

**Proposal of the Kemira Board of Directors to the Annual General Meeting 2009**

Kemira's Board of Directors will submit the following proposals to the Annual General Meeting to be held on April 8, 2009:

- Dividend payment of EUR 0.25 per share
- Composition of the Board of Directors and remuneration
- Election of the auditor and remuneration
- Amendment of the Articles of Association
- The boards share issue authorization
- The boards share repurchase authorization

**Dividend**

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.25 per share be paid based on the adopted balance sheet for the financial year which ended on December 31, 2008. The dividend will be paid to a shareholder who is registered in the Company's Shareholder Register maintained by Euroclear Finland Ltd on the record date, April 15, 2009. The Board of Directors proposes that the dividend be paid out on April 22, 2009.

**Composition of the Board of Directors and remuneration**

In December 2008, Kemira Oyj's Board of Directors assembled a Nomination Committee to prepare a proposal for the Annual General Meeting concerning the composition and remuneration of the Board of Directors. The Nomination Committee consists of the representatives of the three largest shareholders as of December 17, 2008 and the Chairman of Kemira Oyj's Board of Directors as an expert member. Jari Paasikivi, Managing Director of Oras Invest Oy, serves as the Chairman of the Nomination Committee. Other members are Pekka Timonen, Director General from the State of Finland's Ownership steering as representative of Solidium Oy; Risto Murto, Chief Investment Officer, Varma Mutual Pension Insurance Company; and Pekka Paasikivi, Chairman of Kemira's Board of Directors as an expert member.

The Nomination Committee proposes to the Annual General Meeting that seven members be elected to the Board of Directors and that the present members Elizabeth Armstrong, Juha Laaksonen, Pekka Paasikivi, Kaija Pehu-Lehtonen, Jukka Viinanen and Jarmo Väisänen be re-elected as members of the Board of Directors and Wolfgang Büchele be elected as a new member of the Board of Directors. The Nomination Committee proposes that Pekka Paasikivi will be elected to continue as the Chairman of the Board of Directors and that Jukka Viinanen will be elected to continue as the Vice Chairman.

Dr. Wolfgang Büchele (b. 1959) is currently CEO of BorsodChem Zft and a Senior Advisor of Permira Beteiligungsberatung GmbH. Dr. Büchele has been previously employed by BASF AG during the years 1987-2007, latest as the President of Fine Chemicals Division during the years 2005-2007.

The Nomination Committee further proposes to the Annual General Meeting that the remuneration paid to the members of the Board of Directors will remain unchanged so that the Chairman will receive €5.500 per month, the Vice Chairman €3.500 per month and the other members €2.800 per month. A fee payable for each meeting of the Board and its committees would be for the members

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residing in Finland €600, the members residing in rest of Europe €1.200 and the members residing outside Europe €2.400. Travel expenses will be compensated according to Kemira's travel policy.

## **Election of the auditor and remuneration**

The Board of Directors proposes to the Annual General Meeting on the recommendation of the Audit Committee, that KPMG Oy Ab be elected as the Company's auditor KHT Pekka Pajamo acting as the principal auditor and that the Auditor's fees be paid against an invoice approved by Kemira.

## **Proposal of the Board of Directors for amendment of Article 13 of the Articles of Association**

The Board of Directors proposes that Article 13 of the current Articles of Association be amended to read as follows:

Notices to the general meeting of shareholders and other communications to the shareholders shall be communicated by the Board of Directors by publishing an announcement in at least two nationwide newspapers, determined by the Board of Directors, no earlier than two months and no later than 21 days before the general meeting of shareholders.

## **Proposal of the Board of Directors for authorizing the Board of Directors to decide on the repurchase of the Company's own shares**

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to decide upon repurchase of a maximum of 2,395,229 Company's own shares ("Share repurchase authorization").

Shares will be repurchased by using unrestricted equity either through a direct offer with equal terms to all shareholder at a price determined by the Board of Directors or otherwise than in proportion to the existing shareholdings of the Company's shareholders in public trading on the NASDAQ OMX Helsinki Ltd ("Stock Exchange") at the market price quoted at the time of the repurchase. Shares shall be acquired and paid for in accordance with the Rules of Stock Exchange and Euroclear Finland Ltd.

Shares may be repurchased to be used in implementing or financing mergers and acquisitions, developing the Company's capital structure, improving the liquidity of the Company's shares or implementing the Company's share-based incentive plans. In order to realize the aforementioned purposes the shares acquired may be retained, transferred further or cancelled by the Company.

The Board of Directors will decide upon other terms related to share repurchase.

The Share repurchase authorization is valid until the end of the next Annual General Meeting.

## **Proposal of the Board of Directors for authorizing the Board of Directors to decide on share issues**

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to decide to issue a maximum of 12,500,000 new shares and transfer a maximum of 6,250,000 Company's own shares held by the Company ("Share issue authorization").

The new shares may be issued and the Company's own shares held by the Company may be transferred either against payment or, as part of the implementation of the Company's share-based incentive plans, without payment.

Said new shares may be issued and said Company's own shares held by the Company may be transferred to the Company's shareholders in proportion to their current shareholdings in the Company, or through a directed share issue if the Company has a weighty financial reason to do so,

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such as financing or implementing mergers and acquisitions, developing its capital structure, improving the liquidity of the Company's shares or if this is justified for the purpose of implementing the Company's share-based incentive plans. The directed share issue may be carried out without payment only in connection with the implementation of the Company's share-based incentive plan.

The subscription price of new shares shall be recognized under unrestricted equity capital fund. The consideration payable for Company's own shares shall be recognized under unrestricted equity capital fund.

The Board of Directors will decide upon other terms related to share issue.

The Share issue authorization is valid until the end of the next Annual General Meeting.

The Annual General Meeting of the Kemira Oyj will be held in the Marina Congress Center, Katajanokanlaituri 6, Helsinki, Finland on Wednesday, April 8, 2009, at 1.00 pm. The invitation will be published on March 12, 2009 in Helsingin Sanomat, Kauppalehti and on Kemira's website.

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**Kemira** will be a focused company, the best in water and fiber management chemistry.

**In 2007**, Kemira recorded revenue of approximately EUR 2.8 billion and had a staff of 10,000. Kemira operates in 40 countries.

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