



Sustainability Report 2015

MESSAGE FROM THE MANAGING DIRECTOR

Many companies rely exclusively on TEG to provide critical process parts. TEG embraces that trust by delivering on time every time without fail. Honesty and integrity are at the core of everything TEG do. Our word is our bond and our promise is trusted. Open, honest and trustworthy, we build long lasting relationships because of our integrity and values. We are proud, passionate and personal. Impeccability and reliability is instilled in everything TEG do. We are integral to our customers' success.

The success of a project is important to the future of our customer. All staff have a very clear understanding of this. Training is focused on creating a spirit of partnership to ensure a positive result for the customer. The future of TEG is intertwined with the success of the customer. This culture of responsiveness and adaptability is ingrained in TEG culture.

The staff training provided by TEG guarantees the future employability of the individual. Staff are encouraged and required by the company to keep up to date with the latest technological advances. I believe that it is important to be a good corporate citizen. TEG has a policy of providing significant financial support to local team-based sporting organisations, which encourage the participation of young people, who will become the adults of the future.



STATEMENT OF INTENT

As a responsible business, TEG supports its employees and groups within its community while all the time aiming to consider and enhance the environment. TEG strives to have a positive social and environmental outcome, as well as financial success.

We invest in our employees with ongoing training both on and off site, we connect with our local communities in various ways through sponsorship and, where possible, making them our preferred suppliers. We keep fully up to date with our suppliers to ensure we offer the highest standard of product to our customers.

We continuously strive to retain and increase our customer base year-on-year to develop new business, while increasing our turnover and generating further employment.

Our priority for now and in the future is to continue to support our local community and our employees with training and continued investment in TEG for our growth and sustainability.

WHAT WE DO

TEG is a specialist engineering services company providing tailor-made solutions to the aviation, biopharmaceutical and pharmaceutical industries. Headquartered in Ireland, the company supports clients in over 30 countries with fast and effective solutions.

As an EASA Part 21(G) approved production organisation, TEG is approved to manufacture new aircraft parts up to and including primary structural elements for aircraft. The company is authorised to sign EASA Form 1, the document necessary to install a part onto a passenger carrying aircraft. Such responsibility and accountability requires a high level of discipline, expertise and training.

The same techniques are used by TEG to supply the biopharmaceutical and pharmaceutical industry with custom designed wash racks for sterile fill parts and format change parts for solid dose blister packing. As a privately owned company, TEG has a shareholder commitment to reinvest 100% of annual earnings into capital equipment, business development and training. This enables TEG to take a long term view for the development of the business.

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HOW WE DO IT

Our Mission

Our customers, staff and local communities know TEG as the best engineering company for creating the future.

Our Values and Behaviours

At TEG, we set high standards of performance and are guided by the following values:

- Safety & environment – We apply the highest standards to ensure the safety and health of our staff, our customers and the local communities in which we operate.
- Hard work ethic - What we do is what matters, not what we say or think or plan.
- Flexibility & adaptability - The historical and future growth of the company is based upon the high flexibility and adaptability of the TEG team.
- Meeting our commitments - We are only as good as the commitments we meet.
- Teamwork - The best solutions come from working together with colleagues and customers. Effective teamwork requires relationships, respect and sharing.
- Quality - Our commitment to quality is the foundation of our company

Our behaviours demonstrate these values. We believe that putting our values into practice creates long-term benefits for TEG customers, employees, suppliers and the communities we serve.

COMMUNITY



Supporting Local Sporting Teams

We take our commitment to the local community very seriously. We achieve this in a tangible way by financially supporting local organisations which offer team based sports. We support soccer, Gaelic and rugby clubs because we admire the work they do. We applaud what Westmeath GAA has achieved and believe it is making our community a better place in which to live.

The mission of TEG is to be known, by our customers, staff and local communities, as the best engineering company for creating the future. Our youth will be better adults in the future because of Westmeath GAA which is why we are now the main sponsor for Cusack Park. It will be called TEG Cusack Park.

TEG is proud to be the main sponsor of the Westmeath GAA fundraising committee – Club Iarmhí 2016.

Engaging with Schools and Colleges

We actively encourage the development of engineering careers in our region. We offer site tours of our state-of-the-art facility to surrounding colleges. Recently, we welcomed a group of mechanical engineering students from Athlone and Sligo Institutes of Technology. We have a small 3D printer that we bring to schools and loan to help them learn more about careers in engineering.

Supporting Local Suppliers

We use local suppliers for various items and services such as the building services, local office supplies, uniforms and plumbing fittings.

Supporting Local Employment

We are proud to be an employer in the midlands region, and many of our employees come from the local and surrounding community. All apprenticeships are recruited locally. We also offer summer work.

Duvet Day Raffle

An innovative charity fundraiser was run in 2015. Employees competed in a raffle to win a “Duvet Day” and a pizza. It created great excitement, and the proceeds went to charity.



ENVIRONMENT



Minimising Environmental Impacts

We are continually improving our processes in TEG as we strive for excellence in all areas. A recent project involved the assessment and replacement of a 22kW compressor with a variable speed compressor.

This has led to energy savings of 60% and a financial saving of €45k yearly. We replaced our CFL bulbs with more energy efficient LEDs, resulting in an annual saving of €3k. Lighting sensors are in place in appropriate areas.

We continually monitor our machining practices, which results in reducing the time machines are running and how efficient our manufacturing process is. We are also reducing the consumption of spare parts through our preventative maintenance programmes.

Waste Management

All waste is segregated. Metals are separated for recycling. New company boxes are only used to ship product to customers. Otherwise, all parts are shipped in reused packaging. Waste paper is shredded and reused for packaging.

Water Management

We use water in our production processes and are continually involved in projects to reduce this use. We are currently investigating a project to reduce wastewater by evaporating it and recycling within our processes.

Staff Training

On the job training is provided to all employees to support environmental awareness and help them to manage their roles in relation to minimising waste, water and energy.

Product Design

Although we are often limited in the design of customer products, we do make an impact on good sustainable product design by designing parts to last longer, designing for ease of repair and reducing wastage in production. Many of our products are FDA approved, certifying that no toxins are present.

Bike to Work Scheme

TEG has implemented the Bike to Work Scheme. The local bike shop was invited in to promote cycling and provide information. A shower facility is due to be installed in the new building to further facilitate employees commuting by bike.

EcoMerit Environmental Certification

To enhance our environmental credentials, we are currently undertaking the EcoMerit certification. This is a three year environmental certification backed by the EPA.

The process involves us working with an environmental adviser to review our water, waste and energy with a view to uncovering further opportunities for improvements and related cost savings.

We will be supported in developing an improvement plan and monitoring performance on a periodic basis to seek continuous enhancements in our environmental performance.

WORKPLACE



Staff Training and Development

We believe in investing in the right individuals and their ongoing development by rewarding and retaining talent. We will remove hurdles to allow employees grow, such as time off and support with funding. We provide intensive training to new staff.

A unique stamp is given to each employee, which is used at each stage of a project, signifying individual satisfaction and pride in the work done.

Each year TEG recruits five new apprentices for an intensive four year training programme in Toolmaking. Staff are required to keep up to date on the latest techniques in CAD, CAM, CNC Machining, Surface Treatments, Assembly and Design.

TEG Loyalty Rewards/Benefits

In appreciation for our employees' continued hard work and dedication, we have implemented a reward system, in recognition for your years of loyalty and commitment to TEG.

Diversity

Gender diversity is difficult in our industry. Of our 86 employees, only four are female, one of whom plays an important role on the engineering design team.

Employee Wellbeing

We introduced a Wellness Month programme in 2015. This included a 'mood talk' to discuss the effect of diet, exercise, sleep and stress on moods, and how to prevent and manage depression. It also included a session called 'Good2talk' on mental

health and community work. To support a good work life balance, TEG offers limited flexibility in the instances family issues arise. Employees may swap shifts to facilitate changes.

New Recruits' 'Who's Who Quiz'

One month after the new recruit starts, a simple 'Who's who' quiz ensure the employee has found their feet, settled in and integrated to our culture and to the TEG family.

Health and Safety

The company has a full and comprehensive safety statement and the Managing Director is the safety manager. Appropriate training is rolled out to all employees including fire training, manual handling and first aid. Risk assessments of all work areas are carried out, including ergonomic assessments of work stations. An active health and safety committee trains all contractors and site visitors.

Communications

Various communication touch points are in place. The director facilitates quarterly meetings where all employees are informed of the company's financial performance. If there is a quiet time forecasted in production, this is communicated directly to all employees. Production meetings happen every morning, and weekly updates happen via email.



MARKETPLACE



Product and Quality Information

Clear and precise information is provided to all customers on our products and contracts are designed at the initial stages. We offer ongoing supply of spare parts, which we guarantee within a certain time frame.

Payment Policy

We have a 30-day payment policy to suppliers.

Supplier Communication

We have an ongoing process to feedback to our supplier network. We publish a supplier performance report every month, which allows us to anticipate potential delays to our production team.

We discontinue business with suppliers that continually fail to perform satisfactorily. This process has a good effect on our customers. To reward good suppliers we award a 'Supplier of the Year'.

Health and Safety of Products

All products are tested internally. We only use FDA approved materials to ensure no toxins are present. We provide Factory Acceptance Testing to our customers to allow them to complete final testing before delivery.

Customer Service

Our expertise is widely recognised and customers value the relationships established over many years and appreciate the culture of customer support and business partnership. The tag line of TEG is

'We are **integral**'. Many customers will attest to that based upon personal experience. We place our customers at the heart of our organisation. We work in partnership with leading names in the pharmaceutical and transport sectors, to provide the very best technical solutions.

- Focus on responsiveness
- Connect innovation to our customers
- Help our customers do more with less
- Share a common vision with our customers
- Provide exceptional customer service to all our customers

Quality and Industry Recognition

TEG is certified to ISO 9001:2008, AS 9100 C, and EASA Part 21G. Our pharma and biopharma division operates to the highest standards of the International Pharmaceutical Industry and are fully compliant with current good manufacturing processes (cGMP). We have also been nominated for best company in the aerospace industry IAA Aviation Support Services Award.

Testimonials

PCI Services: "I am very pleased to say that all the blister tooling went on the machine and worked correctly first time, so please pass my thanks on to the team who contributed to this. It does make a big difference here when I get results like this."

Amgen: "Thank you all very much for all of your assistance to expedite manufacture parts. Your assistance has significantly helped to reduce the impact to our schedule. Again, I cannot adequately express my appreciation."

Alexion: "This commitment by your staff has ensured that we have completed all of the works within a week and minimised delays to our very tight schedule."