



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.

Figures 2021

121,867

Net sales
SEKm

13,680

Adjusted EBITA¹⁾
SEKm

150

Sales in countries
approximately

46,000

Employees
approximately

¹⁾ Excluding items affecting comparability



Business Areas

Health & Medical



Incontinence Products
Health Care
Wound Care
Compression Therapy
Orthopedics

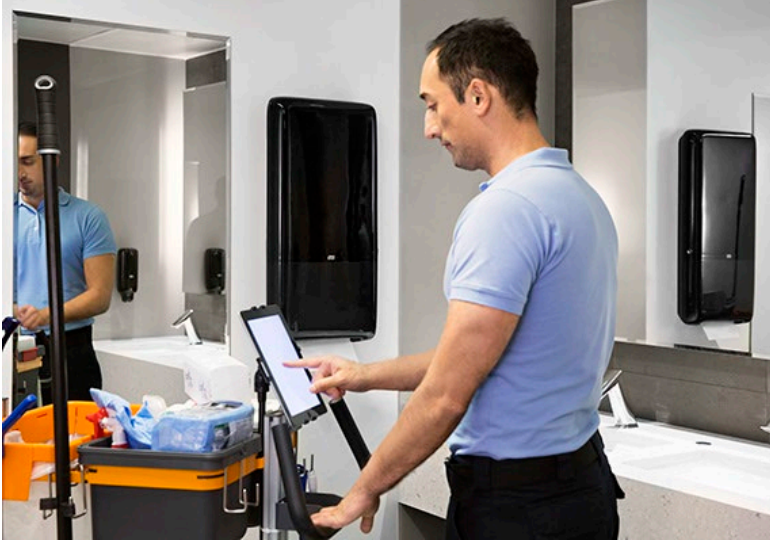
Consumer Goods



Incontinence Products
Retail
Feminine Care
Baby Care
Consumer Tissue Branded/Retail Branded

Division: Consumer Tissue
Private Label Europe

Professional Hygiene

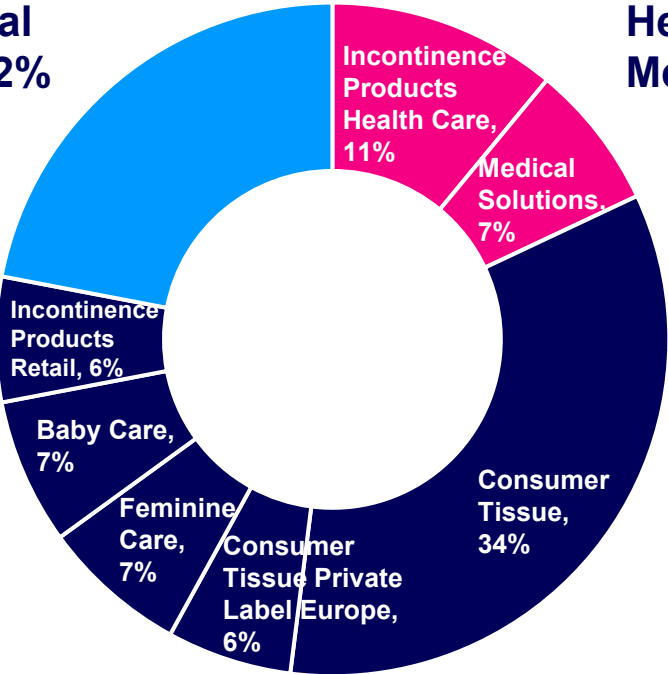


Hygiene Solutions
Tissue
Skin Care
Cleaning & Wiping

Net Sales Split 2021¹⁾

By Business Area and Category

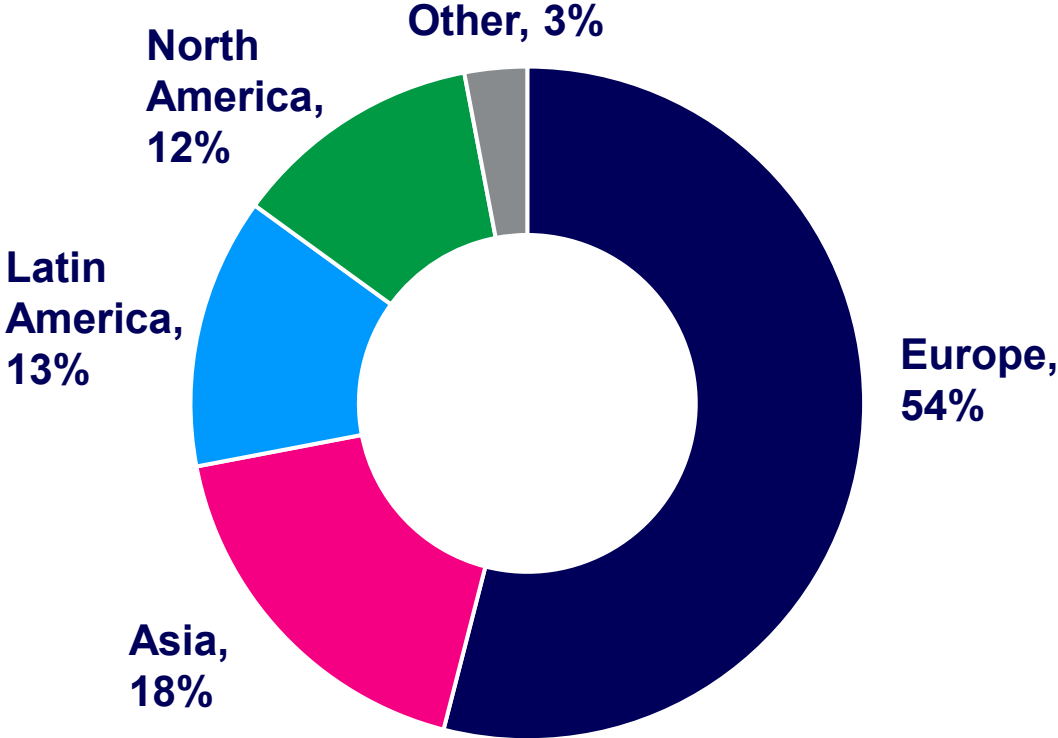
Professional Hygiene, 22%



Consumer Goods, 60%

Health & Medical, 18%

By Geography



¹⁾ Proforma

Global Market Positions

Health & Medical

Incontinence Products #1
 Compression Therapy #1
 Orthopedics #3
 Wound Care #6



Consumer Goods

Incontinence Products #2
 Consumer Tissue #2
 Feminine Care #5
 Baby Care #5



Professional Hygiene

Professional Hygiene #1



Source: The information has been compiled by Essity for presentation purposes based on data taken from external market sources including but not limited to retail audit companies, Price Hanna Consultants, SmartTRAK, Fastmarkets RISI and national macroeconomic data.

Financial Targets and Policies

Sales growth¹⁾

Target

>5%

Adjusted return
on capital employed²⁾

>17%
by 2025

Capital structure

Policy

Maintain a solid investment grade rating

Dividend

Long-term stable and rising dividends



¹⁾ Net sales including organic sales growth and acquisitions

²⁾ Excluding items affecting comparability

Financials 2021 vs 2020

Net Sales

SEK
121,867m
+0.1%

Sales Growth
(Organic & Acquisitions)¹⁾

+4.5%
Organic:
+3.3%

Adjusted
EBITA²⁾

SEK
13,680m
-22%

Adjusted
EBITA Margin²⁾

11.2%
-330bps

Adjusted
ROCE²⁾

12.0%
-370bps

Earnings
per Share

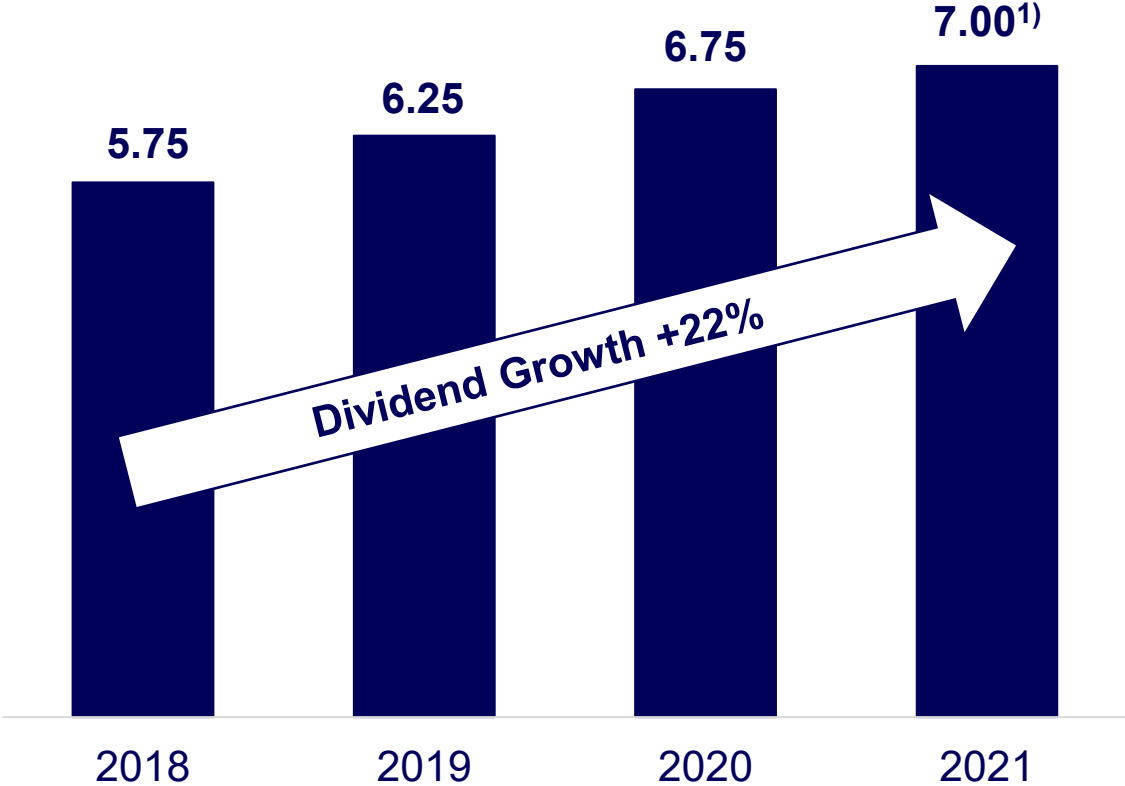
SEK
12.27
-16%

¹⁾ Net sales which excludes exchange rate effects and divestments

²⁾ Excluding items affecting comparability

Dividend

Proposed Dividend¹⁾

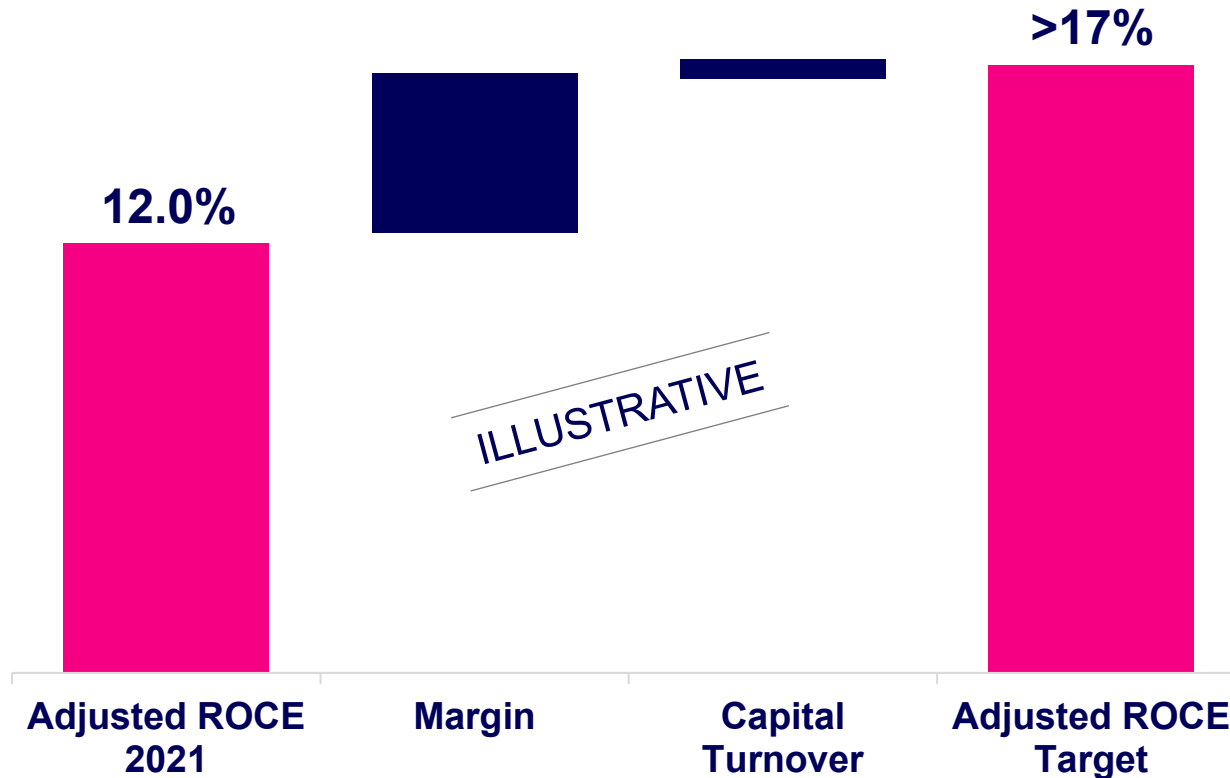


¹⁾ Board of Directors Proposal

Adjusted ROCE >17% by 2025

Reached Primarily by Margin Enhancement

Adjusted Return on Capital Employed¹⁾



Margin Enhancement

- Price increases
- Innovation and brands
- Growth in high return businesses
- Cost savings including Manufacturing Roadmap
- Digitalization
- Sustainability

¹⁾ Excluding items affecting comparability

Strategic Priorities

Winning with people and culture

**Continuing the
transformation
journey**

**Innovating
Leading
Brands**

**Accelerating
Digitalization**

**Leading in
Sustainability**

**Growing in
Emerging
Markets**

Efficiency in everything we do

Value Creating Acquisitions



Innovations 2021



Sustainable Innovations



Increased Branded Market Shares 2021

Position #1 or #2

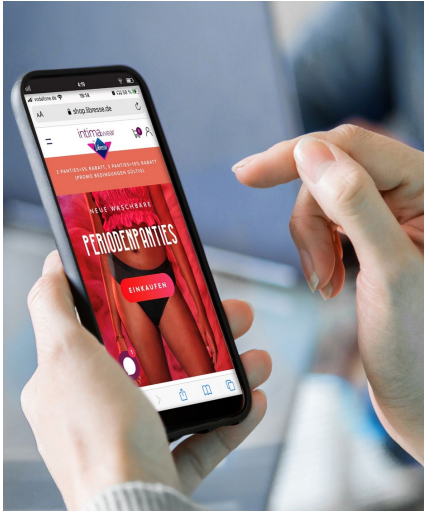


Increased Branded
Market Shares

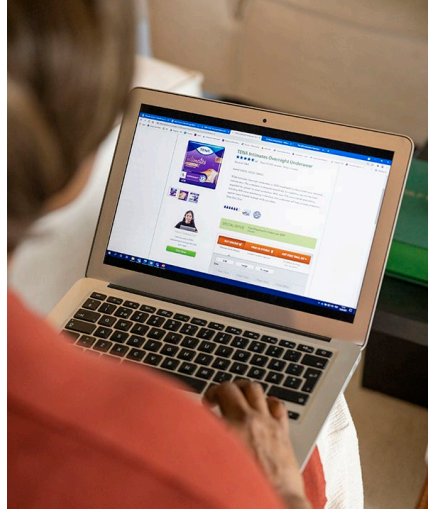


Accelerating Digitalization

Digital Transformation in All Areas



**Customer &
Consumer
Interaction**



E-commerce



**Digital
Solutions**



**Digitalization
in Operations**



**Data Analytics
&
Capabilities**

Leading in Sustainability

CO₂ Emissions



Actions and Recognitions

BUSINESS AMBITION FOR 1.5°C  



Growing in Emerging Markets

Share of Net Sales

36%

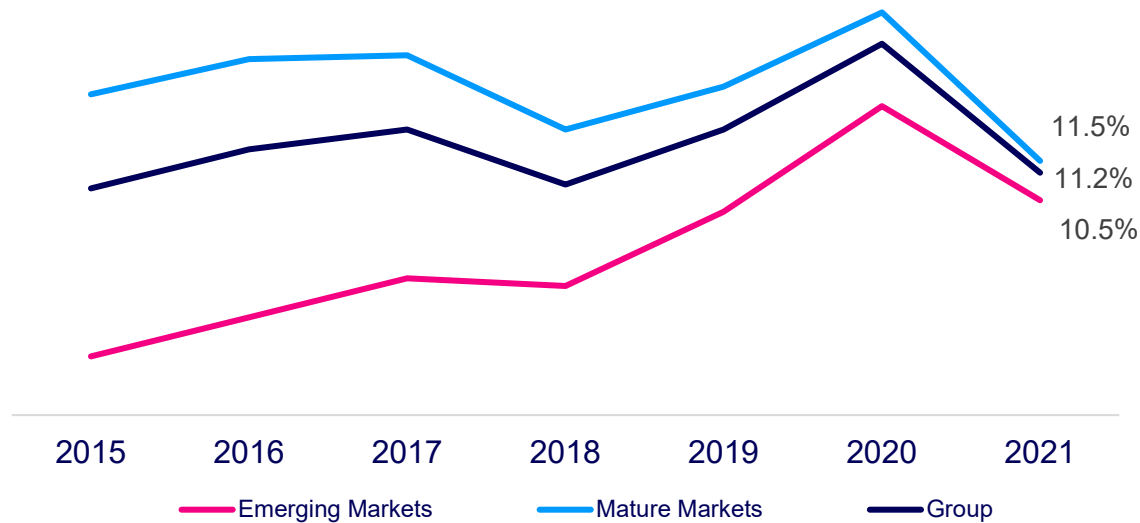
38%

Share of Adjusted EBITA¹⁾

22%

36%

Adjusted EBITA Margin¹⁾



¹⁾ Excluding items affecting comparability



Improving Efficiency

- Cost savings 2019-2021 of SEK 2.8bn
- Manufacturing Roadmap
Annual cost savings 2021-2025: SEK 0.5bn–1bn
- SG&A
- Cost culture and continuous improvement



Key Priority: Substantial and Continuous Price Increases

- Substantial and continuous price increases to compensate cost inflation and in the future be ahead
- Price increases are always part of the everyday mindset, work and process for every category in every market
- Customer contracts and negotiations are reviewed
- Larger weight on margin improvement in STI
- Unique position with essential solutions, impactful innovations, strong market positions and brands



Everyday Priorities



**Care for
Our People**



**Contribute to
Society**



**Secure
Business
Success**



Q&A

TORK
Tork Surface
Disinfecting
Wet Wipes



For professional use only

19 36 00

60
Sheets

EN Tork Surface Disinfecting Wet Wipes. For professional use only. Kills 99.99% of bacteria. Application Areas: For daily use on non-porous surfaces and objects. Ensure thorough surface disinfection. Allow to air-dry completely. Do not use on porous surfaces.

*Tested according to EN 1276 and EN13697. For details, please refer to product information sheet. The product is dermatologically tested but intended exclusively for use on surfaces and objects.

FR/LU Lingettes humides désinfectantes pour surfaces Tork. Pour usage professionnel uniquement. Tue 99,99% des bactéries. Testé dermatologiquement. Le produit est dermatologiquement testé, mais est destiné exclusivement à l'usage sur surfaces et objets.

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.

This presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any of our securities.

