

Sustainability in brief





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This is Essity

Essity is a leading global hygiene and health company dedicated to improving well-being through our products and solutions, essentials for everyday life. The name Essity stems from the words essentials and necessities. Our sustainable business model creates value for people and nature. Sales are conducted in approximately 150 countries under the leading global brands TENA and Tork, and other strong brands, such as Jobst, Leukoplast, Libero, Libresse, Lotus, Nosotras, Saba, Tempo, Vinda and Zewa. Essity has about 48,000 employees and net sales in 2017 amounted to approximately SEK 109bn (EUR 11.3bn). The headquarters is located in Stockholm, Sweden, and the company is listed on Nasdaq Stockholm. More information at www.essity.com.

48,000

employees, approximately,
around the world

3.7

million tons
certified fiber

2.1

million tons
recycled fiber



2.5+

million educated
in hygiene and health

-17.9%

CO₂ emissions
from fossil fuels

42%

share of Essity's innovations
that yielded social and/or
environmental improvements



Everyday necessities for fuller lives

Our name Essity stems from the words essentials and necessities. Hygiene and health are necessities for a better life, and our products and solutions are essential to improve well-being in the world. Magnus Groth, President and CEO, and Kersti Strandqvist, SVP Group Sustainability, talk about the company's path forward.

Hygiene and health are key components of the UN Sustainable Development Goals (SDGs). How can Essity help deliver on the goals?

Magnus: Meeting the UN SDGs is a huge undertaking that requires work by governments as well as companies. Collaboration and new partnerships are required. As consumers we need to make sustainable choices, and companies must help customers and consumers with responsible products and solutions. Raising hygiene and health standards is at the core of Essity's vision and strategic framework, and we aim to make this

happen through combining our expertise in hygiene and health with innovation and efficiency throughout our value chain. Delivering on the SDGs will improve the world and create business opportunities for us.

Kersti: We can contribute not only with our business operations but also by taking part in the global dialogue, which we mainly do via our Essentials Initiative. Through the Essentials Initiative, we want to raise hygiene standards worldwide, increase the awareness of the link between hygiene, health and well-being and break the stigmas

and taboos surrounding areas such as incontinence and menstruation.

How do you work together with retailers, distributors and other customers?

Magnus: We take a holistic approach to our business – we look at the full value chain to optimize our products and solutions. Everything we do begins and ends with value for customers and consumers.

Kersti: Many of our customers have ambitious sustainability agendas of their own. We are in a position to

help them succeed with, for example, innovations that reduce consumption and usage. TENA Solutions is a good example of how we can help nursing homes optimize usage and save time and money. Other examples are our digital solutions, such as Tork Easy-Cube which helps facility managers plan and optimize cleaning while ensuring clean and fully-stocked washrooms.

Magnus: We continue to prioritize innovation and digitalization in order to meet customer and consumer needs.

One of your Group objectives aims to contribute to a circular society, what does this mean to you?

Kersti: Companies and society will need to think in new and innovative ways as part of the transfer from a linear economy, where we manufacture new and dispose of the old, to a circular economy, where we minimize resource consumption and waste, and instead recycle and reuse.

Magnus: We have a long tradition of working with resource efficiency and innovation. We have reduced the environmental impact of all of our product categories and have worked with energy efficiency as part of our ESAVE program since 2010. In addition to this, we work with material savings to optimize our raw material use at the same time as we minimize environmental impact and waste. Our target on eliminating production waste inspires our manufacturing teams to find new ways to re-use, recycle or find new use for waste.

Kersti: Innovation has a crucial role to play in achieving a circular society, both our own activities and those we conduct in cooperation with others. To inspire new innovations and business solutions, we have joined the Circular Economy 100 (CE100), an Ellen MacArthur Foundation program established to work toward a circular economy. We work with people and nature innovations where the criteria are that they should give rise to social and/or environmental improvements. Over the past years, 40% of our innovations delivered improvements on environmental and/or social criteria.

Finally, how do you walk the talk and deliver on being both profitable and sustainable?

Magnus: Sustainability has always been a business driver for us. We understand there is a strong link between sustainability and profitability. I am proud of our achievements: In 2017, we launched 41 innovations that improved our customer and consumer offerings and we trained more than 2.5 million people about menstruation, puberty, hand hygiene, incontinence care, parenthood, as well as lymphology and wound care.

Kersti: We are proud to see that our efforts are valued. Still, we can always improve and do better and that is what is driving us further. For instance, Corporate Knights ranks Essity as one of the world's 100 most sustainable companies and CDP recognizes us as a global leader for our action on water and forest.

Magnus Groth,
President and CEO

Kersti Strandqvist,
SVP Group Sustainability





What we want to achieve

Essity's vision

"Dedicated to improving well-being through leading hygiene and health solutions"

Generate increased shareholder value through profitable growth

Essity's overall objective is to generate long-term value for its shareholders and that the Essity share will deliver a higher total shareholder return than competitors. In order to increase value creation and the total shareholder return, we focus on profitable growth. We are investing in future growth and working to increase profitability and grow where profitability is high.

Contribute to a sustainable and circular society

The circular economy is a business model that involves minimizing resource consumption and waste, and creating a closed loop for reusing, recycling or composting. Essity strives to minimize its environmental impact and to develop products and solutions that can be used in a circular society. Work contributing toward a sustainable and circular society requires new business solutions and innovations at the same time as new business opportunities are created.

Enable more people every day to enjoy a fuller life

What makes Essity successful is the understanding, knowledge and insight about the needs of customers and consumers and the ability to transform this into innovative offerings that increase quality of life and make everyday life easier for people. Essity strives to offer the best value for customers and consumers through value-added hygiene and health solutions for everyone. We adapt our offering to local and regional market conditions to increase hygiene and health standards worldwide. Essity wants to reach more people by promoting a global dialogue concerning hygiene, health and well-being.

Enable our employees to realize their full potential, as part of one winning team

Essity's success depends upon having motivated, competent and result-oriented employees. As a global employer, we aim to offer opportunities for current and potential employees to develop and realize their full potential. Essity wants to provide a strong company culture with an engaging and inclusive leadership based on our "Beliefs & Behaviors".

UN Sustainable Development Goals

At Essity we believe that the work aimed at fulfilling the SDGs will improve the world and at the same time create business opportunities for companies around the world. Not least in the fields of health, hygiene and sanitation, where we have outstanding expertise. We are committed to overcoming global challenges together with like-minded partners. Essity prioritizes goals 3, 5, 6, 12, 13 and 15, as they are most relevant to our business.



Good health and well-being

Essity enables more people to enjoy a fuller life.

Our contribution toward Goal 3 includes developing sustainable products and services for hygiene and health, educating consumers and professionals, and preventing the spread of diseases and other health risks. Business value is also created by meeting societal needs. This offers more people an opportunity to work, better conditions to provide for their families and increased well-being.

Gender equality

Essity works to break the silence around issues such as menstruation and incontinence. We want a society where everyone can fully participate.

Essity's contribution toward Goal 5 includes making our knowledge about hygiene available to customers and consumers and ensuring access to affordable, sustainable hygiene solutions to help them lead a healthy and dignified life.

Clean water and sanitation

Essity improves access to sustainable sanitation and hygiene solutions. We aim for efficient water management throughout the entire lifecycle of our products.

Essity's contribution toward Goal 6 includes working independently as well as with partners to contribute to sustainable sanitation and water use.

Responsible consumption and production

We contribute to a sustainable and circular society, mainly by offering solutions that meet consumer and customer needs and that enable sustainable consumption.

Designing sustainable products and services is about resource efficiency in the whole life cycle and improving circularity with focus on reuse, recycling or composting as well as renewable materials.

Essity's contribution toward Goal 12 includes establishing partnerships for customers and consumers during use and circularity management, promoting sustainability criteria in public procurement, and changing behavior using new business models, technology, and customer and consumer education.

Climate action

We aim to reduce the carbon footprint of our products. This means focusing on forest management, energy efficiency at our production facilities and among suppliers, and smarter product designs.

Essity's contribution toward Goal 13 includes improving resource efficiency in manufacturing and product design, setting science-based targets to reduce greenhouse gas emissions, and supporting relevant external commitments and agreements.

Life on land

Essity enables more people every day to enjoy a fuller life by offering access to sustainable hygiene and health solutions and providing hygiene and health education.

We are committed to responsible forest management throughout our supply chain and we require our suppliers to fulfill rigorous criteria stated in our Global Supplier Standard and our wood fiber policy.

Essity's contribution toward Goal 15 includes certifying suppliers and our own production, and ensuring the use of certified fiber in Essity products as well as the responsible use of other ingredients.



Responsible sourcing

Consumers and customers who use our products should feel secure that our products are manufactured and distributed in a sustainable and responsible way. That is why we promote responsible business – both within Essity and throughout our supply chain.

This includes choosing and rewarding reliable business partners who share our values. Our commitment to this, and what we expect from our suppliers, is stated in Essity's Global Suppliers Standard (GSS) and our Supplier Code of Conduct. Related to this we also have our suppliers' risk assessments and follow-up audit tools.

When it comes to the rules and routines that turn our commitment into reality, we use three distinct processes. All suppliers are required to sign our GSS. The GSS includes requirements on quality, Code of Conduct, product safety and environmental impact. Strategic suppliers are then required to register their information in the Sedex database, after which we audit selected suppliers to verify compliance with our GSS. These procedures apply to all raw materials that we use within Essity.

Caring about forests

Essity provide millions of people all over the world with essential hygiene and health products, and renewable wood fiber materials make up a substantial component of these. Consumers expect us to take responsibility for the origin of these, and for us responsible fiber sourcing means using only certified wood fibers.

All the wood fiber we source and use must come from suppliers that are certified according to FSC® or PEFC™ standards. Our demand is that the fiber at a minimum will always meet the FSC Controlled Wood standard, which means that the origin of the fiber has been verified by an independent third party. FSC is an organization that sets robust and fully transparent standards for responsible forest management that safeguards biodiversity, proper forest conservation and consideration for the people living in and by the forests. Essity participates on a regular basis in stakeholder dialogues concerning forest management, which include other key stakeholders like the environmental organizations WWF and Greenpeace, as well as local stakeholders.

Responsible sourcing highlights

CDP global leader

CDP is a not-for-profit charity that runs a global disclosure system on environmental impact. Their annual A-list names the world leaders in environmental performance. Essity has been recognized as a global leader for our responsible wood fiber procurement practices. From thousands of participating companies, Essity was one of only six to qualify for CDP's forests A-list.

Essity discloses its footprint

Essity has shown its commitment to transparency by participating in the Environmental Paper Company Index (EPCI). The group received an overall score of 78.7% and 94% for its responsible fiber sourcing.

Public pledge to responsible fiber sourcing

Essity has signed the Vancouver Declaration, a public promise made by companies around the globe to work toward the sustainable sourcing of forest products. The Declaration is also an endorsement of FSC as our supplier of choice for the certification of forest products.

Aiming for better cotton

Essity participates in the Better Cotton Initiative (BCI). BCI's purpose is to make global cotton production better for the people who produce it, the environment and the sector's future, by developing Better Cotton as a sustainable mainstream commodity.



Close cooperation with fiber suppliers

In addition to FSC and PEFC forest management and traceability certifications, we always conduct our own risk assessments of fiber suppliers based on our fiber policy. We ask suppliers to respond to detailed questionnaires and to show an approved fiber traceability certification. This gives us the necessary information to do a risk assessment, after which we follow-up with selected suppliers with on-site audits to verify how they work. If there are any deviations we work together with suppliers to correct these.

In 2017, 65% of the 3.7 million tons of fiber we sourced was FSC or PEFC certified, and close to 35% met the FSC criteria for controlled wood.

99.9%

of all fresh fiber in our products is FSC or PEFC certified or fulfills the FSC standard for controlled wood



Resource-efficient production

Being smart about how we use resources is a true win-win. Achieving greater efficiency in our supply chain reduces resources and environmental impact. We do this by investing in new technology, and through our energy and materials saving programs ESAVE and MSAVE.

Essity's production facilities have a common objective – to improve efficiency and drive improvements in process development and manufacturing. We draw on our global expertise and economies of scale to establish world-class supply chain.

Our efforts range from global initiatives to small step-by-step improvements. We constantly decrease the use of energy and materials, optimize transport and reduce waste. Essity's global functions that manage purchasing, production, logistics and technology have the main responsibility for making this happen.

Saving resources

Every Essity facility works to save resources by reducing the use of energy and materials, as well as the generation of waste. The two programs ESAVE and MSAVE constitute our main means of decreasing the use of energy and

materials. As the objective is to optimize costs and minimize environmental impact, ESAVE and MSAVE focus on purchasing and production. Coordinating purchasing on a group level means we can leverage our combined strength as a global player. When it comes to making production more efficient, our facilities around the globe share knowledge and best practices. This way, every facility becomes a resource-saving champion.

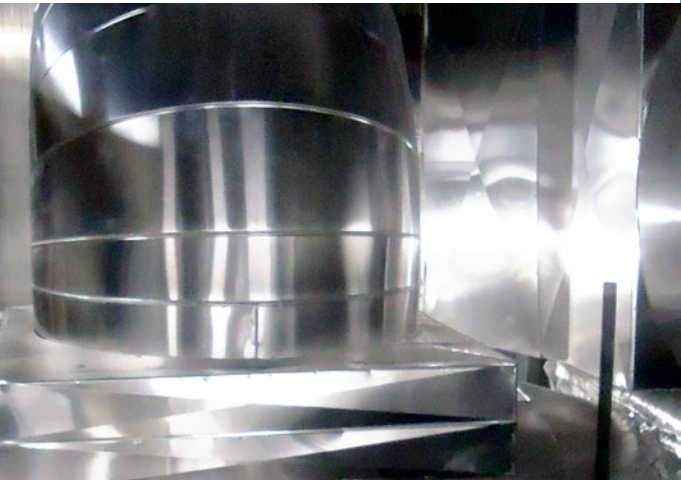
Targeting zero waste

Our ultimate goal is total resource-efficiency, which naturally extends to aiming for zero waste. Essity has set a concrete target: all production facilities will convert all their waste into useful materials or energy by 2030. In fact, some of our facilities are already there, but more action is needed to eliminate production waste throughout our operations.

Nokia in Finland

Installing larger water tanks at our tissue production plant in Nokia in Finland has helped to close the loop in the facility's water system. A closed system that recycles waste water brings major efficiency gains. The Nokia plant has cut its water use by around 25%, and has realized significant energy, cost and emission savings by reusing heated water.

-25%
water use



Cuijk in the Netherlands

Our tissue production plant in Cuijk in the Netherlands has incorporated new technology that allows the switch from fossil natural gas to biofuels. This change reduces costs and decreases the facility's carbon emissions by 13,000 tons per year.

-13,000
tons CO₂ emissions

Mannheim in Germany

We have invested 7.7 MEUR in improving water quality and reducing climate impact to enhance environmental performance at our Mannheim facility in Germany. The investment has improved water quality by decreasing chemical oxygen demand (COD) by 20%, and it generates biogas that reduces carbon emissions by 4,000 tons per year by replacing natural gas.

-20%
Chemical oxygen demand (COD)





Sustainable solutions: Well-being

Every day, hundreds of millions people use our products in order to simplify everyday life. What makes Essity successful is our understanding of customer and consumer needs, and our ability to transform this into innovative solutions that increase the quality of life for many people.

Simpler everyday life

Essity's products and services cover all phases of life and benefit both individuals and society as a whole. We share our knowledge of hygiene and health by educating young girls and promoting an open dialogue about menstruation, using our Feminine Care expertise. Within Incontinence Products, we increase awareness and participate in high-level dialogues such as the Global Forum on Incontinence (GFI). Within Professional Hygiene, we provide education about hand hygiene and participate in Private Organizations for Patient Safety (POPS), a WHO initiative. In total, we educated more than 2.5 million people in hygiene and health during 2017.

It is when we combine our expertise with Essity's main development platforms – well-being, more from less, and circularity – that we maximize value. Each Essity brand has its own purpose and function but all work with these platforms to create sustainable value for customers and consumers.

Safe products

Essity follows strict requirements and procedures to ensure that all materials in our products are safe for consumers, employees and the environment.

We have a global product safety policy in place to ensure that the products we produce are safe for their intended purpose. We also work closely with our suppliers to ensure that our high standards are met.

Global dialogue

With our Essentials Initiative concept, we are conducting a global dialogue to increase awareness of the importance of hygiene and health and its link to well-being. Two integral aspects of the Essentials Initiative are a global survey of attitudes to hygiene and health and a report.



1,100,000

girls educated

In 2017, Essity educated girls and young women in Latin America about puberty. We reached 8,500 schools in eight countries.



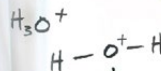
Making periods normal

Our #bloodnormal campaign, launched in October 2017, brought our purpose for Feminine Care products to life – to help create the conditions for women to live the life they want, by breaking menstruation taboos. We expected some disapproving reactions to a campaign that put the normality of periods in the spotlight. These were far outweighed by positivity from global media praising our bravery, and women thanking us for recognizing periods as something normal that should not be shrouded in shame.

Leukoplast®

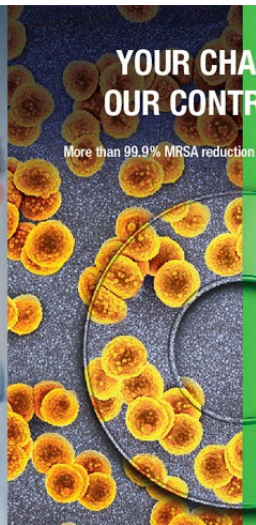
Today's widespread use of antibiotics may allow multi-resistant bacteria to develop and become life threatening. At the same time, healthcare-associated infections affect as many as 4–9% of all patients in mature markets. This entails a significant cost for the healthcare sector and society and, in many cases, a great deal of suffering for the patient. We have therefore developed the world's first spool for surgical tape with antimicrobial properties that reduce risk of cross-contamination in healthcare settings as well as the spread of Methicillin-resistant Staphylococcus aureus (MRSA).

115 YEARS OF LEUKOPLAST®
NOW WE HAVE
REINVENTED THE WHEEL



YOUR CHANCE
OUR CONTR

More than 99.9% MRSA reduction



Tork EasyCube® – higher cleaning quality with less effort

Tork EasyCube® is a facility management software that provides managers and cleaners with real-time information about cleaning needs, empowering them to do what's needed, when and where it's needed. By knowing the needs in real-time, cleaning teams can deliver higher cleaning quality while reducing the number of cleaning rounds. This new way of working, called data-driven cleaning, is providing double-digit time-savings, significant improvements in customer satisfaction and an appreciated boost to staff.





Sustainable solutions: More from less

We work to create customer and consumer value while improving the environmental footprint of our products and services. Our innovations are based on understanding consumer and customer needs while delivering better, safer and more environmentally sound solutions. This helps Essity contribute to a sustainable and circular society.

By integrating life cycle assessments (LCA) into our innovation work, we can monitor how we improve the environmental profile of our innovations. This includes resource efficiency from suppliers and our own production, superior materials, as well as smarter product design. One example is our underwear-like and thinner TENA pants, where we have reduced the carbon footprint by a third since 2008.

We strive to use less resources while at the same time maximizing the customer value to achieve greater performance and resource efficiency. This allows us to better meet the needs of both mature and emerging markets.

Many of our products and services help customers and consumers achieve more from less. Our TENA solutions concept aims at optimizing product use and by that reducing waste and minimizing the risk for leakage. Thinner diapers and feminine care products help reduce resource usage at the same time as delivering better or the same performance.

Going forward, we will broaden our collaboration with customers to even better understand how we can support their environmental strategies and targets. Ultimately, all Essity products and services will be designed to promote sustainable consumption and behaviors, where everything is utilized and nothing is wasted.

TENA innovation brings win-win

Introducing TENA Lady Discreet 20% thinner and as secure as before. This is all thanks to microPROTEXTM, one of our latest innovations. And as this thinner product needs less material, its carbon footprint is 15% lower.



Libero Touch – better for child and nature

When designing Libero Touch baby diapers, we thought of pretty much everything. Comfortable fit, no leakage and an indicator to let you know when it is time for a new diaper. What is more: Libero Touch baby diapers carry the Swan label and are made from FSC-certified fiber. Libero in Europe has reduced the carbon footprint of their baby diapers by up to 25% since 2008.



Optimal product performance and resource efficiency

Cafés, professional kitchens or public bathrooms. Wherever there is a wiping job to be done, Tork offers superior products that do more with less. Tork Xpressnap®, Tork Reflex™ and Tork SmartOne® have one key feature in common: Tork's proprietary single sheet dispensing system. The dispensers come in many variants, but their purpose is the same – to ensure hygiene and to minimize consumption, waste and costs.

–37% usage

Tork Reflex™ reduces wiping paper usage by up to 37%.

–25% usage

Tork Xpressnap® reduces napkin consumption by at least 25%.

+98 visits

Tork SmartOne® allows 364 toilet visits, compared with 266 for a standard maxi jumbo toilet paper dispenser.



Life Cycle Assessment (LCA) for Essity products – Carbon footprint reduction

Product	2008–2017, %
TENA Flex	–16
TENA Lady	–31
TENA Men	–21
TENA Pants	–33
TENA Slip	–20

Product	2008–2017, %
TENA Comfort	–18
TENA Bed	–9
Libero open diaper	–25
Libero pant diaper	–16
Feminine Care Ultra towels	–14

Product	2011–2017, %
Tork hand towels	–18
Product	2012–2016, %
Tork exelCLEAN	–14



Sustainable solutions: Circularity and after-use

Essity's ambition is to develop products and solutions for a circular society. This calls for creative thinking, new business models and partnerships. In the long term, we want to be part of a new system where nothing goes to waste.

Constant improvement

Access to hygiene and health products is essential for people across the world. We aim to take responsibility for the whole life cycle, even after the products are used. We already have good examples, like using recycled fibers for a high share of tissue products. Making products thinner, using less materials is one way to reduce waste. Optimizing products and care is another way of reducing waste, such as TENA Solutions where we have up to 30% less waste.

An ambitious waste target

With regards to our manufacturing, our goal is clear: All solid production waste is to be recovered and nothing should be sent to landfill after 2030. The target inspires and drives a series of measures and local adaption to find suitable ways to recover Essity's various types of waste. We achieved a recovery rate of 62% by the end of 2017.

Creating new resources

Tissue products are made of renewable fresh or recycled fibers, and this is an advantage that creates value. After use, tissue products can be incinerated, creating renewable energy, or composted, going back to nature. We are currently working to improve composting, and together with selected customers we have several pilots to recycle paper hand towels.

Together with external partners, we are working to solve the challenges in front of us to establish business models for collecting and recycling used personal care products. Today incineration with energy recovery is the best option, but we aim to find new recycling solutions.



Tork PaperCircle™ makes used paper towels useful

Tork PaperCircle™ is a recycling service for paper hand towels that is contributing toward the development of recycling standards. The service is suitable for customers such as universities, real estate companies and airports, where paper hand towels typically account for a considerable proportion of their total waste.

Until now, it has been difficult to recycle paper hand towels due to challenging hygiene standards and technical limitations. However, through our pilot projects in Germany and the Netherlands, we have demonstrated that recycling is possible. We collect used paper hand towels and send them to nearby Essity facilities to be converted into new tissue paper products. This process can reduce carbon emissions by at least 40% compared to current waste handling options*.

* Results of a Life Cycle Assessment conducted by Essity, Tork and verified by IVL, Swedish Environmental Research Institute Ltd, 2017, where the avoided processes have been taken into account.

Collaborating for circularity

Sustainability will be favored by circularity. This because merely adapting our current linear “take-make-dispose” system will never be truly effective. Instead, we need to transition to a system that brings business opportunities and social benefit while allowing natural systems to regenerate. These principles are central to the circular economy.

A systemic shift must involve everyone – business, government and civil society. To contribute to a sustainable and circular society, and to facilitate Essity’s move in this direction, Essity is a member of Circular Economy 100 (CE100). CE100 was set up by the Ellen MacArthur Foundation to help companies and organizations develop circular solutions. As a part of CE100, we gain new insights and ideas that we can turn into innovations and concrete solutions. Part of our work within CE100 revolves around renewable materials and getting to grips with post-consumer waste. Essentially, we want to convert current products and materials into reusable and useful resources.





Responsible business

Essity's "Beliefs and Behaviors" and Code of Conduct guide our way of doing business. By promoting leadership and a culture of integrity, we keep the spirit and essence of our Code alive.

To live our Code of Conduct and act with integrity toward all our stakeholders requires constant effort, and involves much more than signing a contract of compliance. Employee training and compliance must be supported by a sound culture and responsible leaders. It is also crucial to recognize the challenges we may face and address the ethical grey areas before they evolve into serious issues.

Multidimensional approach

All our employees receive training on the Code so they understand what is required of them. We expect our leaders to champion the Code and reinforce Essity's culture of integrity. To support them, we make our managers aware of the psychosocial and behavioral risks

that may promote unethical conduct, and how to avoid them. Through workshops and dilemma games, we work to foster a culture where it is natural to do the right thing and to speak up about ethical concerns. Approximately 90% of Essity's top and middle management has received specific training in responsible leadership.

As a last resort, we have multiple channels in place where employees can report suspected breaches of Essity's Code of Conduct in confidence. In several countries where Essity operates, these internal reporting channels are supplemented by third-party operated hotlines.

Extending the Code to suppliers

Acknowledging our responsibility beyond our direct operations, we use Essity's Global Supplier Standard (GSS) to promote sustainable business throughout our supply chain. This begins with identifying and selecting business partners that share our values. Our review process includes compliance with the GSS as well as requiring suppliers to register and provide ethical data in the Sedex database. Using a risk-based approach, we also make on-site visits and audits.

Protecting human rights in Latin America

As a global company present in many countries, it is our responsibility to ensure that our activities and business relationships do not harm people or infringe their rights. To fulfill our commitment to respect human rights, a number of systems and processes need to be in place.

Essity has designed a program to monitor and manage our human rights impacts, including a global mapping of potential negative impacts. The approach has then been replicated in high-risk functions and facilities in high-risk areas to ensure that risks are addressed on a local level. The program consists of an introduction to the UN's

Guiding Principles on Business and Human Rights and a workshop exercise to map Essity's human rights impacts in a particular context.

We held seven workshops in various countries in Latin America in 2017, with almost 100 participants, including the regional leadership teams. The workshops and mapping exercises led to a stronger focus on a number of specific issues: fair wages, safety when commuting to and from work and working conditions at staffing companies.



Sustainability targets and outcomes

Responsible sourcing

Global Supplier Standard

We evaluate all of our supply streams from a total risk perspective. By 2020, we aim to source 100% of our procurement spend from suppliers committed to the criteria specified in our Global Supplier Standard.

TARGET
100%

OUTCOME 2017
64%

Fiber Sourcing

All fresh fiber in our products is to be FSC® or PEFC™ certified, or fulfill the FSC standard for controlled wood.

TARGET
100%

OUTCOME 2017
99.9%

Resource-efficient production

Employee Health and Safety

Our aim is zero workplace accidents, and we will decrease our accident frequency rate by 50% between 2014 and 2020.

TARGET
-50%

OUTCOME 2014-2017
-38%

Climate and energy

We will reduce CO₂ emissions from fossil fuels and from purchased electricity and heating by 20% by 2020, with 2005 as reference year.

TARGET
-20%

OUTCOME 2005-2017
-17.9%

Water

By 2020, with 2014 as reference year, our plants will:

- Reduce levels of suspended solids by 10%.
- Reduce water usage by 10%.
- Reduce organic content (BOD) by 10%.

TARGET
-10%

OUTCOME 2014-2017
-19.7%

-10%

-4.7%

-10%

-25.4%



Sustainable solutions

People and nature innovations

We will deliver better, safe and environmentally sound solutions to our customers. We strive to continuously improve resource efficiency and environmental performance considering the whole life cycle for new innovations.

Hygiene solutions

We will make our knowledge about hygiene and health available to customers and consumers and ensure access to affordable, sustainable solutions to help them live a healthy, dignified and fuller life. In markets in which we operate, we will:

- Provide information and implement education programs on hygiene and health.
- Contribute to raising hygiene and health standards.

TARGET

>33%

OUTCOME 2017

42%

Share of Essity's innovations that yielded social and/or environmental improvements.

OUTCOME 2017

Essity held the number one or two position in at least one product segment in approximately 90 countries. Hundreds of millions of people used Essity's products every day. Worldwide, more than 2.5 million people were reached by hygiene and health training arranged by Essity. We offered a broad portfolio of products and solutions.

Waste management

Production waste

Materials and energy will be recovered from all waste from all production units by 2030.

TARGET

100%

OUTCOME 2017

62%

Business ethics and human rights

Code of Conduct

We will maintain compliance with our Essity Code of Conduct. All employees will receive regular training in the Code.

TARGET

100%

OUTCOME 2017

93%

of new employees

90%

of Essity's top and middle managers participated in Essity's Ethical Dilemma Training



Community relations

Essity strives to be a dedicated partner in the local communities where we operate. In 2017, Essity invested in over 300 community relations projects. Most of the projects were related to hygiene and health.



Essity and UNICEF support adolescent girls in Mexico

Essity has initiated a collaboration with UNICEF in Mexico in conjunction with the UN's International Day of the Girl Child on October 11. The cooperation aims to disseminate information in order to tackle problems that often affect adolescent girls and to finance the UNICEF program for girls and boys in Mexico.

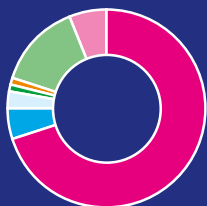
Essity and UNICEF are targeting young girls and also their parents, as teenage years are such an important period. The skills, abilities and resilience capacity acquired during this time is crucial for the potential of people in adult life.

Reaching disaster victims before disaster strikes

In September 2017, a destructive storm, Hurricane Irma, was gaining strength and heading towards the south-east United States. Knowing that the storm would pass through Florida, an area with one of the nation's highest concentrations of assisted living and skilled nursing facilities, the TENA team in North America jumped into action to proactively help customers and increase comfort in the state of emergency. The team shipped or personally delivered TENA Bathing Gloves to support personal hygiene to TENA customers in the South Central Region before the hurricane hit on September 9.



Community relations by focus area



- Health and Hygiene, 70%
- Sports, 5%
- Education, 3%
- Environment, 1%

- Arts/Culture, 1%
- Emergency relief, 14%
- Other support, 6%

Essentials Initiative

Through Essity's "Essentials Initiative", we are pursuing a global dialogue to increase awareness of the importance of hygiene and health and their link to well-being. Two integral aspects of the "Essentials Initiative" are a global survey of attitudes to hygiene and health and a report. The 2016/2017 report looked at the economic value of investing in these areas, breaking taboos and stigma surrounding menstruation and incontinence, as well as innovative solutions for the future. The report was produced in collaboration with the UN's Water Supply and Sanitation Collaborative Council (WSSCC). The WSSCC is the main UN body that works solely with sanitation and hygiene issues.



"Like so many women, I have in the past felt so embarrassed that I have suffered in silence, but no more." Edwina White, who has lived with incontinence for more than ten years, is one of the people who was portrayed in Essity's and the Fotografiska Museum's joint exhibition: Hygiene – A Circle of Life. See all photos from the exhibition on fotografiska.essity.com

Awards and memberships

Essity's initiatives and results have gained recognition, and Essity is included in a number of sustainability indexes and has received several prestigious awards. Essity plays an active role in leading organizations at the global, regional and local levels with the aim of contributing to a sustainable future for companies, society and the environment.



WWF Environmental
Paper Index





The name Essity stems from the words “**essentials**” and “**necessities**”. We are a leading global hygiene and health company offering products for “everyday necessities”. Hygiene and health are the essence of well-being. Better hygiene and health are necessities for better lives and our products and solutions play an essential role in improving well-being.

That is why we are called Essity.

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