



Welcome to the Quarterly AVK UK Green Paper 4th Edition November 2009

The New AVK **Blue** is **Green**

It is now a fact AVK in the UK has turned **Green**, following the introduction of the CLOEE carbon reduction programme all of the AVK manufacturing companies have succeeded in significantly reducing the amount of carbon used to produce their products.

The first years results measured against the initial base line year settings are excellent, as all the UK companies have exceeded the 3% ongoing reduction target.

This 4th issue of the green paper will provide a summary by the AVK UK Group Chairman Paul Hubbard covering the 1st year and the way forwards for the AVK group here in the UK and a brief review of the first years reduction results.

We have now come to the end of the first full financial year that all three manufacturing companies have been pro-actively managing carbon within our business with very successful results, all three sites have exceeded the targeted 3% carbon reduction and therefore also exceeding the targeted cost reductions which is crucial during this time of recession and will enable AVK to maintain a stronger trading and market position going forward. In June the Carbon Emissions Management policy was developed and implemented to detail the strategy that AVK has adopted to monitor, manage, review and reduce the carbon emissions emitted by AVK in preparation for a carbon restricted future. AVK UK are now in the process of implementing the carbon emissions management system which will be completed by December 2009 and it is our aim that the Glenfield division will join this strategy in March 2010.

The key to minimising both cost and administration impact will be our ability to easily record and analyse at regular intervals the energy use and carbon emissions of each of our business activities to ensure we have efficient processes in place. In order to centrally control carbon emission management Donna O'Brien has taken on this responsibility as the AVK Environmental Manager. In September 2009 we held the first Carbon Management Forum which consists of the following members Fran Brody, Paul Jennings, Martin Brody, Donna O'Brien, Neil Houlston, Pete Hill, Tony Bardsley and Lee Hackett. During this forum the policy was finalised, the last 12 months progress was reviewed along with the carbon emissions reduction plan agreeing site specific objectives to further reduce carbon emissions.

The financial period of 2009-2010 will be an interesting one and there are various product innovation programmes in place across the UK that hold great potential which will realise carbon savings in the early part of next year, the key drivers for AVK to focus on remain:

- Legislation – packaging / landfill taxation
- Customer requirements for pre-qualification tenders which will become part of the scoring process to win new business
- Reduction in costs within the business
- Enhancement of the AVK Brand increasing market differential factor

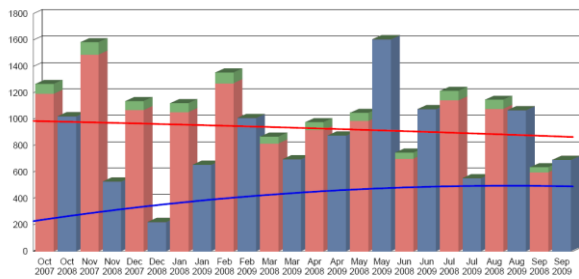
In the summer 09 face to face magazine I used the phrase “Gaki Mo Ninzu” which means “None of us is as smart as all of us” in order to successfully reduce the carbon emissions emitted by AVK will take all of us to work as a team and consideration your own carbon emissions as part of your daily routine.

Thank You.

Paul Hubbard AVK UK Group Chairman



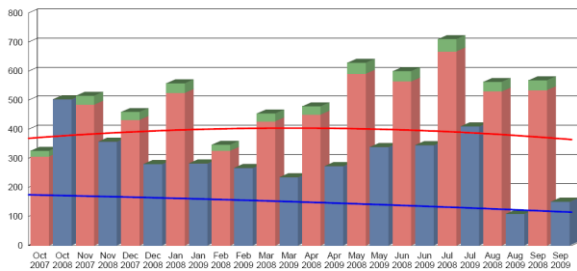
**Carbon Reduction Progress Report For
Aqua-Gas Manufacturing Limited (Corby)**



Baseline Year: 2007
Comparison Date: 01/10/2008 To: 30/09/2009

Month	Baseline CO2 (tonnes)	Current CO2 (tonnes)	Target CO2 (tonnes)	Target Saving (tonnes)	Actual Saving (tonnes)	Saving Target	Percent Actual
Total	13,109.93	10,007.17	12,336.45	773.49	3,102.76		

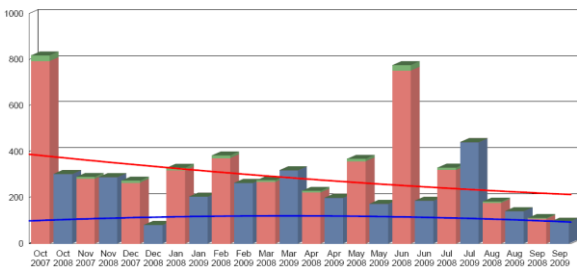
**Carbon Reduction Progress Report For
AVK Manufacturing Ltd (Hyde)**



Baseline Year: 2007
Comparison Date: 01/10/2008 To: 30/09/2009

Month	Baseline CO2 (tonnes)	Current CO2 (tonnes)	Target CO2 (tonnes)	Target Saving (tonnes)	Actual Saving (tonnes)	Saving Target	Percent Actual
Total	6,209.44	3,551.42	5,843.08	366.36	2,658.02		

**Carbon Reduction Progress Report For
Bryan Donkin Valves Limited**



Baseline Year: 2007
Comparison Date: 01/10/2008 To: 30/09/2009

Month	Baseline CO2 (tonnes)	Current CO2 (tonnes)	Target CO2 (tonnes)	Target Saving (tonnes)	Actual Saving (tonnes)	Saving Target	Percent Actual
Total	4,370.00	2,694.54	4,238.90	131.10	1,675.45		

Future Group Objectives

- 🔧 Investigate lowering the mains voltage of electricity at all sites to show potential cost and carbon savings.
- 🔧 Investigate how to reduce heat loss from coating plant at AVKM to show potential cost and carbon savings.
- 🔧 Improve compressed air maintenance to reduce leaks and investigate the possibility of reducing compressed air rating.
- 🔧 Investigate relay switches on AVKM metal shutter doors to show potential cost and carbon savings.
- 🔧 Paperless systems – trial at AGMC from October – December 09 and report back findings
- 🔧 AGMC new coating booth installation show potential cost and carbon savings.
- 🔧 Intelligent lighting at AVK UK and AVKD show potential cost and carbon savings.
- 🔧 Investigate installation of roller shutter door at AVKD show potential cost and carbon savings.

Discover For Yourself!

Here are a small sample of Environmental web sites giving Environmental information, check out for both your work and home environments:

- www.zerocarbonfootprint.co.uk
 www.businesslink.gov.uk
 www.envirowise.gov.uk
 www.environment-agency.gov.uk
www.newsbbc.co.uk/climate_change

***If You Think It - Suggest It!
EVERY LITTLE HELPS***

AGMC

Reduced

The amount of gas and electricity consumption, waste disposal and the quantity of components being purchased due to the relocation of production of the S37 & S41.

Re-cycled

Aluminum drinking cans now recycled.

Reused

All printer cartridges now re-filled.

AVKM

Reduced

Business travel reduced.

Re-cycled

ALL waste streams are now recycled.

Reused

Pallets and frames throughout the AVK group.

AVKD

Reduced

The Amount of electricity, gas, gas bottles, wood, oils and paper used across the company
Reduced product component 100% of scrap levels from 0.76 to 0.26%.

Re-cycled

New solvent recycle machine, reclaims 95% of waste and removes all solvent hazardous waste leaving the company.

Reused

Almost all pallets and frames received into the factory are used to dispatch product