



1. Changes

This is an updated policy document.

2. Purpose, scope and effective date

Purpose

The purpose of this Policy is to give clear guidance to Neste activities in sustainability-related issues. It provides a visible and robust signal of Neste's commitment to operate sustainably and of the ambition to continually improve its performance in this area. This Policy defines what living up to these commitments means in our daily work.

This Policy summarizes the core sustainability related commitments of Neste. It is also expected to enhance trust in the company and to improve relationships with all the stakeholders. Claiming of being a sustainable company requires Neste as a whole to act and conduct its businesses in a simultaneously socially and environmentally responsible manner while ensuring economic viability, thus creating value to the stakeholders of Neste, including Neste employees.

Scope

This Policy is applicable to all employees of Neste, and to anyone working for the business of any Company within Neste Group or acting on behalf of such Company.

Effective Date

Policy is effective from 01-01-2021.

3. Responsibilities

Policy Governance

The responsible people for updating, reviewing and approving this Policy are shown in the table below:

Responsibility	Responsible Person
Document Owner	SVP, Sustainability and Corporate Affairs
Document Author	Vice President, Sustainability
Document Reviewer	SVP, Sustainability and Corporate Affairs representing Neste Executive Committee
Document Approver	CEO representing Neste Board of Directors
Execution of Policy	Leadership Teams in all Business Units, Renewables Platform, Neste Engineering Solutions, Innovation and Functions.

4. Main Objectives of Sustainability

At Neste, we are committed to creating a healthier planet for our children. Excellent sustainability performance provides the foundation for a long-term business growth and success enabling continuous value creation. Sustainability is incorporated into our company vision, mission and values and plays a key role in our strategy. Neste aims to gain competitive advantage by being an example and an active transformer of the industries to which our operations are linked to through innovations and improved sustainability practices.

The policy of Neste is to live up to the following statements:

- All our actions are **safe** for us and our stakeholders, including our neighbors, contractors, and customers, as well as the environment;
- We act responsibly in society and respect **human rights** wherever we operate;
- We help our customers to tackle global climate change by providing them with lower-emission solutions, thus helping minimize customer's carbon footprint, while simultaneously **setting ambitious emission targets to our own production**;
- We aim at protecting **biodiversity** and ecosystem services in our value chains, and maintaining good environmental quality associated to our own operations;
- We are committed to **engaging** and collaborating with our stakeholders and take an active role in multi-stakeholder initiatives to help develop more sustainable solutions;
- We use natural resources responsibly and are actively working towards more sustainable resource and energy-efficient supply chains by providing solutions taking advantage of waste and residue raw materials and contributing to **circular economy**;
- We **comply with** all applicable regulatory **requirements**, company principles, and all voluntary programs to which we elect to subscribe, whichever are stricter.

In addition, Neste will

- Operate in accordance with the UN Charter on Human Rights and core conventions of the International Labour Organization (ILO);
- Commit to the ten principles of the UN Global Compact on human rights, labor, environment and anti-corruption;
- Promote applicable goals as defined in the UN Sustainable Development Goals (SDG);
- Apply the TCFD (Task Force on Climate-related Financial Disclosure) reporting principles to disclose climate-related financial risks in reporting;
- Prove commitment to the Responsible Care Program and the Responsible Care Global Charter.

5. Sustainability Framework

Sustainability is incorporated into our company vision, mission and values and plays a key role in our strategy. Long-term strategy work identifies and analyses the trends having potential impacts on the operating environment and customer preferences in the global scale. Through active stakeholder engagement Neste receives insights which help direct our advocacy work and goal setting. In addition, multifunctional expert team evaluates the input we receive e.g. through our collaboration in industry organizations and through a specific materiality assessment process led by the sustainability unit to guide in defining focus areas and setting our sustainability goals.

The goals are translated into targets that are shared with relevant internal units and reviewed, updated and evaluated as defined in the Neste performance management process.

The key company sustainability targets and performance monitoring are integrated into overall performance reporting.

6. Guiding Key Principles

We set sustainability goals, and evaluate risks and opportunities through stakeholder identification, engagement, materiality assessment and issues management. Our goals are described below:

- World class performance is achieved in all areas of **operational excellence**, especially in the **HSE area**. This makes a positive impact on the communities in which we work.
- We provide policy makers and other stakeholders with relevant information on our value chains and solutions in order to ensure **acceptability** of Neste offerings in the key markets.
- Our sustainability **communications** is timely, proactive, open and honest.
- **Continual improvement** in material sustainability areas is driven in a consistent and systematic way.
- We apply high standards of business ethics and integrity adhering to our Code of Conduct wherever we operate.
- Innovation and systematic, science-based R&D work comprising of e.g. life cycle assessment (LCA), greenhouse gas emission calculations, and problem solving support our actions in sustainability.
- Sustainability provides added value to Neste's businesses and their customers by providing support in a variety of areas, as described in the related principles and standards.

7. Definitions

Sustainability is about preserving the planet while improving the quality of life for its current and future inhabitants. The future generations shall be offered balanced opportunities in terms of human capital (e.g. know-how, science, research and technology), physical capital (e.g. production facilities, infrastructure, man-made environment), social capital (e.g. legislation, governance, social networks) and natural capital (e.g. renewable and non-renewable resources).

8. Related Documents

Internal documents:

[Sustainability \(Principle\)](#)

[Supplier Code of Conduct \(Principle\)](#)

[Responsible Sourcing \(Principle\)](#)

[Supplier Sustainability Approval \(Principle\)](#)

[Human Rights \(Principle\)](#)

[Principles Genetically Modified Organisms \(Principle\)](#)

[Safety Leadership \(Principle\)](#)

Commitments to International Conventions, Goals and Task Forces:

[The United Nations Global Compact](#)

[Responsible Care initiative and Responsible Care Global Charter](#)

[Universal Declaration of Human Rights and the eight core conventions of the International Labor Organization \(ILO\)](#)

[Task Force on Climate-related Financial Disclosure \(TCFD\) reporting](#)

[The United Nations Sustainability Development Goals \(SDG\)](#)