Cyfoeth Naturiol Cymru
Natural Resources Wales

Compliance Assessment Report CAR_NRW0053109

Permit being assessed: KP3235SS.

For: IQE (Europe) Ltd, **held by:** IQE (Europe) Ltd

At: St. Mellons Semiconductor Plant, Pascal Close, St. Mellons, Cardiff, South Wales, CF3 0LW.

Type of assessment: Site Inspection,

Reason: Routine.

On: 21/09/2026 between 09:00 and 17:00.

Parts of permit assessed: IR3A(2), IR3B.

NRW Lead Officer: Brigid Armstead.

Report sent to: HSE Manager, IQE Europe Ltd, on 30/09/2026.

1. Summary of our findings (full details in section 4)

Part of permitted activity assessed (compliance criteria)	Assessment result	Permit condition
IR3A(2) - Installations - Emissions and monitoring - Emissions to air	Assessed (A)	
IR3B - Installations - Emissions and monitoring - Emissions of substances not controlled by emission limits	C3 Minor	3.2.3

Result types are explained in more detail in the 'Important Information' section below.

Total non-compliances recorded	Total non-compliance score
1	4

How we use the non-compliance score to calculate your annual fee is explained in the 'Important Information' section below.

2. What action is required?

Criteria	Action needed	Complete by
IR3B	Provide a root cause and plan of action to ensure that ethylene glycol is not stored outside of suitable secondary containment.	31/10/2026

Compliance criteria codes are listed in the 'Important information' section below.

3. What will happen next?

Any non-compliance we have identified and recorded on this form is an offence. It can result in criminal prosecution and/or suspension or revocation of your permit.

You are non-compliant with your permit.

We are currently considering taking enforcement action against you for the non-compliance recorded above. We will contact you in due course.

4. Details of our assessment

This compliance assessment report (CAR) covers a site visit undertaken on 21st September 2026 as well as NRW's assessment of IQE (Europe) monitoring returns for the first six months of 2026.

Site visit

A site visit was undertaken by NRW Industry Regulation Officer BA and Installations Permitting Officer EL to review topics and areas of the site relevant to the determination of a permit application currently under determination.

Topics of discussion included; operational hours, containment, effluent management, risk assessment and accident management. Following this site visit, it was determined that NRW Permitting team will issue a schedule 5 notification requesting further information across the range of topics discussed.

During the site tour, a pallet loaded with plastic jerrycans of ethylene glycol based fluid was found to be stored external to the dedicated outdoor containment facility. This entry area is not included in the contained storage facility and should not be used for storing substances with potential to cause environmental damage.

Non compliance: A minor non-compliance (CCS3) is being applied for the lack of secondary containment witnessed (21st Sept 2026) in respect of permit conditions 3.2.3. Failure to comply with an environmental permit is an offence under regulation 38(2) of the Environmental Permitting Regulations (consolidated) 2016.

Action: Provide a root cause and plan of action to ensure that ethylene glycol is not stored outside of suitable secondary containment. **Due 31 October 2026**

Emission Monitoring

Air Emissions

January to June 2026

Emission Point	Parameter	Emission Limit Value	January to June Results
A1	Ammonia	10mg/m^3	0.15 mg/m^3

A1	Hydrogen Chloride	10mg/m^3	0.21 mg/m^3
A3	Arsine	0.42mg/m^3	0.0008 mg/m^3
A3	Phosphine	0.42mg/m^3	0.00821 mg/m^3
A3	Ammonia	9mg/m^3	0.18 mg/m^3

All parameters were well within permitted limits when monitored for the first 6 months of 2026 for IQE Europe.

The emissions reporting was received by NRW on the 27th of July 2025 which complies with the timeframe specified in permit condition 4.2.3.

Previous Actions

CAR_NRW0050685 Action 1: Provide a copy of EMS documents updated to ensure that the clearing of a scrubber line does not cause an emissions limit breach.

IQE provided a response on 1st April 2026 which included retesting of emissions and an updated copy of work order EU-EQRM-03-047 'Scrubber line N2 Bottle Flush' and a risk assessment for the scrubber flush procedure.

Action closed.

END

If you have any queries about this report, or to discuss completion of any actions, please contact the NRW Officer named above.

Important information

Legal status of this report

Your permit is issued to you under the Environmental Permitting Regulations. You have a responsibility to comply with the conditions of your permit and prevent pollution/harm of the environment. You must also ensure that you comply with any other relevant legislation that may apply to your site's operations.

This report explains the findings of our assessment and any action you are required to take. We categorise non-compliance using our guidance for assessing non-compliance at regulated sites.

When we find potential non-compliance/s we will normally give you advice on how to maintain compliance.

To correct non-compliance, we may:

- require you to take specific actions
- issue a notice
- review the conditions of your permit.

Any advice and guidance we give will be without prejudice to any other enforcement response that we consider may be required.

Assessment results and non-compliance categories (used in section 1):

Assessment result	Description
Assessed (A)	Assessed or assessed in part, no evidence of non-compliance found
Action only (X)	Action required for the permit condition assessed to avoid non-compliance. No non-compliance scored at this time
Ongoing (O)	Ongoing non-compliance, not scored

Non-compliance category	Description	Score
C1 Major	Potential to have a major, serious, persistent and/or extensive impact or effect on the environment, people and/or property	60
C2 Significant	Potential to have a significant impact or effect on the environment, people and/or property	31
C3 Minor	Potential to have a minor or minimal impact or effect on the environment, people and/or property	4
C4 No environmental impact	Non-compliance at a regulated site that cannot foreseeably have any impact on the environment, people and/or property	0.1

How we use assessment scores
The number and severity of non-compliances recorded in a year will affect your annual subsistence fee the following year. A non-compliance factor is added to your site's Operator Performance Risk Appraisal (OPRA) score when we calculate your fee to reflect the additional resource we use to assess permit compliance.

If your assessment result in Section 1 is suspended, what does this mean?
In line with our guidance, we may suspend scores for up to six months to allow time for remedial action to be taken. Suspended scores will be re-instated if the action is not completed.

Full list of Industry compliance criteria (used in section 1 and 2):

1. Management
- IR1A – General management
- IR1B – Finance (only applicable to Landfill)
- IR1C – Energy efficiency
- IR1D - Efficient use of raw materials
- IR1E - Avoidance, recovery and disposal of wastes produced by the activities
- IR1F - Multiple operator installations

2. Operations
- IR2A – Permitted activities
- IR2B – The site
- IR2C – Operating techniques
- IR2D – Technical requirements
- IR2E – Improvement programme
- IR2F – Pre-operational conditions
- IR2G – Landfill engineering (only applicable to Landfill)
- IR2H – Waste acceptance (only applicable to Landfill)
- IR2I – Leachate levels (only applicable to Landfill)
- IR2J – Closure and aftercare (only applicable to Landfill)
- IR2K – Landfill gas management (only applicable to Landfill)

3. Emission and Monitoring
- IR3A(1) – Emissions to water
- IR3A(2) – Emissions to air
- IR3A(3) – Emissions to land
- IR3B – Emissions of substances not controlled by emission limits
- IR3C – Odour
- IR3D – Noise and vibration
- IR3E – Monitoring
- IR3F – Pests
- IR3G – Air quality management plans
- IR3H – Monitoring for the purposes of the Industrial Emissions Directive (this heading includes Large Combustion Plants)
- IR3I – Fire

4. Information
- IR4A – Records
- IR4B – Reporting
- IR4C – Notification

Enforcement response
Any non-compliance with a permit condition is an offence and we may take legal action against you. Action we take can include prosecution, serving a notice on you and/or suspension or revocation of your permit. See our Enforcement and Sanctions Guidance for further information.

Data protection notice
You should make sure that anyone named in this report knows that the information it contains will be processed by Natural Resources Wales to fulfil its regulatory and monitoring functions and to maintain the relevant public register(s).

We may also use and/or disclose the report in connection with:

- offering or providing you with our literature or services relating to environmental matters
- consulting with the public, public bodies and other organisations (e.g. Health and Safety Executive, local authorities) on environmental issues
- carrying out statistical analysis, research and development on environmental issues
- providing public register information to enquirers
- investigating possible breaches of environmental law
- assessing customer service satisfaction and improving our service
- Freedom of Information Act or Environmental Information Regulations requests.

We may also pass it on to our agents or representatives to do these things on our behalf.

Disclosure of information – this report will be available to view on-line
If you think this report contains commercially confidential information that should not be placed on our public register, you must contact your local Natural Resources Wales office within **fifteen working days** of receiving this report, using the contact details in the accompanying email or letter. You must give a full explanation of why it should not be added to our public register, including specifying which information is commercially confidential. We will assess your request and respond to you within twenty working days to let you know if we agree to your request.

Disputing the Content of this Compliance Assessment Report Form
If you disagree with the content of this Compliance Assessment Report form, you should submit your concerns, in writing, to the regulating officer who issued it within **15 working days** of its issue. This will be treated as a **Stage 1 review**.

If you are not satisfied with the outcome of the stage 1 review, you may request a **Stage 2 appeal**. This request must be submitted **within 21 working days** of receiving the response from the stage 1 review.

Further details on our review and appeal process are available at: Natural Resources Wales / Appeal a regulatory decision from Natural Resources Wales

Concerns Not Related to the Content of this Compliance Assessment Report Form
If your concerns do not relate to the content of the Compliance Assessment Report form, you should first attempt to resolve the issue with the regulating officer or their line manager.

If the issue remains unresolved, please contact our **Customer Contact Team**:

- **Telephone**: 0300 065 3000 (Monday to Friday, 09:00–17:00)
- **Email**: enquiries@naturalresourceswales.gov.uk

They will provide details on how to escalate your concerns through our **Complaints and Commendations procedure**.

If you are dissatisfied with our response, you may contact the **Public Services Ombudsman for Wales**:

- **Telephone**: 0300 790 0203
- **Email**: ask@ombudsman.wales

Welsh Language Standards

We are committed to establishing Natural Resources Wales as a naturally bilingual organisation. We will provide compliance reports in your preferred language.