Game Changer

St1 Nordic Oy Integrated Report

About this report

Welcome to St1's consolidated sustainability report 2023

This report describes St1's sustainability work during the financial year ending December 31st, 2023, covering most operations and companies that belong to the Group. The report is published annually, with the previous sustainability report having been published in April 2022. It also serves as our Communication on Progress towards the UN Global Compact. The Global Reporting Initiative (GRI) standards 2021 are used in accordance. The report also follows – for greenhouse gas emissions – data collection, calculations and methodology (Scopes 1, 2 and 3) outlined by the Greenhouse Gas Protocol. For health & safety we use Concawe standards. Additionally, our oil refinery in Gothenburg complies with the standards of ISO 14001.

The report is assured by a third party, Pricewaterhouse Coopers. For more information, please contact Lea Rankinen, Director, Sustainability and Corporate Affairs, lea.rankinen@st1.com or Kati Ylä-Autio, CFO, kati.ylaautio@st1.com.

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A challenging operating environment

> "Our dedicated organisation continued to implement our own energy transition roadmap accomplishing excellent progress."

Investment is crucial if we are to achieve our shared climate goals. However, there is a growing understanding that the technologies and resources needed to implement the energy transition are not yet available on a sufficient scale and within the desired time frame. Waking up to the price tag of the energy transition and the slow emergence of new markets for renewable energy products also challenges companies' abilities to realise their goals through investments. Regulatory environment volatility, uncertainty in the investment environment, and geopolitical instability add to the challenge of realising our climate goals.

Strong progress on several fronts

At St1 we have continued to implement our own energy transition roadmap, achieving excellent progress thus far. The roadmap is committed to our key value chains and focus areas, and its viability will require healthy cash flow and strong partners.

The largest green field investment in the history of St1, our Gothenburg Biorefinery, was completed last year and is now producing renewable fuels, with a strong focus on sustainable aviation fuels (SAF). To support production, we have built our own value chain in highly competitive feedstock sourcing.

We see biogas as an important and rapid means of leveraging the circular economy to reduce CO_2 emissions. Last year, we continued our strong investment program in biogas production, liquefaction, and distribution networks in Finland, Sweden and Norway. We carried out our projects throughout our own company and with our

> Within a few years, we aim to be the leading company in the entire liquefied biogas value chain in our Nordic home market.

strong partners. As the most visible achievement, we completed the construction of a new biogas processing and liquefaction refinery in Borås, Sweden. Within a few years, we aim to be the leading company in the entire liquefied biogas value chain in our Nordic home market.

Our 1,855 MW wind and solar development portfolio took firm steps forward. We announced our first solar park investment in Gothenburg, Sweden. Meanwhile, the roll-out of a new high-capacity electric charging network in our retail network is advancing at full speed in Norway, Finland and Sweden.

Despite the challenges in accelerating the energy transition, we continue the development of our ambitious Power-to-X projects. The emergence of profitable markets for synthetic fuels takes time, and their breakthrough is yet to come.

The financial year

Our net sales in 2023 were EUR 8.2 billion, which was EUR 2.3 billion less than in the previous year. The decrease in net sales was due to the development of world market prices of oil products during the year and the maintenance shutdown at the Gothenburg oil refinery.
The country-specific distribution of net sales remained very similar to previous years, with 23% of net sales coming from Finland, 51% from Sweden, 25% from Norway and 1% from the United Kingdom.

Operating profit was EUR 185.6 million, which was nearly EUR 100 million less than in the previous year. Profit after taxes was 146.7 million euros, compared to 235.4 million euros in the previous year. The refining margin was lower than the exceptionally high level of the previous year, but still good. The margin was also affected by the spring maintenance shutdown at the refinery. Stock and valuation items also had a negative impact on the result. The result of the biogas business turned positive overall.

Cash flow from operating activities was EUR 361.8 million. Investments totalled EUR 241.1 million. The largest of these were the biorefinery construction in Gothenburg and the plant's maintenance shutdown, which is scheduled to take place every four years. In addition, investments were made in a biogas processing and liquefaction plant in Borås, Sweden. Last year, St1's renewable energy investments amounted to a robust EUR 111 million, representing 46% of the total investments of the year. In addition to the refinery maintenance shutdown, 54% of the investments were directed to the Nordic retail and logistics network and information systems.

The Group's equity stood at EUR 1,377.2 million at the end of the financial year, and the equity ratio strengthened to 55.7.

> A strong focus on Health, Safety, Security and Environment (HSSE) performance is of high importance to all our operations.

Conducting business according to our values

St1 Nordic committed to the UN Global Compact in 2020. Since then, its ten core principles concerning human rights, working life, the environment, and the fight against corruption have inspired our sustainability work and given it a solid backbone upon which we can build more transparent and sustainable business operations.

In 2023, our sustainability work continued to strengthen our compliance and due diligence processes, which support securing proof-of-sustainability certification for our feedstock and products. The focus was on our HVO, biogas and wind projects, which are strategic areas for our energy transition.

In 2023. we published our first Due Diligence statement that was prepared in accordance with the 2015 UK Modern Slavery Act and the Norwegian Transparency Act.

It’s all about people

Our strategy execution comes alive through our dedicated employees. We balance organisational agility with a strong focus on psychological safety and transparent communication. To further empower our employees to thrive, we have strengthened our leadership and talent management. Our Culture for Growth provides us all with a solid foundation to grow with the company. We measure its success frequently and evaluate the results together with action points throughout the organisation.

A strong focus on Health, Safety, Security and Environment (HSSE) performance is of high importance to all our operations. The success of our work is measured especially in exceptional circumstances, such as last year's refinery shutdown for inspection and maintenance, where 1,000 external constructors in addition to our own 250 employees worked side-by-side in the area for several weeks. Due to simultaneous biorefinery construction going on, on peak days, the number of external contractors on site reached 2,000. Relative to that, our HSSE work is moving in the right direction, but there is still work to do to reach a truly world-class level.

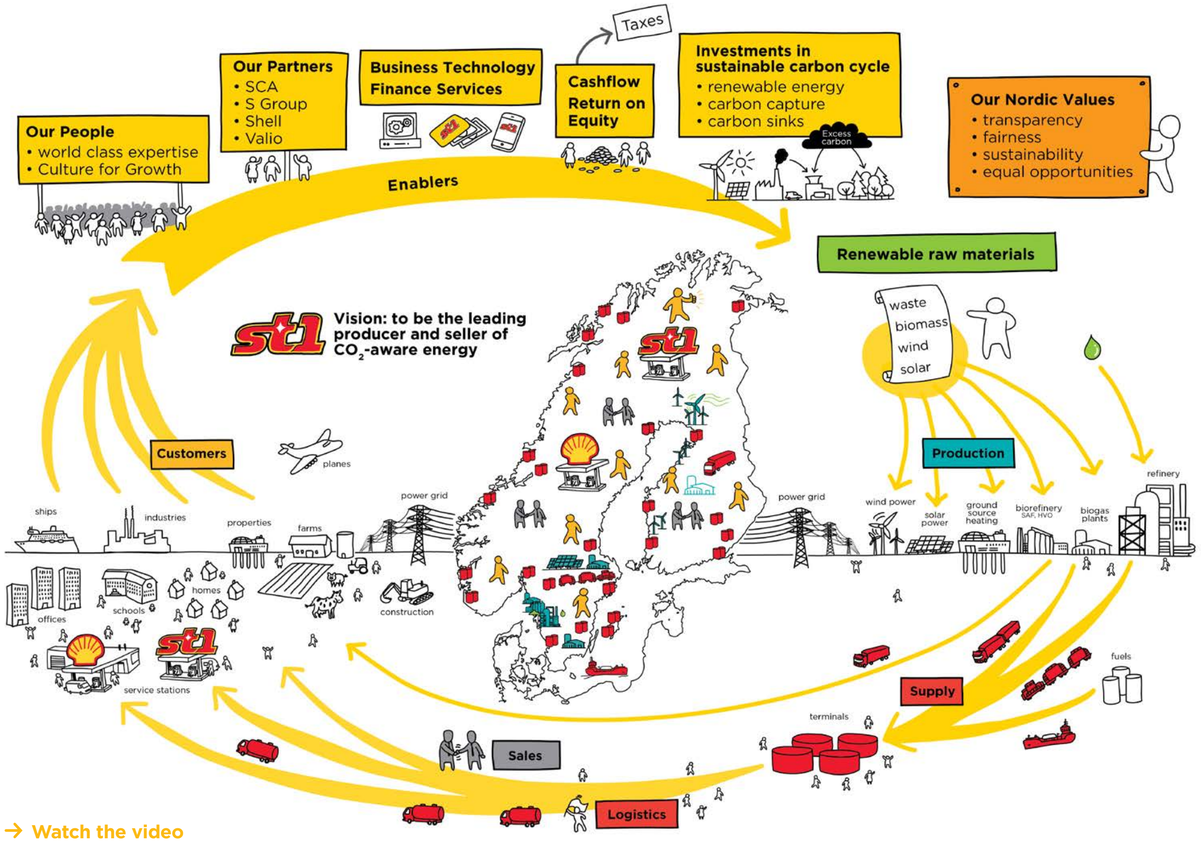
After a good year of results, the future outlook for the business in accordance with our chosen strategy looks solid, and we will continue to implement our energy transition with a strong balance sheet.

I would like to thank all our employees for their commitment to our common goals and team spirit. I also wish to thank all our partners and customers for your trust and cooperation.

Henrikki Talvitie, CEO

St1 Group strategy

Conducting business according to our values



→ Watch the video

St1 is an energy transition company, whose vision is to be the leading producer and seller of CO_2-aware energy. In the spirit of our vision, we research, develop, produce and invest in the energy transition to be able to provide our customers with CO_2-aware energy while creating positive societal impact. Our employees' ambitious work keeps transitioning our value chain constantly to become more sustainable and increasing the share of renewable energy in our net sales.

We accelerate growth through acquisitions, and our operations are strengthened by strategic long-term partnerships in various areas.

Our value chain begins with renewable raw materials and energy sources such as waste, biomass, wind and solar energy. We produce and invest in renewable energy production: wind parks, solar parks, ground source heating and biorefineries. We also invest in energy transition at our traditional refinery.

Through our optimized supply chain and logistics our products finally reach our customers. We have an extensive network of terminals to which trucks, trains and ships transport our products. From there, they are further trucked to our service stations and customers. We serve our customers with premium energy products for use in air-, maritime- and land traffic, various industries, agriculture and houses.

Our customers benefit from the competitive edge we gain by managing the complete value chain, from raw materials and energy sources to products and services. The key enablers of our solid performance are our world-class people and company culture, partners, business technology, financing services, and cash flow together with our return on equity. Liquid transport fuels contribute significantly to our cashflow, which allows us to build world-class expertise in the introduction of more and more sustainable energy to the market.

A passion for promoting a sustainable carbon cycle and for driving energy transition also powers our research and development of new, innovative CO_2-aware energy solutions together with projects to reduce carbon in the atmosphere.

We base our growing energy business on Nordic society's values. We believe in transparency, fairness, sustainability and equal opportunities that result in equal education, health care and social security. Our values provide us a solid base to ambitiously consider the big picture at all times. We must keep abreast of what's going on in the world and understand what society will need in the future.

St1 in brief

Energy transition company St1

St1 is an energy transition company that operates in Finland, Sweden, Norway, and the United Kingdom. Through our operations, we implement our vision to be the leading producer and seller of CO_2-aware energy, which we define as energy products that take into account carbon impact throughout its lifecycle. CO_2-aware means that we are looking for the best possible ways to mitigate climate change and reduce carbon emissions.

In the spirit of our vision, we research, develop, produce and invest in the energy transition to be able to provide our customers with CO_2-aware energy while creating a positive societal impact.

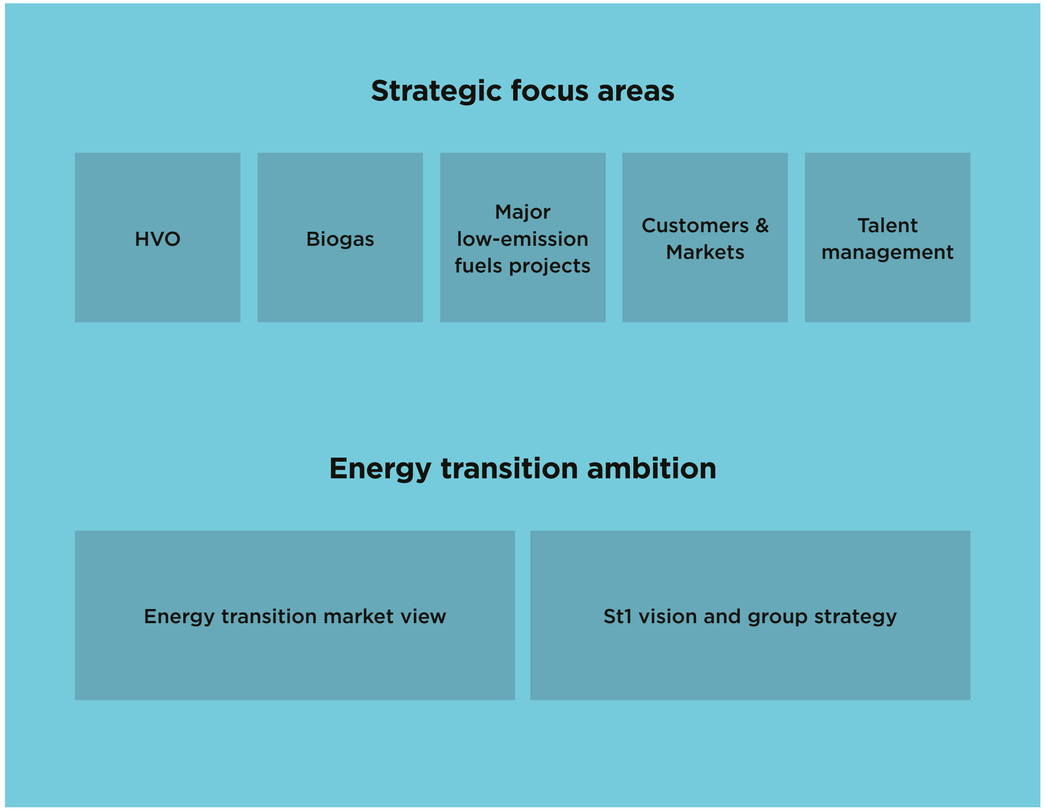
We recycle fatty food waste for feedstock to renewable fuels production. Our energy production covers biogas, sustainable aviation fuel and renewable diesel together with oil products. We construct solar power plants and offer ground source heating systems. We have nation-wide fuel distribution networks in Finland, Sweden and Norway. Our Nordic EV charging and biogas filling station network is expanding. Our Power-to-X projects and wind power projects are advancing on many fronts. We also invest in the energy transition at our traditional refinery.

We have a comprehensive fuels logistics chain in all our operating countries consisting of terminals and a wide transport network, together with our associated company North European Oil Trade (NEOT).

Headquartered in Helsinki, we currently employ more than 1,000 people. Our operations are strengthened by strategic long-term partnerships in various areas.

Areas of business

We have identified five key strategic focus areas, where our work will be prioritised at the next three to five years. The focus areas are derived from our energy transition ambition, which is formed by our vision and **group strategy** together with the energy transition market view. Our work on these focus areas will boost our energy transition going forward and ensure necessary positive cash flow, enabling the implementation of our investment program.



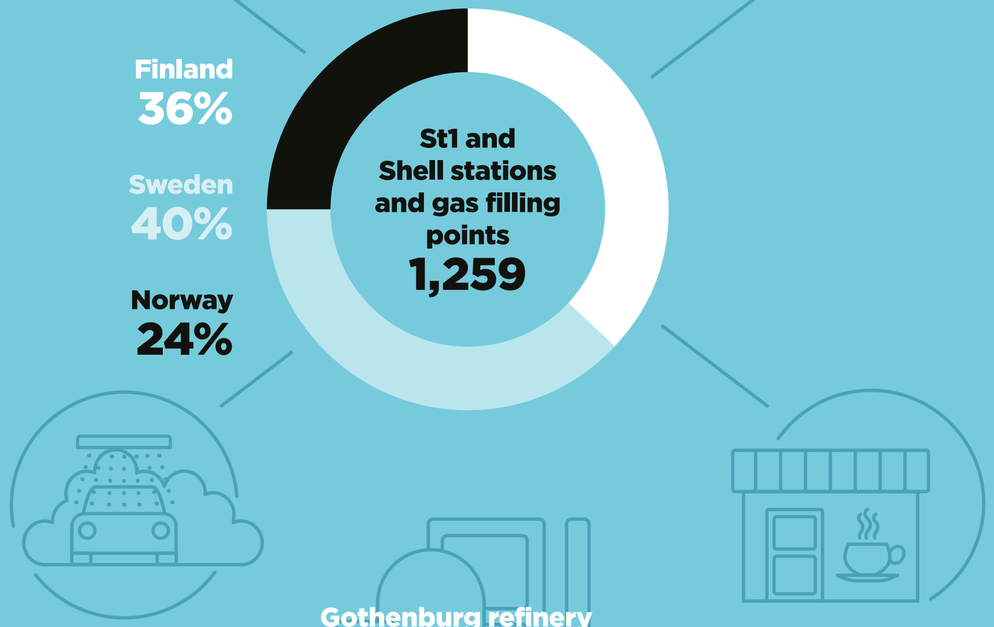
Key figures

Year 2023 in figures

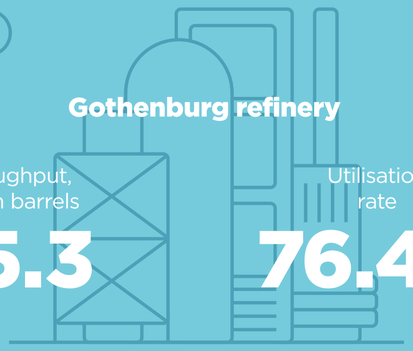
Market share, %

Finland	Sweden	Norway
Petrol	Petrol	Petrol
23.6	**20.7**	**16.9**
Diesel	Diesel	Diesel
20.0	**16.2**	**16.8**

Retail station network



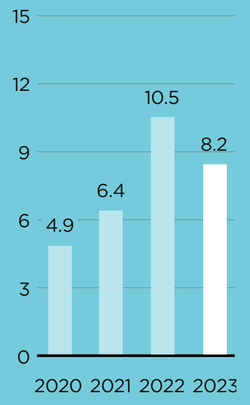
Gothenburg refinery



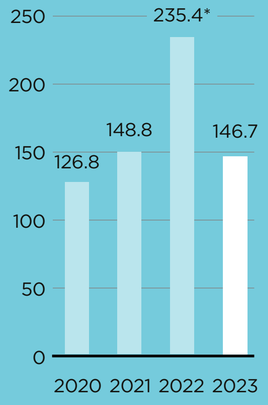
Throughput, million barrels	Utilisation rate
25.3	**76.4%**

Figures lower than usual due to maintenance turnaround.

Net sales, EUR billion

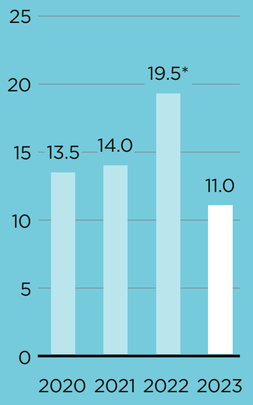


Profit for the period, MEUR



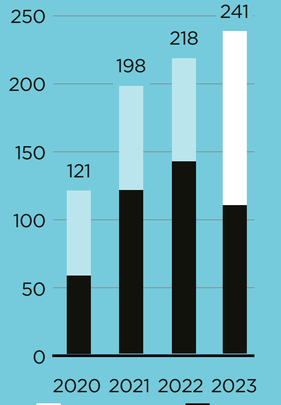
* Restated

Return on equity, %



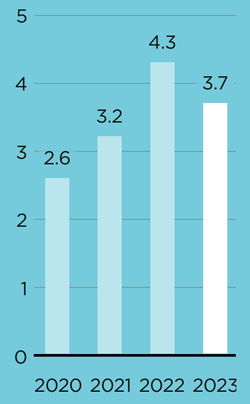
* Restated

Investments, MEUR*

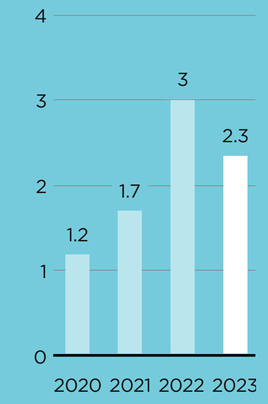


* Excluding acquisitions of subsidiaries

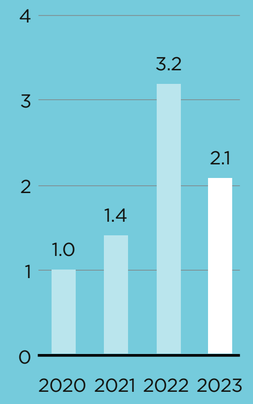
Retail net sales, EUR billion



Direct sales, net sales, EUR billion



Energy trade & logistics, net sales, EUR billion



Renewable energy net sales**

22.1%
2023

17.4%
2022

19%
2021

** Sold mainly through Retail and Direct Sales channels.

Investments 2023

Type of investment	MEUR	%	Description
NEW Renewable production	**85.4**	**35%**	Building new production sites to produce renewable fuels and energy
EXISTING Renewable business	**2.2**	**1%**	Care & maintainance of asset integrity of existing renewable production sites, renewable network
Renewable energy network	**23.7**	**10%**	Building infrastructure and sites for delivering the renewable energy and fuels to end customers
Other	**129.7**	**54%**	Retail network (incl. Logistics), oil refinery care & maintain and asset integrity, Business Technology investments
Total	**241.1**	**100%**	

43%
renewable energy investments/ capital expenditure cum. 2019–2023*

* Excluding acquisitions of subsidiaries

R&D expenditure, MEUR
27

Excise & property taxes, MEUR
1,882

Income taxes, MEUR
38

Statement of the Chairman of the Board

Global signals suggest reasons for optimism

The United Nations Climate Change Conference (COP28) closed in December with an agreement signalling a transition away from fossil fuels in energy systems in a just, orderly and equitable manner. The ambition is high to accelerate this critical action during this decade. This includes a call on governments to speed up the transition away from fossil fuels, while accelerating global efforts towards achieving net-zero energy systems. Tripling renewable energy capacity and doubling the rate of energy efficiency improvements globally by 2030 is one of the key elements in this agreement. These are in line with the IEA's Net Zero 2050 scenario, which shows a pathway for the global energy sector to achieve Net Zero CO_2 emissions by 2050.

With efforts to limit global warming to 1.5°C, greenhouse gas emissions should peak already this year, and decline 43% by 2030. Unfortunately, progress so far has been too slow, and we are currently off-track when it comes to meeting the Paris Agreement's goals. As a result, we're now headed towards a temperature rise of 2,5–2,9°C.

To make the change, the next 1,5 years will be critical to agreeing on how to phase out fossil fuels, how developed countries can support developing ones, and how to ensure concrete solutions. Expectations are high for COP30 next year (2025), where countries must come prepared with updated climate action plans that are fully-aligned with the 1.5°C target. This gives a positive signal for the future.

There is no single solution

There is no single solution to accelerate the energy transition and reach our shared set targets. Instead, we need a number of energy solutions, some of which already exist, and some that are still waiting to be discovered.

The technologies needed to make the required emission reductions by the year 2030 are already available on the market. We do, however, need

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significant investments to be made and at the same time ensure ability to pay on the demand side in order to make these as widely used as possible.

In 2050, almost 50% of CO_2 emissions reductions should come from technologies that are currently still at the demonstration or prototype phase. To facilitate and accelerate the desired outcome, we need to make vast investments and renewed efforts in R&D. That is a prerequisite for the discovery and commercialisation of scalable breakthrough innovations in the energy sector.

Today's low-emission energy solutions do not necessarily guarantee scalability. While the availability of sustainable feedstock is limiting the supply of biofuels today, cost is the limiting factor for hydrogen-based e-fuels. Low-emission e-fuels are currently expensive to produce, but on the other hand, it is anticipated that this current cost gap with fossil fuels could be significantly reduced by 2030. The most important innovation to enable the energy transition would be electricity storage on an industrial scale.

Energy companies have to take on the challenging task of finding new solutions and must show leadership through their own ambitious energy transition roadmaps.

Regulation to support cross-border cooperation and solidarity

The EU has world's strongest climate legislation, already in line with 1.5 OC target. However, the EU's GHG emissions are less than 10% of global emissions. The EU's climate goal is to reduce its own emissions by 55% in next 6 years (2030 compared to 1990 levels). EU countries are working on new legislation to achieve this goal and make the EU climate-neutral by 2050.

Climate change doesn't stop at the EU border. Unfortunately, new investments in fossil energy production are still constantly being made to meet increasing energy demand in emerging and developing markets. These economies currently account for over 95% of the increase in global greenhouse gas emissions and two-thirds of the world's population, but only one-fifth of global investment in clean energy, and a mere tenth of global financial wealth.

To reverse that trend, we need global climate regulation that enables cross-border and cross-sectoral investment in the most cost-efficient CO_2 reductions. This would enable EU member countries to support developing countries in phasing out fossil energy while energy demand there is increasing. Thus, real global solidarity through finance is necessary.

> In 2050, almost 50% of CO_2 emissions reductions should come from technologies that are currently still at the demonstration or prototype phase.

Accelerate the reshaping of the global energy market

The energy sector employs over 65 million people in total, equal to ~2% of global employment in 2019. An additional 85 million energy-transition-related jobs could be created by 2030. Meeting the demand to fill new jobs requires scaling up education and training programs, alongside measures to build a diverse and inclusive energy transition workforce.

The energy transition also holds enormous potential for job creation in emerging and developing markets. According to a review by the International Renewable Energy Agency (IRENA) in 2022, transition-related sectors could double the number of jobs in the energy sector, for example, from 10 million to 20 million in Africa by 2030, and additionally create a significant shift from current fossil energy sector jobs to renewable energy ones.

Science to steer systemic change

Current climate policy goals are built on plans, which still need to be translated into a more concrete roadmap and actions in order to be realised.

The energy transition is a transformation that encompasses the entire energy system - innovations, capacity development, cooperation, global solidarity, and sound regulation are driving it forward. Each move eventually has an effect on the entire energy system, and therefore must be carefully planned to avoid trial-and-error slowdown. To steer all measures towards a common goal, we would need a realistic schedule of actions in the right order from the energy science community. The transition plan has to take into account the carrying capacity of all parties involved, even the most vulnerable ones. We all have to understand that the transition doesn't materialise overnight by switching off a button.

To realise that plan, we need deep collaboration between all systemic stakeholders for a timely and cost-efficient, system-level transition to form a mutual understanding and roadmap to commit to. The energy transition has to proceed in an orderly manner.

We can only solve this if we all are willing to pull together. The commitment demonstrated to COP30 gives us hope for this.

St1 Energy Transition Roadmap

Towards our vision

The Paris Agreement targets for mitigating climate change require relevant actors to develop a new, low-emission energy system globally. Such a system would gradually change the way we produce, store, and use our everyday energy.

System-level change is needed, and it demands all energy sector organisations and entire societies to develop their own ambitious energy transition roadmaps, combined with milestones to facilitate the shift from fossil energy to low-emission energy. Those roadmaps would support the prompt and efficient entry of new energy carriers into the market, and thus quicken the reduction of emissions throughout the entire energy value chain, expediting the achievement of our goals.

To finally reach a sustainable carbon cycle, massive investments in decarbonisation are required – through renewable energy and energy efficiency, carbon sequestration in the form of carbon capture and storage (CCS), and carbon capture and utilisation (CCU) technologies and carbon sinks.

In this operating environment, we all are committed to work systematically to execute the energy transition.

The framework of St1's Energy Transition Roadmap

Our vision is to be the leading producer and seller of CO_2-aware energy. We are realising our vision through investments in the energy transition, and at the same time, building world-class expertise in the energy sector.

As an energy transition company in transition, we act to uncover further new avenues for sustainable growth and build a profitable business for the future. In the process of renewing our business, we are drawing up an energy transition roadmap that will guide our operations going forward.

Our roadmap work is governed by global frameworks like the Paris Agreement, the EU's own goals, national regulations, and technological advancements, as well as our own adaptation to new situations and changing customer expectations.

> Liquid transport fuels will still play a significant role, yet their composition is expected to gradually shift towards increasingly low-carbon alternatives.

Growth opportunities for St1 arise by developing and exploring new business areas, while at the same time ensuring a healthy cash flow that supports the transition. Furthermore, we are accelerating growth through acquisitions and strengthening our operations through strategic, long-term partnerships in various areas. In addition, we are developing future value chains to invest in CO_2 -aware energy production. Naturally, future decisions taken within the regulatory framework and demand for new solutions will also affect the realisation of these opportunities.

Liquid transport fuels will still play a significant role, yet their composition is expected to gradually shift towards increasingly low-emission alternatives. Today, St1 has a strong asset base for the liquid fuels trade in the Nordics, spanning refinery infrastructure, terminal and retail networks, logistics, and a robust sales network for end-customers in the transport fuels segment, covering road, marine, and aviation.

Our work in developing liquid fuels will continue to comprise a significant portion of our cash flow and allow us to introduce new renewable energy products for different sectors

Our vision supports the energy transition roadmap

The St1 Energy Transition Roadmap guides us to continuously model our future energy mix and decrease the carbon intensity of the portfolio of the energy we produce and sell. It is based on our strategy and business plans, which are aligned with Nordic energy demand scenarios, EU regulatory frameworks, and international climate goals. The primary target of our roadmap is to grow our low-emission energy portfolio. This requires us to connect our new products with growing market segments that could also emerge in different sectors and geographical areas.

Our roadmap consists of low-emission energy forms such as renewable electricity, hydrogen-based energy carriers and biofuels, as well as fossil fuel-based energy. In other words, it is our projection of what the Nordic energy system will look like, and what St1's role will be in it, considering both the timespan and volume development of various low-emission energy solutions replacing traditional fuels.

The roadmap's main drivers are St1's vision and our strategic choices made to continuously enhance the sustainability of our value chain. Stakeholder interface and dialogue are also key elements to understanding what expectations our customers have and how we can help them in their respective energy transition journey.

We want to offer all our customers a solution where we can manage market-related risks and not only deliver energy, but also provide transparent and trustworthy ways to reduce their own carbon footprint.

> As a small energy transition company, we have punched above our weight and continue to do so.

Our journey so far

As a small energy transition company, we have punched above our weight and continue to do so. Our energy transition journey became evident in 2007, when, in the spirit of our vision, we opened our first Etanolix®-plant in Finland, producing waste-based ethanol for transportation. Even then, we were determined to solve global energy challenges. And today, this passion is stronger than ever.

We have boldly taken ambitious steps to explore, pilot, and commercialise new energy solutions. We expanded the advanced ethanol biorefinery network, introducing waste-based RE85 high-blend ethanol fuel in Finland. We also entered the industrial wind power production market, promoting the spread of renewable energy and its technological development.

Our associated company TuuliWatti became a leading wind power actor in Finland. We saw great opportunities worth piloting in combustion-free heating through deep geothermal heat drilling into depths of over 6 kilometres, in the hope of uncovering an emission-free solution.

We have taken risks in our search for answers in the face of global energy challenges – at times successfully and at other times not – but we are always learning and advancing.

Today, we recycle used cooking oil and fatty food waste for feedstock to renewable fuels production. We produce biogas, sustainable aviation fuel and renewable diesel. We construct solar power plants and offer ground source heating systems. Our Nordic EV charging and biogas filling station network is expanding. Our current low-emission energy production development pipeline includes projects in various stages, totalling approximately 31 TWh of annual production. That equals more than 60% of our energy sales today. At the same time, we have plans for our oil refinery transition.

In line with our vision, we seek to enable a positive societal impact through our operations. We work constantly towards enabling a more sustainable value chain.

We believe that we will achieve our vision by running a responsible and profitable business.

Towards a more sustainable value chain

Sustainability highlights and challenges

Navigating through challenges toward the energy transition

In December 2023, nearly 200 countries convened at the United Nations climate conference COP28 and reached an unprecedented international climate agreement to transition away from fossil fuels in energy systems in a just, orderly, and equitable manner to achieve net zero by 2050.

What does this mean for a company like St1?

Working at an energy company at a time like this is both a privilege and a challenge. A privilege, because the energy transition lies at the heart of the world's battle against climate change and serves as the engine of the world's efforts to reach its climate goals. A challenge, because no solution is perfect. We still need new scalable solutions, and all investments require time to bear fruit.

Our journey and achievements

At St1, our direction is clear. Our company vision is to be the leading producer and seller of CO_2-aware energy. We are realising our vision through investments in renewable energy and building world-class expertise in energy transition. Net sales of the St1 Nordic Group in 2023 amounted to EUR 8.2 billion, of which 22.1% came from sales of renewable energy, compared to 17.4% in 2022. The share of renewable energy in net sales increased proportionally due to lower prices for traditional fuels. Additionally, during the refinery maintenance shutdown, production was halted, which further decreased the net sales of traditional fuels. The main drivers of this year-to-year change included adjustments in regulations regarding biofuels mandates, as the Finnish and Swedish governments reduced their biofuel mandates.

Our investments show the direction in which we are headed. In 2023, our investments in renewable energy production exceeded EUR 111 million or 46% of all our new investments. Our strategy makes it clear that going forward, our investments will be increasingly geared towards renewable energy and these investments will start growing the proportion of renewable energy in St1's net sales.

Our value chain emissions came to a total of 14,3 million tons of CO_2 equivalent, of which 11,3 million tons came from the products we sold in different markets, down from 15,1 million tons in 2022. This decrease in emissions is namely attributed to a reduction in operational and sales volumes and the refinery turnaround period, during which our refinery operations were temporarily halted.

Here too, we expect our constant investments into renewable energy to continue to lower the carbon footprint of our operations. One example is our investments in expanding our EV charging network in the Nordics.

In 2023 our focus centred on hydrogenated vegetable oil (HVO), biogas, and wind projects, all of which are pivotal to executing our energy transition. The development of our wind projects in Norway and Sweden has been particularly noteworthy.

In biofuels, we saw the fruition of the largest investment in the history of the group: a new biorefinery at the Gothenburg refinery reached its final phase of completion in 2023. Once in operation, The Gothenburg Biorefinery has an annual capacity of 200,000 tons of renewable fuel production, with a primary focus on sustainable aviation fuel (SAF). As biogas is an important part of the energy transition, St1 invests heavily in both compressed and liquid biogas production, with several new plants in the works as we seek to expand our biogas business throughout the Nordic region. As the geopolitical landscape, energy markets, and regulatory environment have been in turbulence, we have taken several actions to counter these challenges.

The Road Ahead

In 2024, we will continue to focus on biogas, HVO value chains and wind projects. We will also focus on developing overall sustainability ambition and roadmap.

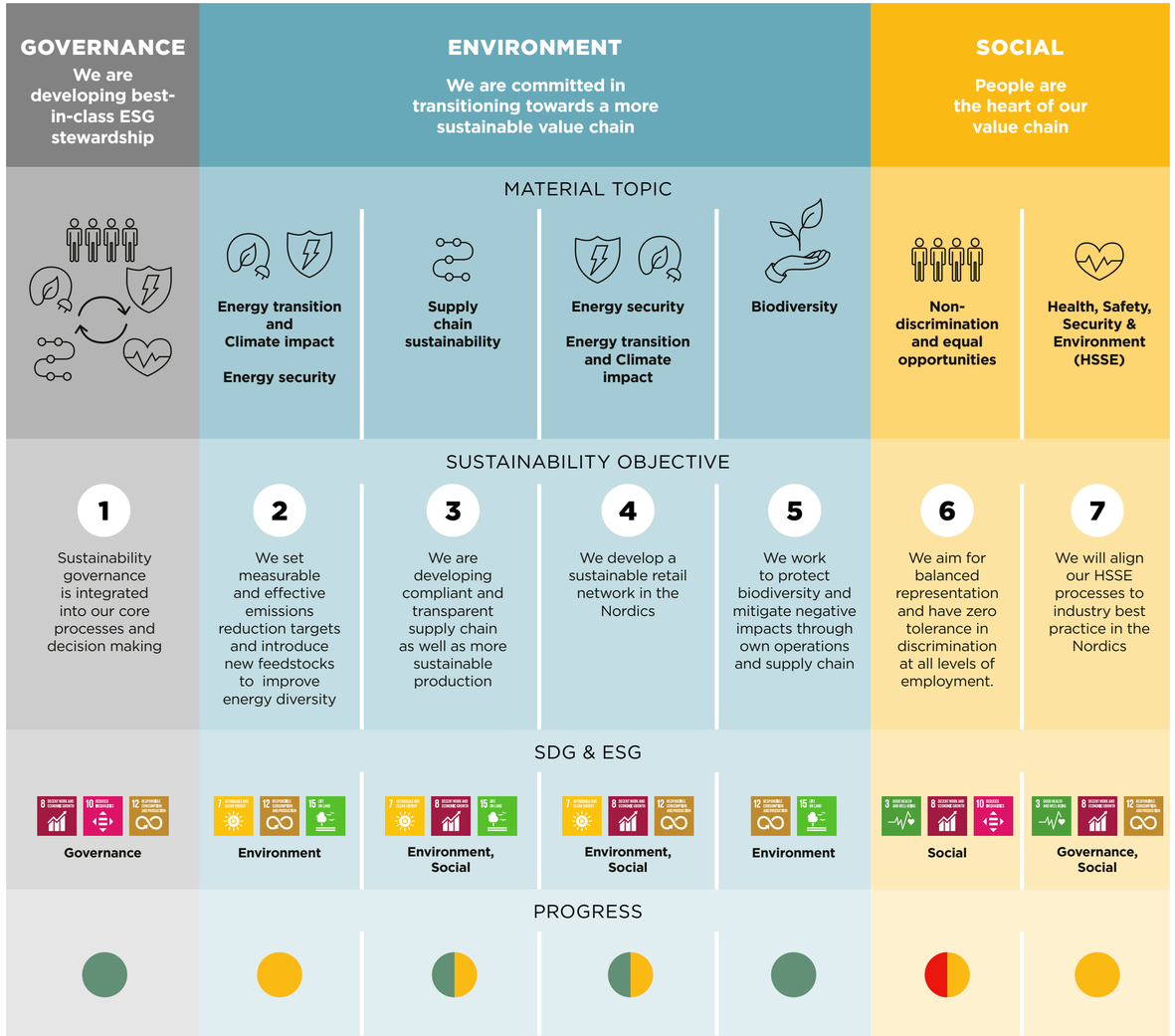
In the coming years, existing and emerging sustainability-related regulations will raise expectations of us to continuously develop our sustainability governance. These developments present both challenges and opportunities for St1, compelling us to identify and define material focus areas, set ambitious goals, and ensure compliance with new regulatory frameworks.

Balancing renewable energy projects with other impacts

While renewable energy is the key to the green transition, developing new renewable energy projects requires finding a balance between swift action and thoughtful consideration. It's essential to carefully weigh-up the multiple impacts of all projects.

For us at St1, it is extremely important that our renewable energy projects have social license, human rights and biodiversity taken into account. We implement these projects because they are vital for mitigating climate change, but we also acknowledge that these projects must be implemented in such a way that human rights are respected and that all potential impacts on nature are taken into account. Ideally, the outcome should benefit everyone. That is what we strive for in all our projects.

This report is an effort to convey in an open and concise manner where we are now, what our goals are, and where we will focus next. Our transformation journey is not easy, but we are committed and inspired to execute the energy transition.



*Progress detailed in this report aligns with the action points set forth in **Game Changer 2022**, detailed on p.29.

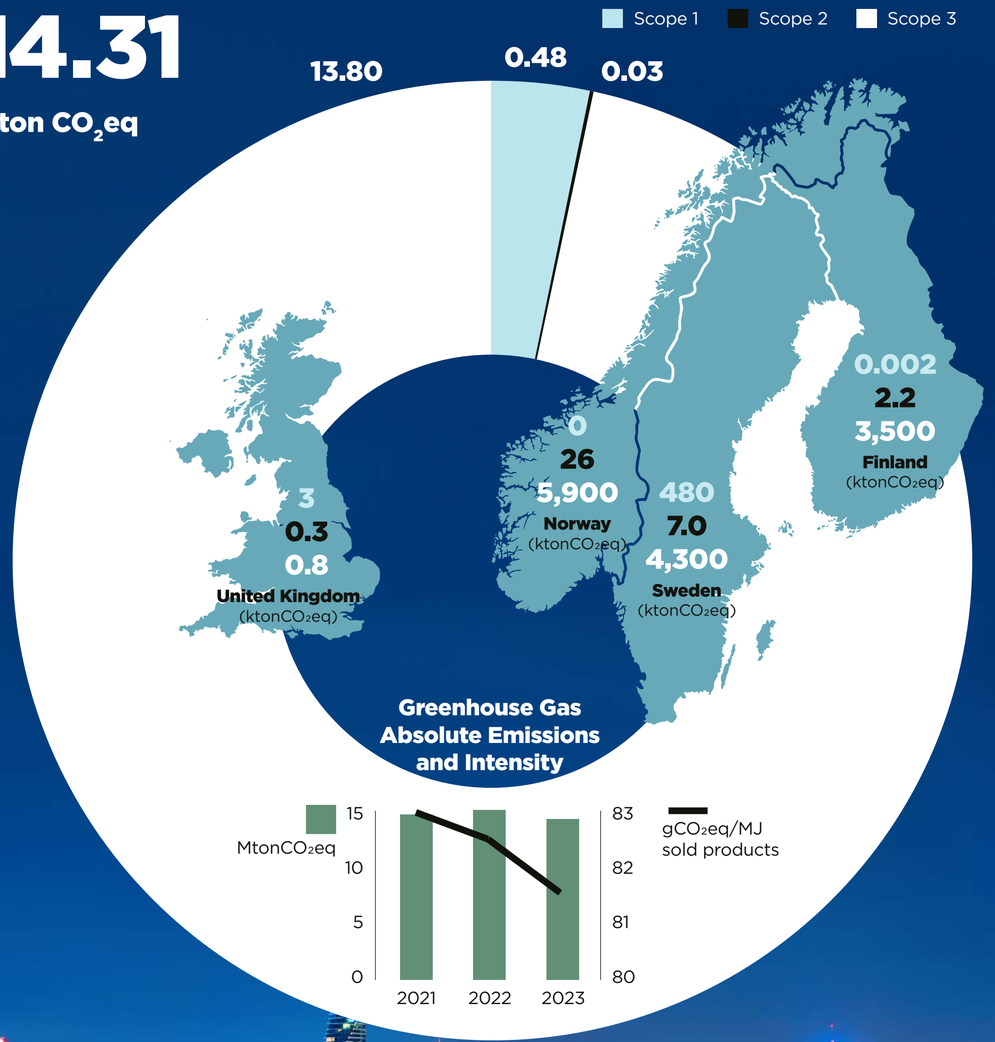
Sustainability key figures

Total value chain emissions

14.31

Mton CO_2eq

Value chain emissions per country



Sold products TWh

49

30.2	Road
7.6	Marine
4.1	Aviation
7.0	Industry & buildings

Personnel

1,042

	Women	Men
Employees	327	715
Board	1	3
Management	4	6
Blue collar	22	249
White collar	305	466

Health and Safety

Own employees

	2023	2022	2021
Total recordable cases frequency (TRCF)	7.56	7.2	4.9
Lost time injury (LTI)	8	6	2
Hours (m)	1.7	1.6	-

Value chain sustainability

Partner due diligence process

We recognise the critical role our suppliers and business partners play in our value chain and emphasise the need for stringent due diligence to address sustainability risks, particularly in bio- and fossil fuel supply chains. As a part of the St1 Code of Conduct Package renewal in 2023, we have also updated the St1 Partner Code.

Our due diligence process is pivotal to managing sustainability risks associated with raw material sourcing, processing, and transportation. The highest risks are present in our upstream bio- and fossil fuel supply chains, which include points of origin for raw materials, and their processing and transportation. In addition, large-scale temporary projects in our home markets that include construction and maintenance are identified as high-risk.

3 key steps in our partner sustainability due diligence process:

- Partner onboarding: Introduction to St1's sustainability principles, completion of the St1 Partner Self-Assessment Questionnaire, sanction list screenings, and compliance checks.
- Expert review and Risk Assessment: Analysis of self-assessment results, adverse media screenings, external sustainability ratings, and commitments, with potential requests for additional documentation or supplier dialogues to determine risk levels.
- Decision and follow-up: Actions and follow-ups are tailored to the identified risk, with a structured decision-making process for high-risk partners.

Our internal country risk evaluation model is based on a wide range of sources and country ratings by international human rights and non-governmental organisations, such as Walk Free, the World Justice Project, UNICEF, Transparency International, Freedom House, and The International Trade Union Confederation. In addition, we evaluate the ability of a supplier to mitigate country and industry-specific risks through St1's Self-Assessment Questionnaire (SAQ), adverse media review, and review of external Environmental, Social and Governance (ESG) ratings. Our partner due diligence process is currently used for evaluating our new bio-feedstock suppliers, as well as some other critical suppliers and business partners.

Digital platform for due diligence

In 2023, we have been working on launching a digital platform for managing our partner sustainability due diligence process. The platform has a strong focus on a risk-based approach and will facilitate our initial evaluation of existing and potential suppliers and other business partners. The platform will also support us in conducting future supplier sustainability audits and providing a good overview of sustainability risks present throughout our value chain.

The first phase of the project scope included the development of the process for renewable raw materials for our Hydrogenated vegetable oil (HVO) production. The platform allows for seamless sanction list screening, adverse media reviewing, and sustainability assessments, as well as easy and fast engagement and communication with partners. This transition to a digital platform will provide better visibility and transparency over our supply chain. The system is in use from the end of the year 2023, and we will continue developing and integrating daughter and associated companies of St1, as well as extending our due diligence requirements for other parts of the supply chain.

Biofuel and bio-feedstock traceability

St1 is a producer and a distributor of biofuel and biogas, alongside traditional fossil fuels. Our Gothenburg refinery is central to our supply strategy, supported by our partner NEOT, which sources high-quality fuels to meet our demands. These fuels, sourced from both fossil and bio-origins across the Baltic Sea area, are selected for their high quality and suitability. We distribute the resulting products across Sweden, Finland, and Norway, ensuring our fuel blends, rich in bio-components from the global market, contribute significantly to reducing greenhouse gas emissions. In the gaseous fuel domain, St1's presence in both the Swedish and Finnish markets underscore our commitment to expanding the Nordic biogas market.

2023 has been a landmark year for our Hydrogenated Vegetable Oil (HVO) value chain. Our dedicated efforts in running and supporting the feedstock trading business have been coupled with the development of the necessary systems, processes, and sustainability certifications for our Gothenburg production unit. A significant achievement was ensuring the traceability of all upstream feedstock sourcing to meet sustainability certification requirements, alongside developing a comprehensive GHG calculation model for the unit. This holistic approach to sustainability within our value chain highlights our commitment to environmental stewardship.

Key milestones and certifications

The mid-year ISCC certification of our HVO production process marked a major milestone in our sustainability journey. Furthermore, the addition of our refinery and HVO production unit to Sweden's national certification scheme (Hållbarhetsbesked) before year-end has enhanced our flexibility in meeting market requirements and compliance with the EU Emissions Trading System (EU ETS).

In 2023, we broadened our sustainability certifications within the biogas value chain. Notably, our trading operations in biomethane and the biogas upgrading and liquefaction unit in Borås received ISCC-EU certification, significantly enhancing our market supply capabilities. The merger of St1 Biogas AB and St1 Sverige AB in Q1, 2023, has further solidified our position, enabling us to both produce our biogas and source from local and European producers.

> "Compliance with the Renewable Energy Directive and standards such as ISCC-EU form the foundation of our product sustainability requirements."

Addressing sustainability and compliance challenges

Compliance with the Renewable Energy Directive and standards such as ISCC-EU form the foundation of our product sustainability requirements. However, the past year has seen an industry-wide increase in vigilance against the risk of fraudulently declared feedstocks. The industry saw heightened concerns for feedstock ending up in the market that would have been fraudulently declared as waste or residues. Asia and Southeast Asia are examples of areas raised as being at high risk of fraudulent materials by the ISCC, which implemented a set of new requirements for high-risk value chains. We have responded by implementing new measures to ensure the integrity of our value chain, including rigorous reviews of sustainability declarations and third-party laboratory analyses to verify feedstock compliance and authenticity. For example, upon each delivery from a high-risk region, the sustainability declarations and related documentation are carefully reviewed to ensure compliance with the traceability demands set out by REDII, ISCC EU (including 2023 scheme updates), and local legislation. To assess the likelihood of fraud through dilution and/or wrongful classification of the supplied material, a quality assessment, based on third-party laboratory analysis, of each cargo is performed and analysed against the expected type of specification for the specific feedstock type. Our proactive approach aims to safeguard the traceability and authenticity of our materials.

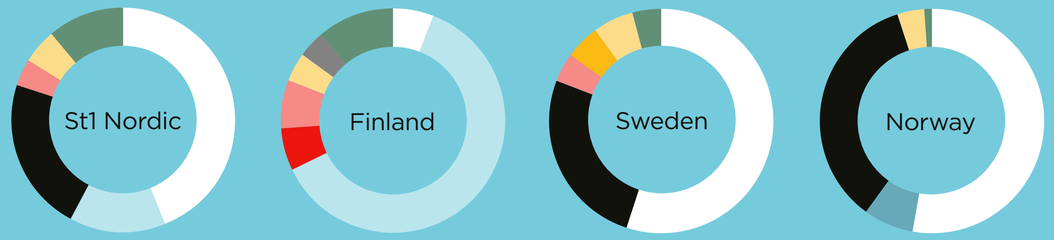
Crude oil supply

All oil used in St1's Gothenburg Refinery is purchased via Equinor, and St1 is not involved in crude oil production, oil exploration, or drilling.

The most important source of our oil supply is the St1 refinery in Gothenburg. Most of our crude oil utilised in 2023 was sourced from a single supplier, originating from Norway, the US, Nigeria, and Angola.

In addition, our supply partner, NEOT, supplies additional fuels to fulfil our demand. NEOT sources these fuels – which are of fossil and bio-origin – from other refineries in Finland, Sweden, Denmark, and Norway, emphasising high quality and suitability in its fuel selection process.

Biofuels feedstock split 2023, %



St1 Nordic
- Animal fats 44%
- PFAD 14%
- UCO 22%
- Wheat 4%
- Corn 5%
- Other 11%

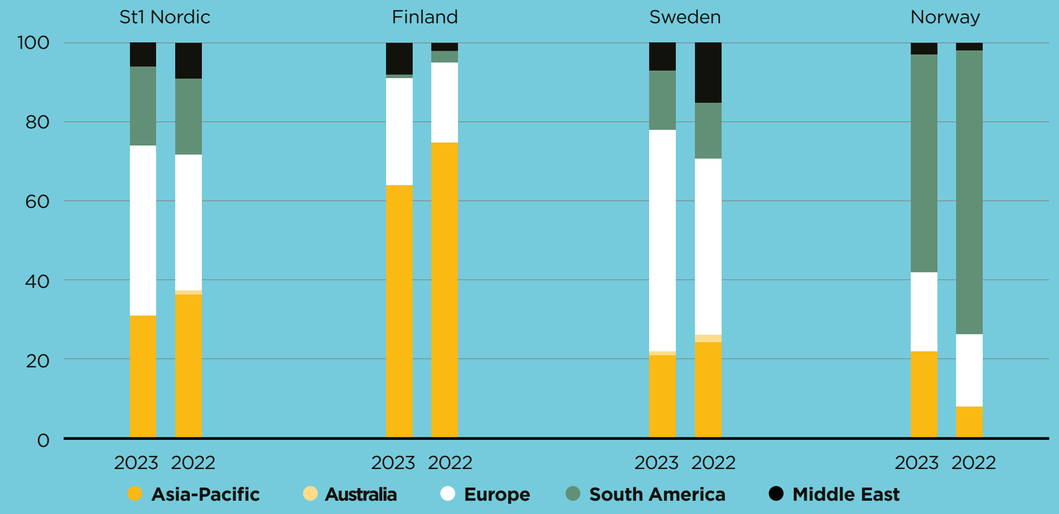
Finland
- Animal fats 6%
- PFAD 62%
- Starch slurry (low grade) 6%
- Wheat 7%
- Corn 4%
- Rapeseed 4%
- Other 11%

Sweden
- Animal fats 55%
- UCO 26%
- Wheat 4%
- Sugar cane 5%
- Corn 6%
- Other 4%

Norway
- Animal fats 53%
- Food waste 7%
- UCO 35%
- Corn 4%
- Other 1%

* Figures include heating oil and off-road use bio.

Biofuels feedstock country of origin by region, % volume

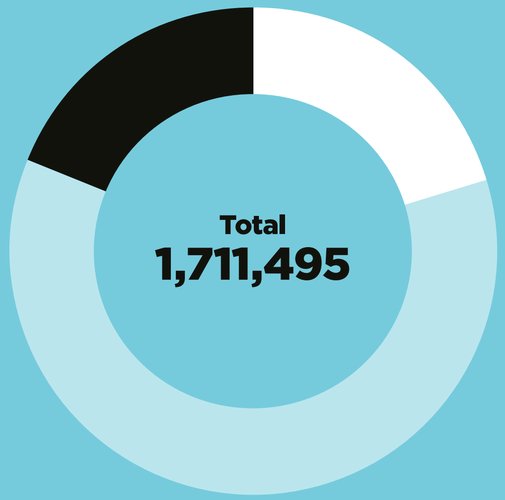


CO_2-reduction from use of biofuels, tons

Finland
350,482

Sweden
1,039,585

Norway
321,428



CO_2 reduction amounted to more than

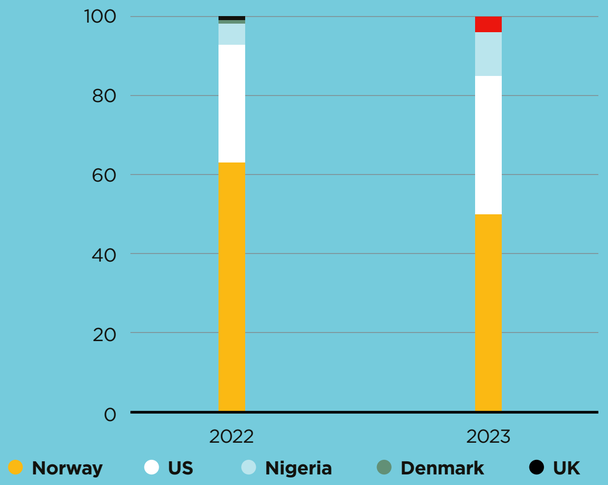
827,929

passenger cars*

* A car with an annual mileage of 13,600 km and emissions of 152 g CO_2/km.

The average driven kilometres was adjusted to be in line with Statistic Finland's figure. Emissions 152g CO_2e/km corrected from previous year's 151g/CO_2e/km.

Crude oil processed at St1 Gothenburg Refinery by country of origin, %



Highlights

Key developments in 2023

Steps in our energy transition journey

St1 announced the rebranding of its network of Shell sites and a move to a one-brand strategy, consolidating its entire retail operations under the St1 brand, following the expiration of existing brand license agreements in each country in couple of years.

St1 made the investment decision to construct its first solar park in Risholmen, Gothenburg, Sweden with a capacity of 9.5 MW, and a production estimate of 8,5 GWh per year.

Biorefinery Östrand, a joint venture with the forest products company SCA, signed an agreement with the CINEA*, which entitles the company to an innovation grant in the event of a future investment decision of a biorefinery producing sustainable aviation fuel (SAF), renewable fuels of non-biological origin (RFNBO) from forest industrial residues and by-products.

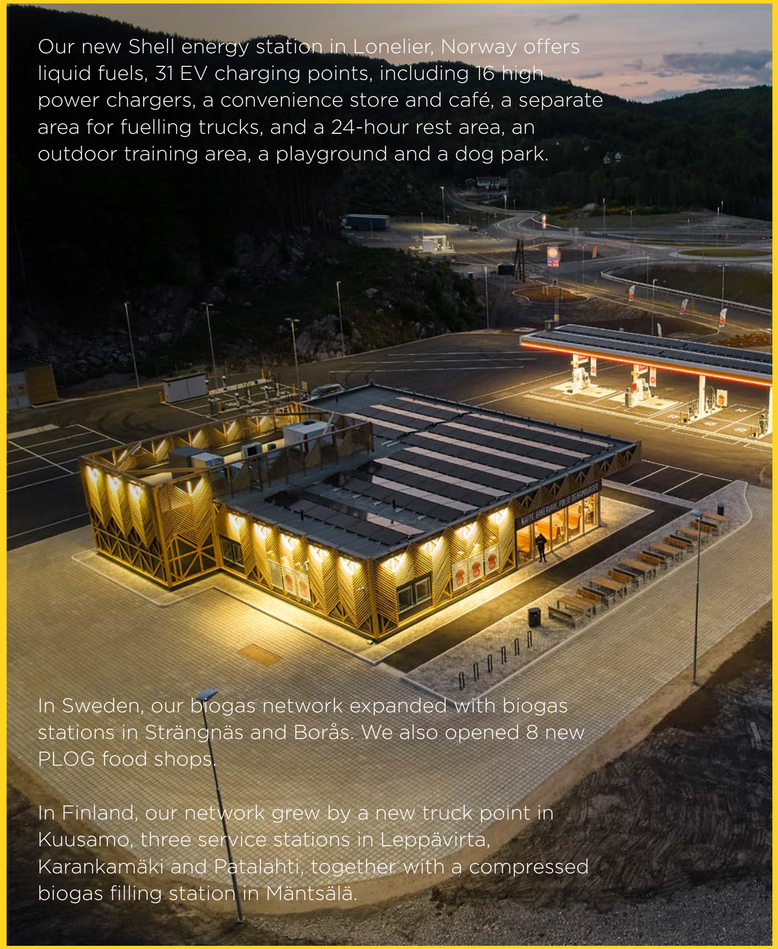
St1 joined forces with Aneo and HitecVision to consolidate ownership in Biokraft International, a Nordic greentech company that produces bioenergy and plant nutrition in a circular cycle by recycling organic waste and residual products in large-scale biorefineries.

Suomen Lantakaasu Oy, a joint venture with Valio, is preparing a biogas plant investment in Finland and has confirmed the site selection in Kiuruvesi.

Our joint venture with Biogass Energi AS has made an investment decision to build the first six biogas filling stations across Norway.

Strengthening the Nordic network

Our new Shell energy station in Lonelier, Norway offers liquid fuels, 31 EV charging points, including 16 high power chargers, a convenience store and café, a separate area for fuelling trucks, and a 24-hour rest area, an outdoor training area, a playground and a dog park.



In Sweden, our biogas network expanded with biogas stations in Strängnäs and Borås. We also opened 8 new PLOG food shops.

In Finland, our network grew by a new truck point in Kuusamo, three service stations in Leppävirta, Karankamäki and Patalahti, together with a compressed biogas filling station in Mäntsälä.

* European Climate, Infrastructure and Environment Executive Agency

Refinery and logistics

Increasing the share of renewable raw materials

Refinery

The refining capacity of our Gothenburg facility is approximately 30 million barrels of crude oil per year. In 2023, throughput amounted to 25.3 million barrels. The lower throughput was due to a major planned turnaround for inspection and maintenance that occurs every fourth year. To maintain safe and reliable operations without interruptions, the refinery's existing equipment and facilities require regular, planned maintenance and repair measures. The Gothenburg refinery's utilisation rate was 76.4, which is lower than normally due to planned maintenance turnaround. All in all, the facility had high availability throughout the year and was able to utilise high refinery margins.

The refinery's environmental permit was renewed in 2020 and several investigations required by the verdict were carried out and submitted in 2023. We are committed to continuously improving our environmental performance, and the new permit enables the refinery to take a major step in our transition toward biorefining.

The Gothenburg refinery was the first refinery in Europe that was certified to ISO 14001. St1's refinery is among the best refineries in terms of

> "The Gothenburg refinery was the first refinery in Europe that was certified to ISO 14001."

energy efficiency in Europe, with emissions of approximately 480 kt of CO_2, and a high degree of heat recovery. A significant amount of the heat generated by the production equipment, approximately 600 GWh, is recovered and recycled by Gothenburg's district heating network every year.

Russia's invasion of Ukraine continues to have a major impact on the world, affecting the flow of oil as well as supply and demand for oil products. Since we do not use Russian crude oils and our station network utilises petroleum products produced from St1's Gothenburg Refinery and other nearby refineries located mainly in Finland, Sweden, Denmark, and Norway, the war has not directly impacted our operations. The lack of supply of crude oil and oil products has had a major impact on the European market, with high fuel prices as a result.

Supplying fuels

In addition to refining crude oil, our Gothenburg Refinery also operates as a blending hub.

Committed to leading the way in transparency in our supply and logistics chain, we cooperate closely with our associated company North European Oil Trade Group (NEOT). Co-owned by St1 and the Finnish S Group, NEOT is a significant independent fuel procurement company in the Baltic Sea region and a vital part of our supply chain.

NEOT acquires fuels from global trading markets and handles storage and blending, as well as transportation from refineries to the terminals. Our Gothenburg refinery is the most important source of supply, but NEOT also sources oil products from other refineries in the Baltic Sea area, mainly from Finland, Sweden, Norway, and Denmark. NEOT emphasises high quality and suitability in its fuel selection process. We use light and low-sulphur crudes, which means both less energy consumption and lower emissions from processing. We then sell most of the resulting products directly through our network in Sweden, Finland, and Norway.

St1 sources waste- and residue-based feedstocks from global trading markets and, together with NEOT, handles storage and transportation to the Gothenburg Biorefinery.

Our fuel blends contain several bio-components to minimise greenhouse gas emissions. The amount of fossil and biocomponents blends in our products vary depending on the country of operation, national regulations, and demand factors.

We constantly strive to develop and market new products that enable better fuel economy and reduce environmental impact. The share of renewable components we use has increased in recent years as we have incorporated larger volumes of bio-components such as ETBE, bioMTBE, and HVO-naphtha.

The products of our refinery include motor gasoline, JET A1, sulphur-free MK-1 diesel and other middle distillates and marine fuels, as well as liquefied petroleum gas (LPG). The refinery also produces 0.5% S marine fuel components, which complies with the International Maritime Organization (IMO) limit that came into force on January 1, 2020. All of the products of the refinery comply with the applicable environmental requirements.

Logistics

Together with NEOT, St1 maintains a comprehensive logistics chain in all our operating countries, which consists of terminals for storing products and a wide transportation network. Quality, safety, and environmental aspects are taken into careful consideration throughout the logistics chain.

Terminals

In Finland, the network consists of six terminals operated by NEOT. Seven terminals in Sweden and nine in Norway are operated by St1. Our marine depots and some partner terminals complement our terminals throughout the Nordics, and together these form a network of more than 30 storing points.

Transportation

Jointly, St1's and NEOT's transportation network includes shipping, road and rail transport. Its main activities centre on the Baltic Sea region.

The network transports biofuel components to the refinery and the end products from the refineries to the terminals. The majority of NEOT's shipping operations are conducted as time chartering.

Five of the six most-used vessels in NEOT work to reduce the environmental impact of oil products in the supply chain by using new and energy-efficient LNG technology.

The newest vessels are hybrid vessels combining an onshore power supply with conventional engines, enabling the vessels to run on 100% electricity when handling cargo in ports.

Road transport is handled by our cooperation partner network, and in Finland, NEOT is responsible for road transport from the terminals to fuel stations and direct sales customers. In Sweden and Norway, other transport operators are responsible for the deliveries to our station network and direct sales customers.

The transport of fuel products between the port terminal in Hamina and the inland terminal in Varkaus in Finland is conducted via domestic railway. In Sweden, the products are delivered by train from Gothenburg to Karlstad and Jönköping, and from Gävle to Arlanda Airport.

More information about NEOT's operations can be found in NEOT's Sustainability Report.

Refinery and logistics

Renewable energy production and projects

Start of the operations at the Gothenburg Biorefinery

The Gothenburg Biorefinery's construction, located at the St1 Refinery area, was coming to an end during 2023. The tank farm and pretreatment unit were taken into operation during the autumn of 2023. Before the year ended, the Green Processing Unit itself with its treatment and isomerisation reactors were also mechanically completed and commissioned, and the unit started production in the first quarter of 2024. The Gothenburg Biorefinery will be officially inaugurated in April 2024.

The Gothenburg Biorefinery has an annual design capacity of 200,000 tons of renewable fuel production. The design of the biorefinery brings flexibility to the process by allowing the use of a wide range of feedstocks. The unit can meet the current and future specifications of the renewable fuels to be produced, which include sustainable aviation fuel (SAF), renewable diesel (HVO), and naphtha.

St1 has a joint venture with SCA to produce and sell liquid biofuels. The joint venture owns half of the new Gothenburg Biorefinery, which means that St1 owns 75% in total of the new biorefinery directly and through the joint venture and SCA owns 25%.

To support the production, we have built our own value chain in highly competitive feedstock sourcing. Our own-Group company Brocklesby is the recycling expert for delivering used cooking oil and fatty food waste and is among the UK's leading refiners in this field. Brocklesby's waste collection is based on strong partnerships with a large number of restaurants, retailers, and food manufacturers in the UK. Through a joint venture partnership with SCA, we also secure a supply of crude tall oil (CTO), a by-product from kraft pulp production in Sweden.

In 2023, we continued the project involving the whole St1 HVO-value chain to ensure that we have the organisational structure and all related systems and processes in place to support the operation of the new biorefinery. We also continued our HVO value chain talent program to support the company's transformation from a buyer into a relatively large producer of biofuels.

Advanced biofuels from solid biomass and renewable power

St1 is a 50% owner, together with SCA, of Biorefinery Östrand AB. The joint venture holds an environmental permit to produce 300,000 tons of liquid biofuel based on sustainable solid biomass. The intention is to produce sustainable aviation fuel (SAF), renewable fuels of non-biological origin (RFNBO) from forest industrial residues and by-products (sawdust, bark and pellets) and renewable electricity. The facility will also be able to produce renewable naphtha, which can be used by the plastics industry to replace fossil raw materials.

> "Biogas is a readily available solution to achieve emissions reductions in traffic, especially for heavy-duty transport."

Last year the project entered the phase of finalising the concept and moving forward to the next project phases. The land reclamation work in Sundsvall, Sweden, has advanced well, which ensures the continuation of the site preparation to have site access in right time after final investment decision. In July 2023, the European Climate, Infrastructure and Environment Executive Agency (CINEA) announced that Biorefinery Östrand has been selected as one of the EU's leading projects for the green transformation of aviation. At the end of the last year, Biorefinery Östrand signed an agreement with CINEA, which entitles the company to an innovation grant of approximately EUR 167 million in the event of a future investment decision.

According to the calculation method provided by CINEA, in the first 10 years of operation, such a facility could generate carbon emission reductions amounting to almost nine million tonnes of CO_2 equivalent. This can be compared with Sweden's entire domestic aviation emissions for 2022, which have been preliminarily calculated at 306,000 tonnes of carbon dioxide by the Swedish Environmental Protection Agency.

Biogas

St1 sees biogas as a key growth opportunity within the energy transition, and we are committed to making substantial investments in biogas production and distribution networks in the Nordics. Biogas is a readily available solution to achieve emissions reductions in traffic, especially for heavy-duty transport.

Through St1's entry into the biogas business in 2021, we have taken big steps towards reaching our vision of being the leading producer and seller of CO_2-aware energy.

In Sweden, St1 is a leading biogas player in the traffic segment. St1 today has seven biogas production and upgrading units, two of which are partly-owned companies, Söderåsen Bioenergi AB and Falkenbergs Biogas AB. We import and export biogas and deliver it to customers through several sales channels.

In 2023, St1 constructed a biogas upgrading and liquefaction refinery in Sobacken, Borås, in Sweden. The basis for the biorefinery investment decision was a long-term off-take contract to buy raw biogas, which St1 had signed with Borås Energi och Miljö. Klimatklivet - a Swedish investment support program targeting projects reducing climate impacts - granted its support for the project. The biorefinery was officially inaugurated in January 2024.

St1 and Borås Energi och Miljö together create a strong value chain in renewable biofuels, both focusing on their own areas of expertise. St1 will upgrade and liquefy the raw biogas that Borås

Energi and Miljö produce from food waste and sewage sludge, and then sell it via its developing distribution network. St1 will continue expanding its biogas filling network in the Nordics to distribute this new liquid biogas.

In Norway, St1 has embarked on a joint venture with two partners. With Biogass Energi Aksdal, St1, Knapphus Energi and Smea AS have begun cooperating to plan and build a retail network for liquefied biogas (LBG) in Norway. Investment decisions on first sites were made in 2023. This is part of a government initiative by Enova to establish a nationwide network of biogas filling points in Norway.

In Finland, St1 and the food company Valio have a joint venture Suomen Lantakaasu Oy, to produce renewable biogas from dairy farm manure and other agricultural by-products as fuel for heavy-duty transport. Suomen Lantakaasu Oy aims to achieve a production capacity of up to one terawatt hour (TWh) by 2030.

Suomen Lantakaasu is preparing a biogas plant investment in Upper Savo and North Karelia in Finland. The company aims to create a hybrid plant entity with an industrial-scale liquefied biogas production plant in Kiuruvesi and three smaller plants in Lapinlahti, Sonkajärvi and Nurmes. The site selection of the Kiuruvesi plant was confirmed in 2023. The company is currently making a final site selection and filing environmental permit applications for three satellite plants. The Ministry of Economic Affairs and Employment has granted Suomen Lantakaasu EUR 19.15 million to invest in a production plant for liquefied biogas under Finland's Recovery and Resilience Plan.

CASE

Suomen Lantakaasu Oy

A Strong partnership results in significant climate benefits

Suomen Lantakaasu Oy was founded in 2022 as a joint venture between St1 and Valio, a Finnish dairy and food company. The joint venture aims to produce renewable liquefied biogas from the manure and other agricultural by-products of Finnish dairy farms, which can be utilised as a fuel for heavy transport. The company is currently planning the construction of biogas and liquefaction plants in Upper Savo and Nurmo, which are scheduled to be completed in 2026. There are also plans for new biogas projects, for example in Ostrobothnia. The ultimate goal is to build a one-terawatt-hour liquefied biogas production network in Finland. This corresponds to the annual fuel requirement of about 1,600 heavy-duty combination vehicles.

Suomen Lantakaasu Oy aims to connect the entire value chain, from the network of farmers to biogas production, liquefaction and distribution. Biogas produced from manure creates significant climate benefits and strengthens Finland's energy and fuel self-sufficiency.

"Valio has long been implementing an ambitious climate program that aims to achieve a carbon-neutral milk chain by 2035. A key part of our goal is the production of manure-based biogas. The establishment of Suomen Lantakaasu Oy together with St1 significantly accelerates not only our goal, but also the business of manure-based biogas in Finland," says Janika Keinänen, who is responsible for the biogas projects at Valio.

Strength of the collaboration

The strength of the co-operation between St1 and Valio lies in the understanding of the entire manure-based biogas value chain, from the emergence of manure on Finnish dairy farms to the distribution and use of biogas.

"Valio has a strong base in agriculture and is owned by approximately 3,400 Finnish milk producers through cooperatives. Together with St1, we develop and build biogas production and liquefaction plants, and St1 distributes the final product to heavy traffic through its own distribution network. At Valio, we are committed to also making increasing use of biogas in our own collection and distribution logistics," says Janika.

"This partnership brings Valio closer to the goal of a carbon-neutral milk chain, building new, profitable business and creating better operating conditions for our owners, Finnish milk producers", says Janika.

By participating in biogas production, farms can, among other things, reduce emissions from manure treatment and improve nutrient recycling. In addition, these activities bring a

Janika Keinänen

number of operational and cost benefits to milk producers, such as the possibility to reduce purchases of fertilisers and reduce their own manure logistics, as well as improving yields.

When each production facility collects feedstock from its local area, the transport distance of the feedstock is kept as short as possible. Suomen Lantakaasu Oy collects manure from the farms and returns the biofertiliser generated in biogas production back to the farms. The nitrogen fertiliser bill on the farm is lower, as the amount of soluble nitrogen in the biofertiliser is up to 20–30% higher than in manure.

> St1's strategic goal is to develop significant production capacity in the Nordic wind power market.

At the end of 2023 St1, Aneo and HitecVision joined forces with the intention to consolidate their ownership in Biokraft International into a newly established company, 1Vision Biogas AB. 1Vision Biogas is 50-percent owned by St1 Nordic Oy and 50-percent by Daytona Holdco AS, a joint holding company owned by the HitecVision and Aneo. The consolidation was conditional on receipt of necessary clearances or approvals by relevant competition and foreign direct investment (FDI) authorities, which were obtained in January 2024.

Aneo and St1 have been the largest shareholders in Biokraft since 2022 and have supported the development of the company. The aim is to continue Biokraft's exciting journey through actively pursuing future growth opportunities.

Advanced ethanol

In 2023, St1 ceased production of ethanol in Finland as the availability of feedstock weakened substantially for the Lahti and Vantaa biorefineries. Additionally, the competitive environment for production facilities had changed significantly, and conditions for profitable business have not been found. The production of the demonstration plant in Kajaani has been unprofitable throughout its lifecycle. The cassava feedstock pilot in Thailand was discontinued in 2023.

Ground source heating

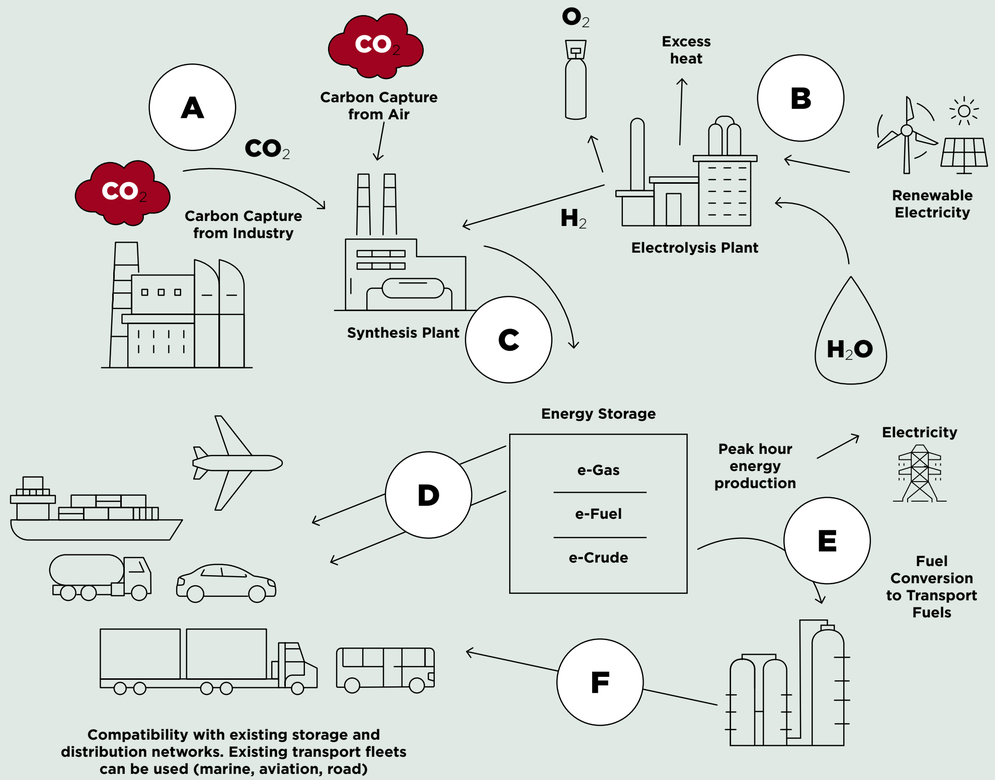
St1 offers and delivers ground source heating solutions to meet our customers' demands. St1 Lähienergia (St1 Local Energy) focuses on the planning, designing and construction of heat well fields and also in the maintenance of ground source heating plants in the range of 30 to 5,000 kW. Ground source heating solutions can be delivered as turnkey projects together with our installation partner Caverion. Our focus is on larger housing properties and public buildings, where ground source heating plants replace the use of fossil-based energy, such as coal and oil. The heat wells are typically drilled to a depth of 250–350 metres. In larger projects, the wells have extended down to 600 metres.

Wind power

St1's strategic goal is to develop significant production capacity in the Nordic wind power market. The wind conditions in the Arctic areas in Northern Norway are exceptionally good. St1 is a majority shareholder in Grenselandet DA, which is developing Davvi wind farm, an 800 MW wind farm project in Finnmark county in northern Norway.

Grenselandet has applied for a permit for the Davvi wind farm and has commissioned impact assessments covering both environmental and societal aspects. These also cover the project's impact on reindeer herding and local inhabitants. According to the assessment, it is possible to carry out the project in such a way that the rights of the Sámi and local communities are upheld. St1 has also assessed the human rights impacts of the

Power-to-X process



- **A** Carbon dioxide is captured from air or industrial sites using carbon capture technologies
- **B** Water is split into oxygen and hydrogen by using low-cost renewable electricity. Excess heat can be utilised in district heating networks.
- **C** Carbon dioxide and hydrogen are combined into hydrocarbon products
- **D** Synthetic hydrocarbon products are stored, thus providing a converted solution for electricity storing. Fuels can be used for transportation
- **E** e-Crude can replace fossil crude oil in refineries
- **F** Refined fuel products for transportation

> St1 has been building cutting-edge expertise in industrial wind power generation for more than a decade.

project, taking into account the rights and land rights of indigenous peoples. In 2022, the host municipality of Lebesby asked the Norwegian government to start the official review of the application. The hearing is expected to take place in 2024. Should NVE's quality assurance and hearing process results indicate violating the rights of indigenous peoples in accordance with Article 27 of the UN Covenant on Civil and Political Rights, we will withdraw the project application.

In 2022, St1 also submitted a notification regarding a new 750 MW wind power project, Sandfjellet Wind Farm DA, located in municipality of Gamvik, Finnmark, Northern Norway. The notification is expected to be sent for a hearing in 2024 before the impact assessments and permit application can commence.

In November 2023, the Norwegian Water Resources and Energy directorate (NVE) also called out for the registration of early projects to be considered for an upcoming hearing round in Finnmark in 2024. St1 registered it's early-stage project in the municipality of Hammerfest, Nordre Sørøya Windfarm DA.

In Sweden, we have wind projects of various maturity levels in the pipeline.

St1 has been building cutting-edge expertise in industrial wind power generation for more than a decade. Today, the company offers a wind power service concept covering technical and commercial management for 227 MW in wind farms in Finland. We are also continuously developing projects throughout the Nordic countries.

Solar energy

At the end of 2023, St1 announced its first investment decision in solar energy. The first solar park will be constructed in Risholmen, Gothenburg. When the solar park will be completed at the end of 2024, it will cover 7 hectares of land, have an installed capacity of 9.5 MW, and its electricity production target is 8,5 GWh per year, which is equal to the consumption of approximately 3,500 households* per year. The electricity that is produced will be connected and sold on the commercial electricity grid.

Opportunities for electrification

St1 has extensively studied and analysed the potential of using and producing various Power-to-X products, such as synthetic methane, methanol, green ammonia, and synthetic aviation fuel. There have also been valuable lessons learned while developing these projects.

Our ambitious projects are the result of our long-term determination to solve global energy challenges and partner with key players in

> St1 is now well-positioned to take Power-to-X projects forward and gear up our strategy.

the industry. St1 is now well-positioned to take Power-to-X projects forward and gear up our strategy.

In 2023, we continued to work on our existing projects and to set up new initiatives and partnerships to develop future sustainable business opportunities.

The projects in Sweden and Norway proceeded as planned. However, the synthetic fuel production plant project in Lappeenranta, Finland, will not proceed to the basic engineering phase on its original schedule. It has become clear that there are many uncertainties related to the project's profitability due to an undeveloped market. This situation applies to both road and marine transportation. In addition, investment costs have increased significantly since the preliminary evaluation.

Partnership with Vattenfall to produce synthetic aviation fuel on Sweden's west coast

St1 and Vattenfall have signed a Letter of Intent to jointly conduct a feasibility study with the ambition to develop a value chain for producing synthetic fuel through offshore wind.

As part of the partnership, Vattenfall aims to develop offshore wind power-based hydrogen supply infrastructure on the west coast of Sweden. St1 plans to produce one million cubic metres of synthetic fuels, primarily targeted for sustainable aviation fuel using fossil-free hydrogen. Such volumes would be equal to the annual aviation fuel demand of Arlanda airport, for example.

Green ammonia project in Norway

In 2021, St1 and Horisont Energi began conducting preliminary studies on the potential of green ammonia production in Finnmark, Norway, based on electrolysis using wind power. In 2022, 17 municipalities in Finnmark were invited to take part in the study, which led to two viable alternatives, located in the municipalities of Lebesby and Alta.

The green ammonia plant will require the wind power that St1 plans to produce in Finnmark. St1 has already submitted a permit application for the development of Davvi wind park (800 MW) in Lebesby Municipality, and a formal notification for Sandfjellet in Gamvik municipality.

Shift carbon credits

St1 has run a pilot from 2022 to 2023 to promote Shift carbon credits for the voluntary carbon market, which has been beneficial in providing valuable insights while identifying opportunities and risks. The sales of carbon credits have been paused to evaluate the experience and further develop the role of carbon sequestration in St1's energy transition journey.

CASE

Carbon sequestration pilot

Afforestation pilot in Morocco

St1 ran a pilot project in Morocco between 2018 and 2022, during which fast-growing tree species with different agronomic traits were planted in an arid area, and their ability to form a significant, measurable carbon sink was studied. The aim of the pilot was to find an optimal solution for cost-effective forest growth and carbon sequestration with the help of soil improvement and irrigation systems.

The pilot was funded by Business Finland and carried out in cooperation with the local university, Université Mohammed VI Polytechnique. The Natural Resources Institute Finland (Luke) directed and monitored the field tests at the plantation area in Benguerir.

The research report was published in 2023. It confirms that increasing vegetation that sequesters CO_2 from the atmosphere while simultaneously providing local benefits is possible, even in dry and long-barren conditions. Carbon sinks created by new vegetation offer a significant tool for mitigating climate change, increasing the earth's green cover while substantially improving local living conditions.

Sales and customers

Enhancing the customer experience

Meeting customer needs in a volatile market

Securing society's fuel supply is a key responsibility for St1. The current situation in Ukraine and the Middle East has caused instability in the oil market, triggering fluctuations and affecting fuel prices further down the value chain. High energy prices, inflation, and the strained financial situation have left their mark on the market, creating ripple effects for our business and our customers.

St1 provides private and corporate customers with a wide range of products and services. The main fuel products sold are premium traffic fuels, heating oils, middle distillates for machinery, and marine fuels. Bioproducts, which make up an important share of our liquid fuels offering, accounted for 22.1% of our net sales in 2023.

Our offering also includes a wide range of enhanced payment cards, payment methods, and services for private customers, fleet customers, and commercial road transportation customers.

Retail station network

At the turn of the year, the group had a distribution network of 1,259 stations operating under the St1 and Shell brands in Finland and Sweden and under the Shell brand in Norway. The distribution network also includes gas refueling points. The network of unmanned stations and service stations with shops, convenience stores, restaurants, and car washes serve the many needs of hundreds of thousands of people on the go.

Our EV charging network is expanding in tandem with rising sales in electrical vehicles in the Nordic

> We continuously focus on enhancing the customer experience across our strong Nordic retail network.

countries, turning our network of fuel stations into energy stations. Investments in the high power electric charging network across our retail network continued in Norway and we also have initiated charging network investments in Finland and Sweden.

We continuously focus on enhancing the customer experience across our strong Nordic retail network.

During 2023 we developed our new consumer app, St1 Mobility, which was launched in Sweden in November 2023. St1 Mobility gathers our wide range of offers to our consumer customers and will eventually replace our B2C closed loop payment cards which are being phased out across all of our markets. The St1 Mobility app will function as a significant sales channel, for example for car wash services and coffee offers.

In Sweden, we have now a network of 29 PLOQ stores, following the opening of 8 new locations last year. The focus of the concept is fresh, healthy food, prepared on-site. For 2024, we will continue this roll-out, maintaining our focus on operational excellence and continuous growth in the desired categories. In order to reduce food waste, many of our stores collaborate with an external partner, Too Good To Go.

In Sweden, our biogas station network expanded with filling stations in Strängnäs and in Borås.

In Norway, we inaugurated Shell Lonelier in May. A state-of-the-art energy site outside Kristiansand, an important location for our network, and a popular summer destination for many Norwegians. In addition to traditional liquid fuels, there are 31 electric vehicle charging points, of which 16 are high power chargers. In the long term, the site will also provide electric

CASE

An energy station for the future – with a focus on customer experience

In May 2023, St1 Norway opened Shell Lonelier just outside Kristiansand, its flagship retail site in southern Norway. Shell Lonelier is a state-of-the-art energy site where future fuels are placed at the center of the site's design. In addition to traditional liquid fuels, there are 31 electric vehicle charging points, of which 16 are high-speed chargers. The new site also offers several other services to its customers.

Shell Lonelier has 31 electric vehicle charging points, of which 16 are high power chargers.

The Kristiansand area, situated along the new E39 road, is an important location for St1's network in Norway. It's also a popular summer destination for many Norwegians, and the site opening took place just in time for the busy summer season.

"We are grateful that Nye Veier – a company that plans, builds, operates, and maintains traffic-safe main roads in Norway – trusted us to build and operate the new site at Lonelier. In the planning process, we have considered the needs of our different customer groups, and the goal is to be both B2B and B2C customers' first choice on-the-go", says network planner and project lead, Bård Granerud.

Space and services for all customer groups

Shell Lonelier has become a crossing area, which is also supplemented by up-to-date 24-hour rest areas, and high on-site capacity to refuel and charge vehicles. In the long term, the site will also provide electric charging facilities for heavy trucks at a larger property across the road.

"We believe that professional drivers and everyone else who travels in the new E39 road, will find the site functional, with an abundance of services to suit the needs of travellers of all stripes", says Retail director Anita Sørlundsengen from St1.

In addition to refueling or charging the vehicles, one can shop, eat and drink on the site, and there are even exercise facilities, a playground and a dog park open for the guests.

> Our customers are increasingly asking for ways to reduce their environmental footprint. Together with them, we have developed solutions to help mitigate their climate impact.

charging facilities for heavy trucks at a large property across the road. As convenience retail sales continue to increase, we are also capturing market share with a growing customer base.

In Finland, we have focused on upgrading our stations and restaurants. As well as working on making our stations more energy efficient through upgrading lighting to LED and changing from heating oil to district-, ground- and hybrid heating in several locations. Last year, we constructed a new truck point in Kuusamo, Finland. We also acquired 3 sites for our Finnish network; Leppävirta, Karankamäki and Patalahti. Last year, we also acquired one compressed biogas filling station in Mäntsälä, Finland.

When St1 acquired the majority of Shell's downstream business operations in 2010 in Finland and Sweden, and in Norway in 2015, the company entered into a long-term license agreement to use the Shell brand, and at the acquired part of these retail operations, St1 has been using Shell brand as part of its the retail network. Last year, we announced that, after the current agreement period, St1 will move to a one-brand strategy, focusing its entire retail operations under the St1 brand. The current brand license agreement remains unchanged for another couple of years, so the changes will become visible at the site level only after that period.

Corporate sales

Our corporate customers are increasingly asking for ways to reduce their environmental footprint. Together with them, we have developed solutions to help mitigate their climate impact. As an example, significant emission reductions can be achieved by using biogas, especially for heavy-duty transport.

In Sweden, St1 is a leading biogas player, with about 30% market share in the road transport segment. Its biogas operations are located in the urban areas of Southern Sweden, as well as in Stockholm, including close to twenty bus depots.

In Finland, St1 and the dairy and food company Valio's joint venture, Suomen Lantakaasu Oy, is planning to produce renewable, liquified biogas from dairy farm manure and other agricultural by-products. St1 would distribute the biogas through its own nationwide network of fuelling stations for heavy-duty vehicles. We have already begun the investment program for the first liquified biogas distribution network for heavy duty, with the first sites set to open in 2024.

CASE

Driving motivation through learning: A leadership journey

In a significant milestone, St1 Norway wrapped up its pioneering leadership development course that first kicked-off in August 2023, with strong results. All 139 site managers who enrolled have successfully completed the three-part learning journey, which encompassed a blend of digital modules and homework assignments.

"We have three primary objectives in Retail Norway: ensuring customer satisfaction, fostering employee motivation, and promoting responsible operations. To achieve these objectives, we prioritise learning and development. We firmly believe that enhancing competence leads to increased engagement and fosters professional leadership. This will ultimately show in an enhanced customer experience, enabling us to become their preferred choice ," states Øyvind Andreassen, who oversees manned sites and the territory management team in Norway. St1 Norway operates approximately 300 Shell stations under a brand license agreement, with 220 of them being manned sites and the remainder being unmanned.

In December, the 139 site managers received diplomas in recognition of their dedication. Sigrid Louise Philippart, Strategy and Communications Manager for Retail Norway, spearheaded the program's development and expresses pride in the managers' achievements.

"Our managers lead teams in a medium-sized company that serves a critical infrastructure function, providing essential fuel and energy across Norway. The demands facing any modern energy station are diverse and evolving, so require continuous leadership development to navigate and overcome. This course provides all managers with equal opportunities for growth," Sigrid comments.

Motivated by their know-how and committed to excellence, St1 Norway is moving forward, where leadership isn't just taught, but ingrained in every manager on the front lines of service and innovation.

Business technology

Strong collaboration drives successful IT ventures

> Another major effort in 2023 was to build the technological capabilities needed for the Gothenburg Biorefinery and for the production of sustainable aviation fuels and renewable diesel.

Business technology

Business Technology and digital services are a cornerstone for enabling our energy transition journey. The St1 Business Technology unit successfully completed multiple complex IT ventures with the help of a new organisational structure that enhanced collaboration.

During 2023, the St1 Business Technology team's structure was developed by creating a new Payment Technology Services team, as well as a Customer Experience – Digital Solutions team. This enabled better cooperation between different Business Units, as the teams acted as a bridge between BT and Sales & Brands.

The changes were a success, bringing different subject matter experts to work together to develop value-adding products and services to our customers. The new collaborative structure contributed, for example, to the smooth and timely launch of a new B2C fuelling application for the Swedish market.

Additionally, the closure of our own issued B2C card portfolios and the streamlining of B2B cards began successfully in 2023, in tight cooperation with Sales & Brands. These changes will allow for a more customer-focused and agile development and decision-making within the group, ultimately leading to a better customer experience.

Technological capabilities for the biorefinery

Another major effort in 2023 was to build the technological capabilities needed for the Gothenburg Biorefinery and for the production of sustainable aviation fuels and renewable diesel. Building a brand-new value chain also demanded substantial input from an IT perspective, necessitating the implementation of new, comprehensive technological solutions.

These solutions included implementing a refinery mass balancing system, a pricing system, and a trade capture system. The smooth operation of these systems plays a crucial role in transforming the raw material into a final product and enabling the flawless operation of the entire HVO value chain.

Enhancing cyber security with awareness, upgrades and monitoring

The St1 Business Technology team continues to guard against ongoing cybersecurity threats. A wide phishing test campaign targeted to all group employees was conducted during 2023, raising awareness of various forms phishing attacks and enhancing our ability to prevent and detect such threats.

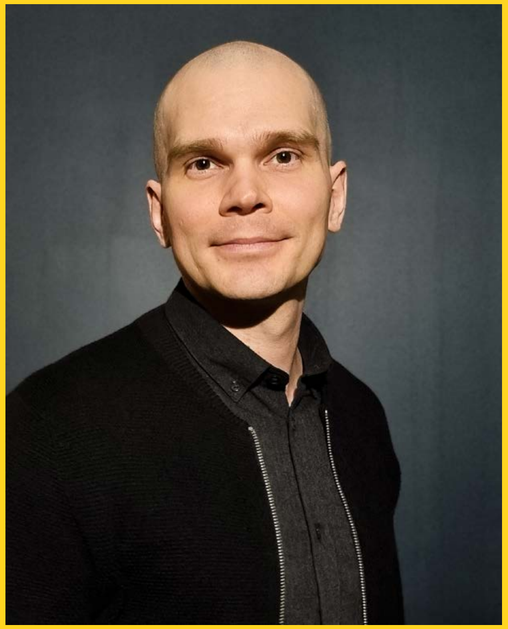
Additionally, significant improvements were made in collaboration with the St1 Refinery and several terminals in Norway and Sweden. Updates were made to the IT infrastructure by renewing network devices and connections, thus providing safe and reliable data communications.

As a whole, the Business Technology unit worked on better understanding possible threat scenarios and learning how to protect the entire value chain. We implemented a new Security Operations Centre and Network Operations Centre for the continuous monitoring of cyber security and network-related activities so that we can prevent and react to any incidents in real time, any time of the day. A cyber-secure environment can only be reached via fit-for-purpose technologies, pragmatic processes, and knowledgeable people.

CASE

Rapid advancements in artificial intelligence: St1's in-house AI assistant Pluto

In 2023, generative Artificial Intelligence (AI) gained significant attention, with a wider audience being introduced to language models for the first time. St1's Digital Process Automation team within the Business Technology unit seized the momentum, and developed St1's own in-house AI assistant, Pluto.



Onni Kultalahti

As the hype around generative AI grew, the need to provide employees with a safe and easy way to get familiar with utilising large language models (LLM) became clear. "The number of solutions that can utilise artificial intelligence is growing rapidly, which is why it is important for everyone to have a basic understanding of AI," says Onni Kultalahti, Service Owner of Digital Process Automation at St1's Business Technology unit.

Onni began testing the new generative AI's capabilities with a team. They quickly developed the first version of St1's own application, Pluto, which utilises a large language model (LLM). The application was rolled out for all employees in autumn 2023, with a clear goal of engaging them on the potential of this emerging technology.

"Before gaining access to the tool, each employee needed to undergo training, where they learned the basics of AI and how to utilise generative AI responsibly" Onni explains. Training sessions were offered face-to-face and online in various locations.

"The interest towards AI and Pluto was high, with a large number of employees participating in the training and subsequently using Pluto," says Onni.

Benefits of in-house AI

The Digital Process Automation team is aware of the constant advances in generative AI applications more broadly. However, Onni sees several unique benefits in having an in-house AI assistant tool. First, the rollout of an in-house tool was able to capture the attention of employees and help educate them on the uses of generative AI and AI in general.

Secondly, maximum data security was achieved, up to the point that employees can even use Pluto with confidential information. Because of this, we can use it for actual business purposes. "All the elements and knowledge regarding the application are within our control. Pluto is a closed solution and operates within our own cloud environment, minimising the risk of data leakage," Onni explains.

Onni thinks that building Pluto was also a valuable learning experience for the team: "the best way to learn is to get your hands dirty. Now we understand better how certain AI solutions are built and how to best utilise them." This brings long-term benefits, as it will be easier to integrate new generative AI solutions for various business purposes.

Pluto 2.0 is on the way

Since launching the first version of Pluto, the Digital Process Automation team has already made an upgrade.

"Pluto 2.0 was developed as a result of listening to user feedback. The first version is fairly simple, and the upgrade brings significant user experience improvements." Pluto 2.0 has a more modern user interface, possibility for real dialogue, and new functionalities, such as the option to connect different St1 data sources to the tool.

At the end of 2023, the technical capabilities for Pluto 2.0 were ready, and it was being tested by a small pilot group.

An entrepreneurial approach to innovation

For Onni, an important aspect of working at St1 is the approach to exploring innovative solutions and having the courage to try them out. "If you come up with an idea with potential, we dive straight in and start testing," he adds. The way of working in the Business Technology unit is agile with a flat hierarchy. This gives employees the responsibility and the opportunity to pursue new ideas that can contribute to the success of the company.

Onni is happy with the support and encouragement he received from team leadership in the early stages of the development. "Back then, generative AI was a fairly new concept to us. However, we decided to take the leap, and the result was a success." Onni believes this entrepreneurial approach describes St1's company culture in general.

Climate & Energy

Environment and energy management

St1's value chain GHG emissions

St1's energy consumption data encompasses our refineries, terminals, offices, and company-owned retail sites. This data, sourced from these units, is calculated based on invoicing and metres, utilising standard conversion factors (SI). We adhere to the Energy Efficiency Agreement for Industries, an initiative between local government and industrial associations emphasising efficient energy utilisation. This agreement provides a guiding methodology for our energy efficiency calculations, underscoring our commitment to sustainable energy use.

Emission intensity insights

Emission intensity is determined by dividing the total greenhouse gas emissions (Scope 1, 2, 3) by the total energy output of products sold by St1 during the reporting period, offering a metric for assessing the emission efficiency of our supply chain.

Greenhouse gas accounting in the energy sector

Our comprehensive emissions accounting highlights the areas we should focus our reduction efforts on, thus facilitating more sustainable decision-making. Adhering to the globally recognised GHG Protocol for emissions accounting and reporting, our data undergoes third-party verification to ensure accuracy.

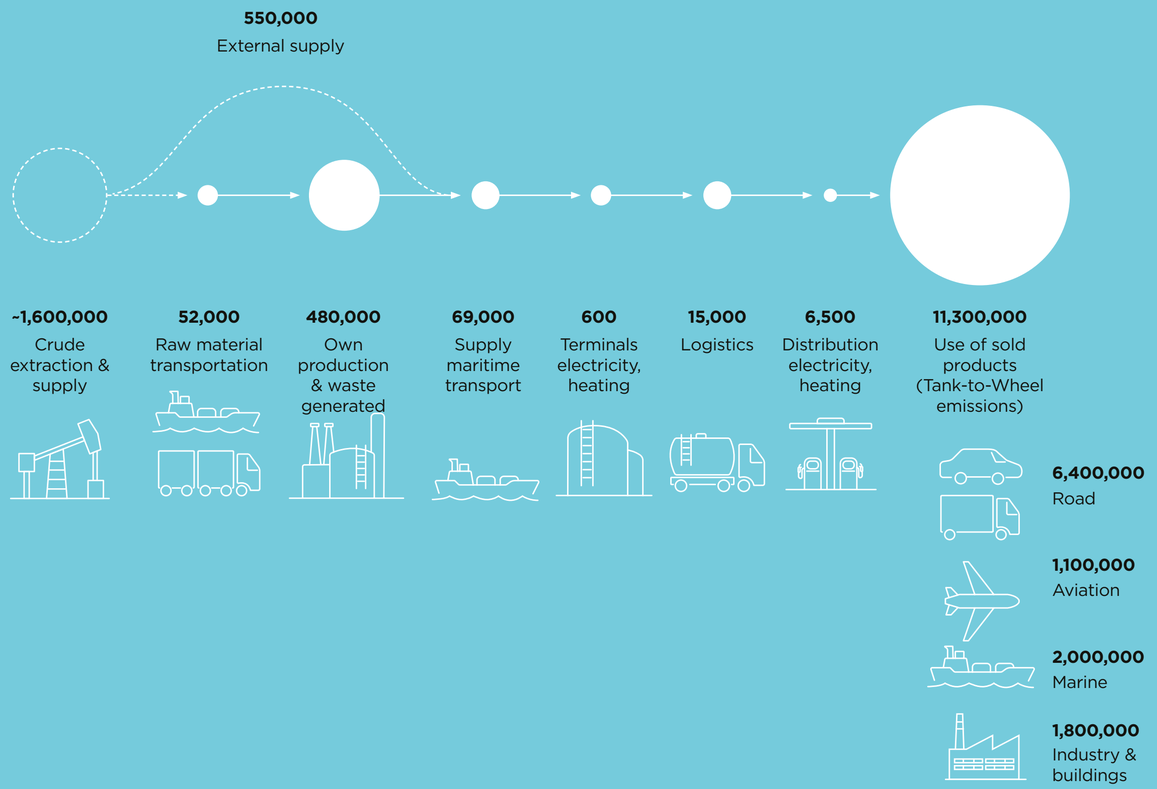
Emission classifications

We apply the GHG Protocol's Scope 1, 2, and 3 classifications to gain insights into emissions generated across our value chain. This approach helps us evaluate our performance compared to industry peers and identify areas for improvement.

- Scope 1 covers emissions from direct operational sources, with our Gothenburg refinery being a significant contributor. These emissions are assessed through direct-to-air measurements or calculated using in-house activity data.
- Scope 2 covers emissions from purchased electricity, steam, and heat, using both location-based and market-based methods for calculation. This dual approach aids in evaluating our impact relative to the broader energy mix.
- Scope 3 covers all other indirect emissions. Scope 3 is categorised into 15 sub-categories,

Emission segments in the value chain

Total emissions: 14.3 million tons CO_{2eq}



The data depicted in this visual representation has been accurately calculated and assured by an independent third-party. However, it is important to note that while the figures are reliable, the methodology applied for this depiction does not conform to the Greenhouse Gas Protocol (GHG Protocol) categorisation. This representation is designed to provide a transparent view of our full lifecycle, from crude oil extraction to the end use of sold products.

with six identified as material to our operations. This scope includes emissions from the combustion of the products we sell, highlighting the importance of addressing these emissions in our sustainability efforts.

As an energy company, a significant portion of our emissions consist of the combustion of the products we sell – in this case, the burning of fuels. Thus, Scope 3, our largest scope of emissions, undergoes a thorough inspection. Our company has identified six Scope 3 categories that are material to our operations. Purchased goods and services encompass all well-to-tank emissions of St1 products, excluding transport from terminals to service stations. This category includes the extraction, production, and transportation of our products in the upstream value chain. Upstream transportation and distribution address emissions from transportation between terminals and service stations, playing a crucial role in our overall environmental impact. Waste generated in our operations focuses on the waste generated in our refining processes. Business travel covers travel related to business activities, excluding employee commuting, whereas employee commuting recognises the environmental impact of travel between the workplace and home. The use of sold products is identified as the most substantial contributor to our overall emissions, involving tank-to-wheel emissions resulting from the burning of our sold products. Scope 3 calculations adhere to GHG protocol principles, using internal data sources (e.g., sales and supply data), emission factor data from public sources (e.g. Renewable Energy Directive, Jec Well-to-Wheels Report v5), and accredited in-house calculation data from St1.

In addition, we calculate a GHG reduction value – a value representing the GHG emission reduction we achieve with our ethanol products. Our method aligns with the EU Renewable Energy Directive II (EU) 2018/2001 applied in GHG reporting for volumes. St1 regularly updates its GHG emission factors in compliance with legislative updates and certification schemes.

Third party assurance

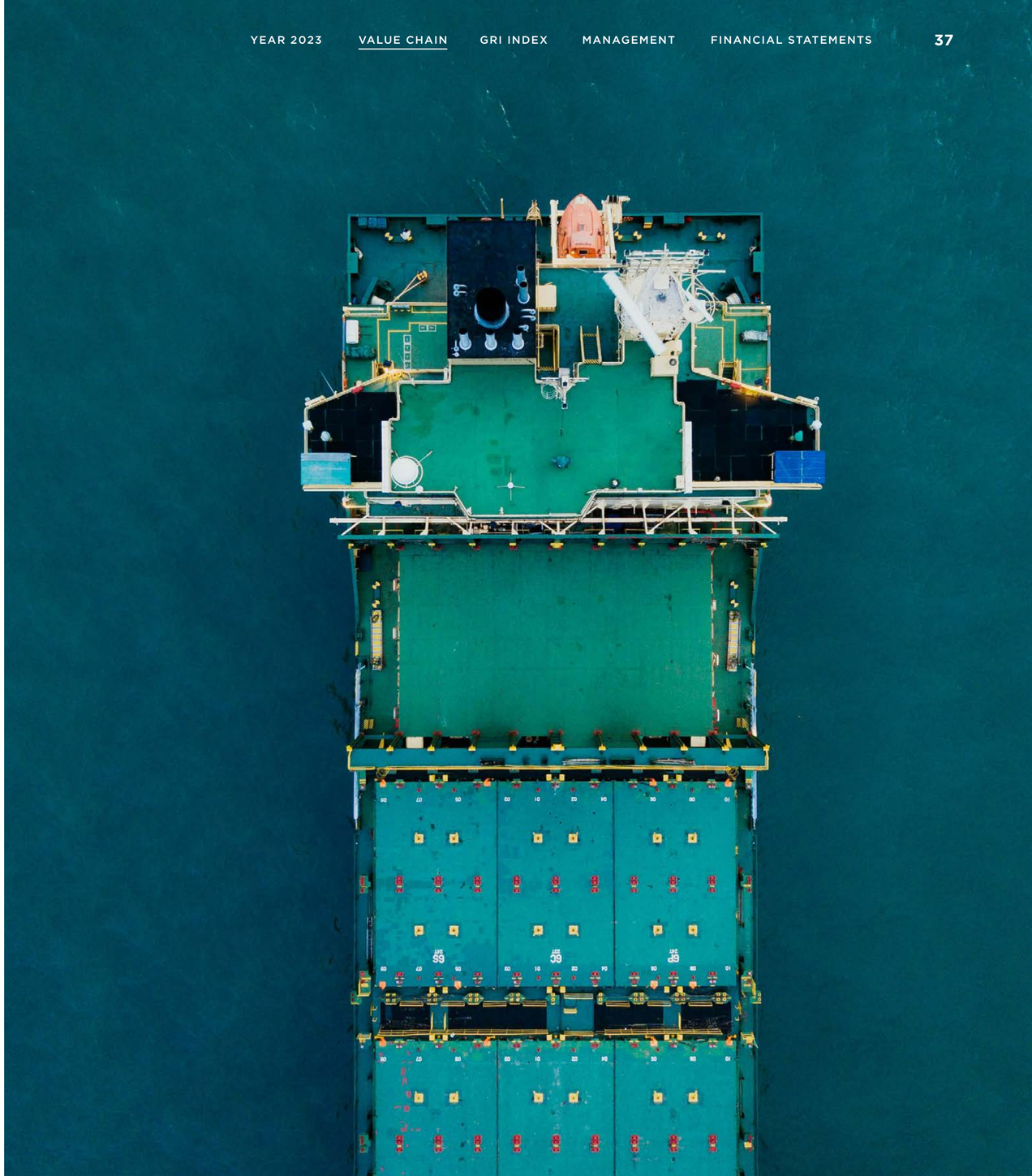
St1's emissions calculations have been verified by a third-party verifier in 2022 and 2023, aligning our reporting with GHG Protocol standards. This verification enhances the credibility of our sustainability reporting and supports strategic decisions aimed at reducing our carbon footprint. In addition to our comprehensive GHG accounting, we calculate a GHG reduction value for our ethanol products, adhering to EU Renewable Energy Directive II. This calculation reflects our contributions to GHG emission reductions.

Air quality management

Other emissions to the air, including VOC, NOx, and SO2, are measured using direct measurements or indirect monitoring methods, in compliance with site environmental permits and regulations. Monitoring of these emissions adheres to ISO, national, or other international standards, ensuring the reliability and quality of our environmental data.

		Category	Emissions tCO_2eq	Definition
Scope 1		Direct emissions	483,000	Direct emissions from St1 owned refineries.
Scope 2		Location-based method	11,200	Emissions from the consumption of heat and electricity including e.g. service stations, refineries and terminals. National average emissions factor used.
		Market-based method	35,000	Emissions from the consumption of heat and electricity including e.g. service stations, refineries and terminals. Electricity supplier spesific emissions factor used.
Scope 3	1	Purchased goods and services	2,460,000	Well-to-tank emissions of St1 products (excluding transport from terminals to service stations) Consists mainly of emissions of extraction, production, and transportation of refined oil products, biofuels, and 3rd party crude oil.
	2	Capital goods	–	(not material for st1 operations)
	3	Fuel- and energy-related activities not in Scope 1 or 2	–	(not material for st1 operations)
	4	Upstream transportation and distribution	14,800	Emissions from transportations between terminals and service stations.
	5	Waste generated in operations	1,400	Waste generated in refining.
	6	Business Travel	1,070	Business travel: Emissions from business travel. Category consists mainly of business flights. Employee commuting excluded.
	7	Employee Commuting	600	Emissions of employee commuting (Travel between workplace and home). Emissions of leasing cars included.
	8	Upstream leased assets	–	(not material for st1 operations)
	9	Downstream transportation and distribution	–	(not material for st1 operations)
	10	Processing of sold products	–	(not material for st1 operations)
	11	Use of sold products	11,320,000	Tank-to-wheel emissions of sold products. Put simply: the emissions from the exhaust pipe of cars using St1 products.
	12	End-of-life treatment of sold products	–	(not material for st1 operations)
	13	Downstream leased assets	–	(not material for st1 operations)
	14	Franchises	–	(not material for st1 operations)
	15	Investments	–	(not material for st1 operations)
TOTAL			**14,315,000**	
Total biogenic emissions			**1,820,000**	

General Disclaimer:
Please note that figures presented in this sustainability report may be subject to rounding, potentially causing slight differences in aggregated totals calculated from precise figures.



CASE

Investments in a volatile operating environment

The EU is committed to reducing its net greenhouse gas emissions by at least 55 percent by 2030, compared to 1990. And the long-term targets go even further, resulting in climate neutrality by 2050. Accelerating the energy transition is critical in achieving those targets, since cutting emissions and investments in low-emissions technologies will play a key role along the way.

The target is clear, but the common roadmap and its large-scale enablers are still in the development phase. One thing is clear, the road to 2050 is not straight and the journey does not proceed at an even pace, but that shouldn't stop us from aiming high", says Marlene Burwick, Director of Public Affairs at St1 Sweden.

The climate policy of the European Union guides the policy measures to mitigate climate change and adapt to it, both within the EU as a whole and in individual Member States. The regulatory landscape has adopted to the geopolitical changes and the prevailing conditions in society.

In several EU member states, including Finland and Sweden, the energy crisis and related energy sufficiency challenges, together with security aspects have had an impact on the national legislation regarding, for example, the bio-mandate for road transport. That, in turn, has an impact on the current climate target realisation level.

St1 is an energy transition company, operating in various countries, so national emission reduction targets and mandates concern us and thus have a strong link to our sales of renewable fuels.

Determined to reach high

"Our extensive renewable energy investment program shows results and we are now starting up the production of sustainable aviation fuels and renewable diesel in our newly finished Gothenburg Biorefinery. I'm so proud that this huge investment with a long construction timeline is now finally delivering renewable energy products for our customers", says Marlene.

Marlene Burwick

"Another already available means for emissions reduction is biogas, where we have a strong focus. Last year we constructed our seventh biogas plant in Sweden. It is also important to make renewable energy available to our customers, so we continued expanding our liquid biogas distribution network together with our Nordic high-power EV charging network", Marlene tells.

St1's strategic focus areas in the energy transition aim for long-term targets, for years to come. We are looking for even larger-scale opportunities in electrification. The hybrid concept, Biorefinery Östrand together with SCA, is a project where we wish to accelerate the energy transition by both reducing carbon dioxide emissions from aviation, and also look into offering the plastics industry a more sustainable, renewable alternative to replace fossil raw materials with renewable naphtha", Marlene explains.

"Companies have a key role in implementing the energy transition towards the climate targets. That's why a steady investment environment is needed for companies to develop and realise their plans together with an ever-evolving market for new, more sustainable energy products. It is important to keep developing the regulatory framework that enables us to execute the energy transition efficiently and cost-efficiently", Marlene concludes.

Environment

Enhancing our understanding of biodiversity

Recognising the need for improvement and for deeper knowledge of the impact of our business on biodiversity, St1 acknowledges its complexity and the necessity for cross-industry cooperation. Since 2021, we have actively participated in global and local biodiversity task forces, contributing to the creation of the ISO Biodiversity standard and participating in the Finnish Chemical Industry's roundtable on biodiversity.

Engagement in science-based targets for nature

In Autumn 2023, we embraced the Science-Based Targets for Nature training platform organised by UN Global Compact Finland. This platform has been instrumental in exchanging experiences with peers across various industries, learning best practices for assessing, prioritising, measuring our impacts on nature and setting targets. The ongoing training in 2023 has already yielded valuable tools for assessing our impacts. Through this initiative, we've begun mapping our value chain, identifying material topics, and recognising the need for improving our internal data collection processes. The work will continue in 2024 with data governance development and materiality screening for all value chains.

Third-party biodiversity impact assessments

A third-party biodiversity impact assessment was carried out for our forest-based value chain, covering upstream supply chains and a simplified version of direct operations. This assessment, aligned with the Science-Based Targets for Nature framework (SBTN), included a materiality assessment and quantitative Life Cycle Impact Assessment (LCIA). A similar assessment for our Hydrotreated Vegetable Oil (HVO) production has allowed us to evaluate the nature impacts of various feedstocks, informing our supplier due diligence process development.

In 2023 we also initiated a research project together with the Norwegian Institute for Nature Research (NINA). This project aims to compare fine-scale ecosystem accounting methods and traditional environmental impact assessments as a knowledge base for renewable energy development.

CASE

Exploring the potential of carbon dioxide removal

The energy transition journey focuses on reducing greenhouse gas emissions in order to mitigate climate change. The second pathway simultaneously focuses on Carbon Dioxide Removal (CDR). However, it is important to assess the potential of such technologies realistically. For this reason, St1 has been part a of NEGEM, a comprehensive research project dedicated to assessing their real-world potential.

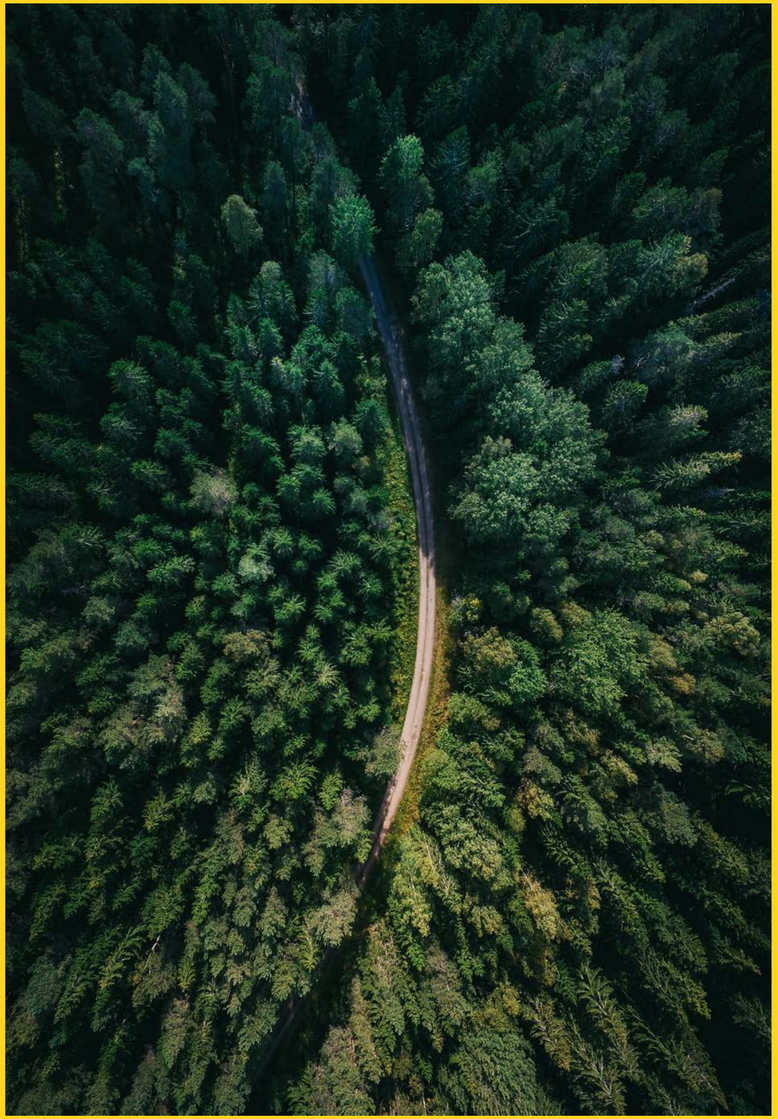
The NEGEM project is a 4-year multinational research project led by the research institute VTT. “St1 is one of the industrial partners in the consortium, which investigates various CDR practices for different European countries to utilise in the future,” says Kirsi Tiusanen, Carbon Sequestration Expert at St1.

These methods remove CO_2 from the atmosphere and permanently store it on land, underground, or in the ocean. The project began in June 2020 and is coming to an end in May 2024, with results and publications already available.

“The project assessed the potential of several Carbon Dioxide Removal (CDR) practices – or in other words Negative Emission Technologies and Practices (NETPs) – based on their technological readiness level, global scalability, and cost,” Kirsi explains.

These practices include the following (read more about each practice **here**):

- Afforestation/reforestation
- Enhanced weathering
- Bioenergy with carbon dioxide capture and storage (BECCS)
- Biochar
- Direct air carbon dioxide capture and storage (DACCS)
- Soil carbon sequestration
- Ocean alkalinisation and ocean fertilisation



Kirsi Tiusanen

“One of the project’s strengths is its multi-disciplinary approach, which takes into consideration technological, commercial, environmental, regulatory and social aspects,” Kirsi adds.

The NEGEM project highlights the limited role of CDRs in climate change mitigation currently, but by initiating industrial-level deployment in the 2030’s, a larger-scale impact could be reached by 2050. The results showed the realistic and cost-efficient potential for these practices, especially when implemented through a portfolio of various CDR methods.

In the end, it is important to keep in mind that CDR is to be used as a supplementary strategy in mitigating emissions, not the only solution. “As an industrial partner, St1 gained valuable insights and project ideas from the top researchers in this field, which will guide our work in carbon sequestration,” Kirsi concludes.

Impacts on people

Our human rights due diligence approach

We are dedicated to respecting and supporting human rights, viewing this commitment as crucial for the responsible and sustainable development of our business.

Our practices are guided by a respect for human rights, recognising the equality of all persons we engage with. Nonetheless, we acknowledge the possibility that our activities might directly or indirectly cause adverse impacts on human rights and fair working conditions. Our commitment to human rights is grounded in the United Nations Guiding Principles on Business and Human Rights (UNGP), which is reflected through our comprehensive **policies**:

1. St1 Human Rights Policy: This document outlines our unwavering commitment to respecting fundamental human rights.
2. St1 Code of Conduct: Establishes the foundational rules for St1 employees, guiding their actions and decisions.
3. St1 Partner Code: Sets the ethical standards for our partners within the value chain.

Addressed human rights principles:

- Fair wages and working hours
- Freedom of association and collective bargaining
- Equal and fair treatment without fear of discrimination
- Health and safety
- Forced labour and modern slavery
- Child labour
- Positive societal impact on communities
- Anti-corruption
- Right to privacy

As part of our ongoing commitment to human rights, mandatory basic human rights training is required for all employees, aligning with the St1 Code of Conduct. In 2023, we took significant steps forward by conducting more in-depth training for groups of internal stakeholders who possess significant decision-making power. Training sessions were held to deepen their understanding of human rights and due diligence processes as well as stakeholder expectations and

Our Human Rights Due Diligence Approach

regulatory environment. Notably, St1's group management and Board of Directors participated in this workshop, demonstrating our leadership's commitment to these critical issues. Additionally, key individuals involved in the procurement of raw materials and fuel products participated in the extended training workshop.

Fundamental labour rights, health and safety, non-discrimination and equal opportunities, as well as land and resource rights, have been identified as salient human rights issues for St1, following an impact assessment conducted in 2022. These areas are considered to have the highest risk of causing severe negative impacts. The potential impacts will be re-evaluated as part of a double materiality assessment in 2024. We manage human rights risks according to their place within the value chain. Risks that are more likely to occur further down our value chain are addressed through a partner due diligence process. In compliance with the Norwegian Transparency Act (Åpenhetsloven) and the UK Modern Slavery Act, we publish an annual due diligence statement to further communicate our efforts in managing human rights risks.

Human rights in project development

We are committed to ensuring that human rights due diligence is conducted for our projects, with stakeholder engagement serving as a crucial aspect of our project development work. This engagement allows us to identify potential human rights impacts at the early stages of projects, which again allows us to work with stakeholders to avoid, minimise, mitigate, or compensate for these impacts. Our aim is to foster positive development in the societies in which we operate, and to contribute to a socially just energy transition. We always actively engage in dialogue with stakeholders that are potentially impacted by our projects, both positively and negatively. For example, we have for years as a part of the development of wind power projects in Finnmark, Norway held several public meetings and other meetings with industry and interest groups. We are now in the process of initiating the formation of local, thematic working groups that go beyond the formal permit process requirement of having an advisory group for the impact assessment phase. These groups, which may focus on cultural heritage and history, recreation and other nature uses, industry opportunities, or tourism, will enable us to collaborate closely with the local community to identify concerns and opportunities throughout the project lifecycle, from impact assessment to construction, operations, and decommissioning.

We will continue to integrate human rights due diligence into our investment management process, ensuring that human rights and other sustainability risks are identified at the early stages of projects. Our investment management process is designed to be transparent and structured, facilitating the management of projects that support the energy transition through significant investments in new renewable energy projects.

CASE

Wind power developments in Norway

In 2023, the government announced the "Power and Industry Pledge for Finnmark." This initiative aims to increase power production and power line capacity to foster new industries and growth in the region. Part of the pledge is to move from gas power plants to electricity from the grid at the LNG plant Snøhvit at Melkøya, Hammerfest to reduce CO_2 emissions by 2030.

Since the launch of this government-led project, there has been a notable increase in wind power projects in Finnmark. Among these, St1 has three projects at various stages of development. The furthest along is the Davvi project, which has already been fully assessed and has submitted its permit application. Following Davvi is Sandfjellet, which was first officially notified to The Norwegian Water Resources and Energy Directorate (NVE) in 2021, with an updated suggested impact assessment program in 2023. Following the NVE's initiative to pre-notify all ongoing projects in Finnmark, St1 has also submitted the early-phase project Nordre Sørøya Wind farm DA.

St1 expected that Davvi would enter the hearing stage for a permit in 2023 after the application had been with NVE since its initial submission in 2019. However, regulatory delays have further postponed the process.

While awaiting further progress in the permit application process, St1 continues its work on local and regional engagement, offering information and welcoming feedback. Also, the host municipality of Lebesby has started the process of regulating the area, which is a requirement for the permit.

Wind power development in Norway faces opposition, notably from the Sami Parliament and reindeer husbandry. In 2020, the Sami Parliament made a principal decision to reject all interventions resulting from wind power in the regions of Norway which also hosts active reindeer herding. At the same time, the government has expressed its desire to develop wind power even in areas defined as such. In Norway approximately 40% of its land area is defined hosting reindeer husbandry.

St1 has assessed the Davvi wind farm and believes, based on impact assessments conducted by independent experts and reindeer herders with experience, that this is a very promising project that can coexist with reindeer husbandry in the area. Should NVE's quality assurance and hearing process results indicate violating the rights of indigenous peoples in accordance with Article 27 of the UN Covenant on Civil and Political Rights, we will withdraw the project application.

"We are committed to ensuring that human rights due diligence is conducted for our projects, with stakeholder engagement serving as a crucial aspect of our project development work."

Human and labour rights audit during the St1 Refinery turnaround

To ensure the safe operation of our refineries, regular scheduled maintenance breaks—known as turnarounds—are essential. In 2023, St1 Refinery in Gothenburg, Sweden underwent such a break. These periods typically require a significant number of external and foreign contracted labour.

Following a comprehensive group-wide impact assessment, we recognised that large-scale, temporary projects such as construction and maintenance activities, pose human rights risks such as modern slavery, forced labour, and unfair labour practices. Consequently, during the turnaround, the St1 Internal Audit and Sustainability teams collaborated to conduct an audit. This audit aimed to ensure compliance with Swedish legislation and the St1 Code of Conduct, particularly regarding the use of foreign labour during the refinery turnaround. Interviews were conducted with contractors, workers, and internal staff. The audit found no cases of non-compliance. However, areas for improvement were identified and communicated to the relevant management teams. An example of such improvement was to enhance awareness of grievance mechanisms among contractors during large-scale projects. It is essential that workers employed by contractors and sub-contractors can raise concerns directly to St1.

SpeakUp – whistleblowing channel

Our whistleblowing channel SpeakUp, introduced 2020, allows stakeholders to report any incidents that they believe violate working conditions or involve unethical behaviour. Since the introduction of SpeakUp, we have placed greater emphasis on training our employees and will continue to promote the importance of due diligence and other salient issues. In 2023, we received a total of 5 Speak-Up cases. Each case was thoroughly investigated and handled with the utmost discretion. We encourage the use of our Speak-Up channel for reporting any suspicions of misconduct, and welcome feedback on our processes through this channel.

We ensure the quality of the SpeakUp process with internal audits. We commit to handling reports and suspicions of irregularities with confidentiality and discretion, ensuring the protection of the reporter's identity and mitigating any potential repercussions from reporting. We also aim to provide appropriate

care to the accused until proven otherwise and will offer legal advice to relevant witnesses in cases where their testimony is required, with the reporter's consent. St1 respects the privacy of reporters and refrains from seeking the reporter's identity. Investigation documentation will be anonymized where possible.

St1 prioritises ensuring that our stakeholders feel heard by maintaining open dialogue across all aspects of our value chain. We take all reports of misconduct or unethical behaviour against our Code of Conduct seriously and urge all stakeholders to report concerns openly. Employees are encouraged to report observations of misconduct to their managers, Human Resources, management team members, or through SpeakUp, our anonymous communication channel available to all stakeholders.

Building trust through measured action and ongoing commitment to progress

- During the 2023 refinery turnaround we initiated an internal pilot audit. This preliminary assessment aimed to align with relevant laws and our Code of Conduct. Although it marked a starting point, we acknowledge its limitations and the need for significant enhancement in our future audits to truly assess and improve our practices comprehensively.
- Throughout the development stages of our wind power projects, we have prioritised open dialogue with local communities. We have offered detailed information sessions and actively sought feedback to incorporate local perspectives and concerns into our planning and operational processes. Our commitment to

The most salient human rights issues

Fundamental labour rights
Fair working hours and compensation, right to organise and bargain, right to join a union, right to freedom from slavery and forced labour, rights of children and youth

Health and Safety
Health and safety of employees, sub-contractors, and all workers throughout our value chain

Non-discrimination and equal opportunities
Right to equal treatment and non-discrimination, women's rights, and right to privacy and family life

Land and resource rights
Indigenous peoples' rights, land, livelihoods, culture, and right to health and life

stakeholder engagement is not static. Should new information arise during quality assurance and hearing processes that suggest significant adverse impacts, we are prepared to re-evaluate and address these concerns. We strive to create channels for all stakeholders to express their views and concerns freely, ensuring they feel heard and valued.

- Refining Our Approach to Human Rights Due Diligence is an ongoing process designed to identify and mitigate potential adverse impacts on human rights and working conditions. While we align our efforts with the United Nations Guiding Principles on Business and Human Rights (UNGP) and embed these principles into our core policies, we recognise the complexity of ensuring a universally positive impact. Our focus is on continuous improvement and taking concrete actions, to truly benefit individuals and communities connected to our operations. Yet, we acknowledge that our journey towards refining our strategy and setting targeted goals is ongoing, guiding our efforts towards making meaningful differences.

Health and safety in focus

In 2023, St1 reinforced its dedication to Health, Safety, Security, and Environment (HSSE). The Total Recordable Case Frequency (TRCF) for St1 employees was recorded at 7.5 in 2023. These incidents, thankfully without long-term health consequences, varied in nature and severity, with most being minor, such as slips, trips, falls, cuts, and scratches. St1 is committed to reducing its TRCF to below 5 in the coming year as part of our continuous improvement efforts.

During the Gothenburg refinery turnaround and the execution of the Green Processing Unit (GPU) project, significant attention was paid to anticipating and mitigating safety challenges inherent in such comprehensive project work. Simultaneously, during our major planned maintenance turnaround, we reached peak man-days with our GPU project, bringing 2000 external contractors on-site. In relation to the challenges on the behavioral safety side, we managed well. We experienced a serious furnace incident during our startup, classified as a Process Safety Event level 1 (PSE1). For 2024, improving process safety, especially with older process furnaces, is among our key measures in the refinery. Our commitment to safety extends throughout our value chain, targeting key areas for immediate and sustainable improvement. By promoting a strong safety culture and implementing comprehensive safety measures and training programs, we aim to ensure a secure working environment for everyone involved in our operations.

We also faced challenges with the overall fence security at the refinery, related to the presence of numerous contractors and social and global changes in security matters. We have enhanced and plan to further scale up our physical security measures at the refinery and our sites. Improving health and safety across all operations remains a pivotal focus for our organization. In 2023, we intensified our efforts to elevate the discourse around HSSE, making it a central topic at local town halls and a standing agenda item at quarterly management meetings. This increased emphasis on HSSE underscores our commitment to transparency and continuous improvement in our health and safety practices.

CASE

Empowering Safety Culture: The Gothenburg refinery's Behavioral-Based Safety Program

At St1, safety always comes first. The Gothenburg refinery has a Health, Safety, and Environmental (HSE) Management System in place to systematically and continuously improve our work concerning health, safety, security, and the environment (HSSE) as well as minimise the risk of incidents.

External audits of our environmental management system are conducted annually by accredited bodies. Our internal audits are carried out by trained St1 personnel and cover the entire management system for health, safety, and the environment. During 2023 a plan covering the coming years was outlined for process safety comprising a process safety assessment and HazOps, a method used for analyzing process safety.

The St1 refinery continued its journey to further increase and develop safety and security awareness within the organization. The Behaviour-Based Safety Program that was initiated in 2021 continued, and all employees at the refinery were trained in behavioral safety and risk awareness. Behaviour-Based Safety is a process that aims to strengthen the daily behaviour of employees and managers through safety observations which reduce the risk of accidents in the workplace.

The refinery's safety routines and life-saving rules have been updated and clarified and safety instructions were developed. Substantial training for all employees and contractors at the refinery have been performed within both life-saving rules and safety instructions. This type of work, which positively impacts the whole organisation, will continue for many years to come, and serve as a solid foundation for our daily operations.

Also, we initiated the work to identify our process safety fundamentals to improve process safety at the site and eventually train all staff in a similar manner as done with the life-saving rules.

The introduction of a new incident reporting tool in Finland marks a significant step forward in our quest to foster a culture of safety. This tool simplifies the reporting process, making it quicker and more accessible for employees to report near misses, safety observations, and incidents requiring medical treatment. In 2024, we will assess the reporting across the whole group and work to simplify the reporting process and enhance the quality of the data. The initial success of this tool in lowering the barrier to reporting is encouraging, yet we acknowledge the work that remains. Before extending the implementation of this tool to other locations, we will conduct a thorough assessment to ensure its effectiveness and appropriateness for diverse operational contexts.

The formation of a dedicated HSSE group in 2023 has further solidified our commitment to health and safety. Monthly meetings among Health & Safety (HSSE) managers have become a cornerstone for sharing insights, challenges, and best practices. These gatherings serve not only as a forum for tracking progress and managing incidents but also as an invaluable platform for aligning on incident definitions and fostering a unified approach to health and safety across the organisation. In 2024, HSSE will become a centralised function within the group.

Despite our efforts to lower the Total Recordable Case Frequency (TRCF), we recognise that our journey toward achieving the highest safety standards is ongoing. Our diligent monitoring and evaluation have identified key areas for improvement, affirming our commitment to not only meeting but exceeding behavioral and process safety expectations.

HSSE Policy Implementation

Our HSSE policy is the cornerstone of our approach, reflecting our commitment to responsible and ethical business practices. It emphasises our priority: to create a workplace free from injury and accidents by providing a secure and healthy environment for all our employees and contractors. Key statistics and achievements from the reporting period include:

The reporting period saw zero fatalities resulting from work-related injuries.

- High-consequence work-related injuries, excluding fatalities, were zero (0).
- The rate of recordable work-related injuries stood at 7.56
- Predominant types of work-related injuries included slips, trips falls and burns
- The total number of hours worked by St1 employees and contract workers during the reporting period was 1.7 & 2 million hours.

* Due to the closure of our ethanol production during summer 2023, we have excluded Lahti, Kajaani & Vantaa ethanol production from our health & safety calculation, although no incidences occurred during the reporting period.

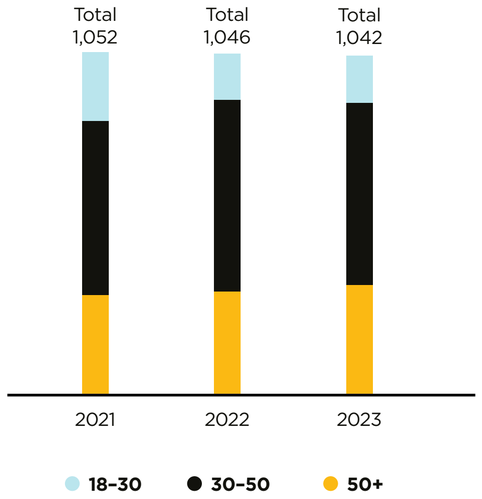
Hazards and Risk Mitigation

Identifying risks of high-consequence injuries is a fundamental aspect of our safety strategy. By incorporating Concawe's and the GRI's definitions for High-Consequence Injuries (HCI), we ensure clarity and consistency with industry standards. Our ongoing commitment is evidenced by enhanced training, stringent safety protocols, and improvements in equipment maintenance and safety features. This proactive approach is integral to our rigorous assessment and mitigation of HSSE risks.

Proactive safety measures and training programs

By implementing proactive measures such as refining engineering controls, enforcing administrative measures, and providing extensive training programs, we aim to enhance safety awareness and practices. Our HSSE policy, subject to annual review, reflects our adaptability and unwavering commitment to maintaining a safe, secure, and environmentally responsible workplace.

Breakdown of employees by age



We adhere to Concawe Health & Safety guidelines in our operations.

- All Injury Frequency (Total Recordable Case Frequency) which is calculated from the sum of fatalities, LWI, RWI and MTCs divided by number of hours worked expressed in millions of hours.
- Lost Workday Injury is a work-related injury that causes the injured person to be away from work for at least one normal shift because they are unfit to perform any duties.
- Medical Treatment Case is a work-related personal injury which requires treatment by a medical professional and does not result in time away from work or a restriction in duties. It excludes all cases involving first aid treatments as specified in OSHA 1904.7(b) (5) even if these treatments are performed by a medical professional.
- Restricted Workday Injury is a work-related injury which causes the injured person to be assigned different work on a temporary basis or to perform their normal job less than full-time or to work at their job without undertaking all the normal duties.

Ash outbreak incident at refinery Sweden

An incident that occurred at the St1 Refinery AB facility on September 12, 2023. During a routine operation, the unintended release of ash from a furnace occurred, affecting the local areas of Eriksberg and Majorna. This incident, resulting from the incomplete removal of residual materials before the burn-off process, led to public concern and had a temporary impact on the environment, with some contamination of local properties and vehicles. We sincerely apologise for the distress and inconvenience this caused our community.

Upon discovery, St1 Refinery AB promptly initiated an extensive investigation, identifying the root causes and implementing immediate corrective measures. Analysis conducted by the IVL Swedish Environmental Research Institute and a health risk assessment by the Environmental Medical Center at Sahlgrenska University Hospital confirmed that the emission posed no significant health risks to the community or the environment. The estimated emission was a maximum of 11 kg of dust and a maximum of 400 litres of residue spread over 262 km^2, leading to a contamination of approximately 0.16 g/m^2. The incident prompted us to re-evaluate and enhance our operational protocols and safety measures to prevent future occurrences.

As part of our response, we have refined our burn-off instructions, improved training for our personnel, and strengthened our monitoring and safety systems.

Fuel tank incident in Norway

In December 2023, an incident occurred at the Shell Express gas station operated by St1 Norway in Kongsberg, located 80 km west of Oslo. A fuel tank was accidentally damaged during ground investigation activities conducted by Multiconsult, a company hired by the property owner for site assessment purposes. This led to a leakage of approximately 22,000 litres of diesel.

The leakage was detected on December 19, 2023, after local residents reported the smell of diesel in the nearby river Lågen. Subsequent investigations by St1 confirmed the loss of diesel from the tank. Immediate measures were initiated to manage the situation, including the engagement of Miljøvakta to remove the remaining diesel from the damaged tank and initiate cleanup efforts.

In response to the incident, St1, Multiconsult, and the property owner were ordered by Kystverket (The Coastal Authority) to undertake actions to guard against and remediate the acute pollution. This collaborative effort involved regular inspections and replacement of absorption barriers, water testing in the river Lågen and local drainage areas, and soil analysis undertaken near the affected tank. Further drilling was conducted to understand the diesel's flow path and its transfer to the river.

Rambøll was engaged as a consultant to oversee the actions and provide third-party verification of the cleanup process. The station was reopened for fuel customers on February 22, 2024, following a period of intensive cleanup and monitoring to ensure environmental safety. Continuous environmental monitoring and additional investigative drilling are planned for ongoing pollution control and future remediation efforts.

This case is excluded from the GRI index 306-3, Spills, Number of significant spills.

Enabling the energy transition by nurturing employee growth

Human Resources (HR) took significant steps in developing strategic HR processes, with a focus on unifying digital platforms and building a systematic approach for talent management. Our strong company culture, St1 Culture for Growth, guides our way of working, resulting in high employee satisfaction.

A significant project that was carried out in 2023 was the successful integration of St1's HR processes across all operating countries into a single platform. The implementation of the Sympa tool as a unified solution has enabled more streamlined and structured workflows for HR and provided a joint and precise digital overview of our employees.

Going forward, this platform provides a solid foundation for developing and enhancing other critical HR processes and ensures comprehensive reporting with less room for error. The Sympa tool was also implemented at Brocklesby Ltd, as we continued our work to fully incorporate the company – acquired in 2022 – into the St1 Group.

Overall satisfaction high, impact of change negotiations visible

Transparency is a key value at St1, which we uphold through conducting surveys and openly assessing their results, both at the Group level and within Business Units and smaller teams. In addition to our annual Group-wide Employee Engagement survey, we continued to conduct three brief Pulse surveys throughout the year to receive timely feedback.

Over the past year, we have taken action based on feedback from previous surveys. This includes clarifying roles and responsibilities, enhancing the information flow within the company, and developing new processes within various Business Units. Additionally, we recognise that management team visibility is important to our employees, and we are working on ways to increase access and interaction with our leadership team.

During 2023, several employees were impacted by the change negotiations conducted in the Advanced Biofuels Production (FI) unit, concerning the production facilities in Lahti, Vantaa, and Kajaani, as well as the Production Support team. As a result of the negotiations, 26 roles were discontinued. Naturally, this was reflected in the Employee Engagement survey results within the Renewable Energy unit.

Otherwise, satisfaction remained high in the survey. The results are slightly above the industry average, particularly in areas of co-operation, trust and respect, as well as in the level of interest employees have in their jobs. Overall, the survey results indicate a highly positive trend. Over the last 5 years, there has been an increase of 8,4 percent across all measured areas on average.

Ultimately, the surveys are a tool for measuring and developing our St1 Culture for Growth, which provides a solid foundation for enabling our energy transition journey.

> “We are committed to creating a working environment that supports and empowers our employees.”

Strengthening our leadership and talent management

We are committed to creating a working environment that supports and empowers our employees, and we continuously work to improve our policies to that end. As a concrete action, last year we established the position of Group HR Director, who is also a member of the St1 Nordic Management Team. This role enables us to develop our strategic and operational HR capabilities. Adding a management team member fully-focused on our people is a demonstration of our dedication to supporting our employees to thrive.

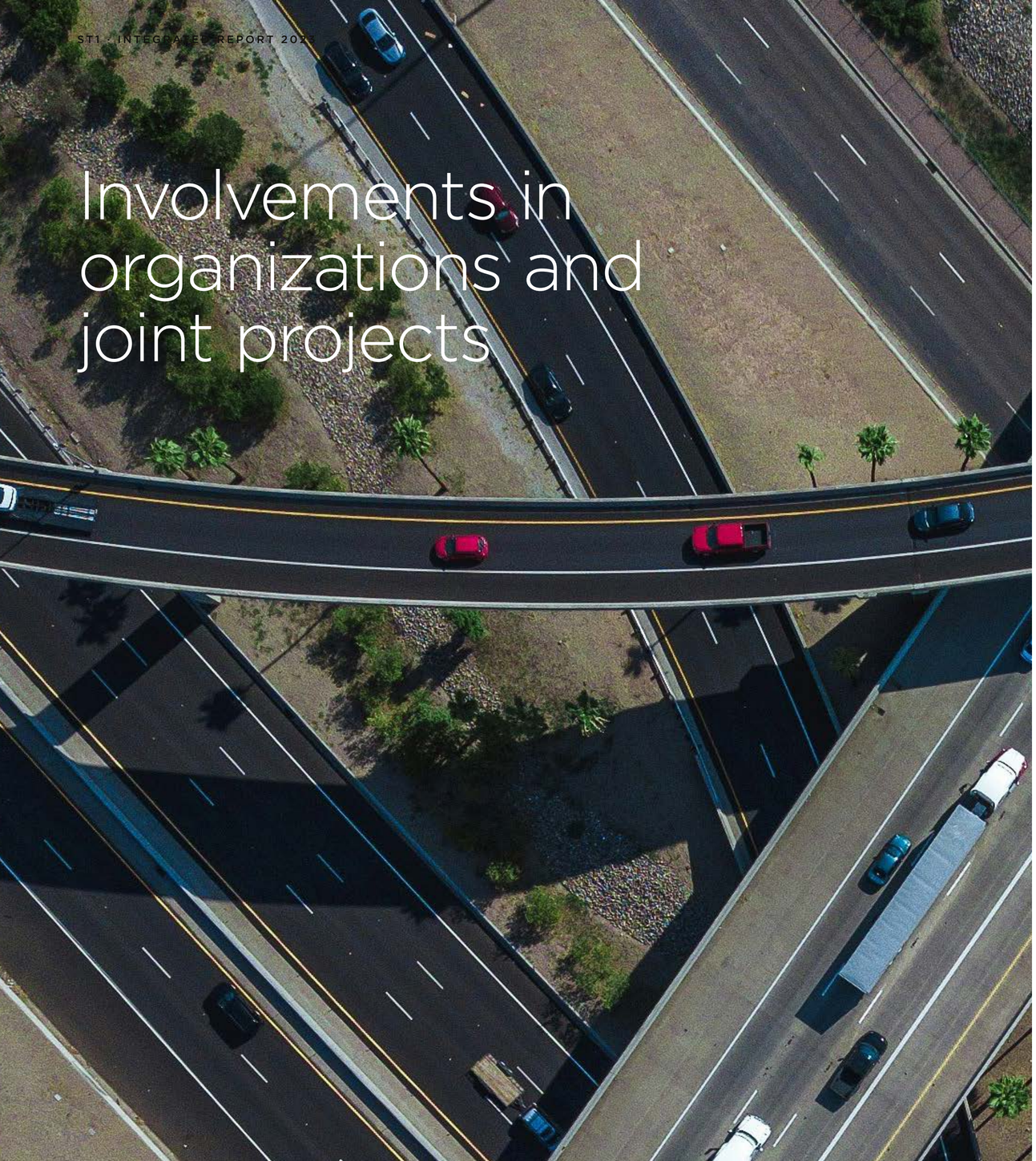
Throughout the year, we continued to cultivate our St1 Culture for Growth. Talent management is an important aspect of this and will play an increasingly important role as we move forward. We have taken steps towards systematically identifying the skills and potential of our staff, which will enable us to tailor unique development paths and help employees to reach their full potential.

We will continue the work towards St1 as a talent incubator, fostering an environment that empowers employees to take on new roles and grow into leadership positions.

Stakeholder engagement

Stakeholder dialogue is important to ensure the future success of all our operations and is thus a vital part of the daily work of the Group's management and employees. We engage with our many stakeholder groups continuously in a variety of settings across the markets in which we operate. Examples of continuous dialogue or engagement cover the day-to-day interactions with our customers and employees, to memberships of business and industry associations, community meetings, and the organising of seminars. An active and open dialogue helps us live up to our stakeholders' expectations related to our business environment and sustainability matters.

Stakeholder Group	Expectations	Our Engagement Actions
Customers • Consumers • Companies • Public entities	• Develop more sustainable and safer products, services and solutions • Help customers to make sustainable choices • Superior customer service • Enable safe service and customer experience	• Introduced new shop concepts and products • Newsletter • Training program to ensure safe service and customer experience
Extended personnel and management • More than 1,000 employees in the Group's and its subsidiaries' offices, terminals and production facilities • More than 70 employees in associated companies • More than 6,500 indirectly employed: entrepreneurs and distributors and their staff, station managers, sales channel traders, employees of transportation companies	• Vision and values to be proud of • A fulfilling and inspiring workplace • Open communication and dialogue • Workplace health and safety • Company culture that enhances involvement, professional development and respect • Successful and sustainable business conduct	• Yearly Retail and Sales Kick Off -events • St1 Value Chain engagement • St1 Day for employees • Employee Engagement and Pulse surveys • Regular performance development and training opportunity reviews • Group Intranet, Nordic and local Town Halls, Open Houses
Partners • Distribution chain entrepreneurs and traders • Strategic product and service providers • Business partners • Organisations • Research organisations and universities	• Long-term partnerships • Successful, ethical and fair business conduct • Mutual development opportunities	• Yearly Retail and Sales Kick Off -events • Meetings, seminars, direct interaction • Participation in various research projects and studies
Financiers • Banks and financial institutions • Investors • Analysts	• To provide timely and consistent data about St1's progress and sustainable business conduct • To highlight significant topics affecting St1's financial performance	• Company releases, direct communication and events, presentations, Annual integrated report
Society • Local communities • Authorities, decision makers and legislators • Academia • Non-governmental organisations, industry associations and cooperation bodies • National Emergency Supply Agency	• To provide market specific and general information on the energy sector and transition to further enhance the basis for decision making • Technological and scientific challenges for research • Local presence in communities • Social responsibility • Job creation • Taxes, donations and sponsorships	• One-on-one meetings, hosting site and company visits, public meetings, seminars, roundtables, articles, excursions to St1 sites • A service segment training program • A recruitment channel for service segment • Various university research projects • Access to work-life learning for young people • National crisis training
Media • Domestic and international media • Social media	• To provide transparent information and fact-based insights • To contribute to general discussion • To be easily approachable and available	• Press releases, news and information at our channels, events, site visits, seminars • Serving the needs of the media • Transparent dialogue also on challenging topics



Involvements in organizations and joint projects

We participate in many consortia and partner initiatives; including trade associations and industry platforms together with sustainability and environmental initatiatives.

LIFE CarbonFarmingScheme	LIFE Preparatory, a project aimed at addressing specific needs for the development and implementation of the European Union's environmental and climate policies and legislation.
NEGEM	A negative emissions project led by VTT, the Technical Research Centre of Finland. It assesses the realistic potential of carbon dioxide removal and its contribution to achieving climate neutrality.
CLC (Climate Leadership Council)	Climate Leadership Coalition is the largest non-profit climate business network in Europe. CLC believes that profound transition to a sustainable world can be economically beneficial, viable, and financeable. The members strive to be among the leaders of their respective fields in terms of climate change mitigation ambition.
f3	In f3 Innovation Cluster for the Sustainable Biofuels industry, academia, institutes and authorities work together for an actual and rapid transition to renewable fuels in the transport sector.
2030 sekretariatet	The national secretariat for following up the Swedish government's goal of a fossil-free vehicle fleet by 2030.
Fossilfritt Sverige	A national initiative that aims for Sweden to become one of the first fossil-free welfare countries.
CLIC Innovation	An open innovation cluster with the mission of facilitating the creation of breakthrough solutions in bioeconomy, circular economy, and energy systems.
United Nations Global Compact	A call for companies to align strategies and operations with universal principles of human rights, labor, environment, and anti-corruption, and take actions that advance societal goals.
Advanced Biofuels Coalition	Supports advanced biofuels lobby in the EU agenda.
FuelsEurope	Represents the interests of companies conducting refinery operations in the EU.
European Clean Hydrogen Alliance (ECH2A)	The European Clean Hydrogen Alliance aims for the ambitious deployment of hydrogen technologies by 2030. It brings together renewable and low-carbon hydrogen production to meet the demand from industry, mobility, and other sectors, as well as hydrogen transmission and distribution. Through the ECH2A, the EU wants to build its global leadership in this domain and support the EU's commitment to achieving carbon neutrality by 2050.
European Technology and Innovation Platform Bioenergy (ETIP Bioenergy)	European Technology and Innovation Platforms (ETIPs) are industry-led stakeholder fora recognised by the European Commission as key actors in driving innovation, knowledge transfer and European competitiveness in the energy sector.
Chemical Industry Federation of Finland	A trade association for the chemical industry and its closely related sectors, covering various fields in the basic and production chemical industry.
Lähienergialiitto (Finnish Clean Energy Association)	The goal of the Finnish Clean Energy Association is to make the use of renewable energy as easy as possible for Finns and to help the clean energy industry to grow. Its focus is on renewable energy, smart energy solutions, and energy efficiency.

Finnish Biocycle and Biogas Association	Promotes nutrient recycling, the use and development of biogas technology, and the public awareness of these in society. The Association aims to influence positive developments in the biocycle sector by taking part in legislative development, publishing information, and giving presentations in events organised by the association or other actors.
Etanoliautoilijat ry	An interest group whose main goal is to make high-blend ethanol one of the major solutions when converting traffic to low emissions.
Industrial Biotechnology Cluster Finland	IBC Finland builds novel biotechnology solutions, services, and products through project cooperation between companies and research institutes. IBC Finland looks forward to cooperating with national and international partners in the area of industrial biotechnology.
Hydrogen Cluster Finland	Hydrogen Cluster Finland is a network of companies and industrial associations that facilitates sharing of information, collaboration and joint ventures, and development of a business perspective to promote hydrogen economy, create business opportunities and support the transformation towards climate neutrality.
Drivkraft Norge	Promotes the common interests of the energy station sector and uses its competencies to lobby renewable liquid fuels and related policy objectives towards Norwegian politicians, media, and stakeholders.
Virke Servicehandel	Virke Servicehandel is the kiosk and petrol station dealers' industry unit of Virke, The Federation of Norwegian Enterprise. The industry unit has close to 2,500 member companies, including kiosks, petrol stations, car repair shops, and service concepts associated with the industry.
Energi i Nord	Energi i Nord is a cluster with members from the entire energy sector and from all of Northern Norway.
Energi Gass Norge (EGN)	An association supporting gas (biogas). Trying to set it self up as the all gas association.
Biogass Norge	Biogas Norway is an interest organisation for companies and organisations that are concerned with developing the market for biogas.
Fornybar Norge	Renewables Norway is a non-profit industry organisation representing about 400 companies involved in the production, distribution, and trading of electricity in Norway.
Drivkraft Sverige (formerly SPBI)	The industry is in the middle of the transition from fossil fuels to renewables, where biofuels and electrification are cornerstones to succeed in becoming climate neutral by 2045. Drivkraft Sverige operates within three overarching business areas: Sustainability, Competitiveness and Safety.
Avfall Sverige	A stakeholder and trade association in the field of waste management and recycling.
Energigas Sverige	A member-financed industry organisation that works for the increased use of energy gases.
Vätgas Sverige	Promotes hydrogen (H2) as an energy carrier in Sweden to support the Swedish innovation system for hydrogen and contribute to sustainable development in industry and society, with lower emissions and more renewable energy and increased resilience.
Svebio	A commercial environmental organisation focusing on developing bioenergy in a sustainable society.
Hållbar Biltvätt	An organisation aiming to inform, educate, and develop sustainability around the future of car washing.

Convenience Stores Sweden	An organisation working with questions contributing to the future growth and development of convenience retail. Its approximately 6,500 members include business organisations, chains, and suppliers.
Nordic E-Fuels Alliance(NEFA)	A lobbying coalition that advocates e-fuel investments and regulation in the EU and Nordics.
Responsible Care	Responsible Care is a global sustainability program in the chemical industry, which has been in use in Finland since 1992. The programme is based on continuous improvement, sharing best practices, and annual reporting.
Biodrivstoff 2030	Biofuels 2030 is a collaboration consisting of 16 players who work to accelerate the transition to a fossil-free transport sector through increased use of sustainable biofuels.
Arctic Energy Forerunners	The supplier network for the energy business in the North. The network will collaborate with business, energy, oil and gas companies, social actors and others who have the energy field as a market and interest.
Hiilensidonta ry	Promotes operational preconditions of voluntary carbon sequestration activities in Finland, develops cooperation between members and increases awareness of the field.
Concawe	Its mission is to develop scientific research and technical studies on industry's products and operations and their impact in order to: Increase the understanding of the impact of our industry and use of our product on health and the environment through advanced scientific developments, develop with scientific rigour technically feasible and cost-effective pathways to achieve the EU's health, environmental and climate goals, contribute to informed legislative decisionmaking and facilitate the industry's regulatory compliance and evaluate, for future scenarios, the potential role and contribution of our industry and its evolution.
Klimpo	A forum for climate positive and carbon sinks to create better conditions and prerequisites for carbon sinks and climate-positive initiatives.
Finnish Wind Power Association	The Finnish Wind Power Association supports the development and growth of the Finnish wind power industry.
SIS – Swedish Standards Institute	An organisation that coordinates standardisation in Sweden. Member of the European standardisation organisation, CEN.
eFuel Alliance	The eFuel Alliance is committed to the EU's 2050 climate protection targets and wants to actively support the transition to sustainable, modern and competitive economies in the EU.
SHDC	The Swedish Hydrogen Development Center, SHDC, works in a solution-oriented, promotional and cross-sectoral manner to actively contribute to Sweden's path towards a sustainable, climate-neutral and competitive industry and energy system through the integration of hydrogen.
IKEM	Innovations- och kemiindustrierna i Sverige is the trade and employer organisation for Sweden's innovation and chemical companies. IKEM works for a world-leading and green industry and the members' discoveries and business are a prerequisite for sustainable growth and more efficient resource utilisation, including through cleaner energy, more effective medicines and new transportation solutions.
HYGCEL	Hydrogen and Carbon Value Chains in Green Electrification is a public research project is led by LUT University, together with Tampere University and University of Eastern Finland. The project began in Summer 2021 and will end in Autumn 2024.
ISCC	The objectives of the International Sustainability and Carbon Certification (ISCC) system are to establish an international, practically viable, and transparent system for certifying biomass and bioenergy.

Partners

Strong partnerships

Partners

Our vision is to be the leading producer and seller of CO_2-aware energy, and it's an aspiration we do not pursue alone. Our operations are strengthened by strategic relationships with associated companies and long-term partnerships in various areas.

S Group

S Group is a customer-owned Finnish network of companies in the retail and service sectors, with more than 1,800 outlets in Finland. The Group operates in the supermarket trade, the department and specialty store trade, service station stores and fuel sales, and the travel and hospitality business. S-Bank offers a wide range of banking services across Finland. Some regional cooperatives also engage in car dealership, car accessory, and agricultural trade operations.

Together with S Group, St1 has an associated company, North European Oil Trade Group (NEOT). S Group owns 51% and St1 Nordic owns 49% of NEOT.

NEOT is a significant, independent fuel supply company in the Baltic Sea region operating in the global trading market. NEOT sources oil products from nearby refineries, located mostly in Finland, Sweden, Denmark, and Norway, with St1's oil refinery in Gothenburg, Sweden acting as the most important source of supply. NEOT provides approximately 6 billion litres of fuel to Nordic service station chains annually and delivers fuel oils to hundreds of thousands of homes and companies, as well as to shipping partners, and the aviation industry. NEOT Oy operates in Finland and owns NEOT AB (Sweden) and NEOT AS (Norway). Together NEOT Oy, NEOT AB and NEOT AS form NEOT Group. More information about NEOT's operations can be found in NEOT's Sustainability Report 2023 available here: **https://www.neot.fi/en/sustainability**.

Shell

Shell is an international energy company with expertise in the exploration, production, refining, and marketing of oil and natural gas, and the manufacturing and marketing of chemicals. They use advanced technologies and take an innovative approach to help build a sustainable energy future. Shell invests in power, including from renewable sources such as wind and solar. Shell also invests in electric vehicle charging and low-carbon fuels for transport, such as advanced biofuels and hydrogen.

Aviation Fuelling Services Norway AS (AFSN) is owned in equal parts by St1 Nordic and Shell Exploration and Production Holdings B.V. AFSN is a provider of aviation fuelling services at 16 Norwegian airports, serving both Norwegian and international customers, ranging from big international airlines to smaller local companies and private owners.

When St1 acquired the majority of Shell's downstream business operations in 2010 in Finland and Sweden, and in Norway in 2015, the company entered into a long-term license agreement to use the Shell brand at the acquired part of the retail operations. After the current agreement period, St1 will move to a one-brand strategy, focusing its entire retail operations under the St1 brand. The current brand license agreement remains unchanged for another couple of years.

SCA

St1 and SCA have established a partnership that creates a strong integrated value chain from forest to the end-user in the energy sector. Partners have a 50/50-owned joint venture to produce and sell liquid biofuels. The joint venture Scastone AB owns 50% of the Gothenburg Biorefinery. St1 and SCA also own together in equal shares Biorefinery Östrand AB, which is a company aiming to produce sustainable aviation fuel (SAF), renewable fuels of non-biological origin (RFNBO) from forest industrial by-products.

The core of SCA's business is the forest, and it owns Europe's largest private forest holding. Around this unique resource, SCA has built a well-developed value chain based on renewable raw materials from the company's own and others' forests. SCA offers packaging paper, pulp, wood products, renewable energy, services for forest owners, and efficient transport solutions.

Valio

Valio and St1 have an equally-owned joint venture - Suomen Lantakaasu Oy - to produce renewable biogas from dairy farm manure and other agricultural by-products.

Valio is a leading brand in Finland and a major player in the international dairy ingredients market. Owned by Finnish dairy farmers, Valio is Finland's biggest food exporter and has subsidiaries in Sweden, the Baltics, USA, and China. The company employs a total of 25,000 people at dairy farms and 4,000 professionals at Valio.

Vattenfall

St1 and Vattenfall have formed a partnership to produce a large volume of synthetic aviation fuel on the Swedish west coast. Vattenfall is a leading European energy company, that for more than 100 years has electrified industries, supplied energy to people's homes, and modernised our way of living through innovation and cooperation. Vattenfall now want to make fossil-free living possible within one generation. Therefore, the company is driving the transition to a more sustainable energy system through growth in renewable production and climate-smart energy solutions for their customers.

GRI index

GRI standards index

Statement of use	ST1 has reported in accordance with the GRI Standards for the reporting period 1.1.2023–31.12.2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	GRI 11: Oil and Gas Sector 2021

Limited Assurance scope	GRI-standard	GRI-code	Disclosure	Location in the Report	Additional information	Omission	Oil and Gas Sector Standard Ref N.	Global Compact Principles
GRI 2: General disclosures (2021)								
Organisational profile								
Within Limited Assurance scope		2-1	Organisational details	St1 in brief, p. 2; Report on Operations, pp. 79–80	St1 Nordic Oy. HQ in Helsinki. Countries of operation: Finland, Norway, Sweden, UK. St1 Nordic Oy is the parent company to St1 Nordic group.			
		2-2	Entities included in the organisation's sustainability reporting	About this report, p. 2; GRI Index Chart of the group's main companies, p. 80	Scope and Boundaries: This document outlines the data reporting principles and contains sustainability data for St1 Nordic Oy, including its diverse operations in the energy sector across Finland, Sweden, Norway & UK. The scope encompasses the sale of traffic and heating fuels, marine and air traffic fuel supply, biogas sales in Sweden. Chart of the group's main companies can be found on page 60. Significant mentions include St1's focus on renewable energy solutions, with activities in renewable diesel facility construction at the Gothenburg refinery, geothermal heat device installations, and wind power projects. The centralised procurement of liquid fuels through North European Oil Trade Oy (NEOT) is also noted. The reporting period covers the calendar year 2023, and includes newly acquired companies once legally consolidated and integrated. Adjustments to the reporting scope or method, compared to earlier reports, are specified in the data table notes. St1 Renewable Energy (Thailand) Ltd excluded from the consolidated sustainability report. Kajaani, Lahti, and Vantaa Ethanolix operations were operational for a portion of 2023 but were excluded from the consolidated sustainability report for that year.			

Limited Assurance scope	GRI-standard	GRI-code	Disclosure	Location in the Report	Additional information	Omission	Oil and Gas Sector Standard Ref N.	Global Compact Principles
Within Limited Assurance scope		2-3	Reporting period, frequency and contact point	GRI Index	Sustainability Report; known as Game Changer, reporting period is, January 1–December 31, 2023. The Sustainability Report is published annually, the publication date is 15.4.2024. Financial report is published 27.3.2024. The reporting period does not align due to receiving material information until late March. For more information, please contact Lea Rankinen, Director of Sustainability and Corporate Affairs, lea.rankinen@st1.com or Kati Ylä-Autio, CFO, kati.ylaautio@st1.com.			
		2-4	Restatements of information		If restatements of information have been made, these are communicated in connection with the relevant indicators			
		2-5	External assurance	About this report, p. 2; Climate and energy, pp. 35–36	Management is tasked with selecting the reporting criteria and ensuring the report's integrity through robust internal controls and accurate record-keeping. This evaluation ensures our reporting meets both our documented standards and the GHG Protocol guidelines. Pricewaterhouse Coopers conducted a limited third-party assurance engagement on our selected sustainability data for the year ending 31st December 2023.			
Activities and workers								
		2-6	Activities, value chain and other business relationships	Year 2023, p. 7; St1 in brief, pp. 8–9; Value chain sustainability, pp. 19–21;				
		2-7	Employees	Sustainability Key Figures, p. 18; Impacts on People, p. 46	St1 consolidated sustainability reports total number of employees. The personnel numbers include all personnel with active contracts of employment or employees on leave. Our primary data sources include internal HR management systems and payroll records.			

Limited Assurance scope	GRI-standard	GRI-code	Disclosure	Location in the Report	Additional information	Omission	Oil and Gas Sector Standard Ref N.	Global Compact Principles
		405-1	**Number of employees, St1 Group**	**2023 2022 2021**				
			Total number of employees, 31.12	1,042 1,046 1,052				
			Average number of employees during the year	1,054 1,057 970				
			Total number of employees by employment contract					
			Permanent	1,009 1,009 1,009				
			Temporary	33 37 43				
			Total	**1,042 1,046 1,052**				
			Total number of employees by employment type					
			Full-time	993 1,010 1,009				
			Part-time	49 36 43				
			Total	**1,042 1,046 1,052**				
			Breakdown of the total number of employees by region					
			Finland	351				
			Sweden	459				
			Norway	153				
			UK	79				
			Total	**1,042**				
		2-8	Workers who are not employees	Stakeholder engagement, p. 49				
Governance								
		2-9	Governance structure and composition	Management, pp. 75–77				
		2-11	Chair of the highest governance body	Management, p. 75				
		2-12	Role of the highest governance body in overseeing the management of impacts	Financial statements, p. 81				
		2-13	Delegation of responsibility for managing impacts	Financial statements, p. 81				
		2-14	Role of the highest governance body in sustainability reporting		ST1 has reported in accordance with the GRI Standards for the reporting period 1.1.–31.12.2023.			
		2-16	Communication of critical concerns	Impacts on People, pp. 43–44				
		2-17	Collective knowledge of the highest governance body	Impacts on people, pp. 41–42				
Strategy, policies and practices								
		2-22	Statement on sustainable development strategy	CEO's review, pp. 5–6 Sustainability highlights and challenges, pp. 16–17				
		2-23	Policy commitments	Impacts on people, pp. 41–42	Human rights policy and Codes of Conduct available at **https://www.st1.com/sustainability/policies-principles** Precautionary principle is included in risk management based on legal requirements.			

Limited Assurance scope	GRI-standard	GRI-code	Disclosure	Location in the Report	Additional information	Omission	Oil and Gas Sector Standard Ref N.	Global Compact Principles
		2-24	Embedding policy commitments	Impacts on people, pp. 41–42, 44–45				
		2-25	Processes to remediate negative impacts	Value Chain Sustainability, pp. 19–21; Steps along the value chain, p. 24; Renewable energy production, p. 25–29; Climate & Energy, p. 35–36; Business technology, p. 33; Environment, p. 39; Impacts on people, pp. 41–42				
		2-26	Mechanisms for seeking advice and raising concerns	Impacts on people, pp. 43–44				
		2-27	Compliance with laws and regulations		There were no significant instances of non-compliance with laws and regulations or no fines were paid during the reporting period (January 1st–December 31st, 2023).			
		2-28	Membership associations	Involvements in organizations and joint projects, pp. 50–51				
Stakeholder engagement								
		2-29	Approach to stakeholder engagement	Stakeholder engagement, p. 49				
		2-30	Collective bargaining agreements	GRI Index				

Employees covered by collective bargaining agreements	2023	2022	2021
	99.8%*	99.4%*	99.50%

* UK operations have been excluded due to not being able to collect data related to employees' collective bargaining agreements. This is a development area in 2024.

Limited Assurance scope	GRI-standard	GRI-code	Disclosure	Location in the Report	Additional information	Omission	Oil and Gas Sector Standard Ref N.	Global Compact Principles
GRI 3: Material Topics (2021)								
Within Limited Assurance scope		3-1	Process to determine material topics	GRI Index, p. 17				
		3-2	List of material topics	Sustainability highlights and challenges, p. 17				
			In our 2022 Game Changer report, we disclosed our materiality assessment process, which included identification, engagement, prioritisation, and validation stages. Although this process involved stakeholder interviews and third-party consultation, it was not conducted in strict accordance with the Global Reporting Initiative's (GRI) prescribed methodologies. Therefore, certain topics from the GRI Sector Standards determined to be material have not been reported in full within our GRI content index. The material topics are subject to change after the completion of a Double Materiality assessment has been completed according to CSRD requirements.					
					In autumn 2022, we completed a materiality impact assessment. The material topics have been grouped. The materiality was reviewed by the Group Leadership Team and the Group CEO, and consists of 7 grouped topics: 1. Value Chain Sustainability 2. Energy Transition and Climate Impact 3. Energy Security 4. Supply Chain Sustainability 5. Biodiversity 6. Non-discrimination and Equal Opportunities 7. Health, Safety, Security & Environment (HSSE)			
			Topic 11.1 GHG emissions Topic 11.2 Climate adaptation, resilience, and transition Topic 11.3 Air emissions Topic 11.4 Biodiversity Topic 11.5 Waste Topic 11.6 Water and effluents Topic 11.8 Asset integrity and critical incident management Topic 11.9 Occupational health and safety Topic 11.10 Employment practices Topic 11.11 Non-discrimination and equal opportunity Topic 11.14 Economic impacts Topic 11.15 Local communities Topic 11.17 Rights of indigenous peoples Topic 11.19 Anti-competitive behavior Topic 11.20 Anti-corruption					
		3-3	Management of material topics	Sustainability highlights and challenges, p. 18; Value chain sustainability, pp. 19–20; Steps along the value chain p. 24; Renewable energy production, pp. 25–29; Climate and energy, pp. 35–36, 38; Environment, p. 39–40; Impacts on people, pp. 41–46; People, p. 48			11.1.1, 11.2.1, 11.3.1, 11.4.1, 11.5.1, 11.6.1, 11.8.1, 11.9.1, 11.10.1, 11.11.1, 11.14.1, 11.15.1, 11.17.1 11.19.1, 11.20.1	

Limited Assurance scope	GRI-standard	GRI-code	Disclosure	Location in the Report	Additional information	Omission	Oil and Gas Sector Standard Ref N.	Global Compact Principles
Within Limited Assurance scope		3-3a	St1 is actively working towards more sustainable energy practices, contributing positively to environmental management and societal well-being. Notably, our investments in renewable energy, such as biogas production and the construction of a new biogas processing and liquefaction refinery in Borås, Sweden, underscore our role in transitioning towards a low-carbon economy. These actions not only contribute to reducing greenhouse gas emissions but also foster innovation and support the circular economy. The successful completion of our Gothenburg Biorefinery, focusing on the production of sustainable aviation fuels (SAF), renewable diesel (HVO), illustrates our commitment to reducing the carbon intensity of transportation fuels and supporting the aviation sector. To manage both the positive and negative impacts associated with HSSE topics, St1 employs a comprehensive approach to environmental and safety standards, and due diligence processes for suppliers and partners. Our supplier and partner sustainability due diligence process is step towards proactive measures in managing potential negative impacts in our supply chain. By evaluating the sustainability credentials of our suppliers, particularly in high-risk areas, we aim to ensure the integrity and sustainability of our feedstock sourcing.					
		3-3b	Our refinery in Gothenburg, operates at high efficiency and is compliant with ISO 14001. Our investments in renewable energy, notably in biogas, wind energy, and the Gothenburg Biorefinery, support our energy transition journey.					
		3-3c	Not all of our policies are available for the public, but for example following policies and statements can be accessed at **St1.com** on our Sustainability Policies & Principles page: **Due Diligence Statement** **St1 Code of Conduct** **St1 Partner Code** **St1 Human Rights Policy** **Employee Guide to the Code of Conduct** **Partner Guide to the Partner Code** HSSE policy. (not public)					
		3-3d	We emphasise the importance of HSSE performance across all operations, underlining it as a high priority. We measures its success in this area, particularly during exceptional circumstances like the refinery shutdown for inspection and maintenance, which involved a significant number of external constructors working alongside St1 employees. p41-46. Our commitment to environmental management encompasses both preventative measures and prompt, effective response actions in case of spills. At our Gothenburg Terminal, we have implemented heightened monitoring of potential leak points, alongside inspections and replacements of critical components such as valves. In the event of spills, we take immediate action to halt any leaks, assess and remove contamination, and conduct soil replacements, when necessary. We have instigated a more checks prior to operational start-ups and have improved our maintenance routines to ensure the integrity of our sewer systems, minimising the risk of oil-contaminated water spillage.	Sustainability highlights and challenges pp. 16–17 Value chain sustainability pp. 19–21 Renewable energy production and projects pp. 25–26				
		3-3e	At this time, we cannot provide a detailed account of all lessons learned from our business practices and stakeholder feedback due to ongoing analysis. We are, however, committed to enhancing our systems to capture this information. Plans are underway to implement a more structured approach for recording.					

Limited Assurance scope	GRI-standard	GRI-code	Disclosure	Location in the Report	Additional information	Omission	Oil and Gas Sector Standard Ref N.	Global Compact Principles
	GRI 200 Economic Standard Series							
	GRI 201: Economic Performance							
		201-1	Direct economic value generated and distributed	Consolidated income statement, p. 84 Year 2023, p. 10			11.14.2	
			Economic impact / **2023** / **2022** / **2021** Renewable energy investments, M€ / 111.3 / 113.8 / 86.9 Investments, M€ / 241.1 / 218 / 197.5 Personnel cost, M€ / 116.6 / 111.5 / 96.7 Excise and property taxes, M€ / 1,882.3 / 2,065 / 2,146.5 Income taxes, M€ / 37.9 / 54 / 42.1					
		201-2	Financial implications and other risks and opportunities due to climate change	Report on operations, p. 81–82			11.2.2	
	GRI 203: Indirect Economic Impacts							
		203-1	Infrastructure investments and services supported	Year in 2023, p. 10 Financial statements, p. 81			11.14.4	
	GRI 204: Procurement Practices							
		204-1	Proportion of spending on local suppliers	Consolidated income statement, p. 84			11.14.6	
	GRI 205: Anti-corruption							
		205-2	Communication and training about anti-corruption policies and procedures	Sustainability, p. 19, 41			11.20.3	GCP 10
		205-3	Confirmed incidents of corruption and actions taken		No cases in 2023.		11.20.4	GCP 10
	GRI 206: Anti-competitive behavior							
		3-3	Management of material topics	Value chain sustainability, p. 19			11.19.1	
		206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		No cases in 2023.		11.19.2	

Limited Assurance scope	GRI-standard	GRI-code	Disclosure	Location in the Report	Additional information	Omission	Oil and Gas Sector Standard Ref N.	Global Compact Principles
	GRI 300 Environmental Standard Series							
	GRI 301 Materials (2016)							
		3-3	Management of material topics					
Within Limited Assurance scope		301-1	Materials used by weight or volume		See table below.			7, 8, 9

	Ethanol production feedstock	**2023**	**2022**	**2021**
renewable materials used	Biowaste and residues, t	18,212[1]	37,662	57,400
	Biogas production feedstock			
	Domestic biowaste as feedstock, t	189,511	185,126	–
non-renewable materials used	**Raw materials**			
	Crude oil, million t	3.33	3.92	3.46
	Paraffinic fuels[2]			
	Paraffinic fuels, million l	582	596	488

[1] Kajaani, Vantaa and Lahti excluded from ethanol production feedstock due to shut down of operations during Q2–Q3 in 2023.
[2] Paraffinic fuels concist of renewable and non-renewable materials.

	St1, total sold biofuels, liters	**2023**	**2022**	**2021**
renewable materials used	Biofuels*			
	1st generation biofuels, million l (food crop)	105	94	204
	2nd generation biofuels, million l (waste and residues)	543	547	399

* Biofuels volumes for all three markets only consist of actual bio-based volumes. This means that only the biovolumes of components like MTBE and ETBE are stated.

Limited Assurance scope	GRI-standard	GRI-code	Disclosure	Location in the Report	Additional information	Omission	Oil and Gas Sector Standard Ref N.	Global Compact Principles
	GRI 302 Energy (2016)							
		3-3	Management of material topics	Sustainability, pp. 23–29, 35–37	Reporting covers both renewable and non-renewable consumption, however due to lack of the guarantees of origin we report consumption as non-renewable. St1 is reviewing the policies and targets aligning relevant reporting requirements.	(R/O)	11.1.1	
		302-1	Energy consumption within the organisation		See table below.		11.1.2.	GCP 7, 8
Within Limited Assurance scope	Non-renewable							

Energy consumption in production	**2023**	**2022**	**2021**
Ethanol production[1]			
Electricity, TJ	7	36	52
Heat, TJ	25	86	119
Oil production			
Natural gas, TJ	42	11	796
Refinery gas, TJ	7,418	9,148	6,714
Electricity, TJ	477	543	265
Light fuel for heating, TJ	18		
Biogas production			
Electricity, TJ	71	25	13
Heat, TJ	62	64	32
Brocklesby production			
Natural gas, TJ	59	93	
Electricity, TJ	5	7	
Steam TJ	-	26	
Total energy consumption in production, TJ	8,186	10,037	7,991
Energy consumption in supply and logistics			
Terminals in Finland (NEOT)			
Electricity, TJ	16	17	17
Heat, TJ	5	4	6
Terminals in Norway and Sweden			
Electricity, TJ	22	25	22
Heat, TJ	7	7	5
Total energy consumption in supply and logistics, TJ	50	54	50
Total electricity consumption, TJ	600	652	369
Total heating consumption, TJ	98	161	162
Total fuel consumption, TJ	7,538	9,251	7,510
Total energy consumption including production and logistics, TJ	8,236	10,090	8,041

[1] Kajaani, Vantaa and Lahti excluded from due to shut down of operations during Q2–Q3 in 2023.
Emissions from energy consumption are disclosed and broken down in more detail on page 37.

Limited Assurance scope	GRI-standard	GRI-code	Disclosure	Location in the Report	Additional information	Omission	Oil and Gas Sector Standard Ref N.	Global Compact Principles
	GRI 303 Water and effluents (2018)							
		3-3	Management of material topics	Sustainability, pp. 23–29, 35–37, 71	Reporting covers both renewable and non-renewable consumption, however due to lack of the guarantees of origin we report consumptionit as non-renewable. St1 is reviewing the policies and targets aligning relevant reporting requirements.	(R/O)	11.6.1	
		303-1	Interaction with water as a shared resource		In the production units water is used as process water and cooling water. Water is utilised mainly from surface water sources (sea, lake).		11.6.2	GCP 7, 8
		303-2	Management of water discharge-related impacts		There is monitoring of process waste waters of plants and environmental permits is followed. The water use has been decreased by optimising the process control and circulation of water flows inside the processes.		11.6.3	GCP 7, 8
		303-3	Water withdrawal		In the production units water is used as process water and cooling water. Water is utilised mainly from surface water sources (sea, lake).		11.6.4	GCP 7, 8
		303-4	Water discharge		See table below.		11.6.5.	GCP 7, 8

Wastewater discharges from production	**2023**	**2022**	**2021**
Wastewater from ethanol production:[1]			
Process water, 1,000 m³	2	57	102
Cooling water, 1,000 m³	-	701	1,712
Wastewater from oil production:			
Process water, 1,000 m³	689	789	739
Cooling water, 1,000 m³	8,634	9,203	7,652
Total wastewater, 1,000 m³	9,323	10,749	10,205

		303-5	Water consumption		See table below.		11.6.6	GCP 7, 8

Water use in production	**2023**	**2022**	**2021**
Total water consumption, 1,000 m³	1,313	1,788	1,718

[1] Kajaani, Vantaa and Lahti excluded from due to shut down of operations during Q2–Q3 in 2023.

Limited Assurance scope	GRI-standard	GRI-code	Disclosure	Location in the Report	Additional information	Omission	Oil and Gas Sector Standard Ref N.	Global Compact Principles
	GRI 304 Biodiversity (2016)							
		3-3	Management of material topics	Sustainability, p.37	Recognising the intricate relationship between our operations and nature, we acknowledge that our journey towards fully comprehending and managing our impact on biodiversity is ongoing. As such, we have chosen to omit detailed reporting under GRI 304: Biodiversity 2016 for the current reporting period. This decision stems from our current stage of developing a comprehensive approach to biodiversity management and impact assessment.		11.4.1	
		304-21	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas					
		304-3	Significant impacts of activities, products and services on biodiversity					
		304-4	Habitats protected or restored					
		304-5	IUCN Red List species and national conservation list species with habitats in areas affected by operations					
	GRI 305 Emissions (2016)							
		3-3	Management of material topics	Sustainability, p. 23–29, 35–37	Page 68 Management of material topic. The consolidation approach for calculations is based on operational control. Greenhouse gas (GHG) calculations encompass CO_2, CH_4, and N_2O emissions.		11.3.1	
Within Limited Assurance scope		305-1	Direct (scope 1) GHG emissions	Sustainability, p. 35–37	See table below. Scope 1 emission factors: Gothenburg refinery: Internal measurements, EN ISO 17025 accredited. Biogas: Swedish Energy Agency STEM2021:7. Broklesby: UK Gov. Department for Energy Security and Net Zero: Greenhouse Gas Reporting Conversion Factors 2023. Ethanol production: Statistics Finland Fuel Classification Database 2023.		11.1.5	

GHG-emissions (scope 1) from production	**2023**	**2022**	**2021**
Total GHG-emissions (scope 1), tCO_2	482,760	575,997	509,000

		305-2	Energy indirect (scope 2) GHG emissions	Sustainability, p. 35–37	See table below.		11.1.6	

GHG-emissions (scope 2) from production	**2023**	**2022**	**2021**
Total GHG-emissions (scope 2), tCO_2	35,081	42,840	42,000
Market-based emissions, tCO_2e	35,081	42,840	42,000
Location-based emissions, tCO_2e	11,175	20,274	15,000

		305-3	Other indirect (scope 3) GHG emissions	Sustainability, p. 35–37			11.1.7	

	2023	**2022**	**2021**
Total GHG-emissions (scope 3), tCO_2e	13,796,862	14,512,380	14,090,000
Total biogenic emissions	1,817,689		

Limited Assurance scope	GRI-standard	GRI-code	Disclosure	Location in the Report	Additional information	Omission	Oil and Gas Sector Standard Ref N.	Global Compact Principles
Within Limited Assurance scope		305-4	GHG emissions intensity	Sustainability, p. 18	See table below.		11.1.8	

Category			GHG intensity gCo_2eq/MJ
Scope 1	Direct emissions		2.7
Scope 2	Location-based method		0.1
	Market-based method		0.2
Scope 3	Upstream emissions		
	1	Purchased goods and services	14.0
	4	Upstream transportation and distribution	0.1
	5	Waste generated in operations	0.01
	6	Business travel	0.006
	7	Employee commuting	0.003
	Downstream emissions		
	11	Use of sold products	64.4
Total			81.5
Total biogenic emissions			10.3

Within Limited Assurance scope		305-5	Reduction of GHG-emissions				See table below.		11.2.3, 11.2.4	GCP 8,9

Reduction of GHG-emissions from ethanol production	**2023**	**2022**	**2021**
Reduction of GHG-emissions according to Renewable Energy Sources Directive, tCO_2*	95%	80%	80%

* Weighted average of reduction percentages of Hamina production unit based on RED's fossil fuels comparative. The weighted average has increased due to excluding Kajaani, Vantaa and Lahti from reporting as operations were shut down during Q2-Q3 in 2023.

Reduction of GHG-emissions from the use of products	**2023**	**2022**	**2021**
CO_2-reduction from use of biofuels, tCO_2	1,711,495	1,654,393	1,442,976

Within Limited Assurance scope		305-7	Nitrogen oxides (NO_X), sulphur oxides (SO_X), and other significant air emissions		See table below.		11.3.2.	GCP 8

VOC-emissions from production	**2023**	**2022**	**2021**
VOC-emissions from ethanol production, t	0	7	10
VOC-emissions from oil production, t	1,185	917	1,077
NO_X-emissions from production			
NO_X-emissions from oil production, t	332	376	304
Particulates from production			
Particulate emissions from oil production, t	16	13	13

Limited Assurance scope	GRI-standard	GRI-code	Disclosure	Location in the Report	Additional information	Omission	Oil and Gas Sector Standard Ref N.	Global Compact Principles
	GRI 306 Effluents and Waste (2016)							
		3-3	Management of material topics					
Within Limited Assurance scope		306-3	Spills	Impacts on people, p. 47	The reporting scope only considers oil spills and not other materials mentioned in GRI 306-3 (2016). In 2023, St1 recorded three spills: two at the Gothenburg refinery and one at the Gothenburg terminal, each exceeding 100 kg. The total estimated volume for these incidents is 8670 kg.	(O)	11.8.1, 11.8.3 11.8.4	GCP 8

Number of significant spills (>100kg)	**2023**	**2022**	**2021**
from ethanol production	0	0	0
from oil production	2[1]	2	0
from logistics in Finland (NEOT)[3]	2	2	0
from terminals in Sweden and Norway	1[2]	0	1
Total number of significant spills	5	4	1

[1] 1 case open. Oil found on water in water outlet tunnel and harbor basin. The outlet tunnel is a common system for several parties, amongst them the municipal area of Biskopsgården. Immediate cleaning of water area. Source of spill has not been identified thus no corrective actions in place. Unable to confirm where the oil spill originated.
[2] Norway. A fuel tank was accidentally damaged during ground investigation activities conducted by Multiconsult, a company hired by the property owner for site assessment purposes. This led to a leakage of approximately 22,000 liters of diesel.
[3] two significant leak incidents totaling 600 liters during land transport. One was effectively contained; the other occurred at a customer's site due to equipment issues.

	GRI 306 (2020) Waste							
		3-3	Management of material topics	Impacts on people, pp. 45–46		St1 will be assessing its relevant waste reporting. (O)	11.5.1, 11.8.1	
		306-2	Management of significant waste-related impacts		St1 adheres to strict local and country-level environmental laws. All waste generated is disposed according to environmental guidelines. The quantity of waste will fluctuate annually according to equipment and fuel tank upkeep and maintenance.		11.5.3	
		306-3	Waste generated		See table below.		11.5.4	
		306-4	Waste diverted from disposal		See table below.		1.5.5	
		306-5	Waste directed to disposal		See table below.		11.5.6	
		306-4	Waste diverted from disposal		See table below.		1.5.5	
		306-5	Waste directed to disposal		See table below.		11.5.6	GCP 8

Limited Assurance scope	GRI-standard	GRI-code	Disclosure	Location in the Report	Additional information	Omission	Oil and Gas Sector Standard Ref N.	Global Compact Principles

Waste from production	2023	2022	2021
Non-hazardous waste, utilised, t	15,947	27,088[1]	19,013
from ethanol production, t	0	5,391	3,801
from biogas production, t	12,242	17,766[1]	0
from oil production, t	3,705	3,931[1]	15,212
Non-hazardous waste, landfilled, t	948	38,873	43,675
from ethanol production, t	0	0	11
from oil production, t	948	38,873	43,664
Total non-hazardous waste, t	**16,895**	**65,962**	**62,688**
Hazardous waste, utilised, t	6,109	7936	12,831
from ethanol production, t	0	61	138
from oil production, t	6,109	7,875	12,693
Hazardous waste, landfilled, t	726	1,883	1,026
from ethanol production, t	1	43	0,27
from oil production, t	725	1,840	1,026
Total hazardous waste, t	**6,835**	**9,819**	**13,857**

Waste from supply and logistics			
Hazardous waste, utilised, t			
from terminals in Finland (NEOT), t	272	302	783
from terminals in Sweden and Norway, t	1,609	609	741
Total hazardous waste, utilised, t	**1,881**	**911**	**1,524**

[1] Non-hazard waste, utilised figures for 2022 have been revised due to calculation error.

GRI 400 Social Standards Series

GRI 401: Employment

		3-3	Management of material topics	People, p. 48	https://content.st1.fi/sites/default/files/2021-03/ST1_Employee_guide.pdf The Employee guide is a reflection of our commitment to creating and maintaining an equitable and safe working environment for all employees, upholding human rights, and supporting positive societal impacts through our operations.		11.9.1 11.10.1 11.11.1	
		401-1	New employee hires and employee turnover		See table below.		11.10.2	GCP 6

Changes in employees	2023	2022	2021
Total number of new employee hires	183	238	87
Total number of leavers	127	186	64
Employee turnover, %	15%	20%	7.5%

Limited Assurance scope	GRI-standard	GRI-code	Disclosure	Location in the Report	Additional information	Omission	Oil and Gas Sector Standard Ref N.	Global Compact Principles
	GRI 403: Occupational Health and Safety (2018)							
		3-3	Management of material topics					
		403-1	Occupational health and safety management system	Sustainability, p. 45–46	St1 does not have a standardised occupational health and safety management system in place, but has implemented an HSSE Policy and adheres to the Concawe Health & Safety guidelines in its operations.		11.9.2	
		403-2	Hazard identification, risk assessment, and incident investigation	Sustainability, p. 45–46	Evaluating the likelihood and potential impact of identified hazards, we prioritise actions based on severity and probability. We implement a common framework in risk management to prioritise safety measures from most to least effective, such as elimination, substitution, engineering controls, administrative controls, and personal protective equipment. We define incidents, near misses, accidents, investigations, and categorises accidents into ”serious” and ”less serious” categories. We have oganisational descriptions, scope, documentation storage, investigations, minimum standard requirements, post-investigation actions, and classifications of incidents and deviations based on severity.		11.9.3	
		403-5	Worker training on occupational health and safety	Sustainability, p. 45–46	St1 emphasises the importance of providing information, instructions, and orientation to employees and contractors. 6 Life Saving Rules St1 Refinery focusing on Working on Heights, Disabling Safety Controls, Permit to Work, Safe Lifting, Isolation of Energy, Confined space		11.9.6	
		403-8	Workers covered by an occupational health and safety	Sustainability, p. 45			11.9.9	

Limited Assurance scope	GRI-standard	GRI-code	Disclosure	Location in the Report	Additional information	Omission	Oil and Gas Sector Standard Ref N.	Global Compact Principles
Within Limited Assurance scope		403-9	Work-related injuries	Sustainability, p. 45–46	See table below.		11:09:10	

Occupational health and safety results	2023	2022	*2021
Own employees:			
Work-related fatalities, own employees	0	0	0
Number of high consequence injuries, own employees	0	0	0
High consequence injuries frequency, own employees	0	0	0
Number of lost-time injuries, own employees	8	6	2
Lost time injuries frequency, own employees	4.6	3.6	1.2
Number of recordable injuries, own employees	13	12	8
Recordable injuries frequency, own employees	7.56	7.2	4.9
Safety observations, own employees (including safety walks)	3,622	3,000	1,116
External workforce:			
Work-related fatalities, external workforce	0	0	0
Number of high consequence injuries, external workforce	0	0	0
High consequence injuries frequency, external workforce	0	0	0
Number of lost-time injuries, external workforce	7.0	9	5
Lost time injuries frequency, external workforce	3.5	7.2	12
Number of recordable injuries, external workforce	13	13	7
Recordable injuries frequency, external workforces	6.6	10.4	25.0
All employees:			
Total recordable injuries frequency, all employees	7.0	8.6	7.8

Hours worked (million hours)			
Own employees	1.72	1.6	
Contractors	1.98		

* Please note that in 2022 St1 began reporting according to Concave guidelines in addition to the with reference GRI standards. Previous years figures have been revised.

The working hours for our own employees comprise both estimated and exact hours. Contractor working hours have been estimated. The estimated working hours for both own employees and contractors have been determined based on project requirements, historical data, and industry standards. We define regular working hours in accordance with local laws.

Absence rate, %	4.1%	3.2%	3.1%

Limited Assurance scope	GRI-standard	GRI-code	Disclosure	Location in the Report	Additional information	Omission	Oil and Gas Sector Standard Ref N.	Global Compact Principles
	GRI 404: Training and Education							
		404-2	Programs for upgrading employee skills and transition assistance programs	Impact on People, pp. 41–42, 45–46; Stakeholder engagement, p. 49; Financial Statements, p. 81			11.10.7, 11.7.3	
		404-3	Percentage of employees receiving regular performance and career development reviews	GRI index	See table below.			

Performance and career development reviews	**2023**	**2022**	**2021**
Percentage of employees receiving regular performance and career development reviews, %	92%	94%	96%

	GRI 405: Diversity and Equal Opportunity								
		405-1	Diversity of governance bodies and employees	Impacts on People, p. 46	See table below.			11:11:05	GCP 8

	2023		**2022**		**2021**	
Breakdown of employees by gender, St1 Group						
Female	327	31%	295	28%	353	34%
Male	715	69%	751	72%	699	67%
Total	1,042	100%	1,046	100%	1,052	101%
Breakdown of employees by age group, St1 Group						
Below 30	145	14%	142	13%	212	20%
Between 30–50	561	5 %	589	56%	537	51%
Over 50	336	32%	315	30%	303	29%
Total	1,042	100%	1,046	99%	1,052	101%

Topics in the applicable GRI Sector Standards determined as not material

	Topic	**Explanation**
GRI 11: Oil and Gas Sector 2021		
11.7	Closure and rehabilitation	St1 follows local laws and when applicable, bargaining agreements regarding operational changes. Deemed non-material.
11.12	Forced labor and modern slavery	Our commitment to ethical labor practices and compliance with local regulations ensures that forced labor and modern slavery are not considered material.
11.13	Freedom of association and collective bargaining	Our organisation upholds and respects the principles of freedom of association and collective bargaining as a matter of course. While important, is not considered material.
11.16	Land and resource rights	We recognize the importance of land and resource rights, particularly in relation to indigenous communities. Although our preliminary assessments and ongoing stakeholder dialogues, indicate that our projects can be developed in a manner that respects these rights, we continually reassess this topic's materiality.
11.18	Conflict and security	Not applicable. Topic not deemed material for the company.
11.21	Payments to governments	Not applicable. Topic not deemed material for the company. We actively engage in societal discussions but do not offer financial support to political parties and entities associated with them or make any direct or indirect political or religious contributions.
11.22	Public policy	Not applicable. Topic not deemed material for the company. We actively engage in societal discussions but do not offer financial support to political parties and entities associated with them or make any direct or indirect political or religious contributions.

Management's responsibilities

Our management holds the duty of accurately preparing this information. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the Selected sustainability information that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate criteria and making estimates that are reasonable in the circumstances. Pricewaterhouse Coopers conducted a limited third-party assurance engagement on our selected sustainability data for the year ending 31st December 2023. This evaluation ensures our reporting meets both our documented standards and the GHG Protocol guidelines.

Selected sustainability information

The scope of our work within limited assurance scope is summarised below: 2-1, 2-2, 2-3, 2-4, 3-1, 3-2, 3-3, 301-1, 302-1, 305-1, 305-2, 305-3, 305-4, 305-5, 305-7, 306-3 (2016), 403-9.

Management of material topics

St1 acknowledges our operations' role in climate change, air pollution, and biodiversity loss, with a significant carbon footprint arising predominantly from fossil fuel sales. In response, we prioritise energy efficiency and the expansion of renewable energy within our operations, to lessen our environmental impact.

Our strategy underscores a clear transition, at the forefront of this shift is the Gothenburg GPU plant, a pioneering endeavour in renewable diesel and aviation fuel production, marking a critical step in our energy transition journey.

The effectiveness of our sustainability actions is monitored through emission accounting, with external assurance ensuring the integrity of our data. A principal measure of our progress is emission intensity – the ratio of total emissions to the energy sold, providing a transparent benchmark of our advancements. Our evolving strategy, progressively tilting towards renewable energy, anticipates a gradual increase in renewables within our net sales mix. The journey is a continuous one, as we refine our approach and establish precise objectives to effect meaningful environmental contributions.

Management of spills

St1 systematically records all spill incidents exceeding 100kg. However, precise quantification of each spill is not standed pratie a cons traineident is environmental impact. Notably, the Gothenburg refinery employs a specialized sludge recovery system for spill management. This system functions by vacuuming the spilled substance, subsequently integrating it into an oil pit for reprocessing and reuse within operations. The refinery infrastructure, being encased in concrete, facilitates the recovery of most spills back into the production cycle. In instances where spills infiltrate gravel areas, remediation involves excavating the contaminated gravel for appropriate disposal. It is important to note that volume records for such gravel-related spill recoveries are not maintained.

Energy:

Stl's energy consumption data encompasses refineries, terminals, offices, and un-manned stations, derived from invoicing and meter readings, and standardized using SI conversion factors. Compliance with the Energy Efficiency Agreement for Industries ensures adherence to best practices in energy use and efficiency calculations.

Air emissions:

Our monitoring of non-CO_2 emissions, including VOC, NOx, combines direct (on-line or periodic) and indirect methods. Direct on-line measurements focus on major emission sources. Persistent Organic Pollutants (POPs), Hazardous Air Pollutants (HAPs), and Particulate Matter (PM) are not significant emissions in our business processes. We do not engage in activities that produce these pollutants. While we are confident in our systems and controls, we acknowledge the complexity of industrial processes and the potential for unforeseen emissions. Therefore, we commit to ongoing environmental monitoring and will continue to invest in emissions control to ensure that our impact on air quality remains negligible. All monitoring aligns with site-specific environmental permits and local regulations, ensuring compliance and accuracy.

Independent practitioner's limited assurance report

To the Management of St1 Nordic Oy

We have been engaged by the Management of St1 Nordic Oy (hereinafter also the "Company") to perform a limited assurance engagement on selected sustainability information for the reporting period from 1 January 2023 to 31 December 2023, disclosed in the Company's consolidated sustainability report 2023, within the Company's Integrated Report 2023 (hereinafter the Selected sustainability information).

Selected sustainability information

The selected sustainability information within the scope of assurance covers indicators as set out in the GRI Standards of the Global Reporting Initiative identified in St1 Nordic Oy's consolidated sustainability report 2023, within the Company's Integrated Report 2023 identified in the report's GRI Content Index as being "within limited assurance scope".

Management's responsibility

The Management of St1 Nordic Oy is responsible for preparing the Selected sustainability information in accordance with the Reporting criteria as set out in the Company's reporting instructions (described in St1 Nordic Oy's consolidated sustainability report 2023), the Company's internal reporting instructions and the criteria to report in accordance with the GRI Standards of the Global Reporting Initiative. The Management of St1 Nordic Oy is also responsible for such internal control as the management determines is necessary to enable the preparation of the Selected sustainability information that is free from material misstatement, whether due to fraud or error.

Practitioner's independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

PricewaterhouseCoopers Oy applies International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's responsibility

Our responsibility is to express a limited assurance conclusion on the Selected sustainability information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (revised) "*Assurance Engagements Other than Audits or Reviews of Historical Financial Information*", and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements (ISAE) 3410 "*Assurance Engagements on Greenhouse Gas Statements*". These standards require that we plan and perform the engagement to obtain limited assurance about whether the Selected sustainability information is free from material misstatement.

In a limited assurance engagement, the evidence-gathering procedures are more limited than for a reasonable assurance engagement, and therefore less assurance is obtained than in a reasonable assurance engagement. An assurance engagement involves performing procedures to obtain evidence about the amounts and other information in the Selected sustainability information. The procedures selected depend on the practitioner's judgment, including an assessment of the risks of material misstatement of the Selected sustainability information.

Our work consisted of, amongst others, the following procedures:

- Interviewing senior management of the Company.
- Conducting two site visits remotely in the UK and Sweden.
- Interviewing employees responsible for collecting and reporting the Selected sustainability information in the UK, Sweden and Finland.
- Interviewing employees responsible for collecting and reporting the Selected sustainability information at the Group level.
- Assessing how Group employees apply the reporting instructions and procedures of the Company.
- Testing the accuracy and completeness of the Selected sustainability information from original documents and systems on a sample basis.
- Testing the consolidation of the Selected sustainability information and performing recalculations on a sample basis.
- Considering the disclosure and presentation of the Selected sustainability information.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that St1 Nordic Oy's Selected sustainability information for the reporting period ended 31 December 2023 is not properly prepared, in all material respects, in accordance with the Reporting criteria.

When reading our limited assurance report, the inherent limitations to the accuracy and completeness of the Selected sustainability information should be taken into consideration.

Our assurance report has been prepared in accordance with the terms of our engagement. We do not accept, or assume responsibility to anyone else, except to St1 Nordic Oy for our work, for this report, or for the conclusion that we have reached.

Helsinki 12 April 2024

PricewaterhouseCoopers Oy

Mikael Niskala
Partner
Sustainability Reporting & Assurance

Janne Rajalahti
Authorised Public Accountant, KHT
Partner

Management

Board of Directors

Mika Anttonen
Chairman of the Board of Directors
St1 Nordic Oy

Kati Ihamäki
Vice President, Sustainability
Fiskars Group

Mikko Koskimies
Managing Director
eQ Varainhoito Oy

Kim Wiio
Managing Director
Mininvest Oy

Management 2023

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CEO
St1 Nordic Oy
St1 Oy

Miika Eerola
CEO
St1 Refinery AB

Sampsa Halinen
Director, Energy Trade and Logistics

Henri Halmelahti
Director, Business Technology

Miika Johansson
Director, Renewable Energy

Lea Rankinen
Director, Sustainability and Corporate Affairs

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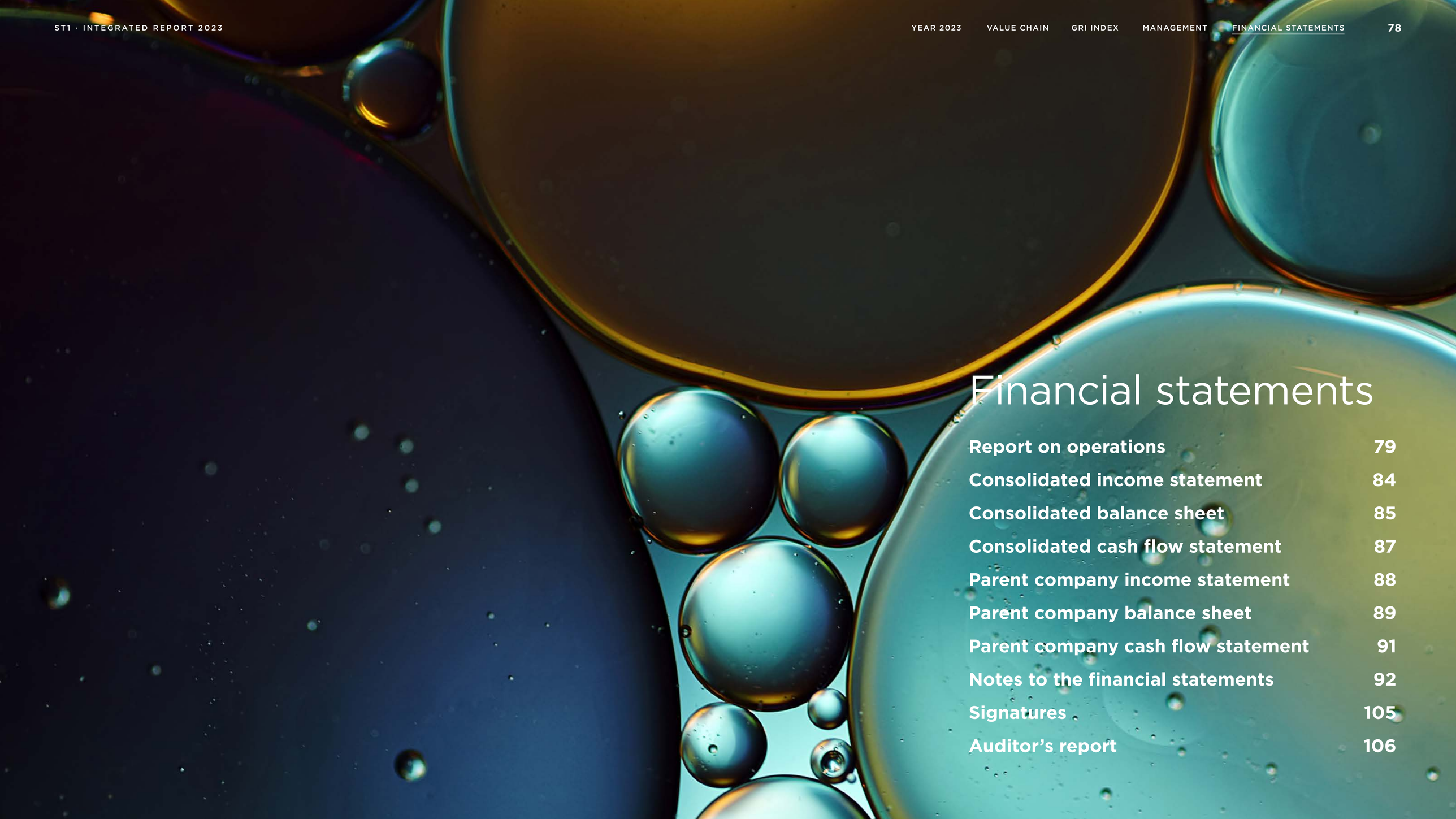


Financial statements

Report on operations 1 January 2023–31 December 2023

1. Business operations and financial performance of St1 Nordic Oy

St1 Nordic Oy is the parent company to St1 Nordic group which is a versatile player in the energy sector. The group engages in sale of traffic and heating fuels to consumers and the corporate sector in Finland, Sweden and Norway, to the marine sector in Sweden and Norway and to air traffic in Norway, as well as in the sale of biogas in Sweden and Finland. The group also has waste feedstock business in the UK.

At the turn of the year, the group had a distribution network of 1,259 stations operating under the St1 and Shell brands in Finland and Sweden and under the Shell brand in Norway. The distribution network also includes gas refueling points. The St1 and Shell service stations and unmanned stations are visited daily by hundreds of thousands of customers to refuel and take advantage of the stations' food, store and car wash offerings. Charging of electric cars is currently offered in connection with stations in Norway and Sweden, the construction of the charging network has also begun in Finland in 2023. The biogas business acquired in 2021 will also produce, trade and supply biogas to customers also through other sales channels. Investments in the distribution network in Finland began in 2023.

The group manufactures, develops and refines liquid fuels at its oil refinery in Gothenburg, Sweden. The refinery's annual capacity is 30 million barrels of crude oil. Most of the refinery's production is sold through group's station network and other sales channels. St1 focuses heavily on the energy transition at the refinery; in 2023, a biorefinery to produce renewable liquid fuels was constructed at the refinery site. The biorefinery is expected to start operations in 2024.

St1 also focuses strongly on other renewable energy initiatives. St1 operates wind parks on a service agreement in Finland. The group has industrial wind power projects in Northern Norway, Sweden and Finland. The Norwegian projects are the largest. The creation of new synthetic fuel value chains is assessed in Finland, Sweden and Norway. The subsidiary St1 Lähienergia Oy installs devices based on ground source heating. Plants producing advanced bioethanol from waste in Finland were closed down at the end of 2023 for production

Key indicators of St1 Nordic Oy's financial position and results of operations:

	2023	2022	2021	2020	2019
Net sales, MEUR	46.5	35.4	30.9	41.8	51.1
Operating profit/loss, MEUR	-5.3	-6.7	-3.7	11.0	13.0
Operating profit, % of net sales	-11.4	-18.8	-11.9	26.2	25.4
Profit for the period, MEUR	133.4	10.3	78.3	28.6	27.1
Return on equity, %	21.2	1.8	14.0	5.5	5.3
Equity ratio, %	88.5	75.6	80.7	63.6	63.5

Key indicators of St1 Nordic group's financial position and results of operations:

	2023	2022	2021	2020	2019
Net sales, MEUR	8,209.6	10,474.8	6,381.5	4,923.1	6,588.0
Operating profit/loss, MEUR	185.6	*285.3	181.4	162.9	150.1
Operating profit, % of net sales	2.3	2.7	2.8	3.3	2.3
Profit for the period, MEUR	146.7	**235.4	148.8	126.8	119.1
Return on equity, %	11.0	***19.5	14.0	13.5	14.3
Equity ratio, %	55.7	****50.9	53.8	57.7	46.3

Key indicators have been adjusted. Unadjusted key indicators *284.4 MEUR **234.6 MEUR ***19.3% ****51.2.

and economic reasons. The plant operating in connection with the refinery in Gothenburg will continue its operations.

With an objective to maximize the competitiveness of the group's fuel procurement, the purchase of liquid fuels is centralized in the group's associated company North European Oil Trade Oy (Neot). Neot group purchases most of the Gothenburg refinery's production.

The group's revenue in 2023 was MEUR 8,209.6, which was MEUR 2,265.2 less than in the previous year. The decrease in turnover was due to the decrease in oil product prices during the year as well as a shutdown at the Gothenburg refinery. The share of bio products of the total turnover was more than 22% in 2023.

23% of the revenue came from Finland, 51% from Sweden, 25% from Norway, and 1% from the UK.

The group's operating profit was MEUR 185.6, which was MEUR 101.3 less than in the previous year. The refinery and wholesale margin were lower than the significantly high level of the year before. In addition, inventory valuation items were negative. The result level of the Retail and B2B market improved slightly. The biogas operations result turned positive after the unstable market situation of 2022.

The subsidiary St1 Oy booked a write-off on the closing of the Kajaani, Vantaa and Lahti bioethanol plants.

2. Group structure

The most notable change in the group structure in 2023 was the merger of St1 Biogas Ab with its parent company St1 Sverige Ab. In addition to the parent company, the St1 Nordic Oy group also includes the most significant operative subsidiaries St1 Oy, Lämpöpuisto Oy, St1 Finance Oy, St1 Lähienergia Oy, St1 Sverige AB, St1 Refinery AB, St1 Norge AS and Brocklesby Ltd.

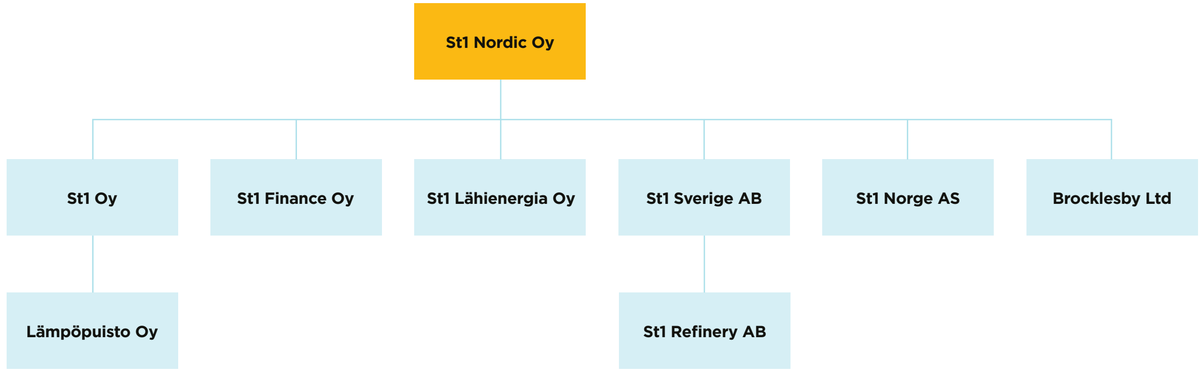
St1 Nordic Oy's most significant associated companies comprise North European Oil Trade Oy and the Norwegian Aviation Fuelling Services Norway AS, of which the latter conducts aircraft refueling in Norway and purchases its products from St1 Norge AS. St1 Sverige AB and SCA have a joint company called Scastone AB, which owns 50% of Biorefinery Gothenburg AB. Scastone AB ensures the availability of tall oil-based raw material at the biorefinery. In Finland, St1 Oy and Valio Oy have a joint venture operating under the name Suomen Lantakaasu Oy. The purpose of the joint venture is to produce renewable biogas from manure and side streams from farms to be used as fuel for traffic.

In December 2023, St1 Nordic Oy announced its intention to start cooperating in the biogas business with HitecVision and Aneo Renewables Holding AS. The joint venture 1Vision Biogas Ab was founded in January 2024.

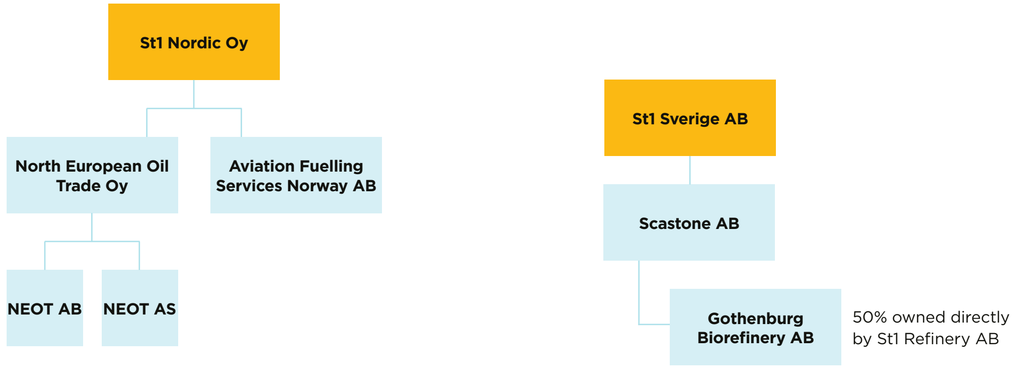
3. Company shares

In 2023, the company cancelled 145,885 shares acquired in the previous year.

Chart of the group's main companies



Associated companies



Company shares

	31.12.2023	31.12.2022	31.12.2021	31.12.2020	31.12.2019
Share capital	100,000	100,000	100,000	100,000	100,000
Shares	38,591,233	38,737,118	38,737,118	38,737,118	38,737,118

4. Investments

The group's largest investments in 2023 were focused on the renewable diesel plant under construction in Gothenburg and the maintenance shutdown of the Gothenburg refinery.

In the Retail business, the investments were focused on selected growth targets, the charging point network for electric cars as well as business development and maintenance.

In the biogas business, investments focused on the construction of a new biogas upgrading and liquefaction refinery in Borås, Sweden, the maintenance of existing production facilities and distribution network as well as in a new distribution network in Finland.

Other investments were directed at developing and maintaining current operations.
The group's investments in intangible and tangible assets and daughter company and associated company shares amounted to MEUR 241.1.

In addition, subsidiary St1 Sverige AB acquired 4.1% of the share capital of Biokraft AB in 2023, increasing the ownership to 18.6%.

Technological initialization expenditure includes development projects aimed at developing methods for producing ethanol and other bio refinery products to be used as advanced traffic fuel and other biorefining products from softwood sawdust and starch production process residues as well as enzyme production technology for decomposing sawdust pulp.
The technology initialization expenditure was written off in 2023.

5. Research and development expenses

The research and development expenses of St1 Nordic group were MEUR 27.1 in 2023 (MEUR 39.3 in 2022). Research and development expenses comprise the expenses for development of new production technologies and production methods for fuels from solid biomass, biogas and synthetic fuels.

6. Assessment of the most significant risks and uncertainties

6.1 Risk management policy and risk management arrangement

In the St1 Nordic group, risk management refers to a systematic and proactive approach to analyze and manage the threats and opportunities for the operations, rather than solely eliminating the risks. For this purpose, the group's risk management is based on an awareness of the key threats, including strategic, operational and financial risks that can prevent the group from achieving its objectives.

The Board of Directors is responsible for the group's risk management policy and for monitoring its implementation. The risk management principles approved by the Board of Directors were reviewed in June 2023.
The CEO is responsible for the appropriate organization of risk management measures. Risk management has been integrated into the daily business operations and decision-making of business units and the group's support functions. Each employee shares in the responsibility for identifying risks that might threaten the achievement of the group's objectives and to report them.

6.2. Strategic and operational risks

The group has defined a number of risks that can affect its future profitability and development:

- The ongoing war in Ukraine has a heavy impact on the energy industry. There are significant changes to established delivery chains, which can impact both the price and availability of fuel.
- The ongoing events in the Middle East and their potential impact on ocean freight can have a significant impact on the availability and price of fuel.
- Prolonged fierce competition in the traffic fuel retail market may reduce profitability also in the future.
- Insufficient refining margins on petroleum products to cover the refining costs.
- Considerable costs due to environmental legislation and regulations, affecting the group's financial performance
- Political, financial and legislative changes may affect the group's result and demand for products.
- Risks related to the branch, sustainability and climate change may affect the group's result and demand for products in the long-term.

The price risks of petroleum products and refining margins can be managed with derivatives.

In accordance with the nature of the group's business operations, the largest balance sheet items consist of trade receivables and inventories.

The credit loss risk of sales receivables is managed through a uniform credit policy and efficient debt-collection. Principles used for the measurement of trade receivables and inventories in the financial statements are consistent with and based on the principle of prudence.

The continuity of the group's business operations is based on functional and reliable information systems. The group seeks to manage the risks of information systems through measures such as duplicating critical information systems and data communications links, paying attention to the selection of partners and standardizing the workstation models and information security practices used in the group.

The group continuously takes various measures aiming to protect it from cyber risks. This includes both preventive and continuous monitoring work. External resources are also regularly used to assess cyber risks. St1 has a cybersecurity policy approved by the CEO. The personnel's awareness of cyber security issues is enhanced by regular training. External experts are also regularly used to assess risks related to cybersecurity.

The group's core competencies are related to business processes comprising oil refining, sales and procurement as well as the requisite support functions, such as information management, finance, human resources, real estate services, logistics, marketing and communications. In addition, the personnel gains significant technical knowledge in renewable energy projects.
Unexpected and significant weakening of the group's core competencies is an identified risk.
The group continuously seeks to improve the core competencies and other significant competencies of its personnel by offering opportunities for in-work learning and training, as well as by recruiting competent new employees, as needed.

The most significant portion of the group's revenue consists of retail and wholesale trade of liquid fuels as well as exports. Taking the

group's line of business and products into account, factors that may affect the group's revenue include decisions by the government or authorities on how different forms of energy are combined, subsidized or taxed, general economic trends, and, in the case of heating oil, regionally prevailing temperatures.

The volatile global situation has a significant impact on the energy industry. This may lead to notable volatility on the energy markets, which shows that the group's operations may be subject to surprising and significant impacts.

To eliminate the risk of human casualties or oil spills and the related costs, attention must be paid to safe and environmentally sound operating methods in the group's operations. St1 has systematically evaluated and monitored its environmental obligations, as well as the obligations arising at group operating sites.

The group's environmental protection obligations have been defined by legislation and the quality programs applied by the company. The financial statements include a provision for environmental liabilities, that is reviewed for each financial period.

The group seeks to protect itself from significant risks to its assets by regularly reviewing its insurance policies as part of the overall risk management process. The company strives to insure itself against all risks that are financially or otherwise reasonable. The group's insurance coverage is subject to regular reviews.

There are no pending trials or any other legal risks that the Board is aware of, which would materially affect the results of the group's operations.

6.3. Financial risks

Management of financial risks: The parent company manages the financing operations for the whole group. In order to secure liquidity, the group has adequate bank overdraft facilities. The Board of Directors approves the financial risk management policy annually.

Interest rate risk: At the end of the financial year, the group had approximately EUR 11 million of interest rate-sensitive loans (approx. EUR 49 million). Derivative agreements can be used to help in the management of interest rate risks. Interest rate derivates were not in use at the end of the financial year.

Currency risk: The group's operative currency risk is mainly driven by crude oil purchases and inventory denominated in USD. In addition, the group is exposed to currency risk through the foreign currency denominated equity items of Swedish, Norwegian and British subsidiaries as well as eventual currency receivables from and liabilities with these companies.

Currency risks can be managed through forward agreements.

7. Estimation of probable future development

From the group management's perspective, the business environment will remain challenging and volatile. In the traffic fuels trade, competition in the group's home market remains over emphazised. The group aims to further improve its competitiveness by rationalizing systems and business processes, taking measures to improve the average sales of retail stations as well as making carefully targeted investments.

When feasible, refining margin, utilities and end products are price hedged.

The group's financing position is strong per se, and the group believes that its liquidity will remain good.

8. Significant events after the end of the financial period

Since the end of the financial period, St1 has become a 50% shareholder in the biogas business joint venture 1Vision Biogas Ab together with HitecVision and Aneo Renewables Holding AS. In addition, a decision was made to corporatize St1's biogas business; in partial demergers, the biogas business will be transferred from St1 Oy to the established St1 Biokaasu Oy and from St1 Sverige AB to the established St1 Biogas AB. The demerger procedures are in progress.

We continuously monitor the impact of the geopolitical situation on the energy market. In particular, the large price fluctuations of crude oil, bio raw material and energy products are expected to bring uncertainty to the operating environment.

9. Personnel

Key figures describing the group's personnel

	2023	2022	2021	2020	2019
Average number of personnel during the financial period	1,054	1,057	970	880	793
Wages and salaries during the financial period, MEUR	81.5	80.4	72.5	60.0	58.4

10. Organization

The company's Board of Directors comprises Mika Anttonen (chair), Mikko Koskimies, Kim Wiio and Kati Ihamäki. Henrikki Talvitie is the company's Chief Executive Officer.

The company's auditor is Pricewaterhouse-Coopers Oy and Authorized Public Accountant Janne Rajalahti is the Auditor in charge.

11. Disclosure of non-financial information

The vision of St1 is to be a leading producer and seller of CO_2-aware energy, thereby enabling positive societal impact through our operations. We work constantly toward enabling a more sustainable value chain. We believe that we will achieve this vision by running a responsible and profitable business where economic performance, social responsibility, and environmental sustainability are balanced.

We have committed to United Nations Global Compact and its ten principles, which is one step toward making our responsible business principles and sustainability targets more transparent in our daily operations. The corporate management, the Board of Directors, and the personnel shall respect and follow these principles that have been approved by the Board of Directors, in addition to relevant national legislation and other regulation concerning the business operations. Our approach to human rights is based on the United Nations Guiding Principles on Business and Human Rights (UNGP), which states that the governments' duty is to protect human rights and the businesses' responsibility is to respect them and offer appropriate and effective remedies if breached. In addition, we are committed to developing our operations in accordance with the OECD's guidelines. We respect the rights laid down in the International Bill of Human Rights as well as the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. We expect all our partners, and their respective business partners, to commit to these ethical and sustainable principles within their business operations, and to support their use within their sphere of influence and decision-making.

The St1 group's sustainability themes focused heavily on developing and ensuring the sustainability of our delivery chain and implementing measures required by due diligence. Our focus for the year was to develop the company's sustainability risk management and assessment and to increase measures to guarantee transparency alongside the development of continuous impact assessment on our value chain. As part of this development work, we published our first due diligence report in the spring 2023. We continue our development endeavors together in strong collaboration with our associated company North European Oil Trade Oy, and other respective partners within our value chain.

St1 Nordic publishes its integrated corporate responsibility report on the company's website www.st1.com on April 15, 2024, at the latest. The report complies, as appropriate, with the Global Reporting Initiative Standards (GRI) 2021 and contains the non-financial information material of St1 as required by the Accounting Act. Our oil refinery in Gothenburg also complies with the ISO 14001 environmental management system requirement.

12. Proposal for profit distribution

The Board of Directors proposes to the general meeting that the company will pay a dividend of 38,591,233 euros and transfer the remaining financial year's profit to the Retained earnings account.

There have been no significant changes in the company's financial position after the closure of the financial year. The company's liquidity is good, and the proposed distribution does not, in the board's opinion, put the company's liquidity at risk.

Consolidated income statement

In thousand euros	Notes	1.1.–31.12.2023	1.1.–31.12.2022
NET SALES	1.	8,209,634	10,474,845
Other operating income	2.	166,847	133,995
Materials and services			
Materials, supplies and products			
Purchases during the period		-7,539,644	-9,873,952
Change in inventories		-102,285	110,604
External services		-5,025	-10,143
		-7,646,954	-9,773,491
Personnel expenses			
Wages and salaries		-81,462	-80,375
Social security costs			
Pension costs		-21,563	-17,433
Other social security costs		-13,616	-13,745
		-116,641	-111,553
Depreciation and amortisation			
Depreciation and amortisation according to plan*	5.	-88,024	-84,645
Amortisation of goodwill*	5.	-19,004	-19,972
Reduction in value of non-current assets*	5.	-18,599	-30,948
		-125,627	-135,565
Other operating expenses	6.	-301,629	-302,920

In thousand euros	Notes	1.1.–31.12.2023	1.1.–31.12.2022
OPERATING PROFIT		185,629	285,313
Finance income and costs			
Income from other investments of non-current assets			
Share of profit of investments using the equity method	7.	-267	12,698
Other interest and finance income	7.	8,963	6,808
Exchange rate gain	7.	0	92
Interest expenses and other finance costs			
To others	7.	-8,131	-5,592
Exchange rate loss		-1,133	0
		-568	14,006
PROFIT BEFORE APPROPRIATIONS AND TAX		185,061	299,319
Current income tax	9.	-36,972	-53,974
Deferred tax	9.	-957	-9,879
		-37,929	-63,852
PROFIT FOR THE PERIOD BEFORE MINORITY INTEREST		147,131	235,467
Minority interest		-405	-23
PROFIT FOR THE PERIOD		**146,727**	**235,444**

* The comparison year figure has been adjusted.

Consolidated balance sheet

In thousand euros	Notes	31.12.2023	31.12.2022
ASSETS			
NON-CURRENT ASSETS			
Intangible assets			
Capitalised development expenditure	10.	0	886
Intangible rights	10.	37,346	33,963
Goodwill	10.	1,280	357
Goodwill on consolidation*	10.	167,690	193,256
Other capitalised long-term expenditure	10.	732	941
		207,049	229,402
Tangible assets			
Land and water areas*	11.	198,261	200,030
Buildings and structures*	11.	144,879	149,021
Machinery and equipment*	11.	406,359	405,999
Other tangible assets*	11.	7,334	8,078
Advance payments and construction in progress	11.	394,919	260,362
		1,151,752	1,023,490
Investments			
Investments in associated companies	13.	113,290	104,750
Other shares and holdings	13.	16,789	13,776
Other receivables	13.	450	356
		130,529	118,882

In thousand euros	Notes	31.12.2023	31.12.2022
CURRENT ASSETS			
Inventories			
Materials and supplies		237,304	339,589
Receivables			
Non-current receivables			
Trade receivables		0	1,249
Deferred tax assets	17.	16,002	12,603
Loan receivables		18,740	16,935
Other receivables		2,788	3,771
		37,531	34,559
Current receivables			
Trade receivables		557,724	641,744
Other receivables*		3,468	1,371
Prepayments and accrued income*	19.	76,388	94,340
		637,581	737,455
Cash and cash equivalents		77,264	46,008
		2,479,009	**2,529,385**

* The comparison year figure has been adjusted.

In thousand euros	Notes	31.12.2023	31.12.2022
EQUITY AND LIABILITIES			
EQUITY			
Share capital	15.	100	100
Revaluation reserve	12., 15.	38,118	38,118
		38,218	38,218
Reserve for invested unrestricted equity	15.	54,232	54,232
Retained earnings*	15.	1,138,070	958,745
Profit (loss) for the period	15.	146,727	235,444
		1,339,028	1,248,420
Total equity		1,377,246	1,286,638
MINORITY SHARE		1,609	1,325
PROVISIONS			
Other provisions	16.	59,649	59,790
		59,649	59,790

In thousand euros	Notes	31.12.2023	31.12.2022
LIABILITIES			
Non-current			
Loans from financial institutions		8,059	8,092
Advance payments		4,377	0
Deferred tax liabilities*	17.	33,166	31,427
Other liabilities		191	45
Accruals and deferred income		6,256	7,474
		52,049	47,038
Current			
Loans from financial institutions		3,126	41,339
Commercial paper		52,000	79,500
Advance payments		963	1,147
Trade payables		268,285	291,326
Deferred tax liabilities	17.	76,317	68,088
Liabilities to associated companies			
Trade payables		302,377	299,600
Other liabilities		46,349	41,149
Other liabilities*		164,325	183,811
Accruals and deferred income*	20.	74,715	128,634
		988,456	1,134,594
		2,479,009	**2,529,385**

* The comparison year figure has been adjusted.

Consolidated cash flow statement

In thousand euros	1.1.–31.12.2023	1.1.–31.12.2022
Cash flow from operating activities:		
Profit (loss) before appropriations and income tax	185,061	298,436
Adjustments:		
Depreciation and amortisation according to plan	107,027	105,447
Other income and expenses with non-cash transactions	-22,592	-24,097
Other finance income and costs	301	-855
Impairment of investments in non-current assets	18,599	31,002
Cash flow before change in working capital	288,397	409,932
Change in working capital:		
Increase (-)/decrease (+) in current non-interest bearing receivables	99,582	-210,396
Increase (-)/decrease (+) in inventories	102,285	-105,929
Increase (+)/decrease (-) in current non-interest bearing payables	-66,523	188,225
Cash flow from (used in) operating activities before financial items and taxes	423,741	281,831
Interest paid and charges on other finance costs	-6,899	-3,935
Interest received	4,635	4,008
Taxes paid	-59,691	-55,392
Net cash generated from operating activities (A)	361,785	226,513

In thousand euros	1.1.–31.12.2023	1.1.–31.12.2022
Cash flow from investing activities:		
Purchase of tangible and intangible assets	-232,650	-206,189
Acquisitions deducted by acquired cash and cash aquivalents	0	-66,598
Proceeds from sale of tangible and intangible assets	5,110	5,954
Proceeds from sale of subsidiaries	0	29,649
Investments in associated companies	-8,427	-11,803
Purchase of other investments	-2,651	-11,816
Dividends received	3,895	2,763
Net cash used in investing activities (B)	-234,723	-258,038
Cash flow from financing activities:		
Acquisition of own shares	0	-4,254
Proceeds from current loans	7,493	87,404
Repayment of current loans	-65,714	-15,288
Proceeds from non-current loans	3,500	0
Repayment of non-current loans	-2,367	-899
Dividends paid and other profit distribution	-38,720	-15,951
Net cash used in financing activities (C)	-95,807	51,013
Net increase (+)/decrease (-) in cash and cash equivalents (A+B+C)	31,256	19,488
Cash and cash equivalents at beginning of period	46,008	26,521
Cash and cash equivalents at end of period	77,264	46,008

Parent company income statement

In euros	Notes	1.1.–31.12.2023	1.1.–31.12.2022
NET SALES	1.	46,548,977.56	35,437,497.31
Other operating income	2.	1,698,814.56	1,592,943.96
Raw materials and services			
Raw materials and consumables			
Variation in stocks		-155.74	-735.41
		-155.74	-735.41
Personnel expenses			
Wages and salaries		-11,379,908.17	-8,802,734.94
Social security costs			
Pension costs		-2,403,956.75	-1,405,038.35
Other social security costs		-681,728.28	-513,548.17
		-14,465,593.20	-10,721,321.46
Depreciation according to plan	5.	-9,585,702.78	-8,602,992.08
Other operating expenses	6.	-29,509,488.72	-24,379,518.77

In euros	Notes	1.1.–31.12.2023	1.1.–31.12.2022
OPERATING PROFIT (-LOSS)		-5,313,148.32	-6,674,126.45
Finance income and costs			
Income from shares in group companies	7.	129,969,872.19	16,312,398.73
Income from shares in associated companies	7.	3,895,290.76	2,763,267.55
Other interest and finance income			
From group companies	7.	10,125,183.25	3,607,180.96
From others	7.	1,719,672.32	1,474,770.09
Interest expenses and other finance costs			
To group companies	7.	-4,378,131.30	-5,270,968.86
To others	7.	-4,324,744.77	-1,894,589.49
		137,007,142.45	16,992,058.98
PROFIT BEFORE APPROPRIATIONS AND INCOME TAX		131,693,994.13	10,317,932.53
Appropriations			
Change in cumulative accelerated depreciation	8.	0.00	0.00
		0.00	0.00
Income taxes	9.	1,733,247.26	0.00
PROFIT FOR THE PERIOD		**133,427,241.39**	**10,317,932.53**

Parent company balance sheet

In euros	Notes	31.12.2023	31.12.2022
ASSETS			
NON-CURRENT ASSETS			
Intangible assets			
Intangible rights	10.	34,990,628.46	33,467,627.82
Advance payments and construction in progress	10.	9,251,107.40	5,972,979.08
Other capitalised long-term expenses	10.	70,698.04	131,296.36
		44,312,433.90	39,571,903.26
Property, plant and equipment			
Machinery and equipment	11.	284,318.12	331,451.75
Advance payments and construction in progress	11.	0.00	0.00
		284,318.12	331,451.75
Investments			
Shares in group companies	13.	520,488,956.76	523,588,956.76
Receivables from group companies	14.	1,340,000.00	1,340,000.00
Investments in associated companies	13.	23,476,917.03	23,476,917.03
Other shares and holdings	13.	20,765.69	20,765.69
		545,326,639.48	548,426,639.48

In euros	Notes	31.12.2023	31.12.2022
CURRENT ASSETS			
Inventories			
Materials and supplies		345,188.85	345,344.59
		345,188.85	345,344.59
Receivables			
Non-current receivables			
Deferred tax assets		1,733,247.26	0.00
Receivables from group companies	14.	64,069,879.90	101,318,960.27
		65,803,127.16	101,318,960.27
Current receivables			
Receivables from group companies	14.	49,625,373.88	45,968,223.12
Trade receivables		55,887.07	87,121.79
Other receivables		823,607.49	819,813.96
Prepaid expenses and accrued income	19.	4,451,342.73	4,212,433.02
		54,956,211.17	51,087,591.89
Cash and cash equivalents		57,972,108.45	28,786,931.88
		769,000,027.13	**769,868,823.12**

In euros	Notes	31.12.2023	31.12.2022
EQUITY AND LIABILITIES			
EQUITY			
Share capital	15.	100,000.00	100,000.00
Reserve for invested unrestricted equity	15.	54,231,561.66	54,231,561.66
Retained earnings	15.	488,984,065.56	517,258,090.81
Profit for the period		133,427,241.39	10,317,932.53
		676,642,868.61	581,807,585.00
TOTAL EQUITY		676,742,868.61	581,907,585.00

In euros	Notes	31.12.2023	31.12.2022
LIABILITIES			
Non-current			
Loans from financial institutions		1,750,000.01	0.00
Advance payments	18.	4,140,000.00	0.00
		5,890,000.01	0.00
Current			
Loans from financial institutions		1,166,666.66	0.00
Commercial paper		52,000,000.00	79,500,000.00
Trade payables		5,664,484.96	3,970,303.37
Liabilities to group companies	18.	20,285,655.42	99,931,352.73
Other liabilities		342,322.97	236,023.99
Accruals and deferred income	20.	6,908,028.50	4,323,558.03
		86,367,158.51	187,961,238.12
TOTAL LIABILITIES		92,257,158.52	187,961,238.12
		769,000,027.13	**769,868,823.12**

Parent company cash flow statement

In euros	1.1.–31.12.2023	1.1.–31.12.2022
Cash flow from operating activities:		
Profit (loss) before appropriations and income tax	131,693,994.13	10,317,932.53
Adjustments:		
Depreciation and amortisation according to plan	9,585,702.78	8,602,992.08
Finance income and costs	-137,335,393.58	-16,974,791.25
Other adjustments	0.00	-30,246.17
Cash flow before change in working capital	3,944,303.33	1,915,887.19
Change in working capital:		
Increase (-)/decrease (+) in inventories	155.74	735.41
Increase (-)/decrease (+) in current non-interest bearing receivables	-11,357,610.52	-4,511,967.27
Increase (+)/decrease (-) in current non-interest bearing payables	17,232,364.03	6,733,508.91
Cash flow from operating activities before financial items and taxes	9,819,212.58	4,138,164.24
Interest paid and other financial expenses	-8,702,876.07	-4,201,248.63
Interest received from operating activities	7,488,990.60	2,971,607.84
Taxes paid (received)	0.00	2,896,489.92
Net cash generated from operating activities (A)	8,605,327.11	5,805,013.37

In euros	1.1.–31.12.2023	1.1.–31.12.2022
Cash flow from investing activities:		
Purchase of property, plant and equipment and intangible assets	-14,279,099.79	-10,276,489.94
Proceeds from sale of property, plant and equipment and intangible assets	0.00	90,675.00
Investments in associated and subsidiary companies	0.00	-67,318,758.09
Dividends received	133,865,162.95	11,975,666.28
Net cash used in investing activities (B)	119,586,063.16	-65,528,906.75
Cash flow from financing activities:		
Increase/decrease in short term receivables*	-1,118,237.11	59,604,695.66
Increase/decrease in long term receivables*	44,937,548.74	-1,924,387.80
Proceeds from current loans	0.00	66,251,294.14
Repayment of current loans	-107,150,234.22	-15,287,554.17
Proceeds from long-term loans	3,500,000.00	0.00
Repayment of long-term loans	-583,333.33	0.00
Acquisition of own shares	-724.78	-4,253,889.90
Dividends paid and other profit distribution	-38,591,233.00	-15,882,218.38
Net cash used in financing activities (C)	-99,006,213.70	88,507,939.55
Net increase (+)/decrease (-) in cash and cash equivalents (A+B+C)	29,185,176.57	28,784,046.17
Cash and cash equivalents at beginning of period	28,786,931.88	2,885.71
Cash and cash equivalents at end of period	57,972,108.45	28,786,931.88

* The comparison year figure has been adjusted.

Notes to the financial statements 31 December 2023

Accounting principles for the financial statements

Financial period
The company's financial period is from 1 January to 31 December.

Consolidated financial statements
The group structure was simplified during the year 2023 through mergers. St1 Sverige AB's subsidiary St1 Biogas AB merged into its parent company at the end of March. In Norway, the subsidiary Nemob AS was terminated as redundant in June. In Finland, Kiinteistö Oy Uusmarjala merged into its parent company St1 Oy in July.

The subsidiaries St1 Oy, Lämpöpuisto Oy, St1 Lähienergia Oy, St1 Finance Oy, Tuulivoltti Oy, St1 Renewable Energy (Thailand) Ltd, St1 Sverige AB, St1 Refinery AB, Falkenbergs Biogas AB, Söderåsens Bioenergi AB, St1 Vind AB, St1 Norge Group AS, St1 Norge AS, Shell Madla AS, St1 Davvi Holding AS, St1 Sandfjellet Holding AS, St1 Nordre Soroya Holding AS, Grenselandet DA, Sandfjellet Windfarm DA, Nordre Sørøya Windfarm DA, as well as Brocklesby Ltd are consolidated in St1 Nordic group financial statements. Gothenburg Biorefinery AB has been condolidated as a joint company according to ownership (75 %). Neither owner has a controlling interest in the joint company. Joint governance of the joint company is based on the articles of association. Associated companies North European Oil Trade Oy, Brang Oy, Suomen Lantakaasu Oy, Aviation Fuelling Services Norway AS, Knapphus Energi Norge AS, Biogas Energi Aksdal AS, Scastone AB as well as Biorefinery Östrand AB are consolidated in the financial statements of St1 Nordic Oy using the equity method.

St1 Nordic Oy's parent company is Keele Oy, which prepares the consolidated financial statements in which St1 Nordic Oy group is included in. Copies of the consolidated financial statements are available at: Keele Oy, Firdonkatu 2, 00520 Helsinki, Finland.

The group's inter-company transactions, margins, receivables and payables have been eliminated. Internal ownership has been eliminated using the acquisition method. Minority interest has been separated from consolidated equity and profit and it is shown as a separate line item in the consolidated income statement and balance sheet.

The income statements of foreign group companies have been converted into euros at the average foreign rate of exchange rates during the financial period. The balance sheet has been converted into the Finnish currency using the closing date exchange rate. Translation differences resulting from the currency conversions, as well as translation differences in foreign subsidiaries' equity arising from conversion, have been presented in 'retained earnings'.

Valuation of inventories
Liquid fuel inventories are valued at the last day's purchase price in the group companies. If inventory would be be valued using the FIFO method, the difference would not be material. Other inventories are valued according to the FIFO principle using cost of purchase, or cost of repurchase, or likely sale price, if lower.

Measurement of non-current assets
Intangible and tangible assets have been capitalised at cost. Depreciation and amortisation according to plan have been recognised on a straight-line basis during the economic life of the assets. Depreciation and amortisation starts in the month when the assets have been taken into use. A revaluation of land has been recognised in the consolidated financial statements based on the land's market value.

Depreciation and amortisation periods in the group

capitalised development expenditure	5–10 years
software programs	7 years
other long-term capitalised expenditure	5–7 years
trademarks	20 years
goodwill	5–20 years
buildings and structures	20–50 years
machinery and equipment	3–20 years
other tangible assets	10–30 years

Goodwill on consolidation
Goodwill on consolidation is amortised on straight-line basis over 10–20 years. In addition, additional amortisation is booked if there is a decrease in the future income expectations of the assets to which goodwill is allocated. Goodwill on consolidation has been compounded of strategically important acquisitions, the effect of which expands over 10–20 years.

Deferred tax assets and liabilities in the group
A deferred tax asset has been recognised for provisions and a deferred tax liability for appropriations for the part not yet deducted in taxation, by applying the following years' tax rate as confirmed on the closing date.

Foreign currency items in the group
Receivables and payables denominated in foreign currencies have been converted into the Finnish currency using the closing date exchange rate.

Adjustments concerning prior periods

Accounting principles of consolidated financial statements have been changed due to consolidation system change. Goodwill on consolidation and consolidated goodwill allocated to assets are now calculated in original currencies instead of EUR, starting from acquisition. EUR values in asset groups decreased due to weak currency rates of SEK and NOK. Decreases are adjusted to 2022 assets.

Re-classification has been done between other receivables and prepayments as well as between other liabilities and accruals. Consolidation system enables better follow-up of the consolidated items.

Subsidiary St1 Oy has adjusted deferred tax debt amount to comparison year 2022.

1,000 EUR	2022	Adjustment	Adjusted 2022
Goodwill on consolidation	210,025	-16,769	193,256
Land and water areas	207,359	-7,329	200,030
Buildings and structures	149,797	-775	149,021
Machinery and equipment	406,394	-395	405,999
Other tangible assets	8,135	-57	8,078
Retained earnings	981,185	-26,255	954,930
Profit for the perios (adjustments of GW depreciations)	234,561	883	235,444
Other receivables	6,890	-5,519	1,371
Prepayment and accrued income	88,821	5,519	94,340
Other liabilities	181,406	2,405	183,811
Accruals and deferred income	131,039	-2,405	128,634
Deferred tax liabilities	35,242	-3,815	31,427
Retained earnings (adjustment in subsidiary)	954,930	3,815	958,745

Notes to the income statement

1. Net sales

	Consolidated		Parent company	
MEUR	**2023**	**2022**	**2023**	**2022**
Fuels	8,128.6	10,379.5	0.0	0.0
Energy products and electricity	72.2	86.2	0.0	0.0
Other	8.8	9.1	46.5	35.4
	8,209.6	**10,474.8**	**46.5**	**35.4**
Domestic	1,900.5	2,257.9	16.8	14.0
Foreign	6,309.2	8,217.0	29.7	21.4
	8,209.6	**10,474.8**	**46.5**	**35.4**

2. Other operating income

	Consolidated		Parent company	
MEUR	**2023**	**2022**	**2023**	**2022**
Gains on sale of non-current assets and shares	1.8	1.9	0.0	0.0
Other operating income	165.0	132.1	1.7	1.6
	166.8	**134.0**	**1.7**	**1.6**

3. Average number of personnel

	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Personnel on average	1,054	1,057	107	83
	1,054	**1,057**	**107**	**83**

4. Management salaries and fees

Wages and salaries paid to the members of the board and the managing directors during the financial period amounted to EUR 2,788,467 (EUR 2,852,816 in 2022).

5. Depreciation, amortisation and impairment charges

	Consolidated		Parent company	
In thousand euros	**2023**	**2022**	**2023**	**2022**
Depreciation and amortisation according to plan				
Intangible assets				
Capitalised development expenses	825	357	0	0
Intangible rights	9,809	8,613	9,368	8,381
Goodwill	694	953	0	0
Other long-term capitalised expenditure	342	405	61	61
Tangible assets				
Buildings and structures	12,765	13,319	0	0
Machinery and equipment	61,757	59,089	157	161
Other tangible assets	1,830	1,909	0	0
	88,024	**84,645**	**9,586**	**8,603**
Amortisation /recognition of goodwill on consolidation	19,004	19,972		
	19,004	**19,972**		
Impairment of investments to non-current assets				
Other long-term capitalised expenditure	815	0	0	0
Consolidation goodwill	0	2,441		
Buildings and structures	6,097	465	0	0
Land and water areas	411	595	0	0
Machinery and equipment	11,276	2,331	0	0
Other tangible assets	0	25,117	0	0
	18,599	30,948	0	0
Depreciation and amortisation according to plan, total	**125,627**	**135,565**	**9,586**	**8,603**

The subsidiary St1 Oy wrote off Lahti and Vantaa Ethanolix plants due to weakened availability of feedstock, conditions for profitable business has not been found. St1 Oy also wrote off Kajaani demonstration plant, production has been unprofitable throughout its lifecycle.

St1 Oy booked 2022 final write-off on Otaniemi geothermal pilot heat plant investment.

6. Other operating expenses

	Consolidated		Parent company	
In thousand euros	**2023**	**2022**	**2023**	**2022**
Rents	40,105	39,212	1,436	1,227
Advertising and sales promotion	29,436	30,482	112	143
Operating and maintenance expenses	100,917	114,433	118	148
Other operating expenses	131,171	118,793	27,843	22,862
	301,629	**302,920**	**29,509**	**24,380**
Audit expenses				
Audit	899	726	135	110
Auditing Act 1.1,2§ Assignments	4	0	0	0
Tax consultation	99	82	38	6
Other services	89	59	39	11
	1,091	**867**	**213**	**127**

7. Finance income and expenses

	Consolidated		Parent company	
In thousand euros	**2023**	**2022**	**2023**	**2022**
Income from investments in other non-current assets				
From group companies	0	0	129,970	16,312
From associated companies	-267	12,698	3,895	2,763
	-267	**12,698**	**133,865**	**19,076**
Other interest and finance income				
From group companies	0	0	10,125	3,607
From others	8,963	6,900	1,720	1,475
	8,963	**6,900**	**11,845**	**5,082**
Impairment of investments				
Impairment of investments to non-current assets	0	453	0	0
Impairment of investments to current assets	0	0	0	0
Interest costs and other finance costs				
To group companies	0	0	4,378	5,271
To others	9,264	5,138	4,325	1,895
	9,264	**5,138**	**8,703**	**7,166**
Finance income and expenses, total	**-568**	**14,006**	**137,007**	**16,992**

8. Appropriations

	Consolidated		Parent company	
In thousand euros	**2023**	**2022**	**2023**	**2022**
Change in accelerated depreciation			0	0
Group contribution received/given	0	0	0	0
	0	**0**	**0**	**0**

9. Income taxes

	Consolidated		Parent company	
In thousand euros	**2023**	**2022**	**2023**	**2022**
Current tax on profits for the financial period	-36,972	-53,974	0	0
Change in deferred taxes	-957	-9,879	1,733	0
	-37,929	**-63,852**	**1,733**	**0**

Notes to the balance sheet

Tangible and intangible assets

Capitalised development expenditure and intangible rights

Technological initialisation expenditure have included development projects aimed at developing methods for producing ethanol to be used as advanced traffic fuel as well as other biorefinery products from softwood sawdust and starch production process residues as well as entzyme production technology for decomposing sawdust pulp.

Technological initialisation expenditure have been written off 2023.

10. Intangible assets

In thousand euros	Intangible rights	Other long-term expenses	Advance payments and construction in progress	Total
Parent company				
Acquisition cost January 1	68,919	1,200	5,973	76,092
Additions	433	0	13,736	14,169
Disposals	0	0	0	0
Transfers	10,458	0	-10,458	0
Acquisition cost December 31	79,809	1,200	9,251	90,261
Accumulated amortisation January 1	-35,451	-1,069	0	-36,520
Amortisation during the financial period	-9,368	-61	0	-9,428
Accumulated amortisation December 31	-44,819	-1,129	0	-45,948
Net book value December 31, 2023	34,991	71	9,251	44,312

In thousand euros	Development expenses	Intangible rights	Goodwill
Group			
Acquisition cost prior to change in accounting principle	4,923	77,949	15,026
Change in accounting principle	-609	-4,632	1,351
Acquisition cost January 1	4,313	73,317	16,378
Translation difference	0	-187	-112
Additions	0	433	1,624
Disposals	-4,246	-388	-9
Transfer between assets	-67	12,729	-2,755
Acquisition cost December 31	0	85,904	15,126

In thousand euros	Development expenses	Intangible rights	Goodwill
Group			
Accumulated depreciation prior to change in accounting principle	-4,037	-43,986	-14,669
Change in accounting principle	609	4,632	-1,351
Accumulated depreciation January 1	-3,428	-39,354	-16,021
Translation difference	0	195	56
Accumulated depreciations from disposals and transfers	4,253	388	2,813
Depreciation during the financial period	-825	-9,787	-694
Accumulated amortisation December 31	0	-48,558	-13,846
Net book value December 31, 2023	0	37,346	1,280

In thousand euros	Goodwill on consolidation	Other long-term expenses	Total
Acquisition cost prior to change in accounting principle	312,824	16,631	427,353
Change in accounting principle	-26,463	-5,414	-35,767
Acquisition cost January 1	286,361	11,217	391,586
Translation difference	-9,684	18	-9,964
Additions	0	110	2,167
Disposals	-380	-1,025	-6,048
Transfer between assets	2,755	124	12,785
Acquisition cost December 31	279,052	10,443	390,526
Accumulated depreciation prior to change in accounting principle	-100,358	-15,690	-178,740
Change in accounting principle	7,252	5,414	16,556
Accumulated depreciation January 1	-93,106	-10,276	-162,184
Translation difference	3,551	-18	3,784
Accumulated depreciations from disposals and transfers	-2,804	947	5,597
Depreciation during the financial period	-19,004	-364	-30,675
Accumulated amortisation December 31	-111,362	-9,711	-183,477
Net book value December 31, 2023	167,690	732	207,049

11. Tangible assets

In thousand euros	Machinery and equipment	Advance payments and construction in progress	Total
Parent company			
Acquisition cost January 1	1,302	0	1,302
Additions	110	0	110
Disposals	0	0	0
Transfers	0	0	0
Acquisition cost December 31	1,412	0	1,412
Accumulated depreciation January 1	-970	0	-970
Depreciation during the financial period	-157	0	-157
Accumulated depreciation December 31	-1,128	0	-1,128
Net book value December 31, 2023	284	0	284

In thousand euros	Land	Buildings	Machinery and equipment	Other tangible assets	Advance payments and construction in progress	Total
Group						
Acquisition cost prior to change in accounting principle	140,289	310,623	861,384	44,347	260,166	1,616,809
Change in accounting principle	-7,328	125,972	221,198	8,102	196	348,140
Acquisition cost January 1	132,961	436,595	1,082,582	52,449	260,362	1,964,949
Translation difference	-2,313	-8,302	-14,816	-566	5,054	-20,943
Additions	1,247	2,616	10,612	236	222,448	237,159
Disposals	-769	-15,755	-55,414	-1,922	-1,746	-75,606
Transfer between assets	29,017	37,565	97,865	1,220	-91,198	74,469
Acquisition cost December 31	160,143	452,719	1,120,830	51,416	394,919	2,180,028
Accumulated depreciation prior to change in accounting principle	0	-182,885	-478,858	-38,855	0	-700,598
Change in accounting principle	0	-126,747	-221,594	-8,159	0	-356,500
Accumulated depreciation January 1	0	-309,632	-700,452	-47,014	0	-1,057,098
Translation difference	0	6,079	8,219	326	0	14,624
Accumulated depreciations from disposals and transfers	0	8,479	39,519	4,436	0	52,434
Depreciation during the financial period	0	-12,765	-61,757	-1,830	0	-76,353
Accumulated amortisation December 31	0	-307,840	-714,471	-44,083	0	-1,066,393
Revaluations January 1	67,069	22,059	23,868	2,644	0	115,641
Additions	0	0	0	0	0	0
Transfer between assets	-28,952	-22,059	-23,868	-2,644	0	-77,523
Revaluations December 31	38,118	0	0	0	0	38,118
Net book value December 31, 2023	198,261	144,879	406,359	7,334	394,919	1,151,752

Disposals include 18,528,131 eur reduction in value of tangible assets and 71,346 eur reduction in intangible assets.

12. Revaluations

The revaluation is based on discounted cash flow calculation made by the company, income value and in some cases on building rights which are supported by an independent third-party expert's valuation on the likely sale price of the land.

13. Investments

Group companies	Group ownership	Parent ownership
St1 Oy	100.00%	100.00%
St1 Lähienergia Oy	100.00%	100.00%
St1 Sverige AB	100.00%	100.00%
St1 Refinery AB	100.00%	0.00%
St1 Vind AB	100.00%	0.00%
Falkenbergs Biogas AB	65.00%	0.00%
Söderåsens Bioenergi AB	63.25%	0.00%
St1 Norge AS	100.00%	0.00%
St1 Norge Group AS	100.00%	100.00%
Lämpöpuisto Oy	100.00%	0.00%
St1 Finance Oy	100.00%	100.00%
Tuulivoltti Oy	100.00%	100.00%
Shell Madla AS	100.00%	0.00%
Grenselandet AS	74.08%	0.00%
St1 Sandfjellet Holding AS	100.00%	0.00%
St1 Davvi Holding AS	100.00%	0.00%
St1 Nordre Sørøya Holding AS	100.00%	0.00%
Sandfjellet Windfarm DA	100.00%	0.00%
Norde Sørøya Windfarm DA	100.00%	0.00%
Grenselandet DA	74.08%	0.00%
Brocklesby Ltd	100.00%	100.00%
St1 Renewable Energy (Thailand) Ltd	100.00%	0.00%

Associated companies	Group ownership	Parent ownership
North European Oil Trade Oy -Group, Helsinki Equity EUR 48,971,499.45 and profit for the period EUR -4,435,751.45	49%	49%
Brang Oy, Turku Equity EUR 342,016.82 and profit for the period EUR 157,057.77	25%	0%
Aviation Fuelling Services Norway AS Equity EUR 18,942,986.43 and profit for the period EUR 10,119,457.01, remaining goodwill on consolidation EUR 2,389,941.98	50%	50%
Biogass Energi Aksdal AS Equity EUR 103,313.16 and profit for the period EUR 0, remaining goodwill on consolidation EUR 436,644.63	33.3%	0%
Knapphus Energi Norge AS Equity EUR -38,161.90 and profit for the period EUR -99,580.62	49%	0%
Suomen Lantakaasu Oy Equity EUR 1,906,133.24 and profit for the period EUR -52,110.86	50%	0%
Scastone AB Equity EUR 127,311,124.40 and profit for the period EUR 7,846,418.44	50%	0%
Gothenburg Biorefinery AB Equity EUR 171,055,154 and profit for the period EUR -2,419,077	75%	0%
Biorefinery Östrand AB Equity EUR 32,595,007.91 and profit for the period EUR -4,126,373.56, remaining goodwill on consolidation EUR 1,379,232.99	50%	0%

Investments, parent company

	Shares			
In thousand euros	Group companies	Associated companies	Others	Total
Acquisition cost January 1, 2023	523,589	23,477	21	547,086
Additions	0	0	0	0
Disposals	-3,100	0	0	-3,100
Acquisition cost December 31, 2023	520,489	23,477	21	543,986
Net book value December 31, 2023	520,489	23,477	21	543,986

Investments in the group

	Shares		Receivables	
In thousand euros	Associated companies	Others	Others	Total
Acquisition cost January 1, 2023	104,750	13,776	356	118,882
Additions	8,541	3,012	94	11,647
Acquisition cost December 31, 2023	113,291	16,789	450	130,529
Net book value December 31, 2023	113,291	16,789	450	130,529

14. Receivables from group companies

	Consolidated		Parent company	
In thousand euros	2023	2022	2023	2022
Current				
Trade receivables	0	0	6,782	4,191
Other receivables	0	0	0	63
Equity loans	0	0	1,340	1,340
Loan receivables	0	0	42,832	41,714
	0	**0**	**50,955**	**47,308**
Non-current				
Loan receivables	0	0	64,070	101,319

15. Equity

	Consolidated		Parent company	
In thousand euros	**2023**	**2022**	**2023**	**2022**
Share capital January 1	100	100	100	100
Increase in the share capital				
Share capital December 31	100	100	100	100
Revaluation reserve January 1	38,118	40,093	0	0
Change	0	-1,975	0	0
Revaluation reserve December 31	38,118	38,118	0	0
Reserve for invested unrestricted equity January 1	54,232	54,232	54,232	54,232
Change	0	0	0	0
Reserve for invested unrestricted equity December 31	54,232	54,232	54,232	54,232
Retained earnings January 1	1,194,188	1,033,039	527,576	537,394
Dividend distribution	-38,591	-15,882	-38,591	-15,882
Acquisition of own shares	-1	-4,254	-1	-4,254
Changes in Group stucture	-187	29,513	0	0
Changes in accounting principles	0	5,269	0	0
Changes in accounting principles of cons. Goodwill	0	-26,255	0	0
Adjustment to prior period taxes	45	-302	0	0
Translation differences of foreign subsidiaries	-17,385	-62,383	0	0
Retained earnings December 31	1,138,070	958,745	488,984	517,258
Profit for the period	146,727	235,444	133,427	10,318
	1,339,028	1,248,420	676,643	581,808
Capitalized development expenditure	0	-886	0	0
Distributable earnings December 31	1,339,028	1,247,534	676,643	581,808
Equity total	1,377,246	1,286,638	676,743	581,908

The company's share capital by type of shares	31.12.2023	31.12.2022
Shares, amount	38,591,233 (100%)	38,737,118 (100%)
Shares outstanding, amount	38,591,233	38,591,233

In 2023 the company canceled the 145,885 shares which it had acquired in the previous year through a directed share purchase. The Board of Directors proposes to the general meeting that the company pays a dividend on the previous financial year's profit of EUR 38,591,233 (1.00 EUR/share) and transfers the profit for the financial period to account "retained earnings". There has been no material change in the company's financial position after the end of the financial period. The company's liquidity is good and it is the board's opinion that the proposed dividend distribution does not put the company's liquidity at risk.

16. Provisions

	Consolidated	
In thousand euros	**2023**	**2022**
Certain retirement pensions for which company is liable	36,097	33,968
Other provisions	360	953
Expected environmental obligations	23,192	24,869
Total provisions	**59,649**	**59,790**

Environmental obligations: The total liability cannot be reliably determined. A provision has been recognised for known liabilities, for which the company is likely to be responsible for in the near future. These liabilities relate mainly to the environmental obligations concerning soil decontamination. Change in the provision has been recognised in other operating expenses against actual costs.

Pension provision is mainly composed of pension provisions in St1 Sverige AB and St1 Refinery AB as well as pension provision in St1 Oy.

17. Deferred tax assets and liabilities

	Consolidated		Parent company	
In thousand euros	**2023**	**2022**	**2023**	**2022**
Deferred tax assets				
From provisions	16,002	12,603	1,733	0
	16,002	**12,603**	**1,733**	**0**
Deferred tax liabilities				
From appropriations	76,317	68,088	0	0
From revaluations and goodwill allocations	33,166	31,427	0	0
From consolidation	0	0	0	0
	109,483	**99,515**	**0**	**0**

18. Liabilities to group companies

	Consolidated		Parent company	
In thousand euros	**2023**	**2022**	**2023**	**2022**
Non-current loans	0	0	0	0
Current loans:				
Trade payables	0	0	1,089	419
Other liabilities	0	0	19,153	98,803
Accruals and deferred income	0	0	44	709
	0	**0**	**20,286**	**99,931**

19. Adjusting entries for assets/Receivables carried forward

	Consolidated		Parent company	
In thousand euros	**2023**	**2022**	**2023**	**2022**
Financing cost allocations	245	276	244	276
Tax receivables	11,436	7,477	0	0
Other adjusting entries	64,707	86,587	4,207	3,937
	76,388	**94,340**	**4,451**	**4,212**

20. Accrued expenses

	Consolidated		Parent company	
In thousand euros	**2023**	**2022**	**2023**	**2022**
Personnel cost accruals	40,097	35,490	5,326	3,748
Interest accruals	649	61	38	0
Tax accruals	5,589	20,128	0	0
Other accrued expenses	28,379	72,955	1,544	576
	74,715	**128,634**	**6,908**	**4,324**

21. Financial instruments

Commercial paper program

St1 Nordic launched a Commercial paper program in November 2016. Maximum size of the program is 200 MEUR and it is used for short-term working capital purposes. Outstanding amount at the end of the year was 52 MEUR (79,5 MEUR in 2022 financial period).

Revolving Facility Agreement

St1 renewed in 2022 its 200 million euro revolving credit facility agreement for a new 3-year term. The facility also includes two option years, from which first one was agreed 2023. The agreement includes sustainability covenants.

Finnvera Loan Agreement

In April 2023, St1 Nordic Oy entered into a 3.5 MEUR loan agreement with Finnvera for a duration of three years

Green Loan Facility Agreement

Subsidiary St1 Refinery AB signed in March 2020 a EUR 150 million financing agreement for the financing of the Gothenburg renewable diesel plant. The facility also includes two option years the use of which has already been decided upon. The agreement includes a green loan element.

Oil financing facility

St1 Sverige AB has a 100 million dollar oil financing facility. The facility was not drawn at year-end.

Recourse factoring

St1 Sverige AB has 600 MSEK factoring-limit. Outstanding amount at the end of the year was 22 MSEK.

22. Commitments and contingencies

The group has not given business mortgages, real estate mortgages or shares as collateral.

Guarantees	Consolidated		Parent company	
In thousand euros	**2023**	**2022**	**2023**	**2022**
Bank guarantees	7,242	7,226	0	0
Guarantees on behalf of group companies				
Other guarantees	53,123	367,813	52,428	367,159

Oil has been pledged as against the oil financing facility (EUR 55,942,612). The oil financing facility was not in use at year end. In addition, a guarantee was given for the associated company North European Oil Trade Oy's accounts payable amounting to EUR 23,026,802.31. Trade finance liabilities EUR 18,071,210 and Financial liabilities 76,250,000 on 31 December 2023.

	Consolidated		Parent company	
In thousand euros	**2023**	**2022**	**2023**	**2022**
Rent liabilities				
No later than one year	29,017	26,431	1,608	1,380
Later than one year	170,678	155,244	8,100	8,317

	Consolidated		Parent company	
In thousand euros	**2023**	**2022**	**2023**	**2022**
Future leasing payments:				
No later than one year	2,917	2,294	419	393
Later than one year	4,994	2,721	382	361
Total	**7,912**	**5,015**	**801**	**754**
Residual value liability				
	25	41	4	8

In addition, guarantees have been given for lease agreements of the subsidiaries. The subsidiaries may also have environmental liabilities which materialize over the long-run and the amount of which can not be calculated in a reliable way. These are not included on the balance sheet.

Derivatives

Price hedging of compulsory storage obligation

The group can use long-term commodity derivatives to hedge against price risk associated with inventory kept for the compulsory storage obligation in Sweden. Price of compulsory storage obligation inventory is in such case fixed with a commodity hedge. The hedge has been assessed efficient. The hedged part of compulsory storage obligation inventory and the commodity derivatives hedging it would be handled with the net practice according to KILA 1912/2014 opinion. There were no open price hedges at the closing date.

In addition, and in accordance with its risk management policies, the group may hedge the variations in inventory levels of operating activities with short-term commodity derivatives in different oil products. The changes in the value of the short-term commodity derivatives are reconciled daily against the counterparty, and they are recognised as income or expense in the income statement.

Refinery margin hedges

Part of the future refining margins consisting of the price difference between refined end products and crude oil price have not been hedged for 2024.

Gas, propane and electricity price hedges

The price of gas, propane and electricity have an impact on the group's margin. Part of price risk has been hedged for year 2024 and 2025. There are contracts with several counterparties. Fair values at the closing date are presented in the table.

Commodity derivatives	Consolidated		Parent company	
	2023	**2022**	**2023**	**2022**
Refinery margin, volume, mill. bbl	0,0	0,3	0,0	0,0
Gas and propane, volume, GWh	258	296	0	0
Electricity, volume, GWh	33	42	0	0
Fair value, thousand euro	-3,158	-19,851	0	0
Foreign exchange derivatives				
Volume, mill. Eur	328	145	217	18
Fair value, thousand euro	-706	152	-206	7

Unrealized positive fair value changes are not booked to the income statement.

Signatures to the financial statements and the report on operations

Helsinki, 26 March 2024

Mika Anttonen
Chairman of the board

Kim Wiio
member of the board

Mikko Koskimies
member of the board

Kati Ihamäki
member of the board

Henrikki Talvitie
CEO

Auditor's Note
Our auditor's report has been issued today.

PricewaterhouseCoopers Oy
Authorised Public Accountants

Janne Rajalahti
Authorised Public Accountant (KHT)

Auditor's Report
(Translation of the Finnish Original)

To the Annual General Meeting of St1 Nordic Oy

Report on the Audit of the Financial Statements

Opinion
In our opinion, the financial statements give a true and fair view of the group's and the company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

What we have audited
We have audited the financial statements of St1 Nordic Oy (business identity code 2082259-7) for the financial period 1 January–31 December 2023. The financial statements comprise the balance sheets, the income statements, cash flow statements and notes for the group as well as for the parent company.

Basis for Opinion
We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements
The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or to cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
-

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Reporting Requirements

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information that we have obtained prior to the date of this auditor's report is the report of the Board of Directors.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki 27 March 2024
PricewaterhouseCoopers Oy
Authorised Public Accountants

Janne Rajalahti
Authorised Public Accountant (KHT)

St1 Nordic Oy

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