

A hand is seen from the inside of an airplane, pointing out of a window. The window shows a bright blue sky. A white graphic consisting of a large circle and a square is overlaid on the image. The text is centered within the circle.

**Delivering value
through competitive
advantages**

Rotterdam site visit and SAF deep-dive
March 12, 2024

Disclaimer

The following information contains, or may be deemed to contain, “forward-looking statements”. These statements relate to future events or our future financial performance, including, but not limited to, strategic plans, potential growth, planned operational changes, expected capital expenditures, future cash sources and requirements, liquidity and cost savings that involve known and unknown risks, uncertainties and other factors that may cause Neste Corporation’s or its businesses’ actual results, levels of activity, performance or achievements to be materially different from those expressed or implied by any forward-looking statements. In some cases, such forward-looking statements can be identified by terminology such as “may”, “will”, “could”, “would”, “should”, “expect”, “plan”, “anticipate”, “intend”, “believe”, “estimate”, “predict”, “potential”, or “continue”, or the negative of those terms or other comparable terminology. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Future results may vary from the results expressed in, or implied by, the following forward-looking statements, possibly to a material degree. All forward-looking statements made in this presentation are based on information presently available to management and Neste Corporation assumes no obligation to update any forward-looking statements. Nothing in this presentation constitutes investment advice and this presentation shall not constitute an offer to sell or the solicitation of an offer to buy any securities or otherwise to engage in any investment activity.

With you today



Matti Lehmus
President and CEO



Martti Ala-Härkönen
CFO



Katja Wodjereck
EVP, Renewable
Products



Carl Nyberg
EVP, Renewables
Supply Chain and
Sustainability

Key topics for today

**Strengthening
global SAF
leadership**

**Value creation built
on our competitive
advantages**

**Strategically
positioned in
growing markets**

**Positioned to
deliver attractive
shareholder value**

A young boy with blonde hair, wearing a red and black striped shirt, is looking at a large, spotted pufferfish with blue markings swimming in the water. The background is a blurred underwater scene with other fish and rocks.

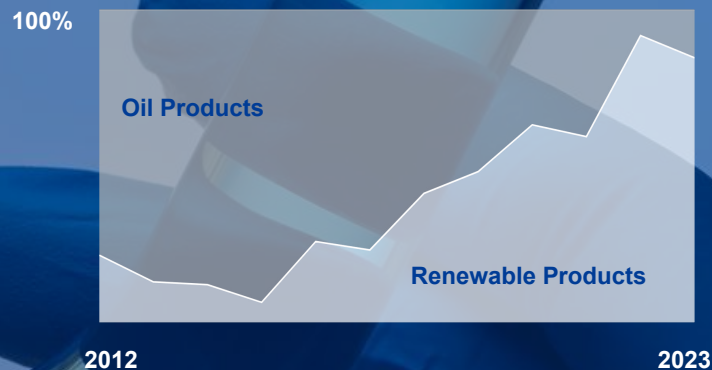
Creating a healthier planet for our children

Neste has transformed into a global leader in SAF, renewable diesel and feedstock solutions for the polymers and chemicals

Business units' share of Group comparable EBIT



Business units' share of Group capex



Broad recognition of our leadership in ESG



Neste has achieved the **Leadership level and A- rating for its climate actions** for 8th consecutive years.

S&P Global

Neste was selected in the **Dow Jones Sustainability Indices (DJSI)** for the 17th consecutive year, included in DJSI World and DJSI Europe listings.

Sustainability Yearbook 2024
Bronze Class Sustainability Award,
Top 10% S&P Global CSA Score



Neste reached the highest AAA rating in 2023 in the **MSCI ESG Ratings¹** assessment.

Neste placed 19th on the **Corporate Knights Global 100 Index** in 2024, 1st among the industry peers & energy sector

Neste is included in the **Sustainalytics 2024 ESG Industry Top-Rated Companies List**, and is rated **Low risk**, ranking 6/208 of industry peer group

Neste awarded with a **Platinum EcoVadis Medal**, inclusion in the top 1% of companies assessed by Ecovadis

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Strengthening global SAF leadership



Highly attractive demand outlook for renewable and circular solutions



Net-zero pledges cover **88%** of global emissions¹
Climate ambitions turned into **concrete policies**



COP28 called on parties to transition away from fossil fuels and contribute to “accelerating efforts globally towards **net-zero emission energy systems, utilizing zero and low-carbon fuels**”²



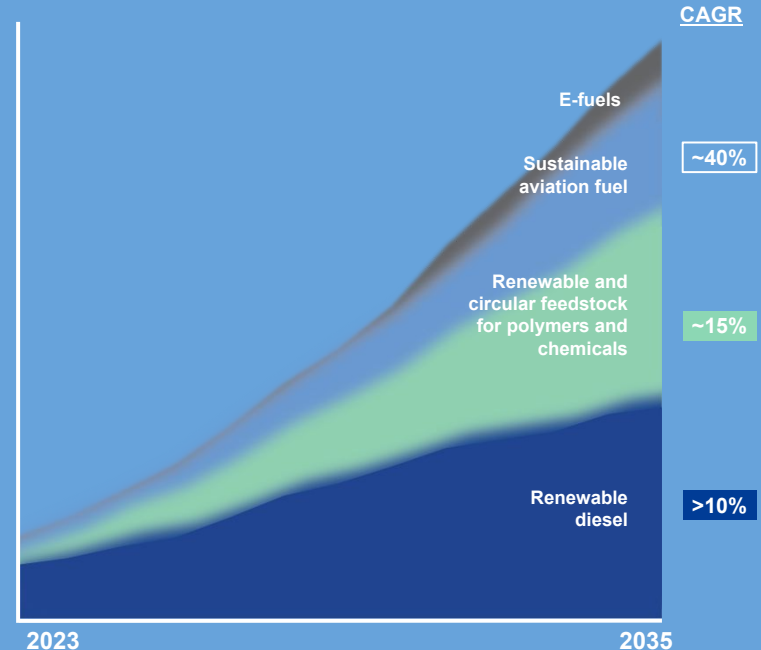
Policies strengthening for renewable fuels and renewable and circular polymers and chemicals, e.g. EU Fit for 55 legislation follow-up, CARB target revision, EU packaging and packaging waste regulation³



>4,000 companies with science-based climate targets⁴
commit to reduce GHG emissions across value chains add to the growing demand from regulation, incentives and industry specific commitments

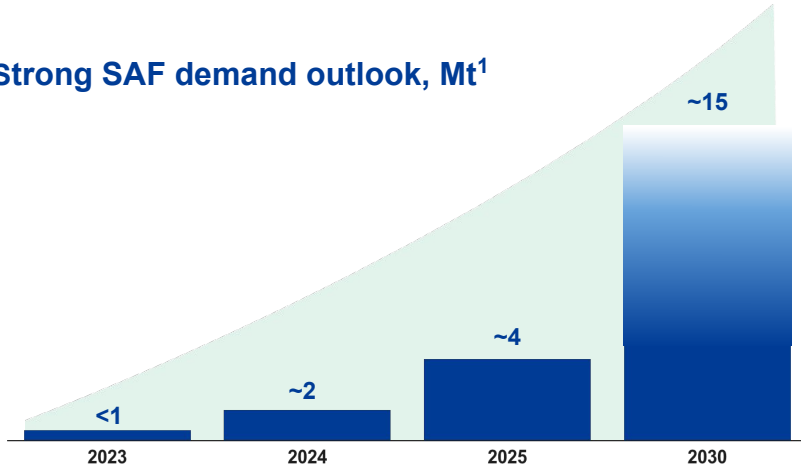
Sources: (1) IEA, Global energy related emissions, (2) UNFCCC, (3) Pew Research Center, UBS
(4) The Science Based Targets initiative (SBTi), targets as set in March 2024
(5) Neste analysis, Compound Annual Growth Rates (CAGR) shown is from 2023 to 2035

Long-term demand outlook⁵ (Mt) – Highest growth rate expected for SAF



SAF accelerating value creation

Strong SAF demand outlook, Mt¹



SAF mandates
in place or
expected
by 2025

~30
countries and
states

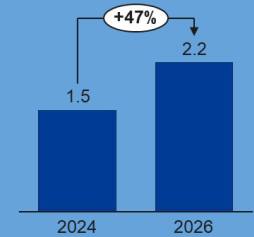
SAF incentives
and programs
by 2025

18
countries,
states, airports

Neste is ready to scale up value creation

Forerunner SAF capacity

SAF production capability
at the end of the year, Mt



Leading SAF ambition

Share of SAF of 2030 renewable
products sales volumes ambition

**Up to
40%**

Premium product supporting margins

SAF market price vs. fossil jet fuel²

3-4x

Strongly positioned to drive SAF business growth



**Best-in-class
raw material capabilities**



**Global SAF production
platform**



**Customers across the
aviation value chain**



**Number of airports Neste MY
SAF is available at globally**

**Global market frontrunner
2019-2023**

Recognized thought leadership in SAF

Partner of choice for airlines and corporate end users to accelerate SAF uptake

First SAF player at scale

Global fit-for-purpose supply chain development to efficiently serve customers at key airports

**Global SAF leader
2024→**

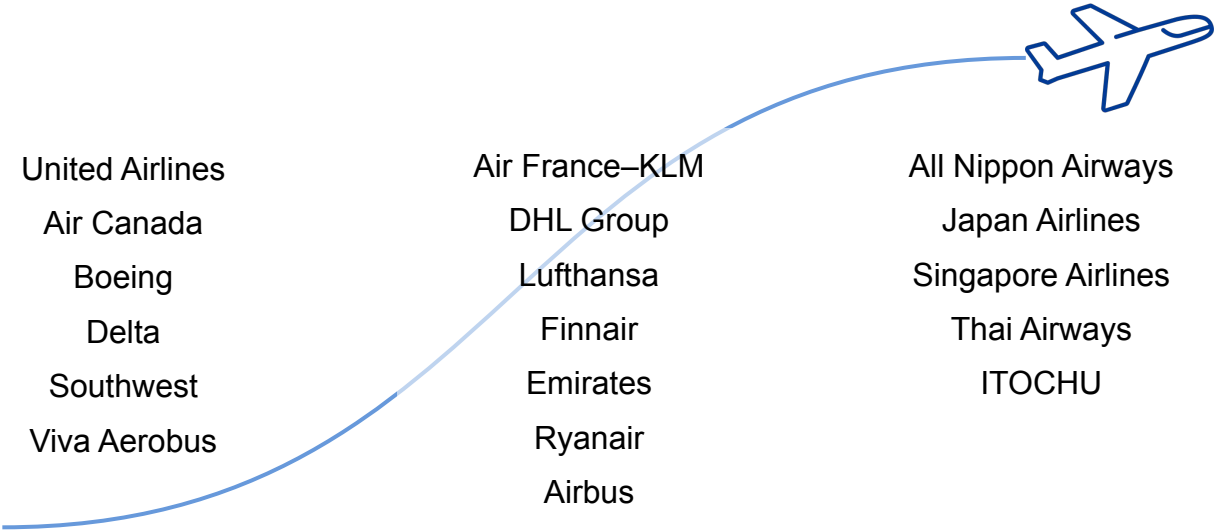
Best-in-class partner for aviation customers in GHG reduction

Global SAF production capability growing to 2.2 Mt/a in 2026 and beyond

Broaden offering to serve the growing mandates markets and solutions to meet voluntary commitments

Leading the way with SAF together with customers and partners across the globe

Expanding SAF supply for example together with



Recently launched **Neste Impact** offers a real, in-sector aviation emission reduction directly to corporate and cargo customers globally

An aerial photograph of a long, straight road crossing a large body of water. The road is paved and has white lane markings. A white car is driving on the road, moving away from the viewer. The water is a deep blue color. The surrounding landscape is flat and open, with some low hills in the distance. The sky is blue with some light clouds.

Value creation built on sustainable competitive advantages

Three unique pillars of Nestlé's value creation model

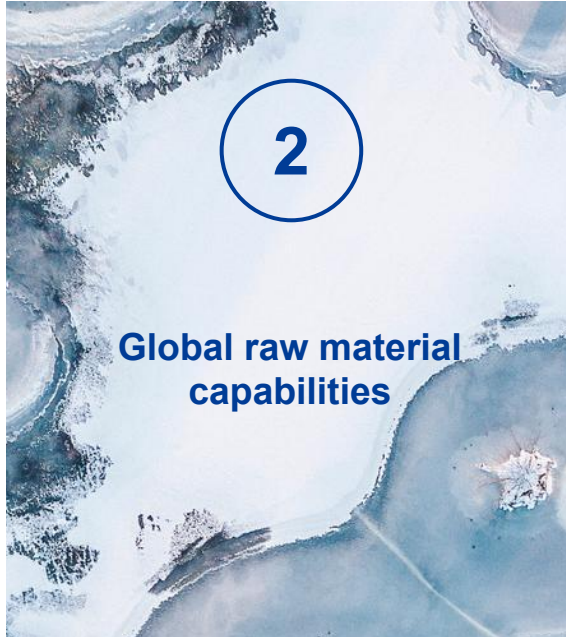
1

Leader in
high-margin renewable
and circular products



2

Global raw material
capabilities



3

Value-driven growth
and innovation



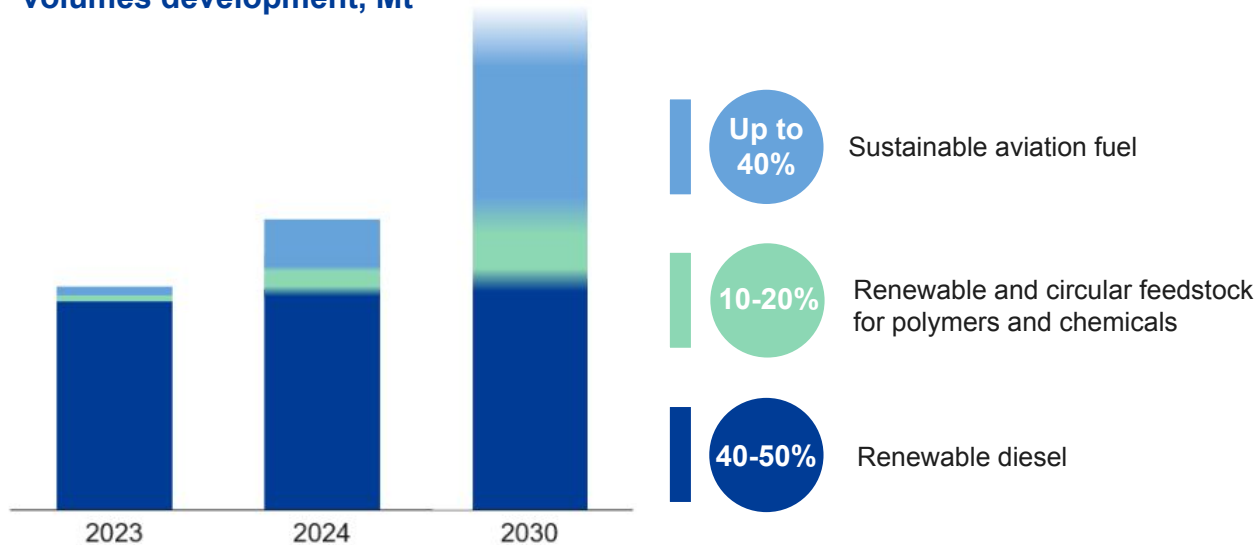
Global optimization capability provides flexibility to maximize value and deliver resilient margins

1

Diversifying Neste's leading portfolio of renewable and circular products

Indicative shares of sales volumes development, Mt

Ambition by 2030



Unique competitive advantages

Strategic focus on three product segments with understanding of customer and market needs

Global presence, product optionality and global raw material capabilities enable to efficiently serve customers

2

Superior margins through successful growth in differentiating renewable raw materials

ILLUSTRATIVE

Low carbon intensity raw materials drive renewable products' value



Challenging waste and residues
Typically require advanced pretreatment

Other waste and residues
Attractive GHG reduction potential
Enabling access to selected key markets

Vegetable oils

+

92%

Waste & residues as a share of total renewable raw material inputs in 2023

>2X

Rapid annual volume growth in **high-value challenging raw materials** over past years



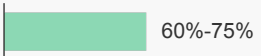
Advanced pretreatment
a core capability

Note: Challenging waste and residues refers to e.g. emerging, even lower-quality wastes and residues (including raw materials from EU RED II Annex IX A list) such as tall oil based raw materials, acid oils and brown grease and other challenging raw materials to process. Other waste and residues include e.g. used cooking oil, yellow grease, animal fat and certain vegetable oil processing waste and residues. Conventional vegetable oils such as soybean oil and rapeseed oils commonly used for biodiesel and renewable diesel

2

Global sourcing and advanced pretreatment capabilities unlock differentiating renewable raw materials

92% of Neste 2023 renewable raw material inputs

	Challenging waste and residues ¹	Other waste and residues	Vegetable oils
Definition	Waste and residues that can be challenging to refine and require advanced pretreatment	Waste and residues that are more common and can be easier to process such as used cooking oils, animal fats, technical corn oil etc.	Conventional vegetable oils such as soybean oil and rapeseed oils commonly used for biodiesel and renewable diesel
GHG savings, typical to max²	 75%-95%	 70%-95%	 60%-75%
EU RED Category	Mostly Annex IX-A	Mostly Annex IX-B / Other	EU Crop (capped)
Acceptance in SAF³	HIGH	HIGH	MED
Pretreatment complexity⁴	HIGH	MED	LOW

(1) Challenging waste and residues refers to e.g. emerging, even lower-quality wastes and residues (including raw materials from EU RED II Annex IX A list) such as tall oil based raw materials, acid oils and brown grease and other challenging raw materials to process (2) Typical and maximum values for GHG reduction over the life cycle of the product produced from these raw materials compared to fossil alternative based on EU RED II (2022) (3) Acceptance based on the extent to which different raw materials within the category are usable in SAF markets relative to the other categories (4) Indicative, relative pretreatment complexity of raw material categories. Within categories, pretreatment complexity varies depending on raw material qualities.

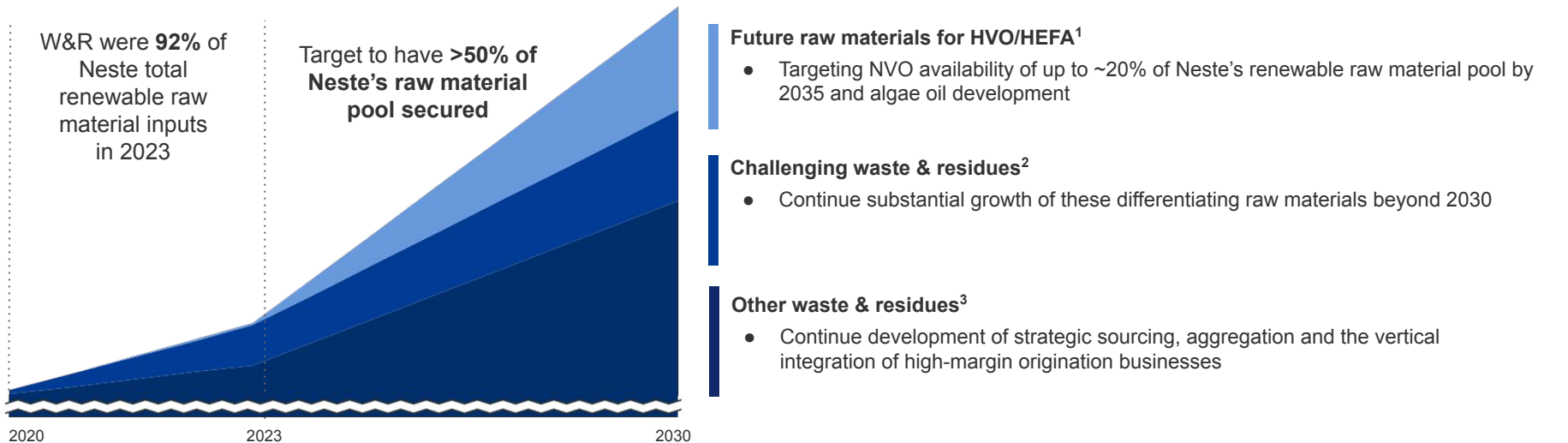
2

Neste continues to differentiate through growth in high-value waste & residues and developing future raw materials

Indicative Neste HVO/HEFA renewable raw material portfolio growth

Historical growth

Ambition to 2030 and beyond

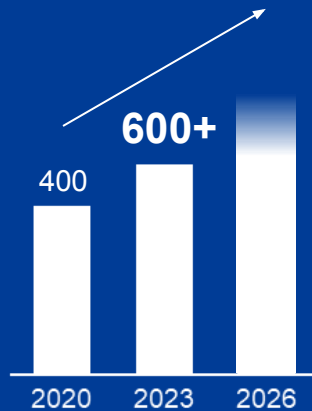


(1) Future raw materials are oils from microalgae or novel vegetable oils from regenerative agricultural practices – e.g. intermediate cropping, silvopasture (2) Challenging waste and residues refers to e.g. emerging, even lower-quality wastes and residues (including raw materials from EU RED II Annex IX A list) such as tall oil based raw materials, acid oils and brown grease and other challenging raw materials to process (3) Includes e.g. used cooking oil, yellow grease, animal fat and certain vegetable oil processing waste and residues

2

Global sourcing and aggregation brings scale advantages

Rapid growth in the number of renewable raw material suppliers across >60 countries of origin



Neste is a trusted partner with a commitment to supply chain sustainability



Supplier Code of Conduct



Supplier approval process



Robust supplier engagement & monitoring (e.g. audits)

Supported by Neste investments in aggregation and trading

20+

Terminal expansion projects completed in 2023



Establishment of global sourcing offices







Investments to strengthen capabilities and access

3

A global leader¹ with strong product optionality for high-value SAF and pretreatment capabilities

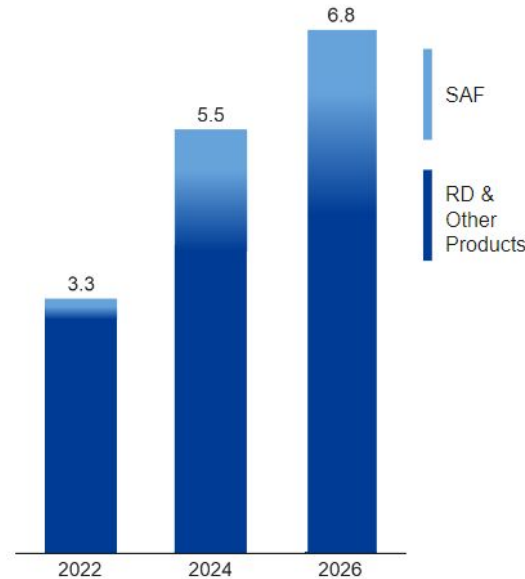
Global production platform

2024 nameplate capacity at the end of the year

PORVOO  ~0.5 Mt/a	Porvoo refinery transformation started
ROTTERDAM  1.4 Mt/a	Refinery expansion by the end of 2026
SINGAPORE  2.6 Mt/a	Expecting the full nameplate and SAF yield flexibility during Q4/24
MARTINEZ  1 Mt/a ²	Continued ramp up

Neste renewable and circular capacity

Nameplate capacity and product optionality by the end of the year, Mt/a



Value-driven capacity growth

Capacity growth aspiration and drivers

Capacity growth drivers

Aspiration >9 Mt

- Capacity creep
- Product optionality and pretreatment investments
- Porvoo refinery transformation
- New technology scale-up via innovation business platforms

3

Porvoo refinery transformation and innovation offer additional value creation in renewable and circular solutions

Porvoo refinery long-term transformation into renewable and circular solutions hub with ~3 Mt/a capacity potential

Examples of innovation opportunities for scalable new products and technologies



Increasing production capacity for SAF and other renewables



Step change in circular solutions - upgrading of waste plastic



Potential to expand into novel technologies



Scale up circular solutions – chemical recycling of waste plastics



Lignocellulosics for abundant high-value products



Power-to-X for next generation renewable products

3 First steps of Porvoo refinery transformation underway

Step change in our circular solutions offering

111 MEUR
investment into a liquified waste plastics upgrading progressing as planned¹

Liquified waste plastics upgrading
capacity target in 2025

150
kt/a

Next steps in liquified waste plastics upgrading capacity if project fully implemented²

400
kt/a

Developing our first industrial-scale renewable hydrogen facility

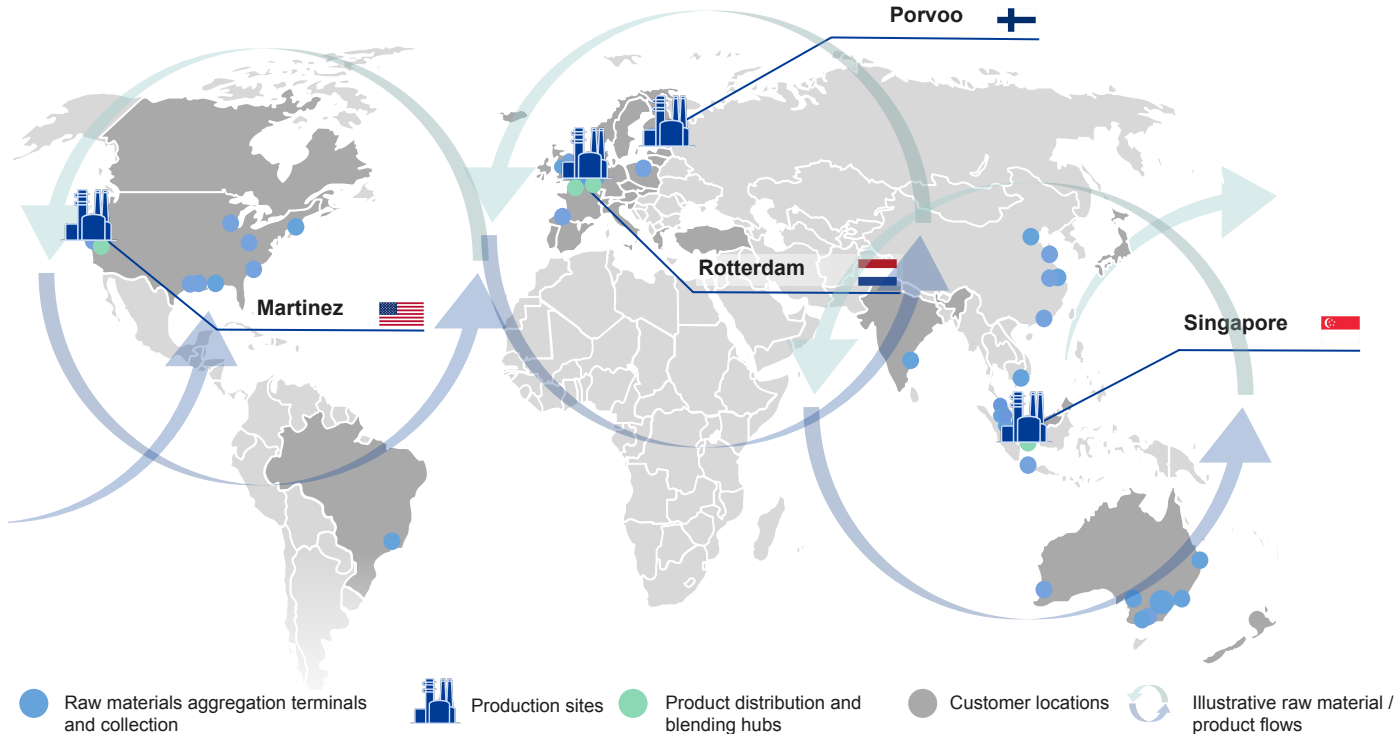
120
MW

Electrolyzer project to supply the refinery with renewable hydrogen

Engineering phase ongoing, maturity for final investment decision expected during 2024

(1) Investment is part of a PULSE project ([Pretreatment and upgrading of liquified waste plastic to scale up circular economy](#)), project is funded by the European Union with 135 MEUR (2) If project fully implemented, subject to separate investment decision

Global value chain optimization drives value creation and margin resilience



Leader in key renewable and circular markets

Global raw material capabilities

Global logistics and supply chain

**Strategically positioned
in growing markets**

Supply and demand outlook – four key takeaways

Renewables' demand outlook strengthened over 2024-2030 by regulatory developments and voluntary commitments

Capacity surge in 2024 focused in renewable diesel and North America – utilization rates expected to start increasing after 2024

Markets expected to balance through both demand and supply side mechanisms

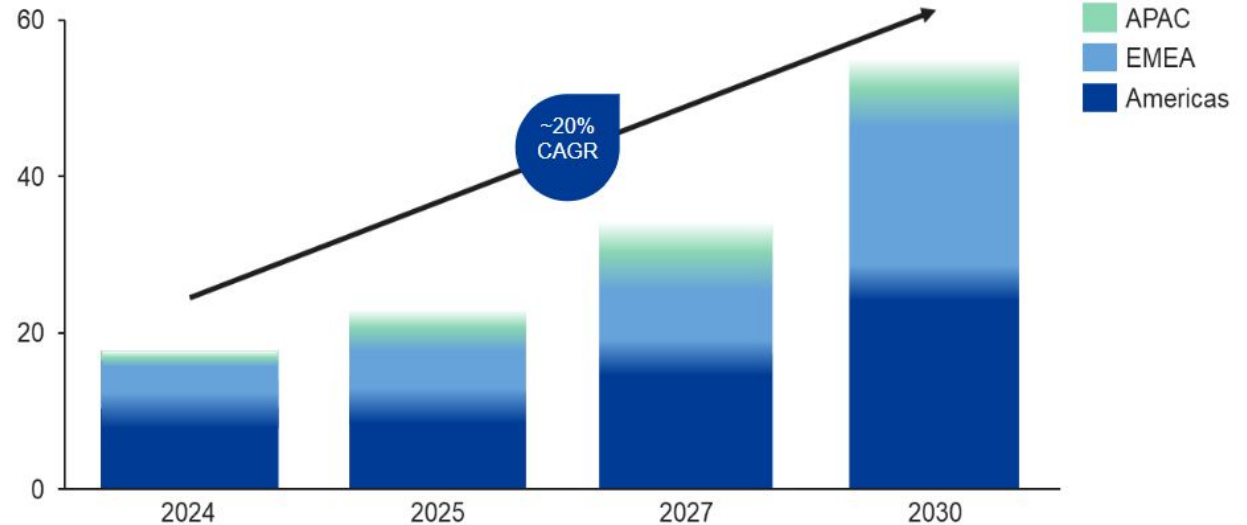
Product and market specific differences offer significant value creation opportunities for players with global end-to-end capabilities and commercial presence

Renewables' demand outlook strengthened by positive regulatory developments and voluntary commitments

Total renewable diesel, SAF and renewable naphtha **demand outlook for 2030 strengthened by >10% since June 2023** driven by supporting regulation and increasing voluntary commitments

Demand outlook for renewable diesel, HEFA-SAF and renewable naphtha¹

Million tonnes



(1) Neste analysis based on publicly available data and third party sources (a.o. Argus and S&P Platts), demand potential outlook

Regulatory development and voluntary commitments support long-term demand outlook


Americas

EMEA

APAC


Strengthened regulatory development and commitments

LCFS programs driving demand growth


 **LCFS** target increase proposal in California (towards 30% by 2030 with auto-acceleration mechanism) and British Columbia (including 1% SAF mandate by 2028)

 Federal **U.S. RFS** obligations and **BTC/CFPC**


 **Canadian CFS** is firmly in place

 State-level **SAF tax incentives introduced** in Illinois, Minnesota and Washington whilst New Mexico is first non-Westcoast state to pass LCFS


EU Green Deal follow-up legislation finalized


 **RED III** increase 2030 clean transport obligations from 14% to 29% of renewable energy while **ESR** raises the bar with binding annual country GHG emission reductions by Member States


 **ReFuelEU SAF mandate** at 2% in 2025, 6% 2030 and 70% 2050

 EU countries (e.g. Germany, Netherlands, France) strengthening near-term mandates


Accelerating momentum in high potential markets

 **Singapore** targets 1% SAF 2026, 3-5% 2030, directly funded with outbound flight levy


 **Association of Asia-Pacific Airlines** committing to **5% SAF use by 2030**

 **Net-zero targets** in Japan, Korea, Malaysia (2050), China, Indonesia (2060), India (2070)


Emerging Developments

 **Additional LCFS programs** to be proposed this year in HI, IL, MI, NY, NJ


 **Brazilian SAF mandate** under development; **Chile SAF roadmap for 50% SAF 2050**


 **Voluntary demand** from e.g. mining companies and city governments

 **EU 90% emission reduction target by 2040**

 Proposed **EU-wide recycled content mandates for plastic packaging by 2030**

 **UK Jet Zero Strategy** with 10% SAF mandate by 2030

 SAF policies considered in Turkey, UAE

 **SAF mandates expected** e.g. in Japan, New Zealand, Malaysia, India, Australia and South Korea

 Increasing **voluntary demand for more sustainable polymers and chemicals**

Supply potential and demand outlook considerations

- Capacity surge in 2024 focused in renewable diesel and North America
- Global utilization rates expected to start increasing after 2024 with increasing demand growth
- New supply potential varies across raw materials, pretreatment and processing capabilities, logistics and end-market outlets
- Growing supply can drive demand growth, e.g. planned LCFS target revision in California with a proposed auto-acceleration mechanism

Long term outlook

Long-term demand potential CAGR 2024-30¹

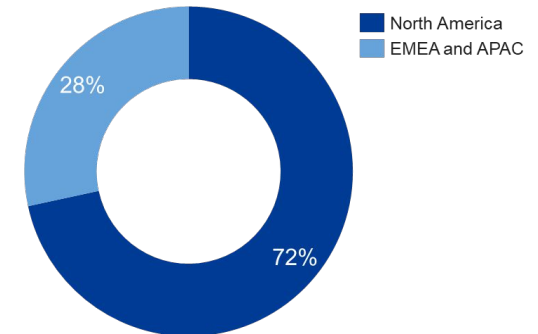
~20%

Long-term supply potential CAGR 2024-30 based on current project pipeline¹

~11%

North America accounts for over 70% of total supply potential growth in 2023-2024

Share of regional supply potential growth¹ in 2023-2024 of total, %

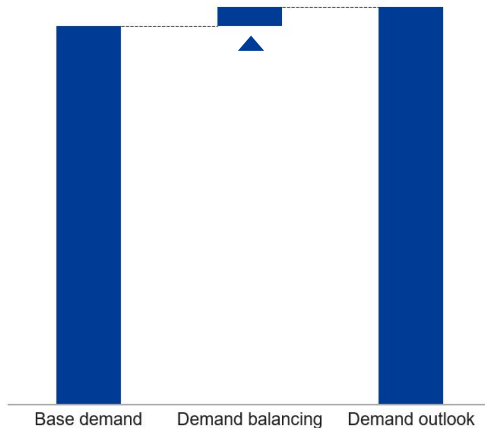


¹) Neste analysis based on publicly available data and third party sources (a.o. Argus and S&P Platts); Supply potential outlook RD, HEFA-SAF and renewable naphtha: Neste's view on market capacity using probability-weighted production capacity based on the project pipeline, corrected for ramp-up schedules, maintenance cycles and utilization rates

Markets expected to balance through both demand and supply side mechanisms

Demand upside mechanisms

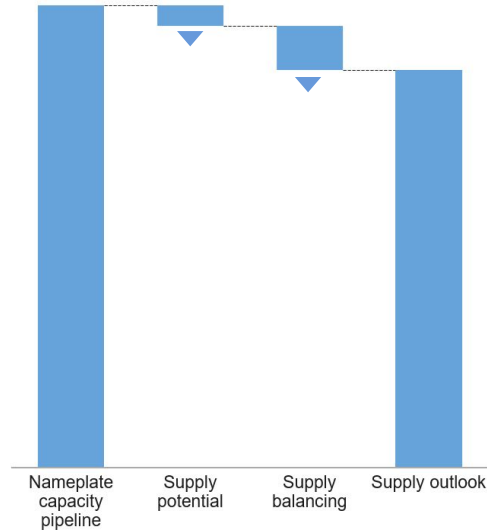
ILLUSTRATIVE



- **Producer-driven balancing**, e.g. FAME displacement with renewable diesel
- **End-user-driven balancing**, e.g. upside from non-regulation driven demand
- **Further upside potential** from new regulatory developments

From capacity to supply outlook

ILLUSTRATIVE



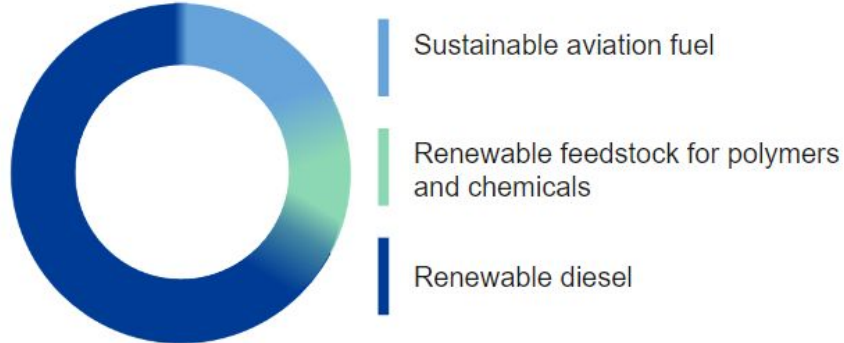
- **Supply potential** is based on the project pipeline, corrected for ramp-up schedules, maintenance cycles and utilization rates
- **Supply balancing** through lowered utilisation rates or project ramp-up delays

Note: Neste analysis based on publicly available data and third party sources (a.o. Argus and S&P Platts)

Product and regional market specific differences offer significant value creation opportunities

Supply and demand outlook for SAF and renewable polymers and chemicals supported by strong demand growth

Illustrative global demand potential outlook for renewable diesel, SAF and renewable feedstock for polymers and chemicals in 2025¹, share of total (%)



Market-wise, specific requirements on raw materials offer attractive value creation opportunities e.g. in Europe

Illustrative demand outlook for different raw material categories in Europe for renewable diesel, SAF and renewable naphtha in 2025¹, share of total (%)



1) Neste analysis based on publicly available data and third party sources (a.o. Argus and S&P Platts)

Neste is strongly positioned to maintain superior margins based on sustainable competitive advantages

Illustrative sales margins



An underwater photograph showing two large whales swimming in deep blue water. A scuba diver is visible on the right side of the frame, providing a sense of scale. The whales are the central focus, with their bodies curving through the water. The lighting is soft and blue, creating a serene and majestic atmosphere.

**Positioned to deliver attractive
shareholder value**

Neste's capital allocation principles set the frame for disciplined growth and sustainable dividends



Prioritized maintenance

Safety and operational reliability of prioritized existing assets



Disciplined growth CAPEX

Adjusted ROACE >15%
Growth in Comparable EBITDA of renewable and circular businesses over time



Strong balance sheet

Leverage target <40%



Increasing dividend

Competitive and over time increasing dividend

Disciplined investments in high-margin growth opportunities sustain attractive returns



Disciplined growth CAPEX

- **Value-driven growth with focus on higher margin projects** – SAF, renewable polymers and chemicals, chemical recycling, highest-return innovation opportunities
- **Sustainable raw materials growth, diversity and security**, e.g. challenging raw materials
- **Continuously strengthen global competitive position**, e.g. investments in productivity, product optionality and pretreatment

Prioritized maintenance to ensure safety and operational reliability

We have been able to deliver attractive returns



Efficiency initiatives drive additional margin support

Neste Excellence

Strengthened efficiency through e.g. digitalization and process excellence (incl. AI)

Targeting new **>350 MEUR value creation** by the end of 2026

Neste Next Chapter

Simplified organization structure and more focused development portfolio to ensure long-term competitiveness

Annual cost savings 50 MEUR through simplified organizational structure



Enhanced long-term competitiveness and margin support



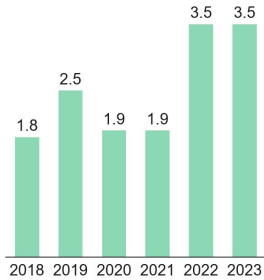
Continuous improvement in fixed cost efficiency over time



Continuous improvement in working capital efficiency over time

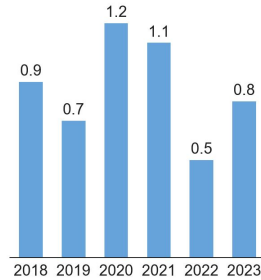
Strong financial performance enables profitable growth, strong cash flows and attractive shareholder returns

COMP. EBITDA (BEUR)



CASH CONVERSION

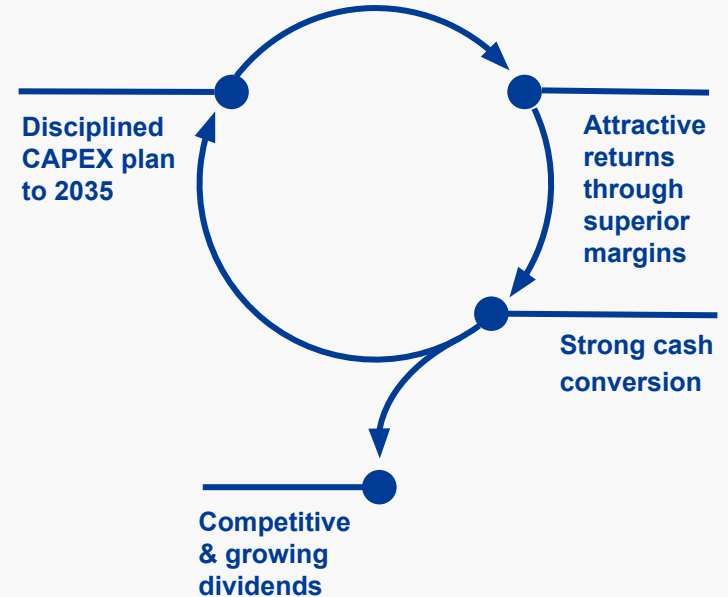
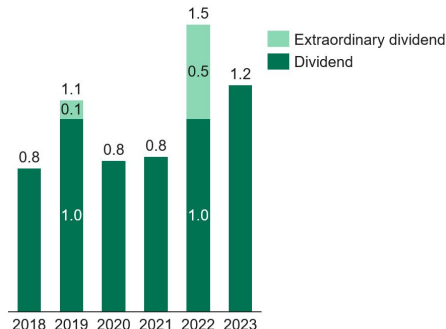
(Cash flow from operations¹ / Comparable EBITDA)



LEVERAGE (%)



DIVIDEND, EUR/share²



1) Before net financing items and taxes

2) 2023: Board's proposal the AGM

**Strengthening
global SAF
leadership**

**Value creation built
on sustainable
competitive
advantages**

**Strategically
positioned to capture
value in growing
markets**

**Positioned to
deliver attractive
shareholder value**

Q&A