

ANTTI SALMINEN
PRESIDENT & CEO

CEO REVIEW

A circular graphic composed of a tree on the left and a splash of water on the right, set against a dark background with a white grid pattern. The tree has green foliage and a brown trunk, while the water is a vibrant blue with white highlights. The entire graphic is framed by a white grid of dots and lines.

ANNUAL GENERAL MEETING 2024

kemira

Kemira's Management Board



ANTTI SALMINEN
President & CEO
with Kemira since 2011



**TUIJA POHJOLAINEN-
HILTUNEN**
President
Industry & Water
with Kemira since 2008



LINUS HILDEBRANDT
EVP, Strategy
with Kemira since 2023



PETRI CASTRÉN
CFO
with Kemira since 2013



MATTHEW PIXTON
CTO
with Kemira since 2016



EEVA SALONEN
EVP, Human Resources
with Kemira since 2008



HARRI ERONEN
Interim President
Pulp & Paper
with Kemira since 2010



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)



Record profitability in 2023

**Entering a new year with
a focused business
portfolio**

Highlights of 2023

- Consistent strong performance throughout 2023 – a demonstration of Kemira’s strong business fundamentals and resilient business model
- **Record profitability:** Full year operative EBITDA margin 19.7%. Strong end to the year: Q4 margin at 20.1% with continued sequential improvement.
- All-time high absolute operative EBITDA EUR 667 million
- Record-high customer satisfaction (NPS* 57)
- Kemira to divest its Oil & Gas business; transaction closed February 2, 2024
- Good progress in Kemira’s renewable solutions strategy
- Balance sheet very strong enabling flexibility
- Harri Eronen appointed Interim President of Pulp & Paper segment as of February 12, 2024

*Net Promoter Score





KEMIRA DIVESTED OIL & GAS

KEMIRA DIVESTED AN OIL & GAS-RELATED PORTFOLIO TO STERLING SPECIALTY CHEMICALS LLC

- Move away from the cyclical Oil & Gas business enables Kemira to focus on its core businesses and accelerate profitable growth strategy
- Transaction includes Kemira's Oil & Gas business and some non-Oil & Gas related industrial polymer sales
- Total consideration on a cash and debt-free basis amounts to around USD 280 million (~260 MEUR)
- Divestment closed February 2, 2024
- Three manufacturing facilities in the United States and a novel liquid polymer manufacturing asset in the Netherlands to transfer with approximately 250 employees. Teesport manufacturing facility in the UK to close later, subject to site-specific closing conditions.

Further improvement in customer satisfaction and employee engagement

NET PROMOTER SCORE

57

(53 in 2022)

All-time high

EMPLOYEE ENGAGEMENT

80

(79 in 2022)

Above industry benchmark

Financial highlights of 2023

Revenue

- Organic revenue growth -2% in 2023
- FY2023 decline driven by lower sales volumes in Pulp & Paper. Revenue growth in Industry & Water compensated the weak pulp & paper market.

All-time high operative EBITDA in 2023

- Operative EBITDA margin at the strong level of 19.7%, continued sequential improvement in Q4
- Both segments at a record-high margin in 2023

Very strong cash flow from operations

Earnings per share declined to EUR 1.28 in 2023 mainly due to the expected loss from the divestment of Oil & Gas

Dividend proposed to be increased to EUR 0.68

EUR million (except ratios)	Q4 2023	Q4 2022	Δ%	2023	2022	Δ%
Revenue	808.8	968.2	-16%	3,383.7	3,569.6	-5%
Operative EBITDA	162.7	177.0	-8%	666.7	571.6	+17%
of which margin	20.1%	18.3%	-	19.7%	16.0%	-
Operative EBIT	112.6	123.4	-9%	463.0	361.6	+28%
of which margin	13.9%	12.7%	-	13.7%	10.1%	-
Net profit	-27.1	90.3	-130%	211.3	239.7	-12%
EPS diluted, EUR	-0.20	0.57	-135%	1.28	1.50	-15%
Cash flow from operating activities	133.3	254.9	-48%	546.0	400.3	+36%
Dividend per share, proposal by the BoD, EUR*				0.68	0.62	+10%

*Board of Directors' proposal to the AGM 2024

Pulp & Paper: Strong performance in a challenging market

Market environment in 2023

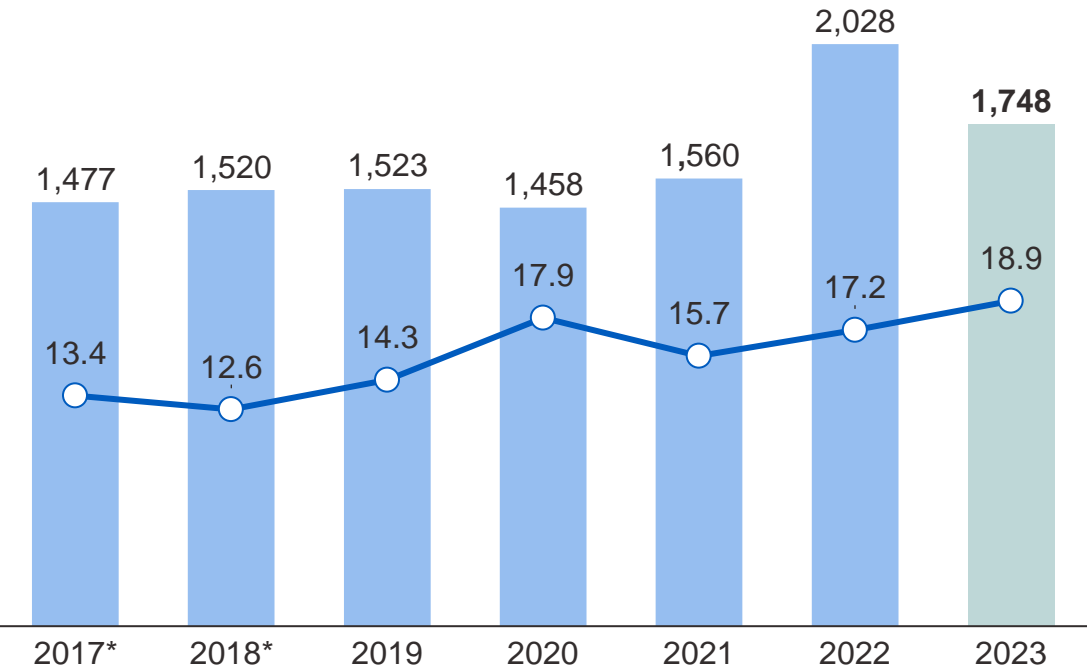
- Market declined significantly in 2023 due to weak economic activity and inventory destocking. Market weak particularly in EMEA.

Organic growth 2023: -11%;

- FY2023 revenue decline driven by lower sales volumes following weak market environment
- Q4 revenue decline driven by lower prices for energy-intensive pulp and bleaching chemicals. Considerable sequential volume growth in Q4 2023.

FY2023 margin at a record-high of 18.9%

OPERATIVE EBITDA AND OPERATIVE EBITDA-%
EUR million



*before IFRS16 impact

Industry & Water: Excellent full year performance

Market environment in 2023

- Water treatment: solid demand in municipal water treatment, softness in industrial demand due to the geopolitical uncertainties

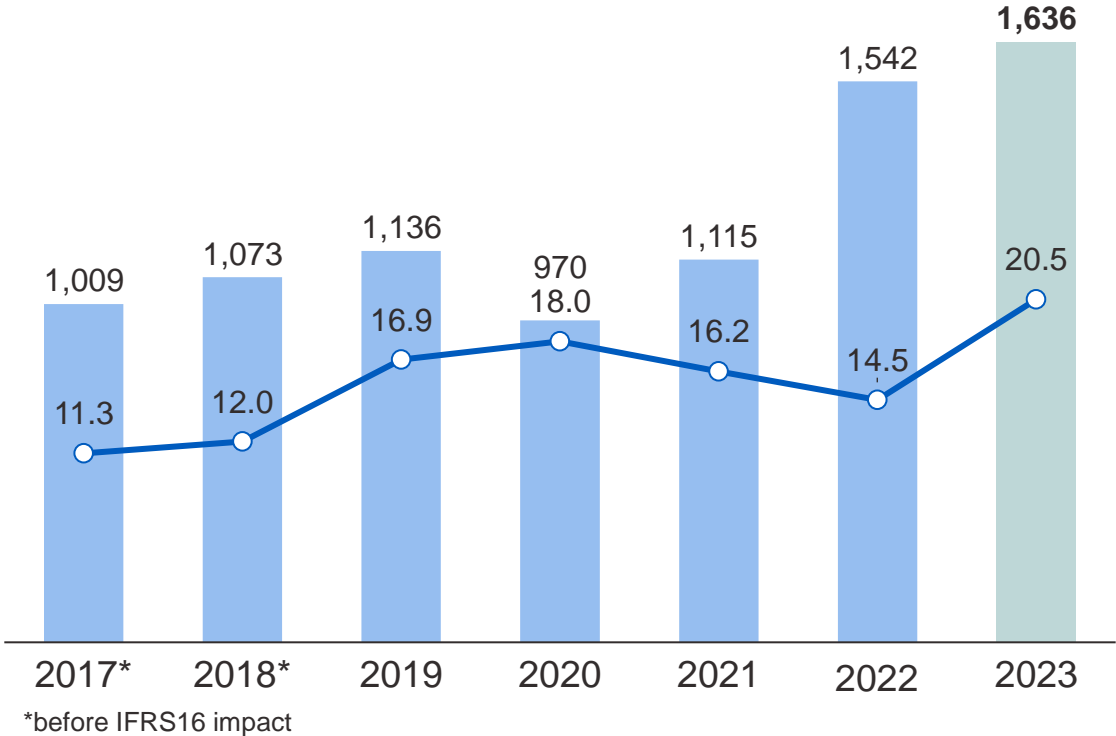
Organic growth 2023: +9%

- FY organic growth driven by Oil & Gas. Organic growth in water treatment +3%, +25% in Oil & Gas in 2023.

FY margin at a record-high of 20.5%

- Strong margin performance driven by higher sales prices in water treatment

OPERATIVE EBITDA AND OPERATIVE EBITDA-%
EUR million



Sustainability highlights 2023

KEY PERFORMANCE INDICATORS:

SAFETY

TRIF* 1.5 by 2025
and 1.1 by 2030

Safety performance
(TRIF 2.5) improved
slightly compared to
2022

PEOPLE

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

We reached the top
25% and inclusion
index score improved
around 2 points from
2022.

WATER

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

Improved freshwater
use intensity

CIRCULARITY

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

Biobased products
>500 million EUR revenue
by 2030

Biobased revenue EUR
~230 million in 2023

CLIMATE

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

Absolute Scope 1 and 2
emissions decreased, in
line with SBTi
commitment

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

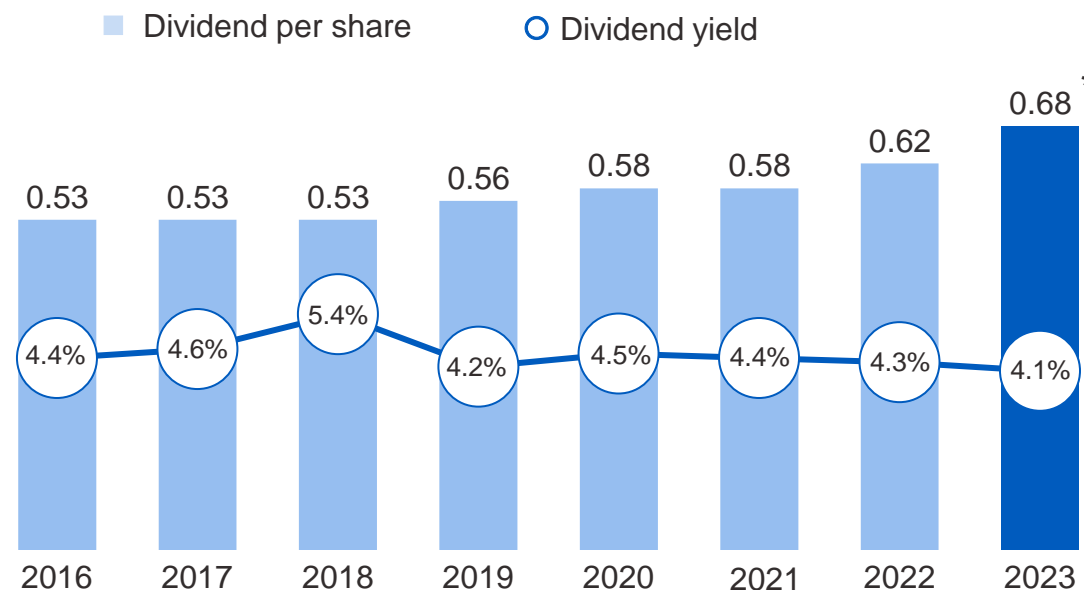
**Scope 1: Direct greenhouse gas emissions from Kemira's manufacturing sites, e.g. the generation of energy and emissions from manufacturing processes. Scope 2: Indirect greenhouse gas emissions from external generation and purchase of electricity, heating, cooling, and steam

Strong balance sheet

EUR million	2023	2022
Goodwill	481	511
Other intangible assets	51	61
Property, plant and equipment and right-of-use assets	1,063	1,226
Shares and other non-current assets	426	525
Inventories	282	434
Receivables	498	623
Cash and cash equivalents	403	251
Total assets	3,489	3,651
Equity	1,684	1,685
Interest-bearing liabilities (includes EUR 121 million of lease liabilities)	938	1,022
Interest-free liabilities	867	944
Total equity and liabilities	3,489	3,651

Dividend proposal for 2023

- Kemira Oyj's distributable funds on December 31, 2023 were EUR 713.6 million
- Board of Directors proposes to the AGM a dividend of EUR 0.68 per share (totaling EUR 104.5 million)
- The dividend is proposed to be paid in two installments. Payment dates are April 4 and preliminary November 5, 2024. 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 2024

Kemira's dividend policy
aims at paying a competitive and over time increasing dividend.

R&D in 2023

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

Research and Development expenses totaled EUR 34.2 million in 2023 representing 1.0 % of the Group's revenue.

250 EXPERTS IN 3 R&D CENTERS ATLANTA, ESPOO, SHANGHAI	
420 PATENT FAMILIES	AROUND 2 040 GRANTED PATENTS
INITIATED PATENTING OF 55 NEW INVENTIONS	11 NEW PRODUCT LAUNCHES



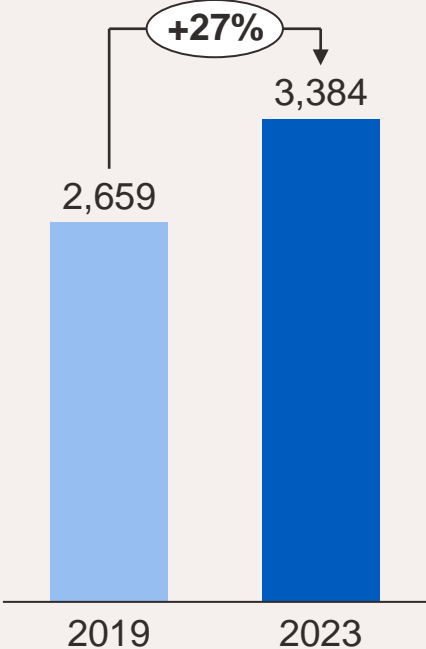
Profitable growth is at the core of our strategy



We are a fundamentally stronger company

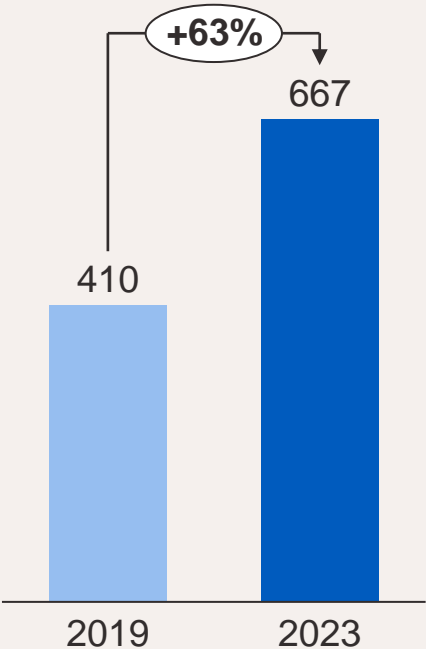
REVENUE

EUR million



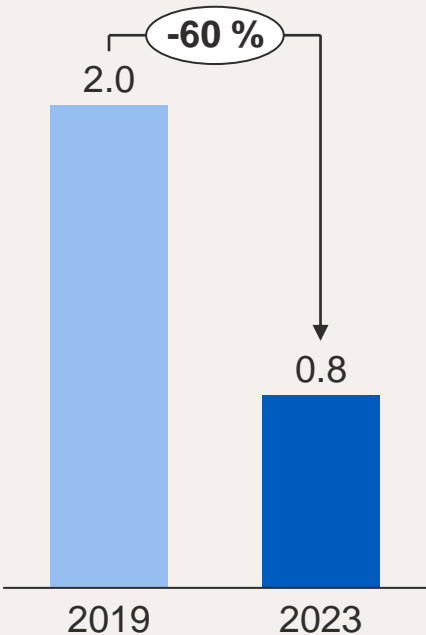
OPERATIVE EBITDA

EUR million



LEVERAGE RATIO

Net debt / operative EBITDA



We have three strategic priorities



EXPAND IN WATER

Significantly grow our water business by expanding to additional technologies and/or geographies both organically and inorganically



BUILD A LEADING RENEWABLE SOLUTIONS PORTFOLIO*

Enable sustainability transformation in our existing markets and leverage our capabilities in new circularity-driven markets



CREATE A SIGNIFICANT DIGITAL SERVICES BUSINESS

Strengthen our value add for existing and new customers by continuing to build and scale digital services

*Previously called biobased strategy. Biobased is the most common and readily available renewable feedstock, but other renewable feedstocks like recycling-based or carbon dioxide-based are also becoming available at scale in the market in the future.

Kemira

WWW.KEMIRA.COM