

An aerial photograph of a winding asphalt road with yellow double lines, cutting through a dense, lush green forest. The road curves from the bottom left towards the top right. The text is overlaid on the upper left portion of the image.

**AGILITY**  
**SUSTAINABILITY**  
**COMPETITIVE ADVANTAGE**  
**GOOD VIBES**

**SUSTAINABILITY REPORT 2018**

**NEOT**  
North European Oil Trade



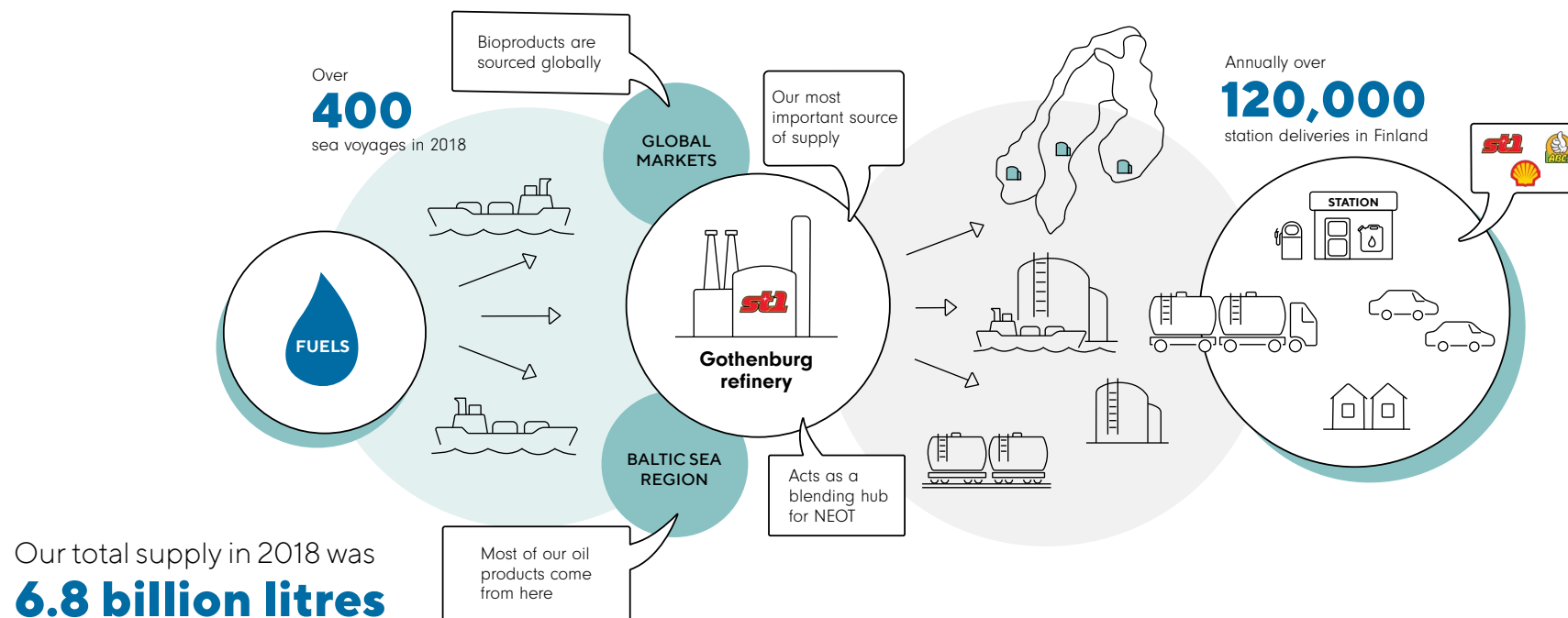
# NEOT IN BRIEF

NEOT (North European Oil Trade) is a significant fuel procurement company in the Baltic Sea region. The purpose of our operations is to enable our owners, SOK and St1, prosper by providing them with competitive and sustainable fuel solutions. We acquire fuels from global trading markets and take care of storing and transporting the products. We aim to become the most innovative and cost-efficient fuel solutions company.

GHG reduction achieved with renewable fuels equalled emissions of over



**550,000**  
passenger cars\*



\*a car with an annual mileage of 17,000 km and emissions of 151 g CO<sub>2</sub>/km

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**5.5** EUR billion  
Revenue



**6.8** billion litres  
Supplied fuels



**54**  
Personnel



**1.4** million tons of CO<sub>2</sub>  
Reduction from the use of  
supplied biofuels

# CEO REVIEW

## Change offers opportunities for agile minds



An old saying states that; “nothing is permanent except change”. Truly internalising this thought and then turning it into opportunities is more relevant today than ever before. The consequences of change are almost entirely dependent on the way we react to it.

Since starting as the new CEO at NEOT in June 2018, I have become convinced that our troops are always ready to deal with challenges and are able to quickly adapt to new situations. In a volatile operating environment, such as the energy industry, agility and capability to adapt to change is a prerequisite for success. Looking at our operations, I am pleased to see that we clearly master agility at NEOT. In 2018, we again succeeded to offer our owners a competitive fuel supply, even though the market did not always treat us with silk gloves.

In Finland, the liquid traffic fuels industry is in a transformation phase as the Finnish Petroleum and Biofuels Association was terminated by a common decision of its members at the end of 2018. In the future it is important to ensure that authorities, legislators and other key decision-makers continue to have access to neutral fact-based industry information, even though the industry association will not act as a source of market information anymore. We at NEOT will do our part in making sure that this information is distributed.



### The importance of knowing who you are

In the middle of change it is sometimes good to stop and reflect on who you are and, what you want to become. This is exactly what we did at NEOT this year. We put our values under common scrutiny and decided to update and align them to better reflect our current mindset and ways of working. This joint evaluation resulted in launching 'NEOT Spirit' which summarises the kind of company we want to be and what we value. You can read more about 'NEOT Spirit' and its components of agility, sustainability, competitive advantage and good vibes on **page 7**.

“

It's crucial that our political framework supports using the most cost-efficient ways to curb climate change.”

### Big challenges ahead

Human kind is facing a huge challenge as our climate is warming beyond sustainable limits. The IPCC Special Report, published in October 2018, was a heavy read and hopefully did not leave anyone doubting about the severity of the impacts of climate change. Rapid actions to curb climate change are needed in all sectors. It's crucial that our political framework will become more flexible and support using the most cost-efficient ways to reduce carbon from the atmosphere across all sectors. We cannot afford to lose any opportunities. Politicians have the power to set the ambitious, but needed, climate targets and define the boundaries where companies act. To achieve the most efficient solutions, both in terms of the environment as well as costs, the decision-makers should make sure that the most efficient ways to decrease carbon from the atmosphere are supported in all sectors.

### It's all about people

No company exists without people. This is the most important thing to keep in mind when evaluating company achievements. The success of a single company is always a sum of the contributions of its employees. I firmly believe that the success of a company boils down to the well-being of its personnel; good vibes as we say. It is inevitable that sometimes the going gets tough and we will need to maximise our performance. The resilience to face these

occasions comes from a balanced life, sources of motivation and good health. We all need to have enough moments for relaxing and re-charging to be able to deliver the world-class expertise that is expected of us. You can read about our efforts put into well-being at work from this report's **pages 28-29**.

Work satisfaction at NEOT has been at an excellent level already for many years but 2018 marked a special year for us as we placed first in the list of 'Finland's Most Inspiring Workplaces 2018' under the category of small organisations. This recognition gives us a confirmation that we are on a right path. I want to thank our people for making 2018 a successful year and for keeping up the NEOT Spirit!

**Petri Appel**  
CEO

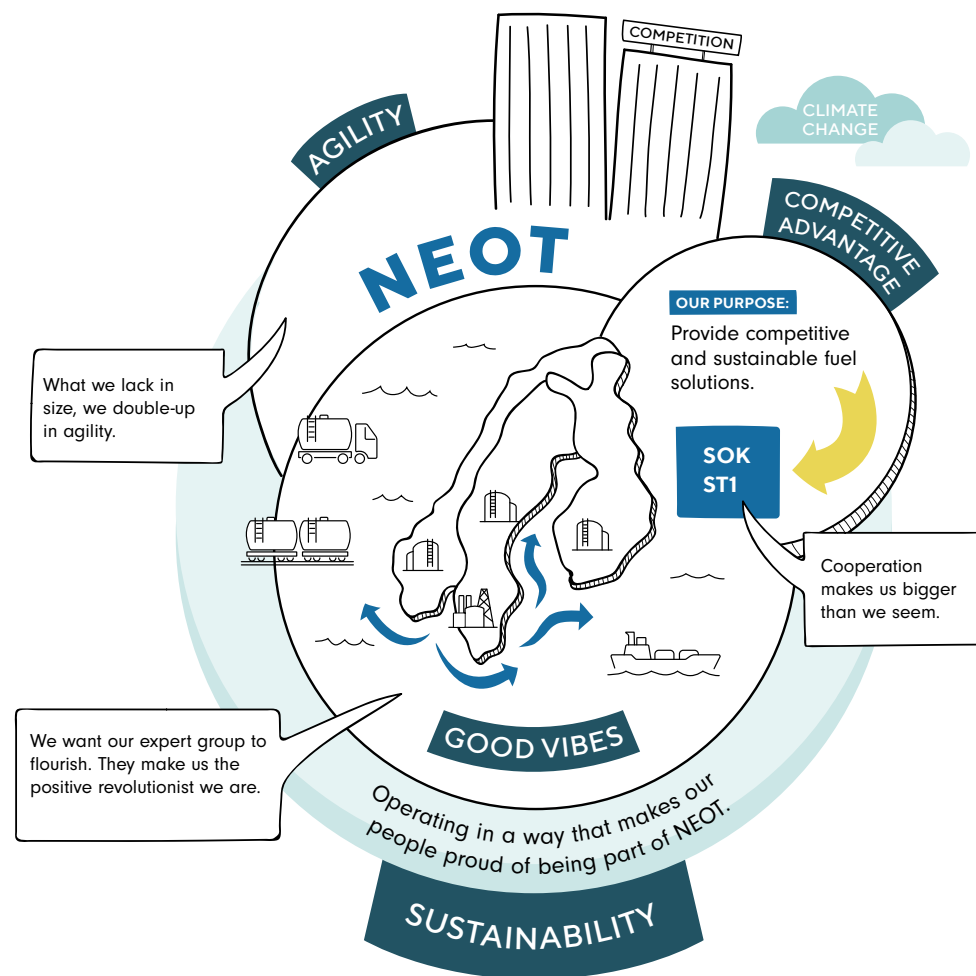


# STRATEGY

NEOT is a small but highly knowledgeable expert in fuel supply and distribution in the Baltic Sea region. We believe that our approach of challenging the old ways of working makes us a progressive revolutionist and our agile mindset has helped make us a respected force within the Nordic liquid fuel supply sector.

The energy sector needs to transform itself into a positive contributor to climate change mitigation. Our purpose is to enable our owners, SOK and St1, to prosper in this changing environment by providing them with competitive and sustainable fuel solutions. This is accomplished by making their fuel supply the benchmark of the industry. Our operating environment is underpinned by transforming regulation and complex value chains which makes cost-efficiency and the capability to adapt to changes crucial aspects for success. Our target is to be the best possible versions of ourselves and strive to become the most innovative and cost-efficient fuel solutions company.

Our competitive advantage is built on efficient logistics network, agile way of working as well as high-level of expertise in both renewable as well as fossil fuel markets.





# NEOT SPIRIT



## AGILITY

We prefer to do and decide things today rather than tomorrow. If something doesn't work, we are not afraid to change it. The ability to adapt to change is the backbone of our way of working. Our principle in respect to decision-making is simple; the best argument wins regardless of who presents it.



## COMPETITIVE ADVANTAGE

Everything we do leads to competitive advantage for our owners. In business you cannot succeed without being efficient. We succeed by acting smart, particularly in terms of invested time and money.



## SUSTAINABILITY

We acknowledge our impact to people and the environment. Operating in a sensitive and challenging industry makes us even more motivated to do things as sustainably as possible. We aim to operate in a way that makes our people proud of being a part of NEOT.



## GOOD VIBES

Success is not achieved with blood, sweat and tears. Success is achieved by motivation, health and good vibes. We want our expert troops to feel good, which is why supporting and developing their well-being is high on our agenda. Respect for everyone's work and individuality guides our behavior. We want to help our people to be the best versions of themselves.

### Case

## RENEWED VALUES BETTER REFLECT OUR CURRENT MIND SET

In 2018, we revised our values to better reflect our current mindset. The components of the new "NEOT Spirit" are agility, sustainability, competitive advantage and good vibes. The NEOT Spirit sets the foundation for everything we do. Our personnel were engaged in the renewal process through a workshop and a separate event for the managers.

"We noticed that although our values were very relevant, certain aspects needed to be emphasised. I feel that the new NEOT Spirit describes very well our current principles and way of working," states **Petri Appel**, CEO, NEOT.



# MANAGING SUSTAINABILITY

Sustainability is an integral component of NEOT Spirit and underpins all our operations. We want to operate in a way that makes our employees, partners and customers proud of being part of NEOT. Operating in a sensitive and challenging industry makes us even more motivated to do things as sustainably as possible. Traceability and responsibility of the supply chain is one of our strategic development areas.

NEOT's operations and the behavior of our employees are guided by the guidelines and requirements set out in our Code of Conduct (Code). The purpose of the Code is to guide decision-making and encourage responsible action at NEOT. The Code is supplemented by NEOT's 'Supplier Expectations' and Human Rights Policy. In 2018, we renewed our Code and 'Supplier Expectations' to better embody our commitment to respecting human rights as well as reflect our current operations. The implementation of the new and renewed documents will start in 2019.

All our employees are encouraged to react to any action contravening NEOT Code or current legislation. Employees can report their observations of misconduct to their supervisor, occupational health care professionals or HR and legal services. We are currently developing our compliance channel setting to make sure all possible misconducts will be reported.

## SUSTAINABILITY TEAM

- Driving and developing company's sustainability agenda
- Supporting other functions in their sustainability work
- Sustainability-related training
- Developing sustainability practices and policies
- Sustainability reporting and communications

## CEO AND NEOT'S BOARD OF DIRECTORS

Regularly informed about sustainability developments

### COMMERCIAL OPERATIONS

Responsible for sustainability work at operational level

### LOGISTICS, TERMINALS AND IT

Responsible for sustainability work at operational level

### FINANCE AND CONTROLLING

Responsible for sustainability work at operational level

### SAFETY, SUSTAINABILITY AND CERTIFICATION SYSTEMS

E.g.  
EU Voluntary Schemes for biofuels (ISCC, National Schemes)  
Safety Management System

### POLICIES AND PRINCIPLES

- E.g.
- NEOT Code of Conduct
  - NEOT Supplier Expectations
  - NEOT Human Rights Policy
  - HR Rules
  - Sustainability Provisions for Biofuels

## GLOBAL INITIATIVES AND COMMITMENTS

- UN Sustainable Development Goals (SDGs)
- UN Guiding Principles for Business and Human Rights (UNGPR)
- Universal Declaration of Human Rights
- ILO Declaration of Fundamental Principles and Rights at Work



## Material topics were crystallised

NEOT's sustainability approach and reporting are steered by material topics defined through materiality analysis. NEOT published its first sustainability report in 2017 and during 2018 we developed our reporting fundamentals further as well as crystallised our material topics by conducting a materiality analysis. The process was based on analysing our owners and customers' sustainability agendas, industry data and guidelines as well as results from internal value discussions covering the entire personnel.

Our first formal materiality analysis emphasised the insights of our most important stakeholders i.e. customers, owners and personnel. We will develop our stakeholder engagement to cover a larger spectrum of stakeholders in 2019. Results of the analysis conducted by NEOT's

sustainability team were refined into a materiality matrix together with senior management. In 2019, we aim to implement our material sustainability topics into the annual planning process throughout the company.

We acknowledge the importance of shared global sustainability goals which is why we also included the United Nations Sustainable Development Goals (SDGs) in our materiality analysis.

NEOT's operations impact various stakeholder groups whose views and expectations we strive to understand and take into consideration in our decision-making. Directors responsible for NEOT's different functions are responsible for stakeholder cooperation. Sustainability Director has the main responsibility for the collaboration with authorities, legislators and other decision-makers.

## NEOT's most important stakeholders



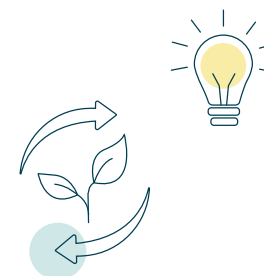
**People:**  
Promoting health and safety in supply chain  
Investing in personnel well-being



**Fair work:**  
Ensuring labour rights are respected in our supply chain as well as in our own operations  
Working towards a greater respect for human rights in our supply chain



**Climate impact from products and operations:**  
Helping customers to reduce emissions by offering renewable alternatives to fossil fuels  
Working towards increased traceability and ensuring sustainable origin of feedstocks  
Decreasing environmental impacts from logistics by increasing efficiency and seeking for fuel solutions with lower environmental impact



**Partnerships and business integrity:**  
Strong partnerships with owners and other industry operators to promote sustainable practices in the industry  
Collaboration with other energy sector operators to provide perspectives to policymakers and regulators on the sustainability impacts of legislative frameworks  
Introducing practices and principles to better align business operations with sustainable development



# HUMAN RIGHTS

At NEOT we respect the rights and dignity of all people. We expect our employees, partners and suppliers to comply with all applicable laws and regulations as well as respect all internationally recognised human rights.

NEOT's approach to human rights is based on the UN Guiding Principles on Business and Human Rights (UNGP). In 2018, we published the NEOT Human Rights Policy and renewed our Code of Conduct and Supplier Expectations to better embody our commitment to respecting human rights in all our operations. The implementation of the renewed and new documents will start in 2019.

In 2018, we started developing an approach for managing human rights impacts in our supply chain. The primary focuses of this on-going long-term project is to increase the level of knowledge on human rights among NEOT employees, build a consistent model for managing NEOT's human rights impacts and pilot the human rights impact assessment (HRIA) process. The project has been supported by SOK's human rights expert. In 2018, 67% of NEOT's personnel participated in human rights training. Our aim is to continue training our personnel and to integrate human rights aspects into our processes. In 2018, we also conducted a few desk-top country assessments from human rights perspective. In 2019, we put efforts in developing further data gathering from our supply chain.



In 2018,

**67** % of NEOT's personnel participated in human rights training

## NEOT's human rights commitment

We at North European Oil Trade (NEOT) respect the rights and dignity of all people. We expect NEOT employees, our partners and our suppliers to comply with all applicable laws and regulations as well as respect all internationally recognised human rights. Our respect towards human rights is embodied in our Human Rights Principles, Code of Conduct and Supplier Expectations.

In line with the UNGP, NEOT is implementing human rights into its due diligence process. When evaluating the possible and actual human rights impacts of operations, consultations with the relevant stakeholders ranging from NEOT employees to workers in the field should take place. In the human rights impact assessment, emphasis is put on the dialogue with the stakeholders. We are committed to transparently reporting on how we address our legitimate human rights impacts.

NEOT ensures that all regulatory affairs with relevant actors, including governments, regulatory bodies and public authorities, are consistent with the human rights principles as stated in NEOT's Human Rights Policy.

NEOT is committed to improving its internal awareness in the field of human rights through training and communications. The aim is to provide human rights training to the management and all other NEOT employees who may discover human rights violations in their work. Through familiarising the employees with the situations in which violations are the most likely, the staff is better equipped to identify the risks and actual impacts.

“

It's not possible to fully comprehend the supply chain and the company's impacts without engaging stakeholders.”

## EXPLORING POTENTIAL HUMAN RIGHTS IMPACTS IN MALAYSIA AND CHINA

Between June and September 2018, NEOT conducted an exploratory research on potential human rights impacts in renewable fuel supply chain in Malaysia and China. In Malaysia, the research focused on palm oil and palm oil mill effluent (POME) production. In China, the focus was on used cooking oil (UCO). Palm oil, POME and UCO are used as raw materials in biofuel production.

The research was conducted by visiting several relevant operation points in the supply chain and engaging with local stakeholders, such as workers, management representatives and government representatives. The aim of the process was to explore the best ways to conduct human rights impact assessments for NEOT in the future. Due to the exploratory nature of the project, an internal team was chosen to conduct the research.

“Meeting people engaged in our supply chain is always eye-opening. It's not possible to fully comprehend the supply chain and the company's impacts without engaging stakeholders. Talking to people and observing labour conditions provide a good indication of the actual and potential impacts that our operations may have on the stakeholders. The exploratory study gave us a good starting point for further development,” summarises **Timo Huhtisaari**, Sustainability Director, NEOT.



The background of the entire page is a close-up, slightly out-of-focus photograph of numerous blue, circular fuel tank lids. The lids are arranged in a grid-like pattern, with some in sharp focus in the foreground and others blurred in the background, creating a sense of depth. The color is a uniform, vibrant blue.

# SOURCING

The purpose of NEOT's operations is to provide its owners with competitive and sustainable fuel solutions by making their fuel supply the benchmark of the industry. Therefore, know-how in sustainable supply chain management is the backbone of our expertise. In 2018, we supplied around 6.8 (6.9) billion litres of fuels to our customers.



### Traceable renewable feedstocks

The role of renewable fuels is continuously growing. In 2018, 14 (2017: 15)% of the traffic fuels sold by NEOT were produced from renewable feedstocks. 63 (49)% of these renewable fuels were produced from waste and residues, with the rest coming from crop-based feedstocks.

NEOT continuously seeks ways to increase the utilisation of waste and residue-based feedstocks. Whenever possible, we prefer products made of local waste and residue-based materials, such as waste from the food industry and bakeries.

NEOT sources renewable fuels globally and all renewable fuels we supply are traceable to the point of collection and fully compatible with the required regulations in the markets that we operate. We source renewable fuels only from suppliers that comply with official EU sustainability criteria; either approved EU voluntary schemes, such as International Sustainability & Carbon Certification (ISCC), or nationally accepted sustainability schemes. Sustainability schemes verify compliance with the EU's biofuels sustainability criteria and they include a third-party audit process. Our own operations are also certified according to ISCC, the Finnish National scheme and Norwegian authorities' scheme and are audited annually. We ensure that our contracts regarding renewable fuels take into consideration all necessary sustainability requirements.

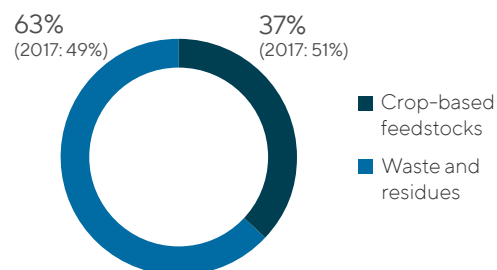


“  
NEOT became an official  
member of ISCC in early 2019”

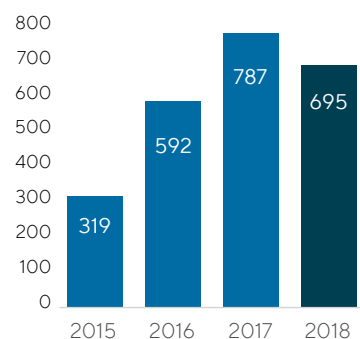




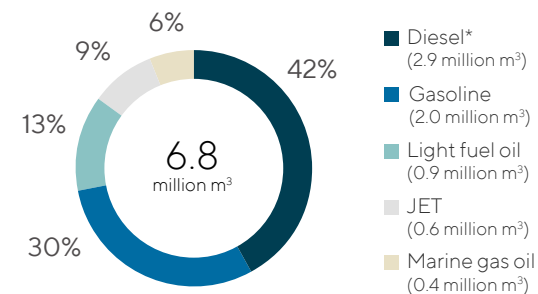
## Feedstock base of sold biofuels 2018



## Volume of sold biofuels, million litres



## Supplied fuels by product type 2018



\* Includes also off-road volumes in Sweden

In 2018, we started a development project focused on improving the reliability of traceability data flows and the efficiency of related processes in our data gathering system. The cross-functional project has involved people from the trading and contracts teams, all the way to stock control and reporting team. The improvements found as a result of this project will be implemented during 2019.

### Tracing fossil-based fuels is still a challenge

NEOT sources fossil-based oil products from various refineries located in the Baltic Sea region, mainly in Finland, Sweden, Denmark, Norway and Poland. Our most important source of supply is St1's oil refinery in Gothenburg. The refinery also acts as a blending hub for NEOT's operations. Due to the complex nature of fossil fuel supply chains and the lack of compulsory legislation to drive the industry towards transparency, it is not yet possible to demonstrate traceability of the crude oil supply chain at the same level as with renewable fuels.



# 63%

of sold renewable fuels were produced from waste and residues

## EU sustainability criteria ensures that:



biofuel production did not take place on land with high biodiversity



land with high carbon stock was not converted for biofuel production



biofuel production leads to a minimum of 50% greenhouse gas (GHG) emission savings, 60% if plant has been started after 2015

## Case

### RED II BRINGS CONTINUITY TO BIOFUEL REGULATION

The new EU Renewable Energy Directive (REDII) was agreed by the EU institutions in 2018. In addition to increasing the share of renewable energy used in transportation to 14% in Europe by 2030. The directive also includes a new mandatory target for advanced biofuels, i.e. biofuels produced from certain non-food biomass, starting from 2022. Additionally, directive defines that so called high-ILUC (Indirect Land-Use Change) risk biofuels should be rapidly phased out from road transport.

Phasing out certain feedstocks, namely palm oil, from the biofuel industry does not solve global sustainability issues related to feedstock production. Instead of completely phasing out certain feedstocks in one industry, making sustainability criteria stronger and applicable across all sectors would have significantly bigger impacts.

There are undeniable challenges and unsustainable practices related to feedstock production, e.g. palm oil production, and it is important that these issues are addressed. As biofuels continues to be the only industry having binding legislation to ensure the sustainability of feedstocks, stopping the use of certain sustainably produced feedstocks in the biofuel industry could even make the situation worse as the leading industry in promoting sustainable feedstocks production would be forced to leave the field.



# LOGISTICS



An efficient logistics network has a crucial role within NEOT's business. We have a strong logistics chain for fuel products in the Baltic Sea region which offers us flexibility and competitive advantage. NEOT focuses on safety in the entire logistics chain. We promote a preventive safety culture and aim for zero accidents in all our operations, including our logistics partners' operations.

NEOT's logistics chain consists of terminals in Finland, Sweden and Norway as well as a transportation network covering road, shipping and rail transportation. NEOT is responsible for the fuel distribution to its customers' (ABC, St1 and Shell) retail sites and fuel oil transportation to households and companies in Finland. In addition, we deliver products to seagoing vessels and the aviation industry. In Sweden and Norway, St1 is responsible for the inland deliveries.

## TERMINALS

In 2018, NEOT operated 6 (6) terminals and held rented capacity in 1 (1) terminal in Finland. In addition, in the end of 2018 we stored fuels and other products in 10 terminals in Sweden and 17 in Norway. NEOT operates terminals in Finland but in Sweden and Norway the terminals are operated by third parties, mainly St1. We also source products from a few third-party terminals in Finland, Sweden and Norway.

In 2018, the terminals operated by NEOT in Finland employed an average of 47 (43) people. The fuel product throughput of the terminals operated by NEOT and the rented capacity in Inkoo was 2.3 million m<sup>3</sup>.

A total of 50,986 (47,640) tank truck loadings and 48 (78) train loadings were made at the Finnish terminals in 2018. The amount of vessel discharges was 164 (150). The rented capacity at the Inkoo terminal was not included in the comparison figures of loadings and discharges from 2017.

All NEOT's terminal operations are regulated by environmental permits and legislative safety requirements. Authorities, owners and NEOT's experts conduct audits and inspections at the terminals regularly. Monitoring safety

performance is included in the terminals' management system and each terminal has a safety development plan. NEOT's target is to prevent all accidents by recognising risk factors beforehand and eliminating safety hazards. In 2018, we introduced a safety-related mobile application which enables making safety observations easier at the terminals as well as at the retail stations. The target is to expand its use in the future.

In 2018, we conducted a survey covering Finnish terminals' practices targeted at truck drivers of our haulier partners. The average score for the fluency and safety of operations at the terminals, including e.g. everyday maintenance of the terminal area, instructions for drivers and the sufficiency of parking areas, was 3.3 on a scale of 1 to 5. The questionnaire was done the first time in 2018 and it will be conducted next time in 2020. The results have been reviewed with the terminals and development ideas have been implemented.





Relatively low amounts of waste and waste water are generated in normal terminal operations. The variation in waste and waste water amounts between the years results usually from anticipatory maintenance operations or construction projects. In 2018, particularly many tanks were washed at the terminals which increased the amount of generated waste water. The increase in VOC emission was caused by a planned outage of vapor recovery unit (VRU) at the Hamina terminal. The amount of waste generated at the terminals also increased due to maintenance projects as well as reparations of current facilities.

Terminal safety key figures <sup>(1)</sup>	Target 2019	2018	2017
Observation tours	1,200	1,636	967
Near miss cases	100	84	46
Number of lost-time injuries, own personnel <sup>(2)</sup>	0	0	1
Number of lost-time injuries, contractors <sup>(2)</sup>	0	1	3

Environmental performance at terminals <sup>(1)</sup>	2018	2017
VOC emissions, tonnes	88	52
Waste water, m <sup>3</sup>	984	562
Waste, tonnes	285	243
<i>Non-hazardous waste</i>	55	92
<i>Hazardous waste</i>	230	151

<sup>(1)</sup> The figures cover six terminals operated by NEOT in Finland.

<sup>(2)</sup> Accident at work leading to at least 1 day sick leave.



Safety target:  
**0 accidents**

## Case

### CONTINUOUS DEVELOPMENT AT THE TERMINALS

Terminals operated by NEOT are continuously developed to maintain good levels in safety and environmental performance as well as to optimise product throughput.

In 2018, NEOT started an investment programme at their terminal in Oulu, Finland. The programme covers the renewal of the terminal's pumping station, tanks, spill basins and oil separation systems. The renewal projects are spread over three years and their total value is several millions of euros. Same types of investments have already been made at NEOT's terminals in Varkaus and Vaasa, Finland.

"Our project in Oulu started with the renewal of the pumping station and everything has gone according to plans. We succeeded in planning the schedule and service breaks with our haulier partners to ensure that our operations flowed smoothly, without any major issues, despite the renewal work," states **Mika Kääpä** from NEOT's terminal operations.



## ROAD TRANSPORTATION

NEOT's road transport operations are focused upon Finland where we worked directly with 11 (11) reliable haulier partners in 2018. Some of these partners also used sub-contractors for deliveries. Our road transportation network covers on average 120 tank trucks with over 300 drivers, who travel annually about 14 million kilometres while making NEOT's deliveries in Finland. In 2018, NEOT's haulier partners took care of 135,000 (123,000) retail site deliveries and 97,000 (114,000) fuel oil deliveries in Finland.

### Skilled people and the right equipment ensure efficient and safe deliveries

Continuous dialogue with our haulier partners and training their personnel are important parts of ensuring efficient and safe deliveries. To be allowed to take care of NEOT's deliveries, all drivers must take part, and pass, online training every year. The training includes sections for e.g. terminal safety, safe deliveries, data privacy and product quality. New drivers also receive a personal introduction at the terminals. In 2018, we also organised several legal professional competency training days during which 270 transportation

professionals were trained on work safety, personal security and well-being at work.

In addition to skilled people, the condition and age of transportation equipment has a significant impact on the environmental and safety performance of transportation. Therefore, tank trucks used for NEOT's deliveries are inspected regularly by a third party. In 2018, 387 (363) transportation units were inspected. 94 (88)% of the tank truck fleet used for NEOT's deliveries in 2018 were rated in the two less-polluting categories (5 and 6) of Euro emission standard which indicates the acceptable limits for exhaust emissions.

In 2018, the total CO<sub>2</sub> emissions resulting from NEOT's road transportation was 16,800 (17,800) tons. The density factor used in transportation emission calculation was adjusted in 2018. Comparison figures from 2017 have been adjusted accordingly.



Over

**135,000**

deliveries to retail sites in Finland



**97,000**

fuel oil deliveries in Finland

Road safety key figures	Target 2019	2018	2017	2016	2015
Fatal accidents	0	0	0	0 <sup>(1)</sup>	0
Accidents to drivers	0	2 <sup>(2)</sup>	1	6	1
Tank trucks fallen over	0	2	3	6	2
Number of significant oil spills	0	0	1 <sup>(3)</sup>	0	0
Oil spills, total m <sup>3</sup>	0	6 <sup>(4)</sup>	7	25	3

<sup>1)</sup> Two external fatalities; the driver drove under a tank truck in both cases.

<sup>2)</sup> Two minor foot injuries.

<sup>3)</sup> Tank truck fell over and oil product was spilled into the nearby river.

<sup>4)</sup> Majority of the spilled amount resulted from one tank truck accident. All appropriate remediation measures to clean the area were taken.





## Case

### REVOLUTIONARY STEPS IN ROAD TRANSPORTATION WITH ED95

In April 2018, revolutionary steps were taken in road transportation when Finland's first ever tank truck fueled with ethanol diesel, ED95, started making fuel deliveries in the Finnish capital area.

ED95 is a renewable fuel that can replace fossil-based diesel in urban buses and heavy vehicles. Its use significantly reduces CO<sub>2</sub> emissions as well as harmful particulate and NO<sub>x</sub> emissions. In addition, using ED95 replaces fossil-based diesel for road transportation with locally produced waste-based ethanol. Due to ethanol's specific nature, it cannot be used in standard diesel engines. Currently the only diesel engines suitable for ED95 are manufactured by Scania.

NEOT has an ambition to increase the use of ED95 and other low emission solutions in its road transportation network.

"We are keen to promote all possible ways to decrease emissions resulting from our logistics. In addition to environmental aspects, also the performance of the vehicle is crucial," states **Sirpa Saarinen**, Logistics Director, NEOT.

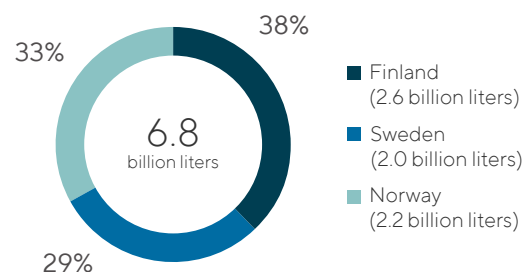
## Case

### SAFETY MANAGEMENT ACADEMY PROMOTES A PREVENTIVE SAFETY CULTURE IN ROAD TRANSPORTATION

Learning from past incidents and sharing knowledge openly is crucial for creating preventive safety culture. These topics are promoted at the NEOT Safety Management Academy which is organised on average three times a year. The Academy gathers together NEOT's haulier partners' top management and NEOT's experts to discuss safety and share know-how.

"We have been running the Academy already for many years and it has proven to be an effective way to implement safety related improvements. At the Academy, we go through recorded incidents and discuss where we have succeeded and what our development areas should be," states **Heikki Hiirros**, Logistics Manager, NEOT.

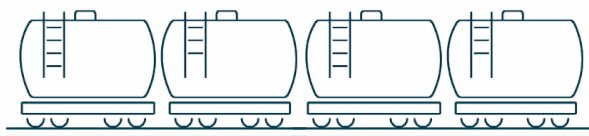
## Supply by countries 2018



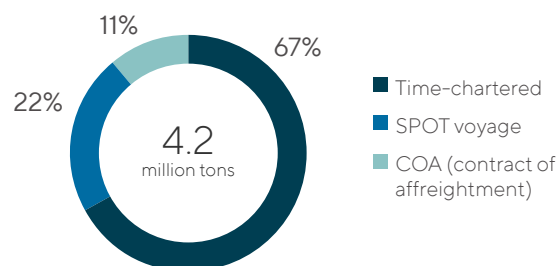
## RAIL TRANSPORTATION

NEOT uses rail transportation for fuel in Southern Finland. Approximately 200,000 tonnes of fuel are annually transported via railways. NEOT's railway transportation is operated by VR Transpoint Oy.

We work in close cooperation with VR Transpoint to ensure safe and efficient railway operations between the two NEOT terminals located in Varkaus and Hamina. In 2018, NEOT and VR Transpoint conducted risk mappings for both terminals. The findings of the mapping resulted in development measures of which some were implemented already in 2018 and the rest will be implemented during 2019.



## Sea transportation by contract type 2018\*



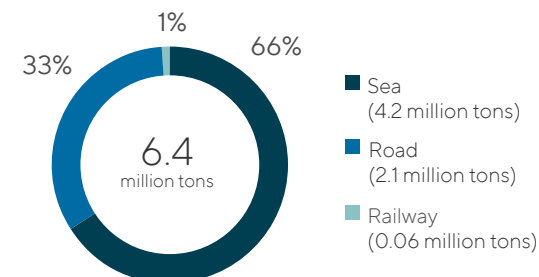
## SHIPPING

The main shipping activities related to NEOT's operations focus on the Baltic Sea and Norwegian coastal area, although part of the supply comes from the global market. We utilise time-chartered vessels, contracts of affreightment (COA) and spot-chartered vessels in our shipping. The most important harbours are terminals in Finland, Sweden and Norway with the harbour in Gothenburg being the most significant one.

### Vessels with lower environmental impact

The five most used vessels in NEOT's shipping operations are time-chartered from a Swedish shipping company Terntank Rederi A/S. Two of the vessels are dual-fuel vessels which are mainly powered by LNG (liquefied natural gas). The vessels using LNG technology have significantly smaller impact on the environment compared to traditional tankers as they generate significantly less sulphur oxides (SO<sub>x</sub>), nitrogen oxides (NO<sub>x</sub>) and particle emissions. The

## Used logistics modes 2018\*



\*The calculation is based on the amount of transported products.

total amount of local NO<sub>x</sub> emissions resulting from the five time-chartered vessels was 655 (715) tonnes in 2018. Compared to conventional, but still highly efficient, vessels the reduction of NO<sub>x</sub> emissions resulting from using LNG-powered vessels totaled 427 tonnes in 2018. In addition, the LNG vessels have also lower CO<sub>2</sub> emissions compared to traditional oil tankers. CO<sub>2</sub> reduction achieved with LNG vessels in 2018 was 3,500 tonnes as the total GHG emissions from NEOT's time-chartered vessels totaled 53,000 tonnes. Comparison figures for the emission data from 2017 cannot be presented as the reporting was still under development in 2017 and thus figures are not comparable.

NEOT's time-chartered vessels mainly operate at an economical speed to ensure the best fuel efficiency both economically and environmentally.



### Strict safety requirements

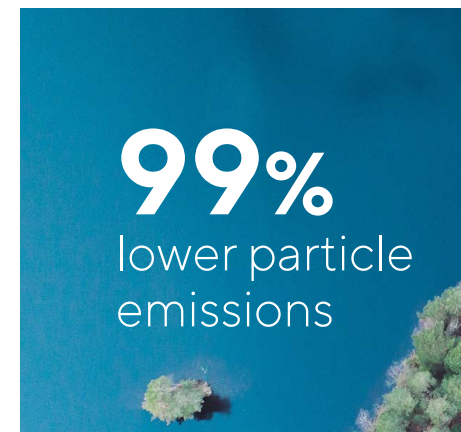
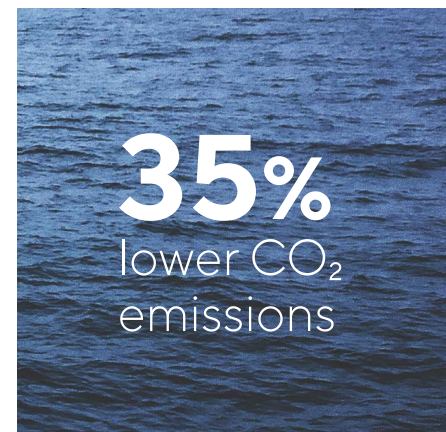
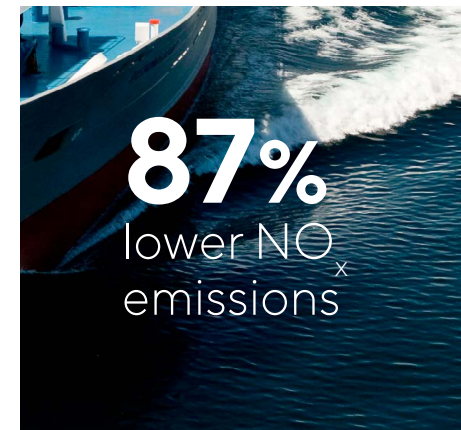
All NEOT's shipping partners are guided by our vetting procedure which for example sets the requirements related to the safety and age of the vessel. In 2018, we updated this procedure to include new requirements for example on the expertise and performance of the shipping personnel. All owners carrying NEOT's shipments are required to commit to these requirements. Our shipping experts and the owners of the time-chartered vessels regularly meet and go through operational issues, such as near-miss cases.

No accidents or near-miss cases occurred in NEOT's shipping operations in 2018.



No accidents or near-miss cases occurred in NEOT's shipping operations in 2018.

### Environmental impact of an LNG vessel is significantly superior compared to conventional vessel



## NEOT BECAME THE FIRST FINNISH COMPANY TO USE FOSSIL-FREE LBG IN SHIPPING

NEOT became the first Finnish company to use renewable liquefied biogas (LBG) in commercial shipping operations when its time-chartered vessel Tern Sea bunkered LBG at the Gothenburg harbour in November 2018. LBG is a 100% fossil-free fuel with no CO<sub>2</sub> emissions. It is produced from various types of organic waste, such as residues from the food industry and grain handling.

“We are continuously seeking ways to reduce the environmental impact resulting from our company’s operations, and LBG is a very interesting opportunity in the field of shipping. We have had positive experiences with LNG so LBG is a logical next step,” states **Satu Mattila**, Head of Planning, Shipping and Operations, NEOT.

The chemical composition of LBG is equal to LNG which enables a straightforward shift to LBG. However, currently the main challenge for expanding the use of LBG is its limited availability.

“We are eager to expand the use of LBG as soon as its availability will allow commercially feasible longer-term planning. As we have now technically tested LBG in our LNG vessels, we are all set for larger-scale use when the product’s availability is secure,” says Mattila.





# CLIMATE

Climate change needs to be addressed by every state, industry, company and individual. In our industry the impacts of climate change are especially tangible. Solutions for decreasing traffic emissions are being researched intensely.



NEOT's most significant climate impact results from the use of the products we supply. We aim to help our customers to reduce their CO<sub>2</sub> emissions by offering renewable alternatives to fossil fuels. In 2018, the renewable fuels we supplied to our customers helped to reduce greenhouse gas emissions by 1.4 (1.6) million tonnes, which equates to the annual emissions of 550,000 passenger cars\*.

### Curbing climate change requires a large selection of supported strategies

Decreasing the emissions from transportation by increasing the use of biofuels is an objective both globally and in the European Union. The current EU legislation, Renewable Energy Directive (RED), requires that all EU countries must ensure that at least 10% of their transport fuels come from renewable sources by 2020. The Nordic countries, Finland, Sweden and Norway, are forerunners in using biofuels, and they have the world's highest targets for using biofuels that go well beyond the EU target.

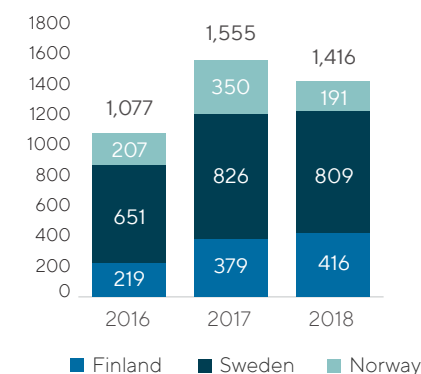
In 2018, the EU institutions agreed on the new EU Renewable Energy Directive (REDII). The new directive

sets an EU-wide target of 14% for renewables in transport by 2030. We welcome this step towards transport decarbonisation after years of regulatory uncertainty but call for broader perspective to climate and energy policy.

NEOT supports using biofuels, but at the same time we recognise that additional ways to reduce carbon levels in the atmosphere are needed to meet the targets set out in the Paris Climate Agreement. As the atmosphere currently carries a carbon debt of 200 to 300 billion tonnes reducing emissions is not enough, we also need to start capturing carbon from the atmosphere by increasing carbon sinks. We hope that in the future, legislation supports reducing carbon dioxide from the atmosphere, for example by capturing carbon through afforestation projects or restoration projects of swamps and wetlands.

\*a car with an annual mileage of 17,000 km and emissions of 151 g CO<sub>2</sub>/km

**CO<sub>2</sub> reduction from the use of biofuels supplied by NEOT,**  
1,000 tons



Carbon dioxide emissions, tCO <sub>2</sub>	2018	2017
Direct CO <sub>2</sub> emissions (Scope 1) <sup>(1)</sup>	-	-
Indirect CO <sub>2</sub> emissions (Scope 2) <sup>(2)</sup>		
<i>Electricity</i> <sup>(3)</sup>	0	0
<i>Heat</i>	676	550
Other indirect CO <sub>2</sub> emissions (Scope 3)		
<i>Sea transport (time-chartered vessels)</i>	53,000	49,000
<i>Road transport</i>	16,800	17,800
<i>Business travel (flights)</i>	68	67
<i>Use of products sold</i> <sup>(4)</sup>	20,540,000	20,650,000

“

Nordic countries have the world's highest targets for using biofuels that go well beyond the EU target”

<sup>(1)</sup> Due to the trading nature of its business, NEOT's operations do not cause material direct CO<sub>2</sub> emissions.

<sup>(2)</sup> Energy and heat consumption at the terminals operated by NEOT (6).

<sup>(3)</sup> NEOT uses 100% renewable electricity. The emission coefficient for 100% renewable electricity is zero.

Figure from 2017 has been adjusted accordingly.

<sup>(4)</sup> Calculation applies the guidelines set out in the EU Fuel Quality Directive (FQD) Article 7a.



### Carbon removal market would boost efficient climate actions

A ton of CO<sub>2</sub> has the same impact in the nature regardless of how and by whom it has been produced. However, currently the monetary value of a ton of CO<sub>2</sub> varies for the operators in different sectors, i.e. Emissions Trading Scheme (ETS), Effort Sharing Decisions (ESD) and Land-Use Change and Forestry (LULUCF), due to the imbalance built in the EU's current political framework.

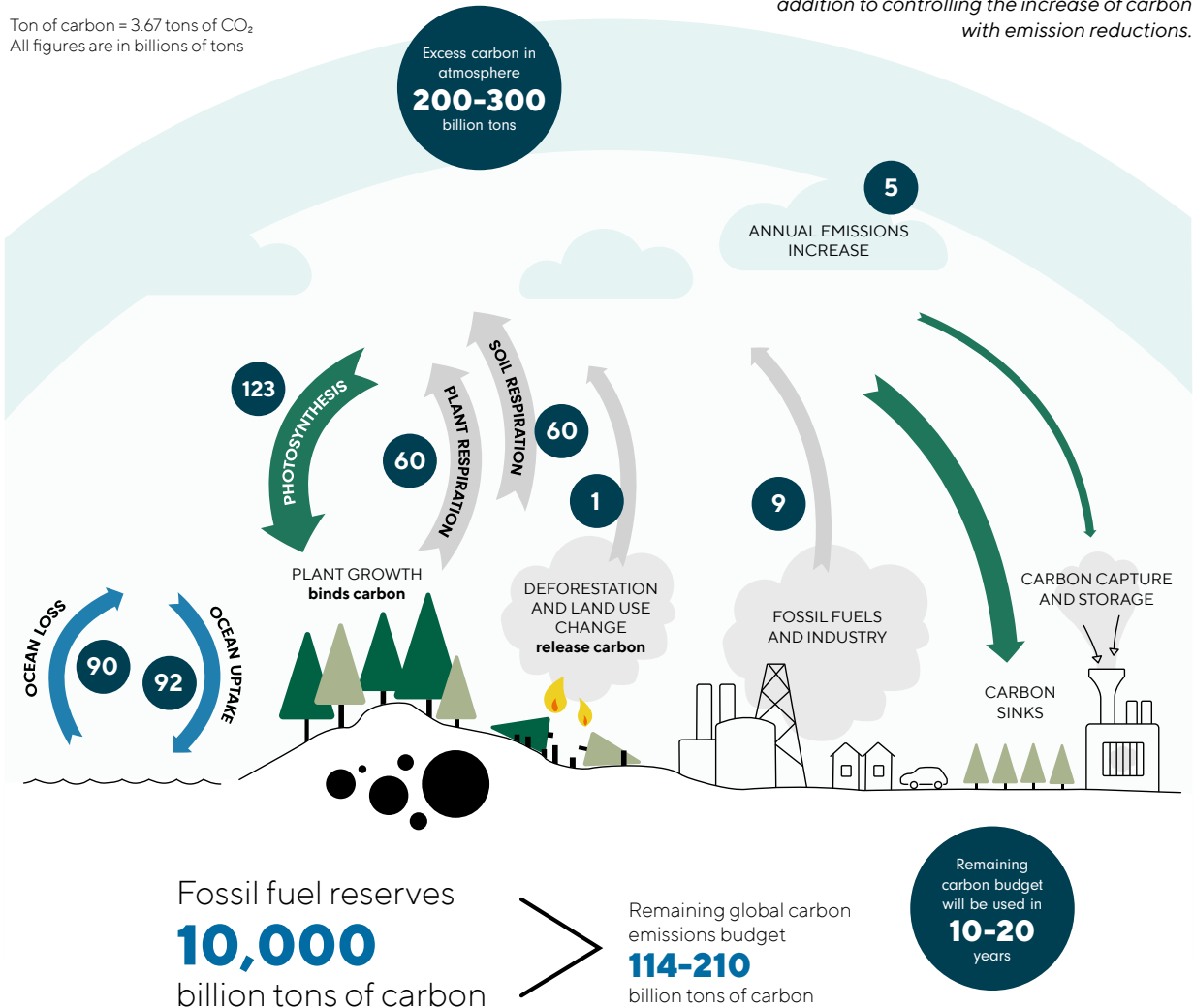
To be able to increase the ambition level of climate targets and actions, we will need a binding CO<sub>2</sub> reduction target for every sector as well as mechanisms that allow operators across all sectors to utilise the most effective ways to curb climate change.

Creating a market place for carbon removal would harness market forces to the fight against climate change and increase equality between sectors. Market place would serve as a trading place for carbon; emission mandated companies and other operators could either sell verified carbon reductions gained from different types of carbon binding projects, e.g. afforestation projects, or on the other hand buy carbon credits to compensate their emissions. Companies should be allowed to fulfill their mandates by doing carbon reduction measures as well as buying carbon removal certificates. Carbon removal market place would also allow established markets for new climate entrepreneurs.

Sources:  
International Panel on Climate Change (IPCC), IPCC Special Report, 2018  
Global Carbon Project, Global Carbon Budget 2018

### GLOBAL CARBON CYCLE

Ton of carbon = 3.67 tons of CO<sub>2</sub>  
All figures are in billions of tons



Carbon sinks and carbon capture technologies will play a crucial role in the combat against climate change in the future. As the amount of excess carbon in the atmosphere is currently approximately 200 to 300 billion tons, we need to start capturing carbon from the atmosphere in addition to controlling the increase of carbon with emission reductions.



An aerial photograph showing a dense green forest bordering a calm blue lake. A small, tree-covered island sits in the middle of the lake. The sky is a clear, deep blue.

“

Remaining global carbon budget will be used in 10 to 20 years.”

Case

## IPCC CALLS FOR URGENT CLIMATE ACTIONS

In October 2018, the Intergovernmental Panel on Climate Change (IPCC) published a Special Report on the impacts of a global warming of 1.5 degrees above pre-industrial levels. According to this report already a 1.5 degree increase in the global temperature would cause severe damage to the environment and the planet. The Report states that limiting the temperature rise to 2 degrees, as agreed in the Paris Climate Agreement, is not enough to maintain the planet as we know it.

On a positive note, there is still a chance to limit the global temperature rise to 1.5 degrees, but it requires rapid and extensive climate change mitigation actions.

“The message of the IPCC Report is clear; we need to speed up the implementation of climate change mitigation actions. Reducing emissions is not enough and ways to capture carbon from the atmosphere are desperately required. Much more action is needed, and everyone must be involved in the challenge,” states **Timo Huhtisaari**, Sustainability Director, NEOT.



# NEOT PEOPLE

As an expert organization we particularly recognise the importance of skilled employees. We believe that success consists of motivation, health and good vibes. 'Good vibes' is part of NEOT's Spirit which sets the foundation for what kind of company we are and what we value.

At the end of 2018, NEOT employed a total of 54 (46) people in Finland of which 98% worked full-time. In 2018, we hired 14 (9) new employees and the employee turnover was 14 (25)%. In 2018, 20 (25)% of the members of NEOT's management team were female, and the share of women in the middle management and senior salaried staff was 47 (46)%. Currently there are no women on NEOT's Board of Directors.

### Culture based on an agile mindset

An ability to adapt to change is the backbone of our way of working. At NEOT we aim to build decision-making in a way that empowers people. Our principle in decision-making is simple; the best argument wins regardless of who presents the idea. We believe that an agile approach to decision-making, and operations in general, makes work more motivating as energy is not wasted on unproductive bureaucracy.

### Efforts to developing managerial training

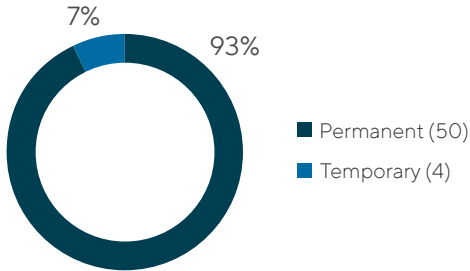
A shared understanding of leadership and common ways of working create a foundation for a fair and equal working environment. We have acknowledged the importance of

good managerial work and invested in a manager training programme. The topics covered in the programme, started in 2017, vary from pragmatic topics, such as performance appraisal reviews, to developing leadership skills and increasing self-knowledge. In 2018, the training programme included 2 (3.5) training days. All our employees are entitled to regular performance and career development reviews. In 2018, these reviews covered 100 (100)% of NEOT's personnel.

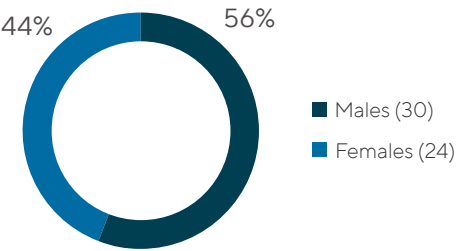
### Excellent results in work satisfaction

Employee satisfaction is measured annually with an employee satisfaction survey. Work satisfaction at NEOT has been at an excellent level for many years. Based on the survey conducted in 2018, NEOT employees particularly value the company's low bureaucracy, efficient decision-making and efforts being put into improving well-being at work. NEOT's scores in these areas are significantly higher than the average level. In 2018, the survey's response rate was 96 (87)%. The results of the survey are shared together in team meetings.

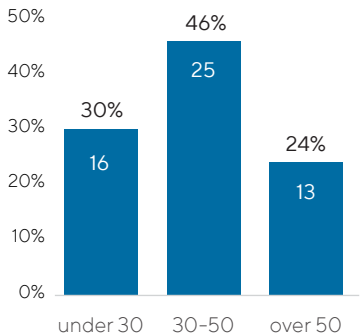
Employees by employment contract 2018



Employees by gender 2018



Employees by age group 2018





## Case

### ENCOURAGING PEOPLE TO MAKE HEALTHIER CHOICES

Over the last couple of years NEOT has been collaborating with a Finnish wellness coaching company Hints Performance. The collaboration has included coaching sessions for the entire personnel, introducing a HeiaHeia digital wellbeing service at NEOT and organising playful social exercising competitions among the personnel. All NEOT employees have also had the opportunity to take part in a comprehensive lifestyle assessment that monitors a person's activity level and how well an individual recovers and sleeps.

"We want to help our people to be the best versions of themselves at work and during their free time. We are continuously striving to find ways to encourage our employees to exercise sufficiently and make healthier choices. We want our people to feel good which is why supporting and developing their comprehensive well-being is high on our agenda," states **Petri Appel**, CEO, NEOT.

### ONE OF FINLAND'S MOST INSPIRING WORKPLACES

In 2018, NEOT placed first in the list of Finland's Most Inspiring Workplaces in the category of small organisations (30-149 employees). This acknowledgement is only granted to the Finnish companies reaching the best results in the employee survey carried out by Corporate Spirit, an expert organisation specialised in management and team research and development.



**FINLAND'S  
MOST INSPIRING  
WORKPLACES  
2018**

## Case



# SCOPE OF THE REPORT

NEOT Group comprises of NEOT Oy, NEOT AB and NEOT AS. NEOT Oy operates in Finland, NEOT AB in Sweden and NEOT AS in Norway.

NEOT reports its sustainability performance at group level. Sustainability Report 2018 applies the Global Reporting Initiative (GRI) standards (2016) reporting guidelines where applicable and contains selected GRI disclosures (18 selected GRI topics). The report is not compliant with the GRI Standards in accordance criteria either at the "Comprehensive" nor "Core" level. The reporting period of NEOT's Sustainability Report is the financial year (1 January – 31 December).

NEOT has identified the most relevant topics related to the company's operations, products and stakeholders, and the reporting focuses on those topics, as guided in the GRI Standards. NEOT's most relevant sustainability topics are presented on page 9. The list of material topics was clarified and specified during 2018.

## Restatements of information

Throughout the report, the figures presented in parenthesis refer to NEOT's performance in the previous reporting period. NEOT published its first Sustainability Report in 2017. During the second reporting cycle in 2018, the reporting principles were developed further which resulted in need to adjust some of the figures disclosed in the previous report. Information and the rationale for significant adjustments are presented in connection with the figure in question.

## Data boundaries and calculation principles

### Safety

In 2018, NEOT expanded the company's safety reporting to cover also accidents and injuries occurred in the company's

terminal operations in Finland as well as its transportation partner's operations related to NEOT's deliveries. In 2017, reporting covered only accidents and injuries occurred to NEOT's own personnel working in office environment.

### Logistics

Data related to environmental and safety performance of terminal operations covers the terminals operated by NEOT in Finland (6). The reporting related to product throughput and loadings in the Finnish terminals was expanded to cover also a terminal in Inkoo where NEOT holds rented capacity. In 2017, the reporting covered only the Finnish terminals operated by NEOT.

All environmental data related to NEOT's shipping operations covers the company's time-chartered vessels (5). SPOT and COA shipments are excluded from reporting due to lack of accurate data.

Data concerning road, marine and railway transportation is based on the information provided by NEOT's logistics partners.

### HR

NEOT's HR operations are outsourced to SOK's human resources function. All HR data originates from SOK's HR systems and it covers 100% of NEOT's personnel i.e. all employees with active employment contracts. If not otherwise noted, HR data is reported as at the end of the reporting period (31 December).

Number of leavers includes temporary and permanent employees as well as voluntary leavers and redundancies. Employee turnover is calculated against the average number of employees including both temporary and permanent employees.

### Greenhouse gas emissions

Due to trading nature of NEOT's business, the company's operations do not result in significant direct (scope 1) CO<sub>2</sub> emissions.

Indirect (scope 2) CO<sub>2</sub> emissions cover emissions from purchased electricity and heat. NEOT uses market-based approach in its scope 2 emission reporting where the emissions are based on energy supplier specific emission factors. NEOT purchases only renewable electricity thus the used emission factor for purchased electricity is zero. The emission calculation of heat is based on emission factor for fuel oil (266 kg CO<sub>2</sub> / kWh).

Calculation of scope 3 emissions from the use of sold products and related CO<sub>2</sub> reduction applies guidelines set in the EU Fuel Quality Directive (FQD) Article 7a.

Scope 3 emissions resulting from road and marine transportation are based on actual fuel consumption data provided by NEOT's logistics partners.

Reporting of scope 3 emissions resulting from business flights is based on the information received from NEOT's business travelling agency.

Only the most relevant Scope 3 categories with reliable data available are included in the report.

### Assurance practices

The information presented in NEOT's Sustainability Report 2018 has not been assured by an external third party.

### Contact information for feedback

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Manager, Communications & Sustainability  
milla.asikainen@neot.fi



# GRI CONTENT INDEX

	STANDARD AND DISCLOSURE	References and location
GRI 102	GENERAL DISCLOSURES	
	<b>ORGANISATIONAL PROFILE</b>	
102-1	Name of the organisation	p. 2
102-2	Activities, brands, products, and services	p. 2, 12-14
102-3	Location of headquarters	Back cover
102-4	Location of operations	p. 2, 12-23
102-5	Ownership and legal form	p. 30, inner back cover
102-6	Markets served	p. 2, 16-17, 19, 21
102-7	Scale of the organisation	p. 2-3, 13-14, 16-21, 28
102-8	Information on employees	p. 28-29
102-9	Supply chain	p. 2, 12-23
102-10	Significant changes to the organisation and its supply chain	No significant changes in 2018.
102-12	External initiatives	p. 8-9
102-13	Membership of associations	NEOT is a member in the following associations: Finnish Transport and Logistics SKAL, Finnish Association of Safety Advisors, Finnish Standards Association (SFS), International Sustainability & Carbon Certification (ISCC)
	<b>STRATEGY</b>	
102-14	Statement from senior decision-maker	p. 4-5
102-15	Key impacts, risks, and opportunities	p. 4-9, 24-27
	<b>ETHICS AND INTEGRITY</b>	
102-16	Values, principles, standards, and norms of behaviour	p. 6-11
102-17	Mechanisms for advice and concerns about ethics	p. 8-9

	<b>GOVERNANCE</b>	
102-18	102-18 Governance structure	<b>p. 8</b>
		Members of NEOT's Board of Directors: Jari Annala, SOK (Chair); Arttu Laine, SOK; Harri Tuomaala, SOK; Tapio Kankaanpää, Co-op PeeÄssä; Kim Biskop, Co-op KPO; Mika Wiljanen, St1 Nordic Oy; Henkka Talvitie, St1 Nordic Oy; Mika Anttonen, St1 Nordic Oy
	<b>STAKEHOLDER ENGAGEMENT</b>	
102-40	List of stakeholder groups	<b>p. 9</b>
102-41	Collective bargaining agreements	96 (96) % of NEOT employees were covered by collective bargaining agreements in 2018. The CEO and one employee on a part-time pension were not covered by bargaining agreements.
102-42	Identifying and selecting stakeholders	<b>p. 9</b>
102-43	Approach to stakeholder engagement	<b>p. 9</b>
102-44	Key topics and concerns raised	<b>p. 15, 27</b>
	<b>REPORTING PRINCIPLES</b>	
102-45	Entities included in the consolidated financial statements	<b>p. 30</b>
102-46	Defining report content and topic Boundaries	<b>p. 8-9, 30</b>
102-47	List of material topics	<b>p. 9</b>
102-48	Restatements of information	<b>p. 30</b>
102-49	Changes in reporting	<b>p. 9, 30</b>
102-50	Reporting period	1 January - 31 December 2018
102-51	Date of the most recent report	3 May 2018
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	<b>p. 30</b>
102-54	Claims of reporting in accordance with the GRI Standards	<b>p. 30</b>
102-55	GRI content index	<b>p. 31-34</b>
102-56	External assurance	<b>p. 30.</b> The content of the report has not been verified by an external third party.
GRI 103	<b>MANAGEMENT APPROACH</b>	
103-1	Explanation of the material topic and its Boundary	<b>p. 9, 30</b>
103-2	The management approach and its components	<b>p. 8-9</b>
103-3	Evaluation of the management approach	<b>p. 8-9</b>

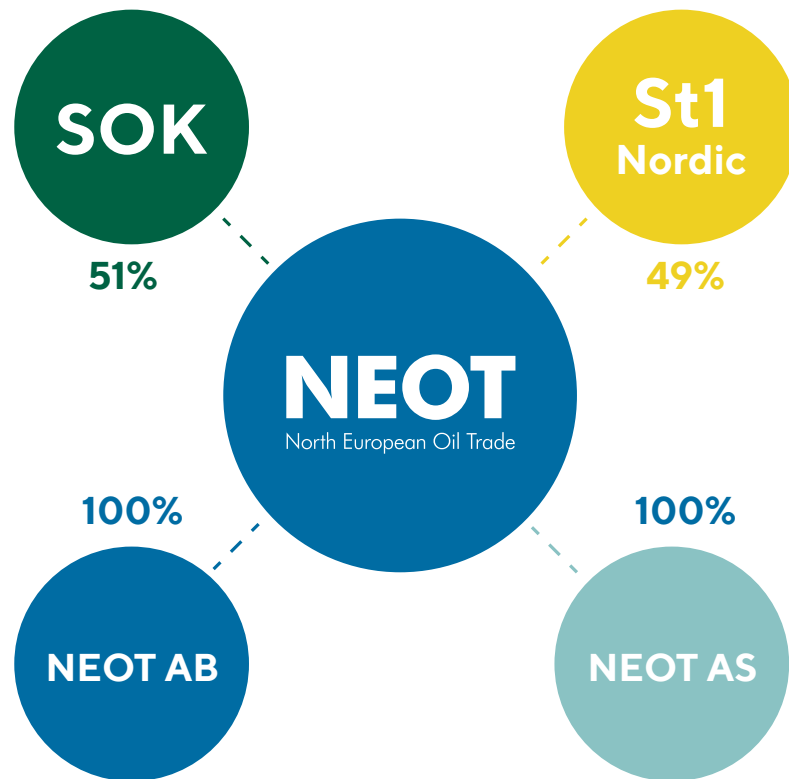


GRI 200	ECONOMIC STANDARD SERIES	
<b>GRI 201</b>	<b>ECONOMIC PERFORMANCE</b>	
201-1	Direct economic value generated and distributed	<b>p. 3.</b> NEOT is a collector of excise duty, and in 2018 the company remitted a total of 1.3 (1.3) billion euros of excise duties to the Finnish tax authority.
201-4	Financial assistance received from the government	No financial assistance received during the reporting period.
<b>GRI 205</b>	<b>ANTI-CORRUPTION</b>	
205-3	Confirmed incidents of corruption and actions taken	No cases in 2018.
<b>GRI 206</b>	<b>ANTI-COMPETITIVE BEHAVIOUR</b>	
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	No cases in 2018.
300	ENVIRONMENTAL STANDARD SERIES	
<b>GRI 301</b>	<b>MATERIALS</b>	
301-1	Materials used by weight or volume	<b>p. 13-14</b>
<b>GRI 305</b>	<b>EMISSIONS</b>	
305-1	Direct (Scope 1) GHG emissions	Due to the nature of the business, NEOT's operations do not result in significant direct (scope 1) GHG emissions.
305-2	Energy indirect (Scope 2) GHG emissions	<b>p. 25</b>
305-3	Other indirect (Scope 3) GHG emissions	<b>p. 25</b>
305-5	Reduction of GHG emissions	<b>p. 25</b>
305-7	Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions	<b>p. 18, 21-22</b>
<b>GRI 306</b>	<b>EFFLUENTS AND WASTE</b>	
306-1	Water discharge by quality and destination	<b>p. 18</b>
306-2	Waste by type and disposal method	<b>p. 18</b>
306-3	Significant spills	<b>p. 19, 22</b>
<b>GRI 307</b>	<b>ENVIRONMENTAL COMPLIANCE</b>	
307-1	Non-compliance with environmental laws and regulations	No cases in 2018
400	SOCIAL STANDARD SERIES	
<b>GRI 401</b>	<b>EMPLOYMENT</b>	
401-1	New employee hires and employee turnover	<b>p. 28</b>
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	All NEOT's own employees have the same benefits regardless of their employment type or contract type.

<b>GRI 403</b>	<b>OCCUPATIONAL HEALTH AND SAFETY</b>	
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	<b>p. 18-19.</b> Due to the nature of NEOT's business, the company's safety work focuses on logistics partners. NEOT's own employees work in office environment. No lost-time injuries or work-related fatalities related to own personnel occurred in 2018.
<b>GRI 404</b>	<b>TRAINING AND EDUCATION</b>	
404-3	Percentage of employees receiving regular performance and career development reviews	<b>p. 28</b>
<b>GRI 405</b>	<b>DIVERSITY AND EQUAL OPPORTUNITY</b>	
405-1	Diversity of governance bodies and employees	<b>p. 28</b>
<b>GRI 406</b>	<b>NON-DISCRIMINATION</b>	
406-1	Incidents of discrimination and corrective actions taken	No cases in 2018
<b>GRI 412</b>	<b>HUMAN RIGHTS ASSESSMENT</b>	
412-1	Operations that have been subject to human rights reviews or impact assessments	<b>p. 10-11</b>
412-2	Employee training on human rights policies or procedures	<b>p. 10</b>
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	No such investments were made during 2018.
<b>GRI 415</b>	<b>PUBLIC POLICY</b>	
415-1	Political contributions	NEOT does not offer financial support to political parties or entities associated with them.
<b>GRI 416</b>	<b>CUSTOMER HEALTH AND SAFETY</b>	
416-1	Assessment of the health and safety impacts of product and service categories	All products supplied by NEOT are REACH registered and have material safety data sheets. <b>www.neot.fi/en</b> > Products > Safety Data Sheets and Product Specifications
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No cases in 2018
<b>GRI 417</b>	<b>MARKETING AND LABELLING</b>	
417-1	Requirements for product and service information and labelling	<b>www.neot.fi/en</b> > Products > Safety Data Sheets and Product Specifications
417-2	Incidents of non-compliance concerning product and service information and labelling	No cases in 2018
<b>GRI 418</b>	<b>CUSTOMER PRIVACY</b>	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No cases in 2018
<b>GRI 419</b>	<b>SOCIOECONOMIC COMPLIANCE</b>	
419-1	Non-compliance with laws and regulations in the social and economic area	No cases in 2018



# OWNERSHIP STRUCTURE



## **S Group**

S Group is a Finnish network of companies operating in the retail and service sectors with more than 1,600 outlets in Finland. S Group comprises of cooperatives and SOK Corporation along with its subsidiaries.

## **St1**

St1 is a Nordic energy company operating in Finland, Sweden and Norway. The company has around 1,400 St1 and Shell branded retail stations in Finland, Sweden and Norway.



# NEOT

North European Oil Trade

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