Ceres Sustainability Report 2025

About this report

Ceres aims to embed sustainability across all our operations through our environmental, social and governance initiatives and standards.

We are committed to enabling a cleaner, more resilient energy future through the integration of sustainability across our operations, partnerships and technology. As global climate challenges intensify, we continue to align our strategy with science-based targets, transparent governance and stakeholder expectations. We strive to maintain clear and transparent communication around our strategy and continually improve, commensurate with the size of our business and our team.

For more information, see Overview on page **16**.

All data covers the calendar year January to December 2024, unless otherwise specified.

For questions about the report, please contact our investor relations team at sustainability@cerespower.com.

In this report

Foreword

Scaling solutions for impact

> The climate crisis is real and accelerating—but so is our capacity to respond. With scalable, efficient technologies, we can bridge ambition and action to build a resilient, net zero future."

The climate crisis is no longer a distant threat—it is a lived reality for millions. In the past year alone, we've seen catastrophic floods in Spain, wildfires in Canada, and extreme heat waves in Pakistan that have strained healthcare systems and disrupted power supplies. The UK is also facing rapidly escalating climate impacts: the 2022 summer heatwave severely disrupted our health service; the winter of 2023/24 brought extreme storms, with flooding affecting over 20,000 homes; and 2025 has begun with the driest spring in over a century, alongside record breaking wildfire damage. May 1st was the hottest since records began. There is more to come; these are not anomalies, they are part of an accelerating pattern of climate instability reshaping economies, ecosystems and communities.

In the face of mounting evidence of the human economic harm being caused by climate change, it is disappointing to hear some governments apparently "rowing back" on climate targets. But there is still cause for hope, because global momentum is continuing to build, especially in Asia. In 2024, for the first time, China – the world's largest emitter – increased electricity consumption while cutting carbon emissions[1]. This milestone highlights what's possible when policy, innovation and scale align, and when long-term investment in clean technology pays off.

The path to net zero will differ by region, influenced by local resources, infrastructure and policy. Whilst there is no single solution, a combination of clear standards, measurable targets and scalable technologies will be essential to drive progress. Reaching net zero will also demand co-ordinated action across technology, finance, regulation and societal behaviour to unlock systemic change. Encouragingly, many countries are translating ambition into action, supported by increased investment in clean energy.

Ceres' solid oxide technology can play a pivotal role in the energy transition to decarbonise energy systems and industrial processes. Developed with partners like Doosan and Weichai, our fuel cell systems deliver efficient, fuel-flexible, low-emission power. Scalable and versatile, they can provide distributed power, support large data centres, or strengthen stressed grids. This is especially valuable in energy-constrained regions where reliable, low-carbon power is vital for economic and social stability.

Such regions face the dual challenge of meeting rising demand while cutting emissions. Addressing this requires practical, inclusive solutions that enhance energy security and resilience. As decentralised, resilient power systems become a priority, we're seeing increased interest in markets with strong policy support, energy constraints, and advanced manufacturing. Our recent partnerships with Delta in Taiwan, Denso in Japan and Thermax in India reflect this. These collaborations will embed our technology into local energy production and industrial processes.

A defining feature of our technology is its reversibility. In addition to power generation, our systems can operate as electrolysers to produce green hydrogen when supplied with renewable electricity. Hydrogen will be a key enabler of industrial decarbonisation. While hydrogen is not a silver bullet, it will play a crucial role in sectors that cannot be directly electrified – such as ammonia production, steelmaking, and e-Fuels. These hard-to-abate industries are major contributors to global emissions, and decarbonising them is essential to meeting climate targets.

While Ceres' technology will contribute meaningfully to lowering emissions, we recognise this does not absolve us of responsibility for our own emissions and impact. With global temperatures already approaching 1.5°C above pre-industrial levels, the urgency of both mitigation and adaptation is clear. We must build resilience into infrastructure, supply chains and business models.

In 2024, we formalised our commitment to the Science Based Targets initiative ("SBTi"), pledging to reduce our absolute Scope 1 and 2 emissions and relative Scope 3 emissions by 53% per million GBP of gross profit by 2030, using a 2022 baseline. We have strengthened our climate governance and risk management frameworks, and this report marks our first full compliance with the Task Force on Climate-related Financial Disclosures ("TCFD").

As a clean energy company, Ceres is uniquely positioned to drive real carbon abatement. By replacing outdated infrastructure and enabling the decarbonisation of hard-to-abate sectors, our technology is helping shape a more sustainable energy future. Through our sustainability roadmap, we've set clear targets to reduce our own environmental footprint and ensure alignment between our actions and values. That means embedding sustainability into our strategy, investing in future capabilities, and building resilience throughout our value chain.

Looking ahead, we remain committed to being part of the solution. The energy transition is neither easy nor linear—but it is essential. Through strategic partnerships and the deployment of high-efficiency technologies, we are helping to create a clean, resilient energy system. Our partners already operate globally, and our non-exclusive licensing model enables them to manufacture and scale our technology worldwide.

Together, we are working toward a future powered by cleaner energy – for a cleaner world.

Professor Dame Julia King, Baroness Brown of Cambridge DBE FREng FRS FMedSci
Senior Independent Director and Chair of the ESG Committee

1. Carbon Brief. Clean energy just put China's CO_2 emissions into reverse for the first time. 15 May 2025.

Foundations

In this section

Who we are

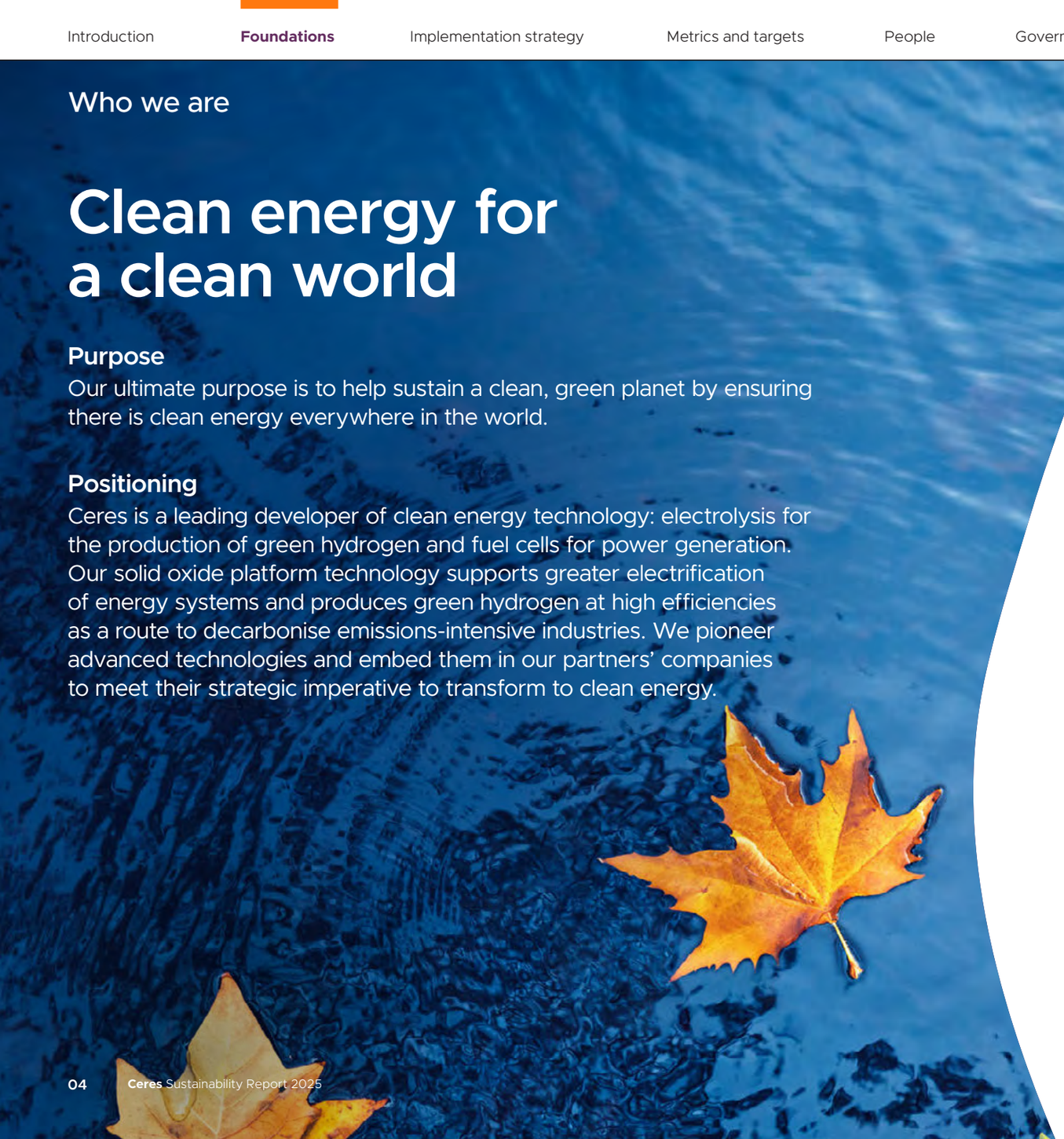
Clean energy for a clean world

Purpose

Our ultimate purpose is to help sustain a clean, green planet by ensuring there is clean energy everywhere in the world.

Positioning

Ceres is a leading developer of clean energy technology: electrolysis for the production of green hydrogen and fuel cells for power generation. Our solid oxide platform technology supports greater electrification of energy systems and produces green hydrogen at high efficiencies as a route to decarbonise emissions-intensive industries. We pioneer advanced technologies and embed them in our partners' companies to meet their strategic imperative to transform to clean energy.



Living our values

We commit wholeheartedly

We care deeply about our purpose, our people, our partners and our planet. "It's on us" to keep our promises and we support each other to make sure we do. We're robust, we recover from setbacks and stand firm on our beliefs. We're comfortable with feeling uncomfortable at times because we believe we're creating the opportunity for a better world and that's what keeps us going.

We are creative collaborators

We believe in partnership. We work with each other and with our partners and suppliers to solve problems faster, develop smart ideas and ensure superior results. We adapt, respond quickly and are prepared to move at pace and scale.

We pioneer with precision

We are purpose-driven innovators. We define problems as accurately as possible to create practical solutions. We like big challenges so we can develop groundbreaking ideas that work. We take measured risks in areas where risk is well rewarded.

Our role in global decarbonisation

A bridge to a cleaner future

Ceres' solid oxide platform forms a vital bridge between electrons and molecules – two pillars of the net zero transition. Our fuel cells convert green molecules to green electricity and our electrolysers can generate green hydrogen molecules from green electricity and water. This bidirectional capability enables flexible, scalable solutions for clean power and industrial decarbonisation, making Ceres a key enabler of the energy transition.

Despite recent reports of "rowing back" on net zero targets, there is still a growing global consensus on the need to achieve a net zero future, although little agreement on the precise path to get there. In many likely scenarios for 2050, lower-carbon fossil fuels such as natural gas still play a role, while most of the transition will be driven by electrification and supported by carbon capture technologies.

Ceres is well positioned to support this shift through our advanced solid oxide fuel cell technology, which delivers exceptional efficiency and fuel flexibility. Our power systems achieve up to 62% electrical efficiency in power-only mode and over 90% with heat recovery. This represents a 30% increase in efficiency compared to incumbent technologies such as gas turbines and is particularly valuable in regions where natural gas remains a key transition fuel. With modest investment, fuel cell technology can also enable direct carbon capture. Operating on methane with controlled oxygen input produces a nearly pure stream of CO_2, allowing capture at the point of generation and removing the need for gas separation equipment. The fuel-flexible nature of Ceres' fuel cells offers a no-regrets solution for low-carbon, secure power generation while remaining compatible with future carbon-free fuels such as hydrogen and ammonia.

Our technology is now moving into commercial deployment. In South Korea, our partner Doosan will begin producing systems embedded with Ceres' technology shortly. With initial sales expected later this year, this marks the first commercial rollout of our fuel cell systems—one of many innovations needed to enable a successful energy transition.

Hydrogen is also emerging as a cornerstone of global decarbonisation, especially for sectors that are difficult to electrify. Ceres' solid oxide electrolyser technology is designed to produce green hydrogen efficiently by utilising waste heat from industrial processes. This makes it ideally suited for hard-to-abate sectors such as ammonia production, steelmaking, and eFuels. By 2040, these three sectors alone are projected to account for over 40% of global hydrogen demand, offering significant potential to reduce emissions[1].

Our megawatt-scale electrolyser demonstrator at Shell's R&D Centre in Bangalore, India, has begun producing hydrogen. With an efficiency of 37kWh/kg and a daily capacity of up to 600kg, it is the largest solid oxide electrolyser of its kind in India. The hydrogen is consumed on site by Shell, showcasing the potential of our technology to support industrial decarbonisation.

The versatility of Ceres' solid oxide platform is a key differentiator. Its inherent reversibility allows it to operate both as an electrolyser and as a fuel cell. From a single manufacturing facility, we can produce stacks for both power generation and hydrogen production—enabling scalable, flexible deployment across a wide range of applications.

At the core of our innovation is electrochemistry, which provides a vital bridge between electrons and molecules. This enables the development of energy systems that are not only efficient and reliable but also economically viable—meeting the complex demands of a decarbonised future.

1. BNEF. New energy outlook 2024. May 2024.

Fuel cell advantage

Ceres' SOFC technology can achieve greater than

90% efficiency

power conversion with heat integration.

Electrolyser advantage

Ceres' SOEC technology can deliver green hydrogen around

30% more efficiently

than incumbent lower-temperature technologies.

UN Sustainable Development Goals

Ceres supports the United Nations ("UN") Sustainable Development Goals ("SDGs") to "end poverty, protect the planet and ensure prosperity for all".

As a clean energy company, Ceres can contribute to the UN SDGs with our technology and our operations. We believe that our goal to enable significant carbon reduction versus alternative power and hydrogen production methods drives our contribution to five of the seventeen goals in support of creating a better and fairer world by the UN's target date of 2030. As a signatory of the UN Global Compact, we promise to pursue our goals in alignment with its ten universal principles, which encompass poverty, inequality, climate, environmental degradation, prosperity, peace and justice.

Goal 7
Affordable and clean energy

Ceres' activities

Ceres aims to play a central role in the global energy transition to affordable clean power through licensing our technologies. Our solid oxide fuel cell ("SOFC") technology can support the transition away from coal to lower-emitting natural gas infrastructure. Running on natural gas, SOFC systems achieve electrical efficiency of 62% and provides useful temperatures for heating and hot water, delivering a total efficiency greater than 90%. SOFC emits no SOx, NOx, or particulates and delivers power at a 30% carbon emission reduction compared to the conventional combustion engine.

In electrolyser mode it provides a highly efficient, low-cost and sustainable route to produce green hydrogen when powered with renewable electricity. The high efficiency not only reduces energy consumption, but also reduces all the supporting infrastructure, upfront costs and operational costs long term.

For more on our role in global decarbonisation, see page **5** of this report

Goal 9
Industry, innovation and infrastructure

Ceres' activities

Ceres continues to advance our unique platform technology for both SOFC and solid oxide electrolysis cells ("SOEC") to increase efficiency and maturity. With a team of more than 400 scientists, technicians and engineers, Ceres has a deep expertise in developing groundbreaking solid oxide technologies that can be integrated into industries that are difficult to decarbonise through electrification alone, such as steelmaking, ammonia and distributed power.

Our business model allows the scaled production of our highly efficient technologies across the world, building global infrastructure and supply chains to support decarbonisation targets. Our SOEC technology can deliver green hydrogen at 37kWh/kg, which is 30% more efficient than incumbent lower-temperature technologies. We are working with industry partners to ensure the development of our technology is compatible with hard-to-abate industrial processes to maximise the impact on global decarbonisation targets.

For more on our technology's role in industry, read about our product applications **here**

Goal 11
Sustainable cities and communities

Ceres' activities

Our technology can provide secure, clean, affordable technology for cities' transportation, commercial and data centre requirements.

Through our partners, we have deployed more than 100 pilot systems for decentralised power-supply systems. These have provided power for commercial buildings, hospitals and data centres.

See more on Ceres' collaboration with partners **here**

Goal 12
Responsible consumption and production

Ceres' activities

We are committed to responsible consumption and production through our operations and technology development. Our technology has sustainability embedded into its design by using common materials and limited precious metals. Our life cycle analyses show improved resource utilisation as we continue to develop end-of-life solutions, thereby reducing both Ceres' and our partners' impact. As well, we have maintained zero waste to landfill since 2023.

For more on Ceres' sustainable design, see page **19** of this report

Goal 13
Climate action

Ceres' activities

Ceres promotes climate action through mitigation of our operational greenhouse gas ("GHG") emissions and deployment of its high-efficiency technology to high-emitting industries. We have developed an emissions reduction strategy to minimise the impact of our operations whilst partnering with original equipment manufacturers for the rapid deployment of our technology to reduce energy consumption across applications, such as the distributed power and steel industries.

For more on Ceres' role in global decarbonisation, see page **5** of this report

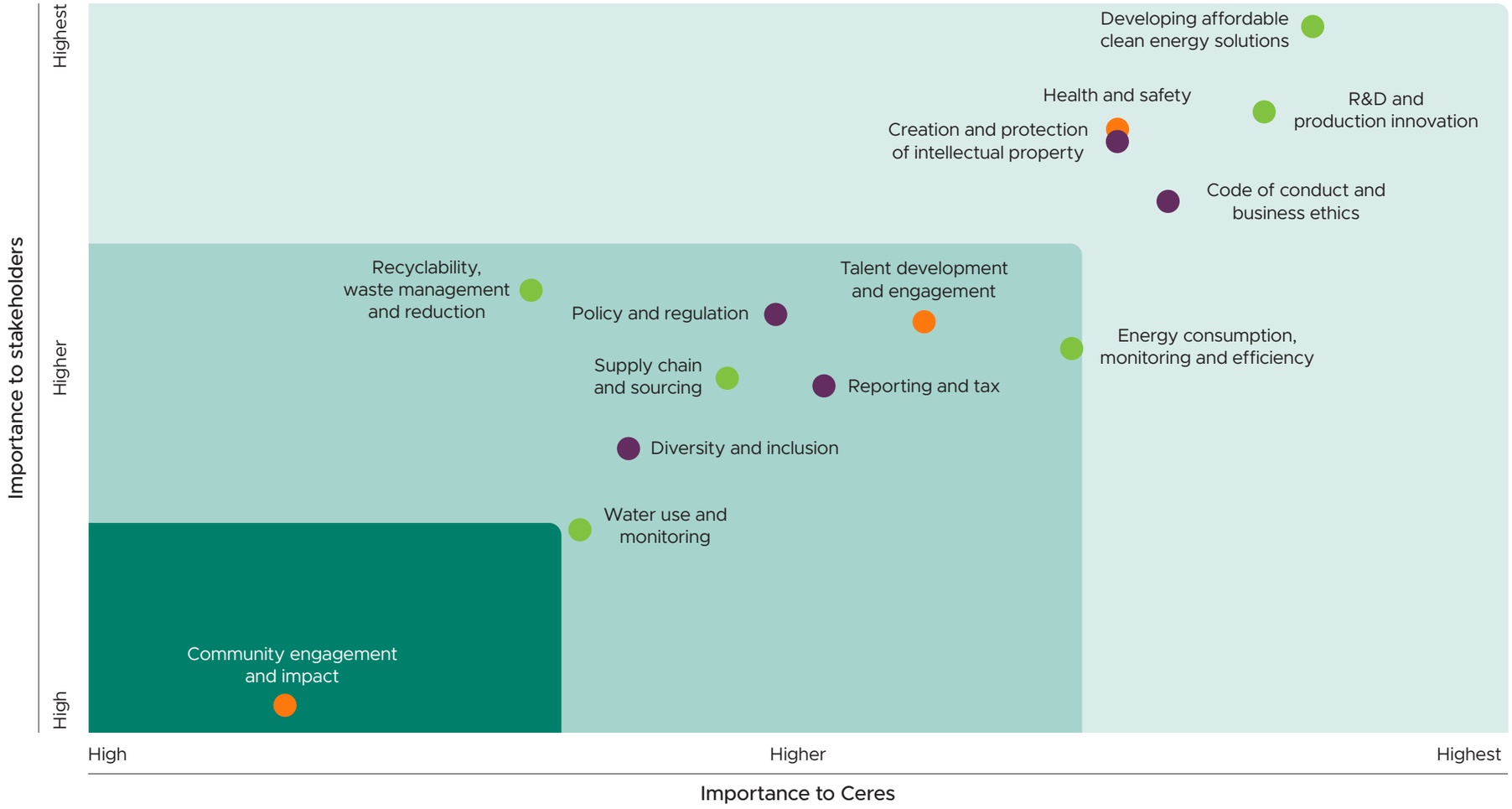
Materiality matrix

Materiality aligned to strategy

Ceres is at the forefront of the energy transition, accelerating the deployment of green energy technologies to global partners, thereby facilitating their shift towards a cleaner and more sustainable future. As the impacts of climate change intensify, markets aiming to decarbonise are rapidly transforming, addressing challenges such as energy limitations and the technical difficulties of decarbonising hard-to-abate sectors. The dynamic business, social and natural environments in which Ceres operates necessitate the alignment of our operations and strategies with the expectations of stakeholders, including our partners. We focus on activities that are most material to our business and stakeholders as we advance clean energy solutions for a sustainable world.

Recently, we updated our materiality assessment. With anonymous input from a diverse group of internal and external stakeholders – including employees, current and potential investors, partners, and members of our supply chain - we identified 14 priority topics. We found strong alignment between internal and external stakeholders on the relative importance of these topics. Notably, recyclability, waste management and reduction was rated as a higher priority by external stakeholders, particularly our partners and suppliers. This was unsurprising given their direct operational implications. Accordingly, we had already allocated dedicated resources to address the recyclability of our products. In a rapidly evolving context, it was reassuring to see a high degree of consensus among stakeholders, reinforcing the relevance of our current sustainability strategy and roadmap.

We conduct materiality assessment every two years to ensure our strategy remains aligned with external expectations. As a clean energy company, we are committed to focusing on key topics that deliver the greatest value in our business activities. This enables Ceres to adapt to a changing environment and integrate stakeholder concerns into our strategy as needed.



Sustainability roadmap

Ceres' ESG pillars
- Science-based climate action
- Processes that support nature
- A green transition that works for people
- Governance enabling the right decisions

Tackling climate change is what drives us; we are committed to enabling a decarbonised world through our technology, and our aim is to ensure our sustainability strategy keeps pace with this ambition.

Progress achieved

- First iteration of TCFD analysis and disclosure.
- Created SBTi guided net zero strategy, setting near-term absolute emission targets and Scope 3 intensity targets.

- **Achieved** Energy Savings Opportunity Scheme ("ESOS") compliance for energy management.
- Achieved zero waste to landfill.

- Exceeded 30% target for female recruitment.
- ESG KPIs integrated into Executive remuneration package.

- Refreshed our materiality matrix.
- Second publication against the **Sustainability Accounting Standards Board ("SASB")**.

Current actions <1 year

- Integration of Transition Plan Taskforce framework into reporting.
- Identification of relevant clauses from The Chancery Lane Project for integration into our business contracts.

- Annual Gallup 12 employee survey completed in June 2025.
- Maintained retention of employees at 89% from 88%.
- Reduced the gender pay gap amongst Ceres employees.

- Reduce electrical consumption by 15,000kWh.
- Maintain zero waste to landfill.
- Maintain **ISO 14001** accreditation for Environmental Management Systems.

- Mature reporting against TCFD towards full compliance.
- Implement initial emissions reduction initiatives in line with SBTi commitment.

Future actions 1–3 years

- Embed circular economy principles in product design, recycling and reuse targets.
- Understand product impact in service with cradle-to-grave and Scope 4 emissions analysis.

- Seek **ISO 50001** accreditation for Energy Management Systems.
- Evaluate water impacts from our electrolyser technologies at scale.

- Develop a diverse and motivated workforce with a culture of collaboration, focused on our mission to deliver "clean energy for a clean world".
- Enhance our teams' skills for a green transition through growth and training.

- Embed sustainability consideration across our operations, in alignment with our net zero strategy.

Goal

Multi-gigawatts of manufacturing capacity under licence with global partners.

Enabling significant carbon reduction versus alternative power and hydrogen production methods.

Implementation strategy

In this section

Strategy

Global decarbonisation starts here

As a technology company at the forefront of the energy transition, Ceres' company strategy and sustainability strategy align towards a unified goal: multi-gigawatts of manufacturing capacity under licence with global partners to enable significant carbon reduction compared to alternative power and hydrogen production methods. Ceres' technology has an opportunity to have a global impact, but we must continue to align our operations and technology design with our sustainability values. The climate transition represents a strong business opportunity for Ceres; however, it is essential to thoroughly evaluate climate risks to ensure resilience to a changing environment.

Energy transition opportunities

The largest contributor to GHG emissions is energy use: electricity and heat production, transportation, manufacturing, and industrial processes account for around 80% of global anthropogenic GHG emissions[1]. Decarbonising these vast sectors is one of the world's greatest challenges, yet represents a huge opportunity for Ceres. Achieving a gigawatt of global fuel cell capacity has the potential to displace up to 1.6 million tonnes of CO_2 per gigawatt each year compared to the average carbon intensity of electricity generation using conventional technology in a G20 country. Electrolyser capacity for green hydrogen is projected to increase tenfold by 2040, with about half expected to decarbonise industries such as ammonia production, steelmaking and eFuels[2]. Each of these sectors is particularly well suited to Ceres' technology, where it delivers 30% higher efficiency compared to competitive electrolyser technologies.

For Ceres' opportunities arising from the energy transition, see page **16** of our 2024 Annual Report

Climate-related risks

Climate-related risks are inherently global and interconnected, impacting businesses across operations and value chains. Given the challenging global backdrop, Ceres' strategy is designed to remain resilient amid uncertainty while advancing a more sustainable future. We embed this approach in our operations and product development, aiming to support industrial decarbonisation through sustainability-focused technologies.

Climate change may lead to resource scarcity, talent shortages and material disruptions, factors that could raise operational costs and affect supply chain stability. The degree of risk varies based on factors such as temperature rise and time horizon. To anticipate and mitigate these risks, we have conducted a climate scenario analysis to strengthen our preparedness and inform strategic decision making.

For our scenario analysis, see page **11**

Operational alignment

As Ceres continues to grow, we are dedicated to implementing sustainability initiatives across our operations and technology development to maximise our positive impact on creating a cleaner world. These efforts are detailed in our sustainability roadmap, which includes our achievements over the past year, current projects and future plans. Key business functions – including procurement, supply chain, manufacturing, health and safety, and facilities – are deeply involved in evaluating and minimising our environmental footprint.

In 2025, we announced near-term targets for our Scope 1, 2 and 3 emissions, verified by the Science Based Targets initiative ("SBTi"). This underscores our commitment to reducing the environmental impact of our operations.

For our sustainability roadmap, see page **8** and transition plan, see page **13**

1. Centre for Climate and Energy Solutions. Four charts to explore greenhouse gas emissions by sector. 2021.
2. BNEF. New energy outlook 2024. May 2024.

Scenario analysis

Resilience for evolving landscapes

Ceres has evaluated the climate-related risks and opportunities affecting our operations. Through scenario analysis, we quantify potential risks and uncertainties under various plausible climate futures. Following TCFD guidelines, our risks and opportunities are categorised into transition or physical risks and assessed across three scenarios: Net Zero 2050, Delayed Transition, and Current Policies, covering the short (to 2030), medium (to 2040), and long (to 2050) term. These scenarios, defined by the Network for Greening the Financial System ("NGFS"), provide credible data to support environmental and climate risk management across industries.

Each scenario includes assumptions about policy responses, technology adoption, and physical climate impacts, such as investment in hydrogen projects or the frequency and intensity of heatwaves. These assumptions help determine the impact on Ceres. The three temperature scenarios in our analysis are:

1. **Net Zero 2050:** Limits global warming to 1.5°C through stringent climate policies and innovation, achieving global net zero CO_2 emissions around 2050.
2. **Delayed Transition:** Assumes annual emissions do not decrease until 2030, with strong policies required to limit warming to below 2°C, peaking at a 1.8°C increase by the end of the century.
3. **Current Policies:** Maintains only currently implemented policies, resulting in high physical risks and a final estimated temperature increase of 2.9°C by the end of the century.

According to TCFD guidelines, it is crucial to quantify the financial impact of climate-related risks and opportunities on a company's financial performance through revenue and costs or financial position through assets and liabilities. This analysis has been a significant effort by Ceres to achieve full compliance with TCFD guidelines.

Quantifying the financial impact of climate-related risks is challenging for Ceres due to our high growth and lack of stable historical data. Therefore, we focus our financial analysis on climate-related risks in the short term until 2030, where we have reasonable visibility through financial planning.

Beyond 2030, we rely on climate scenarios to guide potential risk impacts but cannot credibly quantify their financial impact.

For the 2030 financial analysis, we assessed the potential impact of climate-related risks on Ceres. This includes analysing the climate-related risks to Ceres' operations as well as those of our partners. If our partners or their suppliers experience climate-related disruptions in manufacturing, it could reduce revenues from sales of products embedded with our technology, thereby affecting royalty revenue to Ceres. Our analysis identified one high financial impact risk for Ceres through to 2030: technology adoption risks related to Ceres technology, aligning with one of our Company's principal risks. No other significant financial impacts from climate-related risks were identified for 2030.

Our climate-related risk analysis aligns with our corporate risk analysis. High-impact short-term risks are escalated to the Audit and Risk Committee for review. Risks are categorised as new principal risks, within current principal risks, or requiring ongoing monitoring. Actions are taken as needed according to our corporate governance procedures.

Ceres embeds our technology with global partners who design and manufacture products and systems at scale for various applications. Operating from our UK base, Ceres focuses on innovation and R&D, transferring technology under licence. This positioning presents both risks and opportunities, especially as a clean energy company. Our current disclosure reflects our business model and small asset footprint while considering the direct impact on Ceres through our manufacturing partners. Although we cannot complete a detailed financial analysis over the medium and long term, as an asset-light growth company, Ceres has a flexible cost base and minimal assets that could be adversely affected by climate-related risks. We work with our partners to understand their business continuity planning in the context of their partnership with Ceres, as well as that of our suppliers and our partners' suppliers.

Scaling technology has an environmental cost, but any increase in our footprint will be significantly outweighed by the positive impact our technology will have on global decarbonisation efforts.

Scenario analysis continued

Risk			Impact on Ceres' business	Scenario	Short (to 2030)	Medium (to 2040)	Long (to 2050)	Ceres' actions and opportunities
Transition	Policy and legal risk	Increasing regulation, legislation and carbon pricing on GHG emissions.	Greater costs associated with emissions reduction, monitoring and reporting.	1	Moderate risk	Low risk	Low risk	Ceres pursues carbon abatement through a SBTi-guided carbon reduction pathway, including the cost of carbon in forward financial planning. We set a clear strategy to reduce the carbon footprint of our business, assessing and engaging with our supply chain to reduce the carbon intensity of our Scope 3 emissions. Ceres continues to evaluate the global climate regulation and emissions policy landscape.
				2	Low risk	Low risk	Low risk	
				3	Low risk	Low risk	Moderate risk	
	Policy and legal opportunity	Policy incentives and capital allocation for scaling of clean energy technologies.	Increased funding from public sector and investors to accelerate scaling up of fuel cell and hydrogen technologies.	1	High	High	High	Governments around the world continue to mobilise funds to support the energy transition, such as Japan's commitment to mobilise ¥15 trillion in the next 15 years. Ceres sees increased opportunity in countries as they transition away from coal to natural gas, supported by Ceres' SOFC technology. Ceres will continue to evaluate funding opportunities and explore partnership to progress our SOEC programme.
				2	Moderate	High	High	
				3	Low	Moderate	Moderate	
	Market risk	Global economic, political and physical disruption increases the cost and availability of resources.	Higher operating costs due to increased price and reduced availability of critical skills, resources and materials.	1	Moderate risk	Moderate risk	Low risk	We will engage with our supply chain on climate-related and sustainability risks. We will build a robust procurement strategy to ensure multiple sources of key materials and monitor changes in global sustainability regulations influencing resource availability and cost. Ceres will integrate the implication of climate change into the development of assets and partners while building our skills pipeline for a green energy future. Ceres will continue to build a supportive and enjoyable work environment to attract and retain talent.
				2	Low risk	Moderate risk	Moderate risk	
				3	Low risk	Moderate risk	High risk	
	Reputation risk	Evolving stakeholder perceptions and expectations around climate footprint and business performance.	Lack of transparency and adherence could limit commercial opportunities and threaten access to capital.	1	Moderate risk	Low risk	Low risk	Ceres will continue to exhibit strong governance and transparent disclosure of ESG performance. Ceres will integrate circular economy principles into design of technology. We will maintain a strong and sustainable shareholder base through our Investor Relations programme.
				2	Low risk	Low risk	Low risk	
				3	Low risk	Moderate risk	Moderate risk	
	Technology risk	Uncertainty in market signals due to reliance on incumbent technologies and perceived cost to transition to lower-emission alternatives.	Slower than expected uptake of new technologies due to deprioritisation of decarbonisation, resulting in reduced production and royalties, or limited opportunity for growth due to increased risk aversion supporting competitive electrolyser technologies (e.g. alkaline).	1	Moderate risk	Low risk	Low risk	Ceres will stay at the leading edge of innovation, with a focus on cost, life and durability, building a flexible technology that meets emissions standards for multiple applications and geographies. Ceres will engage with government to understand expectations and directives surrounding net zero commitments and funding while horizon scanning for future technologies beyond solid oxide.
				2	High risk	Moderate risk	Low risk	
				3	High risk	High risk	Moderate risk	
	Technology opportunity	Technology revolution to support the energy transition, requiring huge amounts of renewable energy and green hydrogen.	Prosecute our licensing model to deliver clean energy technology that bridges molecules and electrons.	1	High	High	High	Natural gas remains a key transition fuel in geographies where coal is still heavily used. Green hydrogen is predicted to require 1,766GW capacity to meet green hydrogen consumption in 2040, representing a ten-fold increase from current deployment[1]. The sectors most likely to adopt this technology are steel, ammonia and sustainable aviation fuel[1], all of which are highly compatible with Ceres' technology. We work across the value chain to stimulate interest and adoption of our technologies to take advantage of this market opportunity.
				2	Moderate	High	High	
				3	Moderate	Moderate	Moderate	
Physical	Acute risk	Increasing frequency of severe climate events.	Impacts on Ceres' production plant, our partners' plants, or their suppliers, thus resulting in lost royalties.	1	Low risk	Moderate risk	Moderate risk	Ceres will continue to rely on our strong business continuity planning. We will minimise risk through diversification of licence partners and diversification of applications and geographies.
				2	Low risk	Moderate risk	Moderate risk	
				3	Low risk	Moderate risk	High risk	
	Chronic risk	Increasing temperatures affecting working conditions.	Increased costs of operations to maintain favourable conditions for production. Capital costs associated with retrofitting assets to provide sufficient temperature control.	1	Low risk	Moderate risk	Moderate risk	Ceres will integrate the implication of climate change into the development of environmental resilience planning of asset and manufacturing sites in collaboration with partners. We will support the development of strong and localised supply chains for our operations and our partners' operations.
				2	Low risk	Moderate risk	Moderate risk	
				3	Low risk	Moderate risk	High risk	

Legend for the climate-related risks table:

- Low risk
- Moderate risk
- High risk

Financial impact: Ceres has analysed the financial risks for near term to 2030, for which we have reasonable line of sight as a growth company. For medium and long term, we continue to rely on climate scenarios to assess potential impact on Ceres.

Scenario 1: Net Zero 2050 is an ambitious scenario that limits global warming to 1.5°C through stringent climate policies and innovation.

Scenario 2: Delayed Transition scenario assumes global annual emissions do not decrease until 2030. Strong policies are then needed to limit warming below 2°C.

Scenario 3: Current Policies assumes that only currently implemented policies are preserved, leading to high physical risks from a temperature increase of 2.9°C.

1. BNEF. New energy outlook 2024. May 2024.

Transition plan

Global impact from local innovation

Global deployment

At Ceres we enable the decarbonisation of multiple markets by developing highly differentiated technology that scales through global partnerships. Our own technology can help accelerate the transition to a clean future, both as a means of converting fuels such as hydrogen, ammonia and other sustainable fuels into clean power and as a means of producing green hydrogen through electrolysis. Our unique licensing business model allows for rapid deployment of our technology through the scaled manufacturing from multiple global partners concurrently. Our technology can address climate change and air quality challenges for industry, data centres, transportation and everyday living. Our ambition is to enable the world to transition to cleaner, more sustainable forms of energy and in doing so make big savings in carbon emissions as our partners scale up.

Local responsibility

Global impact does not absolve us of responsibility for our own emissions and impact. Therefore, Ceres is committed to becoming a net zero company by 2050. While the impact of our operations is small compared to the potential impact of our technology, it is important because we are committed to being consistent with our values.

In 2024, we conducted a comprehensive assessment of the investment and actions required to develop a net zero strategy, guided by the SBTi standards for a 1.5°C scenario future. We formally submitted our near-term emission reduction targets to SBTi for validation and received approval in December 2024.

As a growing company, Ceres' Scope 1 and 2 emissions increased in 2024 due to continued investment in our manufacturing and testing capacity. However, we are committed to an absolute reduction in our operational emissions through operational improvements, energy efficiency and carbon reduction measures while supporting company growth. We continue to evaluate our net zero implementation strategy to balance affordability with impact.

Emissions data and reduction management

Ceres calculates our Scope 1, 2 and 3 emissions in accordance with the Greenhouse Gas Protocol Accounting and Reporting Standards, including Scope 3 guidance documents and ISO 14064-1. Since 2021, we have eliminated our Scope 2 emissions by securing a 100% renewable energy supply, certified by TotalEnergies.

To manage our greenhouse gas emissions, we have implemented an emissions management system, Sweep. Sweep provides centralised carbon data storage, enabling near real-time tracking of our emissions and supporting our progress towards our net zero commitments. Designed to comply with the SBTi frameworks, Sweep helps to identify hotspots and monitor progress against our near-term emission reduction targets. This is a significant improvement in Ceres' data management, providing a baseline for consistency in future emissions analysis.

In 2024, Ceres completed a rigorous analysis of our emissions, assessing in detail our Scope 1, 2 and 3 emissions, forecasting our future emissions in a business-as-usual scenario and a net zero scenario. In consultation with Ricardo Energy and Environment, we produced a comprehensive assessment of the investment and actions required to implement a net zero strategy aligned with SBTi standards. This analysis provided greater understanding of the emissions of Ceres' operations and our supply chain, the latter representing 95% of our total emissions.

Ceres is committed to a 42% absolute reduction in our Scope 1 and 2 emissions and a reduction in our Scope 3 emissions by 53% per million GBP gross profit by 2030 from a 2022 baseline year.

For more information on how we track our emissions and energy reporting progress, please visit page **18**

Total emissions

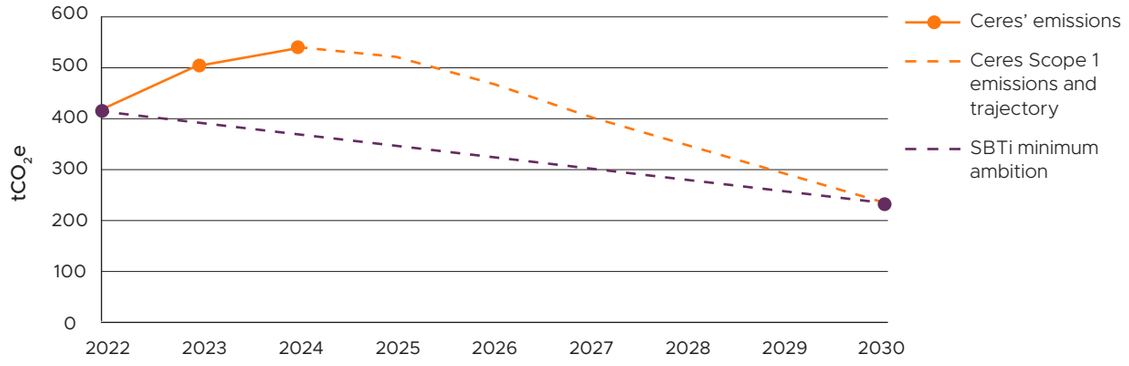
- **Scope 1:** 5%
- **Scope 2:** 0%
- **Scope 3:** 95%

Scope 3 emissions

- **Purchased goods and services:** 60%
- **Purchased capital goods:** 14%
- **Downstream leased assets:** 1%
- **Fuel- and energy-related activities:** 5%
- **Remaining 11 categories:** 20%

A breakdown of our total GHG emissions for 2024, where the largest contributor by far is Scope 3 or emissions from our value chain. Using the GHG Protocol categories, purchased goods and services, including capital goods, make up the majority of our Scope 3 emissions at 74%.

Absolute Scope 1 and 2 near-term reduction target



Engagement strategy

Influencing our global supply chain

With 95% of Ceres' emissions falling under Scope 3, proactive engagement with our supply chain remains central to achieving our net zero ambitions.

Ceres' supply chain

As a signatory of the UN Global Compact, Ceres is committed to its ten principles, which include a "precautionary approach to environmental challenges, initiatives to promote environmental responsibility, and the development and diffusion of eco-friendly technologies".

Our approach to supply chain sustainability is underpinned by internationally recognised standards, including ISO 14001 for Environmental Management Systems and ISO 20400 for Sustainable Procurement.

Our ISO 14001 certification enables us to systematically identify and mitigate environmental risks across our supply chain. This is complemented by our ISO 20400-aligned Procurement Policy and internal Sustainable Procurement and Supply Chain Assurance Policies, first introduced in 2022. These frameworks guide supplier selection and performance evaluation, with a focus on resource efficiency, sustainable sourcing, and emissions and waste management.

We set clear expectations for our suppliers through robust policies and procedures. Prior to onboarding, we conduct due diligence assessments that include a review of each supplier's sustainability practices. We also carry out annual sustainability reviews to evaluate the environmental and social impacts of the goods and services we procure. Suppliers identified as high risk are subject to enhanced monitoring, targeted engagement, or, where necessary, replacement.

To support continuous improvement, we provide organisation-wide education on supply chain governance and deliver additional training to our supply chain team on priority sustainability topics. In 2025, we are further strengthening our due diligence processes through a partnership with a third-party specialist in supply chain sustainability risk management. This collaboration will introduce independent audits for high-risk suppliers, reinforcing our commitment to transparency, accountability and continuous improvement.

Partners' supply chain

One of the value propositions for partners licensing Ceres' technology is the support to scale manufacturing quickly. We work closely with our manufacturing partners to develop localised, resilient supply chains that support mass production.

By applying our supply chain management improvements and learnings across our network, we enhance positive sustainable production on a larger scale. Our innovations in material science – particularly in enhancing the efficiency of our electrolyser and fuel cell designs – reduce material intensity and lower Scope 3 emissions. These innovations are significantly amplified when deployed at scale through our partners' production capacities, driving substantial reductions in overall emissions.

For more on our technology's sustainable design, see page **19**

Social responsibility within our supply chain

Our commitment to sustainability extends beyond environmental performance. In alignment with the UN Global Compact's principles on human rights, labour and anti-corruption, we have embedded social responsibility standards into our procurement practices. Our Supplier Code of Conduct outlines our expectations regarding fair labour practices, human rights protections and anti-corruption measures, ensuring that our supply chain reflects our broader values and responsibilities.

Metrics and targets

In this section

Overview

Tracking our progress

As a clean energy company, Ceres is uniquely positioned to drive real carbon abatement. By replacing outdated infrastructure and enabling the decarbonisation of hard-to-abate sectors, our technology is helping to shape a more sustainable future. Guided by our sustainability roadmap, we have established clear targets to minimise our impact. This includes integrating sustainability into our core strategy, investing in future-ready capabilities, and strengthening resilience across our value chain to ensure our operations reflect our values.

In 2024, we reached a significant milestone in our sustainability journey with the formal approval of our near-term carbon reduction targets by SBTi. We are proud to announce that Ceres is committed to an absolute reduction of 42% in our Scope 1 and 2 emissions, and a 53% reduction in Scope 3 emissions intensity (per million GBP gross profit) by 2030, using 2022 as our baseline year.

Achieving this milestone required rigorous emissions analysis, deep cross-functional collaboration, and a strategic alignment of our business model with a 1.5°C future. Our targets provide a clear framework for decarbonising our operations and value chain, whilst driving innovation, operational efficiency and long-term resilience, establishing robust foundations for our long-term net zero commitment.

Receiving external validation of our targets reinforces our commitment to transparency and holds us accountable as we continue to grow. Recognising our growth trajectory, our net zero strategy is designed to evolve, balancing impact with affordability as we scale. To support this, we have strengthened our data collection and management systems, enabling more accurate tracking of our progress against targets. In parallel, we continue to develop our technology to improve robustness, efficiency and cost without compromising its sustainable design.

Sustainability credentials

GREEN ECONOMY
LONDON STOCK EXCHANGE

MSCI ESG RATINGS AA
CCC B BB BBB A AA AAA

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

	2022	2023	2024
Economic	**12 months to 31 December**	**12 months to 31 December**	**12 months to 31 December**
Revenue (£ million)	19.8[1]	22.3	51.9
Gross profit (£ million)	10.7[1]	13.6	40.2
Gross margin (%)	54%[1]	61%	77%
Environmental			
Carbon emissions (tonnes CO_2e)	18,723	14,846	10,360
Emissions intensity (tonnes CO_2e)/£ REV per £100,000[2]	95[1]	67	20[3]
Energy consumption (MWh)	8,653.7	9,411.0	9,405.0
Water use (m^3)	5,513	5,330	3,704
Percentage of electricity from renewable sources	100%	100%	100%
Social			
RIDDOR rate	0.0	1.0	0.0
Employee share option scheme (participation levels as %)	63%	52%	47%
Women in the workforce (%)	21%	21%	19%
Training and development investment	£401,000 (£704/employee)	£420,000 (£710/employee)	£260,000 (£547/employee)
Employee retention rate	84%	88%	89%

1. Financial metrics 2022 have been restated as reflected in Note 1 of the financial statement of the Annual Report 2023.
2. Carbon emissions per £100,000 revenue for SECR compliance. Please see page 18 for further information on SBTi Scope 3 intensity target.
3. Reduction in emissions intensity due to an absolute reduction in total emissions by 30% in addition to an increase in revenue for 2024. Due to the nature of our business model, annual intensity figures may fluctuate due to these variations on an annual basis.

Emissions and energy reporting

Continuing to refine our emissions analysis

SECR, additional Scope 3 and energy analysis for the 12 months to December 2024

			2022		2023		2024	
	Disclosure	**Description**	**Emissions[1] (tCO_2e)**	**Energy (kWh)**	**Emissions[1] (tCO_2e)**	**Energy (kWh)**	**Emissions[1] (tCO_2e)**	**Energy (kWh)**
SECR mandated	**Scope 1**	**Direct emissions:** Fuel used from transport and consumption of natural gas[2]	411	2,243,492	510[3]	2,779,434	541[3]	2,860,495
	Scope 2	**Indirect emissions:** Electricity purchased and used for operations	Nil[4]	6,340,242	Nil[4]	6,526,984	Nil[4]	6,463,620
	Scope 3	**Other indirect emissions:** Company-funded fuel used in employee-owned vehicles	17	69,931	25	104,616	20	80,506
Additional analysis	**Scope 3**	**Other indirect emissions:** Upstream and downstream emissions that occur in the value chain[5]	18,295		14,311		9,799	
	Total	Total carbon emissions	18,723[6]		14,846		10,360	
	Carbon intensity revenue	Total carbon emissions per £100,000 revenue[7]	95		67		20	
	Carbon intensity headcount	Total carbon emissions per employee	33		25		22	

1. Market-based emissions: CO_2e calculated from fuel used in company vehicles, electricity purchased, and natural gas consumed for ongoing operations, converted to tCO_2e using government-approved conversion factors.
2. Other gas use and emissions from test stands and international travel excluded.
3. Emissions from our CleanTech Test centre in Nuneaton, UK, and office in Brighton, UK, are not included as both are shared facilities, which limits our ability to quantify our specific footprint, and their estimated contribution to our overall footprint is too small to be material.
4. Starting from October 2020, we secured 100% renewable energy supply until September 2024, certified by TotalEnergies, September 2024 onwards certified by Smartest Energy, which assures our energy supply is backed by relevant Renewable Energy Guarantee of Origin ("REGO") certificates.
5. Purchased goods and services account for the largest percentage; see page 13 for the breakdown.
6. The decrease in emissions from 2022 to 2024 was driven by reduction of spend in carbon intensive goods.
7. Carbon emissions per £100,000 revenue for SECR compliance. Please see page 18 for further information on SBTi Scope 3 intensity target.

Emissions and energy reporting continued

Performance, progress and next steps

While Ceres' technology will lead to huge carbon abatement and carbon savings, we seek to understand our own direct and indirect emissions relative to our global positive impact. As a licensing business, we continually innovate and release new versions of our technology, requiring highly talented engineers, technicians, chemists and material scientists. Our R&D centre is in Horsham, UK, along with our commercial, administrative and finance functions. We also operate our 3MW manufacturing facility in Redhill, UK, which provides demonstration and test products to develop manufacturing automation techniques for our stacks.

Since 2020, Ceres has reported in line with the Streamlined Energy and Carbon Reporting ("SECR") framework, but has gone beyond to develop a more detailed understanding of our Scope 3 emissions. We are utilising the emissions management system Sweep, increasing the accessibility and speed of data collection and analysis.

This year marks the first formal review of our progress against our near-term emission reduction targets, in line with SBTi requirements. We aim to continue to drive emission reductions through innovation in product design and operational efficiency, whilst actively engaging with our supply chain to support broader decarbonisation efforts.

Scope 1 emissions increased in 2024 due to the expansion of our manufacturing and testing capacity, reflecting our growth trajectory. However, we expect 2024 to represent the peak of our energy consumption. In response, we are implementing energy efficiency measures aligned with the Energy Savings Opportunity Scheme ("ESOS") and our net zero strategy. Key initiatives in 2025 include transitioning to electric company vehicles and upgrading to more efficient gas boilers. As a growth company, our net zero strategy will continue to evolve balancing affordability with impact.

We maintained zero Scope 2 emissions by sourcing 100% certified renewable electricity across our operations.

Scope 3 emissions decreased by 30% in 2024 in comparison to 2023, largely due to reduced investment in energy-intensive goods. As a result, we remain on track to meet our Scope 3 intensity reduction target. However, we recognise the limitations of spend-based emissions analysis in driving meaningful change across our value chain. A critical next step in our net zero implementation plan is transitioning to an activity-based accounting approach for our procured goods. This will enhance the accuracy of our reporting, support supplier engagement, and enable more impactful emissions reductions throughout our supply chain.

For more information on our SBTi-approved near-term targets, please refer to our transition plan on page **13**

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

42% reduction

Ceres Power Limited commits to reduce absolute Scope 1 and 2 GHG emissions 42% by 2030 from a 2022 base year. Ceres Power Limited also commits to reduce Scope 3 GHG emissions 53% per million GBP gross profit by 2030 from a 2022 base year.

Sustainable design

Sustainable materials by design

Based on research spun out of Imperial College in London in 2001, Ceres' technology is designed to capture the high efficiency of solid oxide technology with an environmental and economic design. Ceres continues to innovate and develop new designs that improve robustness and efficiency while reducing environmental impact and cost. Our mission is to sustain a clean, green planet and our ethos of sustainability is built into our technology by design.

Our groundbreaking technology offers a notable advantage by using widely available materials. Specifically, we use automotive-grade steel, which makes up 88% of the mass in our current generation's stack, with about 40% sourced from recycled steel. Ceria forms the active chemistry of our cells, driving the conversion between molecules and electrons and vice versa. It is the most abundant rare earth metal and a commonly found material across the globe. Precious metals comprise less than 2% by weight of our stacks, which is considerably lower than conventional electrode supported solid oxide technology. Additionally, unique among solid oxide electrolysers, our system operates at a reduced temperature range of 450 – 630°C, allowing us to use standard automotive gaskets rather than fragile glass components. This combination of features not only provides our world class technology but also delivers significant environmental and sustainability benefits.

As our partners scale up deployment, our technology is poised to integrate into high-emission industrial processes, delivering emissions reductions that far exceed those associated with production. Leveraging conventional high-volume manufacturing techniques from the solar PV sector, we are driving down production costs and complexity. Our ongoing design innovations continue to prioritise sustainability, robustness, and efficiency.

A cradle-to-gate life cycle assessment ("LCA") of our 10kW stack, benchmarking it against our previous 5kW model, revealed a near 50% reduction in carbon footprint. This comprehensive analysis spans raw material extraction, processing, transportation, manufacturing and packaging.

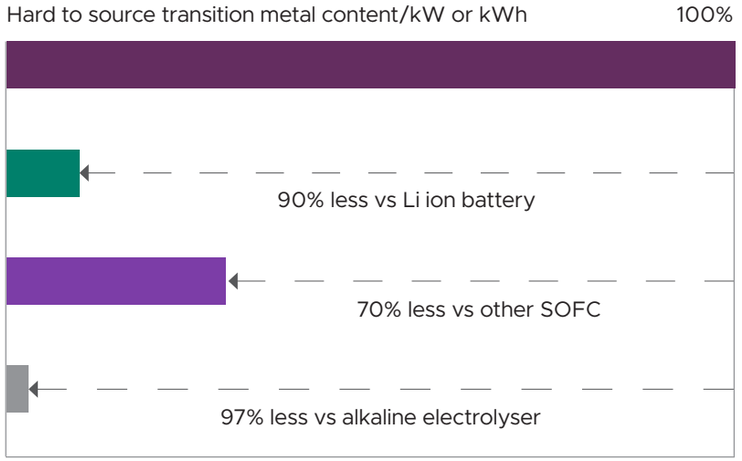
Substage	5kW stack (kg CO_2e)	10kW stack (kg CO_2e)
Raw materials	1,148	1,165
Manufacturing	929	930
Transport	48	57
Total	**2,124**	**2,152**
Total/kW	**425**	**215**

Our commitment to sustainability starts in the design process, where carbon analysis is part of the technology gate review to assess the impact of design changes. As such, we are in the process of improving our life cycle analyses by adopting an in-house life cycle assessment tool to enable real-time assessments of design innovation. This will help us accelerate development and further reduce the carbon intensity of our technology.

In alignment with circular economy principles, we have initiated a collaboration with a specialist in end-of-life material recycling. This partnership will assess the recyclability and recovery potential of critical materials, including precious metals.

Combined with our internal LCA capabilities, this will support cradle-to-grave assessments and deepen our understanding of the full environmental impact of our technology. By integrating sustainability into the design, we can ensure the sustainable mass production of our technology through the transfer of intellectual property under licence to our partners.

Ceres technology enables significant savings in hard to source transition metals, e.g. iridium and nickel, vs other technologies



50% reduction

10kW stack design has a 50% reduction in emissions impact compared to previous generation of stack.

Recyclability, waste and water

Responsible production for scale

Ceres appreciates the value of shifting the global economy towards circular economy principles. We approach sustainability with a keen awareness of both our own operations and those of our partners as they scale production. We aim to reduce our impact and design recyclability and material recovery into our technology. Through continued innovation, we can maximise our technology's positive environmental impact.

Waste, recycling and energy efficiency

Since 2023, Ceres has achieved zero waste to landfill at both our Horsham and Redhill facilities. We currently recycle 77% of waste at Horsham and 73% at Redhill, supported by robust waste segregation and audit processes. These efforts are designed to maximise the recovery of residual value from waste streams and minimise environmental impact.

Our Environmental Management System, certified to ISO 14001 since 2021, underpins our resource efficiency strategy. This includes comprehensive policies for energy conservation, water stewardship and material optimisation.

In alignment with the UK's ESOS, we have developed a four-year Energy Action Plan to implement targeted energy efficiency measures by 2027. Progress will be reviewed annually to ensure alignment with our broader net zero objectives.

Ceres is actively collaborating with third-party partners to develop a stack and cell recycling programme. This initiative focuses on reducing cradle-to-grave emissions through the recovery of high-value materials, including precious metals, while safeguarding intellectual property. We are also exploring the automation of stack disassembly to enhance the cost-effectiveness and scalability of material recovery, further reducing CO_2e emissions.

Understanding the water impact of our technology

Although our direct water consumption remains modest with 3,704m^3 in the past year, we recognise the growing global urgency around water conservation. Our electrolysis technology, which produces green hydrogen from renewable electricity, relies on water as a key input. As our partners scale to multi-gigawatt capacities by 2030, water use will increase significantly.

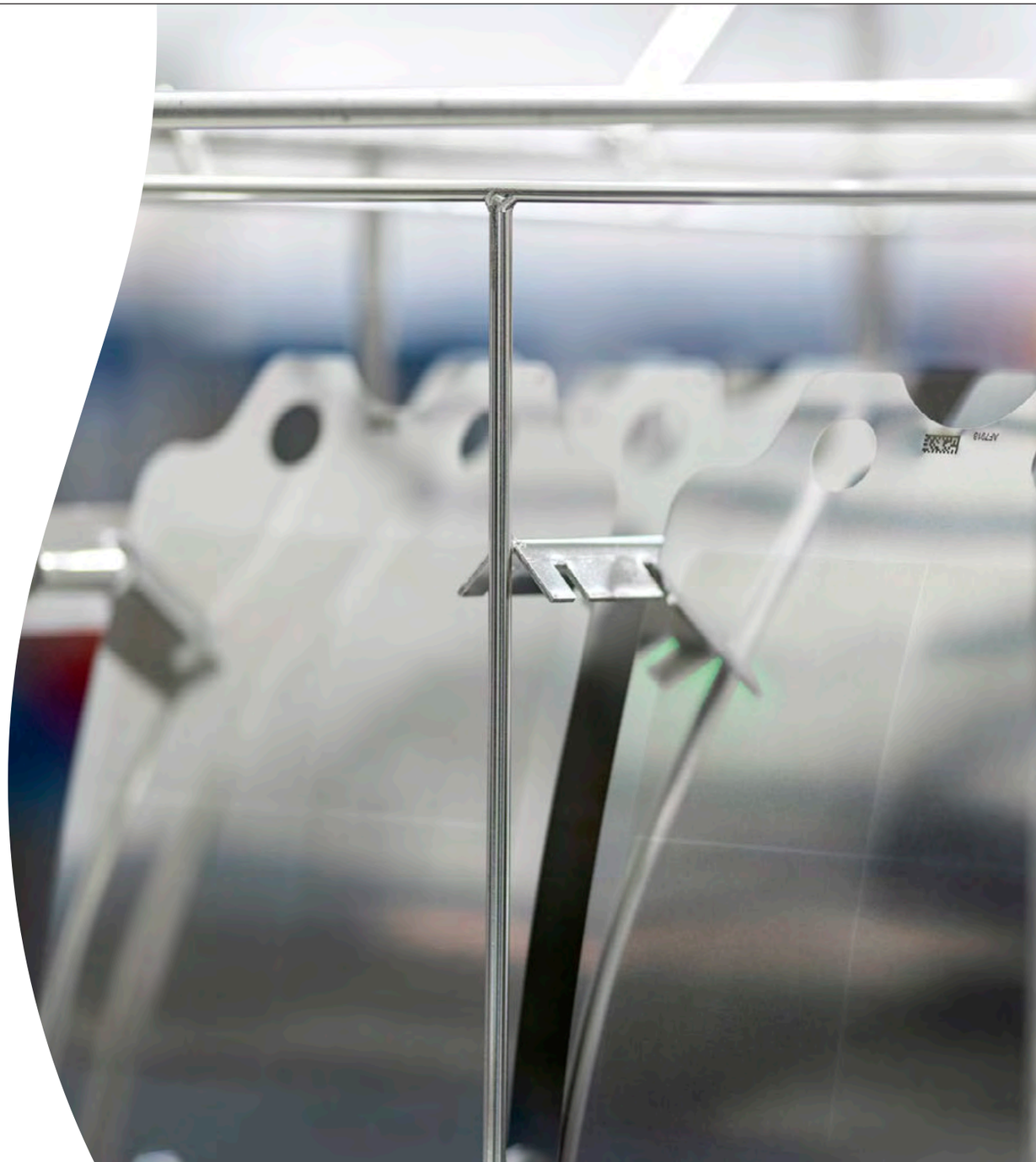
To proactively address this, we have committed to evaluating the water footprint of our technology at scale. This assessment is embedded in our sustainability roadmap and will inform future strategies to mitigate water-related impacts across our global operations.

Installed electrolyser capacity globally could increase as much as

13 times

by 2030.[1]

1. BNEF. New energy outlook 2024. May 2024.



People

In this section

Health and safety

Safety is our standard

Protecting the wellbeing of our employees and all those involved with Ceres is a fundamental aspect of our operational philosophy.

We are dedicated to maintaining effective systems, plans and training to manage the health, safety and welfare of all employees while minimising the environmental impact of our operations. This commitment includes regular consultations with employees, partners, suppliers and contractors to ensure all risks are properly assessed and controlled, as reasonably practicable. Our goal is to minimise risks and continually improve our safety record.

In 2024, Ceres reported a Total Recordable Incident Rate ("TRIR") of 0.33 per 100 employees, an improvement from 0.54 the previous year. Additionally, we reported zero injuries under the Reporting of Injuries, Diseases, and Dangerous Occurrences Regulations ("RIDDOR") criteria, an improvement from the one reported the previous year.

Our health and safety team is deeply integrated into all operations, ensuring best practices across our advanced technology and manufacturing activities. All employees undergo comprehensive health and safety training, including detailed inductions and annual refresher courses. We emphasise a culture of responsibility, transparency and continuous improvement in health and safety.

Accidents, incidents, near misses and safety enhancements are electronically recorded through our Health, Safety, and Environment ("HSE") issue reporting system. In 2024, 280 HSE issues were reported. Each issue's root cause was identified, and improvements were implemented to enhance our processes, policies and procedures accordingly.

To maintain safety standards, weekly safety reports are presented to the Executive Management team for review, and both UK sites undergo monthly safety audits. Health and safety are key agenda items in weekly delivery meetings, the All Hands meeting – our Company-wide meetings – and Board of Directors meetings. The Board also receives a monthly HSE Board Safety Report.

Certification and awards

bsi ISO 9001 Quality Management Systems CERTIFIED

Ceres' Quality Management System is certified to ISO 9001:2015. Certificate number FS 738105.

bsi ISO 14001 Environmental Management CERTIFIED

Ceres Power Limited has been certified by BSI to ISO 14001:2015 under certificate number EMS 761891.

Building a diverse and inclusive environment

At Ceres, we strive to create a workforce that reflects all sectors of society, ensuring every employee feels respected and empowered to perform at their best. Our commitment to diversity, equity, belonging and inclusion ("DEBI") is rooted in the belief that a variety of perspectives and experiences fuel talent and innovation.

Our workforce of nearly 480 employees spans from students to accomplished scientists and engineers, representing over 43 countries. We are dedicated to improving gender balance within Ceres, with a goal for 35% of new recruits in 2025 to be women. As of 31 December 2024, our team comprised 93 women, 382 men, and three individuals who chose not to disclose their gender. For more details, please refer to our Gender Pay Report on our website.

Annually our employees engage in DEBI training and our Operational ESG Committee reviews our DEBI Policy and Employee Wellbeing and Absence Policy. We support our employees through various initiatives, including a buddy scheme that pairs new hires with colleagues from different teams to facilitate knowledge sharing and integration. Our reverse mentorship programme allows senior staff to learn from others about their lived experiences and workplace challenges, equipping them with insights to promote equality, diversity and inclusion.

All Ceres employees have access to our assistance programme, which offers free, confidential advice, emotional support, and help with practical issues.

Our unwavering commitment to DEBI drives us to continually refine our practices, fostering a diverse, equitable and inclusive workplace where everyone feels a sense of belonging.

Workforce: 2024 gender split

Female
2024: **93**
19%
2023: 126

Male
2024: **382**
80%
2023: 465

Undisclosed
2024: **3**
1%
2023: 0

Copies of our Gender Pay Report and Diversity, Equity, Belonging and Inclusion Policy can be found on the **Company website**.

connect

We don't just focus on DEBI because it is nice to have, we know that a more satisfied workforce leads to greater enthusiasm to thrive and grow the business. To promote this at all levels of our business, we have two employee-run groups to foster this belief from across the business: our CONNECT forum and our Wellbeing forum.

Our CONNECT forum brings colleagues from across the business to foster a socially active and inclusive work culture by organising Company events, social clubs and community outreach initiatives. During 2024, CONNECT again organised and celebrated events including Pride, World Day for Cultural Diversity, International Women's Day and Lunar and Persian New Year.

In 2024 we established the Wellbeing forum. This newly established group promotes Ceres' commitment to creating a holistic approach to wellbeing, supporting a cultural shift to embed psychological safety across the business. Our aim is to cultivate positive working with our Wellbeing Coaches supporting the physical and mental health of all our people. Together, these two groups embody our belief in individual rights and freedoms, encouraging everyone to connect and contribute to a more diverse and inclusive culture.

Talent development and engagement

Nurturing talent and promoting sustainable careers

As companies transition to more sustainable practices, the expertise of Ceres' employees becomes increasingly valuable.

Our culture is rooted in science, engineering and the passion of talented individuals dedicated to our purpose. We have a highly skilled workforce, from technicians innovating in manufacturing to scientists studying molecules and engineers solving complex system issues. We license our technology to manufacturing partners, and our engineers and scientists find inspiration in developing pioneering technology that could underpin future energy systems. Collaborating with industry giants offers our team members unique opportunities.

Although we have not pursued Living Wage Foundation accreditation, we ensure all salaries at Ceres exceed living wage and national minimum wage thresholds. In 2024, we invested £547 per employee in technical training, leadership development, and wellbeing programmes. Building on our Ceres Academy, we further invested in technical training, change management and mental health promotion, supplemented by mentoring, coaching and wellbeing initiatives.

To align employee interests with business success, we offer a sharesave scheme with high participation, supported by bonus and Long-Term Incentive Plan schemes. Our annual employee engagement survey achieved a strong engagement score of 72% from a response rate of 82%. We value employee feedback and strive to address their suggestions. In 2024, we established an Employee Engagement Forum for employee representatives to voice colleague views, share ideas and influence people-related decisions. It fosters communication between employees, leadership and the Board, promoting inclusion and active participation in shaping the workplace environment.

We continue to develop an early careers framework that collaborates with schools to promote STEM careers, offering work experience, internships, apprenticeships and a graduate development programme. Ceres provides a high-quality working environment and offers up to three days of volunteering annually. Our employee group CONNECT facilitates community outreach in Horsham and Redhill, supporting initiatives like the London 2 Brighton Charity Cycle and St.Catherine's Hospice.

Many of our team members share their skills with the wider community. Ceres has over 30 STEM Ambassadors participating in events like the National Saturday Club, where young people explore subjects they love, connecting with colleagues and sharing knowledge with the next generation.

Employee retention rate

89%

Workforce: 2024 split by roles

Engineer
2024: **217**
45%
2023: 244

Technician
2024: **100**
21%
2023: 135

Scientist
2024: **29**
6%
2023: 38

Other
2024: **132**
28%
2023: 174

Governance

In this section

Sustainability governance

Strong governance for a sustainable future

Plc Board

- Audit & Risk Committee
- Remuneration & Nomination Committee
- **ESG Committee**
  - **Board members:**
    - Julia King — Committee Chair
    - Warren Finegold
    - Trine Borum Bojsen
    - Phil Caldwell
  - **Regular attendees:**
    - Chief Operating Officer
    - Chief People Officer
    - Senior Legal Director
    - Chair of Employee Engagement Forum
- Disclosure Committee
- Executive Committee
- **Operational ESG Committee**
  - **Membership:**
    - Chief Operating Officer — Committee Chair
    - Chief Executive Officer
    - Chief People Officer
    - Senior Legal Director
    - Company Secretary
    - Chair of Employee Engagement Forum
  - With regular attendance from across corporate communications, supply chain and finance

Board oversight

Strong governance is fundamental to Ceres' long-term success and our ability to deliver sustainable value. The Board of Directors plays a pivotal role in upholding business integrity and maintaining stakeholder trust. It is responsible for setting the Company's purpose, values, and strategy to create value for stakeholders through our business plan.

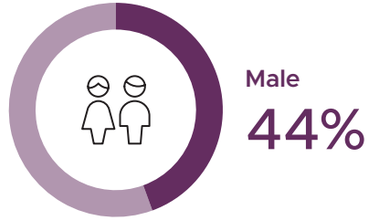
In 2023, Ceres established a dedicated ESG Committee of the Board to oversee ESG risks and actions, and the development of our sustainability strategy. This includes setting key performance indicators and managing ESG-related risks and opportunities. The Committee's work is forward-looking, helping ensure our sustainability approach is resilient, inclusive and responsive to evolving regulatory, operational and societal expectations. It also supports the integration of ESG into our broader risk management framework.

The ESG Committee is chaired by our Senior Independent Director, Julia King, who brings extensive experience in climate and energy governance. Her credentials include being Chair of The Carbon Trust, a Non-Executive Director of Ørsted, Chair of the Adaptation Committee of the Climate Change Committee and a former member of the Government Hydrogen Advisory Council. Under her guidance, the Committee meets at least three times a year, with additional meetings as needed. Following each meeting, the Chair reports formally to the Board, ensuring transparency and alignment with strategic goals. The entire Board receives annual education on sustainability as the sector evolves regarding its relevance and implications for the Company.

As a clean energy company, Ceres is committed to embedding sustainability across our operations and governance. Our ESG structure ensures we remain accountable, adaptive and aligned with our mission to decarbonise the global energy system.

For more on the Board ESG Committee, see Ceres' 2024 Annual Report

Board: gender split



Executive: gender split

Embedding sustainable strategies

Integrating ESG across our operations

Ceres sees the value of sustainability and endeavours to integrate it across business activities from the top down, collaborating across the business for effective assessment and implementation.

Management role, responsibility and accountability

In addition to Board-level oversight, Ceres' Chief Operating Officer, Mark Garrett, chairs the Operational ESG Committee. This cross-functional group, comprising representatives from finance, legal, operations, human resources, and communications, is responsible for identifying, managing and delivering on the Company's sustainability objectives. Its diverse composition ensures a holistic, integrated approach to ESG across the organisation.

Meeting at least quarterly, the Committee reviews initiatives and aligns ESG priorities across departments. Following each meeting, the COO reports progress directly to the Board, promoting transparency and accountability. ESG metrics are embedded into Executive key performance indicators, linking remuneration to sustainability outcomes. This alignment reinforces our culture of responsible leadership by ensuring Executive incentives reflect stakeholder expectations and ESG performance.

While oversight rests with management, ESG integration is embedded across operational functions, from procurement and supply chain to manufacturing, testing, health and safety, and facilities. These teams play a critical role in evaluating, monitoring and enhancing sustainable practices across daily activities.

We recognise that sustainability encompasses environmental stewardship, social impact, and strong governance. Employees are valued stakeholders, and to support their voice at the highest level, Non-Executive Director Trine Borum Bojsen serves as the designated Employee Engagement Director, enabling direct communication between the workforce and the Board.

As a signatory to the UN Global Compact, Ceres upholds its ten principles relating to human rights, labour, the environment and anti-corruption, demonstrating our commitment to integrity and accountability.

Policy and procedures

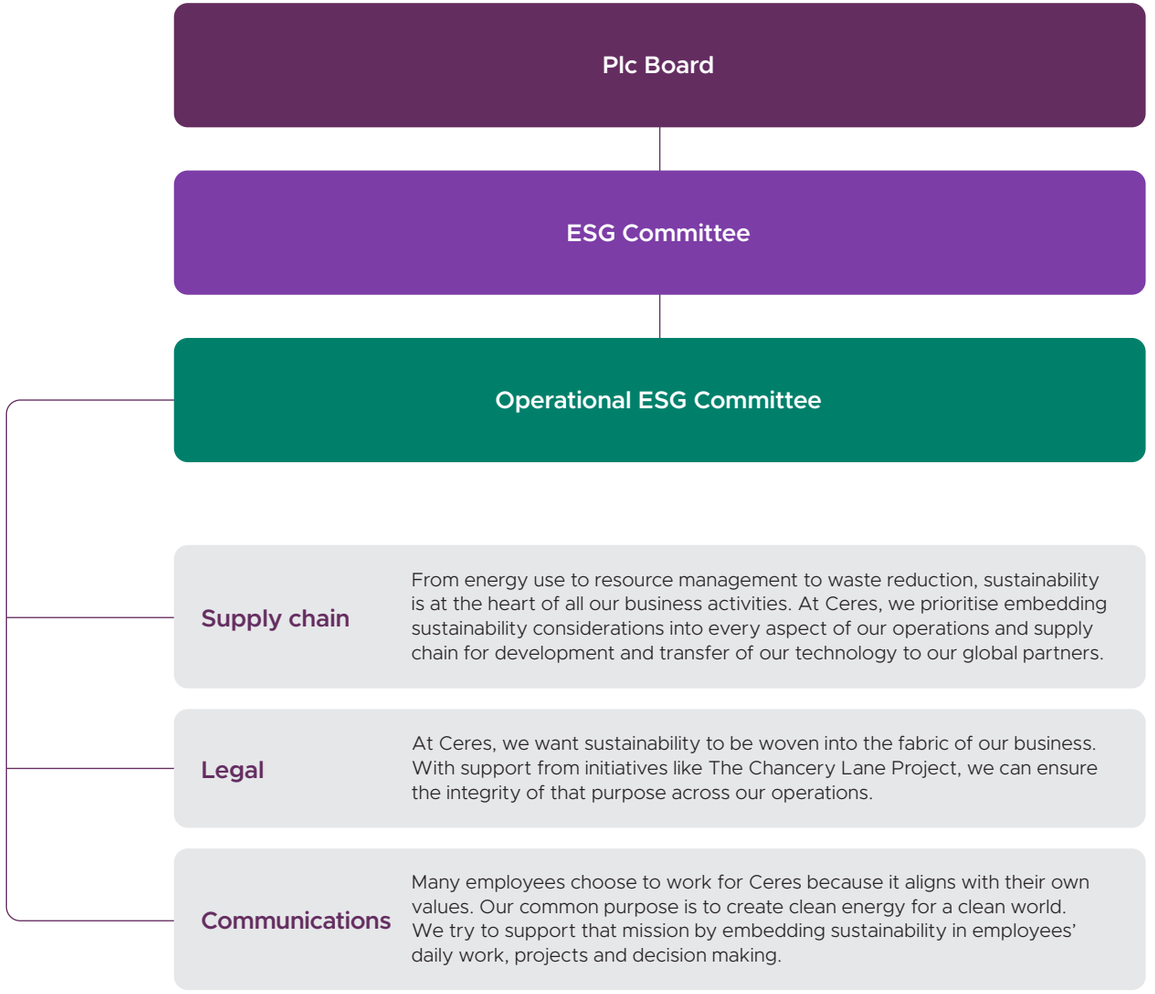
Ceres is committed to upholding the highest standards of governance, ensuring all business activities are conducted with integrity, ethics and social responsibility. Our Code of Conduct and Business Ethics guides interactions with employees, partners, suppliers, shareholders and the wider community, reflecting our commitment to responsible corporate citizenship.

We comply fully with all applicable laws, regulations, and codes of practice, particularly those related to environmental and social impacts. Ceres maintains zero tolerance for modern slavery, child labour and human trafficking, as outlined in our Modern Slavery Statement. We also enforce strict anti-bribery and corruption policies, with procedures in place to ensure compliance. In response to the new failure to prevent fraud offence under the Economic Crime and Corporate Transparency Act 2023, we are considering our fraud prevention procedures to ensure we meet the standards set out in statutory guidance, and further reinforcing our commitment to transparency and accountability.

To support continuous improvement, we set annual ESG objectives and integrate related KPIs into Executive Management performance assessments. These targets are proposed by the ESG Committee and approved by the Board, ensuring leadership accountability on material sustainability issues.

A biennial materiality assessment ensures we remain aligned with the evolving expectations of internal and external stakeholders. By actively monitoring legislative developments and best practices, Ceres stays responsive to the dynamic sustainability landscape and committed to ongoing progress.

See our Code of Conduct and Business Ethics and other ESG policies on our **website**



Managing emerging risks

The responsibility of every business to ensure proper oversight of climate-related risks and opportunities has never been higher. At Ceres, we have taken steps to embed ESG consideration, including climate-related risks, into our corporate risk management framework.

To support this integration, we have two key tools: a cross-disciplinary corporate risk register and a climate risk radar. The corporate risk register has a specific sections focused on a broad spectrum of ESG issues. Each risk is assessed based on the severity, likelihood of occurrence, and potential business impact. The register also includes proposed mitigation strategies and post-mitigation severity evaluations. Our climate risk radar is aligned with the recommendations of the TCFD. It enables us to identify and assess climate-related risks through scenario analysis over the short, medium and long term.

Both tools are subject to regular review by our Operational and Board ESG Committees. Significant risks are escalated to the Audit and Risk Committee for inclusion in the Board-level risk register. High-impact risks are integrated into our strategic, financial and operational planning processes. High-impact short-term climate-related risks identified through the climate risk radar are also incorporated into the corporate risk register for ongoing monitoring.

To ensure relevance and responsiveness, the ESG Committee conducts a comprehensive materiality assessment every two years. This process, grounded in stakeholder engagement, helps us identify and prioritise the most pressing ESG issues. The Operational ESG Committee, chaired by the Chief Operating Officer, and the Board ESG Committee, chaired by the Senior Independent Director, provide strong governance to ensure that climate-related risks are effectively identified, managed and communicated across the organisation.

Regulatory developments related to climate change are factored into both our risk mitigation strategies and our pursuit of new business opportunities. For example, evolving air quality and emissions legislation is accelerating our adoption of cleaner technologies. At the operational level, climate adaptation risks are assessed site-by-site. Our main facilities operate under Integrated Management Systems (“IMS”) certified to ISO 9001 and ISO 14001 standards, with triennial audits ensuring continued compliance and improvement. Sustainability risks, including climate-related hazards, are embedded into our supplier risk assessments. This enables us to define targeted mitigation plans and prioritise multi-sourcing strategies. We also monitor climate events in critical supplier regions to reduce response times and minimise potential disruptions. Finally, we collaborate closely with our licensee partners to understand their climate mitigation and adaptation strategies, particularly for key manufacturing sites, and to assess any potential implications for Ceres.

For more on risk management, see the Committee reports of the Board in the 2024 Annual Report

Appendix

In this section

TCFD and TPT alignment index

Ceres aims to keep pace with the sustainability reporting landscape as it continues to evolve and mature, commensurate with a pre-profit company of approximately 500 people. This report encompasses topics broader than the remit of the TCFD and Transition Plan Taskforce ("TPT") frameworks, but both reporting guidelines have been fed into the design and content of Ceres' 2024 Sustainability Report, as mapped below. By integrating these frameworks into our strategy and planning, we aim to broaden our thinking and comprehensive communication around our climate-related risks and opportunities and transition plan. Though we are not yet fully compliant with the TPT, sustainability is a journey to which we are deeply committed and will continue to improve.

Page	Content	TCFD alignment	TPT alignment
2	Foreword		3.2; 3.3
4	Who we are		
5	Our role in global decarbonisation	2a; 4a	1.1; 1.2; 1.3; 2.2; 3.2
6	UN Sustainable Development Goals		1.1; 1.2; 2.2
7	Materiality matrix	3a	3.1
8	Sustainability roadmap	4a	1.1; 1.2; 2.4; 4.1; 4.2
10	Strategy	2a; 2b; 2c; 4a	1.3
11	Scenario analysis	2a; 2b; 2c;3b;4a	1.1; 2.1; 5.5
13	Transition plan	4c	1.1; 2.1; 2.4; 4.2; 4.3
14	Engagement strategy	4c	1.1; 2.1; 2.2; 2.3; 3.1; 3.2; 5.5

Page	Content	TCFD alignment	TPT alignment
16	Overview		2.2
17	Emissions and energy reporting	4b	2.1; 4.1; 4.3
19	Sustainable design	2b	
20	Recyclability, waste and water	2b	
22	Health and safety		
23	Diversity and inclusion		5.3
24	Talent development and engagement		5.3
26	Sustainability governance	1a	5.1; 5.5
27	Embedding sustainable strategies	1b	2.3; 5.2; 5.3; 5.4
28	Managing risks	3a; 3b; 3c	2.4

Ceres does not purchase or provide carbon credits, and so there is no reference aligned to TPT 4.4 Carbon credits.

SASB index

For full details on Ceres' compliance with SASB reporting, see the SASB report on the **Ceres website**.

Code	Metric	Reference
Energy management		
RR-FC-130a.1	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	See Sustainability KPIs, page **16**
Workforce health and safety		
RR-FC-320a.1	(1) Total Recordable Incident Rate and (2) fatality rate	See Health and safety, page **22**
RR-FC-320a.2	Description of efforts to assess, monitor and reduce exposure of workforce to human health hazards	See Health and safety, page **22**
Product efficiency		
RR-FC-410a.2	Average energy efficiency of fuel cells as (1) electrical efficiency and (2) thermal efficiency, by product application and technology type	See UN SDGs, page **6**
RR-FC-410a.4	Average operating lifetime of fuel cells, by product application and technology type	See Annual Report 2024, page **12**
Product end-of-life management		
RR-FC-410b.1	Percentage of products sold that are recyclable or reusable	Not included at this time; more information about recyclability and reuse on page **20**
RR-FC-410b.2	Weight of end-of-life material recovered; percentage recycled	See Recyclability and waste, page **20**
RR-FC-410b.3	Description of approach to manage use, reclamation and disposal of hazardous materials	See Recyclability and waste, page **20**
Materials sourcing		
RR-FC-440a.1	Description of the management of risks associated with the use of critical materials	See Scenario analysis, page **12**
Activity metrics		
RR-FC-000.A	Number of units sold	See Emissions and energy reporting, page **17**
RR-FC-000.C	Total energy production capacity of fuel cells sold	For our capacity, see Emissions and energy reporting, page **17**. For our partners' capacity, see UN SDGs, page **6**

Ceres operates a technology licensing business model; we do not intend to mass manufacture technology or products at scale. Ceres has elected to remove references to batteries, which are not within the scope of its business.

UN SDG index

Goal	Priority subtarget	More information
Goal 7 	7.1: By 2030, ensure universal access to affordable, reliable and modern energy services	See Who we are, page **4**
	7.3: By 2030, double the global rate of improvement in energy efficiency	See Our role in global decarbonisation, page **5**
	7.a: By 2030, enhance international co-operation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil fuel technology, and promote investment in energy infrastructure and clean energy technologies	See how Clean energy starts with technology in our 2024 Annual Report, page **12**
Goal 9 	9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities	See Sustainable design, page **19**
	9.5: Enhancing scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending	See how Clean energy starts with our partners in our 2024 Annual Report, page **16**
Goal 11 	11.6: By 2030, reduce the adverse per capita environmental impact of cities. Including by paying special attention to air quality and municipal and other waste management	See Strategy, page **10**
Goal 12 	12.2: By 2030, achieve the sustainable management and efficient use of natural resources	See our Engagement strategy, page **14**
	12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	See Recyclability, waste and water, page **20**
	12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	See Emissions and energy reporting, page **17**
Goal 13 	13.2: Integrate climate change measures into national policies, strategies and planning (13.2.2 – Total greenhouse gas emissions per year)	See Foreword, page **2**

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