

SERGEJ TOEWS
VICE PRESIDENT STRATEGY, INDUSTRY & WATER

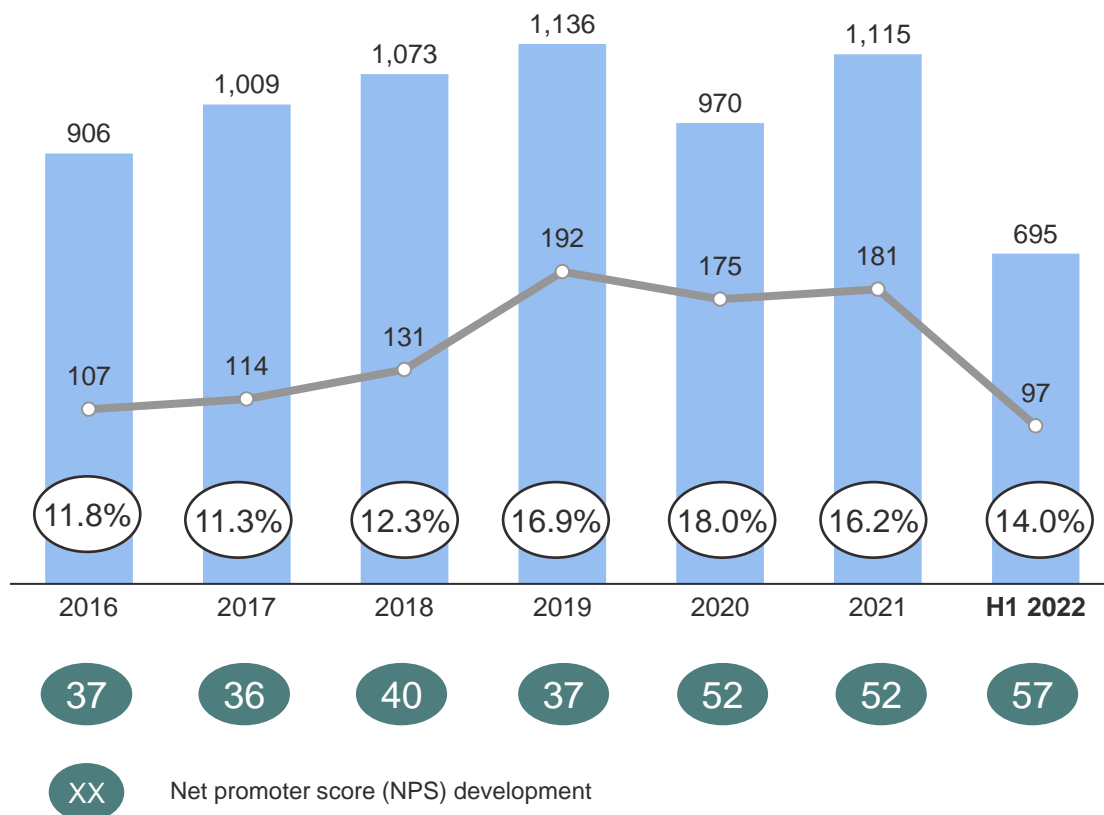
Industry & Water: Accelerating sustainable growth in water

CAPITAL MARKETS DAY
SEPTEMBER 13, 2022

kemira

Steady progress supported by high customer satisfaction

REVENUE, OPERATIVE EBITDA AND OPERATIVE EBITDA MARGIN DEVELOPMENT



1. BUSINESS FUNDAMENTALS:

Strong demand for our products
Increasing frequency of pricing checkpoints in contracts

2. RECENT GROWTH INVESTMENTS:

Accelerating sales from production capacity expansions
Goole, UK
Mobile, US

3. ENGAGEMENT SCORES:

Customers highly value our delivery reliability and application expertise ensuring:

- Safe drinking water and effluent treatment
- Reliable and efficient energy production

Increased production capacity to support growth

MOBILE, US

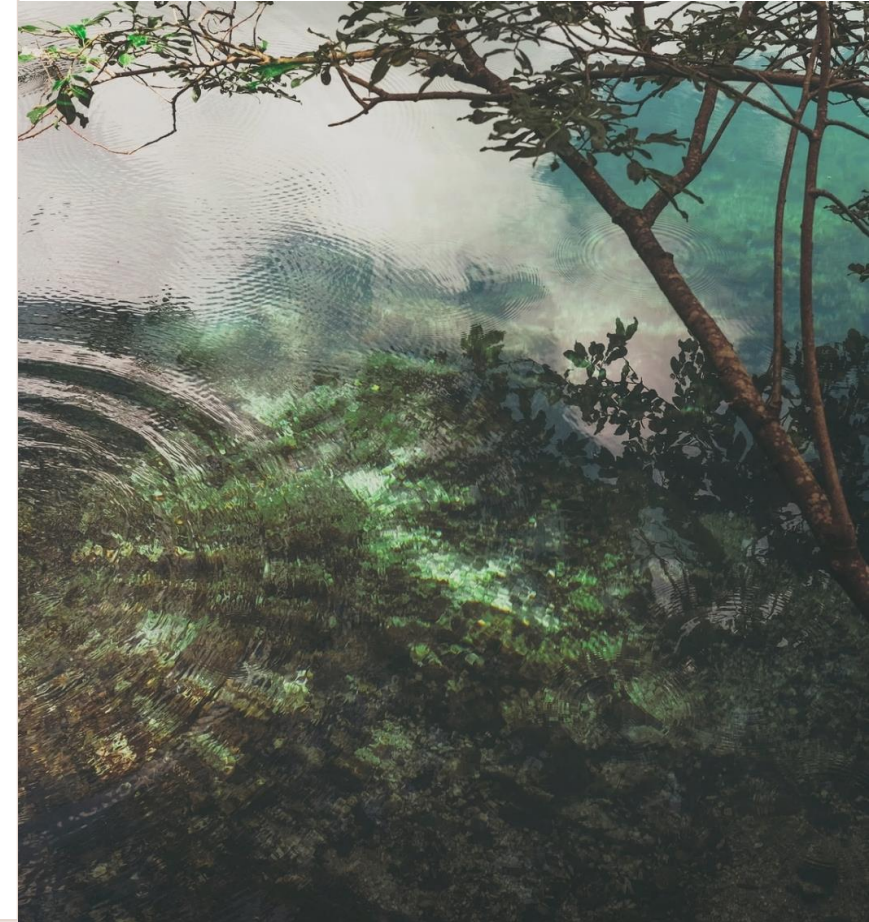
- State-of-the art facility for production of bio-AMD and emulsion polymers
- Supporting the US energy market in efficient shale Oil & Gas production to supply global energy needs
- Completed in Q2 2021

INVESTMENT AROUND EUR 70 MILLION

GOOLE, UK

- Significant expansion of our existing iron coagulant production
- Ensuring sufficient supply and enabling new UK regulation implementation towards lower phosphorous limits
- A leading supplier for water treatment products in the UK and across Europe
- Completed in Q3 2021

INVESTMENT AROUND EUR 7 MILLION



Solid water treatment performance in H1 2022

WATER TREATMENT 1-6 2022

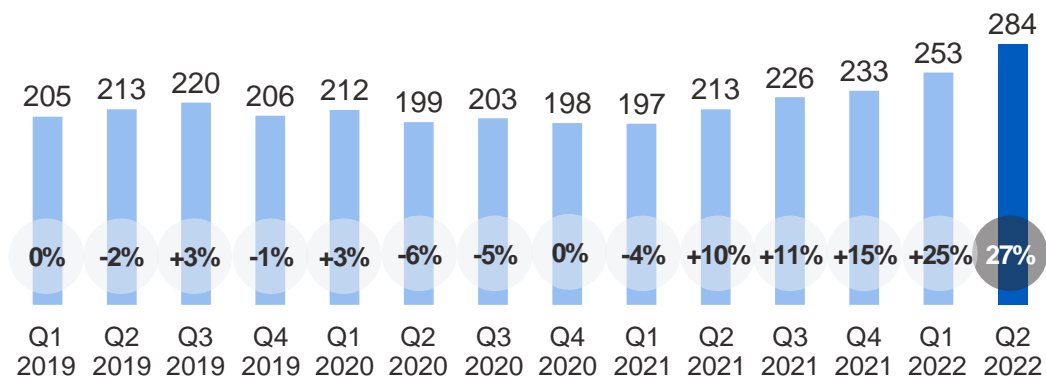
Revenue: continued solid demand in both municipal and industrial water treatment; revenue growth mostly driven by higher sales prices

Profitability: solid profitability; work under way to further shorten pricing checkpoints

WATER TREATMENT REVENUE AND ORGANIC GROWTH

2019 - 1-6 2022

EUR million



OIL & GAS 1-6 2022

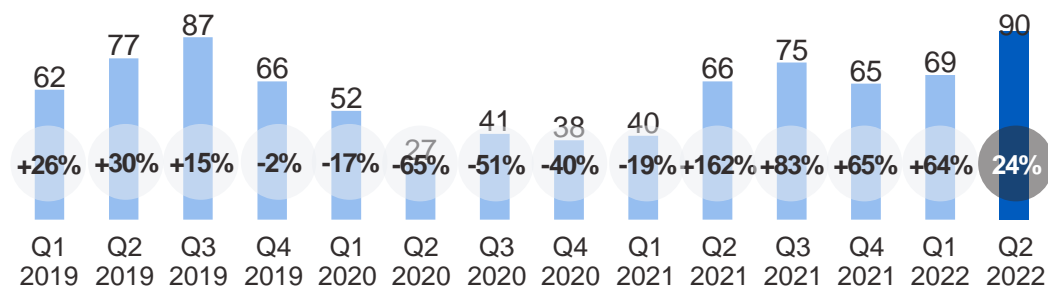
Revenue: CEOR and oil sands tailings remained solid. Shale has grown but slower than originally expected, particularly in Q2 2022.

Profitability: actions being implemented to further improve profitability

OIL & GAS REVENUE AND ORGANIC GROWTH

2019 - 1-6 2022

EUR million



**Reliable and
efficient Water
and Energy
supply are
essential for
the society**



We are a key enabler for reliable and efficient water treatment & hydrocarbon production

WATER TREATMENT

- Compliance with increasing regulations in wastewater and drinking water treatment quality
- Energy intensity reduction in water treatment processes
- Energy yield increase in biogas production

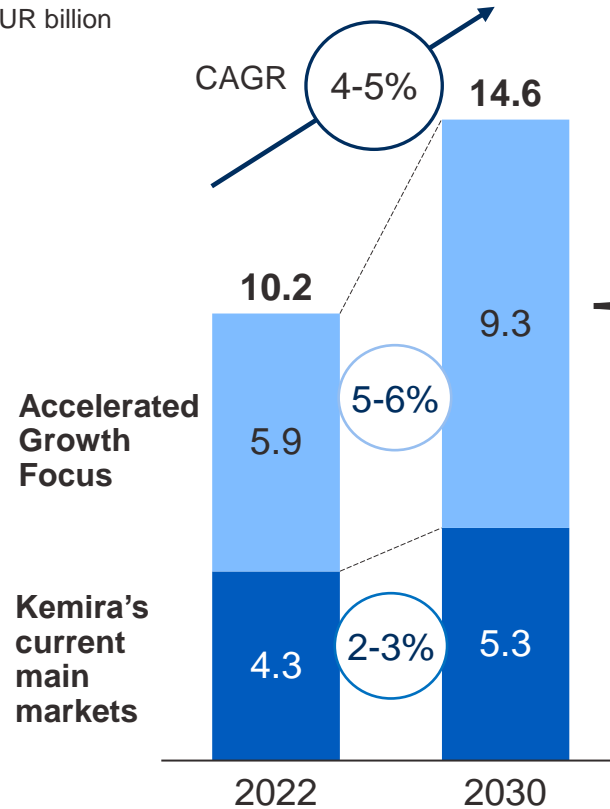
OIL & GAS

- CO₂ footprint reduction in hydrocarbon production
- Energy security and independence
- Fresh water consumption reduction in hydrocarbon production

Trends in water treatment provide solid opportunities for sustainable growth

Relevant water treatment products & solutions market

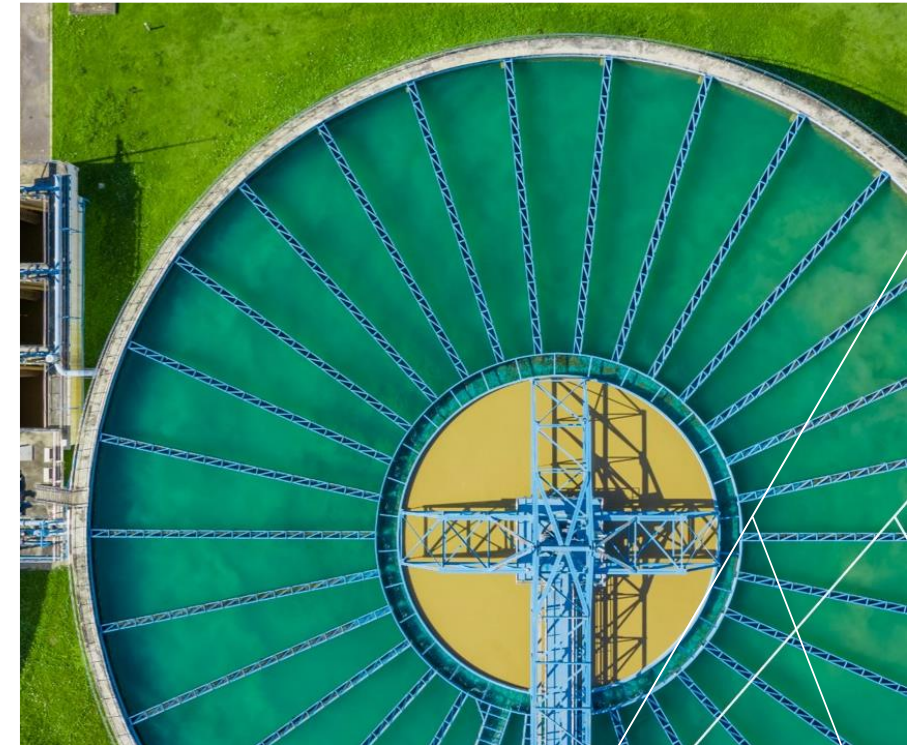
EUR billion



Relevant market trend and expected growth

- 8-9% Energy efficiency in water treatment processes
- 6-7% Phosphorous recovery and reuse regulations and geopolitical independence
- 5-6% Micropollutants removal
- 5-6% APAC water treatment standards
- 2-3% Continuously tightening water treatment regulations and standards

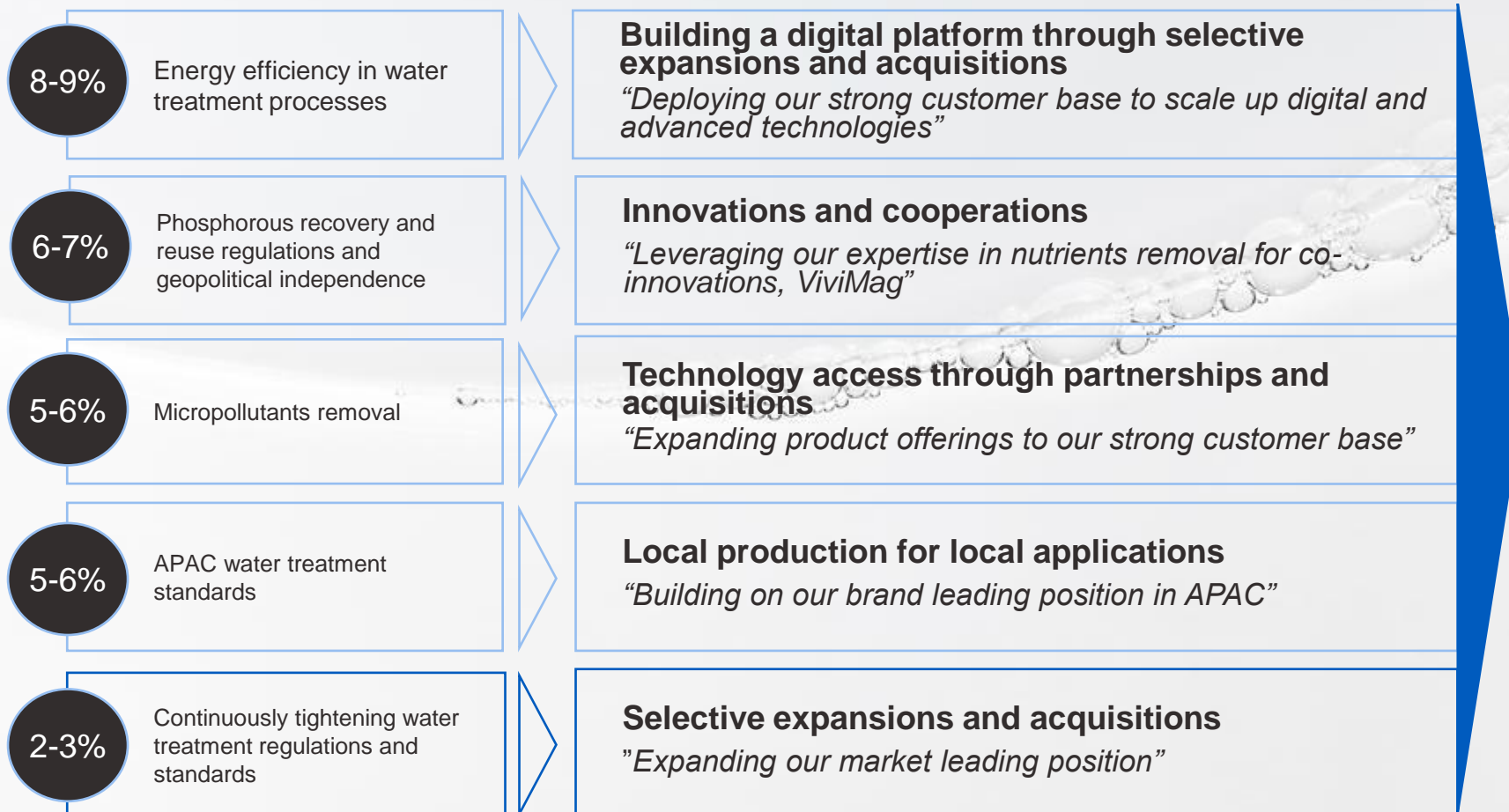
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We are accelerating our investments in water

Relevant market trend and expected growth

I&W strategic growth road map in execution



Accelerated growth investments

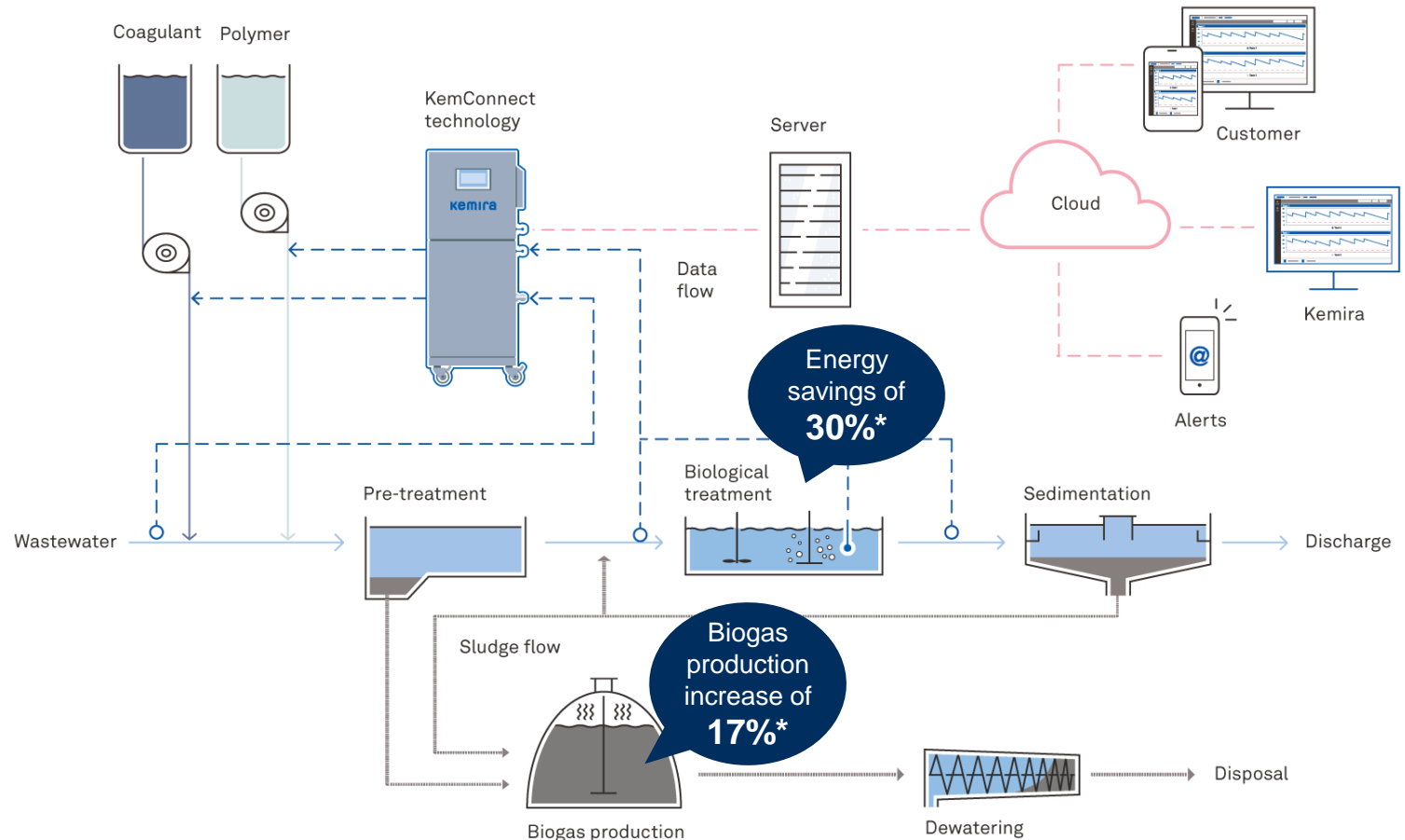
& Acquisitions
Innovation
Organic expansions

Our advanced digital water treatment solutions address one of the most critical trends in the water industry: energy reduction

Recently commercialized
KemConnect™ PT solution for
municipal wastewater treatment
enabling:

- energy savings of up to 30%
- biogas production increase of up to 20%*

Digital platform with KemConnect™ PT application



Our Oil & Gas customers focus on energy security, efficiency and CO₂ reduction from operations

Recent drivers in the Oil & Gas industry

CO₂ REDUCTION IN OIL & GAS PRODUCTION

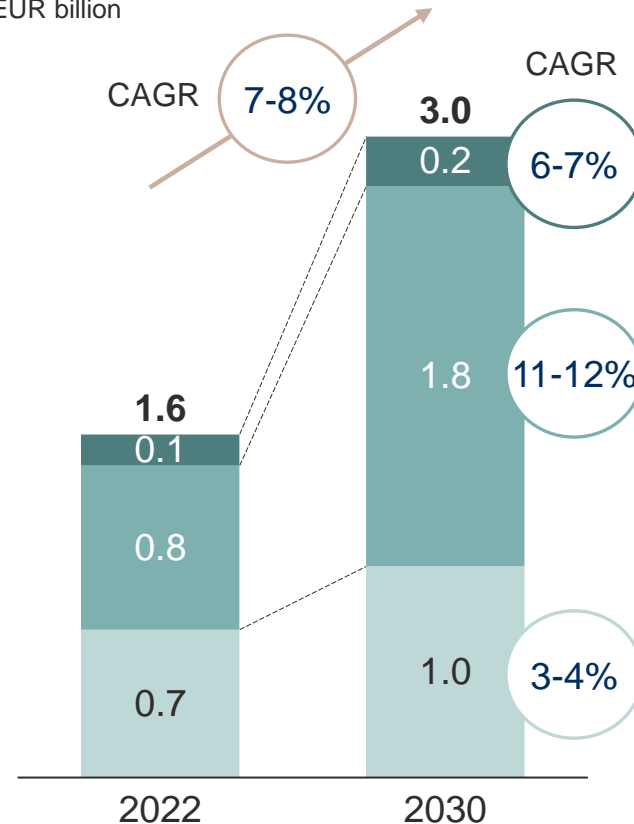
- Key strategic target of major Oil & Gas companies

ENERGY SECURITY AND INDEPENDENCE

- Increased priority for governments following geopolitical tensions and war in Ukraine

Relevant Oil & Gas products & solutions market

EUR billion



Relevant market developments

Tailings Water Treatment in Oil Sands

- Executing on Tailings Treatment obligation plans regulated by the government

cEOR (Chemically Enhanced Oil Recovery)

- Accelerating new cEOR projects to secure energy independence and reduce CO₂ footprint
- Long-term stability in ongoing production

Shale Oil & Gas

- Recovering from COVID downcycle
- Supplying energy demand from US and Europe

Our products are essential in mitigating environmental impact and reducing cost in Oil & Gas energy production



Tailings Water Treatment in Oil Sands

Enabling the restoration of natural landscape after oil sands operations

cEOR (Chemically Enhanced Oil Recovery)

CO₂ footprint in mature fields **50-60%** lower vs. alternative unconventional methods

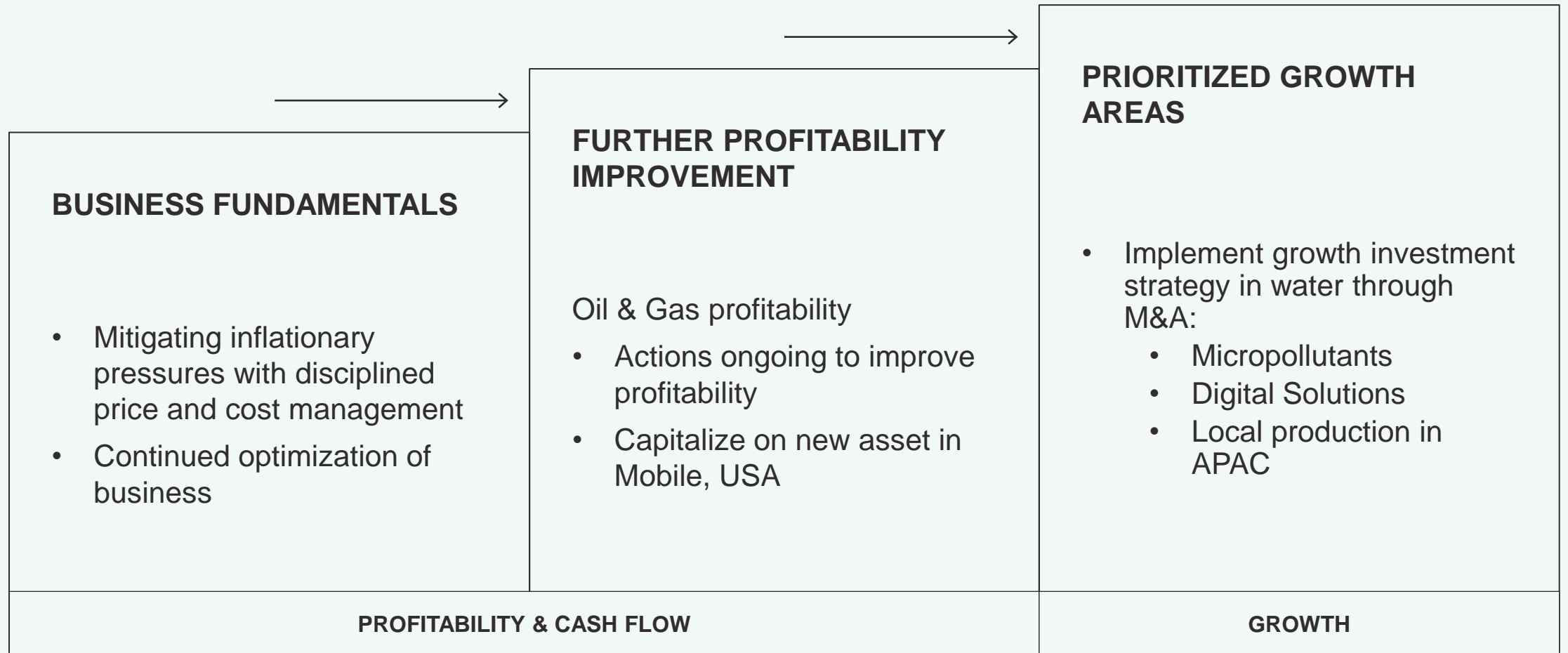
Reduced water needs by **70-80%** per barrel compared to steam or water floods

Shale Oil & Gas

CO₂ footprint reduction by **40-70%** per barrel compared to non-polymer products

Fresh water reduction of up to **100%**, and less produced water to dispose of

Accelerating sustainable growth in water



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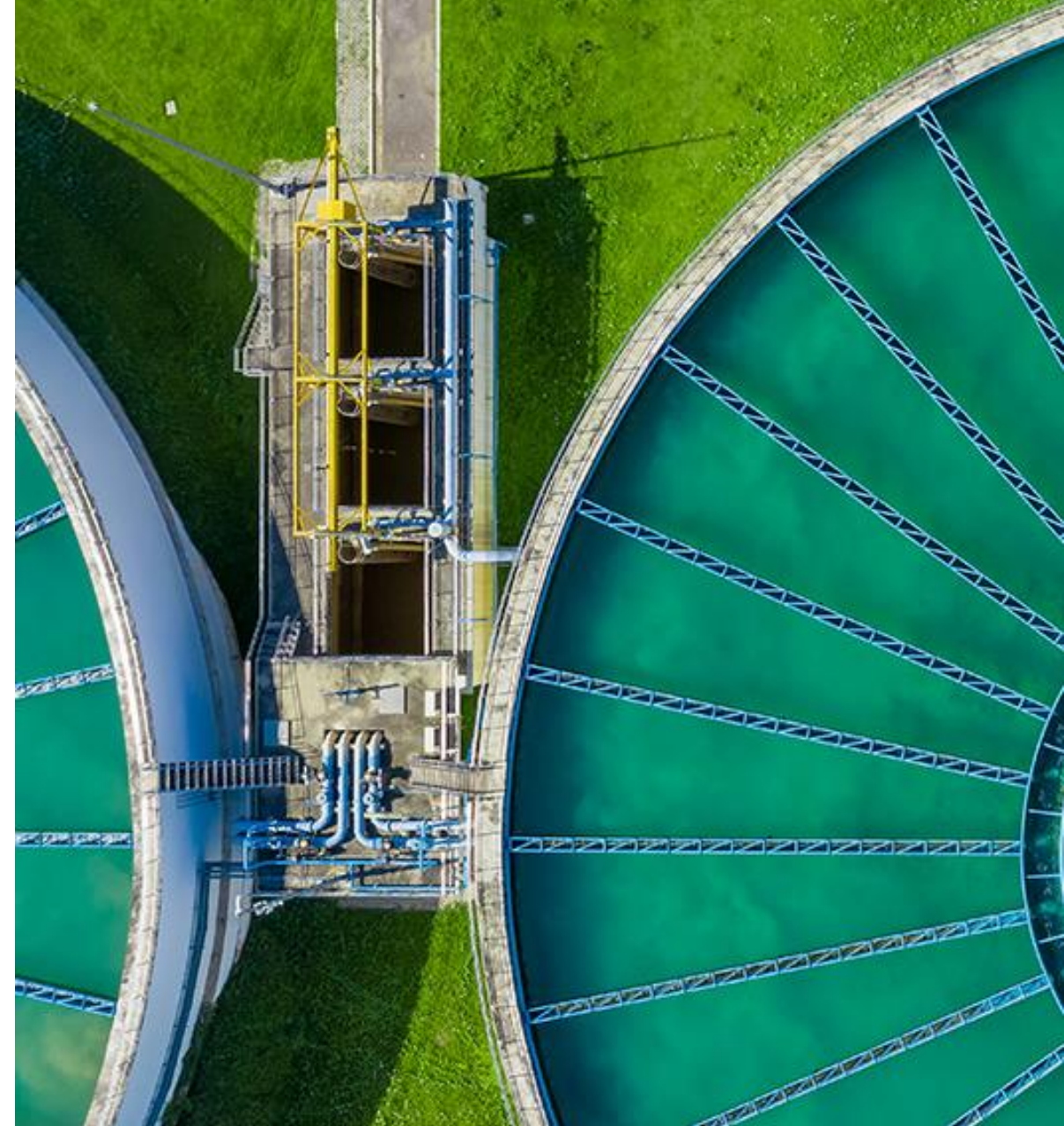
Chemistry with a purpose.
Better every day.

Appendix



We have strong positions particularly in EMEA water treatment

	MARKET POSITION	MARKET OUTLOOK
EMEA		
Water treatment ^{1,2)}	#1	↗
NORTH AMERICA		
Water treatment ¹⁾	#2	↗
APAC		
Water treatment ²⁾	Top 10	↗
OIL & GAS		
CEOR ²⁾	Top 5	↗
Shale ²⁾	#2	↗
Oil Sands Tailings ²⁾	#1	↗



Upcoming changes in European water treatment regulation

	COMMENTS & IMPLICATIONS
 Urban Wastewater Treatment Directive (UWWT)*	<ul style="list-style-type: none"> • Basis for wastewater treatment business in Europe • Target to better enforce existing legislation in all countries • Other potential improvement areas: energy efficiency and micropollutants control • Revised directive will increase use of coagulants and polymers in non-compliant countries • New regulation expected to be fully operational in late 2025
 Water Framework Directive (WFD)	<ul style="list-style-type: none"> • Regulation evaluated to be fit for purpose and won't be opened for changes
 Drinking Water Directive (DWD)	<ul style="list-style-type: none"> • Only minor changes with small impact: <ul style="list-style-type: none"> – New tighter limits for Lead and Chromium in drinking water • New directive entered in force in January 2021, and Member States will have two years to transpose it into national legislation.
 Water Reuse regulation	<ul style="list-style-type: none"> • New EU wide regulation (no additional national implementation required) defining minimum quality standards for water reuse in agriculture • The regulation does not incentivize increased water reuse, however clear quality standards are hoped to boost water reuse • The new Regulation will apply from 26 June 2023 and are expected to stimulate and facilitate water reuse in the EU

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