

Press release

Stockholm, October 23, 2025

Essity strengthens conditions for profitable growth

Hygiene and health company Essity is today launching measures to create better conditions for profitable growth. Actions include an organizational change that decentralizes decision-making and strengthens end-to-end accountability for each product category, and a cost savings program that is expected to generate annual savings of approximately SEK 1bn with full effect by the end of 2026.

“Today, we’re launching measures to create better conditions for Essity to increase its growth rate going forward and to faster achieve our targets,” says Ulrika Kolsrud, President and CEO, Essity.

The organizational change will simplify Essity’s structure and create end-to-end accountability. This will further enhance customer and consumer focus, increase speed, agility, and operational efficiency. The change facilitates increased strategic focus on the product categories and segments with the greatest potential for profitable growth.

The new organization will consist of the business areas **Health & Medical**, **Personal Care**, **Consumer Tissue**, and **Professional Hygiene**, with clear overall responsibility in each business area for innovation, production, marketing and sales. The current Consumer Goods business area will be split into Personal Care and Consumer Tissue. Essity’s global units Global Marketing & Innovation and Global Supply Chain will be integrated into the four business areas.

Tuomas Yrjölä, President Global Marketing & Innovation, has been appointed President Personal Care. Volker Zöller, President Consumer Goods EMEA, has been appointed President Consumer Tissue. Anand Chandarana and Pablo Fuentes have been appointed President Health & Medical and President Professional Hygiene, respectively, also in the new organization.

The changes will apply as of January 1, 2026. Essity’s new structure will be reflected in the financial reporting as of the interim report for the first quarter of 2026.

The cost savings program primarily targets sales and administrative expenses, while marketing costs (A&P) are not in scope. The program is expected to generate annual savings of approximately SEK 1bn, with full effect by the end of 2026, and part of this

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 2024, Essity had net sales of approximately SEK 146bn (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 [essity.com](https://www.essity.com).

amount will be derived from the organizational change. The cost savings will mainly be invested in profitable volume growth.

The savings generated by the program will be reported and are in addition to the costs of goods sold (COGS) savings that the company continuously reports, where the target of annual savings of SEK 0.5–1bn stands firm. Restructuring costs will mainly be related to workforce reductions and will be reported in conjunction with the interim report for the fourth quarter of 2025 at the latest.

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 6:55 a.m. CET on October 23, 2025.

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