“Growth through Innovation: Case Neste”

Dr. Lars Peter Lindfors and Team

“The ERIC and SHEILA SAMSON PRIME MINISTER’S PRIZE FOR INNOVATION IN ALTERNATIVE FUELS FOR TRANSPORTATION”
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- Global biofuel Production
- Global jet fuel consumption
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Global biofuel Production

- Breakthrough innovations and several technological solutions are needed for combating climate change. Let’s not put the technologies against each other!

- Technological innovations are needed in areas such as energy efficiency improvements, renewable transportation, bioeconomy as a whole and development of the circular economy.
Thanks to innovation-driven growth, we have transformed ourselves from a local traditional oil refining company into a global leader providing low-carbon solutions.

Neste in numbers

Revenue
€13.2 billion

Comparable operating profit
€1.1 billion

~ 5,500 employees in 15 countries

~1,000 employees working in R&D and engineering

>10 years on the Global 100 list of most sustainable companies, #2 in 2017

*Based on 2017 figures.
From low-quality renewable raw materials to high-quality renewable products

We are the world’s number 1 renewable diesel provider with a capacity of 2.7 million tons (planning to reach 4 Mt in the early 20’s)

Waste and residues account for nearly 80% of our renewable raw materials usage

Neste MY Renewable Diesel helps reduce GHG emissions by an amount equaling emissions of >3 million passenger cars annually
Neste’s proprietary Renewable Diesel (NEXBTL) process

**Feeds in:**
- Lipids; mono-, di- and triglycerides
  - Used cooking oil
  - Animal fat
  - Residual streams from vegetable oil industry
  - Algae oil (R&D phase)

**Pretreatment Units**
- Turning the feedstock into pure glycerides by various pretreatment steps
  - Removing e.g. metals, phosphorous and plastic waste

**NEXBTL Process Units**
- Hydrotreatment and Deoxygenation
  → Removing nitrogen and oxygen
- Isomerization
  → Creating the final product quality, optimizing e.g. the cold properties

**Neste Renewable Diesel (MY Diesel)**
- Can be used to 100% in any diesel engine
- Can be blended without limitations
- No 'best before' date
- Fully compatible with existing infrastructure
- A solution for improving local air quality
- Offers up to 90% CO₂ reduction compared to fossil diesel
- Superior energy efficiency (aliphatic hydrocarbons)
Responsible choices in the city:

**Renewable cities of California**

- Several large cities in California and elsewhere use Neste MY Renewable Diesel in their city fleet, lowering their GHG emissions by up to 90% and improving the local air quality.

Responsible choices in the air:

**Cleaner flights**

- Neste MY Renewable Jet Fuel has been used on more than 1000 international, commercial flights.

Responsible choices at home:

**Redefining the future of plastics**

- Neste’s partnership with IKEA provides the basis for future production of renewable, bio-based materials utilizing Neste's renewable solutions in polymer production.
What next?
Expanding our feedstock and technology portfolio – and our customer base … … by building on solutions within the bio economy and the circular economy

Waste and residue feedstock use so far (tonnes)

- Biological pathways
- Photo-synthesis
- Thermo-catalytic pathways
- Fossil waste liquefaction

Waste animal fats, used cooking oils, residue and side streams
Accelerating circular economy and strengthening bio economy

Chemically recycled waste

Fuels and other oil products

Products (e.g. plastics) with recycled content

Products with mixed* content

Renewable products with bio-content (e.g. bio-based plastics)

NEXBTL process

Oil refining

Fossil feed

Recycled feed

Renewable feed

Chemical Industry incl. plastics

RENEWABLE FEEDSTOCKS

NESTE

Reduced use of crude oil

Recycled feedstocks

Renewable feedstocks

Renewable wastes and residues

*Any mix of fossil, recycled and renewable feeds.
OUR VISION

Creating responsible choices every day

NESTE

The only way is forward