

## **The Board of Directors' statement regarding proposal for resolution on acquisition of own shares**

Essity's financial position as of 31 December 2020 is presented in the annual report for the financial year 2020. The principles applied for valuation of assets, provisions, and debt are presented in the annual report. The company's equity capital would have been SEK 55,345,381 higher if assets and liabilities had not been valued at fair value pursuant to Chapter 4, Section 14 a of the Swedish Annual Accounts Act. The Board of Directors makes the assessment that the proposed authorisation to acquire own shares in order to create flexibility when working with the company's capital structure or to be used in connection to company acquisitions, is justifiable, considering the demands that the business' nature, scope and risks impose on the size of the company's and the group's equity capital and the company's and the group's consolidation needs, liquidity and financial position in general.

Stockholm, 18 February 2021

THE BOARD OF DIRECTORS