

KEMIRA OYJ: PROPOSALS OF THE BOARD OF DIRECTORS AND THE NOMINATION BOARD TO THE ANNUAL GENERAL MEETING 2019

Following proposals will be submitted to the Annual General Meeting:

- Proposal for the payment of dividend
- Proposal for the Board of Directors remuneration
- Proposal for the composition of the Board of Directors
- Proposal for the remuneration of the auditor
- Proposal for the election of the auditor
- Proposal for authorizing the Board of Directors to decide on the repurchase of the company's own shares
- Proposal for authorizing the Board of Directors to decide on share issue

Agenda item 8

Proposal for the payment of dividend

Kemira Oyj's Board of Directors proposes to the Annual General Meeting to be held on March 21, 2019 that a dividend of EUR 0.53 per share be paid based on the adopted balance sheet for the financial year which ended on December 31, 2018. The dividend will be paid to a shareholder who is registered in the company's shareholder register maintained by Euroclear Finland Oy on the record date for dividend payment, March 25, 2019. The Board of Directors proposes that the dividend be paid out on April 5, 2019.

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Proposal for the Board of Directors remuneration

The Nomination Board proposes to the Annual General Meeting that the annual fee for the Chairman is increased to EUR 92,000 from EUR 80,000 per year, for the Vice Chairman and the Chairman of the Audit Committee to EUR 55,000 from EUR 49,000 per year and for the other members to EUR 44,000 from EUR 39,000 per year. The annual fees have not been increased since 2015.

The Nomination Board proposes that the fee payable for each meeting of the Board of Directors and the Board Committees would remain unchanged. A fee payable for each meeting would thus be as follows: for the members residing in Finland EUR 600, for the members residing in rest of Europe EUR 1,200 and for the members residing outside Europe EUR 2,400. Travel expenses are proposed to be paid according to Kemira's travel policy.

In addition, the Nomination Board proposes that the annual fee be paid as a combination of the company's shares and cash in such a manner that 40% of the annual fee is paid with the company's shares owned by the company or, if this is not possible, shares purchased from the market, and 60% is paid in cash. The shares will be transferred to the members of the Board of Directors and, if necessary, acquired directly on behalf of the members of the Board of Directors within two weeks from the release of Kemira's interim report January 1 – March 31, 2019.

The meeting fees are proposed to be paid in cash.

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Proposal for the composition of the Board of Directors

The Nomination Board proposes that six members be elected to the Board of Directors and that the present members Wolfgang Büchele, Shirley Cunningham, Kaisa Hietala, Timo Lappalainen, Jari Paasikivi and Kerttu Tuomas be re-elected as members of the Board of Directors.

The Nomination Board proposes that Jari Paasikivi will be re-elected as the Chairman of the Board of Directors and that Kerttu Tuomas will be re-elected as the Vice Chairman.

All the nominees have given their consent to the position.

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Proposal for the remuneration of the auditor

In accordance with the recommendation by the Audit Committee of the Board of Directors of Kemira Oyj, the following proposal is presented by the Board of Directors to the Annual General Meeting to be held on March 21, 2019:

The auditor's fees would be paid based on invoicing approved by the company.

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Proposal for the election of the auditor

In accordance with the recommendation by the Audit Committee of the Board of Directors of Kemira Oyj, the following proposal is presented by the Board of Directors to the Annual General Meeting to be held on March 21, 2019:

Ernst & Young Oy would be elected as the company's auditor with Mikko Ryttilahti, APA, acting as the principal auditor.

The recommendation of the Audit Committee is based on the competitive procurement process of the company's audit in which the company received offers from four Authorized Public Accountants. According to the assessment by the Audit Committee, Ernst & Young Oy fulfils best the predetermined selection criteria, followed by Deloitte Ltd.

The recommendation of the Audit Committee is free from influence by a third party and no clause of the kind referred to in paragraph 6 of the Article 16 of the EU Audit Regulation (537/2014) has been imposed upon it which would restrict the Annual General Meeting's decision making relating to the election of auditor.

Agenda item 14

Proposal for authorizing the Board of Directors to decide on the repurchase of the company's own shares

Kemira Oyj's Board of Directors proposes to the Annual General Meeting to be held on March 21, 2019 that the Annual General Meeting authorizes the Board of Directors to decide upon repurchase of company's own shares ("Share repurchase authorization") under the following terms and conditions:

Maximum number of shares

Under the authorization, the Board of Directors may decide upon repurchase of a maximum of 5,100,000 company's own shares.

Directed repurchase and price paid for the shares

Shares shall be repurchased by using unrestricted equity either through a tender offer with equal terms to all shareholders at a price determined by the Board of Directors or otherwise than in proportion to the existing shareholdings of the company's shareholders in public trading on the Nasdaq Helsinki Ltd (the "Helsinki Stock Exchange") at the market price quoted at the time of the repurchase.

The price paid for the shares repurchased through a tender offer under the authorization shall be based on the market price of the company's shares in public trading. The minimum price to be paid would be the lowest market price of the share quoted in public trading during the authorization period and the maximum price the highest market price quoted during the authorization period.

Shares shall be acquired and paid for in accordance with the Rules of the Helsinki Stock Exchange and Euroclear Finland Oy as well as other applicable regulations.

Purpose of the repurchase

Shares may be repurchased to be used in implementing or financing mergers and acquisitions, developing the company's capital structure, improving the liquidity of the company's shares or to be used for the payment of the annual fee payable to the members of the Board of Directors or implementing the company's share-based incentive plans. In order to realize the aforementioned purposes, the shares acquired may be retained, transferred further or cancelled by the company.

Other terms and validity

The Board of Directors shall decide upon other terms related to share repurchase.

The Share repurchase authorization is valid until the end of the next Annual General Meeting.

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Proposal for authorizing the Board of Directors to decide on share issue

Kemira Oyj's Board of Directors proposes to the Annual General Meeting to be held on March 21, 2019 that the Annual General Meeting authorizes the Board of Directors to decide to issue new shares and transfer company's own shares ("Share issue authorization") under the following terms and conditions:

Maximum number of shares

Under the authorization, the Board of Directors may decide to issue through one or several share issues a maximum of 15,600,000 new shares and transfer a maximum of 7,800,000 company's own shares held by the company.

Share issue for or without consideration

The new shares may be issued and the company's own shares held by the company may be transferred either for consideration or without consideration.

Shareholders' pre-emption right and private placement

The new shares may be issued and the company's own shares held by the company may be transferred:

- to the company's shareholders in proportion to their current shareholdings in the company; or
- by disapplying the shareholders' pre-emption right, through a directed share issue, if the company has a weighty financial reason to do so, such as financing or implementing mergers and acquisitions, developing the capital structure of the company, improving the liquidity of the company's shares or, if it is justified, for the payment of the annual fee payable to the members of the Board of Directors or implementing the company's share-based incentive plans. The directed share issue may be carried out without consideration only in connection with the implementation of the company's share-based incentive plans.

Recognition of the subscription price

The subscription price of new shares shall be recorded to the invested unrestricted equity reserves. The consideration payable for company's own shares shall be recorded to the invested unrestricted equity reserves.

Other terms and validity

The Board of Directors shall decide upon other terms related to the share issues.

The Share issue authorization is valid until May 31, 2020.