

Accelerating Profitable Growth

CMD 2024

AGENDA – Essity Capital Markets Day in Valls, Spain

Essity Group – Accelerating profitable growth

Magnus Groth, Sahil Tesfu, Fredrik Rystedt

Global Supply Chain – Driving margin expansion

Donato Giorgio, Miriam Guasch, Ilham Smaali

› Site visit

Health & Medical - Grow to scale

Ulrika Kolsrud, Ida Emus, Anand Chandarana

Global Brand, Innovation & Sustainability – Fueling profitable growth

Tuomas Yrjölä, Meta Redstedt

› Lunch with demo of innovations and planning & logistics hub

Consumer Goods – Accelerate high-margin categories

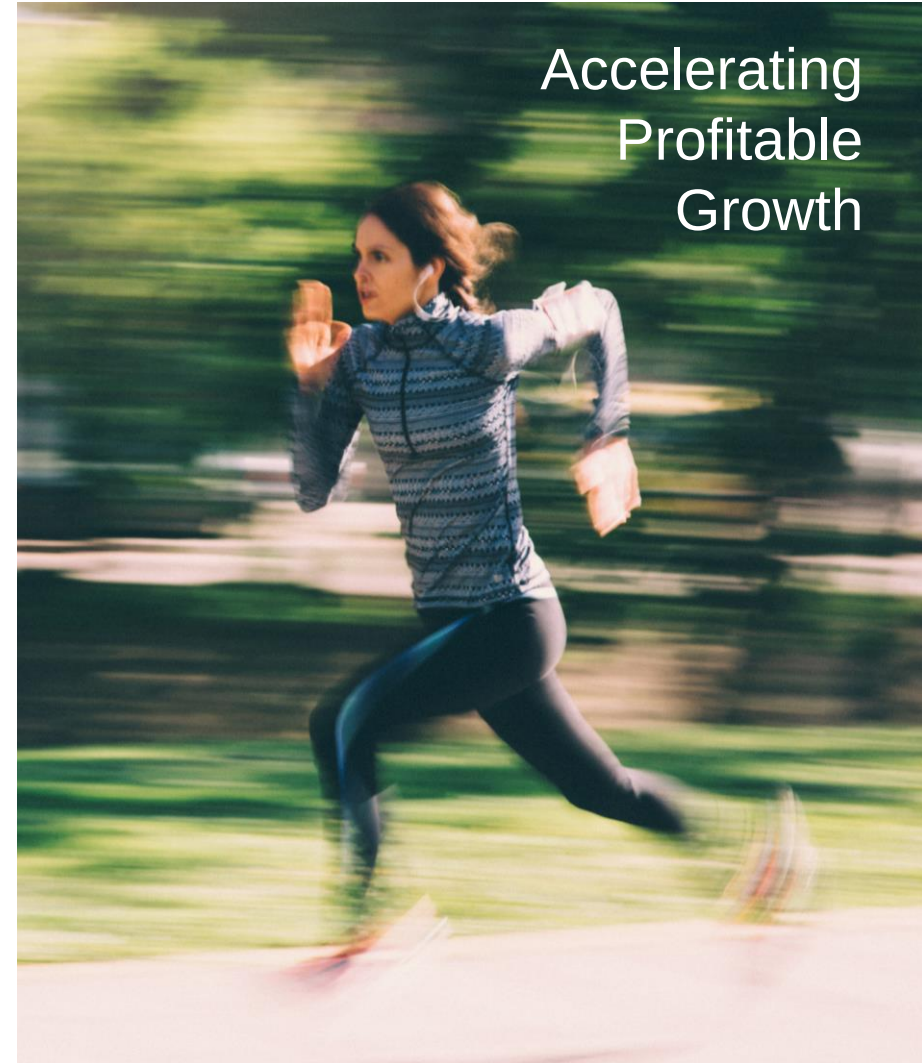
Volker Zöller, Andrés Gómez

Professional Hygiene – Expand global leadership

Pablo Fuentes, Matthew Urmanski

› Q&A and Summary

Accelerating
Profitable
Growth



Forward-looking statements

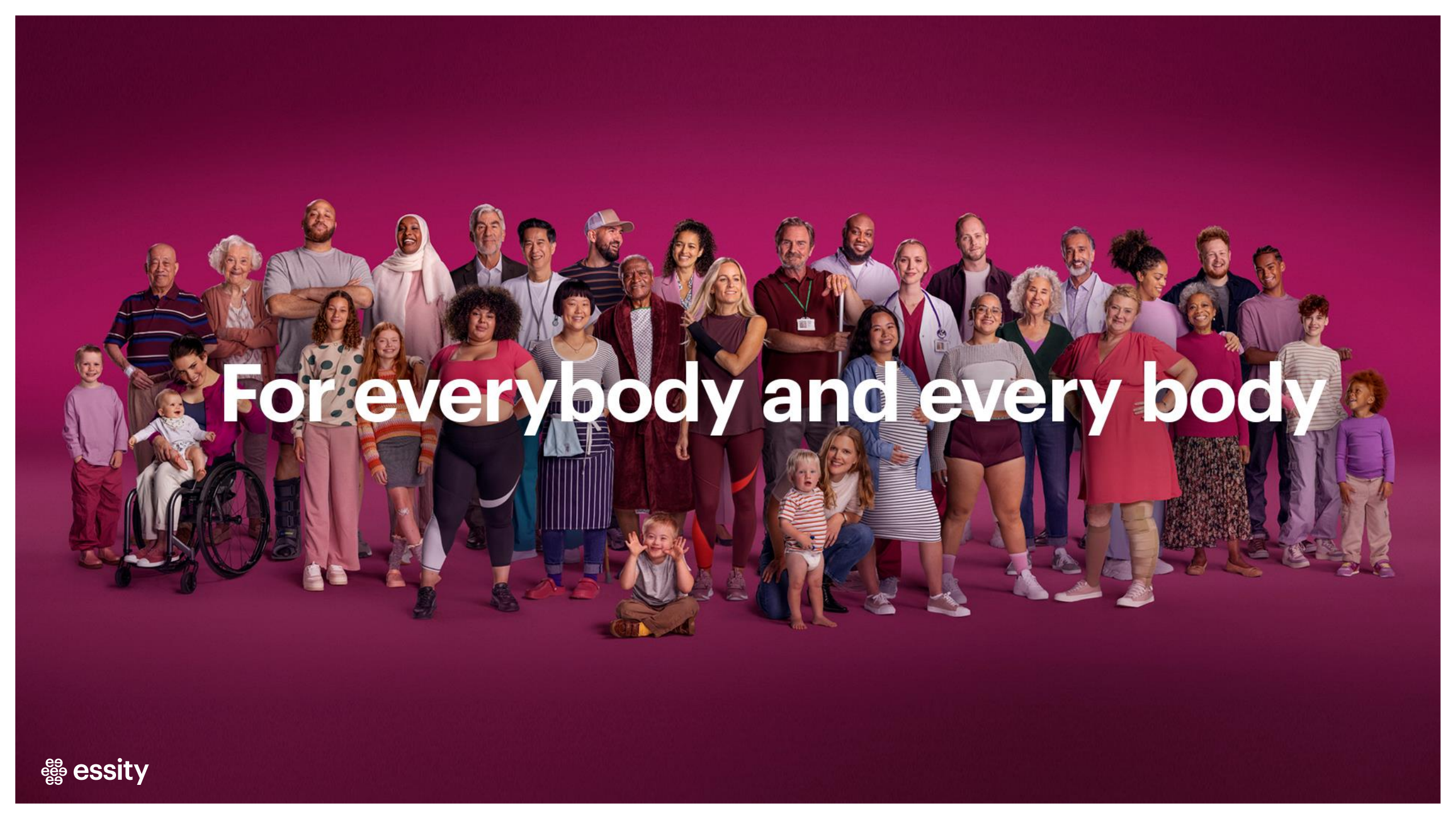
Certain statements in this presentation includes forward-looking statements, including statements reflecting management's current views relating to the growth of the market, future market conditions, future events, financial conditions, and expected operational performance, including, in particular the 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.



For everybody and every body

Strong platform for accelerating profitable growth

Magnus Groth
President and CEO



Essity – A leading hygiene and health company

147

Net sales 2023
SEKbn

150

Sales in
countries

36,000

employees

72

Production
facilities

Three attractive business areas



Health & Medical

Holistic health and medical solutions along the continuum of care

20%

of net sales
9M 2024

Grow to scale



Consumer Goods

Personal and home hygiene for all stages of life

54%

of net sales
9M 2024

Accelerate high-margin categories



Professional Hygiene

Hygiene management solutions for a broad set of commercial applications

26%

of net sales
9M 2024

Expand global leadership

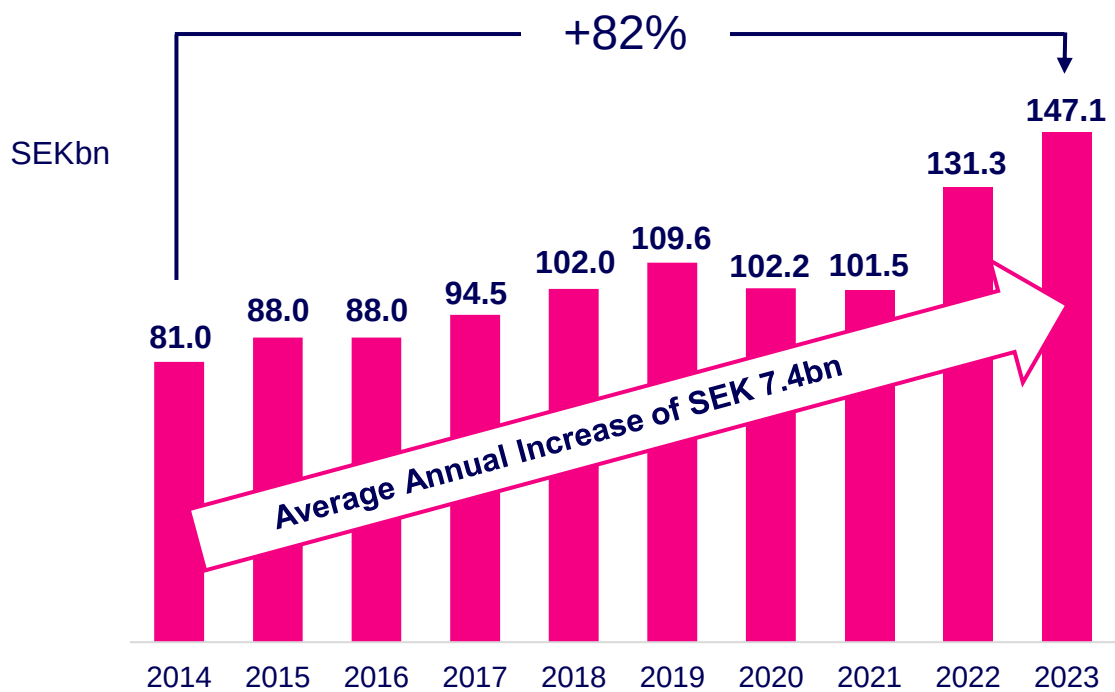
Leading with strong brands where we compete



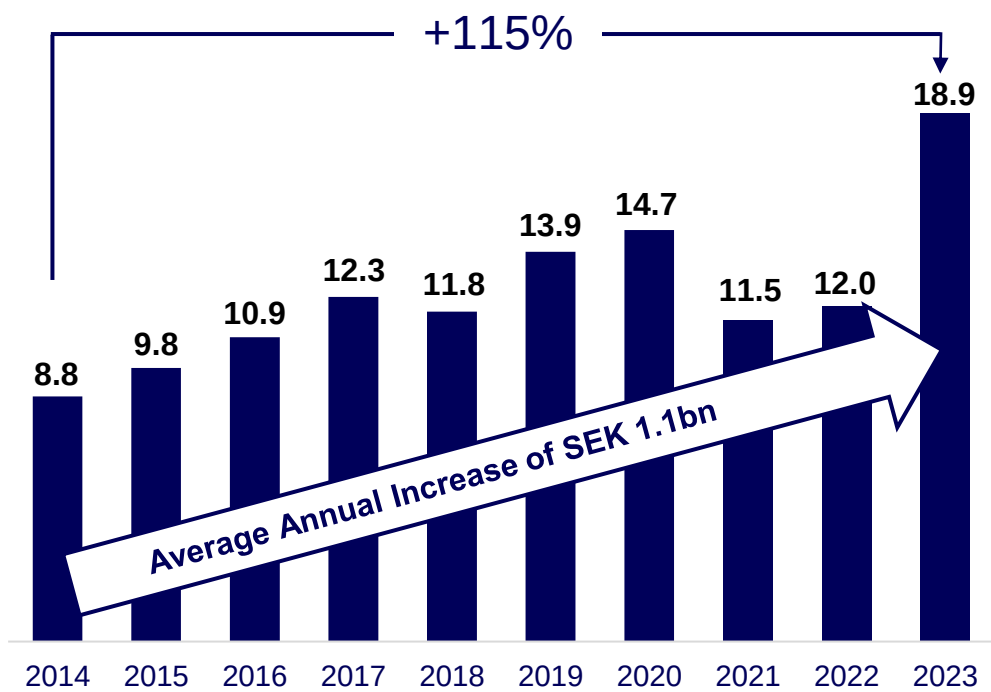
Source: The information has been compiled by Essity for presentation purposes based on external market sources and internal estimates covering categories and markets where Essity is present (some category and regional exclusions are applied)

Strong financial development

Sales

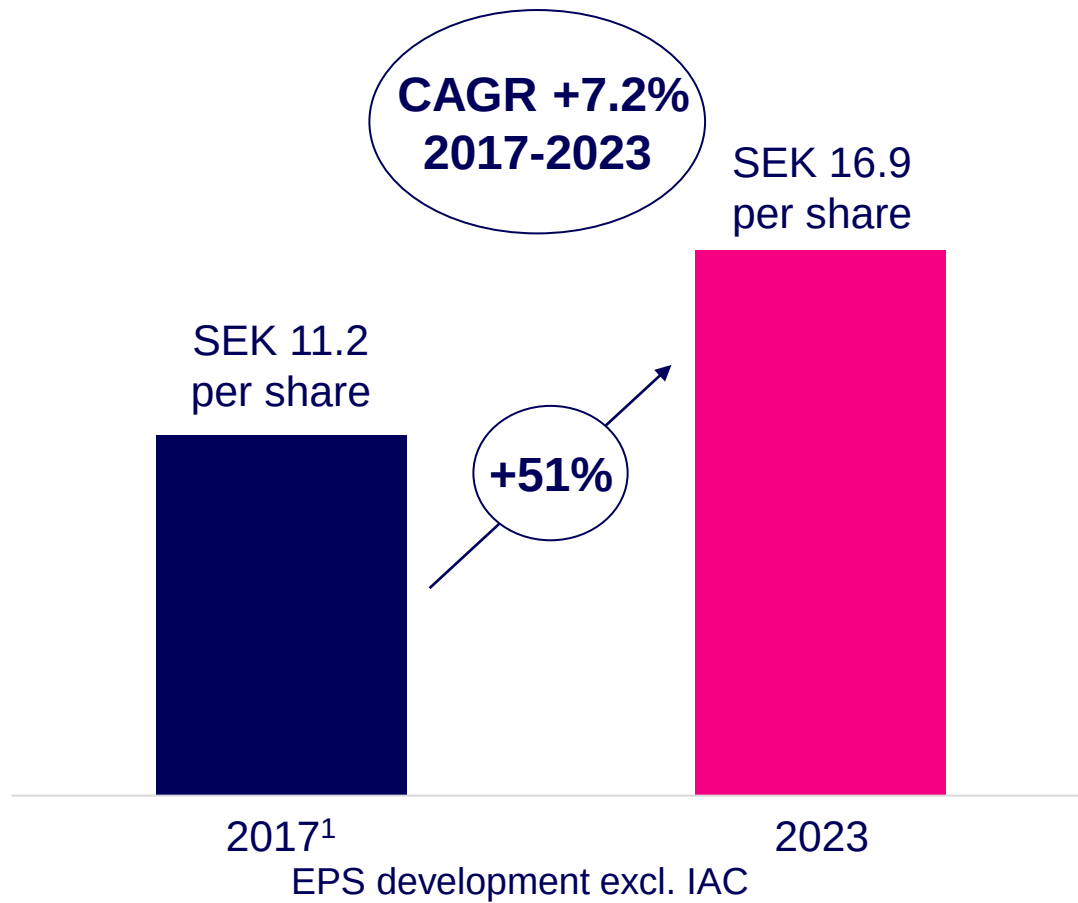


EBITA excl. IAC



Note: 2014-2020 excl. Vinda's published figures; 2021-2023 Vinda classified as discontinued operations

High EPS growth



¹ Adjusted for US Tax reform 2017



We have done the hard work



Simplified
organization &
strengthened
capabilities

Restructuring,
cure or kill

Value creating
acquisitions,
divestments

Supply chain
optimization

Innovated for
superiority

Built leading
brands

Delivered on
sustainability

In better shape than ever

Attractive
portfolio

Pricing
power

Lower
volatility

More
efficient
production

Strong
financial
position

Accelerating profitable growth and reaching financial targets

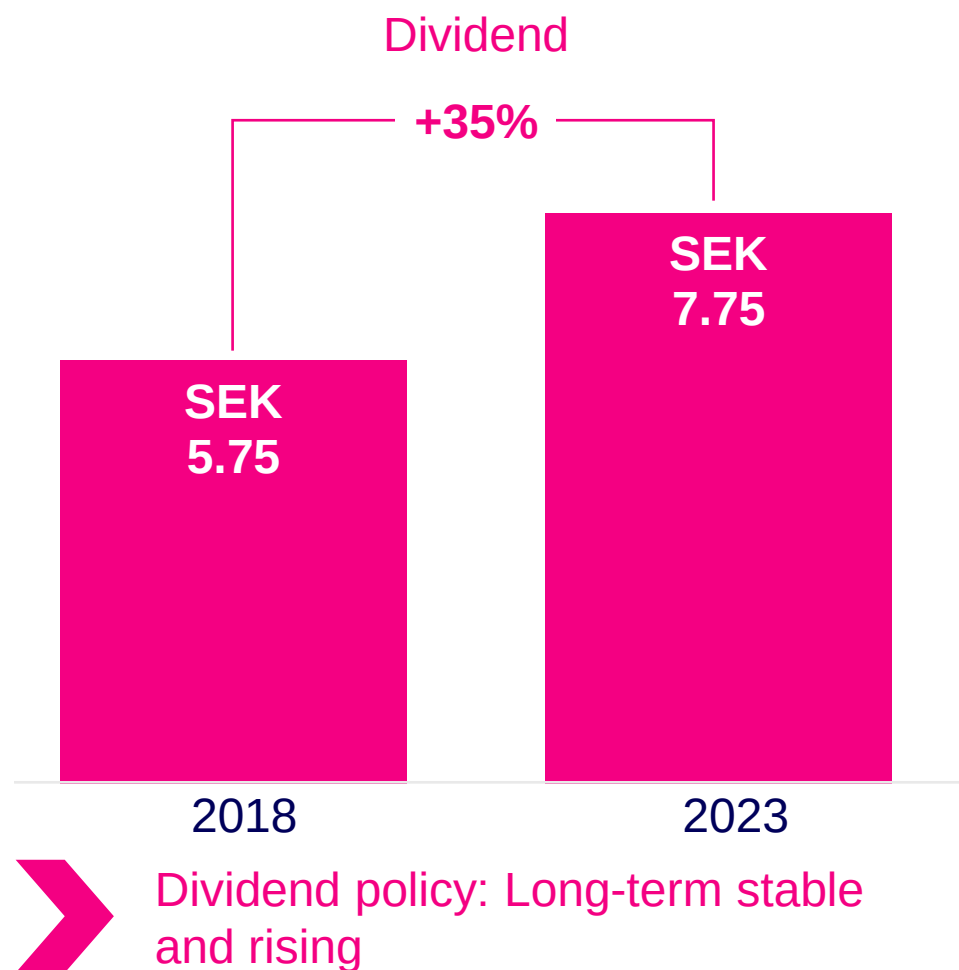
Annual Organic
Sales Growth

>3%

EBITA Margin
excl. IAC

>15%

Increased distribution to shareholders

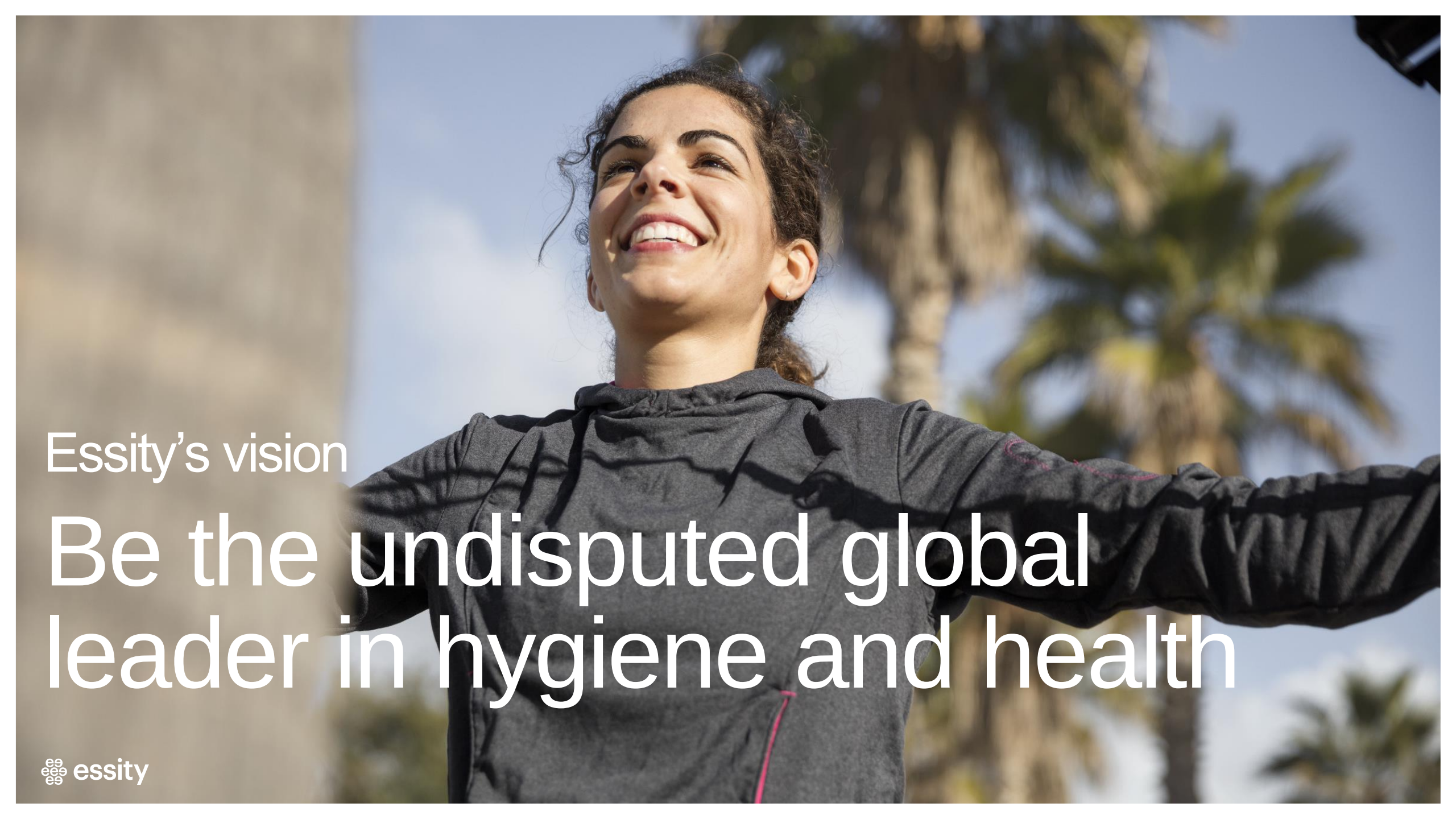


Share buyback program

SEK
3bn

- Essity B share buyback program of SEK 3bn
- From June 17, 2024 and extends until AGM 2025

➤ Ambition to use as a recurring part of Essity's capital allocation

A low-angle shot of a woman with dark hair tied back, wearing a dark grey hoodie. She is smiling broadly and looking upwards, with her arms outstretched to the sides. The background features palm trees and a clear blue sky, suggesting a sunny, outdoor setting.

Essity's vision

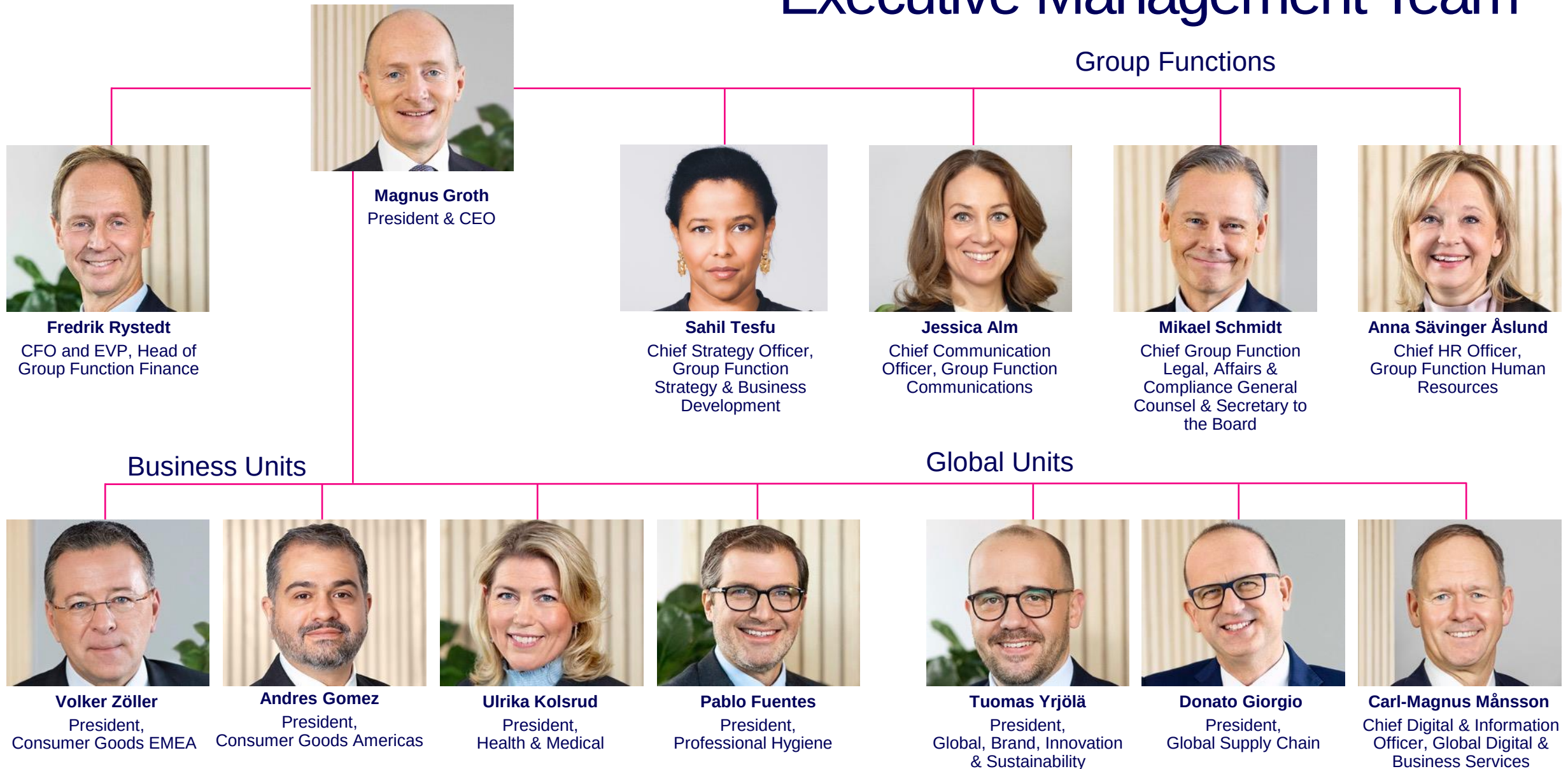
Be the undisputed global
leader in hygiene and health

We are committed to profitable growth

- Gearing towards **growing markets / categories**
- Focusing on opportunities with **high-margin potential**
- Competing where we have the **right to win**
- **Earning** the right to grow
- **Committing to invest** to support ambitions
- **Capturing efficiency** gains across the value chain



Executive Management Team



Clear path to accelerating profitable growth

Sahil Tesfu
Chief Strategy Officer



Essity's global market growth exposure

North America

2-3%

Europe

1-2%

Asia

3-4%

Latin America

2-3%

Other

4-5%

Global

2-3%



Favorable trends driving market growth

**Rising levels
of disposable
incomes**

**Aging
global
population**

**Rise of
chronic
conditions**

**Spread of
infectious
diseases**

**Evolving
well-being
awareness**



Growth Pillars

>3%

Annual Organic Sales Growth

Nurture the

CORE >2%

Expand for

MORE >1%

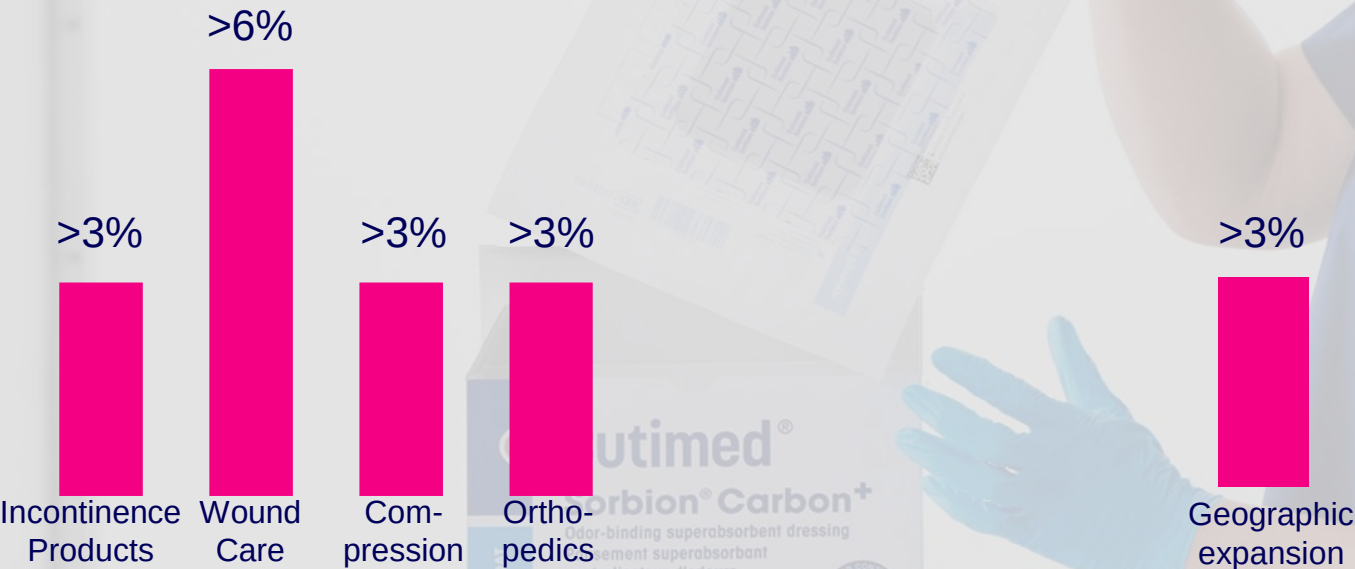
Continue to

EXPLORE

Health & Medical

Nurture the
CORE

Expand for
MORE



Organic sales growth
>4%

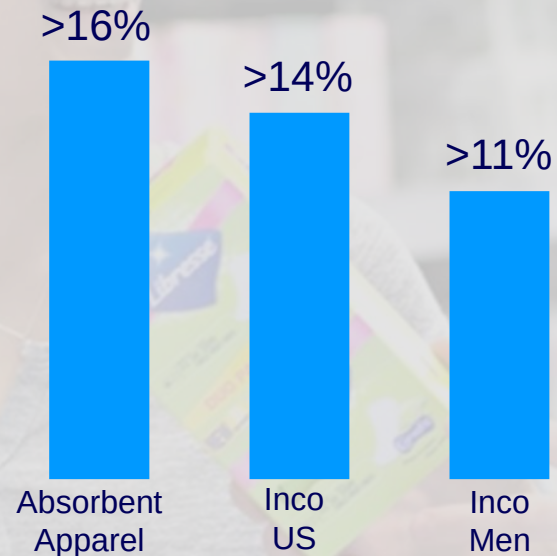
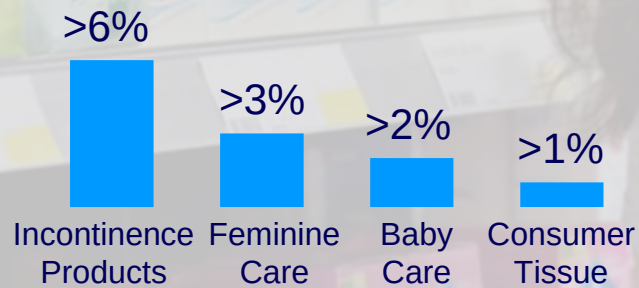
Total Health & Medical



Consumer Goods

Nurture the
CORE

Expand for
MORE



Organic
sales growth

>3%

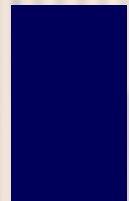
Total
Consumer Goods

Professional Hygiene

Nurture the
CORE

Expand for
MORE

>4%



Strategic
systems

0%

Base
systems

>8%



Wiping &
Cleaning¹

>8%



Soap &
Sanitizer

>6%



Geographic
expansion

Organic
sales growth

>2%

Total
Professional Hygiene

1 Non-woven products

Accelerating profitable growth – Key building blocks

Nurture the
CORE >2%

Expand for
MORE >1%

>3%

Health &
Medical

Consumer
Goods

Professional
Hygiene

Health &
Medical

Consumer
Goods

Professional
Hygiene

Sales
Today

Ambition

Strong track record of profitable growth

Net sales CAGR

TENA Pants

CAGR 1999-2023

17%

Incontinence
Products Health Care

Sorbact & Hydrofera

CAGR 2021-2023

18%

Advanced
Wound Care

Incontinence Brazil

CAGR 2019-2023

26%

Incontinence
Products Retail

Feminine Care Latin America

CAGR 2019-2023

8%

Feminine
Care

Tork PeakServe

CAGR 2019-2023

51%

Professional
Hygiene

Ready to accelerate our profitable growth agenda

Growth
mindset

Robust
strategies

Strong growth
platform

> 3%

Annual organic
sales growth

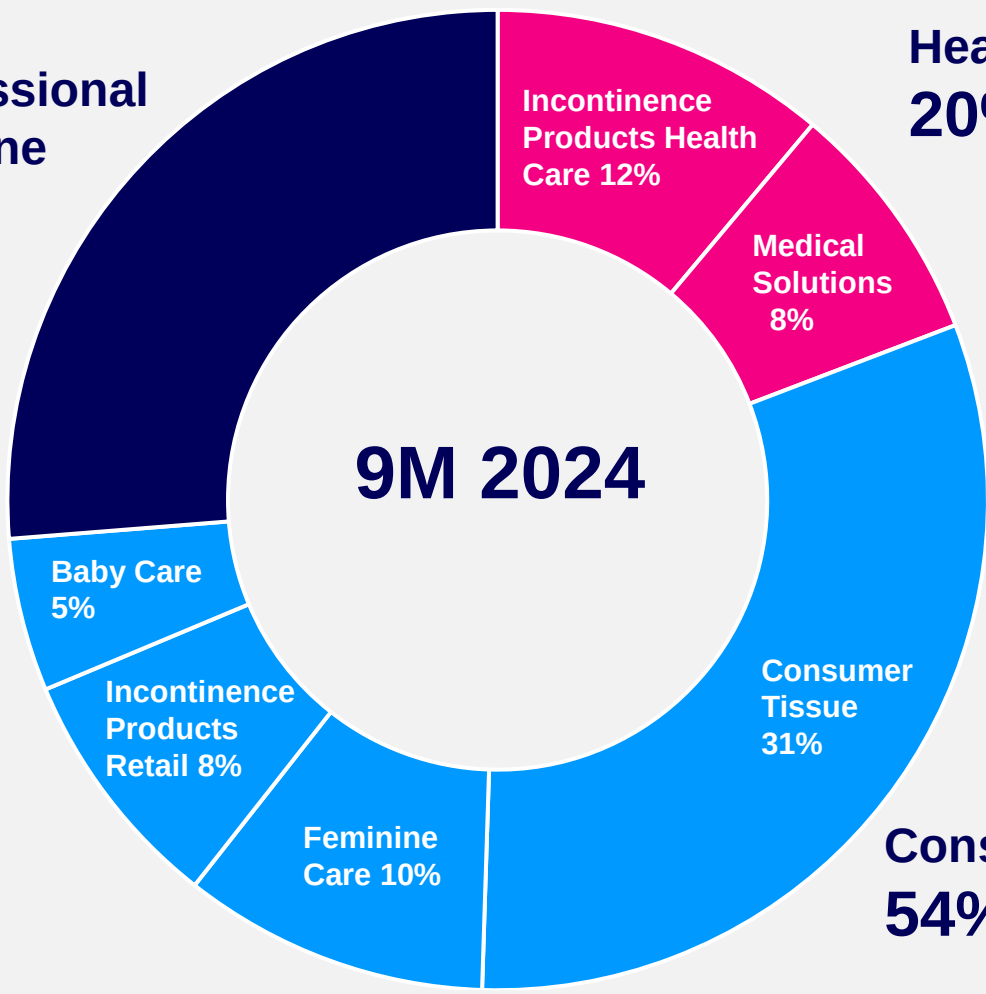
Maximizing shareholder value by accelerating profitable growth

Fredrik Rystedt
CFO and Executive Vice President



An attractive business portfolio

Professional
Hygiene
26%

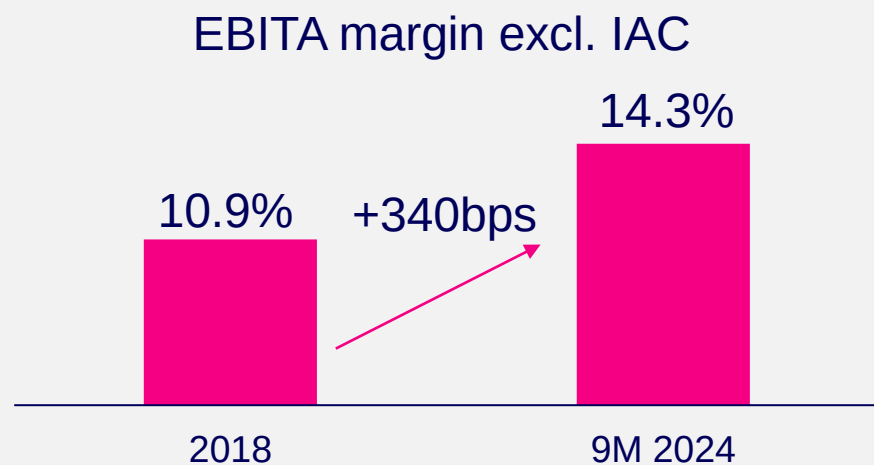
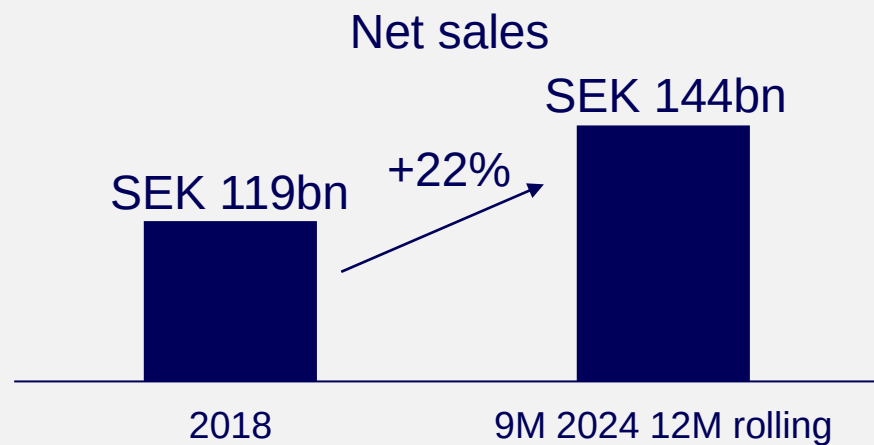


Health & Medical
20%

Consumer Goods
54%

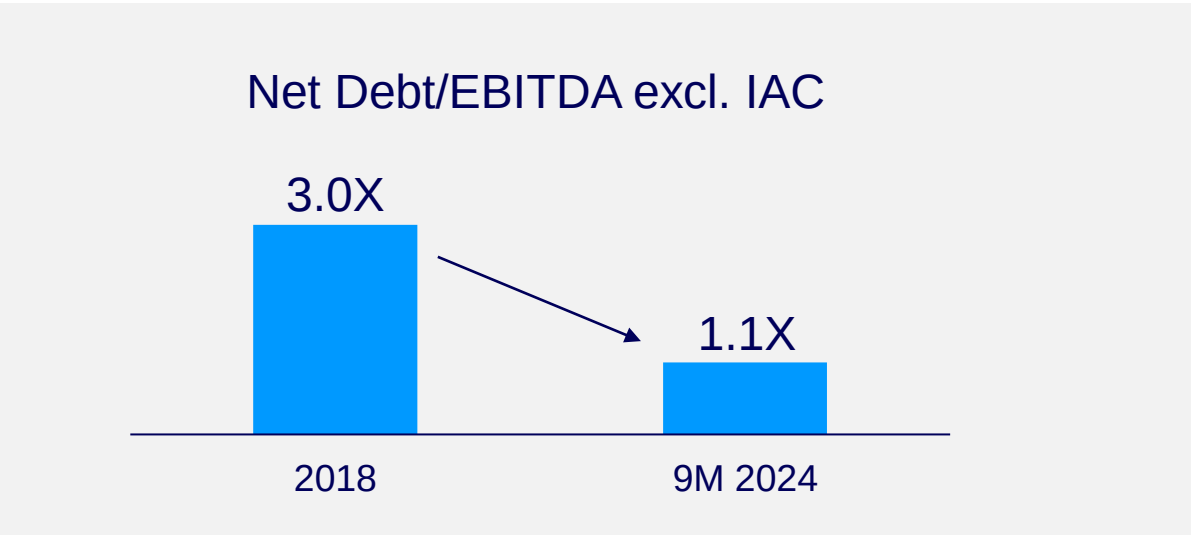
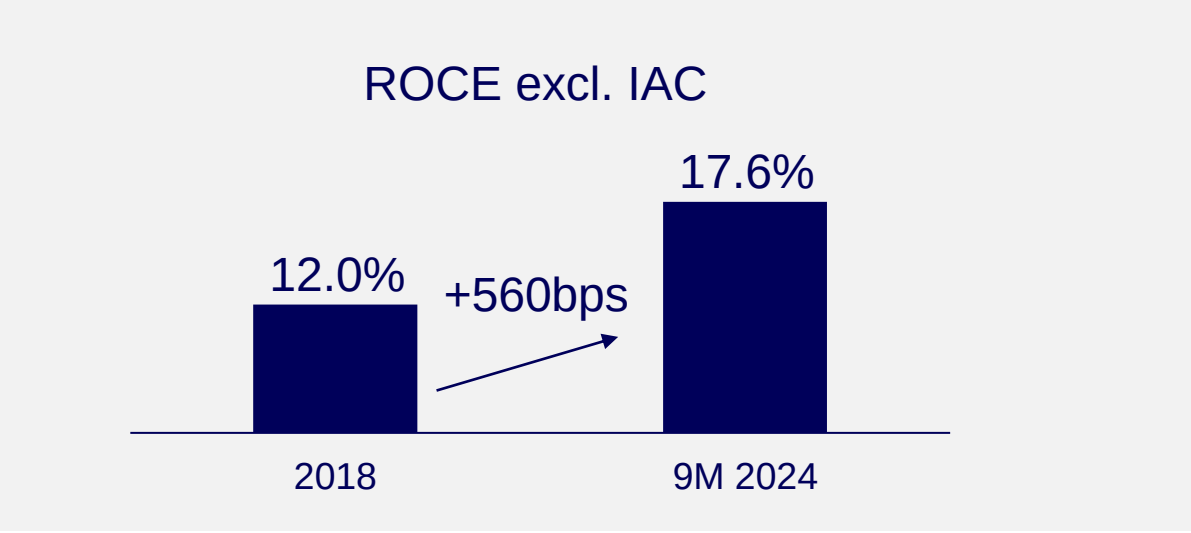


Strong performance

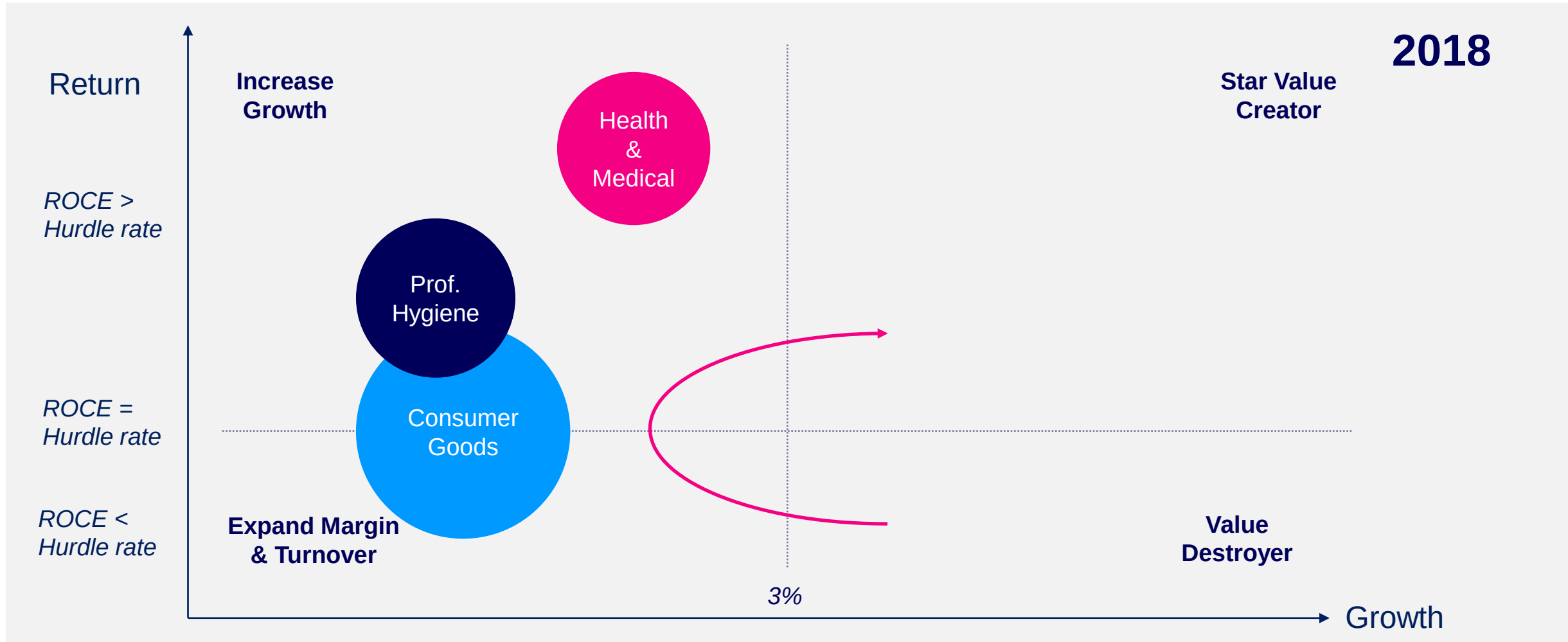




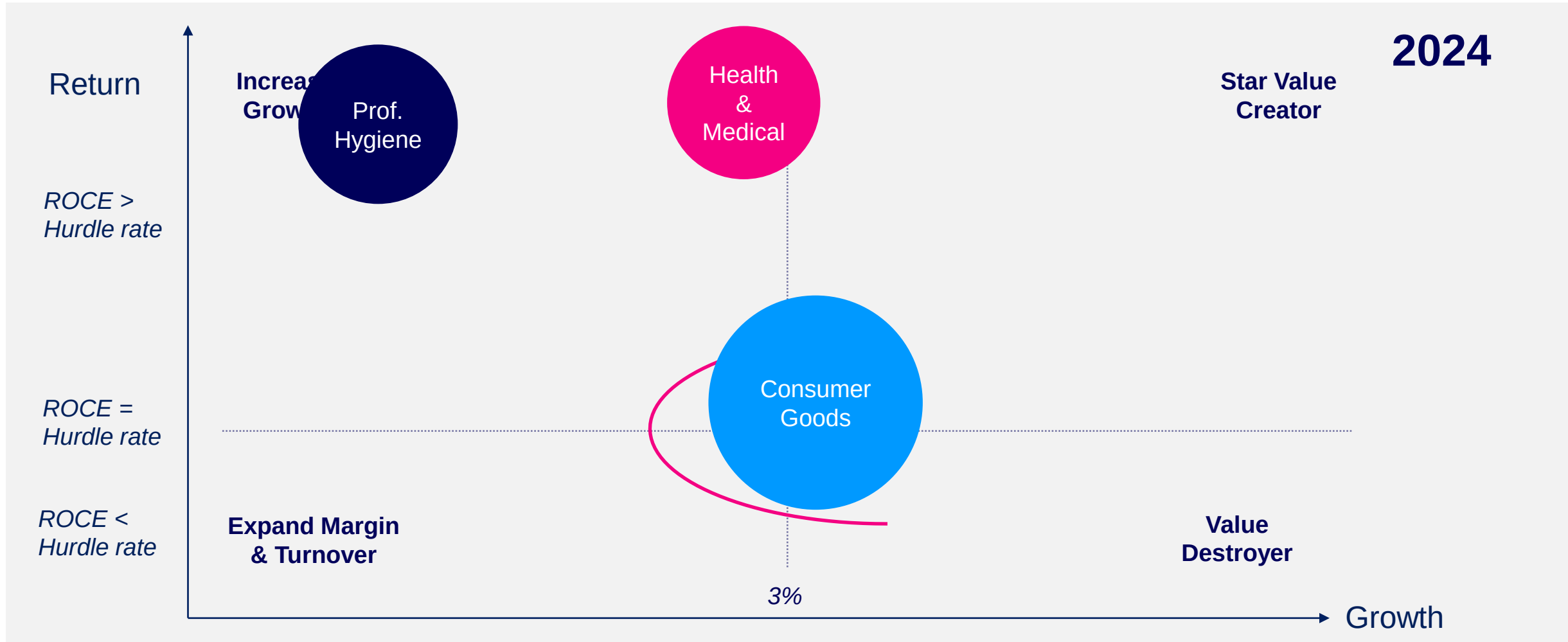
Strong performance



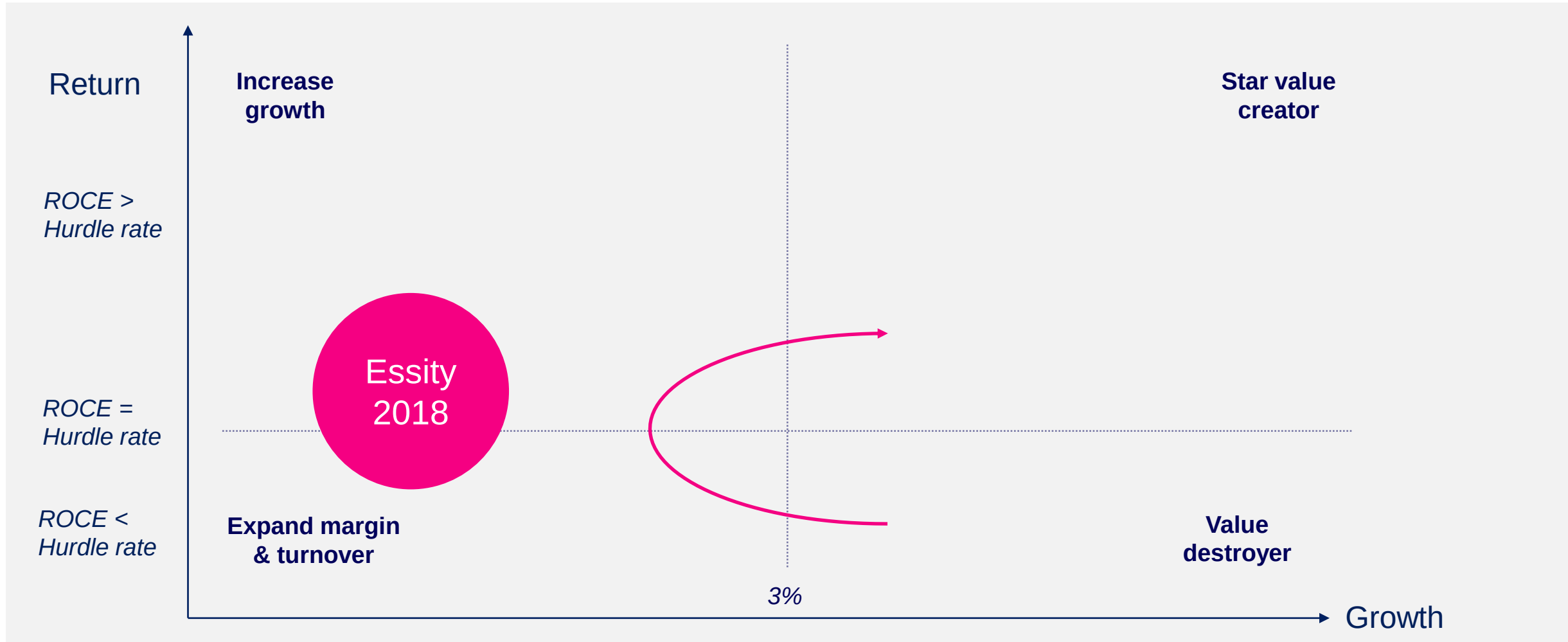
The value creation journey



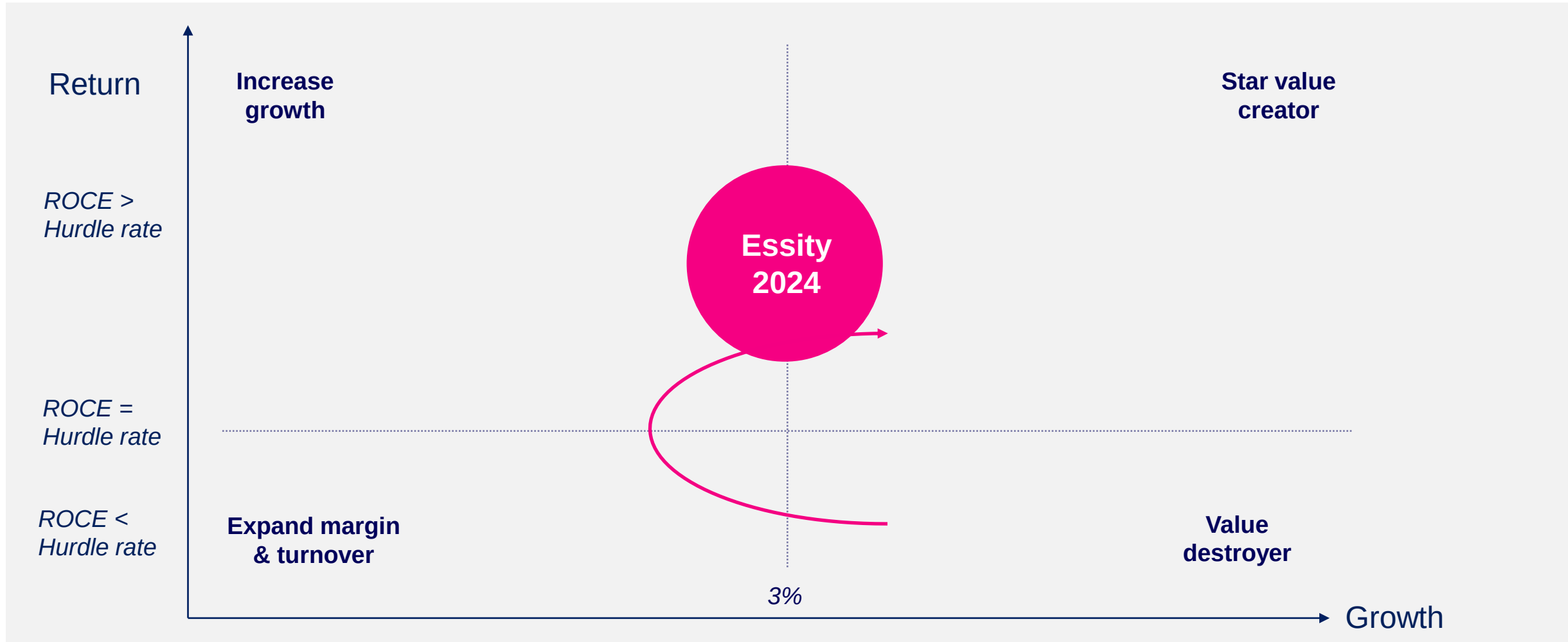
The value creation journey



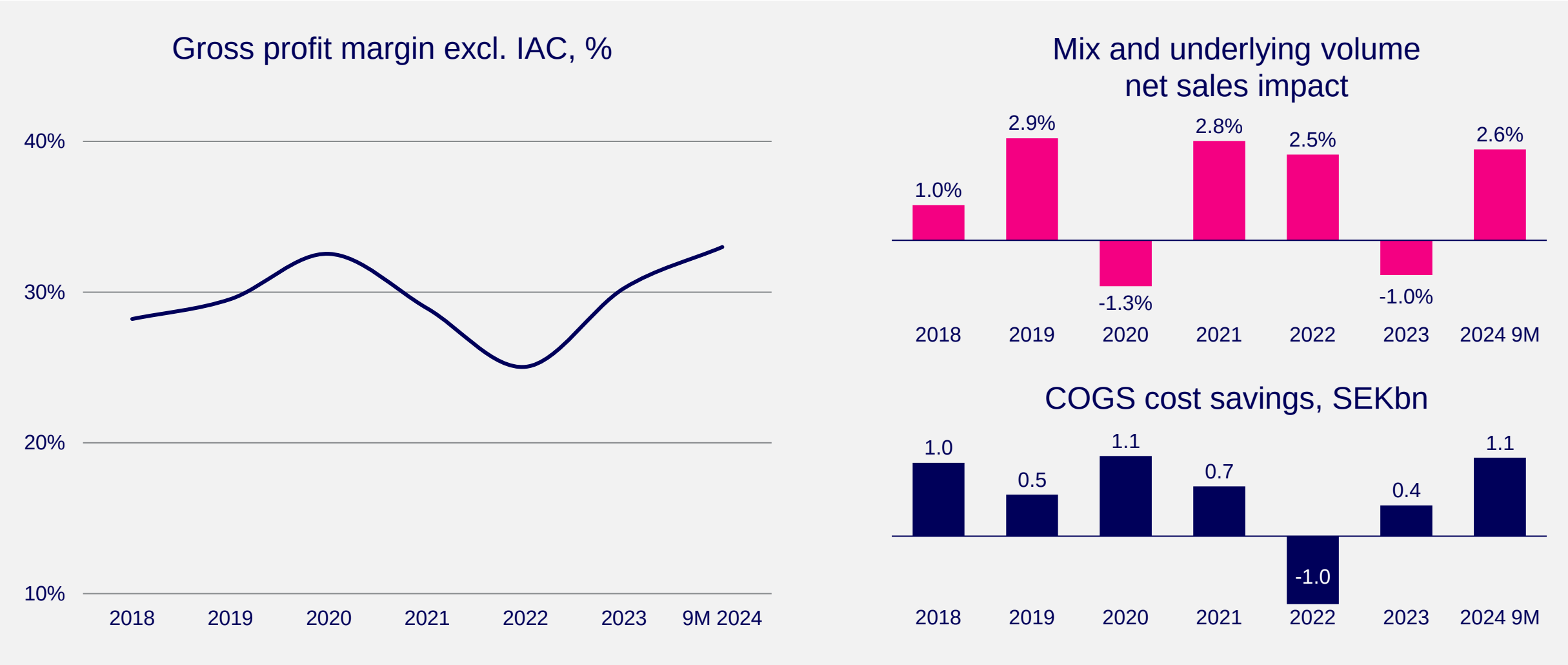
Increasing value creation through profitable growth

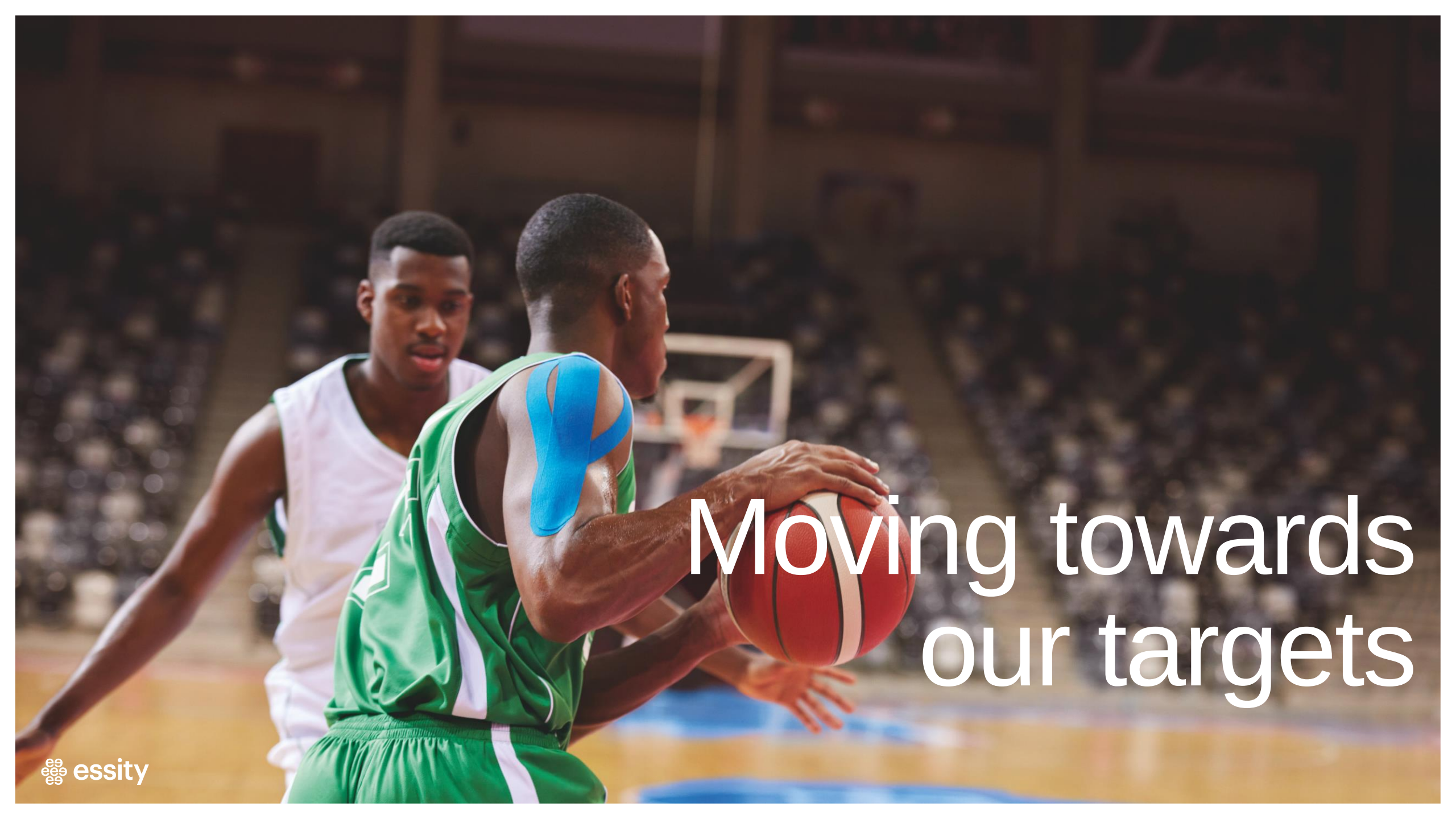


Increasing value creation through profitable growth



Mix, volume and savings driving improved gross profit



A basketball player in a green jersey with blue tape on his shoulder is dribbling a basketball. He is being defended by a player in a white jersey. The background is a blurred basketball court with spectators.

Moving towards
our targets

Our financial targets optimize shareholder value

Annual Organic
Sales Growth

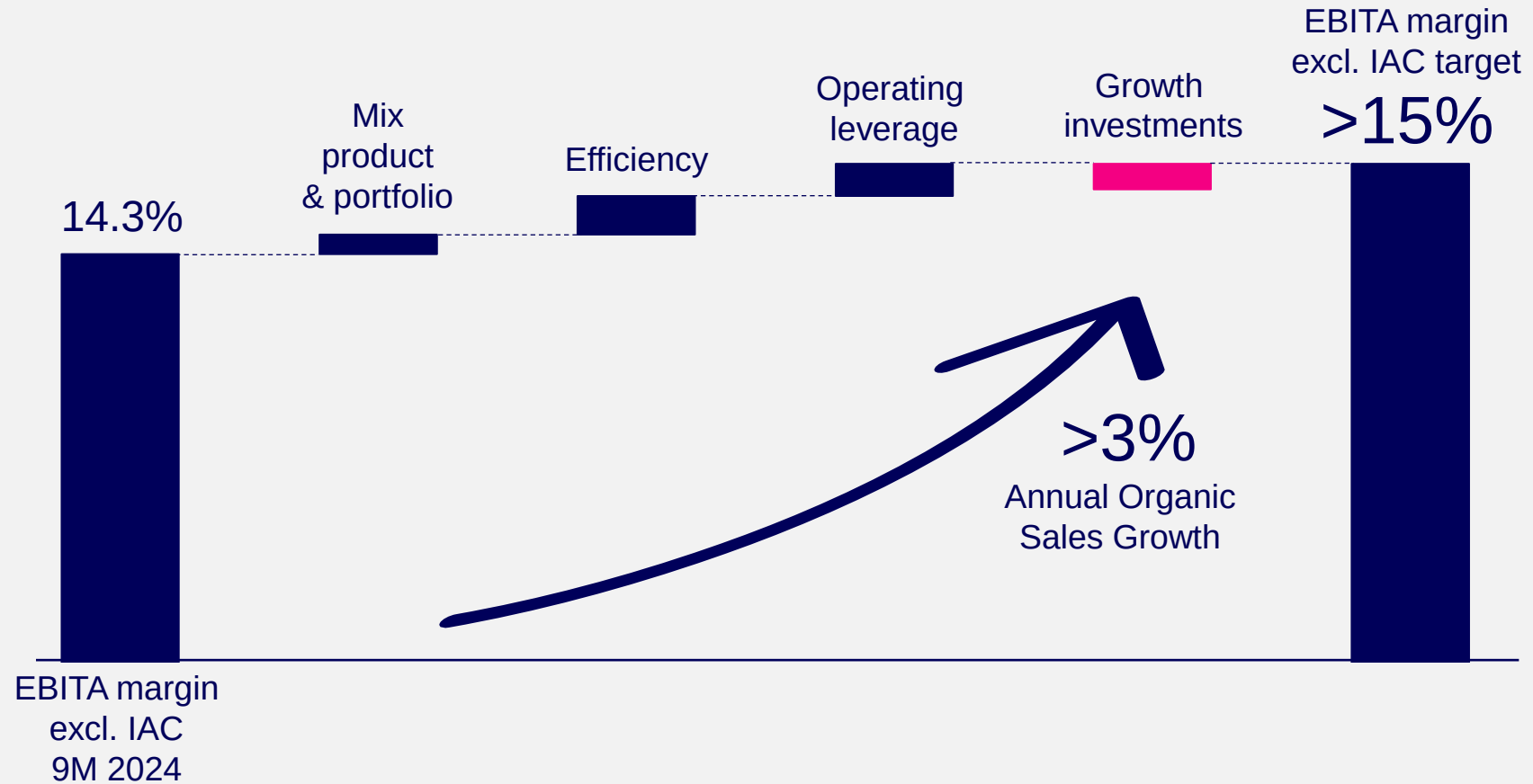
>3%

EBITA Margin
excl. IAC

>15%

Accelerating profitable growth

Path to target delivery



Financial restrictions and policies

A photograph of a woman with long brown hair, seen from the side, holding two young children. The children are smiling and looking towards the left. The image is used as a background for a presentation slide. Overlaid on the image are three dark blue circular callouts containing white text. The first callout is on the left, the second is in the center, and the third is on the right. The title 'Financial restrictions and policies' is at the top left in white text.

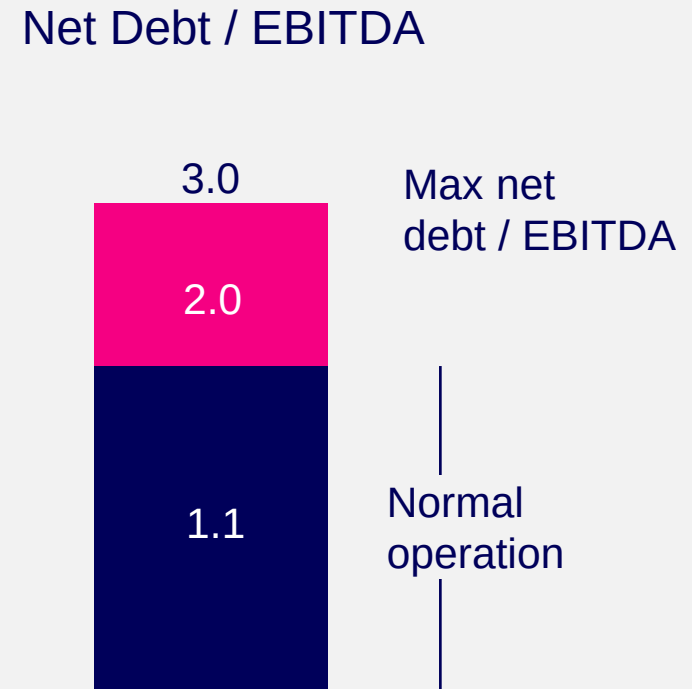
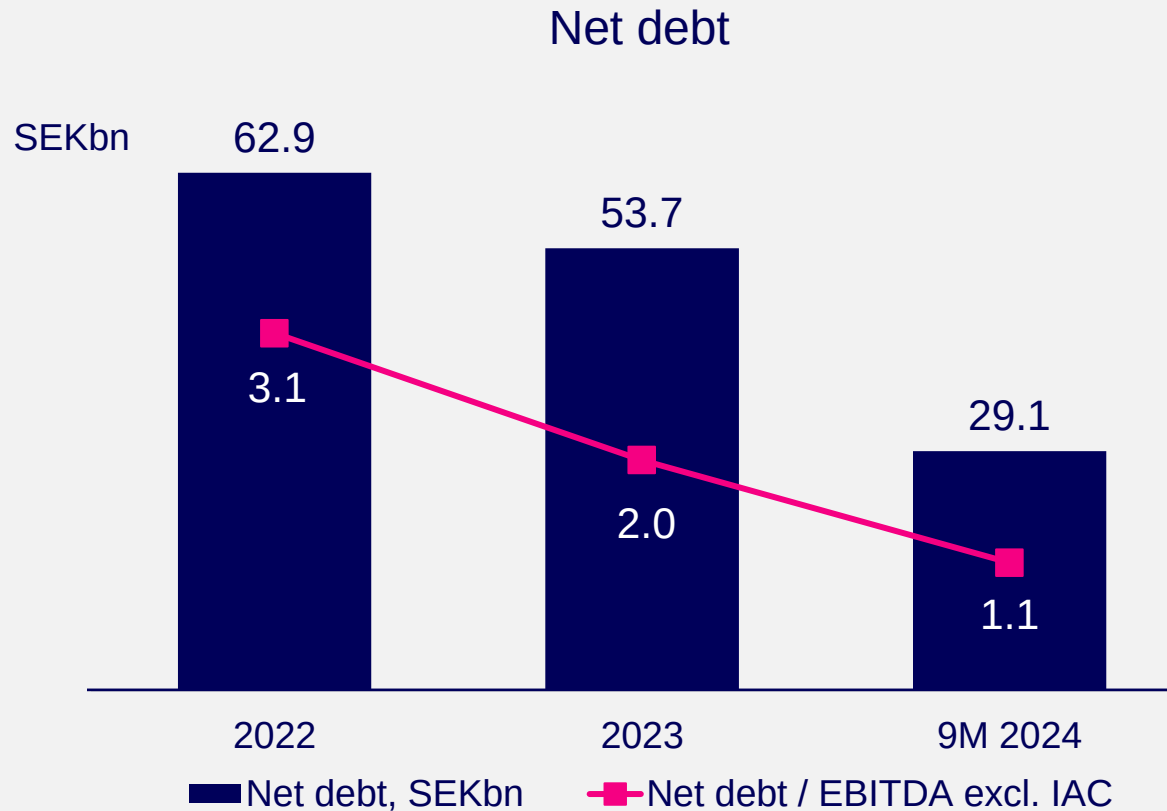
Capital Structure

Maintain
a solid
investment
grade rating

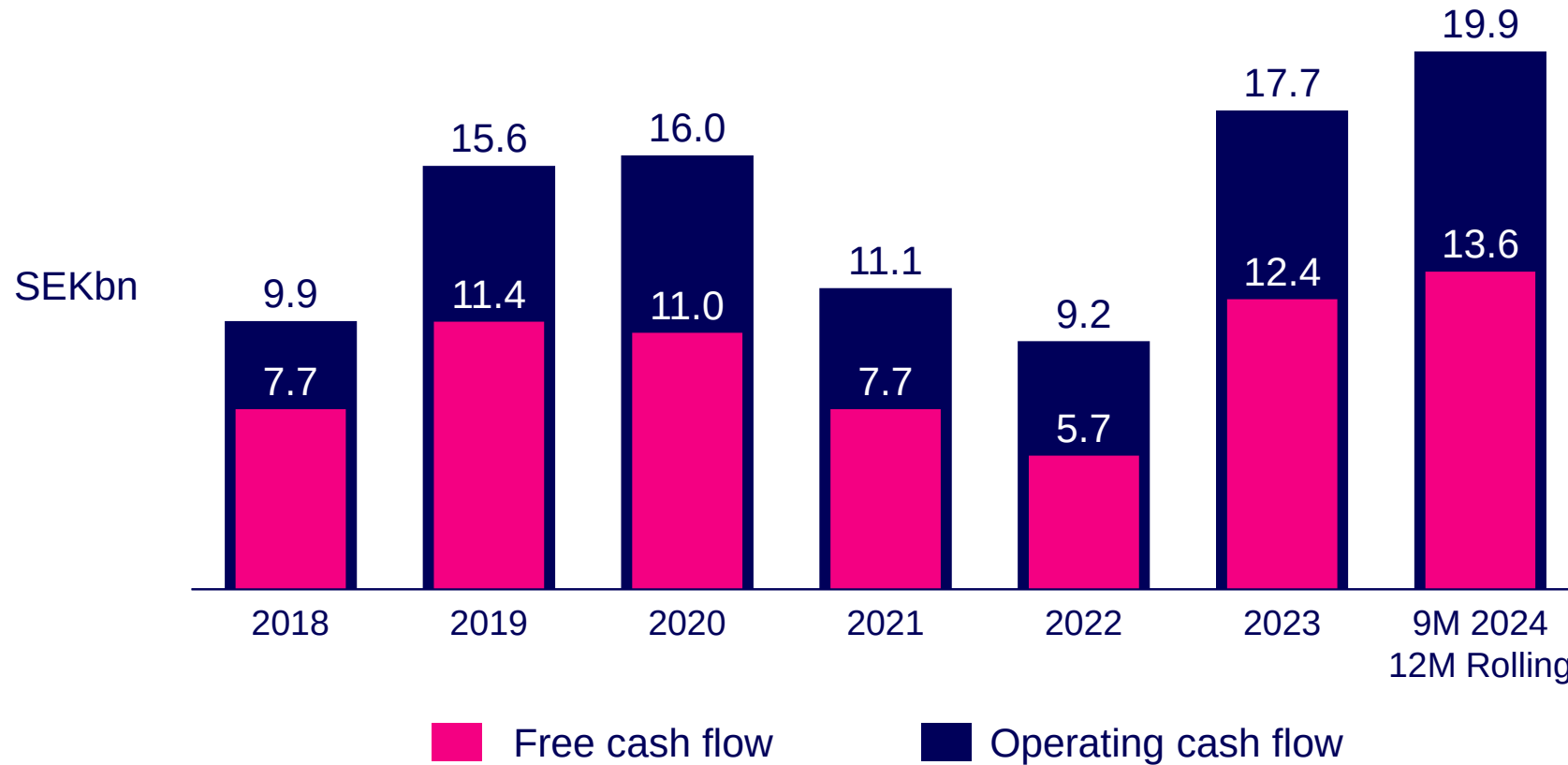
Dividend

Long-term
stable and
rising
dividends

Capital structure policy

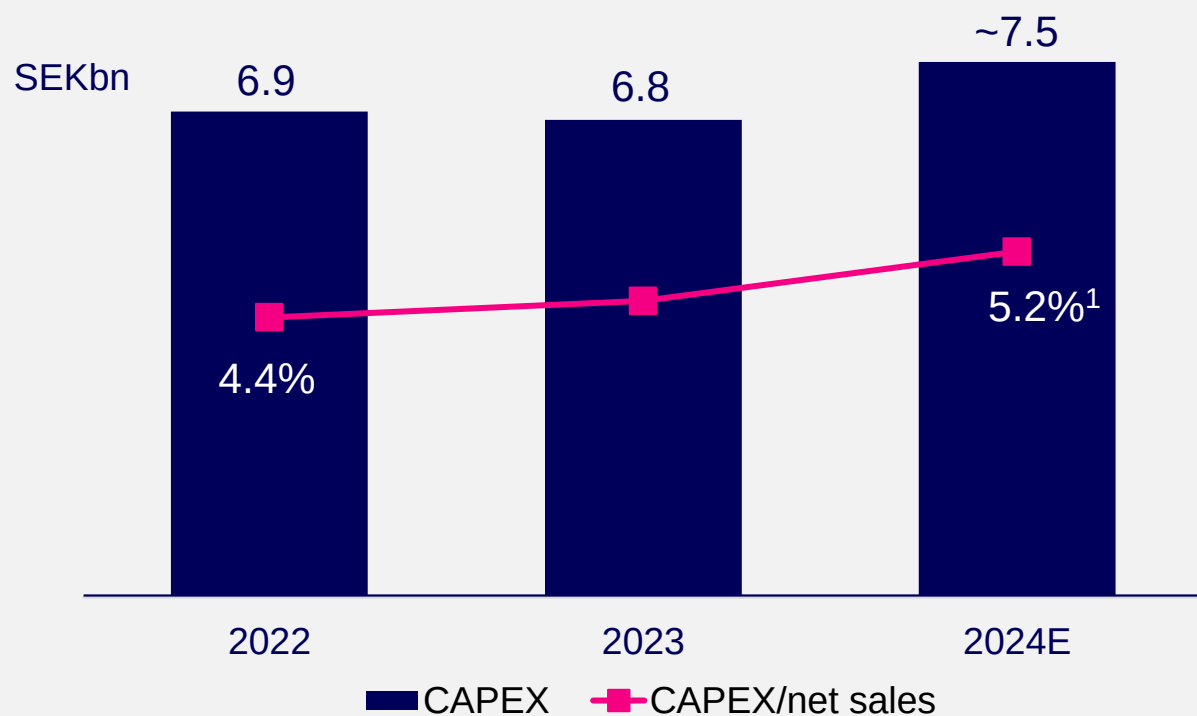


Strong development of cash flow



Investing for profitable growth

Capital expenditure

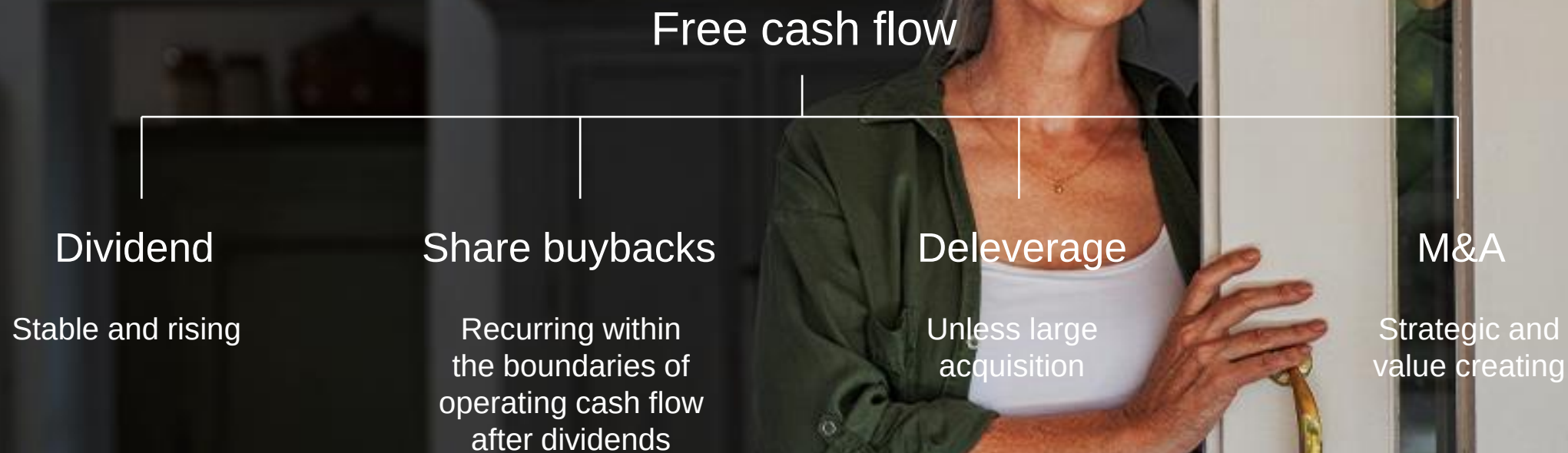


3Y average CAPEX / operating assets %



¹ Net sales 9M 2024 12 months rolling

Capital allocation toolbox



Future acquisitions

Rationale

- Growth contribution
- Add capabilities
- Portfolio shift

M&A Priorities

Health & Medical

- Advanced wound care
- Compression therapy
- US presence

Consumer Goods

- Feminine Care
- US presence

Professional Hygiene

- Soap & sanitizer
- Wiping & cleaning
- D&E presence

Long-term implication from targets and policies

Annual Organic
Sales Growth

>3%

EBITA margin
excl. IAC

>15%

Dividend

Long-term stable
and rising

Capital
Structure

Maintain a solid
investment
grade rating



Above market
organic sales
growth

Strong EBITA¹
and EPS¹
growth

Rising dividend

Recurring
share buy back
within the
boundaries of
free cashflow





For everybody and every body

Global Supply Chain - Driving margin expansion

Donato Giorgio
President Global Supply Chain



End-to-end Essity supply chain

Global procurement

32,000 Suppliers

Warehousing

>200 Loading-points globally

Manufacturing

72 Production sites in
27 Countries

Distribution

15,000 Deliveries per day
3,500 Full truck loads per days

Supply chain

Planning and Logistics Hub, distribution in **150** countries

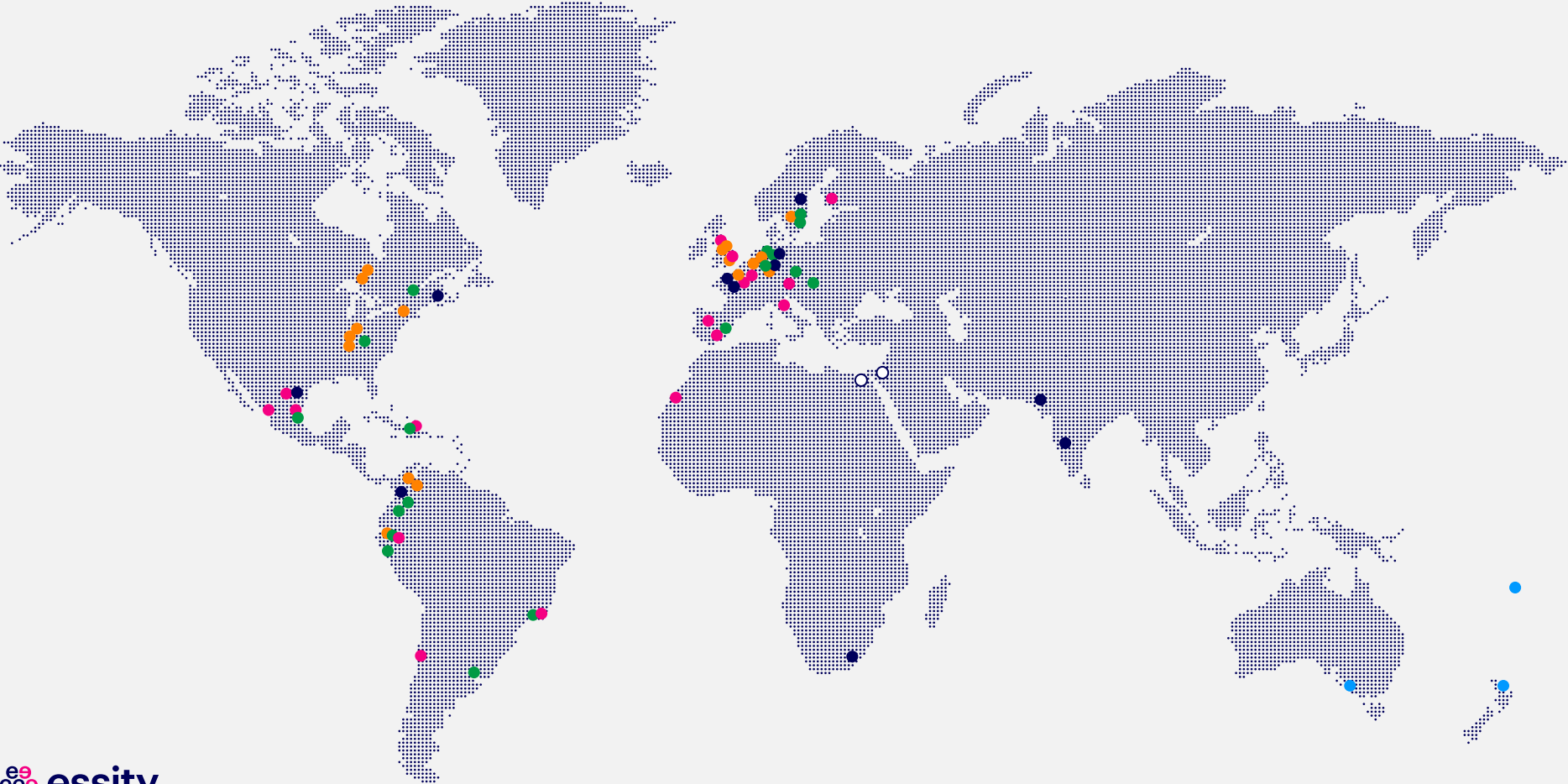
Technology

Re-inventing the way to deliver faster, better and more predictable **Innovations**

Risk environment
Safety & health



Essity manufacturing footprint



- Professional Hygiene
- Medical Solutions
- Consumer Tissue
- Australasia
- Personal Care
- Contract Manufacturer

Supporting profitable growth

People

- I Care and RESH
- Employee experience

KPI

- Safety/TRI
- Environment Level 3
- E-sat /people retention

Customers

- Voice of the customer
- Supply planning
- Logistic and distribution

KPI

- Customer satisfaction
- Service level/OTD
- Innovation readiness

Operations

- TPM
- Supplier value creation
- Digitalization

KPI

- Productivity
- Cost leadership
- World class quality

Sustainability

- Sustainability

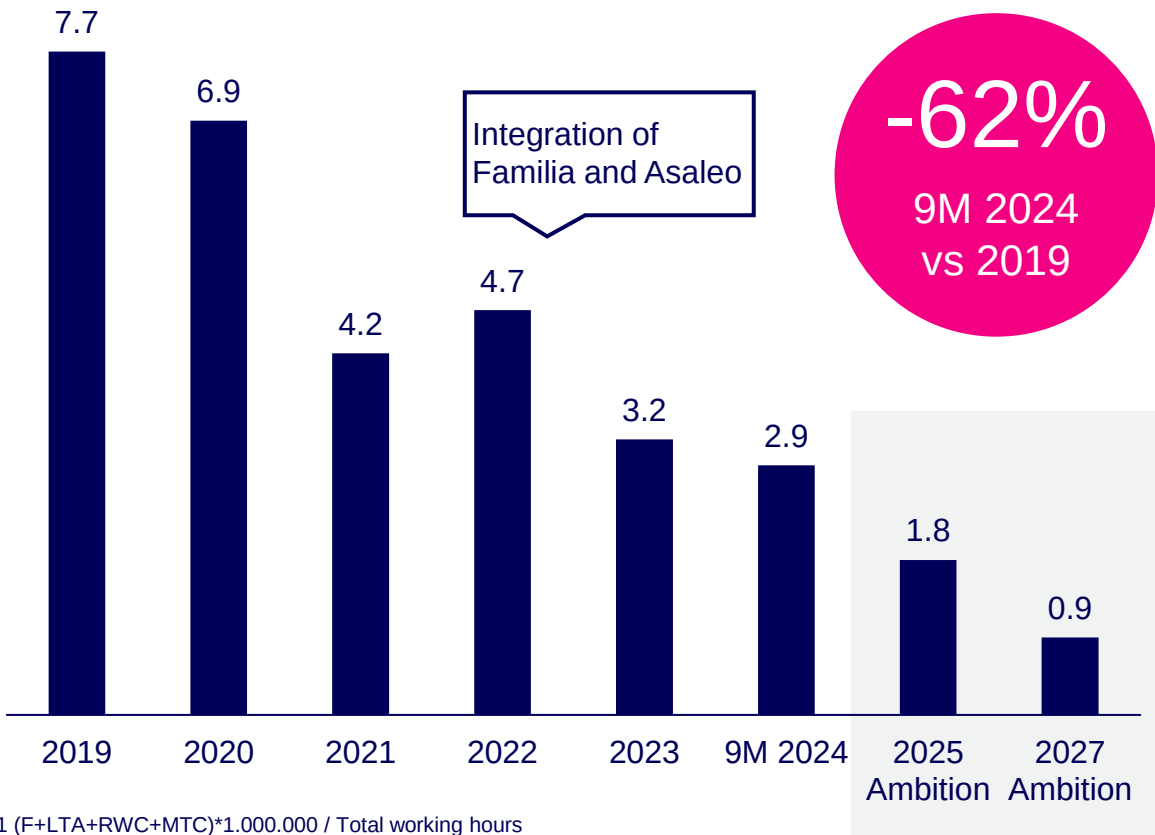
KPI

- Science based targets
- Net Zero

Safety first



Total Recordable Injuries
per 1 000 000 working hours¹



COGS efficiencies and savings

Footprint
optimization

Supplier value
creation

Material
rationalization

Energy
savings

Digitalization
& automation

Distribution
& logistics

Estimated future annual COGS savings SEK 0.5-1bn

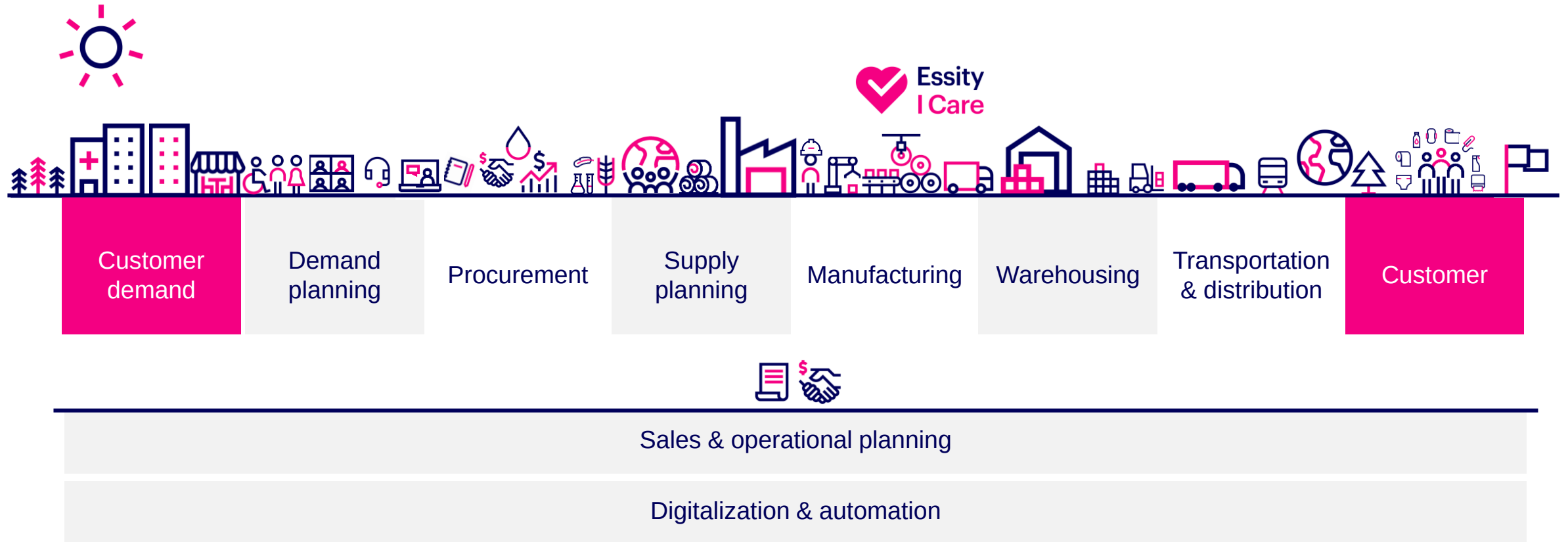
Global Supply Chain - Driving margin expansion

Ilham Smaali

Vice President Planning & Logistics



The end-to-end customer centric supply chain you can trust



Essity's SBTs

Essity's emission targets¹ validated by Science Based Targets initiative (SBTi)

Near-term target 2030:
Scope 1 and 2

-35%

Near-term target 2030:
Scope 3

-35%

Long-term target 2050

Net zero

1 All targets are relative to a 2016 baseline. Near-term targets include only the largest Scope 3 categories, whereas long-term targets include all Scope 3 categories.



Our approach to supply chain sustainability



Short-term

- Energy efficiency
- Material optimization
- Renewable energy



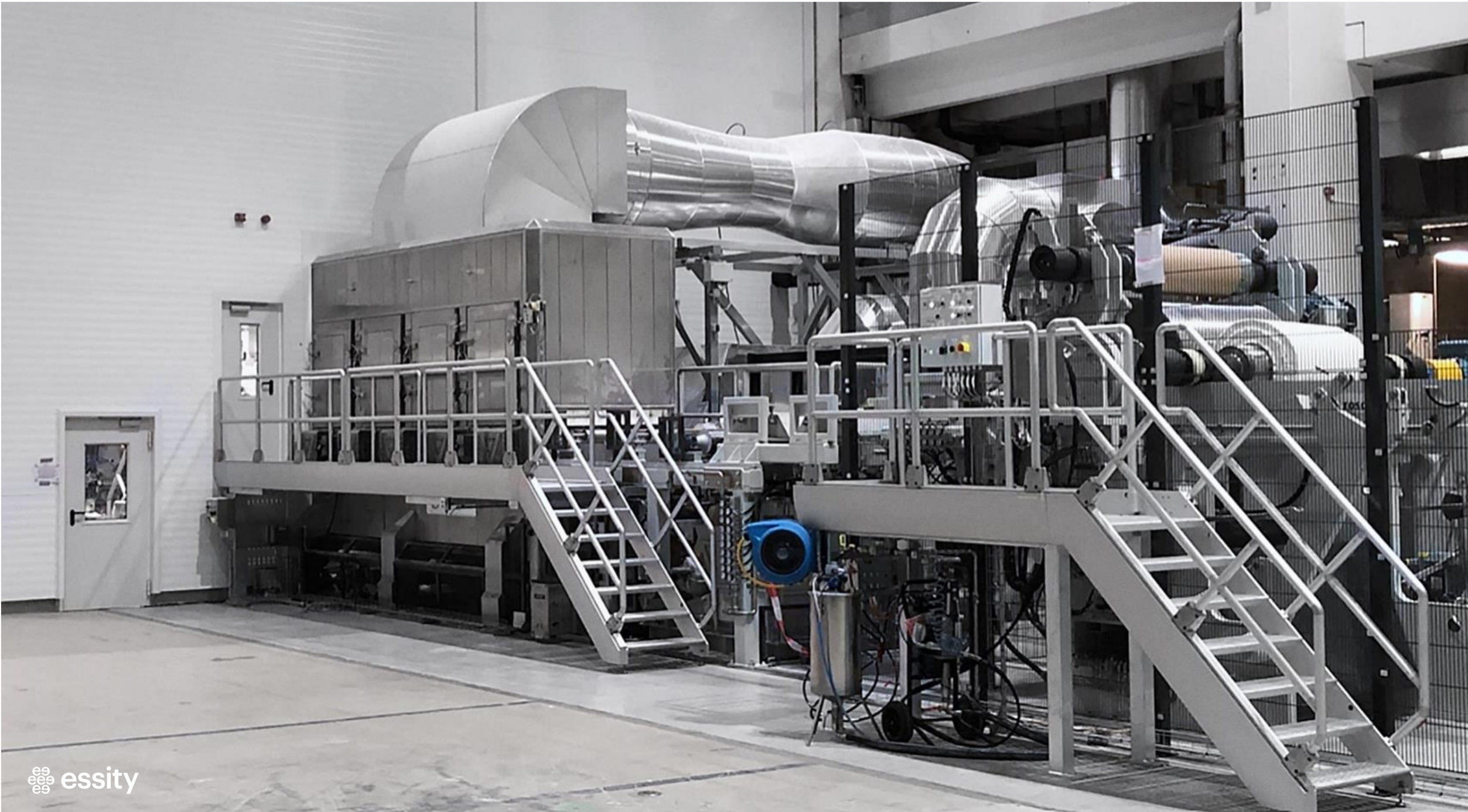
Mid-term

- Adopt new technologies from other industries
- Alternative materials
- Hydrogen/geothermal
- Enzymes



Long-term

- Disruptive breakthrough innovation through R&D and new technology



Global Supply Chain - Driving margin expansion

Miriam Guasch

Operations Director Manufacturing Spain





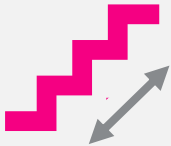
Special safety measures for today's tour



Pedestrians must use **sidewalks and crosswalks**.



Attention to the truck and forklift traffic. In case of interaction, stop and give them priority.



Always use the handrail when go up or go down the **stairs**.



Safety cap, hearing protection and reflective vest are mandatory.



Do not use your mobile while walking. Taking photos is not allowed.



Q&A

Global Supply Chain

Health & Medical



Health & Medical

– Grow to Scale

Ulrika Kolsrud
President Health & Medical



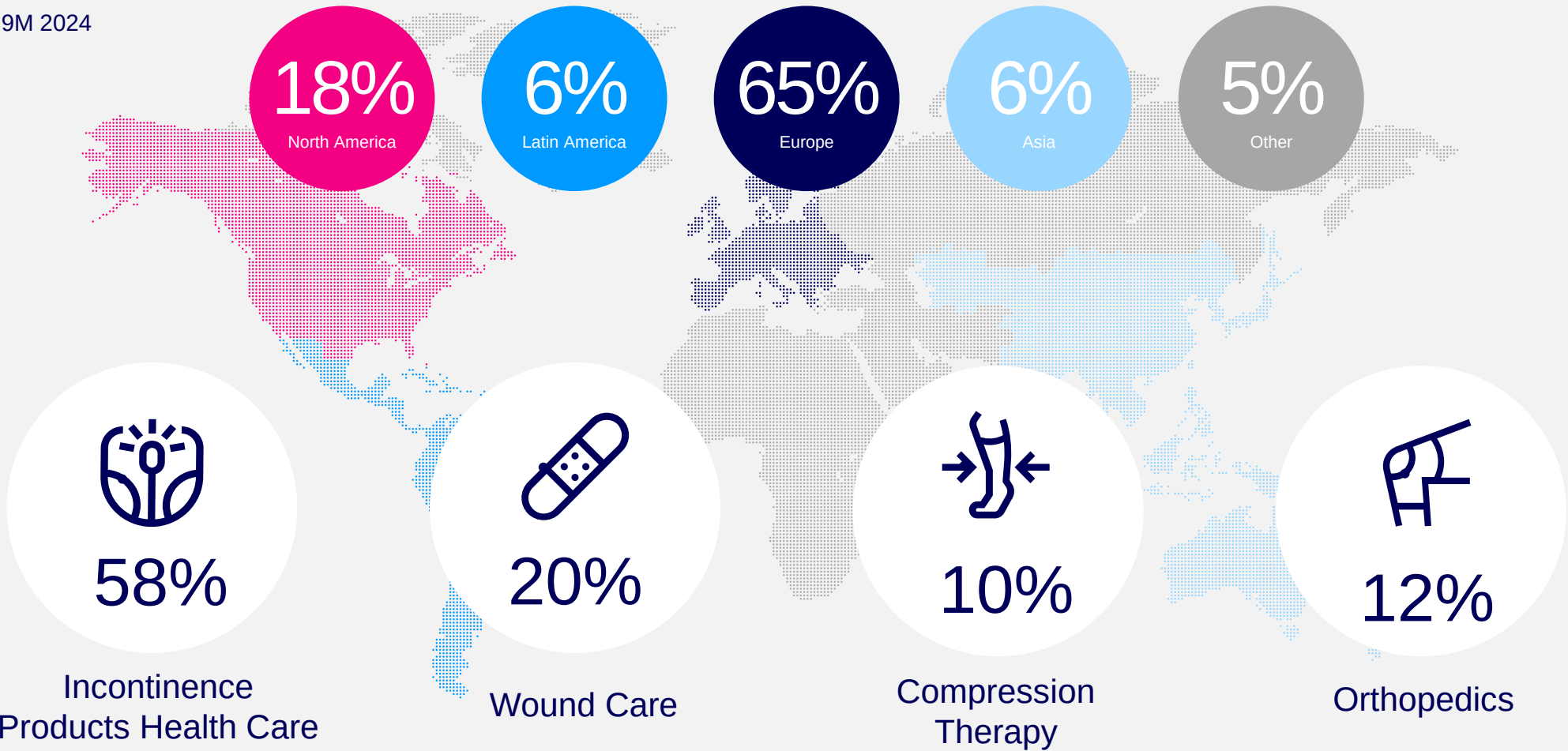
Holistic health and
medical solutions
along the continuum
of care

20%

of Group net sales
9M 2024

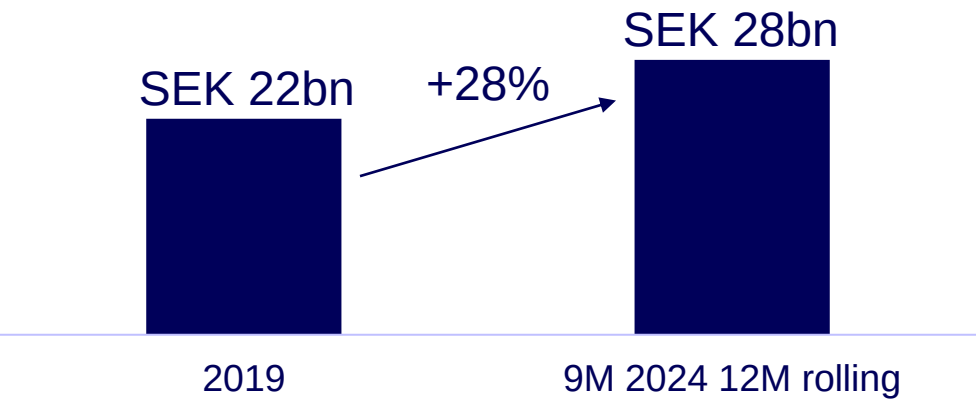
A global multi-category business

Net sales split 9M 2024

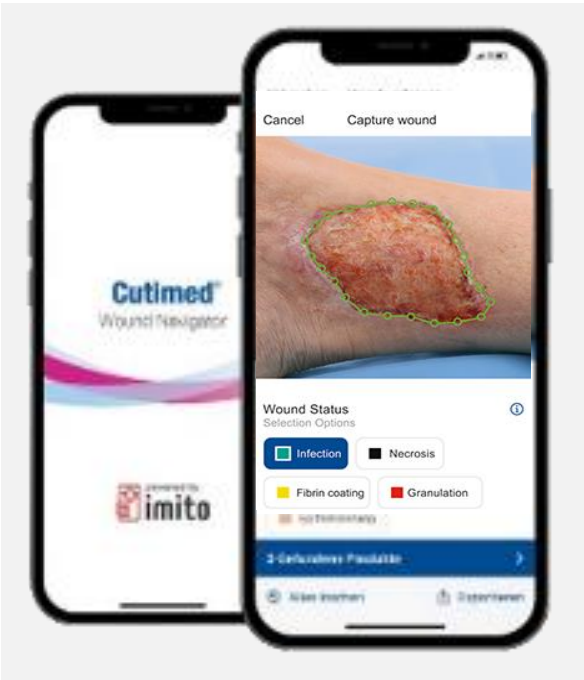
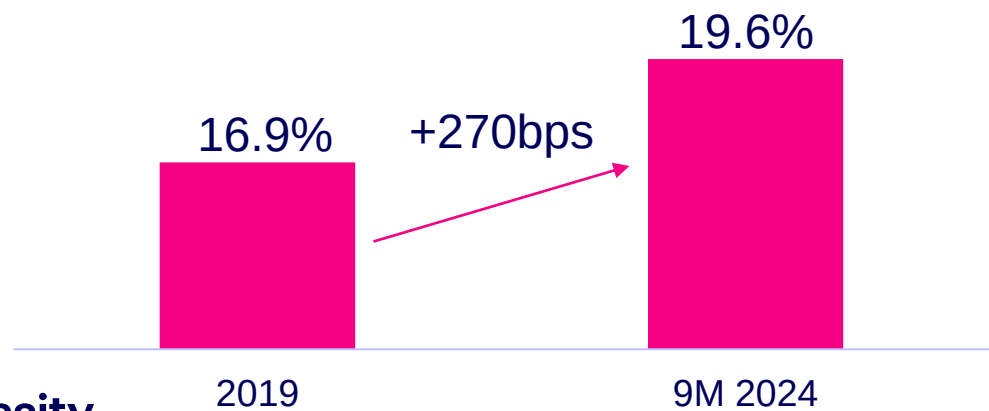


Long-term performance

Net sales



EBITA margin excl. IAC



Good growth and higher margins 9M 2024

Organic sales growth

3.3%
Excl. exits
4.2%

EBITA excl. IAC

**SEK
4,148m**

Gross margin excl. IAC

45.2%
+550bps

EBITA margin excl. IAC

19.6%
+560bps

Critical success factors



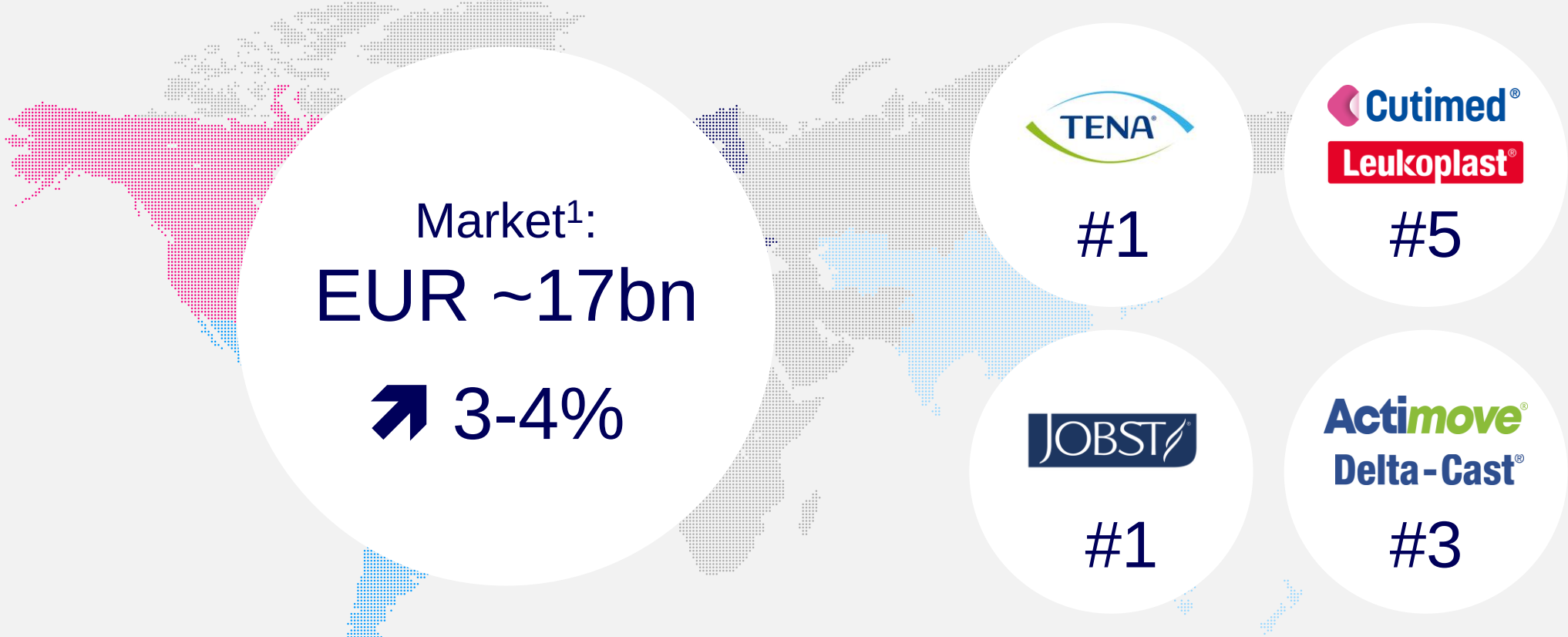
Pricing excellence
combined with market shaping

Continued focus on differentiated value
propositions, incl. successful M&A

Cost saving through technology
and value engineering

Simplified operating model,
reducing operating expenses

Well positioned to accelerate profitable growth



Market¹:
EUR ~17bn
↗ 3-4%



#1



#5



#1



#3

1 Market size 2023 and market growth rates expressed as compound annual growth rate 2023-2029

Source: The information has been compiled by Essity for presentation purposes based on external market sources and internal estimates covering categories and markets where Essity is present (some category and regional exclusions are applied)

Current environment and trends

- Aging population
- High prevalence of chronic conditions
- Funding constraints and customer consolidation
- More home care and self-contribution
- Higher sustainability demands

Well equipped to accelerate profitable growth



Strong innovation capabilities

Superior and holistic solutions
providing health economic benefits

Broad channel presence

Unique set of capabilities combining
consumer and medical expertise

Incontinence Health Care

Lead and shape the market

Leverage the superior TENA total care offer

- Product superiority
- Wide assortment
- Digital solutions for care efficiency
- Training & Tools for care givers

Ambition
**Grow
above
market**

Market¹:

EUR ~5bn

↗ 2-3%

Essity #1 with
market share of
25%

1 Market size 2023 and market growth rates expressed as compound annual growth rate 2023-2029.

Source: The information has been compiled by Essity for presentation purposes based on external market sources and internal estimates covering categories and markets where Essity is present (some category and regional exclusions are applied)

Wound Care

Take the lead

Focus on competitive advantages, leveraging our unique solutions e.g.

- Infection management/prevention
- Skin integrity
- Exudate management

Ambition
**Grow
above
market**



Compression Therapy

Strengthen #1 position

Delight all stakeholders

- Superior comfort for the Consumer
- Best convenience for the Customer
- Health economic benefits for the Payer

Ambition
Grow
above
market



Market¹:
EUR ~2bn
↗ 3-4%

Essity #1 with
market share of
14%

1 Market size 2023 and market growth rates expressed as compound annual growth rate 2023-2029.
Source: The information has been compiled by Essity for presentation purposes based on external market sources and internal estimates covering categories and markets where Essity is present (some category and regional exclusions are applied)

Orthopedics

Strengthen position in fracture management and physiotherapy

Build on market leadership in fracture management

Focus on where we have the right to win

- In the cast room
- In the pharmacy, leveraging TENA's position
- With our superior physiotherapy offer

Ambition
**Grow in
line with
market**

Market¹:

EUR ~4bn

↗ 3-4%

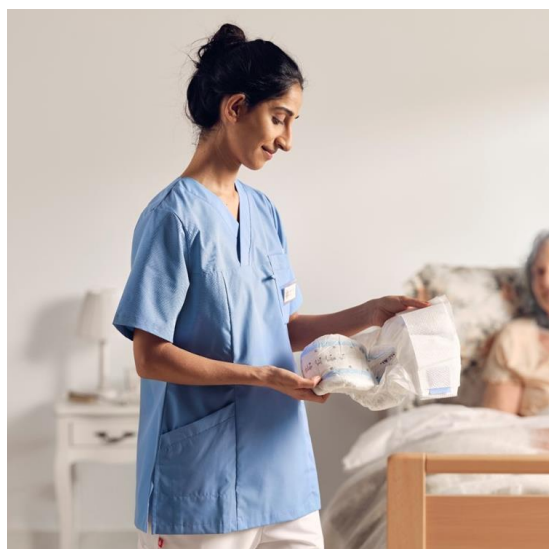
**Essity #3 with
market share of
7%**

1 Market size 2023 and market growth rates expressed as compound annual growth rate 2023-2029.

Source: The information has been compiled by Essity for presentation purposes based on external market sources and internal estimates covering categories and markets where Essity is present (some category and regional exclusions are applied)

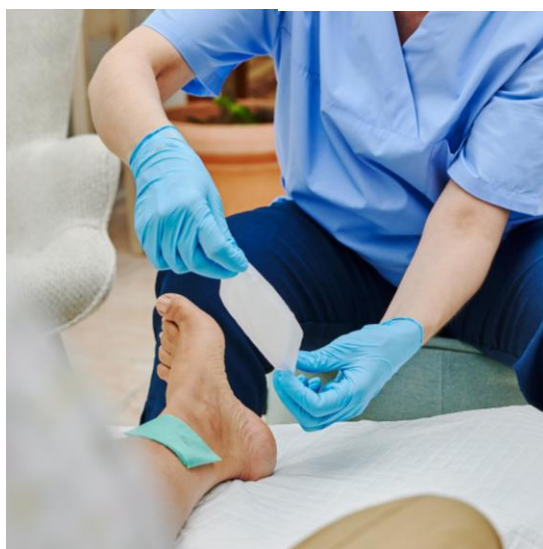
Proof points of strong profitable growth

Examples of sales growth 9M 2024



Home Delivery UK:

11%



Sorbact / Hydrofera Blue:

20% / 12%



US Lymphology

16%



Braces & Support
Pharmacy Poland

#2

in 3 years

Growth drivers to accelerate profitable growth

Commercial
excellence

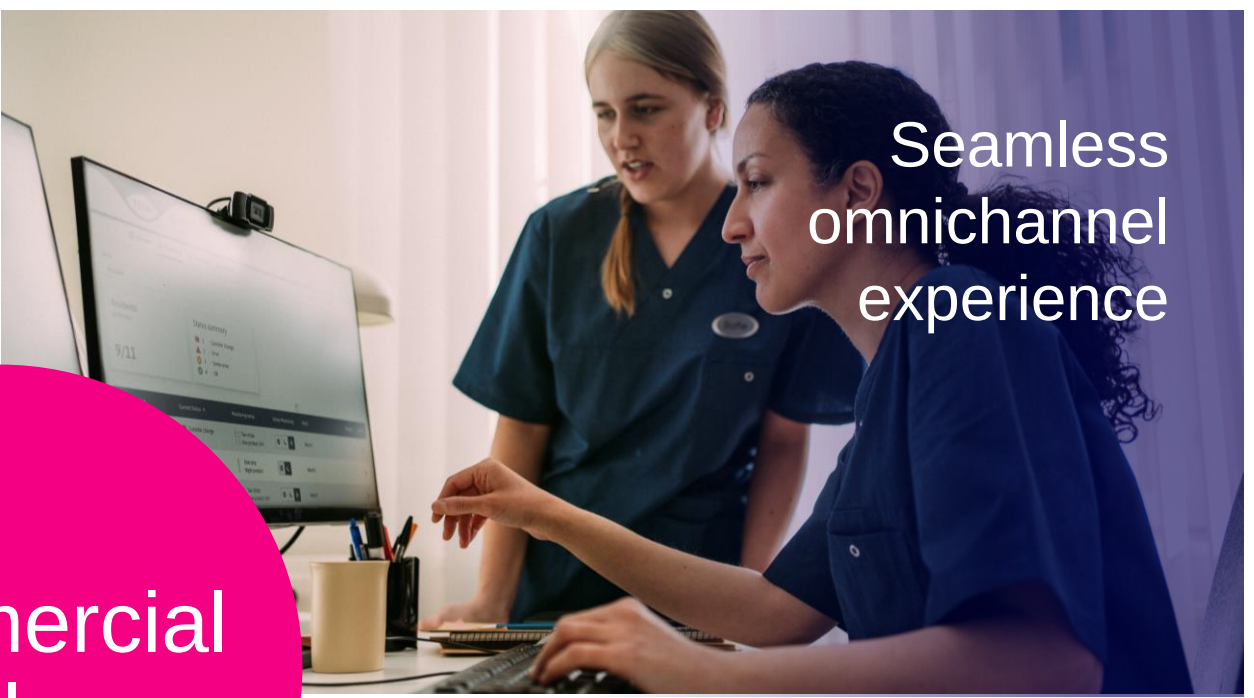
Innovation

Expansion
– geographies,
channels,
continuum
of care

Value creating
acquisitions



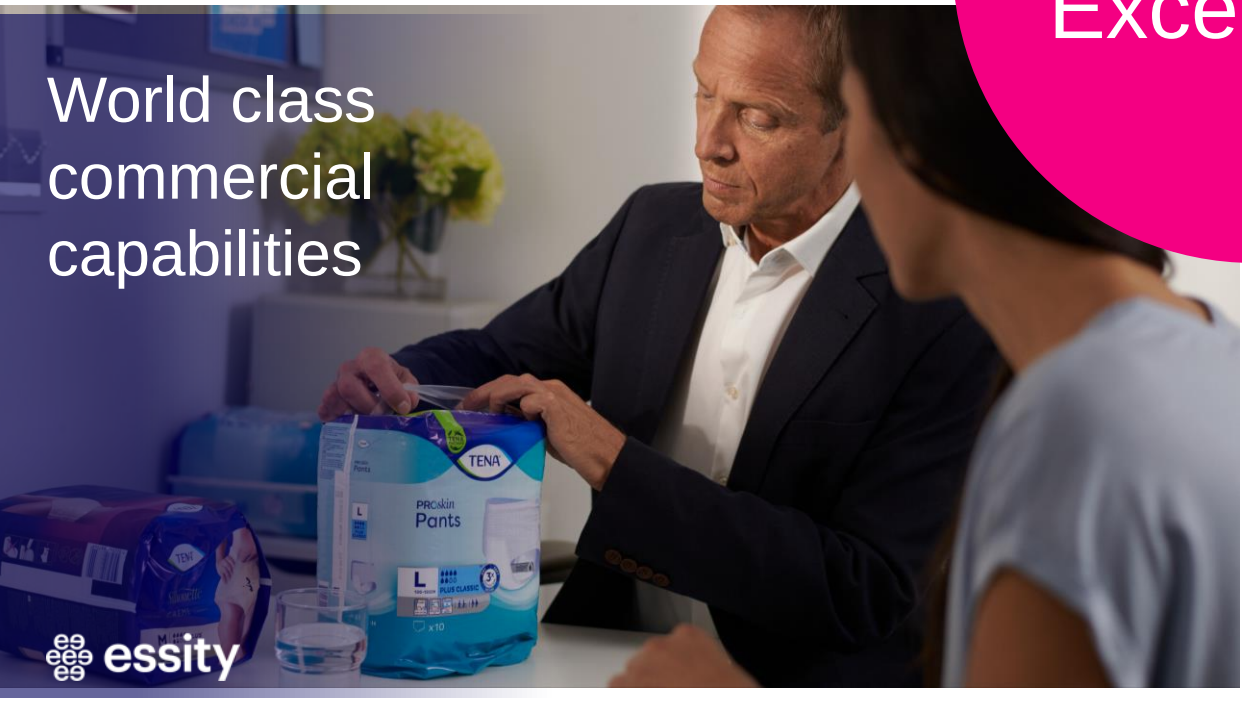
Optimal
go to market



Seamless
omnichannel
experience



Commercial
Excellence



World class
commercial
capabilities



Market
shaping

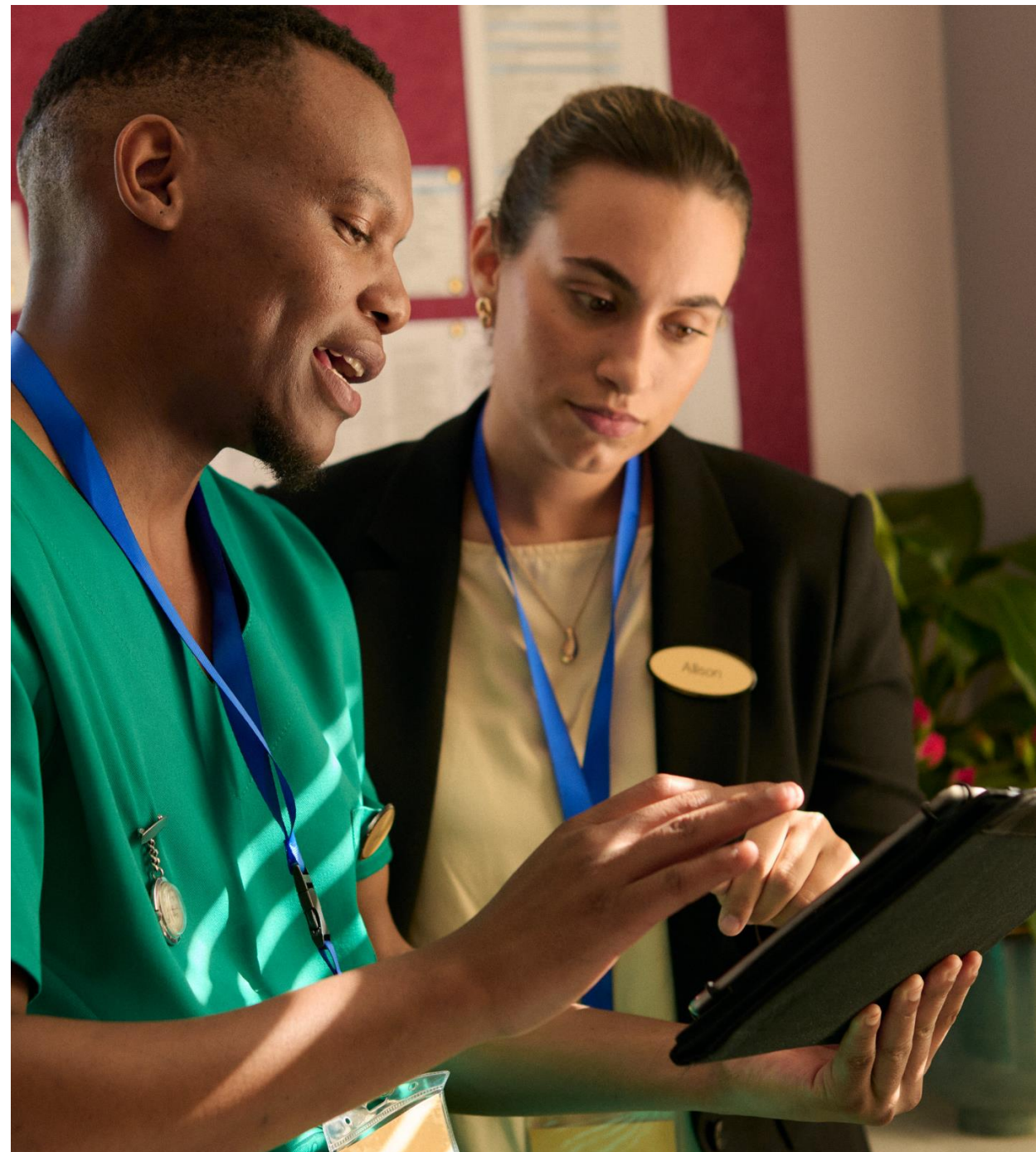
Ida Emus
VP Sales & Marketing
Region UK, Ireland & South



Shaping the market

Getting paid for the value we create

- Targeting the hidden costs of health care
- Partnering with our customers for Value Based Procurement
- Examples of market shaping successes
 - Integration in care routines within Incontinence and Wound Care
 - Multi-supplier tenders



JOBST®
Confidence



Product
innovation

Cutimed®
Sorbion
Carbon+



Leukoplast®
Skin Sensitive



essity

TENA® PROskin

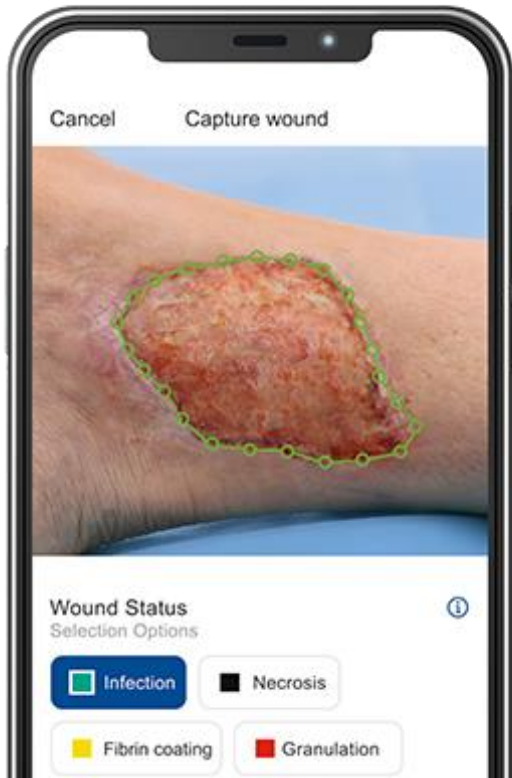


Anand Chandarana,
VP Global Marketing &
Innovation, Medical

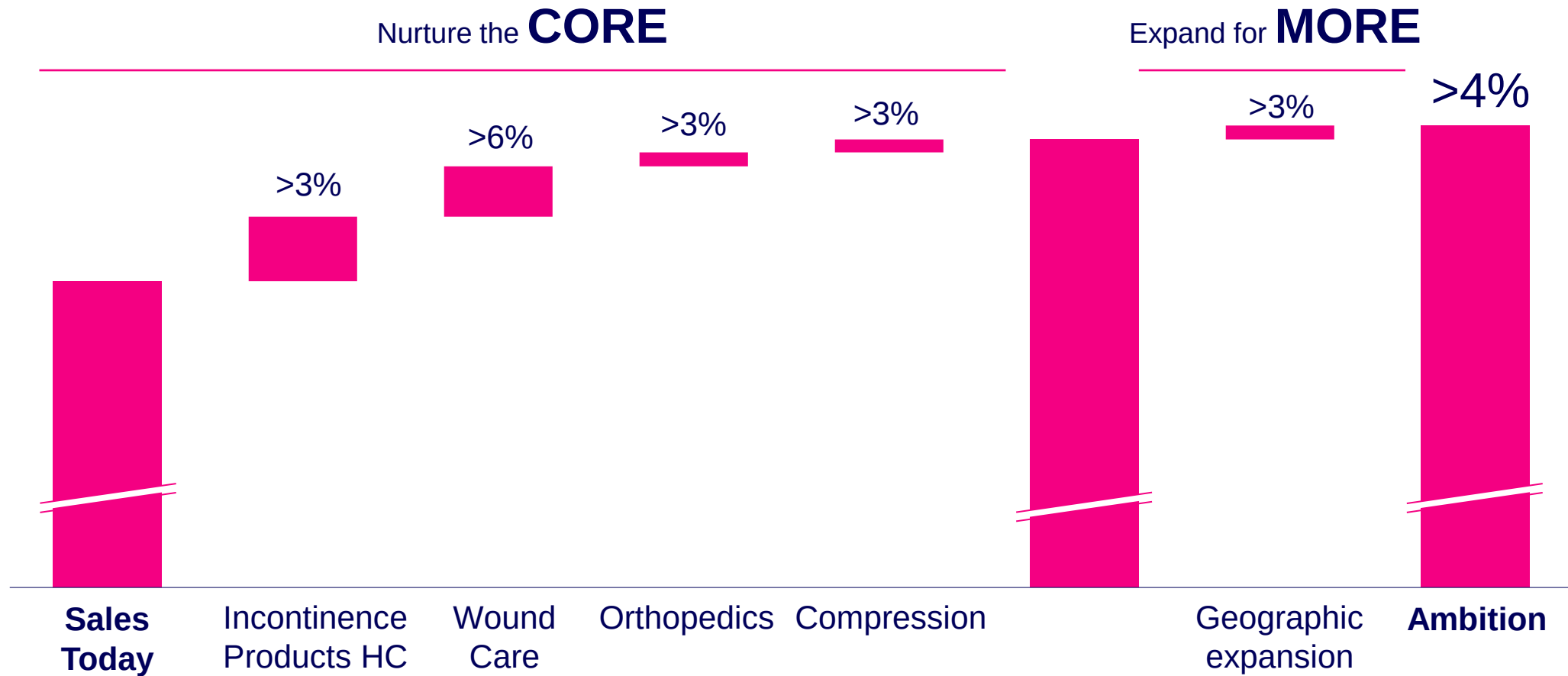




Sorbact
TECHNOLOGY



Accelerating profitable growth – Key building blocks



Growth drivers to accelerate profitable growth

Commercial
excellence

Innovation

Expansion
– geographies,
channels,
continuum
of care

Value creating
acquisitions

Grow to scale – Priorities

- **Organic volume growth** throughout the business
- **Value creating acquisitions** to strengthen market presence
- **Margin expansion** through operating leverage and efficiency improvements
- **Innovation** for differentiation, cost position improvements and sustainability
- **Shape the market** through innovation and public affairs



Health & Medical

Q & A







For everybody and every body

Every day our brands care for the hygiene and health
of **1 billion people** across **150 countries**

**~65 million
people
trusting Essity
incontinence
solutions for
bladder leakage
each year**



**~200 million
women+
using Essity
period care
products
every year**



**~100 billion
times each year
someone cleans
or dries
hands using
Essity tissue on
the go**



Barrier breaking innovations



Courageous brand building

TORK

TENA

Lotus

Zewa

Libero

Jempe

Leukoplast

Actimove

JOBST

Libresse

Nosotras

Saba

TOM
ORGANIC

knix

Globally scaled, locally relevant

We innovate for profitable growth

Our principles

Insights led – falling in love with the problem

Superiority driven – noticeably better in-use

New user focused – driving penetration

Margin steered – driving mix improvements

Sustainable – social & environmental

Ownable – ensuring IP protection



We have stepped up our innovation capabilities

- Rapid prototyping
- Virtual product development
- Superior research excellence
- Sustainable material design capability
- External collaborators and partnerships

Tork OptiServe®

Insight: 85% of facility managers use two or more types of toilet paper systems

New Tork OptiServe® One Coreless solution - many efficiencies



Superior user experience



More sustainable, no core!



Ownable and patented



3x
more paper to reduce run outs

290 guests served



92%
less packaging waste



vs



Our innovations drive profitable growth

Superiority

% net sales with consumer or customer preference

61%

Innovation rate

% of net sales coming from new products, B2C

>50%
rolling 3 years

Margin accretive

Average gross profit of innovations vs. base

+3pp

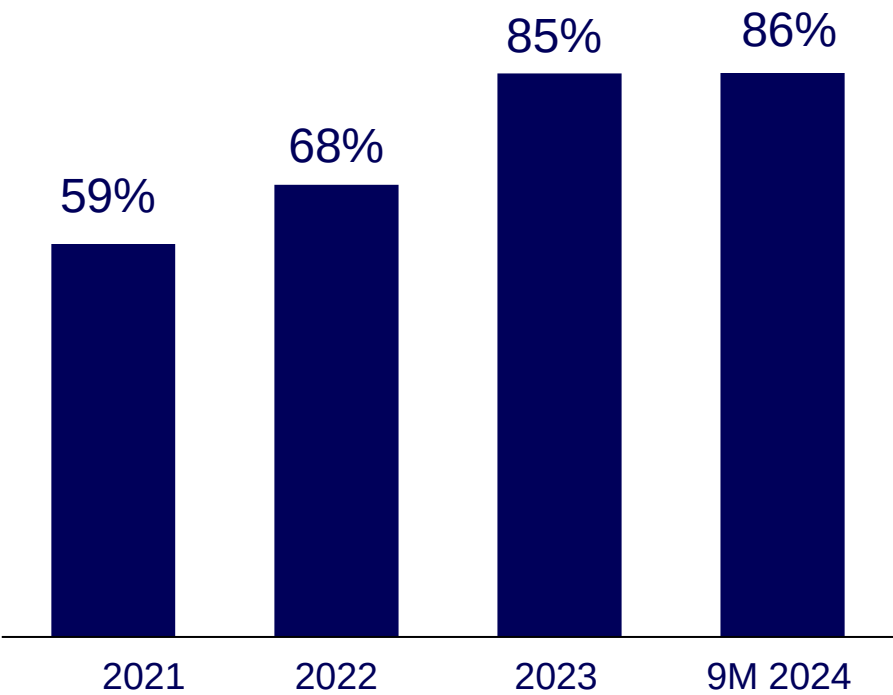
Bigger launches

Average launch sales size

+25%
rolling 3 years

Our innovations are sustainable

Innovation % that yielded social and/or environmental improvements



Building leading brands

Our principles

Distinctive – unique

Consistent – across touchpoints & over time

Visible – top of mind awareness

Superior – better than other brands



Brand building example: Essity's V-Zone brands

Distinctive



Superior



Consistent



Visible





Stepping up our brand building capabilities

- Brand content at scale with AI and automation
- Performance marketing at scale with AI and off-shoring
- Marketing insights with AI (e.g., insights mix modelling, claims)
- Leveraging 1P (first party) data to increase demand

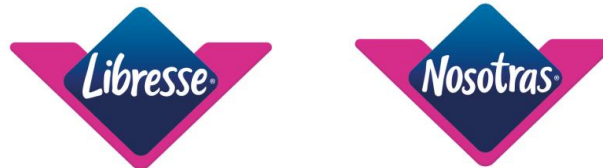
Proud of our portfolio of leading brands

90% of branded sales in No 1 & 2 positions

EUR
>2bn



EUR
>1bn



EUR
<0.5bn



Our brands keep getting stronger

% of sales with leading brand equity

57%

62%

63%

63%

2017

2020

2023

9M 2024



Global incontinence market & TENA

**Market
Size**
EUR ~13bn

**Branded
sales**
~91%

**If Inco was a
country, it
would be the
3rd biggest**

TENA Size
EUR ~2.5bn

**TENA
Global #1 /
18% (MS)**
~99%
branded

**TENA
Global
Presence**
81 markets



Purpose: rewrite the story around continence challenges

Positioning: a leading force for positive change



Women



Men



Care giving relatives



Professional decision
makers



PANTS: WE HAVE BUILT THE PRODUCT CATEGORY

Net sales

EUR >800m

17%

Net sales CAGR
1999-2023

EUR 18m





TENA FOR WOMEN – A NEW GENERATION OF UNDERWEAR



8%

Net sales CAGR
2019-2023



TENA MEN: PRODUCT SUPERIORITY & STRONG ACTIVATION



13%

Net sales CAGR
2019-2023





**YOUR BOXERS
BUT BETTER**

TENA
MEN
KEEP CONTROL



CAREGIVING RELATIVES: A PROVEN RECIPE FOR GROWTH IN AN UNTAPPED SEGMENT



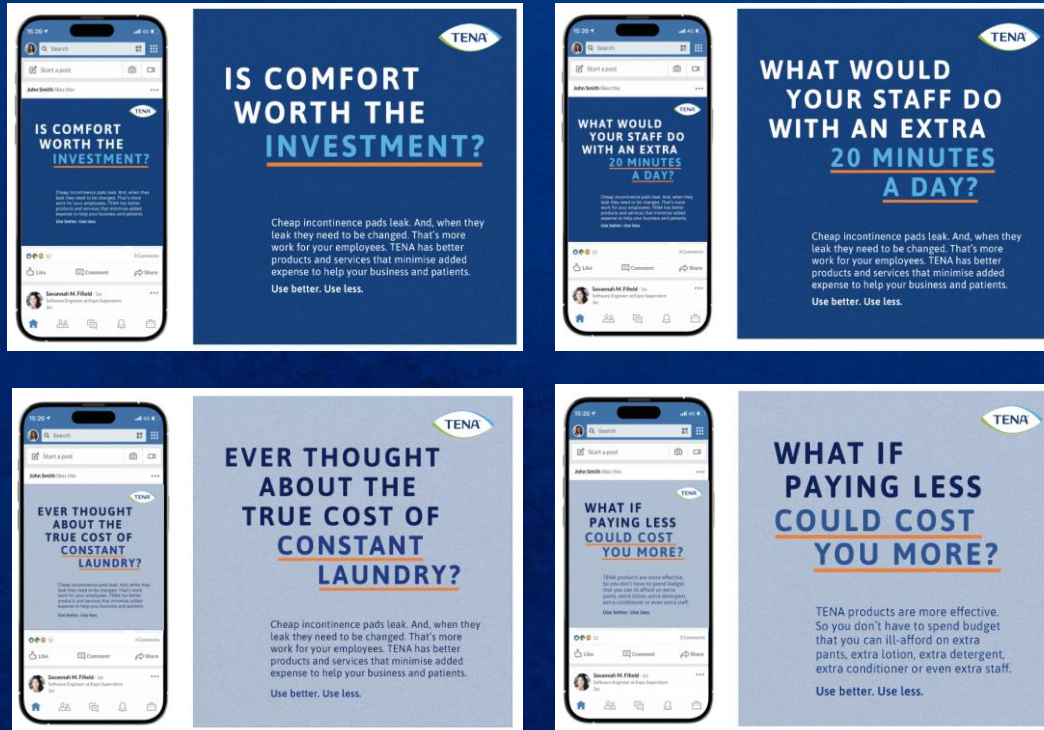
~5%
Net sales CAGR
2019-2023

In 2035 2 out of 3 adults will be caregivers in some form





PROFESSIONAL DECISION MAKERS: A PROVEN BUSINESS MODEL BRINGING VALUE TO CUSTOMERS

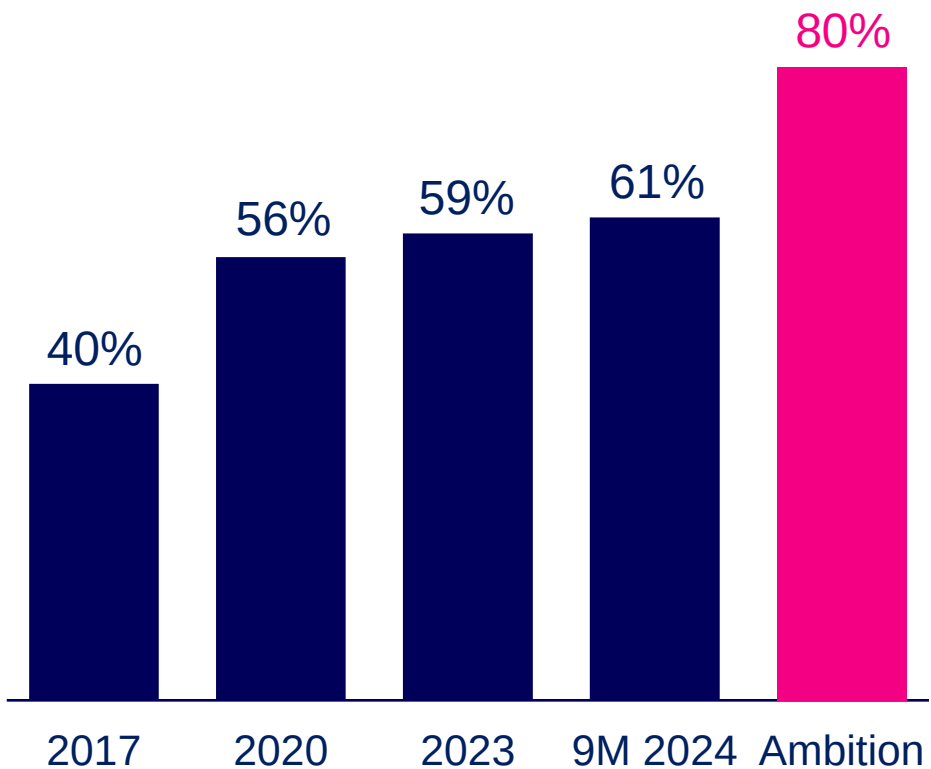


~4%
Net sales CAGR
2019-2023

"Value is about more than unit prices! It is about efficiency and maximising business's time and resources to give the best possible care".

We keep raising the bar

% Global sales with superiority
(product, brand, price)



Demonstrations of category innovations and the Global Planning & Logistics Hub

In the canteen and office

Health & Medical



Global Planning & Logistics Hub



In the tent

Consumer Goods



Professional Hygiene



Consumer Goods



Consumer Goods – Accelerate high-margin categories

Volker Zöller
President, Consumer Goods EMEA

Andrés Gómez
President, Consumer Goods Americas

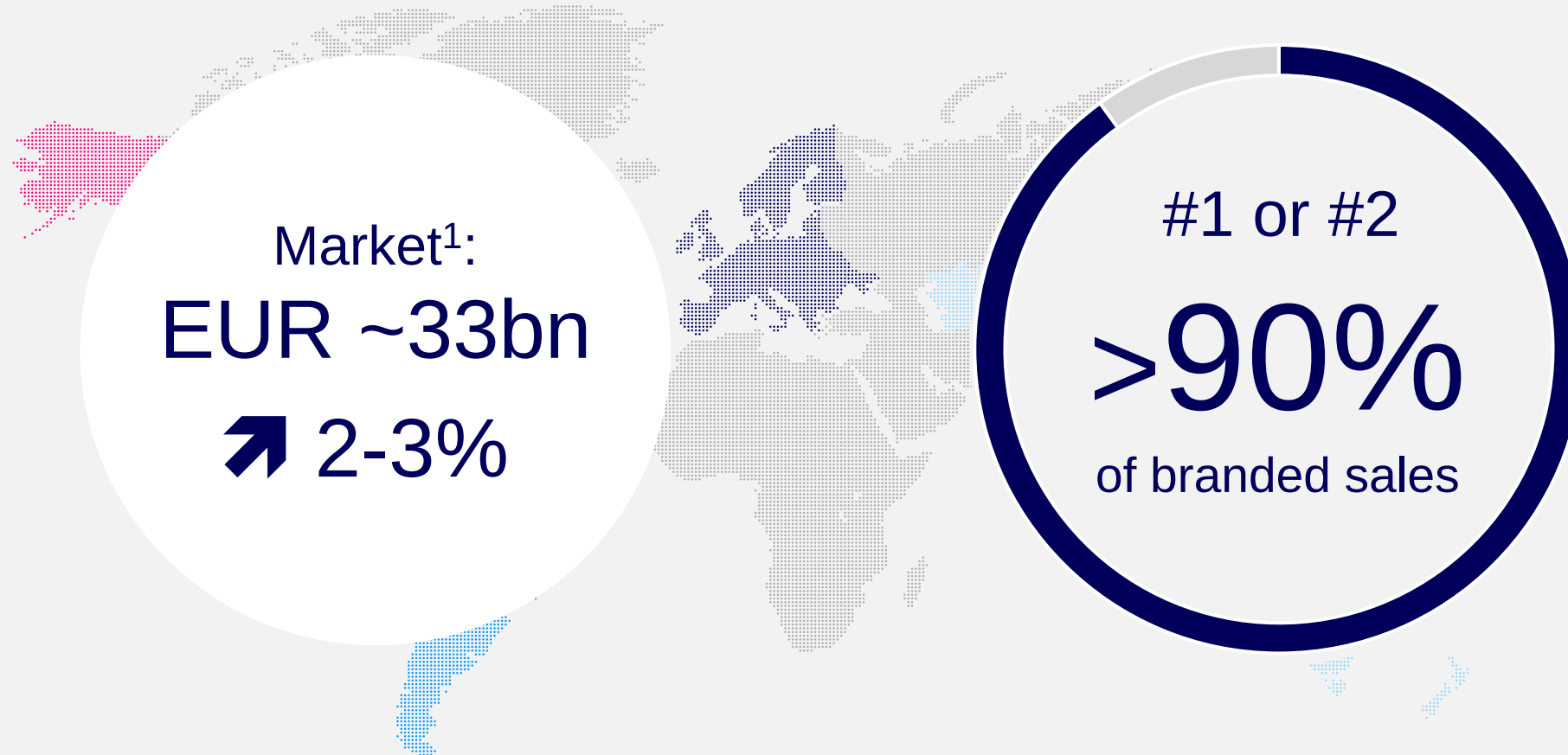


Personal and
home hygiene
for all stages of life

54%

of Group net sales
9M 2024

Leading positions in an attractive market



1 Market size 2023 and market growth rates expressed as compound annual growth rate 2023-2029.

Source: The information has been compiled by Essity for presentation purposes based on external market sources and internal estimates covering categories and markets where Essity is present (some category and regional exclusions are applied)

Leading positions with increasing market shares

% of branded sales

#1 or #2 position

Increasing shares

Increasing or stable

>90%

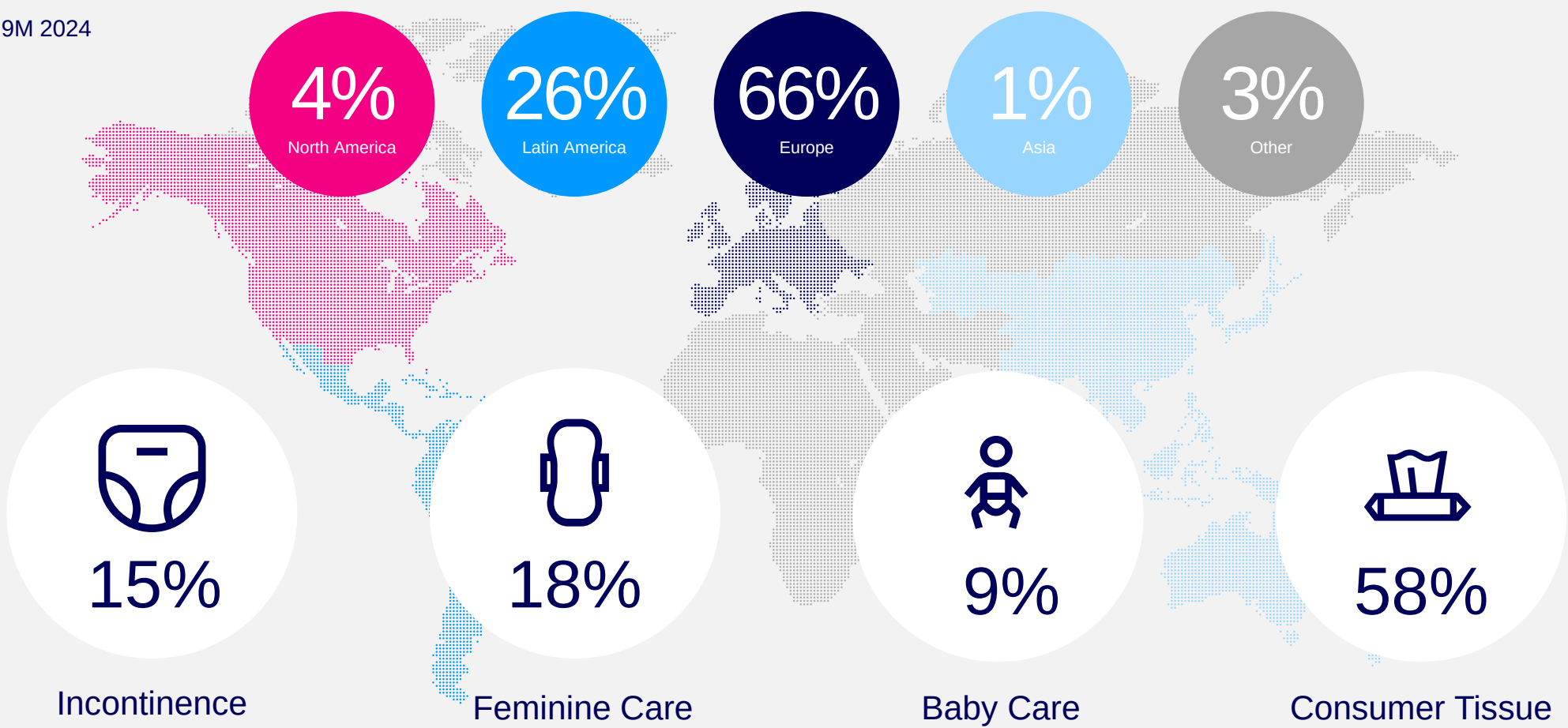
53%

71%

Market share development Q3 2024 vs moving annual total (12 months rolling)

Global presence with strongholds in Europe and Latin America

Net sales split 9M 2024



Good volume development and higher margins

9M 2024

Organic sales growth

-1.1%

EBITA excl. IAC

SEK
7,264m

Gross margin excl. IAC

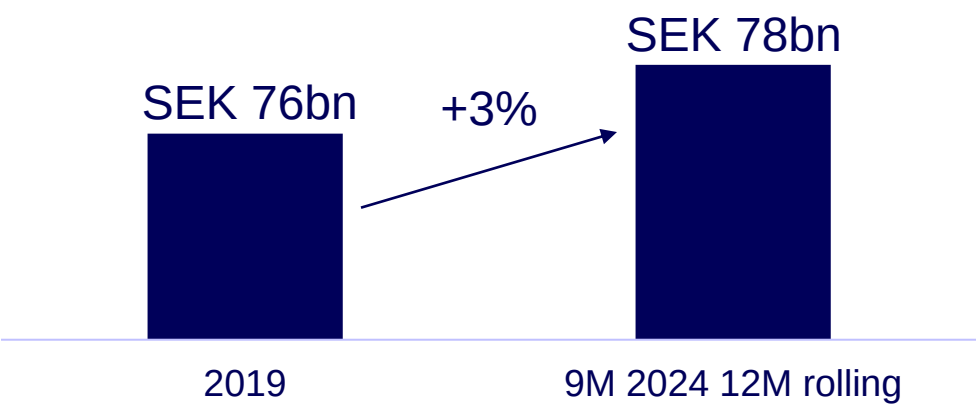
29.3%
+240bps

EBITA margin excl. IAC

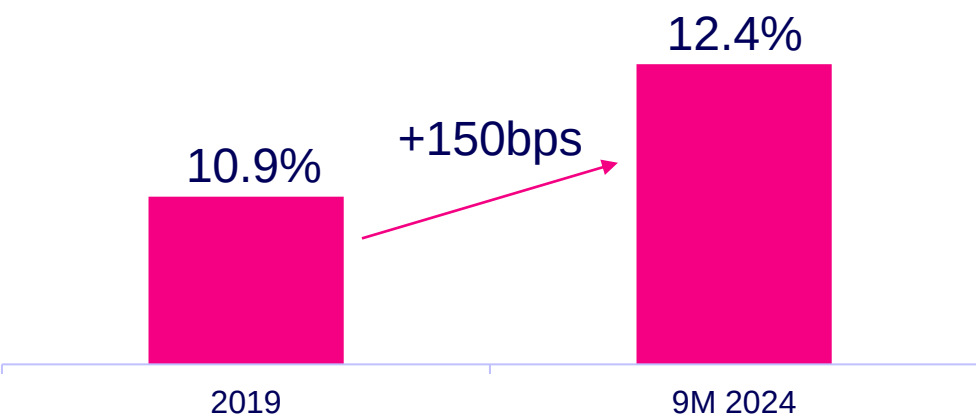
12.4%
+40bps

Long-term performance

Net sales



EBITA margin excl. IAC



Critical success factors

- Consumer insights driven innovations
- Speed to market and innovation frequency
- Powerful and trusted brands
- Superior go-to-market excellence incl. point of sales
- Strong retailer relationships
- Agile pricing power
- Cost efficient end-to-end supply chain



Market environment requires agility



Pre-Covid: Quality & sustainability



Covid: Availability & hygiene awareness



Inflation: Accessibility & affordability

Organizational agility and revenue management as relevant as ever

Demonstrated agility

- Shorter customer contracts
- Net revenue management
- Capability building
- Input cost management



Feminine Care

Incontinence Products

Intimate
Hygiene

GET NEXT LEVEL
COMFORT
EVERY DAY

BUY NOW

essity

Incontinence Retail

Leading and shaping the category

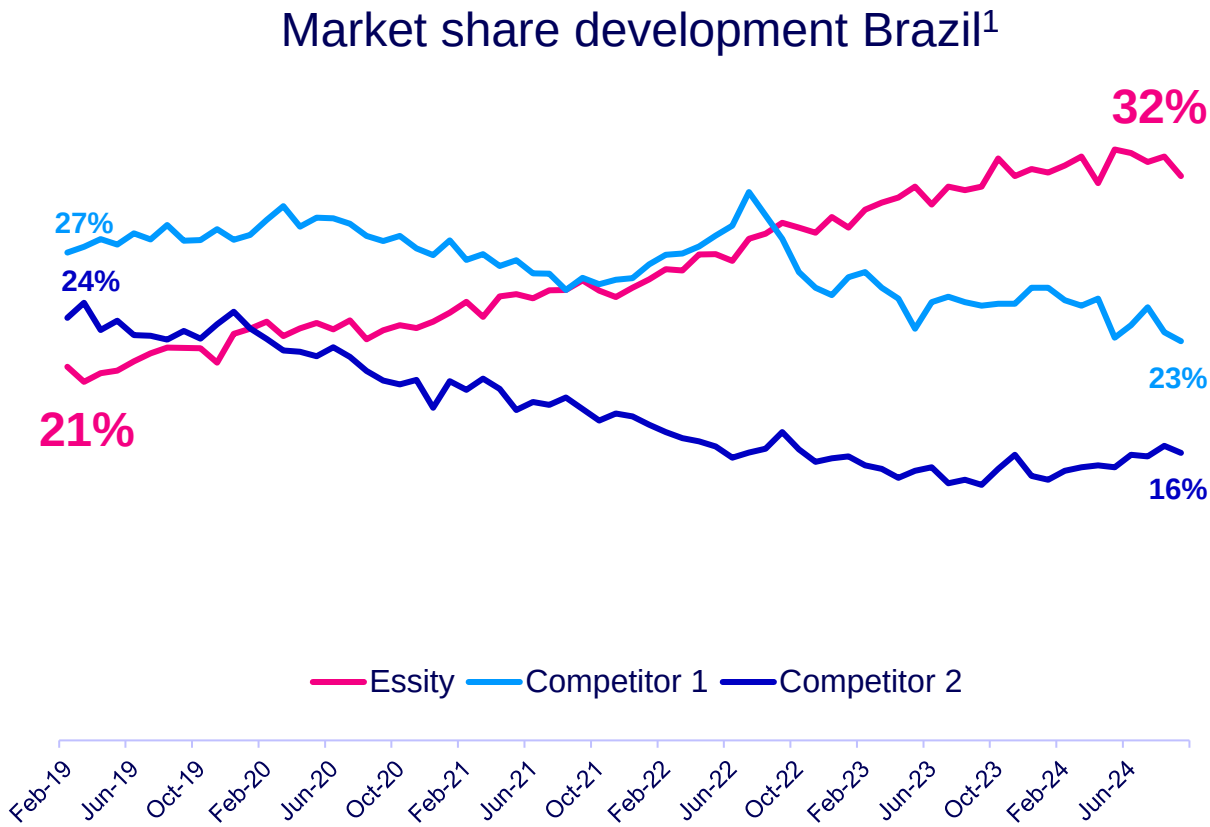
- Strengthen #1 position in Europe, Latin America and Canada
- Drive trial and penetration with innovation, market entry points and brand building to break taboos and stigmas
- Accelerate further in Tena MEN and the US

Ambition:
**Grow
above the
market**



Incontinence

TENA in Brazil



¹ Value share excl. inserts, August 2024
Source: Closeup



TENA
#1
in Brazil
MS 32%¹

Feminine Care

Accelerating growth

- Strengthen leadership in Latin America and grow in Europe while expanding in key growth segments.
- Fuel success with:
 - Superior protection and comfort
 - Breaking taboos and stigmas

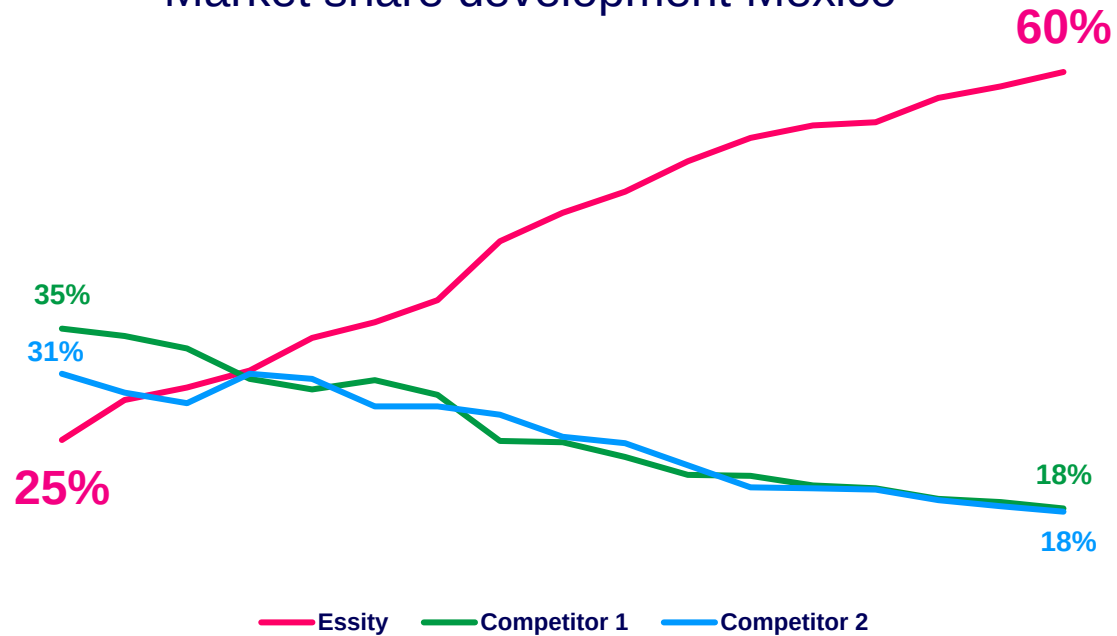
Ambition:
**Grow
above the
market**



Feminine Care

#1 in Latin America

Market share development Mexico



2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024

1 Value share, August 2024
Source: ISCAM, Nielsen and Knobloch



1 Market size 2023 and market growth rates expressed as compound annual growth rate 2023-2029.

Source: The information has been compiled by Essity for presentation purposes based on external market sources and internal estimates covering categories and markets where Essity is present (some category and regional exclusions are applied)

Feminine Care

Fastest growing player in Europe

- Extending assortment and formats in high value segments
- Winning with consumers and shoppers
- Increasing availability in fastest growing retail channels
- Creating value through net revenue management initiatives

6%
Essity net sales
CAGR
2019-2023



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.



Nordics
#1



France
#2



UK
#2

Consumer Tissue

Driving margin expansion

- Value creation over volume
- Winning across pricing tiers, strengthen mid-tier offer
- Trading up consumers
- Leading with sustainability
- Dual track strategy – strengthening own brands, winning with retailer brands

Ambition
**Grow in
line with
market**



Consumer Tissue – Winning in high margin segments



7%
Market growth
CAGR 2019-
2023

16%
Essity growth
CAGR 2019-
2023

Source: Nielsen/IRI value CAGR 2019-23, Germany, Austria, Switzerland, Netherlands, France (Top 5 markets)

Consumer Tissue

Winning in high margin segments

familia
Green

100%

Recycled
fibers

20%

Less CO2
footprint
BRT & HHT¹

5%

Market share
Familia Green

¹ Bathroom tissue and household towels only
Source: Nielsen (market growth and Essity sales growth)



Say yes to those who say "let's meet" and
actually meet

Baby Care

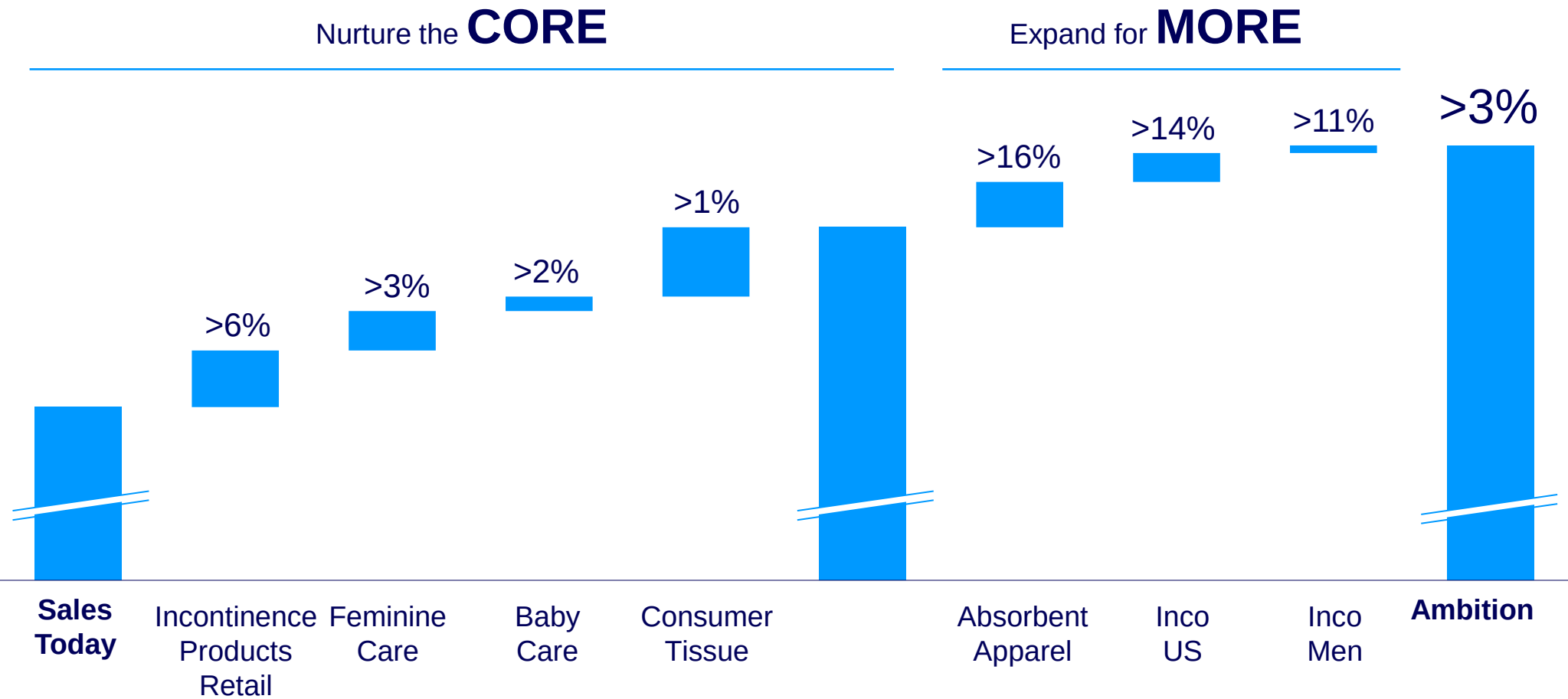
Winning with branded portfolio and leading retail brands

- Winning at point of market entry
- Winning with product superiority, tiering and differentiation
- Driving loyalty across life stages through superior insights and loyalty platform

Ambition:
**Grow
above the
market**



Accelerating profitable growth – Key building blocks



Accelerate high-margin categories – Priorities

- **Strengthen leading positions** in Europe and Latin America and **grow in white spaces**
- **Invest to grow in highest margin categories**
 - Innovate for product superiority driving differentiation and cost competitiveness
 - Invest in brand building to win at point of market entry and market change
- Grow with winning customers and in channels
- **Expand margins** through mix, operating leverage and efficiency improvements



Q&A



[illegible]

Professional Hygiene – Expand global leadership

Pablo Fuentes
President, Professional Hygiene

Matt Urmanski
VP Sales & Marketing North America



Hygiene
management
solutions for a broad
set of commercial
applications

26%
of Group net sales
9M 2024

Tork impacts our customers' business

The busiest room in the building makes a real difference

44%

of office building
complaints are about
the restroom

73%

say a bad restaurant
restroom experience
will impact willingness
to return

44%

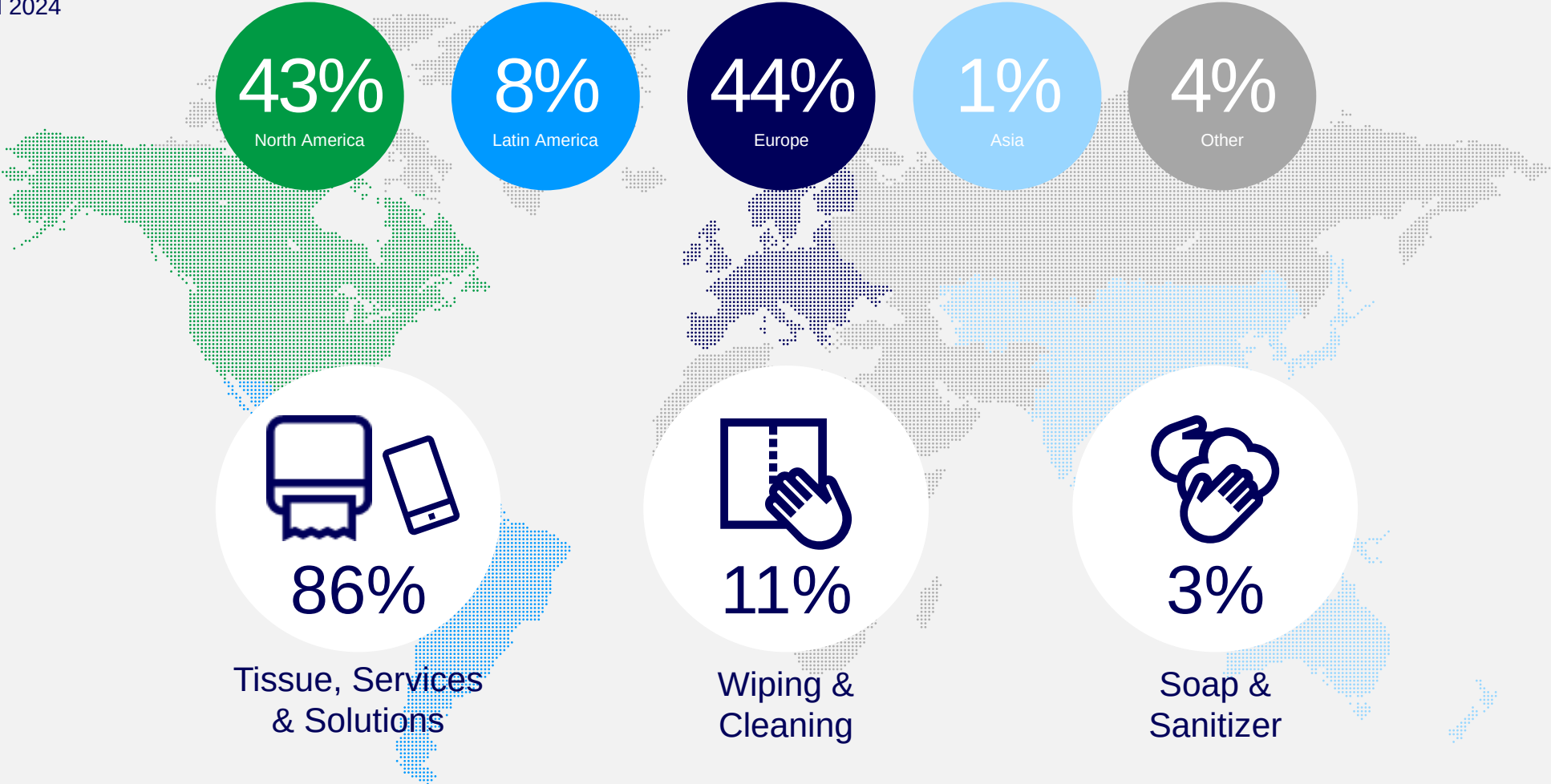
avoid eating and
drinking in a stadium
to limit public
restroom use

1 in 6

people have left a
job due to a poor
restroom

A leading global business

Net sales split 9M 2024



Adding value to customers around the world



Empire State Building
New York, NY, USA



Wembley Stadium
London, UK



Grupo Nutresa food processing sites
Latin America



Port Aventura World Recreation Park
Spain



United Nations Headquarters
New York, NY, USA



Allianz Arena
Munich, Germany



Dubai International Airport
Dubai, UAE



Royal Palace
Stockholm, Sweden



Eiffel Tower
Paris, France



Tesla Gigafactory
Nevada, USA

Professional Hygiene products



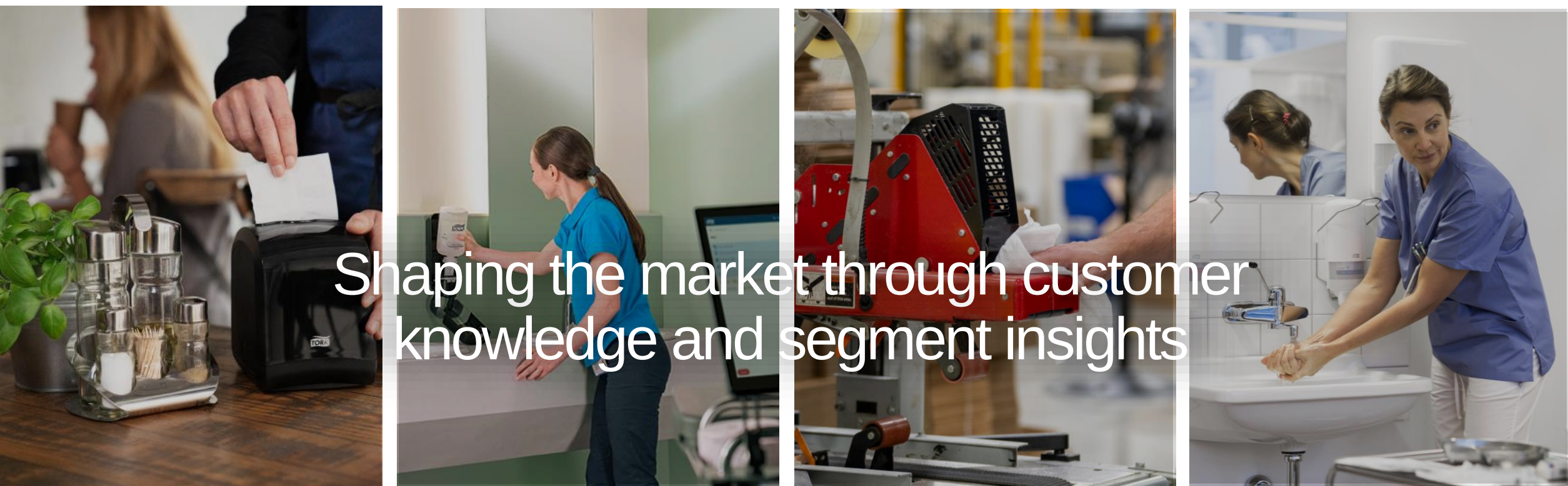
Tissue,
Services & Solutions



Wiping &
Cleaning



Soap &
Sanitizer



Shaping the market through customer knowledge and segment insights

HoReCa

Hotels / Lodging
and Food services

Win in washroom &
invest in the counter

Commercial

Passenger Terminals, Retail
Offices and Recreation

Win in the washroom &
invest in surface wiping

Industry

Manufacturing, Transportation,
Food Processing, Other Ind.

Win in washroom & invest
to grow on shop floor

Healthcare

Short- and long-term care institutions
and Health Care practitioners

Win in the washroom
in select regions

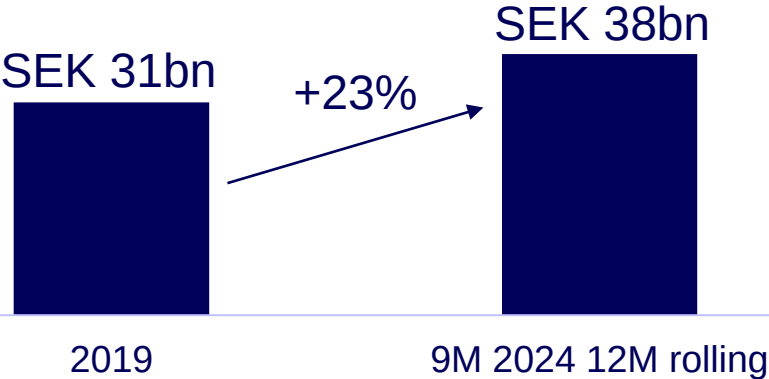
Current environment and trends

- Increased demand in **commercial and industry segments**
- Robust category growth in **emerging markets**
- **Sustainability** growing in importance due to regulations and efficiency benefits
- Acceleration of **digital buying in B2B**

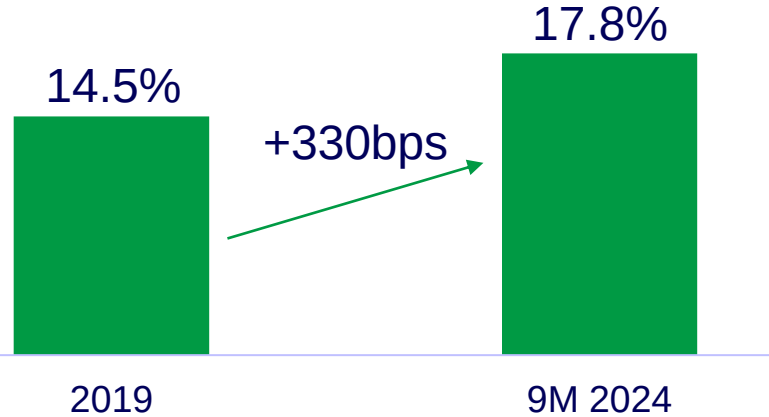


Long-term performance

Net sales



EBITA margin excl. IAC



Strong underlying performance 9M 2024

Organic sales growth

-3.8%

Excl.
restructuring
+2.1%

EBITA excl. IAC

**SEK
5,012m**

Gross margin excl. IAC

31.5%
+320bps

EBITA Margin excl. IAC

17.8%
+180bps

Critical success factors



Benefits from **restructuring**

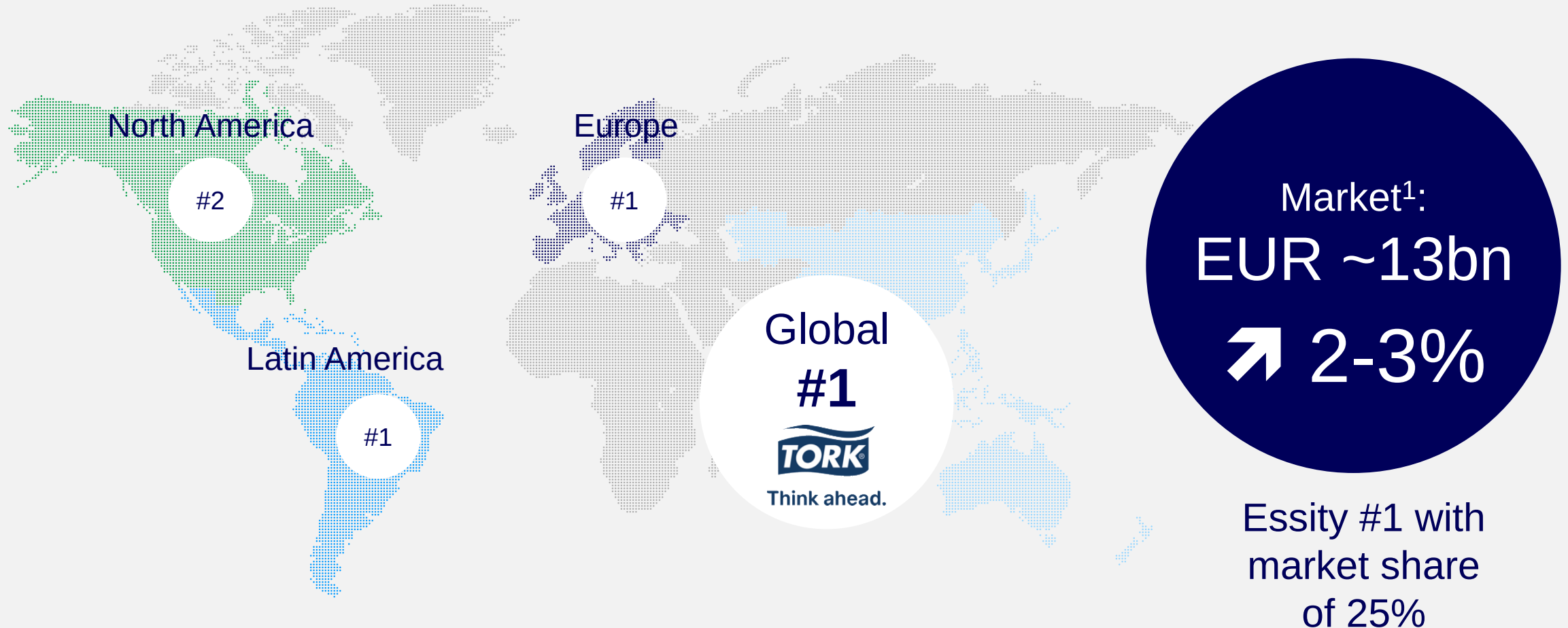
High growth in **strategic systems** and premium segments

Pricing power and agility

Omnichannel flexibility

Profitable growth in **emerging markets**

Well positioned to shape the market and accelerate profitable growth



1 Market size 2023 and market growth rates expressed as compound annual growth rate 2023-2029.

Source: The information has been compiled by Essity for presentation purposes based on external market sources and internal estimates covering categories and markets where Essity is present (some category and regional exclusions are applied)

Accelerating profitable growth through strategic systems

Share of NS

60%

9M 2024

CAGR

>6%

2019 – 2023

Ambition

Grow 2X
market



Tork
PeakServe

Winning in the washroom

CAGR

>50%

2019 – 2023



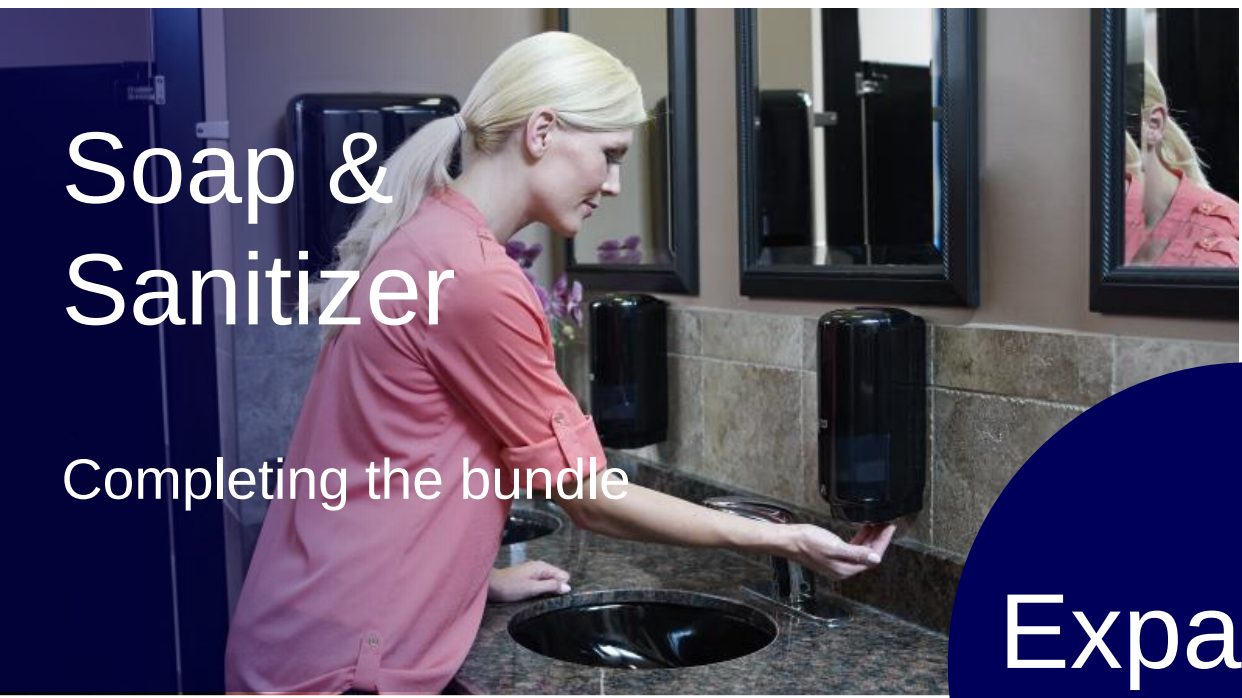
Powerful
CORE
Innovations

Leading in food service

CAGR

>4%

2019 – 2023



Soap & Sanitizer

Completing the bundle



Tork Vision Cleaning

Leveraging data and technology to power growth in key segments

Expanding
for MORE



Wiper Systems

Unlocking growth
in Industrial segment

Clear #1 in Europe

Winning with customers

- Profitable business with further growth opportunities
- Accelerate growth in strategic systems and adjacent categories
- Leverage cross-European scale
- Differentiate with leading sustainability credentials and product superiority

Ambition
**Grow
faster than
market**



EUROPE
Market¹:

EUR ~4bn
↗ 1-2%

Essity #1 with
market share
of 33%

1 Market size 2023 and market growth rates expressed as compound annual growth rate 2023-2029.

Source: The information has been compiled by Essity for presentation purposes based on external market sources and internal estimates covering categories and markets where Essity is present (some category and regional exclusions are applied)

#2 in North America

Improved profitability

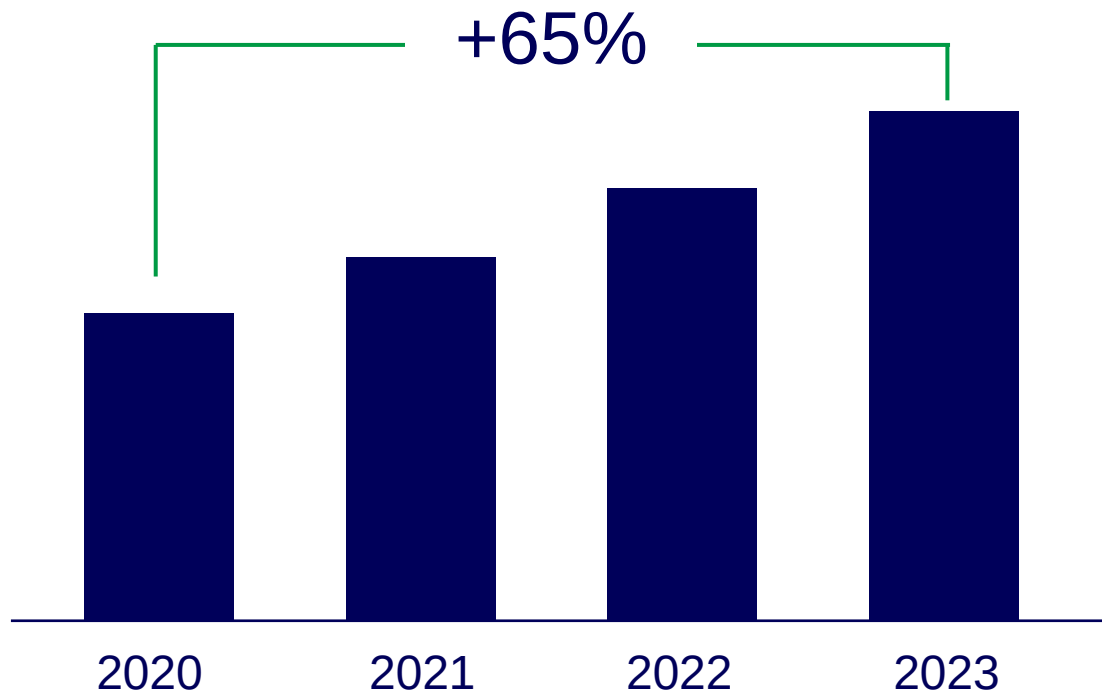
- Reduced cost through restructuring of manufacturing footprint
- Life cycle management on low value, non-strategic product offering and customers
- Stronger focus on sales of strategic portfolio
- Investments in brand building

Ambition
2x the market
growth on
strategic
products



Strong growth of strategic systems in North America

Sales development of strategic systems
North America



Emerging markets

Accelerators for profitable growth

- High market growth and low penetration
- Expand and invest in Latin America and selected countries in MEIA to accelerate profitable growth
- Successful model with Tork branded products and strategic systems
- Best in class Tork innovation meeting the unique market needs

Ambition
**2X net
sales in
5 years**



Example
Latin America
Market¹:

EUR ~1bn

↗ 3-4%

**Essity #1
with
market share
of 22%**

1 Market size 2023 and market growth rates expressed as compound annual growth rate 2023-2029.

Source: The information has been compiled by Essity for presentation purposes based on external market sources and internal estimates covering categories and markets where Essity is present (some category and regional exclusions are applied)

Sustainability focus areas distinguish Tork with customers



Materials & packaging

Responsible sourcing



Use & waste

Reducing waste



Carbon

Lowering carbon impact



Hygiene for all

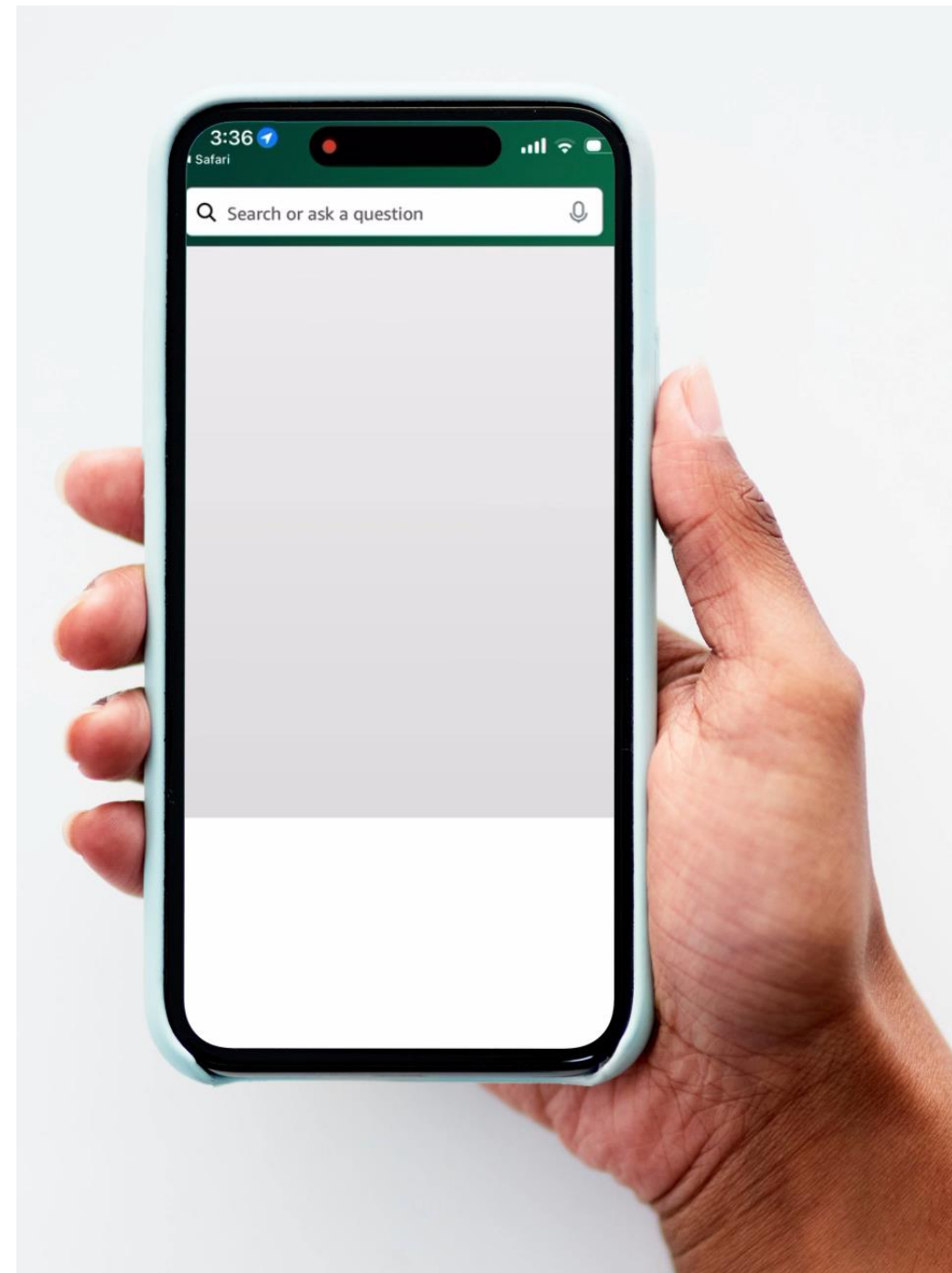
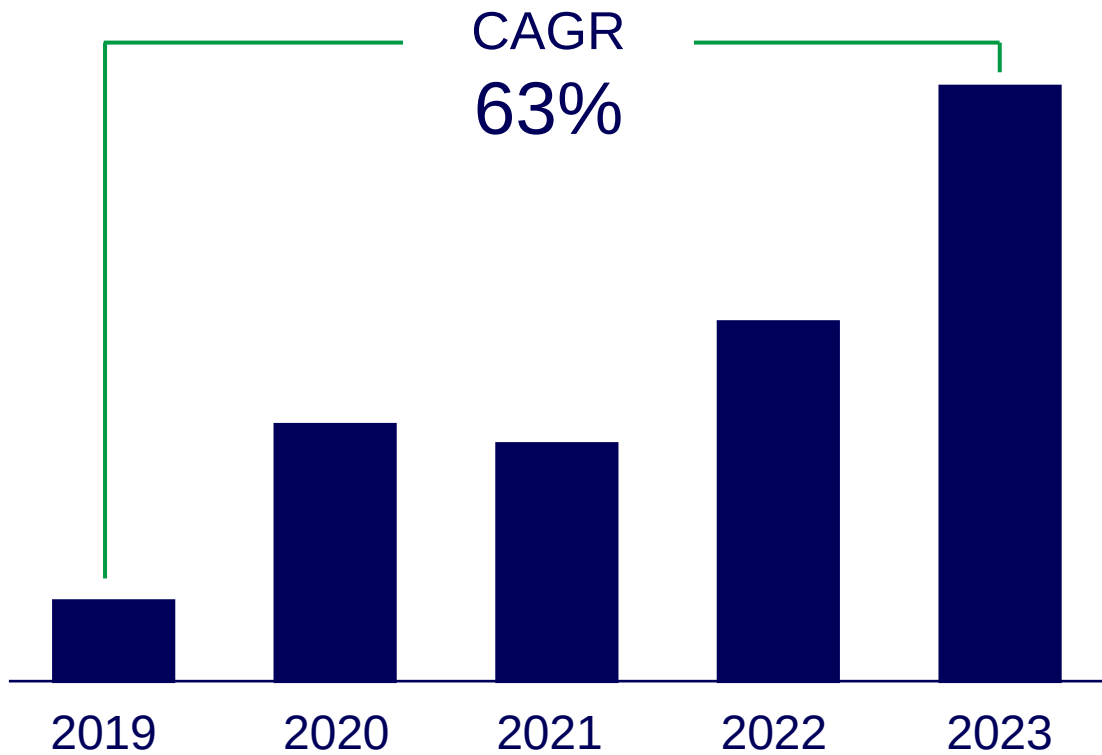
Dedicated to raising hygiene standards

..... For the planet

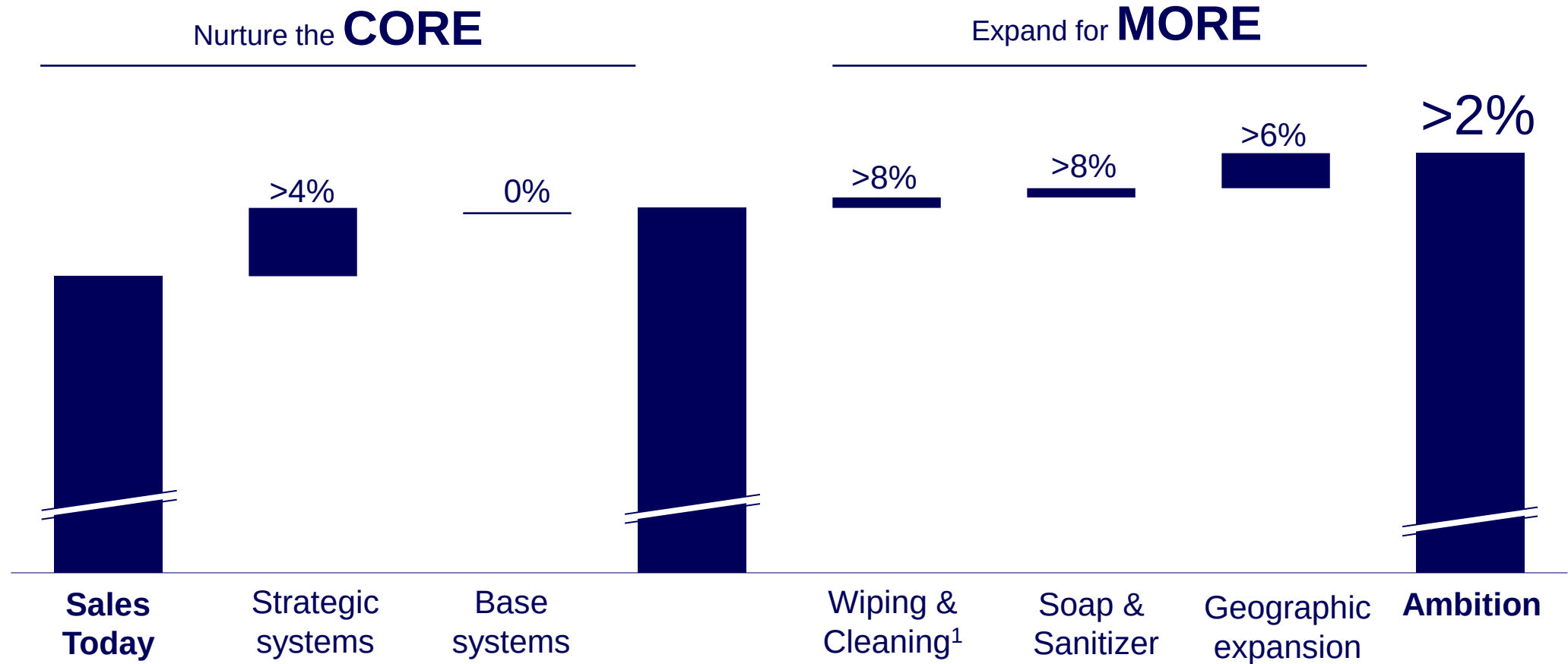
For people

Omnichannel flexibility meets customers where they are

Tork Sales on Amazon.com



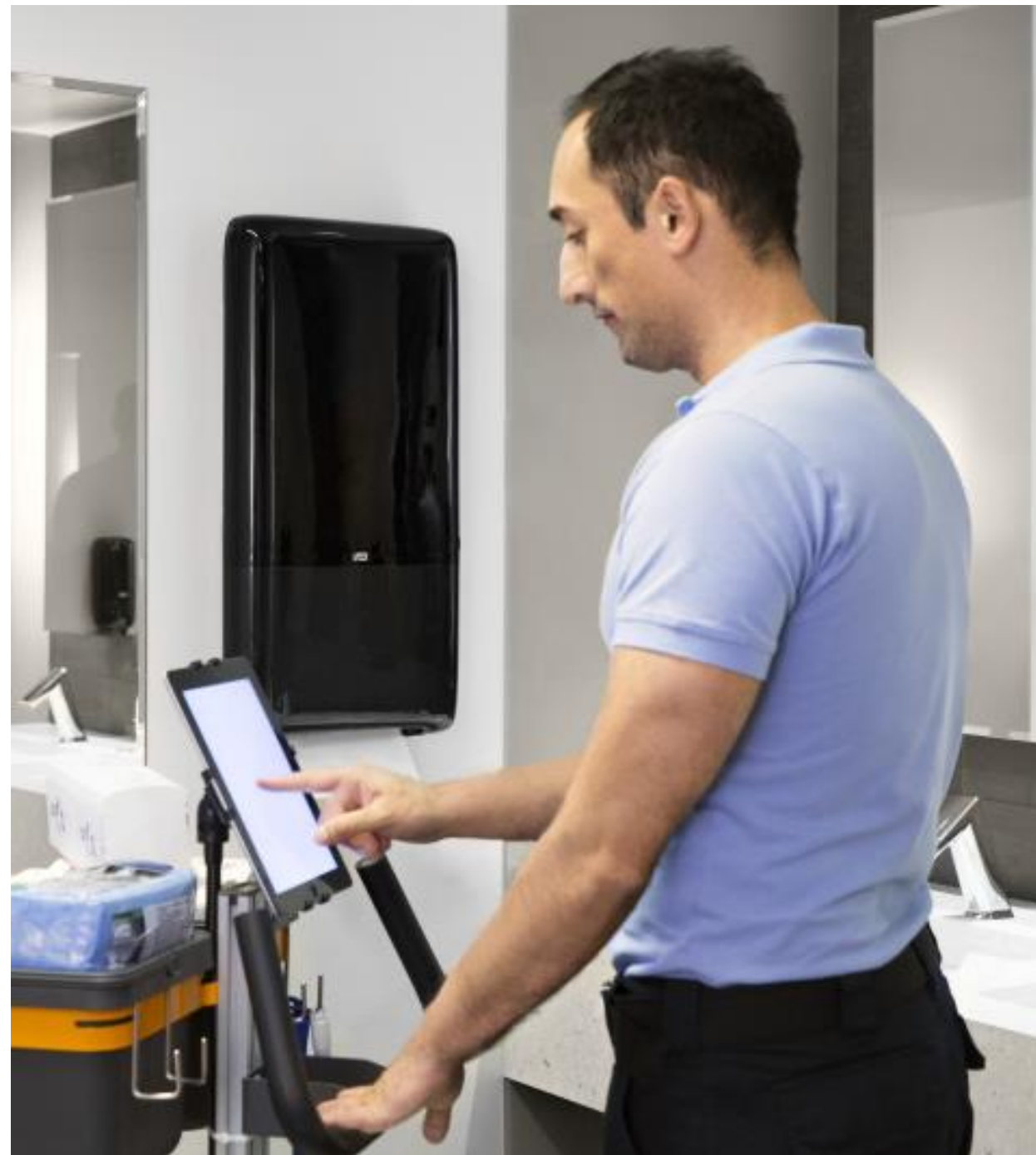
Accelerating profitable growth – Key building blocks



¹ Non-woven products

Expand global leadership – Priorities

- Strengthen global #1 position
- Increase sales of strategic systems, wiping & cleaning and soap & sanitizer
- Innovate for superior and sustainable solutions
- Win with omnichannel
- Accelerate profitable growth in emerging markets



Professional Hygiene

Q&A

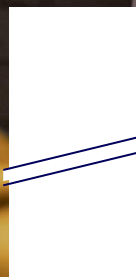


Path to organic sales growth target >3%

Nurture the
CORE >2%

Expand for
MORE >1%

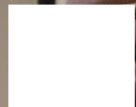
>3%



**Sales
Today**



**Health &
Medical**



**Consumer
Goods**



**Professional
Hygiene**



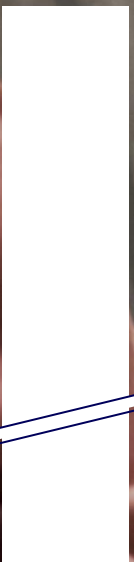
**Health &
Medical**



**Consumer
Goods**

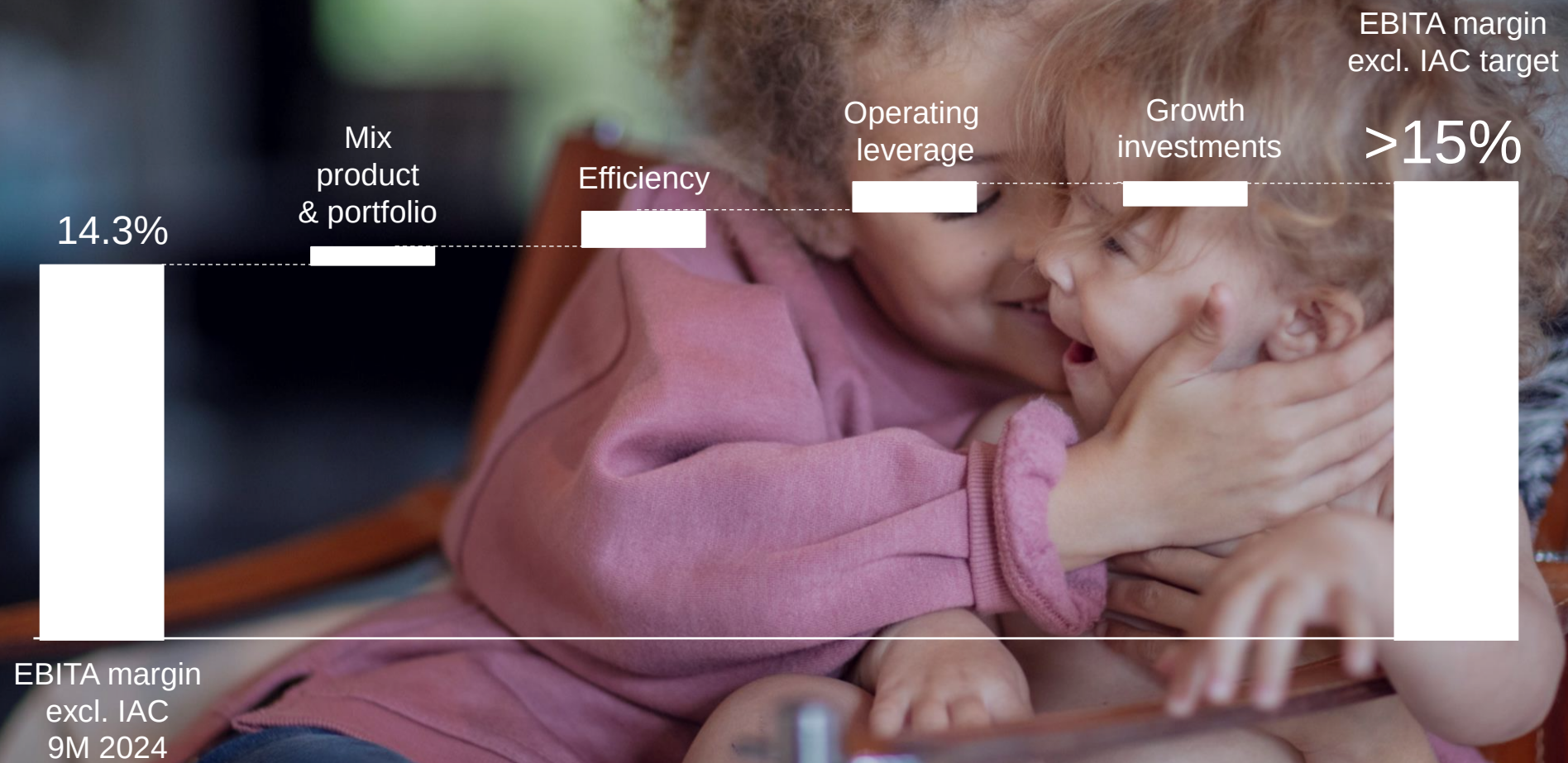


**Professional
Hygiene**



Ambition

Path to EBITA margin excl. IAC target >15%





For everybody and every body

Every day our brands care for the hygiene and health
of a billion people across 150 countries.



Leukoplast®

Cutimed®

JOBST

Libero®



Jempe®

