



## Maintaining ESG momentum in an evolving energy landscape

Welcome to our 2025 Environmental, Social and Governance (ESG) Report. At this time of heightened global geopolitical instability, delivering secure, homegrown energy has rarely been more important. Kellas continues to play a vital role in the UK's energy resilience, with our infrastructure delivering over 40% of UK-produced gas, heating millions of homes and fuelling industries across the country.

2025 was challenging for UK energy, with no exploration wells drilled in the UKCS for the first time in over 50 years, no upstream development projects sanctioned, and a lack of policy clarity on clean energy initiatives such as low carbon hydrogen. However, Government consultations in the second half of the year helped shape a clearer long-term framework. The outcomes on Scope 3 emissions and the transition from the Energy Profits Levy to a revised fiscal and licensing regime signalled a more defined direction of travel for sustainability reporting and investment in the UKCS – important steps for a stable and transparent operating environment for our industry. Our team exemplified the Kellas principles of integrity, partnership and tenacity across all business activities, bringing long-term value for our shareholders, customers, partners and communities.

### ESG IMPACT

ESG underpins our responsibility to operate safely, efficiently and with robust environmental stewardship. In 2025 we completed nearly 360,000 working hours without a lost time incident or hydrocarbon release. We reduced our greenhouse gas emissions by 2% and met our energy efficiency targets. Our CATS system operated at 100% efficiency. Our HGS system achieved 96% efficiency, including a scheduled 7-day full system shutdown.

Through our Corporate Social Responsibility efforts, anchored in people, education and community, we engaged our team in social and teambuilding activities, welcomed new students to our clean energy scholarship programme at Teesside University, and supported good causes including our partner charities.

### 2025 BUSINESS HIGHLIGHTS

The CATS terminal on Teesside maintained its exemplary safety record, reaching 23 years without a lost time injury, and in June completed its Train-2 turnaround (TAR), carrying out safety critical maintenance and inspections over a 23-day period, finishing three days ahead of schedule.

In Q1, the NEO Energy-owned Affleck field in the Central North Sea was successfully incorporated into the CATS system, connecting via the J-Area asset.

Following completion of detailed FEED studies, we temporarily paused H2NorthEast, our leading CCUS-enabled hydrogen project being developed with SSE Thermal. Activity will ramp up as clarity on UK Government hydrogen policy

emerges in 2026. Our ambition to build H2NorthEast remains, and we believe it will play a vital role in decarbonising energy-intensive industries across the Tees Valley and beyond.

At the end of the year, we celebrated 10 years as owner and operator of CATS, which has been an essential part of UK energy for over 30 years. We renewed our contract with Wood, who will continue as the CATS operating partner, building on their successful decade-long management of the system's day-to-day operations.

Moving forward, we are committed to operating safely, reliably and sustainably, and investing in nationally significant energy infrastructure that maintains a secure UK energy system and supports the transition to a lower carbon future.

Thank you to our partners, customers, investors, local communities and the dedicated Kellas team who are integral to the success of our ongoing ESG initiatives.

**Nathan Morgan**  
CEO, Kellas Midstream



## Our ESG Vision

As an owner and operator of critical national energy assets, we move gas safely and reliably from offshore production hubs into the National Gas Transmission system. We take this responsibility seriously, embedding ESG into our operations today, and in our clean energy project ambitions for the future, ensuring our infrastructure continues to support a resilient, evolving UK energy system.

Our ESG strategy sets out the priorities and commitments that guide how we operate and grow. It shapes our decisions and ensures we create lasting value for all our stakeholders including customers, partners, employees, investors and the communities where we work.

2020s

**Our strategy for this decade is:**

To establish at least one new material net zero infrastructure business.

To continuously improve the environmental footprint at CATS. We have invested around £5m so far in our energy efficiency and emissions reduction projects, and we completed FEED for H2NorthEast, which will be an additional enabler for decarbonisation across the Tees Valley and beyond.

To responsibly develop our existing natural gas transportation and processing infrastructure business as natural gas continues to displace higher-emission hydrocarbons such as coal and fuel oil for power generation and heating.

2030s

**Our mid-term strategy is:**

To grow our net zero carbon infrastructure business by bringing onstream another two to three material net zero carbon projects during the decade.

As a midstream infrastructure company, we do not own natural gas reserves, so our business is uniquely positioned to expand into the net zero carbon arena, by either integrating net zero opportunities into our existing gas transportation streams or operating new net zero projects as standalone businesses.

2040s

**Our longer-term strategy is:**

That net zero carbon infrastructure becomes the core Kellas business activity.

Late life management of our existing natural gas infrastructure business will explore all opportunities to re-purpose existing gas infrastructure for new net zero business opportunities such as hydrogen transportation and carbon capture, utilisation and transportation.

# Business Overview

## Supplying safe, reliable, sustainable energy



### 2025 BUSINESS OVERVIEW

Our assets are CATS (Central Area Transmission System), ETS (Esmond Transportation System) and HGS (Humber Gathering System) which are at the core of the UK's vital gas transportation and processing network.

In 2025, they delivered 385 billion standard cubic feet of gas, which is around 40% of UK gas production, and operated at close to 100% availability for the year, providing a safe, reliable and efficient service to our customers.

Since its launch in 2021, H2NorthEast, a project in partnership with SSE Thermal to build a gigawatt-scale carbon-capture enabled hydrogen production facility on Teesside, has progressed through initial Track 1 shortlisting, Net Zero Hydrogen Fund success, and front end engineering and design (FEED) completion. In mid-2025 we made the decision to pause H2NorthEast due to unfavourable policy and market conditions. We will monitor UK government hydrogen policy and hydrogen market demand and resume the project as confidence grows in these vital enablers. In April 2026 we submitted an application for access to CO2 storage in the East Coast Cluster selection process, with the outcome expected later in the year.

*See how H2NorthEast could play a vital role in decarbonising energy-intensive industries.*

We commenced work to assess the integrity of the flooded CATS tunnel and confirm its suitability for dewatering and safe personnel entry. This assessment is a key enabler for future infrastructure projects, including potential new pipelines to transport natural gas or hydrogen across the River Tees. Activities included an integrity study and a detailed inspection of the tunnel and shafts using a specialist remotely operated vehicle (ROV), capturing 3D sonar data and high-definition visual imagery. In 2026, further ground investigation works are planned to better understand water ingress and ground conditions, ahead of potential trial dewatering.

With Offshore Energies UK (OEUK), we welcomed Members of Parliament, industry leaders and media to the CATS terminal in November for a roundtable discussion and site tour. We highlighted the vital role of UK domestic gas production in providing energy resilience and economic growth, and the importance of creating a stable and supportive policy environment for UK energy to safeguard investment, jobs and our vital supply chains.

At the end of the year, we renewed our contract with Wood, who will continue in the CATS Duty Holder role, building on their successful decade-long management of day-to-day operations including maintenance, integrity management, emergency response and engineering services.





# Business Overview



## 10 successful years as CATS owner and operator

17 December 2025 marked 10 years to the day since Kellas increased its ownership to 99% and became the operator of the Central Area Transmission System (CATS).

CATS began operating in 1993 and remains an essential and enduring part of the UK's energy system. Comprising a North Sea offshore riser platform, 404km pipeline, and gas processing terminal on Teesside, it transports and processes around a quarter of all UK-produced gas, bringing it safely ashore from the North Sea for processing and onward distribution across the country to power homes, businesses and industry.

### DID YOU KNOW?

In 2025, the volume of gas processed at the CATS terminal on Teesside could heat over 5 million homes – that's the equivalent of the UK's five largest cities combined, and enough to fill more than 3 million Olympic-sized swimming pools.

The CATS system serves over 30 producing fields in the Central North Sea, connected via a series of production hubs. In 2025 it delivered more than 8 billion standard cubic metres of gas to UK markets and in January 2026 achieved 23 consecutive years without a lost time incident.

Operating an asset of this scale and national importance comes with significant expectations around safety, reliability and environmental performance. Over the past decade, with our partners and investors, we invested and improved management systems, strengthened resilience, and maximised availability in a sector where unplanned downtime has real consequences. We navigated complex technical challenges and executed major maintenance and integrity programmes to ensure that CATS can continue to support our national energy security.

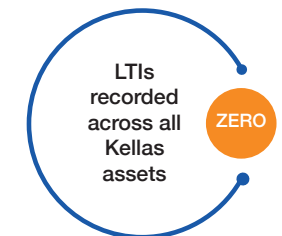
Looking ahead, we remain focused on operating CATS safely and sustainably, and we will continue to invest in the asset so that it remains robust and relevant for the future.

# Business Overview

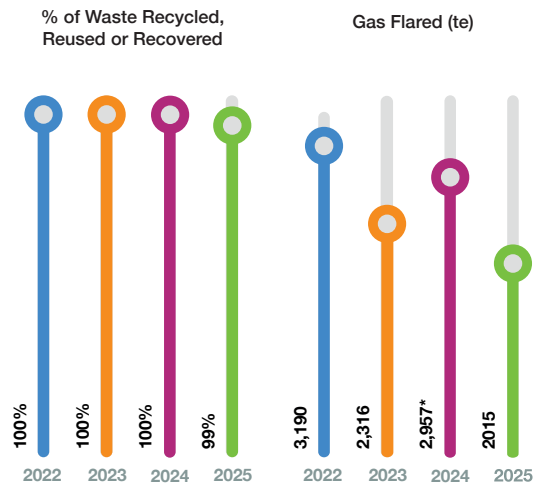
## ESG MATERIALITY

A Materiality Assessment (MA) is a systematic process used to identify, prioritise and understand the ESG issues most relevant to an organisation and its stakeholders. These issues are often referred to as material topics or material aspects. Using the Global Reporting Initiative's (GRI) Standard 11 for the Oil and Gas Sector, we created the MA shown on the right at a Kellas team development session two years ago, where employees contributed to the selection and ranking of the elements in GRI Standard 11.

The assessment was performed with a double materiality approach, looking at both impact of business operations and risks presented to the company. We deemed topics or aspects in GRI Standard 11 not shown in the Kellas MA as not applicable or below the materiality threshold for inclusion.



## 2025 ESG HIGHLIGHTS



\* Increase in flaring due to 8-yearly full system shutdown at CATS.

## Materiality Assessment

|                        |  |  |   |
|------------------------|--|--|---|
| Impact on Stakeholders | MORE   | <p><b>Topic 11.1</b> GHG emissions</p> <p><b>Topic 11.8</b> Asset integrity and critical incident management</p> <p><b>Topic 11.9</b> Occupational H&amp;S</p>   |   |
|                        | <p><b>Topic 11.4</b> Biodiversity</p> <p><b>Topic 11.11</b> Non-discrimination and equal opportunity</p> | <p><b>Topic 11.3</b> Air emissions</p> <p><b>Topic 11.5</b> Waste</p> <p><b>Topic 11.10</b> Employment practices</p> <p><b>Topic 11.14</b> Economic impacts</p> <p><b>Topic 11.15</b> Local communities</p> <p><b>Topic 11.19</b> Anti-competitive behaviour</p> | <p><b>Topic 11.2</b> Climate adaptation, resilience, and transition</p> <p><b>Topic 11.7</b> Closure and rehabilitation</p> |
|                        | LESS   | <p><b>Topic 11.6</b> Water and effluents</p> <p><b>Topic 11.20</b> Anti-corruption</p>   | MORE  |
|                        |  | Impact on business   |   |

# Safety

## Safety first in a high-hazard industry



The CATS 6-yearly Train-2 TAR took place in 2025

Safety is our top priority and at the heart of everything we do. Everyone at our operating assets and offices has a part to play in safety. We strive to maintain a safe working environment where everyone who comes onto our sites goes home safely.

### OPEN AND COLLABORATIVE SAFETY CULTURE

As of January 2026, the CATS terminal achieved 23 years without a lost time injury (LTI), reflecting a strong and sustained commitment to safety. While this milestone is recognised as a significant achievement, the focus remains on continuous improvement, with a forward-looking approach that avoids complacency and prioritises the ongoing protection of personnel.

In June, CATS completed its 6-yearly Train-2 turnaround (TAR). Over 23 days, we successfully carried out safety critical maintenance, inspections and equipment replacement. The TAR was completed three days ahead of schedule, involving over 200 people from multiple partner organisations working on jobs such as the full strip and inspection of the Train-2 stabiliser column, the overhaul and replacement of actuated valves, and nitrogen leak testing of more than 1000 joints to enable a safe restart. The turnaround also incorporated function testing of safety-critical control systems that cannot be performed while the processing train is operational. One Medical Treatment Case (MTC) and two First Aid Cases (FAC) were

recorded during the TAR, which are detailed later in this report.

At HGS, the 2025 work programme was primarily focused on routine monthly maintenance campaigns, alongside a six-day full system TAR in June, which utilised a walk-to-work vessel at the Tolmount platform. Additional activities included nine helicopter shuttle campaigns and a further walk-to-work campaign in May to support an upgrade of the platform's communications system. All activities were successfully executed without any reportable injuries. One First Aid Case was recorded and is detailed on the following page.

In September, a planned subsea inspection identified severe corrosion on the intermediate pipe support clamp bolts for the Tolmount platform methanol riser. The platform was shut down as a precaution while pipe stress calculations were performed, then restarted when confidence was assured on the integrity of the system with compromised clamps. A diving support vessel (DSV) was mobilised in the same month to proactively replace the majority of the corroded bolts, and work is ongoing to upgrade the cathodic protection system of the riser in 2026.

We work in a high-hazard industry and strive to control and mitigate against risks. We follow industry best practice safety management procedures for all our assets and encourage an open, collaborative safety culture with a focus on the leading indicators.

# Safety

## 2025 PERFORMANCE

In 2025, over 356,000 hours of work were completed across our assets. During this period, three safety incidents occurred at the CATS terminal, one medical treatment case and two first aid cases. All incidents took place during the Train-2 turnaround (TAR) when higher numbers of personnel were onsite.

The medical treatment case occurred when an individual struck their face on the waist-height hook of a coat stand while cleaning the skirting boards in a temporary site building, resulting in an eye injury. They attended A&E as a precautionary measure and were subsequently cleared to return to work with no lasting effects.

One first aid case involved an individual experiencing irritation to the eye while dismantling scaffolding inside one of the fired heaters, and the other involved an individual catching their foot while stepping over a barrier, causing them to trip and fall onto their knees. In both cases, the individuals reported immediately to the onsite medic, were assessed, and were cleared to continue working. Both had been wearing correct PPE. All incidents were fully investigated, corrective measures implemented, and opportunities for improvement identified and actioned to help prevent recurrence.

There was also a first aid case at our HGS asset where an individual suffered a foreign body in the eye, reported to the medic and had their eye irrigated prior to returning to work. Correct eye protection had been worn. A full investigation was performed and corrective actions put in place.

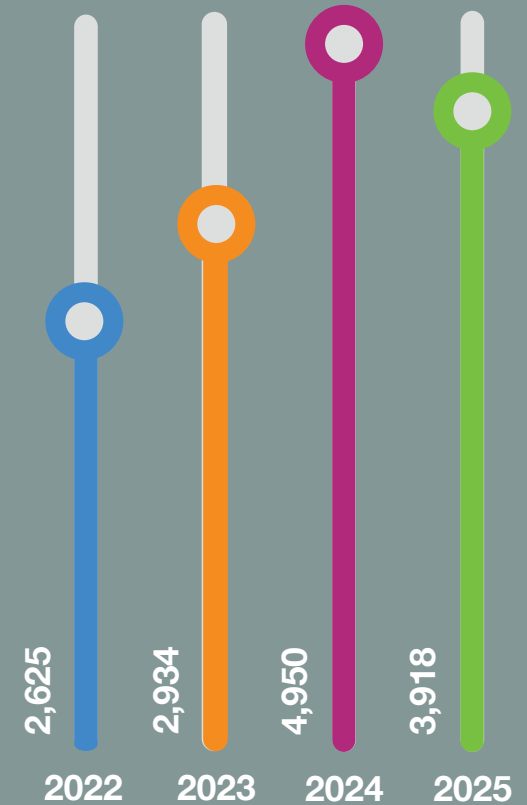
There were no injuries, recordable or otherwise, at the CATS Riser Platform in 2025. We promote a strong reporting culture at all our sites and encourage everyone to stop the job if a task is not fully understood or there are any concerns about safety.

## FOCUS ON THE LEADING INDICATORS

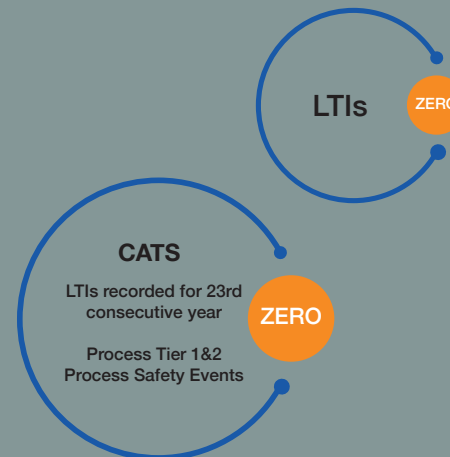
We maintain a strong focus on leading HSE indicators, encouraging active participation in safety conversations, permit audits, assurance activities, job site checks and toolbox talks.

Annual safety inputs at CATS have increased year on year since 2020, recovering from a temporary reduction during the COVID-19 pandemic when site staffing levels were minimised. Inputs peaked in 2024 during the full system turnaround (TAR), reflecting increased workforce numbers and enhanced focus on engaging personnel unfamiliar with the site.

In 2025, safety input levels remained above typical operational years, with a further 268 proactive safety inputs recorded at HGS. This continued emphasis on leading indicators has contributed to strong safety performance across the business.



Annual Safety Inputs



# Our commitment to the environment

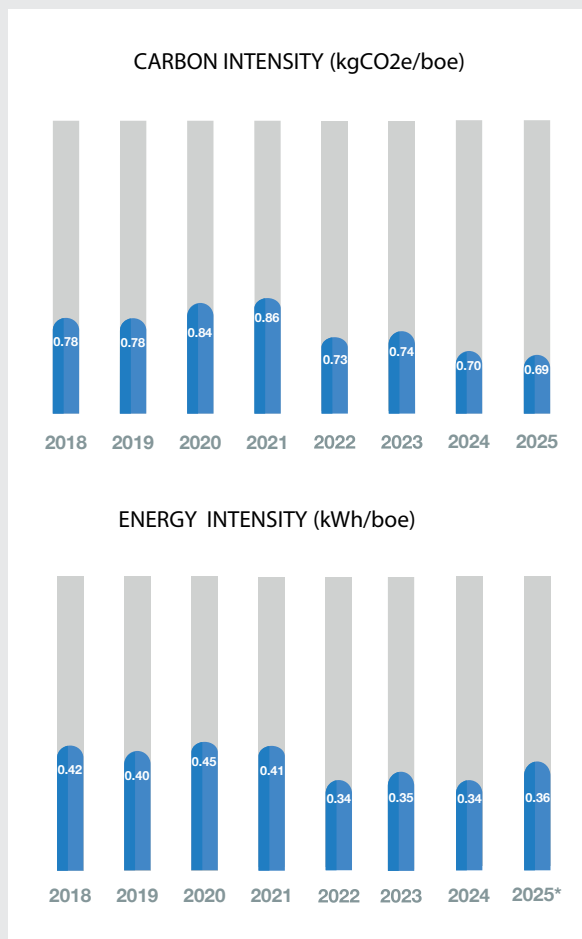
| ENVIRONMENTAL KEY PERFORMANCE INDICATORS              |          |          |          |          |
|---|----------|----------|----------|----------|
|   | 2022     | 2023     | 2024     | 2025     |
| Energy Intensity (kWh per boe throughput)             | 0.34     | 0.35     | 0.34     | 0.36     |
| Carbon Intensity (kgCO <sub>2</sub> e/boe throughput) | 0.73     | 0.74     | 0.70     | 0.69     |
| Gas flared (te)                                       | 3,190    | 2,316    | 2,957    | 2,015    |
| Methane emissions (te)                                | 53       | 38       | 49       | 33       |
| Methane Intensity (%)                                 | 7.14E-06 | 5.61E-06 | 8.04E-06 | 5.42E-06 |
| Scope 1 GHG emissions (teCO <sub>2</sub> e)           | 58,967   | 55,519   | 46,886   | 45,906   |
| Scope 2 GHG emissions (teCO <sub>2</sub> e)           | 0        | 0        | 0        | 0        |
| Scope 3 GHG emissions (teCO <sub>2</sub> e)           | N/A      | N/A      | 15,508   | 13,868   |
| Waste recycled, reused or recovered (%)               | 100%     | 100%     | 100%     | 99%      |

## POLICY COMMITMENTS



- > ISO 14001
- > Environmental Aspects and Impacts Register
- > Health, Safety, Security, Environment and Assurance (HSSEA) Policy
- > Biodiversity Action Plan
- > Flare Minimisation Strategy

Environmental responsibility is embedded in our culture and our day-to-day activities. We are actively taking steps to reduce our operational emissions to meet our net zero ambitions.



\* Energy intensity increased in 2025 due to lower-than-expected throughput and slightly higher electricity consumption compared to 2024, reflecting a return to normal operations following the full system shutdown in 2024, when power demand was at a reduced level for 21 days.



Tolmount platform

# Environment



## OUR ONGOING COMMITMENT TO CARBON EMISSIONS REDUCTION

Total carbon emissions decreased by approximately 2% in 2025, largely driven by continued delivery of energy efficiency and emissions reduction initiatives at CATS, which has one of the lowest carbon intensities of all gas processing facilities in the UK, and benchmarks favourably against other comparable European and Australian gas plants. Consistent with 2024, emissions from the ultra-low emissions Tolmount platform have been included in reporting, although these volumes remain below the threshold for inclusion under the UK Emissions Trading Scheme (ETS).

Following a self-reported vent exceedance event in 2024, towards the end of 2025 CATS received a sanction from the North Sea Transition Authority. The event was caused by an underestimation of gas required to be vented during an 8-yearly full system shutdown. We swiftly identified improvements in vent estimating, monitoring and reporting and implemented corrective measures.

## GENERATING ELECTRICITY AT SITE

Since 2019, 100% of imported electricity at CATS has been sourced from certified renewable energy, resulting in zero Scope 2 emissions from operations. The site's turbo-expander generator recovers otherwise wasted process energy to generate zero-emissions electricity, supplying approximately 80% of onsite power demand. Continued focus on minimising electricity imports, supported by strong turbo-expander performance, delivered a 10% reduction in electricity consumption against 2025 start-of-year forecasts. Operating efficiency and uptime of the turbo-expander generator was 97.8% in 2025.

100% of electricity required by the Tolmount platform is generated by its power generation system. The primary power generation system on the platform is a 200kW micro gas turbine which is fed by fuel gas from the Tolmount wells with back up diesel driven generators. Emissions from the micro gas turbine are approximately 15% lower than the diesel generators. Operating efficiency and uptime of the micro gas turbine was 76.2% in 2025.

## Creating lasting impact through energy efficiency and emissions reduction

The CATS Energy Efficiency and Emissions Reduction (EE/ER) programme, launched in 2020, identified 55 improvement opportunities, with four key focus areas selected for implementation. These were heat integration, LED lighting replacement, compressor valve replacement, and flaring minimisation. The programme set a target to reduce emissions by 23% against a 2020 baseline by 2025.

Initiatives delivered under this programme have driven meaningful reductions in both emissions and power consumption, with year-end 2025 performance showing a 24% reduction in emissions compared to 2020 levels.

### **HEAT INTEGRATION:**

CATS successfully implemented its Heat Integration project in 2024 to reduce fired heater emissions. The project uses waste heat from the CATS fractionation process to pre-heat the sales gas upstream of the sales gas heater.

This reduces the work required from the sales gas heater which in turn reduces the load on the fired heaters and therefore the associated CO2 emissions.

The project was sanctioned in 2022 with detailed design, fabrication and scaffolding for the heat exchanger completed in 2023. Installation and final commissioning of the project occurred during the 8-yearly shutdown of the terminal in summer 2024.

Following its first full year of successful operation in 2025, heat integration performance data indicates an approximate 8% reduction in CO2 emissions from Train-1, driven by a reduction in fuel gas flow that has enabled one burner to be taken out of service. In addition to these emissions reductions, three of the four fin-fan coolers on Train-1 have been switched off, each saving approximately 30 kW of electricity during operation. Based on recorded operating data, the Heat Integration project is expected to reduce total site CO2 emissions by approximately 59,000 tonnes over the remaining life of the CATS asset to 2046.

## COMPRESSOR VALVE REPLACEMENT:

Energy efficiency improvements at the CATS terminal have focused on optimising compressor operations, which account for approximately 65% of site energy consumption. Since 2021, gas flows have been balanced across both trains rather than maximised through a single train, enabling operation with one compressor per train instead of two on a single train. This approach has delivered a net reduction in electricity consumption and improved overall energy efficiency, with benefits continuing through 2025.

Further efficiency gains have been achieved through a phased compressor upgrade programme, completed in 2024, which introduced energy-efficient valves across all four machines. These upgrades reduced electricity consumption by approximately 21 kW per compressor.

## LED LIGHTING REPLACEMENT:

Following completion of a major LED upgrade programme in 2023, which replaced approximately 620 sodium lamps with energy-efficient lighting and reduced site electrical load by an estimated 45 kW, further lighting improvements continued in 2025. Remaining sodium lamps are replaced on an ad hoc basis as they reach end of life, supporting ongoing energy efficiency gains across the terminal.

## FLARING MINIMISATION:

The CATS terminal has continued to reduce flaring emissions through targeted operational and engineering improvements. Enhanced flare metering, including the installation of the independent Flare Master system, has improved the accuracy and control of flare-flow measurement, enabling optimisation of purge rates.

A valve overhaul campaign completed during the 2024 full system shutdown reduced leakage

to flare and delivered estimated savings of approximately 300 tCO<sub>2</sub> per year. In addition, the installation of new flare tips improved combustion efficiency, reducing gas usage by around 25% and delivering a further estimated saving of 70 tCO<sub>2</sub> per year.

In 2025, a further project was initiated to enhance control of flare-header fuel-gas purge rates. Equipment procurement was completed in Q4, with installation planned for Q2 2026.



Energy-efficient lighting at the CATS terminal has reduced site electrical load

## Protecting and enhancing our natural world

We care strongly about protecting the natural world and supporting biodiversity.



As part of our responsibility to the environment, we work closely with nature in the communities where we operate, delivering ongoing initiatives that promote conservation and help maintain a healthy ecological balance.

### CATS GREEN TEAM

At CATS there is a committed group of volunteers called the Green Team who are passionate about improving sustainability and reducing the environmental impact of operations at the terminal.

### EMISSIONS REDUCTION

The team completed a successful trial of the Train-2 startup following its 2025 shutdown, turning it into the grid and chilling down while routing to export. This new method of start-up avoided 2-3 hours of flaring and saved approximately 520t of CO2 and is now embedded into site practice.

### BIODIVERSITY

The Green Team partners with the Industry Nature Conservation Association (INCA) through a Biodiversity Action Plan. Highlights from 2025 were:



- Increasing the number of beehives hosted at site from four to nine and producing award-winning honey.
- Growing kidney vetch, a plant loved by pollinators and vital to the Small Blue butterfly species which has a thriving habitat at CATS.

- Installing an outdoor camera to record and monitor wildlife activity within the reed beds around the terminal.
- Planting trees around the terminal with TRS who manage the facility's waste streams.



# Social

## Developing and empowering our people

Investing in our people means we have a happy, healthy and motivated team. Our aim is for everyone working at Kellas, or those connected to us through operating partnerships and stakeholder relationships, to feel part of a business that prioritises workforce health, safety and the environment.



Members of the Kellas team at our 2025 team development day

### KEY ACHIEVEMENTS

- > Continued our focus on improving Learning & Development, providing a range of opportunities for employees to grow professionally, personally and academically
- > Maintained proactive team engagement via a range of wellbeing and employee engagement activities
- > Welcomed two summer interns and provided work experience opportunities for three high school pupils

### SHAPING A SAFE AND HEALTHY WORKPLACE

Our 2025 People Plan enhanced employee engagement through personal development plans, town halls, lunch and learns, and knowledge sharing.

We delivered health and wellbeing initiatives including yoga classes, regular bitesize communications, drop-in stress and wellbeing support sessions with a trained counsellor, family and team social events, and we launched subsidised gym and health club memberships. We held a team-wide development day on biodiversity and greenwashing, provided training on preventing sexual harassment in the workplace and LGBTQ+ awareness, and offered a lunch and learn on suicide awareness.

Uptake of our electric vehicle and bike to work schemes increased, both recent additions to our package of employee benefits.

We promoted five employees in recognition of business growth and increased opportunities within Kellas, as well as a commitment to personal and career development.

| SOCIAL KEY PERFORMANCE INDICATORS                   |      |      |       |        |
|---|------|------|-------|--------|
|   | 2022 | 2023 | 2024  | 2025   |
| Gender diversity - % female employees               | 14%  | 14%  | 15%   | 17%    |
| Lost Time Injury Frequency (LTIF)                   | 0    | 0.63 | 0.54  | 0.51   |
| Employee turnover rate (%)                          | 3.9% | 3.2% | 2.3%  | 13.8%* |
| Employee absenteeism rate (%)                       | 0.4% | 0.3% | 0.8%  | 0.6%   |
| Employee ESG training received (hours per employee) | 21.8 | 23.9 | 24.7  | 16.6** |
| Community grants and funding (in thousands of £)    | 71.7 | 93.3 | 158.6 | 114.3  |

\*Headcount reduction due to pause in New Energies activity.

\*\*Reduction in training hours per employee aligns with headcount reduction due to pause in New Energies activity.

At the end of 2025, Kellas had a full time equivalent (FTE) staff of 33.7. Wood, our operating partner for the CATS terminal and pipeline, had an FTE staff of 101.9 committed to CATS. ODE AM, our operating partner for the HGS pipeline and Tolmount platform, had an FTE staff of 24 dedicated to HGS.

## Social

### Investing in learning for our team and community

Robust ESG training is essential to drive our business forward. We consistently invest in developing our team, equipping them with the expertise and tools to contribute to our ESG strategy and deepen their understanding of environmental and operational challenges.

In 2025 each employee completed an average of nearly 17 hours of ESG training, covering topics including biodiversity and greenwashing.

Three Aberdeen high school students completed work placements in our offices which offered real insight into a range of business functions such as operations, economics, legal and communications. We also welcomed two summer interns who collaborated on a business project.

In May for the second year, we partnered with Children Challenging Industry, a programme that empowers children by linking science learning to real jobs and industries. Our volunteers worked with pupils from Newham Bridge Primary School in Middlesbrough on a range of activities. We also sponsored the Environmental Award for North East Primary Schools at the 2025 NEPIC Annual Industry Awards.



With Developing the Young Workforce (DYWNE) we took part in a Career Connect event at Cults Academy in Aberdeen, aimed at inspiring and informing S5 pupils about real-world careers in engineering.

Throughout the year we welcomed four groups of early careers professionals from Harbour Energy and Ithaca Energy to the CATS terminal, providing an opportunity to experience a live onshore operational facility first-hand and understand its vital role in the UK's secure gas supply.

Ralph McIntosh, Kellas General Counsel, continued to sit on the Board of TechFest, a charity that promotes STEM activities to young people in Aberdeen, and the Inverurie Youth Sports Foundation which supports the future development of youth in sport.



### POWERING FUTURE CAREERS WITH TEESSIDE UNIVERSITY

Our valued partnership with Teesside University entered its fifth year, offering clean energy scholarships that help talented individuals gain the knowledge and skills for a future career in energy, and remove financial barriers to learning. In 2025 our programme welcomed two new BSc students and one MSc student, and worked with four continuing undergraduate students.

We supported the university's Women in Engineering residential programme in the summer, an inspiring initiative aimed at encouraging girls in Year 12 to explore the breadth and diversity of engineering as a future career path, with a CATS process engineer taking part in the course delivery.

"Teesside University is one of only a few providing dedicated energy sector courses, with the significant advantage of offering Kellas clean energy scholarships. Kellas' support has made a huge difference financially to my studies, as well as giving me the opportunity to visit the CATS terminal to see energy infrastructure first-hand."

**Elizabeth Smith, Teesside University student and recipient of a Kellas Midstream clean energy scholarship**

# Social

## Driving community engagement and social impact



We are committed to making a positive impact in the local communities where we operate. Our investment in education, community engagement and people is detailed in our Corporate Social Responsibility (CSR) plan.

Our CSR committee met monthly in 2025 to coordinate our charitable support in Aberdeen, Teesside and beyond where our assistance, both financial and hands-on, can make a genuine difference. We completed the final year of our three-year commitment to our partner charities, Camphill Wellbeing Trust Compass Project, ALK Positive and Balmedie Beach Wheelchairs, and we engaged our team in a process to nominate and vote for new partner charities for 2026-28.

We supported several seasonal appeals for food donations and toys, including the AberNecessities Winter Warmer Appeal and the VSA Easter Egg Appeal. Members of our team also took part in a range of fundraising activities throughout the year including the Aberdeen Kiltwalk and Ride the North.

The CATS team on Teesside donated £1000 to its chosen charity for 2025, Save Our Strays, provided office and classroom furniture to local schools through Spark Education Trust, and supported the local community with food donations for the Stockton Foodbank and volunteering with The Teesside Family Foundation. Members of the team completed challenges to raise money for charities close to their hearts, with £500 raised for MS-UK, £700 for Tiny Lives Trust, £700 for Change Grow Live, and £500 for Winston's Wish.



*“Many thanks for all your efforts on 24 June. We appreciate the work and time your volunteers put into helping us develop our indoor and outdoor areas and no-dig organic garden.”*

### **Compass Project**

*A group of Kellas walkers completed the 18 mile Aberdeen Kiltwalk in June, raising nearly £2000 for local charity BB14.*



*Our cycling enthusiasts completed Ride the North in August and raised almost £1000 for SAMH.*



*Members of our team volunteered with the Instant Neighbour Giving Tree to sort through donations and pack Christmas gifts for young people in and around Aberdeen.*



## Our guiding principles

Our leadership team operates under the stewardship of transparent corporate governance principles which strengthen the confidence and trust of our stakeholders. The Kellas principles of Integrity, Partnership and Tenacity guide how we conduct our business and we have a suite of robust governance and management processes in place.





### POLICY COMMITMENTS

- > Anti-Bribery and Corruption Policy
- > Speak Up Policy and Procedure
- > Anti-Slavery and Human Trafficking Policy
- > Personal Data Protection Policy
- > IT and Cyber Security Policy

| GOVERNANCE KEY PERFORMANCE INDICATORS              |      |      |      |      |
|--|------|------|------|------|
|  | 2022 | 2023 | 2024 | 2024 |
| % female board members                             | 17%  | 0%   | 0%   | 0%   |
| Number of board meetings                           | 11   | 11   | 11   | 11   |
| Anti-bribery and corruption training compliance    | 100% | 100% | 100% | 100% |
| Cyber security NIS-D improvement plan completeness | 97%  | 85%* | 92%* | 100% |
| Number of cyber security incidents                 | 0    | 0    | 0    | 0    |

*\* In 2023, to drive continuous improvement in cyber security of critical national infrastructure, the Department for Energy Security and Net Zero (DESNZ) issued a revised and more rigorous NIS-D scoring mechanism which we began utilising as a benchmark. In 2024 we saw continued improvement in our cyber compliance, meeting 36 of the 39 principles (92%) issued by DESNZ, and we encountered zero cyber incidents across all our assets.*

# Governance



Online employee governance training for new employees progressed well, including 1 or 2-yearly refreshers.



Continued SECR (Streamlined Energy and Carbon Reporting) in annual accounts.



NIS-D Cyber and data security compliance of 100%.

## CYBER SECURITY

As an operator of critical national infrastructure, cyber security has a vital role to play in the management of our business activities and is more crucial than ever in the context of current world events.

Kellias-operated assets are covered by the UK security NIS (Network & Information Systems) regulations, and we work with government to demonstrate compliance and minimise the risk of business interruption and major accident hazard aspects of cyber security.

We had no cyber security incidents at CATS in 2025 and the facility was audited by independent industrial cyber security experts, TEKSEM, with the results showing strong performance and no major issues were highlighted. The CATS team also completed a cyber security emergency response exercise as part of its security preparedness training.

In 2025, both CATS and HGS were independently assessed by the Department for Energy Security and Net Zero (DESNZ) against the UK Government's requirement for all OES (Operators of Essential Services) in the oil and upstream gas sector to have met the CAF (Cyber Assessment Framework) Basic Profile by December 2025. This required consistent and demonstrable evidence, and both assets achieved full attainment across all applicable CAF objectives. Our ETS asset does not contain any IT infrastructure which could be compromised by a cyber-attack. Kellias will continue to maintain and enhance our cyber security provision in accordance with evolving legislative requirements and ensure robust resilience against cyber-attacks.





**ESG**



## Sustaining UK energy through transition

Global energy is in a period of heightened volatility, shaped by geopolitical uncertainty, shifting policy priorities and evolving pathways to decarbonisation. In addition, the pace and structure of emerging markets such as hydrogen remain uncertain. These dynamics create complexity for the UK energy sector, but they also reinforce the importance of resilient, well-managed energy infrastructure.

We take seriously the vital role our assets play in maintaining the UK's energy security and we operate our gas infrastructure safely, efficiently and responsibly while continuing to reduce emissions and improve the environmental performance of our operations. At the same time, we continue to assess how our infrastructure and expertise can support the UK's evolving energy system and transition to net zero.

ESG remains embedded in our business, and we are committed to being a responsible steward of critical energy infrastructure both today and for many years to come.

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