



Aaron PCB

Sustainability Report 2013



Quotation

“There are many more SMEs than large firms in existence. In Ireland, for example, more people are currently employed by small and medium firms than by multinationals. The impact of responsible trading in the SME sector should not be understated, and the difference that can be made to society by engagement on the part of SMEs in CSR is very significant”.

Sheila Killian

An excerpt from the book *“Corporate Social responsibility: A guide with Irish Experiences”* (2012).

This report has been completed on behalf of:

Supply Network Shannon “Promoting Resource Efficiency in the Supply Chain”



Funded by:

Science, Technology, Research & Innovation for the Environment (STRIVE) Programme 2007 – 2013 Climate Change Research Programme (CCRP 2006-2013)



Cover photograph, courtesy of Fearghal Caffrey.

Welcome address from the CEO, Gerard Murray

At Aaron PCB, we are a proud manufacturer of electronic products. We use the latest technology, matched with a great team of employees. We are conscious of our activities and regularly look at ways to minimise our environmental impact. As the CEO, I am active in a number of sustainable enterprise projects. We have recently been showcased as a case study for the SMILE Resource Exchange. I am also a member of the environmental committee in Supply Network Shannon, which tries to help members get access to green projects.



We are a high technology business providing solutions at a local and a global level. Our company provides cost-competitive solutions capable of meeting the latest technology challenges. The economic sustainability of our business is intrinsically tied to environmental sustainability, as well as to our overall responsible business practices. An important factor in our on-going success is the efficiency of our machines, and use of resources. The fairness and honesty in all our business dealings are key to managing our business relationship and excellent customer service. Finally, we aim to provide a motivating environment for our family of employees, who are highly trained and capable of providing high quality finished products for our customers.

We aim to continuously improve our operations in the high tech electronics sector. We are always improving our own operations, and we are open to enhancements and future collaborations with others to achieve this.

Our customers' expectations are growing every year. Transparency within the supply-chain is an emergent issue which is growing in importance. We want to exceed their expectations, firstly through continuing to be cost competitive, providing an excellent quality service, and now through the publication of our sustainability report.

φ Our customers' expectations are growing every year. Transparency within the supply-chain is an emergent issue, which is growing in importance. We want to exceed their expectations φ

Gerard Murray

CEO of Aaron PCB



Aaron PCB – What we do

Electronic Manufacturing Services

We specialise in prototype to medium-volume production at a competitive price. Our expertise and equipment allows us to produce the latest wafer level *CSP* devices and *BGA* devices. We are equally proficient in the production of conventional technologies such as *Pth* and *cable assemblies*.

Our services include

- SMT Electronics Assembly
- Through Hole Assembly
- Electro-Mechanical Assembly

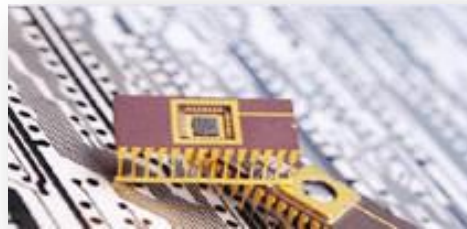
- Cable Assembly
- Box Build Assembly
- Rework
- Test
- Configuration
- RMA Centre
- Sourcing



We specialise in:

- Low Volume Production
- Fast Turnaround
- Complex Parts

Our equipment is ideally suited to fast turnaround and low batch size production. We utilise a methodology based on the best principles of Lean and World Class Manufacturing methods



Our Operations

Employees:

Full Time Employees: 11

Our main operations:

Aaron Value Adding Services Ltd was established in 2005 to provide near shore manufacturing at a competitive price. Our ethos is to provide top quality products using the latest technologies with a local and global service.



Our Customers:

We have a diverse range of customers from blue chip clients involved in electronics, telecommunications and power products to new companies which are in the design stage of their business, including Analogue, Tecnotree and Tekelec



Location:

Unit M7 Smithstown Business Park,
Shannon,
Co. Clare.
Ireland

For more information:

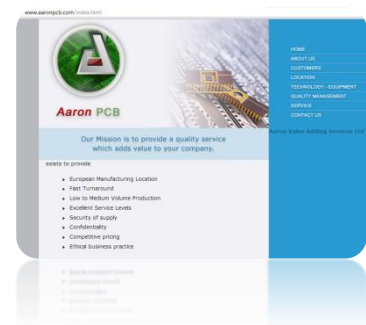
Contact Gerard Murray for further information

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Layout of report

This report contains our responsible business practices that we would like to communicate about

- Our employees,
- The environment,
- Our marketplace and
- The community.

These practices are centred on the values by which we work.



Our vision and values statement



Our Vision and values statement



Our Guiding Vision...

To provide high value electronics products using the latest technologies at a competitive price.

φ Ethical Business Practices and Competitive Pricing are compatible φ

Our Mission – What helps us to achieve our vision...

- European Manufacturing Location
- Fast Turnaround of Low to Medium Volume
- Excellent Service Levels
- Security of Supply
- Competitive Pricing
- A cost competitive solution
- A high technology local and global service
- Equipment that is highly efficient capable of meeting the technology challenges.
- Highly skilled and motivated workforce dedicated to quality.

φ Our ethos is to provide top quality products using the latest technologies φ

Our Values -What we believe in

- ✓ Fairness and honesty in all our business relationships
 - ✓ Ethical Business Practices
 - ✓ Excellent Service Levels
 - ✓ Doing what we say we do
 - ✓ Integrity
 - ✓ Quality

Our employees and workplace policies

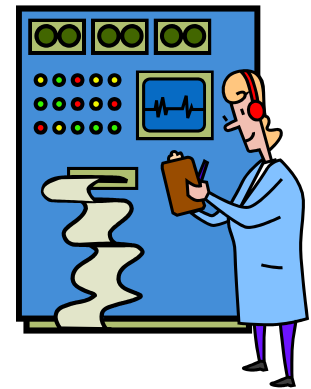


Our Employees and workplace polices



Aaron PCB - The Work Environment



- **Communication:** Our core team is quite small. We work closely together, so communication is an easy process by means of the job requirements.
- **Good working environment:** We run an open, clean and comfortable work environment for all our staff members.
- **Fairness:** We provide a good fair wage reflective of the work done. There is a sharing culture within the organisation – when Aaron PCB is doing well, the employees do well too.
- **Staff retention:** We have high levels of staff retention. Some of our staff have been with us for almost 9 years since our inception in 2005, others for 6-7 years. Even the newest staff have been with us for 2-3 years
- **Focus on Quality not quantity:** We work based on people achieving a higher quality. You never hear people out there saying “you need to get 50 units done now”. Its more, “how many have you done?” It’s questioning rather than directing. There are no set targets so no one is pressurised into producing inferior work.
- **Continuity and job security** – During slow times in the past had, we have to reduce staff hours. But because of the nature of our organisational structure, and a high level of cross training, if times are slow, there is work that that can be done that is not needed immediately, or else we take the opportunity do staff training. If a big order comes in, things are easily changed around to suit.





φ We actively communicate the requirements for our products to be of the highest quality – we do not operate a pressurised environment that can lead to inferior products φ



Our Employees and workplace polices

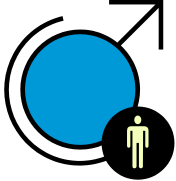
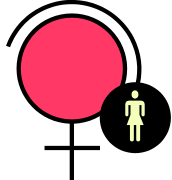

Work-Life Balance	
Current activities	Future plans
<p>Employees maintain a good work-life balance. As an employer, we are as flexible as possible to the needs of our employees. They have standard hours, but if they wish, they can start early on a Friday and finish early. We ensure they take holidays and realise time off for personal reasons may always be necessary.</p> 	<p>As our business matures, we aim to remain open and flexible and a good place for employees to work. Our policy is to keep overtime to a minimum and we rarely work weekends.</p> 

Health and Safety	
<p>The nature of the work in Aaron is safe. There is no heavy lifting required, or naked flames for example. However, we have appropriate health and safety policies and procedures in place. On-the-job training is provided to all employees for maximum knowledge transfer of safety practices within our facility.</p>	
	

φ On-the-job training provides knowledge transfer of safety practices



Our Employees and workplace polices

Workplace Discrimination	
Current activities	Future plans
<p>We are proud to have a multi-national workforce. We have an even split between Irish and non-Irish nationals and between male and female employees.</p> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 20px;">   </div>	<p>Our policy is to continue to ensure, that no person is discriminated against based on any of the nine grounds outlined in The Employment Equality Act, 1998 and the Equal Status Act, 2000*. This includes our recruitment and daily practices.</p> <div style="text-align: right; margin-top: 20px;">  </div>

**Discrimination is described in the Acts as the treatment of a person in a less favourable way than another person is, has been or would be treated. The nine grounds are gender, civil status; family status; age; disability; race; sexual orientation; religious belief; and membership of the Traveller Community.*

Training and development	
Current activities	Future plans
<p>We have a flat organisational structure, which promotes a culture of fairness and equality so we can deliver a high value and cost competitive solution to our customers</p> <p>This allows us to have a highly skilled and motivated workforce, cross-trained on many technologies. This allows them to deal with all aspects of our customer requirements, from building the product to testing.</p>	<p>As new technologies continue to emerge, staff training is very important. Eventually we would like to see all our staff trained on as many tasks as possible.</p> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 20px;"> <div style="text-align: center;">  </div> <div style="background-color: #800000; color: white; padding: 20px; text-align: center; width: 200px;"> <p>ϕ We encourage everyone to be the best at what they do ϕ</p> </div> </div>

Our environmental practices



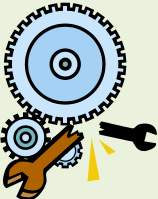




Our Environmental Practices



Environmental Efficiencies

These measures will help us to save costs and reduce our carbon emissions.

	Current activities	Future plans
<p>Energy</p> 	<p>Building Energy consumption</p> <p>We have recently undertaken a number of projects to insulate and maintain heat within our building. This minimises the carbon footprint by lessening the energy required to maintain a good working temperature.</p>	<p>By keeping these costs at a minimum, we can remain a competitive and sustainable business.</p> <p>This in turn will help us to reduce the carbon footprint of our products and operations</p> 
<p>Equipment Efficiency</p> 	<p>Upgrade</p> <p>We have recently upgraded some of our machines in favour of highly efficient ones. Not only does this keep us up to date with the latest technologies, but also reduces our electricity usage and this new equipment is now one of our core selling points.</p>	<p>We plan to monitor our energy consumption more closely. This ensures our energy demands are continuously benchmarked and reduced.</p>
<p>ϕ Keeping these costs at a minimum helps us to remain competitive and sustainable ϕ</p>		
<p>Waste</p> 	<p>Waste Minimisation Practices</p> <p>We are continuously improving our waste practices through waste minimisation strategies to prevent waste. We are also involved in the reuse of packaging (see projects below). Only as a last resort is anything disposed of, as recycling is well managed within the organisation.</p>	 <p>EU Waste Framework Hierarchy Directive 2008/98/EC</p>

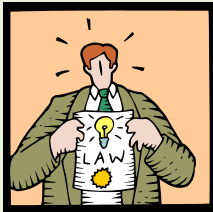
Our Environmental Practices



Environmental Compliance

These measures will help us to be compliant

Legislation



The most important legislation related to our business is REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) and ROHS (Restriction of Hazardous Substances):

- We certify that all our products comply with REACH legislation
- We comply with all ROHS legislation






Supply Chain & Transport



We try to keep the balance between customer requirements and are very mindful of costs and competitiveness. Keeping shipments to a minimum helps us to reduce costs and remain competitive.

Our Environmental Practices



Future plans	
<p>Carbon Footprint</p> 	<p>Footprinting</p> <ul style="list-style-type: none"> • We aim to measure our Carbon Footprint using the Greenhouse Gas (GHG) Protocol methodology. • We will publish our carbon data publicly • We will re-measure our footprint and declare on an annual basis, with an aim for continuous reductions  <p>Projects</p> <ul style="list-style-type: none"> • We aim to continue to be involved in environmental and sustainability projects, as this is at the heart of everything we do.
<p>Emmissions</p> 	<ul style="list-style-type: none"> • Our activities do produce a small amount of emissions within the building. However, we have installed HEPA filters, so the air is filtered to be clean. 
<p>Communications</p> 	<p>We will publish our sustainability report publicly on our website, as well as communicating this to other relevant parties within our marketplace and business community.</p>

ϕ We will publish our sustainability report publicly and communicate it directly to relevant parties ϕ

Our Environmental Practices



Environmental Projects

We believe in collaboration to help us achieve environmental sustainability. We have been involved in many environmental projects in the past. Here are our current projects.

smile :-)
Resource Exchange
**Thinking Outside
the Box!**

Aaron PCB was chosen to be showcased in the smile resource exchange initiative, as a case study.

Through the SMILE network, we joined “forces” with Force Field, an electrical design and manufacturer of electric fence energisers and accessories.



Force Field’s fencing supplies come in strong cardboard packaging which they no longer required and were disposing of on a regular basis. We were just a few miles down the road, and we were buying in cardboard boxes to ship products to Germany & Spain.



The exchange resulted in us receiving approximately 20 cardboard boxes per week from Force Field, which were costing us around €8 per box. The on-going exchange could potentially save us €8320 per year. This exchange also yields substantial cost savings on disposal charges for Force Field and is diverting the cardboard boxes from landfill.



φ Smile exchange could potentially save us €8320 per year φ

Environmental Projects

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Resource Efficiency in the Supply Chain

The general scope of this project is to encourage SMEs to use their environmentally positive achievements to competitive advantage, thus standing a better chance of survival and success.



Under this Cleaner Greener Production Programme (CGGP) project, participants are encouraged to undertake a programme of continuous improvement in the area of resource efficiency. Through previous initiatives, many SNS members have already made significant achievements. As well as including company site visits and workshops the project will assist companies to produce sustainability reports (such as this one you are now reading) which can be used to a competitive advantage.



smile :-)
Resource Exchange



Funded by:

**Science, Technology, Research & Innovation for the Environment
(STRIVE) Programme 2007 – 2013**
**Climate Change Research Programme
(CCRP 2006-2013)**

Our Marketplace practices



Our Marketplace Practices



Our Policies- Promoting transparency

Sales and Advertising

- We are honest & open in all our business dealings and advertising.
- Everything we declare that we can do, we are fully able to deliver.
- We are very open with our customers, about what we charge and how our prices are structured



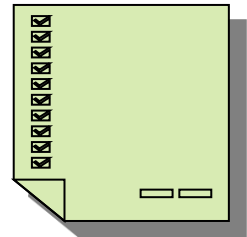
Payment Policy

- Our practice is to ensure timely and regular payment to all of our suppliers.
- Our policy is to pay within 30 days of receiving a statement from a supplier.



Feedback and communication

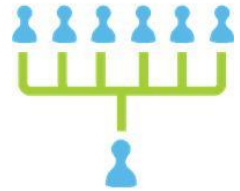
- We have on-going informal feedback processes with our customers, depending on their requirements and what delivers best practice from both sides.
- In the last year, formal reviews are being requested, and have been driven by the customer. These include test performances of the products and company income performance.
- Suppliers come on site once a year to get feedback on their performance.



Our Policies- Promoting transparency

High Quality Services at a competitive price

- Our flat organisational structure allows us to maintain a level of highly skilled technical workforce. The lack of management layers keeps our overheads low.
- We have little or no returns. Because of the way we work, the level of fault is tiny.
- However, the relationships we have with our customers are very close. If they have any issue there is no problem sending it back to us.



Purchasing Policy



We have an open purchasing policy. If suppliers meet our requirements, we ask them for a quote. If they are not in the pricing area for us, they won't be asked again.

φ Our flat organisational structure allows us to maintain a level of highly skilled technical workforce. In turn the lack of management layers keeps our overheads low φ



Our Marketplace Practices

Our Networks & Business Organisations

Supply Network Shannon (SNS)

Supply Network Shannon (SNS) represents approximately 40 sub-supply companies on a cluster basis, primarily in supply of electronics and components to other manufacturers in the supply chain. It is an industry-led initiative and business network. It facilitates the development of the business, process and technical competencies of its members, enabling them to flourish in the rapidly changing market place



We are active members of Supply Network Shannon – Aaron PCB’s CEO Gerard is active as a member of the environmental and marketing committee. Supply Network Shannon’s membership includes the regional waste management office. This has allowed us to gain from opportunities with Margaret Murphy, the regional waste management officer. This includes an introduction to Smile, which is a free resource exchange service (see environmental section for details of Smile project)



Enterprise Ireland – Pilot Clustering Programme: SNS Manufacturing Group

This Pilot Clustering Programme aims to support industry-led groups to maximise the benefits of collaborative opportunities. Co-operating with other companies provides the opportunity to access customers, research facilities, technical knowledge and markets that would be outside the capability or scope of a business working alone. Aaron PCB was nominated to take part in Phase 1. The feasibility of going to trade shows as a cluster rather than individually was explored and completed successfully. The SNS manufacturing Group cluster was a great success at Subcon 2013 in the UK.



Projects

Aaron PCB prides itself as being an innovative company, striving toward continuous improvements. We have participated in many industry and research projects in the past (e.g. FutureSME an EU FP7 project). We are currently involved in the SNS Manufacturing Group and the SMS CGGP Project as well as continuing to pursue new project ideas.






Community Involvement





Community Involvement

Employment	
Current activities	Future plans
 <p>We believe that the provision of employment for our local community is a very important aspect of our social responsibility</p> <p>We currently provide 11 full-time positions.</p>	 <p>Our sustainable business practices will help ensure the survival and continuation of our business.</p>

Community Engagement	
Current and past activities	Future plans
<ul style="list-style-type: none"> We make annual financial contributions to a local community service, Thomand House. They provide an essential service for women seeking refuge who have become homeless, mainly as a result of domestic violence.   <ul style="list-style-type: none"> We have sponsored GAA teams in Limerick city and Rathkeale. 	<ul style="list-style-type: none"> We hope to support of local community organisations and charities where feasible. We are open to participating in future research opportunities We will endeavour to continue our yearly support of Thomand House 

Community Engagement

Academic Collaborations

We have collaborated with various academic institutions in the past, and hope to continue in the future. This includes:

- University of Limerick by facilitating work placements for masters students
- Galway-Mayo Institute of Technology through research activities related to eco-innovation and sustainability in SMEs
- Building electronics for Institute of Technology Blanchardstown and Georgia Tech Ireland.



Other Collaborations

- We have implemented ISO 90001 quality assurance management systems
- We are associated with Quality Assurance Ireland
- Up to now we have been supported by our local enterprise board, but now our staff exceeds 10 employees, we hope to become an enterprise Ireland client.



φ We have collaborated with various academic institutions in the past, and hope to continue in the future φ



Community Involvement

Supply Chain

- We use local suppliers where possible for everything. Our preference is to use suppliers in Ireland and the UK, or else we will look to Europe for suitable suppliers.
- We try to avoid using suppliers further away, as a more local supply chain is more transparent and it ensures that our products and services are delivered efficiently



φ The use of local suppliers ensures that our products and services are delivered efficiently φ

A note on Sustainability Reporting

This Sustainability Report was completed with the help of **Supply Network Shannon "Promoting Resource Efficiency in the Supply Chain"**. The general scope of this project is to encourage SMEs to use their environmentally positive achievements to competitive advantage, thus standing a better chance of survival and success.

Supply Network Shannon (SNS) represents approximately 40 sub-supply companies on a cluster basis, primarily in supply of electronics and components to other manufacturers in the supply chain. Under this CGPP project, participants are encouraged to undertake a programme of continuous improvement in the area of resource efficiency. Through previous initiatives, many SNS members have already made significant achievements. As well as including company site visits and workshops, the project will assist the companies to produce sustainability reports, which they can use to competitive advantage.

Sustainability & Corporate Social Responsibility in SMEs



Corporate Social Responsibility (CSR) is not a new concept in European SMEs. [It is estimated that around half of all SMEs are engaged in various activities within their communities.](#) These include charitable donations to community projects, sponsorship for local football teams, working with non-profit organisations, and doing pro-bono work.

Expectations for sustainability come from your customers, your employees, government bodies, and other businesses with which you interact.

Many people think that social responsibility or corporate social responsibility is about large companies making extravagant donations to charities. Of course, what you are able to do is dependent on your size and budget, but it is mostly about running your business in a sustainable and responsible way. It is also about building relationships with your employees, suppliers, customers, and the community. What is in your Sustainability Report will be personal to you, and will depend on your size, operations, and location.

Communicating Sustainability in SMEs



Many SMEs are reluctant to communicate their socially responsible activities because they think this is just what large companies do, they are too modest to do so, or they simply have not considered it. You may not realise it, but many customers and your community ARE interested in what you are doing

to be socially responsible. The exercise of communicating your socially responsible practices can make you and your employees feel proud about what you are doing, and can be good for company morale. In fact, it is argued that, when smaller companies communicate their good practices, it results in a bigger impact than when larger companies do the same thing. The reason for this is that smaller companies are usually closer to the community than larger ones.

An SME is not expected to be doing everything



As an SME, you are not expected to be involved in all areas of social responsibility and sustainability. Moreover, you are not expected to do all the things that larger companies are doing. Most SMEs are already involved in social responsibility and sustainability to some extent. A sustainability report from an SME will never be the same as one from a large company, or even other small companies. Do not focus on what other people are doing. Instead, reflect on what you are doing and what you plan to do in the future.

Our best advice is, be yourself, be transparent, and create your own sustainability report.

If you want further information on this project, contact Supply Network Shannon through their website www.snshannon.com

