



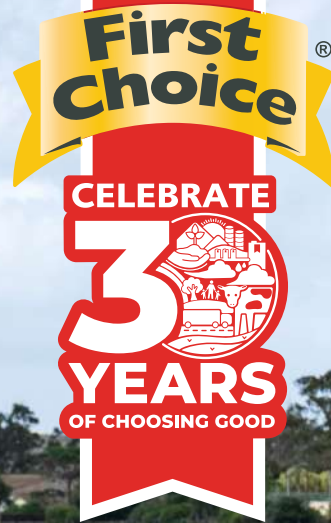
HOME  
OF



# ESG Report

Working towards our  
**Sustainable Future**

2025 Edition





# Woodlands Dairy Group Exco



*Back row from left: GM Sales: Tinus Pretorius; CFO: Owen Gush; GM Operations: Coenie Landman; GM Human Resources: Richard Hutton*

*Front Row from left: Marketing Exec: Marisa Maccaferri; CEO: Helen McDougall; GM Logistics: Loyiso Simon; CIO: Vyonne Davids*

# Fairfield Dairy Management Team



*COO: Barry Glanz*



*CFO: Alex Hopkins*

# Message from the CEO



As we present the 2026 ESG Booklet, we do so with a clear purpose: to share our progress, be transparent about our challenges, and reaffirm the commitments that guide Woodlands Dairy for the good of all. While this is our 2026 publication, the performance reflected here relates to the 2025 reporting period. It is therefore a record of the work, discipline and care demonstrated across our business and value chain during the past year.

Woodlands Dairy has grown significantly since our founding in 1995, and with that growth comes responsibility. Our sustainability journey, formally initiated in 2012, continues to mature into an integrated ESG approach that supports long-term value creation. This year also marks an important step for our Group as we begin to reflect Fairfield Dairy more intentionally in our ESG reporting. While Woodlands Dairy's sustainability journey is more established, Fairfield is at an earlier stage of formal ESG integration and disclosure. We see this as the start of a shared Group journey that will strengthen alignment, broaden accountability and support a more complete view of how we create value responsibly over time.

Environmental stewardship remains a core priority. Our ongoing transition towards renewable and lower-carbon energy sources, our focus on energy efficiency, and our commitment to responsible water use and reuse are central to how we operate. Through projects such as biomass, solar and biogas integration, continuous efficiency improvements, and responsible packaging innovation, we are working to reduce our footprint while ensuring the resilience of our operations in a changing world.

Equally, our progress depends on people. We continue to invest in safety, wellbeing and development across our workforce, while supporting education, health and social upliftment initiatives in the communities where we live and work. We believe sustainable success is built through shared value: creating opportunity, enabling dignity, and strengthening the resilience of our region and our country.

Strong governance underpins this work. We maintain rigorous food safety, health and safety, environmental and energy management systems, and we continue to strengthen our ethical foundations through clear policies, independent assurance processes and the work of our ESG committees. This booklet is part of that commitment to credible communication: it reflects measurable progress, acknowledges where we must do better, and keeps us accountable to our stakeholders.

To our employees, milk producers, customers, suppliers, shareholders and communities: thank you for your partnership and for holding us to high standards. I am proud of what we have achieved in the 2025 reporting year, and even more energised by the opportunity ahead as we continue working towards a more sustainable future.

*Helen McDougall*

CEO

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# Who we are

Woodlands Dairy is a leading South African dairy manufacturer based in Humansdorp, in the heart of the Eastern Cape's renowned dairy region along the scenic Garden Route. Founded in 1995 as a small packaging facility for milk from Woodlands Farm (owned by the Gutsche family), we have grown into one of South Africa's foremost producers of UHT milk and a broad range of value-added dairy products.

Fairfield Dairy is part of the Woodlands Dairy Group and a wholly owned subsidiary of Woodlands Dairy. With roots in the KwaZulu-Natal Midlands and a journey that began on a Curry's Post farm in 1987, Fairfield has built a proud reputation for being a dairy that strives to be the most trusted, respected and innovative in South Africa. The group's culture is anchored in values that put people first, integrity in word and deed, respect for all people, a focus on service, loyalty and a passion for what we do.

Together, Woodlands Dairy and Fairfield Dairy source high-quality milk from dedicated farms and produce an extensive portfolio including UHT and ESL milk, custard, dairy desserts, cream, butter, cheese, yoghurt, maas and other value-added offerings for leading South African retailers as well as our trusted First Choice brand. We are proudly South African and focused on creating shared value: delivering quality people can trust, strengthening the communities around us and embedding sustainability and ethical business practices across our operations and value chain.

## Our Vision

To be the most admired dairy company in Africa.

## Our Mission

To produce and deliver high quality food products, honouring our commitment to integrity, service excellence, conserving our environment, social upliftment and striving for growth and prosperity for all our stakeholders.

## Our Core Values

### **INTEGRITY IS PARAMOUNT**

We operate with integrity in all our dealings.

### **WE ARE PASSIONATE ABOUT WOODLANDS DAIRY AND OUR CUSTOMERS**

We are passionate about our business & brands.  
We are highly energised and diligent.  
We only produce and sell high quality products.  
We deliver on our promises to our customers.  
We strive for excellence in everything we do.  
We prize innovation that adds value.

### **WE CARE FOR THE ENVIRONMENT**

We strive to reduce the carbon footprint of our company and products.  
We strive to reduce all levels of usage and wastage of water and energy.  
We are diligent in our efforts to reduce pollution of any sort.

### **ALL PEOPLE ARE IMPORTANT**

We recognise the importance of our people.  
We recognise the importance of our local community.  
We are an equal opportunity employer.  
We believe in teamwork and accountability.  
We are open and respectful towards everyone.

### **WE GOVERN WOODLANDS DAIRY WITH EXCELLENCE**

We subscribe to the highest level of governance in all spheres of the business.





# Fairfield Dairy's Sustainability Journey

Fairfield Dairy is a KZN Midlands success story. Operations began at Fairfield Farm in Curry's Post (350 ha), where cows graze on pasture. Founded by Kevin and Shannon Lang in 1987, Fairfield started producing milk in 1991 and now supplies leading retailers including Woolworths, SPAR and Pick n Pay.

In November 2006, Fairfield commissioned a state-of-the-art facility on the N3 near Midmar Dam, with further expansions in 2010, 2012 and 2016. After a five-year process, Fairfield was acquired by Woodlands Dairy (Pty) Ltd in 2022 and continues to operate independently from the Woodlands factory.

## Our Sustainability Timeline

Always improving



# Environment



At Woodlands Dairy, environmental stewardship is a core pillar of our sustainability journey. Guided by the principles of the United Nations Sustainable Development Goals (UN SDGs), we focus on responsible production, climate action, sustainable resource management and the protection of ecosystems. Through continuous improvement and investment in technology and systems, we work to reduce our environmental footprint while supporting the resilience of our business and the communities we serve.

The United Nations has established 17 Sustainable Development Goals (SDGs) to be achieved by 2030. Woodlands Dairy and Fairfield Dairy supports several of these goals through its environmental management practices and operational initiatives.



## Goal 6: Clean Water and Sanitation

This goal aims to ensure the availability and sustainable management of water and sanitation for all. Woodlands Dairy accepts responsibility for both the water it consumes and the wastewater it generates. The majority of wastewater produced during manufacturing is treated at the on-site water recovery plant and reused where feasible, reducing freshwater demand and environmental impact.

Fairfield Dairy uses boreholes to reduce reliance on municipal supply and to ease pressure on local infrastructure. Borehole water contributed 28% of total water use, supporting more sustainable water management in surrounding communities.



## Goal 7: Affordable and Clean Energy

This goal promotes access to affordable, reliable, sustainable and modern energy. Woodlands Dairy continues to invest in renewable energy sources, including biomass, biogas and solar photovoltaic systems, reducing reliance on fossil fuels and lowering the carbon intensity of operations.

Fairfield has invested in solar to reduce reliance on grid electricity. In 2025, solar supplied about 14.2% of the factory's electricity, with additional panels being installed to further increase renewable energy use.



## Goal 11: Sustainable Cities and Communities

This goal promotes inclusive, safe, resilient and sustainable communities. Alongside our internal clean-up initiatives that encourage employees to take pride in their surroundings, Woodlands Dairy supports cleaner local environments through regular clean-ups along surrounding roads and by placing waste bins in and around the Kouga region to encourage responsible disposal and reduction of litter. These practical actions help prevent pollution, support local wellbeing and reinforce a shared culture of environmental responsibility.



## Goal 12: Responsible Consumption and Production

This goal focuses on waste reduction, safe chemical management and sustainable production practices. Woodlands Dairy actively measures and manages waste streams, improves recycling rates and implements process efficiencies to minimise waste generation across operations.

Fairfield Dairy promotes responsible resource use through efficient production that minimises waste and optimises raw materials, water and energy. Waste to landfill decreased from 34% (2024) to 28% (2025).



## Goal 13: Climate Action

This goal calls for urgent action to combat climate change and its impacts. Woodlands Dairy addresses climate risk through emissions reduction initiatives, improved energy efficiency and increased use of renewable energy sources.

Fairfield Dairy's Sustainability Department monitors resource use and implements initiatives to reduce emissions, improve efficiency and limit pollution. A GHG calculation tracks yearly emissions against production to measure efficiency improvements across finished goods.



## Goal 14: Life Below Water

This goal focuses on the protection and sustainable use of marine resources. By treating wastewater to appropriate standards and reducing pollutant loads, Woodlands Dairy contributes to the protection of downstream aquatic ecosystems.



## Goal 15: Life on Land

This goal aims to protect terrestrial ecosystems, combat land degradation and halt biodiversity loss. Through responsible sourcing and sustainable dairy farming practices, Woodlands Dairy supports improved land stewardship across its supply chain.

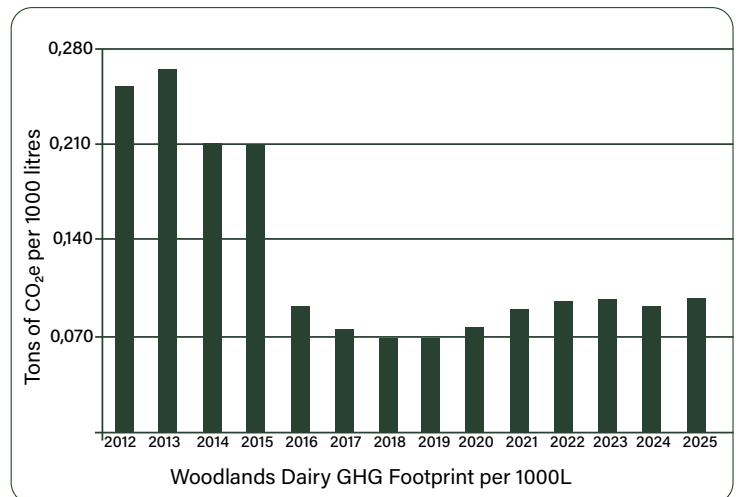
Fairfield Dairy supports biodiversity through a partnership with the KwaZulu-Natal Crane Foundation, which protects endangered crane species and conserves key wetland and grassland habitats.

# Climate Change

In 2025, Woodlands Dairy recorded an 11.6% increase in total greenhouse gas (GHG) emissions, primarily driven by fugitive refrigerant gas emissions, resulting from the absence of recorded refrigerant recovery during the year, alongside higher Eskom-generated electricity consumption linked to increased production volumes and greater biogas utilisation in response to rising energy demand.

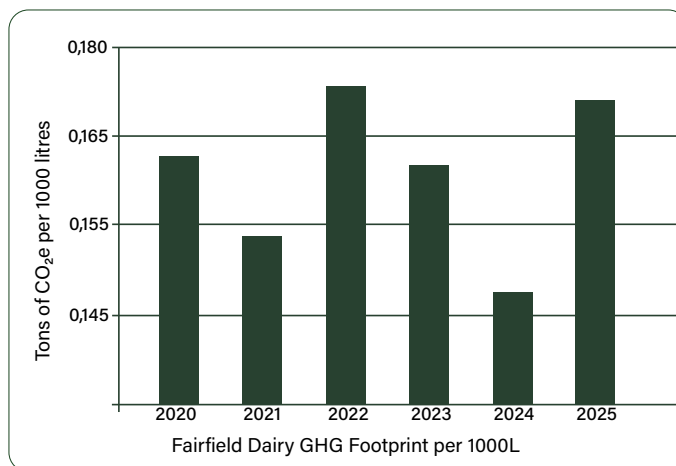
Despite the overall increase in absolute emissions, meaningful reductions were achieved in diesel, heavy fuel oil (HFO) and biomass-related emissions, reflecting improved fuel efficiency and a continued shift away from fossil fuel reliance.

Notably, emissions intensity increased only marginally, demonstrating that production growth was largely decoupled from fossil fuel consumption. These outcomes highlight both the operational challenges associated with scaling production and the effectiveness of ongoing efficiency and energy transition initiatives, reinforcing Woodlands Dairy's commitment to continuous improvement in climate performance.



**Woodlands Dairy's Trend In Emissions Intensity Over Time**

Measuring GHG emissions helps Fairfield Dairy understand environmental impact, identify inefficiencies and target mitigation actions. Tracking emissions per 1000 L supports transparency and alignment with sustainability reporting. From 2024 to 2025, GHG intensity increased from about 0.148 to 0.169 (2%), mainly due to higher electricity use linked to increased production volume. Overall efficiency did not decline; demand increased, reinforcing the need for ongoing monitoring.



**Fairfield Dairy's Trend In Emissions Intensity Over Time**

## Sustainable Dairy Farm Management

A sustainable approach to dairy farming—one that balances economic viability, environmental stewardship and social responsibility—is essential to ensuring long-term resilience and success across the dairy value chain. Woodlands Dairy actively supports its producer farms in advancing sustainable management practices through the structured implementation of the Dairy Standard Agency (DSA) assessment programme.

This comprehensive annual assessment evaluates compliance across critical focus areas, including legal and regulatory adherence, food safety, animal welfare, biodiversity management and staff wellbeing. The programme promotes continuous improvement by identifying non-compliances, which are formally communicated to producers for corrective action and monitored for closure. This structured approach strengthens accountability, transparency and consistent performance across all supplying farms.

### Environmental Stewardship

Environmental sustainability remains a strategic priority for Woodlands Dairy, with strong emphasis placed on soil and water management. These practices are fundamental to maintaining farm productivity, enhancing biodiversity and contributing to long-term carbon sequestration. Through the expertise of the Woodlands Dairy Sustainability Department and in-house soil laboratory, producers are supported with regular soil and water analyses, enabling data-driven decision-making and targeted interventions.

By understanding soil composition, nutrient dynamics and water availability, farmers are better positioned to optimise fertiliser application, irrigation scheduling and crop selection, thereby improving efficiency while minimising environmental impact. The implementation of efficient irrigation technologies and rainwater harvesting systems further contributes to responsible water stewardship, reducing reliance on natural resources and lowering energy consumption.

### Climate and Energy Efficiency

Reducing the consumption of fuel, electricity and gas plays a key role in lowering greenhouse gas (GHG) emissions and improving overall farm efficiency. Through the adoption of energy-efficient technologies and optimised operational practices, producer farms are progressively reducing their environmental footprint, supporting Woodlands Dairy's broader decarbonisation and climate resilience objectives.

### Social Responsibility and Community Impact

Social sustainability is embedded within Woodlands Dairy's sustainability framework. Ensuring safe working conditions, fair labour practices and staff wellbeing forms a cornerstone of responsible farm management. Furthermore, positive engagement with surrounding communities fosters trust, collaboration and shared value creation, strengthening the social resilience of rural farming regions.

By integrating environmental stewardship, social responsibility and economic performance, Woodlands Dairy is actively contributing to the development of a sustainable, resilient and responsible dairy farming sector in Southern Africa.

# TREATISE SUMMARY:

## Improving Nitrogen use Efficiency through Soil Health in Eastern Cape Dairy Pastures

### PhD: Portia Phohlo

Improving agricultural productivity while protecting natural resources is one of the central challenges facing modern farming systems. My PhD research focused on understanding how soil health, particularly soil biological processes, can be leveraged to optimise nitrogen use in dairy pasture systems, while reducing environmental impacts. The idea that nitrogen drives pasture yield is one of the most deeply embedded assumptions in dairy farming. It is grounded in a long and credible scientific history, from the pioneering experiments at Rothamsted in the nineteenth century to large-scale pasture research in New Zealand and Ireland. Under conditions of true nitrogen deficiency, the relationship is clear: applied nitrogen increases dry matter consistently and predictably. This understanding has shaped fertiliser recommendation systems globally, including in South Africa. The problem is not that the evidence for nitrogen responses is wrong; it is overwhelmingly correct under the conditions in which it was generated. The problem is the uncritical extrapolation of that evidence to systems that differ fundamentally from those in which it was generated.

South African dairy pastures, particularly under long-term irrigation, often have significantly higher

soil organic matter levels than the temperate systems where much of the foundational research was conducted. Higher organic matter enhances nitrogen mineralisation, meaning that soils can supply substantial amounts of plant-available nitrogen independently. This natural contribution reduces the marginal response to applied fertiliser nitrogen. Despite this, the nitrogen-centric paradigm continues to dominate advisory practices. Nitrogen rates remain the most frequently adjusted variable in farm management and increasing fertiliser application is often the default response when yield targets are not met. This research set out to test whether that response is justified, using five years of data from over 150 commercial irrigated fields across the Tsitsikamma and Cookhouse/Cradock regions. At the heart of the research was the soil itself not just as a medium for plant growth, but as a living system. Microbial communities drive nitrogen mineralisation, converting organic matter into the plant-available forms that feed our pastures naturally. The study monitored these biological processes alongside fertiliser inputs to understand how much nitrogen the soil can supply independently and how excessive fertiliser use interferes with that process.

### Key findings:

- High nitrogen application rates did not produce more pasture yield, indicating a point of diminishing returns. Fields receiving less than 200 kg N per hectare achieved similar annual yields to those receiving more than 350 kg N per hectare averaging around 16 tons of dry matter per hectare across all groups.
- Nitrogen use efficiency was more than twice as high at lower application rates requiring only 11 kg N to produce one ton of pasture, compared to 25 kg N per ton at the highest application rates.
- Over-fertilisation suppresses the soil's natural nitrogen cycling. High input fields mineralised only around 9% of their organic nitrogen annually, compared to 13% in low input fields meaning heavy applications actively undermine the soil biological processes.
- Excess nitrogen accumulates as nitrate, a leachable and energetically costly form of nitrogen for plants to assimilate that poses real risks to groundwater quality and contributes to greenhouse gas emissions.
- Pasture yield drivers differ meaningfully by region. In Tsitsikamma, soil pH, balanced calcium and magnesium ratios and avoiding nutrient oversupply matter most. In Cookhouse/Cradock, potassium availability and active carbon are the strongest positive drivers of productivity.

Taken together, these findings make a clear practical case. Reducing nitrogen inputs to around 200 kg per hectare or below and timing applications to coincide with peak mineralisation in spring and summer, can maintain competitive yields while cutting input costs and reducing environmental losses. Importantly, the results also highlight that a single fertiliser strategy is inadequate. Site-specific management (to paddock level), guided by soil health indicators, is essential for optimising both productivity and sustainability. This work supports a shift in how we think about fertilisation: from a purely input-driven system to one that works in partnership with natural soil processes. The outcomes are already being applied through the Woodlands Dairy Sustainability Project in partnership with Trace & Save where soil health data guides fertiliser recommendations on the ground. This ensures that the findings translate into practical, on-the-ground impact for our producers.

The work was conducted through Stellenbosch University under the supervision of Prof Pieter Swanepoel (Stellenbosch University, South Africa) and Dr Stefan Hinck (Osnabrück University, Germany).

Dr.  
**Portia  
Phohlo**



**Portia Phohlo**

Experienced Consultant, working for Trace and Save, with a demonstrated history of working in the dairy industry. Skilled in Sustainable agriculture, Natural Resource Management, Agronomy, pasture and soil management and Soil Sampling. Strong consulting professional who has recently earned a doctorate in philosophy from Stellenbosch University with a focus in Soil Science and Agronomy.

# Natural Resources

## Pollution, Packaging material & Waste

At Woodlands Dairy, responsible waste management forms part of our commitment to sustainable operations and healthier communities. Packaging waste is an inevitable by-product of food manufacturing and we focus on reducing its impact through prevention, accurate measurement, on-site separation and strong recycling partnerships. Our waste streams are sorted at source to minimise contamination and improve recovery rates, helping keep valuable materials in circulation and reducing what goes to landfill.

We also continue to strengthen the sustainability profile of our packaging. The paper-based components of our cartons are responsibly sourced and FSC-certified and we have incorporated renewable, plant-based polymers where feasible, supported by certifications such as Bonsucro. Independent verification, such as Carbon Trust certification on selected packs, helps demonstrate progress in reducing packaging-related footprint.

By prioritising recyclable packaging design and responsible material choices, we contribute to circular economy principles while meeting the quality and safety expectations of our customers and consumers.

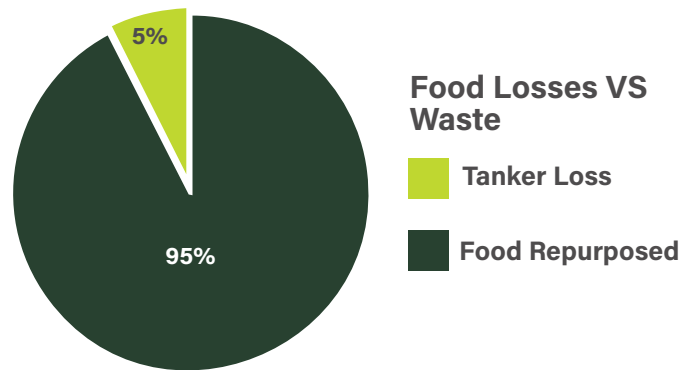
In 2025, we used two “Advert on Pack” (AoP) campaigns in partnership with Tetra Pak to take recycling and sustainability messaging directly to consumers at the point of use. AoP is dedicated media space on our cartons that enables high-reach education on responsible disposal and carton recycling, supporting our broader circular economy goals. This is important because packaging can only be recycled when it is correctly disposed of and collected. On-pack messaging reaches consumers at the exact moment they are making that decision. By using AoP, we help improve awareness, reduce litter and encourage everyday actions that keep packaging in the recycling stream and out of the environment.

# Scan to Watch the Milk Carton Story



## Food Waste

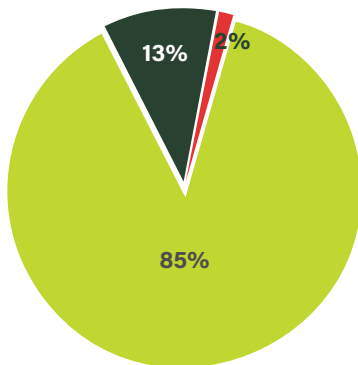
In 2025, food waste volumes decreased by 6% compared to the previous year. Elevated tanker losses in 2024, linked to the Foot and Mouth disease outbreak, normalised during 2025. The reduction in food waste was largely driven by improved operational discipline and process optimisation by production teams, resulting in lower product losses and improved overall efficiency.



Woodlands Dairy's Food Losses vs Waste

## Recycling VS Landfill

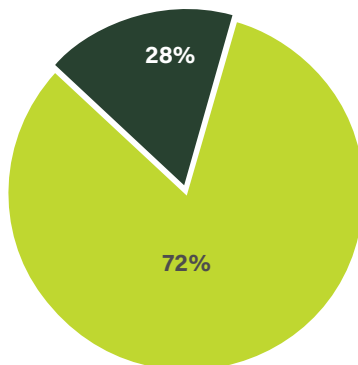
- Recycled
- Landfill
- Biohazard Waste



Woodlands Dairy's Recycling Vs Landfill

## Recycling VS Landfill

- Recycled
- Landfill



Fairfield Dairy's Recycling Vs Landfill

## Waste Recycling

In 2025, Woodlands Dairy strengthened its waste management programme through improved measurement and monitoring of waste streams. Enhanced data collection enabled the identification of additional recycling opportunities and more accurate tracking of waste diversion. Based on year-to-date results, 85.3% of waste was diverted to recycling, 12.9% was sent to landfill and 1.7% was classified as biohazard waste.

These outcomes reflect the effectiveness of on-site waste segregation, improved record-keeping and ongoing employee awareness initiatives, supporting further reductions in landfill disposal and alignment with circular economy principles.

Monitoring waste helps Fairfield target reductions, strengthen recycling and progress toward its sustainability and zero-waste-to-landfill objectives. In 2025, 72% of solid waste was recycled (increased from 68% in 2024), while landfill disposal reduced to 28% (from 34%). This improves resource efficiency, reduces environmental impact and supports circular economy practices by diverting waste from landfill.

# Opportunities in Renewable Energy

Woodlands Dairy continues to advance its commitment to clean energy through the installation of a rooftop solar photovoltaic (PV) system on the main warehouse building. The system has a total installed energy capacity of 2.8 MWh and is designed to generate electricity in two phases, with phase one projected to produce approximately 1.52 GWh annually and phase two an additional 1.21 GWh.

The solar installation is structured to support four key operational areas:

- **LV1 (Services): 300 kW**
- **LV2 (Processing): 550 kW**
- **LV3 (Milk Reception and Milk Powder): 130 kW**
- **LV4 (Speed Lines): 500 kW**

In 2025, the solar PV system generated 2,298,438 kWh, supplying approximately 8% of our total electricity requirements and avoiding an estimated 2,263.96 tonnes of CO<sub>2</sub>e emissions. This investment strengthens our energy resilience and supports our ongoing transition towards a lower-carbon energy mix.



# Energy Management Systems: ISO 50001 Certification

## Woodlands Dairy Earns ISO 50001 Recertification for Energy Management Excellence

Woodlands Dairy is proud to maintain ISO 50001:2018 certification, confirming the robustness of our Energy Management System (EnMS). More than a compliance requirement, the EnMS is a strategic management tool that embeds energy and water efficiency into daily operations and long-term planning. It enables us to identify significant energy uses, set measurable efficiency targets at departmental level and monitor performance over time. Through ongoing analysis, we can identify inefficiencies early and implement targeted interventions such as equipment optimisation, maintenance improvements and staff training. In doing so, the EnMS supports the reduction of Scope 1 and Scope 2 emissions and strengthens the quality of energy data that informs broader emissions management. Monitoring, managing and improving energy performance has become part of our culture, delivering measurable reductions, cost savings and long-term environmental benefits.

Since achieving ISO 5001 certification in 2022, Woodlands Dairy has placed increasing emphasis on the accurate measurement of energy inputs. Biomass represents the company's largest energy source and plays a critical role in steam generation. To improve data accuracy and support energy performance monitoring, a weighbridge was procured and installed by the Logistics department in 2025. The weighbridge provides precise weight measurements for every biomass delivery, strengthening energy production calculations and performance analysis. This enhancement supports ISO 5001:2018 audit requirements, improves supplier accountability and provides a robust foundation for continuous improvement in renewable energy management. The weighbridge investment reflects Woodlands Dairy's commitment to credible ESG reporting, operational excellence and responsible energy stewardship.

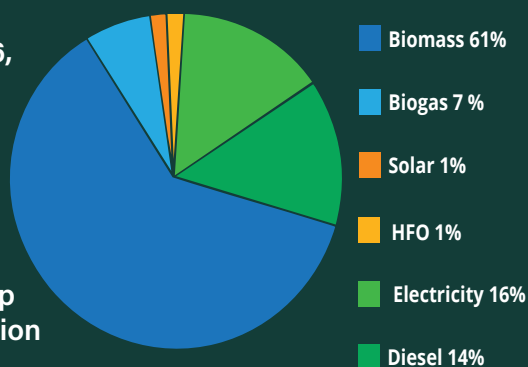


## Energy Usage

Woodlands Dairy utilises a diversified energy mix including electricity, diesel, biomass, heavy fuel oil (HFO), biogas, solar PV and fugitive gases. Since the introduction of biomass in 2016, renewable energy has become the dominant source of thermal energy. In 2025, biomass accounted for 61% of total energy consumption, supported by two operational biomass boilers.

When combined with biogas and solar PV, renewable energy sources contributed 69% of total energy use for the year. Biomass energy values are calculated using measured woodchip moisture content and calorific value to ensure accurate conversion to kilowatt-hours and data inputs and methodologies are continuously refined with industry specialists to maintain alignment with best practice.

Energy source as % of total energy 2025



# Electricity Usage

In 2025, Woodlands Dairy recorded a 5% increase in total electricity consumption compared to the previous year. This increase was primarily driven by higher milk intake volumes and the continuous operation of the water treatment plant throughout the year, compared to the partial shutdown experienced in 2024.

Fairfield Dairy's 950-kW solar PV system (LV1 supplying production areas) provides an opportunity to reduce fossil-fuel reliance, lower energy costs and cut greenhouse gas emissions. Electricity consumption rose 6.9% from 92.80 kWh/1000L (2024) to 99.19 (2025), in line with increased yoghurt production.

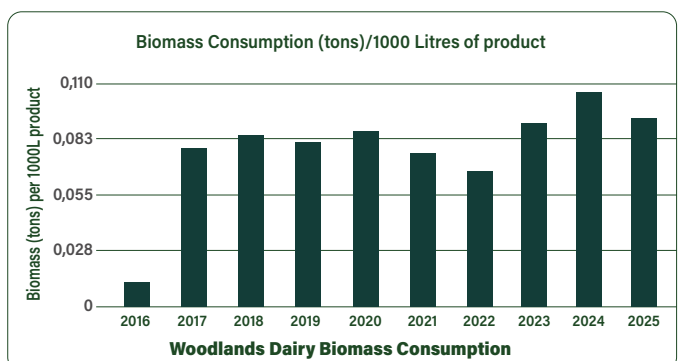
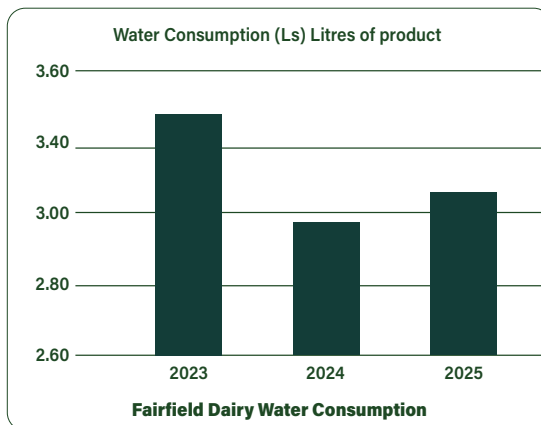
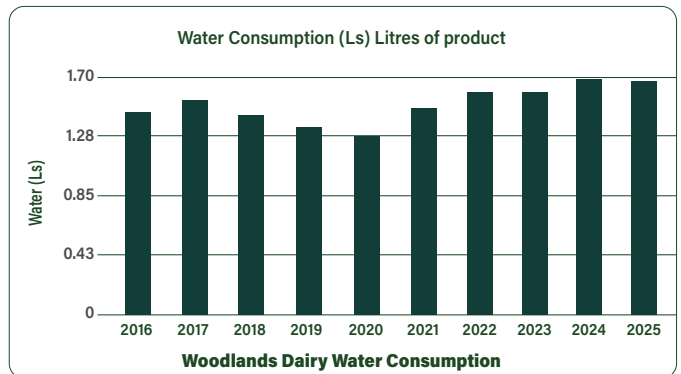
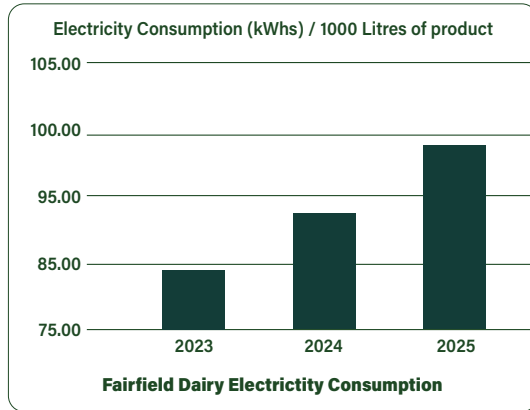
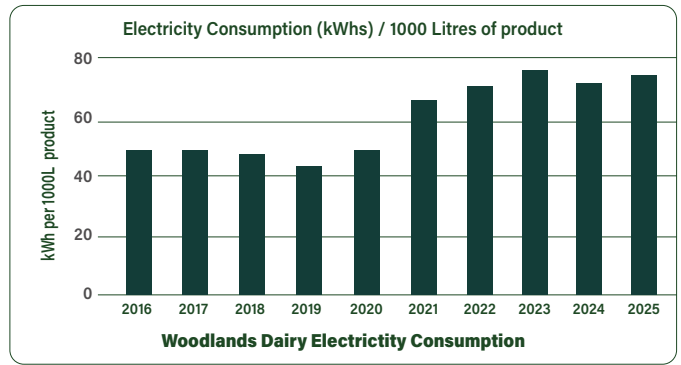
# Water Usage

In 2025, Woodlands Dairy recorded a 3% increase in water use, with an efficiency improvement of nearly 1%. The higher water use can be attributed to higher milk volumes for 2025 compared to 2024, along with additional water requirements associated with the reverse osmosis.

Water consumption at Fairfield Dairy increased 7.2% from 2.92 L/L to 3.14 L/L, driven by higher water demand for yoghurt production.

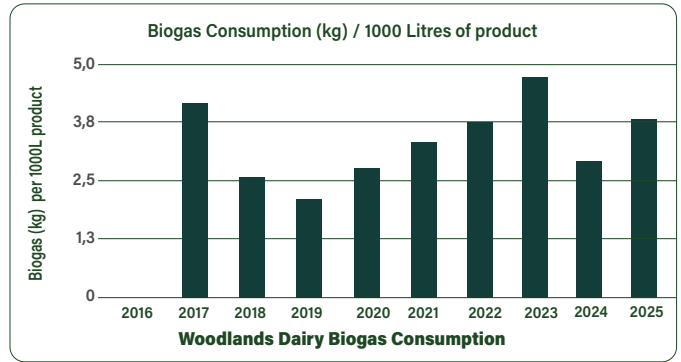
# Biomass Usage

Biomass consumption decreased by 13% in 2025, while efficiency improved by 16%. This improvement was primarily driven by drier biomass received from suppliers and reduced biomass demand following the restoration of biogas steam generation after the 2024 wastewater treatment plant refurbishment.



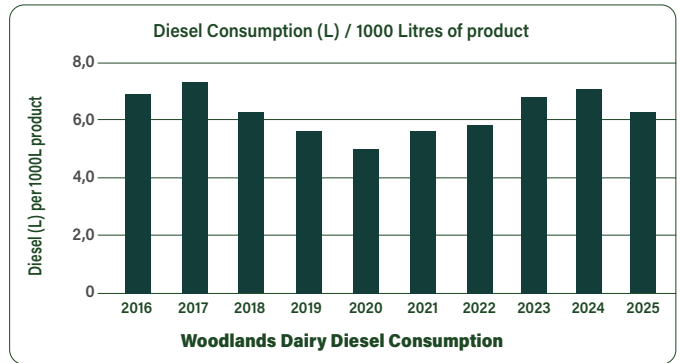
# Biogas Usage

In 2025, biogas steam production at Woodlands Dairy increased by 27% compared to the previous year. This improvement reflects the recovery from the wastewater treatment plant shutdown in 2024. Operational challenges toward the end of 2025 constrained production levels, resulting in lower-than-anticipated output.

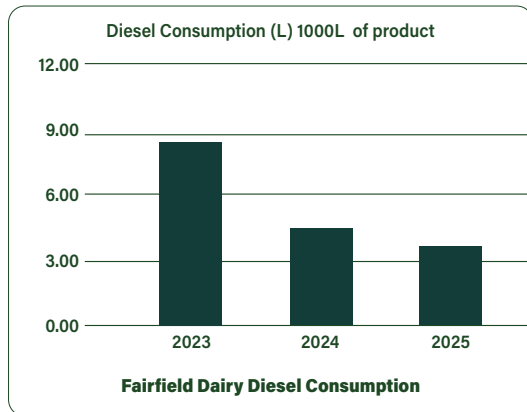


# Diesel Usage

In 2025, Woodlands Dairy achieved a 2.2% reduction in total diesel consumption. The most significant contribution was recorded within the delivery vehicle fleet, where diesel usage declined by 18% year-on-year.

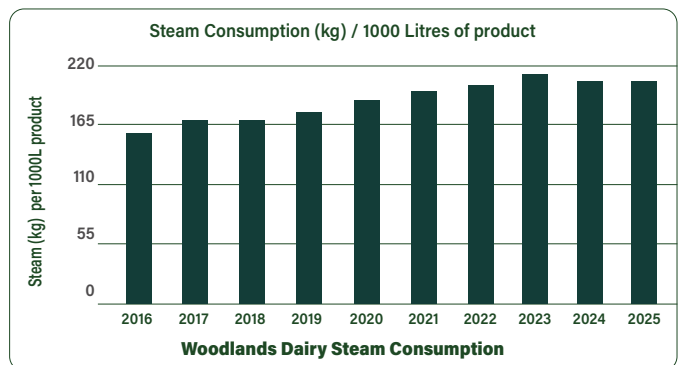


Fairfield Dairy's diesel consumption continued to decline in 2025, resulting in a 57.2% reduction over three years. Lower use was also supported by reduced loadshedding compared with 2024.

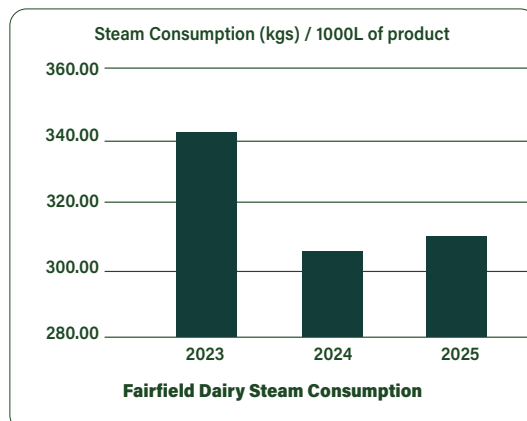


# Steam Usage

In 2025, the steam usage ratio at Woodlands Dairy decreased by 1%, indicating improved efficiency. Total steam consumption increased by 3.6%, reflecting higher production volumes. Targeted maintenance activities undertaken mid-year identified and repaired steam leaks, reinforcing the company's commitment to continuous improvement.



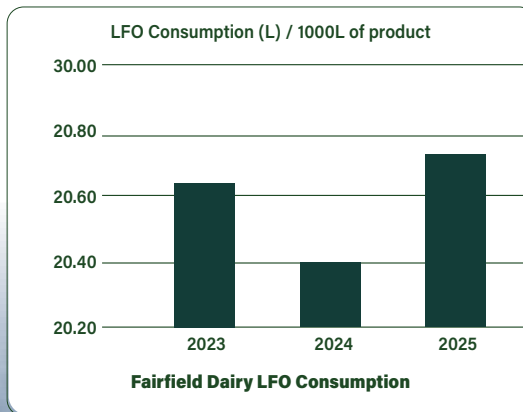
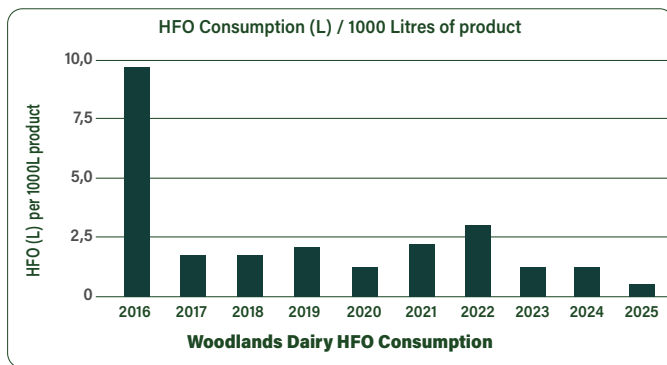
Fairfield Dairy's steam consumption increased 1.2% from 306.76 kg/1000L (2024) to 310.40 (2025) and remains 8.9% lower than 2023 levels, indicating sustained efficiency gains.



## HFO & LFO Usage

In 2025 at Woodlands Dairy our HFO (Heavy Fuel Oil) consumption decreased by 40% in 2025. This reduction was largely attributable to increased steam generation from the two biomass boilers, supplemented by steam produced from the biogas plant, significantly reducing reliance on fossil fuels for steam supply.

Fairfield Dairy's LFO (Light Fuel Oil) consumption increased from 20.40 L/1000 L (2024) to 20.73 (2025) due to intermittent operation of three boilers during biomass boiler implementation. Once commissioned, the biomass boiler is expected to significantly reduce fuel use.



# Social



Woodlands Dairy Group's social sustainability focus is centred on people, our employees, the communities where we operate and the partners who help us create shared value. Across Woodlands Dairy (Humansdorp) and Fairfield Dairy (KwaZulu-Natal Midlands), we are committed to safe and fair workplaces, skills development and meaningful community investment. Our social priorities are aligned with the United Nations Sustainable Development Goals (UN SDGs) and are reflected in how we support wellbeing, opportunity and inclusion.

United Nations Sustainable Development Goals - Social Focus  
Our key social programmes support the following SDGs:



## Goal 1: No Poverty

As a major employer in the regions where we operate, the Woodlands Dairy Group provides employment to almost 2000 people, helping to support local livelihoods and contribute to economic resilience. Fairfield Dairy is one of the largest employers in Umgeni Municipality (±450 employees).



## Goal 2: Zero Hunger

Woodlands Dairy supports food security initiatives through contributions to feeding schemes and community partners, providing nutritious dairy products where they are most needed. Fairfield Dairy provides both weekly and ad-hoc product donations to support local hunger relief efforts.



## Goal 3: Good Health and Wellbeing

At Woodlands Dairy, employee wellbeing is supported through access to occupational health and safety programmes, an on-site clinic and employee wellness support, alongside a strong safety culture aligned to ISO 45001. Fairfield Dairy's commitment to good health and well being includes GP contributions, a monthly on-site clinic, annual medical examinations and the maintenance of a safe working environment.



## Goal 4: Quality Education

Woodlands Dairy invests in learning and development through internal training, apprenticeships and learnership programmes, as well as educational assistance and bursaries that help build skills for the future. Fairfield Dairy's support for quality education includes ongoing upskilling through internal and external training, opportunities for tertiary study and learnerships for both employed and unemployed individuals.



## Goal 5: Gender Equality

Woodlands Dairy Group is committed to equal opportunity, fair treatment and inclusion and we continue working to strengthen representation and progression for women across our operations.



## Goal 10: Reduced Inequalities

Woodlands Dairy aims to build a fair and respectful workplace through above-minimum compensation practices, access to benefits, clear grievance procedures and channels to report concerns.

# Human Capital

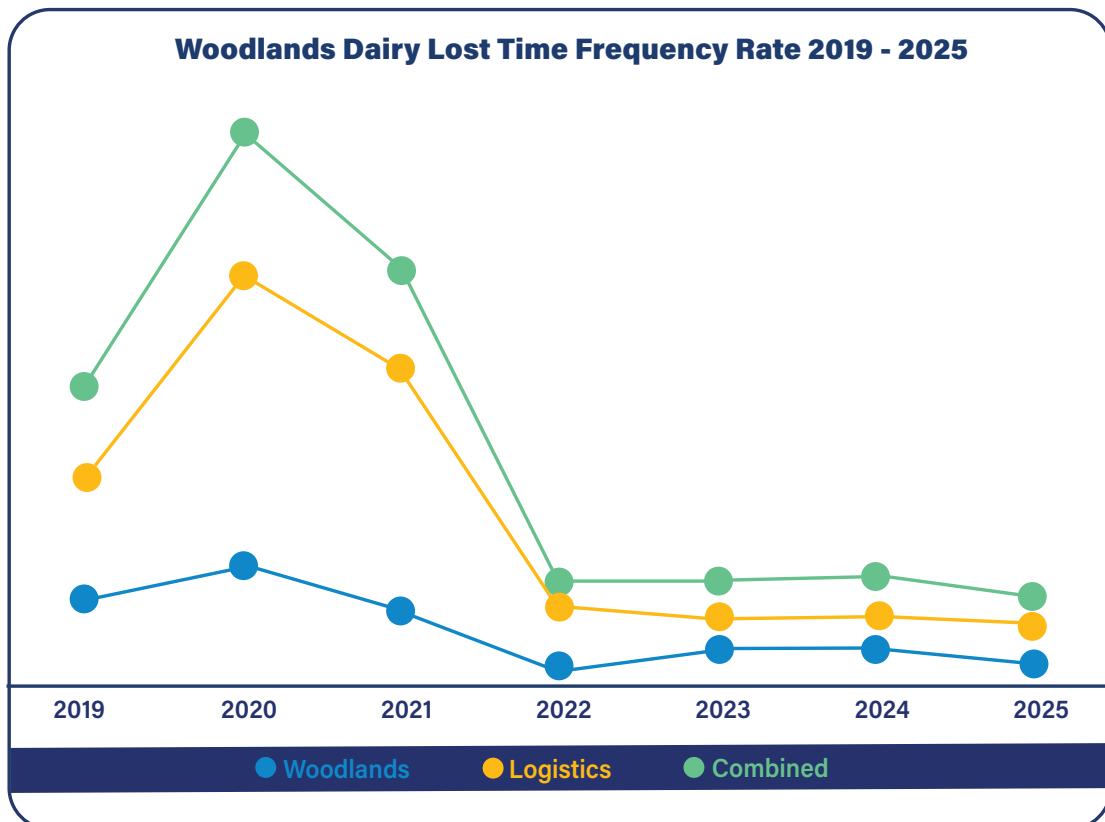
At Woodlands Dairy, we acknowledge that our employees are fundamental to the success and long-term sustainability of the business. We are committed to providing a work environment that is safe, healthy, supportive and empowering for everyone. Our human capital initiatives are aligned with applicable national legislation, international standards and recognised best-practice frameworks, reflecting our conviction that safeguarding and developing our people is essential to achieving sustained operational excellence.

## Health & Safety

The Health and Safety Department at Woodlands Dairy, comprising six dedicated professionals, made significant progress in 2025. We successfully reduced our combined Lost Time Frequency Rate to 1.3, recording only five disabling injuries. While the total number of injuries remained consistent with previous years, the severity of incidents decreased considerably, resulting in fewer WCA claims.

Over the year, we provided health and safety training to more than 700 employees. Our health and safety induction program was expanded, with 1,140 individuals - including employees, contractors and visitors - receiving induction training. We hosted a highly successful World Health and Safety Day featuring participation from vendors and suppliers and continued to drive ongoing safety campaigns, internal training sessions and annual Health and Safety Achievement Awards. We maintained our ISO 45001 certification and rolled out specialised, multi-disciplinary training programmes to over 640 employees, focusing on key risk areas. These initiatives have further strengthened a culture of personal responsibility and commitment to workplace safety.

Following the conclusion of Fairfield Dairy's Health & Safety second internal ISO 45001 gap analysis, we are working towards accreditation and completing our Stage 1 Audit before the end of 2026. Our safety team includes 16 Safety Representatives, strengthening our safety culture. The team has completed HIRA (Hazard Identification and Risk Assessment) training to better identify departmental hazards. iComply, introduced at the end of 2025, supports record-keeping, checks, inspections and incident logging as we continue our ISO 45001:2018 certification journey



## On-Site Clinic

Woodlands Dairy's on-site clinic plays a vital role in supporting employee wellbeing. Operated by qualified professional nurses and a part time occupational doctor, the clinic provides a comprehensive range of primary healthcare services to employees throughout the organisation.

### KEY SERVICES INCLUDE:

- Pre-employment and annual medical examinations to support ongoing health monitoring and fitness-for-duty assessments
- Management of chronic conditions, including blood pressure monitoring, diabetes screening and continuous health support
- Primary healthcare consultations aimed at the early identification and treatment of common illnesses
- Attending to injuries on duty
- Health education and wellness initiatives that encourage proactive personal health management and informed family planning

Fairfield Dairy supports employee wellbeing through monthly on-site mobile clinic services, which facilitate early detection, routine check-ups and ongoing health awareness. All employees receive an annual medical examination at the company's expense. Additionally, quarterly SANBS blood drives are organised to encourage community support and participation.

By providing convenient access to quality healthcare at the workplace, we help minimise downtime, enhance employee wellbeing and support a healthier, more resilient workforce.



Left to Right: Uysa Ruiters, Mariska Matiwana, Sophia Botes

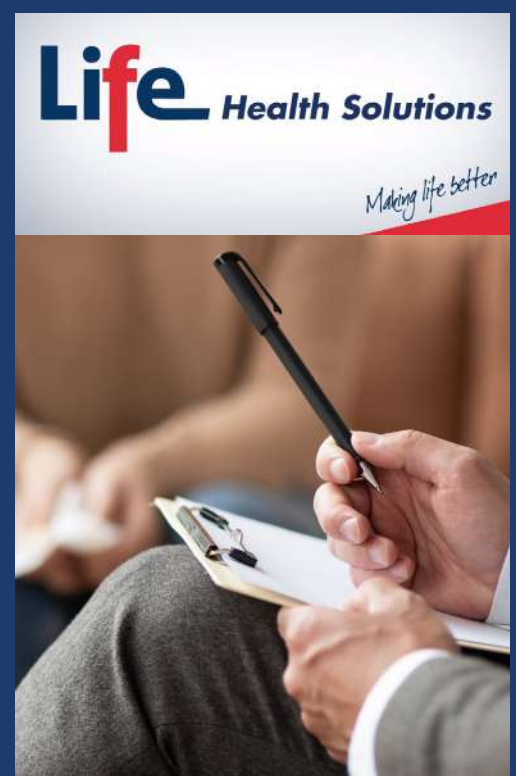


## Employee Assistance Programme

Woodlands Dairy's Employee Assistance Programme (EAP), delivered in partnership with Life Health Solutions, provides a variety of services including:

- Offers on and off-site counselling sessions with qualified professionals
- Provides telephonic counselling for immediate assistance
- Includes referral services to specialist providers when needed
- Delivers confidential psychological and emotional support to employees and their immediate family members
- Offers first-line financial and legal assistance
- Provides trauma debriefing and management services
- Supports employee wellbeing through wellness workshops
- Promotes mental health awareness initiatives

By ensuring access to professional and confidential support, the EAP assists employees in managing both personal and work-related challenges and contributes to a positive, supportive and inclusive workplace culture. Which, in turn, nurtures employee resilience, enhances mental wellbeing and encourages a healthy work-life balance.



# Youth Engagement

In 2025, Woodlands Dairy participated in the Working World Expo, engaging with Grade 12 learners and unemployed youth. Our team shared information on career opportunities across the dairy and FMCG sectors and promoted our learnership and skills development programmes. The expo created an opportunity to connect with future talent, reinforce our commitment to youth empowerment and strengthen our presence as a socially responsible employer contributing to community development.



# Employee Development & Assistance

Woodlands Dairy is committed to investing in people - both within our workforce and beyond. Through a range of purposeful initiatives, we promote skills development, educational growth, personal empowerment and positive socio-economic impact

## Bursaries for children of staff

Woodlands Dairy supports learning beyond the workplace by extending educational assistance to the families of our employees. Through a dedicated bursary programme, we provide financial support to employees' children who are commencing their first year of study at Nelson Mandela University. This support contributes towards tuition fees and reflects our belief in creating pathways to opportunity and long-term advancement. In 2025, 1 student received bursary funding to further their education in the field of B.Com Accounting, enabling them to begin their tertiary studies with reduced financial pressure. By investing in education at family level, this initiative helps shape future potential while reinforcing our commitment to the people and households that form part of the Woodlands Dairy community. Fairfield Dairy's bursary programme supports employees and their children to further their studies, reducing financial barriers and promoting continuous learning and skills development.

## Medical Aid Schemes

Woodlands Dairy provides medical aid cover to all permanent employees as part of its employee benefits offering. Employees may choose from a selection of approved medical aid schemes, allowing them to select coverage that aligns with their individual and family healthcare requirements. This benefit reflects our ongoing commitment to supporting the health and wellbeing of our people beyond the work environment.

## Development of Unemployed Learners

Youth development forms a key pillar of our social responsibility focus. Through our learnership programmes, we create opportunities for unemployed matriculants aged 29 and under to gain accredited skills and practical workplace exposure in production technology. On completion, learners are better positioned to access permanent employment opportunities, either within Woodlands Dairy or elsewhere in the industry. In 2025, the programme welcomed 75 learners enrolled in the Intermediate Occupational Certificate: Liquid Dairy Reception Operator, demonstrating our ongoing commitment to youth empowerment and economic participation. These learnership initiatives are supported in part through discretionary grant funding from the FoodBev SETA.

## Dairyman Occupational-Based Trades

Maintaining excellence in dairy manufacturing depends on a capable and well-trained workforce. To support this, Woodlands Dairy currently has five learners who are enrolled in SAQA-registered Dairyman occupational qualifications for cheese, butter and milk powder manufacturing. This investment strengthens our technical capability by developing specialised skills that are essential to the long-term sustainability and performance of our operations.

At Fairfield Dairy we currently support three learners completing the Dairyman Occupational Certificate (Fermented Dairy Products Maker) to upskill key employees.

## Long Service Awards

Fairfield Dairy's long service allowance and leave recognise employee dedication, supporting satisfaction and long-term commitment.

## Artisan Development

To ensure that Woodlands Dairy has a pipeline of technical expertise that is equipped to support the technical complexity of the dairy manufacturing environment, Woodlands Dairy continues to invest in youth focused, millwright artisan development. In 2025, eight apprentices were enrolled as Millwright Apprentices. This initiative is partially funded by the FoodBev SETA through discretionary grant funding.



*Standing Left to right: Roashan Kara, Kuhle Radana, Darren Van Rooyen, Sivuyiseni Maphaphu, Liyema Jacobs, Sisipho Stathu  
Seating: Lungile Pakade & Vuyisa Tafane*

# Leadership Development

At Woodlands Dairy, we view strong leadership as a key driver of sustainable business performance. During 2025, a total of 8 learners participated in management learnerships at NQF Levels 4 and 5, aimed at developing both managerial competence and personal leadership capability. These programmes focus not only on core management skills but also on cultivating the mindset and behaviours required in a modern, responsible organisation.

In addition, 10 employees took part in a leadership skills development programme designed to prepare participants for progression into formal leadership qualifications. Collectively, these initiatives support the development of confident, purpose-driven leaders who contribute positively to the organisation's ongoing success.

At Fairfield Dairy, ongoing leadership training and learnerships strengthen capability across the business. In 2025, nine employees completed the NQF4 Generic Management learnership.



Back (left to right): Nicolene Leander, Benjamin Jacobs, Thembinkosi Bunu, Tolbert Kanyangarara, Masonwabe Plaatjie and George Fleisher.  
Seated (left to right): Surina Petrus, Celelwa Songelwa, Mandisa Hani, Busisiwe July and Sibongile Ndimande.

# Tertiary Education Support

Woodlands Dairy actively invests in the continuous development of its people who express a desire to grow. Through our tertiary education assistance initiative, qualifying employees are supported financially to pursue part-time higher education that aligns with their professional goals and organisational needs. In 2025, funding was granted to 16 employees, reinforcing our commitment to developing internal capability and expanding the depth of knowledge and expertise within the business. In addition to current study support, we also recognise and record employees who have successfully completed tertiary qualifications or treatises, as these achievements strengthen organisational capability and reflect our culture of continuous learning.

<b>Thokozani Zaza</b>	MBA Treatise: Exploring Key Challenges Employees Face in the Adoption of Industry 4.0 within an FMCG Company
<b>M. Maccaferri</b>	MBA Treatise: Factors Affecting Consumer Consumption Behaviour towards Green Marketing in Gqeberha's Dairy Industry
<b>Dr Portia Phohlo</b>	PhD Agronomy
<b>Ms PNN Mngomezulu</b>	Diploma in Marketing Management
<b>Ms NV Khomo</b>	MIB BSC Honours (Life Sciences)
<b>Mr IW Wellington</b>	Post Graduate Diploma in Project Management
<b>Mrs S Fongqo</b>	Post Graduate in Business Management
<b>Mr N Macozoma</b>	Advanced Diploma in Business Management

## TREATISE SUMMARY:

# Exploring Key Challenges Employees Face in the Adoption of Industry 4.0 within an FMCG Company

## MBA: Thokozani Zaza

This treatise explores the views and experiences of employees at a dairy manufacturing FMCG company in the Eastern Cape, focusing on the key challenges employees face when Industry 4.0 technologies are introduced. Using in-depth interviews, the study identifies practical and human-centred barriers to successful technology adoption, including skills gaps, change resistance, job-security concerns and operational disruption. The findings reinforce that digital transformation succeeds when it is matched by deliberate investment in education, training and change management—supporting both productivity and employee wellbeing.

- **Skills development is the central lever:** A shortage of digital skills and limited familiarity with new systems were highlighted as critical barriers—confirming the need for structured upskilling and reskilling programmes.
- **Change management and communication matter:** Resistance to change and a lack of effective communication increased uncertainty and slowed adoption; employees need clear information, involvement and feedback channels during transitions.
- **Protecting dignity and job security supports adoption:** Fear of job losses created anxiety; transparent workforce planning and supportive transition measures help maintain trust and morale.
- **Operational readiness reduces disruption:** Technology integration challenges, downtime and production delays underscore the value of readiness assessments and dedicated support/maintenance capability.
- **Inclusive learning across generations:** The study notes different responses across generational cohorts, with older employees generally more resistant—reinforcing the importance of tailored, accessible training that values practical experience and builds digital confidence.

The treatise shows that Industry 4.0 is ultimately a people journey, progress depends on continuous learning, fair and supportive transitions and building future-fit skills that enable employees to participate confidently in a changing workplace.

## Author Thokozani Zaza



Thokozani Zaza is a certified Training and Development Practitioner with a technical background, currently serving as HRD Manager at Woodlands Dairy. An accredited assessor with CHIETA, ETDP and FOODBEV SETAs, specialising in the chemical, pharmaceutical and dairy sectors. Experienced in aligning learning strategies with business goals, managing career pathing, identifying skills gaps and ensuring regulatory compliance, while optimising SETA grant funding. Recently completed an MBA at Nelson Mandela University.

# Employee Engagement

At Woodlands Dairy, the principle that all people are important remains central to how we lead and engage our workforce. We recognise that employee engagement is a critical driver of sustainable performance and long-term success and we remain committed to fostering a work environment that supports inclusion, collaboration and continuous development. Our annual Staff Engagement Survey provides valuable insight into employee sentiment, enabling leadership to understand what is working well and where focused improvement is required.

## THE SURVEY EVALUATES 12 KEY DIMENSIONS OF THE EMPLOYEE EXPERIENCE:



## Survey Participation & Results

Year: Number of Employees Participating and Overall Engagement Result

- 2024: 968 employees Achieved 84% (down from 89.1% in 2023)
- 2025: 1037 employees Achieved 92.8%

In 2024, engagement declined compared to the prior year, with key focus areas identified as work-life balance, opportunities for growth and relationships with management. In response, management implemented focused actions during 2024 and early 2025, including departmental deep-dive engagements, clearer role and reporting alignment and improved feedback loops. These actions contributed to a notable improvement in overall engagement in 2025, alongside stronger confidence in leadership responsiveness and improved clarity at departmental level.

### Ongoing Engagement and Communication

- Beyond the annual survey, Woodlands Dairy maintains a multi-channel approach to employee engagement and communication
- Direct SMS communication to ensure critical updates reach employees quickly and inclusively
- Online platforms and Social Media for company news, wellness initiatives, recognition programmes and key publications
- Annual townhall meetings where leadership shares strategic updates and celebrates milestones
- Monthly Executive Committee Feedback to Jnr Management, following each Exco meeting, to ensure alignment and transparency across the organisation

The improvement reflected in the 2025 engagement results reinforces our commitment to listening to our people and acting on their feedback. We remain focused on building a workplace where employees feel valued, supported and empowered to contribute meaningfully to the continued success of Woodlands Dairy.

At Fairfield Dairy, we are committed to open communication, inclusion and a positive workplace culture to make our company the best place to work. We utilise various feedback platforms, team-building activities and recognition programmes to ensure employees feel valued - contributing to enhanced morale, retention and productivity. In 2025, our employee engagement score increased from 89.5% to 90.7%, while the survey completion rate rose from 89.2% to 89.9%, reflecting growing participation and satisfaction across the team.

**Further engagement initiatives include:**

- **Employee Engagement Committee:** Department representatives meet regularly with senior management to facilitate two-way communication and address employee concerns.
- **Annual Awards Ceremony:** This event celebrates company achievements, recognises long service and honours outstanding performance, while also keeping employees informed about company progress.



## Product Safety and Quality

### Woodlands Dairy - Food Safety System Certification

Woodlands Dairy's licence to operate is grounded in the safety, quality and integrity of the products we supply.

We maintain a strong commitment to food safety through certification to the internationally recognised FSSC 22000 Food Safety Management System. Managed by the Foundation FSSC 22000 and governed by an independent board of industry stakeholders, this certification provides a robust framework for identifying, managing and mitigating food safety risks across our operations.

FSSC 22000 is recognised by the Global Food Safety Initiative (GFSI), providing customers and partners with assurance that Woodlands Dairy operates under a globally benchmarked food safety system. Our certification confirms that systematic controls are in place to protect consumers, safeguard public health and support full traceability and accountability across our value chain. We undergo regular third-party audits by accredited certification bodies, as well as client-specific audit programmes, reinforcing transparency and continuous improvement.

Product safety and quality are material ESG priorities: they sit at the intersection of consumer wellbeing (social responsibility) and strong governance (risk management, compliance and assurance). By maintaining internationally recognised certification and independent verification, we strengthen stakeholder trust, reduce the risk of incidents or recalls and help ensure that the products reaching consumers consistently meet the standards they expect.



# Fairfield Dairy - Food Safety System Certification

Fairfield Dairy is one of the first companies in South Africa to obtain FSSC 22000 certification in 2014.

- **Weekly Food Safety and Quality Talk:** Short weekly discussions to reinforce key food safety and quality practices among employees.
- **Weekly Food Safety and Quality Report:** A summary report shared weekly to track performance, issues and improvements in food safety and quality.
- **Food Safety and Quality Heroes:** Recognition program that rewards employees who demonstrate strong commitment to food safety and quality standards.
- **Annual Food Safety and Quality Culture Survey:** Yearly survey assessed employee awareness, attitudes and engagement with food safety and quality practices.
- **Quarterly Awareness Activities:** Interactive events such as poster competitions, quizzes and global awareness days (e.g., World Food Safety Day, World Hand Hygiene Day) to strengthen food safety culture.

## Sustainable Cocoa - These certifications are for cocoa used for Woolworths products

Fairfield Dairy holds Rainforest Alliance certification for cocoa used in Woolworths products, confirming responsible sourcing against environmental, social and economic sustainability standards. This includes deforestation-free production, biodiversity protection and supply chain traceability.



The certification also supports farmer livelihoods through sustainable practices and requires ethical labour standards, including no child or forced labour. Where mass balance applies, certified volumes are matched to production usage. This certification covers cocoa ingredients only (not dairy unless separately certified).



Cocoa Horizons - Fairfield Dairy participates in the Cocoa Horizons Foundation programme, supporting sustainable sourcing and responsible supply chains. The initiative improves cocoa farmer livelihoods through training, productivity support, and community development, while strengthening traceability and accountability across the cocoa value chain.

**Organic farm:** A supplying farm is certified by the South African Organic Sector Organisation (SAOSO), confirming sustainable practices and the exclusion of synthetic inputs. It supplies organic products to Woolworths Holdings Limited and supports UN SDG 2 by promoting safe, nutritious, sustainably produced food.

## DSA Farm Audits

Fairfield's suppliers undergo regular DSA (Dairy Standard Agency) audits to confirm compliance with industry food safety and quality requirements. Audits cover milk hygiene, animal welfare, traceability, environmental management and processing controls and drive continuous improvement through corrective actions where needed.

These audits help maintain consumer trust, regulatory compliance and alignment with international best practice. In the most recent audit, suppliers achieved an average score of 93%, improving from 90%.

# Marketing

## Sustainability Communications Committee

Clear, credible sustainability communication matters because it shapes trust. In a market where consumers are increasingly aware of environmental and social issues, stakeholders expect companies to explain not only what they claim, but what they do, how they measure it and what impact it has. When sustainability is communicated without proof or context, it can create confusion, weaken confidence and increase the risk of perceived greenwashing.

For Woodlands Dairy, “communicating green” is therefore not a marketing trend, but part of responsible business practice. It helps customers and consumers understand how our ESG commitments translate into outcomes that matter to people, including safe and affordable nutrition, jobs and skills development, ethical and transparent supply chains and community investment. Our approach is to communicate with integrity: using evidence-based messaging, recognised certifications, traceability where relevant and practical consumer education that supports better choices and responsible consumption.

This perspective is reinforced by research completed in 2025 through an MBA treatise by M. Maccaferri (Marketing Executive, Woodlands Dairy), which explored how consumers respond to green marketing in the dairy industry. The findings highlight what builds credibility and what fails to resonate and these insights guide how we strengthen our sustainability communication and brand engagement.

### RESEARCH INSIGHT:

#### Factors affecting consumer behaviour towards green marketing in Gqeberha's dairy industry

##### MBA treatise: M. Maccaferri

The treatise investigated what drives dairy consumers in Gqeberha to respond to (and act on) green marketing, focusing on the trust-based factors that help convert sustainability intentions into purchasing behaviour. Using a quantitative survey (n = 416), the study tested a model evaluating how physical cues (such as packaging signals), perceptual attributes (perceived quality and functional impressions) and reflexive attributes (values, ethics, identity and emotional alignment) influence green marketing and, ultimately, consumption behaviour. The results show that credibility and ethical alignment matter most and that consumers are sceptical of surface-level “green” cues unless they are backed by visible integrity and social meaning.

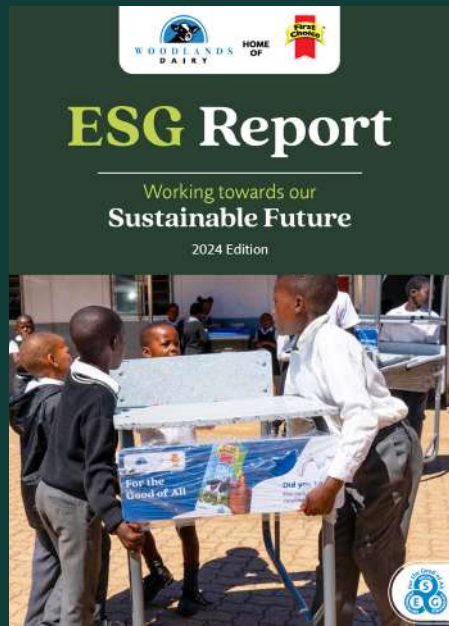
- Values and trust outweigh “green look and feel”. Reflexive attributes (ethical alignment, personal responsibility and identity-based meaning) were the strongest driver of consumer response, significantly predicting green marketing and showing a smaller but significant direct effect on consumption behaviour.
- How we communicate sustainability can shift behaviour. Green marketing showed a strong effect on consumption behaviour, reinforcing that clear, credible communication helps close the intention–action gap.
- Physical and perceptual cues were not decisive in this context. Packaging/visible cues and general functional impressions did not significantly predict green marketing or consumption behaviour in the tested model, suggesting consumers are cautious of surface-level signals and respond better to authenticity and proof.
- Community relevance strengthens credibility. The findings point to the importance of connecting environmental action to tangible social benefit (health, dignity, jobs, local upliftment and affordability) in price-sensitive contexts.

In response, Woodlands Dairy focuses on practical, evidence-led communication and visible action. This includes consumer education through on-pack messaging (such as our “Advert on Pack” recycling flights in partnership with Tetra Pak), strengthening the sustainability profile of our packaging through recognised certifications and independent verification where applicable and sharing progress through transparent ESG reporting. We also recognise that social impact builds trust: our community investment and employee-focused initiatives help connect sustainability to real outcomes in the communities we serve.

# Author Marisa Maccaferri



Marisa Maccaferri is the Marketing Executive at Woodlands Dairy. With almost 20 years' experience in marketing in the FMCG sector, Marisa has a passion for sustainability, innovation, strategic brand development and strategic marketing management. She received her MBA, in April 2026.



# 30 Years of Choosing Good

## WOODLANDS DAIRY TURNS 30!

Before ESG became a buzzword, Woodlands Dairy was already Choosing Good – investing in communities, championing sustainability and putting people first.

For 30 years, we've lived this philosophy quietly and consistently. Our anniversary was a moment to celebrate how far we've come – and the people who made it all possible. With a campaign spanning PR, in-store, digital media and CSI initiatives, we did just that.

## A CELEBRATION OF PROGRESS

We marked this milestone with a media event at our Humansdorp facilities. On the 19th and 20th of June 2025, guests got to see firsthand how much we've achieved since officially launching our sustainability journey in 2012.

Our CEO, Helen McDougall, shared the five guiding principles that have shaped our success: integrity, passion, environmental stewardship, inclusivity and excellence. These values continue to guide us toward our vision – to be the most admired dairy company in Africa.

Marketing Executive Marisa Maccaferri spoke about Choosing Good as more than a slogan. "Choosing Good is a deeply embedded philosophy that guides how we source, produce and engage – always balancing environmental issues, social issues and corporate governance."

Andre Adendorff, our Sustainability Manager, also shared updates on our sustainable infrastructure – from the biomass boiler to our water recovery plant – before guests toured these facilities to see our impact in action.

## TAKING THE CELEBRATION NATIONWIDE

But the celebrations did not stop at Woodlands Dairy. We also ran a retail campaign nationwide. Across 90 Pick n Pay stores and 70 Checkers stores, shoppers had the chance to win R3 000 daily cash prizes and a R30 000 grand prize. All they had to do was buy any two First Choice products across four categories. With over 46 000 entries received (and plenty of insights into consumer preferences), the competition was a massive success.



## SPREADING THE GOOD ONLINE

In the digital space, we kept the party going across our social platforms. Impact Digital Agency produced a series of videos to show just how far we've come over three decades. Our *Here's to Choosing Good* video charts just how many lives our dairy production touches. From Woodlands Dairy chairman Lex Gutsche to our team members and everyday shoppers, they all raised a glass of First Choice milk to Choosing Good. We also showed how far our UHT Milk packaging has come since its humble beginnings with a special timelapse video. The original illustrated cow of 1995, our iconic blue skies and the (even more) sustainable update of 2025, it's all in there!

With our Good Facts videos, we gave audiences quick, shareable insights into our sustainability wins – like saving over 1 580 billion litres of water through our recovery plant. To keep the momentum going, we sent 150 nano-influencers First Choice party boxes filled with our products and sustainability facts. They shared their celebrations online, helping us reach well over 7 million consumers throughout the campaign.

## 30 YEAR GALA EVENT

In May 2025, we held a Gala event on Woodlands Farm to celebrate Woodlands Dairy's 30-year existence. Long-standing staff, suppliers, farmers, customers, SAMPRO board members, Milki SA Board members, Gutsche family members and Woodlands Dairy board members attended the event.

Lex Gutsche, our chairman, opened the event with a speech, recognising all stakeholders' valuable contributions to making Woodlands Dairy a success. Helen McDougall, our CEO, then spoke about the future of Woodlands Dairy. The evening only had these two speeches, because the focus was on delicious food and celebrating, which included dancing to the music of Centre Stage, which kept everyone smiling and energised.

## HERE'S TO THE NEXT 30 YEARS

As we look to the future, we extend an enormous thank you to those who have made it possible – our leadership, team members, partners and of course, loyal First Choice consumers.



**HERE'S TO THE NEXT 30 YEARS OF CHOOSING GOOD, TOGETHER!**



## Cook Up & Win: First Choice Cheese Mid-Year Promotion

Running from 21 July to 22 August 2025 across the Top 100 Pick n Pay stores nationwide, this campaign was designed to drive sales and increase awareness for our sliced cheese range and 700g vac pack cheese. With an integrated in-store and digital approach, the promotion delivered strong engagement across media platforms and achieved double-digit growth on both sliced and vac pack products, supported by excellent retailer execution.



## Share your Cheesy Moments: Digital Campaign

The “Share Your Cheesy Moments” digital campaign ran from 14 November to 14 December 2025 and positioned First Choice vac pack cheese as part of everyday joyful moments. Consumers were encouraged to post photos of their favourite “cheesy” occasions, from family meals to quick snacks, creating authentic user-generated content and strengthening emotional connection with the brand. Supported by an incentive-led prize mechanic aligned to our warm, family-oriented positioning, the campaign delivered a 21.4% uplift in sales while reinforcing First Choice as the cheese that completes every moment worth sharing.

## Custard Relaunch

In 2025, we relaunched First Choice Vanilla Custard following a comprehensive review of product performance and long-term category competitiveness. The renovation concentrated on enhancing the formulation, taste and texture, which included eliminating an undesirable aftertaste during extended shelf life, refining the balance of sweetness and providing a thicker, more satisfying consistency made with dairy milk. Alongside product improvements, we identified opportunities to optimise ingredient usage and production costs to support stronger margins and a more sustainable supply model. A refreshed packaging design improved shelf impact and clarity while retaining recognisable brand cues, supporting consumer navigation and trust.



# Power Up with Power Cup

We implemented the "Power Up with Power Cup" campaign between September and December 2025 to strengthen our presence in the value segment and expand access to affordable dairy products. The campaign combined wholesaler activation days, in-store and community activations and an incentive structure that rewarded consumers, traders, wholesalers and internal sales teams. The campaign delivered strong commercial outcomes and inclusive market growth: 1,016% volume growth within targeted wholesale stores, 7.8% overall volume growth (excluding exports) versus the prior year and 180% growth against the 2025 volume budget (excluding export sales). We worked closely with 33 wholesale stores nationally, increasing volumes in these stores from 3,471 kg in the prior year to 38,727 kg during the campaign period and recognised top-performing partners, including Multisave Uitenhage, which received R50,000 worth of First Choice stock.



# Velvet Milkshake Launch

We launched First Choice Velvet Milkshake in 2025 as part of our commitment to product innovation, consumer relevance and value creation within the dairy category. Velvet Milkshake is a thick and creamy ready-to-drink beverage made with full cream milk and is available in Strawberry, Chocolate and Vanilla. The range responds to growing demand for convenient, on-the-go options that deliver both taste and satisfaction, supporting more consumption moments from snacks to dessert alternatives. Distribution has been prioritised to strengthen accessibility with availability through Checkers stores nationwide and First Choice Dairy Shops supporting strategic retail partnerships and category participation.



**Velvet**  
MILKSHAKE  
*instant indulgence*



# HIGH PROTEIN

## FIRST CHOICE HIGH PROTEIN

## SETS THE PACE IN 2025

## A NEW LOOK.

## A STRONGER OFFERING.

The past year marked a pivotal step forward for First Choice High Protein. Grounded in extensive consumer research and a growing global demand for high-protein nutrition, we refined our positioning, sharpened our visual identity, and defined a clearer role for the brand in the lives of active South Africans.

While the local category remains relatively underdeveloped and increasingly competitive, this shift presents a clear opportunity to lead through differentiation and functional relevance. This work laid the foundation for a new era for High Protein - one built on a deeper understanding of who we are speaking to, what they need, and how we deliver it.

At its core, this evolution set out to answer a simple question: how do we become the preferred protein brand for individuals engaging in high-intensity training? The result is a more focused brand, a distinctive new look and feel, and a product offering designed to meet the unique demands of active consumers.

Central to this next chapter is the introduction of High Protein Max (27g) - our most advanced protein solution to date. Designed for high-performance athletes and strength-training enthusiasts, it delivers 27g of protein per serving, supported by 6 BCAAs and essential nutrients that aid recovery, strength and endurance.

More than just a product launch, High Protein Max, along with the reformulated High Protein Recovery (21g), represents the direction of the brand: functional, credible, and purpose-built for those pushing their limits.

This innovation was brought to life through High Protein's newly launched look and feel. The distinctive black and yellow gives the range a bold, modern presence that stands out on shelf and signals a clear step-change for us in the category.

# PUSH PAST POSSIBLE

### 21g



### 27g

## MADE FOR THOSE WHO NEVER SETTLE

## DRIVING IMPACT

## WHERE IT MATTERS

With a strong foundation in place, our focus shifted to execution - particularly in-store, where purchase decisions are made.

To build momentum, we rolled out a targeted national drive across the top 50 stores for the category, supported by impactful point-of-sale material designed to disrupt, engage and convert. These in-store campaigns were complemented by consumer competitions, with the incentives carefully aligned to the interests and aspirations of our target audience, helping to drive trial and reinforce brand relevance.

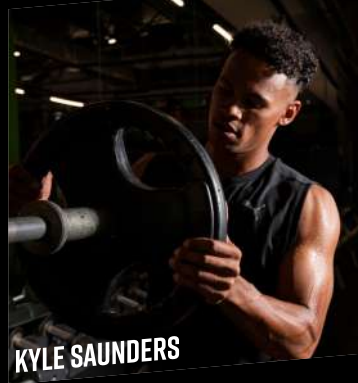
We boosted this momentum with a focused internal incentive programme. We aligned our sales teams around key performance drivers to maximise visibility and availability on shelf ahead of the rollout of High Protein's new packaging. This ensured that our presence in-store matched the strength of our brand and product offering.

Beyond retail, we continued to show up in the spaces that matter through events, activations and digital platforms. From sports tournaments to high-performance competitions, we consistently reinforced High Protein as a credible partner in performance and recovery.

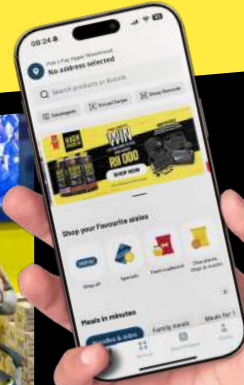
Digitally, this progress is anchored by our refreshed High Protein website - a central hub designed to match consumers with the right High Protein product for their health goals. It features expert-led content from brand ambassador and sports nutritionist Candice de Mendonca. Candice continues her journey with High Protein, alongside fellow ambassador and South African Tag Rugby player Kyle Saunders.



CANDICE DE MENDONCA



KYLE SAUNDERS



## THE RESULT:

## CATEGORY LEADERSHIP

This integrated approach - from insight-led strategy to disciplined execution - has delivered meaningful results. First Choice High Protein is now one of the fastest-growing flavoured milk brands in the market, while continuing to strengthen its position as the original protein recovery drink of choice for active consumers.

## BUILT FOR

## WHAT'S NEXT

With a clear strategy and a high-performance product at the centre of our offering, we are well positioned to continue leading the category as we pursue a strong pipeline of innovative product releases.

This is not just momentum - it's a deliberate shift toward long-term growth, driven by insight, sustainability and a relentless focus on our consumer.



TO DISCOVER EVEN MORE ABOUT  
FIRST CHOICE HIGH PROTEIN,  
VISIT [HIGHPROTEIN.CO.ZA](http://HIGHPROTEIN.CO.ZA)



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# South African Dairy Championships & Bloem Show Awards 2025

At the 2025 South African Dairy Championships held at Eenzgezind in Cape Town, Woodlands Dairy and Fairfield Dairy collectively achieved outstanding results, receiving multiple awards across various categories. The event featured over 1,000 entries from 79 producers, showcasing the high level of competition and the prestige of these accolades.

## Woodlands Dairy Highlights:

Secured a total of 34 top-three placements, including 11 category Champion titles.

Won 14 third-place, nine second-place and eleven first-place awards.

Honoured with four prestigious *Qualité Awards* - South Africa's highest recognition for dairy excellence - granted only to products of exceptional quality.

## Fairfield Dairy Achievements:

34 Fairfield Dairy products placed in the top three within their respective categories.

Earned eleven category Champion titles and three *Qualité Awards*, demonstrating a strong commitment to quality and innovation.

We are proud of these achievements, which reflect our dedication to producing high-quality dairy products that South African consumers can trust and enjoy daily. We extend our gratitude to our dedicated teams, partners and customers for their ongoing support.

**Bloem Show 2025:** At the 2025 Bloem Show, Woodlands Dairy further demonstrated its leadership in the industry, achieving recognition for several products, including: Spar Baby Gouda, First Choice Gouda Slices, Spar Pasteurised Low Fat Milk, Woolworths UHT Full Cream Milk, Woolworths UHT Low Fat Milk and First Choice Fresh Pouring Cream.

These accolades underline Woodlands Dairy's ongoing commitment to craftsmanship, innovation and quality in the South African dairy sector.



# Product Development & Market Expansion

We are committed to innovation and working in partnership with leading retailers to ensure we continue to grow and diversify our product offering. Here we showcase some of our recent work with SPAR and Woolworths, featuring a range of new and relaunched products that reflect our commitment to quality, variety and nutritional excellence.

## Spar Product Launches

In 2025, SPAR introduced a diverse range of new yoghurt products to the market:

- In March, the Squillos Medium Fat range was launched, offering convenient 6x75g packs in flavours such as strawberry, cream soda, banana, litchi, grape and apple.
- April saw the introduction of lactose-free yoghurts and a granadilla and oats drinking yoghurt.
- In August, the Active Breakfast yoghurt line was expanded to include new variants: strawberry, mixed berry and honey with oats.



## Woolworths Product Launches

Woolworths brought several new products to market in both early and late 2025:

January & February:

Launch of kids' low-fat yoghurt 6-packs in fruity flavours, along with fat-free yoghurt in strawberry, peach and apricot, strawberry and litchi and plain varieties. The range also included a low-fat plain yoghurt and a 300ml fig and banana smoothie.

October & November:

Introduction of high-protein Ayrshire full cream and low-fat fresh milk, an extension of the smooth drinking yoghurt range, new fruited drinking yoghurts with oats and the addition of a 1L regular whipping cream.



## Woolworths Product Relaunches

- In March, the popular Falooda returned for Ramadan.
- July saw the revival of several favourites, including the full cream Tommy Atkins mango yoghurt range, a fat-free single 150g yoghurt and a low-fat guava variant.

These ongoing innovations demonstrate our commitment to meeting consumer needs through product development, variety and nutritional options across our partner brands.



# Brand and Community Engagement: Events Highlights 2025

In 2025, Woodlands Dairy strengthened its presence across lifestyle, sporting and cultural events throughout South Africa, connecting with communities while promoting health, wellness and sustainable living. Working closely with regional teams, our Marketing team delivered high-impact initiative from grassroots sports to cultural and wellness activations designed to foster community engagement and encourage healthier lifestyles.

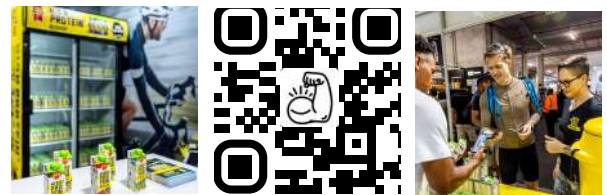
## First Choice Race - January 2025

Our annual First Choice Race remains a highlight on the local sporting calendar, bringing the community together while promoting an active and healthy lifestyle. The event encourages people of all ages and fitness levels to participate, fostering a spirit of camaraderie and friendly competition.



## Cape Town Cycle Tour Lifestyle Expo - 2025

The Cape Town Cycle Tour Lifecycle Expo once again brought together thousands of cyclists preparing for one of South Africa's most iconic races. First Choice High Protein Recovery was proud to be part of the excitement, supporting riders as they prepared for race day and helping them recover like champions.



## Madibaz Netball Tournament

Hosted by Nelson Mandela University in Gqeberha, the 20th edition of the Madibaz Netball Tournament was a major success, reaffirming its status as a premier netball event. First Choice High Protein Recovery played a key role in keeping athletes refuelled and rehydrated throughout the competition.



## KKNK Checkers Liplekker Theatre

At the Klein Karoo National Arts Festival (KKNK), the Checkers Liplekker Theatre brought together flavour, fun and storytelling, hosted by Amore Bekker with celebrity guests bringing RSG's Tjailatyd recipes to life. Visitors enjoyed sampling some of South Africa's finest wines and cheeses, with our First Choice cheese stand proudly showcasing our award-winning Cheddar and Gouda.



## ABSA Wildeklawer Tournament

We partnered with The Athletic Recovery Centre to support athletes across rugby (U19) and netball (U16 and U19) divisions at the 2025 ABSA Wildeklawer Tournament. The tournament set a new participation record, uniting 232 teams from 126 schools, comprising a total of 5,357 players and officials. Our collaboration ensured that players received the necessary nutrition and support to perform at their best.



## Africa Food Show

First Choice participated in the 2025 Africa Food Show at the Cape Town International Convention Centre (10-12 June 2025). As a trusted supplier to Econofoods Food Services, we were featured at their stand, showcasing our range of high-quality dairy products and connecting with industry partners, buyers and food service professionals from across Africa.



## Blue Ribbon Soweto Kota Festival

The 8th annual Blue Ribbon Soweto Kota Festival brought Dobsonville alive with vibrant township flavours, live music and cultural celebrations, attracting more than 18,000 visitors over two days. First Choice was proud to be the main cheese sponsor, ensuring every kota was perfectly topped and creating an authentic opportunity to connect with the community through a shared love of local food and culture.



## Sanlam Cape Town Marathon Expo

We joined the 2025 Sanlam Cape Town Marathon Expo at DHL Stadium, Green Point, with over 41,000 runners, families and supporters in attendance. The expo provided a powerful platform to reveal our refreshed brand look and introduce the 27g High Protein MAX, while engaging directly with the running community around nutrition, recovery and performance.



# Community Relations

## Community Investment and Impact

At Woodlands Dairy, sustainability goes beyond caring for the environment, it's also about building stronger, healthier and more resilient communities. Through our Corporate Social Investment (CSI) programme, we support initiatives in education, health, early childhood development, feeding schemes and community upliftment. In 2025, Woodlands Dairy partnered with 18 projects across the Kouga region, helping communities access nutritious meals, quality early education and essential health and social services.

Below is a list of the organisations we supported during the year:

Joykids Soup Kitchen	Jeffrey's Bay	Care4U Support	Jeffrey's Bay
Jbay Recycling Project	Jeffrey's Bay	Lelethu Ikhaya Daycare	Humansdorp
Masikhathalelaneni	Jeffrey's Bay	Sakhe Singamadoda	Humansdorp
7th Heaven Children's Heaven	Jeffrey's Bay	Angel's Day Care Centre	Humansdorp
Jbay Educare Centre	Jeffrey's Bay	Kate vd Merwe Creche	Humansdorp
Madiba Bay Creche	Jeffrey's Bay	Sewende Laan Soup Kitchen	Humansdorp
Ithemba Family Support Centre	Jeffrey's Bay	Child Welfare Humansdorp	Humansdorp
Healthy Mom & Baby Clinic	Jeffrey's Bay	Bet-El Revival Centre	Humansdorp
On Eagle's Wings	Jeffrey's Bay	Shekinah Soup Kitchen	St Francis Bay

## WHILE WE ARE PROUD OF EVERY PROJECT WE SUPPORT, SEVERAL KEY INITIATIVES REFLECT THE STRATEGIC FOCUS OF OUR 2025 CSI EFFORTS:

### Woodlands Dairy Golf Day

Our annual Golf Day in support of St Francis Hospice brought a vibrant “Groovy 70s” theme to St Francis Links, blending fun, nostalgia and fundraising. The event raised essential funds to help the hospice continue providing compassionate care to individuals and families facing serious illness.

### Ithemba Educare Centre

In 2025, Woodlands Dairy continued its support by providing additional educational supplies, helping ensure that learners have the tools they need to explore, grow and thrive in a positive early learning environment.

### Woodlands Dairy - Sanitary Pads Project

We supported menstrual health by donating sanitary pads to schools across the country, helping girls manage their periods with confidence and attend school with dignity, supporting education outcomes and wellbeing.

### Child Welfare SA Humansdorp

We renewed our partnership to provide essential school items such as shoes, raincoats, sanitary pads and stationery. By helping remove barriers to education, we support confidence, comfort and learning, especially during the colder months.

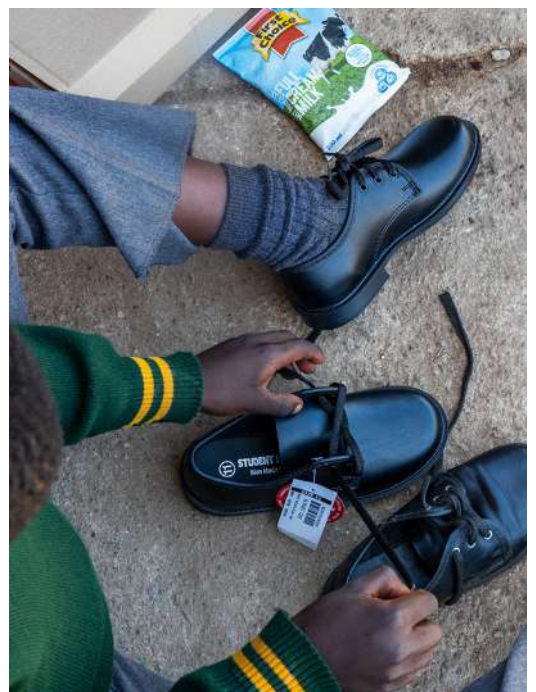
### Soup Kitchen Support

In 2025, Woodlands Dairy supported seven community projects by providing essential food supplies to local soup kitchens and meal programmes, helping children, families and the elderly access nutritious meals.

### JBay Recycling Project

For 13 years, this initiative has combined recycling, education and community support. It promotes school attendance, helps identify children in need and connects them with relevant support programmes demonstrating how environmental action can also drive positive social outcomes.





# Governance



United Nations Sustainable Development Goals – Governance Focus  
The United Nations has established 17 Sustainable Development Goals (SDGs) to be achieved by 2030. Woodlands Dairy supports several of these goals through its governance frameworks, policies and management systems that promote ethical conduct, accountability and responsible business practices:

8 DECENT WORK AND ECONOMIC GROWTH



## **Goal 8: Decent Work and Economic Growth**

This goal promotes sustained, inclusive and sustainable economic growth, productive employment and decent work for all. Woodlands Dairy supports this through fair and safe working conditions, skills development and learnership programmes and creating stable employment and economic participation across our operations and the broader dairy value chain.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



## **Goal 9: Industry, Innovation and Infrastructure**

This goal focuses on building resilient infrastructure, promoting inclusive and sustainable industrialisation and fostering innovation. Woodlands Dairy strengthens operational resilience and responsible growth through continuous improvement, investment in technology and systems and robust management frameworks that support efficient production, traceability, quality and long-term competitiveness.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



## **Goal 16: Peace, Justice and Strong Institutions**

This goal promotes effective, accountable and transparent institutions at all levels. Woodlands Dairy strengthens governance through clear policies and procedures, risk management and assurance processes and certified management systems that support compliance, integrity and accountability across our operations and supply chain.

17 PARTNERSHIPS FOR THE GOALS



## **Goal 17: Partnerships for the Goals**

This goal focuses on collaboration to achieve sustainable development. We work with customers, suppliers, milk producers, industry partners and local communities to build capability, strengthen standards and deliver shared value. Partnerships also support credible reporting, continuous improvement and long-term resilience across our value chain.

# Upholding Excellence Through Dairy Standard Agency Audits

At Woodlands Dairy, quality, safety and responsible production remain at the heart of everything we do.

As part of our ongoing quality assurance and compliance programme, Dairy Standard Agency (DSA) audits are conducted annually across all producer farms supplying milk to Woodlands Dairy.

These audits serve as a critical measure of compliance with legal, regulatory and industry requirements, ensuring that milk production meets the highest ethical and operational standards. Any non-compliances identified during the audit process are formally recorded and communicated to producers, who are then required to implement corrective actions. This process actively supports continuous improvement across our producer base.

By maintaining a high level of compliance, our producers reinforce strong confidence in food safety, animal welfare and staff wellbeing throughout the dairy value chain. These practices not only protect the integrity of our products but also demonstrate our collective commitment to responsible and sustainable dairy farming.

Through transparent communication of these initiatives, we aim to positively impact consumer trust—providing assurance that Woodlands Dairy products are sourced from producers who are capable, compliant and committed to supplying safe, ethically produced and high-quality dairy products. The farmer's dedication to continuous improvement not only ensures the quality of the raw milk we receive but also contributes to building a responsible, ethical and resilient dairy supply chain.



## Weighbridge: Supporting Accurate Energy Management

Since achieving ISO 50001:2018 certification in 2022, Woodlands Dairy has placed increasing emphasis on the accurate measurement of energy inputs. Biomass represents the company's largest energy source and plays a critical role in steam generation.

To improve data accuracy and support energy performance monitoring, a weighbridge was procured and installed by the logistics department in 2025. The weighbridge provides precise weight measurements for every biomass delivery, strengthening energy production calculations and performance analysis.

This enhancement supports ISO 50001:2018 audit requirements, improves supplier accountability and provides a robust foundation for continuous improvement in renewable energy management. The weighbridge investment reflects Woodlands Dairy's commitment to credible ESG reporting, operational excellence and responsible energy stewardship.



Photo: Weighbridge at Woodlands Dairy

## Digital Enablement and Responsible AI

As part of our ongoing digital transformation journey, we continue to evolve our technology landscape to enable more efficient, inclusive and well-governed ways of working. In this next phase, we introduced Microsoft 365 Copilot, an artificial intelligence capability integrated into everyday tools such as Outlook, Teams, Word, Excel and PowerPoint, to support employees in drafting, summarising and analysing information. Since Q1 2025, Copilot has been progressively introduced as an enhancement to our digital workplace through a deliberate, value-driven approach.

Rather than a broad, technology-led rollout, we have followed a phased deployment model, introducing Copilot first in areas where it could make a meaningful difference to day-to-day delivery. This approach enables us to focus on practical use cases, support adoption through guidance and training and refine how the capability is applied over time. We continuously review how Copilot is being used and expand adoption only where clear and measurable value is achieved. By strengthening digital-first ways of working, this evolution reduces reliance on manual and paper-based processes, limits unnecessary duplication of effort and enables information to be reused more effectively across the organisation. Employees are better supported in working with information, allowing more time to be spent on analysis, collaboration and value-adding activities.

The capability also contributes to greater consistency and clarity in documentation, reporting and internal communication. Copilot operates within our established Microsoft 365 security, access, data protection and audit-control frameworks, supporting accountability and transparency across day-to-day operations and management processes. Copilot is used as an assistive capability, with all outputs subject to employee judgement and existing approval and control processes. Through its responsible and gradual deployment, we ensure that digital enablement remains aligned to real operational needs and continues to support a sustainable and well-governed organisation.



# Sales & Operations Planning (S&OP)

## S&OP Monthly Cycle



## Planning with Purpose

Sales & Operations Planning (S&OP) is a globally recognised best practice used by leading organisations to align demand, supply and financial planning into one coherent plan. At its core, S&OP enables better decisions by ensuring the business works from a single, agreed view of the future, rather than disconnected assumptions across functions. At Woodlands Dairy, the introduction of S&OP has been a key step in strengthening how we plan, make decisions, allocate resources and manage risk in a complex and variable operating environment.

## Why S&OP is needed at Woodlands Dairy

As a business that depends on natural resources (milk), long-term supplier relationships and tight operational coordination, effective planning and decision-making are critical. Historically, decisions were often made in silos, increasing the risk of overproduction, excess inventory, write-offs and reactive decision-making. S&OP provides a structured way to look ahead, balance demand with supply capability and make informed trade-offs early. This is particularly important when managing milk supply, production capacity, new product introductions and cost pressures—areas where late decisions can result in waste, inefficiency and unnecessary environmental impact.

# What we have implemented

Over the past period, Woodlands Dairy has established a structured S&OP process that brings together commercial, operational and financial perspectives on a monthly basis.

## This includes:

- A consistent decision-making cadence with clear ownership
- One aligned demand forecast used across the business
- Formal review of risks and opportunities before decisions are made
- Executive-level visibility and accountability for key trade-offs

## Key outputs of the monthly cycle:

- A single set of aligned assumptions and a consensus demand plan
- An agreed supply and production plan that reflects capacity and constraints
- Inventory targets and actions to manage ageing stock and minimise write-offs
- Documented risks, opportunities and decisions, with clear actions and owners

To support this, we are implementing Barnton, a forecasting and planning solution that strengthens data integrity, improves forecast accuracy and embeds planning more deeply into day-to-day operations.

# Early benefits and progress

While S&OP is a journey, tangible benefits are already emerging:

- Improved alignment across teams, reducing last-minute firefighting
- Better visibility of future risks, allowing earlier intervention
- More disciplined decision-making around inventory, capacity and product changes
- Reduced reliance on reactive actions

By planning earlier and more effectively, the business is better positioned to use milk, materials, time and capacity responsibly, supporting both financial performance and sustainability objectives.

S&OP also supports governance by strengthening forward-looking risk management and reducing avoidable waste. By identifying supply constraints, demand shifts and cost pressures earlier, we can make proactive trade-offs that reduce product losses and write-offs, minimise unnecessary changeovers and overtime and improve planning for energy, water and logistics—helping to lower environmental impact while protecting service levels and profitability.

# Looking ahead

At Woodlands Dairy, S&OP is evolving into a critical way of aligning the business around shared priorities. While improved planning and systems support the process, the real value lies in bringing functions together to make better, earlier decisions that support long-term resilience and sustainability.



From left to right: Carin du Preez (Sales Planning Manager), Haldane Le Roux (Business/Systems Analyst, S&OP), Ranvier Swartbooi (Planning Administration Superintendent)

# Responsible Investment

## Enterprise Development Partner

Since 2016, Woodlands Dairy has supported local entrepreneurship through strategic partnerships that promote inclusive economic growth and empowerment. One such partnership is with Clayton Damons, owner of Milkway Transport, which provides reliable and cost-effective logistics solutions to our business. In addition to enhancing operational efficiency, this collaboration includes developmental support that promotes business sustainability and shared value across the supply chain.

We also partner with local service providers who play an important role in enabling our operations, including external laundry services and employee transportation. These partnerships support small businesses, strengthen local economic participation and help ensure that essential services are delivered responsibly and reliably.



# Corporate Governance

## Board Diversity

We are committed to diversity at the highest levels of governance. Our board structure includes a mix of executive and non-executive oversight to support balanced, objective decision-making.

## Executive Pay

Executive remuneration is overseen through defined governance processes, with performance-related components aligned to strategic objectives. Where appropriate, sustainability considerations are embedded into leadership incentives to reinforce accountability for ESG outcomes.

## Ownership

Woodlands Dairy's ownership structure supports strong South African roots and a long-term approach to value creation. We remain committed to transformation and inclusive participation across our value chain.

## Accounting

Our financial reporting follows applicable accounting standards and our annual financial statements are independently audited, supporting transparency, compliance and trust in our financial governance.

# Corporate Behaviour

## Business Ethics

We are committed to the highest standards of ethical conduct across our operations. Employees are guided by clear expectations and supporting policies that reinforce integrity, accountability and responsible behaviour.

## Anti-Competitive Practices

We prohibit anti-competitive behaviour and expect compliance with applicable competition laws and fair-market conduct. Where relevant, employees receive guidance to help prevent practices that could undermine stakeholder trust or market fairness.

## Corruption & Instability

We enforce a zero-tolerance approach to bribery, fraud, corruption and other forms of misconduct. This is supported by internal controls, clear escalation routes and a culture that encourages employees to speak up when concerns arise.

# Whistleblowing and Financial Controls

## Whistleblowing

We are committed to upholding high standards of integrity, transparency and accountability. Employees and stakeholders are encouraged to raise concerns about suspected misconduct through established channels. Concerns are handled responsibly, with appropriate confidentiality and protection against retaliation and are investigated and addressed through the relevant processes.

## Tax Transparency

As a responsible corporate citizen, Woodlands Dairy is compliant with applicable tax laws and regulatory obligations and we remain committed to transparency and accountability in fiscal matters.

## The Role of ESG Committees

We maintain dedicated ESG governance forums that meet regularly to oversee environmental, social and governance priorities. These cross-functional teams support appropriate focus, resourcing and accountability and ensure that key risks, actions and progress are monitored and escalated where required.

## Financial System

Woodlands Dairy uses an off-the-shelf financial system, namely Dynamics 365 Business Central, to support consistent processing, controls and reporting.

# Certifications and Independent Assurance

Independent assurance and certification provide stakeholders with confidence that our management systems are effective and that key risks are being managed consistently. These frameworks set clear requirements, support continuous improvement and strengthen the credibility of our reporting and performance across environmental, social and governance priorities.

Where relevant to our operations, we maintain certified management systems such as FSSC 22000 (food safety), ISO 45001 (occupational health and safety), ISO 50001 (energy management) and ISO 14001 (environmental management). Assurance is further strengthened through supplier and customer requirements, including annual Dairy Standard Agency (DSA) audits across producer farms and periodic third-party and client-specific audits. Audit findings and internal reviews inform corrective actions and improvements, reinforcing operational discipline and accountability.





HOME  
OF



# For the Good of All

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