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SAF market: where are we today?

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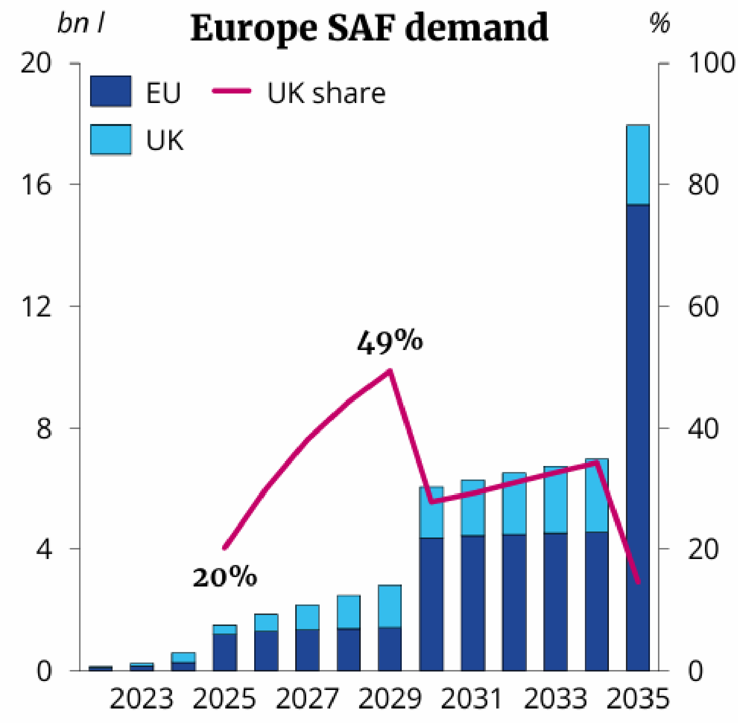
illuminating the markets®

EU & UK driving global SAF consumption as US demand slow, Asia SAF mandates could shift global balances

SAF world today centred around EU & UK but slow start



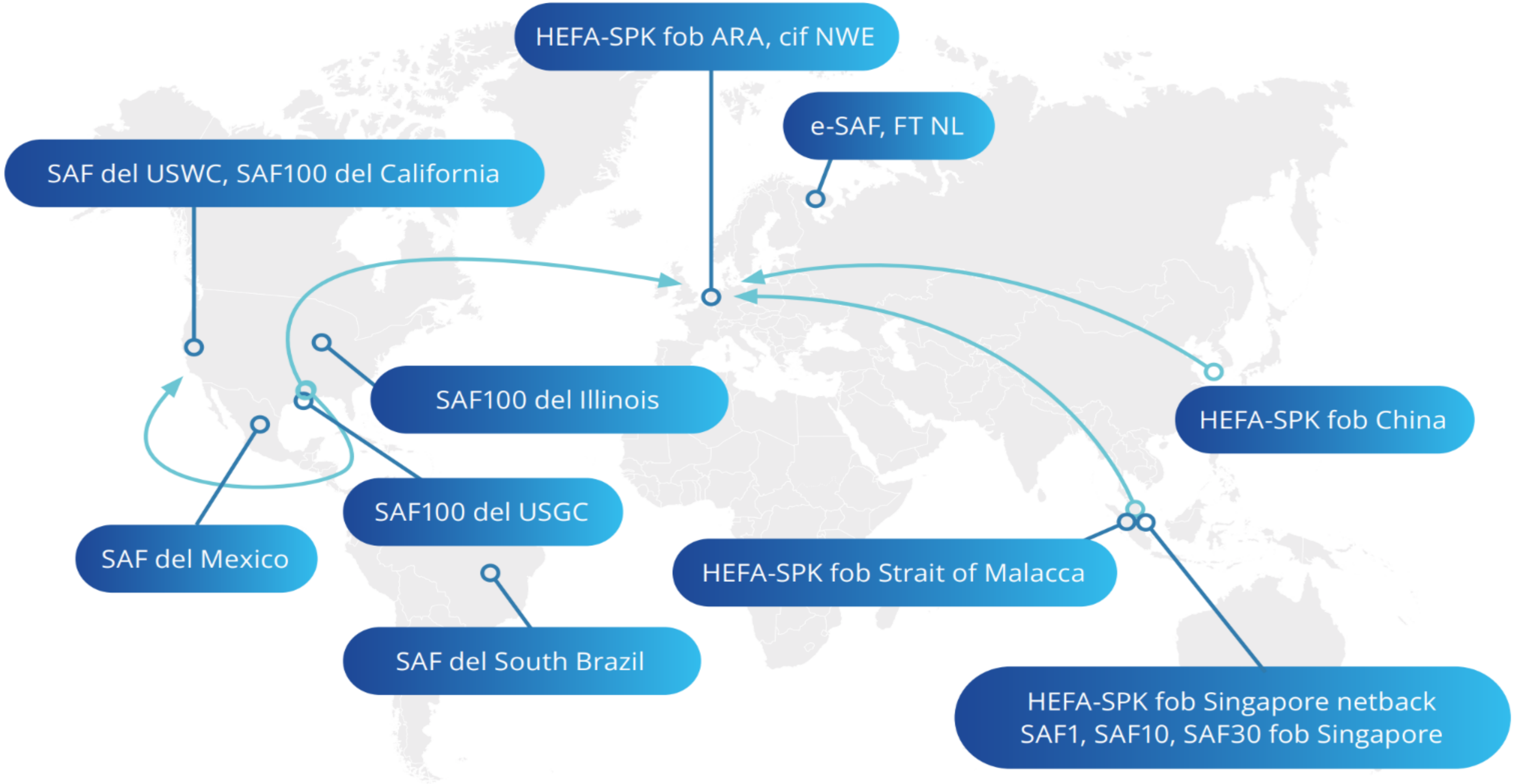
Argus Biofuels Analytics 2Q26

Potential Asia SAF demand
2030 3 – 3.5mn t but policy uncertainty

Country	2030 SAF target
Thailand	3-5%
Japan	5%?
Singapore	3-5%
South Korea*	3-5%
Indonesia	2.5%
Malaysia	1%
China	Tbc
Australia	Tbc
India*	5%

**international aviation only*

Global suite of SAF prices tracking evolving market flows



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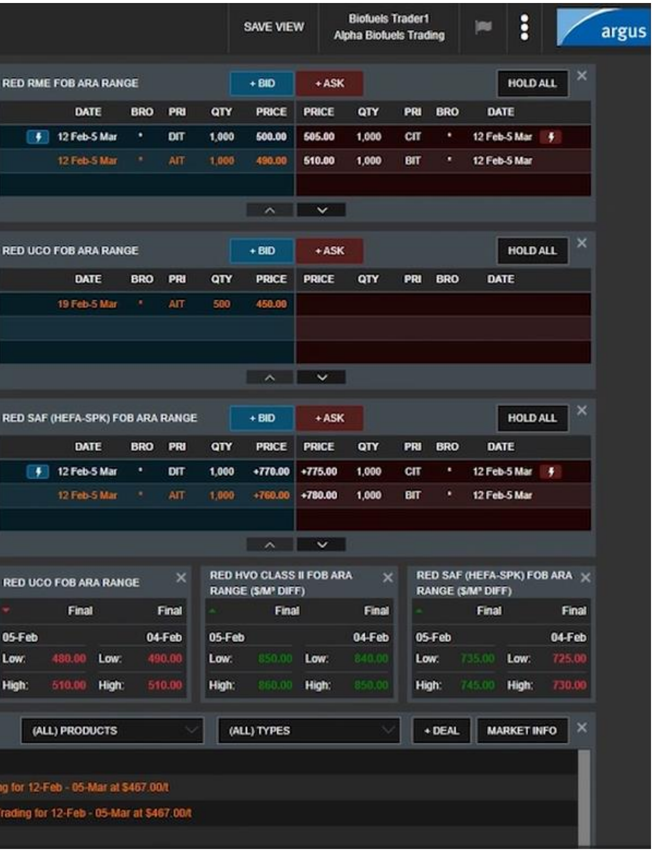
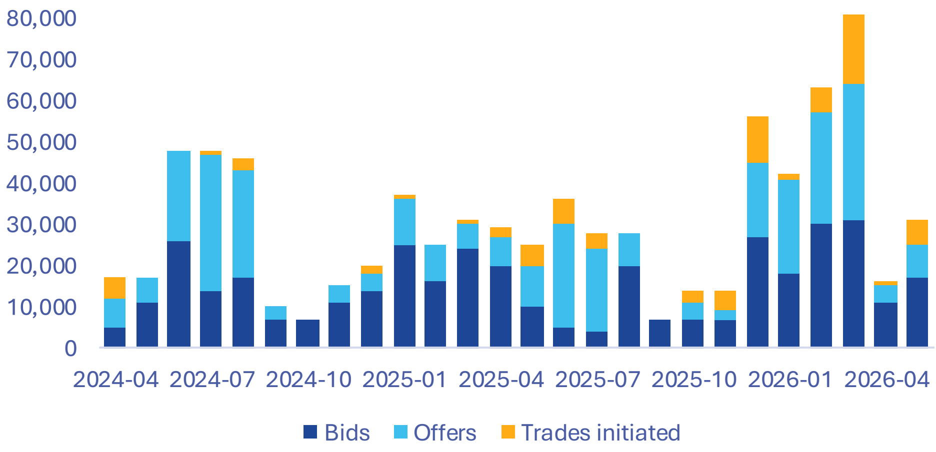
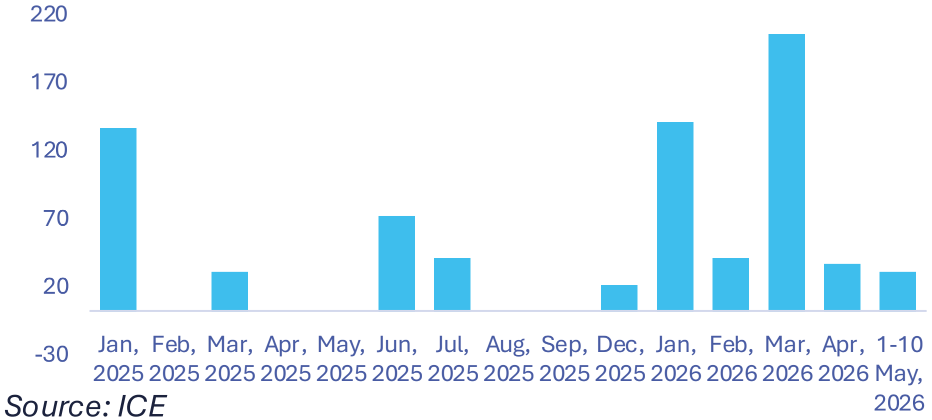
Argus SAF pricing philosophy:
Transparent, dedicated price reflective of unique SAF fundamentals



AOM HEFA-SPK physical spot activity, tonnes



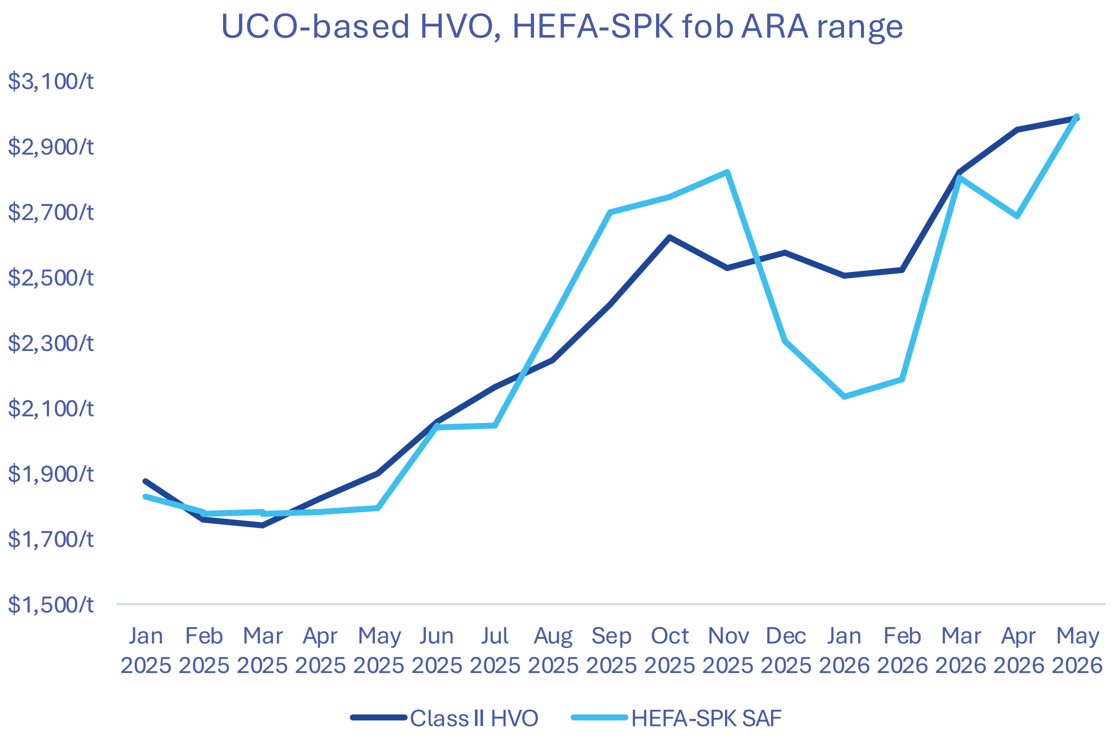
Paper lots traded

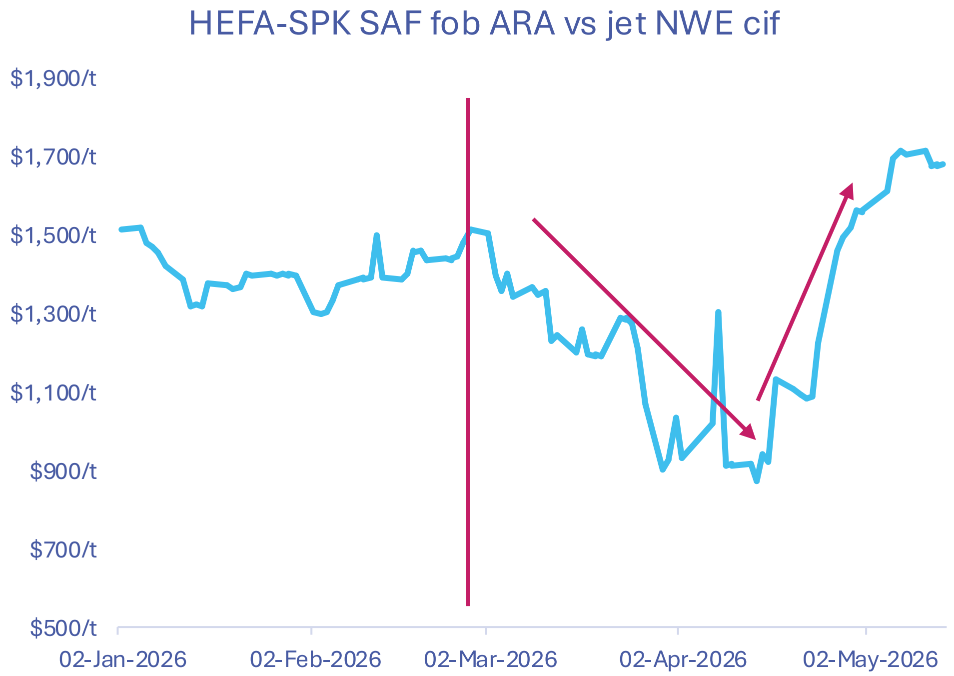


Source: ICE

- Fob ARA benchmark underpinned by physical spot activity
- 80,000t of trade initiated on AOM – Argus price discovery platform – and >700,000t of bids, offers
- Managing SAF-related risks of growing importance - SAF share of the fuel mix will increase with rising mandates
- ~75,000t paper trade (each lot = 100 t)

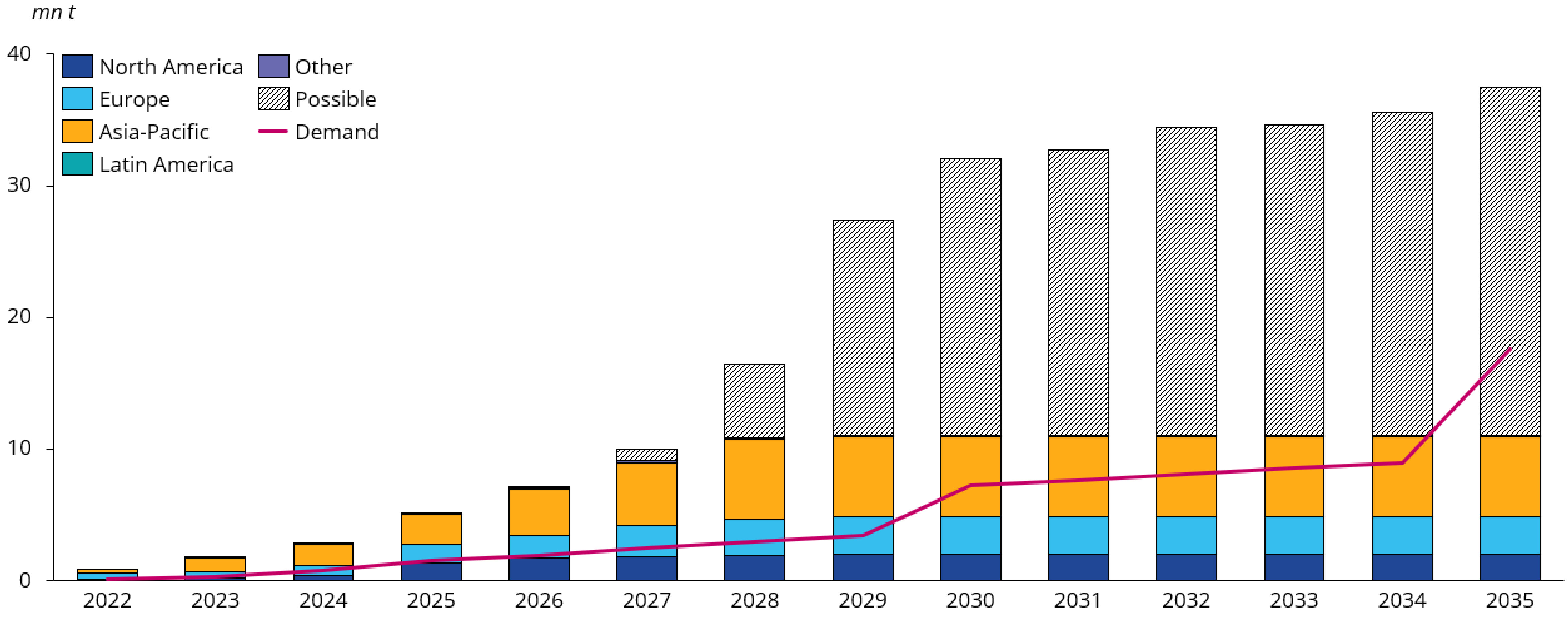
NWE HEFA-SPK price moves driven by biofuels-specific supply & demand fundamentals





- Initial ~$600/t drop in HEFA/jet spread following jet surge, but recent rebound due to tight SPK market: trend highlights HEFA/jet disconnect
- Tightness mainly supply-driven in recent weeks, while demand picture more blurred: blending started earlier vs 2025, but uncertain 2026 jet consumption due to war-related supply concerns

Global SAF market structurally long, but several projects still uncertain



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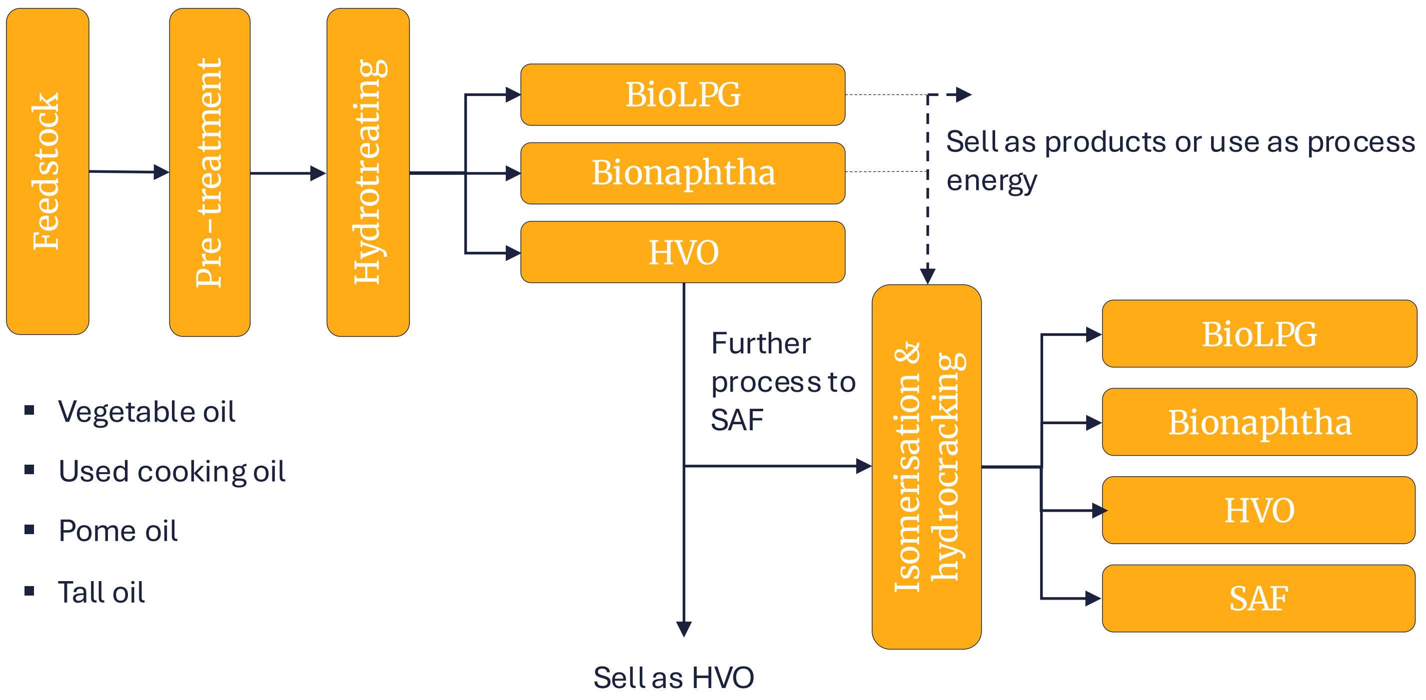
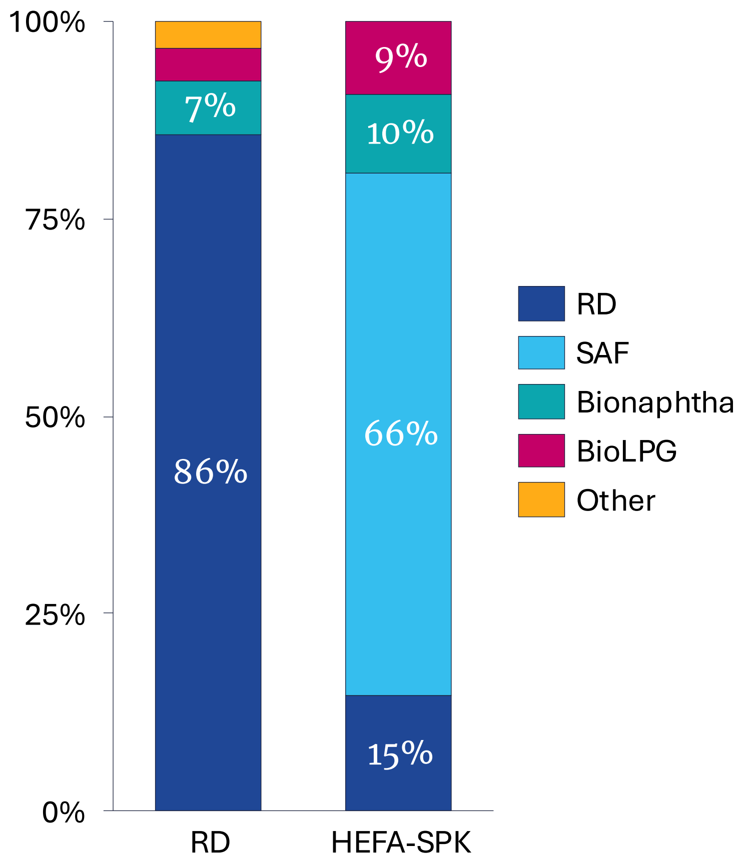
SAF production can also pivot to HVO

Hydrotreatment production pathway

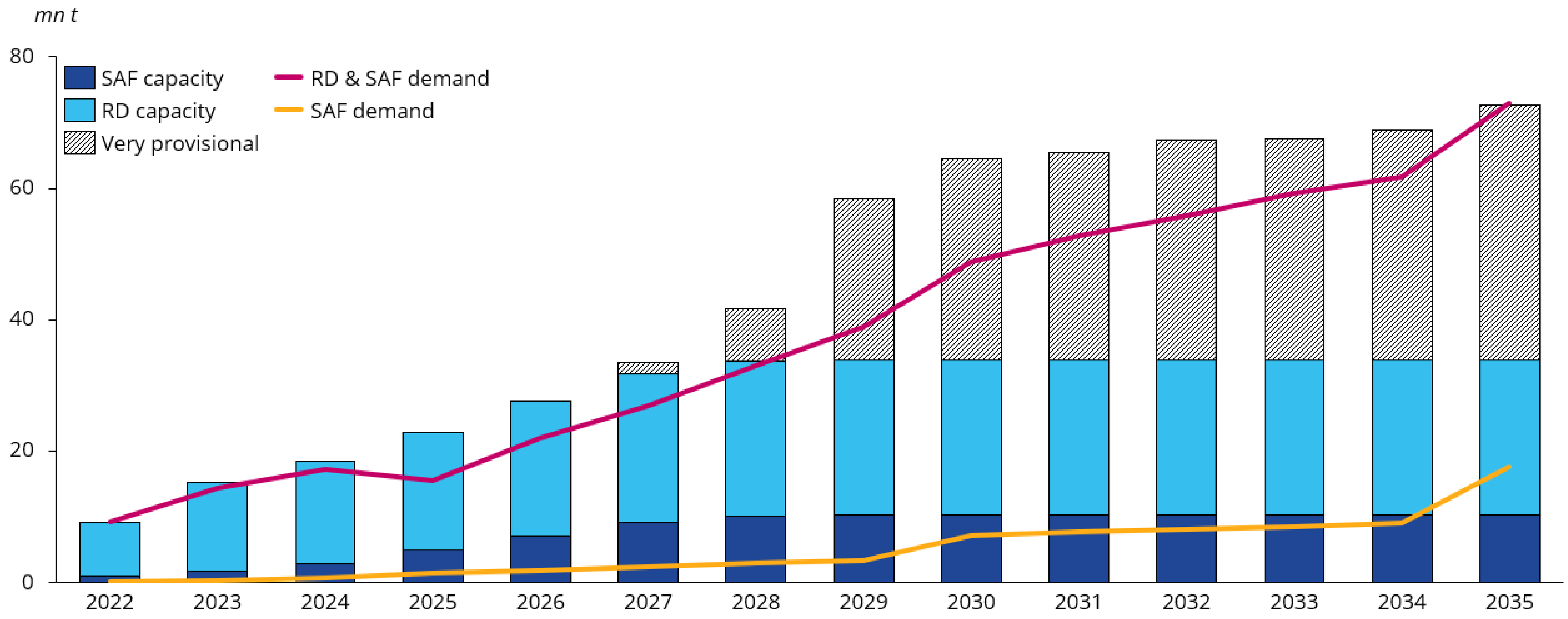


- Vegetable oil
- Used cooking oil
- Pome oil
- Tall oil

Standard product split assumptions



More balanced outlook when including both SAF and HVO – RED III to boost EU HVO demand



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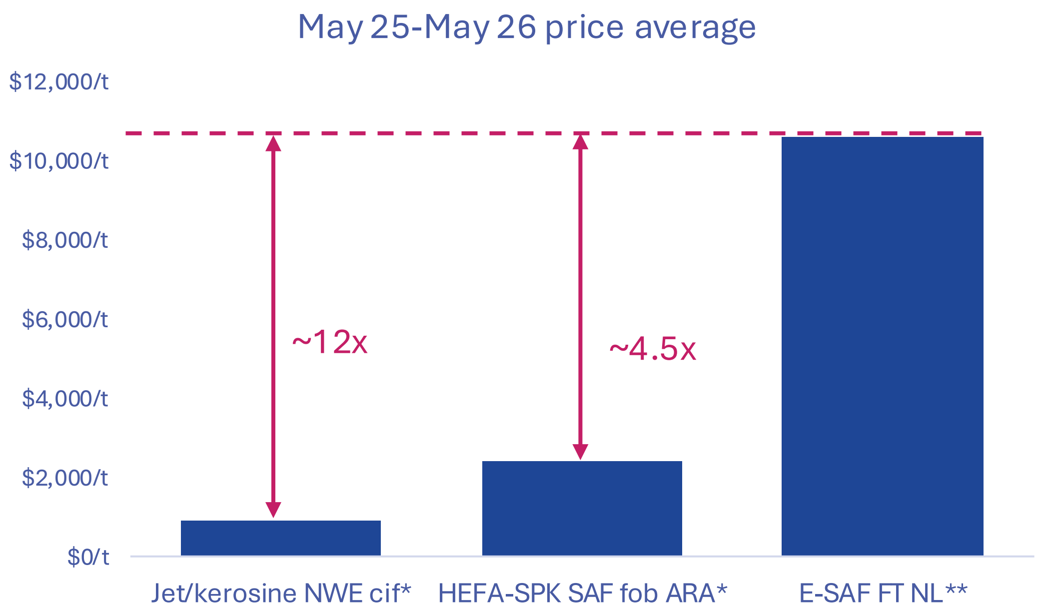
Development of non-HEFA pathways slow: e-SAF lagging but mandates approaching – market at standstill over lack of price agreements



*Jet, HEFA-SPK SAF market assessed prices
**E-SAF calculated cost of production in the Netherlands (as published in Argus Hydrogen and Future Fuels report)

- No commercial-scale e-SAF plant has reached FID (yet)

- Very high, uncertain costs
- ETS allowances unlikely to be available
- Mandate support starts in 2030 (2028 for UK)
- Risk of competition from non-EU sources

Key take-aways:

SAF world today centred around EU and UK, Asian mandates could shift balance but few firm targets

HEFA-SAF ARA hub pricing centre for global values. SAF & Jet markets disconnected.

Global SAF market structurally long until 2030, but considering HVO tightens outlook

Development of non-HEFA pathways slow: e-SAF still lagging but mandates approaching

Questions?