

Our Approach and Our Proposal

MARKETING AND BRAND AGENCY RFP RESPONSE
QUESTIONS #24-25

24. Approach to meeting HFC's goals

Connecting Brand Introduction to Business Growth

HFC has ambitious business goals for 2022 and beyond, as evidenced by its recent acquisition of the Puget Sound refinery, investments in renewables, and announcement to acquire Sinclair.

Part of the growth mission is to develop, create and introduce the new HF Sinclair brand to stakeholders, including current and prospective employees, investors, customers and communities.

Positioning, tone guidelines, creative assets, and design resources are needed to rebrand existing websites and other communications touchpoints.

TeamFUSION is poised to help the new HF Sinclair achieve its business goals by creating a new brand grounded in human understanding and the unique cultures of two successful organizations.



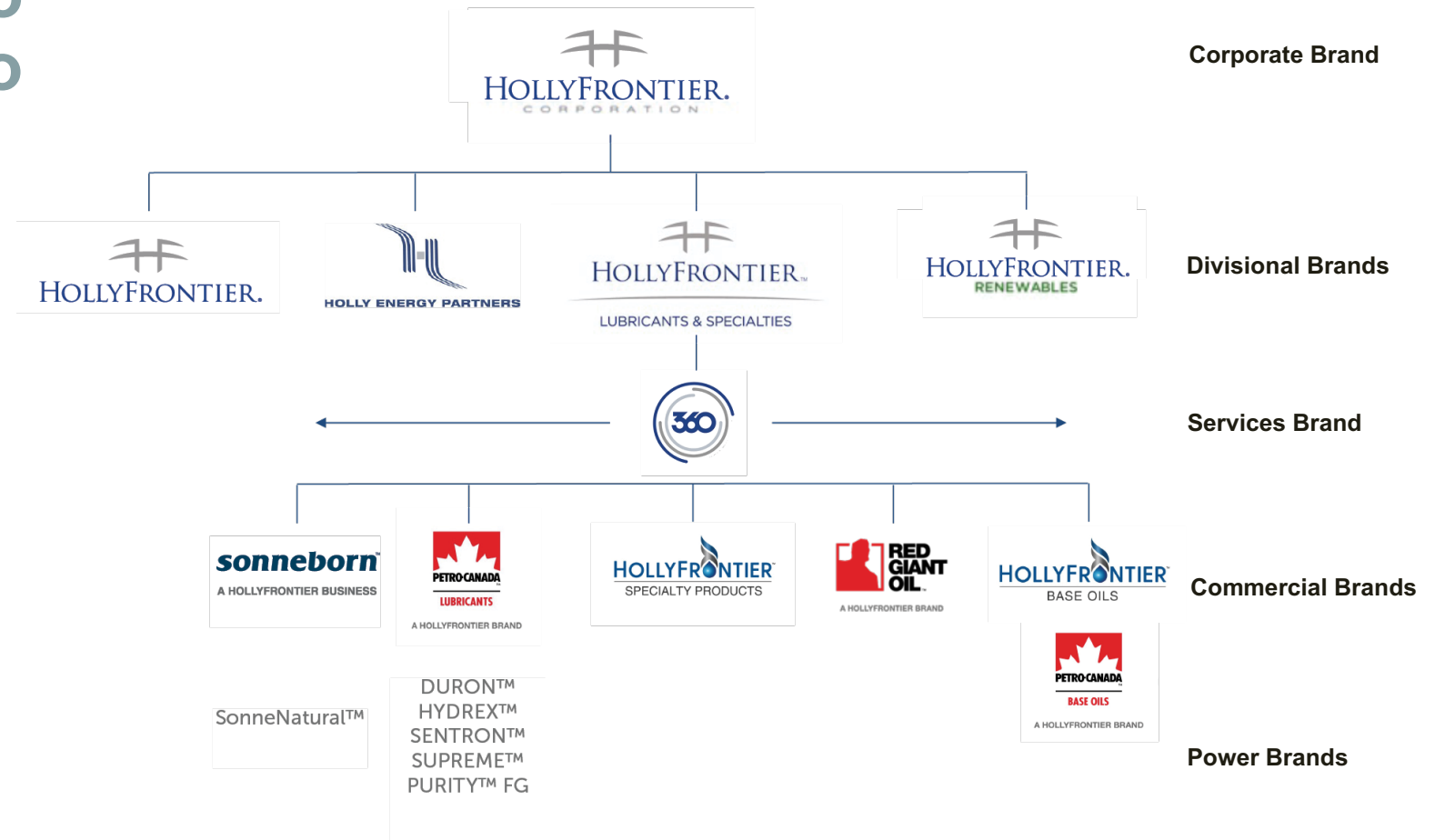
Strengthening the Corporate Brand Halo to Power the Portfolio

HFC is already an industry leader, underpinned by core values, including Safety, Integrity, Teamwork, Ownership and Inclusion.

The company's endorsed brand architecture and brand activation activities reflect a deep understanding of their customers and alignment with business goals.

While the formation of HF Sinclair provides strategic direction based on an established framework, it also presents a compelling opportunity to rethink the brand approach to reflect the unique characteristics of the acquired company.

It's why we are suggesting an approach to HF Sinclair's brand creation that is expedient, while allowing deep immersion into both organizations' equities and cultures to inform creative decisions.



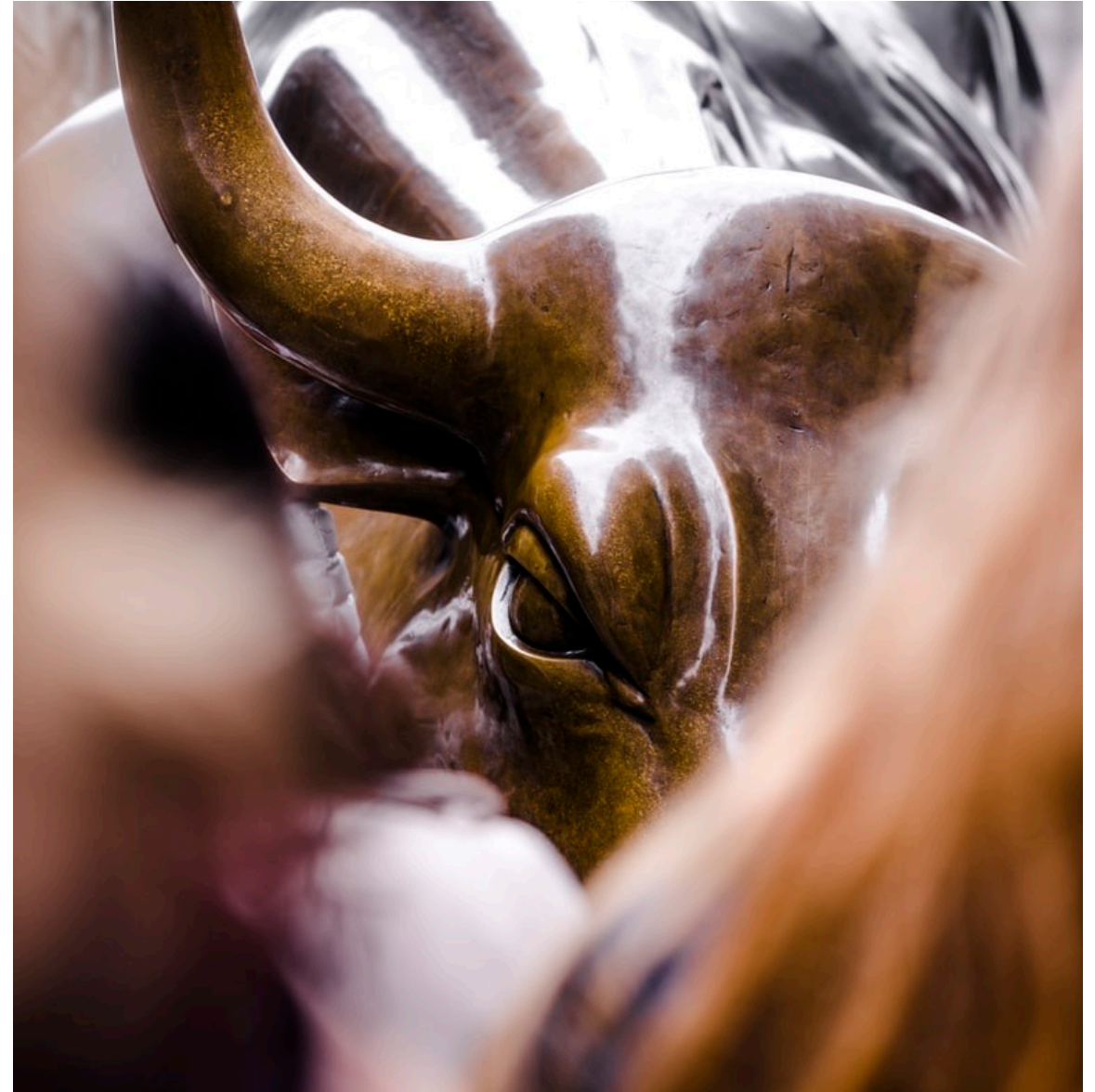
M&A Success and Sound Brand Strategy Go Hand in Hand

The urge to merge has continued to climb in recent years. Indeed, global M&A activity topped a record-smashing \$5 trillion in 2021 alone. And yet numerous studies show 70% or more of mergers and acquisitions fail to increase shareholder value.

We found that in all the complex decisions that must be made during a merger, the branding of the new corporate entity is essential. Without a solid brand idea, architecture and personality, integration can be more difficult and communications with stakeholders suffer.

It's why TeamFUSION recommends a holistic brand development process to help HF Sinclair meet its goals and objectives.

We call it the **Persuasive Process™**. It begins with your company mission and aims to identify elements of your brand that are meaningful and relevant to the people it serves. It's helped us help our clients unlock value in new launches, acquisitions, service extensions, and geographic expansions.



The Persuasive Process™ for HF Sinclair

To ensure a successful introduction of the new HF Sinclair brand to the organization, TeamFUSION proposes an engagement with four essential elements, each with concrete deliverables to help the organization achieve its goals and objectives:

Brand Strategy, which includes defining a brand idea, the brand architecture, and brand personality. Brand Strategy also includes the development of a creative brief that will inform the brand experience.

Brand Experience, which includes the development of the verbal identity, tone of voice, visual identity, and creation of brand assets to be applied across touchpoints, including the website and social posts.

Brand Management, which includes the development of brand guidelines, rules and inspiration that drive alignment across the organization.

Brand Activation, which includes design and development of essential activities that bring the brand to life, including the website, email, campaigns and commerce experiences.



The Persuasive Process

Connecting the company vision to human insight to create a brand that is relevant and distinctive.

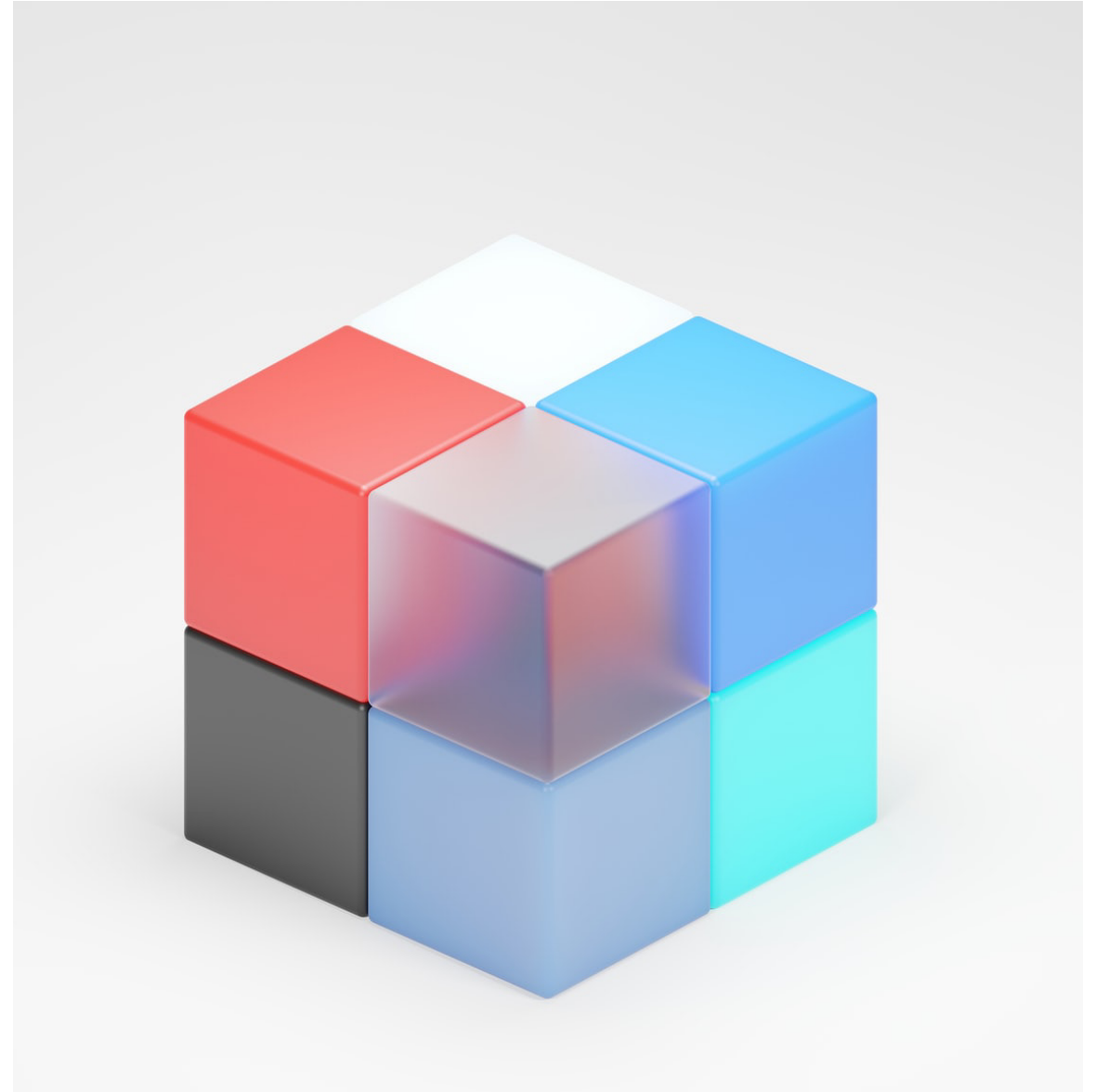


Starting With Brand Architecture

To guide our thinking, TeamFUSION has developed a framework that will help HF Sinclair consider the full range of branding options along with the upsides and downsides of each in relation to key stakeholders, including employees, customers and investors.






Conventional wisdom suggests there are only a handful of ways to move forward after merger, and indeed the announcement of the HF Sinclair name sends a strong message today.

That said, our research has shown that there are several remaining choices that can be considered to maximize the potential for success in the marketplace.



Brand Architecture: Framing HF Sinclair's Path Forward

HF Sinclair is likely to move forward with a **combined** brand architecture, placing significant emphasis on the acquired brand for employees, customers and investors. TeamFUSION will aim to maximize the upside associated with this decision, while minimizing potential risks.

					
Architecture	Retained Identity	Combined	Endorsed	Sub Brand	New
	"Co"	"CoCo"	"A Co Company"	Co identities	NewCo
Employees	Business as usual	Equal perceived value	Feeling of a new future, with same autonomy	A new chapter	Joining a new company
Customers	Comfort	Raised expectations	Reassurance	Expecting the best of both	Totally new expectations
Investors	Portfolio story	Partnership message	Further diversification	New Beginning	Looking for new investors

Defining the Brand Idea

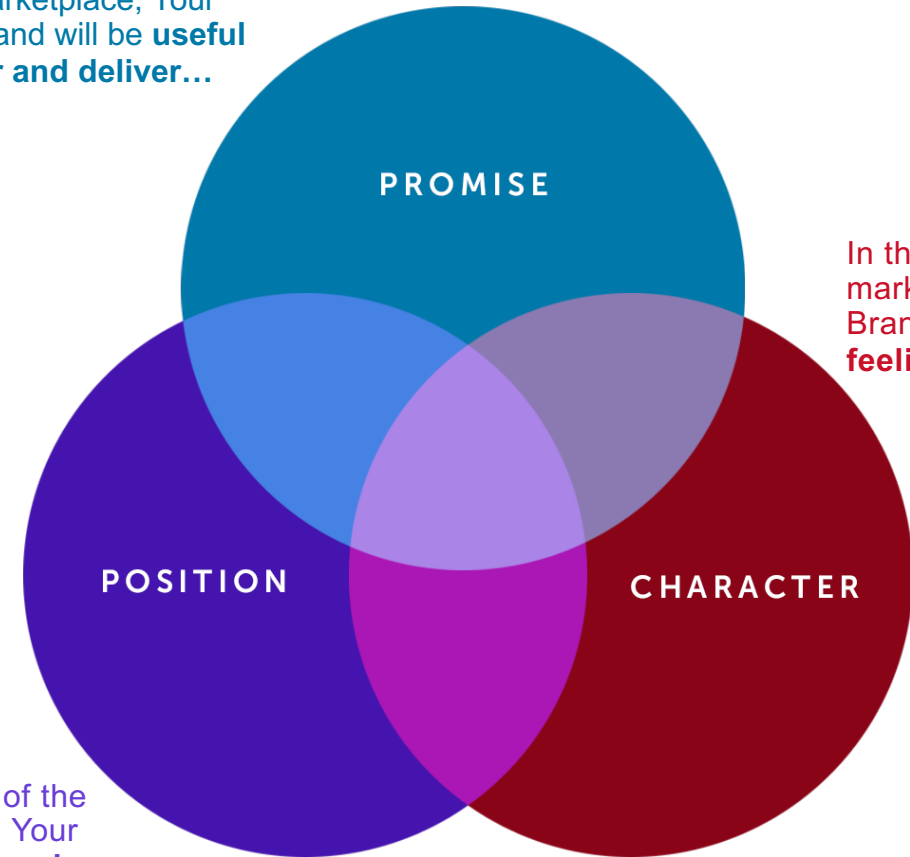
TeamFUSION will look across HF Sinclair's customer, company, competitive and category landscape to identify a clear opportunity for the brand.

But in our view, brand strategy is more than identifying white space. The brand idea represents our stake in the ground. It should firmly establish what the brand stands for.

To get there, we will surface a clear promise, position vs. competitors, and character that expresses the specific characteristics we want to live in the minds of our stakeholders.

In the minds of the marketplace, Your Brand will be **useful** for and deliver...

In the minds of the marketplace, Your Brand will **create** feelings of...



In the minds of the marketplace, Your Brand will be **unique** because of...



Approach Summary

BRAND STRATEGY

Brand strategy is how we connect HF Sinclair's business strategy to the needs of its stakeholders, including employees, customers, investors and beyond. It has four key deliverables.

Brand Idea: a focused articulation of our strategic intent. It must be differentiated, simple and relevant.

Brand architecture: expression of the relationship between HF Sinclair's new brand and the rest of its portfolio.

Brand personality: the specific, human-like characteristics we want HF Sinclair's new brand to exhibit to the world.

Creative brief: a short document that will provide specific direction to the creators of the brand's verbal and visual identity.

BRAND EXPERIENCE

Brand experience is how we show up visually and verbally across stakeholder groups and channels.

For purposes of HF Sinclair's new brand, this could include naming, creation of a theme line or tagline to summarize our new story, a logo, color and prototypical uses of the new brand in context.

BRAND MANAGEMENT

Brand management is how we codify the brand's visual, verbal and experiential elements for the people who will use them.

Our approach for HF Sinclair will be to help the organization to get to a plan for every touchpoint in the customer journey.

This will mean the creation of guidelines for both digital and print, verbal identity guidelines and tone for various channels including social, employee, and investor communications.

BRAND ACTIVATION

HF Sinclair's stakeholders will derive their perception of the new brand from the sum of the interactions they have with it. Brand activation is how we deliver on the promise defined in brand strategy.

For HF Sinclair, this will include design and development of the new organization's website, brand launch, and employee and awareness campaigns.

TeamFUSION will work with HF Sinclair to define priorities and phase brand activation initiatives over time in alignment with business goals.

25. Define a Scope of Work for the engagement, complete with deliverables, specific time frames and budget.

Approach to Scope of Work

We have focused our response on our understanding of your needs based on our understanding of your business, as well as a potential scope of work based on similar engagements we've had with other clients. For the purpose of this exercise, we have made the following assumptions:

- No decisions on the new brand have been made yet.
- The engagement includes launching the new brand internally and externally.
- The scope of the “development/design of external facing websites” would be heavily influenced by the need to be ready for launch.
- The timeline allows for a major launch at the end of Q3 2022 versus a phased approach.

We anticipate some of these activities will either have been done or will be done by the HF Sinclair team or other resources. Upon further discussions, we will revise and specify deliverables, timing and budget more clearly.



Deliverables by Stage

STAGE	BRAND IMMERSION <i>Alignment and understanding</i>	BRAND STRATEGY <i>Research, analysis & insights</i>	BRAND EXPERIENCE <i>Foundational brand elements</i>	BRAND MANAGEMENT <i>Codifying the brand</i>
TASKS & DELIVERABLES	<ul style="list-style-type: none"> • Kickoff and guided discovery • Review of background materials • Onboarding workshop • Goal Alignment • 15–20 in-depth interviews (IDIs) with internal stakeholders • 20–30 external IDIs (customers, investors, analysts) • Internal e-survey • Desk research on competitive whitespace • Industry Trend Analysis • Insights presentation • Critical consensus workshop 	<p>Brand Idea:</p> <ul style="list-style-type: none"> • Concepts (5) • Workshops (3) • Test with key stakeholders <p>Brand architecture:</p> <ul style="list-style-type: none"> • Framework • Guided discussion • Recommendation on impact of new corporate brand across portfolio <p>Brand personality (Personification):</p> <ul style="list-style-type: none"> • Brand definition (promise, position, character) • Employer Value Proposition <p>Creative brief for Brand Experience</p>	<ul style="list-style-type: none"> • Development of creative territories • Tissue/working sessions • Messaging framework • Messaging by key audience (employees, investors, communities and potential recruits) • Finalized voice and visual using key assets to demonstrate bringing it to life 	<ul style="list-style-type: none"> • Brand guidelines • Brand manifesto video • Key templates (website, sales collateral, advertisement, LinkedIn) • Brand Management platform evaluation and recommendation
OUTCOMES	<p>Alignment on process Clarified deliverables Education of agency Key Insights used for defining brand Alignment across stakeholders</p>	<p>Cohesive brand strategy, Springboard for messaging and visual ID</p>	<p>Voice and Visual Identity Application of brand to existing programs</p>	<p>Visual and messaging system Tools and assets to introduce new brand</p>

Deliverables by Stage

BRAND ACTIVATION				
STAGE	Website <i>Digital home for new brand</i>	Internal Launch <i>Exciting the base</i>	External Launch <i>Attracting candidates</i>	Brand Measurement <i>Insights and optimization</i>
TASKS & DELIVERABLES	<ul style="list-style-type: none"> • Technical discovery for site(s) to be redesign/developed • Site Experience Strategy to align with new Brand • Site roadmap (IA, UX, Martech, Data) • Visual design system (templates, style tiles, imagery) • Content development • SEO strategy • Development • Launch • Ongoing maintenance and enhancements 	<ul style="list-style-type: none"> • Internal launch planning • Content for launch (presentations, environmental updates, experiential activities, video content, toolkits for local markets) • Execution of internal launch 	<ul style="list-style-type: none"> • Marketing plan • Target market definition • Creation and development of content and assets (e.g., banner ads, landing pages) • Media strategy • Media buying • Program management and execution of campaign • Campaign measurement and reporting 	<ul style="list-style-type: none"> • Pre- and post-launch employee NPS • Pre- and post-launch brand sentiment analysis • Engagement and utilization of brand assets, website • Campaign KPIs by audience
OUTCOMES	Redesign website(s) .com Style Guide	Excited employee base Increased retention	Increased awareness of brand Increased traffic to website Affinity for new brand as an employer	Understanding of impact Next-steps optimization

Timeline

We have an existing team in place, so we will be able to start working immediately upon selection, allowing us to hit the ground running. In our immersion phase, we will develop a more detailed timeline and scope to adjust for key dates and what's been done already. Key decisions will need to be made around what our launch target dates are, and what needs to be done by launch day versus what a phased approach might look like for our range of audiences including internal employees, customers, investors and more.

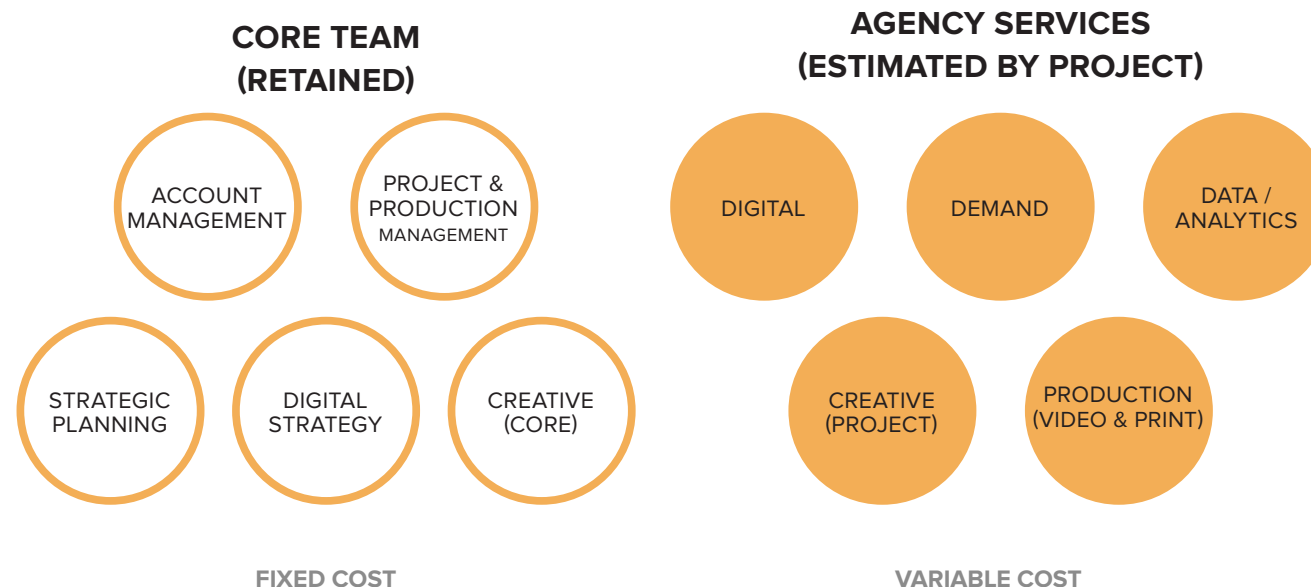
	FEB	MAR	APR	MAY	JUN	JULY	AUG	SEPT	OCT	NOV	DEC
Kickoff / Immersion											
Brand Immersion: Research & Insights											
Brand Strategy											
Brand Experience (Voice & Visuals)											
Brand Management											
Website: Redesign											
Launch: Planning											
Launch: Development											
Launch Campaigns											
Measurement & Enhancement											

Pricing Model

We are flexible and can work with you to price the project in the best way to provide the most transparency and value. Based on our understanding of the needs, our recommendation will be to implement a hybrid model, similar to the model we have in place today. The reasons being that:

- The program requirements will result in us leveraging a broad range of capabilities throughout the agency — and in many instances for a limited amount of time. The model will ensure you are only paying for these specialist resources when you need them.
- The program will likely need to move fast and have a consistent core team that will have deep knowledge and an understanding of your ways of working.
- We have an existing team already in place that we will allocate to your business.

We believe the best version of the hybrid model is this:



Budget

We have provided a high-level budget estimate based on the deliverables outlined. The core team retainer would be sized to deliver against an expected scope of work that provides HF Sinclair as much transparency as possible. We have noted some of the variables that will influence the ranges we have provided, but some of the overall assumptions we have made are:

- Costs are inclusive of the core retained team and project-based agency fees.
- Does not include third-party costs (e.g., photography/video licensing and production, software, media, print production, travel), which will be quoted separately as needs arise.
- Formal legal review will be HF Sinclair's responsibility.

We will adjust the budget and timelines based on further discussions that will get the team moving as quickly as possible. We then actively report and evaluate the core team's burn rate vs. expected allocation and adjust as needed ongoing.

Workstreams such as website redesign/development, internal launch and external launch will include a planning and scoping process done by the core retained team that will provide updated project-based fees.

PHASE	BUDGET	KEY VARIABLES
BRAND IMMERSION	\$50,000–\$100,000	Volume of research provided and need for external research
BRAND STRATEGY	\$30,000–\$50,000	What decisions have already been made, review and approval process
BRAND EXPERIENCE	\$75,000–\$130,000	Review and approval process
BRAND MANAGEMENT	\$50,000–\$100,000	Video production requirements
ACTIVATION: PLANNING	\$25,000–\$50,000	Scope of activation, number of audiences, channel/media research
ACTIVATION: WEBSITE(S)	\$75,000–\$150,000*	Planning, content and design for one existing, corporate level site only. *There are too many unknowns to estimate development costs.
ACTIVATION: INTERNAL LAUNCH	\$100,000–\$300,000	Additional content, program management, level of execution support
ACTIVATION: EXTERNAL LAUNCH	\$100,000–\$500,000	Additional content, program management, level of execution support
MEASUREMENT & ENHANCEMENT	\$25,000–\$50,000	Pre- and post-launch benchmarks, campaign analysis, campaign measurement
OVERALL BUDGET	\$530,000–\$1,430,000	

WHY TeamFUSION

Why TeamFUSION

We are excited to be considered as your agency partner for this important engagement, and believe we are uniquely positioned to deliver against your goals and objectives.

- Our team has deep category and customer knowledge having worked in the past with clients including Chevron, HollyFrontier, Exxon, Parman Energy, Prime Lube, Infineum and Shell.
- We have experts on staff and a team available to start immediately providing one-stop shopping to limit the amount of agency management needed on your part.
- We have the North American market knowledge and global reach to provide the best insights and marketing approach.
- We have proven branding methodology and extensive experience with merger-related branding initiatives in B2B & B2B2C environments
- We have a vested interest in your business and support from our North American and global leadership team on this assignment.

Thank you for your consideration. We look forward to the next steps!

TeamFUSION



