

JARI ROSENDAL, PRESIDENT AND CEO
MARCH 24, 2022

CEO Review

ANNUAL GENERAL MEETING 2022

kemira

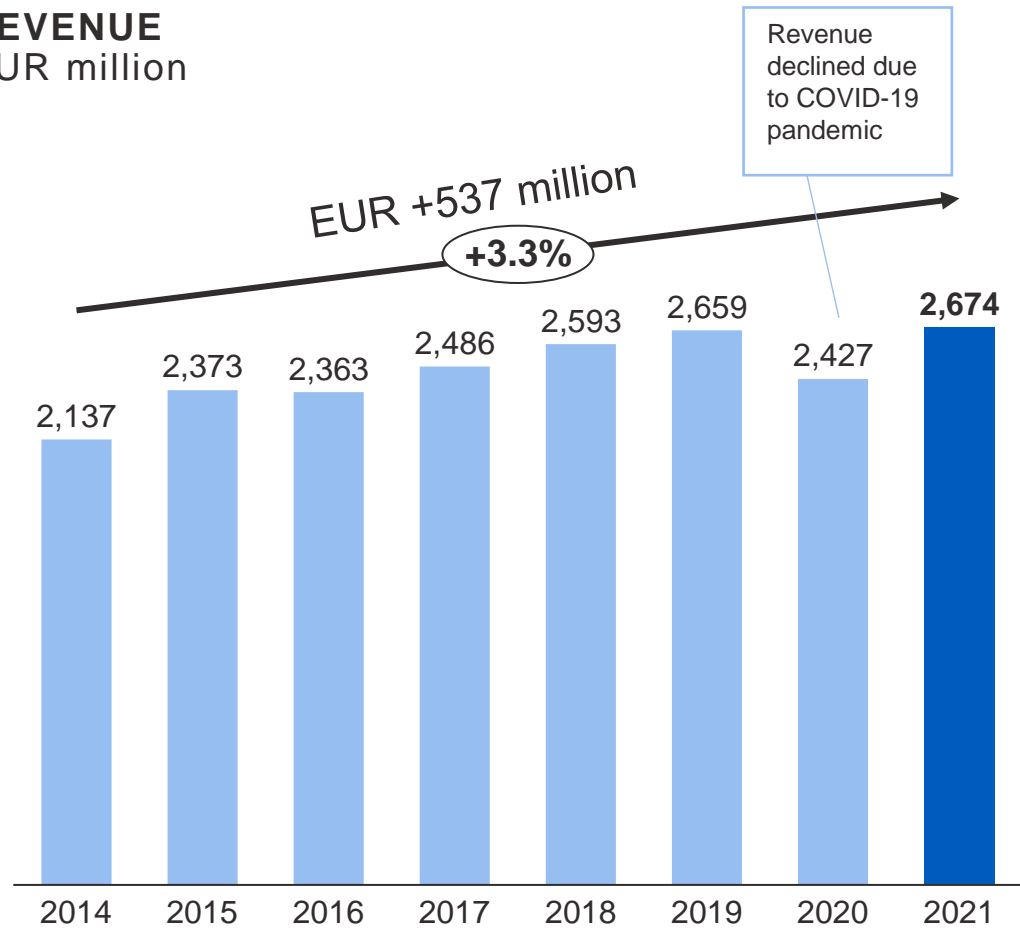
Highlights of 2021

- **Good performance in 2021:** strong organic growth, record revenue, continued good customer satisfaction and employee engagement
- Strong end-market growth in both segments
- Profitability impacted by higher raw material, energy and transportation costs as well as supply chain bottlenecks, all of which are expected to continue in 2022, particularly during H1.
- New manufacturing facilities in South Korea, the U.S and the U.K. completed. New ASA capacity expansion announced in China.
- Smooth operational performance despite very challenging operating environment

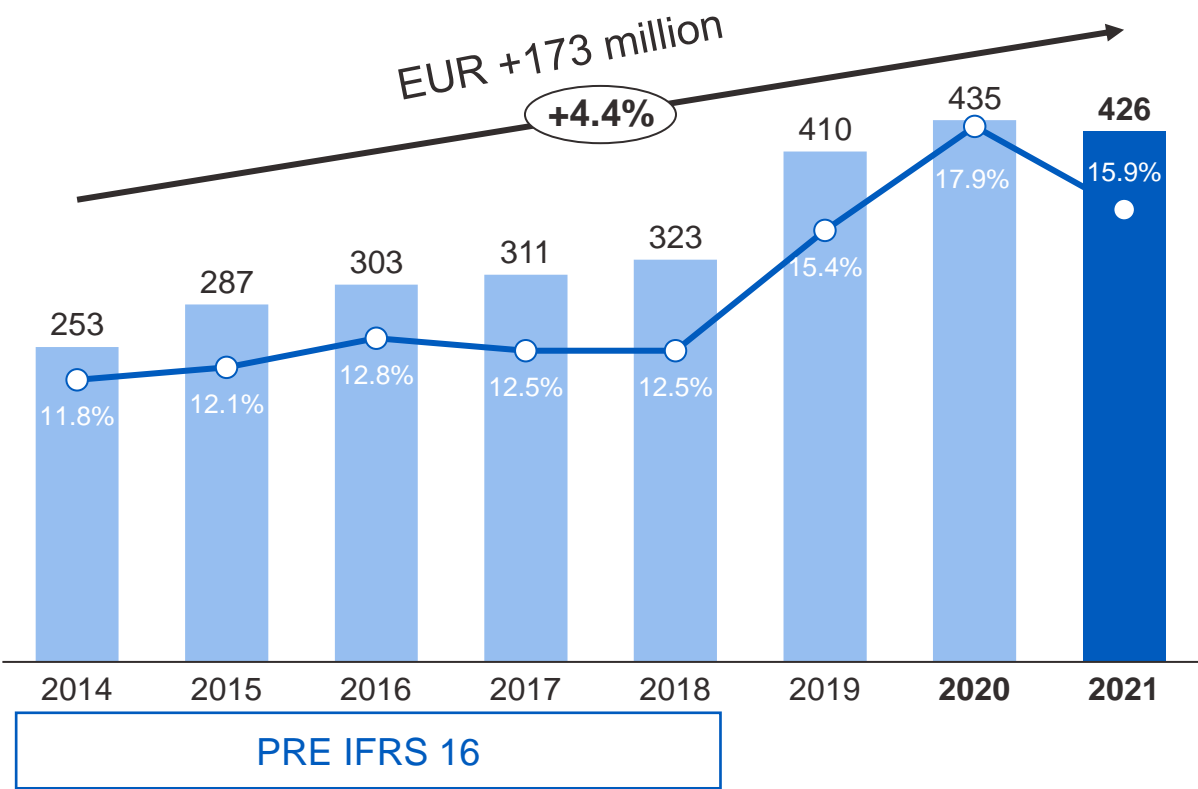


Good profitability improvement track record

REVENUE
EUR million



OPERATIVE EBITDA
OPERATIVE EBITDA MARGIN
EUR million



Good results in customer satisfaction and employee engagement

Customer satisfaction at record high level

- Positive feedback on reliable operations and delivery capability during the COVID-19 pandemic

Employee engagement

- Above industry benchmark



* Promoter customers (very loyal) – Detractor customers (unhappy),
Scale: 0-19 Satisfactory, 20-39 Good, 40+ Excellent.

Income statement (IFRS)

EUR million	2021	2020
Revenue	2,674.4	2,427.2
Other operating income	5.9	4.0
Operating expenses	-2,306.7	-2,017.9
Depreciations, amortizations and impairments	-203.1	-197.4
Operating profit	170.1	215.9
Finance costs (net)	-26.7	-34.9
Share of profit or loss of associates	-0.5	0.0
Profit before tax	143.3	181.0
Income taxes	-28.2	-43.0
Net profit for the period	115.2	138.0
Equity owners of the parent	108.1	131.3
Non-controlling interests	7.1	6.7
Earnings per share for net profit attributable to the equity owners of the parent company (EUR per share)	0.70	0.86

Pulp & Paper – Strong revenue growth driven by good demand

Market environment in 2021

- Strong demand in pulp, board and tissue; recovery in printing and writing demand

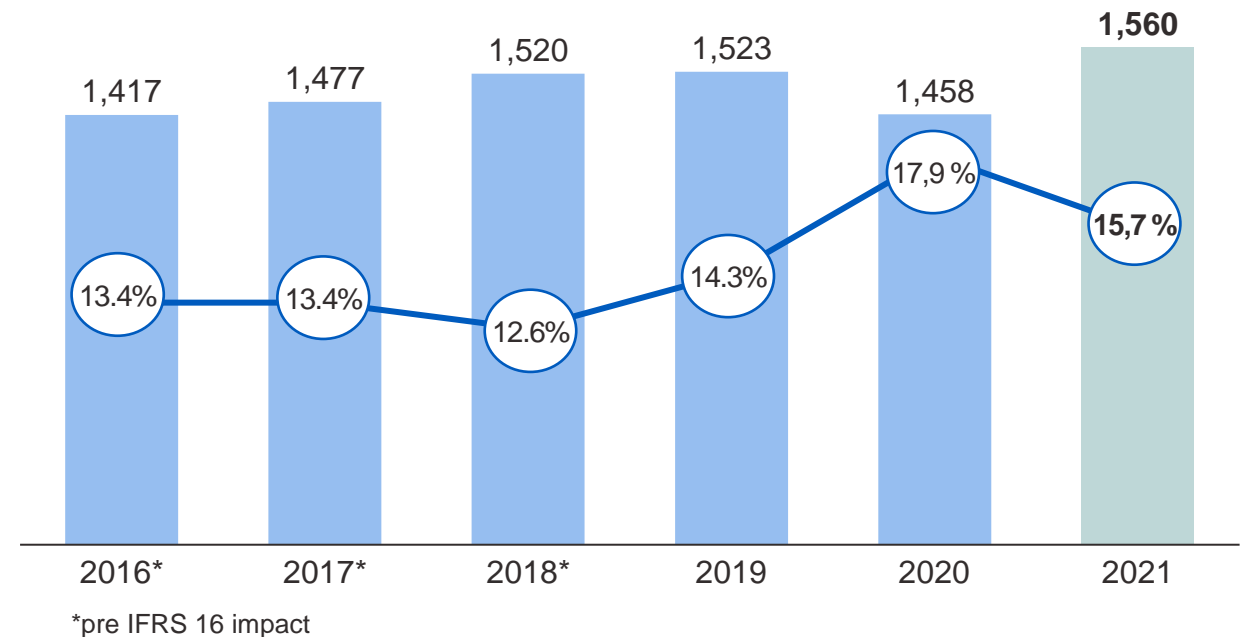
Organic growth in 2021: +8%

- Sales volumes and prices increased, pricing impact stronger towards the end of the year
- Organic growth driven by strong demand across customer segments and geographic regions. Organic growth driven by pricing in H2.

Operative EBITDA margin in 2021: 15.7%

- Higher raw material and energy prices impacted margin with pressure more pronounced towards the end of the year

REVENUE AND OPERATIVE EBITDA MARGIN
EUR MILLION



Industry & Water – Strong organic growth driven by Oil & Gas in particular

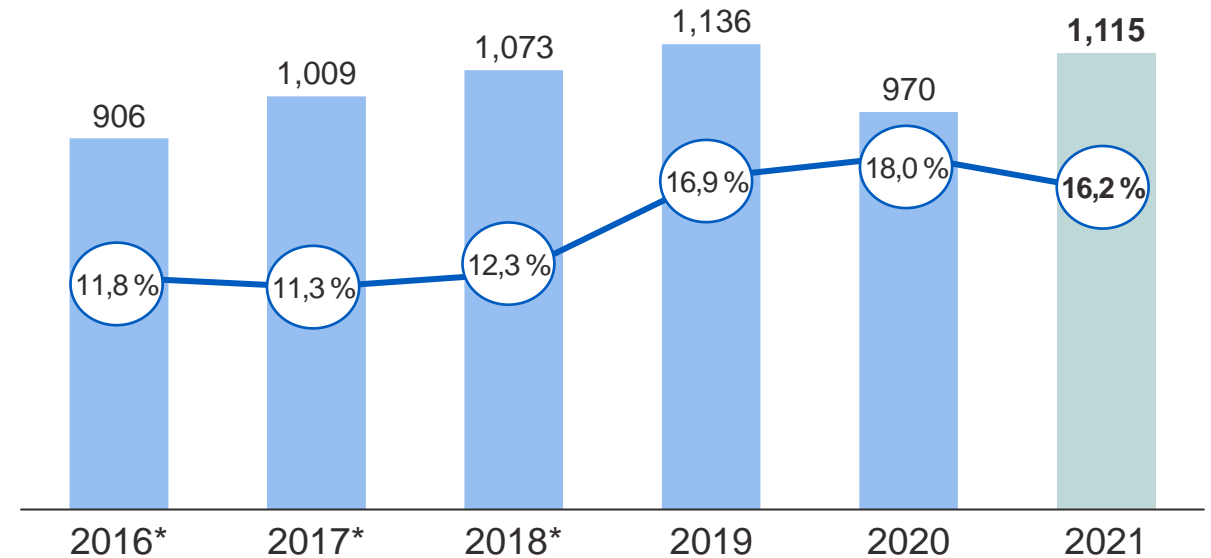
Market environment in 2021

- Water treatment: Good demand in both municipal and industrial water treatment
- Oil & Gas: overall demand grew, shale demand continued to improve throughout the year

Organic growth 2021: +16 %

- Sales volumes and sales prices increased. Organic growth driven by pricing in H2.
- Organic growth excluding Oil & Gas +8% in 2021. Oil & Gas organic growth 58% in 2021
- **Operative EBITDA margin 2021: 16.2%**
- Higher raw material and energy prices impacted margin
- Oil & Gas profitability improved; further improvement needed

REVENUE AND OPERATIVE EBITDA MARGIN EUR MILLION



*pre IFRS 16 impact

2016 figures are pro forma; combination of Municipal & Industrial and Oil & Mining segments

Dividend proposal for financial year 2021

- Kemira Oyj distributable funds were EUR 475.4 million on December 31, 2021
- The Board of Directors proposes to increase the dividend to EUR 0.58 per share (totaling EUR 89 million)
- The dividend is proposed to be paid in two installments. Preliminary payment dates would be April 7, 2022 and November 3, 2022. The Board of Directors will decide the record date and the payment date for the second installment at its meeting in October.



We continued to invest in R&D in 2021

**250
EXPERTS**

IN 3 R&D CENTERS
ATLANTA, ESPOO, SHANGHAI

We innovate together with our customers to improve water, energy and raw material efficiency.

Research and development expenses totaled EUR 28 million in 2021.

Kemira

382

PATENT FAMILIES

OVER

1,900

GRANTED PATENTS

INITIATED PATENTING
OF

36

NEW INVENTIONS

18

NEW PRODUCT
LAUNCHES

Our path towards 500 MEUR biobased revenue is progressing

Revenue of biobased products in 2020 (target baseline): EUR 100 million



CURRENT PORTFOLIO

Boost the sales of commercially available biobased products

PRODUCT CONVERSION

Convert current products to biobased through change of raw material and feedstock

NEW BIOBASED CHEMISTRIES

New products based on new chemistries

EXPLORATION

Longer-term biobased product opportunities through collaborations and exploration of new growth opportunities

Sustainability highlights 2021

KEY PERFORMANCE INDICATORS:

SAFETY

TRIF* 1.5 by 2025
and 1.1 by 2030

Slight setback in safety
performance; TRIF was
2.7

PEOPLE

Reach top 10% cross
industry norm for Diversity
& Inclusion by 2025

Employee engagement
is high at **78** and above
industry benchmark

WATER

Reach Leadership level in
water management by
2025 measured by CDP
Water Security scoring
methodology

New water-related
sustainability target
introduced as of 2022

CIRCULARITY

Reduce waste intensity by
15% by 2030

Biobased products
>500 million EUR revenue
by 2030

Share of recycled raw
materials increased to
38% (28% in 2020)

CLIMATE

Scope
1&2 emissions -30%
by 2030 compared to 2018
baseline

Share of renewable
energy increased to
31% of total
purchased energy
(30% in 2020)

*TRIF = total recordable injury frequency, Kemira + contractors, year-to-date

KEMIRA PURPOSE

Chemistry with a purpose. Better every day.

Our purpose shows the difference we make.
Every day since 1920

Chemistry has made an enormous impact on the progress and quality of human life. Since our foundation in 1920, we have recognized and honored the fact that with this kind of ability comes great responsibility.

We develop and apply chemistry to optimize water management and the ways natural resources are used and recycled. We advance people's everyday health and safety and constantly improve our customers' processes – enabling their sustainable business.

All this we call **chemistry with a purpose**. We make sure it is always applied in a reliable, responsible and a safe way for our employees, our customers, and the society.

Through chemistry with a purpose, we are creating a **better every day** for us all, while becoming better at what we do, every day.

Key operative focus areas for 2022

- Increased focus on profitable growth; continue to progress biobased strategy
- Ensure delivery reliability in a volatile market environment; to mitigate impacts from inflationary pressures
- Ensure operational agility in order to capture strong market demand; maintain high customer satisfaction
- Gradual return to normality depending on COVID-19 pandemic development; focus on employee and stakeholder safety
- Construction of new manufacturing capacity in China and Uruguay
- Monitoring of the Russia / Ukraine war; controlling and mitigating related risks



kemira

Where water
meets chemistry™