

# [***Neste to establish a joint venture for production of renewable fuels in the United States with Marathon Petroleum***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:64WX-GD61-JD6G-P2V7-00000-00&context=1516831)

Cision Nordic Companies Press Releases (Scandinavia)

March 1, 2022 Tuesday 9:05 PM GMT

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**Section:** STOCK EXCHANGE RELEASES

**Length:** 879 words

**Body**

Neste Corporation, Stock Exchange Release / Insider Information, 1 March 2022, at 11.05 p.m.  (EET)

Neste Corporation has signed definitive agreements for the establishment of a 50/50 joint venture with US-based Marathon Petroleum (Marathon). The joint venture will produce renewable diesel following a conversion project of Marathon's refinery in Martinez, California (the Martinez Renewable Fuels project). The closing of the joint venture is subject to customary closing conditions and regulatory approvals, including obtaining the necessary permits, which depend upon certification of a final Environmental Impact Report.

Neste's total investment will amount to approximately EUR 0.9 billion (USD 1.0 billion), inclusive of half of the total project development costs projected through the completion of the project. The project is expected to increase Neste's renewable products capacity by slightly over 1 million tons (365 million US gallons) per annum. Production of renewable diesel is expected to come online in the second half of 2022. The facility is planned to reach its full annual nameplate capacity of 2.1 million tons (730 million US gallons) by the end of 2023.

"This is a very important step in our renewables growth strategy execution. The location of the facility is in the middle of the growing renewable fuel market in California. The partnership will further strengthen our footprint in the United States, as we will have a broad value chain that covers feedstock sourcing to renewables production and sales in the US. We are thrilled to partner with Marathon: we both share an ambition in offering more high-quality, lower-***emission*** renewable products, thus helping customers to achieve their sustainability goals," says Peter Vanacker, Neste's President and Chief Executive Officer.

"We have committed to helping our customers decrease their greenhouse gas ***emissions*** by at least 20 million tons of CO2eq annually by 2030. This joint venture will help us in exceeding our commitment as it will bring a substantial amount of renewable diesel to our customers in the US. Our ongoing Singapore expansion project and this joint venture will increase our total production capacity of renewable products to 5.5 million tons by the end of 2023 and we will be the only global provider of renewable products with a production footprint in North America, Asia and Europe. As announced in Neste's Financial Statement Release 2021, the project for a possible next worldscale renewables refinery in Rotterdam is in the engineering phase and we are approaching readiness for a final investment decision during the next months," continues Vanacker.

Through this joint venture Neste obtains a 50% interest in the Martinez Renewable Fuels project. The production output will be split evenly between the joint venture partners, and each partner will be responsible to market the products under its own brand and responsibility. The facility will be operated by Marathon, which has long experience as a leading refinery operator and in executing major capex projects in the US. Both Neste and Marathon will be responsible for feedstock sourcing for the joint venture.

Neste's regional headquarters in North America is in Houston, Texas, and the company employs more than 500 people across the US. Neste's renewable waste and residue sourcing platform in the US includes fully owned Mahoney Environmental, a leading collector and recycler of used cooking oil and Agri Trading, one of the largest independent renewable waste and residue fat and oil traders in the US.

Neste Corporation

Susanna Sieppi

Vice President, Communications

Invitation for media and investors and analysts:

Neste will arrange two virtual briefings in English for media and investors and analysts on this topic on 2 March 2022.

A virtual media briefing and Q&A will be held on 2 March at 9:00 a.m. EET Finland time. The briefing will be hosted by Peter Vanacker, Neste's President and CEO, Matti Lehmus, EVP, Renewables Platform and Minna Aila, SVP, Sustainability and Corporate Affairs. Media representatives are invited to participate in the briefing by sending their information (participant's name, email address and the name of the media) in advance to Neste's media service at [*media@neste.com*](mailto:media@neste.com), who will in response provide the meeting link for joining the briefing. The duration of the event will be a maximum 45 minutes.

A virtual briefing call for investors and analysts will be held on 2 March at 11:00 a.m. EET Finland / 9:00 a.m. UK time, hosted by Peter Vanacker, Neste's President and CEO, Matti Lehmus, EVP, Renewables Platform and Juha-Pekka Kekäläinen, VP Investor Relations. Investors and analysts are invited to participate in the briefing by sending their information (participant's name, email address and the name of the company) in advance to [*investors@neste.com*](mailto:investors@neste.com), who will in response provide the meeting link for joining the briefing. The duration of the event will be a maximum 45 minutes.

Further information for the media:

Please contact Neste's media service, tel. +358 50 458 5076, [*media@neste.com*](mailto:media@neste.com) (2 March from 7:30 a.m. to 4 p.m. EET)

North American Media: Neste's North America Communications Manager, Theodore Rolfvondenbaumen, tel. +1 832 799 7029, [*theodore.rolfvondenbaumen@neste.com*](mailto:theodore.rolfvondenbaumen@neste.com)

**Notes**

Neste in brief Neste (NESTE, Nasdaq Helsinki) creates solutions for combating climate change and accelerating a shift to a circular economy. We refine waste, residues and innovative raw materials into renewable fuels and sustainable feedstock for plastics and other materials. We are the world's leading producer of sustainable aviation fuel and renewable diesel and developing chemical recycling to combat the plastic waste challenge. We aim at helping customers to reduce their greenhouse gas ***emissions*** with our renewable and circular solutions by at least 20 million tons annually by 2030. Our ambition is to make the Porvoo oil refinery in Finland the most sustainable refinery in Europe by 2030. We are introducing renewable and recycled raw materials such as liquefied waste plastic as refinery raw materials. We have committed to reaching carbon-neutral production by 2035, and we will reduce the carbon ***emission*** intensity of sold products by 50% by 2040. We also have set high standards for biodiversity, human rights and supply chain. We have consistently been included in the Dow Jones Sustainability Indices and the Global 100 list of the world's most sustainable companies. In 2021, Neste's revenue stood at EUR 15.1 billion. Read more: neste.com ([*https://www.neste.com/*](https://www.neste.com/))

**Load-Date:** March 1, 2022

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