

Health, safety, and the environment

Efforts to improve safety performance were stepped up due to an increase in injuries during the first half of 2013. Safety performance is the first item on the CEO's monthly report to the Board of Directors. In addition to continuous improvement in selected key safety areas, a safety project was included under the corporate Value Creation program umbrella to focus on improving safety leadership and the safety awareness of Neste Oil employees and contractors. Process safety management teams were introduced at refineries to promote harmonized process safety management and the sharing of best practices across the Group.

People safety performance declined overall during 2013, although the second half saw a clear and continuous improvement. The total recordable injury frequency (TRIF, number of cases per million hours worked) was 4.2 (3.6); this figure combines the company's own and contractors' personnel. The corporate target was 2.2. A clear improvement in process safety took place during the second half. Process Safety Event (PSE) frequency for the year as a whole was 3.0 (5.6). The corporate target was 4.0.

Operational environmental emissions were in substantial compliance at all sites. Permitted levels were exceeded seven times, but all were of a minor nature. No serious environmental incidents resulting in liability occurred at Neste Oil's refineries or other production facilities in 2013.

The European Renewable Energy Directive (RED) was implemented in key EU member states by the end of 2013, with minor exceptions. Neste Oil's internal procedures are in compliance with the directive's requirements, and the company has filed a voluntary scheme for verifying the sustainability of its biofuels with the EU. The voluntary scheme was finally approved

by the European Commission in January 2014 and its implementation has been started. All of Neste Oil's NExBTL plants have received International Sustainability and Carbon Certification (ISCC) system certificates, ensuring that their output is eligible for use on the European biofuel market. All Neste Oil sites are also EPA-approved for the US market, and selected parts of the palm oil supply chain were successfully audited by a third party in Malaysia.

In April, Neste Oil published a set of No-Deforestation and Responsible Sourcing Guidelines and started active verification work with The Forest Trust (TFT), a non-profit organization focused on preventing deforestation. This extends beyond Neste Oil's own supply chain to identify potential sustainability risks in the palm oil industry as a whole.

In November, Neste Oil was awarded the world's first RSPO-RED certificate, developed by the Roundtable for Sustainable Palm Oil (RSPO) for biofuels, and in December announced that it had achieved its 100% palm oil certification target two years early.

Neste Oil retained its position in a number of sustainability indexes during 2013, and was included in the Dow Jones Sustainability World Index for the seventh year in succession. It was also selected for inclusion in The Global 100 list of the world's most sustainable companies for the seventh year in succession, and was ranked fourth. Companies on The Global 100 list are considered the most capable in their sectors in managing environmental, social, and governance issues, and in their ability to make use of new business opportunities in these areas. Neste Oil was also rated among the top performers in the oil & gas sector by CDP Forest, which reviews industries using forest risk commodities.