

Update in relation to the German Supply Chain Due Diligence Act

The German Supply Chain Due Diligence Act / Lieferkettensorgfaltspflichtengesetz will enter into force in 1st January 2023 and Essity is fully committed to ensure compliance with the new legislation.

Our approach to human rights is based on the United Nations Guiding Principles on Business and Human Rights. As a signatory to the United Nations Global Compact, we actively support human rights and conduct our business in a manner that is consistent with the principles of the Global Compact, the International Bill of Human Rights, the ILO Core Conventions and the OECD Guidelines for Multinational Enterprises. Human rights due diligence is integrated into our key processes. When we identify a potential or actual negative impact, we take steps to mitigate or remediate any harmful activities. Additional information on how we work with human rights is provided in our human right framework and in our human right policy.

Our due diligence system includes a supplier onboarding process with strict requirements as well as continuous risk management and risk analysis which includes both our procurement activities as well as our own operations. This allows us to proactively take steps to prevent and mitigate potential risk related to human rights globally.

All our business partners, suppliers and customers are expected to follow principles equivalent to those included in Essity's Code of Conduct. Our Supplier Code of Conduct and our Business Partner Code of Conduct includes our expectations regarding human rights and employee relations as well as health and safety. You can access our Code of Conduct for Supplier and Code of Conduct for Business Partners via [Responsible business \(essity.com\)](https://www.essity.com/responsible-business).

We are reviewing our due diligence system to make sure that every part meets the requirements of the new German Supply Chain Due Diligence Act / Lieferkettensorgfaltspflichtengesetz. An initial analysis shows that our way of working is well in line with the new law. In case we would identify any gaps, we will take immediate action to resolve such gaps and ensure that we are compliant with the new law when it enters into force on 1st January 2023.