

The Sustainable Aviation Landscape

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- SAF Policy in North America
- The Importance of Carbon Reduction
- SAF Volume
- The Future of Feedstock

Industry Leader

- World's first producer of sustainable aviation fuel
- Helping the federal government reach its SAF Grand Challenge goal
- Supplying 1 billion gallons of sustainable aviation fuel annually by 2030

Superior Sustainability

- Best-in-class carbon intensity
- Only SAF refinery that is RSB and CORSIA certified
- Committed to:
 - Decreasing our scope 1 and scope 2 emissions 50% by 2030
 - Incorporating renewable energy sources and lower-carbon feedstocks into our operations



SAF Policy in North America



- Currently voluntary market/opt-in fuel
 - Opt-in fuel since 2005.
 - Unlikely to see mandates in next two years
 - Concentrated on California
- Favorable for biofuels
- Federal tax credit for SAF
 - Value = \$1.25 - \$1.75
 - Time frame = 2023 through 2027
 - Working to extend the tax credit beyond 2027

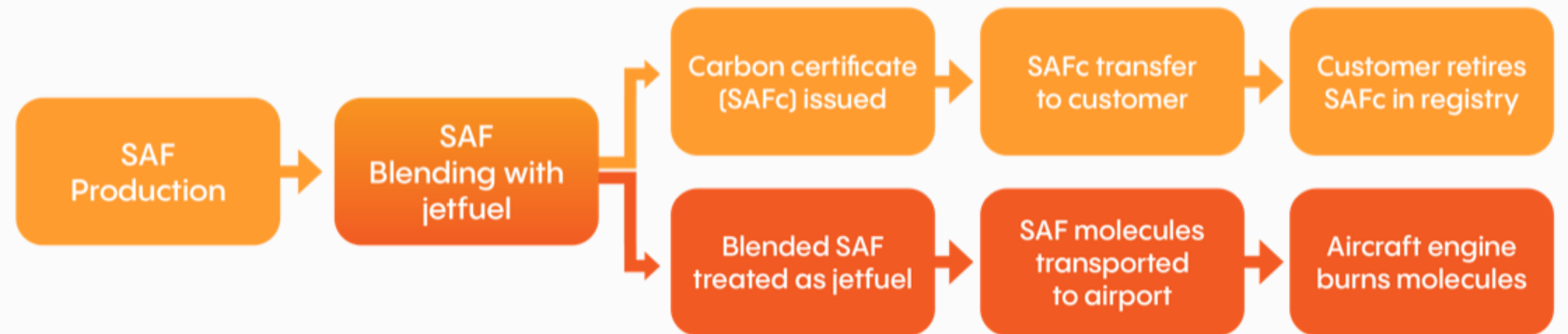
The Reality of Mandates

- Direction for where the market should go, but no concrete steps for how to get there
- Policy can focus on either production or consumption
 - Difficult to get these two to match up in the real world

| Pros | Cons |
|--------------------------------------|---|
| Waivers lead to anemic credit values | Helps ensure obligated parties will create supply |
| Difficult to access additionality | Helps spur investment from biggest players |

The Importance of Carbon Reduction

- Real value of SAF is carbon reduction
- Done through SAF/c Book & Claim
- Can enable decarbonization in other hard-to-abate sectors



SAF Volume

- Easy to make an announcement, tough to secure capital

Need strong indicators from government and demand signals from customers



- Availability always flagged as a problem, never actually an issue
- Carbon intensity will matter more than anything
- Growing the market for carbon reduction will help create market for more and better feedstocks
- Important not to constrain feedstock selection before market has developed

The Future of Feedstock

