



Magnus Groth
President and CEO





This presentation may contain forward-looking statements. Such statements are based on our current expectations and are subject to certain risks and uncertainties that could negatively affect our business. Please read our most recent annual and sustainability report for a better understanding of these risks and uncertainties.

A pregnant woman with long brown hair is smiling and looking down at her hand. She is wearing a blue denim jacket over a dark top. A young child with short hair is sitting on her back, also looking down at her hand. The woman is holding a small, dark, textured object in her palm. They are outdoors near a body of water, with sunlight reflecting off the surface. The background is a soft-focus green landscape.

Our Vision:

Dedicated to Improving Well-being Through
Leading Hygiene and Health Solutions

2020 in Figures

121,752

**Net sales,
SEKm**

17,626

**Adjusted EBITA¹⁾,
SEKm**

150

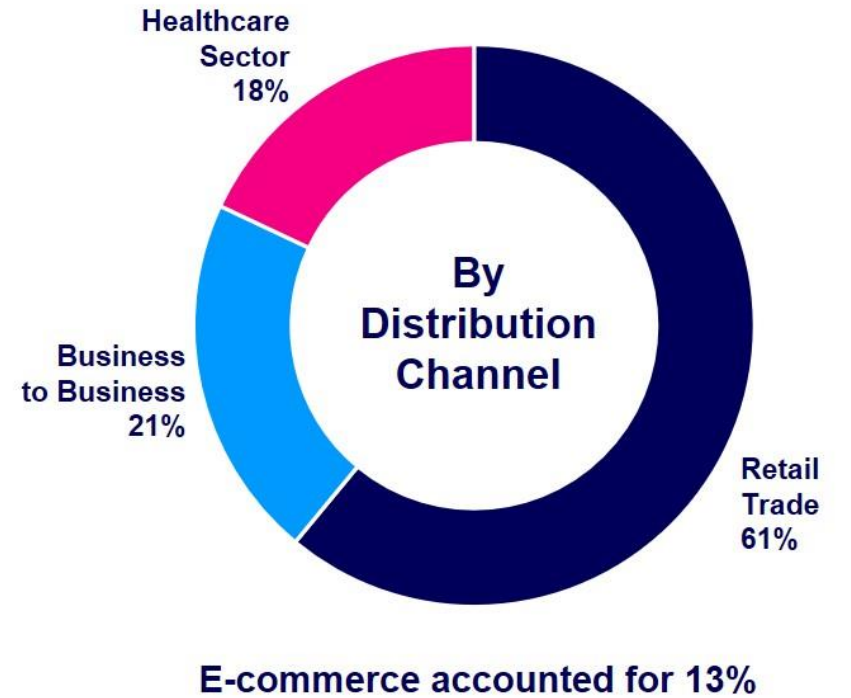
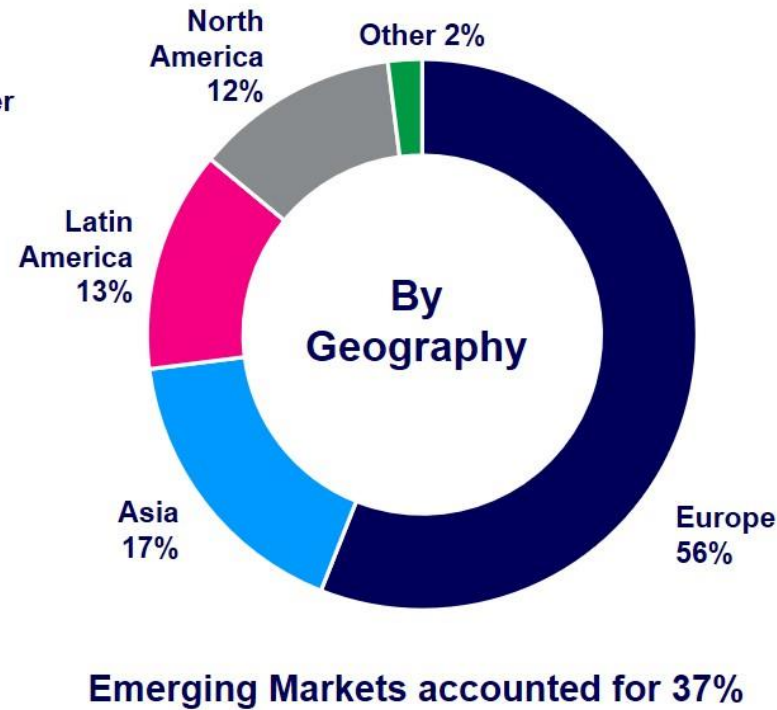
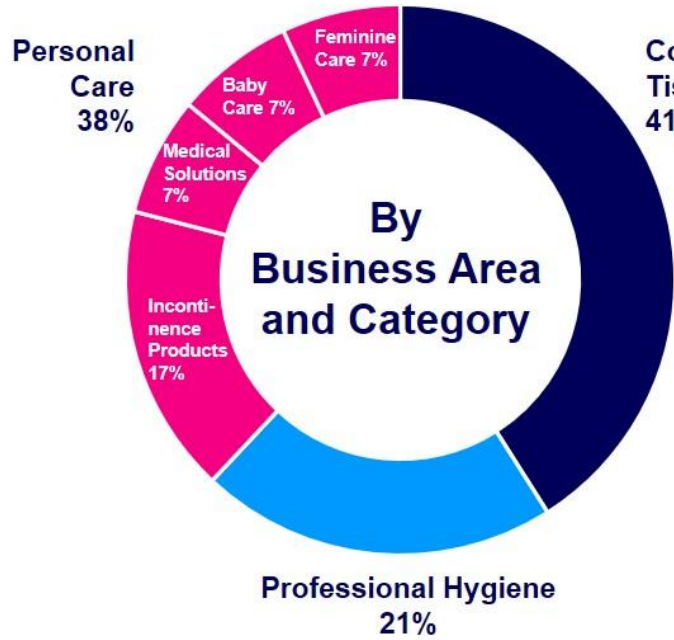
**Sales in countries,
approximately**

46,000

**Employees,
approximately**



Net Sales 2020



Financial Targets and Policies

Annual organic sales growth¹⁾

Target

>3%

Adjusted return on capital employed²⁾

The earlier target of >15% was achieved in 2020 and the target was raised to >17% by 2025

**>17%
by 2025**

Capital structure policy

Policy

Maintain a solid investment grade rating

Dividend policy

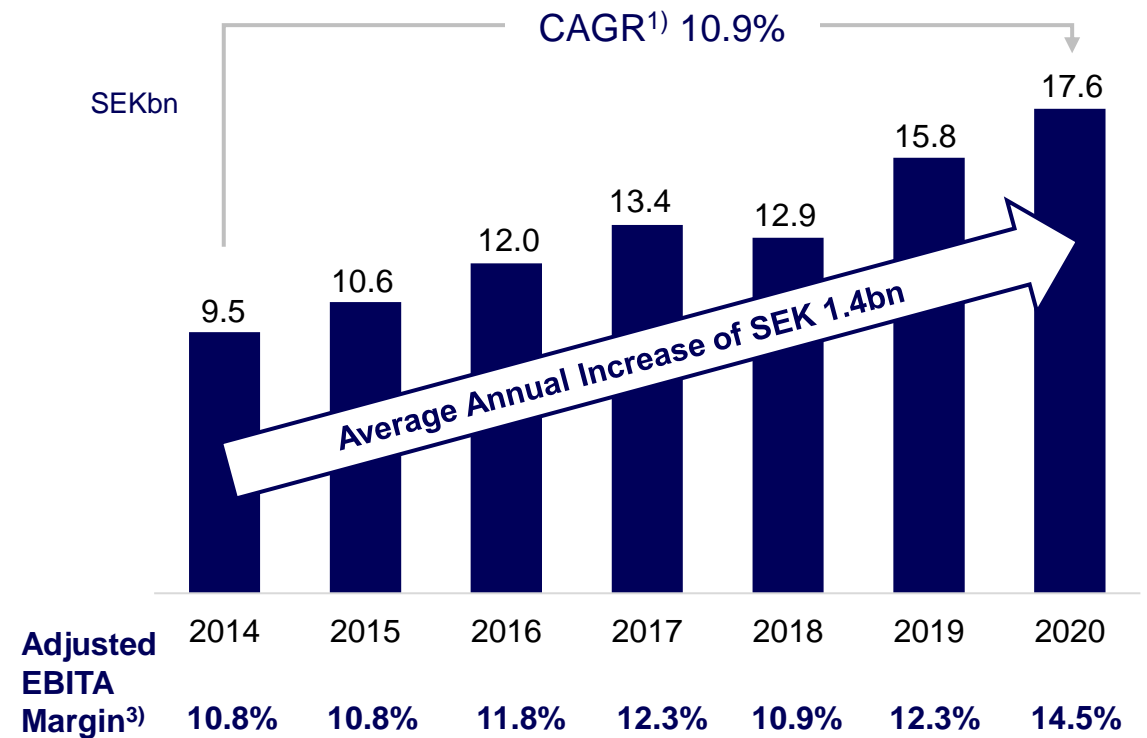
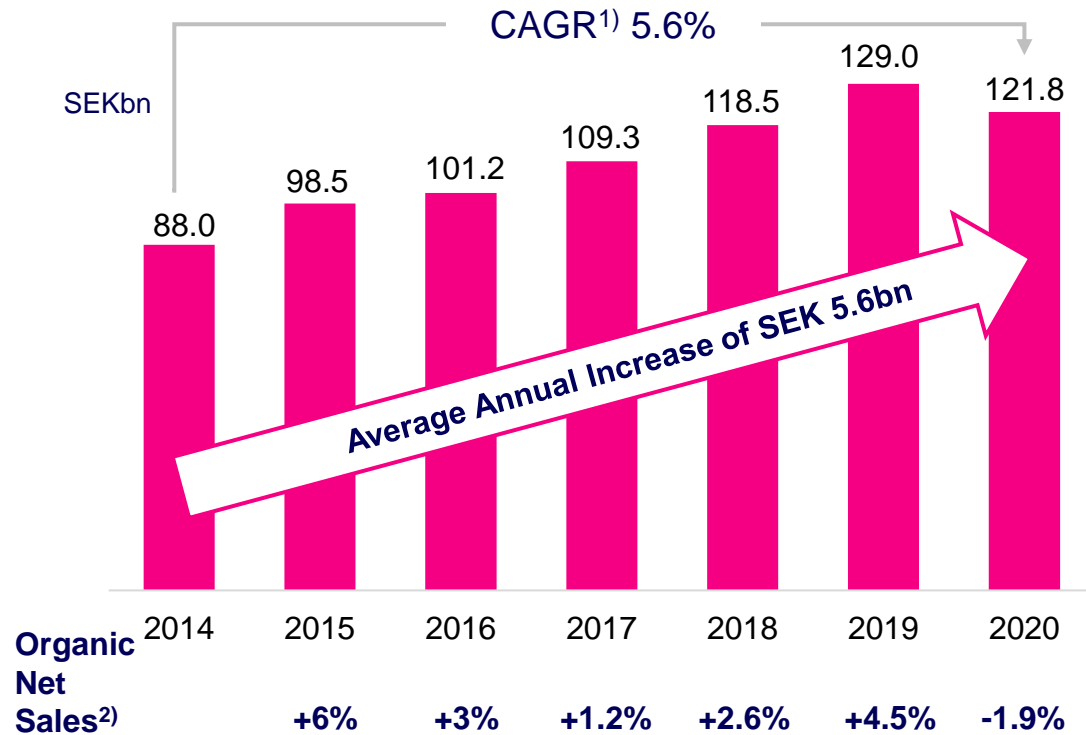
Long-term stable and rising dividends



¹⁾ Net sales excluding exchange rate effects, acquisitions and divestments

²⁾ Excluding items affecting comparability

Strong Development of Sales and Profitability



¹⁾ Compound Annual Growth Rate

²⁾ Excluding exchange rate effects, acquisitions and divestments

³⁾ Excluding items affecting comparability

Half-year Results 2021

H1 2021 vs H1 2020

- Sales were negatively impacted by the COVID-19 pandemic and the related lockdowns and restrictions, primarily within Professional Hygiene
- Sales growth was strong for the second quarter of 2021 and organic net sales increased by 9.5% compared with the second quarter of 2020
- Profitability was positively impacted by an improved mix and cost savings. Higher costs for raw materials, energy and distribution and lower prices in Consumer Tissue had a negative impact
- Price increases implemented and in preparation

Net Sales

SEK
56,496m
-9.1%

Organic Net Sales¹⁾

-1.0%

Adjusted EBITA²⁾

SEK
7,017m
-23%

Adjusted EBITA Margin²⁾

12.4%
-230bps

¹⁾ Net sales which excludes exchange rate effects, acquisitions and divestments

²⁾ Excluding items affecting comparability

Portfolio Strategy



Global Market Positions

#1 or #2 position in ~90 countries within at least one product category



Source: The information has been compiled by Essity for presentation purposes based on statistics taken from external market sources, including IRI, Fastmarkets RISI, Price Hanna Consultants, SmartTRAK and National Macro Economics.

Strengthened Market Shares and Brands

Positive Development Last 12 Months

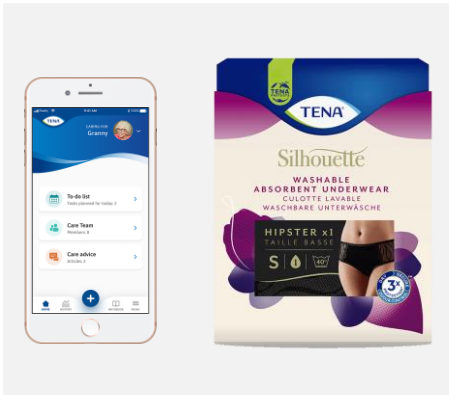
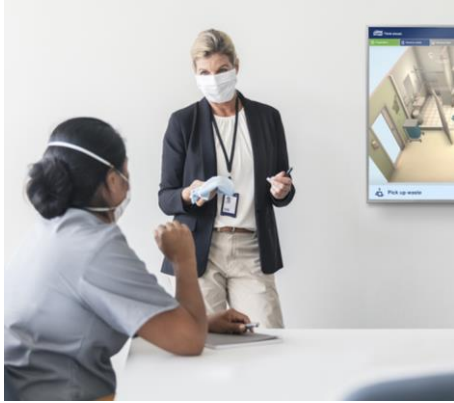
Position #1 or #2 in



Increased Branded
Market Shares



Innovations with Strong Sustainability Profile



Innovative Digital Solutions

Cutimed® Wound Navigator



- MESSEN**
- KLICKEN**
- FINDEN**

Cutimed®

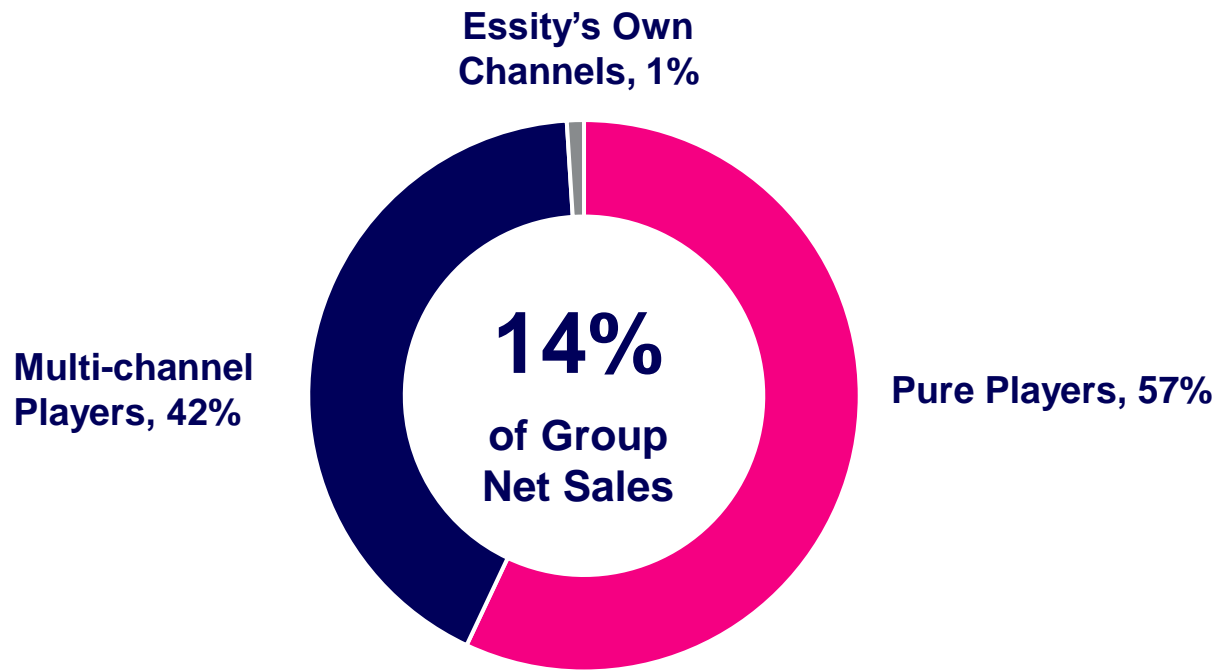
Tork EasyCube®



TORK®

Think ahead.

Strong E-commerce Growth H1 2021



**Organic Sales Growth
+14%**



Sustainability Targets and Recognitions Examples

Packaging

Striving for 100% recyclability and 85% renewable or recycled material in packaging

85%

77%



Net-zero Greenhouse Gas Emissions by 2050

Target by 2030 Outcome 2020

Scope 1 & 2:

-35%

-11%

Scope 3:

-18%

-4%¹⁾



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Recognitions

Member of


**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA



ESG Rating of AAA

¹⁾ Outcome 2019



Manufacturing Roadmap

Optimization of Footprint and Production Efficiency

Integrated Supply Chain

Digitalization

Sustainability & Breakthrough Technology

Value Creating Acquisitions

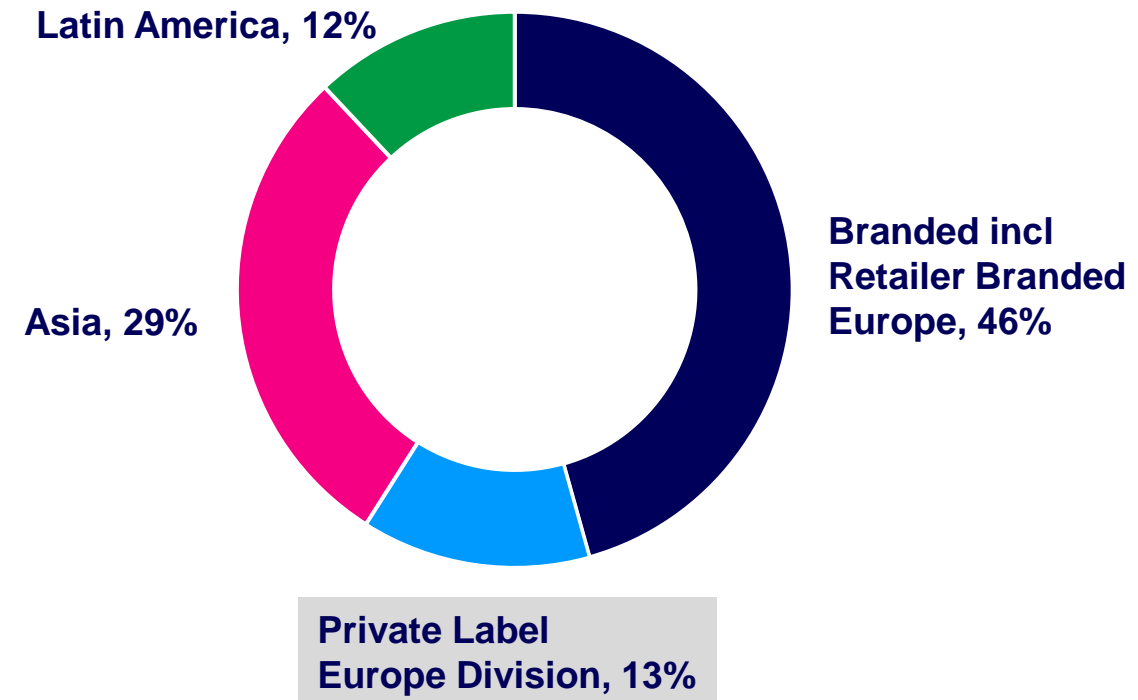
Positioning Essity for Profitable Growth



Private Label Division within Consumer Tissue

- Started process to establish the new division Consumer Tissue Private Label Europe
- Process expected to be finalized by year-end 2021
- Consumer Tissue branded and selected multi-category retailer branded businesses will remain in the current structure
- Enables Essity to refine the operations, further strengthen focus and leverage the main strengths of existing and new structures to better meet different customers' demands and expectations

Consumer Tissue Net Sales Split
Proforma 2020



Priorities

Short-term

- Accelerate sales
- Price increases
- Cost savings
- Private label division within Consumer Tissue

Long-term

- Innovation and expanding offerings
- Manufacturing Roadmap
- Acquisitions in high margin categories
- Digital transformation in all areas
- Continue to lead in sustainability



Welcome to
Essity's Virtual
Capital Markets Day
November 3, 2021



Forward-looking Statements

Certain statements in this presentation includes forward-looking statements, including statements reflecting management's current views relating to the growth of the market, future market conditions, future events, financial conditions, and expected operational performance, including, in particular the following: - Our goals, strategies and operational expectations; - Industry trends, future characteristics and development of the markets in which we operate; - Our future liquidity, capital resources, capital expenditures and cost savings; - The expected demand for new products and services as well as plans to launch new products and services including R&D expenditures; - The ability to deliver on future plans and to realize potential for future growth; - The expected performance of strategic cooperation activities and joint ventures; - The time until acquired entities and businesses will be integrated and accretive to income; and - Technology and industry trends including the regulatory and standardization environment in which we operate, competition and customer structure.

The words "believe," "expect," "foresee," "anticipate," "assume," "intend," "likely," "projects," "may," "could," "plan," "estimate," "forecast," "will," "should," "would," "predict," "aim," "ambition," "seek," "potential," "target," "might," "continue," or, in each case, their negative or variations, and similar words or expressions are used to identify forward-looking statements. Any statement that refers to expectations, projections or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements.

We caution investors that these statements are subject to risks and uncertainties many of which are difficult to predict and generally beyond our control that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements.

Risks and uncertainties to which our forward-looking statements are subject include, without limitation: (1) the ability to successfully manage global financial risks, including foreign currency fluctuations, currency exchange or pricing controls and localized volatility; (2) the ability to successfully manage local, regional or global economic volatility, including reduced market growth rates, and to generate sufficient income and cash flow to allow the Company to affect the expected share repurchases and dividend payments; (3) the ability to manage disruptions in credit markets or changes to our credit rating; (4) the ability to maintain key manufacturing and supply arrangements (including execution of supply chain optimizations, and sole supplier and sole manufacturing plant arrangements) and to manage disruption of business due to factors outside of our control, such as natural disasters and acts of war or terrorism; (5) the ability to successfully manage cost fluctuations and pressures, including prices of commodity and raw materials, and costs of labor, transportation, energy, pension and healthcare; (6) the ability to stay on the leading edge of innovation, obtain necessary intellectual property protections and successfully respond to changing consumer habits and technological advances attained by, and patents granted to, competitors; (7) the ability to compete with our local and global competitors in new and existing sales channels, including by successfully responding to competitive factors such as prices, promotional incentives and trade terms for products; (8) the ability to manage and maintain key customer relationships; (9) the ability to protect our reputation and brand equity by successfully managing real or perceived issues, including concerns about safety, quality, ingredients, efficacy or similar matters that may arise; (10) the ability to successfully manage the financial, legal, reputational and operational risk associated with third party relationships, such as our suppliers, distributors, contractors and external business partners; (11) the ability to rely on and maintain key company and third party information technology systems, networks and services, and maintain the security and functionality of such systems, networks and services and the data contained therein; (12) the ability to successfully manage uncertainties related to changing political conditions (including the United Kingdom's decision to leave the European Union) and potential implications such as exchange rate fluctuations and market contraction; (13) the ability to successfully manage regulatory and legal requirements and matters (including, without limitation, those laws and regulations involving product liability, intellectual property, antitrust, privacy, tax, environmental, and accounting and financial reporting) and to resolve pending matters within current estimates; (14) the ability to manage changes in applicable tax laws and regulations including maintaining our intended tax treatment of divestiture transactions; (15) the ability to successfully manage our ongoing acquisition, divestiture and joint venture activities, in each case to achieve the Company's overall business strategy and financial objectives, without impacting the delivery of base business objectives; and (16) the ability to successfully achieve productivity improvements and cost savings and manage ongoing organizational changes, while successfully identifying, developing and retaining key employees, including in key growth markets where the availability of skilled or experienced employees may be limited. For additional information concerning factors that could cause actual results and events to differ materially from those projected herein, please refer to our most recent Annual and Sustainability Report for a better understanding of these risks and uncertainties.

Important factors that could affect whether and to what extent any of our forward-looking statements materialize include, but are not limited to, the factors described above and in the section Risk factors in the most recent Annual and Sustainability Report and in our quarterly reports. These forward-looking statements also represent our estimates and assumptions only as of the date that they were made and are not to be seen as projections or earnings guidance. We expressly disclaim a duty to provide updates to these forward-looking statements, and the estimates and assumptions associated with them, after the date of this presentation, to reflect events or changes in circumstances or changes in expectations or the occurrence of anticipated events, whether as a result of new information, future events or otherwise.

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