

Press release

Stockholm, November 19, 2021

Essity part of initiative to improve sorting and recycling of plastic packaging

Hygiene and health company Essity is part of the Digital Watermarks Initiative HolyGrail 2.0, to improve sorting and increase the recycling rates for plastic packaging in the EU. By adding invisible codes to packaging, waste sorting facilities can identify the type of plastic and sort it accordingly. The initiative is a large-scale pilot project driven by AIM - European Brands Association and powered by the Alliance to End Plastic Waste.

Essity, together with 130 companies, is working to develop the technical capability of digital watermarks to improve accuracy in sorting packaging waste, as well as the economic viability of the business case on a large scale.

"The Digital Watermarks Initiative will increase the recycling rates of plastic packaging as well as unlock access to higher quality recycled materials for the industry to improve the circularity of packaging, bringing us one step closer to a circular economy. Essity's products and solutions are necessities in people's everyday lives, and we want to take responsibility for the whole life cycle, including after the products are used", says Volker Zöller, President Consumer Goods at Essity.

Digital watermarks are invisible codes the size of a postage stamp. After the packaging has entered a waste sorting facility, a high-resolution camera decodes the watermark and sorts the plastic waste accordingly. This will significantly improve the accuracy of how post-consumer packaging waste is sorted and provide a higher quality of recycled materials for reuse. It will also improve the availability of recycled materials in the supply chain, enabling Essity and other companies to use more recycled plastic in their packaging.

Essity's ambition is to improve well-being for people around the world through its hygiene and health products, in parallel with reducing its environmental footprint. Developing products and services for a circular society calls for creative thinking, new business models and partnerships. Essity is working toward 100% recyclability and 85% renewable or recycled materials in its packaging by 2025. During 2020, the company's packaging comprised of 77% renewable or recycled materials. These targets are part of Essity's commitment to the Ellen MacArthur Foundation's global pledge to eliminate plastic pollution, The Global Commitment.

Find more information about HolyGrail 2.0: <https://www.digitalwatermarks.eu/>

For additional information please contact:

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About Essity

Essity is a leading global hygiene and health company. We are dedicated to improving well-being 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 JOBST, Leukoplast, Libero, Libresse, Lotus, Nosotras, Saba, Tempo, Vinda and Zewa. Essity has about 46,000 employees. Net sales in 2020 amounted to approximately SEK 122bn (EUR 11.6bn). The company's headquarters is located in Stockholm, Sweden, and Essity is listed on Nasdaq Stockholm. Essity breaks barriers to well-being and contributes to a healthy, sustainable and circular society. More information at www.essity.com.