

**rotork** ←

# **Environmental Report 2007**



<b>Subject</b>	<b>Page</b>
Introduction	3
Company overview	4
Reporting process overview	5
Comparison with previous reports	6
Management and infrastructure	7
Environmental policy	8
Significant milestones	9
Environmental score cards	10
Environment impacts	11

<b>Subject</b>	<b>Page</b>
Validation statement	12
Performance data	14
• Energy	
• Emissions	
• Water	
• Waste	
• Recycling	
Legal compliance & FTSE4good	17
Engage Partnership for Sustainability	18

Cover page picture

The Rotork sponsored balloon taking to the air over the Royal Crescent in Bath England

Report compiled by Jeff Harris  
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Rotork plc  
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# Rotork Environmental Report 2007

**Welcome to this the fifth annual Rotork Environmental Report.**

This year's report details activities and performance during the financial year ending 31st December 2006 for Rotork plc. It includes performance data from all Rotork's major sales, warehouse and service facilities around the world. The report presents quantitative information about the environmental improvement programmes, achievements and initiatives undertaken during the past year. I'm pleased to report that three additional Rotork subsidiaries in Canada, China and Italy are reporting their environmental performance data for the first time this year.

Rotork has recognised the need to protect the environment and the importance of reducing its environmental footprint. Using our Aspect and Impact Assessments we have established packaging waste as the most significant environmental impact of our operation and see it as the one area where Rotork can significantly reduce its environmental footprint. It was for this reason that waste stream management became the focal point of the Environmental Management System at the Bath site, which we are now installing at other Rotork manufacturing sites. This programme to reduce our environmental impact, through the reduction of packaging waste to landfill, is being achieved by minimising waste generation and by increased recycling, especially of wood, cardboard and plastics. Rotork considers this programme so important that it has made recycling a Group environmental key performance indicator (KPI) that will be reported in our Annual Report and Accounts. This KPI measures the proportion of total waste produced which is recycled. We are already seeing improvements in this measure, which has a positive environmental impact, and also reduces cost in the business. Initial results are very encouraging, showing an increase in waste recycled as a proportion of total waste from 38% in 2005 to 46% in 2006.

Rotork remains committed to meeting the requirements for continued inclusion in the FTSE4Good Index and is very conscious of the need for improved awareness of environmental issues. The data reported in this Environmental Report has been validated by Envolve Partnership for Sustainability. The key differences between this year's report and the 2006 report are; the number of subsidiaries reporting has increased from 29 to 32 and the key performance indicators have been to reduce energy and water consumption and waste generation.



## Company overview

### Rotork Actuation

In the 49 years since it was founded, Rotork has become the world leader in the field of heavy-duty actuators, systems and services, for motorisation and manual operation of adaptations, industrial valves and dampers.

Actuated valves are major control elements in refineries, pipelines and water distribution systems, sewage and effluent treatment plants and in all industries in which liquids or gases are transported through pipes. This includes compact manually-operated gearboxes, large highly specified actuators for use in extreme temperature and hazardous environments.

Through a global service network Rotork is able to respond quickly and efficiently at both local and international level. With the backup of 76 Rotork offices and representatives located throughout the world our customer support is the best in our field.

Rotork adheres to an in-house assembly-only philosophy of manufacturing that relies on a highly experienced and high quality supply base for all components. The main electric actuator assembly plant is in the UK in Bath with satellite assembly plants in Rochester N.Y., India, Malaysia and China.

Other Group subsidiaries that provide significant contributions include:

**Rotork Gears** Rotork Gears, Leeds, manufacture higher torque gearboxes for specialised applications for use with electric actuators. This division has 25 years experience in the design and manufacture of gearboxes (bevel, spur and worm) for all types of valve and damper actuation and instrumentation, used in water, waste treatment, oil,

petrochemical, international power generation, sub-sea, gas and steel and other industries.

Accompanying Rotork Gears, Leeds, in the Group is Rotork Gears BV, based in Holland, manufacturing low torque gearboxes for manual applications, Rotork Valvekits, based in Nottingham, manufacturing valve adaptations and Rotork Gears SRL based in Italy, manufacturing gearboxes for very large valves.

**Skilmatic** specialise in providing compact fail-safe electric and electro - hydraulic actuators including linear actuators and two-position control to suit a wide range of applications and environments. These actuators were originally developed over 20 years ago for offshore production platforms. They were used on critical applications especially when it is essential to open and close a valve for safety reasons, in the event of a power failure or interruption to the operation of a process plant.

**Fluid Systems** With its principal assembly plant based in Lucca, Italy and with products also assembled in Rochester N.Y. Leeds and Melle (Germany) this division specialises in the design, manufacture and supply of pneumatic, hydraulic and other electro - hydraulic systems. The products are predominantly used in oil and gas markets for emergency shut down, process control and modulating duties.

**Jordan Controls** Based in Milwaukee USA, specialises in process control actuators, predominantly for the power generation market for emergency shut down, process control and modulating duties.

**Our fifth environmental report**

During 2006 we further extended Rotork's reporting of environmental performance data including three sites in China, Canada and Italy as a result we are now reporting the environmental data for 32 sales offices, warehouses, service and manufacturing facilities world wide.

Reporting difficulties such as non-metered use of water in Thailand, water extraction from a river in the UK and an underground source in Italy still exist. There were also shared facilities and many variations in the way that waste is removed and disposed of in countries where we operate

For a number of the smaller subsidiaries it was necessary to estimate the amount of waste that they had generated for the year. Such estimations were made based on known data, for example, the type of waste generated, the size of the waste container, and the number of lifts per year. The type and mix of waste, being virtually the same for all Group's operations, gave confidence to reasonable accuracy of the estimations given in this report.

All the snags and issues identified during the data gathering process will continue to be reviewed in order to make the data gathering process as robust and accurate as possible for future reports.

**Environmental key performance indicators**

The Environmental Key Performance Indicators (EKPIs) were selected as being relevant to the Group's operations and that would best reflect the Group's operational performance. The selection of EKPIs was also important especially with regards to the limitations of some of the smaller sales offices, warehouse and service facilities. The selection of an already established source of data, such as utility invoices, ensured that consistency and accuracy of data was maintained throughout, including the smaller subsidiaries.

**Data gathering process**

An electronic data entry form was sent to all Rotork subsidiary companies to complete; the same method as used successfully for previous reports. The reporting period was set for the financial year in line with accounts reporting structures: 1st January to 31st December.

The performance data received was transcribed onto a single spread sheet that sorted the data into six world zones as in previous Rotork reports.

The following table lists the world's zones and the countries included in each zone from which Rotork subsidiaries operate.

Zone	Subsidiaries in
America	Canada & USA
Asia	China, India, Japan, Korea, Malaysia, Thailand & Singapore
Africa	South Africa
Europe	France, Germany, Italy, Netherlands & Spain
Oceania	Australia
UK	Bath, Leeds & Nottingham



## Comparison with previous reports

### Comparison with our last report

For the year ending 31st December 2006 the number of Rotork subsidiaries reporting environmental data was increased from 29 to 32. To maintain comparisons with previous years, the performance data for the 29 assembly facilities has also been reported separately in this report.

This report does not contain information regarding sales offices, warehouses and service facilities that are not under direct Rotork control.

Our report is in line with the Reporting Environmental Key Performance Indicator-Reporting Guidelines for UK Business published by DEFRA in January 2006. The change, first made in 2006, was made to accommodate the Accounts Modernisation Directive and to best reflect the environmental impacts as a direct result of the Group's operations.

Rotork has, for the first time, included an EKPI in their Annual Report and Accounts, which was published in March 2007. This KPI measures the proportion of total waste produced which is recycled.

For the second year we do not report performance data on the consumption of hydrocarbons and volatile organic compounds. However, usage continues to be monitored internally for internal information purposes. This is in line with the DEFRA EKPI Reporting Guideline for UK Businesses.

Rotork products and services do not involve development of land or the need to carry out any construction work to install or incorporate its product. Therefore the reporting on landscape and biodiversity is again not included in this report.

The following table identifies the environmental key performance indicators included in this report, their measurement, the source that provided the data and where an estimation was used in establishing the performance data.

Subject	Measurement	Source of information
Energy Used	KiloWatt hours	Utility Invoices
CO2 emissions	Tonnes	Calculation kWh used x conversion for natural gas and electricity
Water Consumption	Cubic Metres	Utility Invoice
Waste Generation	Tonnes	Waste Invoices and estimations
Recycled Waste	Tonnes	Weigh Bridge Notes and Invoices

**Environmental Management System (EMS)**

**Aim and scope**

The aim and scope of Rotork’s Environmental Management Systems is to ensure compliance with all legal, regulatory and other requirements both on a local and international basis, and to minimise, and where possible, reduce the Group’s operational impacts on the environment.

The Group Environmental Policy applies to all of its sales offices, warehouse and services facilities and manufacturing sites worldwide.

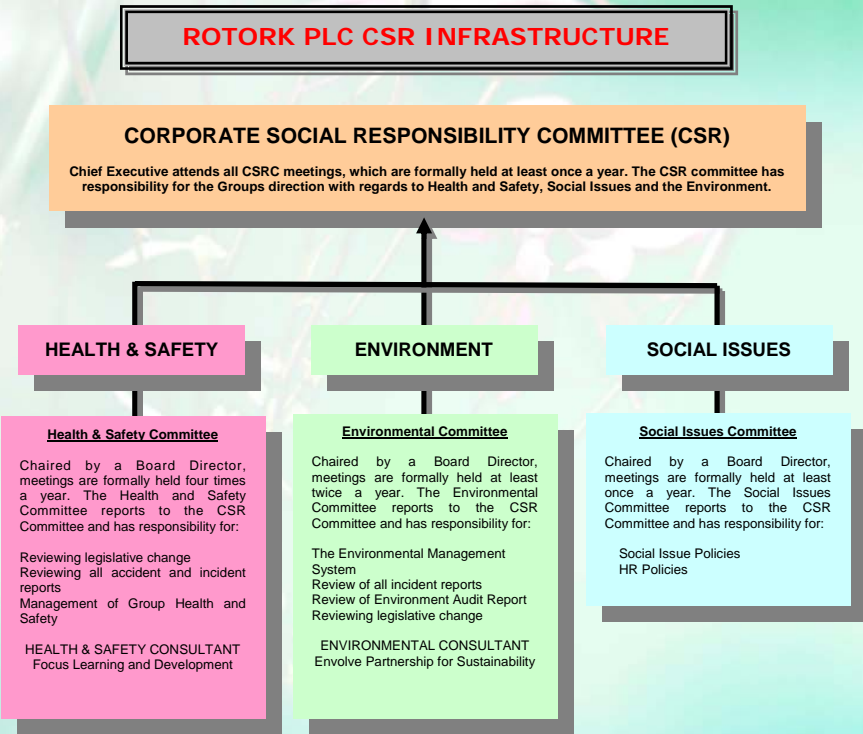
An Environmental Management System has been installed at the Bath site, and verified compliant with ISO14001: 2004 in August 2005. Independent verification was carried out by Envolve Partnerships for Sustainability.

The Environmental Management System will be subjected to regular reviews by Envolve Partnerships for Sustainability. Internal audits are undertaken to a schedule and the results of all audits, assessments and incidents are reviewed by the Environmental Committee.

Rotork’s Environmental Committee has defined and issued minimum environmental operational standards to all Rotork manufacturing subsidiary sites.

An environmental checklist has been drawn up and is being used by Company Auditors to audit these subsidiary sites against these minimum standards. The project is ongoing and will continue over the next two years to bring the assembly sites in line with the Bath site. The status of environmental systems within the group is given in the section on significant project milestones.

The following chart identifies the Corporate Social Responsibility infrastructure for Rotork and the responsibilities for the overall direction of the Environmental Committee.





### ROTORK PLC ENVIRONMENTAL POLICY

### PL02 Issue 6

Rotork is an international company operating in a number of locations worldwide and has employees working in occupations including: innovation, manufacturing, assembly, warehouse, and including office and field-base roles. The principal activity of Rotork PLC is the design, manufacture and support of valve actuators, systems and related products and services worldwide. Our products are used extensively in projects that greatly enhance or protect the environment.

We recognise that in our day-to-day activities and operations we inevitably impact upon the environment through the consumption of natural resources, the use of energy and the generation of waste. This environmental policy is a declaration of our commitment to the planning and management for the prevention of pollution and reducing our environment footprint.

The Board of Rotork PLC has endorsed this policy and requires all Rotork subsidiary businesses and employees to comply with it. The Actuation Operations Director is responsible for the implementation of these policies at all subsidiary locations throughout the group. Each subsidiary is required to report, where applicable, to this position and in turn to the Corporate & Social Responsibility Committee and to the PLC Board.

In pursuit of a Company wide environmental culture the objectives of this policy is to:

- Promote local accountability for the implementation of, and adherence to, this policy throughout all of our subsidiary businesses.
- Extend our environmental management system to other subsidiary manufacturing companies
- Incorporate environmental considerations into all of our operations and activities.
- Continually work to ensure any environmental impacts of our products and processes are reduced to a minimum.
- Work with our suppliers and contractors to achieve improved performance on shared environmental issues.
- Communicate effectively with all of our employees to improve our

environmental performance and ensure understanding of responsibilities.

Environmental awareness is not only the responsibility of management it is a responsibility that all employees must share. Rotork expects all employees and contractors working either directly for or on our behalf, to: act responsibly, and adhere to environmental rules, procedures and other requirements and contribute to the well being of the environment. In support of these objectives, Rotork and each subsidiary is required to manage its activities to ensure that, so far as reasonably practicable, they will:

- Meet or exceed legislation and other requirements in the countries in which the Company operates and have appropriate communications with relevant regulatory authorities.
- Take into account prevailing understanding of our operations and associated hazards, use risk management to eliminate, minimise or reduce our environmental impacts and to eliminate or reduce our environmental impacts and prevent pollution.
- Search for improvement opportunities in our products and processes for wider business benefits, such as maximising energy and other resource-use efficiency, particularly with regard to CO2 emissions.
- Continue our recycling programme to reduce our most significant environmental impact by setting a Group recycling target of 75% of all total waste generated.
- Monitor, review and report the environmental performance of all subsidiary companies on the Rotork web site
- Facilitate co-operation, education and training to maximise the contribution of all employees to the achievement of high standards in environmental matters.

Any employee who becomes aware of any existing or potential breach of this policy is required to notify the Operations Director Actuation promptly.

W H Whiteley  
Chief Executive



### Significant environmental milestones

The following table identifies the environmental projects undertaken by Rotork and the progress of these projects at the time of writing this report. The table also defines new activities for 2007.

Item	2006	Progress	2007
Environmental Management Systems	Set minimum standard for all Rotork Subsidiary sales offices, warehouses and service workshops worldwide.	Issued,	Check progress, support and resolve local issues.
	Create environmental audit checklist for company auditors.	Complete.	Rotork Subsidiary sales offices, warehouses and service workshops worldwide.
Environmental performance data	Expand Rotork reporting of environmental performance data to include all subsidiary offices, warehouses and service facilities worldwide.	Reporting of key performance data now includes 32 Rotork subsidiary offices, warehouses and service facilities worldwide.	Continue to support and resolve reporting issues as a result of local traditional arrangements and practices.
	Recycling for Group: 46% of waste generated.	Up 8% on 2005	New for 2007 Group recycling targets set: Manufacturing Sites 75% by 2010 Other sites & offices 60% by 2010
Environmental impacts	Waste remains Group's most significant impact.	Projects in all manufacturing sites to establish operational impacts.	Second largest UK manufacturing site will have EMS installed by end of 2007.

Waste generation remains Rotork's most significant environmental impact and has become our key environmental performance indicator in the Report and Accounts. 2006 has been a challenging year in all respects. Increased volumes in sales resulted in a 35% increase in generated packaging waste from UK and overseas suppliers; however recycling for the year also increased by 69%. This underlines our ongoing projects to increase recycling in our manufacturing sites, with particular attention being placed on those sites with a low recycling performance.



## Environmental score cards

### Environmental score cards

#### Score card 1.

This score card presents data from all Rotork subsidiary companies worldwide that have a minimum of service, warehouse or manufacturing facilities. Due to the inclusion of new subsidiaries reporting for the first time the performance data shown is for information purposes only.

Score card 1		2005		2006			
		No of sites reporting	Data	No of sites reporting	Data	Movement on 2005	Movement against turnover
Subject	Measurement						
Energy	KiloWatt hours	29	9,012,729	32	8,990,050	-0.25%	-15%
CO2	Tonnes	29	2,777	32	2,818	1%	-14%
Water Consumption	Cubic Metres	29	15,828	32	17,601	11%	-5%
Waste Generation	Tonnes	29	1,218	32	1,649	35%	13%
Recycled Waste	Tonnes	29	466	32	760	63%	28%

#### Score card 2.

This score card contains performance data from the same Rotork subsidiary companies featured in our previous report. This score card should be used for comparing our environmental performance.

Score card 2		2005		2006			
		No of sites reporting	Data	No of sites reporting	Data	Movement on 2005	Movement against turnover
Subject	Measurement						
Energy	KiloWatt hours	29	9,012,729	29	8,712,462	-3%	-18%
CO2	Tonnes	29	2,777	29	2,729	-2%	-16%
Water Consumption	Cubic Metres	29	15,828	29	16,807	6%	-10%
Waste Generation	Tonnes	29	1,218	29	1,620	33%	12%
Recycled Waste	Tonnes	29	466	29	739	59%	26%

- Data relating to energy consumption and carbon dioxide emission does not include data in respect to the manufacture of components by suppliers to Rotork.
- Excludes water consumption at our Lucca site in Italy, where extraction from an underground source is not metered; and our sales and service sites in Thailand and Canada, where the supply of water is a shared facility with other tenants.
- Waste generation includes packaging waste, waste from obsolete or defective product/components and general waste.
- Recycled waste includes wood, card, plastics, paper, metals and electronics components.



### Rotork direct impacts on the environment

The principal activities of Rotork PLC are the design, manufacture and support of valve actuators, systems and related products and services worldwide.

Our products are used all over the world and extensively in projects that greatly enhance or protect the environment. We do, however, recognise that in our day-to-day activities and operations we inevitably impact upon the environment through the consumption of natural resources and the generation of waste.

Rotork adheres to an in-house assembly-only philosophy of manufacturing in which we rely on high quality vendors for all of our components. Therefore the use of energy throughout the Rotork operation will vary, country to country depending on product demand and climatic temperature fluctuations. For example, in Malaysia cooling will account for much of the electricity used. The in-house assembly-only philosophy means the vast majority of energy used is for lighting, heating or cooling only. An energy consumption survey carried out in 2004 at the Bath site in the UK (our largest assembly site), identified lighting as the main use of electricity and heating the main use of gas.

With the exception of small in-house paint facilities at our assembly plants in Chennai-India, Melle-Germany, Losser-The Netherlands, Leeds and Bath England, Rotork do not undertake controlled processes. In-house painting of the product is for non-standard colour variations required by a few Rotork customers and small quantities of non-mainstream product ranges.

Rotork's consumption of natural resources, such as hydrocarbons and volatile organic compounds, is very dependent on customer demand for our product. For these reasons these two materials have been omitted from our EKPIs to concentrate on our most

significant impacts. However, they will continue to be monitored internally to review trends.

With the exception of paint booths, the cleaning of assembled units prior to painting and routine pressure testing of components, Rotork's use of water is for sanitation and refreshment only. Routine pressure testing is a requirement of our products type certification for hazardous area applications.

Of the direct impacts stated in this report, packaging waste is Rotork's most significant environmental impact that is common with all our operations. Packaging is necessary in our operations for the protection and transit of new products to the customer and the protection and transit of components to Rotork from our suppliers.

Rotork has made every effort to ensure the packaging used to send the product to our customers is minimal, whilst still protecting the product. We are also confident that all the packaging we use is completely recyclable.

Where practicable, especially for suppliers local to assembly sites, kanban systems are in operation. Kanban systems require a number of bins that are used to transit parts from suppliers direct to assembly lines and, when emptied, the bins are returned to the supplier to be reused.

Over the past few years Rotork has increased the procurement of components from overseas suppliers, resulting in significant increases in packaging waste. We recognise the impact this has had on landfill and have and will continue to install recycling systems to reduce this impact. We are working with our suppliers to ensure packaging, used to protect components during transit to our assembly sites, is minimal and can be recycled.

### Validation Statement by Envolve Partnerships for Sustainability

#### Scope

Rotork PLC engaged Envolve Partnerships for Sustainability to carry out an independent assessment of its Environmental Report 2007. Our brief was to review environmental key performance indicator (EKPI) data for 32 global sites for the calendar year 1 January – 31 December 2006. The specific EKPIs assessed were:

- Electricity consumption (KiloWatt hours KWh)
- Gas consumption (KiloWatt hours KWh)
- Carbon dioxide emissions related to electricity use (tonnes)
- Carbon dioxide emissions related to gas use (tonnes)
- Water consumption (cubic metres)
- Total waste generation (tonnes)
- Hazardous waste produced (tonnes)
- Recycled waste (tonnes)

#### Methodology

The assessment process included the review of: methodology used to generate EKPI data across the reporting sites, EKPI data sheets submitted by each reporting site, source data used to generate EKPI data for Bath Site and the accuracy of data aggregated in the global data table for the 32 sites.

The EKPI data has been assessed against best practice principles set down in *Environmental Key Performance Indicators –Reporting Guidelines for UK Business, DEFRA January 2006* and associated technical guidance including *Guidelines for Company Reporting on Greenhouse Gas Emissions (Annexes to Guidelines for Company Reporting on Greenhouse Gas Emissions), DEFRA July 2005*, *Environmental Reporting Guidelines for Company Reporting on Waste, DEFRA June 2000*.

In addition the assessor has drawn upon the guidance provided in *Environmental Data Management: for emissions trading and other purposes, IEMA Oct 05*.

#### Our opinion

Envolve commends the continuing efforts of Rotork PLC to monitor the environmental impacts of its operations around the world, despite variations in legislation and available data. In particular, the efforts to include all key sites within the process so that the report is a more accurate reflection of operations.

Rotork PLC has made some good progress towards addressing the recommendations raised last year to strengthen the reporting process by defining, documenting and communicating environmental key performance data measurement procedures for sites, and ensuring transparency and accountability of methods and factors used. This work should be continued to further strengthen the reporting process.

For example, further guidance to a few of the small sites was needed in order to obtain data on their EKPIs. Action to address these minor issues, including a briefing to all general managers, to re-enforce the importance of accurate and prompt environmental monitoring and reporting has been undertaken. However, additional guidance may still be required.

The references and sources used for conversion factors have been outlined in an informal document. Formalising these factors would ensure accuracy and continuity of method and allow greater validation of the information stated.



A potential opportunity has been identified within the planned SHE audits of subsidiary sites to raise the profile of the EKPI reporting and improve the quality of data submissions by checking they are adhering to these standards and actually checking source data.

The audit of source data at Bath highlighted a number of minor errors that were made when transcribing information from source data such as utility bills to data spreadsheets, which were quickly corrected.

In our opinion the data presented in the global data table (and consequently in this report) is an accurate and true representation of the EKPI data submitted by the 32 reporting sites. For a small number of sites EKPI data reported may not reflect actual performance due to a lack of metering (for example where sites occupy leased premises within shared buildings), some as stated within the report.

### Recommendations

Recommendations /challenges for the 2008 reporting process are to:

- Extend the scope of this report to cover wider sustainability issues and performance such as health and safety, performance against the UN Global Compact and employee terms and conditions. .
- Establish systems to enable all sites within the Rotork PLC group to participate in the environmental reporting, regardless of size, if feasible.

- Continue to strengthen the reporting process and ensure continuity of method by formally defining, documenting and communicating environmental key performance data measurement procedures for sites where possible within the local circumstances; incorporating best practices. In particular ensure estimation methods and conversion factors are defined and are traceable to reputable references.
- Continue to provide training to reporting sites on importance of the reporting process and the new strengthened data measurement procedures.
- Continue to set quantifiable targets for improvement in actual environmental performance, in particular in terms of improving energy efficiency and reducing waste.

Involve Partnerships for Sustainability is a registered charity and our aim is to contribute to Sustainable Development through our practical projects with schools, community groups, individuals and businesses. Involve has not had any role in the preparation of the Environmental Report material. Involve has worked with the Rotork Controls Ltd to establish an Environmental Management System at the Bath Site. This has not affected our ability to provide an independent, objective and honest assessment of the Environmental Report 2007.



Kerry North AIEMA  
Sustainable Business & Environmental Consultant  
Involve Partnerships for Sustainability

# Performance Data

## Introduction

The following pages concentrate on Rotork's environmental key performance data for 2006. This, our fifth environmental report, includes performance data from 32 Rotork subsidiaries (including manufacturing, warehouse, service and sales facilities) worldwide. Prior to this report, performance data from 29 subsidiaries have been reported (Fig 1). Additions since our last report are Rotork Actuation Shanghai and Rotork Gears in Parabiago (both manufacturing sites) and our warehouse and service facility in Sernia Canada.

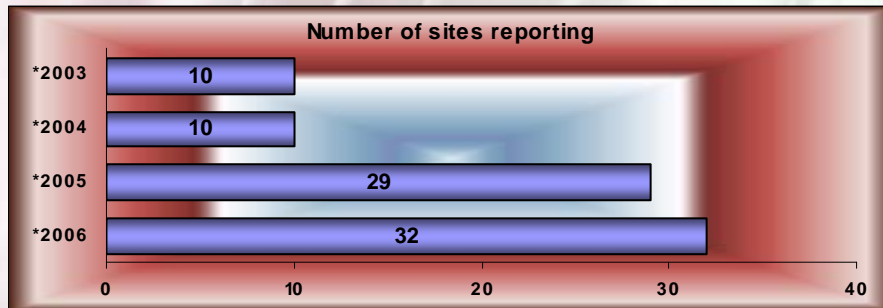


Fig 1

## Energy

Energy consumption (KWh) was maintained at the 2005 level (Fig 2). Increased sales resulted in a 13.5% rise in turnover. Maintaining the 2005 status represents a 15% reduction against turnover on previous year data (Fig 3). These figures include two additional manufacturing sites reporting environmental data for the first time.

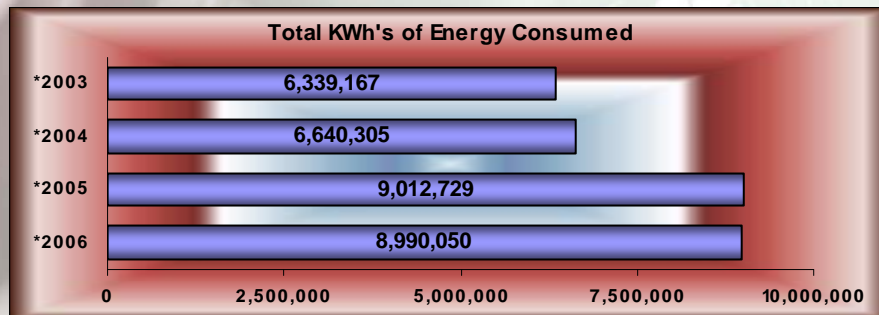


Fig 2

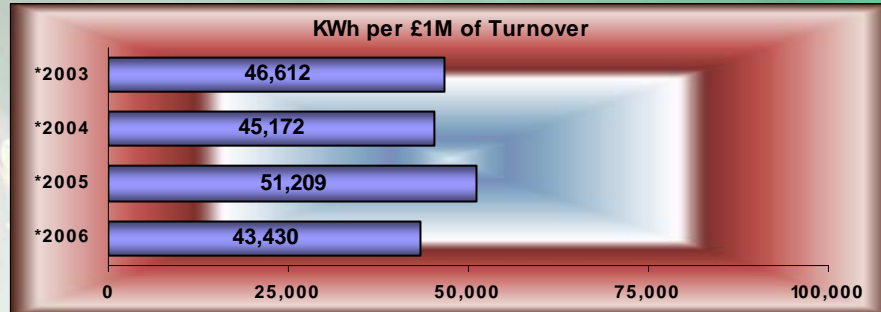


Fig 3

## Emissions

Emissions of CO2 (Fig 4) through the use of energy increased 1.4% in 2006 as a result of the mix of energy used. However the trend, when measured against turnover, showed a 15% reduction against previous year data (Fig 5).

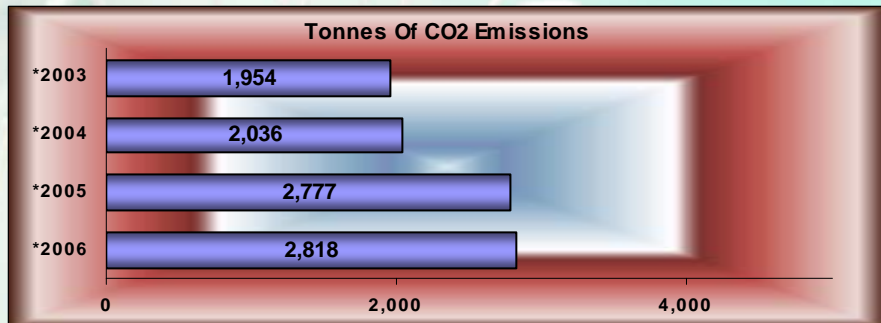


Fig 4

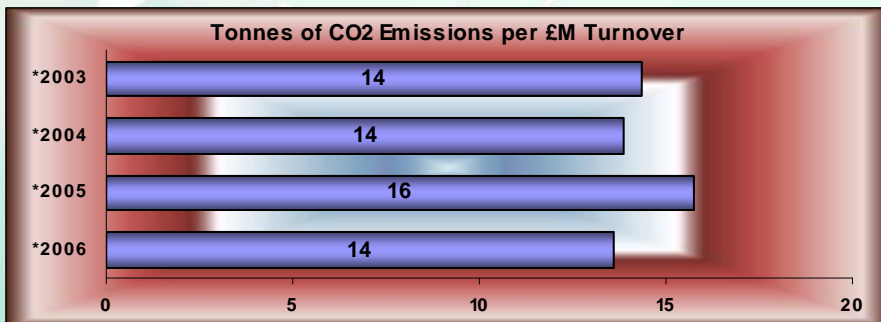


Fig 5



**Water**

Consumption of water by the Rotork group of companies increased 11.2% (Fig 6) against the 2005 performance data, a comparison against the 29 subsidiaries reporting in 2005 the increase was 6.2%. When compared against turnover (Fig 7), there was an overall reduction of 5.5%.

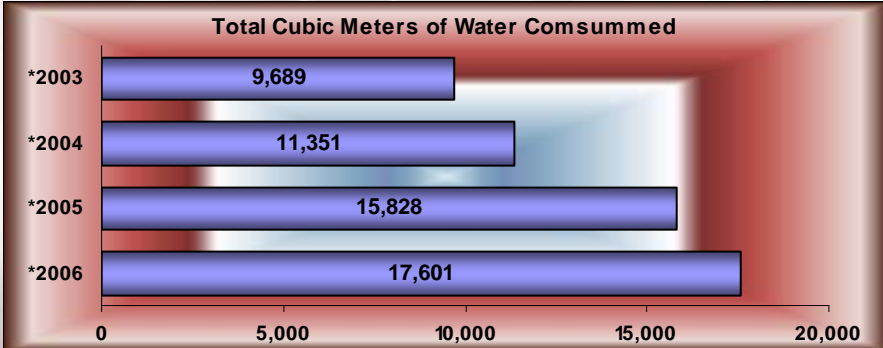


Fig 6

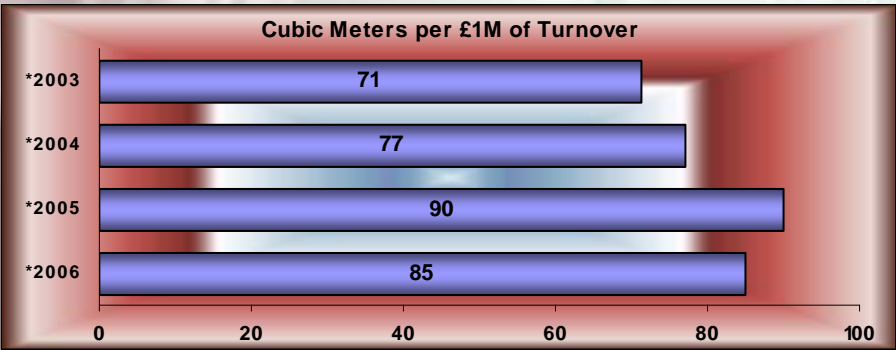


Fig 7

**Waste**

Waste is by far Rotork's most significant environmental impact. Waste will inevitably become an issue as organisations follow a suitable and adequate component supply base in a changing market. Overseas sourcing of components has increased substantially over the past five years and will continue at least into the foreseeable future.

Components sourced from overseas need to be protected from damage and the environment during their journey to the assembly lines. Such protection and packaging, must be fit for this purpose and can, as a result, vary considerable. In many countries, and particularly in the UK, disposal of waste has become a major concern and the importance that the issue has been given over the past decade has still to show fruits. However, it remains one of the UK government's objectives to make the polluter pay, which has resulted in increased landfill costs.

This in itself has placed demands on Rotork, both financially and in terms of manpower, to dispose of this waste responsibly. Recycling systems are being installed at a number of Rotork sites and this is reducing the cost of waste disposal. Rotork is also working with suppliers to ensure packaging is minimal and can be recycled. Where practical, for the local supply base, Kanban systems have been in place for many years. These systems involve reusable component containers which are supplied by Rotork to suppliers free of charge. Empty containers are picked up by the suppliers when they deliver new components to the assembly lines.

Rotork products also require suitable and adequate packaging to ensure the products reach the customers in good condition. Here, Rotork complies with the requirement for packaging in regards to minimal packaging. In addition, most of the packaging supplied is recyclable.

## Performance Data

### Waste continued

When gathering data for this report in 2005, it became evident that systems for waste disposal varied from country to country. In many instances it was necessary to estimate the performance for a number of the Rotork subsidiaries because weights were not supplied by the waste carriers. This was repeated in 2006.

Where this happened, the size of container and the content of waste generated was established. It is important to note that the type and content of the waste generated by our subsidiaries matched that produced at our Bath site, to which records of waste weight have been maintained. These records have been used to establish a base figure to estimate weights where they are not available.

### Waste generation

Waste generation covers all types of waste generated including metals, electronics and waste materials subsequently recycled. Waste generated by the Group increased 431 tonnes (Fig8), up 35% to 1649 tonnes in the period ending 31st December 2006, against the same period in 2005. There was also an increase of 14.5% on turnover (Fig 9). Three subsidiaries reporting their performance data for the first time accounted for just 1.75% of the total waste generated.

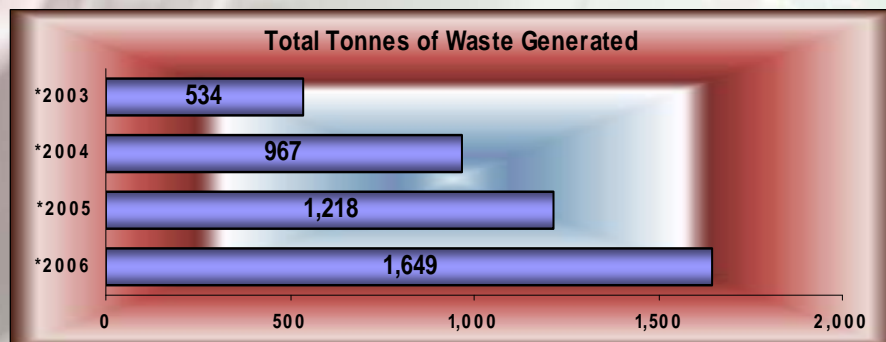


Fig 8

These three subsidiaries are reporting their environment performance data for the first time, they account for less than 3% of the total waste recycled by the group.

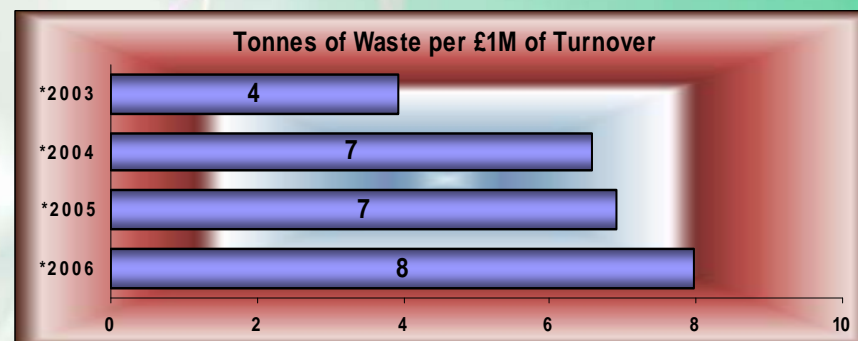


Fig 9

### Recycling

Waste is Rotork's most significant environmental impact. Records show that waste generation has grown year on year. Increased sales over the past two years has added to this impact.

Recycling is our preferred method to reduce this impact and we have set a group recycling target of 75% by 2010. Subsidiaries with a poor recycling performance have been identified and an action is ongoing to improve their recycling performance.

Rotork will continue to work with its subsidiaries to improve their recycling performance. However, it should be noted that recycling facilities taken for granted in most countries are not yet fully available in some parts of the world. Here efforts are being made to find suitable recycling facilities.



**Recycling continued**

Materials being recycled include card, office paper, wood, plastic, scrap metals, electronic printed circuit boards, toner cartridges and IT equipment.

The amount of materials recycled in 2006 was up 63% on 2005 figures; an increase of 294 tonnes to 760 tonnes (Fig 10), which equates to 46% of the total waste generate by the Group. In terms of tonnes per £M of turnover there was a 38.5% increase, from 2.65 tonnes to 3.67 tonnes (Fig 11).



Fig 10

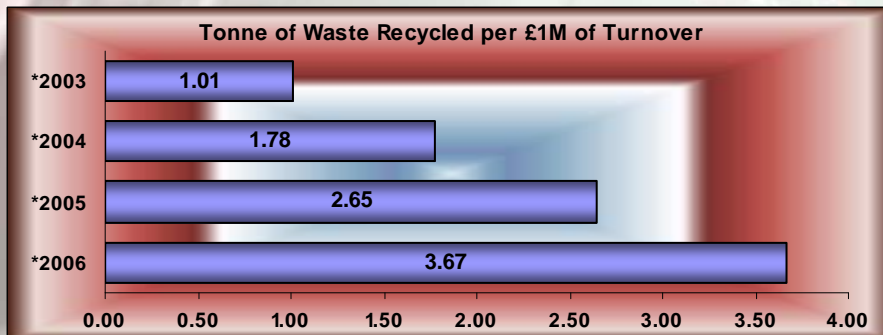


Fig 11

**Legal compliance**

Rotork is committed to complying with Health and Safety and Environmental Legislation wherever we operate. All Rotork facilities are audited, by trained auditors, against a schedule and checklist compiled to ensure legal compliance and that the minimum standards imposed by the group for Health and Safety and Environmental issues are being followed or acted upon.

No prosecutions or notes were issued against the Company in the financial year ending 31st December 2006. Rotork use the services of external consultants for Health and Safety and Environmental advice including inspections and auditing of works and systems. Rotork subscribes to the Environmental Legislation Update Service ELUS, which is part of Groundwork Blackburn Trading Ltd.

**Producer Obligations (Packaging Waste) Regulations**

In accordance with the Producer Obligation (Packaging Waste) Regulations, Rotork is a member of Recycle 1st Compliance Scheme and has been so since 2004. Prior to that, Rotork was a member of Valpak.

**FTSE4Good**

FTSE4Good is the SRI index series designed by the global index provider FTSE. Its selection criteria cover three main areas:

- Working towards environmental sustainability.
- Developing positive relationships with stakeholders.
- Upholding and supporting universal human rights.

As a FTSE company listed in the FTSE4Good Index, Rotork is committed to the principles laid down for subscribers.

### Engage Partnerships for Sustainability



Engage believes there is a real and urgent need to change the way we live, to protect the environment and the quality of life of people all over the world.

Engage is an innovative organisation, pioneering new approaches to help people live in more sustainable ways. This means using natural resources only at the rate that they can be replenished and leaving the world in a fit state for future generations. Our work ranges from supporting local food co-ops to providing business consultancy.

### Engage Business

Our business team delivers specialist consultancy to inspire, educate and enable businesses in the West of England to become more sustainable. We have significant experience and success in working with clients from sectors including manufacturing, engineering, local authority, facilities management and charities.

All profits are put back into supporting Engage's charitable objectives, helping to create a more sustainable future.

### Engage Education

Engage works in schools, colleges, universities and the wider community to promote knowledge and understanding of the relationships between people and the planet. Our education programmes provide opportunities for young people and adults to learn how they can help to shape a world based on principles of social justice and care for the environment. Our education projects include : Food for Life , Our Farms our Future, Global Education and Safer Routes to School.

### Engage Community

Communities are integral to all that we do at Engage. We work with individuals and groups enabling them to make a significant and lasting difference to their community and environment. We do this by the providing tools, training and advice to enable them to realise their dreams. Our projects vary from working with one neighbourhood on safety, participation and green spaces to pioneering Car Free Days in Bath and across Europe. We have partnerships with communities across Europe.

Engage is a registered charity and is a membership organisation. The members elect trustees who drive the strategic direction in consultation with members and all those who work for the organisation, including paid staff and volunteers.

We are based at Green Park Station in Bath, a UN Global Compact City, a UNESCO World Heritage City and Fair Trade Zone. Since 1992 our partners and funders have included Bath City Council (now Bath & North East Somerset council), Marks & Spencer, NatWest Bank, the EU, the Dti, DfID, DEFRA, Wessex Water, National Lottery.

Engage Partnerships for Sustainability  
Green Park Station  
Green Park Road  
Bath  
BA1 1JB

[www.engage.org.uk](http://www.engage.org.uk)

Registered charity No. 1039848



**and finally.....**

Rotork would like to express their full and hearty thanks to Envolv Partnerships for Sustainability for the support and guidance they have afforded us over the past four years. The professionalism of their team of consultants and auditors have put us in good shape to deal with the ever changing face of environmental legislation, and in identifying and reducing our main environmental impacts. We fully appreciate the work Envolv have done for us and look forward to continuing our work with them in the future.

Jeff Harris  
Health Safety & Environmental Coordinator  
Rotork



**rotork**

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