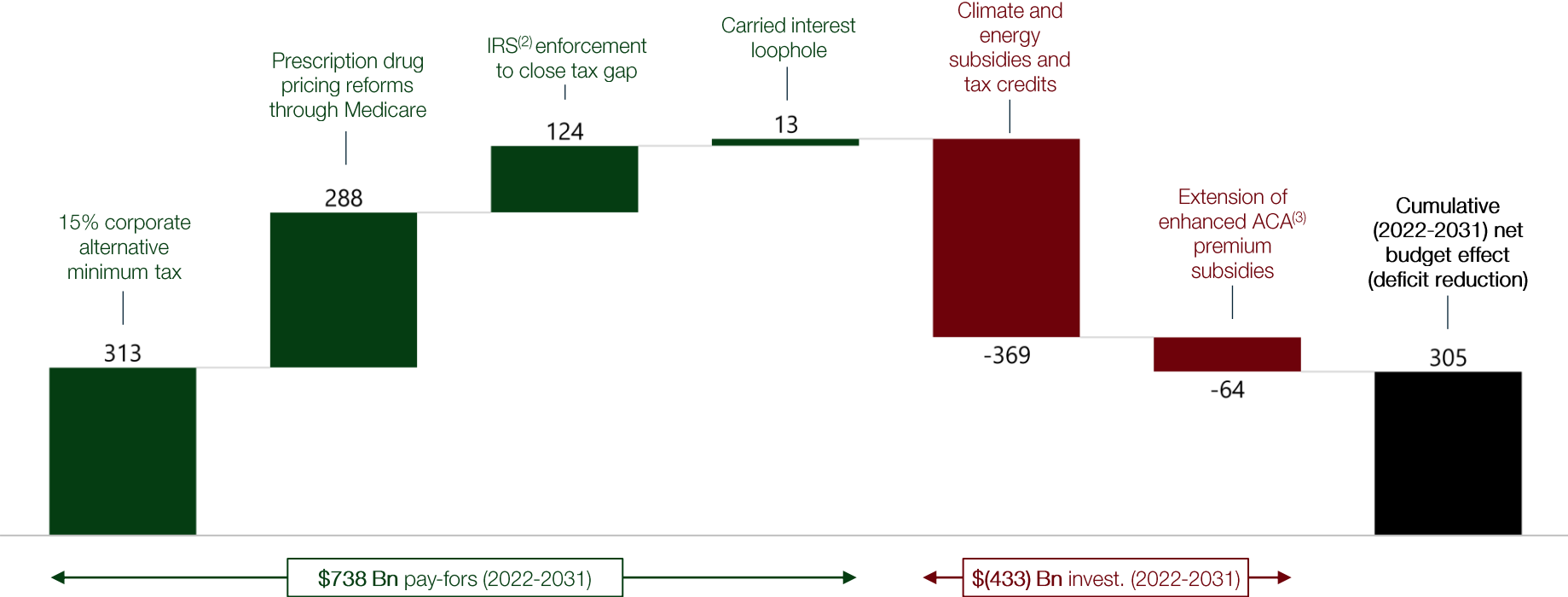


With \$433 Bn investments and \$738 Bn pay-fors over 10 years, the Inflation Reduction Act (IRA) aims at addressing various concerns, o/w affordable care and climate change

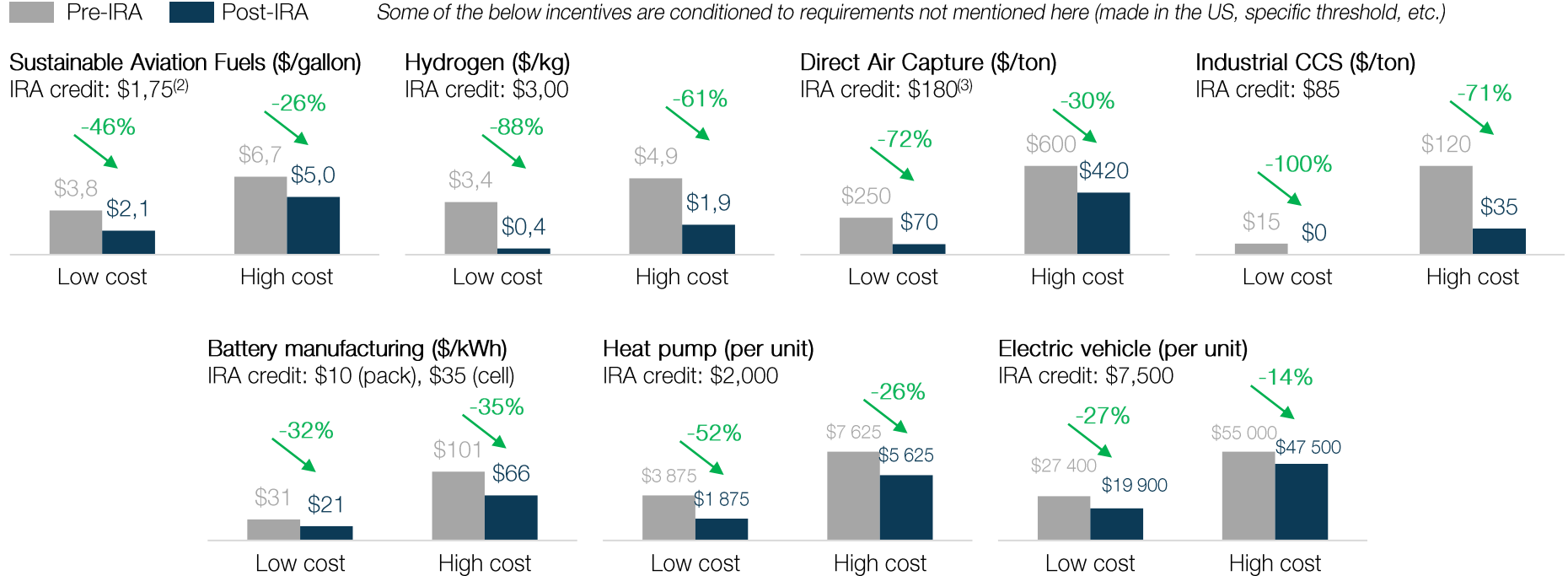
EXPECTED⁽¹⁾ CUMULATED BUDGET EFFECT OF THE INFLATION REDUCTION ACT (2022-2031, \$Bn)



(1): Based on CBO, Joint Committee on Taxation (JCT) and Moody's Analytics estimates
 (2): Internal Revenue Service
 (3): Affordable Care Act
 Sources: Alba & Co, US Senate, CBO, Joint Committee on Taxation (JCT), Moody's Analytics

The IRA is expected to reduce climate technology costs by 40% on average, speeding up energy transition in the US but distorting the level playing field with the EU

EXPECTED⁽¹⁾ IMPACT OF IRA'S CLIMATE AND ENERGY INCENTIVES ON CLIMATE TECHNOLOGY COSTS



(1): CTVC based on costs from Rhodium Group (Hydrogen, SAFs), BloombergNEF (Batteries), Modernize (Heat Pump), WRI (DAC), IEA (CCS), InsideEVs (EV). Assuming SAF prices estimated in 2027 and H2 prices estimated in 2030

(2): Up to \$1,75/gallon for aviation fuel achieving a minimum 50% carbon intensity reduction vs. petroleum baseline

(3): For non-Enhanced Oil Recovery (EOR) use cases

Sources: Alba & Co, CVTC, Rhodium Group, BloombergNEF, Modernize, WRI, IEA, InsideEVs