Strong organic growth continued
Kemira in brief

FY2017: REVENUE EUR 2,486 MILLION, OPERATIVE EBITDA EUR 311 MILLION, OPERATIVE EBITDA MARGIN 12.5%, OPERATIVE ROCE 9.7%

SEGMENT SPLIT

- **41%** Industry & Water
- **59%** Pulp & Paper

GEOGRAPHIES

- **39%** AMERICAS
  - 1. USA
  - 2. Canada
  - 3. Brazil

- **9%** APAC
  - 1. China
  - 2. South Korea
  - 3. Indonesia

- **52%** EMEA
  - 1. Finland
  - 2. Sweden
  - 3. Germany

PRODUCTS

- **25%** Bleaching and pulping
- **20%** Other: e.g. defoamers, dispersants, and biocides
- **20%** Polymers
- **15%** Sizing and strength

CUSTOMERS

- Several thousand customers
- TOP 10 customers are ~25% of revenue
- TOP 50 customers are ~45% of revenue

EXAMPLES OF LARGEST CUSTOMERS

- Municipalities, e.g. Frankfurt, London, New York, Paris, Shanghai, Singapore
- #1 in water treatment in NA and Europe
- #2 in friction reduction in North American shale oil & gas

* Solenis-BASF combined entity expected to be #1 after the closing of the announced merger
Global trends favor Kemira

<table>
<thead>
<tr>
<th>RECYCLING</th>
<th>E-COMMERCE</th>
<th>ALTERNATIVE MATERIALS TO PLASTICS</th>
<th>REGULATION DRIVING BETTER WATER QUALITY</th>
<th>OIL RESOURCES ARE BECOMING HARDER TO EXTRACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increasing the lifespan and quality of the recycled fibers</td>
<td>Growing demand for lightweight and recyclable materials in packaging</td>
<td>Increasing need for biobased and biodegradable materials in packaging materials</td>
<td>Stricter regulation increases usage of chemicals and requires more efficient water treatment</td>
<td>Oil yield boosting and lifespan extension of resources is a growing opportunity for water soluble polymer chemistry</td>
</tr>
</tbody>
</table>
Delivering profitable growth

**Revenue**
EUR million

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>2,229</td>
<td>2,137</td>
<td>2,373</td>
<td>2,363</td>
<td>2,486</td>
</tr>
</tbody>
</table>

**Operative EBITDA**

**Operative EBITDA Margin**

EUR million

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>252</td>
<td>253</td>
<td>287</td>
<td>303</td>
<td>311</td>
</tr>
<tr>
<td>Margin</td>
<td>11.3%</td>
<td>11.8%</td>
<td>12.1%</td>
<td>12.8%</td>
<td>12.5%</td>
</tr>
</tbody>
</table>
Pulp & Paper – market leader with solid track record

MARKET ENVIRONMENT

Kemira (pulp and paper) m.s. ~16% #1
BASF (paper)* #2
Solenis (paper)* #3
AkzoNobel (pulp) #4
Ecolab (paper) #5

* Solenis-BASF combined entity expected to be #1 after the closing of the announced merger

REVENUE AND OPERATIVE EBITDA

REVENUE BY CUSTOMER TYPE AND MARKET GROWTH

- 40% Pulp
- 40% Board & tissue
- 20% Printing & writing papers

REVENUE BY GEOGRAPHIES AND MARKET GROWTH BY REGION

- 50% EMEA
- 35% Americas
- 15% APAC

REVENUE BY PRODUCT CATEGORY

- 35% Bleaching & pulping
- 25% Sizing & strength
- 10% Other
- 10% Polymers
- 20% Defoamers, dispersants, biocides and other process chemicals
- 10% Polymers

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 ROLLING 12 MONTHS

MARKET ENVIRONMENT

WATER TREATMENT
Market share ~30% in coagulants and ~20% in polymers

Main competitors in coagulants:
- Feralco (Europe)
- Kronos (Europe)
- Chemtrade (US)
- USAlco (US)

OIL & GAS
Market share ~25% in polymers used in shale oil & gas

Main peers in polymers (also in water treatment):
- SNF
- BASF
- Solenis
- Solvay (only O&G)

REVENUE BY APPLICATION TYPE AND MARKET GROWTH

- Water treatment: 70%
- Oil & Gas: 20%
- Other: 10%

Market growth:
- Municipal: 2-3%
- Industrial: 5-6%
- Market: 2-3%

REVENUE BY GEOGRAPHIES AND MARKET GROWTH BY REGION

- Municipal (40%)
- Industrial (60%)

CUSTOMER EXAMPLES

Note: Revenue by industry, product and geography rounded to the nearest 5%
Kemira’s mid- to long-term financial targets

FINANCIAL TARGETS AND HISTORICAL FIGURES

<table>
<thead>
<tr>
<th>Targets</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Above-the-market growth</td>
<td>EUR 2,373 million</td>
<td>EUR 2,363 million</td>
<td>EUR 2,486 million</td>
</tr>
<tr>
<td></td>
<td>Change +11%</td>
<td>Change 0%</td>
<td>Change +5%</td>
</tr>
<tr>
<td>Operative EBITDA 14-16%</td>
<td>12.1%</td>
<td>12.8%</td>
<td>12.5%</td>
</tr>
<tr>
<td>Gearing below 60%</td>
<td>54%</td>
<td>54%</td>
<td>59%</td>
</tr>
</tbody>
</table>

FACTORs TO WATCH FOR PROFITABILITY IMPROVEMENT

<table>
<thead>
<tr>
<th>Factors</th>
<th>H1 2018 comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume growth and sales price increases</td>
<td>Group’s volume growth +3% and sales prices +6%</td>
</tr>
<tr>
<td>Oil &amp; Gas becoming larger share of Group (incl. shale, CEOR and oil sands)</td>
<td>Revenue from EUR 126m in 2016 to EUR 217m (LTM)</td>
</tr>
<tr>
<td>Raw material price development</td>
<td>Significant headwind in 2017 and YTD 2018</td>
</tr>
<tr>
<td>Currency exchange rate development, especially EUR/USD</td>
<td>FX delta EUR -16 million on EBITDA</td>
</tr>
<tr>
<td>Prudent fixed cost management</td>
<td>Fixed costs almost flat despite strong organic growth</td>
</tr>
<tr>
<td>AKD acquisition / joint venture in China</td>
<td>Significant backward integration and growth benefits</td>
</tr>
</tbody>
</table>
Healthy market growth for Kemira’s relevant markets

KEMIRA RELEVANT MARKET
EUR billion

<table>
<thead>
<tr>
<th>Region</th>
<th>2018</th>
<th>2023</th>
<th>CAGR: 3-4%</th>
</tr>
</thead>
<tbody>
<tr>
<td>APAC</td>
<td>22</td>
<td>27</td>
<td></td>
</tr>
<tr>
<td>EMEA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Americas</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

PULP & PAPER RELEVANT MARKET
EUR billion

<table>
<thead>
<tr>
<th>Segment</th>
<th>2018</th>
<th>2023</th>
<th>CAGR: 1-2%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board, tissue, printing &amp; writing</td>
<td>9</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Pulp</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

INDUSTRY & WATER RELEVANT MARKET
EUR billion

<table>
<thead>
<tr>
<th>Segment</th>
<th>2018</th>
<th>2023</th>
<th>CAGR: 4-5%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Oil &amp; Gas</td>
<td>13</td>
<td>17</td>
<td></td>
</tr>
<tr>
<td>Water treatment</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Management estimation based on various sources
Kemira offers stable and competitive dividend

- Cash flow from operations has been partly invested into future growth and partly distributed to shareholders as dividends
- Kemira has paid dividend every year since listing of shares in 1994
- Kemira offers attractive dividend yield

Kemira's dividend yield calculated using the share price at year-end
Latest news and financials
Key financial highlights
Q2 2018

• Organic growth +9%
  – Healthy organic growth in all businesses
  – Strong growth continued in Oil & Gas

• Operative EBITDA increased 4%
  – Sales prices started to offset increasing raw material costs
  – Currencies were still significant headwind
    • Currencies EUR -9 million on EBITDA level vs Q2 2017

<table>
<thead>
<tr>
<th>EUR million (except ratios)</th>
<th>Q2 2018</th>
<th>Q2 2017</th>
<th>Δ%</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>647.6</td>
<td>617.2</td>
<td>+5</td>
<td>2,486.0</td>
</tr>
<tr>
<td>Operative EBITDA</td>
<td>80.2</td>
<td>77.1</td>
<td>+4</td>
<td>311.3</td>
</tr>
<tr>
<td>of which margin</td>
<td>12.4%</td>
<td>12.5%</td>
<td>-</td>
<td>12.5%</td>
</tr>
<tr>
<td>Operative EBIT</td>
<td>45.1</td>
<td>43.6</td>
<td>+3</td>
<td>170.3</td>
</tr>
<tr>
<td>of which margin</td>
<td>7.0%</td>
<td>7.1%</td>
<td>-</td>
<td>6.9%</td>
</tr>
<tr>
<td>Net profit</td>
<td>23.5</td>
<td>19.6</td>
<td>+20</td>
<td>85.2</td>
</tr>
<tr>
<td>EPS, EUR</td>
<td>0.14</td>
<td>0.12</td>
<td>+17</td>
<td>0.52</td>
</tr>
</tbody>
</table>
Kemira’s variable cost split and top raw materials

VARIABLE COST SPLIT
Last 12 months EUR 1.5 billion

- 20% Logistics
- 15% Electricity & energy
- 65% Raw materials

EXPOSURE TO OIL RELATED RAW MATERIALS

- 30% Oil & gas derivative
- 70% Not oil related

TOP 10 RAW MATERIALS BY SPEND
1. Sodium hydroxide (caustic soda)
2. Acrylonitrile (OD)
3. Colloidal silica dispersion
4. Amines (OD)
5. Aluminum hydrate
6. Petroleum solvents
7. Acrylic acid (OD)
8. Acrylic ester (OD)
9. Alpha olefin (OD)
10. Sodium chloride (salt)

Top 10 account for 45% of Kemira’s raw material spend

OD = Oil & gas derivative
Raw material prices on inflationary path

- Especially oil-based raw material prices have been very volatile
- Price changes in the value chain from WTI Crude Oil to acrylonitrile and acrylic acid illustrated on the right
- Inflationary pressure so far only partially passed on to customers
Majority of contracts with fixed annual pricing

**Pulp & Paper** – Contract types and pricing terms on high level

- **Length** – Around 95% of contracts are 1-year or longer / only 5% are spot deals
- **Pricing** – Around 70% fixed / 30% formula or spot pricing

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

- **Length** – Around 60% of contracts are 1-yr or longer / 40% spot deals
- **Pricing** – Around 60% fixed / 40% formula or spot pricing, incl. Oil & Gas where contracts are either formula or spot based
Pulp & Paper – good organic growth, profitability hampered by FX

H1 organic growth +5%  
• Higher sales prices contributing to organic growth  
• Good volume growth in chlorate  
• FX offsetting reported revenue growth

Operative EBITDA below prior year  
• Currencies main headwind, impacted EBITDA by EUR -9 million in H1  
• Sales price increases have started to compensate higher raw material prices

Update on China AKD JV/acquisition  
• Kemira agreed in Q3 2017 to form joint venture with Tiancheng  
• Closing still pending certain authority approvals
Industry & Water – profitable growth continued in water treatment and oil & gas

Strong revenue growth
- In H1, organic growth +12%
- Oil & Gas continued its strong momentum
- Volume growth in water treatment continued driven by positive underlying market trends

Operative EBITDA increased
- EBITDA improvement driven mainly by higher gross margin
- Currency impact EUR -7 million vs H1 2017

Polymer production optimization
- Intermediary-product manufacturing unit closed as a part of long-term polymer manufacturing optimization

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>EUR million</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 2017</td>
<td>486</td>
</tr>
<tr>
<td>H1 2018</td>
<td>517</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPERATIVE EBITDA AND EBITDA-%</th>
<th>EUR million</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 2017</td>
<td>52</td>
</tr>
<tr>
<td>H1 2018</td>
<td>61</td>
</tr>
</tbody>
</table>
Outlook for 2018

Kemira expects its operative EBITDA to increase from the prior year (2017: EUR 311.3 million).

<table>
<thead>
<tr>
<th>EUR million</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>H1 2017</th>
<th>H1 2018</th>
<th>2018 outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operative EBITDA</td>
<td>287</td>
<td>303</td>
<td>311</td>
<td>146</td>
<td>150</td>
<td>Increase</td>
</tr>
</tbody>
</table>
Financials
Q2 2018
Organic growth continued

Q2 2018

Group’s organic growth +9%
- Pulp & Paper +6%, Industry & Water +14%

Operative EBITDA +4%, margin 12.4%
- Profitability negatively impacted by FX and lag in implementing sales price increases

Earnings per share up by 17%
- EPS increased mostly due to higher operative EBITDA and gain on sale
  - Q2 2018 includes also EUR 9 million write-down of manufacturing unit and Q2 2017 includes restructuring costs of EUR 10 million

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

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Sales volumes</th>
<th>Sales prices</th>
<th>Currency impact</th>
<th>Acquisitions</th>
<th>Q2 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 2017</td>
<td>617</td>
<td>+2%</td>
<td>+8%</td>
<td>-4%</td>
<td>648</td>
</tr>
</tbody>
</table>

OPERATIVE EBITDA AND OPERATIVE EBITDA MARGIN EUR million

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>72.8</td>
<td>70.0</td>
<td>77.1</td>
</tr>
<tr>
<td>Q2</td>
<td>78.9</td>
<td>69.0</td>
<td>84.5</td>
</tr>
<tr>
<td>Q3</td>
<td>80.8</td>
<td>70.7</td>
<td>80.7</td>
</tr>
<tr>
<td>Q4</td>
<td>69.4</td>
<td>69.4</td>
<td>69.4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPS</td>
<td>12.5%</td>
<td>13.4%</td>
<td>12.4%</td>
</tr>
<tr>
<td>Margin</td>
<td>11.3%</td>
<td>11.3%</td>
<td>11.3%</td>
</tr>
</tbody>
</table>
Adverse FX movements impacted EBITDA

CURRENCIES HAD EUR -16 MILLION IMPACT ON H1 2018 VS H1 2017 OF WHICH -10 FROM EUR/USD

EUR/USD SINCE JANUARY 2017

EUR/USD chart with dates from January 2017 to July 2018.

CURRENCY IMPACT ON EBITDA

<table>
<thead>
<tr>
<th>EUR million</th>
<th>Q2 2018</th>
<th>Q2 2017</th>
<th>Delta</th>
<th>H1 2018</th>
<th>H1 2017</th>
<th>Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Translation / transaction</td>
<td>-4</td>
<td>-1</td>
<td>-3</td>
<td>-10</td>
<td>-1</td>
<td>-9</td>
</tr>
<tr>
<td>2. Hedges and balance sheet revaluation</td>
<td>-4</td>
<td>+1</td>
<td>-5</td>
<td>-5</td>
<td>+2</td>
<td>-7</td>
</tr>
<tr>
<td>Currency impact in total</td>
<td>-8</td>
<td>0</td>
<td>-9</td>
<td>-15</td>
<td>0</td>
<td>-16</td>
</tr>
</tbody>
</table>
Net impact of sales price & variable cost delta positive for the 1\textsuperscript{st} time since Q2 2016

* 12-month rolling change vs previous year in EUR million
Pulp & Paper – good growth but profitability impacted by raw material prices and FX

- Organic growth continued driven by pricing but drastic FX headwind impacted operative EBITDA
- Raw material prices increasing – mitigating sales price increases announced
- Maintenance breaks had additional negative impact on EBITDA vs. Q2 2017

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

OPERATIVE EBITDA AND OPERATIVE EBITDA MARGIN EUR million
Industry & Water – strong growth continued and margin improved

- Strong organic growth, USD was still headwind for reported figures
- Oil & Gas +26% to EUR 56 million in Q2 2018, organic growth again over 30%
  - Vast majority of growth in Oil & Gas came from higher sales prices
- Growth also continued in water treatment with positive pricing and volume development

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

OPERATIVE EBITDA AND OPERATIVE EBITDA MARGIN EUR million
Development of selected key figures

ALL KEY FIGURES IN EUR MILLION EXCEPT RATIOS

CASH FLOW FROM OPERATIONS

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>H1 2017</th>
<th>H1 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>248</td>
<td>271</td>
<td>205</td>
<td>41</td>
<td>58</td>
</tr>
</tbody>
</table>

CAPITAL EXPENDITURE EXCL. ACQUISITIONS

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>642</td>
<td>634</td>
<td>694</td>
<td>758</td>
</tr>
</tbody>
</table>

Growth capex

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>104</td>
<td>104</td>
<td>118</td>
<td>124</td>
</tr>
</tbody>
</table>

OPERATIVE RETURN ON CAPITAL EMPLOYED

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>H1 2017</th>
<th>H1 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Return</td>
<td>9.8%</td>
<td>9.9%</td>
<td>9.7%</td>
<td>9.2%</td>
<td>9.7%</td>
</tr>
</tbody>
</table>

NET DEBT AND LEVERAGE RATIO

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt</td>
<td>2.2</td>
<td>2.1</td>
<td>2.2</td>
<td>2.6</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leverage</td>
<td>2.5</td>
<td>2.5</td>
<td>2.5</td>
<td>2.5</td>
</tr>
</tbody>
</table>
CAPEX guidance 160-200 MEUR in 2018

IN 2015-2017, ON AVERAGE AROUND EUR 80 MILLION INVESTED INTO GROWTH

RECENT LARGEST VALUE CREATING INVESTMENTS
- New chlorate plant in Brazil and new chlorate line in Finland
- Capacity additions due to integration of acq.
- Polymer capacity in Italy and UK

CAPEX GUIDANCE
- In 2018, capital expenditure estimated to be EUR 160-200 million
  - Includes capacity expansion in Oil & Gas

CAPITAL EXPENDITURE EXCLUDING ACQUISITIONS
EUR million and share of revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>Expansion</th>
<th>Improvement</th>
<th>Maintenance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>50</td>
<td>53</td>
<td>78</td>
</tr>
<tr>
<td>2016</td>
<td>60</td>
<td>58</td>
<td>95</td>
</tr>
<tr>
<td>2017</td>
<td>59</td>
<td>65</td>
<td>190</td>
</tr>
</tbody>
</table>
Debt portfolio is well diversified

**NET DEBT / OPERATIVE EBITDA AND GEARING**

<table>
<thead>
<tr>
<th>Year</th>
<th>NET DEBT</th>
<th>OPERATIVE EBITDA</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>532m</td>
<td>249m</td>
<td>42%</td>
<td>1.9x</td>
<td>42%</td>
<td>54%</td>
<td>54%</td>
<td>59%</td>
</tr>
<tr>
<td>2013</td>
<td>456m</td>
<td>252m</td>
<td>41%</td>
<td>1.8x</td>
<td>42%</td>
<td>54%</td>
<td>54%</td>
<td>59%</td>
</tr>
<tr>
<td>2014</td>
<td>486m</td>
<td>253m</td>
<td>42%</td>
<td>1.9x</td>
<td>42%</td>
<td>54%</td>
<td>54%</td>
<td>59%</td>
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<tr>
<td>2015</td>
<td>642m</td>
<td>287m</td>
<td>2.2x</td>
<td>2.2x</td>
<td>2.1x</td>
<td>2.2x</td>
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</tr>
<tr>
<td>2016</td>
<td>634m</td>
<td>303m</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2017</td>
<td>694m</td>
<td>311m</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

**GROSS DEBT MATURITY PROFILE, END OF JUNE 2018 EUR 902 MILLION**

(Cost of debt 2.0%)
## Per share figures – 5-year summary

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Earnings per share, EUR</strong></td>
<td>-0.21</td>
<td>0.59</td>
<td>0.47</td>
<td>0.60</td>
<td>0.52</td>
</tr>
<tr>
<td><strong>Cash flow from operating activities per share, EUR</strong></td>
<td>1.32</td>
<td>0.49</td>
<td>1.63</td>
<td>1.78</td>
<td>1.35</td>
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<tr>
<td><strong>Equity per share, EUR</strong></td>
<td>7.32</td>
<td>7.57</td>
<td>7.76</td>
<td>7.68</td>
<td>7.61</td>
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<tr>
<td><strong>Dividend per share, EUR</strong></td>
<td>0.53</td>
<td>0.53</td>
<td>0.53</td>
<td>0.53</td>
<td>0.53</td>
</tr>
<tr>
<td><strong>Share price, EUR, end of period</strong></td>
<td>12.16</td>
<td>9.89</td>
<td>10.88</td>
<td>12.13</td>
<td>11.50</td>
</tr>
<tr>
<td><strong>Market capitalization, EUR million (excl. treasury shares)</strong></td>
<td>1,849</td>
<td>1,504</td>
<td>1,654</td>
<td>1,848</td>
<td>1,752</td>
</tr>
<tr>
<td><strong>Number of shares, million (excl. treasury shares)</strong></td>
<td>152.0</td>
<td>152.1</td>
<td>152.1</td>
<td>152.4</td>
<td>152.4</td>
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<tr>
<td><strong>P/E ratio</strong></td>
<td>-</td>
<td>16.7</td>
<td>23.3</td>
<td>20.1</td>
<td>22.3</td>
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<tr>
<td><strong>P/CF ratio</strong></td>
<td>9.2</td>
<td>20.2</td>
<td>6.7</td>
<td>6.8</td>
<td>8.5</td>
</tr>
<tr>
<td><strong>P/B ratio</strong></td>
<td>1.7</td>
<td>1.3</td>
<td>1.4</td>
<td>1.6</td>
<td>1.5</td>
</tr>
<tr>
<td><strong>Dividend yield, %</strong></td>
<td>4.4</td>
<td>5.4</td>
<td>4.9</td>
<td>4.4</td>
<td>4.6</td>
</tr>
</tbody>
</table>
Key figures

<table>
<thead>
<tr>
<th>EUR million</th>
<th>Q2 2018</th>
<th>Q2 2017</th>
<th>Δ%</th>
<th>H1 2018</th>
<th>H1 2017</th>
<th>Δ%</th>
<th>2017</th>
<th>2016</th>
<th>Δ%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>647.6</td>
<td>617.2</td>
<td>+5</td>
<td>1,261.4</td>
<td>1,227.3</td>
<td>+3</td>
<td>2,486.0</td>
<td>2,363.3</td>
<td>+5</td>
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<tr>
<td>Operative EBITDA</td>
<td>80.2</td>
<td>77.1</td>
<td>+4</td>
<td>149.6</td>
<td>146.1</td>
<td>+2</td>
<td>311.3</td>
<td>302.5</td>
<td>+3</td>
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<tr>
<td>margin</td>
<td>12.4%</td>
<td>12.5%</td>
<td>-</td>
<td>11.9%</td>
<td>11.9%</td>
<td>-</td>
<td>12.5%</td>
<td>12.8%</td>
<td>-</td>
</tr>
<tr>
<td>Operative EBIT</td>
<td>45.1</td>
<td>43.6</td>
<td>+3</td>
<td>79.0</td>
<td>78.6</td>
<td>+1</td>
<td>170.3</td>
<td>170.1</td>
<td>0</td>
</tr>
<tr>
<td>margin</td>
<td>7.0%</td>
<td>7.1%</td>
<td>-</td>
<td>6.3%</td>
<td>6.4%</td>
<td>-</td>
<td>6.9%</td>
<td>7.2%</td>
<td>-</td>
</tr>
<tr>
<td>Net profit</td>
<td>23.5</td>
<td>19.6</td>
<td>+20</td>
<td>46.6</td>
<td>39.4</td>
<td>+18</td>
<td>85.2</td>
<td>97.9</td>
<td>-13</td>
</tr>
<tr>
<td>Earnings per share, EUR</td>
<td>0.14</td>
<td>0.12</td>
<td>+17</td>
<td>0.28</td>
<td>0.24</td>
<td>+17</td>
<td>0.52</td>
<td>0.60</td>
<td>-13</td>
</tr>
<tr>
<td>Cash flow from operations</td>
<td>23.4</td>
<td>28.6</td>
<td>-18</td>
<td>57.9</td>
<td>40.8</td>
<td>+42</td>
<td>205.1</td>
<td>270.6</td>
<td>-24</td>
</tr>
<tr>
<td>Capex excl. acquisitions</td>
<td>39.8</td>
<td>45.2</td>
<td>-12</td>
<td>63.0</td>
<td>82.1</td>
<td>-23</td>
<td>190.1</td>
<td>212.6</td>
<td>-11</td>
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<tr>
<td>Net debt</td>
<td>773</td>
<td>758</td>
<td>+2</td>
<td>773</td>
<td>758</td>
<td>+2</td>
<td>694</td>
<td>634</td>
<td>+10</td>
</tr>
<tr>
<td>NWC ratio</td>
<td>9.6%</td>
<td>9.5%</td>
<td>-</td>
<td>9.6%</td>
<td>9.5%</td>
<td>-</td>
<td>9.4%</td>
<td>10.2%</td>
<td>-</td>
</tr>
<tr>
<td>Operative ROCE (rolling 12 months)</td>
<td>9.7%</td>
<td>9.2%</td>
<td>-</td>
<td>9.7%</td>
<td>9.2%</td>
<td>-</td>
<td>9.7%</td>
<td>9.9%</td>
<td>-</td>
</tr>
<tr>
<td>Personnel at period-end</td>
<td>4,858</td>
<td>4,849</td>
<td>0</td>
<td>4,858</td>
<td>4,849</td>
<td>0</td>
<td>4,732</td>
<td>4,818</td>
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</table>
## Cash flow

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net profit for the period</td>
<td>24</td>
<td>20</td>
<td>47</td>
<td>39</td>
<td>85</td>
<td>98</td>
</tr>
<tr>
<td>Total adjustments</td>
<td>53</td>
<td>60</td>
<td>95</td>
<td>106</td>
<td>204</td>
<td>187</td>
</tr>
<tr>
<td>Change in net working capital</td>
<td>-32</td>
<td>-23</td>
<td>-63</td>
<td>-65</td>
<td>-34</td>
<td>29</td>
</tr>
<tr>
<td>Finance expenses</td>
<td>-11</td>
<td>-18</td>
<td>-12</td>
<td>-22</td>
<td>-25</td>
<td>-20</td>
</tr>
<tr>
<td>Income taxes paid</td>
<td>-10</td>
<td>-11</td>
<td>-9</td>
<td>-18</td>
<td>-25</td>
<td>-23</td>
</tr>
<tr>
<td><strong>Net cash gen. from operating activities</strong></td>
<td><strong>23</strong></td>
<td><strong>29</strong></td>
<td><strong>58</strong></td>
<td><strong>41</strong></td>
<td><strong>205</strong></td>
<td><strong>271</strong></td>
</tr>
<tr>
<td>Purchases of subsidiaries and acquisit.</td>
<td>2</td>
<td>0</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>2</td>
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<tr>
<td>Capital expenditure</td>
<td>-40</td>
<td>-45</td>
<td>-63</td>
<td>-82</td>
<td>-190</td>
<td>-213</td>
</tr>
<tr>
<td>Proceeds from sale of assets</td>
<td>1</td>
<td>0</td>
<td>5</td>
<td>0</td>
<td>3</td>
<td>37</td>
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<tr>
<td>Change in long-term loan receivables</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>-5</td>
<td>1</td>
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<tr>
<td><strong>Cash flow after investing activities</strong></td>
<td><strong>-13</strong></td>
<td><strong>-16</strong></td>
<td><strong>4</strong></td>
<td><strong>-41</strong></td>
<td><strong>13</strong></td>
<td><strong>98</strong></td>
</tr>
</tbody>
</table>
# Pulp & Paper

## KEY FINANCIALS

<table>
<thead>
<tr>
<th>EUR million</th>
<th>Q2 2018</th>
<th>Q2 2017</th>
<th>Δ%</th>
<th>H1 2018</th>
<th>H1 2017</th>
<th>Δ%</th>
<th>2017</th>
<th>2016</th>
<th>Δ%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>376.0</td>
<td>368.9</td>
<td>+2</td>
<td>744.6</td>
<td>741.1</td>
<td>0</td>
<td>1,476.9</td>
<td>1,457.3</td>
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<tr>
<td>Operative EBITDA</td>
<td>45.4</td>
<td>47.8</td>
<td>-5</td>
<td>88.2</td>
<td>93.8</td>
<td>-6</td>
<td>197.7</td>
<td>195.3</td>
<td>+1</td>
</tr>
<tr>
<td>margin</td>
<td>12.1</td>
<td>13.0%</td>
<td>-</td>
<td>11.8%</td>
<td>12.7%</td>
<td>-</td>
<td>13.4%</td>
<td>13.4%</td>
<td>-</td>
</tr>
<tr>
<td>Operative EBIT</td>
<td>22.0</td>
<td>25.7</td>
<td>-14</td>
<td>40.9</td>
<td>49.6</td>
<td>-17</td>
<td>104.8</td>
<td>111.6</td>
<td>-6</td>
</tr>
<tr>
<td>margin</td>
<td>5.9%</td>
<td>7.0%</td>
<td>-</td>
<td>5.5%</td>
<td>6.7%</td>
<td>-</td>
<td>7.1%</td>
<td>7.7%</td>
<td>-</td>
</tr>
<tr>
<td>Operative ROCE*, %</td>
<td>8.3%</td>
<td>9.1%</td>
<td>-</td>
<td>8.3%</td>
<td>9.1%</td>
<td>-</td>
<td>9.0%</td>
<td>10.0%</td>
<td>-</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>19.1</td>
<td>35.2</td>
<td>-46</td>
<td>32.5</td>
<td>65.0</td>
<td>-50</td>
<td>138.3</td>
<td>125.1</td>
<td>+11</td>
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<tr>
<td>Cash flow after investing activities</td>
<td>2.3</td>
<td>8.9</td>
<td>-74</td>
<td>22.9</td>
<td>-14.0</td>
<td>-</td>
<td>15.7</td>
<td>105.7</td>
<td>-85</td>
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</tbody>
</table>

*12-month rolling average
## Industry & Water

### KEY FINANCIALS

<table>
<thead>
<tr>
<th>EUR million</th>
<th>Q2 2018</th>
<th>Q2 2017</th>
<th>Δ%</th>
<th>H1 2018</th>
<th>H1 2017</th>
<th>Δ%</th>
<th>2017</th>
<th>2016</th>
<th>Δ%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>271.7</td>
<td>248.3</td>
<td>+9</td>
<td>516.7</td>
<td>486.1</td>
<td>+6</td>
<td>1,009.1</td>
<td>906.0</td>
<td>+11</td>
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<tr>
<td>Operative EBITDA margin</td>
<td>34.8</td>
<td>29.3</td>
<td>+18</td>
<td>61.4</td>
<td>52.3</td>
<td>+17</td>
<td>113.6</td>
<td>107.2</td>
<td>+6</td>
</tr>
<tr>
<td>Operative EBIT margin</td>
<td>12.8%</td>
<td>11.8%</td>
<td>-</td>
<td>11.9%</td>
<td>10.8%</td>
<td>-</td>
<td>11.3%</td>
<td>11.8%</td>
<td>-</td>
</tr>
<tr>
<td>Operative EBIT</td>
<td>23.0</td>
<td>17.9</td>
<td>+28</td>
<td>38.1</td>
<td>29.0</td>
<td>+31</td>
<td>65.5</td>
<td>58.5</td>
<td>+12</td>
</tr>
<tr>
<td>Operative ROCE*, %</td>
<td>12.6%</td>
<td>9.4%</td>
<td>-</td>
<td>12.6%</td>
<td>9.4%</td>
<td>-</td>
<td>11.0%</td>
<td>9.7%</td>
<td>-</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>18.4</td>
<td>10.0</td>
<td>+84</td>
<td>27.3</td>
<td>17.1</td>
<td>+60</td>
<td>51.7</td>
<td>85.5</td>
<td>-39</td>
</tr>
<tr>
<td>Cash flow after investing activities</td>
<td>6.1</td>
<td>3.3</td>
<td>+85</td>
<td>2.0</td>
<td>12.5</td>
<td>-</td>
<td>46.9</td>
<td>35.6</td>
<td>+32</td>
</tr>
</tbody>
</table>

*12-month rolling average

*Note: Δ% indicates percentage change from the previous period.*
Revenue split by country

FY 2017

USA 27%
Canada 6%
Brazil 3%
Uruguay 2%
Other Americas 1%
Finland 14%
Sweden 6%
Germany 5%
Poland 3%
UK 3%
Russia 2%
Spain 2%
Italy 2%
France 2%
Netherlands 2%
Norway 2%
Other APAC 4%
South Korea 1%
China 4%
Other EMEA 9%
USA 27%
Canada 6%
Brazil 3%
Uruguay 2%
Other Americas 1%
Finland 14%
Sweden 6%
Germany 5%
Poland 3%
UK 3%
Russia 2%
Spain 2%
Italy 2%
France 2%
Netherlands 2%
Norway 2%
Other APAC 4%
South Korea 1%
China 4%
Other EMEA 9%
APAC
Pulp & Paper – driving growth as market leader
Our winning formula to continue growth

Above-the-market growth and operative EBITDA of 14-16%

INVEST IN GROWTH AND R&D
• Capacity additions
• More than 10 new products in 2016 and 2017

ENHANCE PERFORMANCE CULTURE
• New mgmt. structure
• Employee engagement – 15/16 survey items improved since 2015

REDUCE COMPLEXITY
• Group: 240 products out in 2016
• Around 250 products out in 2017

IMPROVE CUSTOMER EXPERIENCE
• TOP 50 customers are EUR 1bn
• Customer satisfaction to 98%

MAXIMIZE CAPACITY UTILIZATION
• Bleaching ran flat out 9 years
• Paper chemicals varying

MANAGE FIXED COSTS
• 2017 business overheads below 2016 level

ENHANCE PERFORMANCE CULTURE
## Strong market positions and strategic investments

<table>
<thead>
<tr>
<th>REGION</th>
<th>MARKET POSITION</th>
<th>GROWTH TREND</th>
<th>GROWTH STRATEGY</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMEA</td>
<td>#1</td>
<td>↑</td>
<td>Exceptional customer experience</td>
</tr>
<tr>
<td>North America</td>
<td>#2/3</td>
<td>↑</td>
<td>Transformation from paper to board</td>
</tr>
<tr>
<td>APAC</td>
<td>#1</td>
<td></td>
<td>Continue to grow with major players (TCM) and assess future investments</td>
</tr>
<tr>
<td>South America</td>
<td>#3</td>
<td>↓</td>
<td>Assess future bleaching investments</td>
</tr>
</tbody>
</table>

TCM = Total Chemistry Management
Megatrend e-commerce drives need for packaging material

Megatrend

- Retail e-commerce grew +25% globally in 2017 led by Amazon, eBay, Alibaba, etc.
- Growth in e-commerce drives packaging material production volumes

Impact on pulp and paper producers

- New board capacity regularly announced, especially in APAC and EMEA, e.g.
  - Chinese Nine Dragon to add 3 million tons of packaging paper capacity by June 2019
  - APP to expand Guangxi (CN) mill by 2 new board machines with production of 1.8 Mton/a
  - Hamburger Rieger (DE) to invest in new 500 kt/a containerboard machine

Impact on Kemira

- Kemira serves board producers with process and functional chemicals
- Kemira has strong references in conversions and new start-ups
- Also beneficial for Kemira’s pulp bleaching business as pulp is the intermediate product for board
Strong demand in pulp market creating growth opportunities

New pulp mill projects are driven by increasing demand for board and tissue

- Food and liquid packaging board is growing particularly fast in Asia
- Pulp is produced close to fiber sources and then shipped to board, paper, and tissue mills or used captively in an integrated mill
- Growth in board = 1 new pulp mill per year

Multiple pulp mill projects realised and expected in Northern Europe creating opportunities for Kemira to grow with the market

In addition, a few large scale pulp mill projects expected in South America
Recent bleaching investment – case Joutseno

EUR 50 MILLION INVESTMENT IN 2017

• In Joutseno we doubled our chlorate capacity in Q4 2017
  – Excellent timing, pulp production grew simultaneously in Finland

• Multiple pulp mills are located nearby with annual production of over 2Mt

• Part of chlorate production can be also exported in dry format to APAC
Acquisition via JV in China

• Agreed to form joint venture with Tiancheng
• NewCo will produce mainly AKD wax and its key raw material fatty acid chloride (FACL)
  – AKD is sizing chemical used in board and paper to create resistance against liquid absorption
  – NewCo also plans to produce coagulants for water treatment
• Kemira strengthens its position and secures supply of key raw material for AKD wax
• Kemira will have 80% of NewCo
  – Investment for 80% around EUR 55 million
• Ramp-up in H2/18 after completion investments
  – Good contribution to P&L in 2019 after ramp-up
We leverage acquisition synergies with our global production

AKD WAX SUPPLIED FROM YANZHOU, CHINA TO KEMIRA SITES GLOBALLY
Acquisition in China is excellent strategic fit

Acquired asset fulfills our key criteria for acquisitions

**GROWTH** – End-products in growing markets

**APAC** – Enables profitable growth in APAC

**SUPPLY** – Backward integr. & self-sufficiency (FACL)

**SUSTAINABILITY** – FACL from renewable raw material

**LOCATION** – Close to our existing production

**PROFITABILITY** – Accretive in 2019 after ramp-up
# Pulp & Paper

## TECHNOLOGY AND MARKET LEADER

### RAW MATERIALS
- Electricity
- Sodium chloride (salt)
- Crude tall oil
- Cationic monomer
- Acrylonitrile
- Acrylic acid
- Olefins
- Fatty acids
- Maleic anhydride
- Sulfur

### INTERMEDIATES
- Tall oil rosin
- AKD Wax
- Isomerized olefins
- Acrylamide

### PRODUCTS
- Sodium chlorate
- Hydrogen peroxide
- Polymers
- Defoamers
- Coagulants
- Biocides
- Sizing
- Strength Additives
- Surface additives
- Colorants
- Sulfuric acid

### APPLICATIONS
- Pulping
- Bleaching
- Retention
- Wet-end process control
- WQQM
- Sizing
- Strength
- Surface treatment
- Coloring

### CUSTOMER INDUSTRIES
- Pulp
- Packaging and board
- Printing and writing
- Tissue

### CUSTOMERS
- All the major global paper and pulp producers

- **Value chain part covered by Kemira**

- **MAIN COMPETITORS:** BASF, Akzo Nobel, Solenis, Ecolab, SNF
Industry & Water - stronger platform for profitable growth
New structure creates growth and efficiency opportunities

- Leveraging the full potential of new combined segment
  - Full geographical reach in all regions
  - Global polymer expert network
- Water treatment expertise for O&G and Mining
  - Structural change means faster decision making
  - More efficient development and roll-out of new innovations
  - Important part of segment’s profitability improvement
- On Group-level cost savings EUR 15-20 million
Oil & Gas growing fast

Growing market demand with our selective market diversification assuring growth

Kemira's offering

- Process efficiencies: polymers that reduce energy consumption by 60% in shale oil fields
- Cost reduction: higher concentrated liquids that make offshore oil recovery more cost effective (CEOR)
- Addressing environmental regulations: tailing treatment in oil sands

New innovative technologies driving expansion
Shale oil & gas market activity expected to remain on high level going forward

Recent development in Oil & Gas

- Shale oil & gas fracking activity has continued to recover
- Kemira’s Oil & Gas business growing at faster pace than the Oil and drilling market
- Kemira:
  - Strong volume improvement in shale, maximized within current capacity and with focus on key accounts
  - Revenue from oil sands increasing: gaining market share with material contracted business
  - Market penetration with differentiated CEOR chemicals, cemented with long-term agreement with Chevron

![US Oil & Gas Rotary Rigs vs. WTI Oil Price ($/bbl) chart]

<table>
<thead>
<tr>
<th>Year</th>
<th>Avg</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>1,761</td>
<td>-8%</td>
</tr>
<tr>
<td>2014</td>
<td>1,862</td>
<td>+6%</td>
</tr>
<tr>
<td>2015</td>
<td>978</td>
<td>-47%</td>
</tr>
<tr>
<td>2016</td>
<td>509</td>
<td>-48%</td>
</tr>
<tr>
<td>2017</td>
<td>876</td>
<td>+72%</td>
</tr>
<tr>
<td>1-6/18</td>
<td>1003</td>
<td>+14%</td>
</tr>
</tbody>
</table>

![WTI Oil Price chart]

7/2018: 1,054
5/2016: 404
9/2014: 1,931
CEOR deal signed with Chevron

- Strategically important multi-year Chemical Enhanced Oil Recovery deal signed with Chevron
- EUR 30 million capacity addition, announced in October 2017, progressing well
- CEOR market size approximately EUR 1 billion of which EUR 500 million accessible to Kemira
- Market growth estimated to be 5% driven by enhanced production from existing fields
- Kemira is committed to provide enhanced solutions for challenging water intensive environments and technologies that can enable CEOR
- Our offering provides enhanced and improved oil recovery with focus around polymer injectivity, chemical stability, shear tolerance, thermal stability and efficacy
Oil sands has grown from 0 to above EUR 30m in 3 years

**OIL SANDS MARKET**
- Market size is around EUR 400 million
- Projects are capex-heavy but developed projects are considered as sunken costs

**KEMIRA**
- Offers total solutions to reduce environmental concerns
- Customer base expanding
- Revenue has grown to above EUR 30 million in 3 years
- Target to more than double current revenues in 2-3 years

**Companies operating in oil sands market**
(examples)
Industry & Water

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

<table>
<thead>
<tr>
<th>RAW MATERIALS</th>
<th>INTERMEDIATES</th>
<th>PRODUCTS</th>
<th>APPLICATIONS</th>
<th>SALES CHANNELS</th>
<th>CUSTOMERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acrylonitrile</td>
<td>Acrylamide</td>
<td>Polymers (EPAM, DPAM)</td>
<td>Raw water &amp; waste water treatment</td>
<td>Direct sales</td>
<td>Municipalities</td>
</tr>
<tr>
<td>Acrylic acid</td>
<td>Cationic monomer</td>
<td>Al Coagulants</td>
<td>Sludge treatment</td>
<td>Distributor/reseller</td>
<td>Private operators</td>
</tr>
<tr>
<td>Sulfuric acid</td>
<td></td>
<td>Fe Coagulants</td>
<td>Friction reduction</td>
<td>Service companies</td>
<td>Industrial customers</td>
</tr>
<tr>
<td>Hydrochloric acid</td>
<td></td>
<td>Dispersants &amp; antiscalants</td>
<td>Enhanced oil recovery</td>
<td></td>
<td>Pumpers</td>
</tr>
<tr>
<td>Aluminium hydrate</td>
<td></td>
<td>Biocides</td>
<td>Tailings treatment</td>
<td></td>
<td>Oil &amp; Gas operators</td>
</tr>
<tr>
<td>Iron ore</td>
<td></td>
<td>Emulsifiers</td>
<td>Mining processes</td>
<td></td>
<td>Service companies</td>
</tr>
<tr>
<td>Pickling liquor</td>
<td></td>
<td>Defoamers</td>
<td></td>
<td></td>
<td>Mine operators</td>
</tr>
<tr>
<td>Copperas</td>
<td></td>
<td>Formulations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Various monomers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Value chain part covered by Kemira

MAIN COMPETITORS
Coagulants: mainly local small companies, Feralco, USALCO, Kronos, PVS, PVS
Polymers: SNF, Solvay, Ecolab, Solenis, BASF
Appendix
Kemira – largest shareholders and Board of Directors

SHAREHOLDERS ON JUNE 30, 2018

% OF SHARES
1. Oras Invest 18.2%
2. Solidium (owned by State of Finland) 16.7%
3. Varma Mutual Pension Insurance Company 3.4%
4. Ilmarinen Mutual Pension Insurance Comp. 2.1%
5. Kemira Oyj 1.8%

Total number of shares 155,342,557
Foreign ownership of shares 26.4%

Total number of shareholders 35,424

KEMIRA BOARD OF DIRECTORS

JARI PAASIKIVI
Chairman
Member since 2012
Oras Invest Oy, CEO

KERTTU TUOMAS
Vice Chairman
Member since 2010

SHIRLEY CUNNINGHAM
Member since 2017

TIMO LAPPALAINEN
Member since 2014

WOLFGANG BÜCHELE
Member in 2009-2012 and since 2014

KAISA HIETALA
Member since 2016

JULY 2018
INVESTOR PRESENTATION
Jukka Hakkila, Chief Legal Officer, acts as secretary of Management Board and Board of Directors.
**Corporate responsibility performance Q2 2018**

### Sustainable products

**Share of revenue from products used for use-phase resource efficiency.** At least 50% of Kemira’s revenue generated through products improving customers’ resource efficiency.

- **Performance 2017:** 49% in 2016, 49% in 2017

**Comments:** New KPI approved in June 2018. Baseline is 49%. This KPI is a measure of Kemira’s business purpose: Kemira enables customers to improve their water, energy and raw material efficiency. KPI is set for 2018-2023.

### Climate change

**Kemira Carbon Index ≤ 80 by end of 2020 (2012 = 100).** This KPI is reported once a year.

- **Performance 2017:** 100, 88, 91, 86, 85, 80

**Comments:** Sourcing of low carbon energy continued as planned. As part of the Energy Efficiency Enhancement (E3plus) program, five site energy reviews were performed, and the upgrading of the Energy Management System at sodium chlorate sites in the US was started. The E3 energy reviews cover more than 90% of Kemira’s total energy consumption. Kemira’s Energy Management System was externally audited, and one internal audit was carried out at a sodium chlorate site in Finland.

### People Safety

**Achieve zero injuries on long term; TRIF* 2.0 by end of 2020.**

- **Performance 2017:** 5.8, 7.2, 3.4, 3.9, 3.7, 2.0

**Comments:** There has been a positive turn in TRIF figures for the last few months. Safety campaign, the implementation of the Behavior Based Safety program and the safety related critical standard of manufacturing sites are contributing to this improvement.

### Supplier Management

**% of direct key suppliers screened through sustainability assessments and audits (cumulative %).** The target includes 5 sustainability audits for highest risk suppliers every year, and cumulatively 25 by 2020.

- **Performance 2017:** 55%, 59%
- **Q2 2018:** 9%
- **Target 2020:** 36%

**Comments:** In H1 2018, 9 new assessments were conducted. In addition to this 8 assessments are already in progress and there is a pipeline of possible suppliers to be assessed in the future.
People and integrity

**Employee engagement index based on Voices@Kemira biennial survey**
The index at or above the external industry norm. The participation rate in Voices@Kemira 75% or above.

<table>
<thead>
<tr>
<th>Year</th>
<th>Engagement</th>
<th>Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>58%</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>67%</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>71%</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>84%</td>
<td></td>
</tr>
</tbody>
</table>

The global people employee engagement survey Voices@Kemira was conducted in April 2018. The employee engagement index was 71%, which is 2 ppts above the external norm and an improvement of 4 ppts compared to the last survey in 2015. The participation rate of 84% was 9 ppts above the external norm.

**Leadership development activities provided, average**
Two (2) leadership development activities per people manager position during 2016-2020, the cumulative target is 1,500 by 2020.

<table>
<thead>
<tr>
<th>Year</th>
<th>Actual 2016</th>
<th>Actual 2017</th>
<th>Q2 2018</th>
<th>Target 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>494</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>1,036</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2 2018</td>
<td>1,288</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The continued good level of leadership development activities continued during Q2. The actual cumulative total so far is 1,288.

**Integrity index**
New KPI to measure compliance with the Kemira Code of Conduct. The target is to maintain the Integrity Index level above the industry benchmark.

<table>
<thead>
<tr>
<th>Year</th>
<th>Integrity Index</th>
<th>Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>87%</td>
<td></td>
</tr>
</tbody>
</table>

The Index was established based on the Voices@Kemira employee engagement survey and Kemira’s result of 87% was 10 ppts higher than the industry benchmark. KPI is set for 2018-2023.
Important information about financial figures

Kemira provides certain financial performance measures (alternative performance measures) on non-GAAP basis. Kemira believes that alternative performance measures, such as organic growth*, EBITDA, operative EBITDA, cash flow after investing activities, and gearing followed by capital markets and Kemira management, provide useful information of its 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 to 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 > Investors > Financial information.

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

* Revenue growth in local currencies, excluding acquisitions and divestments