

## Sustainability-related risks and opportunities



A number of sustainability-related risks are associated with Neste Oil's operations. Risk management aims to identify for example these threats and support defining preventive measures. As Neste Oil does not have any oil exploration or drilling activities, this reduces its exposure to direct environmental risks significantly.

### Major sustainability-related risks associated with Neste Oil's operations

| Key risk  | Performance in 2013   | Preventive measures  | Sustainability focus area       |
|---|---|--|---------------------------------|
| Procurement of refinery feedstocks and reputation risk associated with palm oil | <ul style="list-style-type: none"> <li>No issues related to sustainability (such as infringements of laws or regulations) in the procurement or use of renewable inputs.</li> </ul> | <ul style="list-style-type: none"> <li>Neste Oil uses only traced and certified palm oil.</li> <li>Open communication and reporting.</li> <li>Close collaboration with stakeholders.</li> <li>Collaboration on combating deforestation with TFT.</li> </ul>                      | Sustainable supply chain        |
| Occupational and process safety in refining operations                          | <ul style="list-style-type: none"> <li>People safety failed to improve as projected during the year. Process safety target was reached.</li> </ul>                                  | <ul style="list-style-type: none"> <li>Safety regulations were updated and launched among personnel.</li> <li>An extensive safety development project was launched.</li> </ul>   | Safety                          |
| Environmental impact of refining operations                                     | <ul style="list-style-type: none"> <li>No major environmental incidents occurred.</li> </ul>  | <ul style="list-style-type: none"> <li>Environmental monitoring continued in line with the requirements of Neste Oil's environmental permits.</li> <li>An extensive overview of the Porvoo refinery's environmental impact was made for the new environmental permit.</li> </ul> | Climate and resource efficiency |
| Product liability   | <ul style="list-style-type: none"> <li>Neste Oil supplied its customers with both statutory and voluntary product information.</li> </ul>   | <ul style="list-style-type: none"> <li>Work continues on updating product information data.</li> </ul>   | Customer                        |

More information on the financial risks associated with Neste Oil's business operations can be found in the section on [risk management](#).

## **Sustainability-related opportunities driven by Neste Oil's strategy**

Neste Oil offers its customers a wide range of products with a smaller environmental footprint and traffic fuel solutions that comply with environmental requirements, in line with its cleaner traffic strategy. As a result, Neste Oil's key opportunities in terms

of sustainability are very much linked to developing cleaner products and increasing the use of these products.

Neste Oil has developed its sustainability-related expertise in supply chain management into a voluntary sustainability verification scheme within the framework of the EU's Renewable Energy Directive. The scheme was approved by the European Commission in early 2014. Approval could increase Neste Oil's potential to make flexible use of new renewable raw materials.