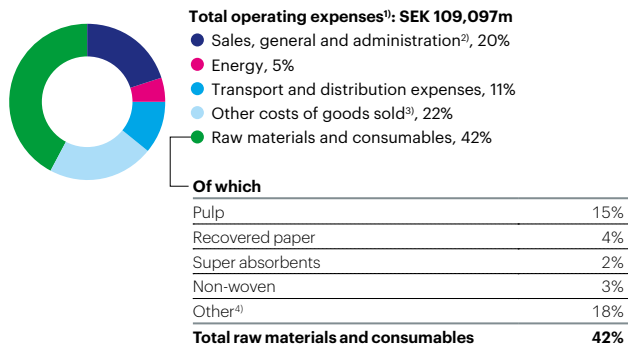
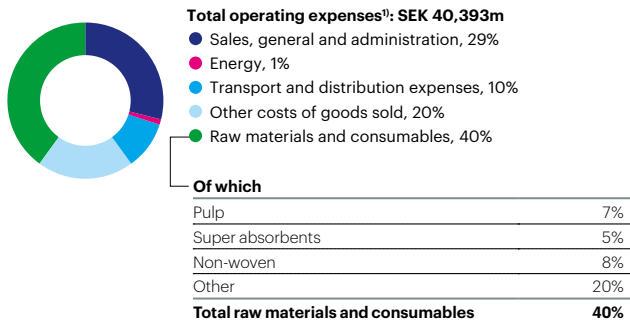


Description of costs

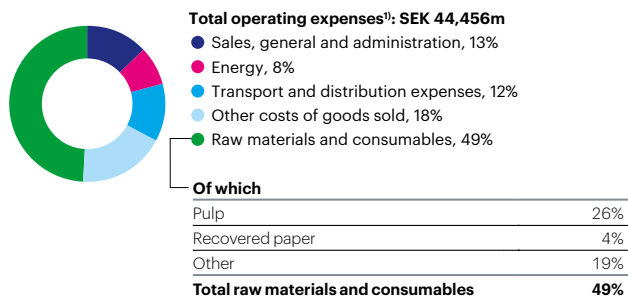
Essity Group



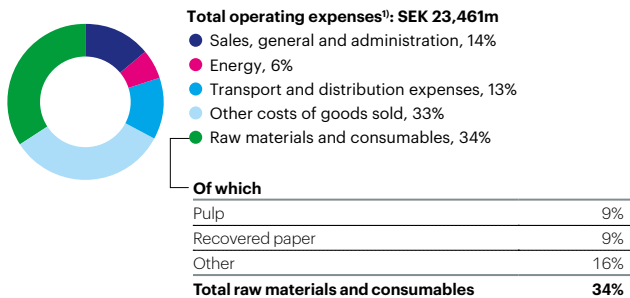
Personal Care



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 (10 percentage points) and depreciation/amortization (4 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 6% of the pulp consumption and is primarily related to an integrated tissue plant in Mannheim, Germany.

Recovered paper consumption



1.8 million tons

Production facilities¹⁾

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

Personal Care

Production facility	Country
Buenos Aires	Argentina
Springvale	Australia
Jarinu	Brazil
Drummondville	Canada
Hubei	China
Zhejiang	China
Cali	Colombia
Caloto	Colombia
Rio Negro	Colombia
San Cristobal	Dominican Republic
Lasso	Ecuador
Cairo	Egypt
Radiante	France
Vibraye	France
Emmerich	Germany
Hausbruch	Germany
Goa	India
Amman	Jordan
Shah Alam 1&2	Malaysia
Ecatepec	Mexico
Reynosa	Mexico
Assen	Netherlands
Gennep	Netherlands
Hoogezand	Netherlands
Karachi	Pakistan
Olawa	Poland
Veniov	Russia
Gemerská Hôrka	Slovakia
Valls	Spain
Askersund	Sweden
Falkenberg	Sweden
Mölnlycke	Sweden
Pinetown	South Africa
Kao Hsiung	Taiwan
Kartepe	Turkey
Bowling Green	USA
Connecticut	USA

Consumer Tissue and Professional Hygiene

Production facility	Country	Capacity	Production facility	Country	Capacity
Ortmann	Austria	132	Uruapan	Mexico	40
Stembert	Belgium	75	Cuijk	Netherlands	52
Santiago	Chile	28	Suameer ²⁾	Netherlands	9
Beijing	China	30	Kawerau	New Zealand	60
Hubei	China	335	Sovetsk	Russia	91
Liaoning	China	55	Svetogorsk	Russia	65
Shangdong	China	110	Allo	Spain	120
Sichuan	China	75	Valls	Spain	137
Xinhui, Sanjiang	China	410	Lilla Edet	Sweden	100
Yangjiang	China	130	Manchester	UK	50
Zhejiang	China	245	Oakenholt	UK	70
Cajica	Colombia	70	Prudhoe	UK	94
Medellin	Colombia	30	Stubbins	UK	55
Inpaecsa	Ecuador	15	Tawd Mill	UK	30
Lasso	Ecuador	26	Barton	USA	180
Nokia	Finland	42	Harrodsburg	USA	55
Gien	France	145	Menasha	USA	211
Hondouville	France	55	Middletown	USA	100
Kunheim	France	52	South Glens Falls	USA	64
Le Theil	France	65			
Kostheim	Germany	152			
Mannheim	Germany	283			
Neuss	Germany	112			
Witzenhausen	Germany	32			
Altopascio	Italy	25			
Collodi	Italy	42			
Lucca	Italy	100			
Monterrey	Mexico	67			
Sahagun	Mexico	95			
Total					4,616

Converting facilities

Springvale	Australia
Jarinu	Brazil
Fiji	Fiji Islands
Veniov	Russia
Telde	Spain
Skelmersdale	UK
Greenwich	USA
Neenah	USA

¹⁾ As of December 31, 2021.

²⁾ Non-woven production.



Financial multi-year summary

SEKm	2021	2020	2019	2018	2017	2016	2015
INCOME STATEMENT							
Net sales	121,867	121,752	128,975	118,500	109,265	101,238	98,519
Adjusted EBITA	13,680	17,626	15,840	12,935	13,405	11,992	10,603
Personal Care	7,098	7,161	6,746	6,354	5,937	4,283	3,997
Consumer Tissue	4,661	8,045	5,321	3,331	4,084	4,450	3,846
Professional Hygiene	2,710	3,317	4,463	3,841	4,004	3,836	3,497
Other operations	-789	-897	-690	-591	-620	-577	-737
Items affecting comparability	371	-59	-713	-1,375	-855	-2,645	-292
EBITA	14,051	17,567	15,127	11,560	12,550	9,347	10,311¹⁾
Amortization of acquisition-related intangible assets	-852	-809	-778	-732	-560	-159	-133
Items affecting comparability	0	0	0	-69	-85	-180	-494
Operating profit	13,199	16,758	14,349	10,759	11,905	9,008	9,684
Financial income	102	108	106	91	158	202	312 ²⁾
Financial expenses	-764	-1,066	-1,415	-1,248	-1,340	-1,037	-1,140
Profit before tax	12,537	15,800	13,040	9,602	10,723	8,173	8,856
Income taxes	-2,727	-4,053	-2,828	-1,050	-1,938	-3,931	-2,278
Profit for the period	9,810	11,747	10,212	8,552	8,785	4,242	6,578
BALANCE SHEET							
Non-current assets (excluding financial receivables)	122,196	107,974	116,779	110,370	105,398	77,238	67,483
Receivables and inventories	45,949	37,141	38,486	38,646	34,664	29,917	29,171
Non-current assets held for sale	0	0	42	69	42	156	120
Financial receivables	1,851	3,555	3,535	1,751	1,700	1,052	766
Current financial assets	1,150	993	525	422	1,105	1,677	12,983
Cash and cash equivalents	3,904	4,982	2,928	3,008	4,107	4,244	4,828
Total assets	175,050	154,645	162,295	154,266	147,016	114,284	115,351
Equity	59,874	54,352	54,125	47,141	42,289	33,204	42,986
Non-controlling interests	8,633	8,990	8,676	7,758	7,281	6,376	5,289
Provisions	12,855	12,671	14,017	15,696	14,659	11,961	8,450
Interest-bearing debt	58,189	46,890	52,062	54,327	54,838	36,873	34,717
Operating and other non-interest bearing liabilities	35,499	31,742	33,415	29,344	27,949	25,870	23,909
Total equity and liabilities	175,050	154,645	162,295	154,266	147,016	114,284	115,351
Average capital employed	114,163	112,473	114,663	107,575	90,167	73,145	70,115
Net debt, including pension liabilities	55,433	42,688	50,940	54,404	52,467	35,173	19,058
OPERATING CASH FLOW STATEMENT							
Operating cash flow	11,118	16,018	15,639	9,900	10,622	10,998	8,261
Cash flow from current operations	6,894	11,175	13,208	6,363	6,644	6,530	5,371
Cash flow before transactions with shareholders	-4,906	10,795	13,285	5,737	-19,372	359	5,328
Investments in non-current assets, net	-7,304	-6,439	-5,707	-6,781	-6,012	-6,255	-5,472
Acquisitions of Group companies and other operations	-11,813	-747	-143	-694	-26,045	-6,540	-92
Divestments of Group companies and other operations	13	367	220	68	29	369	49
KEY FIGURES							
Equity/assets ratio, %	34	35	33	31	29	29	37
Interest coverage ratio	19.9	17.5	11.0	9.3	10.1	10.8	11.7
Debt payment capacity, including pension liabilities, %	29	46	38	25	26	29	65
Debt/equity ratio, including pension liabilities	0.81	0.67	0.81	0.99	1.06	0.89	0.39
Debt/equity ratio, excluding pension liabilities	0.77	0.63	0.76	0.92	0.99	0.76	0.34
Return on capital employed, %	12.3	15.6	13.2	10.8	13.9	12.8	13.8
Adjusted return on capital employed, %	12.0	15.7	13.8	12.0	14.9	16.4	15.1
Return on equity, %	15	18.2	17.4	16.1	19.8	9.3	13.9
EBITA margin, %	11.5	14.4	11.7	9.8	11.5	9.2	10.5
Adjusted EBITA margin, %	11.2	14.5	12.3	10.9	12.3	11.8	10.8
Operating margin, %	10.8	13.8	11.1	9.1	10.9	8.9	9.8
Adjusted operating margin, %	10.5	13.8	11.7	10.3	11.8	11.7	10.6
Net margin, %	8.1	9.7	7.9	7.2	8.0	4.2	6.7
Capital turnover rate	1.07	1.08	1.12	1.10	1.21	1.38	1.41
Cash flow from current operations per share, SEK	9.82	15.91	18.81	9.06	9.46	9.30	7.65
Earnings per share, SEK	12.27	14.56	13.12	11.23	11.56	5.41	8.73
Dividend per share, SEK	7.00 ³⁾	6.75	6.25	5.75	5.75		

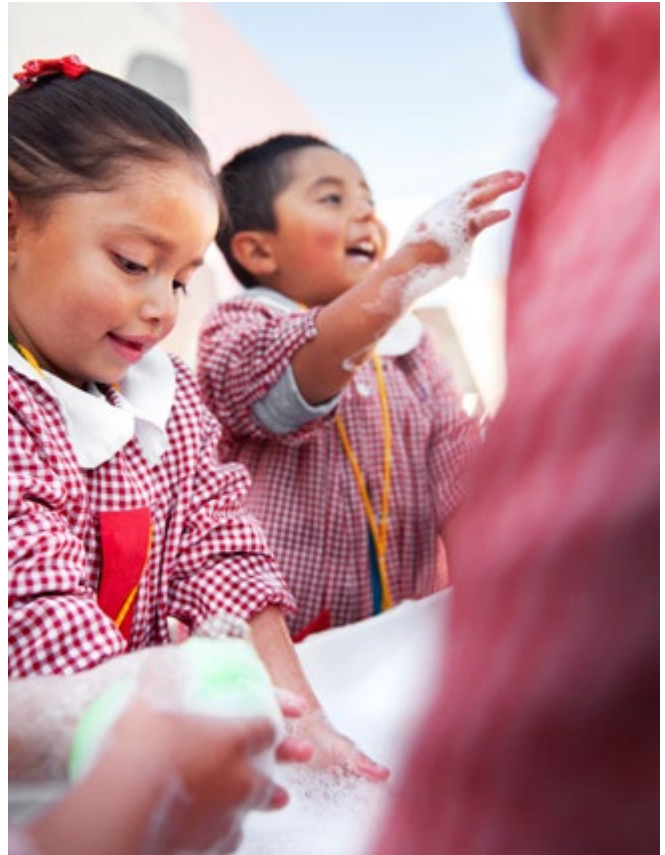
¹⁾ 2015 includes the sale of securities, SEK 970m.

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

³⁾ Board of Directors' dividend proposal.

The Essity brand

The name Essity stems from the words “essentials” and “necessities”. Hygiene and health are the essence of well-being. As a leading global hygiene and health company, we offer products and services that are essentials and necessities in everyday life. That is why we are called Essity.



Essity actively strives to build awareness of the company's brand and communicate Essity's transformation journey. A strong brand is important to strengthen Essity's position in relation to customers, consumers, shareholders, current and potential employees, and other stakeholders.

Essity's purpose is to break barriers to well-being and we are pursuing a range of global and local initiatives to raise awareness and standards for hygiene and health. By gathering insights, sharing stories, cooperating with partners and educating millions of people, Essity provides knowledge and promotes a public discussion about topics such as menstruation, incontinence, hand hygiene, lymphedema and endometriosis.

The company has a strong presence in social media. Digital campaigns help to build awareness and relevance about Essity. In 2021, Essity launched two seasons of the “Essential Talks” podcast. The podcast addresses topics where Essity makes a difference to increase well-being for people in all phases of life. The podcast has attracted international attention through “The Drum Award”. Thanks to global and local partnerships, Essity reaches more people and together we can make a bigger difference. In collaboration with UNICEF in Mexico and the Global Handwashing Partnership,

we are for example educating young people about the importance of hand hygiene and issues regarding menstruation. Our local collaborations with the Red Cross in several countries was particularly important during the COVID-19 pandemic.

For many years, Essity has been conveying partner to the UN Foundation's annual Global Dialogue, to which we have invited customers. The collaboration has developed during the year to promote awareness of antimicrobial resistance (AMR). The company's expertise in infection prevention and the healthcare of tomorrow played an important part in Essity's participation at the World Expo Dubai.

Sustainability and digitalization have a key role in Essity's brand work. The company regularly shares content on new, sustainable solutions and the transition of the value chain to achieve net-zero emissions by 2050. In 2021, The Green Response Report was launched. The report shows the growth in interest for sustainable solutions during the COVID-19 pandemic and it received widespread attention in the media.

In 2021, several initiatives were launched with the purpose of spotlighting stories, activities and engagement among Essity's employees to break barriers for well-being and increase gender equality.



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