



Sustainable Aviation Fuel

- A Solution for Today and
Tomorrow

Jonathan Wood, VP Renewable Aviation 12 February 2021

NESTE MY
Sustainable Aviation Fuel

NESTE

Neste in brief

Founded in

1948

to secure oil supply
for the state of
Finland

3rd

most sustainable
company in the
world (2020 Global
100)

World's

#1

producer of Renewable
Diesel & Jet Fuel from
waste and residue

In 2020,
we helped reduce
our customers' CO2
emissions by

10 Mt

70%

of R&D budget
invested in finding
new raw
materials

Renewable
products production
capacity

**3.2 →
4.5 Mt/a**

in 2023

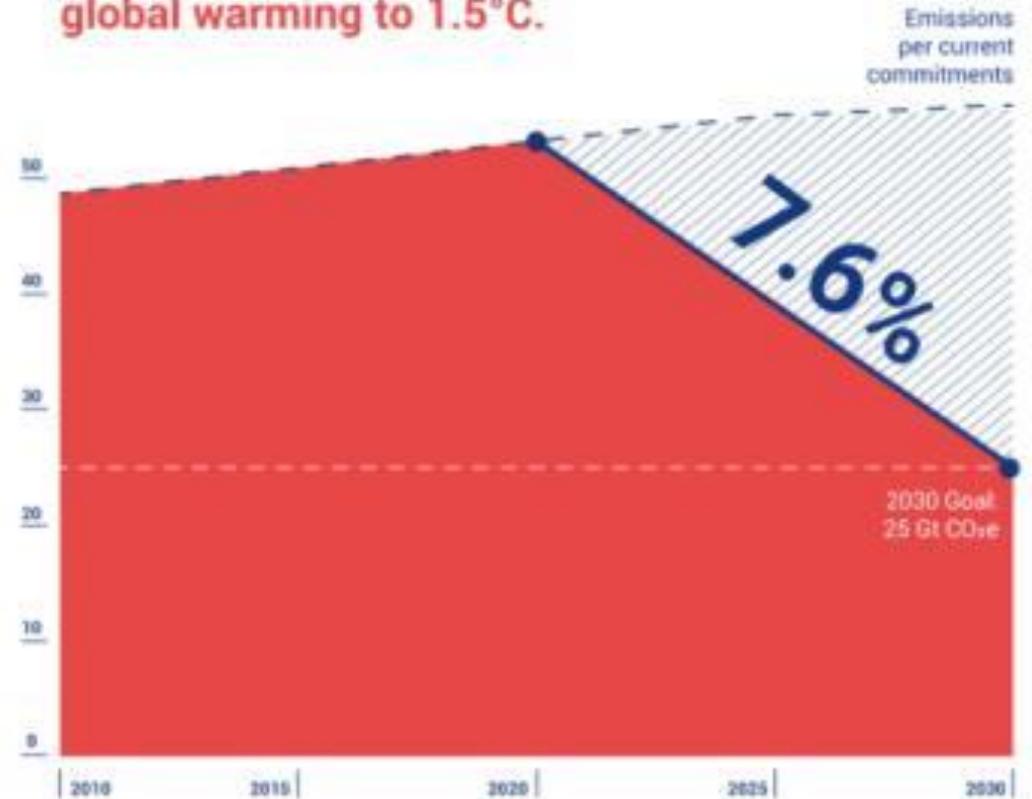
The case for action - now

Global greenhouse gas emissions need to fall by 7.6% each year over the next decade

- Global greenhouse gas emissions need to fall by 7.6 per cent each year over the next decade if the world is to get back on track towards the goal of limiting temperature rises to close to 1.5 degrees Celsius.
- Technologies and policy knowledge already exist to cut emissions, but transformations must begin now. G20 nations account for 78 per cent of all emissions.

Source: UNEP Emissions Gap Report »

Today, we need to reduce emissions by **7.6% every year** from 2020-2030 to **limit global warming to 1.5°C.**



SAF is sustainable...

NESTE MY

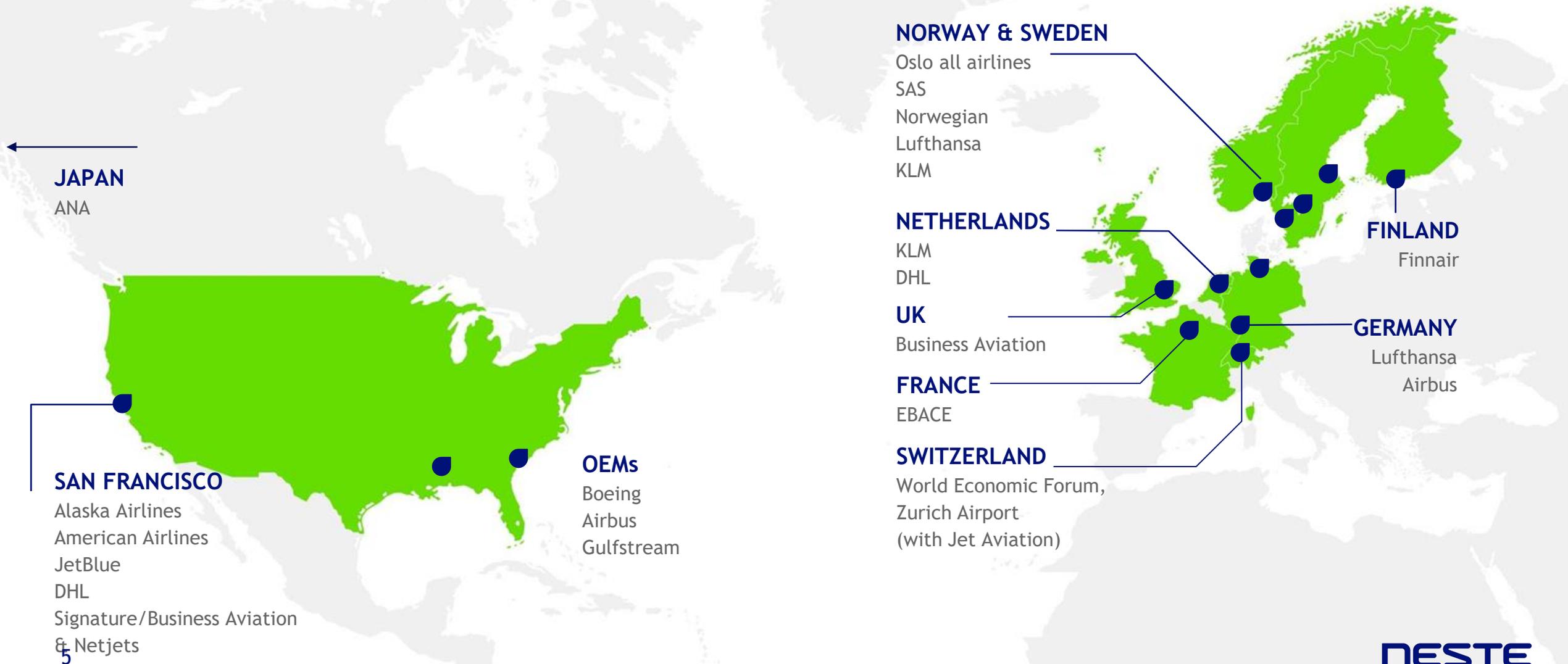
Sustainable Aviation Fuel

- 100% drop-in solution up to the technical maximum
- Quality & performance comparable to fossil jet
- Renewable waste and residues as raw material
- Commercially available and in use

In neat form, Neste MY Sustainable Aviation Fuel **reduces GHG emissions up to 80%** compared to fossil fuels providing an immediate solution for reducing the direct carbon emissions of flying.

In addition, SAF provides significant **non-CO2 emission effects** through reduced particulate emissions¹.

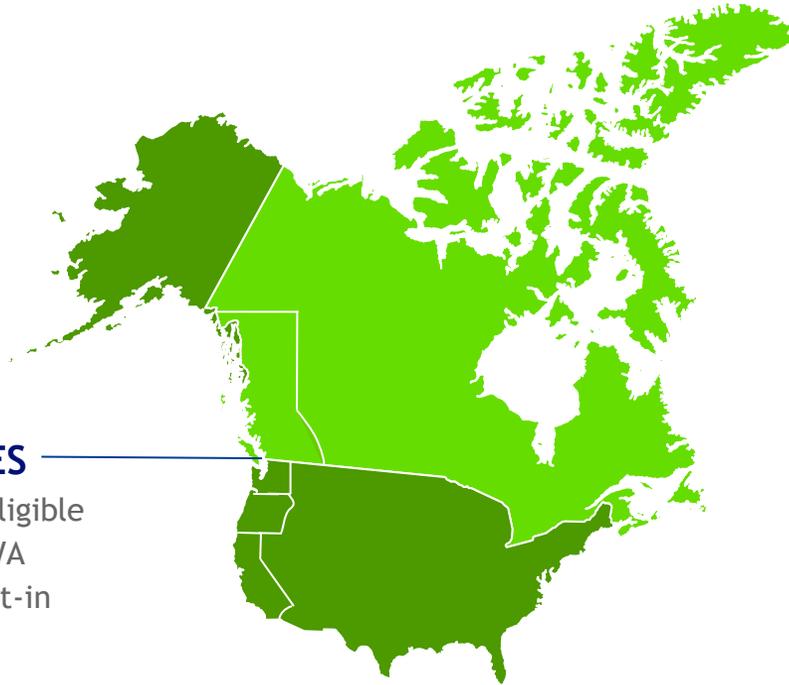
and available - Neste's SAF is in use on a commercial basis around the world



Despite the severe impact of COVID-19, regulatory policy frameworks to drive SAF market growth are being set up

LCFS SCHEMES

Aviation opt-in eligible for CA and OR; WA draft includes opt-in



SCANDINAVIA

Norway: SAF mandate in place (0.5%), 30% target for 2030
 Sweden: Law proposal on SAF mandate start in 1.8.2021 (-0.8% GHG; -27% GHG in 2030)

FINLAND

Ministry proposal: 1% in 2022; 30% in 2030

Netherlands

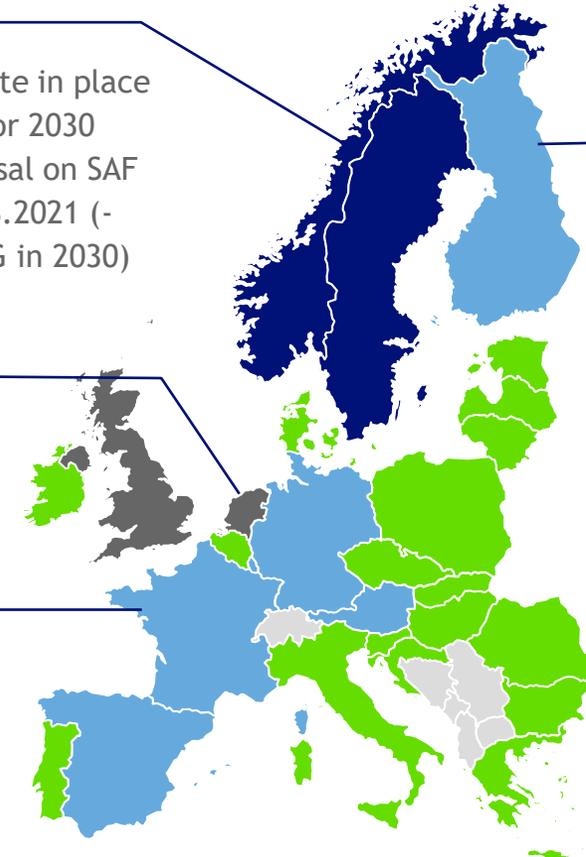
Ministry proposal on SAF mandate: 2023 start, 14% in 2030

FRANCE

SAF mandate in law: 1% in 2022; 5% in 2030

EUROPEAN UNION

ReFuelEU Aviation SAF mandate: Consultation on-going, potential for 5% in 2025, 14% in 2030, with PtL sub-mandate



SAF mandate introduced in 2020/21



SAF incentive in place & plan to introduce a mandate



SAF opt-in incentive in place

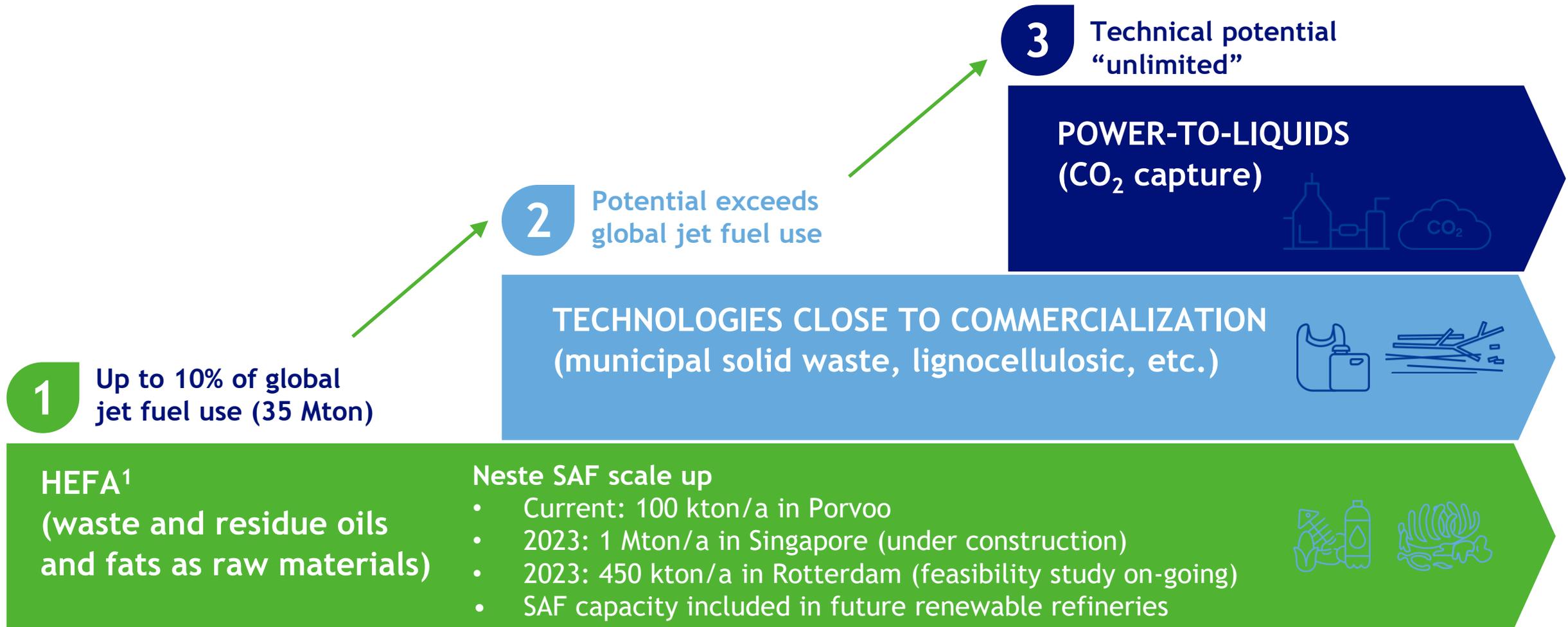


SAF incentive via RED II (2022) & Plans to introduce mandate (2022-26)



Plan to introduce aviation incentive (RED II)

There are multiple technologies to enable growth in SAF supply - Neste's SAF capacity will increase to 1.5 m tonnes in 2023, and will continue to expand with new technologies



Source: Neste estimates

¹ HEFA = Hydroprocessed Esters and Fatty Acids



**SAF is
available and
sustainable
NOW**

**Investments
in SAF
require
certainty on
demand**

**Policy is key
to grow the
SAF market
NOW**

**We have the
pathways to
significantly
grow SAF
supply**

A person wearing a black and white checkered shirt and blue jeans is standing in a field of tall green grass. They are reaching up with their right hand towards a green toy airplane that is suspended in the air. The background shows a clear blue sky and a line of trees in the distance. A white graphic element, consisting of a large semi-circle on the left and a vertical line on the right, frames the central text.

Thank you!
Now its time to act,
together!

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