

NESTE

Creating a Healthier Planet for Our Children

Neste is the world's leading producer of sustainable aviation fuel and renewable diesel, and produces renewable feedstock solutions for various polymers and chemicals industry uses. It aims to support its customers to reduce greenhouse gas emissions by at least 20 million tons annually by 2030. Since arriving in Singapore in 2000s, Singapore has grown to become the hub for Neste's renewable production and commercial activities in Asia Pacific.

THE FOUR PILLAR VISION

Neste launched its enhanced Sustainability vision at the end of 2021 with 4 clear pillars: Climate, Biodiversity, Human Rights and Supply Chain & Raw Materials.

Climate

Neste leads the transformation towards a carbon neutral value chain by 2040, and is committed to reduce the use phase emission intensity of sold products by 50% by 2040 compared to 2020 levels, and work with suppliers and partners to reduce emissions across the value chain. Neste is also committed to reducing customers' GHG emission by at least 20 million tons annually by 2030 with its renewable and circular solutions. Neste will also reduce emissions in its own production by 50% by

2030, and reach carbon neutral production by 2035.

Biodiversity

Neste's vision is to drive a positive impact on biodiversity and achieve a nature positive value chain. The company aims at creating net positive impacts for biodiversity from new activities from 2025 onwards. Neste has committed to combating deforestation in its supply chains and has requested for its suppliers to emulate it whilst also reporting transparently.

Human rights

To create a more equitable and inclusive value chain, Neste focuses on advancing a living wage in its operations and supply chains, ensuring responsible recruitment

practices, increasing children's access to education, and reducing inequalities across the value chain. Since human rights are best promoted through collaboration, Neste has signed two partnership promises with Unilever to collaborate on advancing living wages and supplier equity, diversity and inclusion. Neste is also an active member in the Consumer Goods Forum's Human Rights Coalition, aiming at ending forced labor through focused and collective action.

Supply chain and raw materials

Neste's supply chains and raw materials are critically important to reach its sustainability ambitions. Neste uses only sustainably-produced renewable raw materials that fully meet the sustainability requirements specified in the legislation in its key markets and beyond. Additionally, aligned to its vision is to drive a safe and healthy workplace, fair labor practices, human rights, biodiversity and climate targets, Neste continues to require all suppliers to commit to the Neste Supplier Code of Conduct and Neste's strict sustainability criteria.

BUILDING A SUSTAINABLE BUSINESS

As the world's leading producer of sustainable aviation fuel, renewable diesel and renewable feedstock for polymers and chemicals, Neste continues to refine its renewable products from waste, residues and sustainably-produced vegetable oils. Renewable and circular solutions are Neste's contributions to keeping societies running sustainably.

An expert team

Neste has a global Sustainability team with over 30 Sustainability experts focusing on key topics in supply chain, human rights, biodiversity, risk assessments, climate and reporting. The team is based out of Espoo (Finland), Houston, Singapore, Shanghai and Melbourne.





Cascading sustainability down the organisation

Awareness and introduction to sustainability in Neste starts when a new joiner arrives at the onboarding process. Regular interaction between departments and businesses as well as top leadership emphasizes the importance of sustainability in its strategy, supply chain, mergers and acquisitions, business operations and so on.

INNOVATION AT ITS HEART

Neste invests over 25% of its workforce in research and development. To maintain competitiveness in the renewable and circular solutions, Neste continues to grow its pool of new and existing renewable raw materials via innovations and partnerships with experts across the globe.

Patenting the NEXBTL technology

Neste developed and patented the NEXBTL technology, enabling the company to utilize low quality waste and residues such as used cooking oil and waste animal fats to produce high quality renewable and circular solutions such as sustainable aviation fuel. To support Neste's growth in renewables, it is expanding production capacities in its Singapore and Rotterdam

refineries. The Porvoo refinery is also to be transformed into the most sustainable refinery globally.

NESTE'S RESPONSIBLE SOURCING POLICY

Neste has a strict Code of Conduct that extends to all suppliers as a key element in its supplier management system. Additionally, Neste's renewable raw material suppliers are required to meet the requirements of its Responsible Sourcing Principle, adhere to its Human Rights Principle, and industry and market-specific legal requirements. The company also heavily supports its suppliers in developing sustainability policies, management systems, transparency, traceability, due diligence and continuous improvements. For example, Neste conducts sustainability workshops with suppliers every year to provide a venue to specifically discuss sustainability-related matters.

SINGAPORE: THE REGIONAL HUB OF NESTE'S PRODUCTION & COMMERCIAL ACTIVITIES

Singapore is Neste's regional hub for commercial activities. It has built a strong sustainability team in the Asia Pacific region, with the majority team members located in Singapore.

APAC and regional partnerships

The Sustainability team in the Asia Pacific region manages various sustainability activities in the region.

It also partners with other companies for sustainability initiatives. For example, together with global brands such as Unilever, Pepsico, Cargill, and Danone, Neste started collaborating with palm oil companies Golden Agri (GAR) and Musim Mas, as well as non-governmental agencies to aim for a large-scale transformative sustainability impact in the Siak and Pelalawan regions in Indonesia. In May 2020, L'Oréal, a user of sustainable palm oil for its derivatives, has since joined the coalition as a full member.

The project takes on a regional landscape approach and aims at sustainability improvements in the production of multiple commodities, such as palm oil, pineapple, and rubber. The regional project involves the local government with the aim to establish strong local regulations to push for sustainable transformation, as well as other local key actors and civil societies.

Positioned to Singapore

Neste's renewable and circular solutions are well positioned to support Singapore to achieve its Green Plan 2030. For example, its renewable fuels for land transport, aviation and maritime can support Singapore to achieve its various goals under the Energy Reset pillar. And Neste's APAC Innovation Center, which will start operations in early 2023 is also in line with what Singapore wants to achieve under the Green Economy pillar.

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