

Board committees

The Board has established an Audit Committee, which has four members, and a Personnel and Remuneration Committee, which has three members. A quorum exists when more than two members, including the Chair, are present. All members are elected from amongst the members of the Board for a one-year term. The tasks and responsibilities of each committee are defined in their charters, which are approved by the Board. The schedule and frequency of committee meetings are determined by the Chair and committee members. Committees meet at least twice a year. Each committee reports regularly on its meetings to the Board. Reports include a summary of the matters addressed and the measures undertaken. Each committee conducts an annual self-evaluation of its performance and submits a report to the Board.

Audit Committee

Under its Charter, the Audit Committee shall consist of a minimum of three Board members that are independent of the Company and its subsidiaries and at least one of whom shall be independent of Neste Oil's major shareholders. Members are required to have sufficient knowledge of accounting practices and the preparation of financial statements and other qualifications that the Board deems necessary. The Audit Committee is permitted to use external consultants and experts when deemed necessary.

Duties

The responsibilities and duties of the Audit Committee are defined in detail in the Charter approved by the Board and cover the following main areas:

- monitoring the Company's financial statement reporting process, and, as appropriate, interim reports
- supervising the financial reporting process
- monitoring the efficiency of the Company's internal control, internal audit, and risk management systems
- reviewing the Company's Corporate Governance Statement, which includes a description of the main features of the internal control and the risk management systems pertaining to the financial reporting process
- monitoring the statutory audit of the Financial Statements and Consolidated Financial Statements
- evaluating the independence of the Company's Statutory Auditor, particularly the provision of related services to the company to be audited
- preparing the proposal or recommendation or resolution on the election of the Statutory Auditor
- reviewing all the material reports produced by the Statutory Auditor addressed to the Company or its subsidiaries
- evaluating the Company's compliance with laws and regulations
- approving internal audit policy and reviewing the annual plan for Internal Audit and internal audit reports, and
- monitoring the Company's financial position.

2013

The Audit Committee until 4 April 2013 comprised Nina Linander (Chair), Michiel Boersma, Laura Raitio, and Hannu Ryöppönen. Starting from 4 April March 2013, the Audit Committee comprised Per-Arne Blomquist (Chair), Michiel Boersma, Laura Raitio, and Kirsi Sormunen.

During 2013, the Audit Committee convened nine times and the attendance rate was 100%. In addition to its normal duties, the Committee concentrated on monitoring and development work regarding financial reporting, risk management, and the investment process, as well as monitoring the management of the market risks associated with the expansion of the Renewable Fuels business. In addition, the Committee conducted a selection process covering the external auditor and provided the full Board with a recommendation thereon.

Personnel and Remuneration Committee

The Personnel and Remuneration Committee consists of the Chair of the Board and at least two non-executive members of the Board.

Duties

The responsibilities and duties of the Personnel and Remuneration Committee are defined in detail in its Charter approved by the Board and cover the following main areas:

- preparing the appointments of key executive personnel and making proposals to the Board on compensation and incentive systems for key personnel
- preparing and proposing to the Board the appointments of the President & CEO and the members of the Neste Executive Board, and the terms and conditions of their employment, and
- monitoring and evaluating the performance of the President & CEO and the members of the Neste Executive Board.

2013

The Personnel and Remuneration Committee until 4 April 2013 comprised Jorma Eloranta (Chair), Maija-Liisa Friman, and Markku Tapio. Starting from 4 April 2013, the Personnel and Remuneration Committee comprised Jorma Eloranta (Chair), Maija-Liisa Friman, and Willem Schoeber.

The Committee convened seven times, and the attendance rate was 100%. In 2013, in addition to the normal duties coming within the scope of its Charter, the Personnel and Remuneration Committee concentrated on discussing, reviewing, and developing the Company's remuneration structures and short- and long-term incentive plans, and monitored the functioning of the latter to ensure that they achieved their objectives and helped improve the Company's performance. The Committee also monitored the talent development and succession planning covering the Company's key personnel and carried out other duties detailed in the remuneration statement.