



Essity's Human Rights Policy Statement

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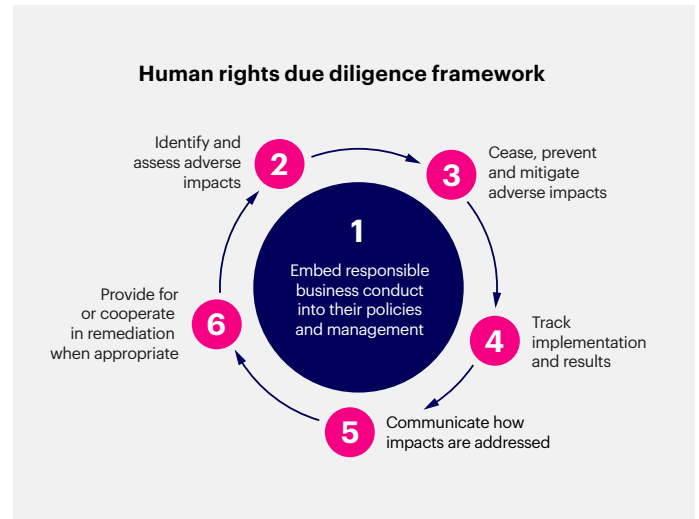
Introduction

The purpose of this human rights policy statement is to detail how Essity is committed to respecting human rights and corresponding environmental standards within Essity's value chain including Essity's own business area. For further information on human rights standards, including related environmental standards referenced in this policy statement, see Appendix 1.

Essity's approach to human rights is based on the United Nations guiding principles on business and human rights. As a signatory to the United Nations global compact, we actively support human rights and conduct our business in a manner that is consistent with the principles of the global compact, the international bill of human rights, the ILO core conventions and the OECD guidelines for multinational enterprises.

Essity's human rights framework includes steering documents, training, and global human rights impact assessment, in addition to human rights due diligence integrated into our key processes.

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 multinational enterprises on 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, 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 global human rights impact assessments.



In accordance with Essity's human rights impact assessments, Essity's salient human rights issues are:



Workforce

- Health & safety



Workers in supply chain

- Health & safety
- Forced labor
- Working hours



Affected communities

- Land rights
- Environmental impacts

Risk assessment & risk analysis

Essity has a risk management system with regards to human rights and environment-related due diligence. This system is embedded into Essity's corporate governance and group risks management process. Human rights and environment-related due diligence is integrated into our key processes, and whenever we identify a potential or actual negative impact, we will take steps to mitigate or remediate any harmful activities.

The responsibility to implement Essity's human rights commitments follows Essity's line management structure. To safeguard compliance and efforts, the Essity human rights commitments are overseen and followed up by Essity compliance department, reporting findings on these matters into Essity's compliance council, which includes members of the executive management team.

It is our responsibility to regularly assess human rights and environment-related risks. Therefore, Essity's human rights framework includes group human right impact assessments (HRIAs) where salient human rights issues are mapped. For more information about Essity's human rights impact assessments and Essity's salient human rights issues, see [essity.com](https://www.essity.com).

Essity conducts regular risk analysis to identify human rights and environment-related risks in Essity's own business area and the supply chain. Human rights and environment-related risks are weighted, prioritized and communicated as applicable.

Essity's own and wholly owned production facilities conducts regular self-assessments in the supplier ethical data exchange's system (Sedex) and the self-assessments are available to our customers who are part of Sedex. Sedex self-assessment includes the areas labour, health and safety, environment, and business ethic. We apply a systematic approach to ensure that our suppliers globally operate in line with

our code of conduct for suppliers. Essity requires that the company's suppliers use Sedex to conduct a self-assessment. Audits at the suppliers' sites, in accordance with OECD guiding principles for multinational enterprises and UN global compact, are used to verify compliance and to identify and address potential social and ethical issues. Essity conducts supplier due diligence that includes human rights risks on a risk-based approach with focus on high-risk areas in the supply chain. Findings from risk analysis are addressed and considered as appropriate.



For more information about Essity's corporate governance and risk management processes, see the annual and sustainability report.

> [Essity's annual and sustainability report](#)

For more information about Essity's human rights framework, see [essity.com](https://www.essity.com).

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Control & preventive measures

Essity has implemented measures to prevent and mitigate adverse human rights and environment-related impacts and risks that have been identified and prioritized. Essity's commitment is reflected in our governing documents and associated processes, these are for example;

- Code of conduct
- Global supplier standard with code of conduct for suppliers
- Business partner code of conduct
- Human rights policy
- Sustainability policy

Global supply chain's screening process for the onboarding of new suppliers further mitigates the human rights risks, in our supply chain. The Essity responsible sourcing process ensures responsible

business methods and respect for human rights by ensuring that Essity works with suppliers that share our values. Essity continuously performs risk assessment of suppliers, including an evaluation from a human rights and environment-related obligations. Strategic suppliers are also requested to share their human rights status via Sedex. Additional key risk mitigation actions are that suppliers are required to sign and acknowledge our Supplier code of conduct, including expectations relating to human rights and environment-related risks.

The effectiveness of the preventive measures is reviewed annually or more often if required.

Remedy

Essity differentiates between violations in our own business area and those that occur with suppliers. If we become aware of violations of human rights or environmental obligations in our own business, we will take immediate action to prevent, stop or minimize the extent of the violation.

If we become aware of violations by a direct or indirect supplier, we will take immediate action in accordance with the requirements set out in our supplier code of conduct. Depending on the severity of the violation, we reserve the right to react appropriately. Essity monitors identified incidents and the measures taken to prevent future recurrences.



Complaints procedure

Essity offers all employees a number of internal channels to report violations of our code of conduct or laws. Essity's code of conduct includes a section on how the company's whistleblower system, SpeakUp, works. The SpeakUp system is available 24/7 by phone or online in more than 25 languages and it is managed by an external party. SpeakUp is available for external stakeholders on essity.com. Where permitted by law, breaches can be reported anonymously. Retaliation against individuals who submit reports in good faith will not be accepted.

Essity is committed to making the SpeakUp whistleblowing system available to those stakeholders where we see an increased risk of human rights violations and environmental impacts through the SpeakUp system at essity.com. Submitted SpeakUp reports are presented regularly to Essity's compliance council. In addition, statistical information for the SpeakUp system is presented in the [Essity's annual reports](#).

The effectiveness of the complaints' procedure is reviewed annually or more often if required.





Monitoring implementation & results

Essity verifies at least annually that its due diligence processes and measures to prevent or mitigate adverse human rights and environmental impacts are effective. This work includes audits and training activities. Potential human rights violations are investigated, with oversight provided by the compliance department. The implementation of

due diligence processes is continuously documented, in accordance with the requirements outlined in Essity's human rights policy. The responsibility for documentation lies within each responsible organization as set out in Essity's corporate governance structure.

Essity's approach to children's rights and UN sustainable development goals

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 and/or their parents.

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

UN sustainable development goals

Essity contributes to the achievement of the United Nations sustainable development goals (SDGs). Essity focuses on the following SDGs, as this is where we have our expertise and can make the greatest contribution.

We partner with different organizations such as UNF, UNHCR, International Red cross, UNFPA and others in our work to contribute to the SDGs and to support the needs of children.

VP compliance & ethics for Essity group



Appendix

- UN Guiding Principles on Business and Human rights (UNGPs)
- OECD Guidelines for Multinational Enterprises on Responsible Business Conduct
- Convention on the Rights of the Child
- UN Sustainable Development Goals



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