



SOUTH CAERNARFON CREAMERIES LTD

ENVIRONMENTAL STATEMENT

South Caernarfon Creameries (SCC) was established in 1938 by a group of local farmers and by today is Wales' leading dairy farmer owned co-operative with over 160 supplying members. Based on the Llyn Peninsula in North West Wales, an area of Outstanding Natural Beauty, SCC is at the heart of this community and employs around 200 full-time local staff that lives in the local region.

Our farm members are located in North Wales, Mid Wales and Ceredigion supply us with over 197 million litres of quality milk thanks to their cows grazing on the lush Welsh pastures. Using the locally sourced Welsh milk, together with the skills and knowledge gathered over the generations, allows us to produce exceptional quality Welsh cheese and Welsh butter that have been recognised by major awards. We supply our wide range of cheese and butter to the local Welsh market, to major multiples across the UK and to international stores.

We are proud of our Welsh roots, so much so that we retain our policy to only process Welsh milk; we have dual language on our packaging and have our very own successful brand of cheese called Dragon. Our Welsh language policy has been recognised by the Welsh language board.

Our farmers work together by having representation on the company board; they have a say in their future and contribute to the strategy of the Creamery. As our members, they do not just supply us with milk, they own the company.

Vision

SCC Ltd seeks to add the highest value possible to its members' milk through the processing and marketing of both branded and own label cheese resulting in SCC being the No1 choice for Welsh farmers for manufacturing milk.

Mission

To be an added value cheese producer selling a focused and award-winning range direct to major multiples, food service, food manufacturers and export markets by leveraging flexibility and provenance.

The Company has recently developed the site with the aid of Welsh Government grants which will see the cheese production annual capacity increasing to 21,000 tonnes. SCC is committed to addressing its impacts on the environment and gained the level 2 Green Dragon Environmental Standard in 2014 and achieving level 4 in 2021-22. As part of this future development, SCC will also continuously invest in more efficient equipment, its buildings, its fleet of vehicles and in renewable energy projects to reduce its Carbon Footprint.

Reducing our carbon footprint

We are continuously trying to improve our carbon footprint through:

- Measuring SCC Ltd.'s annual Carbon Footprint with a view to reducing this each year.
- Measuring our energy use in comparison to the site litres of milk throughput.
- Working with suppliers to look at ways to save on packaging use and where possible use more recyclable packaging.
- Closely monitor our packaging waste and recycling in line with our Ecosurety membership packaging waste obligations.
- Continuously investing in new Euro 6 engine milk collection vehicles that are more efficient to run and also emit less pollutants.
- Constantly monitoring the milk loads being collected in order to maximise our collection efficiency by using all the milk tank space within each vehicle.
- Organise milk collection routes efficiently and use milk collection shunting vehicles where possible in order to minimise the total distance travelled.

Sustainability

SCC Ltd. is committed to promoting sustainability. Concern for the environment and promoting a broader sustainability agenda is integral to our professional activities and the management of the organisation. We aim to follow and to promote good sustainability practice, to reduce the environmental impacts of all our activities and to help our members, customers and suppliers to do the same.

- We reuse or recycle office waste, including paper, computer supplies and redundant equipment and have set up recycling bins within the two office/canteen buildings.
- We endeavour to reduce the energy consumption of office equipment by purchasing energy efficient equipment.
- We try to minimise our use of paper and other office consumables, for example by double-siding all paper used, and sending documents electronically where possible.
- SCC has joined the WRAP food waste reduction roadmap. This is aimed at minimising as much food waste as possible.
- We supply departmental drinking water fountain machines for staff to avoid the use of plastic bottles.
- We support many Welsh charity events each year.

2025-26 Environmental Impacts

- Scope 1 and 2 emissions — 6998.42 tonnes of direct Greenhouse Gas Scope 1 emissions resulted from Company activities (diesel fuel, boiler oil and the release of refrigeration gases), and 1,718.26 tonnes of indirect Greenhouse Gas Scope 2 emissions resulted from the consumption of purchased electricity. Combining Scope 1 and 2 emissions results in a carbon intensity of 0.381 tCO₂e per tonne of cheese produced.
- Boiler oil usage — 1,889,944 litres of boiler oil were used to process 206,398,566 litres of milk, which equates to 0.009 litre of oil per litre of milk processed.
- Electricity usage — 9,707,702 kWh of electricity were used to process 206,398,566 litres of milk, which equates to 0.05 kWh per litre of milk processed.
- Water usage — 171,806 m³ of water were used to process 206,398,566 litres of milk, which equates to 0.83 litres of water per litre of milk processed.
- Waste management — From day-to-day operations, 412.93 tonnes of waste were recycled during 2025. A total of 236.88 tonnes were disposed of as mixed general waste, all of which

will be further segregated by our waste contractor for recycling, with approximately 3% of the remaining material going for incineration.

- Food waste performance — Food waste as a percentage of product produced and packed during 2025–26 was 0.182% in the Prepack department (compared with 0.183% the previous year), and 0.048% in the Cheese Production department (compared with 0.045% the previous year).

Environmental improvements at SCC include:

Regular energy and environmental updates to all employees through monthly reporting via departmental notice boards and newsletters.

- New LED bulbs lighting fitted to all the cold store warehouses. All lights replacements going forwards will change to LED.
- Installation of sub-meters to continually monitor electric, boiler fuel and water usage.
- Segregation of waste types at source enabling us to recycle our key waste streams:
 - General Waste
 - Cardboard
 - Plastics
 - Wood
 - Food Waste
 - Oil recycling
 - WEEE and Hazardous Waste
 - Scrap Metals

This statement was last updated in May 2026 and will be updated on an annual basis and made available to all interested parties. The statement will also be externally verified by Groundwork Wales as part of the re-assessment of the Green Dragon Level 4 audit.

Elwyn Jones
Compliance Manager / Company Secretary

Environmental Statement Validation

The information contained within this Environmental Statement has been sampled and validated by the Green Dragon auditor and found to be a fair and accurate assessment of the organisations activities and environmental performance over the past year within the organisations defined scope.

Lead Auditor: Robert Williams

Auditing Organisation: Groundwork Wales

Date of audit: 5th, 6th & 7th November 2025

Valid until: 18th November 2026

Validation of the Environmental Report does not confirm certification of the organisations Environmental Management System to the Green Dragon Standard. Confirmation of certification can be made by obtaining a copy of the organisations valid Green Dragon certificate or visiting the Green Dragon website at www.greendragonems.com