

## Modern Slavery Statement

### Respecting Human Rights

Human rights are basic rights and freedoms to which all people are entitled. Essity supports and respects internationally proclaimed human rights wherever we operate. In line with the United Nations Guiding Principles on Business and Human Rights, we have integrated these principles into the Essity Group Code of Conduct, applicable to all Essity companies worldwide and their daily business practices and into the Essity Supplier Code of Conduct, shared with Essity suppliers through the Essity Global Supplier Standard.

This statement describes the steps Essity is taking to prevent modern slavery in its operations and supply chain, in accordance with the United Kingdom's Modern Slavery Act 2015.

Our approach includes a commitment to:

- uphold and communicate our values and standards at our workplace, in our operations and towards our business partners;
- ensure we have processes in place to avoid human rights abuses;
- address any negative human rights impacts which our business may cause or contribute to;
- track and communicate our performance to our stakeholders; and
- use our influence to promote and support human rights in the communities in which we operate through community engagement and external initiatives such as the United Nations Global Compact.
- ensure that we have relevant grievance channels in place, both for our own employees and for external stakeholders

Furthermore, Essity recognizes children as stakeholders who need particular protection. Guided by the Children's Rights and Business Principles we will respect and support children's rights in our business and society. Wherever Essity's business activities impact children, we will have their best interests in mind.

### Child Labour

Essity does not accept child labour or other forms of exploitation of children in our operation or value chain, nor in the operations of any business partner. We will always strictly follow applicable national laws and international standards regarding minimum working age wherever we operate. If breaches were to be found in this area, the situation would be remedied as quickly as possible and with the best interest of the child in mind.

### Forced Labour

We do not tolerate any form of forced, bonded or compulsory labour or physical punishment. No one may be required to lodge deposits or be deprived of their identity papers upon commencement of their employment. Under no circumstances should workers be charged fees or expenses related to their recruitment and they must always be free to leave their employment in accordance with applicable laws and providing reasonable notice. Employees must report suspicions of forced labour, child labour or physical punishment at any Essity facility or the facilities of any supplier, distributor or other business partner.

Essity has taken a variety of actions to verify the absence of forced labour, slavery and human trafficking in our supply chain, including the following:

**1. VERIFICATION AND RISK ASSESSMENT:**

For new suppliers, a risk assessment also covering human rights is part of the mandatory qualification process. Furthermore, Essity's major suppliers are evaluated on an annual basis from a risk perspective as a part of the Sourcing Strategy. Among the risks taken into consideration are Financial, Geopolitical, Environmental, Legal, Social/Ethical and Market / Supply. The resulting aggregated risk index for a supplier can trigger a specific Ethical Audit (further information below).

**2. GLOBAL SUPPLIER STANDARD COMPLIANCE:**

Suppliers are requested to comply with Essity's Global Supplier Standard that includes our Supplier Code of Conduct that states Essity's expectations on suppliers in the following areas:

- compliance with laws,
- health & safety,
- employee relations,
- business practice,
- community relations,
- privacy of data,
- environment
- respect for human rights (specific mention of child, forced or compulsory labour)

Key suppliers' operations are audited to ensure compliance with Essity's Global Supplier Standard on a regular basis.

**3. SUPPLIER ETHICAL DATA EXCHANGE (SEDEX):**

Suppliers are requested to share their ethical and social status through the online information tool SEDEX (Supplier Ethical Data Exchange) <http://www.sedexglobal.com/>.

**4. ETHICAL AUDITS:**

Essity conducts Ethical audits (carried out by accredited third-party auditors) based on the SMETA 4-pillar format that includes areas such as labour standards, health & safety and entitlement to work. The decision to initiate an audit is based on international indices such as Sedex risk ranking (based on input from e.g., World Bank, ILO, Transparency International, UNICEF, World Economic Forum) outcome from SEDEX questionnaires or outcome from Essity's own Global Supplier Standard audits.

**5. CODE OF CONDUCT:**

As a signatory of the United Nations Global Compact since 2008, Essity's Code of Conduct clearly states Essity's position against slavery, bonded labour and trafficking.

Internal accountability standards and procedures are defined to help confirm that employees and suppliers meet Essity standards. Supplier accountability occurs through mechanisms ranging from audit corrective actions (see ETHICAL AUDITS above) to supplier scorecards and quarterly business reviews. Essity is committed to remedy any situation where our activities have caused adverse human rights impact.

A third-party administered grievance channel, Essity's hot line, is available for all employees and external stakeholders, enabling them to report violations of Essity's Code of Conduct.

Essity's Supplier Code of Conduct obliges suppliers to report to their Essity representatives, any suspicions of a material breach of any of the supplier's obligation under the Supplier Code of Conduct, including any breach by Supplier's sub-suppliers. Also, Essity expects its suppliers to have in place effective grievance channels through which employees can report complaints and grievances about their working conditions without fear of retaliation

## **6. TRAINING:**

All Essity supply chain management professionals are trained on the Essity Code of Conduct regularly through a variety of training approaches, from in-person, workshops to online modules. Human trafficking, forced labour and other human rights related issues are consistently covered as part of the training provided. Essity's Global Supply Chain Management organization has responsibility for implementing and monitoring compliance to all the supply chain activities described above.

Our focus on slavery and human trafficking is part of a larger effort to encourage supply chain transparency and accountability. We will not tolerate forced, bonded (including debt bondage) or indentured labour, involuntary prison labour, slavery, or trafficking of persons by any Essity supplier or for any other purpose.

## **Responsible procurement**

Approximately 54% of Essity's strategic suppliers for raw materials and finished products are located in Europe, 37% in North and South America and 9% in Asia and Africa. Many of the strategic suppliers' production facilities located in Asia and Latin America are part of large multinational corporations based in Europe and the US. This is a conscious choice by Essity to reduce the social and ethical risks within the supply chain. 23% of strategic suppliers' manufacturing units are located in high-risk countries according to the Sedex definition. These suppliers are in scope for ethical audits with a focus on health and safety, human rights, employment conditions and corruption.

At the end of 2023, Essity had a total of 958 suppliers that share data via Sedex. Certain materials, such as cotton and wood fibre, are considered to primarily have risks lower down in the value chain. Essity takes further measures here, such as audits of subcontractors, or chooses certified raw materials that guarantee more sustainable extraction and production. The share of total purchase cost from suppliers that comply with Essity's Global Supplier Standard was 92%.

During 2023 Essity found that migrant workers at a supplier in Malaysia were requested to ask for permission to leave if they intended to stay away from the dormitory during their days off. The SMETA auditor considered this as a potential indicator of forced labour according to International Labour Organization's (ILO) guidelines. After verification Essity concluded this was not a case of forced labour as the migrant workers were not restricted from leaving their dormitory at any time however the supplier's facility management updated their administrative routines and current practices for workers staying at the dormitory.

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Further information about Essity's Human Rights work within our own operations is found in Essity Annual and Sustainability Report 2023 under the headline 'Business ethics and human rights' page 87 [Essity AR ENG 2023.pdf \(azureedge.net\)](#).

Information about Human Rights related KPIs for Procurement and supplier base can be found in Essity's Annual and Sustainability Report 2023 on pages 90-91.

Additional information about Essity's Business Ethics and Human Rights Policy and Essity's work with Human Rights can be found on Essity's home page: [Business Ethics & Human Rights \(essity.com\)](#)

A handwritten signature in blue ink, appearing to be 'Kevin Starr', written over a faint circular stamp or watermark.

**Kevin Starr**

Signed for and on behalf of

**Essity UK Ltd**  
**Essity Operations Manchester Ltd**  
**Essity Operations Ltd**  
**Essity Holding UK Ltd**  
**BSN Medical Ltd**  
**BSN Medical Distribution Ltd**

## Appendix: About Essity

**Essity is a leading global hygiene and health company. We are dedicated to improving well-being and contributing to a healthy, sustainable and circular society through our products and services.**

Sales are conducted in approximately 150 countries under the leading global brands TENA and Tork, and other strong brands, such as Zeva, JOBST, Leukoplast, Libero, Libresse, Libra, Bodyform, Lotus, Nosotras, Saba, Tempo, Plenty, Regio, TOM Organic, Purex, Treasures, Orchid, Viti, Softly, Drypers, Handee), Actimove, Knix, and Vinda.

Our largest markets, in terms of sales, are the United States, Germany, France, UK, Mexico, Spain, Netherlands, Colombia and Italy. In 2023 Essity completed no acquisitions.

Net sales in 2023 amounted to approximately SEK 147bn (EUR 12,8 bn). The company's headquarters are located in Stockholm, Sweden, and Essity is listed on Nasdaq Stockholm.

Essity has about 36,000 employees.

## Our products and business areas

### Health & Medical

Health & Medical encompasses the Incontinence Products Health Care and Medical Solutions categories. The offering includes incontinence products, wound care, compression therapy, orthopedics, skincare products and digital solutions with sensor technology under brands such as TENA, Leukoplast, Cutimed, JOBST, Actimove and Delta-Cast. Distribution channels for the products are pharmacies, medical devices stores, hospitals, distributors and care institutions as well as online.

### Consumer Goods

Consumer Goods includes the categories of Incontinence Products Retail, Baby Care, Feminine Care and Consumer Tissue. The offering includes incontinence products, pads, diapers, wet wipes, skincare products, intimate soaps, washable absorbent underwear, menstrual cups, toilet paper, household towels, handkerchiefs, facial tissues and napkins. Products are sold under brands such as the globally leading TENA brand and other strong brands including Libero, Libresse, Nosotras, Saba, TOM Organic, Lotus, Regio, Tempo and Vinda. Distribution channels for the products are the retail trade and online.

### Professional Hygiene

Professional Hygiene comprises complete hygiene solutions, including toilet paper, paper hand towels, napkins, hand soap, hand lotion, hand sanitizers, dispensers, cleaning and wiping products as well as service and maintenance under the globally leading Tork brand. Essity also offers digital solutions, such as Internet of Things sensor technology, enabling data-driven cleaning. Customers consist of companies and office buildings, universities, healthcare facilities, industries, restaurants, hotels, stadiums and other public venues. Distribution channels for the products consist of distributors and online.

## Our Operations

Essity conducts sales in approximately 150 countries, and directly manufactures products at more than 70 different sites in Europe, North America, South America, Africa and Asia.

In addition to direct manufacturing, Essity also sources finished goods for select products under our brands.