

# Notice is given to the Shareholders of Essity Aktiebolag (publ) ("Essity")

of the Annual General Meeting of Shareholders to be held on Thursday 12 April 2018, at 3 p.m. at Stockholm Waterfront Congress Centre, Nils Ericsons Plan 4, Stockholm (registration from 1.30 p.m.).

## Registration and notification of attendance

Shareholders who wish to attend the annual general meeting must

- be listed in the shareholders' register maintained by Euroclear Sweden AB on Friday, 6 April 2018, and
- give notice of their intention to attend the meeting no later than Friday, 6 April 2018.

Notification may be given in any of the following manners:

- by telephone +46 8 402 90 80, weekdays between 8 a.m. and 5 p.m.
- on the company website [www.essity.com](http://www.essity.com)
- by mail to Essity Aktiebolag (publ), Group Function Legal Affairs, P.O. Box 200, SE-101 23 Stockholm, Sweden.

The following applies to shareholders who have their shares registered through a bank or other nominee in order to be entitled to attend the meeting. A part from giving notice of attendance, such shareholders must have their shares registered in their own names. Such registration in the shareholders' register must have been completed with Euroclear Sweden AB at the latest on Friday, 6 April 2018. Shareholders should in such case inform their bank or nominee of this in due time before Friday, 6 April 2018. Such registration can be temporary.

Name, personal identity number/corporate registration number, address and telephone number, and number of accompanying persons, if any, should be stated when notification is given. Shareholders represented by proxy should deliver a proxy in the original to the company prior to the annual general meeting. Proxy forms are available upon request and on the company website [www.essity.com](http://www.essity.com). Anyone representing a corporate entity must also present a copy of the registration certificate, not older than one year, or equivalent authorisation document, listing the authorised signatories.

## Proposed agenda

1. Opening of the meeting and election of chairman of the meeting.
2. Preparation and approval of the voting list.
3. Election of two persons to check the minutes.
4. Determination of whether the meeting has been duly convened.
5. Approval of the agenda.
6. Presentation of the annual report and the auditor's report and the consolidated financial statements and the auditor's report on the consolidated financial statements.
7. Speeches by the chairman of the board of directors, the president and the auditor in charge.
8. Resolutions on
  - a) adoption of the income statement and balance sheet, and of the consolidated income statement and the consolidated balance sheet,
  - b) appropriations of the company's earnings under the adopted balance sheet and record date for dividend,
  - c) discharge from personal liability of directors and president 2017.
9. Resolution on the number of directors and deputy directors.
10. Resolution on the number of auditors and deputy auditors.
11. Resolution on the remuneration to be paid to the board of directors and the auditor.

12. Election of directors and deputy directors.

Re-election of

- i. Ewa Björling
  - ii. Pär Boman
  - iii. Maija-Liisa Friman
  - iv. Annemarie Gardshol
  - v. Magnus Groth
  - vi. Bert Nordberg
  - vii. Louise Svanberg
  - viii. Lars Rebieen Sørensen
  - ix. Barbara M. Thoralfsson
13. Election of chairman of the board of directors.
  14. Election of auditors and deputy auditors.
  15. Resolution on guidelines for remuneration for the senior management.
  16. Closing of the meeting.

## Proposal for resolution under Item 1

The nomination committee proposes Eva Hägg, attorney at law, as chairman of the annual general meeting.

## Proposal for resolution under Item 8 b)

The board of directors proposes a dividend for the financial year 2017 of SEK 5.75 per share. The record date for the dividend is proposed to be Monday, 16 April 2018. If the general meeting resolves in accordance with this proposal, payment of the dividend through Euroclear Sweden AB is estimated to be made on Thursday, 19 April 2018.

## Proposals for resolutions under Items 9–14

The nomination committee proposes the following:

- The number of directors shall be nine with no deputy directors.
- The number of auditors shall be one with no deputy auditor.
- The remuneration to each director elected by the meeting and who is not employed by the company is to be SEK 740,000 and the chairman of the board of directors is to receive SEK 2,220,000. Members of the remuneration committee are each to receive an additional remuneration of SEK 111,000, while the chairman of the remuneration committee is to receive an additional remuneration of SEK 143,000. Members of the audit committee are each to receive an additional remuneration of SEK 264,000, while the chairman of the audit committee is to receive an additional remuneration of SEK 349,000. Remuneration to the auditor is to be paid according to approved invoice.
- Re-election of the directors Ewa Björling, Pär Boman, Maija-Liisa Friman, Annemarie Gardshol, Magnus Groth, Bert Nordberg, Louise Svanberg, Lars Rebieen Sørensen and Barbara Milian Thoralfsson. Johan Malmquist has declined re-election.
- Re-election of Pär Boman as chairman of the board of directors.
- Re-election of the registered accounting firm Ernst & Young AB, in accordance with the audit committee's recommendation, for the period until the end of the annual general meeting 2019. If elected, Ernst & Young AB has announced its appointment of Hamish Mabon as auditor in charge.

## Proposals for resolutions under Item 15

Remuneration to senior managers<sup>1</sup> will be a fixed amount (base salary), variable remuneration, additional benefits and pension. The total remuneration

is to correspond to market practice and be competitive on the senior manager's field of profession and is to be linked to the manager's responsibility and authority.

The variable remuneration is to be limited and linked to the fixed remuneration based on performance results in relation to the annual and long-term goals respectively.

In the event of termination of employment, the notice period should normally be two years should the termination be initiated by the company, and one year, when initiated by the senior manager. Severance pay should not exist.

Pension benefits shall, to the extent possible, solely contain pension benefits determined by charge and be payable from the age of 65. The pension is not to be based on variable remuneration.

The board of directors shall be entitled to deviate from the adopted guidelines if, in an individual case, there are special reasons for doing so. The guidelines shall not prevail over mandatory conditions under labour law or collective agreements. Neither do they apply to existing agreements.

The board of directors' proposal does not imply any changes in relation to 2017.

## The nomination committee

The nomination committee is composed of Helena Stjernholm, AB Industrivärden, the chairman of the nomination committee, Petter Johnsen, Norges Bank Investment Management, Stefan Nilsson, Handelsbankens Pensionsstiftelse and others, Javier Ragnartz, AMF and AMF Fonder and Pär Boman, chairman of the board of Essity.

## Additional information

The financial statements, the auditor's report and the board of directors' complete proposal including the board of directors' statement pursuant to Chapter 18, section 4 of the Companies act, as well as other documentation, which, according to the Companies Act, shall be made available at the annual general meeting, as well as proxy forms, will be available at the company and on the company website, [www.essity.com](http://www.essity.com), no later than 21 March 2018, and will be distributed free of charge to shareholders upon request and notification of postal address.

The board of directors and the president shall, if any shareholder so requests and the board of directors believes that it can be done without material harm to the company, provide information regarding circumstances that may affect the assessment of an item on the agenda, and regarding circumstances that can affect the assessment of the company's or its subsidiaries' financial situation or the company's relation to other companies within the group.

The total number of shares in the company amounts to 702,342,489 shares, of which 64,083,388 are series A shares and 638,259,101 are series B shares, representing a total of 1,279,092,981 votes. The series A share carries ten votes and the series B share carries one vote. The information pertains to the circumstances as per the time of issuing this notice.

Stockholm in March 2018  
Essity Aktiebolag (publ)  
The board of directors  
556325-5511

<sup>1</sup> Senior management include the President, Vice President, Business Unit President and equivalent, as well as Central Staff Managers.