monitoring arrangements are now in place. We are currently evaluating the first 2009 outputs. We will consider extending this to our other primary sites in due course.

3.5.5 Examples of how we have improved the environmental performance of our Stratford buildings are as follows:

3.5.5.1 In July 2008 approximately 400 members of staff in two of our Stratford offices were relocated to Avon House, a newly constructed building on the Ryon Hill Business Park. The building has various environmentally friendly features such as presence lighting, and a stream has been built underneath the building to create a habitat for aquatic life.

□3.5.5.2 At our Tiddington head office, the size of toilet cisterns have been reduced (saving an estimated 390,000 litres of water per year) and urinals made to flush only when used. The flushing of urinals at our Ryon Hill Park site has been changed, with an estimated saving of 3m litres of water per year.

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3.5.6 We monitor both business mileage and the carbon emissions of individual cars in our company fleet and will shortly produce a carbon footprint for our fleet based on the average emissions per car. We have recently altered our fleet policy on vehicles to benchmark allowances and expenses around diesel fuelled vehicles with a CO2 emission of no more than 165.

3.5.7 The recycling system introduced at our Ryon Hill Park sites that helped us to reach our target of recycling 80% of our waste from those sites has recently been extended to our head office at Tiddington. Desk bins have been removed and office area bins introduced for recyclable and non-recyclable waste.

3.5.8 A new, freshly filtered bottled water system, using durable, reusable glass bottles, has been introduced at our Tiddington head office. It removes the need for water deliveries on site, cutting down on traffic congestion and pollution. The bulky plastic and cardboard packaging associated with the previous type of bottles has been eliminated and it is hoped that this new system will save over 600 glass bottles per month.

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3.5.83.5.9 Green Travel Plan - Stratford Bus Service

Following a Green Travel Plan Survey conducted in July 2007, a trial bus service was introduced between Stratford town centre, Ryon Hill Park and our Tiddington head office, with the aim of reducing the number of vehicles on the road and pressure on company car parks. The trial was a success and we recently approved it being in operation for the foreseeable future, with an annual review.

In addition to the bus service, we are also looking into developing a car share database with Warwickshire County Council and are considering the National Cycle Scheme (to purchase bicycles tax-efficiently through payroll).

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3.5.93.5.10 IT Developments

3.5.11 During 2008 our IT Development Team at Tiddington head office have been involved in various projects to help reduce the environmental impact of our day to day business operations. This has included developments to help reduce travel by way of on-line collaboration tools such as webinars, blogs and video conferencing etc. They have also been looking into Microsoft tooling and patching to enable PC switch off overnight, as well as Agent's IT virtualisation. Both projects aim for lower power consumption through fewer servers, and so will dramatically reduce energy use from the business. In addition projects are also being undertaken to purchase multi functional devices (scanner / copiers / printer / fax) to help reduce energy consumption and paper usage (through initiatives such as double sided printing).

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3.5.103.5.12 Set out below are statistics that illustrate how we are developing the monitoring of our environmental impacts:

Environment Measures	2007	2008
Carbon emissions -Gas consumption for Stratford Sites* -Electricity consumption for Stratford Sites* (* Lakehouse, Avon House, Woodlands, Pavilion, HO Tiddington)	Previously measured, but not on a comparable basis	Measures now superceded by those introduced in 2009
Total Business travel (mileage) from company fleet	April 06-07 7.1m miles	April 07-08 6.9m miles
Average business travel (mileage) per car	11,973 (593 cars)	11,147 (819 cars)
% of waste recycled (Stratford Sites) - recycled waste from compactors - confidential waste - plastic cups	33% HO Tiddington	38% across Stratford sites (71.15 tonnes recycled)
Number of plastic cups recycled - Stratford sites	591,500	670,000
Lyreco paper consumption in reams (1 ream = 500 sheets)	89.860	85,065
% of marketing paper sustainably sourced	100%	100%
% of business fleet diesel	72%	75%
Cars below a CO2 threshold (165)	81%	81%
Number of glass water bottles reused (in-house water bottling facility launched Feb 08)	N/A	9,755

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3.5.13 NFU Mutual was represented at the Carbon Reduction Commitment (CRC)

Workshop in September 2008 hosted by the Association of British Insurers.

3.5.14 During the year, we have engaged with our staff on a number of environmental

campaigns, designed to encourage them to think about their environmental impact. These campaigns were communicated through the staff magazine, our intranet site, plasma screens, posters etc. Many of the campaigns had a staff competition to encourage engagement and interest. Examples of these campaigns included: New Year Recycling, Earth Day - 'think before you print'; Bike Week; Save water for St Swithin's; A car free day; An energy saving week; A liftshare day; a National Tree Week and a green Christmas. An example of our promotion of Bike Week is given in Appendix A4.

3.6 Report and Be Accountable

- 3.6.1** Strategic decisions on the different dimensions of climate risk faced by the business, e.g. flood and windstorm are considered at regular meetings of NFU Mutual's senior management team.
- 3.6.2** Two members of NFU Mutual's board of directors have experience of strategic decision making on climate change: Richard Percy, a non-executive director, has been a board member of the Environment Agency since November 2003, and Mark Tinsley, another non-executive director, was a member of the Commission reporting on 'Farming and Food, a Sustainable Future'.
- 3.6.3** David Oram, NFU Mutual's Underwriting Manager for Personal Insurance, is the 'climate change' champion within the business. Personal insurance is a significant source of premium income and risk exposure, e.g. flood and windstorm.
- 3.6.4** While our annual report does not refer specifically to climate change, it does make direct reference to key impacts on our business from weather events known to be influenced by climate change: for example, this comment in our 2008 annual report:

“Operating Environment

UK Agriculture and the Rural Economy

For farmers, 2008 provided yet more weather challenges, with torrential rain in July destroying harvests and causing substantial rural flooding for the second year in a row. The summer was the fifth wettest on record, with August the

cloudiest since 1929. Crop quality and yield was inevitably adversely impacted and farmers were faced with sizeable grain drying costs.”

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3.6.13.6.5 NFU Mutual produces an annual Corporate Social Responsibility report, within which environmental issues feature prominently. Climate change, and our membership of ClimateWise, form part of that report.

4.0 Conclusions

For NFU Mutual, two themes stand out from this year's report to ClimateWise; firstly, that climate risks are not something new to us, and secondly, that our response to such risks has to take account of what makes us different from most other insurers.

With a long history of providing insurance and advice to the farming community and to many professions and communities working and living alongside them, we have always been sensitive to both the risks and opportunities that climate risks present. We recognise that climate change should influence the development and focus of our business. How we have approached such risks and opportunities has not hitherto been brought together under a 'climate change' umbrella and this has been one of the benefits to us of using the ClimateWise framework.

As a mutual, we have no shareholders; it is our members' interests that lie at the heart of what we do. We invest a great deal of time and effort in keeping in touch with them. As a result, our response to climate change has to be one that fits comfortably with their interests and concerns. Those may well be different from other insurers, with more diffuse ownership, with more international interests (we underwrite only UK risks), underwriting more specialised covers, at perhaps much greater premium volumes.

Looking forward, this review is helping us to consider where we could do more, as well as reinforcing for us the importance of things we're already doing. The developing nature of climate change and our response to it is viewed as a journey which will need a long term strategy with activities being introduced over a period of years, working as always within the distinctive culture and circumstances of the members and markets we serve.

**Prepared by: David Oram, Underwriting Manager, Personal Lines
June 2009**

Risk Management Services NFU Mutual

Risk Management Programme for Bio-diesel Manufacturers

The manufacture of bio-diesel can be an extremely hazardous process as it involves the use of highly flammable liquids (methanol) and dangerous substances (potassium or sodium hydroxide also known as caustic soda) which require strict precautions on handling and storage. Production must only be undertaken after careful assessment of all the potential hazards and implementation of suitable measures to reduce or eliminate them. It is also essential to comply with all necessary licensing and legislative requirements in order to avoid the risk of prosecution.

The following information is provided for guidance purposes only:

1) Fire Risk Assessment

A fire risk assessment must be undertaken to identify the construction and evaluate the potential for serious fire in the light of working practices, inception hazards and likely fire spread. Areas to be classified as high, medium or low. The results of the assessment should be documented, together with action points, and reviewed regularly. Completion of a fire risk assessment is required in accordance with current legislation.

2) Premises and Location

- a) Manufacture to be undertaken in a separate detached non-combustible building, at least 7m from other buildings, and used for no other purpose. Where this is not possible the process to be segregated by enclosed fire break walls providing a minimum of 120 minutes fire resistance, with doors and other openings of similar rating and fitted with automatic closure devices
- b) Premises not to be heated other than by ducted warm air or hot water radiators
- c) Smoking and the use of naked flames to be prohibited with appropriate notices prominently displayed
- d) Fork lift trucks to be prohibited unless suitable for flammable areas and certified to the appropriate electrical zoning standard (see 2f). Charging not to be undertaken in the building
- e) Building to be well ventilated or a suitable extraction system installed with extraction at ground floor level as vapours are heavier than air
- f) Any electrics within the room enclosure or immediate surrounding area, including any connected to the manufacturing equipment, to be certified to the appropriate electrical zoning standard (zone 0/1) under BS EN 60079-19 and BS 5345 Flameproof Lighting and Electrics in Flammable Atmospheres. Refer also Loss Prevention Council (LPC) recommendations for electrical equipment in flammable and explosive gas atmospheres
- g) Any electrical switches and power sockets to be located outside the room enclosure or a minimum distance of 5m away from the immediate area
- h) The production area must be kept clear of combustible materials and waste which should be

placed in suitable storage containers pending removal from the premises.

3) Process

- a) Only unmodified proprietary equipment to be used and to be installed and operated in accordance with manufacturer's instructions
- b) Equipment to be serviced annually, or in accordance with the manufacturer's recommendations whichever is the most frequent, and service records maintained
- c) Manufacture to be adequately supervised with regular safety checks undertaken. At the end of processing the equipment to be shut down and electrics switched off at the mains
- d) Pre-heating of oil or fats to be by proprietary externally mounted electric band or hot water jacket fitted with duplicate thermostat and / or high temperature cut out set at 10 degrees C above normal operating temperature. Internal heating elements to be strictly prohibited
- e) Processing tanks to be electrically bonded and earthed, closed sealed and fitted with manual safety shut-off valves or emergency stop valves
- f) Any pumps used in, or connected to, the manufacturing equipment to be flameproof
- g) Only anti-spark fittings, tools and equipment to be used
- h) Connecting pipe and fittings to be suitable and robust to prevent leaks. Pipe connections to be securely fixed or locked in position
- i) Any external control valves or outlets to be fitted with anti-tamper or security locks.

4) Storage

- a) Stocks of methanol within the production area to be limited to 50 gallons, with any additional bulk stocks kept in a separate detached non-combustible store with flameproof lighting (as 2f/g above) with suitable separation of flammables and oxidising agents
- b) All chemicals to be suitably labelled with appropriate hazard identification and respective hazard data sheets retained
- c) Chemical containers to be kept tightly closed and sealed to avoid vapour build-up

Risk Management Programme for Bio-diesel Manufacturers

d) Chemical and processing tanks to be in a non-permeable bund with a capacity of 110% of the largest tank or 25% of the aggregate capacity of the tanks whichever is the greater.

5) Portable Fire Extinguishers

Adequate alcohol free foam, dry powder or CO₂ extinguishers to be located throughout the production and storage areas. Regular inspection and maintenance to be undertaken by an approved supplier and recorded.

6) Automatic Fire Alarms

a) Automatic fire alarm detection and warning systems to be considered if large production volumes (over 1000 litres) or processing is left unattended for long periods

b) Preference to be for an approved fire alarm system conforming to LPS 1014 and BS5839 specifically designed to provide early warning fire detection to either an approved central station or via an auto dialler to designated on-site keyholders.

7) Personnel Safety

a) Health and Safety risk assessments to be undertaken and a written safety policy produced where there are five or more employees in accordance with current legislation

b) Processing only to be undertaken by designated and suitably trained personnel

c) Suitable first aid arrangements to be in place

d) Suitable Personal Protection Equipment to be made available – protective clothing, safety glasses, goggles or face shields to protect eyes from mists and splashes, PVC coated safety gloves and anti-slip footwear

e) Strict written safe working policy to be adopted for cleaning of tanks

f) Chemicals and bio-diesel to be transported in accordance with regulations for hazardous materials and suitably identified.

8) Environmental Protection

a) Written emergency procedures to be in place for fires, spillages or environmental pollution. Spillages to be cleaned up without delay and a supply of suitable non-combustible absorbent materials kept available

b) Fuel and chemicals to be stored away from water courses or drains

c) Tanks in outside storage compounds to be protected from direct sunlight and enclosed within security fencing with warning notices posted. Tanks to be suitably banded

d) Any waste chemicals to be collected in tanks and regularly removed from the site by a licensed waste contractor

e) Tanks to be fitted with emergency shut-off or containment valves which should be kept in locked closed position.

9) Legislation and Regulations which may be applicable

a) Advice to be obtained from the Local Authority and Environment Agency regarding necessary petroleum licence, pollution control permits (PCP), waste transfer licence or relevant exemption certificates

b) Dangerous Substances and Explosive Atmospheres Regulations 2002

c) Petroleum Consolidation Act 1928, with flammable liquids defined under the Highly Flammable Liquids and Liquefied Petroleum Gases Regulations 1972

d) Fire Precautions (Workplace) Regulations 1997 and Regulatory Reform (Fire Safety) Order 2005 requiring undertaking of fire risk assessments

e) Chemical Hazard Information and Packaging Regulations 1994 (CHIP)

f) Loss Prevention Council (LPC) recommendations for electrical equipment in flammable and explosive atmospheres RC30

g) Carrying of Dangerous Substances (Road Traffic and Transport) Regulations 2002

h) LPC recommendations for fire safety in the storage and use of flammable liquids RC20: Part 1 General Principles/Part 2 Storage of Flammable Liquids in Drums and Containers / and Part 3 Storage of Flammable Liquids in External Tanks

i) Control of Substances Hazardous to Health Regulations (1992 Amendment)

j) HSE Guidance Forms 113: Fork Lift Trucks in Flammable Atmosphere, HSE 50 Storage of Flammables and General HSE Guidance Note on 'Domestic Production of Bio-diesel – health and safety warning advice'

k) Water Resources Act 1991, Agricultural Waste Control Regulations, and Control of Pollution (Oil Storage) Regulations 2001.

Important Note

The information contained herein is designed for guidance only and NFU Mutual cannot accept responsibility for any errors or omissions arising from its use.

Should further guidance be required please contact your local NFU Mutual Regional or Branch office or telephone Risk Management Services on **01789 202425**

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For security and training purposes telephone calls may be recorded and monitored.

A2. NFU Mutual intranet article for Bike Week 2009

Bike Week: 13th to 21st June 2009

Bike Week is the UK's annual celebration of cycling.

Up and down the UK, thousands of free cycling events will provide the opportunity for everyone from total novices to passionate cyclists to get on their bikes.

New for 2009, Bike Week focuses on encouraging families to taking up cycling as a regular activity in their local community. Bike Week is the time to "live local and get cycling."

This year cycling is being promoted as a means of bringing families together, encouraging quality family time and values. Cycling will also be shown to help focus minds on the environment, enabling families to reduce their carbon footprints by reducing car usage and enjoying the great outdoors.

If you would like to get involved and find out more, Bike Week events and rides are listed at <http://www.bikeweek.org.uk>.



Lunchtime Bike Week Event in Stratford - 17th June

In Stratford the District Council are organising a lunchtime cycle around the tourist spots in town on Wednesday 17th June. If you would like to join in please contact [Beth Wells](#) in Corporate Communications.

Are you cycling to work during this week? - enter the prize draw



Bike Week also includes a **Bike2Work** promotion that encourages car owners to try commuting by bike.

If you sign up to promise to make just one journey to work by bike during Bike Week you could be in for a chance to win a set of **wind up bicycle lights**.

Please email doing_our_bit@nfumutual.co.uk with details of your journey, work place, name and job title by Monday the 22nd of June and you'll be entered into the draw to win the bicycle lights.

We have ten sets of lights available. Winners will be notified by Wednesday 24th June.

Good luck to all who enter.





NFU Mutual

Tiddington Road
Stratford-upon-Avon
CV37 7BJ

July 1, 2008

Plan ahead for a safe and fire-free harvest

With the start to this year's harvest fast approaching, NFU Mutual Risk Management Services' Ian Jewitt runs through preparations which can help prevent harvest fires – and prevent a minor incident turning into a life-threatening conflagration.

“Every harvest brings a crop of harvest fires – typically in combines harvesters when an overheated component ignites chaff or straw,” said Ian.

He explained that as the main insurer of the UK's farmers, NFU Mutual dealt with claims for over £50m for damage to farm machinery each year – including hundreds of harvest fire claims.

“It's important to remember that combine fires don't only happen in tinder dry summers – like we had in 2006. Even wet summers like last years also bring a spate of machinery fires. This is because a difficult harvest puts extra strain on machinery and people, leading to bearings overheating and the temptation to skimp on regular cleaning and maintenance in the rush to get the harvest in.”

To help reduce the number of fires – and protect farmers and farm workers – NFU Mutual's Risk Management Service provides a harvesting safety guide to farmers:

NFU Mutual Harvest Safety Checklist

Pre-harvest checks

- Vermin and corrosion can take their toll over then winter months leading to possible problems on start up – even on combines and other machines which received a thorough post-harvest clean up and service.
- A thorough going over before start up, and careful examination and close watch for the first few minutes of running can prevent overheating or a short circuit leading to a fire breaking out before the machine has even got in the field.
- NFU Mutual regularly deals with claims for combine fires which have begun after first-start up of the season – so don't leave them warming up next to a shed while you have breakfast. Similarly tractors and trailers should be thoroughly checked to ensure they are up to the rigours of harvesting and are roadworthy.
- While most combines have fire extinguishers on hand to deal with combine and dryer fires – they should be regularly tested to ensure they are fit for use. Staff should also be trained in their use.

Press release

A3. NFU Mutual Flood Press Release

- A tour of the farm to check that long grass and overgrown hedges aren't obscuring field entrances is one of the best ways of preventing accidents when turning off roads.

Harvesting operations

- You can never over do cleaning out dust and chaff from hot spots. This is just as important in difficult weather when dusty crops can lead to high build-ups of debris.
- Resist the urge to keep going when temperature gauges are 'in the red' or bearings are running hot.
- While clearing blockages or carrying out maintenance ensure machines are switched off and parts have stopped moving – taking short cuts still leads to horrific injuries and deaths.
- Power lines are also a major harvest hazard. Forgetting that the kit you are using is taller than the machine it replaced has led to a number of electrocutions, while other accidents have resulted from lines sagging and hitting machines that passed safely the previous year.
- In very dry conditions, keep a sprayer filled with water on hand attached to a tractor to lay a fire break in the event of a crop fire.
- During poor weather or breaks between crops thoroughly clean combines, balers and other machinery and make sure that extinguishers are in place and in working order. Wheat is a lot tougher on machinery than either barley or rape, and we often find that combine fires hit a peak during wheat harvesting – especially when conditions are very dry.

Yard operations

- Make sure all drivers are instructed to keep to safe speeds while in the grain yard. Clear signage helps unfamiliar lorry drivers go to the right place, and warning signs alert members of the public to any hazards.
- If there are young children on the farm, ensure they are kept away from working areas. Clearly marked pedestrian walkways also help reduce the risks of an accident.
- Grain dryer fires are common so it's important to clean dust regularly – and ensure that all staff running the drier are fully trained and know what to do if fire breaks out.

For more advice on farm safety call NFU Mutual Risk Management Services on 0800 132029. For security and training purposes, telephone calls may be recorded and monitored.

NFU Mutual Risk Management Services Limited (No. 3350057).

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A member of the NFU Mutual group of companies.

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A4. NFU Mutual Press Release on Harvest Fires

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NFU Mutual responds to flood damage

Rural insurer NFU Mutual, has started to receive flood claims from across the country following the torrential rain of the last few days.

John Kenny, Chief Claims Manager said, “We’re helping a number of people whose homes and businesses have suffered damage. At times of flooding our local network of agents really comes into its own with local staff visiting policyholders who have suffered severe damage, giving advice on the spot, making arrangements for damage inspections, and in some cases settling claims immediately.”

The floods are the third weather event to hit NFU Mutual policyholders so far in 2008. Last week snow in Northern Ireland and Scotland led to a spate of accidents and storms damaged homes and businesses in South West Scotland.

Simple ways to protect your home from flooding

What to do before a flood

- Turn off gas, electricity and water supplies at the mains. Find out where these are well in advance of any flood
- Unplug all electrical items and store upstairs or as high up as possible
- Cover doors, windows and airbricks with plywood, sandbags or metal sheeting.
- Contact your local council for sandbags.
- Move as much furniture and electrical items as you can upstairs.
- Move furniture away from walls.
- Roll up carpets and rugs and put them upstairs
- Remove curtains or hang them up over the rail so they are kept above flood water
- Leave internal doors open
- Move sentimental items upstairs

A4. NFU Mutual Press Release on Harvest Fires

- Keep important personal documents in a sealed bag, and in a safe location

What to do during a flood

- Make sure you have important personal documents such as insurance and bank details, as well as essential contacts in the local authority and your doctor.
- Remember that personal safety is your prime concern. Don't go into rooms with standing water if the power is still on, and don't use electrical appliances affected by, or in contact with, moisture.
- Move your car to higher ground to avoid damage.

What to do after a flood

- Do not drink tap water until the all clear is given.
- Your electrical system needs to be checked and safety confirmed before turning back on.
- If you suspect the flood water to be contaminated (by sewage, for example) discard the affected items immediately.
- Take photographs of damaged items as this will help with the claim.

Ends

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Notes to editors:

1. With over 300 offices located in rural towns and villages throughout the UK, NFU Mutual has become part of the fabric of rural life and remains committed to serving the needs of people who visit, live or work in the countryside.
2. Recognised as a UK leading rural insurer, NFU Mutual offers a wide range of products, including general insurance, life, pensions, investments, and risk management services. These products and services are delivered through the agency network, as well as through a direct sales and service centre.
3. The National Farmers Union Mutual Insurance Society Limited is authorised and regulated by the Financial Services Authority.