

Press release

Stockholm, June 17, 2024

Essity presents new financial targets

Hygiene and health company Essity is today presenting new financial targets based on the company's portfolio following the divestment of the subsidiary Vinda. The new targets are an increase in ambition with an emphasis on profitable growth and are based on the company's robust platform with leading positions in growing and attractive markets. The targets will be presented at a live webcast and teleconference today at 09:00 CET.

Essity's new financial targets:

- **Annual organic sales growth >3%**
Essity's new target is annual organic sales growth of more than 3%. The previous target was an annual sales growth of more than 5%, which included organic sales growth of more than 3% and acquisitions of approximately 2%. Acquisitions remain part of the company's strategy but are no longer included in the annual growth target.
- **EBITA margin excluding IAC >15%**
Essity's new target is an EBITA margin, excluding items affecting comparability (IAC), of more than 15%. The previous target was return on capital employed (ROCE) excluding IAC of more than 17% by 2025, corresponding to an EBITA margin excluding IAC of approximately 13.5%.

"Essity is in better shape than ever and is now further raising its level of ambition. Our aim is to grow organically by more than 3% per year, even without Vinda, while also reporting higher and more stable margins. Favorable market trends combined with Essity's successful innovations, strong brands and efficiency initiatives provide us with the platform to gain market shares and improve the company's profitability," says Magnus Groth, President and CEO of Essity.

Live webcast and teleconference with Q&A session

President and CEO Magnus Groth and Executive Vice President and CFO Fredrik Rystedt will present the new targets at a live webcast and teleconference, which includes a Q&A session, today June 17 at 09:00 CET.

Link to the live presentation, which can also be viewed afterwards:

<https://essity.videosync.fi/2024-06-17>

Contact information for conference call with the possibility to ask questions:

UK: +44 (0) 33 0551 02 00

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Please call in well in advance of the start of the presentation. Indicate: "Essity".

NB: This is information that Essity Aktiebolag (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 07:30 CET on June 17, 2024.

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About Essity

Essity is a global, leading hygiene and health company. Every day, our products, solutions and services are used by a billion people around the world. Our purpose is to break barriers to well-being for the benefit of consumers, patients, caregivers, customers and society. Sales are conducted in approximately 150 countries under the leading global brands TENA and Tork, and other strong brands such as Actimove, Cutimed, JOBST, Knix, Leukoplast, Libero, Libresse, Lotus, Modibodi, Nosotras, Saba, Tempo, TOM Organic and Zewa. In 2023, Essity had net sales of approximately SEK 147bn (EUR 13bn) and employed 36,000 people. The company's headquarters is located in Stockholm, Sweden and Essity is listed on Nasdaq Stockholm. More information at www.essity.com.

