

## 1. Changes

Minor technical updates done by admin at H1/2021.

## 2. Purpose and scope

This Principle is to complement the Neste Code of Conduct and relevant existing principles. It gives guidance and describes the objectives, organization and responsibilities in respecting human rights.

This Principle is applicable to all employees of Neste, and to anyone working for the business of any Company within Neste Group or acting on behalf of such Company. In addition, the Principle will be applicable to Business Partners, including their supply chain.

This Principle will be reviewed annually.

## 3. Responsibilities

The responsible persons for updating, reviewing and approving this Principle are shown in the table below:

Principle Governance Task	Responsible Person
Document Owner	Head, Human Rights
Document Author	Manager, Human Rights
Document Reviewer	SVP, Sustainability & Corporate Affairs
Document Approver	CEO
Execution of Principle	Everyone at Neste

## 4. Neste Human Rights Commitment

Neste has a responsibility to respect human rights and is committed to remediate adverse human rights impacts throughout its business operations and value chains. Neste expects its Business Partners to have the same commitment to *respect and remediate*. Neste shall promote positive practices that facilitate the fulfillment of human rights for its Rights-holders.

In line with the [UN Guiding Principles on Business and Human Rights](#), Neste respects the rights and values laid down in the [International Bill of Human Rights](#) (comprised of the Universal Declaration of Human Rights and codified in two main instruments, the International Covenant on Economic, Social and Cultural Rights and the International Covenant on Civil and Political Rights) and the fundamental

rights in the eight core conventions of the International Labour Organization as set out in the [ILO Declaration on Fundamental Principles and Rights at Work](#). Neste is also a signatory of the [United Nations Global Compact](#) and abides by its ten principles.

Neste's minimum standard is compliance with all applicable laws and respect for internationally recognized human rights. Where national law and international human rights standards differ, Neste will seek to follow the higher standard and seek solutions to respect those standards with relevant Stakeholders.

Neste demonstrates its commitment and addresses its human rights impacts by carrying out *human rights due diligence*. Neste believes that increased protection for human rights and labour standards globally is best achieved by working together with Stakeholders. Neste actively seeks opportunities to collaborate with key Stakeholders and to use its *leverage* for continuous improvement and realization of human rights.

Recognizing that corporate activities play a major role in the realization of rights enjoyed by people, Neste is committed to promote positive human rights impacts. As a company that delivers cleaner energy and renewable solutions, Neste supplies its customers with products that help them respond to environmental challenges and actively contributes towards mitigating threats to the environment such as climate change, which could have far reaching impacts in reducing inequalities and poverty in societies.

## 5. Neste Human Rights Principles

The following seven principles will set the path and standards for a human rights-based approach in Neste's business decisions, while upholding the best practices and ethical business conduct. Neste expects its Business Partners to comply with and share Neste's ambition and commitments vis-à-vis Neste's Rights-holders impacted by Neste's and its Business Partner's operations and actions. These commitments include addressing human rights impacts not only in the workplace, but also in communities impacted by Neste's business activities. For Business Partners, these principles are to be interpreted by replacing "Neste" with "Business Partners", and following in the same context, the defined Business Partners in the principles below are to be understood as the Business Partners' relevant third parties.

### 5.1. Fair Employment

#### 5.1.1. Fair wages

Neste observes the statutory minimum wage set by the government of the country in which Neste has a local operation. Neste strives to provide workers with remuneration that ensures an adequate standard of living and access to basic services for them and their immediate family. Neste maintains a remuneration policy that emphasizes the internal equality and external comparability within a defined market.

#### 5.1.2. Right to just and favourable work conditions and working hours

Neste adheres to all applicable laws or industry standards, whichever may be more stringent, relating to wages, working hours, overtime and benefits. Wage deductions as a disciplinary measure shall not be permitted unless provided by national legislation. Employees shall be given reasonable breaks while working and sufficient rest periods between shifts. Neste

encourages breastfeeding breaks for mothers. Neste shall grant all employees the right to sick leave and annual holiday, as well as parental leave for employees who have to care for a newborn or newly adopted child, as provided by national legislation. Employees who take such leave shall not face dismissal or threat of dismissal, and shall be able to return to their former employment at the same rate of pay and with the same benefits.

### **5.1.3. Right to peaceful assembly, freedom of association and collective bargaining**

Neste respects the right of its employees to be represented in order to pursue their legitimate interests. This right includes the right to form and join trade unions of their own choosing, the right to bargain collectively and the right of internal and/or external employee representatives to be acknowledged as partners in negotiations and consultations subject to local laws. The nature of industrial relations in the country and the needs, size and possibilities of company concerned shall be taken into account. In case no legally recognised union exists in the area of operations, or if only state-authorised organisations are allowed, Neste will not hinder and shall respond favourably to initiatives to establish alternative means to achieving effective freedom of association and collective bargaining.

## **5.2. Health and Safety**

Neste is committed to achieving high standards of environmental quality and product safety, and to providing a safe and healthful workplace and a secure business environment for its customers, employees, contractors and communities.

### **5.2.1. Safety at work**

Working conditions should allow for safe working practices and support the occupational health and well-being of employees. Neste implements programmes and processes to achieve greater protection that is appropriate to the needs, size and nature of its operations. In addition, Neste maintains a policy aimed at continuous improvement of Neste's health and safety performance.

### **5.2.2. Right to health**

Neste is committed that its employees and workers operating across its business areas, including their immediate family members, have the right to the highest attainable standard of physical and mental health, which includes access to all medical services, sanitation, adequate food, decent housing, healthy working conditions and clean working environment.

### **5.2.3. Consumer protection**

Neste shall take necessary steps to ensure the safety and quality of the products and services that it produces, distributes and markets to its customers. Neste is committed to learn about the impact of its products over their entire life cycle and use this information to enhance product performance. Neste shall live up to its responsibility for sustainability by

ensuring that its products, production processes and services do not adversely impact public health and safety.

## 5.3. Equality

### 5.3.1. Diversity and non-discrimination

Neste respects and values diversity in its workforce, in its Business Partners and the global marketplace. Neste will provide equal employment opportunity for all applicants and employees without regard to race, colour, religion, sex, national origin, ancestry, age, disability, medical condition, marital status, pregnancy, gender, gender expression, sexual orientation, or any other characteristic protected by local law or regulation. This applies to all areas of employment. In addition, Neste commits to equality between women and men in working life by respecting and implementing the [United Nations Women's Empowerment Principles](#), to which we are a signatory, to realise the full potential of women and girls. This includes promoting equal gender distribution in jobs through measures such as, but not limited to, equitable recruitment between genders and equality in remuneration, terms of employment, working conditions and opportunities for career advancement.

### 5.3.2. Prohibition of harassment

Neste is committed to providing a workplace free of any form of harassment and will not tolerate harassment or bullying of employees by other co-workers. Neste employees are expected to treat co-workers, Business Partners, Stakeholders and all Rights-holders with dignity.

## 5.4. Rights of Children and Young Workers

Neste is committed to ensuring respect for children's rights in its business operations and supply chain, and to implement measures to support children's rights, in accordance with the [Children's Rights and Business Principles](#).

### 5.4.1. Prohibition of child labour

Neste follows the International Labour Organization's definition of the minimum age for admission to employment or work. This age shall not be less than the age of completion of compulsory schooling and in any case not be less than 15 years of age for normal work. Neste prohibits child labour, which means Neste does not allow children under the minimum age for admission to employment or to be engaged in work that deprives them of their childhood, their potential and their dignity, and that is [harmful to their physical and mental development](#), within its facilities. Furthermore, Neste is committed to programmes aimed at elimination of child labour in its supply chain.

### 5.4.2. Right to education and health for children

Neste respects the rights of the child, including the right to education, the right to rest and play, freedom from violence and exploitation and the right to have the child's basic needs met (such as in relation to nutrition, health and water and sanitation).

### **5.4.3. No hazardous labour for young workers**

Neste shall refrain from hiring workers under the age of 18 for positions that require hazardous work that could jeopardise their health, safety or morals. Furthermore, Neste is committed to, and maintains programmes aimed at, ensuring that workers under the age of 18 will not be in positions that require hazardous work in its supply chain.

### **5.4.4. Right to just and favourable work conditions for young workers**

Neste shall ensure that it adheres to all applicable laws or industry standards, whichever may be more stringent, relating to wages, working hours, overtime and benefits for young workers. In addition, Neste will proactively support the right to just and favourable work conditions and working hours for young workers.

## **5.5. Forced and Compulsory Labour**

### **5.5.1. Right to freedom from slavery, servitude and forced labour**

Neste will not engage in or support the use of forced or compulsory labour, such as prison or trafficked labour. Workers shall be allowed to move around freely and leave their place of work when their shift ends including a prohibition on retention of identity documents or work permits.

### **5.5.2. Prohibition of illegible and illegal work contracts**

All Neste employees shall be provided with a written, understandable and legally binding labour contract or employment letter. Neste shall not rely on part-time, short-term or casual labourers, trainees or false apprenticeships with the intention to pay lower wages or offer fewer benefits.

### **5.5.3. Prohibition of bonded or indebted labour**

Neste will not engage in or support the use of bonded or indebted labour. Neste prohibits recruitment fees to be borne by workers.

## **5.6. Fair Treatment**

### **5.6.1. Access to effective remedy**

Neste emphasizes, promotes and respects effective recourse to all Rights-holders who allege that their rights have been violated, including efficient grievance mechanisms, effective remedy and access to fair compensation.

### **5.6.2. Right to equal protection by the law**

Neste emphasizes, promotes and respects that Rights-holders must be treated equally before the law without discrimination.

### **5.6.3. Freedom of opinion and expression**

Neste recognizes and respects that Rights-holders are entitled to express opinions and ideas without fear of government retaliation, censorship or corporate or societal sanction.

### **5.6.4. Data privacy**

Neste respects Rights-holders' privacy and the confidentiality of their personal data. Neste is committed to protect the personal data in its possession from misuse and from falling into unauthorised hands.

## **5.7. Social and economic development**

### **5.7.1. Right to social security and realization of economic, social and cultural rights**

Neste recognizes and respects that all peoples are entitled to development and to enjoy economic, social and cultural progress, which includes but is not limited to those human rights relating to the workplace, social security, family life, participation in cultural life, and access to housing, food, water, health care, education and economic opportunities. Neste encourages social progress and development that is in the public interest, including transparency, accountability, prohibition of tax abuse and corruption, and is not wilfully adopting measures that will impede the full realization of economic, social and cultural rights in any society.

### **5.7.2. Rights of minorities and Indigenous Peoples**

Neste respects the rights of minority groups and Indigenous Peoples. For this purpose, Neste initiates effective consultation with communities affected by its operations, including but not limited to the free, prior and informed consent of Indigenous Peoples for activities on their customary lands, in line with the [United Nations Declaration on the Rights of Indigenous Peoples](#) (UNDRIP). It is noted herewith that the process of free, prior and informed consent is not limited to Indigenous Peoples but also to be respected for certain proposed activities with potential impacts on a specific community.

## **6. Incident Reporting**

If a Neste employee or a Business Partner (including its employees) witnesses or has knowledge of any incidents with respect, or related, to Neste's operations involving a violation of this Principle, such Neste employee, Business Partner or employee of a Business Partner is to report the alleged incident to the whistle-blowing system at Neste's website. Neste's whistle-blowing system is available to

everyone, including but not limited to Rights-holders. Confidentiality will be assured. Neste will not retaliate against anyone who files a report in good faith.

Reporting via Ethics Online: [Report a concern via Ethics Online](#)

## 7. Continual Improvement

Responsible persons for initiating the updating of this principle is the Human Rights Team lead.

## 8. Definitions

**Business Partner** means any individual (other than an employee, officer or director of Neste) or legal entity with whom Neste has engaged in doing business.

**Human Rights Team** is the internal team tasked with overall implementation of the Principle.

**Neste** means Neste Corporation and any of its subsidiaries controlled, directly or indirectly, by Neste Corporation, together with the Neste Group.

**Nominated Representative** means a person appointed by the Leader in business or function area that is identified to have priority human rights issues, and has the specific task to implement the Principle within his or her business or function area.

**The Principle** means this Neste Human Rights Principle, as amended from time to time.

**Rights-holders** means those individuals or social groups that may have particular entitlements in relation to rights as expressed in this Principle. Neste identified the following Rights-holder categories:

1. Neste employees, including permanent and temporary employees of Neste across its operations.
2. Neste's contractors and service providers' employees operating across Neste business areas.
3. Neste supply chain workers who are operating across Business Partners and suppliers' facilities.
4. Neste's customers, meaning individuals, businesses or other partners who buy Neste products and services.
5. Communities, who may be affected by Neste and its Business Partners, including in their supply chains. This means surrounding communities of Neste operations and Business Partners' operations, with focus on minorities or vulnerable groups such as the poor, the landless, the elderly, women, children, migrants, Indigenous Peoples or ethnic minorities.

**Stakeholder** means any individual or legal entity or organization that can affect or be affected by Neste's activities.