

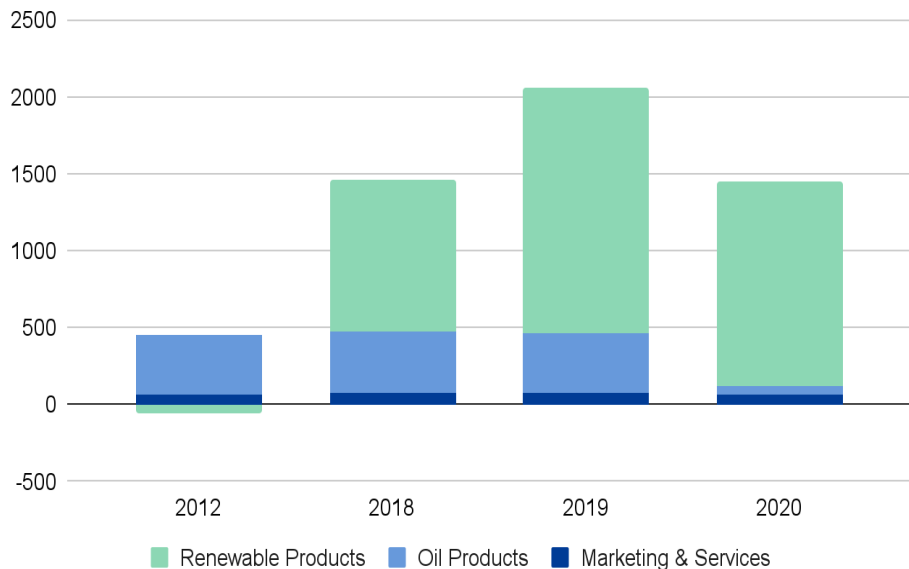
# Biofuel producer view on renewable base oils

Biolubricants panel

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# Sustainability can create a new business opportunity

Comparable operating profit (MEUR)



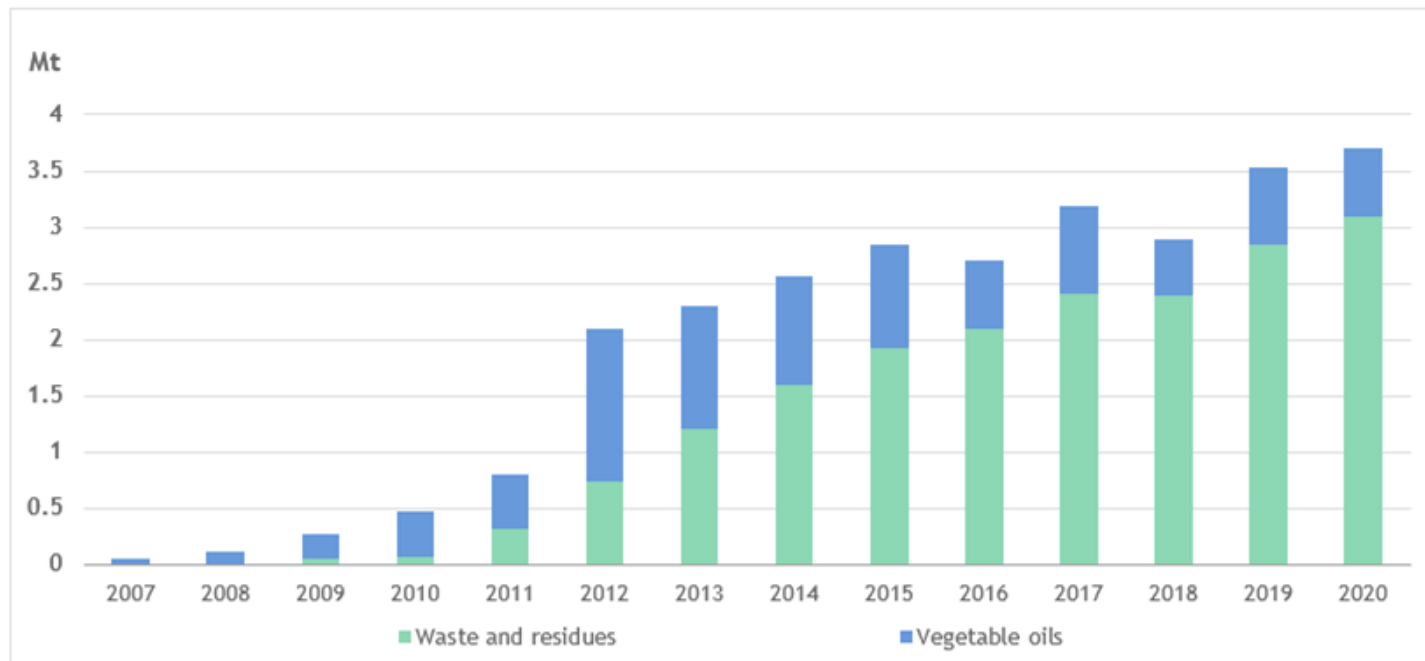
## Renewable fuels have transformed an oil refiner and its profit base

- Neste Renewable Products comparable operating profit was negative in 2012, five years after start up
- 94% of comparable operating profit came from renewable products in 2020

**Instead of avoiding costs, industry could think how to turn sustainability into a new profit**

Neste's raw material journey:

# Evolution from vegetable oils to waste and residues



**> 80%**  
waste and  
residues

# Extensive portfolio of globally-sourced sustainable raw materials



**Animal fat  
from food  
industry  
waste**



**Used  
cooking  
oil**



**Vegetable oil  
processing  
waste and  
residues**  
(e.g. PFAD, PES,  
SBEO)



**Fish fat  
from fish  
processing  
waste**



**Technical  
corn oil**



**Palm oil<sup>1</sup>**



**Rapeseed  
oil**



**Soybean  
oil**



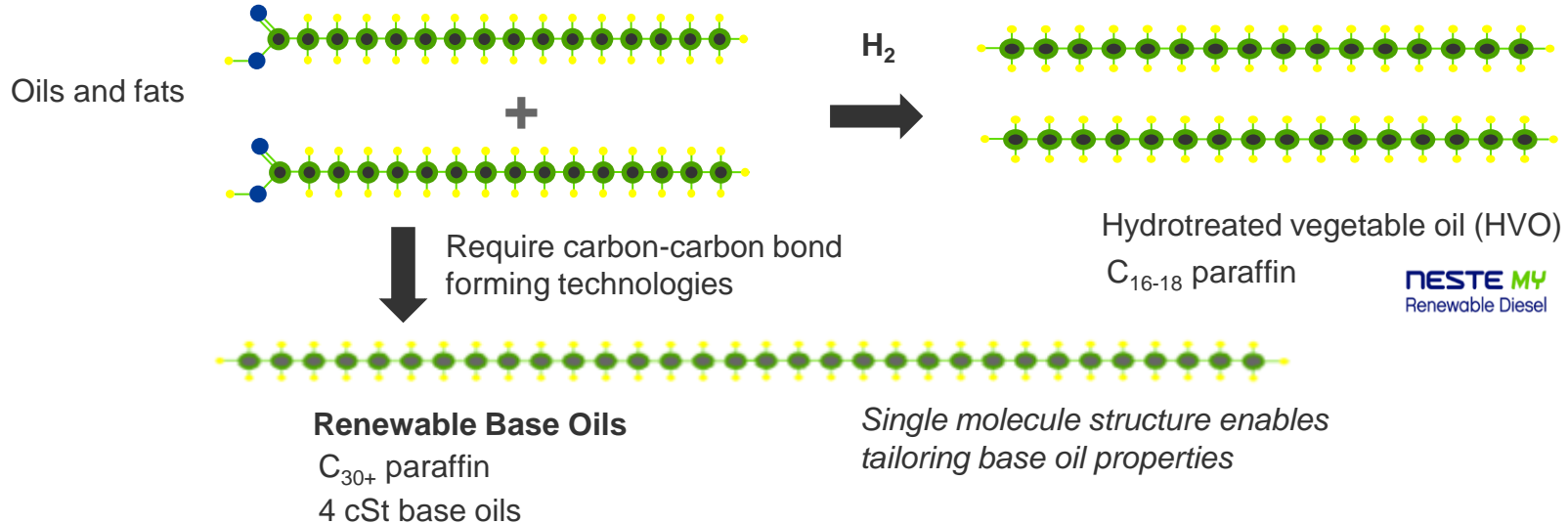
**Camelina  
oil**  
in specific  
projects only



**Jatropha  
oil**  
in specific  
projects only

1) 100% certified and sustainably produced palm oil

# Oils and fats bring highly paraffinic molecules - potential for high quality renewable fuels and base oils



All products are isomerized for improved cold properties



# Visibility to regulation and legislation has directed refiners to invest in the renewable fuels market instead of lubricants market

## ROAD BLOCK

Legislation helped to scale up the renewable fuels business successfully but such drivers do not exist for the renewable base oils.

## ROAD BLOCK

The complexity of lubricants market on how the value can be captured brings more uncertainty for the refiner to invest in base oil market.



# Future of renewable base oils

## OPPORTUNITY

Cooperation throughout the value chain to agree on unified tools to calculate and report eg. GHG savings in the industry can help showing the added value.

## SOLUTION

Drop-in solutions will accelerate the decarbonized solutions uptake and ensure faster sustainable development.



**Neste is the 4th most sustainable company in the world.\***

Also included in DJSI World index ranking high on water related issues, reporting and supply chain management

Recognized as world leader for climate change and managing forests-related risks by CDP (Climate Disclosure Project)

\* Global 100 Index 2021, Corporate Knights





# NESTE

Change runs on renewables