

A long-exposure photograph of a city street at night, showing vibrant light trails from cars in shades of yellow, orange, and red. The background features blurred city buildings and streetlights, creating a sense of motion and urban energy.

St1

Workshop
BIL Sweden – SPBI
2017-02-09



St1 map

ST1

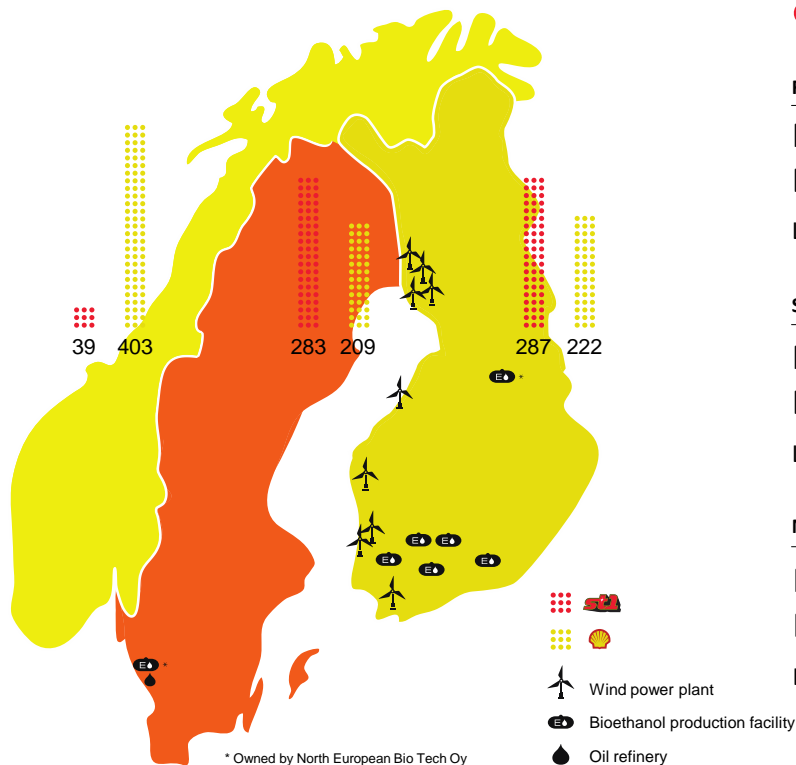
Operates in Finland, Sweden and Norway. Company's headquarters in Helsinki.

STATION NETWORK

Total of ca. 1450 St1- and Shell-sites in Finland, Sweden and in Norway.

ENERGY PRODUCTION

Ethanol plants producing waste-based advanced ethanol. Industrial wind power plants. Geothermal pilot heat plant under construction. Oil refinery in Sweden.



* Owned by North European Bio Tech Oy (NEB), an associated company of St1 and SOK Corporation, Kajaani under construction.

MARKET SHARES

FINLAND

Petrol	22.0%
Diesel	19.1%
Light fuel oil	22.2%

SWEDEN

Petrol	21.7%
Diesel	15.5%
Light fuel oil	29.8%

NORWAY

Petrol	28.9%
Diesel	24.4%
Light fuel oil	14.7%

KEY FIGURES 2015

ST1 NORDIC Net Sales, MEUR

3,602.4

ST1 GROUP Net Sales, MEUR

2,245.2

St1 Nordic Energy Outlook

2017-02-07



Blending mandates trigger domestic investments



	Finnish System	Swedish System	Norwegian system
Pros	<ul style="list-style-type: none"> + Investment security through clear mandate structure and long term view + Supports increasing low carbon fuel alternatives in fuel blending 	<ul style="list-style-type: none"> + Ensures a lot of biofuels volume into the system + Market can pay a lot for existing fuels 	<ul style="list-style-type: none"> + Guaranteed volume of biofuels + Supports going higher blends than mandated volume
Cons	<ul style="list-style-type: none"> - Not all transport energies are included in the system e.g. Gaseous fuels 	<ul style="list-style-type: none"> - Not predictable - No Investment security due lack of long term vision - Cost for society 	<ul style="list-style-type: none"> - Not predictable, subject to change 2017 - Cost for society

and balanced tax structure incentivizes the market uptake

Common Nordic approach would speed up the overall decarbonization effort



Long-term view for decarbonization in the policies is imperative – preferably at the Nordic level

- New investments in sustainable, domestic and competitive production capacity are needed. Just shifting existing production volumes to the highest paying market(s) is both short-sighted and counter productive
- Investments need a 10–15 years market view for them to be made
- Combined Nordic market is big enough to make significant investments for renewable energy (e.g. advanced ethanol and other large biorefineries, such as BtL plants)
- To enable a liquid market for advanced biofuels there is a need for synchronizing cross-border ticket/certificate systems
- Harmonizing the Nordic transport system would enable internal market and investments

A renewable energy mandate of 10-20% in 2020, to be increased to 25–40% in 2030 (country levels may be different)

- Maximum 7% cap for 1G biofuels. One pool for all fuels
- Increase mandate by 1–3% per year
- Local E20 standard to be implemented earliest possible and E30 by 2030

RIGHT SET OF POLICIES TRIGGERS INVESTMENTS IN LOCAL PRODUCTION OF ADVANCED BIOFUELS