BRAYA
RENEWABLE FUELS

TCFD REPORT

2025

Braya Renewable Fuels produces up to 18,000 barrels per day of renewable fuel from biomass feedstocks, such as tallow, vegetable oil and used cooking oil, at the Come by Chance Refinery in Newfoundland and Labrador, Canada. The renewable fuels we produce replace high-carbon, petroleum-derived fuels and are integral to decarbonizing emissions-intensive sectors, including heavy transportation and aviation. These two sectors alone represent approximately 5% of global emissions[1]—that's about 2.89 billion tons a year.

Our business meets a critical need, providing fuel that can reduce emissions and help countries and companies on the path to a low-carbon future. This is reflected not just in *what* we produce, but in *how* it's produced—every decision we make in the production process, at every level of the organization, aims to reduce emissions and mitigate potential risk.

Governance

Board Oversight

Oversight for climate-related risks and opportunities begins at the Board level. Because the company's revenue is directly impacted by our ability to produce low-carbon renewable fuels effectively and efficiently, climate is implicitly considered at least quarterly during each regularly scheduled Board meeting. Climate-related risks and opportunities are also explicitly considered during risk reviews, when discussing environmental metrics, during annual target review, and as part of the annual capital budget process.

The Board regularly discusses corporate-level risks, though this process is largely informal. Corporate-level risks are those that could significantly impact the company's operations and include regulatory, commodity price, legal, and environmental risks.

The Board also reviews environmental metrics during every Board meeting, evaluating exceedances of set limits, issues, and forward-looking risks. These metrics help identify and manage existing and potential risks related to operations.

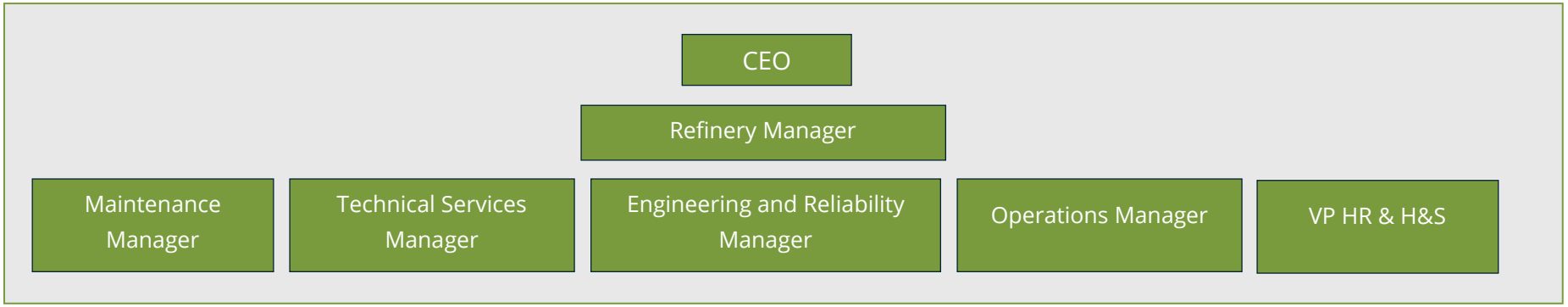
Environmental impacts—and implicitly climate-related risks and opportunities—are also considered as a part of our annual capital budgeting process. During the process, requests are submitted through a standardized project proposal form, which

[1] Sources: World Economic Forum (heavy transportation emissions figure), IEA (aviation figure), UN (total emissions figure)

requires each requestor to evaluate and describe the project's potential environmental and efficiency impacts. These impacts are then considered at each level of approval, with ultimate project approval residing with the Board of Directors.

Management Oversight

At the management level, each individual within the organization—from operator and shift supervisor all the way up to the CEO—plays a role in assessing and managing climate-related issues, with a particular focus on emissions and efficiency. While ultimate management-level authority for managing risks, capitalizing on opportunities, and achieving targets rests with the CEO, the Refinery Manager and leaders of each functional area are critical for day-to-day performance and identification of potential risks before they escalate.



Our teams work together to monitor and mitigate potential climate-related risks and take advantage of opportunities, including through daily morning meetings, where team leads discuss existing and potential issues and evaluate efficiency and environmental performance. This is reflected at all levels: operators ensure the refinery runs smoothly; the maintenance team proactively maintains equipment to prevent and respond to wear and tear and/or potential issues that might cause inefficiencies or failure; and the technical services team monitors, identifies, and troubleshoots plant issues that may impact efficiency, reliability, and/or environmental performance.

Strategy

Our Strategy and Resilience

The renewable fuel that we produce is a necessary part of the transition to a low-carbon future. While there are risks related to regulatory uncertainty, shifting market dynamics, and changing weather patterns, we believe these risks, when managed, are outweighed by the opportunities presented by countries and companies looking to decarbonize emissions-intensive sectors. Material risks are described below. We define short-term as 0-1 year; medium-term as 1-2 years, and long-term as 2+ years.

Transition Risks

Risk	Description and Potential Impacts	Time Frame
Policy and Legal		
Mandates on and regulation related to low-emissions fuels; tariffs	Uncertain and ever-shifting global regulations create unpredictable markets and price instability, especially as governments adopt or quickly eliminate regulatory support for low-carbon fuels. Similarly, unpredictable tariffs make it difficult to develop a longer-term (2+ years) export strategy. This, in turn, impacts margins and therefore revenues.	Short to Medium-term
Technology		
Cost to transition to lower-emissions technology	Braya has already implemented efficient technology and equipment to reduce the carbon intensity (CI) score of our renewable diesel and will continue to evaluate new technology as it becomes affordable and available, in line with our operating requirements and capital constraints. We expect our direct costs to remain relatively stable, as we budget for equipment repair, replacement, and maintenance as a part of our annual capital budget process. As the world adapts and shifts to lower-emissions technology, there is potential for our overall operating expenditures to increase should technology costs be passed	Medium-term

	down the supply chain, or should there be rapid changes in technology paired with government mandates. This, in turn, would impact our net income.	
Market		
Market uncertainty; increased feedstock costs	Rapid and unpredictable market dynamics cause significant instability. This is particularly evident in the last two years: supportive incentives for renewable fuels have been abruptly introduced, modified, or eliminated, and feedstock prices have shifted abruptly in less than a year. This market uncertainty directly impacts revenues and our ability to develop accurate forecasts, which in turn negatively impacts our ability to develop a longer-term strategy.	Short-term

Physical Risks

Risk	Description and Potential Impacts	Time Frame
Acute		
Increased severity of severe weather events	We already see the impacts of more severe weather events, particularly in terms of rainfall volumes during severe storms. These more severe storms are not only more difficult to predict but require us to adjust our day-to-day plans to keep equipment running efficiently while protecting personnel. In turn, this has the potential to impact capital expenditures in the medium-term should we need to adjust the facility to handle increased runoffs, and in the shorter-term impact our operating efficiency, resulting in lower margins.	Short-term
Chronic		

Changes in precipitation patterns and extreme variability in weather patterns	While we already see the short-term impacts of severe storms, these changing weather patterns pose longer-term unpredictability, which in turn could impact our operating efficiency. Extreme variability in weather patterns could not only hinder Braya directly—whether due to flooding, drought, storm damages to our equipment, or the inability of personnel to access the site—but also could impact our supply chain, making it difficult for us to access feedstocks in a timely manner or ship produced fuel overseas. This could impact operating expenditures and ultimately our margins.	Long-term

Opportunities

Opportunity	Description and Potential Impacts	Time Frame
Use of lower-emissions energy sources	Braya already uses hydroelectric power for electricity, which lowers our overall emissions and ultimately the carbon intensity of our renewable diesel, resulting in generally better margins for cleaner fuel. We believe that we can continue to reduce our energy use through efficiency or find other clean energy sources, which would in turn increase our margins and revenues.	Medium-term
Supportive policy incentives	In light of a rapidly changing climate, governments will need to take action to reduce emissions. While regulatory and policy action will not happen uniformly, we do expect that supportive global policies will continue to emerge to our benefit, allowing us to access new markets and meet growing demand. We also expect that at least some of these regulations will provide price stability, allowing for more predictable revenues and better margins.	Medium-term

Life Cycle Assessment

We use a full cradle-to-grave life cycle assessment to select appropriate feedstock and manage our operations. The assessment is carried out on a regular basis as we process feedstocks from different suppliers, giving us a clear picture of how our choices during procurement and production impact the overall carbon footprint of the fuel we produce. For example, we

conducted an independent study over the course of more than a year to assess the land use and agricultural practices associated with one of our primary feedstocks, soybean oil. This study evaluated practices across the supply chain, down to farm-specific growing practices. The activities conducted across the supply chain (e.g., the extraction process of soybean oil or the type of tanker used to ship the feedstock) directly impact the carbon footprint of our fuels and the calculated carbon intensity score. After evaluating the findings, we adjusted our procurement strategy, in turn reducing our carbon footprint, improving traceability, lowering our overall impact, and allowing access to new markets.

Scenario Analysis

In 2022, we conducted scenario analysis using two transition scenarios from the International Energy Agency (IEA)'s 2022 World Energy Outlook (WEO):

1. The **Stated Policies Scenario (STEPS)** evaluates the impacts of actual government actions which aim to reduce emissions and mitigate the impacts of climate change.
2. The **Net Zero Emissions by 2050 (NZE) Scenario** stipulates the actions that governments, companies, and society would need to take in order to achieve a 1.5°C stabilization in global average temperatures, in line with the goals of the UN Paris Agreement.

We then evaluated Braya's exposure in three time frames: short- (2025), medium- (2030), and long-term (2040). These results informed initial discussions of our resilience in the face of climate-related risks under these various scenarios and time horizons—a discussion that continues daily throughout the organization.

Risk Management

Risk management is woven into the way we work, and every individual plays a role in managing risk, including risks related to climate change. We take a structured approach to risk management, starting with a risk register that is managed by our refinery leadership and safety teams. This register is formally reviewed each month. During formal reviews, risks are introduced or re-evaluated, and each identified risk is assigned an owner as well as clear actions to manage each risk and bring down the level of residual risk. Significant unmitigated risks are escalated to the Board for review.

At the operational level, climate-related risks are implicitly considered as a part of day-to-day business. Each morning begins with a refinery-wide performance review meeting, where feedstock consumption is discussed alongside other key performance indicators and potential risks. Climate-related risks and opportunities are inherently a part of this discussion, as every decision we make can impact efficiency and emissions, and therefore our CI score and revenues.

Metrics and Targets

A variety of metrics and targets are used across the organization that help us manage potential risk and capture value. These metrics all ultimately help us to maintain and reduce our CI score and facilitate shared accountability at all levels. At the operational level, we evaluate and maintain equipment-level efficiency and fuel use targets, which help us to reduce our fuel consumption and lower operating costs. Examples of these metrics include fired heaters excess oxygen and fuel optimization, hydrogen reformer steam to carbon ratio optimization, optimum feedstock blending for CI optimization, reactor temperatures and heat recovery optimization, among others.

We have a Canada-only net zero target as well as a near-term interim target:

Net Zero Target: Achieve net zero emissions across the aggregate of Canadian-only Scope 1 and Scope 2 emissions by 2050, compared to a 2024 baseline

Interim Target: Achieve a 25% reduction across the aggregate of Canadian-only Scope 1 and Scope 2 emissions by 2035, compared to a 2024 baseline

To achieve net-zero, Braya will be focusing efforts on sourcing clean energy sources for its industrial processes and implementing energy efficiency measures across its operations.

These targets are formally reviewed at least every year and discussed more frequently as a part of weekly plant KPI reviews, during which plant leadership discusses the KPIs that contribute to target achievement.

Emissions

Scope 1

2024 GHG Scope 1 Emissions: 337,611 tonnes CO_2e

Scope 2

2024 GHG Scope 2 Emissions: 1,951 tonnes CO_2e

Positioned for Long-Term Success

At Braya, we have a critical role to play in advancing the energy transition. Through strong oversight practices, proactive risk management, and a commitment to continuous improvement, we believe we are positioned for long-term success. We remain committed to utilizing the TCFD recommendations to guide our climate-related disclosures and improving our policies and practices.

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