Essity's Human Rights Framework



Essity's Human Rights Framework

Essity's human rights due diligence process has been in place since 2014. The process is guided by the United Nations Guiding Principles on Business and Human Rights and OECD Due Diligence Guidance for Responsible Business Conduct, which ensures that we proactively detect and respond to any adverse human rights impact including the business actions to respect and support children's rights. The UN Global Compact Self-Assessment Tool is used during the due diligence process including the group level mapping and interviews with key stakeholders.

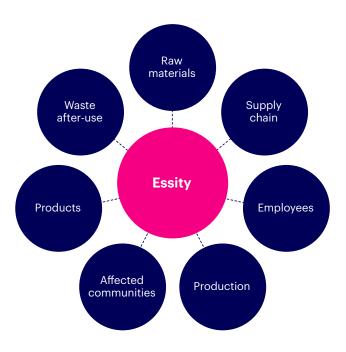
Identifying Essity's salient human rights issues throughout our value chain supports internal understanding of human rights risks, gives a strategic direction for the business on how to manage risks associated with our Workforce,

To safeguard compliance and efforts, the Essity's Human Rights commitments are overseen and followed up by Essity Compliance department, reporting findings on these matters to Essity's Compliance Council, which includes members of the Executive Management Team.

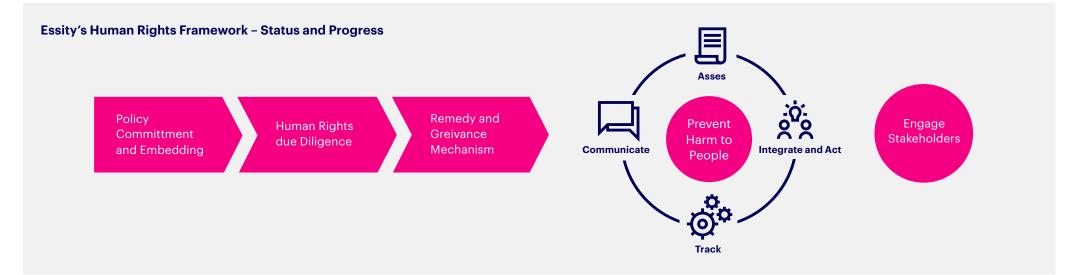
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Workers in Supply Chain and Affected Communities and to provide a focus for our mitigation efforts. It is therefore important for Essity to carry out periodic Global Human Rights Impact Assessments.

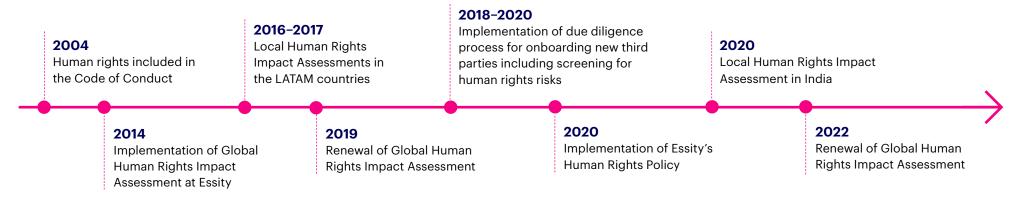
Our Human Rights Framework includes a commitment from 2019 to conduct Global Human Rights Impact Assessments (HRIA) every third year.



Status and Progress



Milestones in Essity's strategic work with human rights*



*In addition to the specific implemented human rights' processes, Essity has a grievance mechanism, the Speak-Up, implemented globally.

Human Rights Due Diligence Integrated into Our Business

Human rights due diligence process is integrated into Global Supply Chain, Human Resources and Compliance and Ethics key processes. The process involves the United Nations Guiding Principles four core components:



Identifying and assessing actual or potential adverse human rights impacts that the company may cause, contribute to, or be directly linked to.



Taking appropriate action and integrating findings from Impact Assessments across relevant company processes.



Tracking the effectiveness of measures to assess whether they are working.



Communicating with stakeholders about how impacts are being addressed

and showing stakeholders that there are adequate policies and processes in place.

Strengthened Processes Since 2018-2020

Essity has implemented a global process with a riskbased approach for real-time screening and monitoring of third parties for human rights and other compliance related risks.

Legal Landscape Trends

We see that new and coming legislations and reporting requirements with increased company responsibility to implement and report on human rights due diligence in the value chain will further lower the risks for human rights violations.

Essity's Workforce

Human rights in our own operations have in addition to Health and Safety a strong focus on our work to

continuously increase diversity, equity, and inclusion. Essity's strategy aims to increase the employees' sense of belonging and inclusion from various perspectives. Our ambition is to further enhance our policies and practices to ensure equal treatment and nondiscrimination regarding gender, age, race and ethnicity, sexual orientation or religious and political beliefs.

Essity's Supply Chain

Our suppliers are required to sign Essity's Global Supplier Standard. It includes requirements governing quality, product safety, the environment, and chemicals. It also contains a Code of Conduct for Suppliers that outlines our expectations regarding human rights (for example, child labor and forced labor), employee relations, and health and safety. These requirements apply to all suppliers of raw materials, finished products and services. Using a risk-based approach, we conduct on-site visits and audits to verify compliance. Essity has an established process to perform continuous risk assessments of the company's suppliers and sourcing categories including human rights risks. The global processes for onboarding new suppliers include screening and monitoring of human rights risks.

Essity's Approach to Children's Rights and UN Sustainable Development Goals

Children's Rights is always one of Essity's highest priorities. Children's Rights and well-being is fundamental for the world's future.



Children's Rights

Essity recognize children as stakeholders who require special protection. Guided by the Children's Rights and Business Principles, we respect and support children's rights in our business and society which means that:

- We do not accept child labor or other forms of exploitation of children in our operation or value chain.
- We strictly follow applicable national laws and international standards regarding minimum working age.
- We pay special attention when having young workers in our operation.
- We follow strict requirements to ensure that all materials in our products are safe for customers, consumers including children and other vulnerable groups, our employees, and the environment.
 Product safety and quality are of the outmost importance for Essity.
- We have children's best interests in mind when our activities impact children.

UN Sustainable Development Goals

Essity is a partner to the United Nations Foundation since 2016 with the aim of contributing to the achievement of the Sustainable Development Goals (SDGs). Essity focuses on goals 3, 5, 6, 12, 13 and 15, as this is where we have our expertise and can make the greatest contribution.



Essity has for many years been addressing gaps in menstrual health and hygiene while promoting the empowerment of women and girls. Since 2016, Essity is working actively to increase dialogue about menstruation and hygiene issues among young people in Mexico, reaching over 7.5 million people up to date.

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Breaking Barriers to Well-being

> For more information about Essity, visit www.essity.com