

## **CHARTER FOR AUDIT COMMITTEE OF NESTE CORPORATION**

### **1. Preamble**

In order to increase the effectiveness of their work, the Board of Directors ("Group Board") of Neste Corporation ("Company") establishes the Audit Committee ("Committee"). This Charter has been adopted by the Group Board on this day of 21 April 2005 (as amended on 4 February 2009, 25 October 2012, 31 July 2014, 22 April 2015, 14 December 2015 and 13 December 2016) to govern the work of the Committee as part of the corporate governance of the Neste Group.

### **2. Members**

The members of the Committee and the Chair of the Committee shall be appointed annually by the Group Board. The Committee shall have at least three (3) non-executive Board members who are independent of and not affiliated with the Company or any of its subsidiaries and of whom at least one (1) member is independent of significant shareholders. The members of the Committee must have sufficient knowledge of accounting practices and of the preparation of financial statements and other qualifications deemed necessary or desirable by the Group Board.

The Committee invites to their meetings representatives of the management and the Internal Auditor and the External Auditor, as the Committee considers appropriate. The Committee is permitted to use external consultants and experts when the Committee deems it necessary.

### **3. Roles and Duties**

The Committee assists the full Group Board by preparing matters falling within the competence of the Group Board. The Group Board remains collectively responsible for the duties assigned to the Committee, and the Committee does not have autonomous decision-making power of its own.

The Committee shall:

- monitor the financial and credit position of the Company and the taxation;
- monitor the reporting process of the Financial Statements of the Company and, to the extent appropriate, Interim Reports;
- supervise the financial reporting process;

- review Internal Audit Reports as well as approve the Annual Plan for the Internal Audit and the Internal Audit Policy, both subject to final adoption of the full Board;
- make decision on nomination and dismissal of the Head of Internal Audit, subject to final approval by the full Board;
- monitor the efficiency of the Company's Internal Control, Internal Audit and Risk Management Systems;
- monitor the most material risks of the Company and ensure the proper management of the risks and risk management processes of the Company;
- review ITC structure;
- monitoring of the processes and risks relating to IT security;
- review the Company's Corporate Governance Statement in which the description of the main features of the Internal Control and Risk Management systems pertaining to the financial reporting process is, among others, included;
- monitor the statutory audit of the Financial Statements and Consolidated Financial Statements and review all material reports from the Statutory Auditor addressed to the Company or its subsidiaries;
- evaluate effectiveness and the independence of the Statutory Auditor or Audit Firm
- review and pre-approve the non-audit services of the Statutory Auditor or Audit Firm in accordance with a separate Corporate Policy established thereon by the full Board;
- prepare the proposal or recommendation for resolution on the election of the Statutory Auditor;
- evaluate the processes to ensure compliance by the Company with laws and regulations; and
- at the request of the Group Board, prepare other issues for the consideration of the Group Board.

#### **4. Quorum**

A quorum shall exist where more than half of the appointed members of the Committee, including the Chair, are present.

#### **5. Meetings and Minutes**

The Chair of the Committee, in consultation with the Committee members, shall determine the schedule and frequency of Committee meetings, provided that the Committee shall meet at least four times a year.

The minutes shall be made available to the members of the Group Board and the auditors of Neste in electronic format on internet in a controlled and protected meeting system like the Director's Desk, as well as to any relevant supervisory or

other authority to the extent required by law, and otherwise to the extent determined by the Chair.

Minutes of meetings, verified by the Chair and another Committee member, shall be kept.

**6. Reporting to Group Board**

The Committee shall report regularly on its meetings to the entire Group Board and submit to the Group Board the minutes of its meetings. The report shall at least include a summary of the matters addressed and the measures undertaken by the Committee.

**7. Evaluation and Assessment of Charter**

The Committee shall conduct an annual evaluation of its performance and shall report to the Group Board the results thereof.

The Committee shall assess the adequacy of this Charter periodically and recommend any changes to the Group Board.