Innovationsdriven tillväxt – Case Neste

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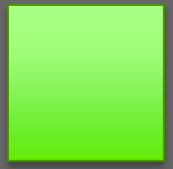
The grey area represents the world's oil consumption (4200 Mt/a), still growing 1.5% per annum

- Neste's renewable fuel production
- 3 million electric cars, globally



Global biofuel Production

Global jet fuel consumption

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Neste's renewable fuel production

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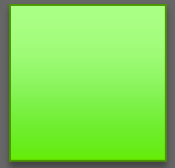


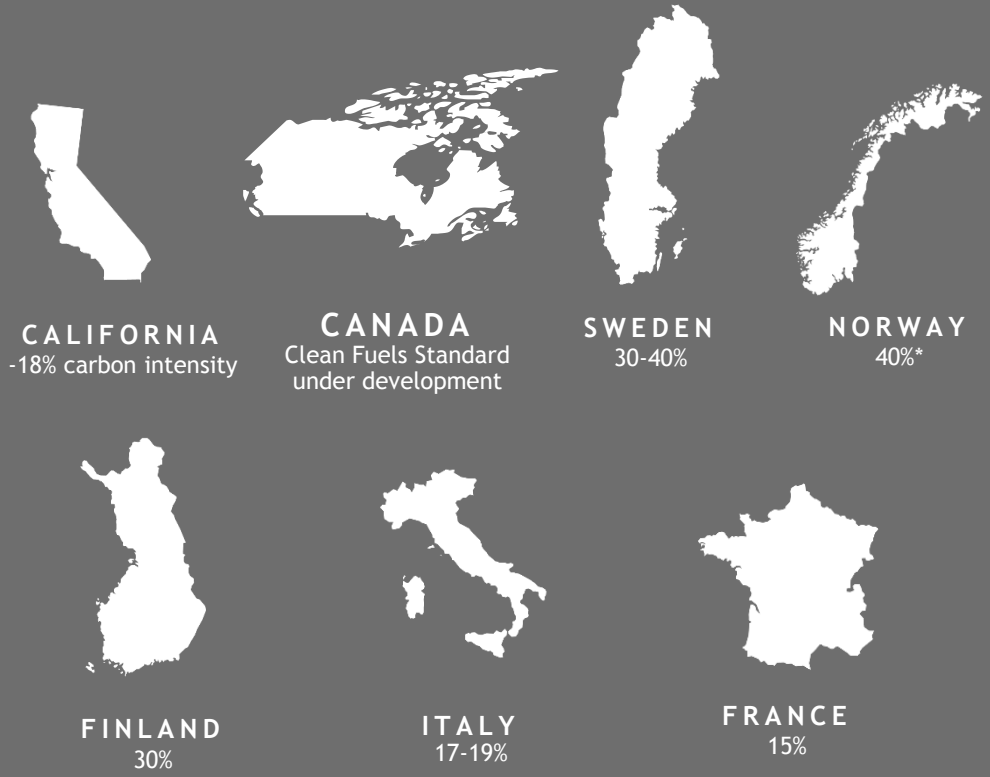
Global biofuel Production

Global jet fuel consumption

- Breakthrough innovations and several technological solutions are needed for combatting climate change. Let's not put the technologies against each other!
- Energy efficiency improvements and innovations in renewable transportation, bioeconomy as a whole and development of the circular economy are key areas of development.

PROGRESSIVE REGIONS blaze the trail

Selected countries' envisioned renewable fuel targets 2030



CALIFORNIA
-18% carbon intensity

CANADA
Clean Fuels Standard under development

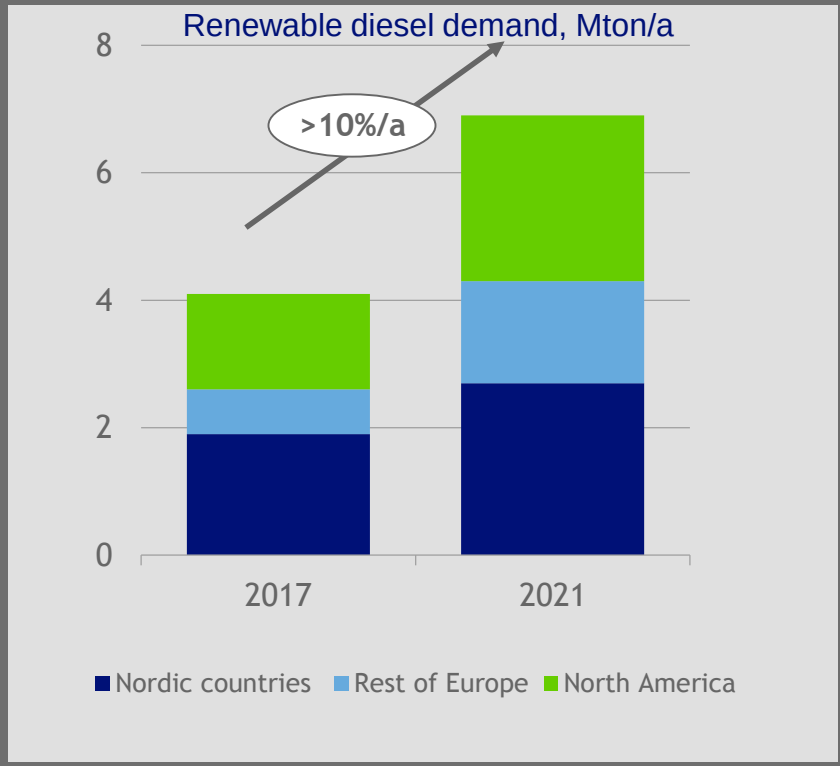
SWEDEN
30-40%

NORWAY
40%*

FINLAND
30%

ITALY
17-19%

FRANCE
15%



Thanks to **innovation**-driven growth, we have transformed ourselves from a local traditional oil refining company into a global **leader** providing **low-carbon solutions.**

Neste in numbers

Revenue
€13.2 billion

Comparable operating profit
€1.1 billion

~ 5,500
employees
in 15 countries

~1,000
employees working in R&D and engineering

>10 years on the Global 100 list of most sustainable companies, #2 in 2017

*Based on 2017 figures.

NESTE

From low-quality renewable raw materials to high-quality renewable products

We are the world's number

1

renewable diesel provider with a capacity of 2.7 million tons (planning to reach 4 Mt in the early 20's)

Waste and residues account for nearly

80%

of our renewable raw materials usage

Neste MY Renewable Diesel helps reduce GHG emissions by an amount equaling emissions of

>3

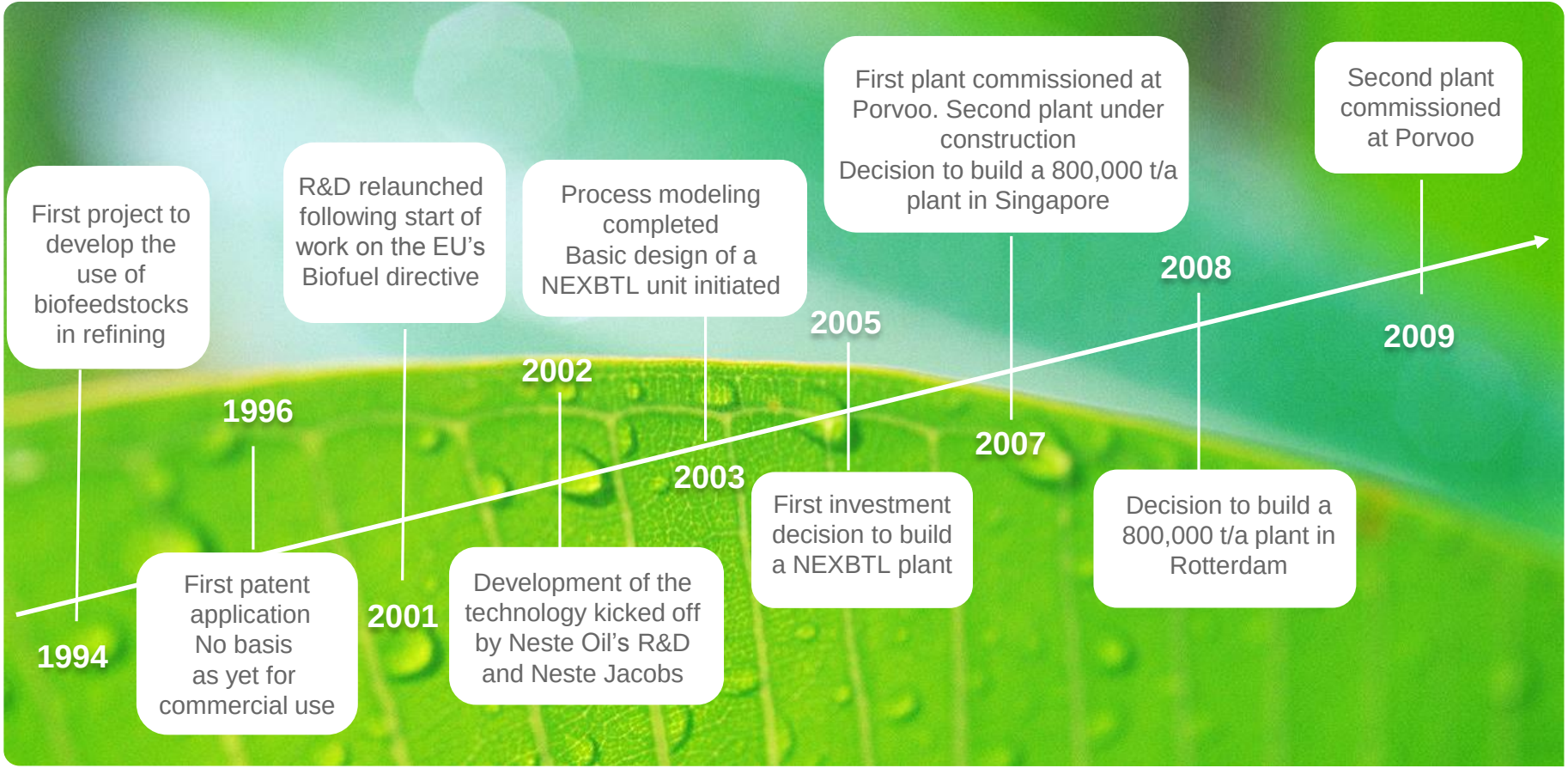
million passenger cars annually

NESTE

Key success factors in our transformation

- Strategic vision
- Risk taking
- Competence
- Innovation
- Ability to focus
- Hard work/patience

Innovation pathway for NEXBTL renewable technology



Two key rationales in our renewable fuel development

Neste's proprietary Renewable Diesel (NEXBTL) process

Feeds in:

Lipids; mono-, di- and triglycerides

- Used cooking oil
- Animal fat
- Waste/residual streams from the vegetable oil industry
- Algae oil (R&D phase)

Pretreatment Units

Turning the feedstock into pure glycerides by various pre-treatment steps removing e.g. metals, phosphorous and plastic waste

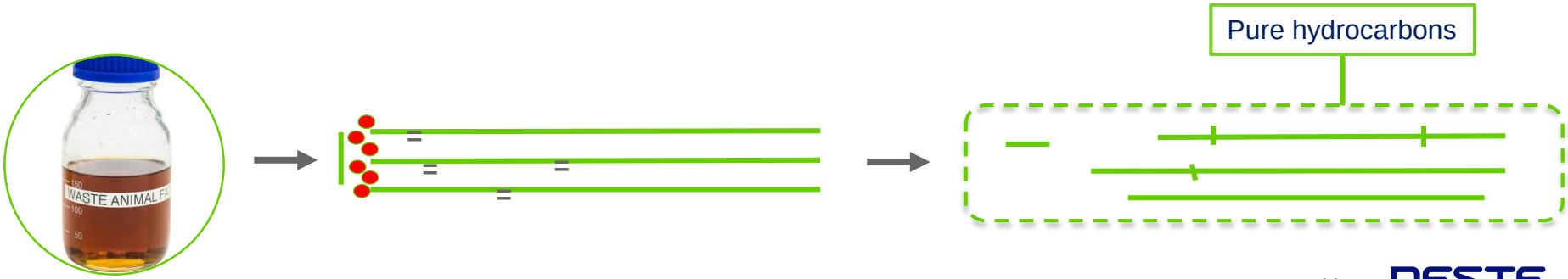
NEXBTL Process Units

Hydrotreatment and Deoxygenation → Removing nitrogen and oxygen

Isomerization → Creating the final product quality, optimizing e.g. the cold properties

Product

- Behaves exactly like fossil diesel
- Can be blended without limitations
- Fully compatible with existing infrastructure
- Excellent solution for improving air quality
- Offers up to 90% CO_2 reduction



CASE

Responsible choices in the city:

Renewable cities of California

- Several large cities in California and elsewhere use Neste MY Renewable Diesel in their city fleet, lowering their GHG emissions by up to 90% and improving the local air quality.

CASE

Responsible choices in the air:

Cleaner flights

- Neste MY Renewable Jet Fuel has been used on more than 1000 international, commercial flights.

CASE

Responsible choices at home:

Redefining the future of plastics

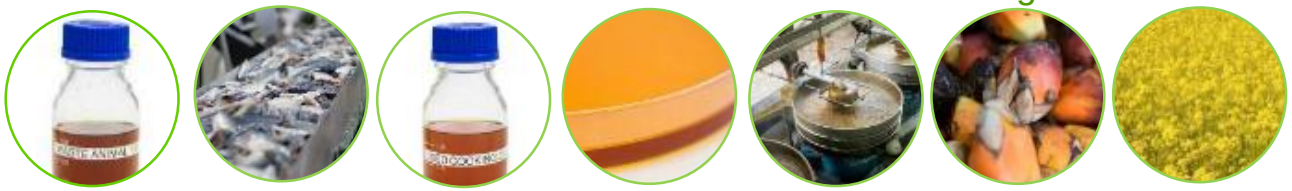
- Neste’s partnership with IKEA provides the basis for future production of renewable, bio-based materials utilizing Neste's renewable solutions in polymer production.

Flexibility - Building a global sustainable feedstock pool

All our feedstock comply with EU RED and/or US EPA / CARB sustainability requirements

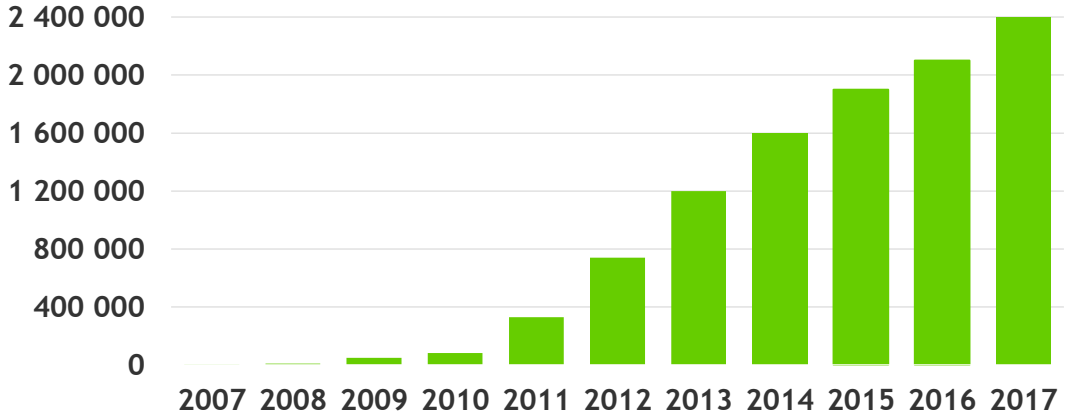
>80%
waste and residues

<20%
vegetable oils



Waste animal fat | Waste fish fat | Used cooking oil | Technical corn oil | PFAD | Palm oil | Rapeseed oil

Significant increase in waste and residue use (ton/a)



Expanding the feedstock portfolio further

Short term

Long term

Waste animal fats, waste oils, residue and side streams

Biological pathways

Thermo-catalytic pathways

Photo-synthesis

Fossil waste liquefaction

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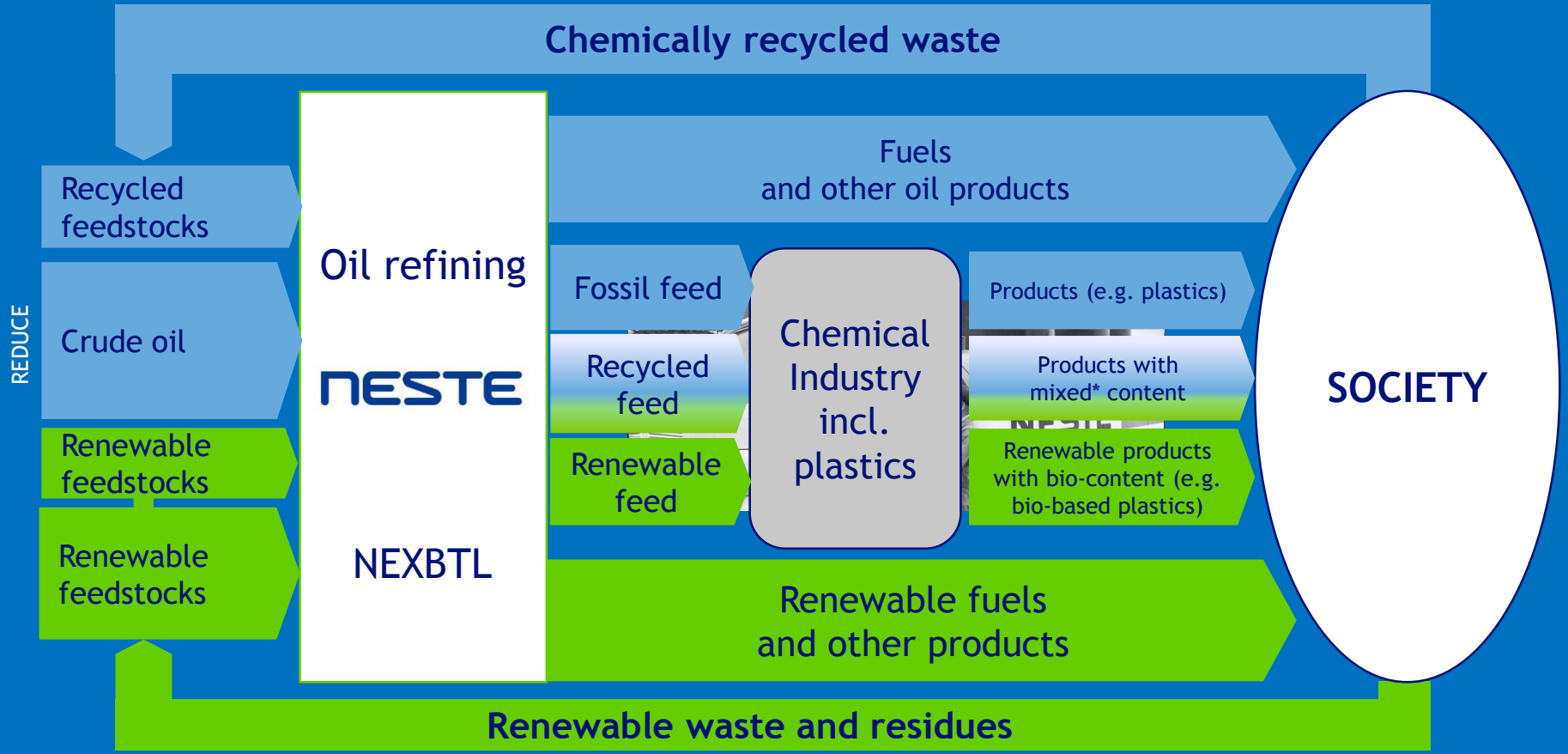
Neste - growing through bio- and circular economy



*Any mix of fossil, recycled and renewable feeds.

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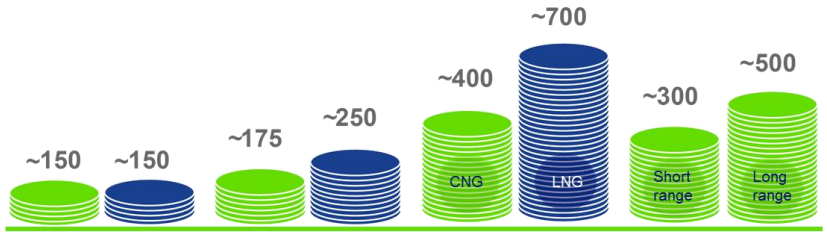
The role of our solutions in the bigger picture

Cost efficiency

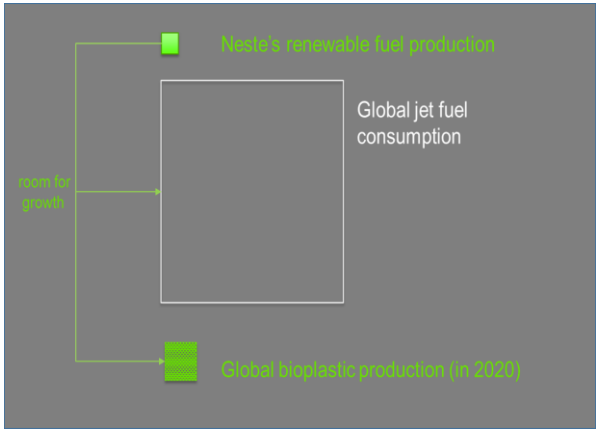
Average cost to society (EUR) to reduce 1 ton of CO_2 emissions in passenger cars and heavy duty vehicles



Notes: CNG = compressed natural gas; LNG = liquefied natural gas. Data shown here reflect the median of the cost range and refer to situation in 2030. Oil price range of 70-113 USD/bbl. Expected 2030 cost for alternative powertrains. Includes required investments into infrastructure. EU average projected power mix (IEA).
Source: Neste based on Roland Berger, *Integrated Fuels and Vehicles Roadmap to 2030*, 2016

Timing

Growth potential




OUR VISION
Creating responsible choices every day
NESTE
The only way is forward