



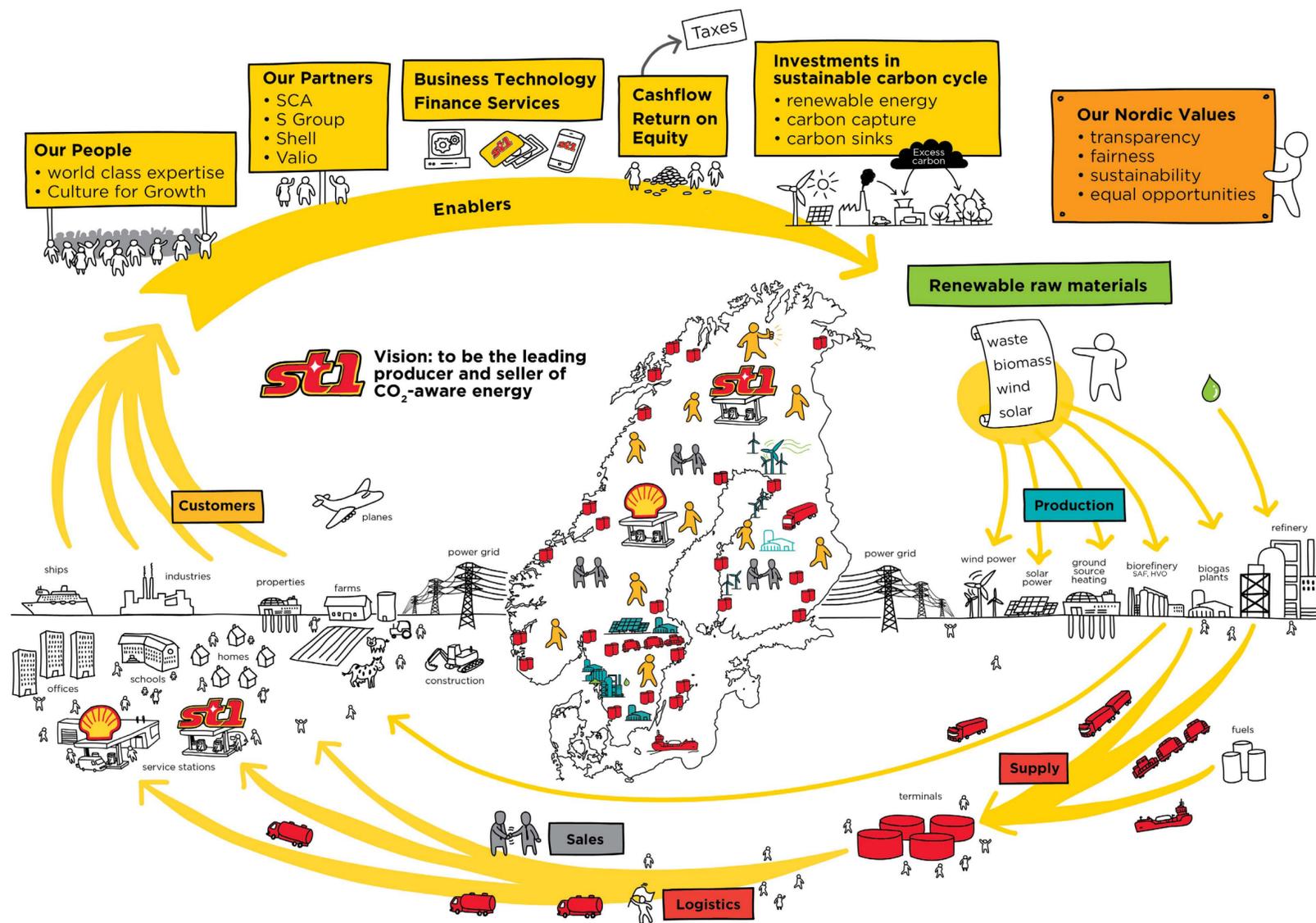
# St1 Due Diligence Statement 2023

Our Statement on Modern Slavery and  
Human Trafficking in Compliance with  
the UK Modern Slavery Act and the  
Norwegian Transparency Act



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# St1 Value Chain

We at St1 thrive from integrity, transparency and open dialogue. We play by the rules, and ethics and compliance is everyone's responsibility. We respect the rights and dignity of all people and expect the same from all our partners. We recognise and support the protection of internationally proclaimed human rights, and we are committed to identify, prevent, and mitigate actual or potential human rights impacts.

All employees involved in St1's value chain have the right to be free from slavery, servitude, and forced labour, or any exploitation depriving them of their basic human rights. All forms of bonded and indebted labour, such as withholding wages and depriving the freedom of a worker through physical confinement or forced overtime work, are against the St1 principles.

## 1. About this statement

This statement, prepared in accordance with the UK Modern Slavery Act 2015 and the Norwegian Transparency Act, is published by St1 Nordic Oy (St1) and applies to all our subsidiaries in compliance with the above-mentioned regulations. It has been approved by the Board of Directors of St1 Nordic Oy on May 21, 2024.

In this statement, we describe the steps St1 has taken during the financial year 2023

(January 1 - December 31, 2023) to identify, assess, and address the risks of modern slavery and human trafficking, as well as risks of violations of other fundamental human rights and decent working conditions.

As of the period that this report accounts for, no human rights or labour rights violations have been identified.

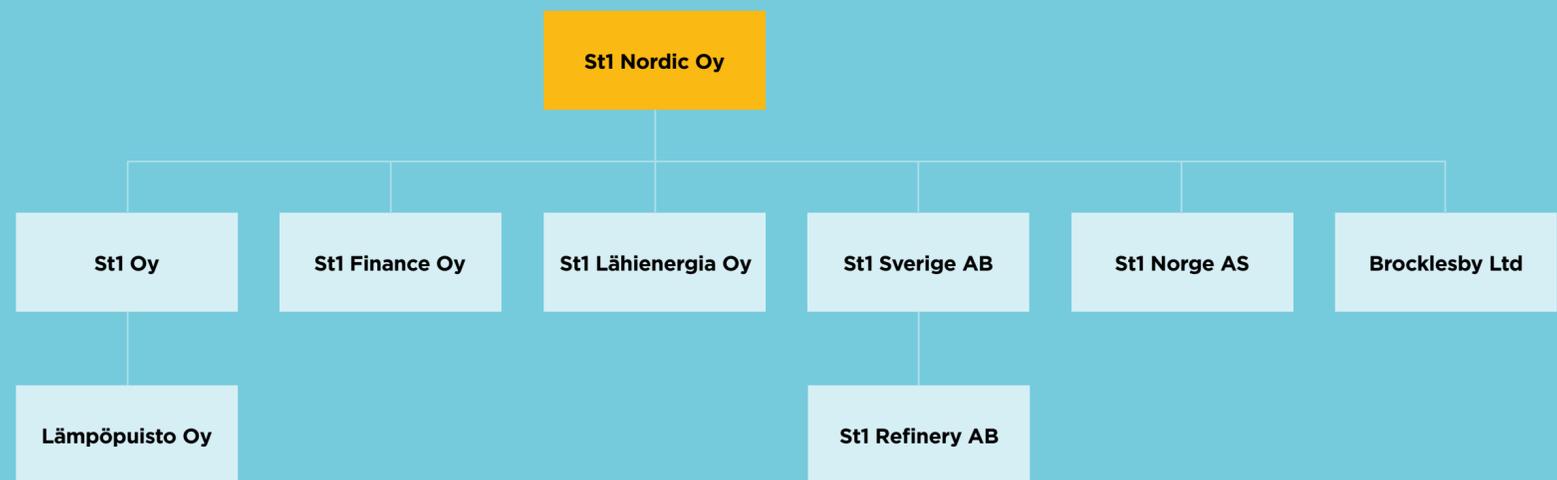
## 2. Structure, business, and supply chains

St1 is an energy transition company, whose vision is to be the leading producer and seller of CO<sub>2</sub>-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<sub>2</sub>-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,

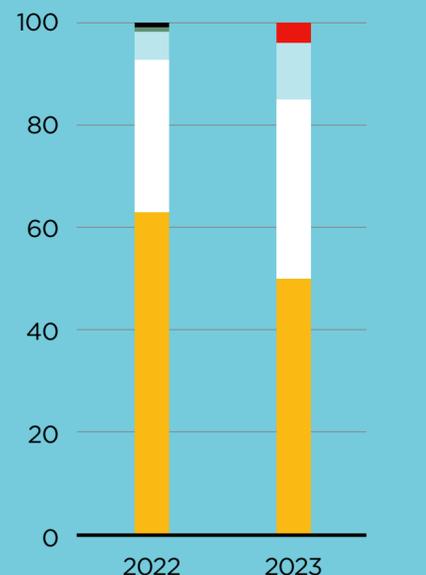
### Chart of the group's main companies



### Associated companies

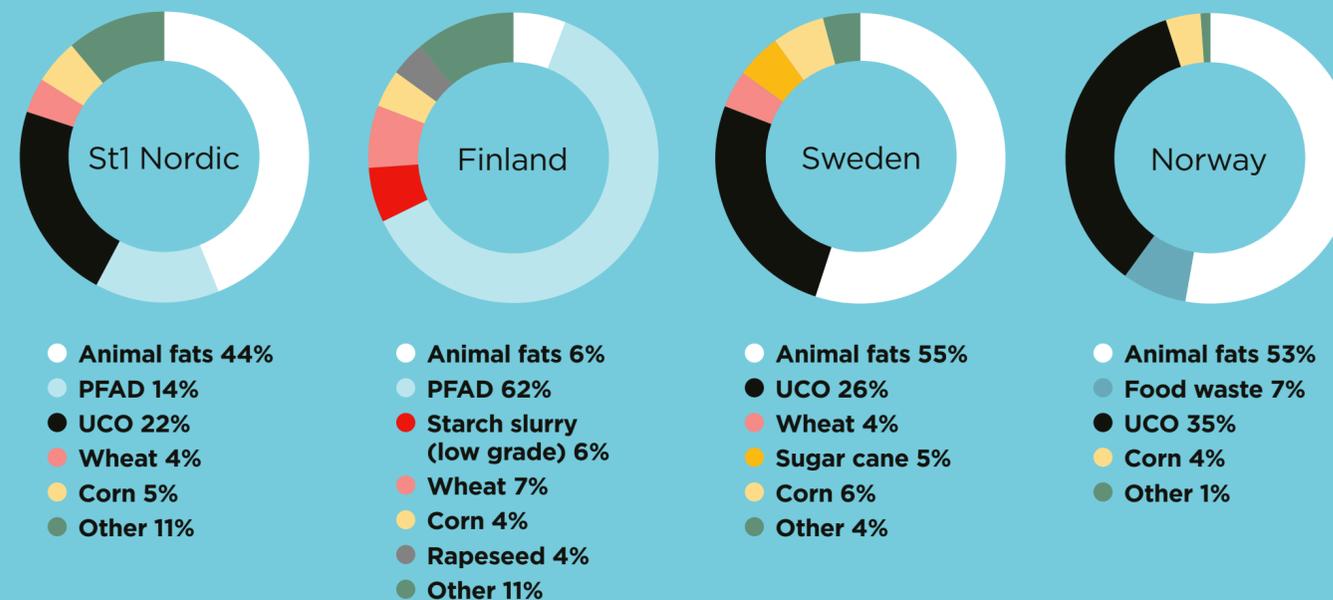


### Crude oil processed at St1 Gothenburg Refinery by country of origin, %



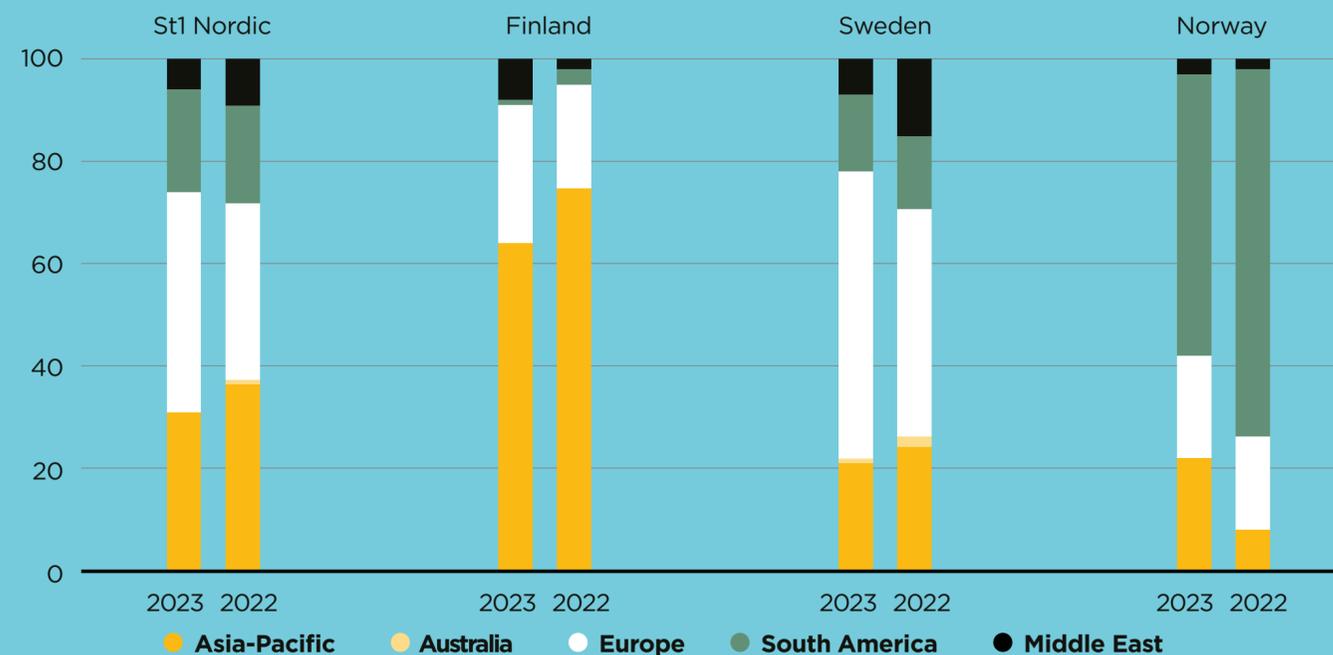
- Norway
- US
- Nigeria
- Denmark
- UK
- Angola

### Biofuels feedstock split 2023, %



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

### Biofuels feedstock country of origin by region, % volume



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<sub>2</sub>-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 operates in Finland, Sweden, Norway, and the United Kingdom, but our raw materials and the final products we offer are sourced from global markets. In addition, St1 Oy had a subsidiary in Thailand, St1 Renewable Energy Thailand Ltd., which was responsible for piloting and researching the conversion of cassava starch mill waste stream pulp into advanced ethanol. The cassava feedstock pilot in Thailand was discontinued in 2023.

During 2023, St1 employed a total of 1,042 people and earned revenues amounting to MEUR 8,209.6. Read more about St1's structure, business, and supply chain in our integrated annual report, [Game Changer 2023](#).

### 3. Our policies and principles

We seek to ensure that our operations have a positive impact on people and the societies they live in. However, we also acknowledge that our activities may directly or indirectly cause adverse impacts to human rights and decent working conditions. We also recognise the potential risk of modern slavery in our industry and value chains and have zero tolerance towards modern slavery.

Our approach to human rights is based on the United Nations Guiding Principles on Business and Human Rights (UNGP). The UNGP outlines the duty of governments to protect human rights and businesses' responsibility to respect them as well as offer appropriate and effective remedies if those rights are breached.

## Our Human Rights Due Diligence Approach



We respect the rights stated in the International Bill of Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. Our respect towards human rights is embodied in our **policies**:

- St1 Human Rights Policy – outlines our commitment to respect fundamental human rights
- St1 Code of Conduct – sets the ground rules for St1 employees
- St1 Partner Code – sets the ground rules for our partners operating within our supply chain

Human rights principles that we address in our policies:

- 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 to communities
- Anti-Corruption
- Right to privacy

At St1, we prioritise listening to our stakeholders and promoting transparent dialogue across all aspects of our value chain. Any misconduct and unethical behaviour against our Code of Conduct is taken seriously, and we encourage all our stakeholders to report possible concerns openly.

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

## 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

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 five SpeakUp 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 take all reports of misconduct or unethical behaviour against our Code of Conduct seriously and urge all stakeholders to openly report any concerns they may have. 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.

We have also created a separate Transparency Act email address, where the public can direct their questions. As required by law, all queries will be answered within a three-week timeframe. The email address can be found [here](#).

## 4. Risk assessment and management

As an energy company in transition, we know that our own operations and upstream supply chains are constantly developing. In the process of creating new business models, we ensure that we continually assess human rights risks. In 2022, we conducted our latest group-wide sustainability impact assessment. Its purpose was to identify actual and potential adverse sustainability impacts in our own operations and throughout

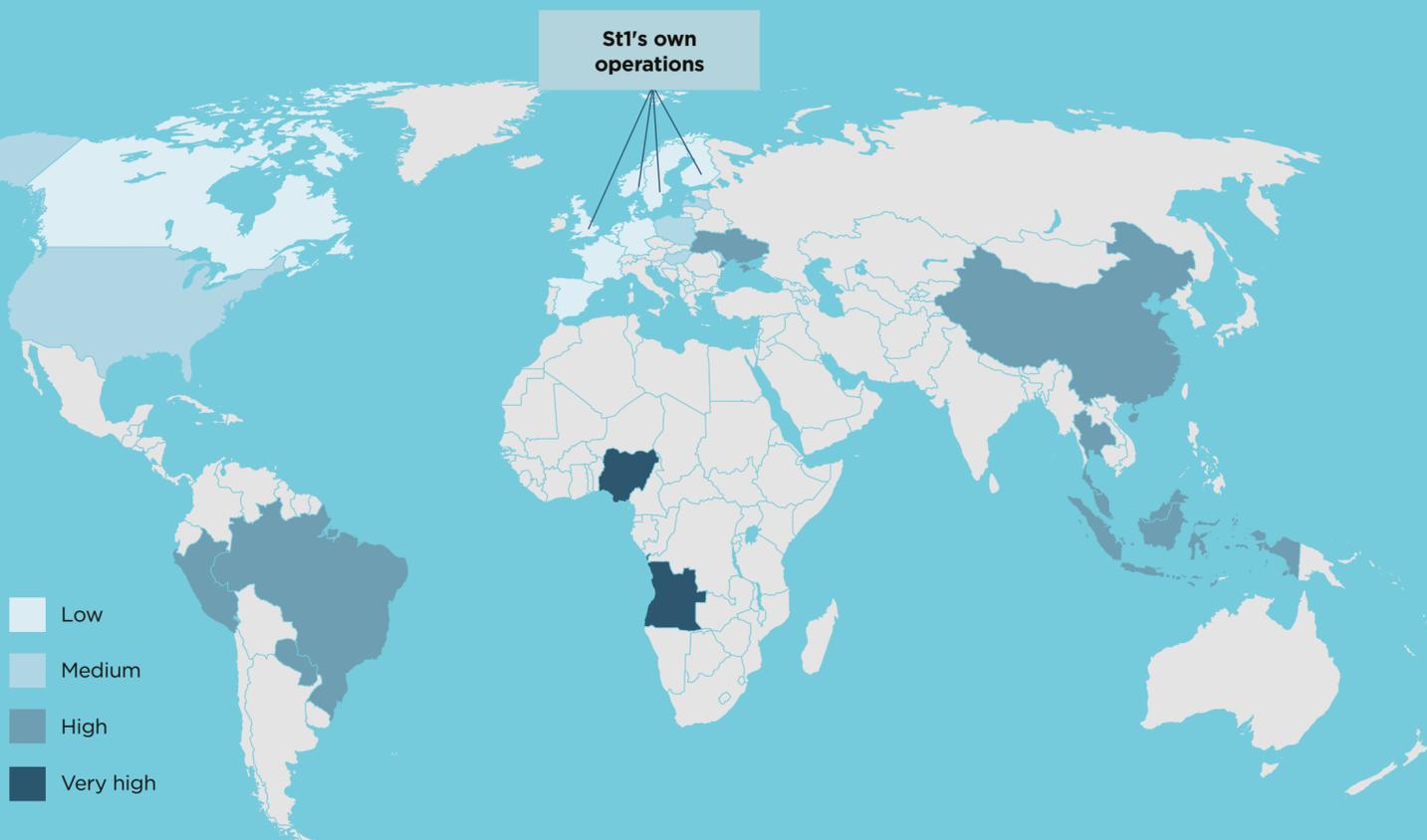
our value chain. The impacts were prioritised by scale, scope, remediability and likelihood.

The highest risks concerning human rights and modern slavery are within our upstream bio- and fossil fuel supply chains, which include the points of origin of raw materials, processing, and transportation. Additionally, large-scale temporary projects in our domestic markets, which involve construction and maintenance, were identified as high-risk areas.

The sector and geographical locations of the operations are key elements in defining risks. We used a wide range of sources to determine modern slavery risks and the risk of violations of other fundamental human and labour rights. The sources include trustworthy reports by international human rights and non-governmental organisations, such as Walk Free, World Justice Project, UNICEF, Transparency International, Freedom House, and The International Trade Union Confederation, among others.

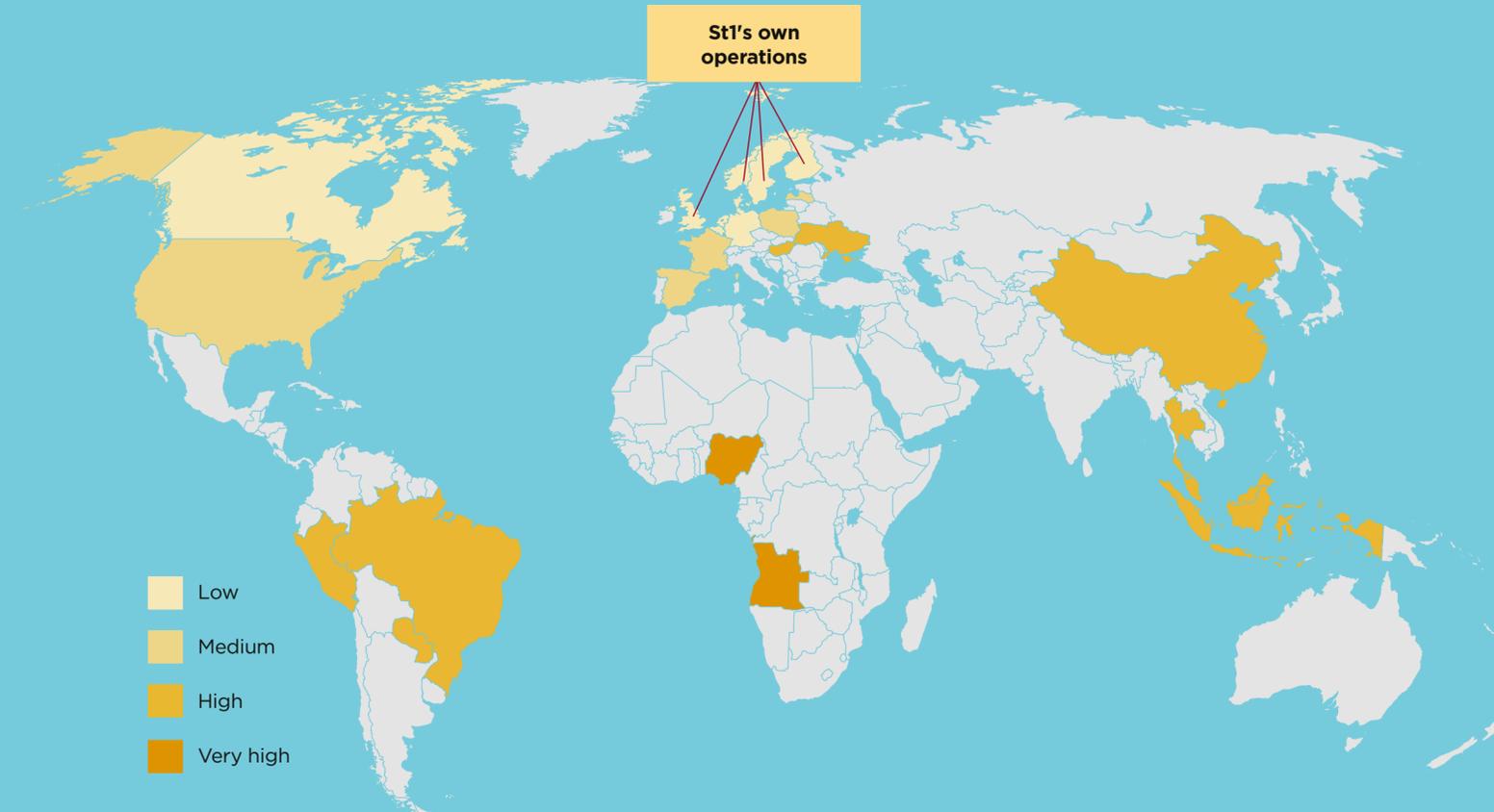
In 2024, we will perform a double materiality assessment in line with the Corporate Sustainability Reporting Directive (CSRD). As part of this assessment, we will also revisit our sustainability impact assessment.

### Modern slavery country risks



St1 assesses modern slavery risks by country using [The Global Slavery Index](#) produced by the Walk Free international human rights group. The assessment uses the Vulnerability Model, which determines the susceptibility of a country to modern slavery risks. Based on the index data, we have categorised countries in four different risk levels.

### Human rights country risks



St1 assesses human rights risks by country using the [World Justice Project \(WJP\) Rule of Law index](#), which evaluates countries risk levels based on eight factors. These include constraints on government powers, the absence of corruption, open government, fundamental rights, order and security, regulatory enforcement, and civil and criminal justice. Based on the index data, we have categorised countries in four different risk levels.

St1 has direct operations in Finland, Sweden, Norway, the United Kingdom. In addition, St1 Oy had a subsidiary in Thailand, St1 Renewable Energy Thailand Ltd.

The remaining countries on the map represent the origin of crude oil used at St1 Refinery and the origin of feedstocks of biofuels products we sold in our home markets during the year 2023. All biofuel products are sourced by our supply partner NEOT and all crude oil used in St1 Refinery is purchased from and shipped directly to our refinery by a single supplier. Only the countries from where we supply above 1% of the total biofuels volume as well as all countries from where we supply crude oil to our Refinery are included in the map. Products from Ukraine are not sourced from Russian-controlled areas.

## 5. Supplier and business partner due diligence

St1 has a diverse value chain. For this reason, we seek to ensure that a risk-based approach is taken for our different types of suppliers. 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 three-step partner sustainability due diligence process:

1. Partner onboarding: Introduction to St1's sustainability principles, completion of the St1 Partner Self-Assessment Questionnaire, sanction list screenings, and compliance checks.
2. 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.
3. Decision and follow-up: Actions and follow-up measures are tailored to the identified risk, with a structured decision-making process for high-risk partners.

In 2023, we launched a digital platform to manage our partner sustainability due diligence process. The platform emphasises a risk-based approach and streamlines our assessment of existing and potential new suppliers and other business partners. This approach and platform will also enhance our ability to conduct future supplier sustainability audits and gain a comprehensive

overview of sustainability risks across our value chain.

The initial phase of the project scope focused on developing processes for renewable raw materials for our Hydrogenated Vegetable Oil (HVO) production. The platform enables seamless screening of sanction lists, review of adverse media, and sustainability assessments while also facilitating efficient communication with partners.

This transition to a digital platform enhances visibility and transparency throughout our supply chain. The system has been operational since the end of 2023, and we will continue developing and integrating St1's daughter and associated companies into it, as well as extending our due diligence requirements to other parts of our value chain.

### 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. These periods typically require a significant number of external and foreign contracted labour. In 2023, the St1 Refinery in Gothenburg, Sweden, underwent a maintenance break.

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 team 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 with St1.

## 6. Training

St1 provides mandatory general human rights training for all employees as part of training on our Code of Conduct. The objective of the training is to maintain a high level of understanding on the risks of modern slavery and human trafficking as well as on the vital importance of fundamental human rights and decent working conditions to our operations and supply chain.

In 2023, we took significant steps forward by conducting more in-depth training for groups of internal stakeholders who hold 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 regulatory environment. Notably, St1's group Management Team 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.

## 7. Looking ahead

As part of our efforts to continuously improve our due diligence processes and align them with best practices, we follow the Organisation for Economic Co-operation and Development (OECD) Due Diligence Guidelines and the United Nations Guiding Principles on Business and Human Rights.

In 2024, we will continue enhancing our partner due diligence process and further developing our criteria for evaluating projects in terms of human rights. Additionally, we will focus on refining and advancing St1's overall sustainability ambition and roadmap and defining our framework for supplier sustainability audits.

The Board of Directors of St1 Nordic Oy approved this statement on May 21, 2024.



Henrikki Talvitie, CEO at St1 Nordic

## References

The following are the building blocks of St1's human rights due diligence approach:

### Frameworks:

[OECD Due Diligence Guidelines](#)

[United Nations Guiding Principles on Business and Human Rights](#)

### Country risk assessment indices and resources:

[Transparency International \(Corruption Perception Index\)](#)

[International Trade Union Federation \(ITUC Global Rights Index\)](#)

[WJP Rule of Law Index](#)

[UNDP, Gender Inequality Index \(GII\)](#)

[Environmental Performance Index \(EPI\)](#)

[Freedom House \(Freedom of the World Reports\)](#)

[Migrant Integration Policy Index](#)

[UNICEF, statistics and reports](#)

[Walk Free, Global Slavery Index](#)

[International Work Group for Indigenous Affairs](#)

[The Heritage, Property rights index](#)

[Human Rights Watch World Report](#)

[International Labour Organisation \(ILO\)](#)

[Reporters Without Borders, Press Freedom](#)

[U.S. Department of Labor, International Child Labour & Forced Labor Reports](#)

[Indigenous Navigator](#)

[Amnesty International](#)



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whose vision is to be the leading producer  
and seller of CO<sub>2</sub>-aware energy

