Solid operational start for the year, performance improvement program progresses

Heikki Malinen, President & CEO
Eeva Sipilä, CFO

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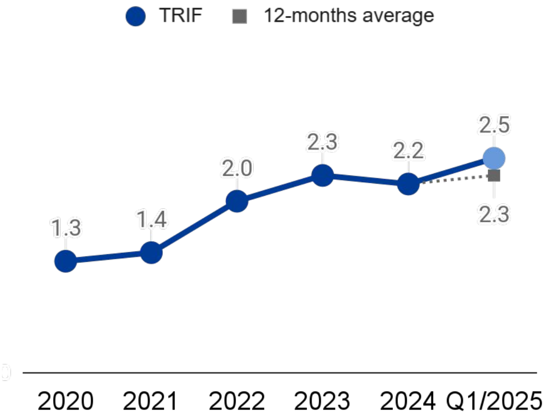
Agenda

1. **Q1 in brief**
   President & CEO Heikki Malinen
2. **Financial performance**
   CFO Eeva Sipilä
3. **Topicals and outlook**
   President & CEO Heikki Malinen
4. **Q&A**

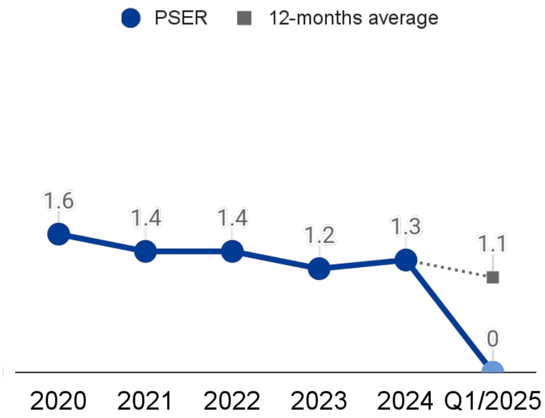
Q1 in brief

Work around safety continues

Total Recordable Incident Frequency (TRIF)[1], per million hours worked



Process Safety Event Rate (PSER)[2], per million hours worked



1) Including new organizational units in the US, for example Mahoney Environmental from 2023 onwards
2) Process safety performance is reported according to American Petroleum Institute (API) Recommended Practice (RP) 754 - "Process Safety Performance Indicators for the Refining and Petrochemical Industries"

Q1/2025 performance in brief

Group comparable EBITDA

210 MEUR

(551)

Comp. sales margin, Renewable Products	Total refining margin, Oil Products
310 USD/ton	**9.9 USD/bbl**
(562)	(20.4)

- Operationally solid production at refineries
- Renewables sales volume reached 892 kt (849), of which SAF sales were 130 kt (41)
- SAF sales supported by the start of ReFuelEU legislation (2025: 2% of SAF)[1]
- Renewable markets still characterized by pressured end-product prices and elevated feedstock costs
- In both Oil Products and Marketing & Services mild winter affected sales volumes of winter grades

Figures in parentheses refer to the corresponding period for 2024.

1) At least 2% of the fuel provided at Union airports in EU annually from 2025 onwards will need to be sustainable aviation fuel (SAF).

Key initiatives progressing

Solid operational performance on refineries

79% utilization for Renewable Products and 88% for Oil Products

Performance improvement program on track

to deliver 350 MEUR EBITDA run rate improvement by end of 2026

SAF production started at Rotterdam

Neste's SAF capacity increased to 1.5 Mt per annum

Rotterdam capacity expansion progressing

according to revised schedule and budget

Note: EBITDA improvement vs. 2024 baseline, including capitalized lease costs

Neste and DHL Group to tighten collaboration to reduce logistics emissions

Developing a commercial model that would gradually lead to the offtake of around 300,000 tons of neat, i.e. unblended SAF per year from Neste by DHL Group by 2030 and enable the sale and purchase of additional volumes of SAF.

This enables Neste to support DHL as a frontrunner in its field with renewable fuels, which provide a solution to reduce GHG emissions on the road as well as in the air. (published 5 Feb 2025)

Performance improvement program achieved 52 MEUR EBITDA run rate improvement (target 350 MEUR)

Program priority areas

Commercial acceleration and supply chain optimization
Maximize value in end-to-end optimization, streamline business models and enable market opportunity capture via trading

Refinery performance and safety
Capture savings by improving refinery performance across Porvoo, Rotterdam and Singapore assets

External cost reduction
Reduce external spend by strengthening procurement practices and processes

Operating model simplification
Build an efficient organization with capabilities and resourcing in line with Neste's future direction

Target

350 MEUR run rate EBITDA improvement by end of 2026

Maintain investment grade credit rating

Progress

52 MEUR annualized run rate improvement by the end of Q1

Note: EBITDA improvement vs. 2024 baseline, including capitalized lease costs

Financial performance

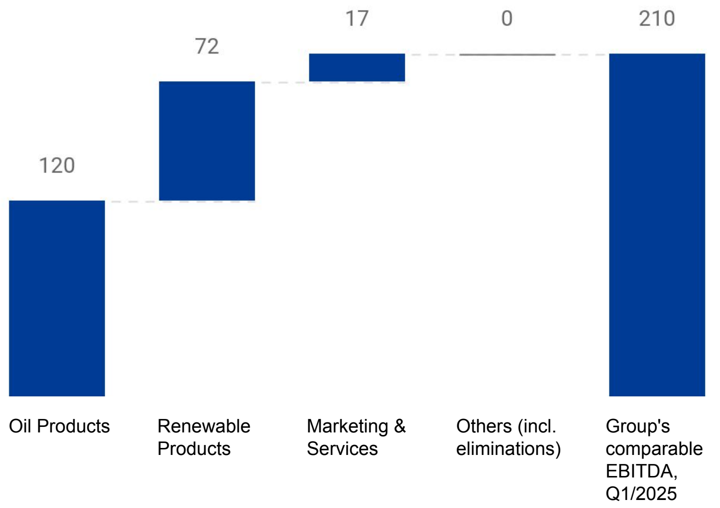
RD market continued to weaken in Q1

RD reference gross margin[1], USD/ton

1) RD reference gross margin = 60% Argus HVO Class II less UCO CIF ARA adjusted by standard production yield, 40% Argus R100 UCO California less Argus UCO US Gulf Coast adjusted by standard production yield.

Group Comp. EBITDA reached 210 MEUR in Q1

Group Comp. EBITDA, by segment, Q1/25, EUR million



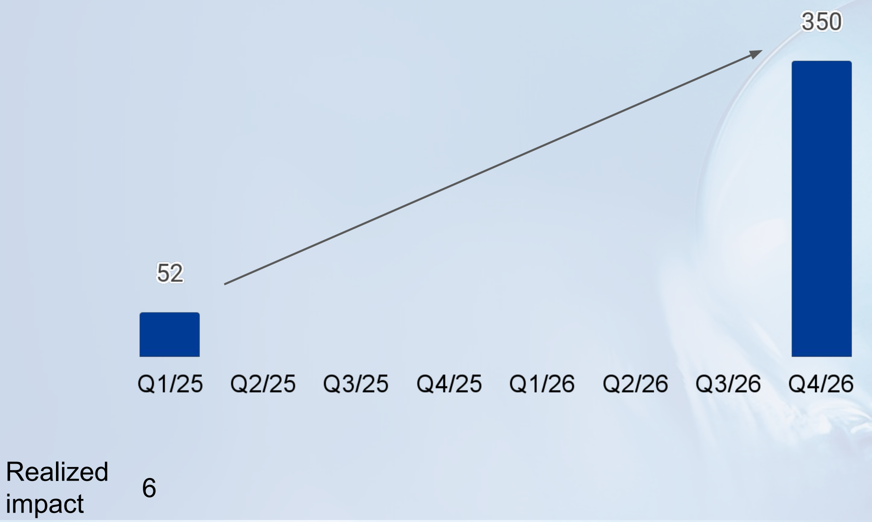
- Oil Products' comparable EBITDA totaled EUR 120 million. Increased sales volumes but lower refining margins.

- Renewable Products' comparable EBITDA was EUR 72 million. Higher sales volume and lower fixed costs were outweighed by weaker sales margin.

- Marketing & Services comparable EBITDA was EUR 17 million affected by lower heating oil sales

Performance improvement program delivered 52 MEUR annualized EBITDA run rate improvement in Q1

Performance improvement program annualized EBITDA run rate impact, MEUR

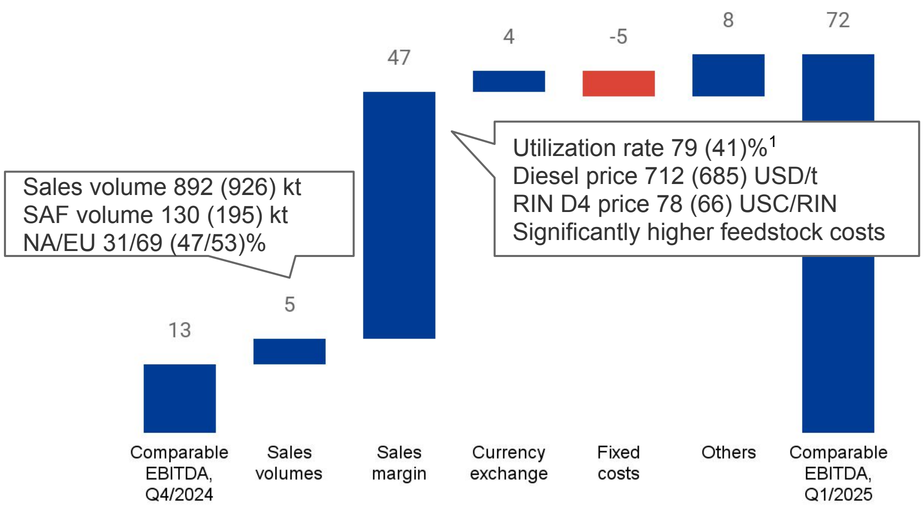


- 52 MEUR annual run rate improvement was achieved by the end of Q1 translating to 13 MEUR quarterly run rate
- 6 MEUR impact was recorded in Q1 due to run rate ramp-up
- Completed the change negotiations with 65 MEUR savings visible from Q2 onwards, restructuring cost booked in Q1 results (24 MEUR)[1]

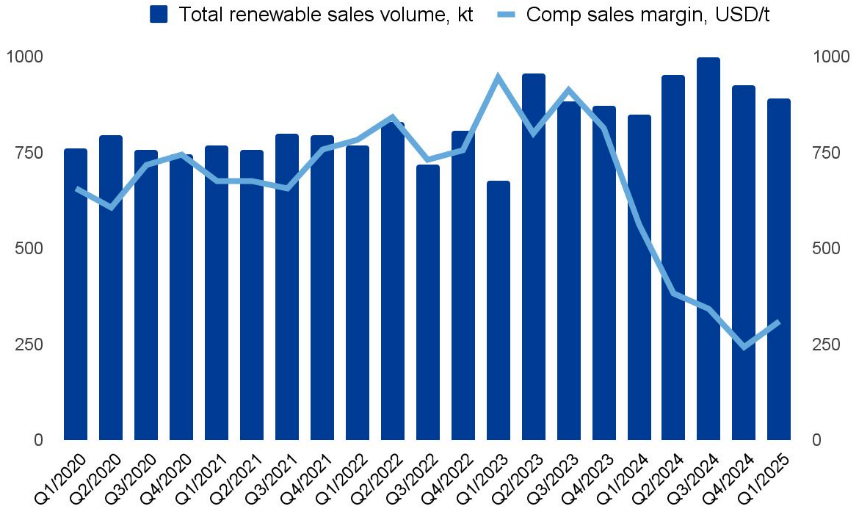
Note: EBITDA improvement vs. 2024 baseline, including capitalized lease costs.
1) Impact eliminated from comparable EBITDA

Renewable Products: Production recovery supported sales margin

Comparable EBITDA Q1/25 vs. Q4/24, EUR million



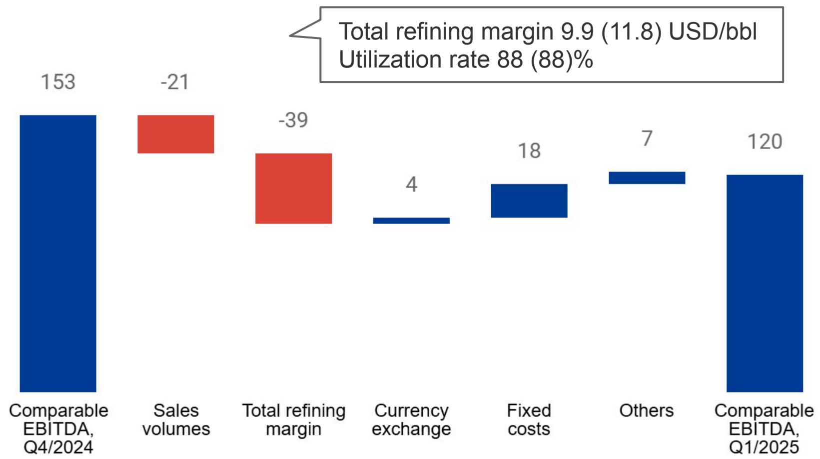
Renewable sales volume, kt (left axis) and comparable sales margin, USD/ton (right axis)



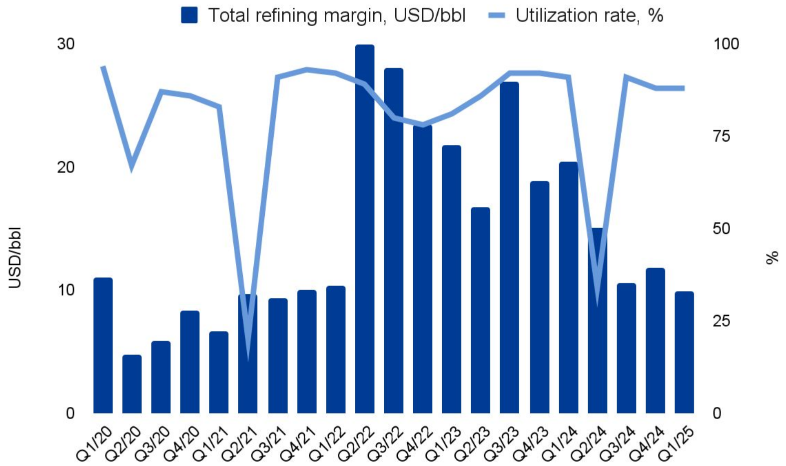
1) Based on a nameplate capacity of 4.5 Mton/a (own production sites)

Oil Products: Refining margins continued to normalize, mild winter affected sales volumes of winter grades

Comparable EBITDA Q1/25 vs. Q4/24, EUR million

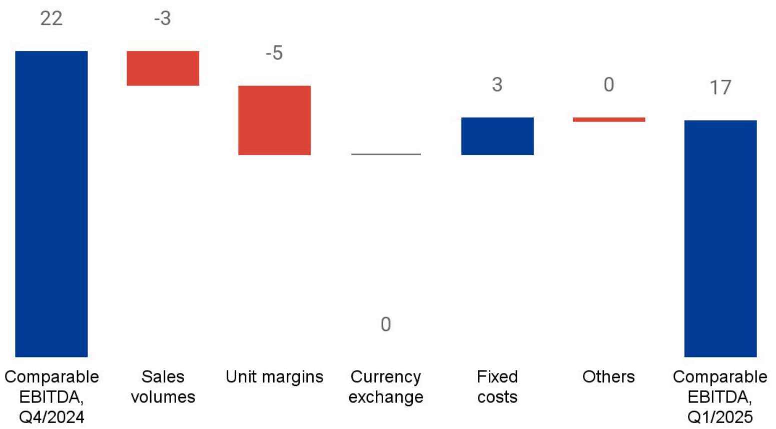


Total refining margin, USD/bbl (left axis) and utilization rate, % (right axis)

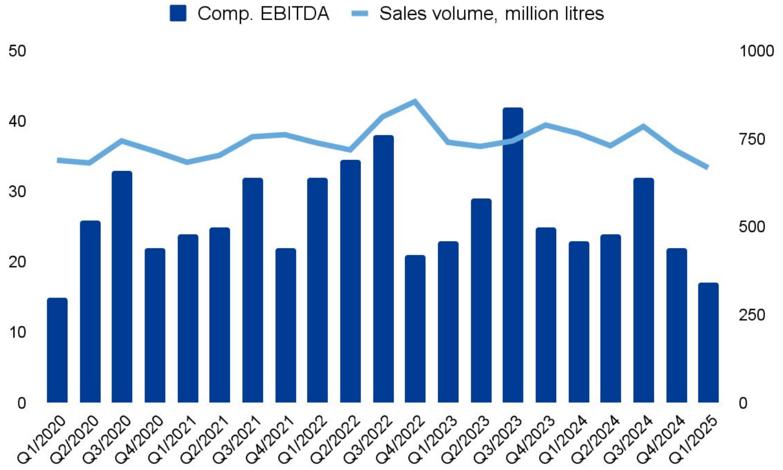


Marketing & Services: Mild weather resulted in lower sales, unit margins impacted by competitive market

Comparable EBITDA Q1/25 vs. Q4/24, EUR million



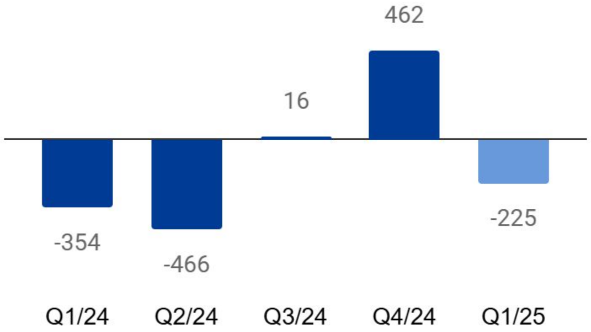
Comp. EBITDA, MEUR (left axis) and sales volume[1], million liters (right axis)



[1] Diesel & gasoline station sales, heating oil sales

Cash flow affected by normalizing of inventories

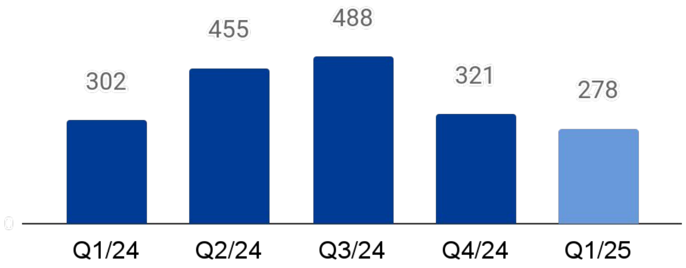
Cash flow before financing activities, EUR million



- Inventories were increased in Q1 in line with production plans following the unplanned outages late last year
- Working capital efficiency part of Neste's performance improvement program actions
- During the quarter Neste issued a new green bond of EUR 700 million with a tenure of 5 years under its EMTN (Euro Medium Term Note) programme
- In addition, on 9 April, Neste announced that it had signed a new EUR 1.3 billion multi-currency revolving credit facility that refinances the Group's existing EUR 1.2 billion facility dated December 2019

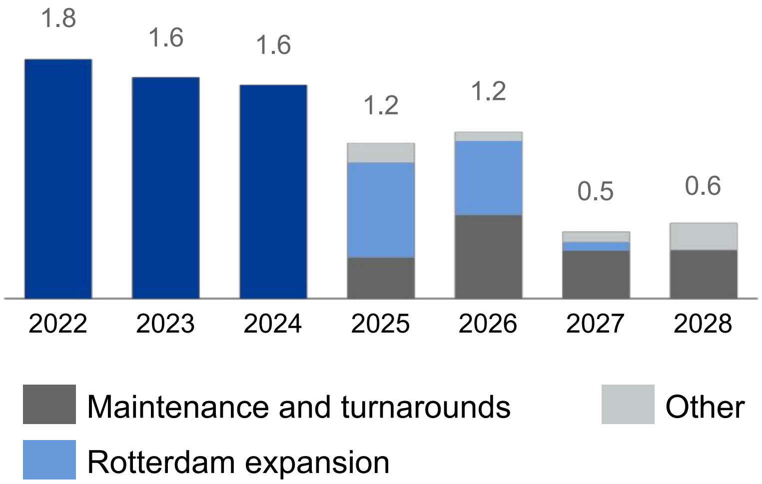
Investments subject to tight capital discipline and focused on Rotterdam

Cash-out investments (incl. M&A), EUR million, Q1/2024-Q1/2025



In Q1: Maintenance ~47 MEUR and productivity and strategic investments ~232 MEUR

CAPEX and M&A, EUR Billion, 2022-2028
(as per Capital Markets Update 13th of February, 2025)



In February 2025 Neste launched new financials targets for 2025-2026

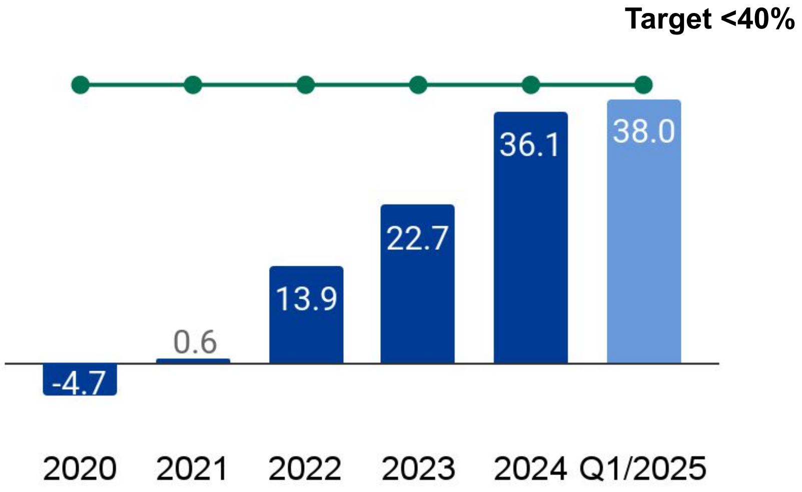
Financial targets 2025-2026

EBITDA
EUR 350 million
run rate improvement
by the end of 2026, of which EUR 250 million from operational costs

Leverage

< 40%

Leverage, net debt to capital, %



Note: EBITDA improvement vs. 2024 baseline, including capitalized lease costs.

neste

Topicals and outlook

Mandates crucial in increasing renewable fuels' usage

- Mandates and incentives continue to be crucial to usage of SAF and other renewable fuels as the world needs to reduce the use of fossil energy
- Neste has invested heavily to contribute to the implementation of renewable fuels mandates, such as ReFuelEU Aviation
- We expect the European policymakers to safeguard a level playing field and competitiveness of European industrial companies
- Predictable operating environment is needed

Tariffs: macroeconomic risks raising while direct impact limited

- Direct impact to Neste is expected to be limited
  - RD, SAF and most oil products are exempt from the announced tariffs
  - Feedstocks are included in them
- Implications for Neste's operations:
  - US market open to imports from Singapore refinery subject to profitability
  - Mahoney's UCO collection platform remains important

Sensitivity based on annual report 2024	Approximate impact on operating profit[2]
+/- 10% in the EUR/USD exchange rate	-323/+394 EUR million
+/- 10 USD/bbl in crude oil price for Oil Products[1]	+/- 115 USD million

1) Inventory valuation gains/losses excluded from comparable EBITDA
2) Excluding hedges

Opportunities and uncertainties

Opportunities

- Decrease in feedstock prices
- US renewable fuel incentives and obligations
- German and other national programs in EU to boost sales
- EU’s readiness to support level playing field in SAF

Uncertainties

- Renewables optimization particularly challenging in current volatility
- Global macroeconomy
- Geopolitical tensions and unpredictable trade policies

Market outlook for 2025

The uncertainty in global trade and geopolitics and their impact on the global economic outlook are causing market volatility.

Markets for both renewable fuels and oil products are sensitive to oil price development.

The market in renewable fuels is expected to remain oversupplied in 2025.

Guidance 2025 (unchanged)

Sales volumes	Renewable Products' sales volumes in 2025 are expected to be higher than in 2024. Oil Products' sales volumes in 2025 are expected to be higher than in 2024
Scheduled maintenance turnarounds	A 5-week turnaround in Rotterdam in Q4 2025 and a 6-week turnaround starting in mid-December 2025 in Singapore. There are no planned turnarounds in Porvoo
Fixed costs	The Group's comparable total fixed costs in 2025 are expected to be below 2024 level excluding one-off costs
Capex	The Group's full-year 2025 cash-out capital expenditure excluding M&A is estimated to be approximately EUR 1.1 - 1.3 billion

Q&A

Summary

1. **Delivering on performance improvement program**
2. **Rotterdam expansion progressing as planned**
3. **SAF sales are expected to increase towards end of the year**


Thank you

Appendix

Key market environment drivers in Q1/2025

		Avg, Q1/25	Change, % vs. Q4/24	Change, % vs. Q1/24
Macro drivers[1]	Crude oil price (USD/bbl)	75.7	+1	-9
	Diesel price (USD/ton)	711.5	+4	-16
Renewable feedstock costs[2]	Used cooking oil (USD/ton)	1,093	+9	+18
	Animal fat (USD/ton)	1,079	+14	+15
Renewable US credit prices[3]	California LCFS (USD/ton)	66	-8	+4
	RIN D4 (US cent/RIN)	79	+19	+36
Oil product margins[4]	Diesel (USD/bbl)	19.8	+15	-33
	Gasoline (USD/bbl)	13.4	+5	-41
	HFO (USD/bbl)	-6.0	+60	-57
			positive for Neste	negative for Neste

1) Platt's - Brent; ULSD CIF NWE 2) AF (EU) - Gebrüder Pöhner, UCO (EU) - Argus 3) OPIS 4) Platt's

Renewable Products: Key market drivers in the US market

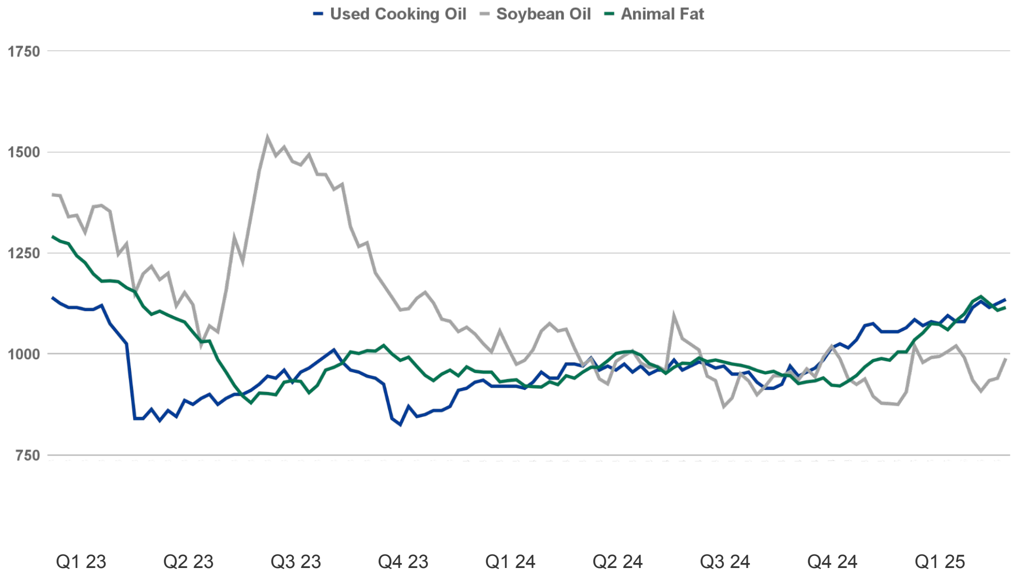
California Low Carbon Fuel Standard, LCFS credit price, USD/ton

RIN prices, US cent/RIN

Source: Opis

W&R and vegetable oil price development

Selected waste and residue and vegetable oil prices[1], USD/ton



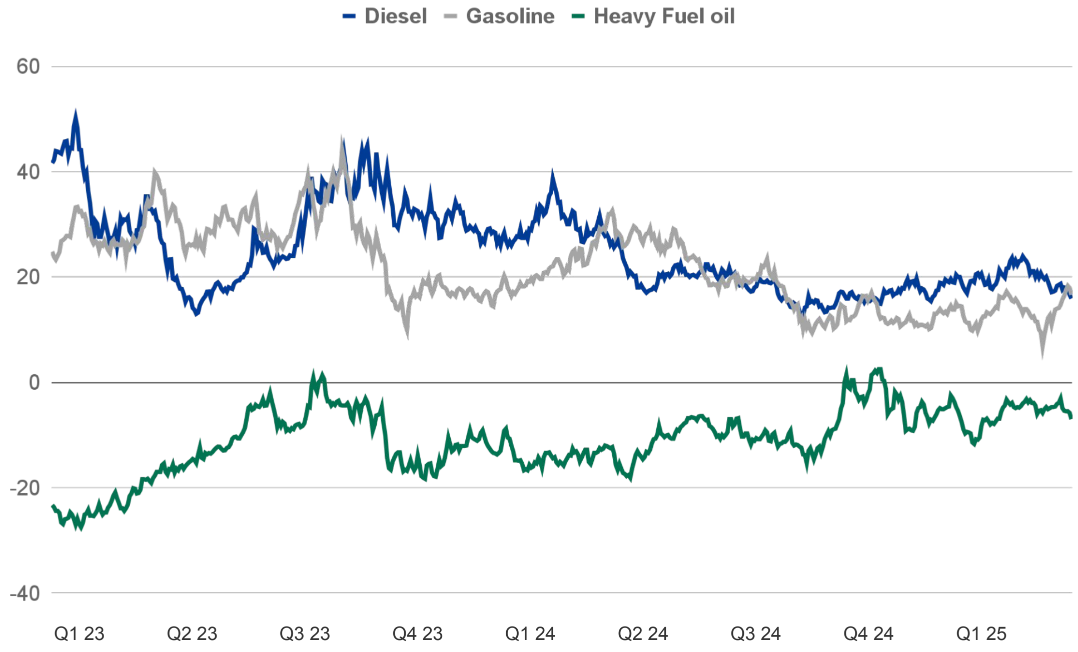
Comments

- Generally, waste and residue prices continued to rise during Q1

1) Source: AF (EU) - Gebrüder Pöhner, UCO (EU) - Argus, SBO (US) - Reuters

Oil Products: Key product margins

Product margins (price differential vs. Brent), USD/bbl



Source: Platts

Group financials Q1/2025

Comparable EBITDA totaled 210 (551) MEUR

MEUR	Q1/25	Q1/24	Q4/24	2024
Revenue	5,017	4,801	5,568	20,635
EBITDA	200	442	143	1,005
Comparable EBITDA	210	551	168	1,252
Renewable Products	72	242	13	514
Oil Products	120	278	153	633
Marketing & Services	17	23	22	101
Others (incl. eliminations)	0	8	-20	5
Operating profit	-25	200	-110	25
Cash flow before financing activities	-225	-354	462	-341
Comparable earnings per share, EUR	-0.04	0.33	-0.13	0.17

Cash flow impacted by capital expenditure and increasing inventories in line with our production plans

MEUR	Q1/25	Q1/24	Q4/24	2024
EBITDA	200	442	143	1,005
Capital gains/losses	0	-2	3	1
Other adjustments	60	-7	58	-150
Change in net working capital	-147	-382	709	454
Finance cost, net	-64	-47	-42	-150
Income taxes paid	-8	-48	-2	-5
Net cash generated from operating activities	**39**	**-44**	**869**	**1,154**
Capital expenditure	-276	-301	-320	-1,563
Other investing activities	12	-9	-87	67
Cash flow before financing activities	**-225**	**-354**	**462**	**-341**

Renewable Products' comparable EBITDA calculation

		Q1/24	Q2/24	Q3/24	Q4/24	2024	Q1/25
Total RP sales volume	kton[1]	849	955	999	926	3,729	892
Comparable sales margin	**USD/ton**	**562**	**382**	**341**	**242**	**377**	**310**
Comparable sales margin	MEUR	439	339	310	209	1,297	263
Fixed costs	MEUR	-211	-190	200	-197	-798	-201
Comparable EBITDA	**MEUR**	**242**	**152**	**106**	**13**	**514**	**72**

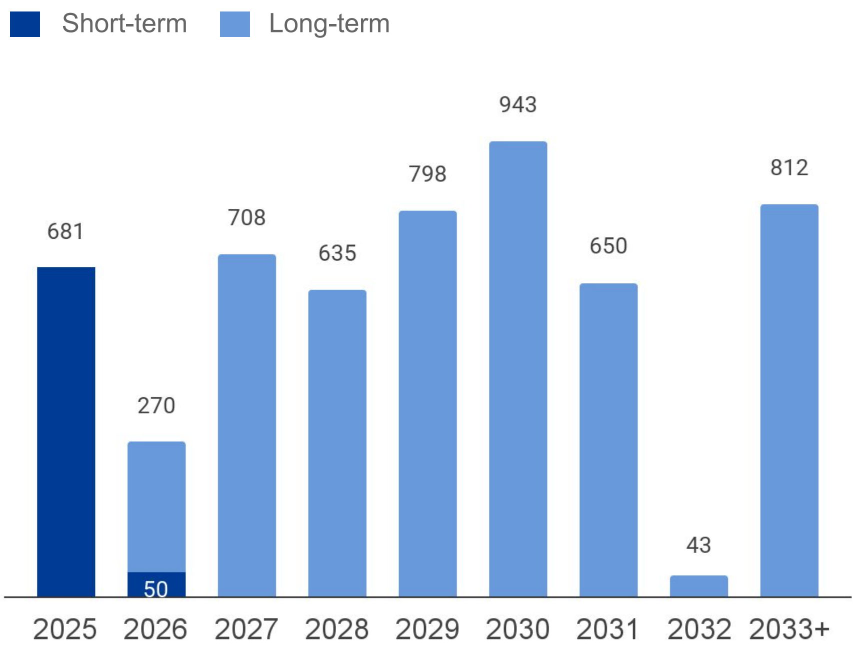
1) Renewable Products sales volume includes RD, SAF and other products

Oil Products' refinery production costs

		Q1/24	Q2/24	Q3/24	Q4/24	2024	Q1/25
Refined products	million bbls	21.4	10.2	22.2	22.2	76.0	21.6
Exchange rate	EUR/USD	1.09	1.08	1.10	1.07	1.08	1.05
Utilities costs	MEUR	70.3	46.5	61.4	63.8	242.0	79.4
	USD/bbl	3.6	4.9	3.0	3.1	3.4	3.9
Fixed costs	MEUR	53.9	55.7	52.9	66.9	229.5	61.5
	USD/bbl	2.7	5.9	2.6	3.2	3.3	3.0
External cost sales	MEUR	-0.5	-0.4	-0.4	-0.5	-1.9	-0.5
	USD/bbl	0.0	0.0	0.0	0.0	0.0	0.0
Total	MEUR	123.8	101.8	113.9	130.2	469.7	140.5
	USD/bbl	6.3	10.8	5.6	6.2	6.7	6.8

Liquidity and maturity profile

Maturity profile, MEUR



- Group's liquidity EUR 3,269 million at the end of March
  - Liquid funds EUR 1,144 million
  - Unused committed credit facilities EUR 2,125 million
- Average interest rate for interest-bearing liabilities was 3.3% and maturity 4.1 years at the end of March
- No financial covenants in Group companies' loan agreements