

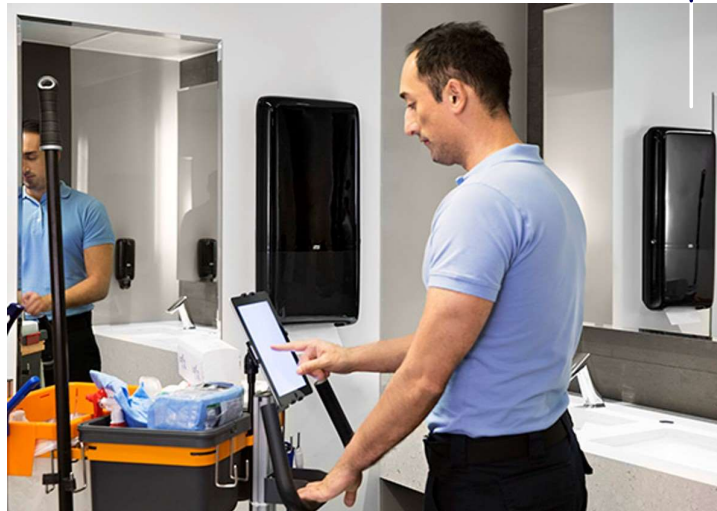
Welcome to Essity's Business Area Web Presentations

**DAY 1 – ESSITY GROUP and
HEALTH & MEDICAL**



**December 7, 2022
at 15:00– 16:15 CET**

**DAY 2 –
PROFESSIONAL HYGIENE**



**December 8, 2022
at 15:00– 16:00 CET**

**DAY 3 –
CONSUMER GOODS**



**December 9, 2022
at 15:00– 16:00 CET**

Agenda Day 3

**DAY 3 –
CONSUMER GOODS**

Consumer Goods

Magnus Groth, President and CEO

Volker Zöller, President Consumer Goods

Pablo Fuentes, President Latin America

Q&A

Magnus Groth, Volker Zöller, Pablo Fuentes



**December 9, 2022
at 15:00– 16:00 CET**

122

Net sales
2021 SEKbn

150

Sales in
countries

46,000
employees



Essity Group Financial Targets

Annual sales growth¹⁾

>5%

**Adjusted return on
capital employed²⁾**

**>17%
by 2025**

¹⁾ Including organic sales growth and acquisitions

²⁾ Excluding items affecting comparability

Three Attractive Business Areas

HEALTH & MEDICAL



Holistic health and medical solutions along the continuum of care

PROFESSIONAL HYGIENE



Hygiene management solutions for a broad set of commercial applications

CONSUMER GOODS

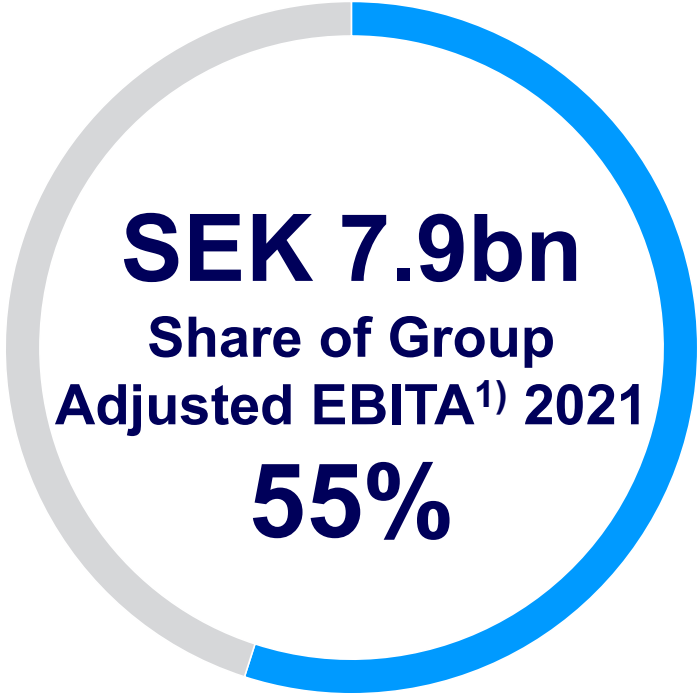


Personal and home hygiene for all stages of life

Consumer Goods

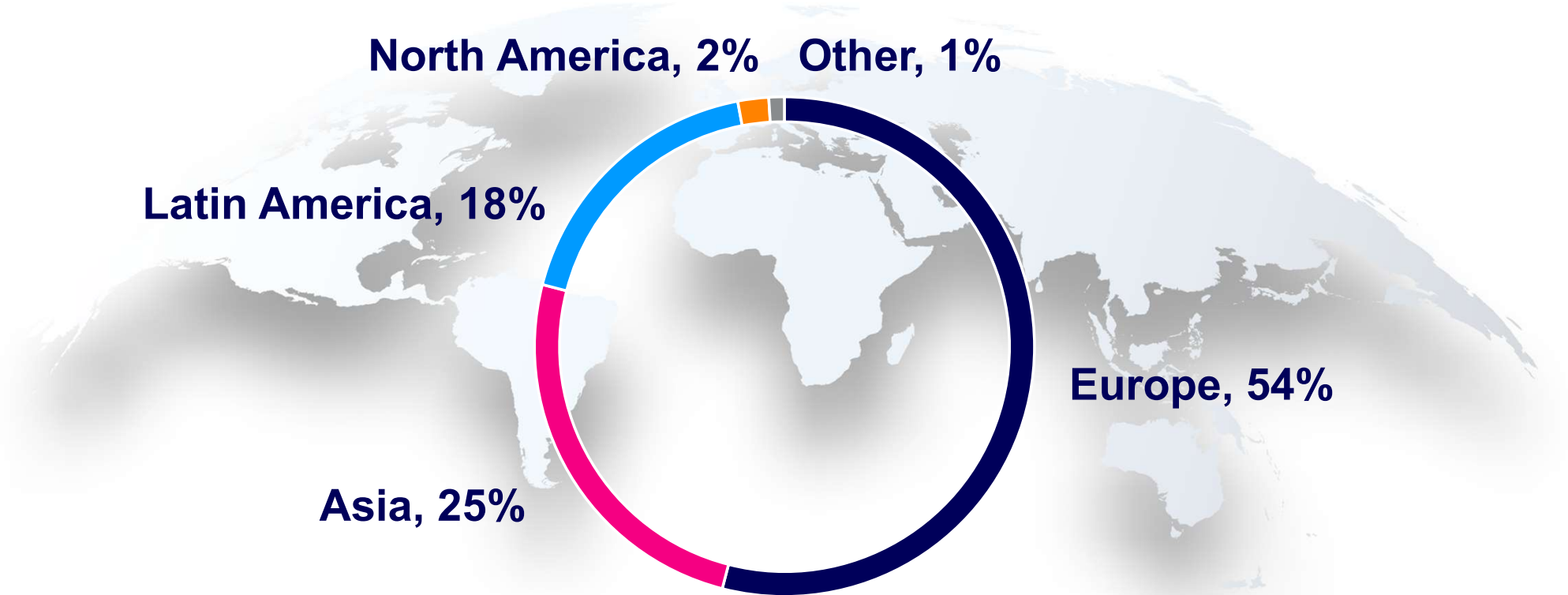


Consumer Goods

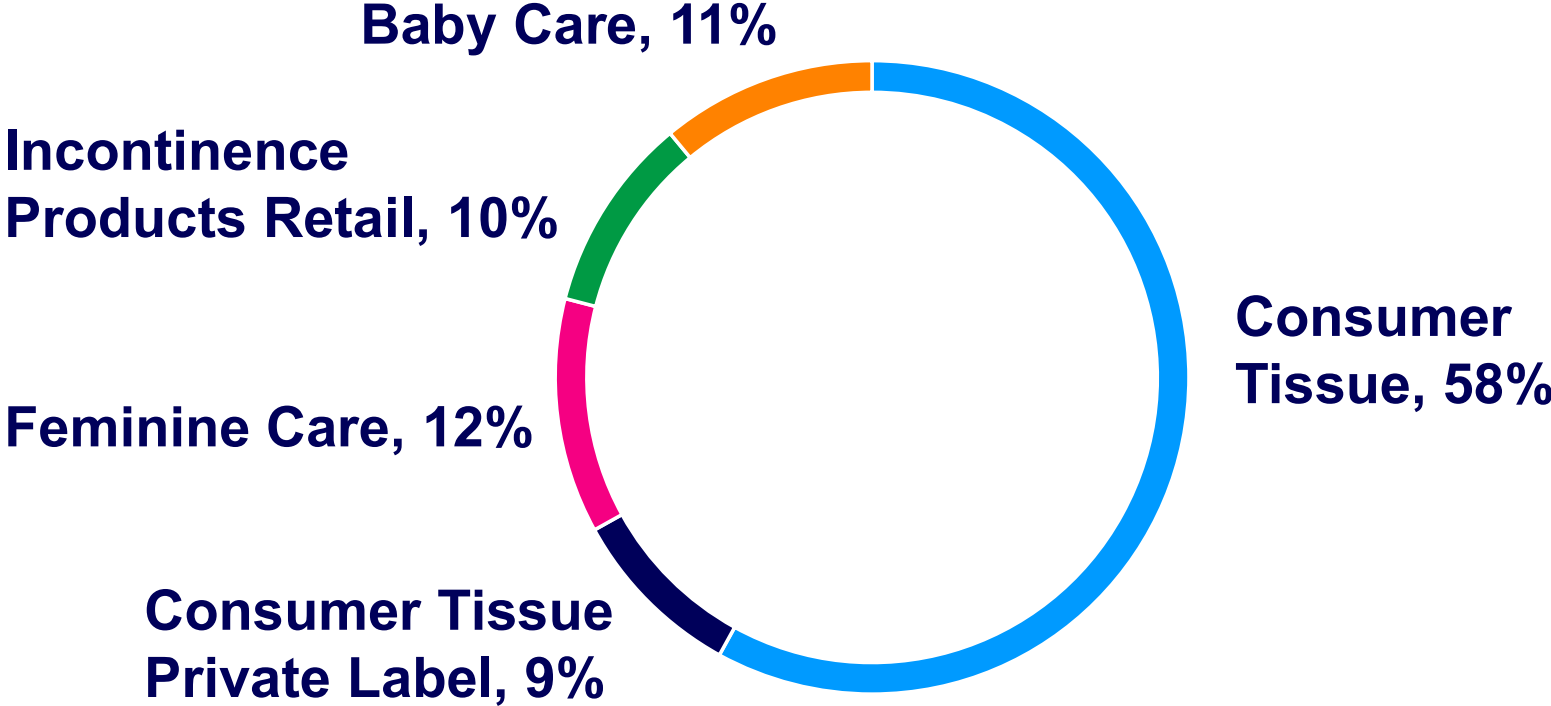


¹⁾ Excluding items affecting comparability

Net Sales Split 2021 - Geographies



Net Sales Split 2021 - Categories



Key Figures 9M 2022

+17.4%

Net sales growth¹⁾

22.3%

Adjusted gross margin²⁾

7.3%

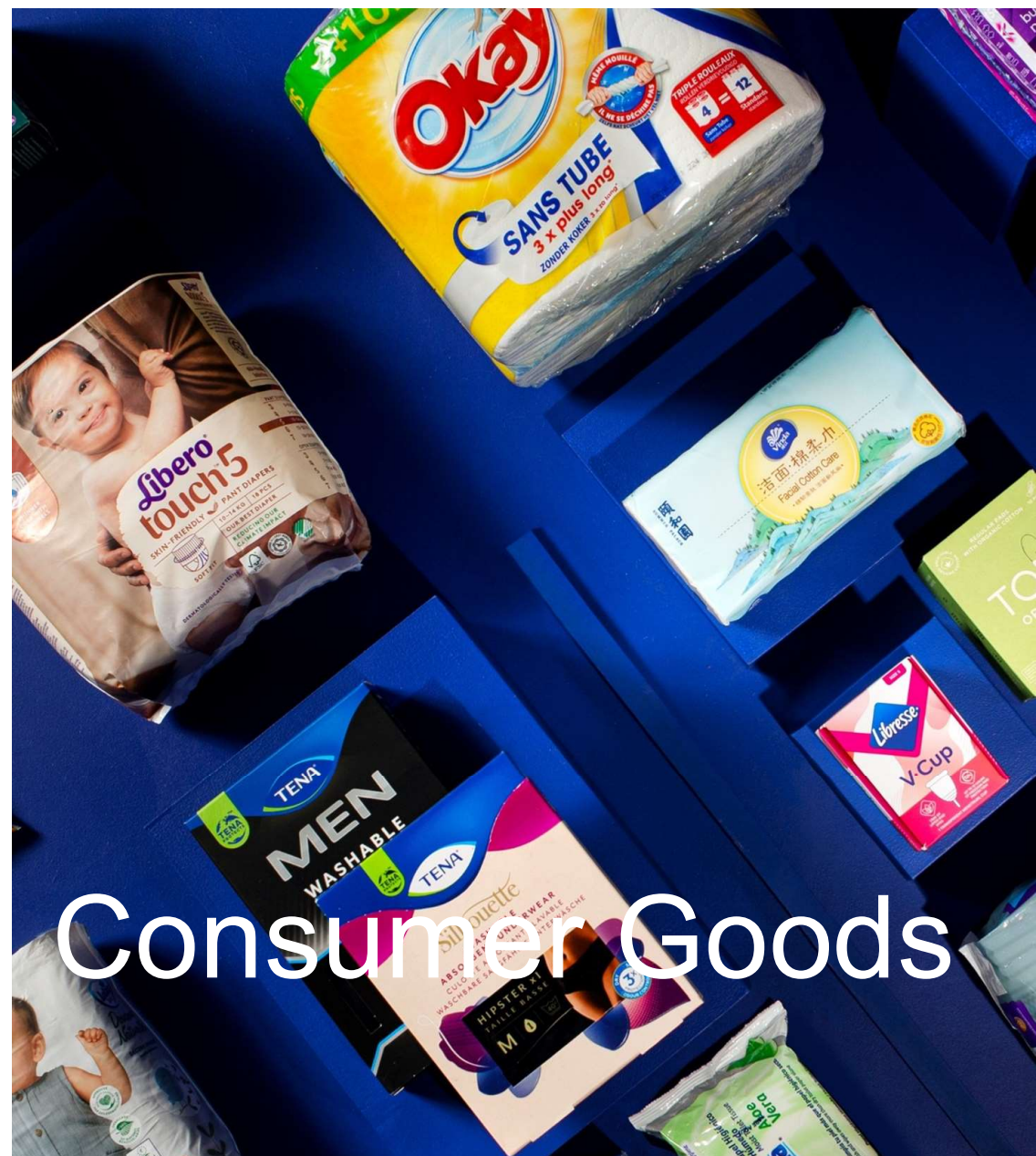
Adjusted EBITA margin²⁾

9.3%

Adjusted ROCE²⁾

¹⁾ Including organic sales growth and acquisitions

²⁾ Excluding items affecting comparability



Consumer Goods

Consumer Goods





Current Environment



Favorable Trends Shaping the Future

Current Addressable Market Consumer Goods



Market Size 2021:
EUR ~93BN
↗ **>3%**

↗ Expected Market Growth CAGR (Compound Annual Growth Rate) 2023-2027

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.

#1 and #2 Positions in 90% of Branded Sales

Position #1 or #2



Consumer Goods Categories



CONSUMER TISSUE



BABY CARE



INCONTINENCE PRODUCTS RETAIL

INTIMATE HYGIENE



FEMININE CARE

Consumer Goods Products and Brands

CONSUMER TISSUE

Lotus, Zewa, Regio, familia, plenty, Jempe, Vinda

BABY CARE

Libero, Lotus Baby

INTIMATE HYGIENE

TENA, knix, modibodi

FEMININE CARE

Libresse, Bodyform, Saba, TOM ORGANIC



Consumer Tissue

Market Positions Consumer Tissue



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.

Consumer Tissue #1 in Europe



↗ Expected Market Growth CAGR (Compound Annual Growth Rate) 2023-2027

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.

Consumer Tissue #3 in Latin America



↗ Expected Market Growth CAGR (Compound Annual Growth Rate) 2023-2027

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.

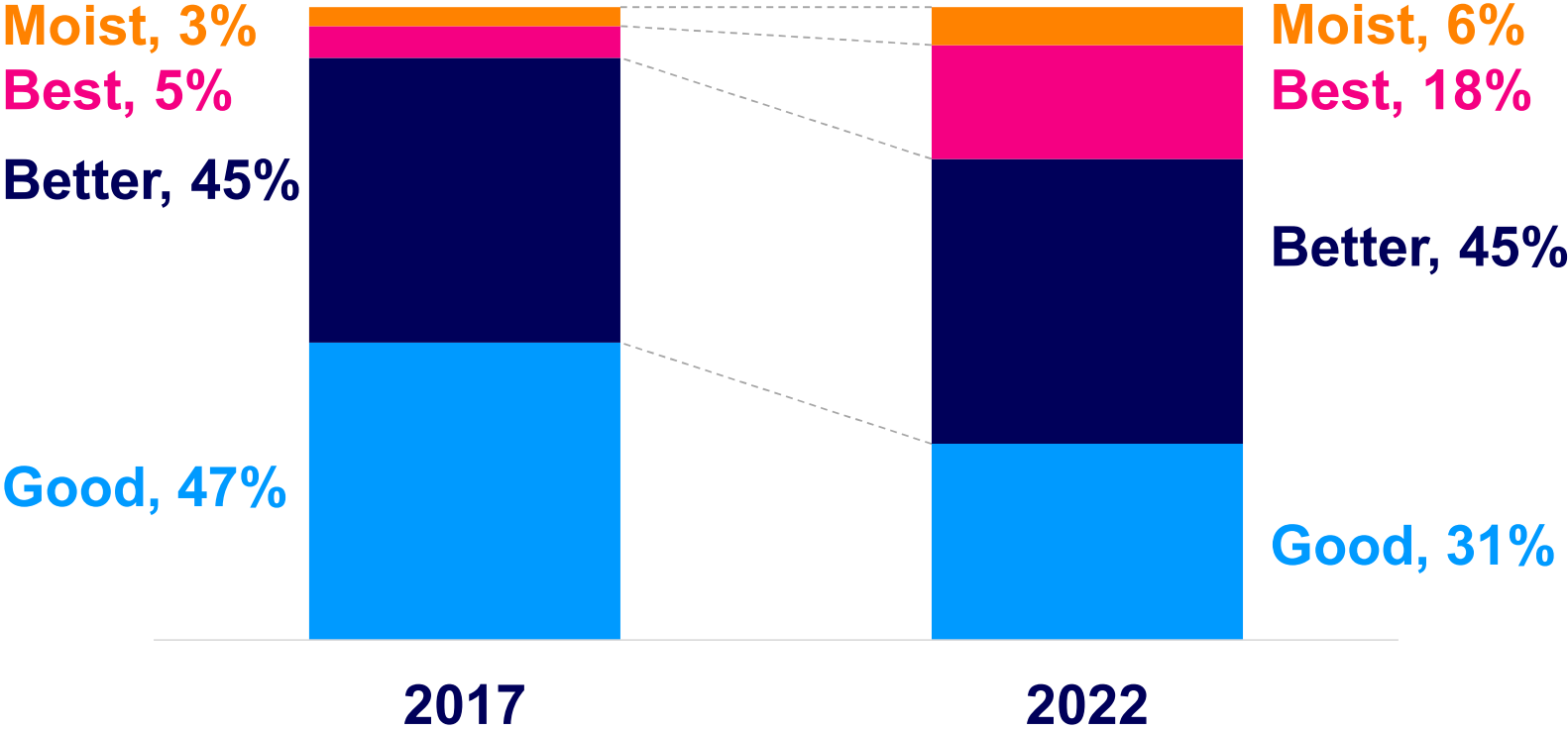
Consumer Tissue Strategy

Accelerating value creation and margin expansion

- Build leading, trusted and purposeful brands
- Accelerate premium up-trading and defend profitable good tier
- Differentiate with sustainability
- Win in high-margin segments
- Competitive cost structure
- Consumer Tissue Private Label Europe



Premiumization in Consumer Tissue Bathroom Tissue Europe



Consumer Tissue in Latin America





Consumer Tissue Private Label Division

Net Sales 2021:
SEK 7bn

7 sites
Belgium, France,
Germany, Italy

1,900
employees

Baby Care

Libero®

Touch Hybrid Diaper



Baby Care #2 in Europe



↗ Expected Market Growth CAGR (Compound Annual Growth Rate) 2023-2027

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.



Baby Care Strategy

Differentiated branded portfolio and profitable retail brands

- Product superiority and premiumization
- Strengthen leadership Nordic & retailer brand
- Differentiate with sustainability
- Further strengthen cost competitiveness
- Increase share of super premium assortment



Premiumization Drives Sales and Profitability

Libero
Market Share Nordics

>60%
+9pp
vs 2016

Libero Touch
of Total Libero Sales in Nordics

~30%

Libero®

Touch Hybrid Diaper





Intimate Hygiene

Intimate Hygiene

INTIMATE HYGIENE

Feminine Care

Solutions for women to care for intimate well-being

Incontinence Care

Solutions absorbing urine and providing care for incontinence related skin issues

Period Care



Daily Intimate Care



For Women



For Men





Leakproof Apparel

 essity

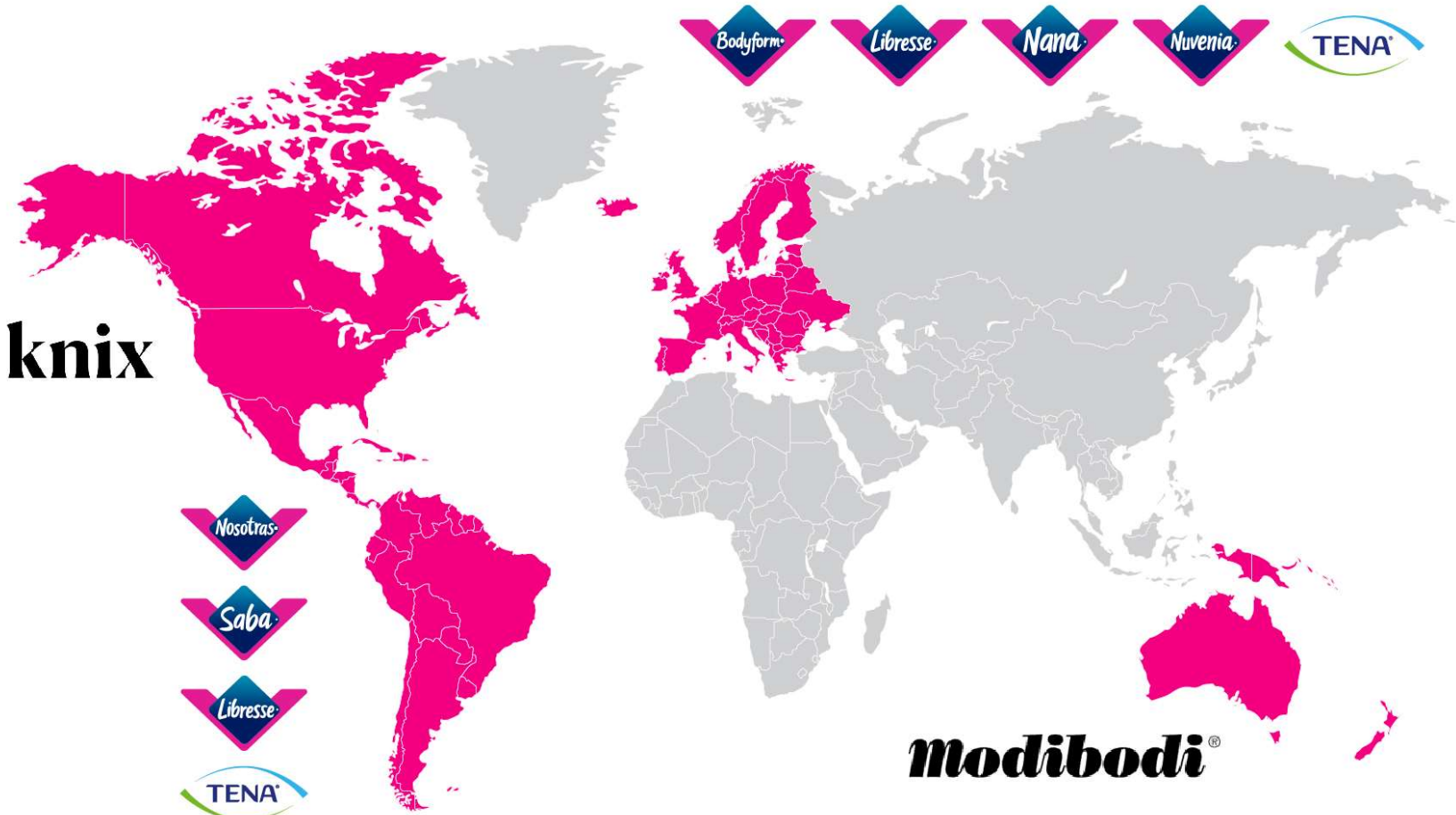
Consumers Shifting to Reusable & Leakproof Apparel

Sustainable

Comfortable,
discreet
and reliable

Increasing
Availability &
Awareness

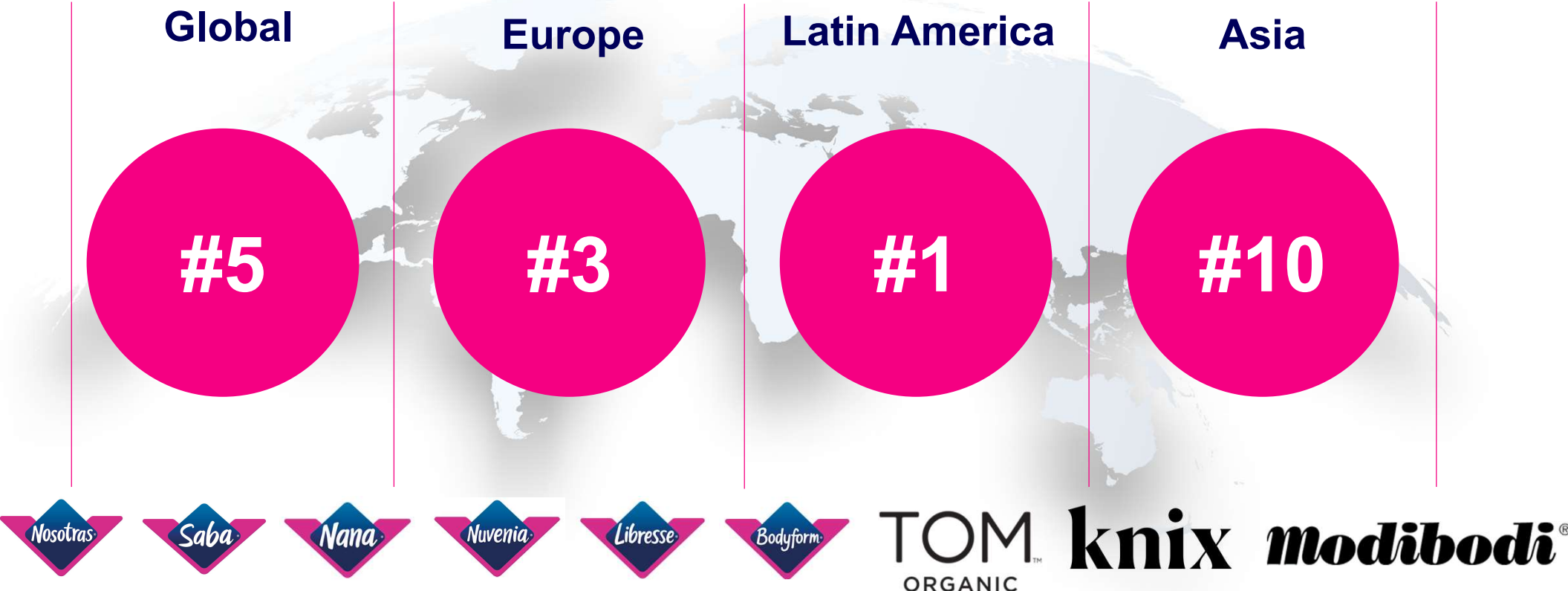
Essity Market Leader in Leakproof Apparel



Feminine Care



Market Positions Feminine Care



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.

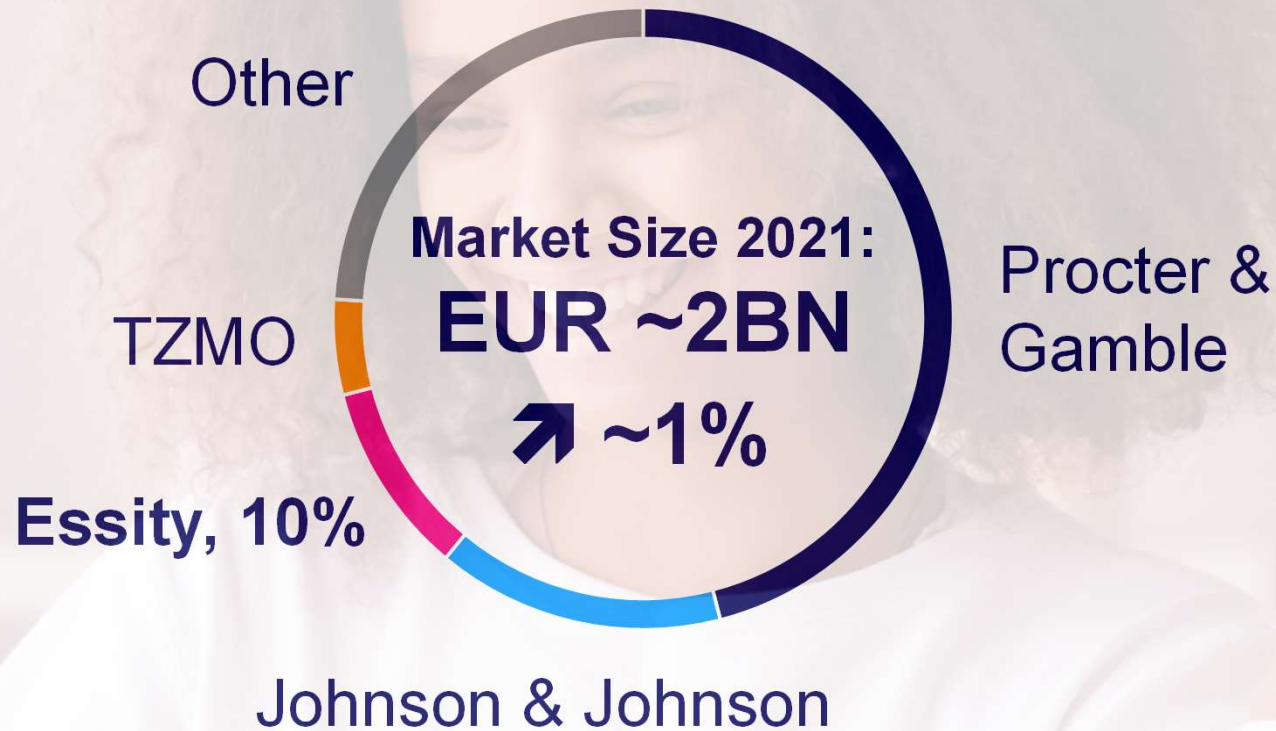
Feminine Care #1 in Latin America



↗ Expected Market Growth CAGR (Compound Annual Growth Rate) 2023-2027

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.

Feminine Care #3 in Europe



↗ Expected Market Growth CAGR (Compound Annual Growth Rate) 2023-2027

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.

Feminine Care Strategy

The fastest growing Feminine Care business

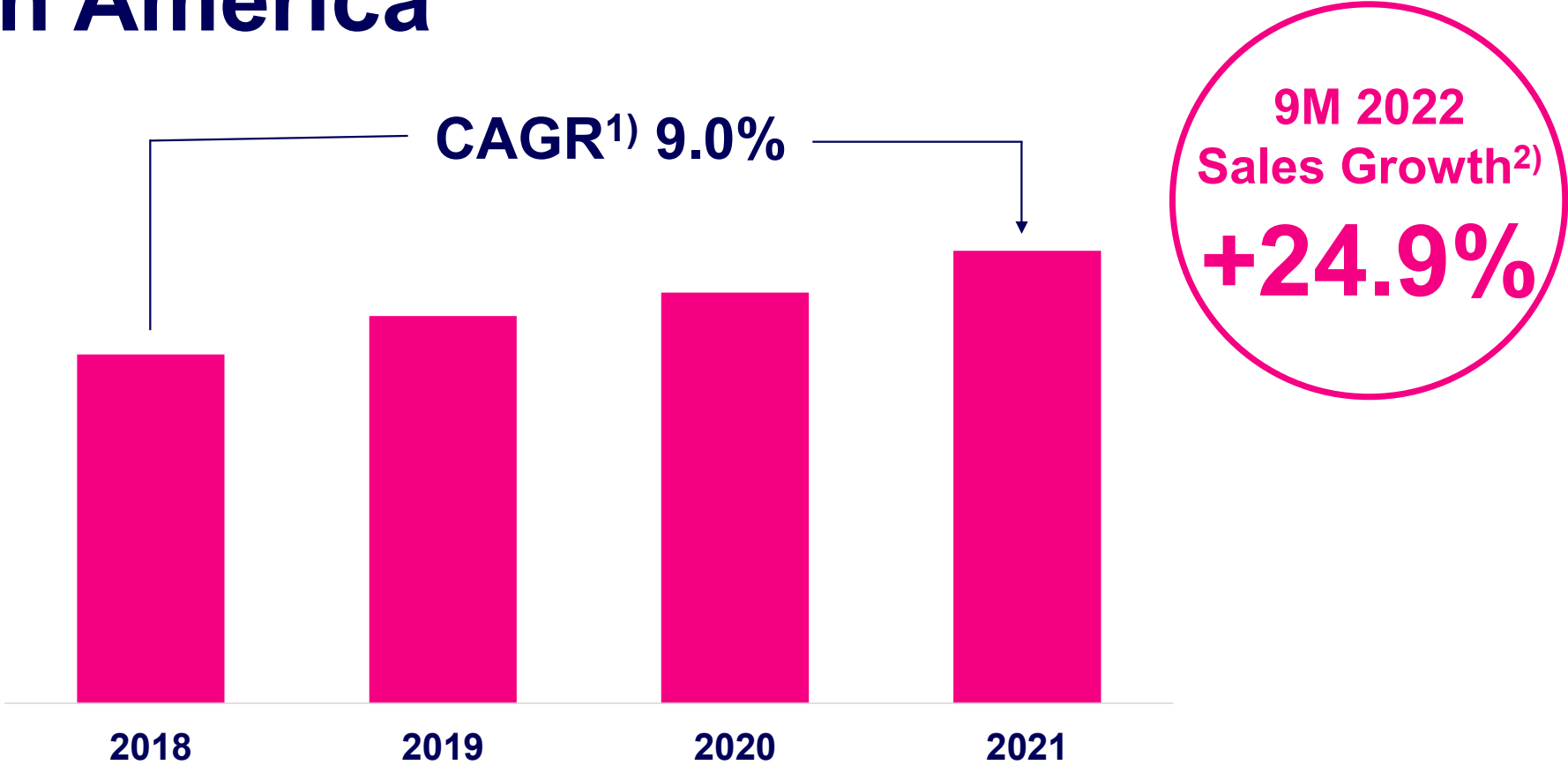
- Innovate for superiority
- Leader in Leakproof Apparel
- Accelerate growth in daily intimate care
- Expand into new regions and new audiences
- Build purposeful brand



Saba Mexico – A Success Story



Feminine Care Sales Development Latin America



1) Compound Annual Growth Rate
2) Including organic sales growth and acquisitions

Feminine Care Strong Positions and Market Shares

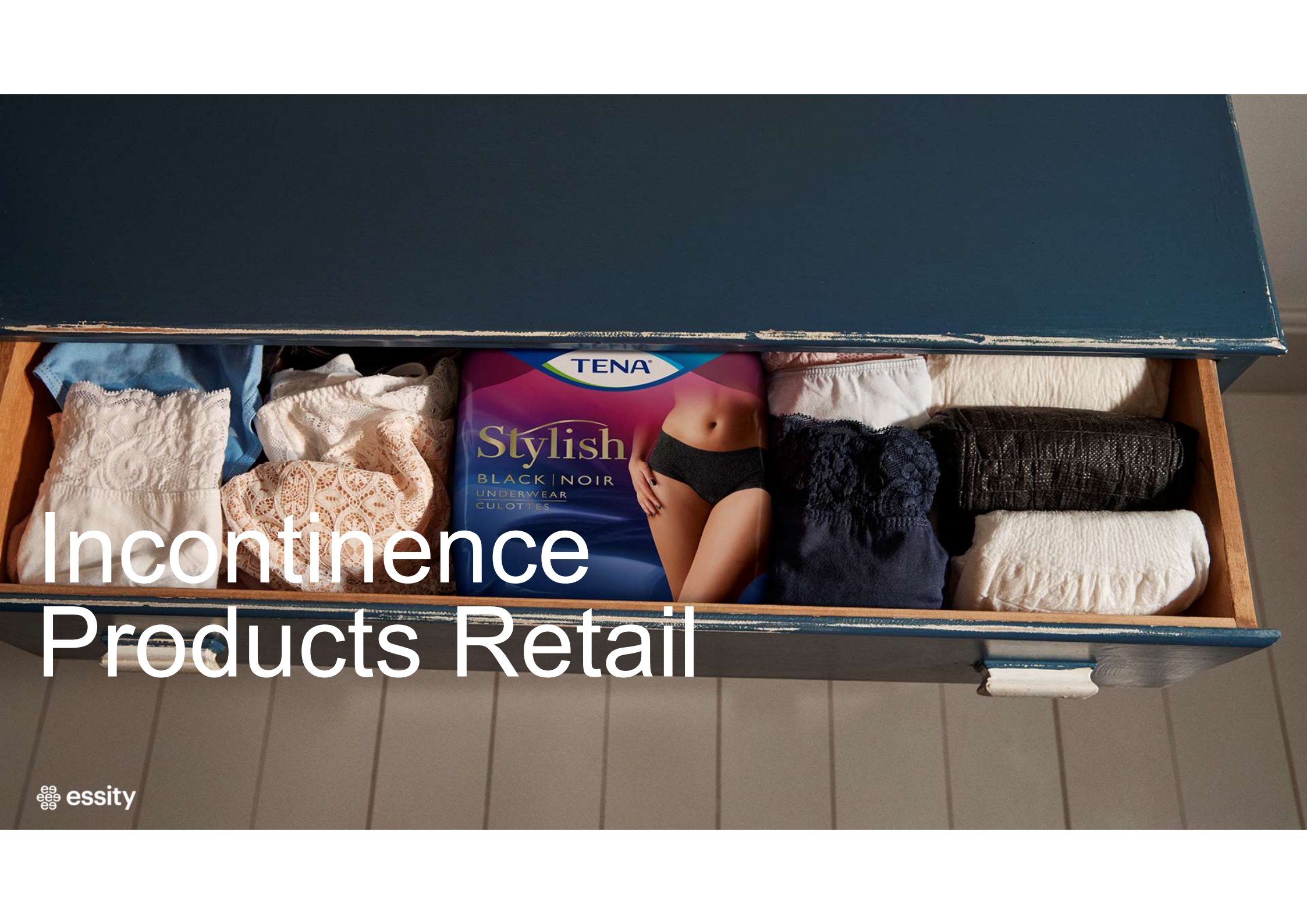
Position #1 or #2



Increased
Market Shares¹⁾



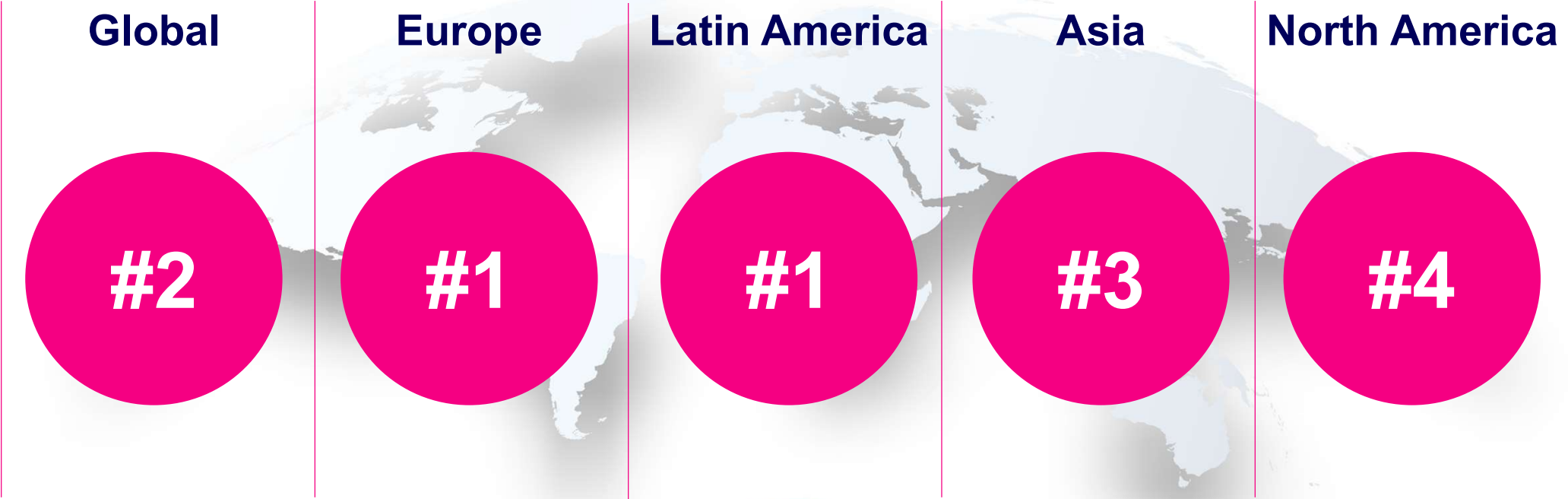
¹⁾ Last 12 months as per Q3 2022



Incontinence Products Retail

Market Positions

Incontinence Products in Retail



modibodi[®]

TENA[®]

knix

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.

Incontinence Retail #1 in Europe



↗ Expected Market Growth CAGR (Compound Annual Growth Rate) 2023-2027

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.

Incontinence Retail #1 in Latin America



↗ Expected Market Growth CAGR (Compound Annual Growth Rate) 2023-2027

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.

Incontinence Products Retail Strong Positions and Market Shares

Position #1 or #2



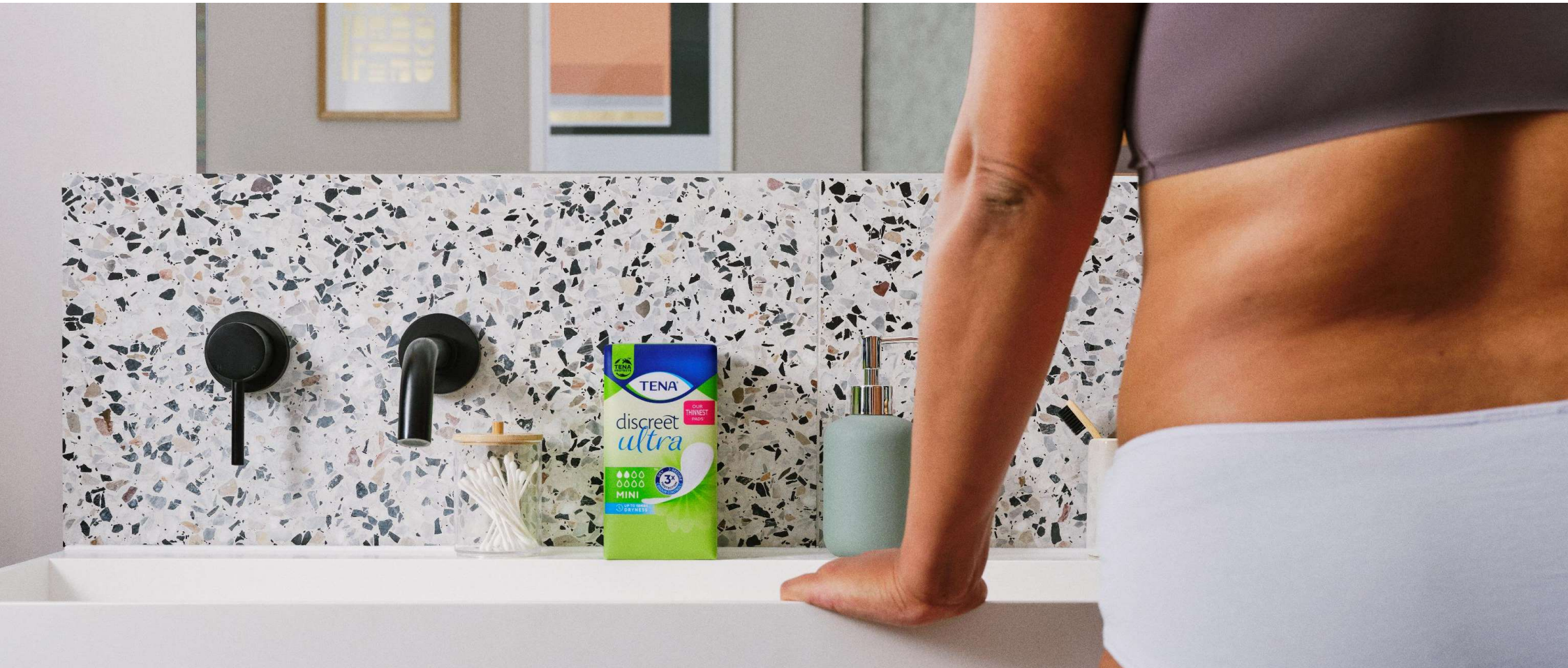
Incontinence Products Retail Strategy

Leading and shaping the category and establishing a position in continence care

- Building on the strength of the Tena Brand
- Innovate for product superiority
- Strong focus on sustainability
- Leader in leakproof apparel
- Win in high opportunity markets and segments



Menopause



issviva™




MENOPAUSE

→ ↻ 🏠 🔒 https://shop.issviva.co.uk

issviva
MENOPAUSE

Shop ▾ Community Blog Expert Advisors About us

reaturea

		
Bodyform Goodnight Ultra Towels	TENA Silhouette Low Waist White Underwear	TENA Lights Light Incontinence Liner
£1.75	£4.50	£2.25
VIEW MORE	VIEW MORE	VIEW MORE

⋯

Go-To-Market Excellence

**Commercial
Strategies
and Objectives**

**Channel
Management**

**Account
Management**

Negotiation

**Category
Vision**

**Net Revenue
Management**

Perfect Store

**Sales Force
Effectiveness**

**Business
Logistics**

Priorities

- Continue **strong price execution** and efficiency improvements in all categories
- **Innovation** and **Sustainability** for brands creating additional consumer value
- Focus on **winning customers** and **channels**
- Continuously develop our **superior Go-To-Market**
- Continue to be **the fastest growing company** in **Intimate Hygiene**
- Maintain **margin focus** in **Consumer Tissue** and **Baby Care**



Business Unit Consumer Goods Americas

From December 31, 2022

knix

TENA®

Regio®

Saba®

Nosotras®

familia®

Libresse®

issviva™
MENOPAUSE



Q&A

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.

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 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, regulatory, 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 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, competition law, privacy, tax, environmental and other sustainability matters, 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.

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.

Investor Relations Contacts

