

A photograph of a family of three (a child, a man, and a woman) kissing each other on the cheek outdoors. The child is in the foreground, kissing the woman, who is kissing the man. The background is a bright, slightly blurred outdoor setting. A large pink diagonal shape is on the left side of the image.

Sustainability in Brief

Essity – a global, leading
hygiene and health company

The name Essity stems from the words “**essentials**” and “**necessities**”. Hygiene and health are the essence of well-being.

As a global, leading hygiene and health company, we offer products and services that are essential to people’s everyday lives.

That is why we are called Essity.



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Breaking Barriers to Well-being

Our purpose is breaking barriers to well-being for the benefit of consumers, patients, caregivers, and customers across the globe. As well as for the benefit of society and the planet.

We aim to break through and overcome the barriers that stand in the way of improving people's well-being and enabling a healthier and more sustainable society. Our purpose tells the story of our company, our employees, our products and services, our actions, and initiatives – and the sustainable value we create for people, business, and planet, today and for the future.

Global challenges such as climate change, increased waste, biodiversity loss and social exclusion are high on agendas across

the world. As a global, leading hygiene and health company, Essity plays an important role in leading change together with our customers and partners.

Contributing to a sustainable society is imperative to us. Essity is breaking barriers to well-being by enhancing solutions, making them available to more people and reducing their environmental impact.



Our brands:



Essity's Commitment to Sustainability

Essity improves the well-being of people and societies, through leading hygiene and health solutions. Sustainability is integrated into our strategy and is a priority for long-term profitable growth.

As one of the world's leading hygiene and health companies, we have the reach, and the obligation to contribute to society, and integrating sustainability into business processes. Our offering increasingly becomes a pre-requisite of doing business. As Essity is impacting the environment along the full supply chain, we aim to minimize that impact by decarbonizing our business and maintaining healthy eco-systems, while contributing to a more inclusive society.

Essity is committed to achieving net zero greenhouse gas emissions by 2050 and has set ambitious Science Based Targets for Scope 1, 2 and 3, covering both our own operations and our suppliers' value chains. We are working intensively to reach our targets with clear KPIs and various initiatives in all parts of our business. Through innovation, we solve challenges in the value chain and for our

products and solutions. Building on our near-term target for 2030, we are scaling up our actions using our expertise and dedication.

Still, no single company can take on the climate crisis or societal barriers alone. Therefore, we cooperate with suppliers, customers, consumers, governments, NGOs, experts, and industry peers to drive the change we urgently need.

This is our commitment and contribution.

Magnus Groth

President and CEO, Essity



Sustainability Targets and Outcomes

Essity has established clear sustainability targets in line with our main priorities and overall strategy. Our target is to achieve net zero emissions of greenhouse gases by 2050 and zero production waste by 2030. We take action throughout the entire value chain, from sustainable procurement of raw materials to waste after use.

Science Based Targets

Target 2030 (compared with 2016):	Outcome 2022:
Scope 1 and 2 -35%	Scope 1 and 2 -18%
Scope 3 -18%	Scope 3 -10%¹⁾

Essity's climate-affecting emissions are divided into three different scopes depending on origin. Scope 1 and 2 are directly linked to Essity's production. Scope 3 reports indirect emissions in Essity's value chain.

Gender distribution at management levels

Target 2025:	Outcome 2022:
40/60%	32/68%

Essity's target is that gender distribution at all management levels (Executive Management Team, senior management, middle management) is to be within the interval 40/60% no later than 2025, where the majority group based on gender is to constitute no more than 60%. The target is reported at an aggregate outcome level for the three management levels.

Packaging

Share of packaging manufactured from renewable and/or recycled material

Target 2025:	Outcome 2022:
85%	80%

Essity is striving for 100% recyclability and 85% renewable or recycled material in the company's packaging. This target applies to both paper and plastic packaging for Essity's brands.

Sustainable innovations

Share that yielded social and/or environmental improvements

Target:	Outcome 2022:
>50%	68%

Sustainable innovations are measured as the share of revenue from innovations launched in the most recent three years. For example, 2022 saw the launch of Libero Touch hybrid diaper as well as leakproof apparel under such brands as Libresse, Bodyform, Saba, TOM Organic and TENA.

Fresh fiber

Share of FSC™ or PEFC™-certified fresh fiber

Target:	Outcome 2022:
100%	97%

Through certifications such as the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC), Essity ensures sustainable fiber sourcing, thereby preventing deforestation and promoting biodiversity.

Responsible sourcing

Share of total purchase cost from suppliers that comply with Essity's Global Supplier Standard

Target 2025:	Outcome 2022:
95%	90%

Essity has a Global Supplier Standard to ensure responsible business operations and respect for human rights in the company's supply chain.

Health and safety

Decrease in total recordable incident rate compared with 2019

Target 2025:	Outcome 2022:
-75%	-39%

The Total recordable injury (TRI) figure includes Lost Time Accidents (LTA), Restricted Work Cases (RWC) and Medical Treatment Cases (MTC). All of Essity's production facilities are conducting purposeful and systematic work with safety issues.

1) Outcome in 2021

Production waste

Subject to material or energy recovery

Target 2030:	Outcome 2022:
100%	62%

Resource efficiency and the reduction of waste are important in Essity's production facilities. The target is that all production waste will be subject to material and energy recovery by 2030, which reduces greenhouse gas emissions.

Business ethics and Code of Conduct

Share of new employees who received training in the Code of Conduct

Target:	Outcome 2022:
100%	90%

The Code of Conduct describes how employees are to act, how the company operates, stakeholder expectations of Essity, and Essity's commitment to human rights. All wholly owned subsidiaries are bound by the Code of Conduct.

Commitment to the United Nations Sustainable Development Goals (SDGs)

As a leading global hygiene and health company, Essity plays an important role in contributing to the UN SDGs. We focus on goals 3, 5, 6, 12, 13 and 15, this is where we have our expertise and can contribute the most.

The UN SDGs provide the global community with a road-map on how to combat challenges related to economic, social, and environmental sustainability. The goals reflect a growing awareness of the relationship between good

hygiene and health, improving well-being and driving economic and environmental progress in the world. They also create a framework for accelerating action and partnership.

As a signatory of the UN Global Compact, we are working to address global challenges through cooperations and partnerships.

SUSTAINABLE DEVELOPMENT GOALS



3. Good health and well-being – Essity contributes to Goal 3 through our intensive work to promote better global hygiene and health standards. By providing access to our leading solutions, we are contributing to increased quality of life and well-being. We enable more people to live fuller lives every day by offering access to sustainable hygiene and health solutions and providing education.



5. Gender equality – Essity wants to drive progress on gender equality where we operate, both within the company and in society. By pursuing educational initiatives and collaborations to break the silence around issues related to hygiene and health, Essity contributes to greater gender equality. We are working towards breaking taboos around topics like menstruation and incontinence, enabling those affected, including women, girls, men, and care-giving relatives, to fully participate in society.



6. Clean water and sanitation – Essity works to achieve efficient water usage throughout the entire life cycle of our products and to improve treatment and the quality of the effluent water discharged from our facilities.



12. Responsible consumption and production – Essity, together with our customers, consumers, suppliers, and other business partners, works toward a sustainable and circular society. We ensure resource efficiency and sustainable design of our products and services in the entire life cycle. It is about ensuring social and environmental performance during use and after use for our customers and consumers.



13. Climate action – Essity addresses the challenges of climate change through investments in sustainable innovations, low carbon materials, fossil free energy and breakthrough technologies. We focus on carbon reduction throughout the life cycle, from responsible procurement, to resource efficient production and to sustainable solutions during and after use for our customers and consumers.

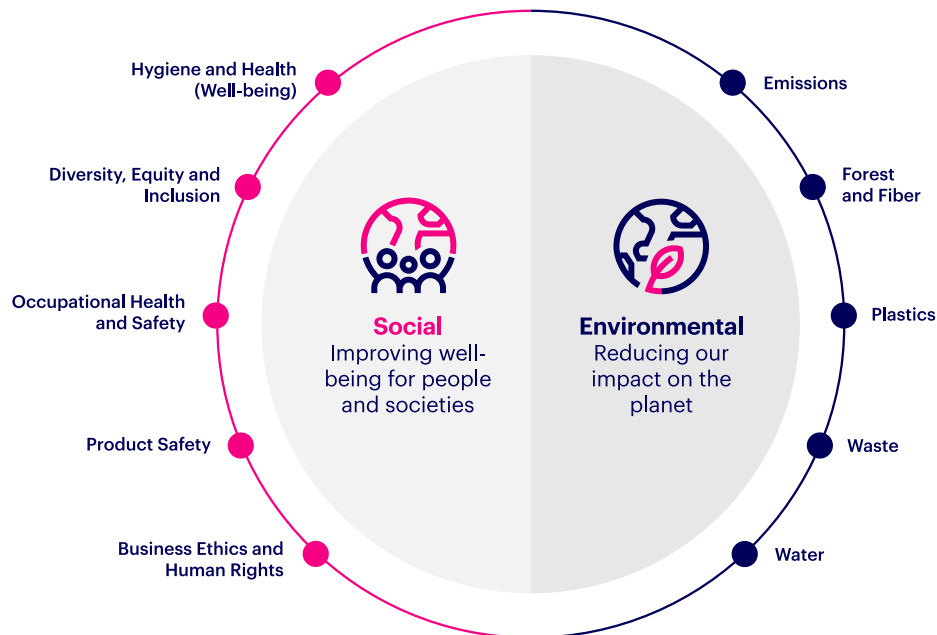


15. Life on Land – As a global purchaser of renewable fiber, we require our fresh fiber, recycled fiber and alternative fibers suppliers to comply with our Global Supplier Standards and policies. We responsibly use fiber and other materials from sustainable and renewable sources. Essity is committed to responsible forest management and to preserving the biodiversity of forests and other ecosystems.

Sustainability Priorities

Sustainability is integrated into Essity's strategy and is a priority for long-term profitable growth. As a company, we are committed to improving the well-being of people and societies, while reducing our environmental impact.

In 2022, Essity further developed its sustainability framework. We identified key areas where we can improve the well-being of people, while at the same time reducing our environmental impact, respecting biodiversity, contributing to a circular society, and achieving net zero emissions by 2050.



“Collaboration will be key to achieving our sustainability targets”

Committing to targets is not a difficult thing, but to deliver on them is a challenge. I work as Business Strategy Director in Essity's Group Function (Strategy and Business Development) and together with my strategy colleagues throughout the company, we formulate Essity's long-term strategy, bring it to life and make sure that the company is on the right track to achieve the strategic targets.

One key pillar of the company's strategic framework is sustainability – our commitment to net zero by 2050 and the ambition to bring sustainable solutions to our customers, consumers, and patients. The external demands on us are increasing every day in all areas of social and environmental sustainability, and we need to continuously assess consumer trends, emerging regulations, but also physical nature risks, to identify business opportunities or mitigate occurring risks.

In 2022, we developed a sustainability framework that we call the “Essity sustainability playing field” summarizing what sustainability means in the Essity context and defining the areas where we as a company want to shape societies and drive the green transformation. The framework is important in enabling us to focus on the areas where we can have the biggest impact, to track progress and chart our path forward.

Sustainability is managed in a decentralized way at Essity – it is built into the organization everywhere. We have ambitious colleagues throughout the company who are passionate about sustainability and are working hard every day to drive Essity's sustainability work.

Our role as Group Strategy Function is to consolidate ongoing efforts, ensure alignment with the corporate sustainability priorities and, together with the expert colleagues, formulate our direction forward.

Succeeding in sustainability and reaching our targets will be determined by collaboration.



Sabine Glösmann
Business Strategy Director, Essity

Improving Well-being of People and Societies

Hygiene and health are essential in improving well-being and are important enablers of a healthy and dignified life. It is a simple fact, but one full of complex challenges, taboos, and stigmas. Our commitment goes beyond our customers and consumers, as we purposefully contribute to healthier and more inclusive societies.



Hygiene and Health

- Break taboos around women's health
- Increase the visibility of professional and family carers
- Promote knowledge of good hygiene and increase access
- Increase awareness and training for infection prevention and control

Diversity, Equity and Inclusion (DEI)

- Promote a diverse, equal and inclusive culture
- Provide products and services for a more inclusive society
- Break stigmas and bridge gender gaps

Business Ethics and Human Rights

- Zero tolerance of unethical business behavior
- Signatory to UN Guiding Principles on Business and Human Rights and the UN Global Compact
- All our business partners are expected to follow global supplier Standard and Business Partner Code of Conducts

Occupational Health and Safety

- Everyone working at our facilities or visiting Essity, should be safe and secure
- The safety, health and well-being of our employees is crucial
- Aligned with Essity Beliefs & Behaviors and our Code of Conduct

Product Safety and Transparency

- We reach more than one billion people with Essity's leading hygiene and health solutions
- Promote product safety and transparency to enable confident and responsible choices

Highlights:

TENA's #LastLonelyMenopause campaign during 2022, welcoming women and society talking about menopause in a comfortable and generous way, won Gold Award at the British Arrows 2023.

▶ Read more

Internal Courageous Conversations kicked off in 2023 with DEI focused discussions and learning sessions, complemented by podcasts featuring Essity employees.

▶ Read more

As a signatory of the UN Global Compact, we continuously support human rights and run our daily business in a manner that is consistent with the Compact principles.

▶ Read more

In April 2022, the "I Care" initiative was launched, which is our cultural journey toward a safe and healthy work environment.

▶ Read more

Implementation of "Product Safety – For Us, it's Personal" and "Our 5 Pillars of Protection" campaigns.

▶ Read more

Diversity, Equity and Inclusion (DEI)

“At the heart of our sustainability agenda lie the principles of DEI. By weaving DEI into our sustainability efforts, we adopt a holistic strategy that tackles both environmental and societal barriers, steering us toward a future that's equitable and sustainable for everyone. This is shown in our dedication to social sustainability, notably our commitment to the UN's SDG 5. Furthermore, diverse and inclusive teams foster innovation, propelling us towards achieving broader sustainability goals, like pioneering low carbon materials.

Championing DEI is the right thing to do and the smart thing to do. It's also who we are – and want to be – as a company.”



Pia Höök
VP Diversity, Equity & Inclusion
Group Function Human Resources



› Essity's DEI Ambitions 2025

Our ambitions for diversity, equity and inclusion:

- An inclusive working environment for all
- Gender-balanced leadership on all levels
- Accelerate under-represented groups

Business Ethics and Human Rights

Conducting Essity’s business in a socially responsible way is part of our corporate DNA. We have a zero-tolerance approach to unethical business behavior and violations of human rights in the value chains where we exercise control.

- Essity’s Code of Conduct describes how employees should act, how the company operates, and our stakeholder’s expectations, and Essity’s commitment to human rights, including children’s rights
- Global Compliance program addressing aspects such as anti-bribery, anti-corruption and human rights
- Whistleblowing system for reporting breaches
- Risk assessments related to human rights, anti-bribery and corruption
- Global Supplier Standard including a Code of Conduct for suppliers
- Compliance and monitoring through systematic activities, audits, and other processes



90%

of Essity's new employees completed training in Essity's Code of Conduct*



90%

of Essity's total purchasing spend was to suppliers that comply with Essity's Global Supplier Standard*



6,480

of Essity's employees completed mandatory online anti-corruption training*

* 2022



Collaborations and Partnerships for Change

We cannot achieve our targets alone. Therefore, Essity collaborates with suppliers, governments, customers, consumers, NGOs, experts and industry peers to lead the change the world so urgently needs.



Science Based Targets initiative

Our targets to reduce carbon emissions have been approved by the Science Based Targets initiative and are in line with the ambition of the Paris agreement to reduce global warming. This is a climate initiative supported by CDP, WRI, WWF and the UN Global Compact. We see opportunities to work together with both suppliers and customers to reduce our shared climate impact.



Essity and UNICEF Mexico

Essity and UNICEF in Mexico collaborate by educating and driving awareness of the importance of good hand hygiene and to break taboos around menstruation through the “Hygiene is our right” partnership. Throughout our collaboration we have reached more than seven million young people.



Hygiene and Health Report 2023-2024

Essity’s Hygiene and Health Report aims to contribute to the global hygiene, health, and well-being dialogue through sharing knowledge and insights, anchored in current and forthcoming global agendas. The report has derived knowledge from interviews with leading international voices within the outlined areas.



United Nations Foundation

With the United Nations Foundation, we focus on sharing knowledge and raising awareness about what is needed to achieve the UN Sustainable Development Goals. In 2021, Essity has joined the United Nations Foundation’s cross-industry group that brings together corporate experts in the fight against antimicrobial resistance (AMR). In 2022, the partnership was expanded to include the #EqualEverywhere campaign, which promotes equality and greater opportunities for girls and women around the world.



Global Handwashing Partnership

Essity has been involved in the Global Handwashing Partnership since 2017 and evolved into a strategic partner in October 2020. The purpose of this partnership is to promote handwashing and recognize hand hygiene as a means of well-being and public health. To promote handwashing at local, national, and international levels, we have, under our world leading professional hygiene brand Tork, developed and amplified relevant content and campaigns on Global Handwashing Day since 2012.



Ellen MacArthur Foundation

Essity is a partner in the Ellen MacArthur Foundation’s Network, which provides a forum to share, learn and implement ideas to apply and scale circular economy solutions for products, packaging, and services and to jointly promote societal change. We are part of the New Plastic Economy initiative, which is aligned with and impacts external prerequisites for Essity’s target to ensure that all packaging is 100% recyclable and to increase the use of recycled plastic by 2025.

“Through active dialogues and knowledge sharing we contribute to policy developments together with partners”

Public Affairs is the key in supporting our vision and strategy. As society and the external environment constantly evolve, we need to follow these developments and dialogues to understand what our stakeholders are asking from us, as well as how we can contribute to and drive positive change. That is part of our Public Affairs team's and my role as VP Public Affairs at Essity.

In our team, we follow societal developments and take part in public debates on issues related to hygiene and health as well as a sustainable and circular society. We monitor and anticipate changes in the environment in the form of political decisions, new or amended policies and regulations in the prioritized areas where we have expertise, can contribute and are of particular importance to our business.

In important events and meetings with decision makers, such as on a global UN or national level, we communicate our views, facts and figures as well as experience on societal issues. We do this to encourage developments of policy frameworks that support sustainable innovations as well as drives healthy societies. We work actively on a national, EU and international level on issues where we can contribute the most and secure impact. Some of those areas include, Circular economy, Climate and Energy, Fiber sourcing, issues relating to Waste, Water, Plastics, Transparency, as well as to Health and Hygiene related policies.

We are not doing this alone. We collaborate and engage in strategic partnerships, where we gather knowledge, insights, use our different perspectives, collective competences, and resources to find and propose solutions to societal challenges and drive progress.

Essity works with various actors such as Non-Governmental Organizations (NGOs) on both environmental and social issues, Inter Governmental Organizations (IGOs) such as the United Nations, World Health Organization, European Union, OECD etc. as well as with trade and industry associations. One example is the Consumer Good Forum, a platform where we together with our customers and peers drive sustainable transformation on selected topics and drive positive change through the value chain of the consumer goods industry. Another initiative is the Essity Hygiene and Health Report, where we gather insights from key partners, share knowledge and communicate clear calls to action for policymakers.

▶ [Link to the report](#)

We are on the right track on our journey, where it continues to be important that we are involved and contribute in the discussions, are prepared for the future, and take active positions.

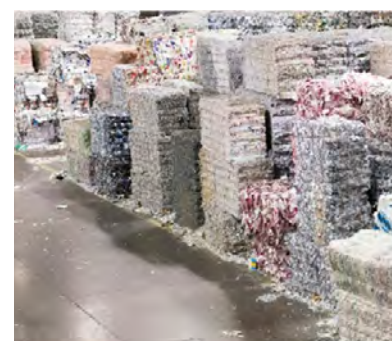


Anna Brodowsky
Vice President Public Affairs,
Essity



Reducing Our Environmental Impact

The climate crisis is one of the defining issues of our time. Its global effects are far-reaching and impact both life on the planet and Essity's business. As one of the world's leading hygiene and health companies, we are scaling up our efforts to reduce environmental impact throughout our value chain.



Emissions

- Joined business ambition for 1.5°C
- Committed to achieving net zero emissions by 2050
- SBTi targets by 2030 covering Scope 1 and 2 (energy and electricity) and Scope 3 (key raw materials, transports and waste)

Forest and Fiber

- Committed to responsible forest management
- Cooperation to combat forest degradation, deforestation and protect biodiversity
- 100% FSC™ and PEFC™

Plastics

- Reduce primary fossil plastics with smarter designs and replace with renewable or recycled materials
- Develop fully reusable and hybrid products
- Support sustainable consumption with superior products and digital solutions

Waste

- Zero production waste by 2030
- Products and services for a circular society through "Reduce, Reuse & Recycle"
- Develop circular solutions and explore new business models with partners

Water

- Securing water management
- Improving water use and water quality to protect ecosystems
- Essity is investing in new wastewater treatment technology

Highlights:

Increasing spectrum of alternative fibers – products with pulp made from wheat straw launched during 2022.

▶ [Read more](#)

Essity first to produce tissue in a CO₂-free production process using renewable hydrogen.

▶ [Read more](#)

Great progress in 2022 in increasing recycled content in product packaging with up to 85%.

▶ [Read more](#)

Acceleration of reusables in many categories during 2022, from leakproof apparel to hybrid baby diapers (i.e., hybrid Baby diapers, Modibodi, Knix).

▶ [Read more](#)

Entering pilot phase in 2023 of an exclusive partnership with the global technology company Voith to develop a new tissue making process that will reduce energy and CO₂ emissions while cutting water consumption by up to 95%.

▶ [Read more](#)

Our Journey to Net Zero

Essity has ambitious climate targets for 2030 and 2050. We have a clear strategy and plan to achieve these targets. Our actions encompass the entire value chain, from raw materials and production to distribution, consumer use, and the management of used products.

Essity has committed to achieving net zero emissions of greenhouse gases by 2050 and has Science Based Targets for Scope 1, 2 and 3, encompassing both our own operations and our suppliers' value chains.

Nearly half of our greenhouse gas footprint stems from our tissue production. Therefore, our most important action is to reduce emissions from our own operations.

We work to reduce upstream and downstream emissions in our value chain through targeted interventions. One example is encouraging suppliers to set their own climate targets and working with logistics partners to shift to low carbon transport options.

We have two overarching targets guiding our actions:

- A near-term emissions reduction target to reduce our Scope 1 and 2 emissions by 35%, and our Scope 3 emissions by 18% by 2030 against a 2016 baseline.
- A long-term commitment to achieving net zero emissions covering Scope 1, 2 and 3 emissions by 2050 in absolute terms.

As one of the world's leading hygiene and health companies, Essity has joined the UN Global Compact's "Business Ambition for 1.5°C". The initiative's climate targets are aligned with the ambitions of the Paris Agreement to reduce global warming, and it is supported by the Carbon Disclosure Project (CDP), World Resources Institute (WRI), WWF and UN Global Compact.



Essity's climate targets in line with SBTi

Near-term target 2030:

Scope 1 and 2: **-35%**
 Scope 3: **-18%**

Long-term commitment 2050:

Scope 1, 2 and 3:
net zero

Additional sustainability targets to support climate targets:

- >50% sustainable innovations
- 85% renewable or recycled packaging materials (2025)
- 100% packaging recyclability (2025)
- 100% FSC™ or PEFC™-certified fresh fiber*
- 100% of production waste subject to material or energy recovery (2030)

* FSC (Forest Stewardship Council), PEFC (The Programme for the Endorsement of Forest Certification)

“We help our customers become more sustainable and circular”

The Sustainability Products & Services-team have global responsibility for sustainability in terms of innovations, products, and services within Essity. Our ambition is to support the transformation of products and services that can contribute to a circular society and net zero future.

In our common net zero journey, we are focusing on making efforts throughout the entire value chain. We are committed to supporting sustainable development across the corporate end-to-end supply chain and take into consideration both environmental and social aspects.

Essity has always worked with resource efficiency in the entire life cycle, and we are introducing fossil-free manufacturing, new low carbon, renewable, and recycled materials, reusable products, customer services that reduce consumption and new recycling solutions such as Tork PaperCircle.

The basis of our products and services is the combination of consumer insights and understanding consumer needs development of sustainability science. Through knowledge about people’s daily needs and challenges, we create an offering that improves well-being of life every day and environmental performance. We perform social assessments to understand hygiene

and health needs, Life Cycle Assessments (LCA) and circular assessments to measure the environmental performance. This means that we can measure the environmental improvements from all innovations in our Sustainable innovation targets and step by step improvements in daily operations for the full product range over time.

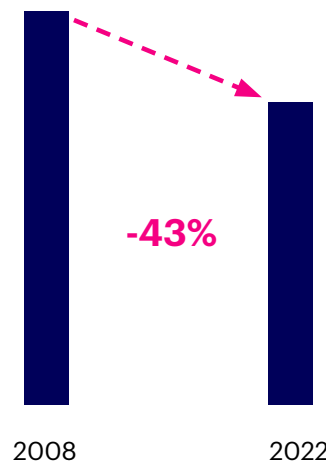
Looking forward, we need to rethink the future and develop new ways of scaling up with external partners, work together with suppliers to find new materials and with customers to develop breakthrough innovations that can meet our high demands on sustainable consumption during use and circular solutions after use. In the end, it is about cross functional cooperation and new mindset.



Susan Iliefski Janols
VP Sustainability
Products & Services, Essity

A life cycle perspective that yields results
By integrating Life Cycle Assessments (LCA) into our innovation work, we monitor how we can improve the environmental profile of our innovations as well as our product range.

We comply with ISO standards, specific Product Category Rules and use third-party verifications to secure credible LCAs. The LCA of the product range includes most of all products sold in a region. This means that we can measure the environmental improvements from innovations on our sustainability targets and manage step-by-step improvements in daily operations for the full product range over time.



Between 2008 and 2022, the carbon footprint of Essity branded products TENA pads and liners was reduced by 43%.



Net Zero Key Action Areas

Our journey to net zero sets out our climate transition roadmap with eight key action areas, including investments in technology that improve energy and resource efficiency and focus on innovating sustainable solutions.



Sustainable innovations

- Scaling up reusable products
- Continue to accelerate sustainable innovations



Low carbon materials

- Supplier decarbonization
- Increasing renewable, recycled or alternative materials



Fossil fuel free production

- Investing in decarbonization
- Scaling up successful pilots and demonstrations



Resource efficiency

- Advanced analytics in production
- Investing in state-of-the-art technology



Breakthrough technology

- Create proof of concept
- Scaling up from lab to industrial scale



Zero production waste

- Creation of waste elimination roadmap
- Manufacturing waste recovery on a larger scale



Clean transportation

- Continuous improvement of carriers with latest vehicle technology
- Collaboration to reduce emissions



Less waste after use

- Scale up composting and recycling of tissue
- Investing in circularity after use for more products

“Breakthrough technology to reduce CO₂ emissions and environmental impact”

As Regional Environmental Manager for Essity’s North American Operations, I can support environmental sustainability projects at the production sites to reduce our CO₂ emissions and other areas of environmental impact. I am also available to support the sites with other environmental challenges including permitting and regulatory compliance, wastewater treatment and water stewardship, waste reduction and handling, chemical management, etc.

One area our environmental team has been working diligently on is waste reduction which is in line with Essity’s zero waste to landfill goal. We are currently driving a large pilot project at one of our production sites in the USA. Through the efforts of our team, we managed to find a technology that can reduce waste volume and transform the stream’s physical state into a new reclaimed material with beneficial reuse potential.

The environmental team is also working together with others across the company to set a new water stewardship goal. As we always do at Essity, we want to analyze and understand the implications of our targets. To ensure that this is a holistic goal, but also a concrete goal to work with for the mills, we have sent out technical water use surveys to all global tissue mills. From this, we can identify opportunities and learn where our challenges will be, all of which will be used to set a new target and find the right improvement projects for each mill.



Tracey Driessen
Regional Environmental Manager,
North America, Essity



Sustainable Innovations

Our leading hygiene and health solutions are at the core of our business. Together with our partners, we use our experience and resources to accelerate innovation to ensure that our portfolio satisfies customer and consumer demands, while contributing to a sustainable and circular society and net zero future.



Tork Biobased Wiper

- Made from 99% biobased fibers, plant-based and sustainably sourced
- Improved performance for absorption and durability, reducing environmental impact



Libero Hybrid Diaper

- Low carbon two-piece solution with a washable textile diaper cover and a super-absorbent, disposable insert
- 35% lower climate impact than a regular Libero diaper, with less material going to waste



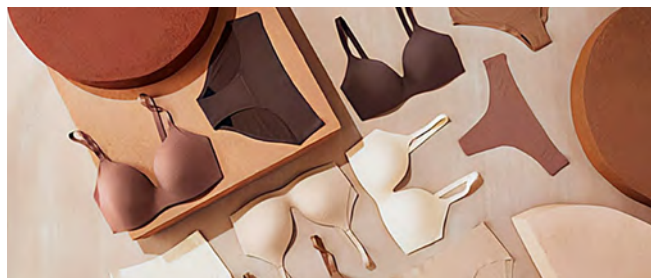
Zewa Ultra Soft With Wheat Straw

- Essity is the first company to integrate wheat straw into their tissue making process and maintain the same quality as using wood fiber
- A renewable resource, as wheat straw is an agricultural by-product



TENA SmartCare

- Reusable digital sensor and dashboards for improved continence care
- Increased well-being for user and care-giver
- Reduced waste



Leakproof Apparel

- Washable and reusable period pants and incontinence underwear
- Invisible protection for up to eight hours
- Reduces CO₂ footprint and waste



Tork PaperCircle®

- The world's first paper hand towel recycling service enabling circular hygiene
- Turns waste into a resource for new tissue products
- 20% reduction in waste for customers and lower carbon emissions

“We want to be the sustainable choice and partner”

As Global Brand and Sustainability Director at TENA, I work with communicating our sustainability initiatives. At Essity, we want to take a leading position within sustainability and be seen as the expert on the topic, but we also want to be a sustainable partner by offering sustainable continence care – one way is through digital health tools. Every day, we work towards the well-being of people, striving to provide the best solutions for their needs. We always keep the climate impact in mind, aiming to achieve our net zero target by 2050.

Working with sustainable innovations is an important part of our strategy. We want to reduce our climate impact, and we do this through life cycle assessment, looking at all dimensions of our products to be able to reduce the environmental impact. The most important initiative is our TENA Protects Program, where we are working step by step to reduce our carbon footprint by 50% by 2030 in Europe.

We have measured our carbon footprint for 15 years and are on a good track to reach our target. To reach this target, we need to switch to low carbon materials, reducing waste, but also to innovate and present new product ideas with lower climate impact, such as reusable and washable products. We all need to contribute to a circular society in the future, and we are up for the challenge.

We also want to contribute to sustainable continence care with our digital expertise, by giving insights, knowledge and information that is important for customers and consumers to make more sustainable choices and to ensure that they have

the right products for the best well-being of the user. One example is TENA SmartCare Identifi™, a digital solution designed to help carry out an accurate continence assessment. This assessment provides professional caregivers with the information they need to increase the well-being of the user. The solution also contributes to a more efficient use of time and resources and greater environmental sustainability, since it reduces waste, lowers consumption and results in less laundry and energy consumption by providing insights about the user's need.

We are taking a leading position when it comes to sustainable innovations, and this requires a “rethink” mindset. Sustainability is as a transformation process in all parts of the business. This means that we need to be prepared and be one step ahead in our sustainability work. We need to be open to new ideas and not be afraid of change. That is how we get sustainability high on the agenda.



Anna Smitterberg
Global Brand & Sustainability
Director for TENA



Sustainable Manufacturing

Going fossil free in an industry that is traditionally energy intensive is one of our most important and challenging tasks in becoming net zero emitters by 2050. To achieve this, we are committed to redefining the standards of the industry and investing in breakthrough technology.



Wheat Straw, Mannheim Germany

- The first large-scale production of pulp for tissue made from agricultural by-products
- Wheat straw is a renewable fiber with low carbon footprint that often remains unused
- Reduces dependency on wood fiber and requires less water and energy



Lilla Edet Biogas Plant, Sweden

- The largest tissue plant in Sweden now running on fossil-free biogas
- First plant in the world to produce tissue without fossil CO₂ emissions
- In the ongoing pilot, the plant has switched successfully to 100% biogas



Kawerau Geothermal Steam, New Zealand

- The world's first tissue machine running a fully geothermal steam drying process
- Process leads to reduction in pulp consumption and reduces waste
- Contributing to a 23% reduction in CO₂ emissions for the plant



Green Hydrogen, Kostheim Germany

- First company in the industry to produce tissue in a CO₂ emission-free production process using renewable hydrogen
- Based on four building blocks-efficiency savings, electrification, renewable energy and green hydrogen



“Decarbonization, energy efficiency and disruptive innovations are the keys to achieve net zero”

One of Essity’s challenges is that we are an energy intensive company. Roughly half of our CO₂ emissions come from our own tissue manufacturing operations, where we need a high amount of heat for our production and electricity for the different processing stages across manufacturing. As Technical Area Director Sustainability & Digitalization, I focus on projects and improvements that will decrease emissions in Scope 1 and 2.

Energy efficiency is a priority for us. This is something that every single site across the company is working towards, because the cleanest megawatt hour is the one never consumed. We have several ongoing projects to reduce energy consumption where we are investing in state-of-the-art technology as well as leveraging operational best practices.

We are also redefining the industry standards by decarbonizing our operations. One example is in Lilla Edet, Sweden. This is the first tissue production site ever that is completely fossil fuel free, by using sustainable biomass and biogas. In Kawerau, New Zealand, we are currently transforming one of our machines to be utilizing fully geothermal energy as opposed to natural gas. Another solution is green hydrogen, and in the beginning of 2023, we became the world’s first tissue producer to run a paper machine fully on green hydrogen in Kostheim, Germany. Finally, in Mannheim, Germany, Essity became the first tissue company in Europe to produce pulp from wheat straw.

Disruptive innovation is the key to net zero, and we aim to create technology which by design is CO₂-free.

We recently made a commitment to prototype a new kind of tissue production process that by itself would be using up to 90% less water and 40% less energy. This has now been successfully tested in lab scale. By the end of the decade, we aim to use this process on a commercial scale. This will be a breakthrough and will significantly help us with reducing our emissions.

There is no one size-fits-all solution, so we need to look at different solutions at different geographical locations, considering the availability and infrastructure for renewable energy and electricity, as well as the policy support for selected schemes. These elements are reflected in our roadmap for each site, consisting of renewable fuels, hydrogen, geothermal energy, solar panel installations and electrification of our processes. We have a lot of solutions at hand, but we need to scale them and make sure that every single site has a CO₂-reduction plan, eventually aiming for net zero.



Olli Härkönen

Technology Area Director
Sustainability & Digitalization

Sustainability Ratings and Recognitions

Essity's initiatives and achievements over the years have gained recognition. Essity is included in several sustainability indexes and has received numerous prestigious awards.



Awarded Platinum in the 2023 Ecovadis CSR Rating



Named 'Diversity Leader' by Financial Times in 2021 and 2022



Awarded A in CDP Forest 2022



FTSE4Good

Listed on the FTSE4Good global sustainability index since 2001



Highest rating, AAA in the MSCI ESG Ratings

Corporate Knights

Ranked one of the world's most sustainable companies

Essity Household Products
Sustainability Yearbook Member
S&P Global ESG Score 2022

75/100

As of February 7, 2023. Position and Score are industry specific and reflect exclusion screening criteria. Learn more at [spglobal.com/esg/yearbook](https://www.spglobal.com/esg/yearbook)
S&P Global Sustainable1

Included in S&P Global's Sustainability Yearbook 2023 for our sustainability work in 2022

For more information,
visit essity.com