



# Sustainability at Ceres

6 November 2023

CLEAN ENERGY STARTS WITH CERES

# Welcome



**Phil Caldwell**  
Chief Executive Officer

*Chairs our ESG Operational Committee*



**Michelle Traynor**  
People Director

*Leads on Social aspect of our Sustainability strategy*



**Mark Garrett**  
Chief Operating Officer

*Leads on Environmental aspect of our Sustainability strategy*



**Deborah Grimason**  
General Counsel and Company Secretary

*Leads on Governance aspect of our Sustainability strategy*

# Introduction

Phil Caldwell  
Chief Executive Officer



Leading solid oxide technology  
for **power and green hydrogen**

**Unique IP**, >100 patent families

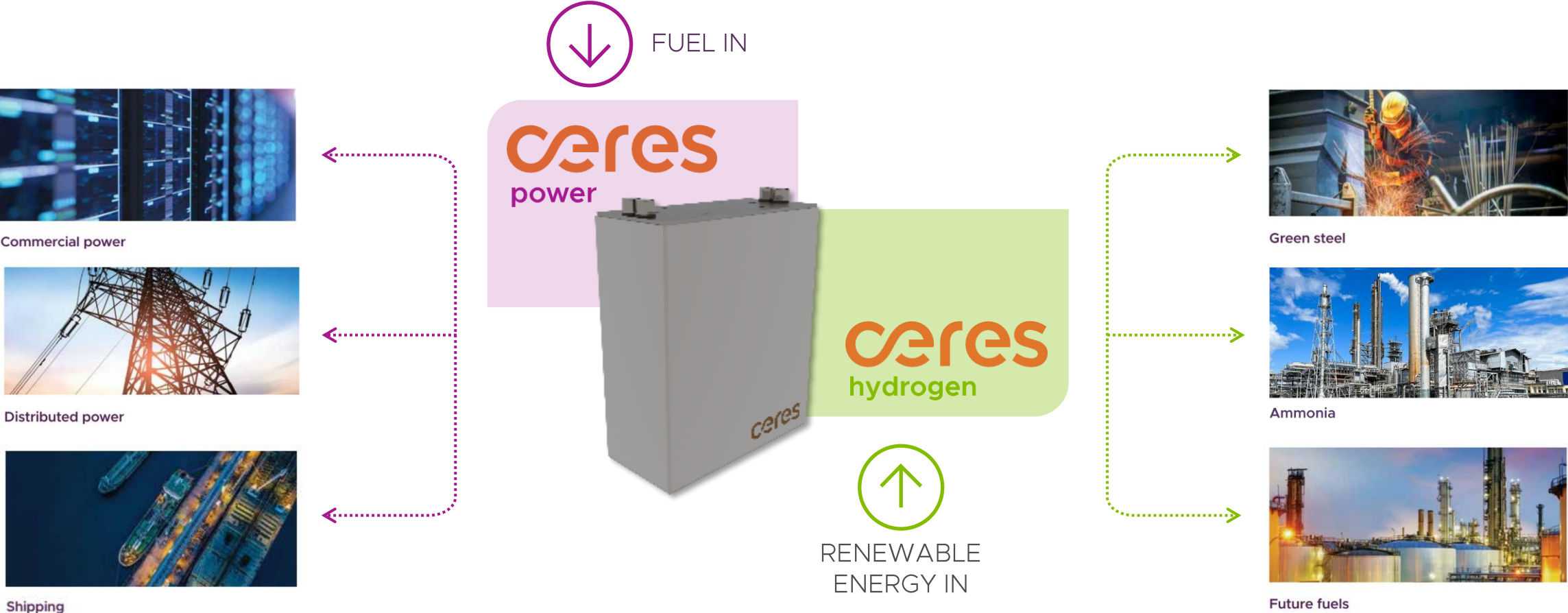
High-margin, **licensing business  
model**

We **collaborate with world-  
leading companies** to deliver  
clean energy technology...

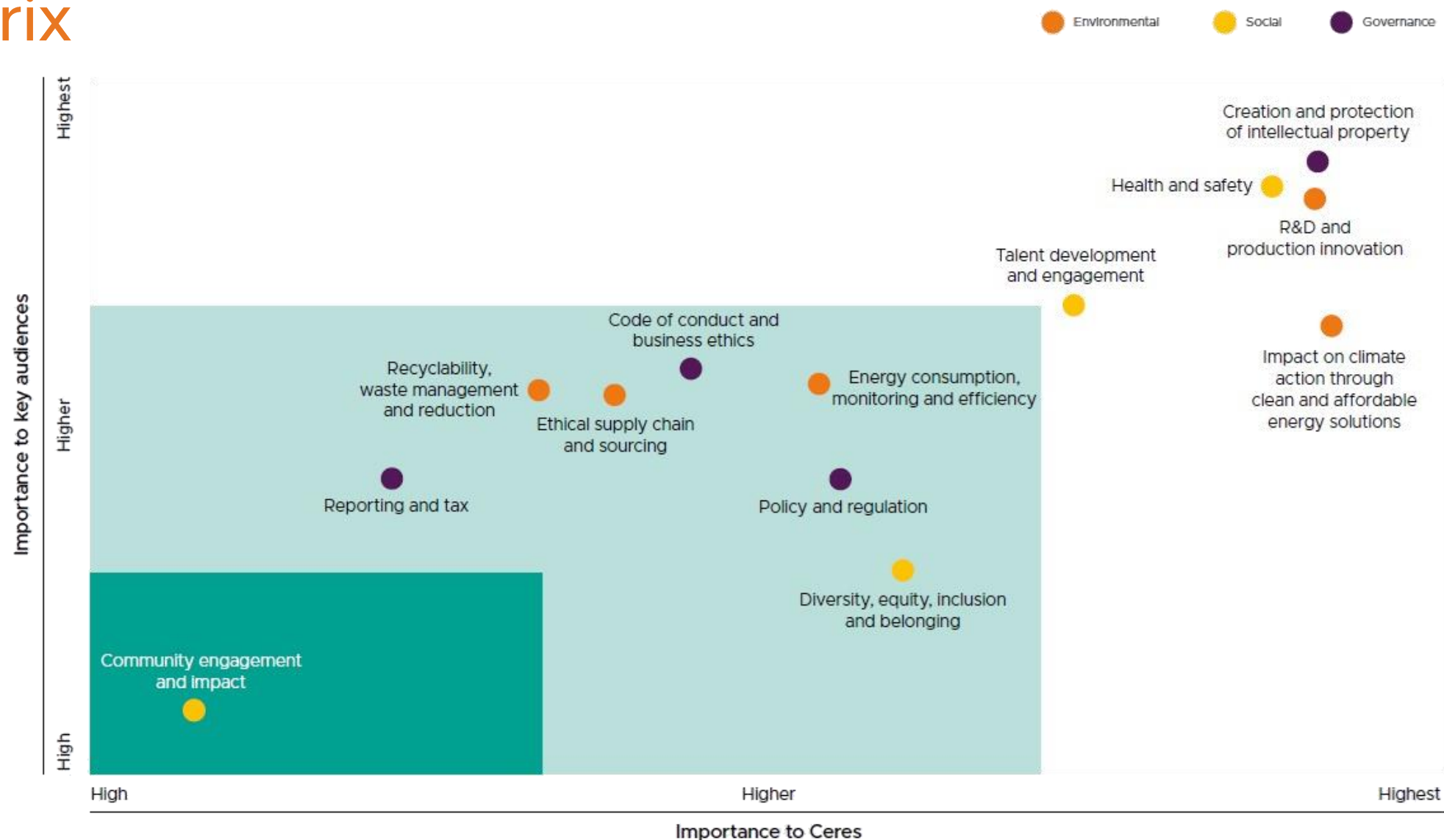
...at **scale and pace**



# Platform technology to address global decarbonisation



# Stakeholder engagement informs our materiality matrix



# Environmental

Mark Garrett  
Chief Operating Officer

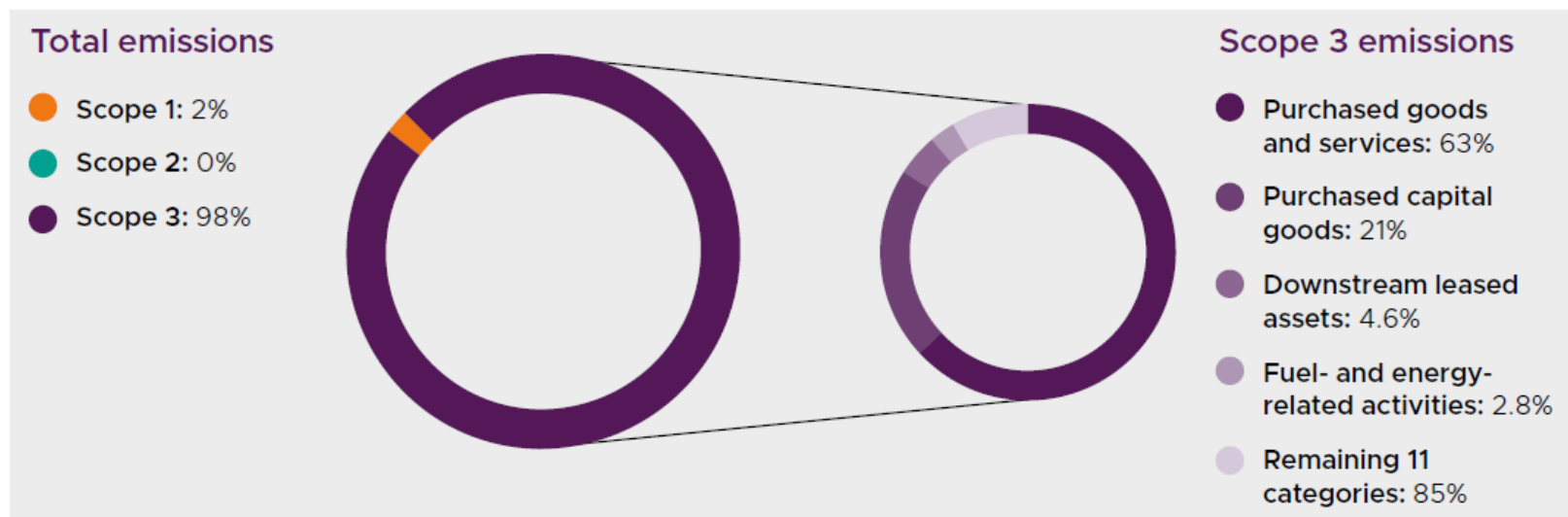
# Emissions reporting

Ceres reports on our Scope 1, 2, and 3 emissions to best understand how our operations impact the environment

SCOPE 1 Direct	SCOPE 2 Indirect	SCOPE 3 Indirect
411	Nil	18,723

All of Ceres' electricity has been provided by renewables since 2021.

Ceres used a more detailed characterisation of emission factors by spend to better quantify our emissions.





# Emissions reporting

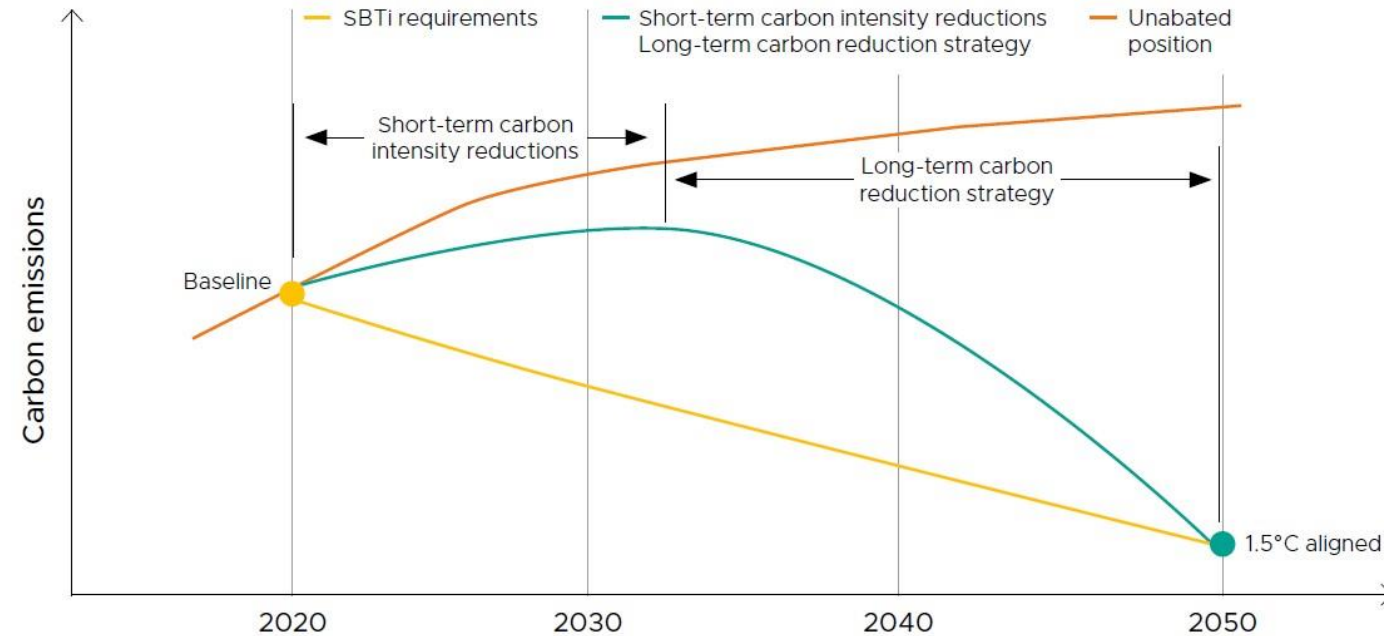
Ceres reports on our Scope 1, 2, and 3 emissions to best understand how our operations impact the environment

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

			2020	2021	2022
	Disclosure	Description	Emissions <sup>1</sup> (tCO <sub>2</sub> e)	Emissions <sup>1</sup> (tCO <sub>2</sub> e)	Emissions <sup>1</sup> (tCO <sub>2</sub> e)
SECR mandated	Scope 1	<b>Direct emissions:</b> Fuel used from transport and consumption of natural gas <sup>2</sup>	368	398 <sup>3</sup>	411
	Scope 2	<b>Indirect emissions:</b> Electricity purchased and used for operations	861	Nil <sup>4</sup>	Nil <sup>4</sup>
	Scope 3	<b>Other indirect emissions:</b> Company-funded fuel used in employee owned vehicles	14	12	17
Additional analysis	Scope 3	<b>Other indirect emissions:</b> Upstream and downstream emissions that occur in the value chain <sup>5</sup>	20,707	29,265	18,295
	<b>Total</b>	Total carbon emissions	21,950	29,675 <sup>6</sup>	18,723 <sup>6</sup>
	<b>Carbon intensity revenue</b>	Total carbon emissions per £100k revenue	101	96	85
	<b>Carbon intensity headcount</b>	Total carbon emissions per employee	68	61	33

# Net zero globally and locally

Our technology can accelerate the transition to a clean future while sustainably decarbonising our own business



For illustrative purposes only.

Reaching multi-gigawatts of global capacity by 2030 has the potential to

displace up to  
1.6 million tonnes of  
CO<sub>2</sub> per gigawatt  
each year

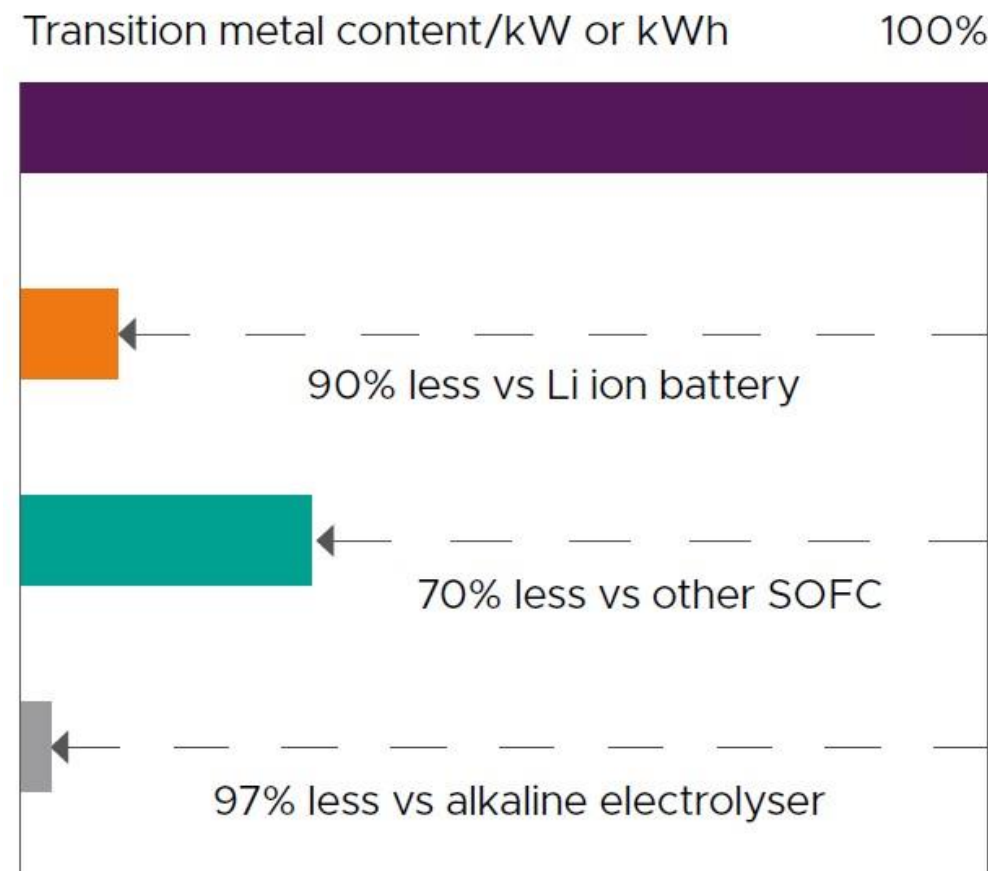
compared to conventional technology in a G20  
country

# Sustainable Design

Building innovation into the design for maximum robustness, efficiency, and sustainability

- Stack mass is 95% steel, the most widely recycled material globally
- Only 2% of stack mass is precious metals
- Performing an end of life recyclability and precious metal recovery evaluations to minimise cradle-to-grave emissions
- Increasing the efficiency of material as our cell size increases

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



# Social

Michelle Traynor  
People Director



# Skills for a green energy future

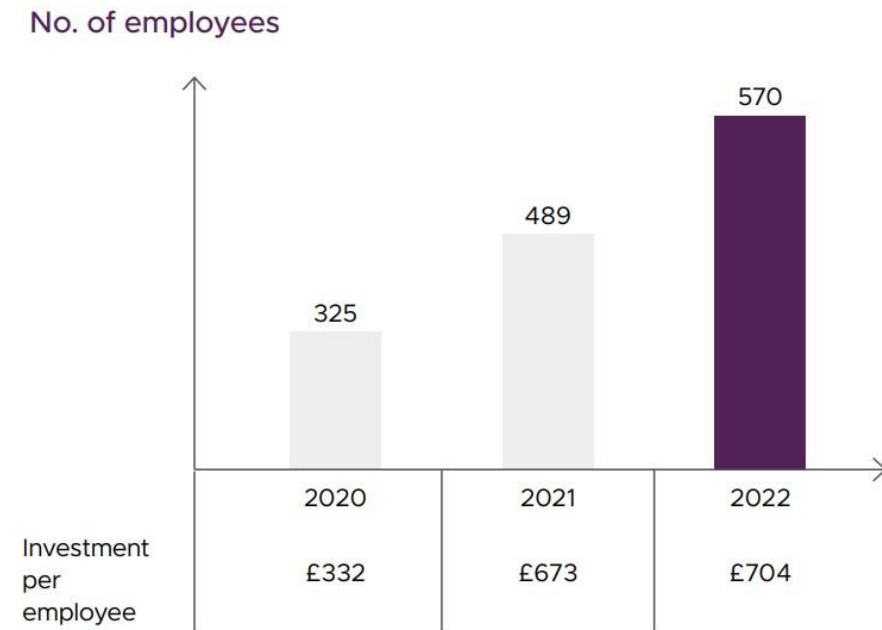
Nurturing and developing our people who care deeply about our purpose

**80%** Engagement score

**84%** Retention rate

## Investing in our talent pipeline

- STEM schools competition
- Paid internships
- Apprenticeship scheme
- Graduation rotation
- Engineering accreditation
- Leadership programmes
- Industry-academia partnerships



# Diversity, equity, belonging, and inclusion

Ceres believes that talent and ingenuity stems from a variety of perspectives

## Diversity

- 27% of new recruits were women, exceeding the goal of 25%
- 42 nationalities represented

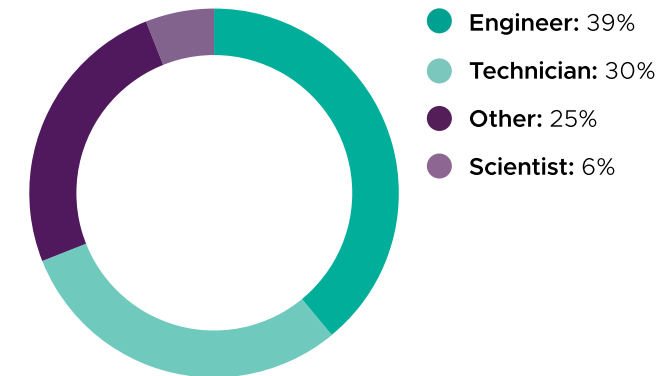
## Connect

- Employee-led group working to build an inclusive and progressive working environment
- Chair sits on the ESG Committee

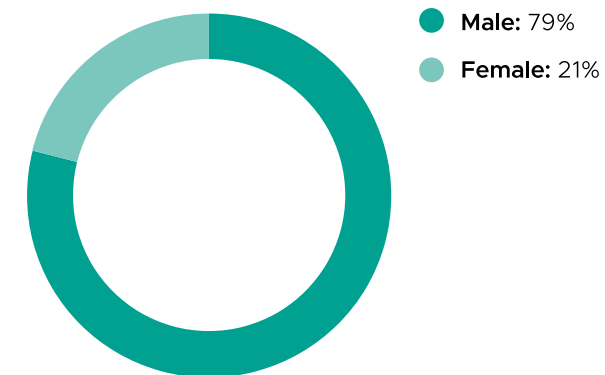
## Board

- Trine Borum Bojsen was appointed as the Employee Engagement Director
- Held a first of its kind workshop to deliver feedback directly to the Board

Workforce: 2022 split by roles



Workforce: 2022 gender split



# Being a good corporate citizen

Conducting our business in a socially responsible manner, aiming to align with best practice and to be a responsible employer

## Health and safety



Recordable incidents 0.18  
(2021: 0.36)  
Zero major incidents or injuries

## Community Impact



Local volunteering engagement  
Reimagine STEM competition

## Supply Chain



Environmental Management  
System certified (ISO 14001)  
Sustainable procurement  
policies (aligned to ISO 20400)

## Academic partnerships



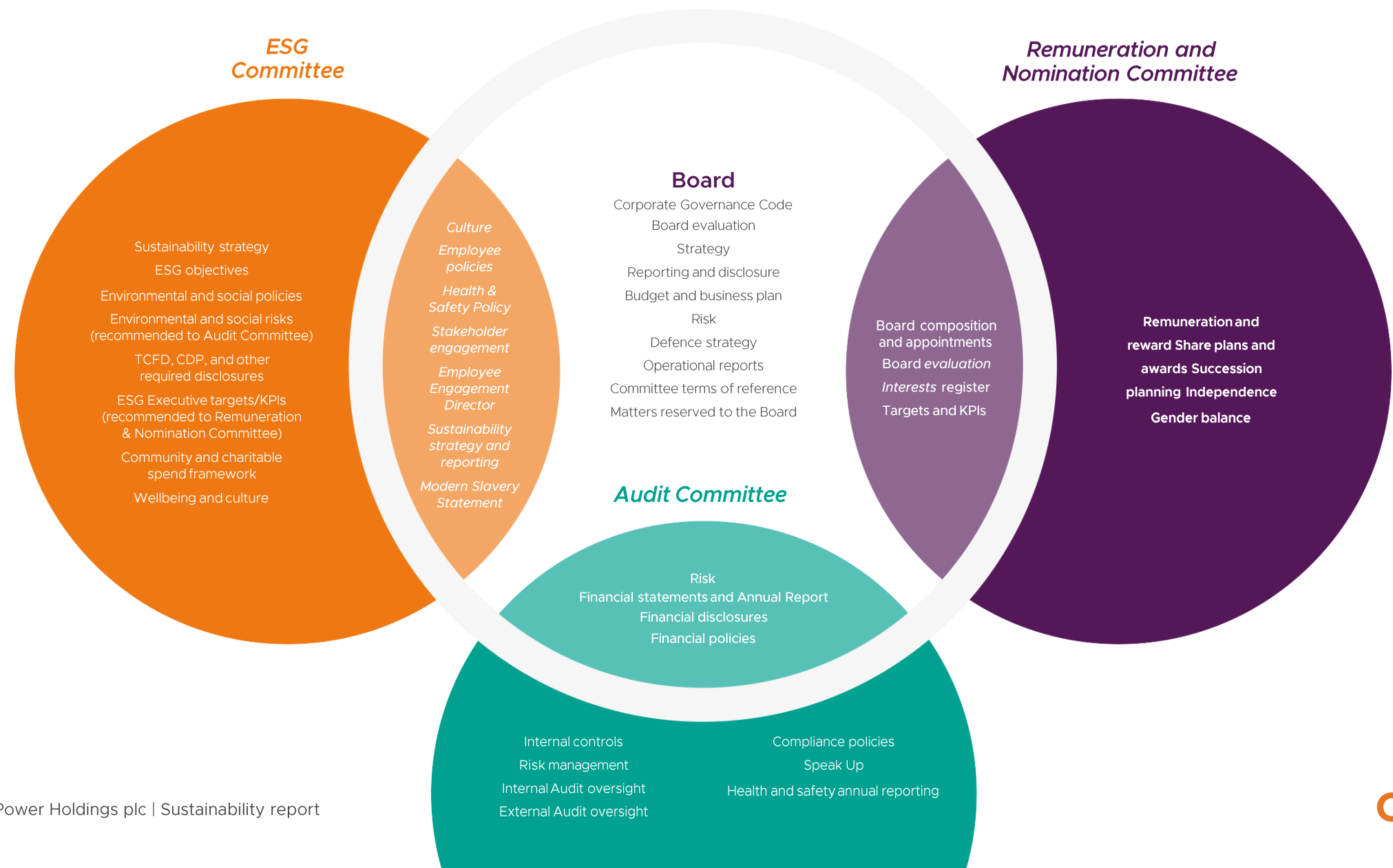
Royal Academy of Engineering  
Research Chair

# Governance

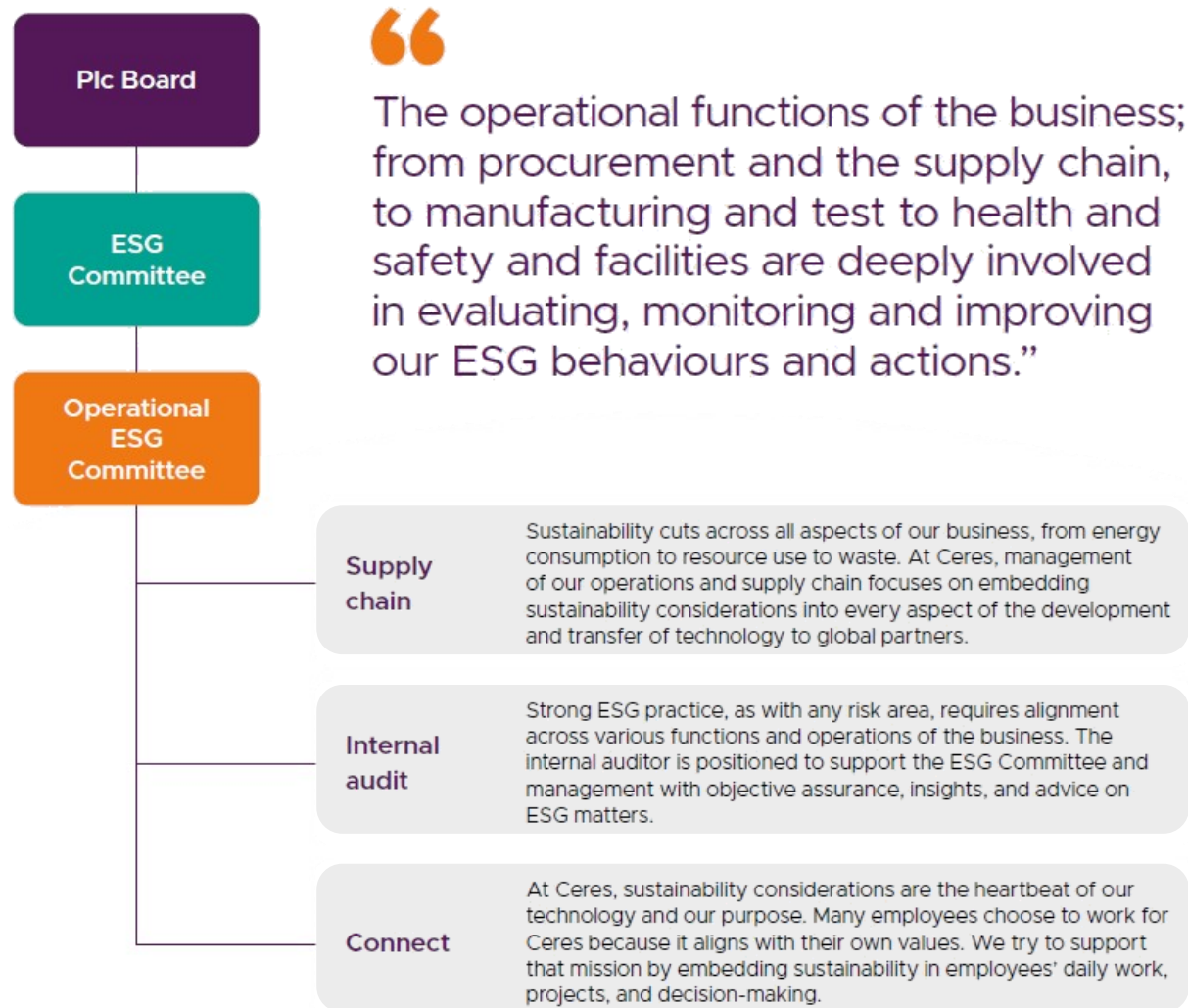
Deborah Grimson  
General Counsel and Company Secretary



# Oversight of ESG sits with the Board



# ESG integration within the Company



# Taskforce for Climate-Related Financial Disclosure

Governance	Strategy	Risk Management	Metrics and Targets
<i>Disclose the organisation's governance around climate-related risks and opportunities.</i>	<i>Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.</i>	<i>Disclose how the organisation identifies, assesses and manages climate-related risks.</i>	<i>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</i>
<u>Recommended disclosures</u>	<u>Recommended disclosures</u>	<u>Recommended disclosures</u>	<u>Recommended disclosures</u>
a) Board's oversight	a) Identify climate-related risks and opportunities	a) Risk identification and assessing process	a) Climate-related metrics to assess climate-related risks and opportunities
b) Management's role	b) Impact on the organisation's businesses, strategy and financial planning.	b) Risk management process	b) Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.
	c) Resilience of the organisation's strategy	c) Integration into the organisation's overall risk management.	c) Climate-related targets and performance against targets.
Compliant			
Partially compliant			
Under development			

# Business strategy

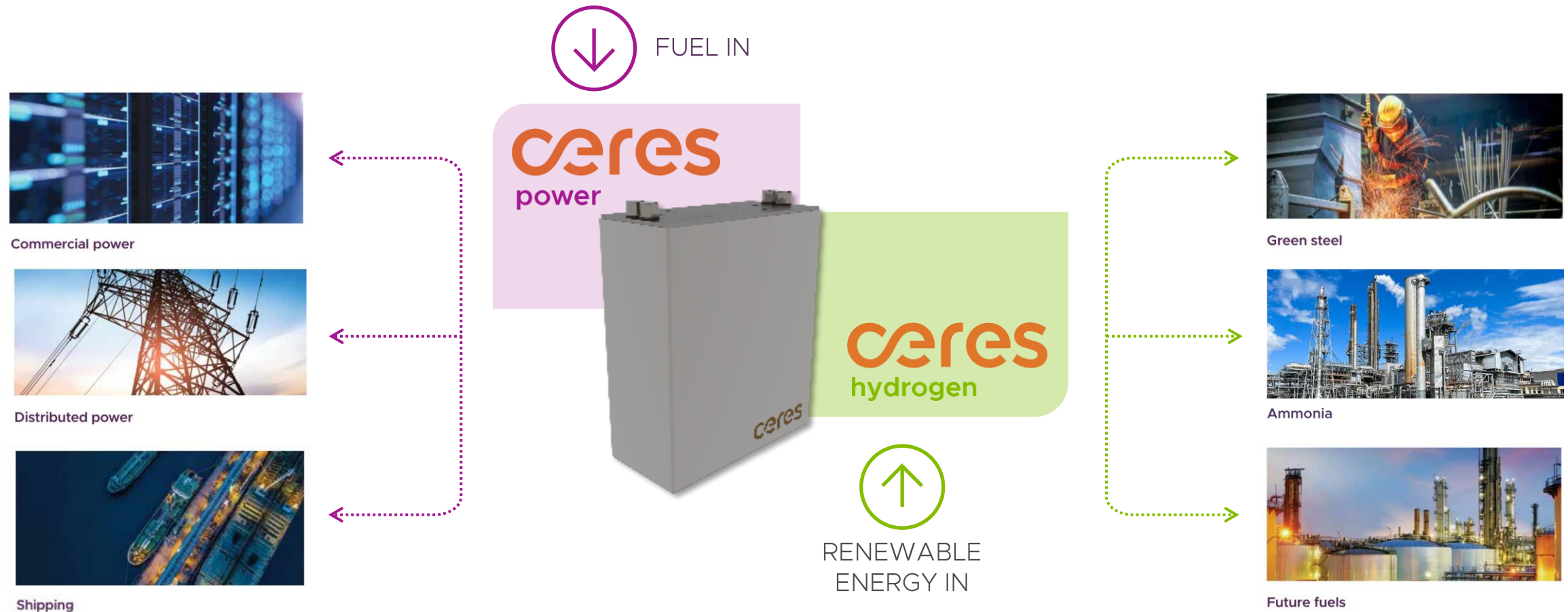
Phil Caldwell



# Opportunities for the energy transition

Opportunities for the energy transition		Ceres' opportunity
Policy incentives and capital allocation for scaling clean energy technologies	Increased funding from public sector and investors to accelerate scaling up of fuel cell and hydrogen technologies	Ceres indirectly benefits from global partners accessing government funding  eg. Bosch recently received €160m of European subsidies for its SOFC manufacturing
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	Hydrogen is predicted to account for ~18% of primary energy and create a ~\$2.5tn market opportunity

# Platform technology to address significant global markets



# Sustainability underpins our business objectives

## Our sustainability progress and future goals

Tackling climate change is what drives us; we are committed to enabling a net zero world through our technology. Our aim is to ensure our sustainability strategy keeps pace with this ambition such that we maintain a sustainable business and make a positive impact on our people, communities, partners and planet.

Progress achieved	Current actions < 1 year	Future actions 1 - 3 years
<div><ul style="list-style-type: none"><li>SECR verified Scopes 1 and 2 and analysis of Scope 3 emissions.</li><li>Market-based Scope 2 emissions zero since October 2020.</li></ul></div> <div><ul style="list-style-type: none"><li>Disclosing water use since 2020.</li><li>Environmental management system certified to ISO 14001.</li></ul></div> <div><ul style="list-style-type: none"><li>Exceeded targets for female recruitment.</li><li>Launch of the Ceres Academy training and development platform.</li></ul></div> <div><ul style="list-style-type: none"><li>Sustainability strategy and policy developed and embedded in the existing governance and reporting framework.</li><li>ESG Committee established as a formal subcommittee of the Board.</li></ul></div>	<div><ul style="list-style-type: none"><li>Create Science Based Targets initiative's ("SBTi") guided Net Zero strategy, setting near term emissions intensity targets.</li><li>Task Force on Climate-related Financial Disclosures ("TCFD") report including initial review of physical and transition risk reporting.</li></ul></div> <div><ul style="list-style-type: none"><li>Seeking ISO 50001 accreditation for energy management systems.</li><li>Assess and reduce waste to landfill.</li></ul></div> <div><ul style="list-style-type: none"><li>Second annual Gallup 12 employee survey rolled out in summer 2023.</li><li>Maturing and reporting of ESG KPIs in annual review of remuneration benchmarking and awards.</li></ul></div> <div><ul style="list-style-type: none"><li>Refreshing of the materiality risk assessment.</li><li>Second publication against the Sustainability Accounting Standards Board framework.</li></ul></div>	<div><ul style="list-style-type: none"><li>Circular economy embedded in product recycling and reuse targets.</li><li>Understand product impact in service with cradle-to-grave and Scope 4 emissions analysis.</li></ul></div> <div><ul style="list-style-type: none"><li>Achieve CDP rating on climate change, forests and water security.</li><li>Taskforce for Nature-related Financial Disclosure; water targets; biodiversity net gain targets.</li></ul></div> <div><ul style="list-style-type: none"><li>Develop a diverse and motivated workforce with a culture of collaboration, focused on our mission to deliver "clean energy for a clean world".</li><li>Enhancing our team's skills for a green transition through growth and training.</li></ul></div> <div><ul style="list-style-type: none"><li>Embedding sustainability consideration across our operations, with net zero impact on emissions from design to development through production.</li></ul></div>

### GOAL

Multi-gigawatts of manufacturing capacity under licence with global partners

Enabling significant carbon reduction versus alternative power and hydrogen production methods

#### Ceres' ESG pillars

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

# Questions

## **Investor Relations**

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