

JARI ROSENDAL
PRESIDENT & CEO

CEO Review

ANNUAL GENERAL MEETING 2023

kemira

Kemira's Management Board



JARI ROSENDAL
President and CEO
With Kemira since 2014



PETRI CASTRÉN
CFO
With Kemira since 2013



ANTTI SALMINEN
President
Pulp & Paper
With Kemira since 2011



MATTHEW PIXTON
CTO
With Kemira since 2016



EEVA SALONEN
EVP, Human Resources
With Kemira since 2008



WIDO WAELPUT *
Interim President
Industry & Water
With Kemira since 2014



ESA-MATTI PUPUTTI
EVP, Operational
Excellence & Sustainability
With Kemira since 2015



JUKKA HAKKILA
Group General Counsel
With Kemira since 2005
(Secretary of the Board of
Directors and the Management
Board)

On February 1, 2023 Kemira announced that Linus Hildebrandt will join Kemira and the Management Board in June 2023 as EVP, Strategy

* On March 21, 2023 Kemira announced that Tuija Pohjolainen-Hiltunen has been appointed as President, Industry & Water -segment as of May 1, 2023.

2022 – Kemira's best year so far



2022 highlights

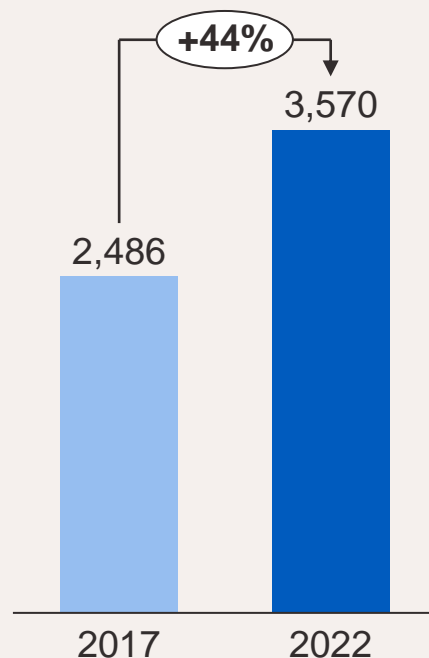
- **Record year for Kemira:** record-high revenue and operative EBITDA, continued improvement in customer satisfaction and employee engagement
- Smooth operational performance despite volatile operating environment. Deliveries to Russia and Belarus discontinued on March 1.
- Strategic focus on profitable growth: new Growth Accelerator unit established to accelerate commercialization of biobased products and other new technologies
- Commitment to Science Based Targets Initiative (SBTi) with new ambitious climate target set for Scope 1 and Scope 2 emissions



We are a fundamentally stronger company

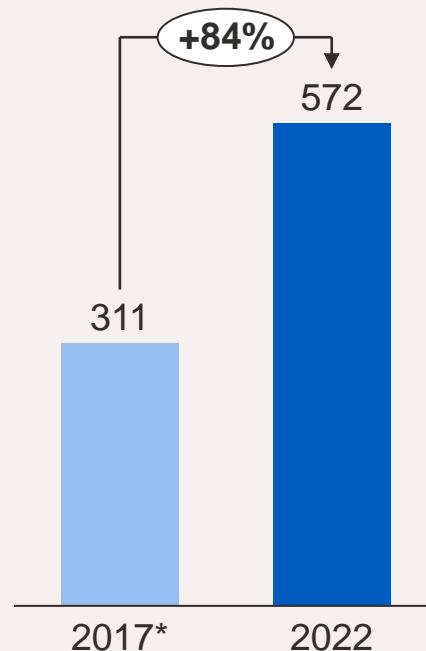
REVENUE

EUR million



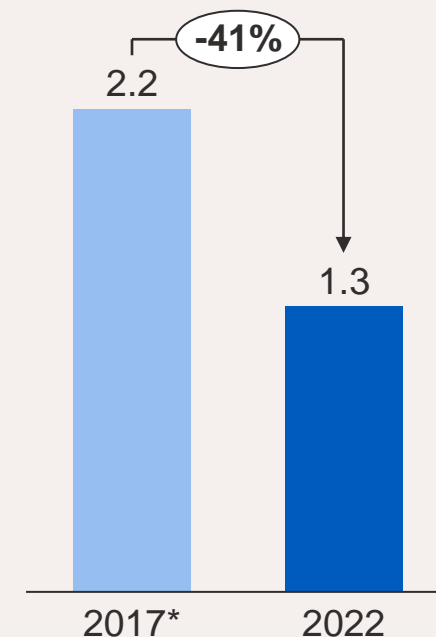
OPERATIVE EBITDA

EUR million



LEVERAGE RATIO

Net debt / operative EBITDA



*pre IFRS-16 figures

Customer satisfaction and employee engagement have continued to improve

NET PROMOTER SCORE

53

(30 in 2017)

EMPLOYEE ENGAGEMENT

79

(71% favorable in 2018*)

Financial highlights of 2022

Record-high revenue in 2022

- Revenue growth driven by higher sales prices, particularly in energy-intensive pulp and bleaching chemicals, including caustic soda. Sales volumes declined.
- Organic revenue growth +27% in 2022

Record-high operative EBITDA in 2022, exceptionally strong Q4

- Improvement in both Pulp & Paper and Industry & Water
- Unprecedented inflationary pressures in 2022, pace moderated towards the end of the year
- H2 impacted by high market prices of pulp and bleaching chemicals, particularly caustic soda

Strong cash flow from operations

EUR million
(except ratios)

	2022	2021	Δ%
Revenue	3,569.6	2,674.4	+33%
Operative EBITDA	571.6	425.5	+34%
of which margin	16.0%	15.9%	-
Operative EBIT	361.6	225.4	+60%
of which margin	10.1%	8.4%	-
Net profit	239.7	115.2	+108%
EPS diluted, EUR	1.50	0.70	+114%
Cash flow from operating activities	400.3	220.2	+82%
Dividend per share, proposal by the BoD, EUR*	0.62	0.58	+7%

Pulp & Paper: Record year

Market environment in 2022

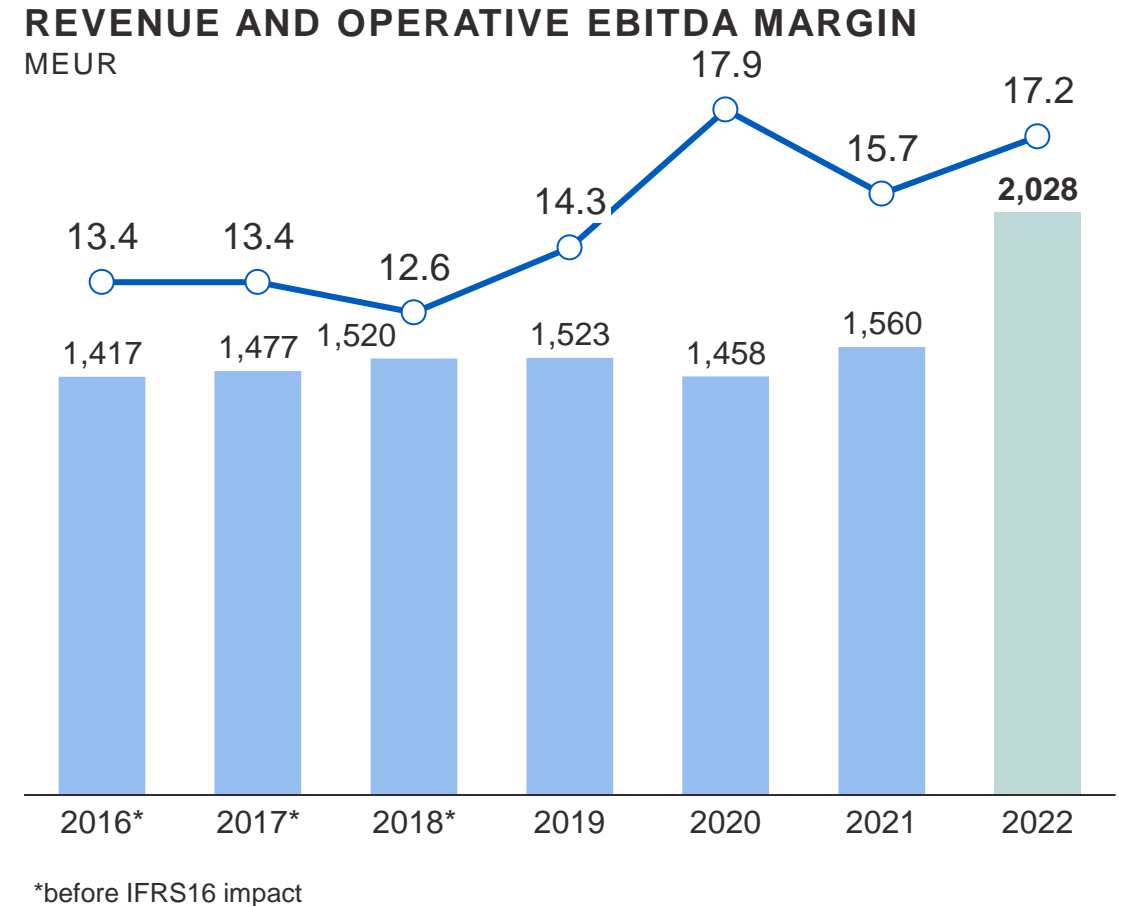
- Volume demand started to slow down in H2, particularly in Central Europe and China. Some production curtailments and shutdowns of customers in Central Europe due to high energy prices.

Organic growth 2022: +24%

- Organic growth driven by higher sales prices, particularly in energy-intensive pulp and bleaching chemicals, especially caustic soda
- Sales volumes declined particularly in H2 following slowdown in demand and Kemira's exit from Russia

Record-high operative EBITDA

- 2022: Operative EBITDA margin improved to 17.2% driven by higher market prices for energy-intensive pulp and bleaching chemicals, particularly caustic soda



Industry & Water: Strong ending to 2022

Market environment in 2022

- Water treatment: good demand in both municipal and industrial water treatment. Some softening in industrial demand towards year-end.
- Oil & Gas: shale market grew supported by high oil prices. Solid demand in oil sands tailings and higher demand for CEOR*.

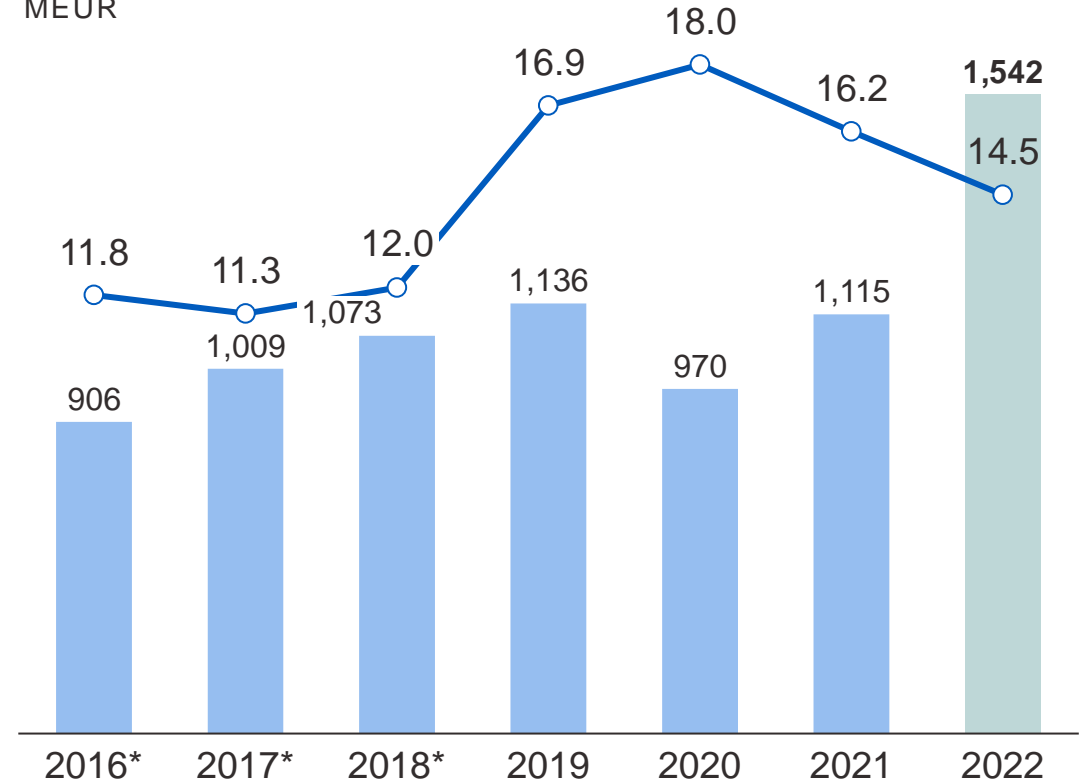
Organic growth 2022: +31%

- Organic growth driven by higher sales prices. Sales volumes increased in Oil & Gas.
- 2022 revenue in water treatment increased by +34%, in Oil & Gas +54%

Record-high operative EBITDA

- Good profitability in water treatment and improvement in Oil & Gas margins compared to 2021
- Operative EBITDA margin declined to 14.5% in 2022

REVENUE AND OPERATIVE EBITDA MARGIN
MEUR



*before IFRS16 impact

2016 figures are pro forma; figures combined from two segments (Municipal & Industrial and Oil & Mining).

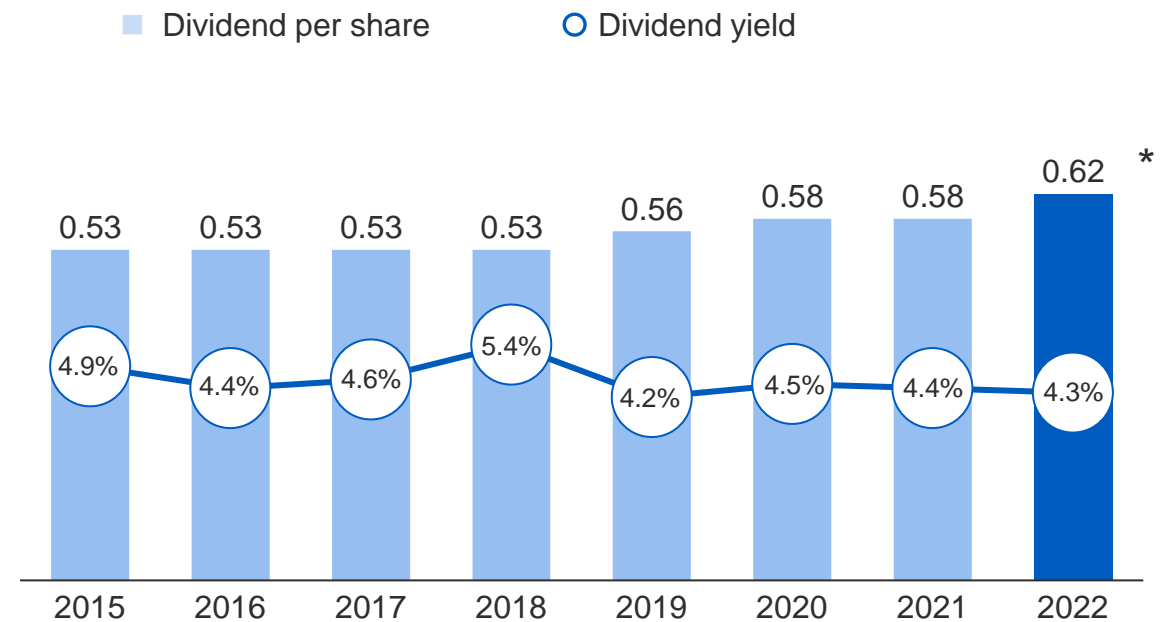
*CEOR= chemical enhanced oil recovery

Balance sheet

EUR million	2022	2021
Goodwill	511	514
Other intangible assets	61	67
Property, plant and equipment and right-of-use assets	1,226	1,199
Shares and other non-current assets	524,9	376
Inventories	434	352
Receivables	623	489
Cash and cash equivalents	251	142
Total assets	3,651	3,139
Equity	1,685	1,343
Interest-bearing liabilities (includes EUR 149 million of lease liabilities)	1,071	1,006
Interest-free liabilities	895	791
Tital equity and liabilities	3,651	3,139

Dividend proposal for 2022

- Kemira Oyj's distributable funds on December 31, 2022 were EUR 702.8 million euroa
- Board of Directors proposes to the AGM a dividend of EUR 0.62 per share, totaling EUR 95 million.
- The dividend is proposed to be paid in two installments. Preliminary payment dates April 5, 2023 and November 2, 2023. The Board of Directors will confirm the record and payment date of the second installment at its meeting in October.



Dividend yield has been calculated using the share price at year-end.

*Board of Directors' proposal to the AGM 2023

We continued to invest in R&D in 2022

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

Research and development expenses totaled EUR 33.4 million in 2022.

250
EXPERTS

IN 3 R&D CENTERS
ATLANTA, ESPOO, SHANGHAI

382

PATENT FAMILIES

OVER

1,900

GRANTED
PATENTS

INITIATED PATENTING
OF

36

NEW INVENTIONS

18

NEW PRODUCT
LAUNCHES

Sustainability highlights 2022

KEY PERFORMANCE INDICATORS:

SAFETY

TRIF* 1.5 by 2025
and 1.1 by 2030

Safety performance
(TRIF 2.6) improved
slightly compared to
2021

PEOPLE

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

Several Diversity &
Inclusion initiatives
during 2022, such as
new employee resource
groups

WATER

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

Kemira was rated B by
CDP's water security
scoring methodology

CIRCULARITY

Reduce waste intensity by
15% by 2030 compared to
2019 baseline

Biobased products
>500 million EUR revenue
by 2030

New Growth
Accelerator unit
launched during 2022 to
accelerate
commercialization of
biobased products

CLIMATE

Scope
1&2 emissions -50%
by 2030 compared to 2018
baseline

SBTi commitment
signed during Q2 2022,
new more ambitious
target set for scope 1
and 2 emissions

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











Profitable growth remains our strategic focus



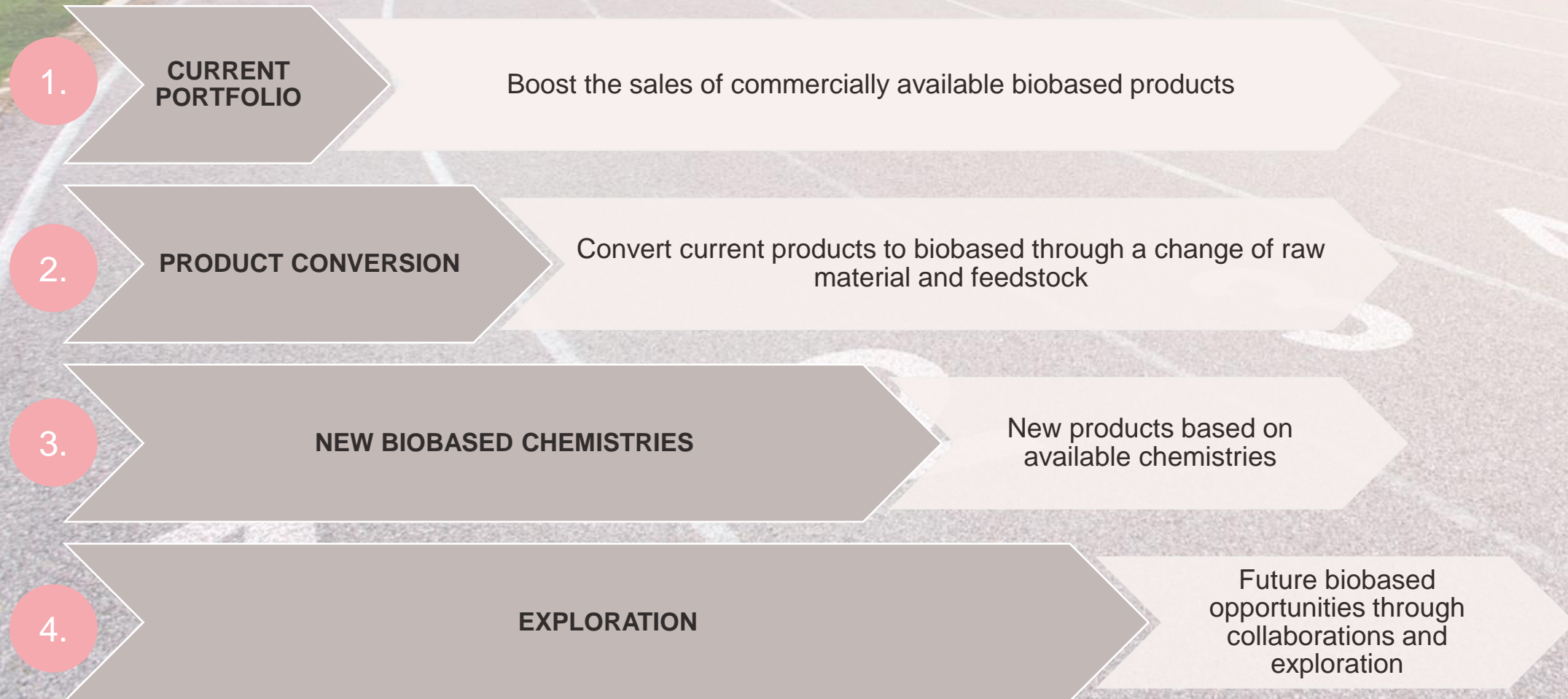
Our next steps for profitable growth



Our two businesses provide a healthy balance of growth opportunities

SEGMENT	PULP & PAPER			INDUSTRY & WATER	
Customer segment	Pulp	Board & Tissue	Printing & Writing	Water treatment	Oil & Gas
% of total sales*	 ~25%	 ~25%	 ~10%	 ~30%	 ~10%
Sustainability relevance					
Capex relevance	+++	++	+	++	+
M&A relevance	+	++	+	+++	+
Role in the Kemira portfolio	Growth	Growth	Cash flow	Growth	Cash flow
Growth profile	++	++	Negative	++	++

Our path towards 500 MEUR biobased revenue target advances via 4 tracks



Focus areas during 2023

OPERATIVE PRIORITIES

Retain organizational and operational agility as well as high customer satisfaction in a rapidly changing operating environment

Mitigate impacts from inflationary pressures and energy crisis; focus on cost consciousness

Ongoing investments in Uruguay and China

STRATEGIC PRIORITIES

Increased focus on growth: capitalize on growth pockets within existing businesses; increased focus on M&A

Progress biobased strategy and explore new growth areas, such as textiles and services

Strengthened strategy team to lead strategy and execution

kemira

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