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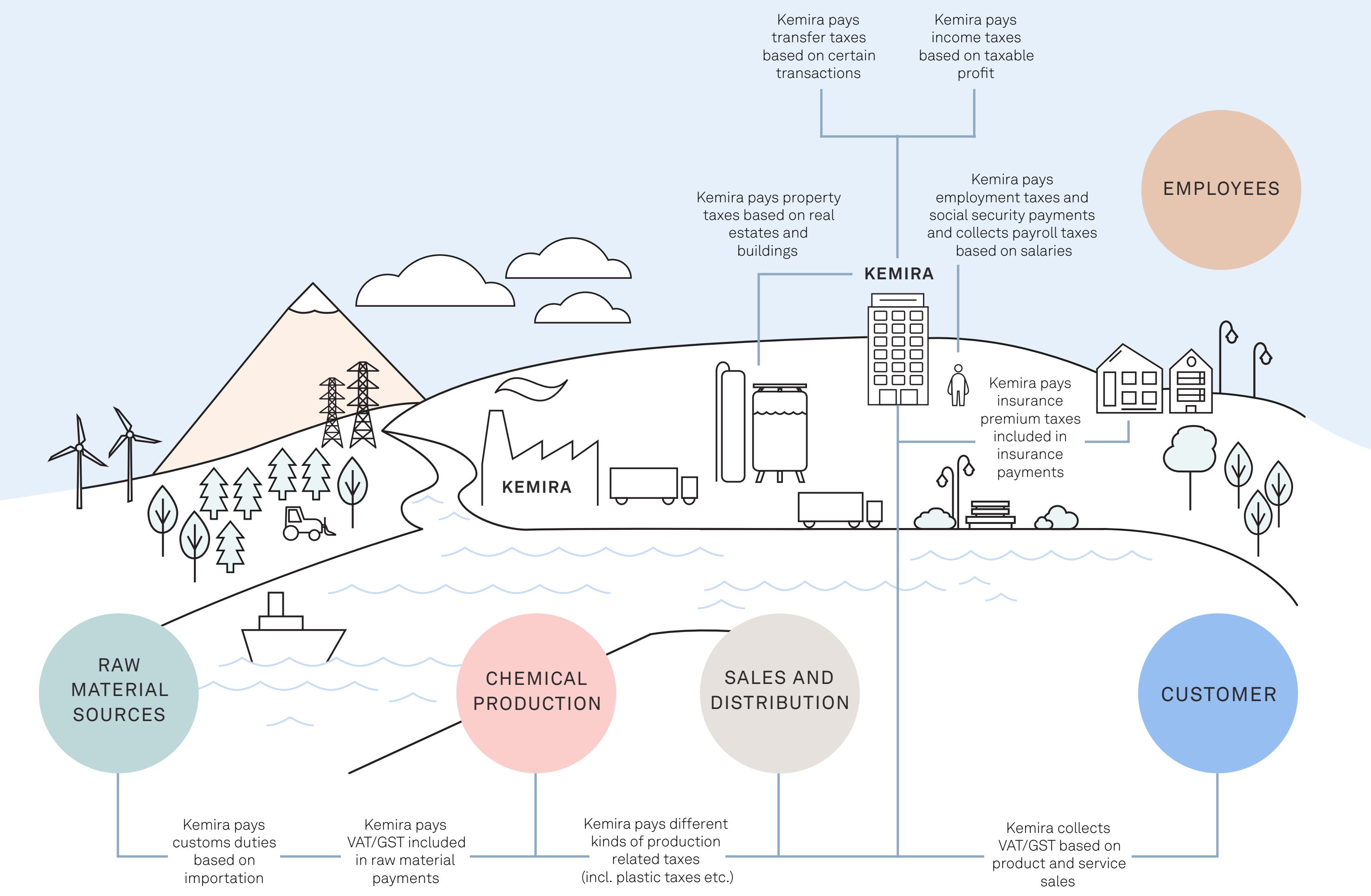
Tax Footprint 2025

Tax footprint report 2025

This tax footprint report is a non-audited report publishing the key aspects of Kemira's global tax policy and the key tax figures. Kemira's quantitative tax analysis is prepared based on the financial statement (e.g. corporate income taxes) and non-audited data derived from Kemira's ERP system. The 2024 key figures are in the brackets for comparison purposes. Kemira published its first tax footprint report in 2017.

Kemira prioritizes transparency in tax matters and discloses comparable information for the investors' and other stakeholders' purposes. The aim of this report is to provide understanding how the tax matters are managed in Kemira and how much Kemira pays and collects taxes globally.

TAXES THROUGH THE FULL VALUE CHAIN FROM RAW MATERIAL SUPPLY TO FINISHED GOODS DELIVERIES TO CUSTOMERS



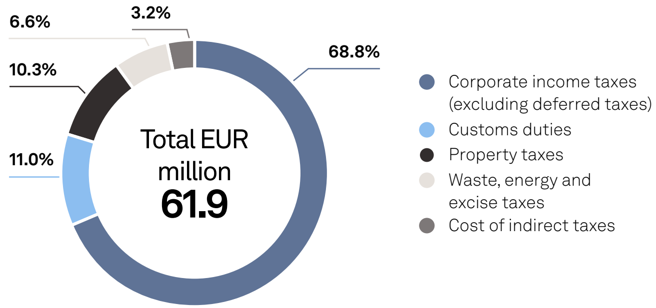
Kemira as a taxpayer in 2025

Kemira pays and collects taxes globally as stated in the local tax legislation in each of the operating countries. Kemira's approach to tax matters is to support responsible business performance in a sustainable way. Taxation is an essential factor in our current business environment and it has a significant impact on Kemira's business, financing and growth opportunities.

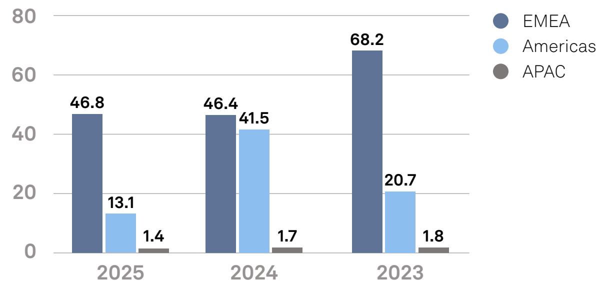
Kemira manages taxes according to Kemira´s global tax policy ("Tax Policy"). Tax Policy sets standards to managing and executing tax matters throughout the Kemira Group. In order to support sustainable business operations with high ethical corporate responsibilities, Tax Policy is aligned with our corporate strategy and values as well as the Kemira Code of Conduct. Tax Policy has been approved by the Group Leadership Team. We are committed to conduct our business in compliance with all applicable laws and regulations and according to high ethical standards. We are a responsible corporate citizen in all our operating countries.

Kemira provides sustainable chemical solutions for water-intensive industries, best suited products and expertise to improve our customers' product quality and process and resource efficiency. Sustainability is embedded into Kemira's strategy and long-term success as Kemira's customers are increasingly seeking sustainable solutions. Kemira operates in over 100 countries and has subsidiaries in approximately 40 countries globally. Our business is built upon a combination of centralized business processes and local performance. Consequently, our profits are generated both in Finland, our headquarter jurisdiction, and locally according to arm's length transfer pricing principles.

TAXES BORNE 2025
EUR MILLION AND %



CORPORATE INCOME TAXES BORNE BY REGION ON CASH FLOW BASIS
EUR MILLION



Chemical industry is a capital-intensive and, therefore, it is important that our business operations, structures and financing are organized in the most tax effective way (i.e., corporate income tax, VAT, property tax, customs duties, energy tax, waste tax, plastic tax, withholding tax etc.). Sustainability is an integral part of Kemira's group strategy and is a key driver for Kemira's business.

Tax consequences of business operations and decisions can be material (for example in acquisitions, divestment and financing). Due to extensive global reach of Kemira's operations and investments, the business decisions may have tax impacts in multiple jurisdictions. From tax perspective, the focus is to support profitable organic and inorganic growth in our business units as well as to meet all statutory and legal requirements.

KEMIRA'S TAX CONTRIBUTION

The amount and type of taxes paid by Kemira are shown in the adjacent graphics. In 2025, the amount was EUR 265.8 million (292.1) of which EUR 61.9 million (90.7) related to taxes borne and EUR 203.9 million (201.4) to taxes collected.

Taxes borne include corporate income taxes (excluding deferred taxes), property taxes, excise taxes, custom duties, waste taxes, plastic taxes, energy taxes and cost of indirect taxes, comprising non-recoverable VAT and GST and certain immaterial taxes that, due to their nature, are not allocated to other tax footprint reporting categories. Taxes collected include value added tax (VAT), goods and services tax (GST), sales and use tax, payroll taxes and withholding taxes.

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Tax environment in 2025

The global tax landscape in 2025 remains highly dynamic, shaped by geopolitical developments, increasing trade tensions and the continued expansion of international tax transparency and compliance requirements. These developments highlight the importance of robust, data-driven and well-controlled tax processes.

Kemira falls within the scope of the OECD Pillar 2 Model Rules, which establish a global minimum effective tax rate of 15% for multinational enterprises. Pillar 2 legislation has been enacted in many of Kemira's operating jurisdictions, including Finland. In line with the IAS 12, Kemira does not recognize or disclose deferred tax assets or liabilities related to Pillar 2 top-up taxes in its financial statements.

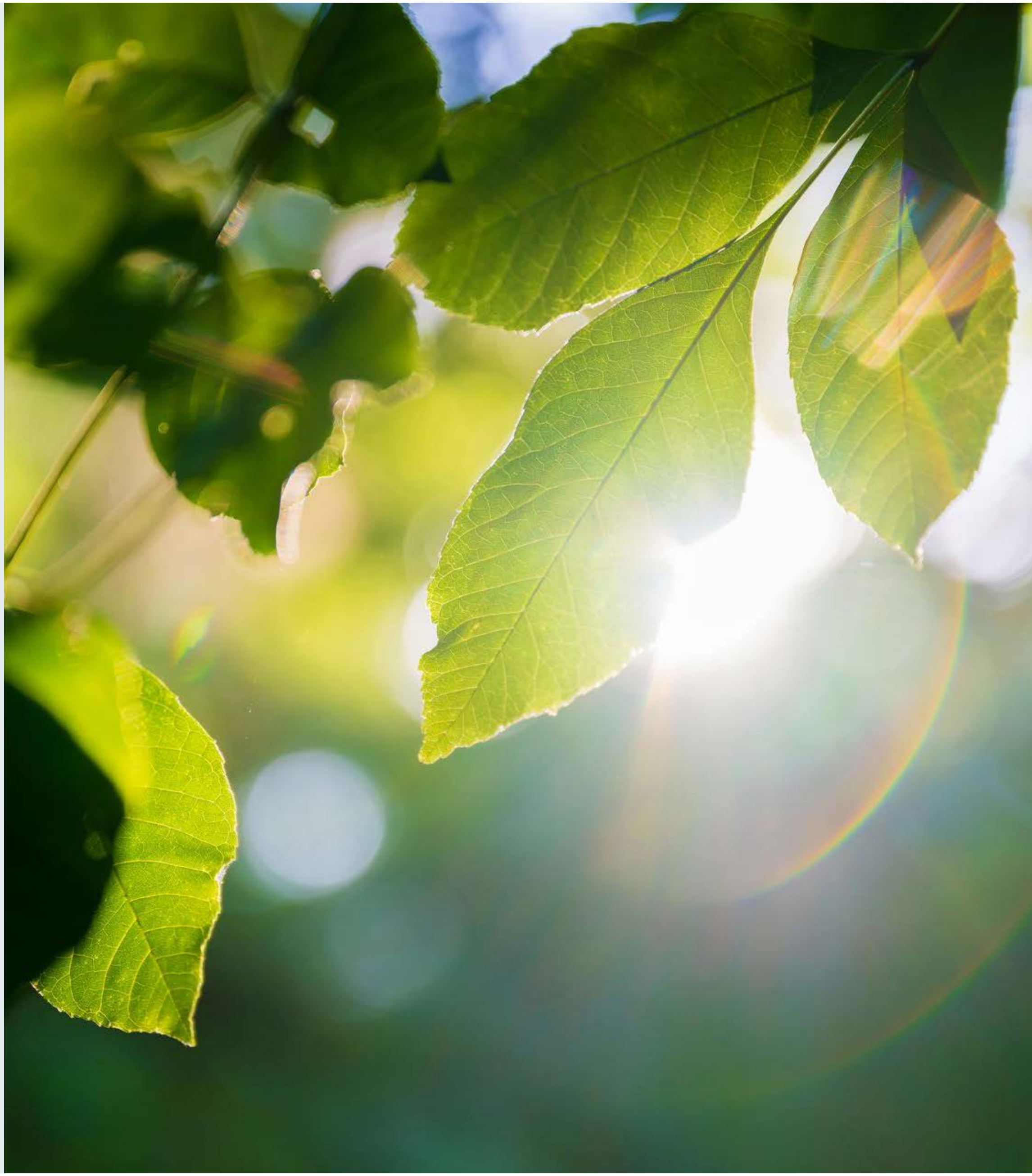
For the financial year 2024, all jurisdictions met the transitional safe harbor criteria except one. A full GloBE calculation was prepared for that jurisdiction, and the Group recognised a Pillar 2 previous-year tax expense of EUR 0.8m relating to Uruguay. For the financial year 2025, based on the Group's assessment of jurisdictional effective tax rates, applicable safe harbor provisions and minimum tax rules enacted at the domestic level, no material top-up tax is expected to arise in any jurisdiction.

Progress on the EU's VAT in the Digital Age (ViDA) initiative is also shaping the indirect tax environment. Anticipated reforms, such as real-time digital reporting and more harmonized cross-border VAT processes, support the broader digitalization of tax systems but increase compliance complexity. Kemira has continued preparing its systems and processes to meet these requirements in a controlled and efficient manner.

Kemira observes the following tax environment trends in 2025:

- shifting geopolitical dynamics and trade developments shaping the tax and customs environment;
- expanding public tax transparency obligations and disclosure regimes;
- increasing administrative and data requirements associated with Pillar 2 implementation;
- rising complexity in indirect taxation and growing requirements for real-time reporting and the submission of transactional data.

Kemira is well prepared to be compliant with the new requirements.



Five key elements of Kemira's tax strategy

1 TAX MANAGEMENT

Kemira's Tax Policy follows a sustainable tax strategy in order to implement Kemira's corporate strategy, values and the Kemira Code of Conduct from tax perspective and to support management in high ethical corporate responsibilities. Tax strategy and principles apply to all Kemira's local entities in all jurisdictions.

The scope of Kemira's tax strategy covers:

- Corporate income taxes
- Indirect taxes
- Customs duties
- Employment taxes
- Property taxes
- Energy, waste and plastic taxes
- Other applicable tax matters

Kemira's Group Tax team is responsible for managing and executing Kemira's Tax Policy. The Group Tax Team is a part of Kemira CFO organization and it is responsible for preparing, documenting and executing Kemira's tax strategy and group level tax considerations. The issues prepared and presented by the Group Tax Team are approved by the CFO, the Group Leadership Team or the Board of Directors of Kemira Oyj according to Tax Policy. In addition, head of taxes reports the tax status annually to the Audit Committee.

2 TAX COMPLIANCE

Kemira is committed to meet all statutory direct and indirect tax compliance obligations in each jurisdiction. The target is to comply with the applicable tax rules in its operating countries for all tax filing, reporting and payment obligations, including Pillar 2 reporting. Kemira has a Global Tax Compliance process and controls in place, and Kemira has invested in a monitoring tool to ensure that all statutory corporate income tax returns are prepared correctly and filed on time. Kemira is committed to react to the tax authorities' requests in a timely manner.

Kemira applies the OECD standards in cross-border transactions, and it is ensured that Kemira's transfer pricing is in accordance with the "arm's length principle". Kemira has a Transfer Pricing policy in place which sets out the standards how to manage and execute transfer pricing matters at Kemira. The policy is approved by the Group Leadership Team. Kemira has implemented group level transfer pricing processes with aid of operational Transfer Pricing Analytics solution.
Kemira has centralized business models, one single ERP system and automation to manage these processes. Kemira also meets the transfer pricing and Country-by-Country ("CbC") reporting requirements in each jurisdiction as required.

Kemira has establish a centralized process and tools to analyse the outcome of the Pillar 2 related safe harbor rules and GloBE calculations, and manages the analysing and compliance requirements centrally.

3 SUSTAINABLE APPROACH TO TAX PLANNING

Kemira creates value to its stakeholders by optimizing the tax efficiency of its business operations, including identifying and applying tax incentives and exemptions where available. These are always aligned with our commercial objectives as taxation is a consequence of business operations and is, therefore, based on business decisions and needs. We do not operate in tax haven countries for tax reasons. Kemira aims for a low tax risk level and does not engage in any artificial arrangements.

4 TAX RISK MANAGEMENT

Tax risks are identified within Kemira's risk assessment process and managed in alignment with Kemira's enterprise risk management system. Kemira communicates general tax related principles within the group and has harmonized practices and working methods for tax matters. Tax risk management is a part of Kemira Group's Enterprise Risk Management process.

The day to day tax affairs are managed by Kemira's Group Tax Team together with the relevant local finance team according to the Kemira's Tax Policy. Processes relating to different taxes are allocated to appropriate specialists within the Group Tax Team who carry out a review in order to identify key risks and to set mitigating controls in place. Kemira has reduced the level of tax risks by implementing various internal processes, controls, tools, automation and analytics.

Kemira's target is to mitigate tax risks by:

- monitoring all applicable laws, rules and regulations, case law and disclosure requirements globally;
- ensuring that all decisions are taken at an appropriate level and supported with documentation evidencing the facts, conclusions and risks involved;
- seeking professional advice and opinions from independent external advisors in complex and uncertain tax matters; and
- aiming to achieve certainty in tax positions.

5 TRANSPARENCY AND RELATIONSHIP WITH TAX AUTHORITIES

Kemira is transparent and proactive in all interactions with the tax authorities. Kemira has an open and positive working relationship with the tax authorities and we aim at constructive dialogue with them. Kemira is committed to a full transparency in all tax matters with the tax authorities. In case of different interpretations between Kemira and the tax authorities, Kemira aims to resolve such differences in a constructive and professional way with the intention to effectively bring matters to a conclusion.

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Financial statement disclosures

Kemira publishes tax information as a part of the group's financial statements; the Note 2.6 Income taxes and Note 4.4 Deferred tax liabilities and assets. The Management evaluates regularly the positions taken in the tax returns to identify situations in which the applicable tax regulation may be subject to interpretation. The Management evaluates also other potential uncertainties related to the tax positions identified in the tax audits or disputes. The potential provisions are recorded based on estimated outcome and probability.

The tax reconciliation below explains the difference between the statutory tax rate in Finland compared to the rate at which Kemira is effectively taxed as per the tax charge on the income statements.

RECONCILIATION BETWEEN TAX EXPENSE AND TAX CALCULATED AT DOMESTIC TAX RATE

EUR million	2025	2024
Profit before tax	249.9	336.3
Tax at parent company's tax rate 20%	-50.0	-67.3
Foreign subsidiaries' different tax rate	-3.7	-3.8
Non-deductible expenses and tax-exempt profits	-1.6	-0.4
Share of profit or loss of associates	0.0	0.1
Tax losses during the period without deferred tax	-0.1	-0.1
Tax for prior years	1.1	-3.0
Effect of change in tax rates	0.0	0.0
Utilization of prior years' tax losses with no deferred tax	0.6	0.6
Changes in deferred taxes	-2.1	0.4
Income taxes in the Income Statement	-55.8	-73.6

The effective income tax rate was 22.3% (21.9%).

At the end of 2025, the subsidiaries had EUR 23.8 million (EUR 32.3 million) of tax losses, of which no deferred tax benefits have been recognized. The subsidiaries' tax losses are incurred in different currencies and borne mainly in China and Brazil.

DEFERRED TAXES

Deferred taxes illustrate timing differences between accounting and taxation. The most significant deferred taxes are elaborated below:

DEFERRED TAXES IN THE BALANCE SHEET

EUR million	Jan 1, 2025	Change 2025	Dec 31, 2025
Deferred tax liabilities			
Intangible and fixed assets	41.8	15.7	57.5
Leased assets	7.4	11.3	18.7
Other shares	30.4	-9.9	20.5
Financial instruments	0.4	0.0	0.4
Defined benefit arrangements	23.3	1.4	24.7
Fair value adjustments of net assets acquired	0.5	-0.2	0.3
Other accruals	2.8	1.7	4.5
Total	106.5	20.1	126.6
Deducted from deferred tax assets	-33.4		-58.8
Deferred tax liabilities in the balance sheet	73.1		67.8
Deferred tax assets			
Intangible and fixed assets	5.4	21.7	27.1
Provisions and accruals	25.8	-3.9	21.9
Lease liabilities	9.1	10.8	19.9
Financial instruments	1.4	-0.9	0.5
Tax losses and tax credits	13.4	-2.5	10.9
Defined benefit arrangements	4.6	-1.3	3.3
Other	5.2	0.6	5.8
Total	65.0	24.4	89.4
Deducted from deferred tax liabilities	-33.4		-58.8
Deferred tax assets in the balance sheet	31.5		30.6

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KEMIRA'S TAX FOOTPRINT AT GROUP LEVEL

The tax footprint report for year 2025 is prepared at region level, including total amounts of all material tax expenses on Taxes borne and Taxes collected basis.

The corporate income taxes were lower in 2025 compared to 2024 mainly due to the decrease in Group's overall profit level. Certain write-offs and tax credits in the UK, US, and Canada also decreased the corporate income taxes. VAT was broadly in line with the development of the Kemira Group's revenue during the financial year, reflecting the lower revenue. Energy and excise taxes decreased mainly due to variations in markets and contracts. Property taxes increased primarily due to new legislation in Poland, adjustments in the Netherlands and in the US, and property transactions across various jurisdictions. Higher customs duties in EMEA mainly result from a key supplier switching from EU-origin materials to imports. Customs duties in the Americas remained broadly in line with the previous year despite country-level variations.

TAX FOOTPRINT 2025[1)]

	GROUP		EMEA		AMERICAS		APAC	
EUR million	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Taxes borne								
Corporate income taxes (excluding deferred taxes)	42.6	73.6	31.5	44.1	9.7	27.9	1.4	1.6
Customs duties	6.8	6.7	0.7	0.2	4.4	4.3	1.7	2.2
Property taxes	6.4	4.3	2.4	1.6	3.3	2.0	0.7	0.7
Waste, energy, plastic and excise taxes	4.1	4.9	3.3	4.1	0.8	0.8	0.0	0.0
Cost of indirect taxes	2.0	1.2	0.7	0.5	0.2	0.3	1.1	0.4
Total taxes borne	61.9	90.7	38.6	50.5	18.4	35.3	4.9	4.9
Taxes collected								
VAT, GST, sales and use tax	115.8	119.2	92.6	95.1	16.8	17.0	6.4	7.2
Payroll taxes	88.1	82.2	62.1	53.7	22.7	25.0	3.3	3.4
Total taxes collected	203.9	201.4	154.7	148.8	39.5	42.0	9.7	10.6

[1)] Tax footprint is prepared based on the financial statement figures (e.g. corporate income taxes), non-audited figures derived from Kemira's ERP system.
Volumes of customs duties are based on the customs reports and estimated based on transaction values and applicable customs duty rates and treatments.

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Other payments to governments

In addition to different taxes borne or collected by Kemira, we also make other contributions and compulsory payments to governments. For example in 2025, we paid and collected globally EUR 81.7 million (80.2) employers' and employees' social security payments.

Tax appeals

Kemira is currently involved in certain tax-related legal matters as part of its normal international business operations. However, Kemira does not expect the outcomes of these proceedings to have material adverse impact on Group's financial results or overall financial position.

Companies registered in countries considered as tax havens

International organizations such as the OECD, the EU and the Global Forum have defined criteria for tax haven jurisdictions. EU and OECD have published lists of jurisdictions considered as non-cooperative tax havens.

Kemira does not operate in tax haven countries or countries with preferential tax regimes for tax reasons. Kemira has no registered companies in the non-cooperative tax haven countries listed by the EU or OECD. Kemira's subsidiaries are listed in the Note 6.2 of the consolidated financial statements.

Kemira operates certain production activities within Free-Trade Zones. Based on Kemira's analyses, no material top-up tax is generally expected under the OECD Pillar II Global Minimum Tax rules, given the strong substance in these jurisdictions, including significant production assets and employee presence.

In addition to the registered companies, Kemira carries on global sourcing and sales operations in few countries which have been considered as tax havens by the OECD, the EU and the Global Forum. As Kemira is a multinational company with operations in over 100 countries, in order to run business efficiently and reasonably from commercial perspective, pure business operations cannot be avoided in all of the listed countries. In those jurisdictions, Kemira has strong substance and commercial setup, and Kemira is not aiming for purely preferential tax regimes or seek for benefits.

TAX DEFINITIONS	
Corporate income tax	All taxes which are based on the taxable profits of a company and temporary differences between accounting values and tax bases, as defined in the International Financial Reporting Standard IAS12.
Current tax	The corporate income tax due in respect of taxable profits of an accounting period, as defined in the International Financial Reporting Standard IAS12.
Deferred tax	The corporate income tax due in respect of temporary differences between accounting values and tax bases, as defined in the International Financial Reporting Standard IAS12.
Effective income tax rate	Income tax expense divided by Profit before income tax.
Profit before tax	Accounting profit for a period before deducting a charge for corporate income taxes.
Tax	Any amount of money required to be paid to a government without receiving any services, whether by law or by agreement, including without limitation corporate income tax, production taxes, property taxes, employment taxes, sales taxes, asset transfer tax and any other required payments.
Tax borne	Taxes which a company is obliged to pay to a government, directly or indirectly, on that company's own behalf in respect of an accounting period. Taxes borne include corporate income taxes (excluding deferred taxes), property taxes, excise taxes, custom duties, waste taxes and cost of indirect taxes.
Tax collected	Tax which a company is obliged to pay to a government on behalf of another person or a company. Taxes collected include VAT, GST, sales and use tax, payroll taxes and withholding taxes.
Total tax rate	Taxes borne divided by profit before tax increased by taxes borne in operating profit.

KEMIRA is a global leader in sustainable chemistry for water-intensive industries. We operate globally and serve a wide range of customers including municipal and industrial water treatment companies and the fiber industry. Our solutions and services help secure clean water for millions of people every day and support our customers in advancing circularity and responsible resource use throughout their value chains. In 2025, Kemira's revenue totaled EUR 2.8 billion, and we employed approximately 4,900 people. Kemira's shares are listed on Nasdaq Helsinki.

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