

Input

Neste Business model

Output

Outcome

Indirect upstream

- Number of suppliers in
 - Renewable Products 53
 - Oil Products 55¹⁾
- Indirect procurement 7,386
- Operations in 12 countries
- Production in 4 countries

Direct upstream

- Total equity 4,630 MEUR
- R&D expenditure 48 MEUR
- Interest-bearing net debt -70 MEUR
- Purchases of
 - refinery feedstocks 11,756 MEUR,
 - other goods and services 1,131 MEUR
- Use of renewable raw materials 2.9 Mt
- Sourced crude oil and fossil feedstock 15.3 Mt
- Indirect procurement spend 1,713.5 MEUR
- Cash-out investments 395 MEUR

Neste creates sustainable solutions for transportation, aviation, and marine uses, as well as chemical and plastics industries.



VISION
We create responsible choices every day.

BUSINESS AREAS

- | | | |
|---------------------------------------|---|---|
| Renewable Products | Oil Products | Marketing & Services |
| Offering a wide variety of renewables | Producing a wide variety of traditional oil products and related services | We market and sell a wide variety of services and high-quality products |

We seek for the best professionals and provide our employees a safe workplace and opportunities to develop their competences.

Material topics:

- Good corporate citizenship and ethics
- Low-carbon solutions
- Sustainability of raw materials
- Protecting biodiversity and preventing deforestation
- Resource efficiency
- Safety and incident-free operation
- Human rights
- Fair and equal employment
- Economic responsibility

Direct downstream

- Market cap 17,271 MEUR (at the end of 2018)
- Comparable operating profit 1,422 MEUR
- ROACE 21.1%
- Dividends 583 MEUR from 2018
- Net sales 14,918 MEUR
- Share of Clean Revenue 21.7%²⁾
- Neste MY Renewable Diesel sales 0.25 Mt
- Sales from in-house production, Oil Products 14.4 Mt
- 1,072 service stations in 5 countries
- Oil Products and Renewable Products in the wholesale market sold in 44 countries to approx. 265 customers

Indirect downstream

- Increase in the value of the shares and dividends
- New business opportunities
- Renewables help customers to meet their greenhouse gas emission (GHG) reduction commitments and support UN Sustainable Development Goals
- M&S B2B Customer satisfaction: Net Promoter Score (NPS) 56%
- Helping end users to avoid infrastructure and other investments with drop-in solutions
- Taxes and tax-like fees paid and remitted by Neste 4 billion euro

Impact

- Creating new jobs and supporting the existing ones in the company's value chains
- Redirecting consumer expenditure towards sustainable solutions
- Supporting the development of customers' brand value and brand awareness

- 100% of approved renewable raw material suppliers screened using social criteria

- Highly skilled employees
 - Number of employees 5,468
 - Hiring rate of permanent employees 10.9%
 - Leaving rate of permanent employees 11.4%
 - Recorded average training hours per FTE³⁾ 25.7
- 43,531 palm oil smallholders in Neste's supply chain

- Wages and salaries 316 MEUR
- Other personnel expenses 84 MEUR, including training costs 4.4 MEUR
- 62.5% men and 37.5% women
- 3/8 members of the Board of Directors and 2/9 members of the Neste Executive Committee are women
- Employee safety TRIF 1.3⁴⁾
- Safe days 314⁵⁾

- Contractor TRIF 2.2
- Charity work and sponsorship 1.5 MEUR
- Number of Neste employees who participated in volunteer work 749

- Supporting social development and the services societies provide in countries of operation
- Enhancing competitiveness of employees in the labor market
- Well-being and safety of employees and suppliers
- Reducing transportation-related emissions in cities and communities
- Securing human and labor rights
- Improving gender equality

- 100% of our palm oil⁶⁾ use is certified and traceable to plantations
- 99% of our PFAD⁷⁾ supply chains mapped to palm oil mills and 44% to plantations
- 100% of the new indirect supplier contracts, 100% of the renewable raw material volume and 91% of the fossil raw material volume covered by the Neste Supplier Code of Conduct or equivalent
- Scope 2⁸⁾ and 3 emissions from upstream value chain: 5.0 Mt CO₂e

- Waste and residue raw materials used to refine renewables 2.4 Mt, 83% of the total renewable feed
- Water intake 9,460,000 m³/a
- Energy consumption 12.3 TWh

- Energy saving measures 57 GWh
- Waste generated 269,900 t of which 64% recycled
- Wastewater 8,473,000 m³/a
- Scope 1, direct CO₂ emissions 2.25 Mt CO₂
- Scope 3 emissions from downstream value chain 43.4 Mt CO₂e

- GHG reduction achieved with Neste's renewable fuels: 7.9 Mt⁹⁾
- Neste MY Renewable Diesel enables up to 90% smaller greenhouse gas emissions over the fuel's life cycle compared to conventional diesel¹⁰⁾

- Replacing non-renewables to mitigate depletion of scarce natural resources
- Improving air quality
- Mitigating deforestation
- Supporting circular economy
- Developing and producing renewable solutions to mitigate climate change
- Influencing operating environment and regulation

View Neste's tax footprint report on our website [🔗](#)
Read more about Neste's value creation on our website [🔗](#)

¹⁾ Includes also natural gas and industrial gas suppliers. ²⁾ Total revenue of Renewable Products segment divided by Group revenue. ³⁾ Full-time equivalent (FTE). Excluding Russia. ⁴⁾ Total Recordable Injury Frequency ⁵⁾ A day without a TRI accident, process safety events, fire or ignition, breach of environmental permit, or traffic accident. ⁶⁾ Contains the use of crude palm oil (CPO), refined bleached deodorized palm oil (RBDPO) and refined bleached deodorized palm stearin (RBDPS) that we have physically transferred out of our production plants within the year 2018. ⁷⁾ Palm fatty acid distillate ⁸⁾ Compared to crude oil based diesel. Calculation method complies with the EU Renewable Energy Directive (2009/28/EC). ⁹⁾ Scope 2 emissions include only CO₂