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# Kesko to discontinue operating Neste K service stations

**Kesko will discontinue operating the Neste K service stations, as the role of grocery trade at the stations has diminished. Kesko currently handles the grocery trade operations and additional services at the Neste K stations. The aim is for the station services to continue as Neste services. The changes will not impact the rest of Neste's network of stations or services offered there.**

Focus on core businesses has been a central part of Kesko's growth strategy in recent years, and withdrawing from operating service stations is a natural continuation for this.

For Kesko, the Neste K service stations are part of the grocery trade business. Grocery sales at the stations have decreased significantly after legislation on store opening hours in Finland changed in 2016, and operations at the stations are now more focused on cafe and restaurant services. As a result, the business of the Neste K chain now differs significantly from that of other Kesko grocery store chains, resulting in reduced synergies. The net sales for Kesko's grocery trade division totalled €6,125 million in 2022, of which Neste K service stations accounted for €56 million.

Kesko plans to withdraw from operating 64 Neste K service stations by the end of 2024. The stations will continue as a service offered by Neste.

The Neste K retailers will be offered the chance to continue in the Neste chain. The retailers will also be asked whether they would be interested in becoming retailers for K Group grocery stores.

According to Neste, the planned changes will not impact the rest of its network of service stations. The Neste service stations will continue to be part of K Group's K-Plussa customer loyalty programme.

## **Further information:**

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***Kesko and K-retailers together form K Group, whose retail sales total around €16 billion. K Group is the leading trading sector operator in Northern Europe and it employs approximately 45,000 people. Kesko operates in grocery trade, building and technical trade, and car trade. Its divisions and chains act in close cooperation with retailer entrepreneurs and other partners. Kesko's net sales total around €12 billion and Kesko employs approximately 18,000 people. Kesko's chain operations include approximately 1,800 stores in Finland, Sweden, Norway, Estonia, Latvia, Lithuania and Poland. Kesko's shares are listed on Nasdaq Helsinki. The company's domicile and main premises are in Helsinki. [www.kesko.fi](http://www.kesko.fi)***

***Neste (NESTE, Nasdaq Helsinki) creates solutions for combating climate change and accelerating a shift to a circular economy. The company refines waste, residues and innovative***

*raw materials into renewable fuels and sustainable feedstock for plastics and other materials. As the world's leading producer of sustainable aviation fuel and renewable diesel and a forerunner in developing renewable and circular feedstock solutions for polymers and chemicals, Neste helps its customers to reduce their greenhouse gas emissions by at least 20 million tons annually by 2030. The company's ambition is to make the Porvoo oil refinery in Finland the most sustainable refinery in Europe by 2030. Neste is committed to reaching carbon-neutral production by 2035, and will reduce the carbon emission intensity of sold products by 50% by 2040. Neste has also set high standards for biodiversity, human rights and the supply chain. The company has consistently been included in the Dow Jones Sustainability Indices and the Global 100 list of the world's most sustainable companies. In 2022, Neste's revenue stood at EUR 25.7 billion. Read more: [neste.com](https://neste.com)*