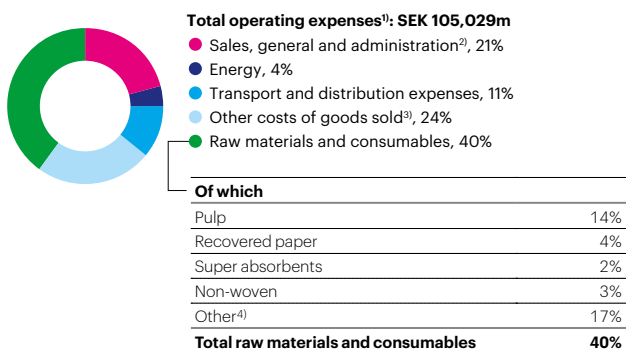
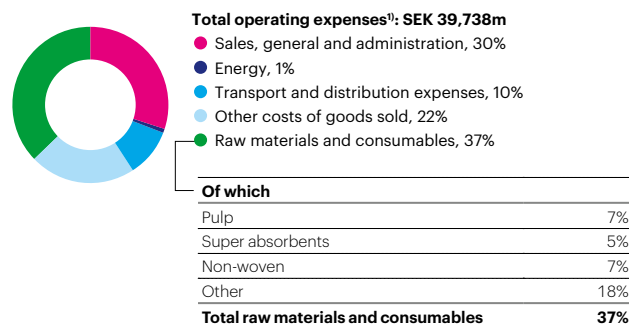


Description of costs

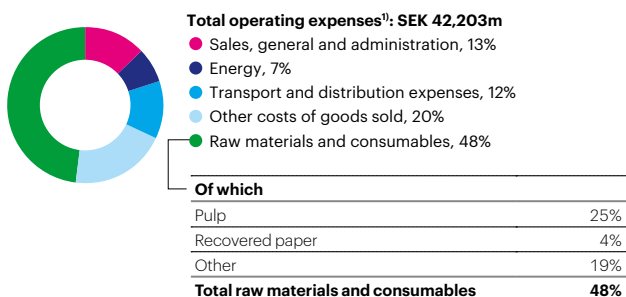
Essity Group



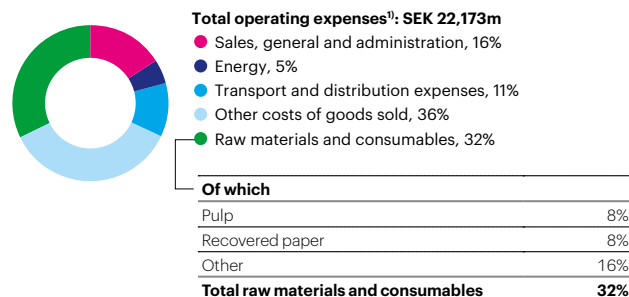
Personal Care



Consumer Tissue



Professional Hygiene



¹⁾ Excluding items affecting comparability.

²⁾ Sales, general and administration include costs for marketing by 6 percentage points.

³⁾ The two largest items of Other costs of goods sold comprise personnel (11 percentage points) and depreciation/amortization (5 percentage points).

⁴⁾ The item Other in Raw materials and consumables includes costs for chemicals, packaging material and plastic material.

Raw materials

Pulp consumption



3.2 million tons

Essity's own pulp production corresponded to 7% of the pulp consumption and is primarily related to an integrated tissue plant in Mannheim, Germany.

Recovered paper consumption



1.9 million tons

Production facilities¹⁾

(Capacity is stated in thousands of tons, unless otherwise indicated, and per year)

Personal Care			Consumer Tissue and Professional Hygiene					
Production facility	Country		Production facility	Country	Capacity	Production facility	Country	Capacity
Buenos Aires	Argentina		Ortmann	Austria	132	Sahagun	Mexico	95
Jarinu	Brazil		Stembert	Belgium	75	Uruapan	Mexico	40
Drummondville	Canada		Santiago	Chile	28	Cuijk	Netherlands	52
Hubei	China		Beijing	China	30	Suameer ²⁾	Netherlands	9
Zhejiang	China		Hubei	China	300	Sovetsk	Russia	91
Cali	Colombia		Liaoning	China	55	Svetogorsk	Russia	55
Caloto	Colombia		Shangdong	China	110	Allo	Spain	120
Rio Negro	Colombia		Sichuan	China	75	Valls	Spain	137
San Cristobal	Dominican Republic		Xinhui, Sanjiang	China	410	Lilla Edet	Sweden	100
Lasso	Ecuador		Yangjiang	China	60	Manchester	UK	50
Cairo	Egypt		Zhejiang	China	210	Oakenholt	UK	70
Radiante	France		Cajica	Colombia	70	Prudhoe	UK	94
Vibraye	France		Medellin	Colombia	30	Stubbins	UK	55
Emmerich	Germany		Inpaesca	Ecuador	13	Tawd Mill	UK	30
Hausbruch	Germany		Lasso	Ecuador	26	Barton	USA	180
Goa	India		Nokia	Finland	67	Harrodsburg	USA	55
Amman	Jordan		Gien	France	145	Menasha	USA	211
Shah Alam 1&2	Malaysia		Hondouville	France	55	Middletown	USA	100
Ecatepec	Mexico		Kunheim	France	52	South Glens Falls	USA	64
Reynosa	Mexico		Le Theil	France	65	Converting facilities		
Assen	Netherlands		Kostheim	Germany	152	Kingsgrove	Australia	
Gennep	Netherlands		Mannheim	Germany	283	Jarinu	Brazil	
Hoogezand	Netherlands		Neuss	Germany	112	Hlohovec	Slovakia	
Karachi	Pakistan		Witzenhausen	Germany	32	Telde	Spain	
Olawa	Poland		Altopascio	Italy	25	Skelmersdale	UK	
Veniov	Russia		Collodi	Italy	42	Greenwich	USA	
Gemerská Hôrka	Slovakia		Lucca	Italy	100	Neenah	USA	
Pinetown	South Africa		Monterrey	Mexico	62	Total		
Valls	Spain							4,424
Falkenberg	Sweden							
Mölnlycke	Sweden							
Kao Hsiung	Taiwan							
Kartepe	Turkey							
Bowling Green	USA							

¹⁾ As of December 31, 2020.

²⁾ Non-woven production.

Financial multi-year summary

SEKm	2020	2019	2018	2017	2016	2015
INCOME STATEMENT						
Net sales	121,752	128,975	118,500	109,265	101,238	98,519
Adjusted EBITA	17,626	15,840	12,935	13,405	11,992	10,603
Personal Care	7,161	6,746	6,354	5,937	4,283	3,997
Consumer Tissue	8,045	5,321	3,331	4,084	4,450	3,846
Professional Hygiene	3,317	4,463	3,841	4,004	3,836	3,497
Other operations	-897	-690	-591	-620	-577	-737
Items affecting comparability	-59	-713	-1,375	-855	-2,645	-292
EBITA	17,567	15,127	11,560	12,550	9,347	10,311¹⁾
Amortization of acquisition-related intangible assets	-809	-778	-732	-560	-159	-133
Items affecting comparability	0	0	-69	-85	-180	-494
Operating profit	16,758	14,349	10,759	11,905	9,008	9,684
Financial income	108	106	91	158	202	312 ²⁾
Financial expenses	-1,066	-1,415	-1,248	-1,340	-1,037	-1,140
Profit before tax	15,800	13,040	9,602	10,723	8,173	8,856
Income taxes	-4,053	-2,828	-1,050	-1,938	-3,931	-2,278
Profit for the period	11,747	10,212	8,552	8,785	4,242	6,578
BALANCE SHEET						
Non-current assets (excl. financial receivables)	107,974	116,779	110,370	105,398	77,238	67,483
Receivables and inventories	37,141	38,486	38,646	34,664	29,917	29,171
Non-current assets held for sale	0	42	69	42	156	120
Financial receivables	3,555	3,535	1,751	1,700	1,052	766
Current financial assets	993	525	422	1,105	1,677	12,983
Cash and cash equivalents	4,982	2,928	3,008	4,107	4,244	4,828
Total assets	154,645	162,295	154,266	147,016	114,284	115,351
Equity	54,352	54,125	47,141	42,289	33,204	42,986
Non-controlling interests	8,990	8,676	7,758	7,281	6,376	5,289
Provisions	12,671	14,017	15,696	14,659	11,961	8,450
Interest-bearing debt	46,890	52,062	54,327	54,838	36,873	34,717
Operating and other non-interest bearing liabilities	31,742	33,415	29,344	27,949	25,870	23,909
Total equity and liabilities	154,645	162,295	154,266	147,016	114,284	115,351
Average capital employed	112,473	114,663	107,575	90,167	73,145	70,115
Net debt, incl. pension liabilities	42,688	50,940	54,404	52,467	35,173	19,058
OPERATING CASH FLOW STATEMENT						
Operating cash flow	16,018	15,639	9,900	10,622	10,998	8,261
Cash flow from current operations	11,175	13,208	6,363	6,644	6,530	5,371
Cash flow before transactions with shareholders	10,795	13,285	5,737	-19,372	359	5,328
Investments in non-current assets, net	-6,439	-5,707	-6,781	-6,012	-6,255	-5,472
Acquisitions of Group companies and other operations	-747	-143	-694	-26,045	-6,540	-92
Divestments of Group companies and other operations	367	220	68	29	369	49
KEY FIGURES						
Equity/assets ratio, %	35	33	31	29	29	37
Interest coverage ratio	17.5	11.0	9.3	10.1	10.8	11.7
Debt payment capacity, incl. pension liabilities, %	46	38	25	26	29	65
Debt/equity ratio, incl. pension liabilities	0.67	0.81	0.99	1.06	0.89	0.39
Debt/equity ratio, excl. pension liabilities	0.63	0.76	0.92	0.99	0.76	0.34
Return on capital employed, %	15.6	13.2	10.8	13.9	12.8	13.8
Adjusted return on capital employed, %	15.7	13.8	12.0	14.9	16.4	15.1
Return on equity, %	18.2	17.4	16.1	19.8	9.3	13.9
EBITA margin, %	14.4	11.7	9.8	11.5	9.2	10.5
Adjusted EBITA margin, %	14.5	12.3	10.9	12.3	11.8	10.8
Operating margin, %	13.8	11.1	9.1	10.9	8.9	9.8
Adjusted operating margin, %	13.8	11.7	10.3	11.8	11.7	10.6
Net margin, %	9.7	7.9	7.2	8.0	4.2	6.7
Capital turnover rate	1.08	1.12	1.10	1.21	1.38	1.41
Cash flow from current operations per share, SEK	15.91	18.81	9.06	9.46	9.30	7.65
Earnings per share, SEK	14.56	13.12	11.23	11.56	5.41	8.73
Dividend per share, SEK	6.75 ³⁾	6.25	5.75	5.75		

¹⁾ 2015 includes the sale of securities, SEK 970m.

²⁾ 2015 does not include the sale of securities, SEK 970m.

³⁾ Board of Directors' dividend proposal.

Breaking Barriers to Well-being



We make a greater difference through partnerships

At Essity, we know that hygiene and health are fundamental to people's well-being – in all parts of the world, and in all phases of life. It is a simple fact, but also full of complex challenges. From taboos and stigmas, to access to the necessary products and facilities. Our products, our solutions and our work contribute to the improvement of well-being for people around the world.

Within the framework of the Essity brand purpose – Breaking Barriers to Well-being – we are engaging in a series of global and local initiatives to promote awareness and inspire sustainable solutions for hygiene and health. Through collaborations, partnerships, reports, education and innovations, we help enable a global dialogue to drive positive change for society at large.

During the year, we published the report “Accelerating Action on Hygiene and Health for All” in cooperation with the Water Supply and Sanitation Collaborative Council (WSSCC), to highlight key global challenges facing hygiene and health. The report focuses on facts and solutions with the aim of stimulating ideas and actions to improve global health and well-being.

The report was launched in conjunction with the United Nations Foundation's annual Global Dialogue, where Essity was convening partner for the fifth year in a row. The Global Dialogue brings together leaders and experts from the private and public sectors to inspire and encourage accelerated action in achieving the UN Sustainable Development Goals.

During the year, Essity also increased its commitment to the Global Handwashing Partnership, under the leadership of the WHO and UNICEF. The spread of COVID-19 has further emphasized the importance of good hand hygiene to reduce the spread of infections in society and save lives. In addition, Essity contributed to the “COVID-19 Solidarity Response Fund”, coordinated by the WHO.

Through our cooperation with UNICEF in Mexico, we have reached more than seven million young people with knowledge around hand hygiene and hygiene in relation to menstruation. During the year, we launched a virtual initiative to educate girls, boys, teachers and parents. Through our collaboration with the Red Cross in several countries, we have also reached out to people in particularly vulnerable situations during the pandemic.

Awards and memberships



Partnerships



¹⁾ Now known as the Sanitation and Hygiene Fund

