

Responsible Business Board **Sustainability** Report for **Storengy UK**



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Chair's Introduction



I am pleased to present our third annual report of the Storengy UK Responsible Business Board (RBB).

This has been a transition year for the RBB. Following awayday discussions, the board and business concluded that our role could be extended to focus on wider support and constructive challenge.

There has been clear progress in all areas of the responsible business charter where targets have been met or exceeded, will reduce the need for routine board scrutiny. We have agreed that the RBB focus on the responsible business charter could be safely changed to light-touch monitoring and scrutiny of the charter KPIs.

This has generated greater capacity for the board and allowed it to repurpose its resources to support the future objectives and challenges of the business. As the chair, I feel this additional role and purpose for the board is having greater impact and making a positive contribution to the business overall.

The RBB now has a balanced set of skills, experience and capability to operate as a supportive, creative sounding board as well as retaining a critical-friend and scrutiny role, ensuring that the business is challenged to maintain its core values and responsible business characteristics. The board is fortunate to have a broad extensive range of skills and experience, especially in areas of energy, technology, environment and business practice, such as HR and governance, as well as board members with community and cultural backgrounds. We also value the contribution of Storengy UK employee representation on the board which allows us to be connected with their experience and knowledge.

We started the year concentrating our board attention on three areas, as business priorities:



Preparing for the future



Carbon neutral by 2025



Investors In People - Going For Gold

Each of these areas has been explored and critically challenged, including progress against agreed targets and impact on the business. We are pleased to note the positive progress in all of these areas. Although some are more challenging than others and need closer attention.

During the year the RBB met on a quarterly basis. Our agenda format includes a regular business update to highlight the position and progress of the business and to provide an overview of its operating environment and the challenges this may present. In what has been a turbulent year in the energy sector, the importance of Stablach in the UK's energy supply infrastructure has become increasingly in focus.

The board therefore spent considerable time looking at global energy supply and the UK's current hydrogen strategy. Also recognising the challenging targets set for carbon reductions, the board received and were able to scrutinise the Storengy UK carbon emissions reduction plans.

Aligned to these issues of energy security, the RBB held a scrutiny session on cyber security and received a presentation on how the business is tackling the increasing threat to UK infrastructure through greater protection, vigilance and response capability.

Opportunities for business development have also been considered by the board, providing feedback and challenge on potential acquisitional growth.

The RBB has continued its oversight of corporate social responsibility activities and has received several updates during the year on the excellent work by staff members engaged in community, charity and environment projects.

The board has encouraged the business to put itself forward for national recognition for the excellent energy and environmental innovative work it continues to deliver. This remains an ongoing objective.

I would finally like to offer my thanks to the business for their advice, time and support for the work of the board and for the commitment of our RBB board members who have worked hard to provide the level of impartial scrutiny and challenge necessary to support the business in its ambitious plans to be a successful and responsible part of society.

**Christine Gaskell CBE
Chair**

Meet the Board



**Christine Gaskell CBE
Chair**

Christine spent her career in the motor industry and was on the board of Bentley Motors for 18 years before taking early retirement in 2013. She was Chair of Cheshire and Warrington Local Enterprise Partnership for 9 years and Chair of the LEP Network and Vice Chair of NPII, stepping down from these roles in 2020. She has held a number of non-executive roles and is a Vice President of the Royal Automobile Club. In 2010 she was awarded an MBE for services to skills and apprenticeships and in 2019 was awarded a CBE for services to the Cheshire economy. She serves as a Deputy Lieutenant of Cheshire and holds an honorary Doctorate in Business Administration from the University of Chester.



**Professor Joe Howe
Net-Zero Humber Academic
Cluster Lead at the
University of Lincoln**

Joe's background is in geography and planning, environmental science, and environmental engineering. He has extensive experience in working interchangeably with industry on major environmental projects and initiatives across the UK and is currently driven by the opportunities afforded to UK industry in delivering of the £600 billion of infrastructure projects to be built in the country over the next decade. Joe has been proactively engaged with the UK's emerging clean growth agenda, including his role on the UK Decarbonisation of Gas Alliance, chairing the NW Hydrogen Alliance and being the North West academic lead for the UK Industrial Decarbonisation Research and Innovation Centre. He is particularly passionate about promoting STEM skills and sits on the Department of Education: Engineering Construction Industries Training Board.



**Sam Naylor
Councillor for Northwich Witton**

A proud product of, and passionate believer in, the town of Northwich. A retired police officer with a strong community background, Sam represents Northwich Witton ward on Cheshire West and Chester Council. The ward includes most of the town centre. Sam also sits on Northwich Town Council and currently focuses on the continuing regeneration of Barons Quay and Weaver Square, and in assisting and promoting the post-COVID-19 recovery of the Mid Cheshire community.



**Matt Langridge MBE
British Olympic Rower**

Matt is one of the UK's most successful athletes, having competed in 4 Olympic Games, winning 3 Olympic medals and multiple World Championship titles. After a 16 year career with the British Rowing Team, Matt finally achieved his lifetime goal of becoming Olympic champion at the 2016 Rio Olympics. Matt is also an accomplished speaker and delivers many interesting talks highlighting the constant need for self-learning, commitment and hard work to achieve your dream. Born and raised in Northwich, Matt is passionate about the local community, the environment and encouraging the next generation to aspire to be their best.



**Peter Scott
Day Operations Technician,
Storengy UK**

Pete has worked at Storengy UK since 2015, starting off as a Shift Technician before moving into the role of Day Operations Technician. He started his working life in the military, as an electrician in the Royal Corps of Signals and served in various locations around the world. Prior to joining the team at the Stublach site, Pete spent over 25 years in heavy industry working in the energy and chemical sectors. Pete is proud to work in his hometown for Storengy UK, supporting the company's dedication to a carbon neutral future and its ongoing commitment to the local area.



**Anita Wainwright
Director, HR Solutions by Design**

Anita is a highly experienced HR and OD professional with over 40 years' experience in Human Resource management and Organisational Development. Anita began her career in the Nuclear Industry working for British Nuclear fuels, who also sponsored through her degree in Sociology and Psychology at Liverpool University. Anita has worked in both the private and public sectors and has experience in Financial Services, Gas and Oil, the Fire Service, the NHS and in a large NDPB. Most recently Anita was the HRD at the recently merged Manchester University NHS Foundation Trust which employs approximately 20,000 staff. Prior to that she worked within an NHS trust providing the Board of Directors with support to move out of Special Measures. Anita was also a Non-Executive Director in a local NHS Foundation Trust for 7 years which brings a different and valuable perspective to her approach.



**Phil Morris
Engineering and Maintenance Manager**

Phil has been the Engineering and Maintenance Manager at Storengy UK since 2020. Phil has 29 years' experience within industry, holding various roles from Shift Engineer to Projects and Engineering Management, with 25 years' in natural gas storage across 3 different gas storage facilities in Cheshire and Manchester. He is delighted to become a member of the RBB and believes the RBB Charter sets Storengy UK apart from other businesses, making it a truly special place to work.



**Robert Davis
Group CEO, EA Technologies. Currently serving as CEO and Chairman of EA Technology**

Robert's passions are growing tech businesses, creating smart, low- or no-carbon energy grids and developing great people. Amongst his other roles, Robert sits as a Non-Executive Director on the Energy Systems Catapult and is the Co-Founder of the Cheshire Energy Hub and Director of its trading arm, Mersey Dee Energy. He is also Co-Chair of the Cheshire and Warrington Sustainable and Inclusive Growth Commission, which was set up by the Subregional Leaders' Board in November 2020, with the aim of contributing towards Cheshire and Warrington's ambition of becoming the most sustainable and inclusive subregion in the UK. Having recently retired from the Cheshire & Warrington LEP Board, he continues to chair its Remuneration Committee and sits on its Strategy Board.



**Nicola Inman
Commercial Operations Manager**

Nicola is the Commercial Operations Manager at Storengy UK and has been part of the Commercial team since 2022. Prior to working at Storengy UK, Nicola has worked in the Cyber Security sector for 13 years, working with public and private sector clients. She has also previously owned her own business, an eco-friendly greengrocer. Nicola is committed to supporting the local community and Storengy UK to help mould a future containing lots of positive change.

Business Response

Storengy UK has accomplished an amazing year in 2023, with great business results and an extremely high level of engagement from the staff. However, the business is willing to keep improving in all areas and never considers what we have achieved as good enough! That's part of the Storengy UK culture, made of demanding and hard-working professionals. The Responsible Business Board is helping us in this continuous improvement process and is kindly challenging us. They provide an external look and sometimes question topics that could be taken for granted internally. They also encourage us when they think we are in the right path. All this challenge and support is extremely precious for the business and an acceleration factor in our action plans. The Responsible Business Board is enabling us to accelerate some decisions, by the quality of the discussions we have in our board meetings.

In 2023, we have achieved a 98.1% availability of the plant*, with a very high customer satisfaction (Net Promoter Score at 80) and a RoSPA President's Award for 11 consecutive years of gold level standard. On top of that, our employees confirm they like working for Storengy UK and are extremely engaged to enable its success. 100% of the staff declare they "work beyond what is expected to help their company succeed"**.

In 2024, we will keep pursuing the three main topics identified in 2023 with the Responsible Business Board. We think it is key for us to keep caring of our employees, to have a positive impact on the planet and to prepare the future. Therefore, we will keep working on a Gold Investors In People Award which would be an exceptional recognition of all the efforts we deploy

towards our staff. We will also continue the deployment of our Carbon Emissions reduction plan with the commissioning of our additional compressor expected. And finally, as a combination of the two previous topics, we will keep preparing the future to be fully ready to store hydrogen in Salt caverns by 2025.

This last topic has evolved from an ambition to a real action plan during the course of 2023. It will accelerate in 2024 with dedicated staff and an active collaboration with our peers. This very exciting target is a great challenge that makes us all realise we are at the heart of the energy transition.



Anne-Laure Chassanite
Managing Director

In 2023, we have achieved a **98.1%** availability of the plant*

RoSPA President's Award for **11 consecutive years** of gold level standard

* Technical asset availability excluding planned downtime
** Annual internal employee satisfaction survey

Commitments in Action

The RBB continue to have oversight of the business charter's KPIs. Progress is tracked monthly via an online dashboard. The KPIs are:



As part of UK Hydrogen Week, members of the Storengy UK team visited Hartford High School.

This is what Vicki Carnell, Head of Geography, had to say...

"Thank you very much for the talk you delivered to the year 10s today. We really appreciated the time you took out of your busy schedule to visit us. There was lots of 'chatter' about the talk after you left and it was evident that the students had taken a lot from it. Many are thinking about the career opportunities presented."

The renewable possibilities with hydrogen as both an industrial and domestic energy source are very exciting. This is something we will definitely build into our teaching of energy for next year."

The RBB receives regular reports on the ongoing work in these areas. Here are some highlights from 2023 showing of these commitments in action:

Enhancing the flexibility of working hours with the introduction of the 9-day fortnight.

Upholding high standards in customer service and achieving a Net Promoter Score of 89.

Streamlining the procurement process to ensure targets are met and exceeded when paying suppliers. On average, 75 - 85% of suppliers were paid within 30 days.

Continuing Storengy UK's strong commitment to 'No Life at Risk'. The business was yet again awarded the gold standard RoSPA Award. In recognition of this hard work, it also received the President's Award for continuous high standards in safety.

Giving unwavering support to local community initiatives. Funding 16 different charity projects. 35% of staff using their paid volunteering hours in 2023.

Making significant investment in steps towards its ambitious methane reduction targets. Reporting an 80% reduction in emissions compared with 2019.

Engaging with a wide variety of local schools and community groups, as part of the community outreach programme. Supporting careers evenings, holding Q&A sessions, promoting the energy industry, sharing knowledge and encouraging the next generation.

The Storengy UK community fund supported the refurbishment of the Mid Cheshire Samaritans operations room in Northwich.



Storengy UK part-funded the opening of 'Edna's Laundrette' in Winsford. The community laundry, run by the Motherwell charity, will not only be a laundrette, but will offer drop-in support to help people with things such as debt and money management, as well as employment and wellbeing.

Commitments in Action continued

As the business develops and grows, Storengy UK has looked at other ways to improve beyond the original KPIs set by the board. The RBB members were particularly interested to hear about work in cyber security and additional measures to make travel safer and easier for employees.



Preparing for the future



Carbon neutral by 2025



Investors in People - Going For Gold

These KPIs and the three business priorities above have given the business some challenges. These challenges include change in preparation for hydrogen storage - a task bringing together staff from Business Development, Health and Safety, Commercial, Finance and Policy.

The teams have dedicated numerous hours to research, risk analysis, market assessment, and scrutiny of governance and policy around hydrogen.

The team have liaised closely with the Department of Energy Security and Net Zero on hydrogen storage business models. Funding research and development actions needed to develop the technical adaptations will enable the business to build and operate safe hydrogen storages.

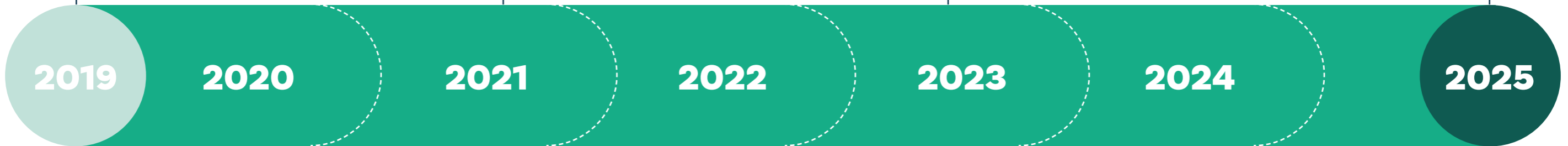
All these actions are scrutinised by the RBB, with the board providing an impartial and critical opinion. Board members have also contributed their technical experience to help the business in this area.

Storengy UK plays an important role in national energy security and leads the way in transitioning to greener fuels. Through substantial investments, expansion of capacity and flexible storage options, the business is not only supporting its own ambitions but demonstrating its commitment to people and planet and to helping the UK meet the government's target of net zero by 2050.

Our Carbon Neutral Journey

Where we started

8000 T CO₂



Where we are headed

Carbon Neutral

7529 T CO₂

- Replacement of remaining lights with LEDs
- Roof-mounted solar workshop building (50kw) and ground-mounted solar (2250kw)
- 7 electric cars with on-site charging via solar array
- Fugitive emissions ground survey and repair of 75% of the emission sources

3613 T CO₂

- Power purchase agreement with green power guaranteed for the site electrical supply
- Installation of gas vent recovery compressor
- Company wide electric car lease scheme introduced 8 cars since November 2023

6449 T CO₂

- Roof-mounted solar on stores building (50kw)
- 4 electric cars with on-site charging via solar array
- Site-wide LED lighting with motion sensor timers and reviewed temperature setting on heaters across the site
- Working from home policy

6260 T CO₂

- Fugitive emissions drone survey
- Flexible working policy

1662 T CO₂ (estimated)

- Gas vent recovery compressor operational (June 24)
- Purchase of biogas to offset emissions from regeneration and boilers (June 24)
- Installing analyser vent gas recovery system (Dec 24)

Contribution to UN SDGs

Storengy UK has looked closer at how its sustainable actions link with the UN Sustainable Development Goals. Several areas of clear alignment were identified. Those areas are:

Good Health and Well-being (Goal 3)



As part of its commitment to flexible working, Storengy UK introduced the 9-day fortnight for employees in 2023.

Affordable and Clean Energy (Goal 7)



The business is on target to reach its carbon neutral ambitions by 2025

Decent Work and Economic Growth (Goal 8)



Staff were awarded several bonuses as Storengy UK sought to address the cost-of-living crisis.

Industry, Innovation and Infrastructure (Goal 9)



Storengy UK is leading the way in enabling hydrogen storage in salt caverns providing fast-cycling storage capacity for the UK.

Climate Action (Goal 13)



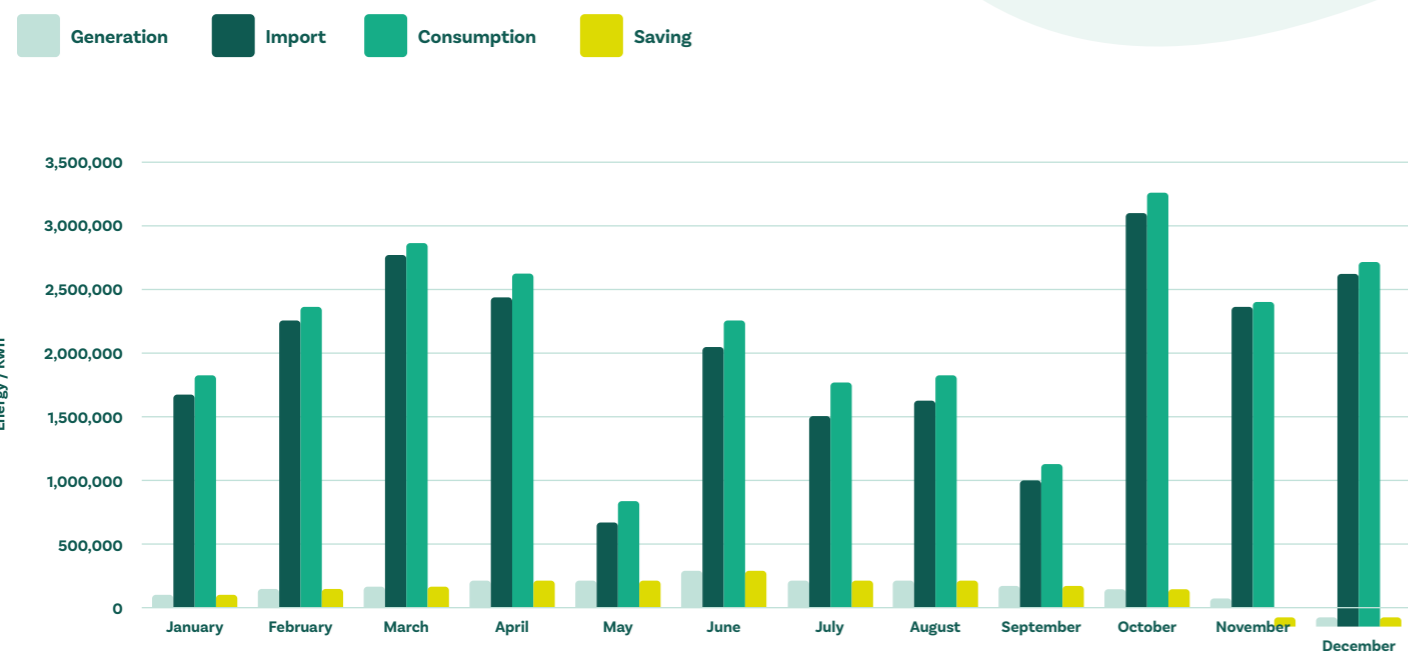
The business is focused on innovation and investment in hydrogen storage and the installation of an additional compressor, contributing to the UK's energy security in low carbon transition, and has been engaging with the Department for Energy, Security and Net Zero on how Storengy UK can contribute to the UK's net zero target. The business also has a number of other activities that go a long way in supporting other SDGs, including **No Poverty (Goal 1)**, **Zero Hunger (Goal 2)**, **Quality Education (Goal 4)** and **Gender Equality (Goal 5)**.

The RBB has recognised the business's outstanding contribution to the immediate local community. The challenge from the board has been how Storengy UK can go further, especially in support of Equity, Inclusion and Diversity (ED&I), with particular focus on improving the gender balance within the business and how they can support this in the wider sector. In 2023 the business has reflected on this challenge, setting up an internal employee group dedicated to improving five core areas: Policy, Awareness and Inclusion, Benchmarking, Recruitment and Communication. These efforts to deliver on a range of initiatives have impressed the RBB so far. At the RBB away day in 2024, Storengy UK will present the next stage in their journey.

Sustainability Tracking

Storengy UK has a dedicated in-house team focused on tracking and analysing the businesses sustainability progress. The RBB have congratulated the business on Staff involvement asking their experts for ideas which will transform their operations examples include....

Solar array stats 2023

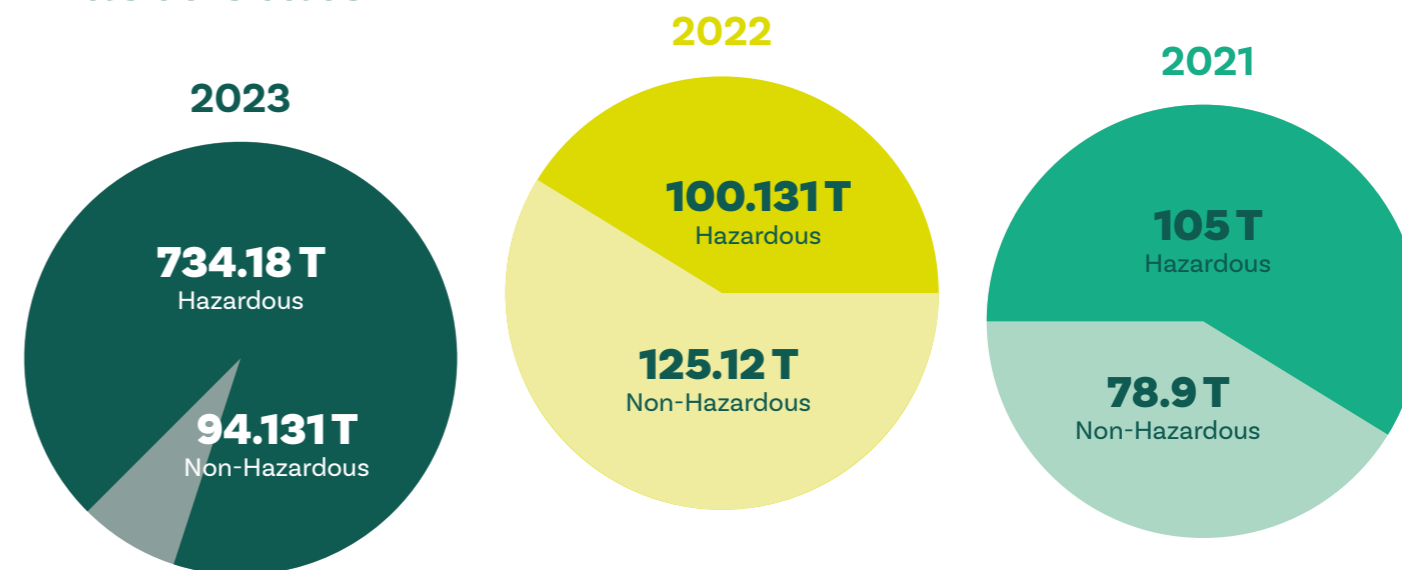


*Consumption is generation and import combined

Methane reduction



Waste stats



Venting of natural gas

We've changed our return to service processes after planned maintenance to significantly reduce gas emissions, by reducing some of the automated steps not required.

Since implementation of the bypassing of the compressor purge cycle, **~1,100,000 kWh of gas has been saved** (17 purge cycle avoided).

Reducing the purge flow rate to the analysers has also reduced our fugitive emissions by **~130,000 kWh**

Monitoring the business's sustainability enables the team to look for innovative ways to reduce their impact. The solar array investment alone doesn't generate enough power to run Stublach. However, the business has signed a power purchase agreement with green power guaranteed for the site electrical supply. Changing operating processes that run the site more efficiently also contributes to reducing their impact.

2023 saw higher levels of waste as the triethylene glycol that is used to dry the gas was completely renewed, cleaned and refreshed during the annual shutdown. This is a task performed infrequently every 10 years.

Conclusion

As Storengy UK grows and develops into the next phase of its business, it is more important now than ever to support staff development, training and wellbeing, and continue its good work on the business culture. The dedicated and hard-working team at Storengy UK has always been key to the success of the business. Storengy UK recognises this vital role and will continue to encourage the team to contribute creative ideas and solutions for the future.

The business will focus on integrating the five core areas in ED&I, with support from the employee-driven ED&I group. The RBB will maintain its role of providing scrutiny and challenge, ensuring that these principles of equity, diversity and inclusion are instilled in everyday actions to create an inclusive environment where everyone can thrive.

Storengy UK is leading the way in transitioning to underground hydrogen energy storage, developing the technical adaptations that will enable it to build and operate safe hydrogen storage facilities to secure a sustainable future for all. This work will require collaboration internally with other departments but also with other external organisations. The RBB will continue its work in requiring Storengy UK to protect and enhance its reputation in safety, customer service and community impact.



storengy

We welcome all views and comments.
Please contact us at communications@storengy.co.uk

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