Vald. Birn A/S
Green accounts for
2005/2006

VAT no. 26 68 11 11

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Corporate information

Company	Vald. Birn A/S Frøjkvej 75 7500 Holstebro Denmark
Supervisory authority	Ringkøbing County Authority
Industry	Foundry
Principal activity	Manufacture of cast iron
Classification	A.2. Iron and steel foundries with production capacity of more than 20 tons a day
Date of environmental approvals	Entire company's overall environmental approval re-evaluated on 4 February 2005 Permission to reuse moulding sand for a noise barrier granted on 20 November 2000 Dredging of retarding reservoir on 2 October 2001

Important resource-related and environmental factors

As production mainly requires resources in the form of electricity, natural gas, oil and water, together with the consumption of raw and ancillary materials, these elements are regarded as important resource-related and environmental factors.
Wastewater is not discharged directly to a recipient, but is piped to a municipal sewage works.

Company description

Vald. Birn A/S is a subsidiary in the Vald. Birn Group.
The Group employs around 1,000 people in total. Other companies in the group include Uldalls Jernstøberi A/S in Vejen, Denmark, A/S Tasso in Odense, Denmark, and Kockums Maskin AB, an engineering works in Sweden.

The foundry has been in existence since 1896 and has a tradition of manufacturing and machining quality cast iron using green sand moulds.
The business moved to its present site in 1963 and is situated west of Holstebro in an industrial area beside the Storeå River, about 3 km from the town centre.
The foundry and engineering works employ around 650 people.

Management report

The accounts

These accounts have been prepared in accordance with the Danish Green Accounts Act and related regulations. They cover the period 1 May 2005 – 30 April 2006.
The company aims to develop the green accounts in cooperation with the workforce and make them an integral part of its environmental management.

Recycling

Vald. Birn A/S is a large recycler. The raw material used in the product is steel scrap, which is melted down using electricity and made into cast iron in various alloys. The scrap is melted down in six water-cooled induction furnaces, with the majority of the molten iron passing through one of four large holding furnaces prior to casting. The molten steel scrap is converted into castings on seven Disamatic automatic moulding systems using moulding sand. The moulding sand and used moulding sand are made up of a mixture of quarry sand and beach sand, together with bentonite (clay), coal dust and water.
In cooperation with the environmental authorities, among others, it has been demonstrated that used moulding sand can be utilised in building and construction work and added to asphalt and grey cement, for example.

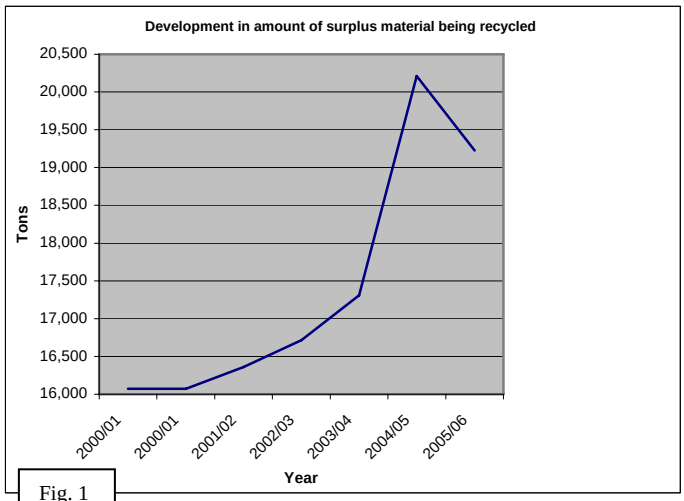

Fig. 1

Around half of the used moulding sand that is recycled is generated by the process for cleaning the castings. As figures 1 and 2 show, things are moving in the right direction, with more being recycled and less being dumped.

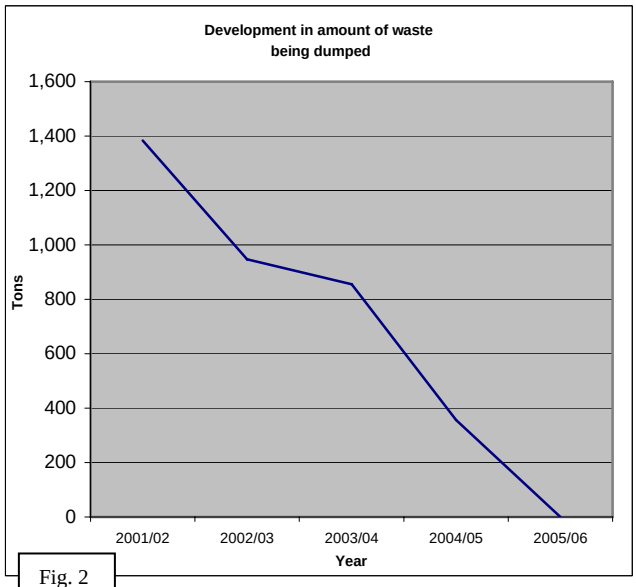

Fig. 2

External environment

Over the years the business has made a number of substantial environmental investments with a view to improving both the external and internal environment. In order to reduce dust emissions, ten highly efficient bag filter systems have been installed and connected to chimneys measuring 40-50 m in height.

Noise levels have been reduced by replacing and enclosing fans and plant. Odour pollution has been cut by installing a washing system to remove most of the amines from the atmospheric discharges.

Internal environment

The internal environment includes hot, dusty and noisy processes.
The business is investing continuously in cleaner technology with a view to reducing energy consumption, noise and waste.
Influencing the attitudes of the workforce and making ongoing improvements in health and safety throughout the business are helping to limit the number of industrial injuries, as shown in figure 3.
Working groups involving both management and employees have also be working continuously on workplace assessments as a natural part of safety work and in order to ensure that health and safety continue to improve.

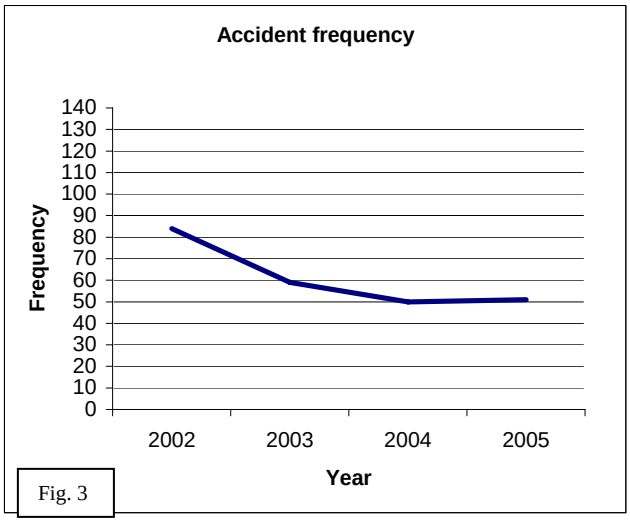

Fig. 3

Self-inspection

The dust monitors were inspected by an accredited outside firm in June, September and December 2005, then again in February 2006.
The threshold limit values for atmospheric emissions are 10 mg/m^3. The average emissions from the foundry are 1.5 mg/m^3, with the highest reading being 6.45 mg/m^3 and the lowest 0.04 mg/m^3.

In order to ensure that the heating plant's four boilers burn their fuel correctly and are safe to use, the boilers were inspected by an accredited outside firm in July and December 2005.

An accredited outside firm also carried out control measurements on surface water, which mainly comes from the car parks, turning areas and roofs. The authorities have set requirements for surface water discharged into the Storeå River, but none of the measurements revealed a breach of the rules.

Certification

The foundry's quality system was approved and certified by Det Norske Veritas in accordance with ISO 9002 in 1994. Energy audits were carried out in 1992, 1997 and 2000. In 1997 and 2000 the energy audits were approved and verified by Det Norske Veritas.
The business has implemented a comprehensive quality, safety and environmental management system in order to reduce resource and energy consumption, together with internal and external pollution, in a financially sound manner.
In May 2001 the business was awarded a certificate for quality in accordance with QS-9000, environmental management in accordance with ISO 14001 and health and safety in accordance with OHSAS 18001 by Bureau Veritas Quality International. In April 2003 the business was awarded an energy management certificate in accordance with DS 2403.

Mass balance

The consumption of raw and ancillary materials has been calculated from purchases during the accounting period. The consumption of energy and water has been calculated from purchases and our own measurements. Production volume has been calculated from sales adjusted for changes in stock during the accounting period. Emissions have been calculated using conversion equations, theoretical residual values and dust measurements carried out by an accredited engineering firm.

Changes from last year

Vald. Birns Jernstøberi A/S and Vald. Birns Maskinfabrik A/S were merged to form a single business with effect from 1 May 2005.

The merger was carried out by transferring the activities of the iron foundry to Vald. Birns Maskinfabrik A/S, which simultaneously changed its name to Vald. Birn A/S.

There have also been changes in the company's management, which now consists of Jens Axel Birn, Managing Director, and Rudi Pedersen, Commercial Director.

Workforce involvement and auditing

The workforce was involved in the preparation of the accounts in so far as it was able to make a specialist contribution. The green accounts have not been audited.

Complaints and violations

There were no complaints or violations during the accounting period.

Holstebro, 5 September 2006

VALD. BIRNS JERNSTØBERI A/S

Ivan O. Bak
Director

Eddy Boe Nielsen
Energy & Environment Manager

Vald. Birn A/S
Mass balance from 2001 to 2006

OUT (kg/T of castings)	2005/06	2004/05	2003/04	2002/03	2001/02
Dust	**0,24**	0,25	0,24	0,24	0,26
Water vapour	**945,00**	619,00	435,13	375,13	295,73
Flue gasses	**159,90**	82,00	84,27	108,13	67,99

IN	2005/06	2004/05	2003/04	2002/03	2001/02
Raw materials (T)	**38.478**	45.178	44.197	42.389	38.995
Ancillary materials (T)	**16.947**	18.798	17.714	18.318	17.230
Electricity (kWh)	**90.555.460**	99.676.731	97.188.320	96.118.073	91.262.461
Natural gas (m^3)	**2.181.131**	1.441.101	1.383.014	1.933.783	1.161.519
Fuel oil and lubricating oil (l)	**121.902**	93.101	100.200	86.778	91.118
Water consumption (m^3)	**90.100**	81.624	73.497	73.997	83.678

OUT	2005/06	2004/05	2003/04	2002/03	2001/02
Castings (T)	**36.419**	43.326	41.172	40.855	38.166
Sand for recycling (T)	**19.225**	20.212	17.310	16.717	16361
Membrane material (T)	**0**	0	361	2.225	1.556
Dumped waste (T)	**0**	357	684	767	1.216
Combustible waste (T)	**186**	179	172	180	168
Chemical waste (T)	**13**	2	3	3	7
Wastewater (m^3)	**25.008**	23.523	26.191	26.479	23.519
Cooling water (m^3)	**30.672**	31.275	29.391	32.192	48.872

Quality policy

It is the company's objective to deliver quality products which meet the customers' expectations. This applies to observance of material properties requirements, dimensional tolerances, aesthetic matters and delivery performance. It is the responsibility of the management to formulate and publish measurable quality objectives and to actively follow the development of quality performance.

Continuous quality improvements must be aimed at, and this objective must be an important element in reaching all decisions.

We seek to obtain this quality objective by means of:

1.Continuous investments in modern and well-equipped machinery and the best inspection equipment obtainable for the specific task.

2.A technically well educated and motivated staff.

3.Close and confidential co-operation with our suppliers to secure continuous quality improvements of delivered products.

4.The use of Statistical Process Control as active control tools whenever suitable and echnically and economically possible.

5.A thorough initial consideration of whether new tasks are suitable for our production equipment, and whether this equipment has the necessary capability.

6.Continuous follow-up on delivery performance.

7.An integrated quality management system which is continuously improved and extended. The quality management system must, as a minimum, meet the requirements of QS-9000 and ISO 9001:2000.

Environment, health and safety

The environmental policy at Vald. Birn A/S is an important part of the company's approach. Our objective is to ensure that processes are carried out with the smallest possible impact on environment and with a strong emphasis on recycling as a philosophy.

We wish to constantly improve our performance, in terms of both the environment and the working environment, and we will continuously evolve objectives and action plans to minimize the impact of environment.

We will ensure that matters of environment, health and safety are given a high priority, and that this priority forms an integrated part of all other procedures in our company.

In order to reach the goals, the following points criteria must be met:

cedures in our company.

In order to reach the goals, the following points criteria must be met:

1.Existing legislation and legal requirements in the external and internal environments must be observed at any time. This also applies to the Motor Challenge Programme which the foundry Vald. Birn has joined.

2.We aim to use environmentally friendly materials and processes, taking into consideration all aspects of technology, economics and quality.

3.We are pro-active in optimising energy savings, especially for the processes that influence ssential energy consumptions.

4.Waste is sorted according to type, and we strive to reduce volumes.

5.By analysis and preventive actions we seek to reduce the extent of accidents.

6.Our staff is motivated by information and education to adhere to the policies of environment, health and safety.

7.The management must ensure that action plans are formulated and achieved.

8.Suppliers must deliver environmentally suitable materials, take regard of health and safety requirements, and be encouraged to improve these properties.

9.We will communicate openly with the outside world about matters in relation to environment, health and safety.

10.The environmental management system must, as a minimum, meet the requirements of ISO 14001.

The occupational health and safety management system must, as a minimum, meet the requirements of OHSAS 18001.

The energy control system, valid for the foundry Vald. Birn, must as a minimum, meet the requirements of DS 2403.