

FEBRUARY 9, 2024

# Kemira Investor Presentation

## Chemistry with a purpose.

### Better every day.

INVESTOR PRESENTATION

kemira

# Content

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2. Investment highlights
3. Kemira as a sustainable investment
4. Pulp & Paper
5. Industry & Water
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INVESTOR PRESENTATION

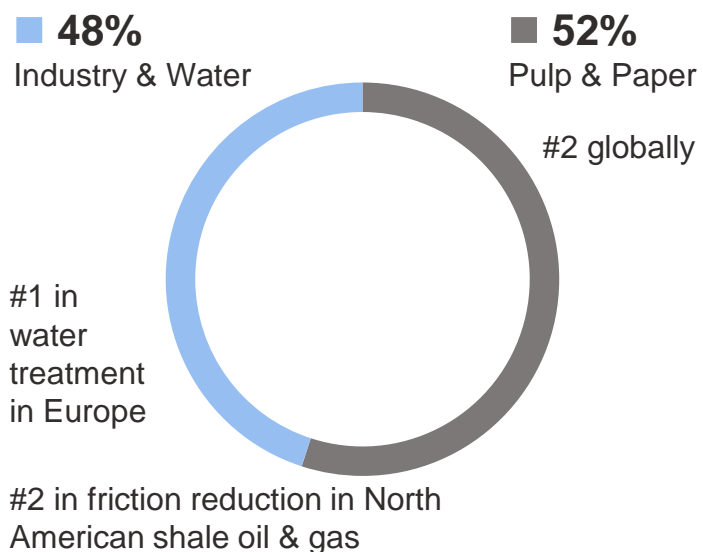
# Kemira in brief



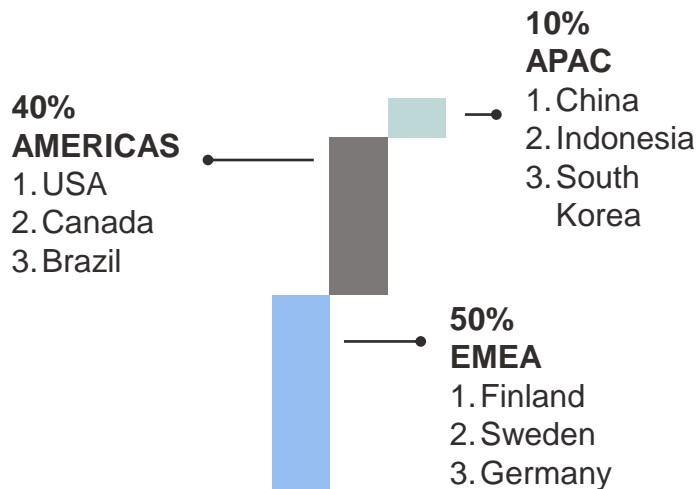
# Kemira in brief

**2023: REVENUE EUR 3,384 MILLION, OPERATIVE EBITDA EUR 667 MILLION,  
OPERATIVE EBITDA MARGIN 19.7%, OPERATIVE ROCE 21.5%**

## SEGMENT SPLIT

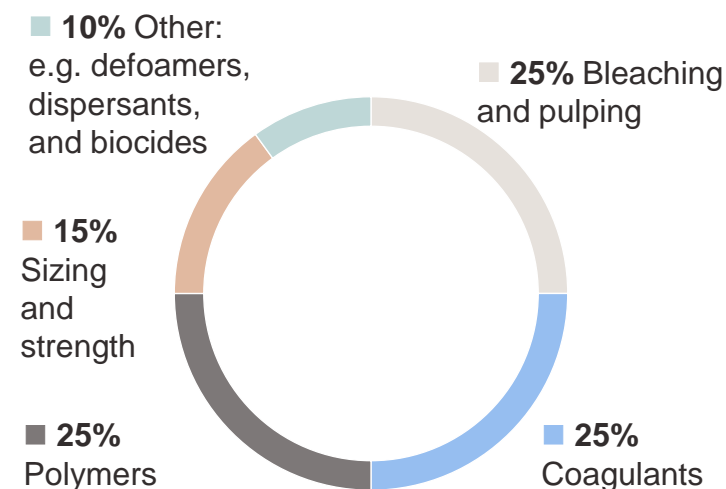


## GEOGRAPHIES



Revenue by geographies and product category represent FY 2023.

## PRODUCTS



## CUSTOMERS

Several thousand customers  
**TOP 10** customers are ~**25%** of revenue  
**TOP 50** customers are ~**50%** of revenue

## EXAMPLES OF LARGEST CUSTOMERS

**Municipalities, e.g.**  
Berlin, New York,  
Paris, Shanghai



Note: Revenue by industry, product and geography rounded to the nearest 5%



# Kemira in your everyday

## COAGULANTS



30%

Main water treatment chemical, used to coagulate impurities in wastewater and drinking water

## POLYMERS



15%

Important water treatment chemical, used to separate solid from liquid

## SIZING AND STRENGTH



15%

Important specialty chemical in pulp & paper, used to improve strength and water resistance of packaging materials

## BLEACHING



25%

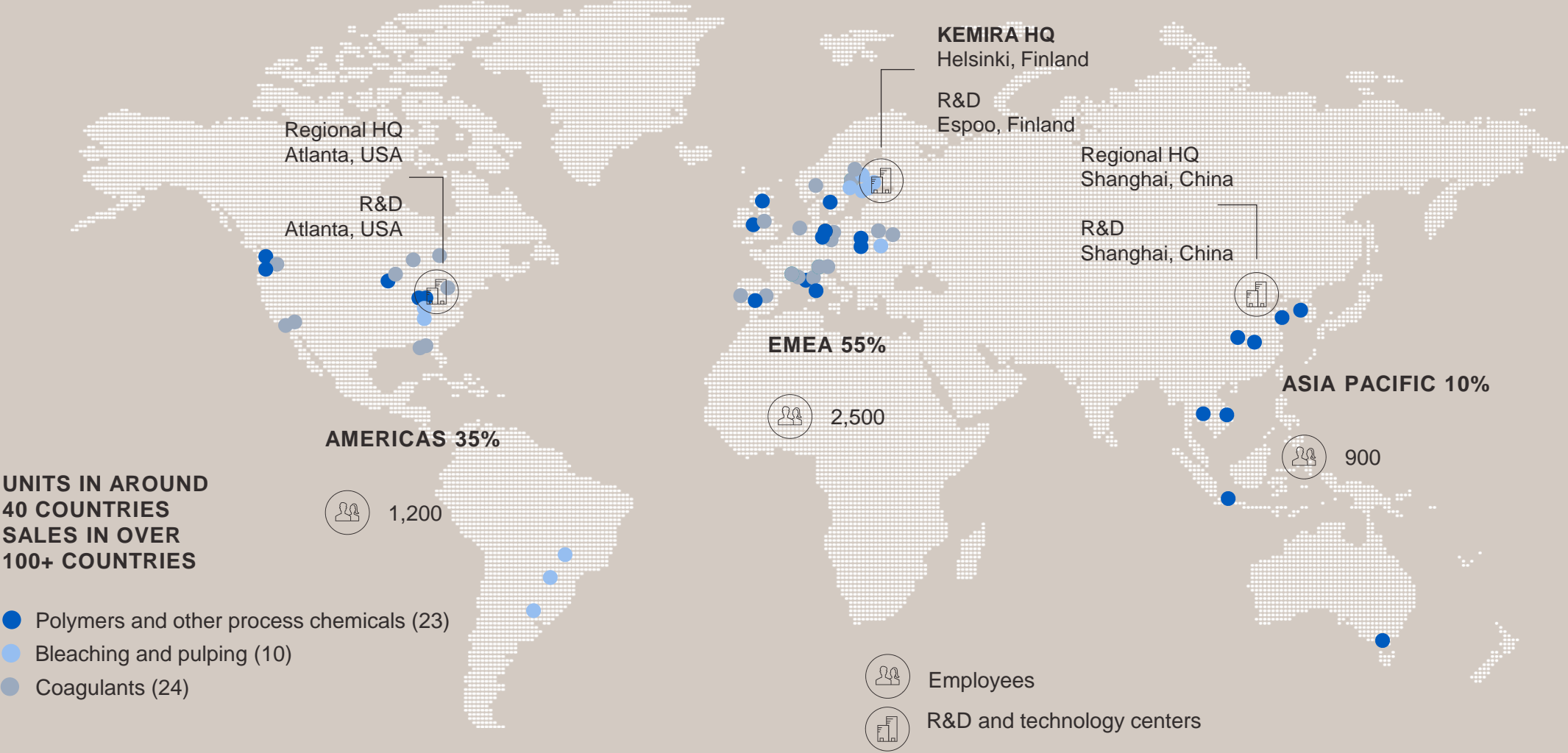
Critical product in pulp & paper, used to clean and bleach pulp

%

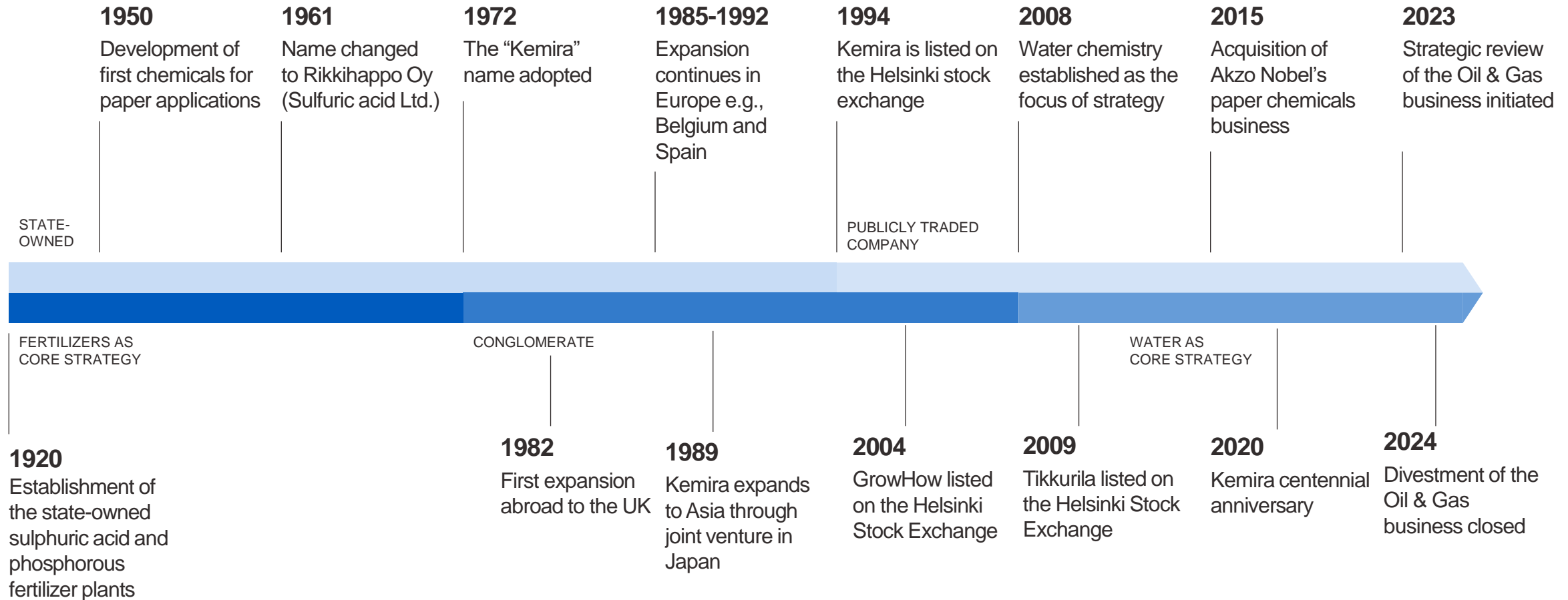
Share of revenue

# Global reach – local excellence

## 57 MANUFACTURING SITES



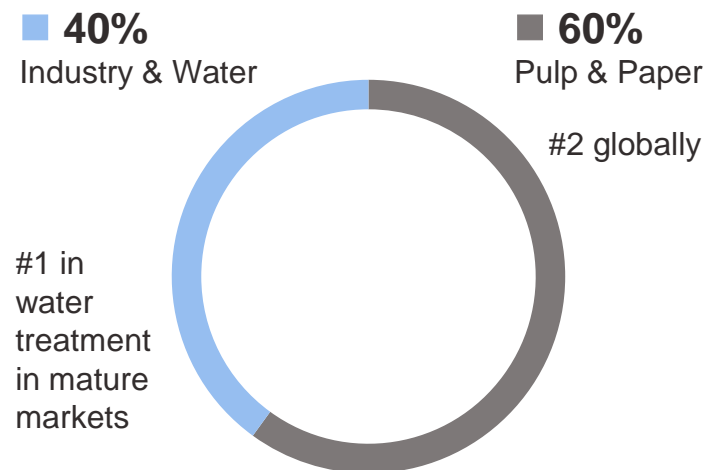
# Superior transformation into a water-focused company



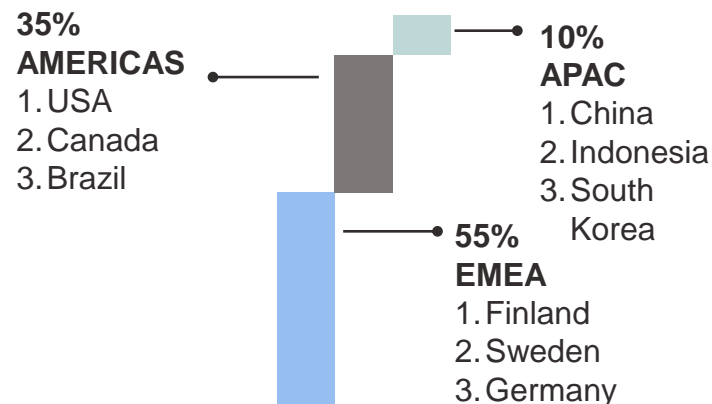
# Entering a new era with a focused portfolio

FOLLOWING THE DIVESTMENT OF OIL & GAS, WE ARE FULLY FOCUSED ON WATER TREATMENT AND PULP & PAPER

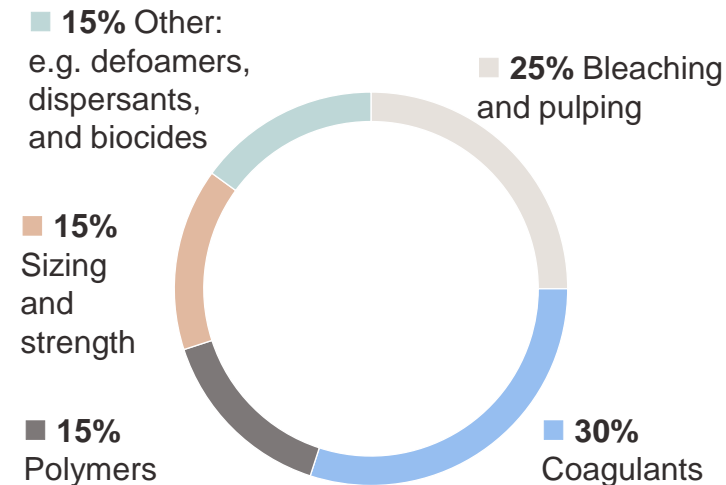
## SEGMENT SPLIT



## GEOGRAPHIES



## PRODUCTS

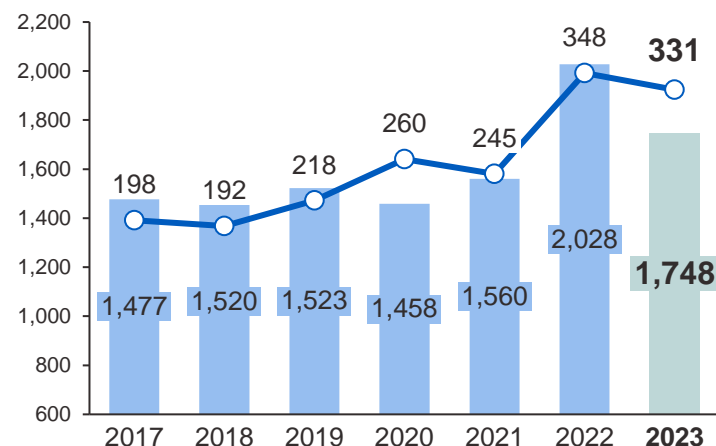


All figures excl. O&G



# Pulp & Paper – strong business with solid track record

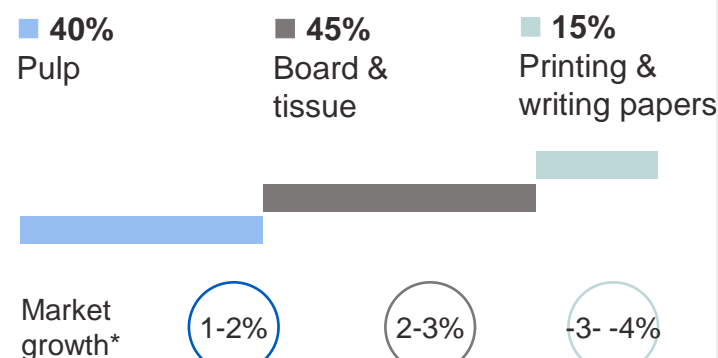
## REVENUE AND OPERATIVE EBITDA EUR million



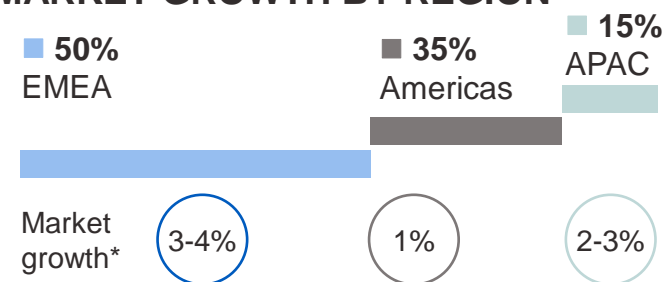
## MARKET ENVIRONMENT

Solenis (paper)	#1
<b>Kemira (pulp and paper) m.s. ~18%</b>	<b>#2</b>
Nouryon (pulp)	#3
Ecolab (paper)	#4
Kurita (paper)	#5

## REVENUE BY CUSTOMER TYPE AND MARKET GROWTH

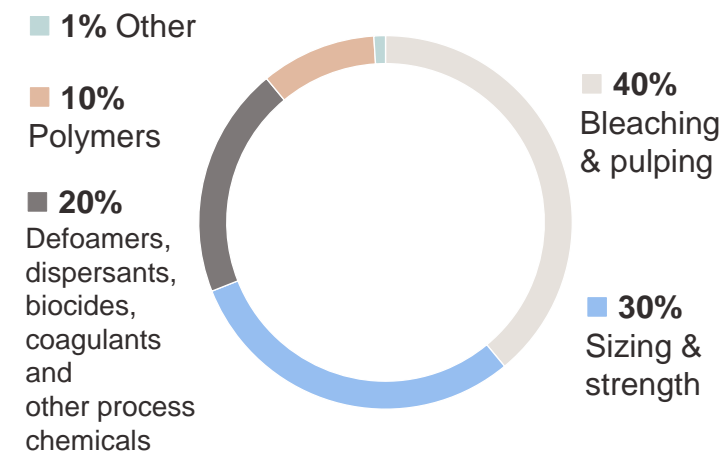


## REVENUE BY GEOGRAPHIES AND MARKET GROWTH BY REGION

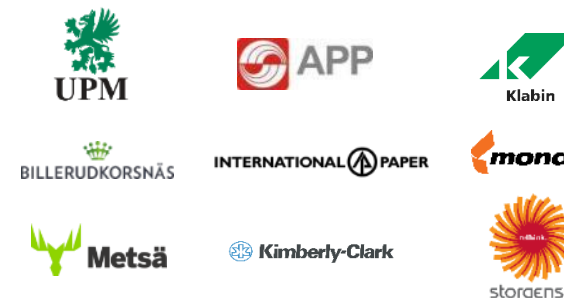


\*chemical market growth in 2023-2028

## REVENUE BY PRODUCT CATEGORY



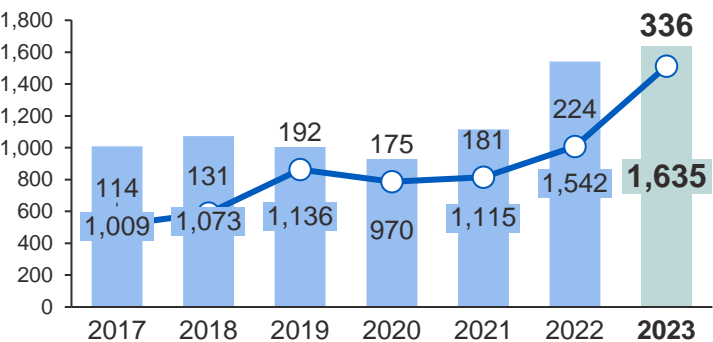
## CUSTOMER EXAMPLES



Note: Revenue by industry, product and geography rounded to the nearest 5%

# Industry & Water – strong positions in chosen categories

REVENUE AND OPERATIVE EBITDA  
EUR million



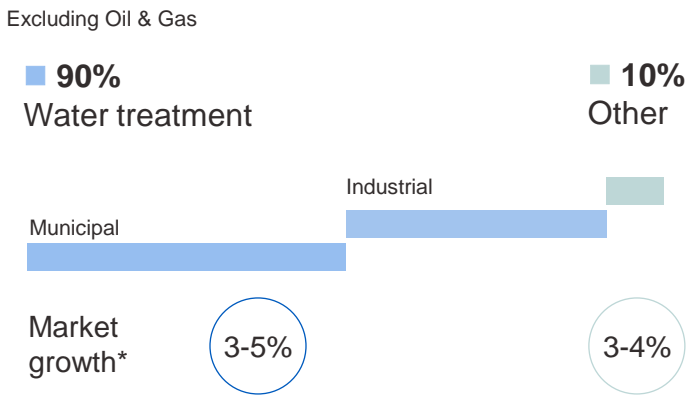
## MARKET ENVIRONMENT WATER TREATMENT Market share

	Coagulants	Polymers
EMEA	25%	25%
AMERICAS	20%	10%

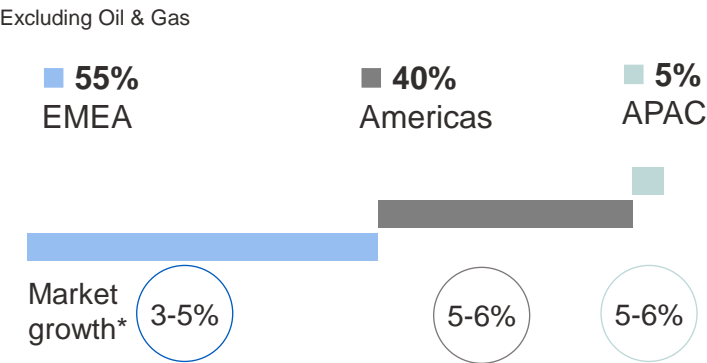
Main competitors in coagulants:

- Feralco (Europe)
- Kronos (Europe)
- Chemtrade (NA)
- USAIco (NA)

REVENUE BY APPLICATION  
TYPE AND MARKET GROWTH  
Excluding Oil & Gas

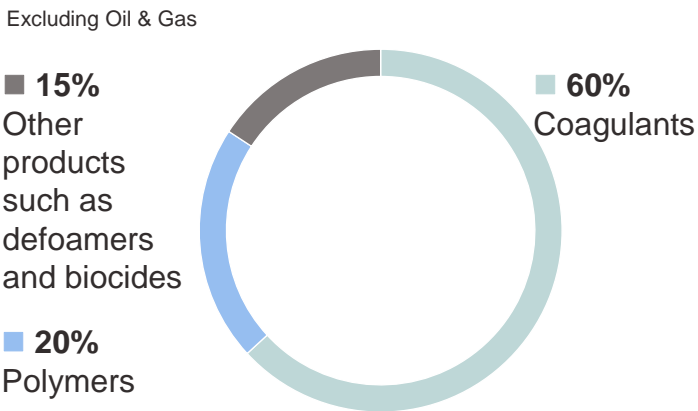


REVENUE BY GEOGRAPHIES AND  
MARKET GROWTH BY REGION  
Excluding Oil & Gas



\*chemical market growth in 2023-2028

REVENUE BY  
PRODUCT CATEGORY  
Excluding Oil & Gas



## CUSTOMER EXAMPLES

### MUNICIPAL customer examples

Amsterdam  
Barcelona  
Berlin  
Oslo  
Paris  
Stockholm

Los Angeles  
Montreal  
New York City  
Toronto  
Shanghai

### INDUSTRIAL customer examples



Note: Revenue by industry, product and geography rounded to the nearest 5%

INVESTOR PRESENTATION

# Investment highlights





# Why invest in Kemira

## ATTRACTIVE BUSINESS MODEL

Resilient business model combined with strong market positions

- #1 or #2 positions in P&P and water treatment

Sustainable and focused business portfolio

Strategic focus on profitable growth

Good position in growing renewable solutions market

Superior transformation profile

## STRONG FINANCIAL PROFILE

Record-strong balance sheet

- Net debt / operative EBITDA 0.8

Excellent profitability improvement track record

Attractive margin profile of segments

Attractive and over-time increasing dividend

- DPS of 0.68 per share for 2023, ~4% yield

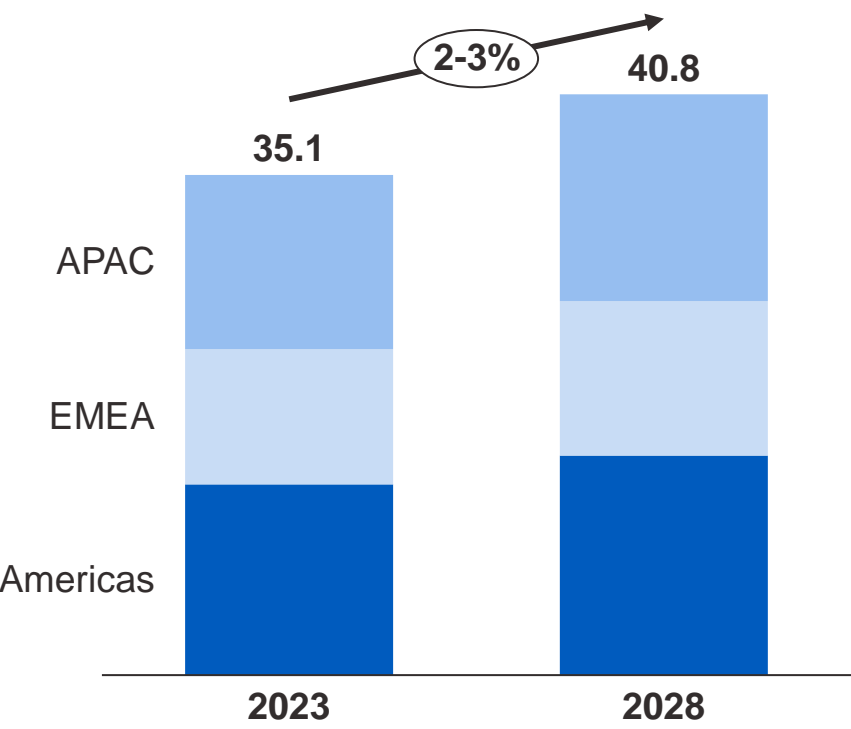


# Global megatrends largely favor Kemira – sustainability becoming a key driver for the long term

CHANGING DEMOGRAPHICS		GROWING ENVIRONMENTAL AWARENESS			
<div>↓</div> <p>Growing middle-class and urbanization</p> <p>Higher use of water and tissue</p>	<div>↓</div> <p>Changing lifestyles with growth in e-commerce</p> <p>Higher use of packaging and board</p>	<div>↓</div> <p>More efficient use of scarce natural resources</p> <p>Chemicals to support circular economy needs</p>	<div>↓</div> <p>Focus on renewable and recyclable materials for our customers</p> <p>Alternatives to fossil fuel-based solutions</p>	<div>↓</div> <p>Tightening environmental regulation</p> <p>Increased need for water treatment</p>	<div>↓</div> <p>Climate change mitigation</p> <p>Increased need for water treatment</p>
					

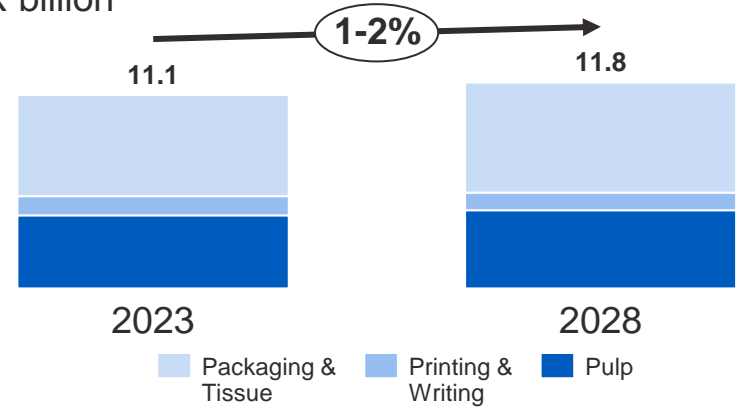
# Healthy market growth for Kemira's relevant markets

KEMIRA RELEVANT MARKET  
EUR billion

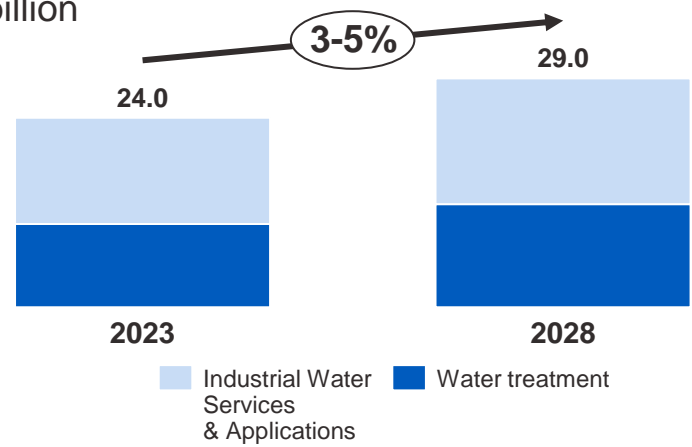


Source: Management estimation based on various sources

PULP & PAPER RELEVANT MARKET  
EUR billion

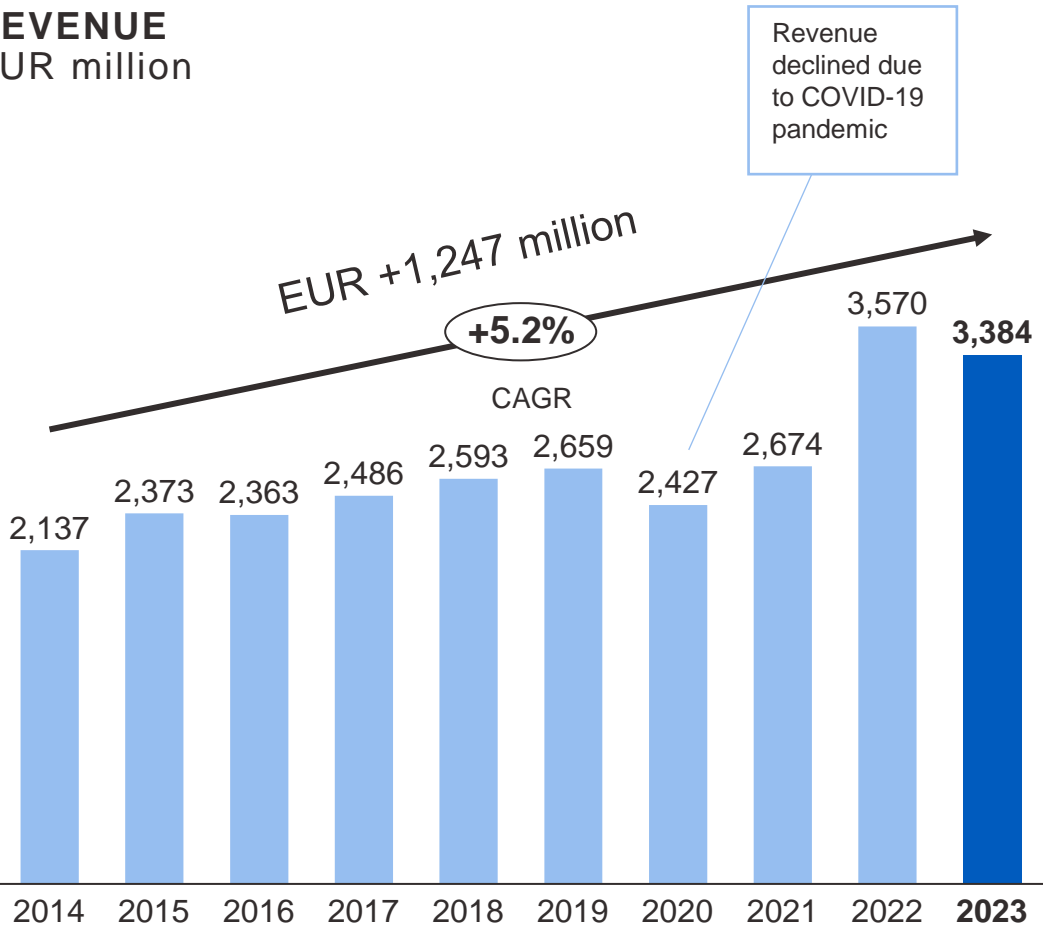


INDUSTRY & WATER RELEVANT MARKET  
EUR billion

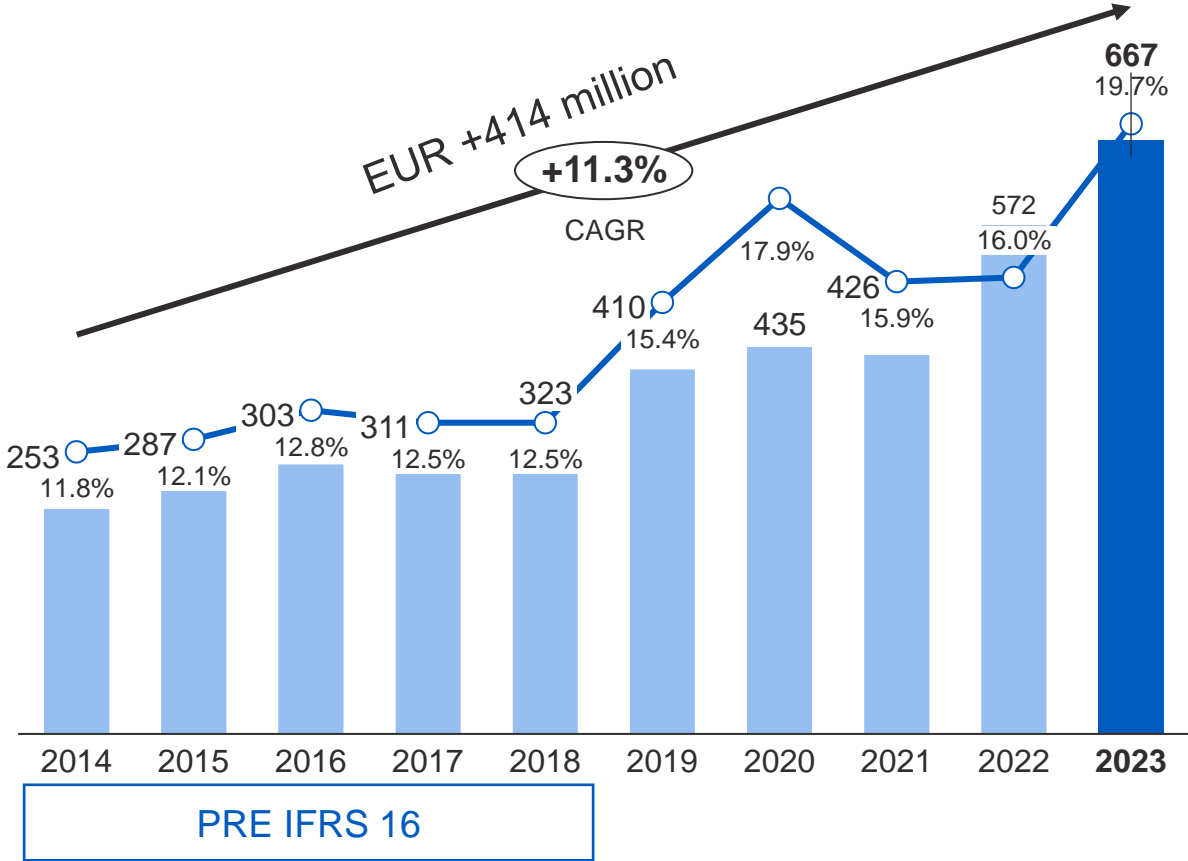


# Strong profitability improvement track record

REVENUE  
EUR million



OPERATIVE EBITDA  
OPERATIVE EBITDA MARGIN  
EUR million



# Profitable growth is at the heart of our strategy





# 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**

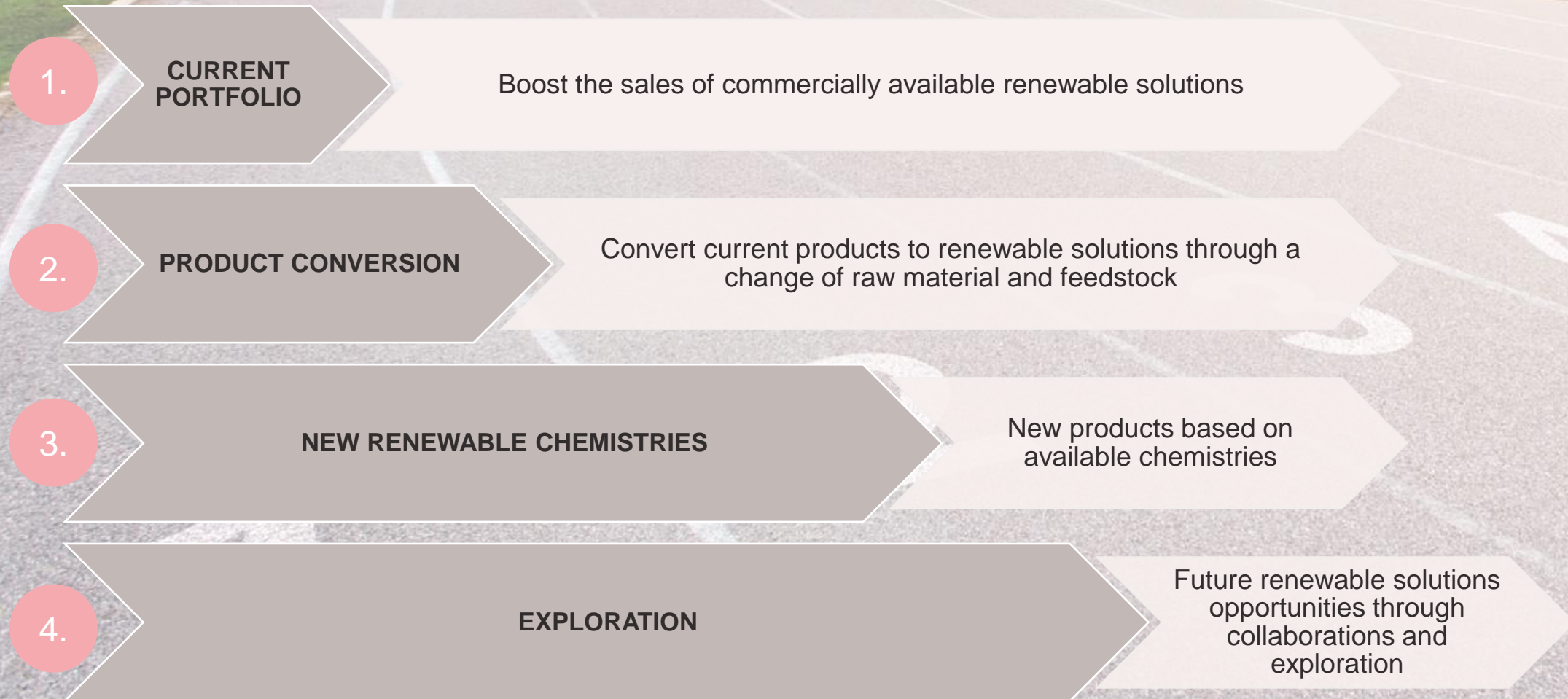
Strengthen our value add for existing and new customers by continuing to build and scale digital services

\*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.

# We want to grow in water-related applications

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

# Our path towards 500 MEUR renewable solutions revenue target advances via 4 tracks





# Kemira as a sustainable investment





# 59% of revenue generated from products that improve customer resource efficiency

## PULP & PAPER

Kemira's products improve the manufacturing process and enable better resource-efficiency.

### For example

Our chemistry is helping to improve recycled fiber quality and content, energy and water efficiency in paper mills

### Case:

Lightweight packaging: with our strength chemicals, our customers can make their packaging lighter yet stronger. Lighter weight results in lower logistics cost and thus environmental footprint.

## INDUSTRY & WATER

### Municipal and industrial water treatment:

Chemical water treatment provides the most compact plant and smallest possible environmental footprint

### Case:

Sludge de-watering: with our chemicals, our customers are able to reduce the water content in sludge. As a result, demand for logistics is lower resulting in better environmental footprint



# We use significant amounts of recycled raw materials

**47%**

of current raw materials  
from recycled & renewable  
sources

Already

**up to  
70-80%**

of raw materials from  
recycled sources in  
coagulants



**SUSTAINABILITY WILL BE  
A KEY DRIVER FOR FUTURE GROWTH**

# **Customer behavior is changing with an increased focus on sustainability**

## **Pulp & Paper**

Customers desire for biodegradable and recyclable products - growing need for renewable chemistries  
Customer product portfolio will evolve when going further into the bioeconomy – totally new uses for fiber

## **Industry & Water**

Overall sustainability focus driven by consumers  
Growing market for circular products with high share of recycled content

**TO SUPPORT OUR CUSTOMERS IN  
THE SHIFT TOWARDS HIGHER SUSTAINABILITY,  
WE WILL:**

Address growing recyclability and biodegradability demand for products

Gradually transform our product portfolio to more renewable

Reduce the use of fossil-fuel based carbon as raw material

**TO INCREASE THE SUSTAINABILITY  
OF OUR OPERATIONS,  
WE WILL:**

Increase the share of recycled material in our products



# We want to ensure profitable growth

BY BECOMING THE LEADING PROVIDER  
OF SUSTAINABLE CHEMICAL SOLUTIONS  
FOR WATER-INTENSIVE INDUSTRIES

FROM BASELINE  
REVENUE IN 2020

**~180  
MEUR**

FROM RENEWABLE  
SOLUTIONS

TARGET REVENUE  
IN 2030

**>500  
MEUR**

FROM RENEWABLE  
SOLUTIONS

FROM BASELINE  
SHARE IN 2020

**13%\***

OF RENEWABLE  
CARBON OF ALL  
CARBON CONTAINING  
RAW MATERIALS

TARGET SHARE  
IN 2030

**40%**

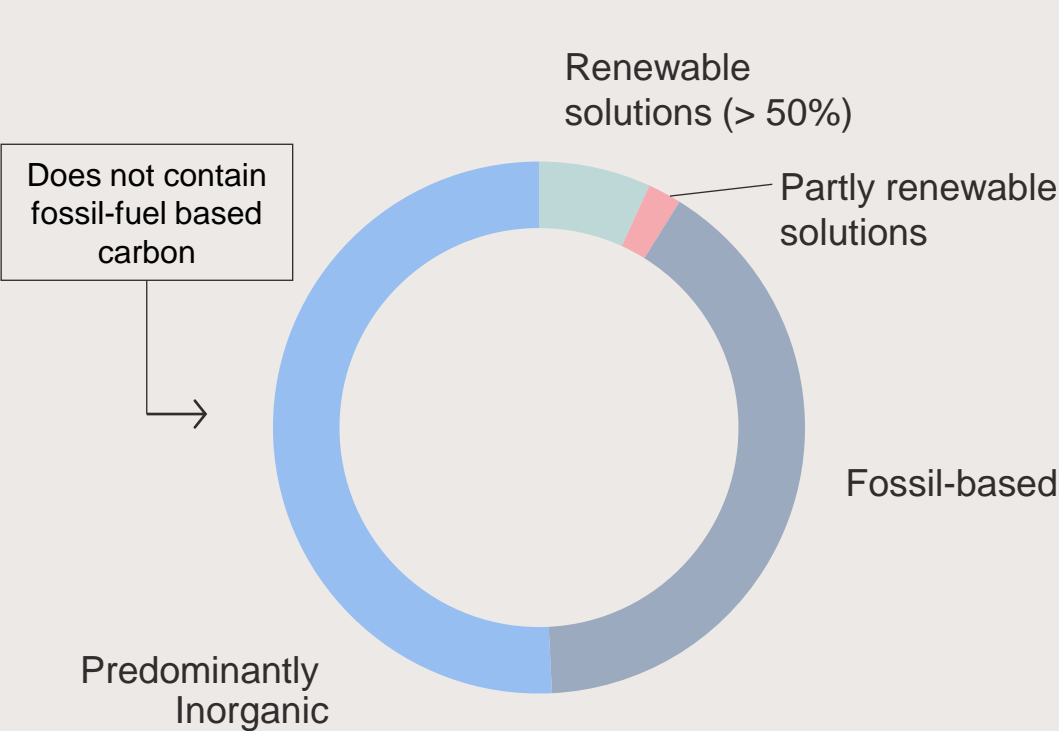
OF RENEWABLE  
CARBON OF ALL  
CARBON CONTAINING  
RAW MATERIALS

\*) baseline year figure has been revised slightly upwards due to change in methodology.

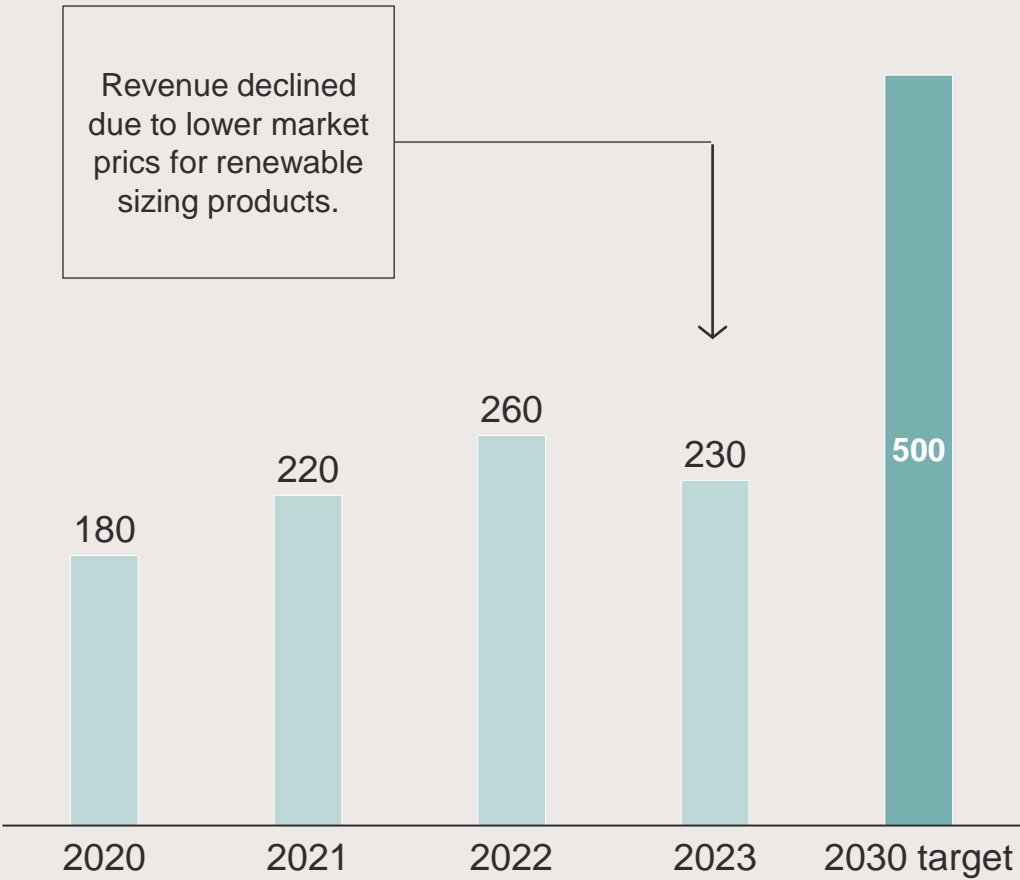


# We already have a significant number of renewable solutions in our portfolio

REVENUE SPLIT BY TYPE IN 2023



RENEWABLE SOLUTIONS REVENUE DEVELOPMENT



# Strong commitment to sustainability



## Five sustainability KPIS

**SAFETY** TRIF\* 1.5 by the end of 2025 and 1.1 by the end of 2030

**PEOPLE** Reach top 10% cross industry norm for Glint Inclusion index by the end of 2025

**WATER** Reach Leadership level (A-/A) in water management by the end of 2025 measured by CDP Water Security scoring methodology.

**CIRCULARITY** Reduce waste intensity\*\* by 15% by the end of 2030 from a 2019 baseline of 4.6. Renewable solutions > EUR 500 million revenue by the end of 2030. Renewable solutions revenue in 2023: EUR 226 million.

**CLIMATE** Reduce Scope 1 and 2 emissions by 50% by the end of 2030, compared to a 2018 baseline of 930 ktCO<sub>2</sub>.

\* TRIF = total recordable injury frequency per million hours, Kemira + contractors

\*\* metric tonnes of routine disposed production waste per thousand metric tonnes of production

\*\*\* Scope 1: Direct greenhouse gas emissions from Kemira's manufacturing sites, e.g. 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.



# We have committed to the Science Based Targets Initiative (SBTi)

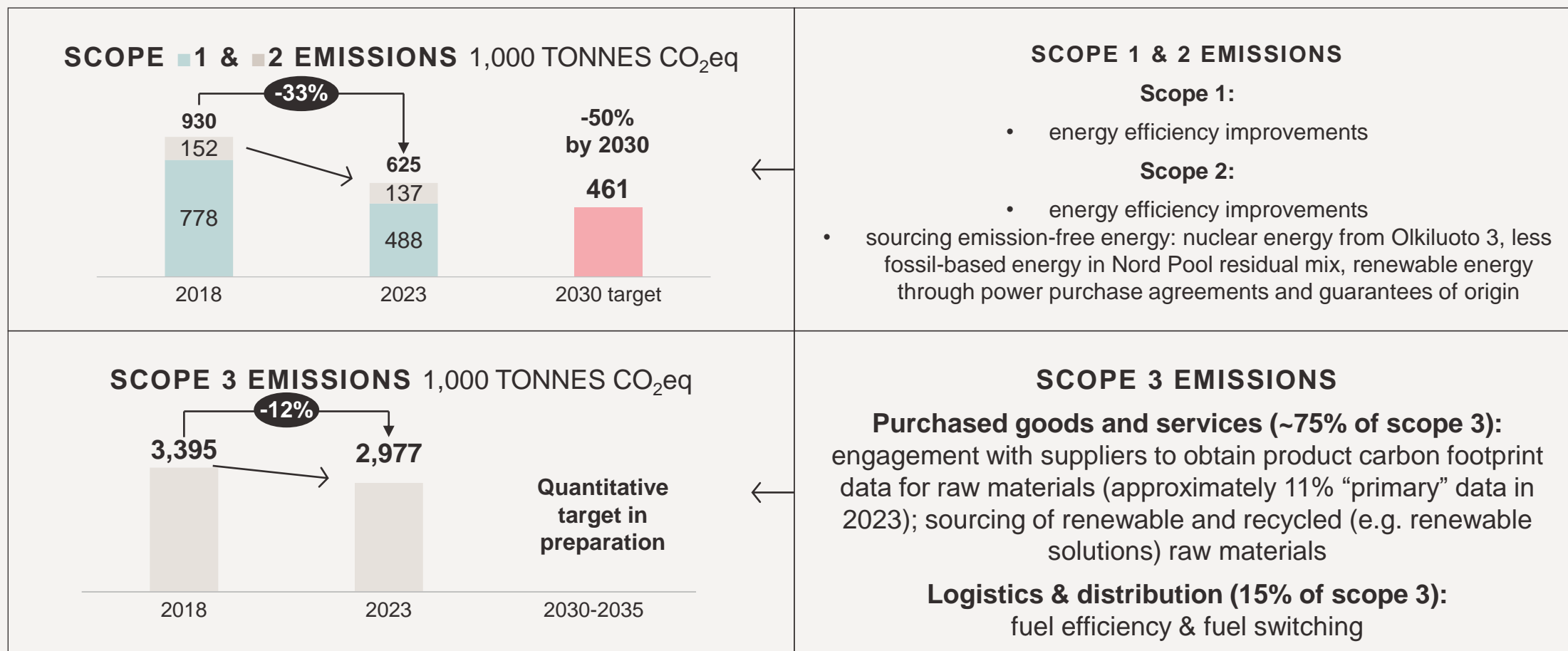
- Kemira committed to the Science Based Target initiative (SBTi)\* in June 2022.
- Commitment to cut 50% of emissions from our own operations and energy use (Scope 1 and 2 emissions\*\*) by the end of 2030, compared to a 2018 baseline. This target is in line with limiting global warming to 1.5°C and will be submitted in June 2024 for validation by the SBTi.
- Commitment to develop a quantified near-term scope 3 target within the timeframe set by the Science Based Target initiative framework. Kemira will submit these updated targets in June 2024 for validation by the SBTi.
- Ambition to be carbon neutral by 2045 remains intact

\*) Science Based Targets initiative (SBTi), a partnership between CDP, the United Nations Global Compact (UNGC), the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF), drives ambitious climate action by enabling companies to set science-based emissions reduction targets

\*\*) Scope 1, 2 and 3 emissions as defined by the Greenhouse Gas Protocol. Scope 1 and 2 cover the emissions related to our own production. Scope 3 includes all other relevant emissions throughout the value chain.



# How we are reducing our emissions



SBTI not yet published sector guidance for the chemical sector



# Sustainability performance in 2023

1/2

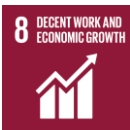




Kemira's sustainability work covers economical, environmental and social topics and is guided by the UN Sustainable Development Goals (SDGs).

Our focus is on:

- Clean Water and Sanitation (**SDG6**)
- Decent Work and Economic Growth (**SDG8**)
- Responsible consumption and production(**SDG12**)
- Climate action (**SDG13**)

In May 2023, Kemira achieved a Platinum level rating for the third consecutive year for its sustainability performance by **EcoVadis**, the global sustainability rating platform. Kemira remains among the top 1% of companies rated worldwide with a score to 80/100 (78/100 in 2022) e.g. due to its progress in sustainable procurement through engagement with suppliers on climate-related issues.

In July 2023, Kemira reached the highest level, **AAA**, in **MSCI ESG Ratings**.

SDG	KEY FIGURE	UNIT	2023
	<b>SAFETY</b> TRIF* 1.5 by the end of 2025 and 1.1 by the end of 2030 *TRIF = total recordable injury frequency per million hours, Kemira + contractors		2.5
	<b>PEOPLE</b> Reach top 10% cross industry norm for Diversity & Inclusion by the end of 2025		In the top 25%
	<b>CIRCULARITY</b> Reduce waste intensity** by 15% by the end of 2030 from a 2019 baseline of 4.6 Renewable solutions > EUR 500 million revenue by the end of 2030	kg/tonnes of production	4.4
	<b>WATER</b> Reach Leadership level (A-/A) in water management by the end of 2025 measured by CDP Water Security scoring methodology	Rate scale A-D	B
	<b>CLIMATE</b> Scope 1&2*** emissions -50% by the end of 2030 compared to 2018 baseline of 930 ktCO2e	ktCO2e	625

\*\*kilograms of disposed production waste per metric tonnes of production)

\*\*\*Scope 1: Direct greenhouse gas emissions from Kemira's manufacturing sites, e.g. 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

# Sustainability performance in 2023

## 2/2



### SAFETY

TRIF\* improved slightly to 2.5 in 2023 (2022: 2.6). Kemira will continue its safety-related activities and projects to improve safety awareness and to steer performance toward the 2024 TRIF target of 1.9.



### PEOPLE

Kemira's target is to reach the Glint top 10% of the cross industry benchmark for Diversity, Equity & Inclusion (DEI) by end of 2025. In 2023, our Inclusion index score improved by 2 points to 78 and we reached the top 25% (benchmark score of 80 needed to reach cross industry top 10%). In Q4 2023, we continued with DEI workshops, to reach employees at 31/60 manufacturing sites. By the end of 2023, over 500 employees had completed the eLearning on DEI awareness, with positive overall feedback. Kemira's employee engagement score in November 2023 was 80 (74 external manufacturing benchmark) with all items well above the benchmark



### CIRCULARITY

Kemira continued to progress its renewable solutions strategy during 2023 and e.g. announced the next steps in its partnership with IFF, in December 2023. Renewable solutions revenue declined slightly to around EUR 230 million following lower prices for renewable sizing chemicals. In terms of waste reduction, Kemira both began new and continued existing waste intensity reduction initiatives, the benefits of which are expected to be seen in the coming years. Waste intensity in 2023 decreased compared to 2022.



### WATER

Kemira further improved its water data reporting and data quality during 2023, with a systematic revision of water balances at all manufacturing sites. In 2023, freshwater use intensity improved, mostly due to the divestment of the colorants business and lower production volumes at some water-intensive sites. The CDP Water Security questionnaire results are expected to be available during Q1 2024.



### CLIMATE

In 2023, we continued to develop a near-term Scope 3 emission reduction target, as part of the Science Based Targets Initiative (SBTi) commitment. Kemira plans to submit the Scope 1 and 2\*\*\* and Scope 3 targets to SBTi for validation during H1 2024. In 2023, the absolute Scope 1 and 2 emissions decreased, in line with the SBTi reduction commitment for 2023. The decrease in absolute Scope 1+2 emissions is related to our zero-carbon energy sourcing ambition and to improvements in the carbon footprint of our energy suppliers. Furthermore, the Scope 1+2 emissions intensity (tons CO<sub>2</sub>e per ton of production) also improved. In January 2023, Kemira launched a Supplier Engagement Program to improve its understanding of the life cycle impacts associated with its products. One of the key priorities is to collect product carbon footprint (PCF) and life cycle assessment (LCA) data from raw materials suppliers to develop actions to reduce CO<sub>2</sub> emissions in our value chain.

\*TRIF = total recordable injury frequency per million hours, Kemira + contractors

\*\*kilograms of disposed production waste per metric tonnes of production)

\*\*\*Scope 1: Direct greenhouse gas emissions from Kemira's manufacturing sites, e.g. 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

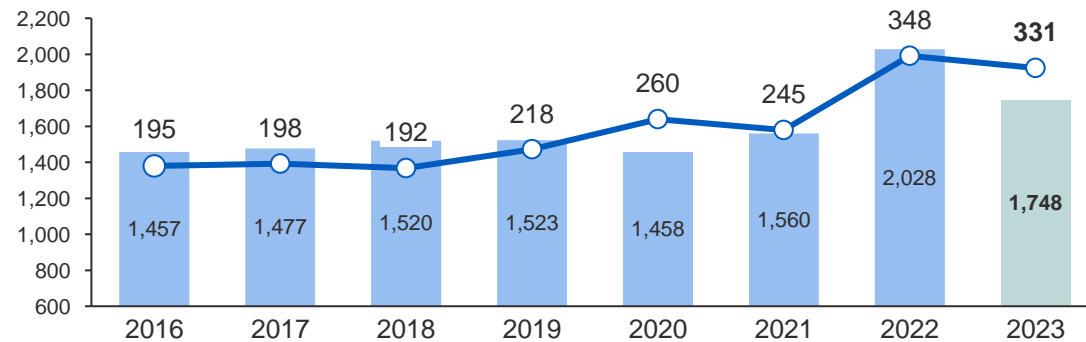
# Pulp & Paper

Driving growth as  
market leader

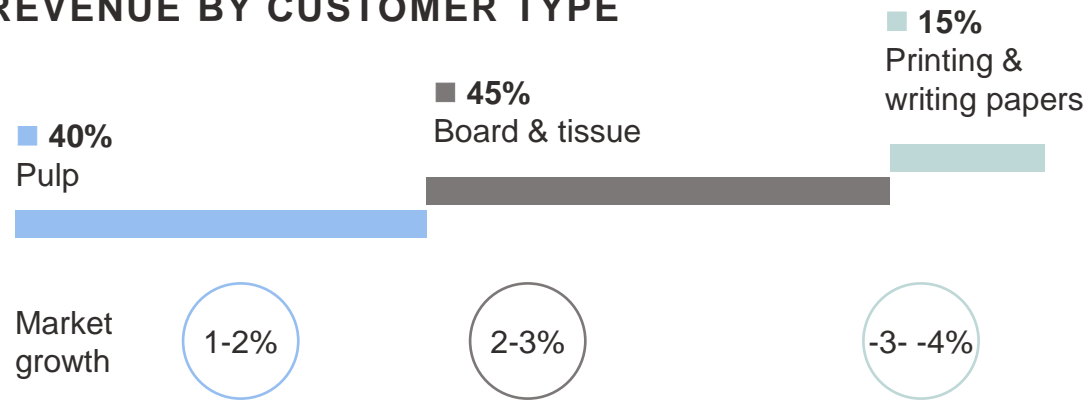


# Pulp & Paper chemicals market estimated to grow 1-2%

## REVENUE AND OPERATIVE EBITDA EUR million



## REVENUE BY CUSTOMER TYPE

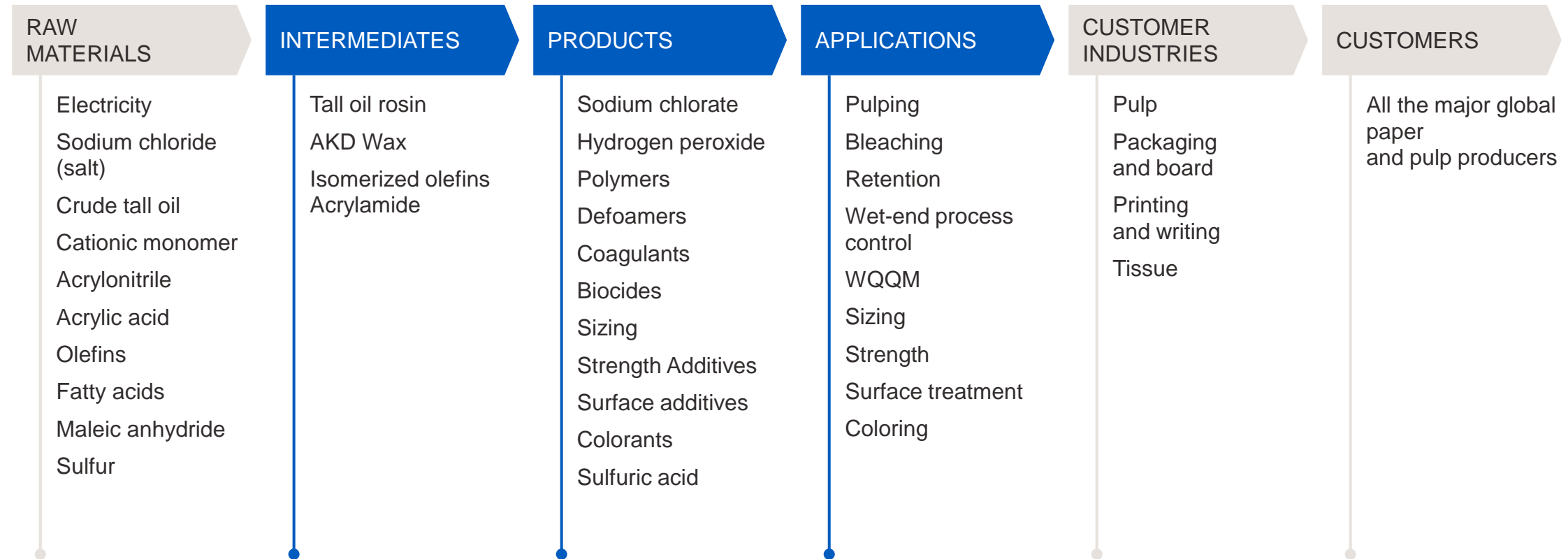


- Pulp & Paper chemicals market drivers
  - Hardwood and softwood pulp demand increasing driven by growth of packaging needs (e-commerce, non-plastic solutions), growing tissue demand and lack of recycled fiber
  - Demand increase continues for packaging, driven by online shopping, last-mile delivery, product safety and non-plastic solutions
  - Growth in tissue demand driven by increasing wealth in emerging countries
  - Ongoing digitalization of media drives decline of graphic paper demand
- Growth areas, pulp and board & tissue, represent over 80% of our Pulp & Paper revenue
  - Ongoing capacity additions suit well for the need of growing demand



# Pulp & Paper

## TECHNOLOGY AND MARKET LEADER



■ Value chain part covered by Kemira

MAIN COMPETITORS: Solenis, Nouryon, Ecolab, Kurita, SNF

# We have a strong position particularly in EMEA

	PULP	PACKAGING & TISSUE	PRINTING & WRITING
<b>EMEA</b> Market position	<b>#1/2</b>	<b>#1/2</b>	<b>#1/2</b>
<b>North America</b> Market position	<b>#3/4</b>	<b>#3</b>	<b>#2/3</b>
<b>APAC</b> Market position	<b>n.a.</b>	<b>#1/2</b>	<b>#1/2</b>
<b>South America</b> Market position	<b>#2</b>	<b>#2/3</b>	<b>#2/3</b>

# Pulp and packaging markets are growing driven by sustainability trends

## PULP & BLEACHING MARKET

Demand for virgin fiber increasing due to decline in availability of recycled fiber and growing uses of fiber

New pulp capacity expected in Asia-Pacific, South America and Northern Europe

~1-2%  
expected  
market  
growth

#2  
Kemira  
market  
position

### KEMIRA FOCUS

**Focus** on selective pulp investments that support sustainable pulp production for packaging, tissue and future fiber applications

## BOARD AND TISSUE MARKET

Packaging market growth drivers: APAC, online retail and move away from plastic packaging

Tissue market growth drivers: population growth and rising income levels

~2-3%  
expected  
market  
growth

#2  
Kemira  
market  
position

### KEMIRA FOCUS

**Maintain** a synergistic portfolio with focus on operational excellence and cost competitiveness

# We are transforming our portfolio more towards renewable solutions

## CUSTOMERS SEEKING ADDED VALUE FROM SUSTAINABILITY AND BIOMATERIALS

- Maximizing biocontent in end-products to differentiate from plastic applications -> **recyclability** of products key
- Pulp & Paper companies making increasing investments to renew and broaden wood-based end-product portfolio
- Many Pulp & Paper customers announcing ambitious sustainability targets related to CO<sub>2</sub> emission reduction and more efficient water usage

## WE WILL BECOME THE LEADING PROVIDER OF SUSTAINABLE CHEMICAL SOLUTIONS FOR WATER-INTENSIVE INDUSTRIES

- Kemira's aim is to improve customer resource efficiency, particularly in pulp and packaging
- 13% of all carbon containing raw materials used in Kemira is already renewable
- Ambition to create a green portfolio in the long term
- Key product lines strength, sizing and barriers as well as retention chemicals
- **Kemira's current renewable solutions:** e.g. sizing agents, such as Sunflower ASA and AKD wax, and rosin



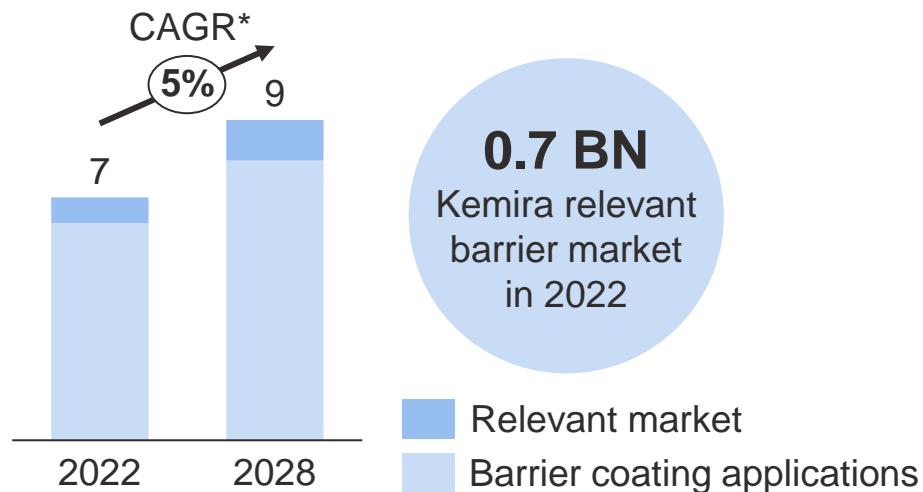
# Barrier market projected to grow by 5% p.a. to 2028

## MARKET DRIVERS

Consumer preference for sustainable solutions

Transition towards phasing out plastic for food and consumption packages

## BARRIER MARKET EXPECTED GROW IN COMING YEARS (EUR BILLION)



\*CAGR, compound annual growth rate

## KEMIRA HAS A STRONG POSITION

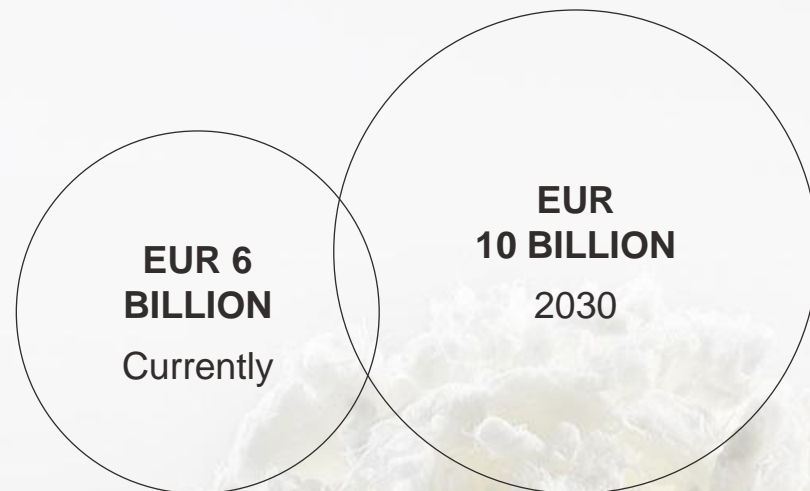
Kemira's first generation, partly renewable, barrier, commercialized; second generation renewable solution being rolled out

Work ongoing with Danimer Scientific to introduce new fully renewable barrier coatings that are based on PHA\*



\*) Polyhydroxyalkanoate

# The wood-fiber textile market projected to reach EUR 10 billion by 2030



**Estimated textile fiber market size**

## TEXTILE MARKET IN TRANSFORMATION

Demand for novel sustainable fiber solutions in textiles is high in order to replace cotton and synthetic fibers

More than 96% of global EUR 200 billion textile fiber market is considered non-sustainable

## KEMIRA IS A FIRST MOVER

A competitive chemical and service portfolio to help fiber producers to scale up their technologies and to transform the textile fiber market

Chemicals key to improve the durability of wood-based fibers

Initiatives ongoing with several fiber-based textile companies

# Services offering is a valuable differentiator

- Aim to create a significant digital services business, 2022 revenue was around EUR 5 million
- New dedicated service organization established to accelerate growth in services
- Commitment to invest in expanding and commercializing service offering further

KEMIRA'S SERVICE OFFERING		
Complementary services	Process optimization	Predictive services

## COLLABORATION WITH SIMANALYTICS

Kemira acquired a stake in SimAnalytics, a Finnish start-up, in summer 2021. Kemira's predictive services utilize SimAnalytics' Harmonizer tool.

## METSÄ BOARD KEMI

Customer benefits with Kemira's services:

- Improved quality
- Energy Efficiency
- Improved chemical Efficiency





**We are  
competitively  
positioned in the  
growing fiber-  
based  
applications**

**100 YEARS OF  
EXPERTISE IN FIBER  
WATER CHEMISTRY**

**BROADEST PULP &  
PAPER CHEMICAL  
PRODUCT PORTFOLIO  
IN THE WORLD**

**LONG ESTABLISHED  
CUSTOMER  
RELATIONSHIPS**

**BROAD CAPABILITIES  
TO SERVE CUSTOMERS  
ACROSS THE GLOBE**



# Industry & Water

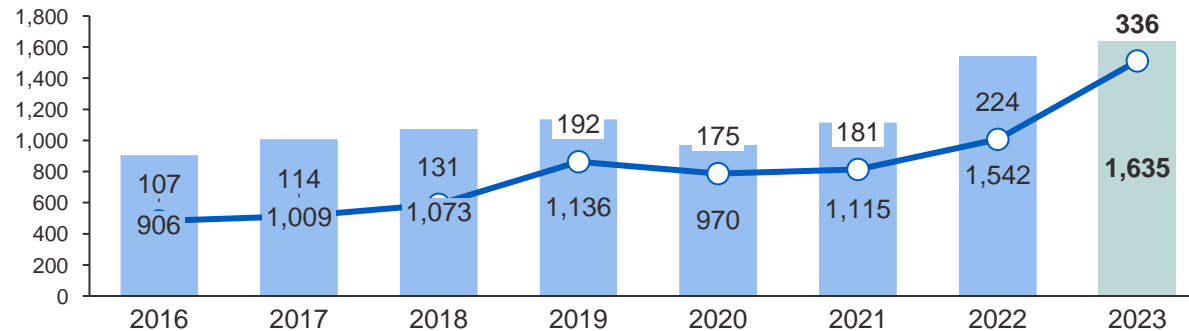
**Stronger platform  
for profitable growth**



# Industry & Water relevant chemicals market estimated to grow 4-5%

## REVENUE AND OPERATIVE EBITDA

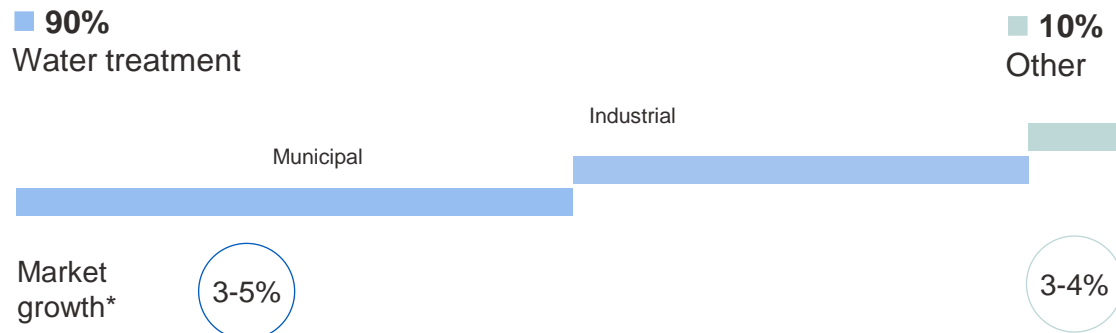
EUR million



2015-2016 figures are pro forma; combination of Municipal & Industrial and Oil & Mining segments

## REVENUE BY APPLICATION

Excluding Oil & Gas

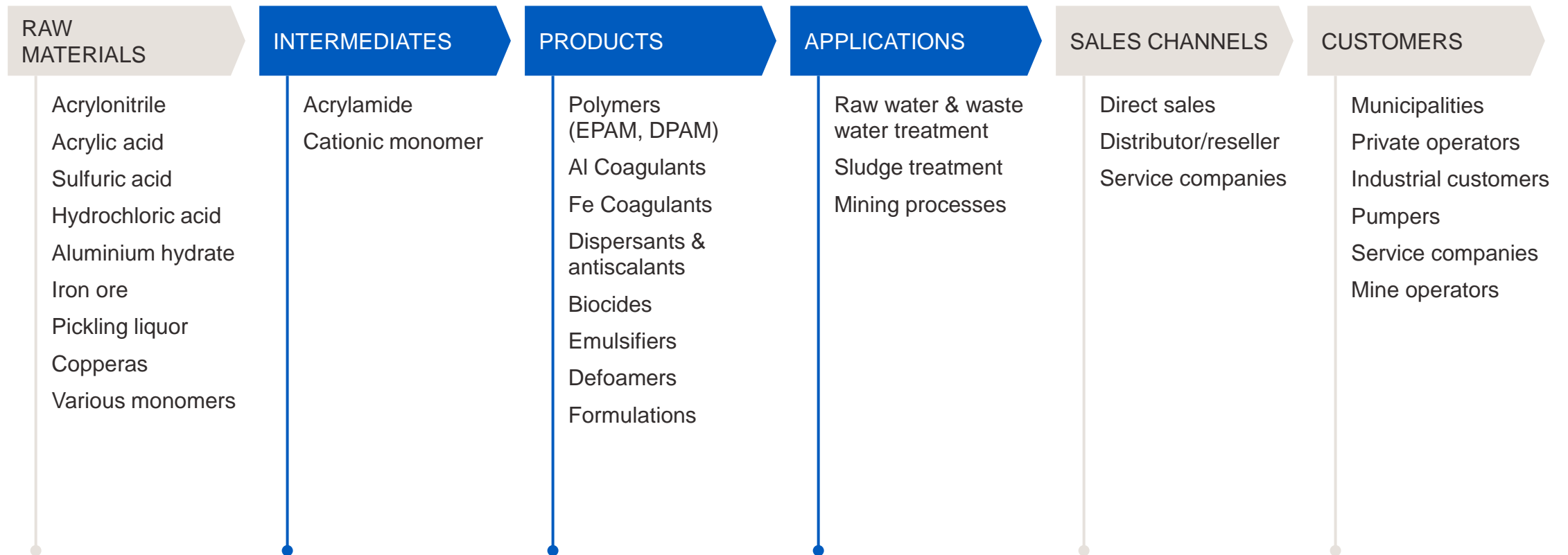


- Demand for water treatment chemicals expected to increase due to
  - Higher demand for water driven by industrial growth and population growth
  - More stringent discharge limits for waste water
  - Better dewatering of sludge
  - Phosphorus recovery
  - Water reuse



# Industry & Water

TECHNOLOGY AND MARKET LEADER IN WATER TREATMENT AS WELL AS IN NICHE APPLICATIONS IN OIL & GAS



■ Value chain part covered by Kemira

## MAIN COMPETITORS

Coagulants: mainly local small companies, Feralco, USALCO, Kronos, PVS,  
Polymers: SNF, Solvay, Ecolab, Solenis

# We have strong positions particularly in EMEA water treatment

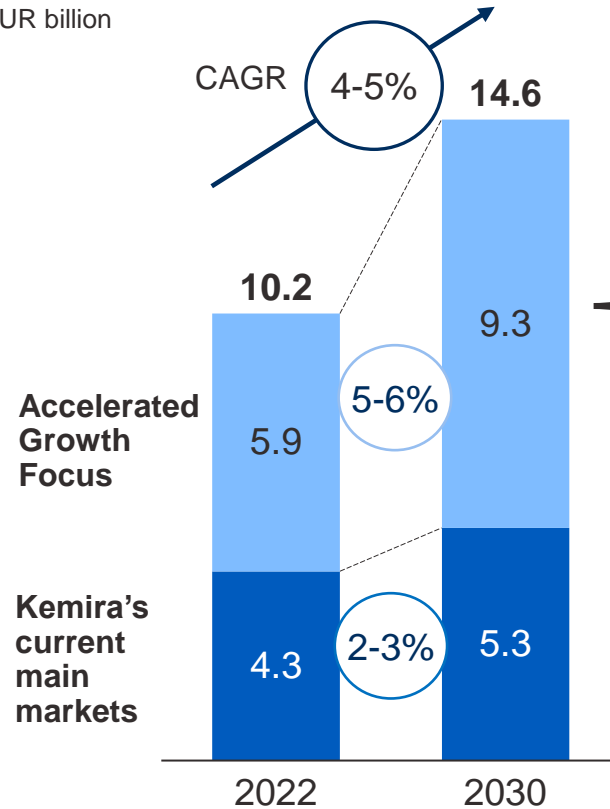
	MARKET POSITION	MARKET OUTLOOK
<b>EMEA</b>		
Water treatment <sup>1,2)</sup>	#1	↗
<b>NORTH AMERICA</b>		
Water treatment <sup>1)</sup>	#2	↗
<b>APAC</b>		
Water treatment <sup>2)</sup>	Top 10	↗



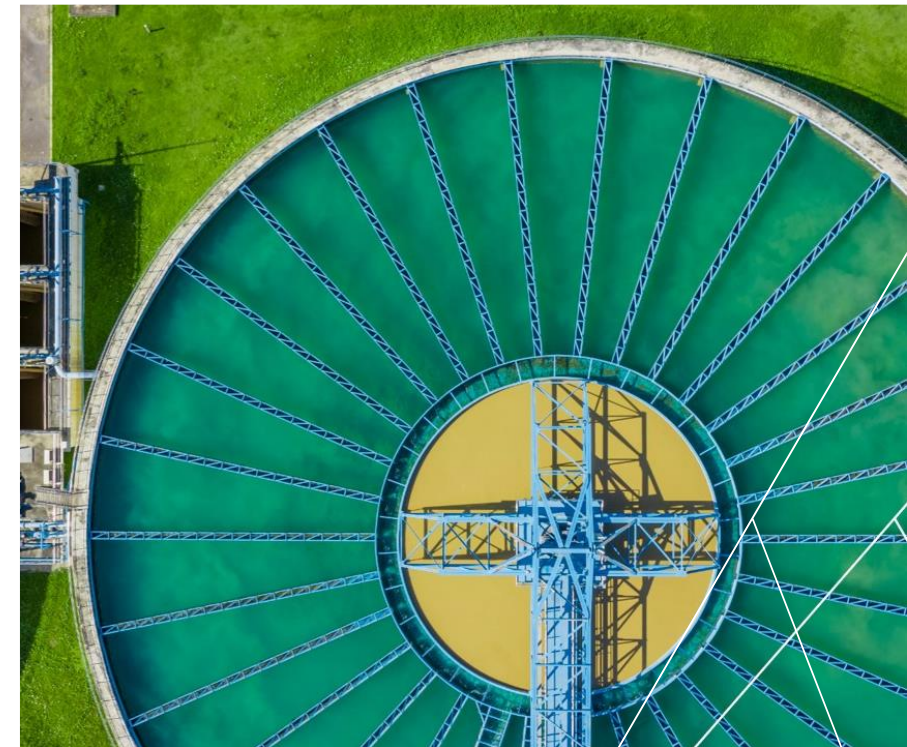
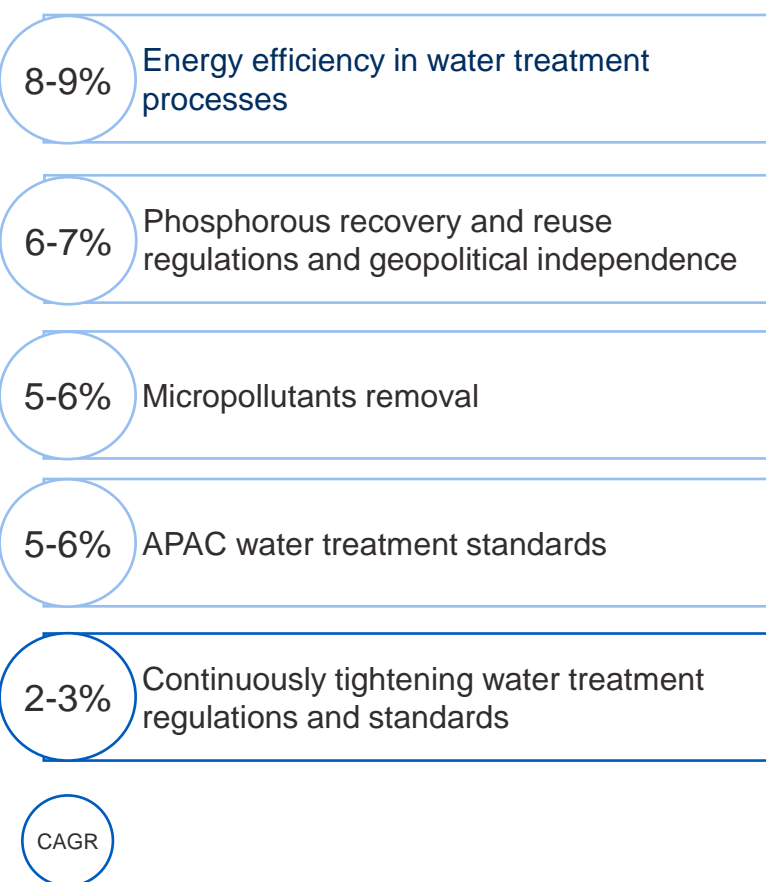
# Trends in water treatment provide solid opportunities for sustainable growth

## Relevant water treatment products & solutions market

EUR billion



## Relevant market trend and expected growth

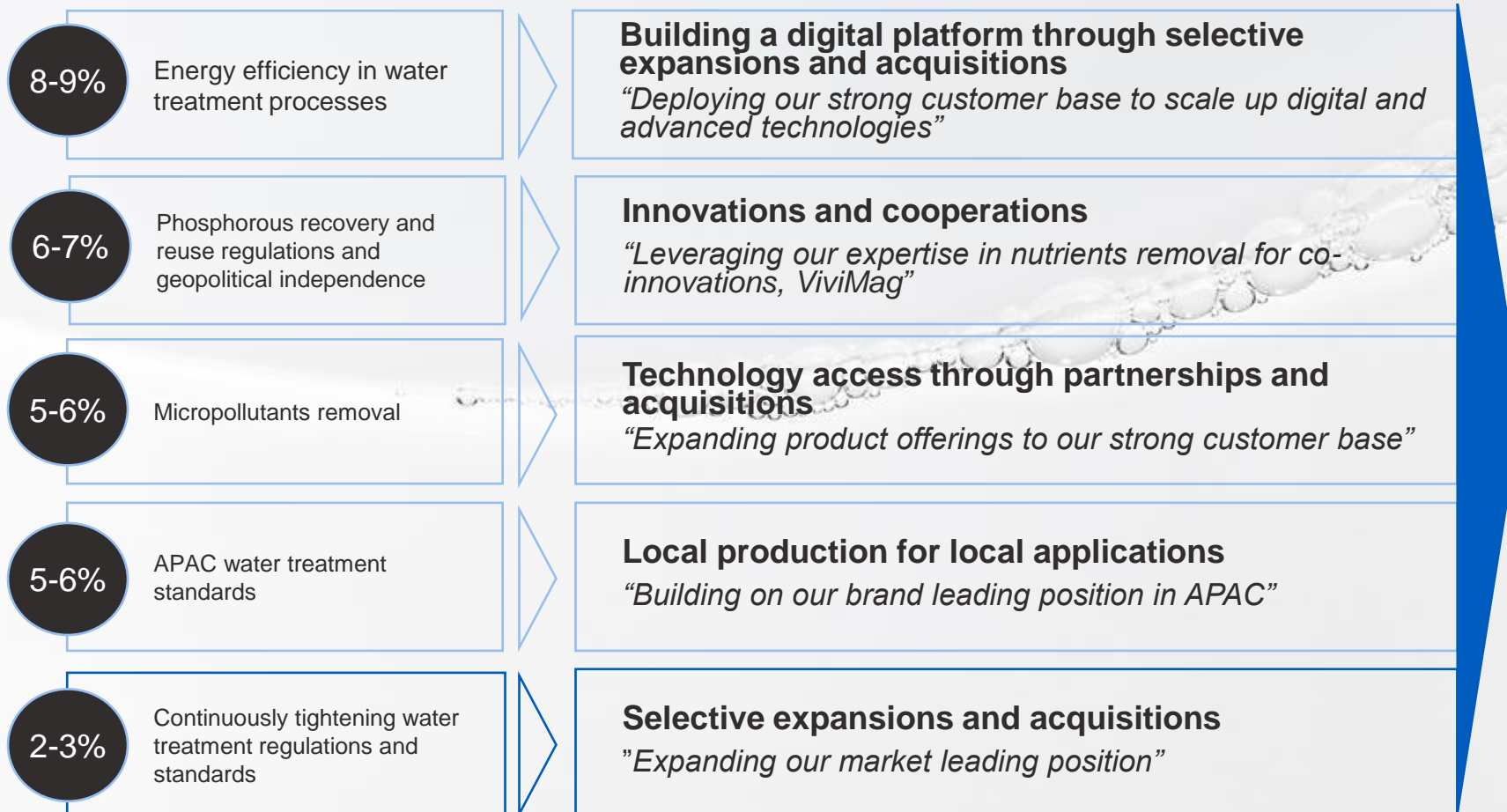




# We are accelerating our investments in water

## Relevant market trend and expected growth

## I&W strategic growth road map in execution



**Accelerated  
growth  
investments**

**& Acquisitions  
Innovation  
Organic  
expansions**

# Water treatment customers focus increasingly on sustainability

- Consumers increasingly aware of sustainability issues
- Water treatment customers increasingly focused on reducing CO<sub>2</sub> footprint
- Kemira survey shows customers are willing to pay a premium for renewable solutions
- Micropollutant removal and disinfection leading themes currently in sustainable water management



**Growing market for sustainable and circular products.  
Also renewable solutions growing in importance.**



# Kemira's six actions for cleaner waters





IN EMEA



1. The requirements of the Urban Wastewater Treatment Directive (UWWTD) must be implemented fully and equally in all member states.
2. Emission limit values (especially phosphorus) in water discharges should be tightened.
3. Digitalization can improve both the quality of monitoring and the cost efficiency of water treatment.
4. Emerging pollutants need to be included in the legislation.
5. Pollution from storm-water overflows must be limited and discharges safely disinfected.
6. Clearer guidance is needed on applying innovation and sustainability criteria in public procurement for water treatment.



# Regulation continues to support growth in European water treatment market

Regulation under update	Comments & Implications
 <b>Urban Wastewater Treatment Directive (UWWT)*</b>	<ul style="list-style-type: none"> <li>• Basis for wastewater treatment business in Europe</li> <li>• Target to better enforce existing legislation in all countries</li> <li>• Other potential improvement areas: energy efficiency and micropollutants control</li> <li>• Revised directive will increase use of coagulants and polymers in non-compliant countries</li> <li>• New regulation expected to be fully operational in late 2025</li> </ul>
 <b>Water Framework Directive (WFD)</b>	<ul style="list-style-type: none"> <li>• Regulation evaluated to be fit for purpose and won't be opened for changes</li> </ul>
 <b>Drinking Water Directive (DWD)</b>	<ul style="list-style-type: none"> <li>• Only minor changes with small impact: <ul style="list-style-type: none"> <li>– New tighter limits for Lead and Chromium in drinking water</li> </ul> </li> <li>• New regulation is expected to be fully operational in 2025</li> </ul>
 <b>Water Reuse regulation</b>	<ul style="list-style-type: none"> <li>• New EU wide regulation (no additional national implementation required) defining minimum quality standards for water reuse in agriculture</li> <li>• The regulation does not incentivize increased water reuse, however clear quality standards are hoped to boost water reuse</li> </ul>
<b>Estimated to increase water treatment chemical demand by ~40 MEUR / p.a. in the long term</b>	

\* most relevant for Kemira

# Latest news and financials



## NEW PRESIDENT AND CEO

# Antti Salminen appointed President and CEO

- Antti Salminen (1971), PhD Eng., has been appointed President and CEO of Kemira as of February 12, 2024
- Antti Salminen has been a Member of Kemira's Management Board since 2011 and has held several successful leadership positions at Kemira:
  - President, Pulp & Paper segment 2022-2023
  - President, Industry & Water segment 2014-2022
  - EVP, Supply Chain Management 2011-2014





# 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 -13% in Q4 2023; -2% in 2023
- FY2023 decline driven by lower sales volumes in Pulp & Paper, Q4 particularly by lower sales prices for energy-intensive pulp & bleaching chemicals
- Sequential volume improvement starting Q3 2023, considerable sequential volume improvement in Pulp & Paper in Q4 2023

## 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 -0.20 in Q4 2023** mainly due to the expected loss from the divestment of Oil & Gas; **FY 2023 EPS: EUR 1.28**

**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 - sequential volume growth in Q4

## Market environment in 2023

- Market declined significantly in 2023 due to weak economic activity and inventory destocking. Market weak particularly in EMEA.
- Market recovery continued in Q4 2023

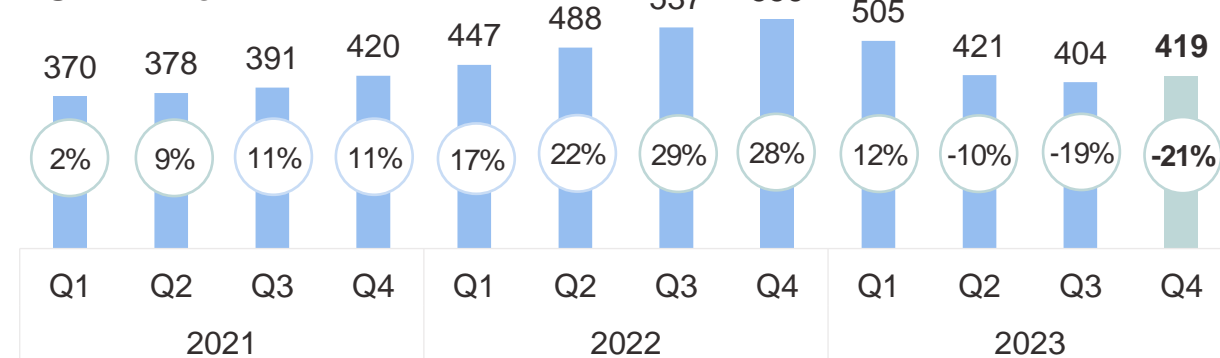
## Organic growth 2023: -11%; Q4 2023: -21%

- 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.

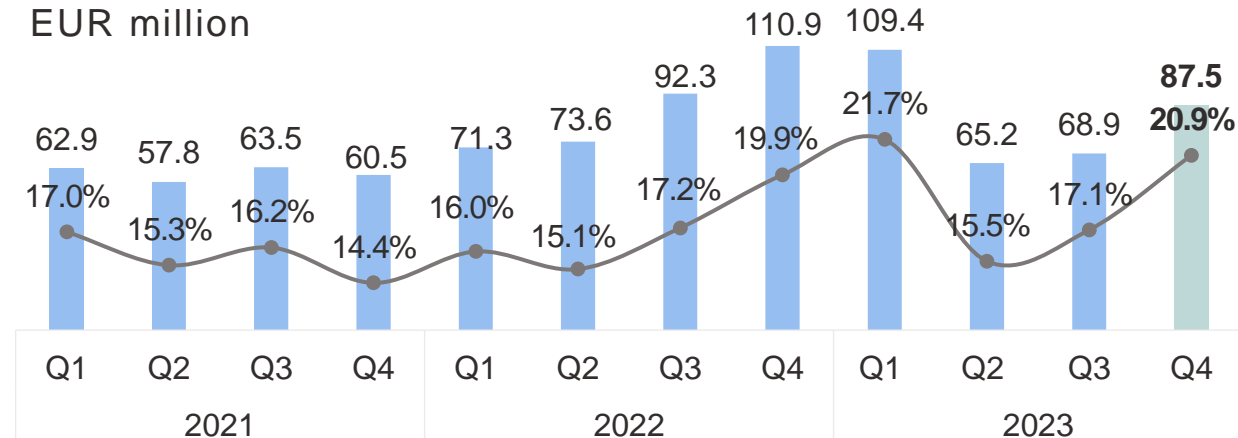
## FY margin at a record-high of 18.9%

- FY2023: Resilient margin in a tough market
- Strong Q4 driven by sequentially higher sales volumes, lower variable costs and APAC margin improvement

## REVENUE AND ORGANIC REVENUE GROWTH (Y-ON-Y) EUR million



## OPERATIVE EBITDA AND OPERATIVE EBITDA-% EUR million



# Industry & Water: Excellent full year performance

## Market environment in 2023

- Water treatment: solid demand in municipal water treatment, softness in industrial demand
- Solid Oil & Gas market, shale market consolidation continuing

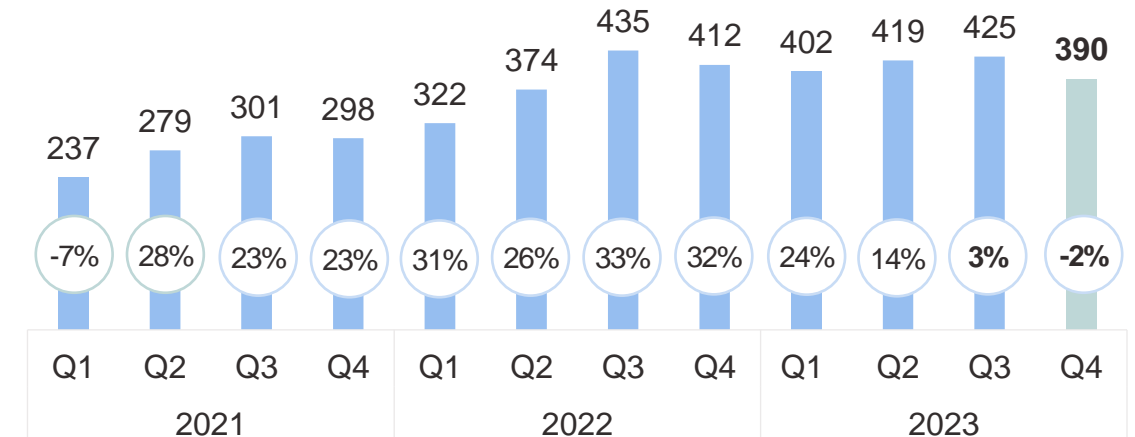
## Organic growth 2023: +9%; Q4 2023: -2%

- FY organic growth driven by Oil & Gas. Organic growth in water treatment +3%, +25% in Oil & Gas in 2023.
- Q4: Revenue declined due to slightly lower sales prices y/y; sequential volume decline due to seasonality

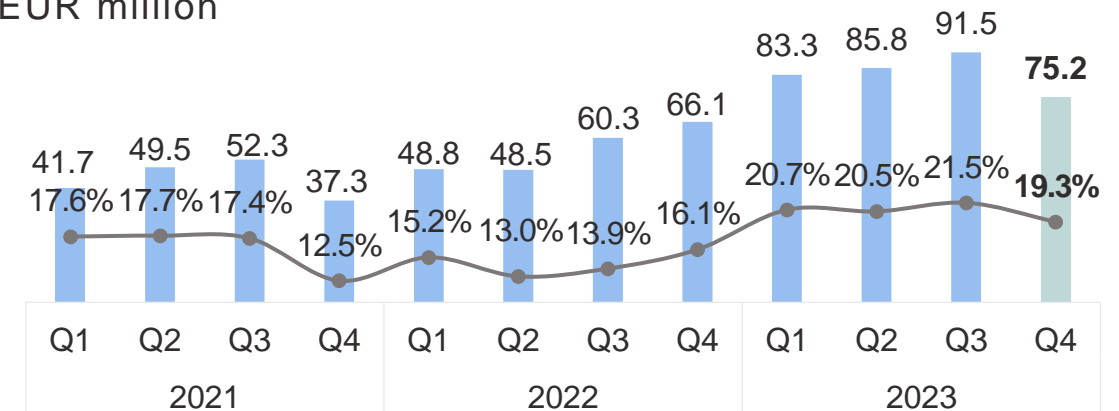
## FY margin at a record-high of 20.5%

- Strong margin performance driven by higher sales prices in water treatment; margin improvement in Oil & Gas
- Q4 margin lower sequentially due to lower Oil & Gas margins

## REVENUE AND ORGANIC REVENUE GROWTH (Y-ON-Y) EUR million



## 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



# 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.

# Financials Q4 2023



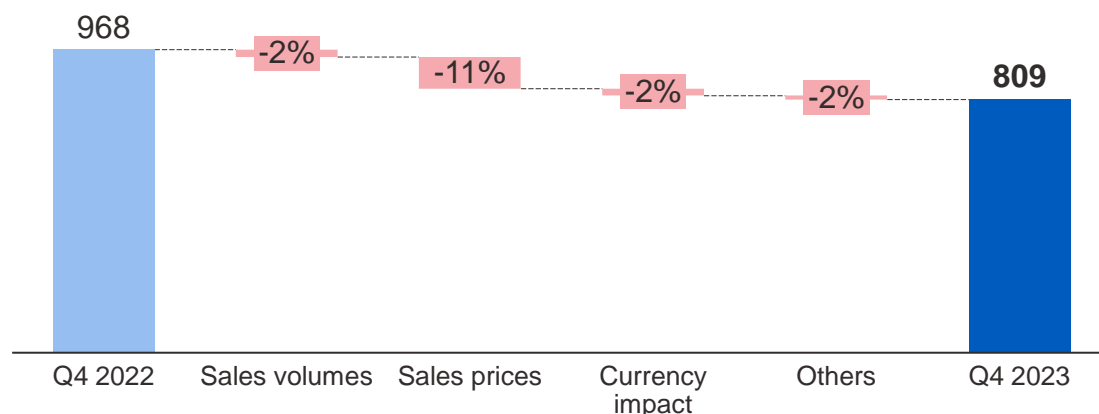


# Strong Q4 margin performance

Q4/2023

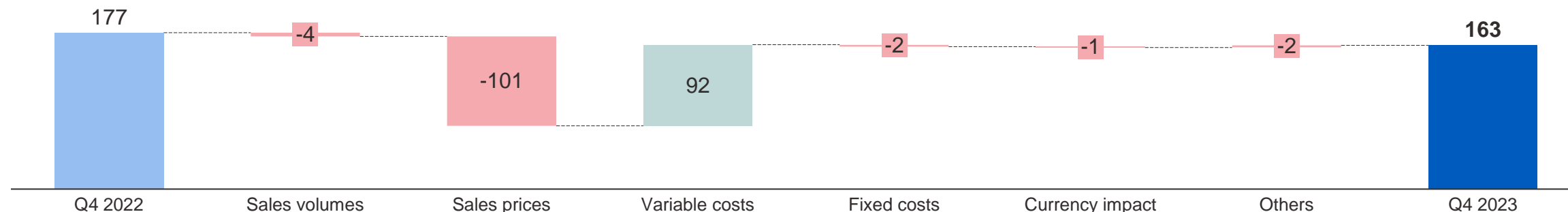
## REVENUE AND ORGANIC GROWTH (Y-ON-Y)

EUR million



## OPERATIVE EBITDA BRIDGE

EUR million



## Organic revenue growth -13% in Q4 2023

Q4 2023: sales prices declined following lower market prices for energy-intensive pulp and bleaching chemicals

- Sequentially sales volumes increased, considerable sequential volume growth in Pulp & Paper. Prices declined slightly sequentially.
- Organic revenue growth excluding the Oil & Gas business -16% in Q4 2023, -5% in FY2023

## Operative EBITDA of EUR 163 million in Q4 2023

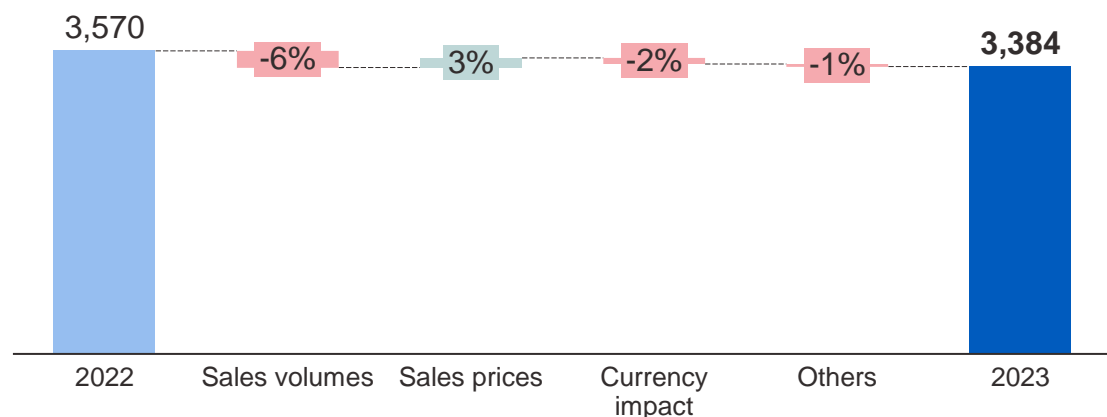
- Strong operative EBITDA margin of 20.1% in Q4 2023, sequential improvement
- Strong margin performance in both segments in Q4 2023, significant sequential improvement in Pulp & Paper

# Record-high operative EBITDA in 2023

JANUARY-DECEMBER 2023

## REVENUE AND ORGANIC GROWTH (Y-ON-Y)

EUR million



## Organic revenue growth -2% in 2023

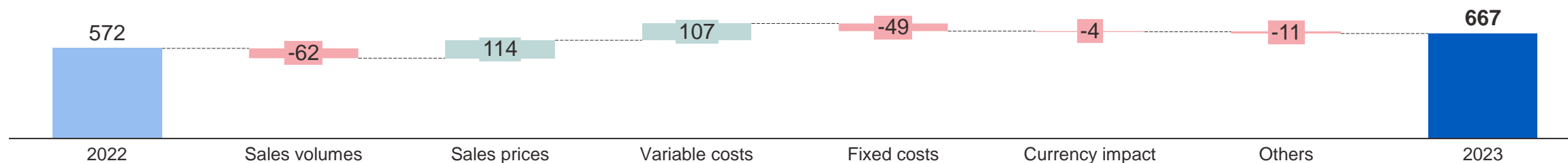
- Sales prices increased in Industry & Water driven by higher sales prices in water treatment
- Sales volumes declined following soft market environment in Pulp & Paper
- Organic revenue growth excluding the Oil & Gas business -5% in FY2023

## Record-high operative EBITDA of EUR 667 million

- Improvement in Industry & Water segment driven by higher sales prices. Variable costs declined during the year.
- Operative EBITDA margin improved to a record-high of 19.7% driven by record margins in both segments

## OPERATIVE EBITDA BRIDGE

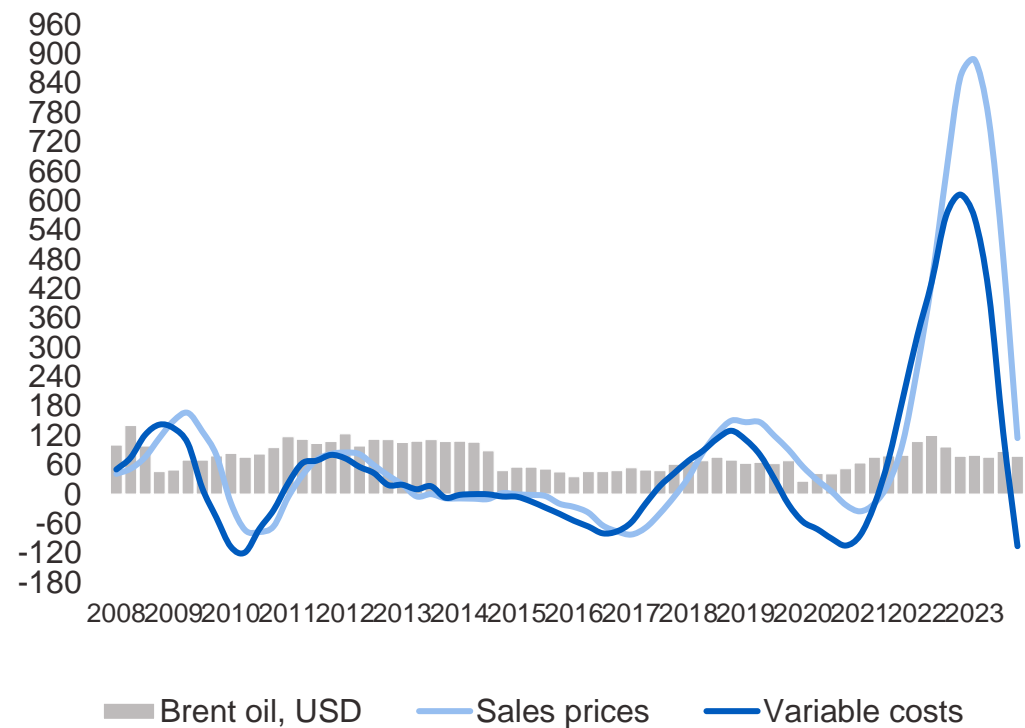
EUR million



# Variable cost decline moderating

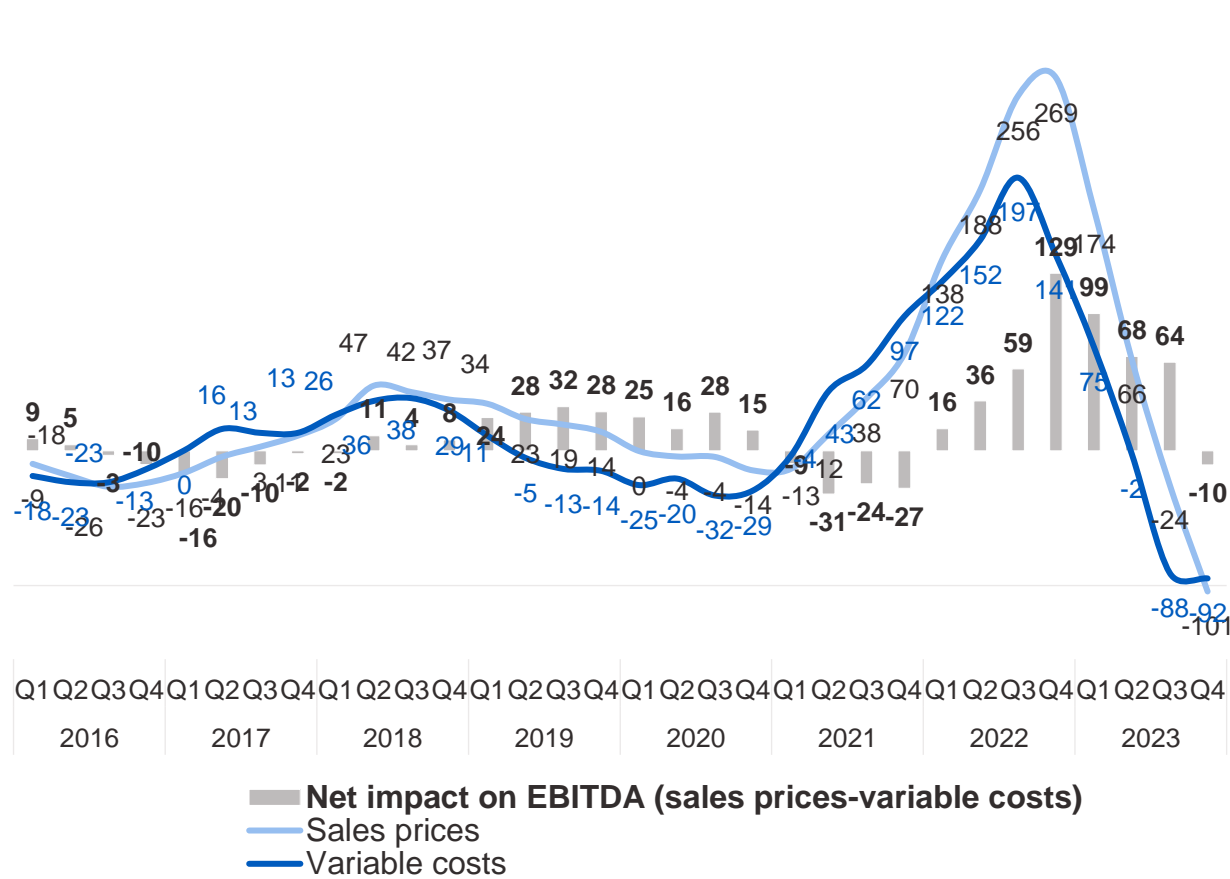
SALES PRICE VS VARIABLE COST TREND  
(ROLLING 12-MONTH CHANGE Y-O-Y)

EUR million



SALES PRICES AND VARIABLE COSTS  
(CHANGE Y-O-Y)

EUR million





# Items affecting comparability in 2023

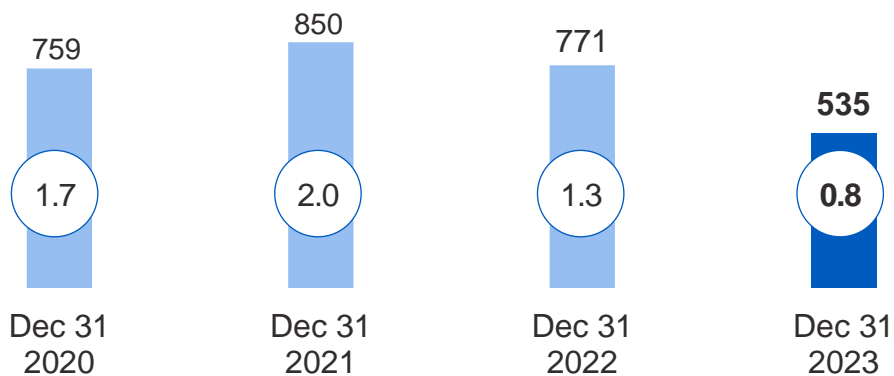
- **Q4 2023:**

- The expected loss from the divestment of the Oil & Gas business amounted to around EUR 97 million in Q4 2023 reflecting difference between purchase price and transferring assets as well as some goodwill write-off
- EUR 12 million provision in Q4 2023 related to a single-asset energy company in Pori, Finland majority owned by Kemira via Pohjolan Voima. The energy company operates on the cost-price principle ("Mankala principle") and Kemira has sold the energy to a third party, which terminated the agreement in 2021. The provision covers expected lower utilization rate of the asset.

Items affecting comparability, EUR million	Q4 2023	Q4 2022	FY 2023	FY 2022
<b>Within EBITDA</b>	<b>-111.4</b>	7.8	<b>-126.7</b>	-12.8
Pulp & Paper	<b>-13.0</b>	7.2	<b>-22.9</b>	-11.4
Industry & Water	<b>-98.4</b>	0.6	<b>-103.7</b>	-1.4
<b>Within depreciation, amortization and impairment</b>	<b>0.0</b>	0.6	<b>0.0</b>	-1.2
Pulp & Paper	<b>0.0</b>	0.6	<b>0.0</b>	-1.2
Industry & Water	<b>0.0</b>	0.0	<b>0.0</b>	0.0
<b>Total items affecting comparability in EBIT</b>	<b>-111.4</b>	8.4	<b>-126.7</b>	-14.0

# Record-strong balance sheet

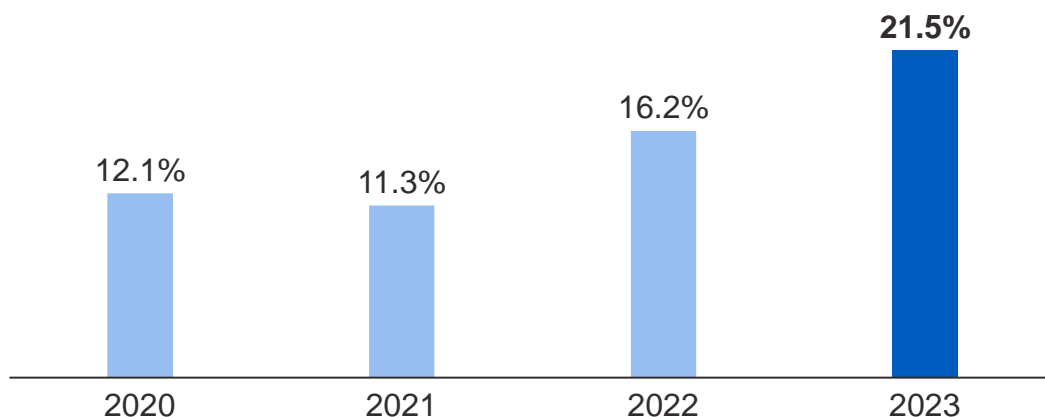
## NET DEBT (EUR million) AND LEVERAGE RATIO\*



\* Leverage ratio = Net debt / last 12 months operative EBITDA

- Balance sheet further strengthened during the quarter: gearing 32% (46% in Q4 2022) - well below financial target range of below 75%
- Net debt / operative EBITDA 0.8
- Average interest rate of net debt excluding leases 2.8% (2.4%) and duration 16 (18) months

## OPERATIVE RETURN ON CAPITAL EMPLOYED

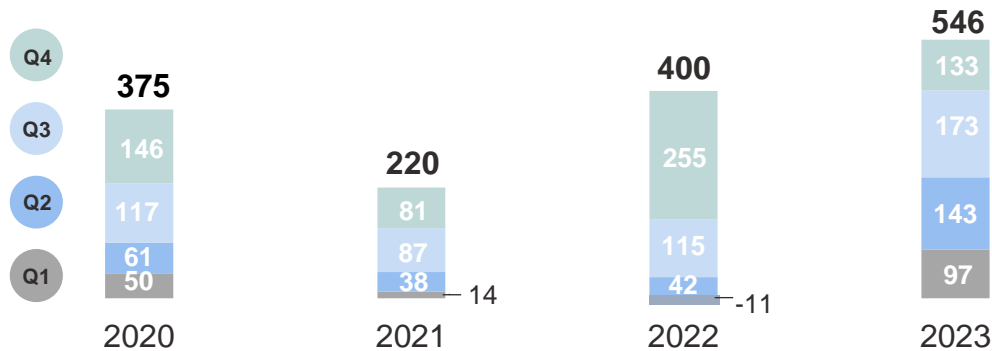


- Operative ROCE improved further to 21.5% in Q4 2023 (Q4 2022 16.2%)

# Record-high full year cash flow

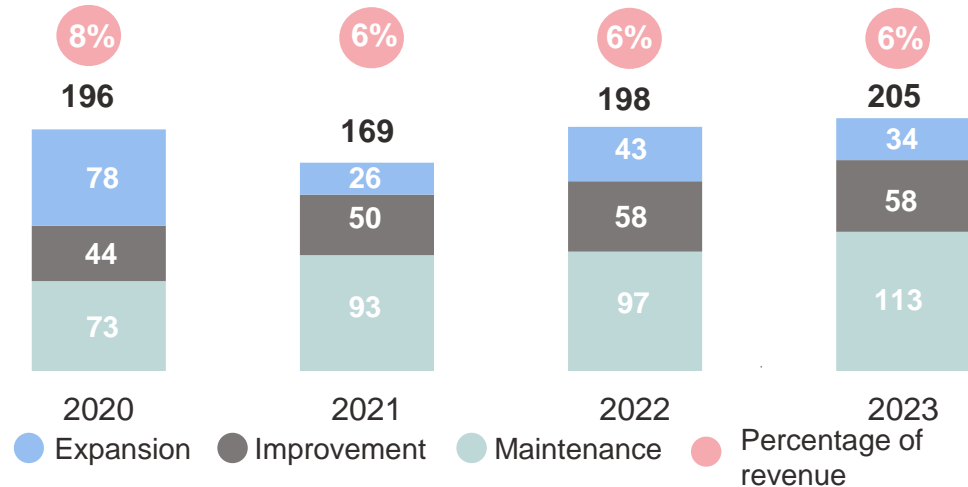
ALL KEY FIGURES IN EUR MILLION

## CASH FLOW FROM OPERATIONS



- Strong cash flow throughout 2023 following lower net working capital and higher net profit for the period
- Supplementary pension fund Neliapila to return excess funds of around EUR 14 million during H1 2024 to Kemira
- Cash conversion improved to 0.52 in 2023 (2022: 0.39)

## CAPITAL EXPENDITURE EXCL. ACQUISITIONS

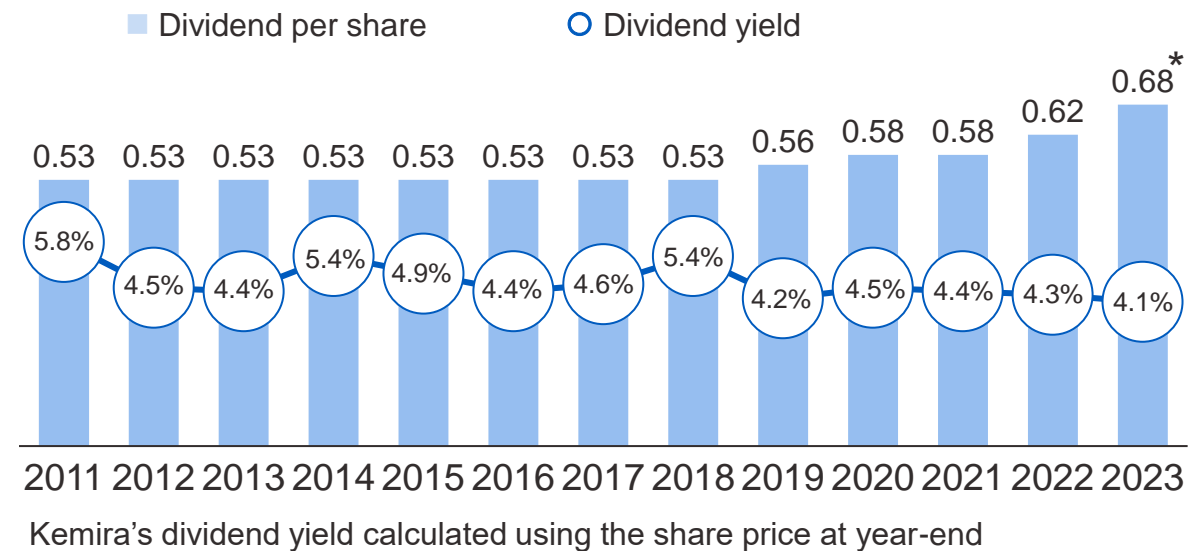


- Capex excluding acquisitions EUR 205 million in 2023
- Capex excl. acquisitions estimated to increase slightly in 2024 (2023: EUR 205 million):
  - Largest expansion capex projects: ASA capacity expansion in China + Goole coagulant expansion in the UK
  - Investments to renewable solutions projects expected to start in 2024



# Dividend proposed to be increased to EUR 0.68 per share

- Dividend is proposed to be increased to a new high – good track record in increasing dividends since 2018
- Board of Directors proposes to the Annual General Meeting a dividend of EUR 0.68 per share, totaling EUR 104.5 million. The dividend is proposed to be paid in two installments, in April and in November.
- No Board of Directors discretion over second dividend installment
- Kemira has paid a dividend every year since listing of shares in 1994



\*Board of Directors' proposal to the AGM 2024

# Oil & Gas divestment's impact on Kemira's financials

## EXPECTED FINANCIAL IMPACTS OF THE DIVESTMENT

- Less cyclical and seasonality
- Positive impact on Kemira's margin structure
- Lower capital intensity (incl. fixed assets and net working capital) and positive impact on operative ROCE
- Divestment proceeds will further strengthen Kemira's balance sheet and improve flexibility to look at M&A opportunities

## ADDITIONAL ALTERNATIVE KEY FIGURES

- Published separately as a stock exchange release on February 9, 2024; available also on [kemira.com/investors](https://kemira.com/investors)

## SELECTED ALTERNATIVE KEY FIGURES ADJUSTED FOR THE DIVESTMENT

	2023	2022
Revenue	2,889.0	3,141.1
Operative EBITDA	595.9	518.3
<i>Operative EBITDA margin</i>	20.6%	16.5%
Operative ROCE		N/A
Capital expenditure excl. acquisitions	187.7	176.2

# Outlook for 2024

## OUTLOOK

### REVENUE

Kemira's revenue in local currencies, excluding acquisitions and divestments, is expected to be between EUR 2,700 and 3,200 million in 2024 (reported 2023 revenue: EUR 3,384 million)

### OPERATIVE EBITDA

Kemira's operative EBITDA is expected to be between EUR 480 and 580 million in 2024 (reported 2023 EBITDA: EUR 667 million)

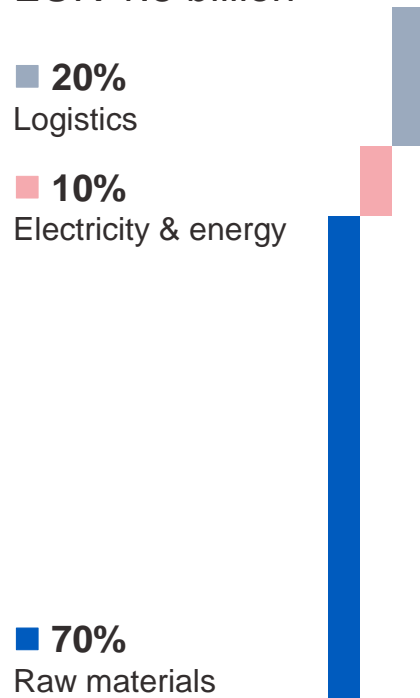
### ASSUMPTIONS BEHIND THE OUTLOOK

- Kemira's end-market demand (in volumes) is expected to grow slightly in 2024 following expected gradual demand recovery in the pulp & paper market. The water treatment market is expected to remain steady in 2024.
- Input costs are expected to remain rather stable during the year
- Outlook assumes no major disruptions to Kemira's manufacturing operations, supply chain or Kemira's energy-generating assets in Finland
- Foreign exchange rates are expected to remain at approximately current levels
- The outlook for 2024 includes the Oil & Gas business until February 2, 2024, the closing date of the divestment transaction.

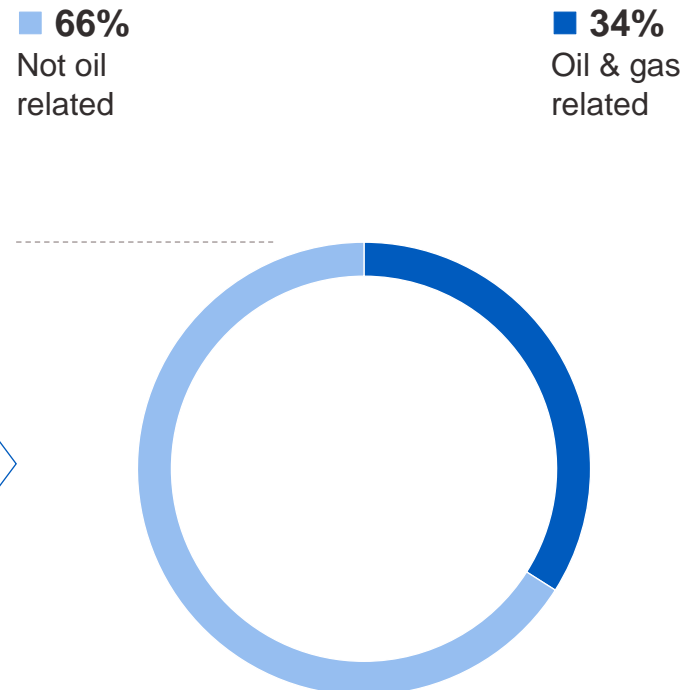


# Kemira's cost structure and top raw materials

## DIRECT PURCHASES AND LOGISTICS COSTS 2023 EUR 1.8 billion



## EXPOSURE TO OIL RELATED RAW MATERIALS



## TOP 12 RAW MATERIALS BY SPEND (around 50% of total raw material spend)

1. Acrylonitrile (OD)
2. Sodium hydroxide (caustic soda)\*
3. Petroleum solvents (OD)
4. Liquid Chlorine
5. Hydrochloric acid
6. Acrylic Acid (OD)
7. Aluminium Hydrate
8. Colloidal silica dispersion\*
9. Amines (OD)
10. Fatty acid
11. Sodium chloride (OD)
12. Alpha olefin (OD)

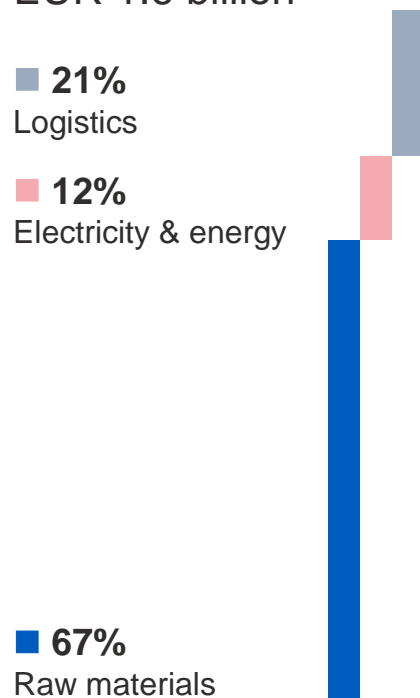
OD = Oil & gas derivative

\* Mainly trading materials

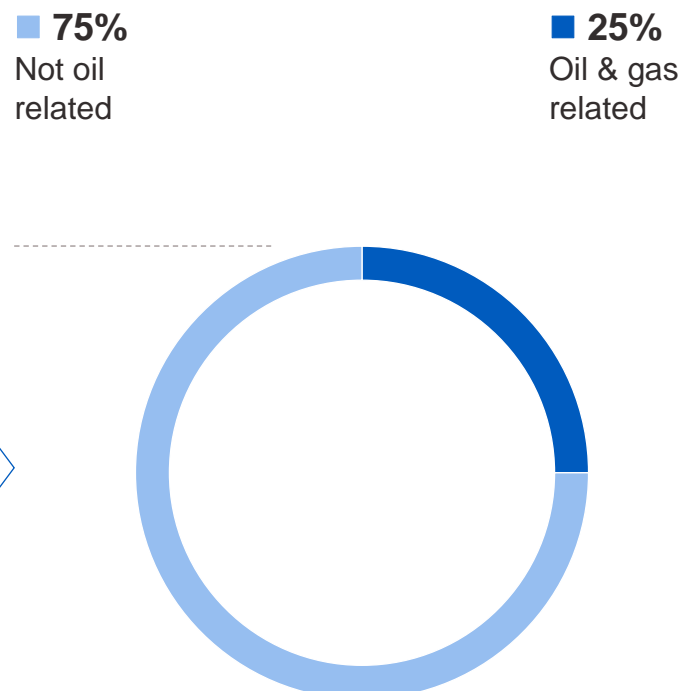
# Kemira's cost structure and top raw materials excluding O&G

## DIRECT PURCHASES AND LOGISTICS COSTS 2023

EUR 1.6 billion



## EXPOSURE TO OIL RELATED RAW MATERIALS



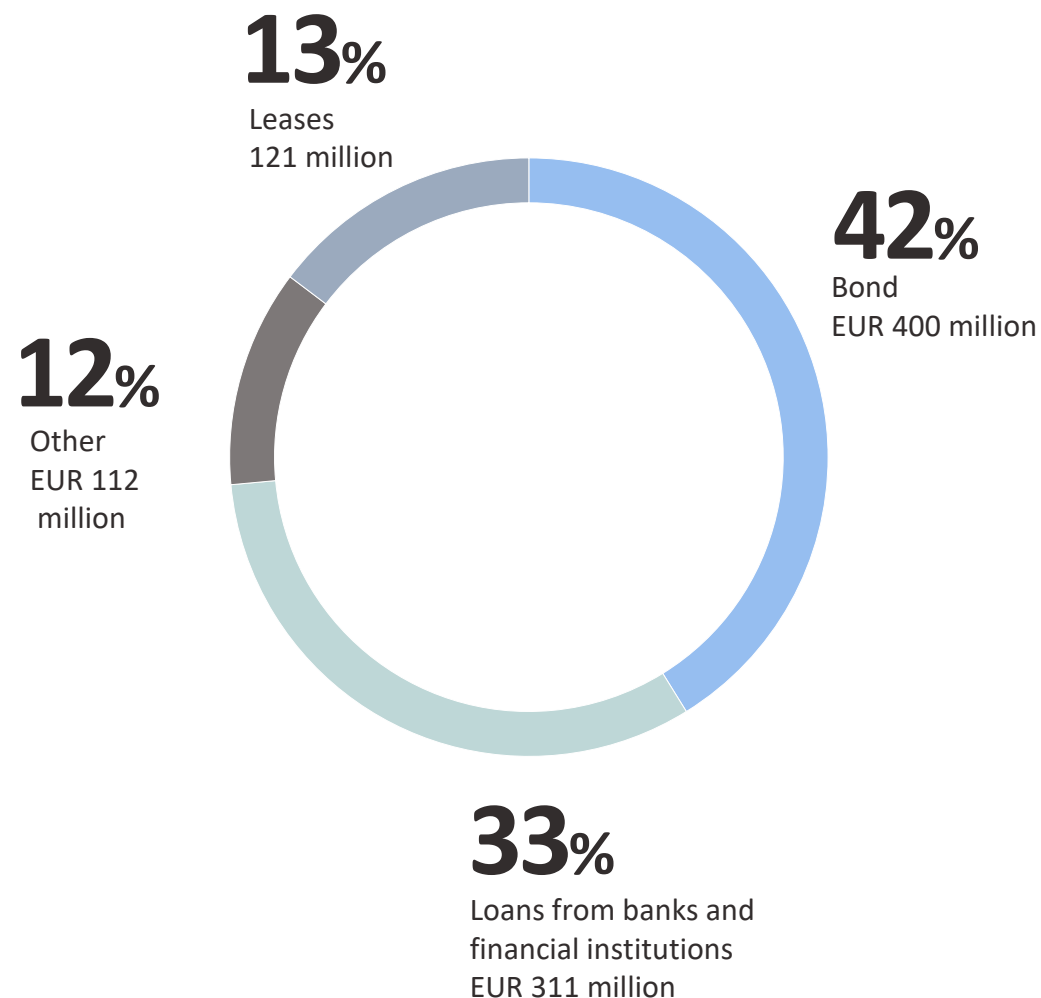
## TOP 12 RAW MATERIALS BY SPEND (around 50% of total raw material spend)

1. Sodium hydroxide (caustic soda)\*
2. Acrylonitrile (OD)
3. Liquid Chlorine
4. Hydrochloric acid
5. Aluminium Hydrate
6. Colloidal silica dispersion\*
7. Fatty acid
8. Sodium chloride (OD)
9. Alpha olefin (OD)
10. Amines (OD)
11. Sulphuric acid
12. Acrylic ester (OD)

OD = Oil & gas derivative

\* Mainly trading materials

# Kemira has a diversified financing base



GROSS DEBT END OF DECEMBER 2023 EUR 938 MILLION, MATURITY PROFILE EXCLUDING LEASES





# Majority of contracts with fixed annual pricing

## Pulp & Paper – Contract types and pricing terms\*

- **Length** – Around 95% of contracts are 1-year or longer / only 5% are spot deals
- **Pricing** – Around 65% fixed / 35% formula or spot pricing

## Industry & Water – Contract types and pricing terms\*

- **Length** – Around 70% of contracts are 1-yr or longer / 30% spot deals
- **Pricing** – Around 70% fixed (particularly in municipal) / 30% formula or spot pricing, incl. Oil & Gas where contracts are either formula or spot based

\*contract length does not necessarily correlate with fixed pricing. Kemira has a number of multi-year contracts that are based on formula pricing.

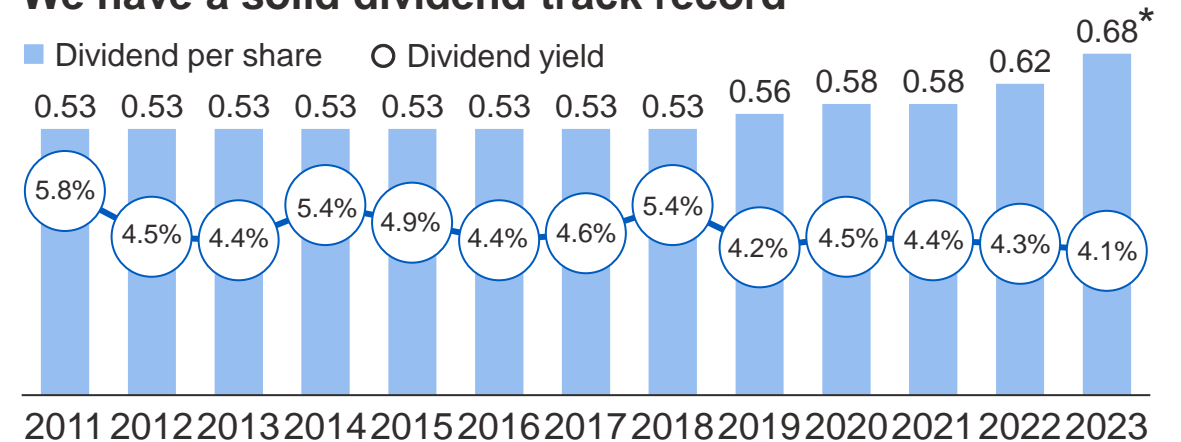


# Kemira aims to pay an attractive dividend



**KEMIRA'S DIVIDEND POLICY**  
Competitive and over-time increasing dividend  
No fixed payout ratio

## We have a solid dividend track record



Kemira's dividend yield calculated using the share price at year-end

\* Dividend to be paid in two installments, first paid in April and the second installment in November.

# Appendix



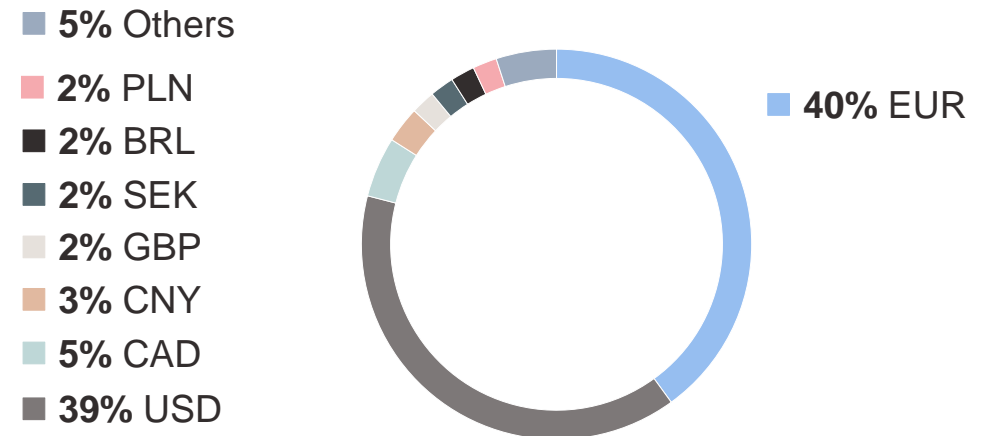


# Currencies had a negative impact on revenue and operative EBITDA

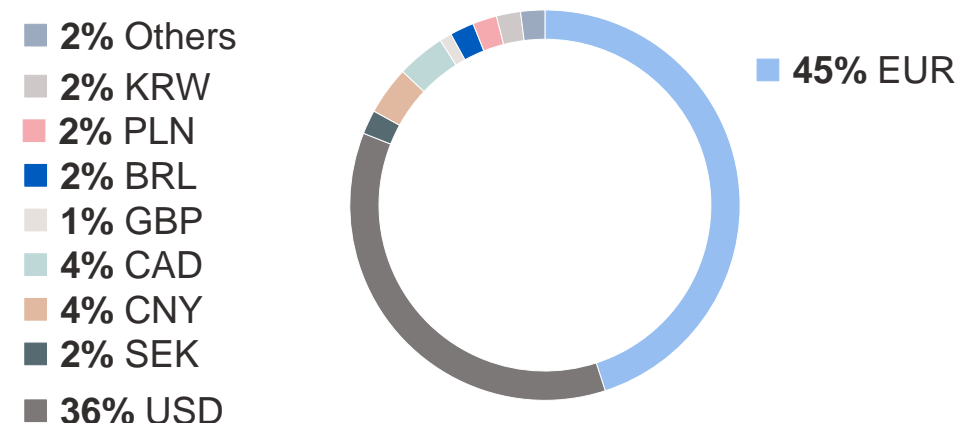
- Main currency exposure comes via translation impact
- Transaction risk is limited as revenues and costs are typically in same currency due to local manufacturing. Transaction risk mostly hedged.
- 10% change in Kemira's main foreign currencies would have approximately EUR 15 million impact on operative EBITDA on an annualized basis.

Currency exchange rates had **EUR -70 million impact on revenue** and **EUR -4 million impact on the operative EBITDA** in 2023 compared to 2022.

KEMIRA REVENUE DISTRIBUTION IN 2023



KEMIRA COST DISTRIBUTION IN 2023



# Key figures

EUR million	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	2023	2022
Revenue	808.8	828.7	840.1	906.0	968.2	3,383.7	3,569.6
Operative EBITDA	162.7	160.3	151.0	192.6	177.0	666.7	571.6
margin	20.1%	19.3%	18.0%	21.3%	18.3%	19.7%	16.0%
Operative EBIT	112.6	107.6	100.9	141.9	123.4	463.0	361.6
margin	13.9%	13.0%	12.0%	15.7%	12.7%	13.7%	10.1%
Net profit	-27.1	75.2	67.7	95.4	90.3	211.3	239.7
Earnings per share, diluted, EUR	-0.20	0.46	0.42	0.60	0.57	1.28	1.50
Cash flow from operations	133.3	173.1	142.9	96.7	254.9	546.0	400.3
Capex excl. acquisitions	72.7	54.4	48.8	29.1	89.8	204.9	197.9
Net debt	535	566	666	708	771	535	771
NWC ratio (rolling 12 m)	11.4%	11.3%	11.5%	11.8%	12.1%	11.4%	12.1%
Operative ROCE (rolling 12 m)	21.5%	21.6%	21.0%	19.4%	16.2%	21.5%	16.2%
Personnel at period-end	4,915	4,919	4,989	4,944	4,902	4,915	4,902

# Cash flow

EUR million	Q4 2023	Q4 2022	2023	2022
Net profit for the period	-27	90	211	240
Total adjustments	178	95	429	348
Change in net working capital	3	80	15	-102
Finance expenses	-4	-3	-19	-52
Income taxes paid	-16	-8	-91	-33
<b>Net cash generated from operating activities</b>	<b>133</b>	<b>255</b>	<b>546</b>	<b>400</b>
Capital expenditure in subsidiaries and in other shares	0	0	-2	0
Capital expenditure	-73	-90	-205	-198
Proceeds from sale of assets	0	15	10	19
Change in long-term loan receivables	0	0	0	1
<b>Cash flow after investing activities</b>	<b>60</b>	<b>180</b>	<b>349</b>	<b>222</b>



# Pulp & Paper

## KEY FINANCIALS

EUR million	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	2023	2022
Revenue	418.8	403.6	421.2	504.6	556.2	1,748.2	2,027.7
Operative EBITDA	87.5	68.9	65.2	109.4	110.9	330.9	348.0
margin	20.9%	17.1%	15.5%	21.7%	19.9	18.9%	17.2%
Operative EBIT	58.6	39.8	37.6	80.4	80.3	193.4	225.7
margin	14.0%	9.9%	8.9%	15.9%	14.4%	11.1%	11.1%
Operative ROCE*, %	16.9%	18.5%	19.9%	19.9%	16.9%	16.9%	16.9%
Capital expenditure (excl. M&A)	39.4	34.3	31.3	19.3	51.4	124.4	122.5
Cash flow after investing activities	49.8	50.7	62.1	53.8	115.0	216.3	207.2

\*12-month rolling average

# Industry & Water

## KEY FINANCIALS

EUR million	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	2023	2022
Revenue	390.0	425.1	418.9	401.5	412.0	1,635.5	1,541.9
Operative EBITDA	75.2	91.5	85.8	83.3	66.1	335.8	223.7
margin	19.3%	21.5%	20.5%	20.7%	16.1%	20.5%	14.5%
Operative EBIT	54.1	67.8	63.3	61.5	43.1	246.7	135.9
margin	13.9%	16.0%	15.1%	15.3%	10.5%	15.1%	8.8%
Operative ROCE*, %	28.2%	26.2%	22.6%	18.6%	15.1%	28.2%	15.1%
Capital expenditure (excl. M&A)	33.3	20.1	17.4	9.8	38.3	80.5	75.4
Cash flow after investing activities	31.0	86.6	65.8	59.2	75.6	242.5	100.9

\*12-month rolling average

# Key figures and ratios – 5-year summary

EUR million (except ratios)	2018	2019	2020	2021	2022
Revenue	2,486.0	2,658.8	2,427.2	2,674.4	3,569.6
Operative EBITDA	311.3	410.0	435.1	425.5	571.6
of which margin	12.5%	15.4%	17.9%	15.9%	16.0%
Operative EBIT	170.3	224.0	237.7	225.4	361.6
of which margin	6.9%	8.4%	9.8%	8.4%	10.1%
Cash flow from operations	205.1	386.2	374.7	220.2	400.3
Capital expenditure, excluding acq.	190.1	201.1	195.6	168.8	197.9
Gearing at period-end	59	66	63	63	46
Inventories	224	261	242	352	434
Personnel at period-end	4,732	5,062	4,921	4,926	4,902



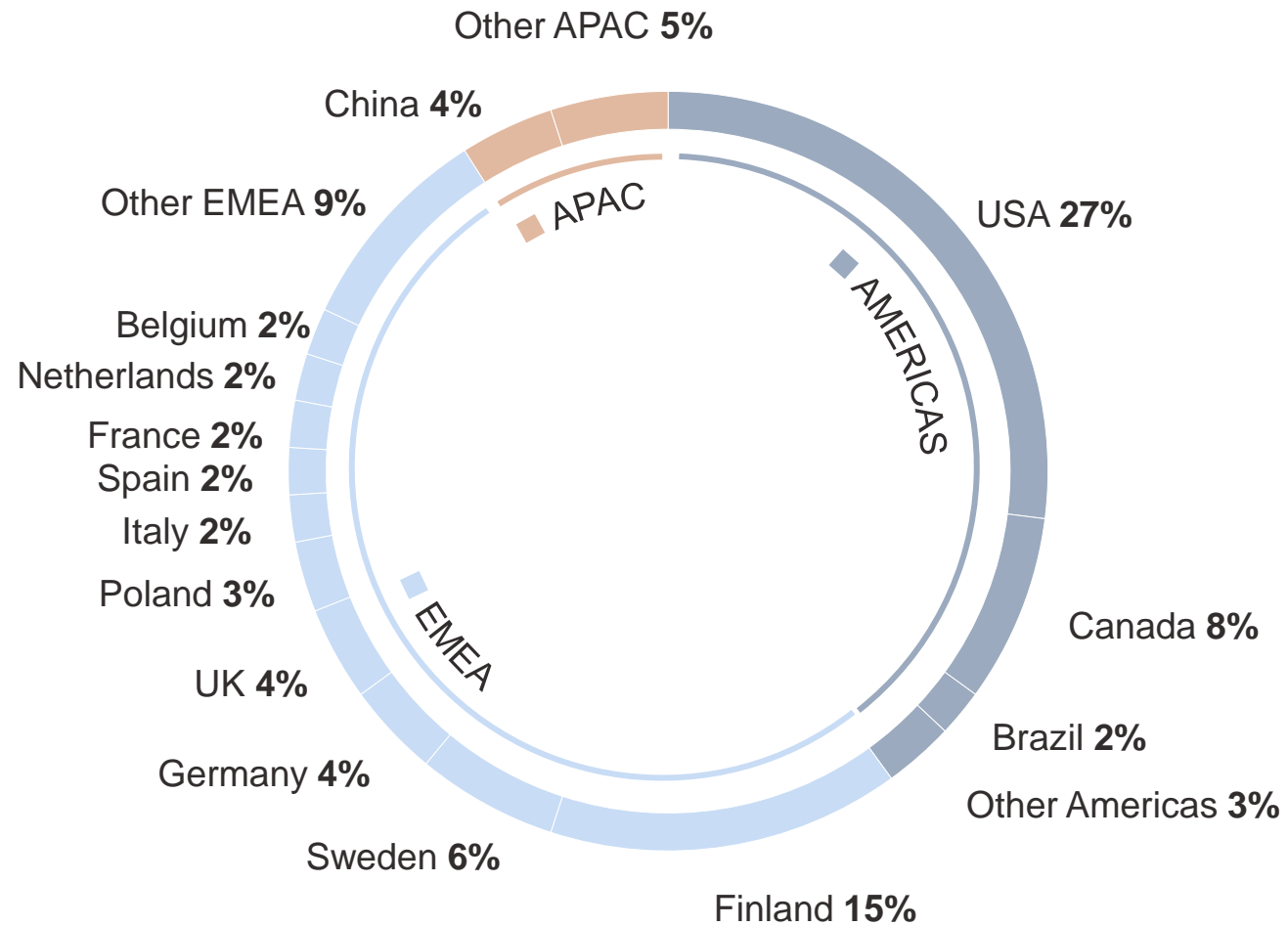
# Per share figures – 5-year summary

	2023	2022	2021	2020	2019
Earnings per share, EUR	<b>1.28</b>	1.50	0.70	0.86	0.72
Cash flow from operating activities per share, EUR	<b>3.56</b>	2.61	1.44	2.45	2.53
Equity per share, EUR	<b>10.84</b>	10.89	8.68	7.80	7.98
Dividend per share, EUR	<b>0.68*</b>	0.62	0.58	0.58	0.56
Share price, EUR, end of period	<b>16.79</b>	14.33	13.33	12.94	13.26
Market capitalization, EUR million (excl. treasury shares)	<b>2,579</b>	2,198	2,041	1,979	2,024
Number of shares, million (excl. treasury shares)	<b>153.6</b>	153.3	153.1	152.9	152.5
P/E ratio	<b>12.95</b>	9.48	18.9	15.1	18.4
P/CF ratio	<b>4.72</b>	5.49	9.27	5.3	5.2
P/B ratio	<b>1.55</b>	1.32	1.5	1.7	1.7
Dividend yield, %	<b>4.1</b>	4.3	4.4	4.5	4.2

\*Board of Directors' proposal to the AGM 2024

# Revenue split by country

FY 2023



# Kemira – largest shareholders and Board of Directors

## SHAREHOLDERS ON FEBRUARY 29, 2024

% OF SHARES	
1. Oras Invest	22.6%
2. Varma Mutual Pension Insurance Company	3.7%
3. Nordea Funds	2.8%
4. Ilmarinen Mutual Pension Insurance Company	2.4%
6. Kemira Oyj	1.1%
<b>Total number of shares</b>	<b>155,342,557</b>
Foreign ownership of shares	37.8%
<b>Total number of shareholders</b>	<b>49,417</b>

## KEMIRA BOARD OF DIRECTORS



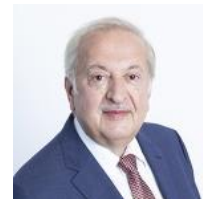
**MATTI KÄHKÖNEN**  
**Chair**  
Member since 2021



**ANNIKA PAASIKIVI**  
**Vice Chair**  
Member since 2022



**TINA SEJERSGÅRD FANØ**  
Member since 2022



**WERNER FUHRMANN**  
Member since 2020



**TIMO LAPPALAINEN**  
Member since 2014



**FERNANDA LOPEZ LARSEN**  
Member since 2023



**MIKAEL STAFFAS**  
Member since 2023



**KRISTIAN PULLOLA**  
Member since 2021



# 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)

# Important information about financial figures

Kemira provides certain financial performance measures (alternative performance measures) that are not defined by IFRS. Kemira believes that alternative performance measures followed by capital markets and Kemira management, such as revenue growth in local currencies, excluding acquisitions and divestments (=organic growth), EBITDA, operative EBITDA, operative EBIT, cash flow after investing activities, and gearing, provide useful information about Kemira's comparable business performance and financial position. Selected alternative performance measures are also used as performance criteria in remuneration.

Kemira's alternative performance measures should not be viewed in isolation from the equivalent IFRS measures, and alternative performance measures should be read in conjunction with the most directly comparable IFRS measures. Definitions of the alternative performance measures can be found in the definitions of the key figures in this report, as well as at [www.kemira.com](http://www.kemira.com) > Investors > Financial information.

All the figures in this presentation have been individually rounded, and consequently the sum of the individual figures may deviate slightly from the total figure presented.

# Kemira

Chemistry with a purpose.  
Better every day.