Company recommendations:

**Targets:** The company has set a long-term decarbonisation target. Setting additional, regularly spaced, intermediate targets will incentivise near-term actions on its longer-term goals.

**Emissions reductions and reporting:** The company’s emissions contrast with its 1.5°C pathway which requires it to make substantial decreases in its emissions intensity.

**Low-carbon CapEx:** The company should continue to align its CapEx spending with a 1.5°C scenario.

**Transition plan:** The company has a comprehensive low-carbon transition plan informed by climate scenario analysis that has considered the implications of a 1.5°C, 2°C and 3°C scenario. It should continue to monitor progress against its plan and make adjustments to remain aligned with its 1.5°C pathway.

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**Module** | **Last Assessment Performance (2021)** | **Current Performance (2023)** | **Module summary** | **Change in performance since last full assessment**
---|---|---|---|---
**Targets** |  |  |  |  
- Net zero target (all scopes)? | No | Neste has set a scope 1 and 2 target to reduce absolute CO₂ emissions by 50% by 2030 (vs 2019) and reach carbon-neutral production by 2035, this does not include non-CO₂ emissions such as methane. In 2021, Neste set a target to reduce the phase emission intensity of sold products by 50% by 2040 compared to 2020 (scope 3). | Improves
- Interim target(s)? | Yes
- Targets cover all scopes? | Yes
**Emissions reductions and reporting** |  |  |  |  
- Scope 1 and 2 emissions intensity disclosed? | Yes | In 2022, Neste’s absolute scope 1 and 2 emissions decreased by 3.4% compared to 2020 but increased by 6% compared to 2021. The company’s scope 3 emissions intensity decreased by 2% compared to 2020. | Remains the same
- Scope 1, 2 and 3 emissions intensity disclosed? | Yes
**Low-carbon capital expenditure** |  |  |  |  
- Reports low-carbon CapEx? | Yes | Neste’s businesses are grouped into four reporting segments: Renewable Products, Oil Products, Marketing & Services, and Others. In 2022, CapEx for renewable products was 88% of total CapEx, an increase since the previous assessment (67.2%) and higher than is suggested by a 1.5°C pathway (77%). | Improves
**Transition Plan** |  |  |  |  
- Public transition plan? | Yes | Since the previous assessment, Neste has set up the Advisory Council on Sustainability and New Markets consisting of environmental experts. The transition plan applies to the company’s scope 1, 2 and 3 emissions and value chain. It also covers customers’ emissions and implements the results of scenario testing. | Improves
- Relevant expertise on the board? | Yes
- Incentives linked to emissions reductions? | Yes
- Financial content in plan? | Yes
- Plan informed by scenario analysis? | Yes

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For the last full ACT assessment and more information visit: [Oil and Gas Benchmark (worldbenchmarkingalliance.org)](https://worldbenchmarkingalliance.org/disclaimer/)

*ACT scores are constructed of three parts. The performance score out of 20, narrative score A–E and trend score + / / −*