Neste and Sourcing Waste and Residue Materials

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Introduction
OUR VISION

Creating responsible choices every day
Biofuels are part of the solution

- Combat climate change and reduce carbon emissions from traffic and transportation (fulfilling bio mandates)
- Reduce dependency on fossil oil and imported energy
- Improve and safeguard security of energy supply
Neste globally

**Production:**
- Porvoo
- Naantali
- Rotterdam
- Singapore
- Bahrain (joint venture, Neste’s share 45%)

**Sales and marketing:**
- Espoo
- Stockholm
- Tallinn
- Riga
- Vilnius
- St. Petersburg
- Geneva
- Beringen
- Houston
- Toronto
- Singapore
Our renewable products

Neste Renewable Fuels
- Neste Renewable Diesel
- Neste Renewable Gasoline
- Neste Renewable Propane
- Neste Renewable Jet Fuel

Neste Renewable Chemicals
- Neste Renewable Isoalkane
- Neste Renewable Naphta
- Neste Renewable Propane
Our Raw Materials
Neste uses bio-based ethanol from the global market as a bio-component in 95 E10 and 98 E5 gasolines. The company also uses tall oil pitch at its refinery in Naantali, Finland.
Waste and residues form nearly 80% of our renewable raw material inputs.

**RENEWABLE RAW MATERIAL MIX**

- **78%**
  - Waste and residues (e.g. waste and residue fats from food processing, technical corn oil)
  - Vegetable Oils (100% Certified CPO, Rapeseed Oils)

- **22%**

In 2015, we achieved capability to use solely waste and residues as raw materials in our processing.
Huge increase in waste and residue usage
Our Sustainability Commitment
All renewable raw materials sustainably produced

TRACEABLE

All of the renewable raw materials used by Neste are traced back to the plantations or production plants.

SUSTAINABLE

Renewable raw materials are sustainably produced and that production has not infringed anyone’s human rights or endangered rainforests or carbon-rich areas.

COMPLIANCE

Neste Sustainability Compliance

- Neste’s Sustainability Policy
- Code of Conduct
- No-Deforestation Guideline
- Multi-stakeholder initiatives
- National and International Regulations
  eg: ILO
- Market (mandate) Based Requirement
  eg: RFS US EPA, ISCC

ILO = International Labour Organization
RFS US EPA = Renewable Fuel Standard as issued by United States Environmental Protection Agency
ISCC = International Sustainability and Carbon Certification System (Germany)
The journey towards digitalization

- Launch of the open supply chain digitalization challenge
  - Slush 2016
- Neste’s global sustainability hackathon in Helsinki and Singapore
  - May 2017
- Demo version of the system and stakeholder engagement
  - Late 2017
- Supplier Sustainability Portal in use
  - By end of 2018
Challenge of W&R Sourcing in China
Beyond certification

Neste sustainability expectation

Commitment from stakeholders on maintaining high standards

Data & Traceability

ISCC Actual GHG

Supply chain compliance with latest certification requirements

Sustainability
Market Environment

Enhancement & harmonization of policies across provinces supporting energy use, collection and traceability

Visibility on internal energy policies and other demand for W&R feedstock

Market transparency
What’s next?

Increase maturity of Waste & residues collector to access international market

Beyond UCO, availability and collection of other waste & residues feedstock
Thank you