

Indianapolis Motor Speedway Media Conference

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Mark Miles
Selda Gunsel
Carlos Maurer
Jim Campbell
David Salters
Helio Castroneves
Press Conference



company?

MARK MILES: Good morning, everybody, and thank you.

Hard to exaggerate how excited we are about the big news yesterday. In some respects maybe strategically even more important news today.

This extends a long, traditional, wide and deep relationship in so many different ways that are critically important to us. With the announcement, Shell becomes the official fuel of the INDYCAR SERIES. There's a long list that describes the relationships. The primary sponsors of two Team Penske entries in Indianapolis, the 2 and 3 car.

Pennzoil will extend its partnership as the official motor oil and lubricant partner of Indianapolis Motor Speedway and the NTT INDYCAR SERIES. Pennzoil will continue to sponsor the Pennzoil 150 at the Brickyard, NASCAR Xfinity Series race in July.

It goes on, but it's really about the science, technology and the shared vision. So yesterday's announcements are really critically important to us.

I think it's true when we get to the shared commitment to sustainability, it takes it all to a whole 'nother level. So today's announcement is particularly important.

THE MODERATOR: That recaps yesterday in a way. Here we are today with more exciting news to share.

Carlos, we'll start with you. Already knowing that in 2023 Shell will be the official fuel supplier of the NTT INDYCAR SERIES, but certainly as Mark alluded to much more is on the table today. Go ahead, sir.

CARLOS MAURER: Thank you and good morning to all. How great is to be back here at the Indy 500. This morning coming through the tunnel and looking at the racing capital of the world, which is truly the racing capital of the world. I've attended many, many events, motorsports events, all over the world. There is truly something special about Indy 500.

This morning looking out of the pagoda, looking at the event, what a great job everybody has done to really get the event to where it is.

THE MODERATOR: Good morning, everyone. Welcome to the racing capital of the world, Indianapolis Motor Speedway. Great to see everyone here on Carb Day 2022.

It has been a tremendous 24 hours for Penske Entertainment and the Shell-Pennzoil family, and that includes more news here this morning.

Joining us this morning, she is the president Shell Global Solutions, please welcome Selda Gunsel.

He's the executive vice president Shell Sector and Decarbonization Division, Carlos Maurer.

He's the president and CEO of Penske Entertainment Corporation, Mark Miles. Mark, good morning.

He's the president and technical director Honda Performance Development, Incorporated, please say hello to David Salters.

Vice president of GM Performance and Motorsports, Jim Campbell.

The man that needs no introduction during the month of May at the Indianapolis Motor Speedway, we're going to give one anyway, it is Helio Castroneves.

Let's go ahead and begin this morning with Mark. Certainly a lot of impactful news, yesterday's Penske Corp/Shell announcement. Just overall how excited are you specifically from a Penske Entertainment perspective to renew and extend your relationship with this great



Last year also had the opportunity to work with Roger Penske and some of the leadership of Indy, all across the event, and really see how they truly put customers, partners, now sustainability at the core of everything they do.

I think we owe it to ourselves and we owe it to all the fans that walk this venue over the weekend to continue to innovate because Indy, Indy 500, have been a proving ground for so many innovations, innovations that we have not only taken to cars but also many other industries.

We want to continue to fuel that passion. We want to fuel that passion that people have on motorsports, but also around the event.

For the last few months we have been working with partners all across the racing teams, including GM and Honda, but also Team Penske, to really bring the next level of sustainable solutions to racing.

This is where I'm so happy today to announce that we are launching today at INDYCAR SERIES the first North American motorsports series to use 100% renewable fuel for its cars. Very exciting.

THE MODERATOR: To help amplify that, please turn your attention towards the video monitors for a video.

(Video Shown.)

THE MODERATOR: That's good stuff.

Selda, we know Shell's commitment to a renewable future cuts across the entire business. Give us Shell's viewpoint on the importance of sustainability and why racing is a vital platform. Good morning, first of all.

SELDA GUNSEL: Good morning, everyone. It's really great to be here.

As a global energy company, our purpose is to power progress together by providing more and cleaner energy solutions so we can enable transition to a sustainable and low carbon future. Providing more energy while reducing CO2 emissions is a huge challenge and we are committed to this challenge and our (indiscernible) is to become a net zero business by 2050.

There is not a single solution to meet this target. We have to look at multiple options and multiple technology pathways. These technology pathways include energy efficiency technologies, replacing our energy products with low carbon alternatives as well as capturing remaining

emissions through technology and nature-based solutions.

I'm proud to say we are working on all of these technologies with our customers and partners because we believe that innovation and partnerships are critical enablers to build a sustainable future. That brings me to the racing platform. Racing platform is an excellent example of innovation and partnerships in action.

We have been working with motorsports technology for many years because, as Carlos mentioned, we see this as an excellent innovation platform to try new technologies, to test our products beyond their performance, specifications, test our products on their extreme operating conditions.

We take our learnings from the racetrack and apply them to our products on the road. I believe this model and working with our OEM partners, with race teams, with the technical teams, really allows us to co-create solutions together.

When it comes to this particular announcement today, I'm really excited about our 100% renewable fuel which contains a significant portion of second generation ethanol that's made from waste biomass, in this case sugarcane based.

The remaining portion is also renewable components obtained from food waste. This gives us a low carbon fuel that's 100% renewable and it provides us 60% greenhouse gas emission reduction as compared to a fossil based gasoline. It's a huge step for us and we are really excited about this opportunity.

THE MODERATOR: Let's go ahead and bring in the four-time Indy 500 champion, Helio Castroneves. Certainly the world has changed since your first Indy 500 win in many ways. The series, with the help of partners like Firestone and Shell, is transforming the approach to the world really around racing, around itself.

From your perspective, just curious how vital is it that INDYCAR is a leader when it comes to that?

HELIO CASTRONEVES: My relationship with Shell-Pennzoil comes a long way, partners for a long time. Not only have they been partners in business, partners in racing, partners in our dealership as well, which is amazing. Along with that comes with a friendship as well. Carlos, Heidi, all the team, a new friendship as well.

For me it's great to understand about this commitment. It's also a partner that has been for a long time with Shell Pennzoil, bringing resilient technology. It not only makes a great Brazilian race car driver, but they do have a great



technology in Brazil.

Just finding out still with the renewable fuel, sugarcane, some of the ways they're going to be producing this fuel, it comes from my hometown, Ribeirao Preto. I guess my car is going to go a little bit faster than the others. Watch out, Team Penske (laughter).

But all joke aside, that's just to show the commitment this amazing organization, Shell-Pennzoil, an iconic brand in racing, to be not only committed to the series, but commitment with this incredible technology, and also with the INDYCAR SERIES.

Great to be here. It's a great day for the INDYCAR SERIES, for clean environment as well, which now we all talk about it. They're taking the right steps. I'm just glad to be part of it.

THE MODERATOR: I like the fact you've done the homework about where it's coming from. Good job.

HELIO CASTRONEVES: No problem.

THE MODERATOR: David and Jim, really the same question for both of you. What does it mean to have a partner like Shell and how does the mission, the values of Honda and Chevy, fit right into this program?

DAVID SALTERS: This is a world class step forward, world class partners. I thank you very much.

The reason Honda goes racing is to provide joy and entertainment to people, and to develop technology. We want to do that responsibly and sustainably, which this is a world class example of doing this.

The fact that it's 100% renewable, 60% reduction in CO2 lifecycle emissions is up there in the world of racing. All I can say is thank you very much.

We're all working together on this, so it's extremely satisfying as an engineer and father to be making this step forward. So thank you.

JIM CAMPBELL: I would just add for our company, we have a vision of providing transportation solutions that result in zero congestion, zero crashes and zero emissions. This announcement is really exciting because it aligns with that, reduced emissions and 100% renewable fuel. This is very exciting.

As Selda said, racing is a place to innovate and test and push limits. To do it at the Indianapolis 500 and this Speedway and in this series is part of our history and

heritage, part of the industry's history and heritage. This is the place to take the step next year, super proud of that.

I want to thank Carlos and Selda, Heidi, Mark Miles and Jay Frye for taking the step and doing it quickly. We don't have time to waste here. We've been doing testing with our partners at Ilmor, our Chevrolet power train engineers. Russell (indiscernible) is here.

We've been testing on the dyno and the tests have gone really, really well. We made slight adjustments on the cal which is what you do any time you change fuel. Other than that, the dyno-tests have been terrific. We can't wait to get on track.

A great announcement at the Speedway and with INDYCAR, so thanks for bringing the fuel.

THE MODERATOR: To bring it back together here, Mark, bring it full circle from a 20,000-foot view of this thing. It's been billed as the most sustainable Indy 500 ever, certainly now living up to that in many ways here today.

MARK MILES: Yes. I hope that the last several days have really been evidence that we are completely committed to a sustainable future and dedicated to working with superb partners that have the same alignment, commitment and bring enormous technology and technical expertise to us. Today is the culmination of those announcements.

Maybe to review quickly some of them that we talked about at one level or another.

It was last year's Indy 500 that received the Silver Certification from the Council of Responsible Sport. I didn't know what that was two years ago. Shell introduced us to that and explained to us the importance and the process, guided and counseled us and emphasized the importance of it.

I can tell you that yesterday I saw, in a golf cart, their representatives touring again, looking at the assessment to see if we can advance that certification for all of IMS next year. We're hopeful that will be achieved. Shell deserves enormous credit for our attention to that.

We've already announced with Firestone and Penske Truck Leasing, all of our race tires for May are being delivered from the distribution center here to the Indianapolis Motor Speedway in Penske fully electric trucks so that the E Cascadia truck is the tractor and the trailers are liveried really so people understand this is being done in the most thoughtful, sustainable way.

That wouldn't have happened, again, if it wasn't for Shell's



technology that provided the charging technology really so that those trucks can get here and back, here and back again. We appreciate their role in that.

Also with Firestone we were able to announce that the Pit Stop Challenge today, assuming the nature cooperates, you'll see for the first time the use of the guayule tire. The alternate will become the green tire instead of the red tire over time. That will debut today and be the tire for our race in Nashville later this summer. Really exciting to see that.

It's really through Shell's environmental products trading and licensing that IMS will be able to fully offset our entire operational carbon footprint for here this May. Terrific. We want to reduce the emissions but offset where we can. That will happen for all of our operations this year.

Then I think we've talked about this again in collaboration with Shell. Immediately following this race, we expect to sell maybe 150,000 tickets for the following year's Indy 500 through our renewal process. This time, for the first time, our ticket customers will have the opportunity to make a contribution, a small contribution, to a Shell environmental products trading initiative that's really important in this country to help offset their travel footprints.

There's much, much more going on. Even Legends, our merchandise vendor, is making their contribution. Carlos, they have an e-vehicle store that they are moving around IMS, (indiscernible) shirts, completely manufactured out of old plastic bottles. But they don't feel like old plastic bottles.

Everybody is pitching in. We have great partners. I think the message is this is the important beginning to a very sustainable, ongoing initiative for us.

THE MODERATOR: Let's go ahead and open it up for questions.

We'll let Helio go because he has some engineering meetings. Thank you, Helio.

Q. From a chemical engineering standpoint, how much of a difference is there with the new fuel compared to the old fuel? How will that affect the performance of the racing engine?

SELDA GUNSEL: I'm happy to take that question as a fellow chemical engineer.

MARK MILES: There's no chance he's a chemical engineer (laughter).

Q. I'm not a chemical engineer but I stayed at Holiday Inn last night (laughter).

SELDA GUNSEL: Thanks for the question.

The main differences between the existing fuel and our new fuel is that we first of all upgraded the ethanol from first generation ethanol to second generation ethanol. By upgrading to a second generation ethanol that comes from waste feed stock, you actually do not compete with the food chain. That's an important benefit.

I'm happy to emphasize that our second generation ethanol comes from our JV in Brazil (indiscernible). We have some of the leadership team members here today. So this is great for us because we don't compete with the food chain.

We replaced the remaining component, the fossil based gasoline, with a renewable component. There is absolutely no fossil based molecules from a chemical engineering perspective in this formulation.

As we heard from Jim and Dave, our new formulation has been tested by both of the engine manufacturers in dyno tests, provided great performance and durability. Its specifications are similar to an E85 fuel and its average octane rating is around hundred, so it gives really great performance. We don't expect that the racing fans to see any change in terms of performance, but with a much greater reduced carbon footprint.

I hope that helps.

Q. Is the goal to make this available eventually for the consumer market?

SELDA GUNSEL: Yes. Again, as we heard earlier from Carlos, we used the racing platform to really develop and test new product technologies. This applies to lubricants as well as fuels.

As I said earlier, we get to test our products under extreme conditions of speed, temperatures, loads, and we take the learnings and apply them to our product developments for the consumers and customers. That's our vision.

Q. How many times do you take to produce this fuel, the development time?

SELDA GUNSEL: Okay, great. We have been working on advanced fuels and lubricant development technologies for many decades. We have built on our knowledge and our experience in this space. We continuously look for new opportunities in both fuels and lubricant developments.

The idea of developing a fully renewable fuel started a year ago. The knowledge base is built over the past hundred



years.

Q. For the manufacturers, do you have a plan when you can use on track this fuel?

JIM CAMPBELL: As I mentioned, we've been testing both the 2.2 liter and 2.4 liter on the dyno. Our tests have gone really well. We'll be working with Jay Frye for on-track tests. I see Mark who is our competition engineering director. We'll prepare for on track, work with that with INDYCAR.

DAVID SALTERS: Hats off to everybody here, particularly Shell. The actual speed that this has been done. We talk about it. Talking is one thing and doing is another. It's just been done in six months, from thinking about it, doing it, delivering it.

As we say, we've been testing on the test cell. It's drop in with these massive changes in renewable and low cycle emissions. Good job.

THE MODERATOR: Everyone will be available for interviews as well. For now, it's a tremendous headline: INDYCAR becoming the first motorsport series in North America to utilize 100% renewable fuel in its cars, courtesy of Shell. Truly a momentous day at the history-making Indianapolis Motor Speedway. Thank you all for being here.