

2020

Global Sustainability Report





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This report portrays Kimberly-Clark's progress through stories that highlight our work around the world as well as key data and metrics, prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards "Core" level. Our reporting time frame covers January 1 through December 31, 2020.

Legal Notice; Forward-Looking Statements

All statements in this report that are not historical, including goals for and projections of future results, the expected execution and effect of our sustainability strategies and initiatives and the amounts and timing of their expected impact, constitute forward-looking statements that are based on management's expectations and beliefs concerning future events impacting the company. Many factors outside our control, including competitive pressures, evolving legal and regulatory requirements, and societal and market conditions globally and in the markets in which we do business, could cause actual results to vary.

There can be no assurance that these future events will occur as anticipated. Forward-looking statements speak only as of the date they were made, and we undertake no obligation to publicly update them. Please see Kimberly-Clark's latest Annual Report on Form 10-K and subsequent SEC filings for a discussion of risk factors as they relate to forward-looking statements.

Please note that Version 2 of our Global Sustainability Report (revised March 2023) includes corrections and edits following an internal audit process.

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For more detailed data, metrics and disclosures, see the [2020 Sustainability Report Addendum](#).



A Message from Mike Hsu
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Living Our Values

A Message from Mike Hsu

Reflecting on the past year, I am incredibly proud of how Kimberly-Clark and our people responded in a powerful way when the world needed us the most.

The health and safety of our employees has been and remains our priority. We took swift action to protect our teams at the outset of the COVID-19 pandemic to keep our people and their families safe and healthy. We prioritized care for our employees so we could provide the essential products that the world was counting on.

As the world's focus expanded beyond the pandemic to include social and racial injustice, our values dictated how we would use the strength of our culture and trusted brands to advocate for and promote inclusion, drive diversity, and disrupt bias - at first with our employees around the world, and later in the communities where we live and work.

These once-in-a-lifetime events forced us to both embrace and redefine how we care for each other, our customers, our consumers, our communities, and our planet, and they affirmed a shared purpose for our company that was not fully realized until the pandemic required a singular focus on care.

This sense of purpose is at the core of our ambitious sustainability strategy, which we introduced last year: to uplift the lives and well-being of 1 billion people around the world by 2030, with half the environmental footprint in the areas where we can make the biggest difference - climate, forests, water, and plastics.

We know the hard work is still ahead of us. Yet, the conversation around sustainability is changing, and growing for good means that we must be bolder and act faster to address the social and environmental challenges facing our consumers, our communities, and the planet. In setting these goals for ourselves, we believe we are futureproofing our business for generations to come.

This year's report showcases the incredible response from our teams to an extraordinary year, and it reflects how we live our purpose every day.

Mike Hsu
Chairman, CEO, and Proud Employee
Kimberly-Clark





The Essentials for a Safer, Healthier World

A Message from Lisa Morden

The past year presented previously unimaginable challenges that put health and safety at the forefront while illuminating social and environmental gaps that still need to be bridged. For Kimberly-Clark, it reminded us how closely we are all connected, and of the urgency of the work ahead to achieve our environmental, social, and governance goals.

The safety of our people has remained our top priority, and we have taken extra precautions across our global operations to keep employees and their families safe while ensuring that consumers have continued access to our essential products.

The COVID-19 crisis has also increased awareness of the complex relationship between humans and the world around us, and the critical connection between health, safety, and sustainability. Preserving natural resources and improving public health and hygiene are essential to helping people lead safer, healthier, and better lives.

Amidst this backdrop, we launched Kimberly-Clark's 2030 ambitions, aimed at improving the lives of 1 billion people in underserved communities around the globe. With a commitment to reducing our environmental footprint by 50% over the coming decade, we're focused on the areas where we can make the greatest difference, including climate, water, forests, and plastics.

Kimberly-Clark is using its unique position to help address these challenges and drive initiatives that support the United Nations Sustainable Development Goals for good health and well-being, gender equality, and clean water and sanitation as well as life on land, climate, and life below water.

Our work also serves to tackle longstanding social inequities. The lack of basic sanitation for 1-in-4 people around the world makes communities less resilient to disease and impedes economic

progress—and the impacts, including those driven by climate change, are far-reaching. Thousands of women and girls miss school and work every day since they lack access to clean, safe toilets and are unable to manage their periods.

This year's report shares how our teams cared for each other, our consumers, our communities, and the planet. Further, our experiences have taught us that we can move quickly to achieve incredibly challenging goals and that an unwavering focus on health, safety, and sustainability can illuminate ways of working with purpose and urgency.

We look forward to keeping you posted on our progress.

Lisa Morden

Vice President, Safety, Sustainability,
and Occupational Health





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Our Business in 2020

Our essential heroes responded to the strain of 2020 with incredible care for each other, our consumers, and communities around the world. The year brought a series of profound disruptions—to our people and operations, our consumers, and our value chain—highlighting greater social issues in the process.

The COVID-19 pandemic tested our resilience, both as individuals and as a business committed to helping people live better lives. The demonstrations that erupted in late May spotlighted longstanding social inequities around the world and challenged us to chart a better, faster, and more comprehensive way forward.

The urgency of these obstacles brought a renewed sense of purpose for how we care for others and improve people's lives.



Our Malaysian team donated care packages that included Huggies, Kotex, and Kleenex products to 16,000 affected families. YB Dato' Sri Dr. Santhara Kumar, Deputy Federal Territories Minister, pictured here, recognized Kimberly-Clark for the contribution.



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Our Business



149
years in business

Our Business
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1/4
of the world's population uses one of our products every day



\$19.14
billion sales in 2020



175+
countries, regions, and territories where our brands are sold

Kimberly-Clark (NYSE: KMB) and its trusted brands are an indispensable part of life for people in more than 175 countries.

We are headquartered in Dallas, Texas, with approximately **46,000 employees*** worldwide and operations in **34 countries**.

Fueled by ingenuity, creativity, and an understanding of people's most essential needs, we create products that help individuals experience more of what's important to them.

For nearly 150 years, we've had the foresight to find new ways to make lives better. From creating new categories to starting new conversations, we are constantly innovating our products and our practices to serve and care for the ever-changing needs of the people we touch at all stages of life.

* Number includes employees of Softex, which Kimberly-Clark acquired in September 2020.



Net Sales

54%
North America

46%
outside North America

Our portfolio of brands, including Huggies, Kleenex, Scott, Kotex, Cottonelle, Poise, Depend, Andrex, Pull-Ups, GoodNites, Neve, Plenitud, Viva, and WypAll, hold the **No. 1** or **No. 2** share position in **80 countries**.

Diapers & Baby Wipes

- Diapers
- Training & Swim Pants
- Baby Wipes
- Feminine Care
- Incontinence Care

\$9.3
billion

Consumer Tissue

- Facial Tissue
- Bathroom Tissue
- Paper Towels

\$6.7
billion

K-C Professional

- Facial Tissue, Bathroom Tissue, and Paper Towels for away-from-home use
- Wipers
- Safety Products

\$3
billion





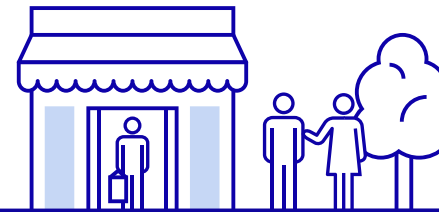
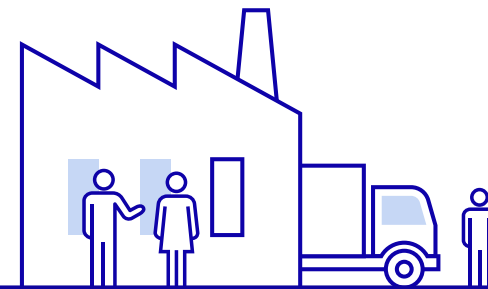
Responding to COVID-19

Kimberly-Clark responded to the COVID-19 pandemic by helping to provide needed supplies to front-line workers and impacted households and supporting relief efforts around the world. Our response is guided by our commitment to our value of caring, which starts with our people and their families and extends out to our partner, our customers and consumers, communities, and to those in need.

Our efforts focus on **three key areas:**

1 Caring for Our People: Nothing is more important than the health and safety of our people, who enable us to provide the products people count on to maintain good health and hygiene.

We remain vigilant at every office, manufacturing facility, and distribution center throughout our global operations in our efforts to keep our people safe and healthy. We have rigorous COVID-19 safety protocols, which were developed in line with guidance from recognized public health authorities. These protocols are dependent on local COVID-19 health conditions and include mask requirements, work-from-home options where practical, temperature scans at facility entry points, regular cleaning of work areas, shift rotations, and social distancing reminders where people gather. Our protocols encourage employees to stay home when they feel unwell, and, where applicable, we have enhanced paid leave policies.



2 Caring for Our Customers & Consumers: Kimberly-Clark teams stepped up to help our consumers and customers have access to essentials they need most – the comforts of home and health that our trusted brands provide every day. We accelerated our production globally.

And when consumer uncertainty and shifting market demands caused toilet paper shortages in stores, our brands like Cottonelle and Andrex launched a #ShareASquare movement. ⊕

3 Caring for Those in Need: The **Kimberly-Clark Foundation** donated over \$8 million to assist with COVID-19 response and recovery efforts around the world. The Foundation donated \$2.5 million to UNICEF and its programs focused on preventing the spread of the virus by providing hygiene and medical kits to schools and health facilities, and by increasing children’s access to health, education, and social services during the pandemic. Another \$2.5 million went to the International Federation of Red Cross and Red Crescent Societies and the American Red Cross.





Leading Through Social Unrest

In 2020, the world was shocked by the tragic deaths of Breonna Taylor, Ahmaud Arbery, and George Floyd. The death of George Floyd in late May broadened the Black Lives Matter movement and sparked a summer of worldwide protests against systemic inequities and violence.

Companies large and small—including Kimberly-Clark—recognized the responsibility we have to reexamine our cultures; root out racism, discrimination, and bias; and foster more inclusive and diverse workplaces that welcome and engage people of all races, cultures, and identities.

While this kind of work isn't new to Kimberly-Clark, 2020 demonstrated that integrating inclusion and diversity is a social imperative and enabler of our business goals.

We know shifting a complex, established system and creating new norms takes sustained management attention and personal work by everyone in the organization. As the events of 2020 unfolded, the urgency of racial justice galvanized us into collective action: We committed to do more, move faster, and enable change.



By leading with inclusion, we were better prepared in this moment to listen to each other and truly understand the need for a workplace reality for our employees that matches our values and aspirations.

Erin Mitchell Richeson
VP, Global Inclusion & Diversity

Our priority is to cultivate a workforce where all are included and empowered to do their best work—where differences are valued and essential for success.

We champion the ongoing progress made by our passionate employee resource groups and non-discrimination policies, yet we remain focused on the responsibility that we must do more. Our executive team is leading by example by driving conversations about systemic racism and inequality. We've taken concerted action, including increased employee engagement in caring conversations and addressing unconscious biases with team leader training and resources. We also introduced a series of town halls led by our global Inclusion & Diversity team to lay the foundation for our long-term strategy.

Through these actions, we can be a catalyst for conversation, understanding, and community-building. We know that we can affect immediate change by looking inward—to challenge our comfortability, educate ourselves, and improve our company for the future.

Kimberly-Clark doesn't hold the answers, but we are holding tight to our values of caring and being accountable, and that begins with each of us. Caring means truly listening, empathizing, and seeking to understand. It means being inclusive and valuing the differences, and commonalities, that make us stronger.



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Our Strategy for the Decisive Decade



We commemorated our Kleenex® brand's 50th anniversary in Taiwan, China with a celebration at our Hsin-Ying site. This facility has produced nearly 7 billion Kleenex® Brand packs since its inception in 1971.



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Our Strategy

As we take action to solve sustainability challenges for the decade ahead, we are building on our past successes, scaling up our use of efficient new technologies, and delivering solutions that address the challenges facing our planet.

We're proud of the progress we have made to date. We have improved the lives of more than 25 million people through programs such as Toilets Change Lives and the Kotex "Period or Not, She Can" promise, surpassing our 2022 goal to advance the wellbeing of 25 million people. We have reduced our GHG emissions by 32.1% versus our 2015 baseline and decreased our water usage in water-stressed regions by 32.5%.

However, we believe accelerated action is needed to stay ahead of the imperatives of the global climate, biodiversity, and plastics crises.

It is also clearer than ever that we cannot effectively and equitably address these environmental challenges if we don't also address the challenges of inequality and access to education, hygiene, and sanitation.

Our ambitious goals are intended to spur innovation and action on building a better future.

By 2030, we aim to:



Advance well-being in underserved and vulnerable communities around the world, helping **1 billion people**



Reduce our absolute Scope 1 and 2 GHG emissions by **50%** (by 2030)



Reduce our Natural (Northern) Forest Fiber footprint by **50%** (by 2025)



Reduce our plastics footprint by **50%**



Reduce our water footprint in water-stressed areas by **50%**



Focusing on What's Essential

At Kimberly-Clark, we're committed to improving the lives of 1 billion people while striving to operate with the smallest environmental footprint, helping to safeguard natural systems, and doing the right thing for people and communities.

Making Lives Better

We create opportunities for social impact with our purpose-driven brands and products.

Caring for the health and well-being of people at all stages of life

Challenging stigmas and championing the progress of women everywhere

Championing a world where all enjoy access to clean water, sanitation, and hygiene

Promoting inclusion and diversity within our business and society at large

Protecting the rights of workers across our supply chain

Protecting the health and safety of our employees, customers, and consumers

Furthering ingredient transparency to ingredient transparency

Delivering product safety and quality

Smallest Environmental Footprint

We help sustain and reinvigorate natural systems by stepping up to meet the challenges that science and our stakeholders have identified.

Reducing the use of new fossil fuel-based plastic

Enabling circular systems

Reducing our forest carbon footprint

Supporting biodiversity and forest-dependent communities

Reducing GHG emissions across our value chain, in line with science

Building resilience to water risk

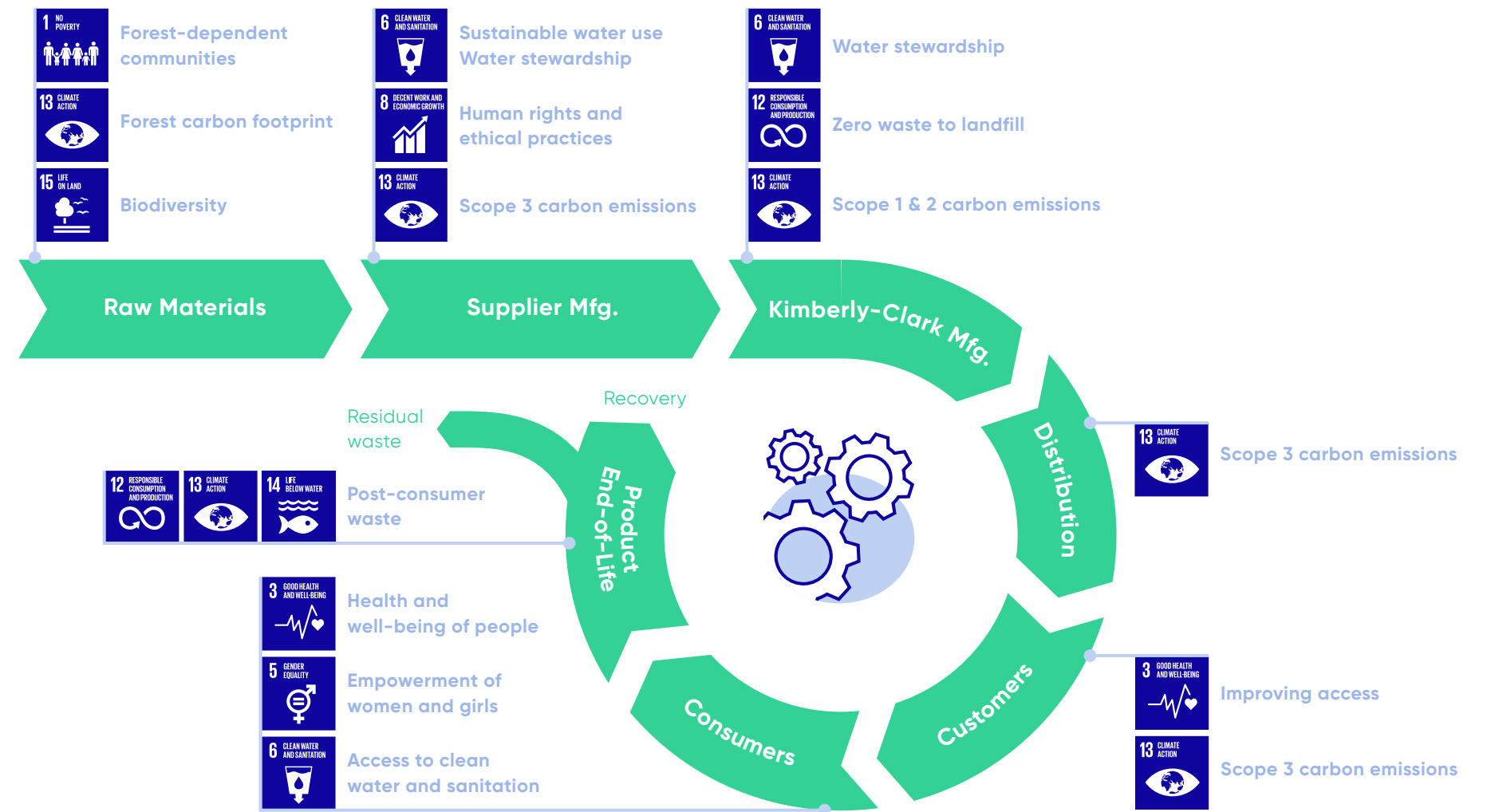


Driving Benefit Across Our Value Chain

An important lesson we have learned over the years is that we can only succeed at scale when we align our sustainability ambitions with our commercial plans.





We are building purpose-led brands that create shared value for our business and stakeholders by innovating solutions to global challenges.

Recognizing that the United Nations' Sustainable Development Goals (SDGs) provide the best shared definition of our global challenges, we have considered these goals against our value chain. The result is a strategy focused on addressing key impacts and opportunities across the lifecycle of our products, and we have challenged our brand, innovation, and supply chain teams to develop new solutions that move the needle.





Our Goals and Progress

Strategic Focus	Our 2030 Aspiration	Our Goals	Target Year	Progress ¹	SDG Focus
BETTER LIVES					
 Social Impact	Make lives better through purpose-driven brands.	Advance the well-being of 1 billion people through innovation and programs that deliver essentials to underserved ² communities.	2030	25.7M	
SMALLEST ENVIRONMENTAL FOOTPRINT					
 Plastics Footprint	Reduce our plastics ³ footprint by 50% through reductions, renewables, and recycled substitutes, or by introducing reusable products or circular systems.	50% reduction in the use of new, fossil fuel-based plastics from a 2019 base year.	2030	2.8%	
		75% of the material in our products either biodegradable or recovered and recycled.	2030	70.9%	
		100% of our packaging reusable, recyclable, or compostable.	2025	82%	
		20% average recycled content across plastic packaging.	2025	2.5%	
		100% of our manufacturing waste diverted from landfill to beneficial uses.	2022	96%	

1. Progress reflects impact of COVID-19.
 2. We identify "underserved" populations based on (1) inability to pay for existing products, (2) inadequate distribution, (3) underdeveloped waste-management infrastructure, or (4) other disparities such as lack of education, social stigmas, etc.
 3. Plastics reductions are by weight.



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Strategic Focus	Our 2030 Aspiration	Our Goals	Target Year	Progress	SDG Focus
 Forest Footprint	Reduce our natural forest footprint by 50% while unlocking the power of the world's forests to help solve the climate and biodiversity crises.	Reduce our Natural (Northern) Forest Fiber ² footprint by 50% from a 2011 base year.	2025	19%	
		Source 90% of our tissue fiber from Environmentally Preferred Fiber (EPF) sources.	2025	84%	
		Set a science-based goal to reduce Scope 3 land-use emissions by 2030.	2030	In progress	
 Carbon Footprint	Do our part in the fight against climate change by minimizing the carbon footprint of our products and brands and reducing our direct emissions by 50% and value chain emissions by 20%.	Reduce absolute Scope 1 and 2 GHG emissions by 50% over a 2015 base year.	2030	32.1%	
		Reduce absolute Scope 3 ³ GHG emissions by 20% from a 2015 base year.	2030	3%	
 Water Footprint	Reduce our water footprint by 50% in water-stressed regions by creating significant improvements in our supply chain and the surrounding communities, ensuring ongoing access to fresh water for all.	Reduce our water footprint by 50% in water-stressed regions.	2030	32.5%	
		Conduct 30 stakeholder engagements in water-stressed regions that result in improved access to fresh water.	2030	In progress	

2. Natural forests are composed of native species that self-regenerate and contain key elements of native ecosystems such as wildlife and biological diversity. To us, this primarily includes boreal fibers known as Northern Bleached Softwood Kraft (NBSK).

3. Reduction target is focused on emissions from the Greenhouse Gas Protocol's Scope 3 Category 1 (Purchased Goods and Services) and Category 12 (End of Life Treatment of Sold Products).



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Making Lives Better

With the UN SDGs as our roadmap, we're putting our brands and supply chain to work to solve some of today's most pressing challenges while working to lift up vulnerable and underserved people around the world.

We live our purpose by elevating care and improving the quality of people's lives with our essential health and wellbeing solutions.



We partner with WaterAid to provide communities in Bangladesh and around the world with access to sanitation and hygiene.
Photo Credit: Jannatul Mawa, WaterAid



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Social Impact

We deliver essentials for a better life to one quarter of the world's population every day.

But millions worldwide remain in need, lacking access to basic products and services that could dramatically improve their quality of life.

Through our social impact ambition, we aim to advance the wellbeing of 1 billion people in underserved communities.

Social Impact

- Caring for Our Community
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The Huggies Brazil team partnered with 12 NGOs across the country to donate and distribute over 1 million Huggies diapers to more than 3,000 families in need.



Social Impact

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Program Ambition

Around the world, 500 million women and girls still lack access to menstrual health solutions and 2 billion people lack access to basic sanitation (World Bank). Countless babies are born with limited access to maternal and neonatal healthcare that could dramatically improve their quality of life.

We believe we are uniquely positioned to help tackle these challenges.



Who Wants to Be a (Humanitarian) Billionaire?

Kimberly-Clark's chief scientist, Pete Dulcamara, believes we have an opportunity to become billionaires if we stop defining *billionaire* as someone who accumulates a billion dollars and instead define it as someone who helps a billion people.

At Kimberly-Clark, we see the connection between menstrual hygiene and sanitation, and know we have a huge opportunity to make an impact.

We don't shy away from a challenge that has the potential to positively impact people's lives. When we address access to essentials like water, sanitation, and hygiene while at the same time breaking down barriers for women, it's not that difficult to see that we can all become billionaires.



Strategic Focus

As we launched these global ambitions amidst a global pandemic, our brands have been guided by purpose to ensure embedding social good sits at the core of their business. Here are some of our key programs and impacts since our program started in 2015.

SDG



We care for the health and well-being of people at all stages of life.



We challenge stigmas and champion the progress of women everywhere in pursuit of gender equality.



We champion a world where all enjoy access to clean water and sanitation.

Leading Brands



Key programs and impacts

Our programs have impacted more than 16M since 2015 including:

1.6M
Babies and young children benefited from No Baby Unhugged partnership

1.5M
Lives impacted by National Diaper Bank Network (USA) since 2015 ⊕

\$500,000
Donations given to support education programs for safer, healthier workplaces ⊕

Our programs have impacted more than 3M since 2015 including:

1.3M
Students benefited from our U by Kotex program in Australia and the Pacific Islands

\$15,000
Grants awarded to 30 female entrepreneurs to help them bounce back from hardships related to COVID-19 ⊕

>36M
Period products donated to the Alliance for Period Supplies since 2018 ⊕

Our programs have impacted nearly 4M since 2015 including:

1.7M
People benefited from Andrex partnering with WaterAid to build and renovate public toilets in Bangladesh ⊕

233
Communities given access to sanitation services and clean water through Scott's partnership with Water for People ⊕

1.25M
People benefited from Neve's partnership with UNICEF to support WASH programs ⊕

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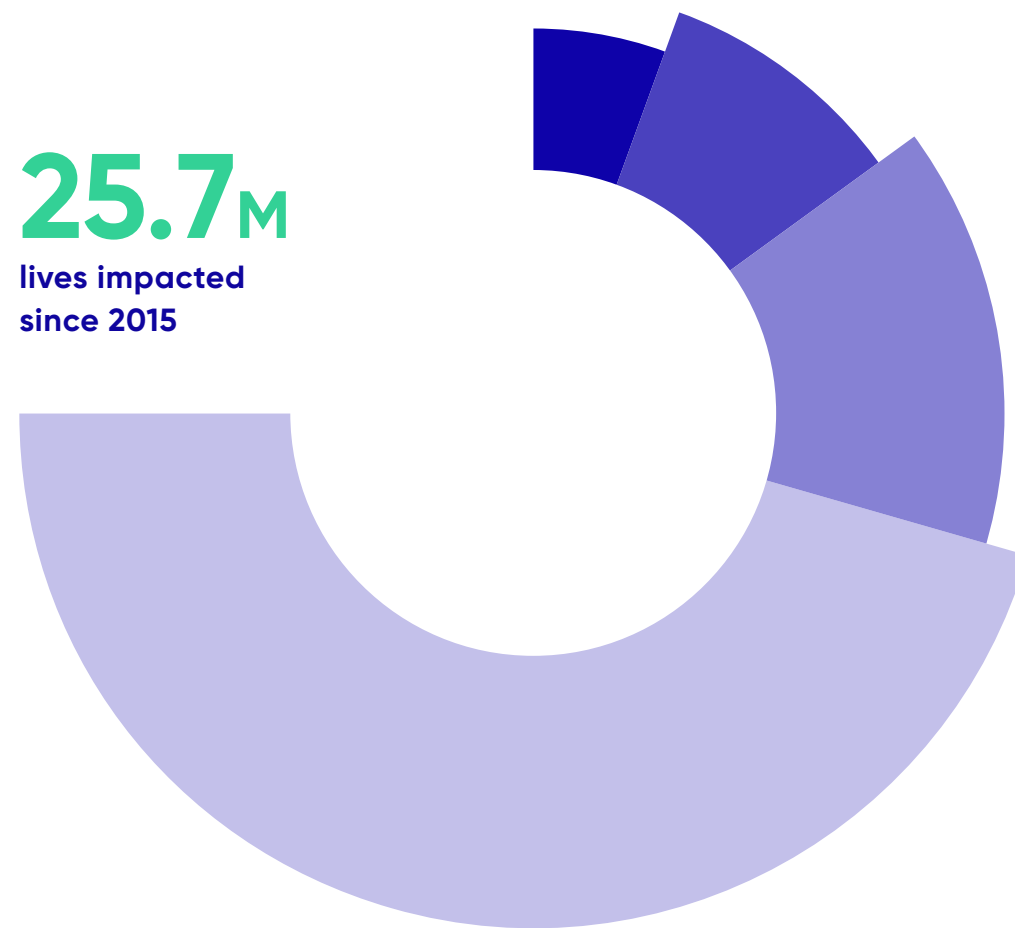
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Goals and Performance

Throughout 2020, Kimberly-Clark and our brands reached 8.5 million people in vulnerable/underserved communities with our programs and initiatives, pushing us beyond our initial 2022 goal to impact 25 million lives.

These efforts are supported by the Kimberly-Clark Foundation, whose social and community investments aid in our work to increase access to sanitation, help children thrive, and empower women and girls.

While we recognize we have a long way to go to achieve our 2030 goal of reaching 1 billion people, we are laying the groundwork for accelerated impact in the years to come.



2.3M
COVID-19/other

3.2M
empowering women & girls

3.9M
access to sanitation

16.2M
helping children thrive

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Advance the well-being of 1 billion people through innovation and programs that deliver essentials to vulnerable and underserved* communities

*We identify "underserved" populations based on (1) inability to pay for existing product, (2) inadequate access to distribution, (3) under-developed waste-management infrastructure, or (4) other disparities such as lack of education, social stigmas, etc.

Photo Credit: Jannatul Mawo, WaterAid



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Case Study: 100 Years of Leading with Purpose

More than a 100 years ago, World War I nurses began using Kimberly-Clark’s bandages as makeshift sanitary napkins, so they could continue their lifesaving work without worrying about their periods.

After the war, the resilience and resourcefulness of those nurses inspired the introduction of a whole new category of personal care products. They also inspired the launch of our Kotex brand.

Throughout the century that followed, those products have advanced, but the brand’s purpose has remained essentially the same: to ensure that a period never gets in the way of any woman’s progress. To make that promise a reality for women and girls around the world, Kotex takes a holistic approach to social impact.



Purpose

We exist to ensure a period never gets in the way of any woman’s progress

To champion her progress, our social impact programs drive lasting change for women and girls

Fight the Stigma

Working with our partners, we’re focusing on efforts to increase knowledge and make societal changes to eliminate period stigma.

Open Doors for Her

Through local, brand-led efforts around the globe, we’re opening doors for women to pursue independent futures.

Build Futures with Education

Particularly in the developing world, lack of menstrual hygiene management contributes to school dropout, stunting her future opportunities.



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Fight the Stigma

Every day, somewhere around the world, more than 800 million women and girls are experiencing their period, yet 500 million of them lack access to hygienic period products. In both developing and developed nations, cultural taboos, discrimination, and lack of menstrual education create stigmas and barriers that impact women's and girls' rights, stifling their opportunities.

She Can Initiative

Kotex's She Can initiative aims to fight stigmas and barriers by delivering menstrual health education and skills to more than 1.6 million women and girls in Nigeria, Vietnam, China, India, Brazil, and Colombia. Over three years, Kotex is devoting \$2.5 million to a combination of educational efforts, mass media campaigns, and skills-building trainings that help girls and young women take control of their menstrual health and their futures.



Open Doors for Her

Promoting Women's Innovation in the Sanitation Economy

In October, Kotex partnered with the Toilet Board to launch Women in the Sanitation Economy Innovation Lab, a six-month program that cultivates women-led and/or women's-health-focused startups. The program features five women-led businesses hailing from the United States, United Kingdom, and Kenya.

The participating businesses receive mentorship and training from 12 Kimberly-Clark global employees who help them roll out their services and products, including recycling solutions for menstrual products, waterless toilets, toilets for people with special needs, cloth diapers and laundering services, and sustainable menstrual products. We support these women entrepreneurs in their journey to achieve their goals and positively contribute to some of the world's most pressing sanitation issues.





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Build Futures with Education

U by Kotex Schools Program



Our U by Kotex Schools Program aims to prepare young girls for their first period by providing fully syllabus-compliant lesson plans, interactive digital teaching materials, and product samples to be delivered by someone they trust: their teacher. The program has been active in Australia and New Zealand since 2014, and in 2020, it expanded to reach over 30,000 students in Papua New Guinea, Fiji, and other Pacific Islands nations. Since 2016, the program has reached nearly 1.3 million students.

We have the opportunity to positively impact people's lives in these countries by visiting high schools in local communities and providing education and products. We are creating normality around menstruating by starting conversations and challenging taboos.

Elizabeth Harrington

U by Kotex Pacific Islands Manager





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Caring for Our Community

Our caring value drives our culture, and we are committed to supporting communities through company giving and employee volunteerism.

The Kimberly-Clark Foundation

In 1952, we established the Kimberly-Clark Foundation to support our commitment to charitable giving. The Foundation was built around our promise to be a good employer and a good neighbor, and to help those in need gain essentials through a portfolio of health, humanitarian, economic, and environmental initiatives.

Extending our impact beyond direct corporate funding and employee-led giving, the Foundation supports targeted causes through financial contributions, Kimberly-Clark product donations, and volunteer hours.

Each year, employees from Kimberly-Clark facilities around the world participate in a variety of volunteer activities to support local nonprofit organizations.

The Kimberly-Clark Foundation's Community Partners program recognizes the volunteer efforts of U.S. employees and their spouses, making \$500 grants to charitable organizations where those employees volunteer for a minimum of 30 hours per year. U.S. employees are able to double their donations to qualified charitable organizations through the Foundation's Matching Gifts program.



\$42.2M
total giving in 2020



\$1.4M
employee gifts matched in 2020



\$1.9M
annual campaign contributions to
United Way in 2020

United Way Annual Campaign

For nearly 70 years, we have been a strong supporter of United Way. In Kimberly-Clark communities throughout the United States, we raise money through enthusiastic campaigns and participate in United Way volunteer events.



Brands Giving Back

In 2020, Kimberly-Clark's trusted brands led initiatives to provide better care for communities around the world.

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Kimberly-Clark



In the UK, Kimberly-Clark donated **1 million Andrex** toilet rolls, **248,000 Kleenex Brand®** tissue boxes, and over **100,000 Huggies** products, reaching **2,284 charities** across the country to help families in need.

Poise



Poise in North America provided 50 grants to women-led businesses, **totaling \$500,000.**

Scott



Our Scott brand in the United States committed **\$500,000 to Boys & Girls Clubs of America**, supporting the families of essential workers during COVID-19 by keeping nearly 300 clubs open and providing emergency childcare.

Kleenex



In Australia and New Zealand, Kleenex teams partnered with Lifeline to raise awareness and funding for crisis support and suicide prevention services. The brand committed to donating up to **AU\$200,000** in matched donations so that Lifeline can continue to provide around-the-clock services to Australians and New Zealanders in need.

Kotex



The Kotex India team partnered with the Municipal Corporation of Greater Mumbai to provide **1 million Kotex pads** to women in need.

Our Kotex brand in Latin America partnered with the Red Cross to distribute **1.3 million Kotex products** to nurses, healthcare workers, and people in need across Argentina, Peru, Bolivia, Chile, Uruguay, and Paraguay.

Huggies



Huggies North America launched a partnership with Hand to Hold, facilitating **support groups and podcasts for parents with infants in neonatal intensive care.**

Our Huggies team in Brazil announced a partnership with BC2Mammy to launch "Mais Abraços Academy" through our Huggies website. The Academy gives our Huggies moms and dads the opportunity to receive **free online business training** designed to strengthen their business skills and fuel their entrepreneurial ideas.





Employees Strengthen Communities Around the Globe

Kimberly-Clark is working to advance the well-being of 1 billion people in underserved communities around the world by 2030. Our employees help make this ambition a reality. Here are a few of their stories.

Sonia S., Romagnano, Italy

As a child, Kimberly-Clark employee Sonia wanted to help people. Her dream was to become a doctor or a nurse, but she couldn't afford to attend a university. Instead she joined the Red Cross as a volunteer. Today, Sonia is proud to work at our manufacturing facility in Romagnano, Italy.

When the COVID-19 pandemic hit Northern Italy, Sonia knew that she wanted to help strengthen and care for her community. Kimberly-Clark ardently supported her decision to volunteer, and Sonia dedicated two months to working full-time on the front lines of the pandemic response with the local Red Cross.

Being a volunteer in several fields, I have now been able to appreciate what Kimberly-Clark is doing for the environment, health, and people. I'm grateful that I could be there for those who needed support. I'll never forget the elderly people who just wanted a hand to hold so they wouldn't be alone.



Scott S., Jenks, Oklahoma

Nine years ago, Jenks manufacturing facility employee Scott almost lost his daughter after she swallowed a penny. The doctors at The Children's Hospital at Saint Francis in Tulsa, Oklahoma, saved her life. He used this experience to strengthen his community through volunteering.

Every morning, I get to wake up and spend another day with my daughter, and now I have a unique opportunity to help save someone else's life. Through Kimberly-Clark's volunteering and donation matching programs, we can help care for the communities where we live and work. I work really closely with the Children's Hospital, helping raise money so they have the resources they need and providing entertainment for the patients.



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Inclusion & Diversity



Kimberly-Clark’s path to growth and prosperity rests on building a more inclusive and diverse, global organization. Employing people from disparate backgrounds, cultures, and experiences amplifies our ability to gather insights, foster innovation, and understand the culture, context, and mindset of consumers around the world.

Our journey to build a more inclusive and diverse Kimberly-Clark began a decade ago, and in late 2019 we embarked on the next phase of our strategy by exploring the barriers that can prevent true equity in the workplace.

We determined that diversity actions alone would not be enough. We used to call our initiatives in this area “Diversity & Inclusion,” but we realized that sustainable impact could only be achieved by first making inclusion the

foundation for everything we do. We believe that diverse teams achieve better business outcomes and that teams generate these results when they are activated by a culture of inclusion that recognizes, values, and utilizes the diverse perspectives on the team.

We started by changing the program name to Inclusion & Diversity (I&D) and reflecting this change in I&D team titles. By emphasizing building an inclusive environment first, we will be able to focus our culture on truly unleashing the unique greatness inside of each individual—greatness that is based on embracing different backgrounds, experiences, and perspectives, to create the ideas that carry us forward.



An Inclusive Culture Is Our Foundation

While that strategy rework was underway, the worst realities of systemic racism were brought into focus with the killings of Breonna Taylor, Ahmaud Arbery, George Floyd, and other Black Americans.

The protests, marches, and unrest that unfolded across the globe in late May 2020 brought this work into greater focus. We kicked off a series of conversations inside Kimberly-Clark, examining the topics of racism, discrimination, bias, and our commitment to a truly inclusive culture. These conversations were candid, sometimes raw and personal, and they tested our values and beliefs.



See pg. 8, "Leading Through Social Unrest"

But the work here is just beginning. It's only by building a workplace environment where people feel welcomed, valued, and respected that we become a company where diverse individuals feel empowered to work, contribute, and innovate. And it's only by living that inclusion, day in and day out, that our culture truly reflects our corporate values and aspirations.

Ultimately, by building a more inclusive global organization that applies its diverse experiences and passions to our trusted brands, we will make life better for people all around the world.

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Kimberly-Clark Global Inclusion & Diversity Strategy

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1 Create Community
Develop a Kimberly-Clark community whose deepened understanding and daily actions drive inclusion, embrace diversity, and empower authenticity.

How: Show you care. Be real, accepting, open, and curious. Find common ground and respect different perspectives.

2 Leverage Leadership
Raise the standard, expecting our leaders to act as cultural enablers who build diverse, high-performing teams and infuse inclusion into decision-making and the workplace experience.

How: Self-reflect and actively recalibrate the approach. Lead with courage, intention, and accountability.

3 Empower Employees
Empower talent to thrive, and embrace hiring, promotion, and development practices that reflect our diverse consumer base.

How: Unlock different identities, individuals, and ideas. Seek, demand, and leverage different points of view.

4 Accelerate Action
Integrate I&D into everything we do, using our strength to combat inequities for our people, our consumers, and our communities around the world to make lives better today and tomorrow.

How: Disrupt, speak up, and stand up. Own the change.





CEO Action

Our CEO Mike Hsu pledged on behalf of Kimberly-Clark to support a more inclusive workplace for employees, community, and society through CEO Action. Signatories pledge to:

Cultivate environments that support open dialogue on complex, and sometimes difficult, conversations about inclusion and diversity

Implement and expand unconscious bias education

Share best-known inclusion and diversity programs and initiatives among signatories, as well as those that have been unsuccessful

Engage boards when developing and evaluating inclusion and diversity strategies

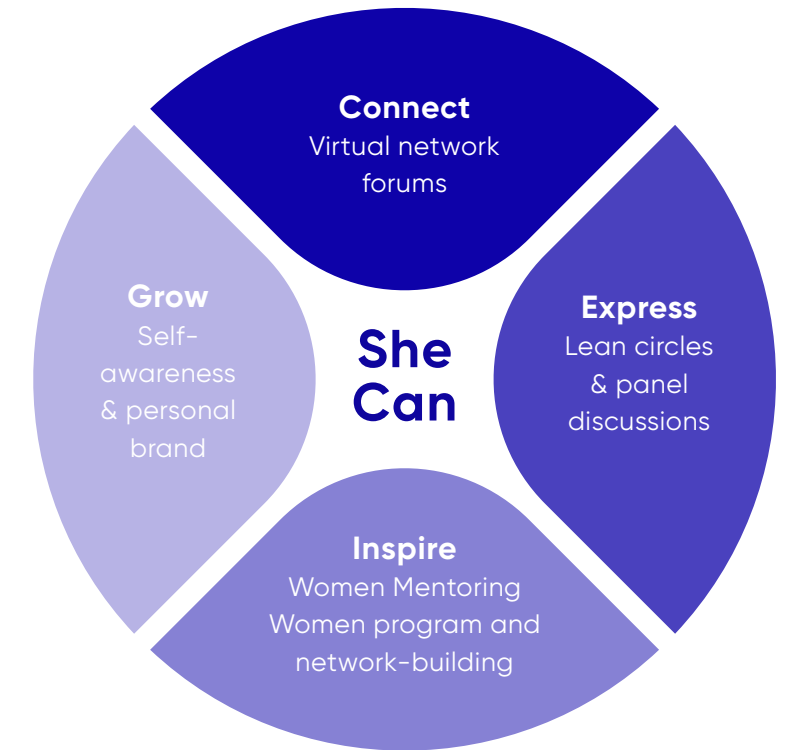
Global Inclusion Week

In September, Kimberly-Clark conducted its first Global Inclusion Week, during which we held over 75 workshops, small-group discussions, leadership panel discussions, keynote addresses, and collaborative brainstorming sessions, all centered on inspiring our people to better understand and activate a culture of inclusion. These events reached more than 3,000 employees in more than 50 countries and covered topics such as the value of cross-cultural teams, viewing inclusion as a growth strategy, the power of diverse thought, finding your individual I&D voice, and balancing inclusion and beliefs.

Kimberly-Clark CEO Mike Hsu hosted a Global Town Hall as part of the week's events, where he shared reflections on Kimberly-Clark's 10-year diversity journey and introduced our new global I&D strategy and goals.

She Can Connect

In 2020, we launched the "She Can Connect" initiative across our Asia-Pacific, Latin America, Europe, Middle East, and Africa operations, providing a platform where the next generation of Kimberly-Clark's female leaders can connect, inspire, express, and grow. Aimed at supporting and accelerating women's professional development opportunities and boosting their visibility, the program includes mentorship and sponsorship opportunities where participants can learn from other women's experiences in the company, expand their personal networks, and build self-awareness and their personal brand.



 **124**
women participated
in the program

This initiative contributes both to our employees' own development and to our pipeline of strong women talent.

We are proud to have won recognition from leading organizations for our approach to promoting and nurturing an inclusive and diverse workplace environment and advancing leadership opportunities for women.

In 2020, Kimberly-Clark earned a place in:

2020+ Top Companies for Executive Women by Working Mother Media

2020 Diversity Best Practices Inclusion Index

See [full list of awards](#)



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Talent Development

Developing talent and leaders at all levels in the organization is critical to our long-term success. To attract, engage, develop, reward, and retain the best and the brightest, we strive to create an inclusive work environment that fosters personal and professional growth.

Kimberly-Clark's values play a critical role in establishing this work environment. Our employees strive to live by these principles every day and use them as a compass for engaging with partners, consumers, customers, and each other. Our values unify our employees, shaping our culture and the future we envision for our company.

Core Values

Authentic: Our heritage is one of honesty, integrity, and courageously doing the right thing.

Accountable: We take ownership for our business and our future.

Innovative: We are committed to new ideas that add value for our customers, our business, and our world.

Caring: We respect each other and care for the communities where we live and work.

Strong leadership requires ongoing coaching and feedback, so we encourage our leaders to frequently engage in open dialogue with their employees. These conversations were especially important during the pandemic, when business priorities and objectives were changing rapidly.

Employee Resource Groups

Kimberly-Clark is proud to offer employees the opportunity to join Employee Resource Groups (ERGs). These groups include networks for those of African, Hispanic, Latino, and Asian ancestry, women, and LGBTQ+, as well as parents, caregivers, people with disabilities, military veterans, and new employees. Our ERGs promote career development by allowing employees to connect with and learn from one another and help amplify our inclusion and diversity efforts through our Global Caring Conversations.





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Kimberly-Clark's Learning Culture

At Kimberly-Clark, we cultivate a learning culture that not only enables our employees to positively impact billions of lives but also provides them with the knowledge to know how to make a lasting difference. Our learning culture empowers our employees to meet the moment by knowing our business, leading with impact, and living our purpose and culture. The result is a company focused on creating a better world for the products we make, the workplace we cultivate, and the communities we serve.



In 2020, we launched the Activating Inclusive Leadership Lab, a three-week program exploring unconscious bias mitigation and inclusive leadership strategies. To date, 40% of team leaders in North America have completed the course. We are now rolling out the training to all global managers during 2021.

Kimberly-Clark emphasizes building employee knowledge and capabilities on human rights. Through training and other tools, we enable our operations and supplier-facing teams to understand, identify, and act on forced labor and other potential human rights risks in our supply chain.

We also developed five training modules covering topics essential for success in our new socially distanced work environment, enabling our employees to remain engaged.

These modules include:

Personal Well-Being

Individual Productivity

Team Productivity

Meeting Productivity

Technology Tools



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Human Rights & Ethical Practices

Kimberly-Clark's values of authenticity, accountability, innovation, and caring enable us to provide better care for a better world.

Our Ethics and Compliance Program fosters a culture of integrity that supports our employees in living out these values and ensures a workplace where all are treated with respect.

Our [Code of Conduct](#) and Human Rights [Policy](#) establish Kimberly-Clark's ethical expectations and create accountability across key issue areas.

These commitments extend beyond our corporate walls to also encompass our suppliers' employees and workplaces.



In recognition of our ethics policies and practices, Kimberly-Clark was once again named one of the "World's Most Ethical Companies" in 2020 by the Ethisphere Institute, an independent research center that promotes best practices in corporate ethics and governance.



Social Compliance & Human Rights

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We believe that all workers within our supply chain should be treated with respect and in accordance with our workplace and human rights standards. Our values, which are communicated through our [Social Compliance Standards](#), guide our interactions with our suppliers, partners, customers, and consumers worldwide.

These standards are an extension of Kimberly-Clark's commitments to our own people, and are aligned with international principles such as the International Labor Organization's "Declaration on Fundamental Principles and Rights at Work," UN Guiding Principles on Business and Human Rights, and the UN Global Compact.

The objective of our social compliance program is to proactively manage salient human rights risks across our supply chain. By holding ourselves and our suppliers accountable, we help ensure that workers in our supply chain enjoy safe, fair, and equitable working conditions.

Key Elements in Our Human Rights Risk Mitigation Process for Kimberly-Clark Operations and Suppliers

1

Defining and prioritizing our salient human rights risks.

2

Building internal and supplier capability to proactively manage these risks.

3

Using audits, self-assessments, and other tools to monitor performance and implement corrective measures to address gaps.

4

Sharing supplier and mill social compliance data with internal and external stakeholders.





Human Rights Risk Assessment and Management

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The diversity of the products, geographic locations, markets, and regulatory systems associated with the procurement of goods and services from more than 25,000 suppliers around the world can potentially expose Kimberly-Clark to a myriad of risks arising from the countries in which these suppliers are based, and the types of goods or services they provide, which include some of the raw materials we use in our products and outsourced services.

Addressing these risks through a systematic approach to our procurement processes, practices, and dealings with suppliers is an essential element of safeguarding human rights throughout our supply chain while progressing the global eradication of modern slavery and human trafficking.

Kimberly-Clark's Supply Chain Human Rights Governance Committee consists of senior representatives from sustainability, procurement, external contract manufacturing, legal, labor relations, human resources, and Kimberly-Clark's regional organizations. The Committee meets quarterly to identify emerging human rights issues, escalations, and responses.

In 2019, the Committee, in consultation with more than 50 geographically, demographically, and functionally diverse stakeholders, took steps to identify potential salient human rights risks based on likelihood, severity, and ability to remedy.

The most salient human rights risks identified were in the following areas:

Modern Slavery (including child & forced labor)

Occupational Health and Safety

Discrimination and Harassment

Wages and Benefits

Indigenous and Land Rights

Access to Water and Sanitation

Environmental Impacts (including climate change & post-use waste)

We outline the steps that Kimberly-Clark has taken to combat slavery and human trafficking globally in our annual [Modern Slavery disclosure](#). Operations and suppliers assessed to have elevated human rights risks are prioritized for additional due diligence.





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Auditing Against Our Standards

We engage third-party auditors to ensure our manufacturing facilities and key suppliers are meeting our standards for social and environmental performance. These third-party auditors use a risk-based approach to measure compliance across key issue areas, including child labor, forced labor, discrimination, workplace health and safety, and business integrity.

Our audit program typically assesses more than 150 facilities annually in high-risk geographies and industries, helping us identify non-compliance and drive improvements. We adhere to the principle of mutual recognition in order to avert audit fatigue and may choose to accept recent audit reports that have been completed by accredited audit firms utilizing internationally recognized standards.

When a supplier is found to be in non-compliance with our Social Compliance Standards, Kimberly-Clark engages with the supplier to develop a corrective action plan. Depending on the concerns raised, corrective actions could include supplier investments in infrastructure, equipment, or training; development of new policies or procedures; or provision of remedy for affected workers.

If needed, Kimberly-Clark may provide support to the supplier by sharing good-practice examples or connecting them with consultants or other expert resources. We track completion of the agreed improvement plans through evidence provided by the supplier and/or through a follow-up audit.

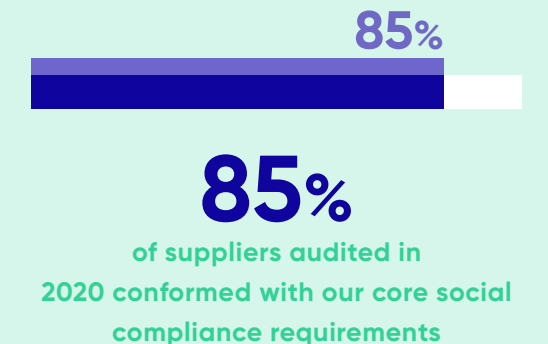
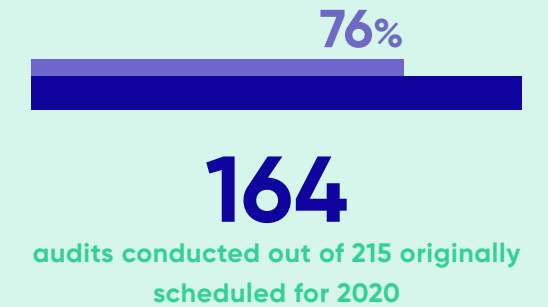
Our approach is always to collaborate to improve conditions for workers, but in rare circumstances where a supplier is unwilling or unable to address significant gaps, we may need to terminate our relationship with the supplier. Since 2012, we have completed more than 1,100 audits that have contributed to improved working conditions for more than 170,000 workers across our external supply chain.

2020 Audit Results

In 2020, pandemic-related travel restrictions impacted our ability to conduct physical audits of suppliers and Kimberly-Clark's manufacturing sites.

In order to continue monitoring supplier performance while also adhering to applicable COVID-19 health and safety protocols, we increased utilization of alternative tools such as Kimberly-Clark's in-house Self-Assessment Questionnaire for in-scope, low-risk suppliers as well as Sedex Virtual Assessment reports for medium-risk suppliers, which we conducted using video conferencing.

Where non-compliant findings are identified with suppliers, we engage with them to implement corrective action plans and improve their performance, to ultimately create sustainable change for the benefit of people, the environment, and business. We consider suppliers and facilities compliant when no major findings are identified or remain unresolved.





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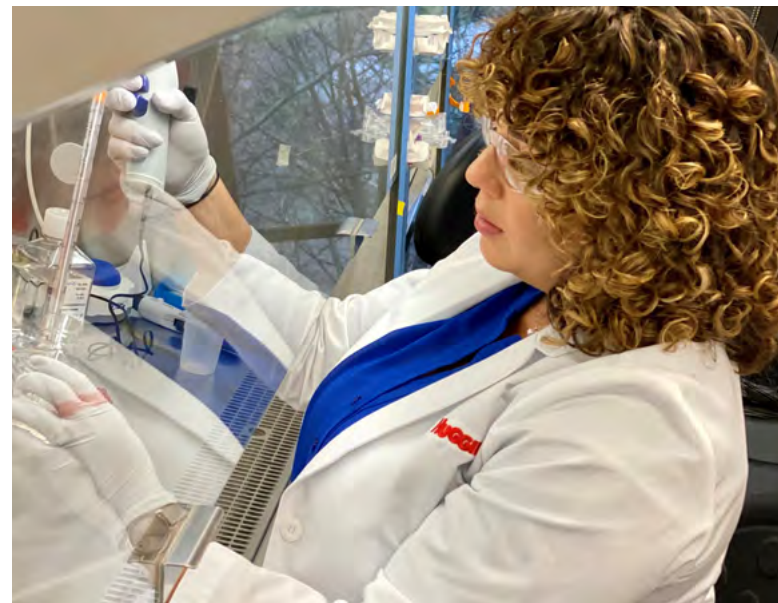
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Ingredients & Transparency

Our brands produce essential products that people use every day to make their lives healthier, cleaner, and more convenient.

We know people want to know what they are getting when they buy our brands and we are committed to sharing our practices and providing ingredient information that is clear, reliable, and accessible.



When consumers choose our instantly recognizable brands, they're trusting our commitment to safety—which starts by using safe materials and sending our products through our robust Product Safety Analysis.

Kimberly-Clark proactively gathers chemical composition information for each raw material used in manufacturing, including confidential disclosures collected from suppliers, for product safety analysis and checks against legally restricted substances relevant to the product form and country of sale to ensure compliance.

We are furthering our commitment to safety and transparency through efforts to use the safest ingredients, simplify our formulations, and incorporate more naturally sourced alternatives.

In 2020, we joined the Green Chemistry and Commerce Council (GC3), a multi-stakeholder collaborative that drives the commercial adoption of green chemistry by catalyzing and guiding action across industries, sectors, and supply chains.

Over the past several years, we've aligned with emerging public and scientific consensus on problematic ingredients

by removing all microbeads, triclosan, and nonylphenol ethoxylates from Kimberly-Clark Professional skincare products, as well as all parabens and phenoxyethanol from our baby and feminine care wipes.

To give our consumers greater peace of mind, we aim to boost transparency into our product ingredients—a major undertaking, given that our brands offer hundreds of products around the world, incorporating thousands of ingredients.

In the near term, we intend to publish ingredient information in our high-priority markets. Our long-term plan calls for disclosing all our ingredient information worldwide, giving consumers the data they need to make smart, informed choices.

Our North America website includes a [master list](#) of ingredients used in our North American consumer products. In Europe, our brands' websites include lists of baby and child care ingredients.



We aspire to use the safest ingredients, as defined by a science-based approach to product safety, and provide open and transparent details about those ingredients.



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Product Quality & Safety

The well-being of our consumers is our highest priority, which is why it is our policy to deliver products that meet all regulatory requirements and meet or exceed consumer expectations. Every one of our businesses, functions, and facilities is expected to align with our Quality Policy, which defines the principles that guide how we design, manufacture, and deliver safe, high-quality products across every brand.

Our corporate Quality Management System sets our internal standards and aligns with industry best practices, the varying regulatory expectations of the nations and regions in which we operate, and the internationally recognized ISO 9001 and ISO 13485 quality standards.

Senior management is responsible for overseeing compliance across these stringent requirements, which drives continuous improvement and helps ensure Kimberly-Clark products are safe and effective for consumers. Efforts at our individual facilities are also supported by on-site quality assurance systems.

Product quality depends on many variables. Kimberly-Clark uses a Right First Time process that is intended to capture data on a product's whole supply chain, from materials procurement and manufacturing to warehousing, distribution, and point-of-sale quality/appearance. We also provide a single end-of-pipe metric intended to ensure that every aspect of getting that product to the end user is done right, the first time and every time.

Our product safety policy lays out our commitments in three key areas:

- 1 Management Accountability**
Our business unit presidents are responsible for overseeing the safety of our products and services, from initial introduction to ongoing reviews for regulatory compliance and alignment with public safety expectations.
- 2 Safety Assessments**
All our products undergo safety assessments by qualified experts, in accordance with international standards of human health risk.
- 3 Chemical Management**
Safety and environmental data is carefully collected and used to develop business strategies for reducing, restricting, or eliminating chemicals of concern, and advancing safer alternatives.



Environmental, Health & Safety

Kimberly-Clark's performance in workplace safety and environmental management are points of pride at our company, yet we aspire to do better.

We are committed to protecting the lives of the people working in our facilities and living in our communities, so we work tirelessly to improve our safety programs and set strict requirements to help prevent adverse impacts to the local environment.

EHS Maturity Model

Our Environmental, Health & Safety (EHS) Maturity Model specifies varying levels of performance against the company's objectives of:

- 1 Improving EHS mindsets, behaviors, and capabilities**
- 2 Increasing risk reduction and compliance**
- 3 Managing EHS systematically**

The model includes detailed criteria, indicators, and evidence requirements for sites to assess and document their EHS maturity level and performance against objectives.

In 2019, we announced a new program and roadmap to elevate our EHS performance company wide. In 2020, all Kimberly-Clark sites conducted an EHS Maturity Model self-assessment and developed self-improvement plans.

Based on these assessments, each site reported an initial Maturity Journey Score, allowing us to focus our 2020 efforts on raising the scores of lower-maturity sites. This was accomplished through an EHS diagnostic and improvement planning process, including on and off-site education, training, and exposure to leading practices at more mature sites.

We completed 17 engagements prior to the COVID-19 pause and began an additional seven later in the year, with completion anticipated in 2021.

Sites that have completed the process demonstrated a substantial improvement in both total reported incident rate (TRIR) and incident severity rate compared to the prior year. The improvements were also reflected in a 53% Maturity Journey Score improvement by year-end versus their baseline. This success demonstrates our ability to drive improvements and positively impact EHS performance.

Our goal is for all Kimberly-Clark sites to achieve at least Level 3 maturity by year-end 2021, with the top 5% of sites achieving Level 4.



0.24
Total Reportable Incident Rate (TRIR) in 2020

Our safety vision is to realize an incident-free workplace



98%*
Environmental Compliance Score

*The Environmental Compliance Score is comprised of three different variables: (1) on-time closure of major audit findings, (2) on-time completion of audits, and (3) on-time closure of environmental compliance exception reports.



Occupational Health & Safety

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As the global demand for essential products increased during the pandemic, the health and safety of our people remained a top priority. We took extra precautions in line with guidance from global health authorities in our offices, facilities, and distribution center operations.

In partnership with our crisis management teams around the world, our Occupational Health and Safety organization played a crucial role in our response to the COVID-19 pandemic. We embedded and enforced robust and rigorous protocols to protect our people while still ensuring supply chain and operational continuity.



By prioritizing the health and safety of our employees, we have been able to keep working to provide our essential products.



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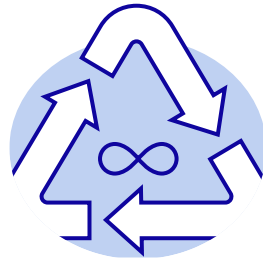
- Plastics Footprint
- Forest Footprint
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- Water Footprint

Smallest Environmental Footprint

At Kimberly-Clark, we believe the health and well-being of our people, consumers, and company depend on securing a healthy environment. That's why we aim to reduce our footprint in every aspect of our operations.



Pictured: Josie, an employee at our Kimberly-Clark Professional facility in Villey-Saint-Étienne (VSE), France. VSE worked diligently to reduce its reliance on virgin fiber and produced a product based on 100% secondary fiber.



Plastics Footprint

Plastics have offered society a multitude of benefits, but the world's ability to cope with plastic waste is being overwhelmed, prompting growing environmental concerns and demands from governments, NGOs, and consumers for more sustainable alternatives.

This is why we aspire to develop innovative materials and alternatives to traditional plastics while supporting development of the circular economy.

This ambition includes efforts to cut the plastics* footprint of our products and packaging by 50% by 2030—a complex and challenging undertaking that requires incorporation of systems thinking, partnerships, and collaboration from sourcing through to end-of-life.

While we don't have all the answers, we recognize that in order to thrive as a business today and for generations to come, it is imperative that we address these challenges.

*virgin, fossil-fuel-based polymers





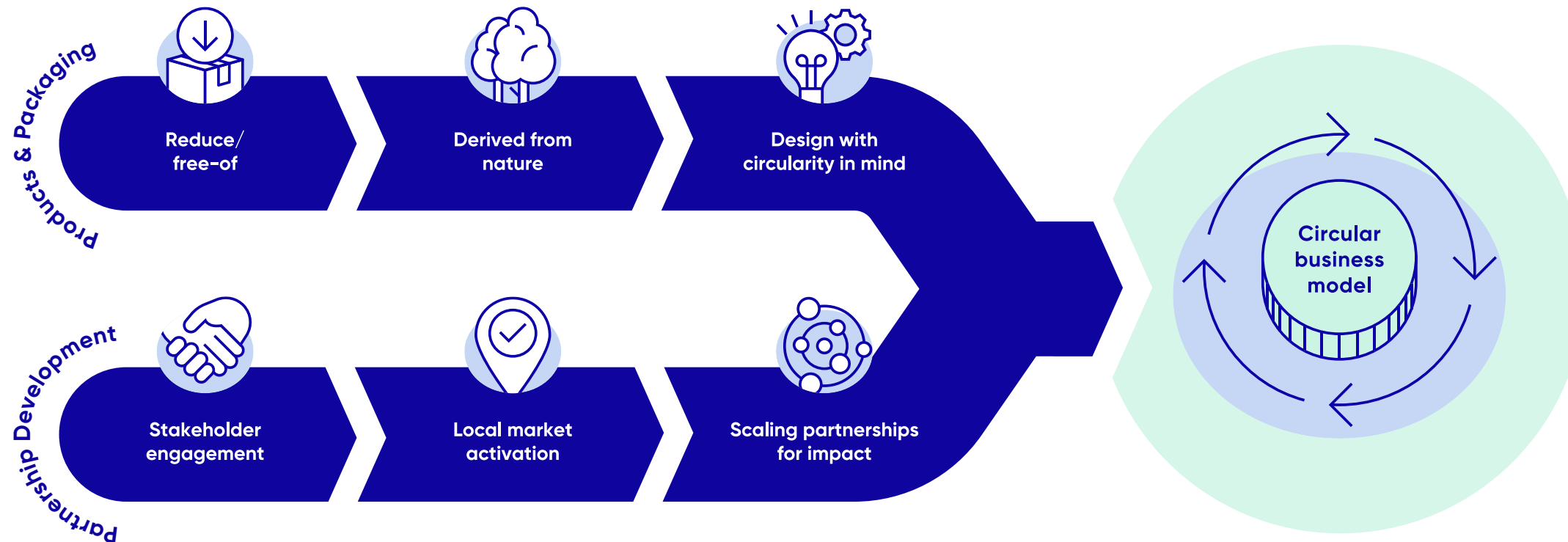
Program Ambition

The challenges associated with preventing plastic pollution are highly complex – ranging from the cost-competitiveness of alternative materials to variability in regulatory schemes to lacking or ineffective recycling infrastructure – however, we believe that consumers shouldn't have to compromise between the essentials they rely on to make their lives better every day and caring for the environment.

That's why we are collaborating across our research, engineering and marketing teams and with our commercial partners to find ways to reduce our use of traditional plastics, to accelerate development of renewable and recycled substitutes, and to contemplate alternative product solutions. We're also working with key external partners to promote and inform the transition to a more circular economy. This requires a deep understanding of how products are not only designed, but how they are used and disposed of in the diverse markets and cultures around the world.

The complexity of the interconnected environmental challenges also requires that our approach be informed by science, so we are continuing to use life cycle assessment to help us understand potential tradeoffs and co-benefits associated with our plastics reduction efforts. These assessments deepen our understanding of environmental impacts across the value chain, from raw materials to production and distribution to use and beyond.

Enabling Circular Business Models





Strategic Focus

Our strategic focus includes three key areas: Packaging, Product and Circular Systems.

Packaging

While 82% of our packaging is currently reusable, recyclable, or compostable, we know there are ongoing challenges associated with packaging films, and we're engaging key suppliers to replace virgin, fossil-fuel-based polymers with more recycled content. Availability of supply can be challenging where recycling systems are not well established, but we anticipate that growing demand signals will play a role in accelerating collection and recycling. We also continue to explore new compostable, recyclable, and renewable packaging options.

Product

Currently, 71% of the material in our products is biodegradable, recovered, or recycled, but we must focus on shifting from traditional plastics to renewable or recovered materials while maintaining the high standards of quality and performance our consumers expect from our trusted brands. We are also considering how we can design our products to be more recyclable, biodegradable, or compostable.

Circular Systems

We know we will only be successful in our ambitions if we support development and maturation of waste management infrastructure in both emerging and mature markets. These systems are essential to furthering the recovery and processing of our products and packaging after use. To identify suitable solutions for local contexts, we're focused on establishing collaborative external partnerships with waste management experts, NGOs, and communities.

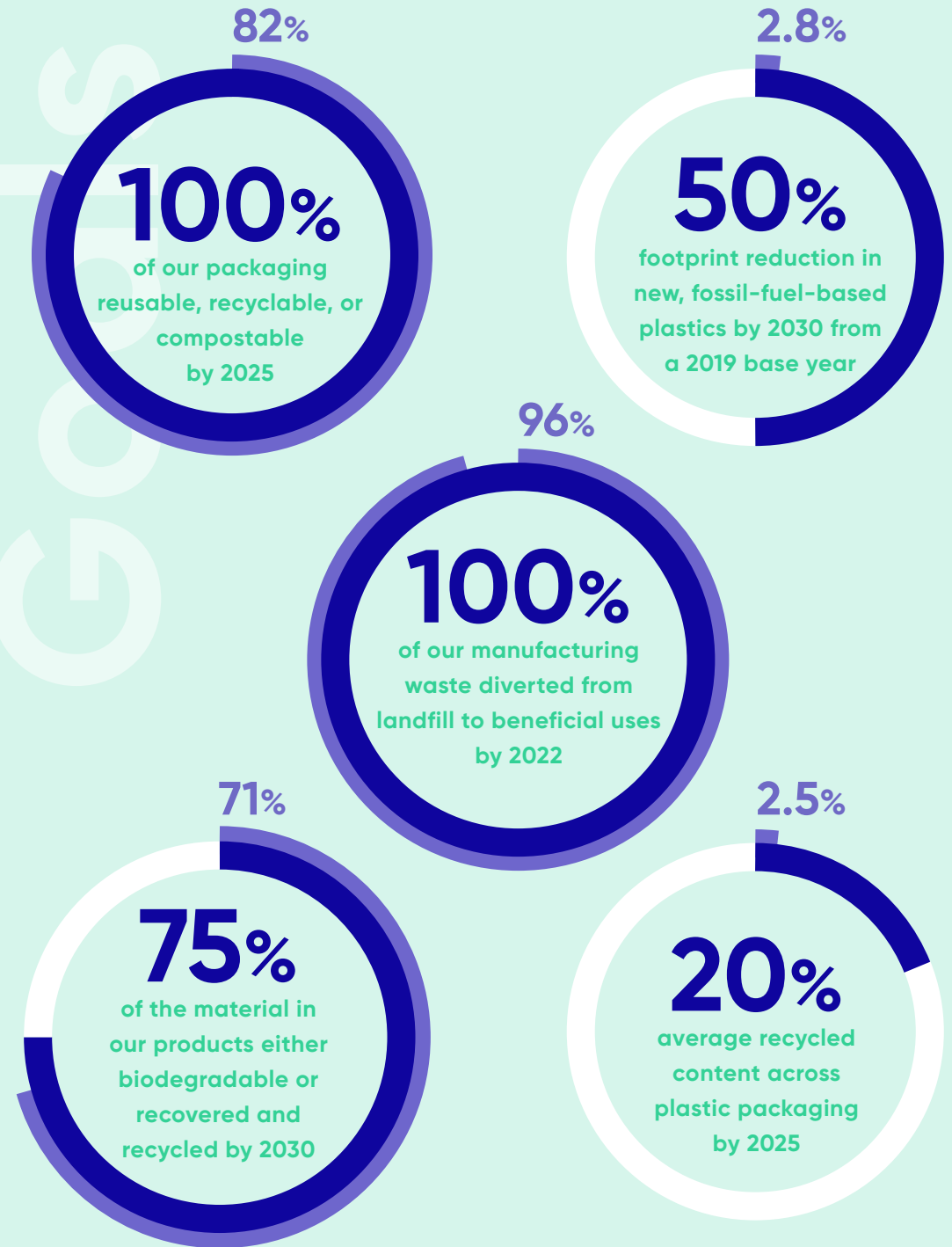




Goals and Performance

In 2020, we continued to make progress and drive meaningful change through our efforts to reduce plastic in our products and packaging and divert manufacturing waste from landfills.

Reduce our plastics footprint by 50% through reductions, renewables, and recycled substitutes, or by introducing reusable products or circular solutions





Product and Packaging Innovations

Leadership Message

Our Business in 2020

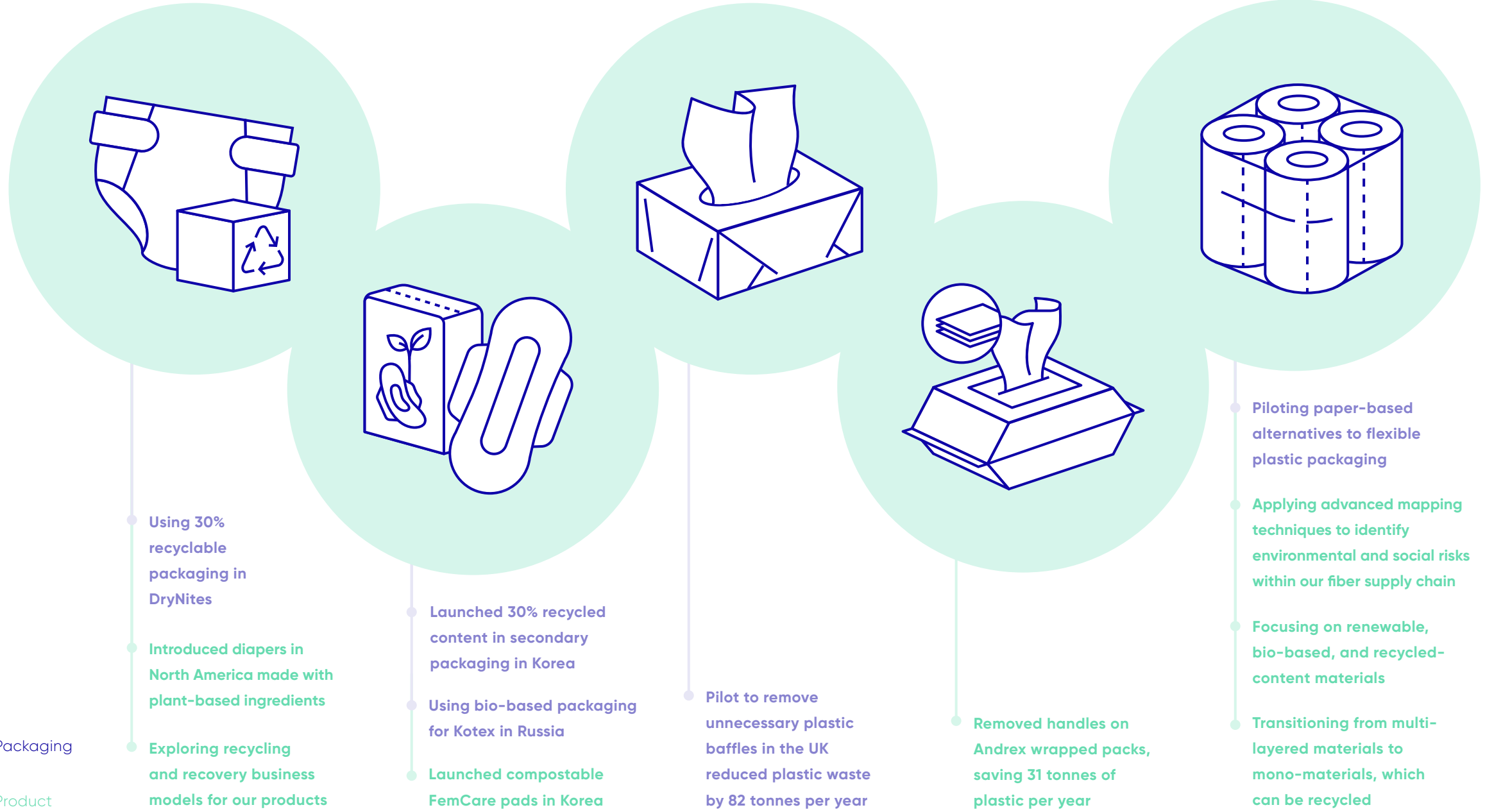
Our Strategy for the Decisive Decade

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Water Footprint

- Packaging
- Product





Regional Partnerships for a Circular Economy

A US Plastics Pact, Founding Activator (Consumer & KCP): Collaborative initiative which seeks to unify stakeholder approaches to design, use, and reuse across the entire plastics value chain, with collective delivery of several commitments pledged by 2025.

B New Materials Institute (University of Georgia): Helps industry and businesses adopt bio-based, fully biodegradable, or completely recyclable materials and material-management systems that generate less waste and promote circularity.

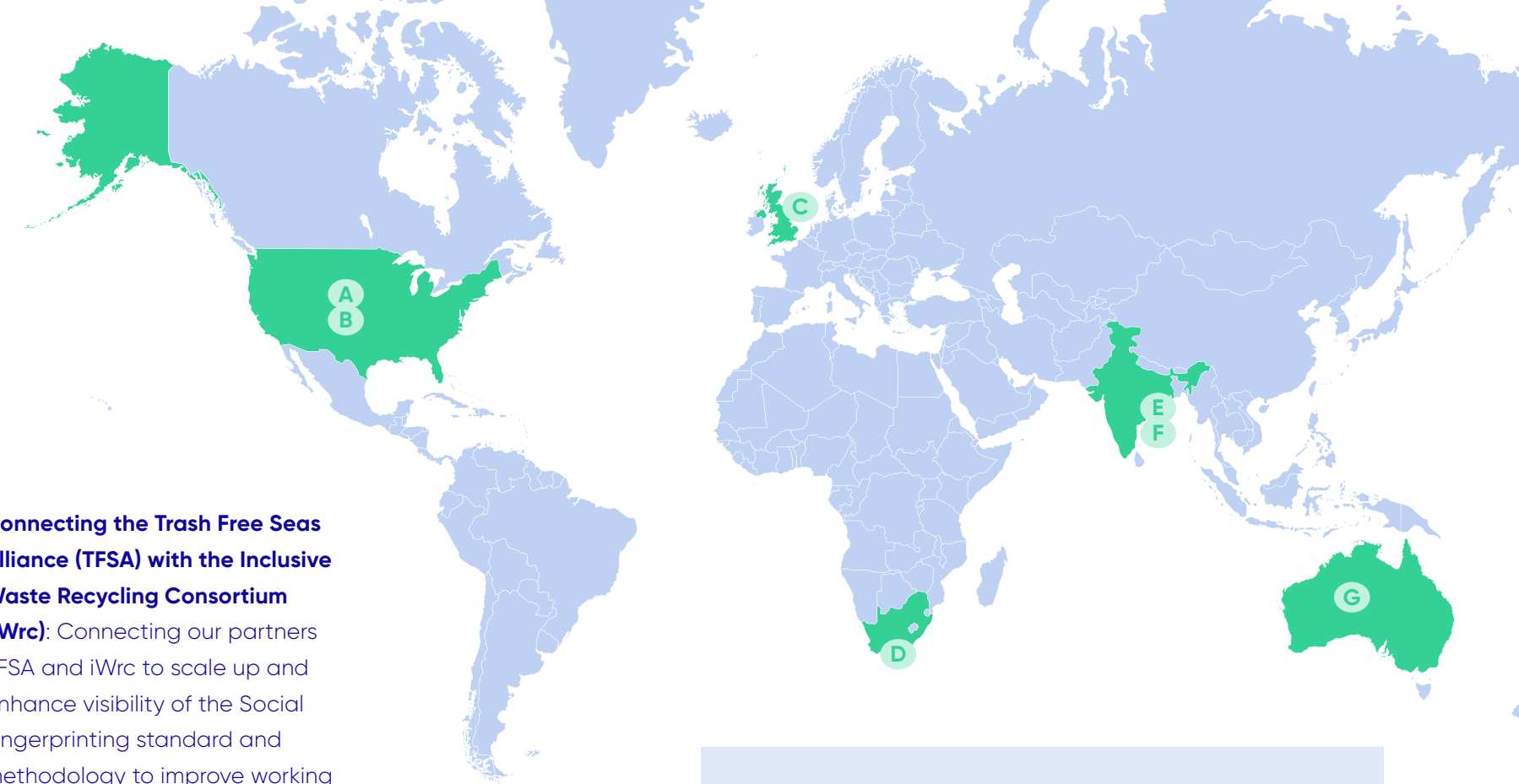
C UK Plastics Pact: Brings together businesses from across the plastics value chain, the UK government, and NGOs to tackle plastic waste through the delivery of ambitious 2025 commitments.

D Kloof Conservancy: Collaboration with EDANA to develop community-based solutions for diapers in informal settlements in South Africa.

E Connecting the Trash Free Seas Alliance (TFSA) with the Inclusive Waste Recycling Consortium (iWrc): Connecting our partners TFSA and iWrc to scale up and enhance visibility of the Social Fingerprinting standard and methodology to improve working conditions and worker financial stability in the informal recycling sector while boosting the supply of recycled content. The emphasis of this signature initiative is on creating end markets for low-value plastics, like flexible packaging, which are more likely to leak into the environment.

F Waste Ventures: Hyderabad, India-based social enterprise that educates and incentivizes waste pickers to collect soft plastic packaging.

G REDCycle: Sets up collection points where consumers can drop off certain flexible plastic packaging used in Kleenex, Cottonelle, and Huggies.



Global

ReSource: Plastic: A global, multi-stakeholder initiative helping companies implement strategies and solutions to end plastic pollution and support circularity.

Trash Free Seas Alliance, Steering Committee member: A global partnership founded by the Ocean Conservancy brings together industry, science, and conservation leaders to solve ocean plastic pollution.

[Full list of our memberships](#)



Operational Waste and Zero Waste to Landfill

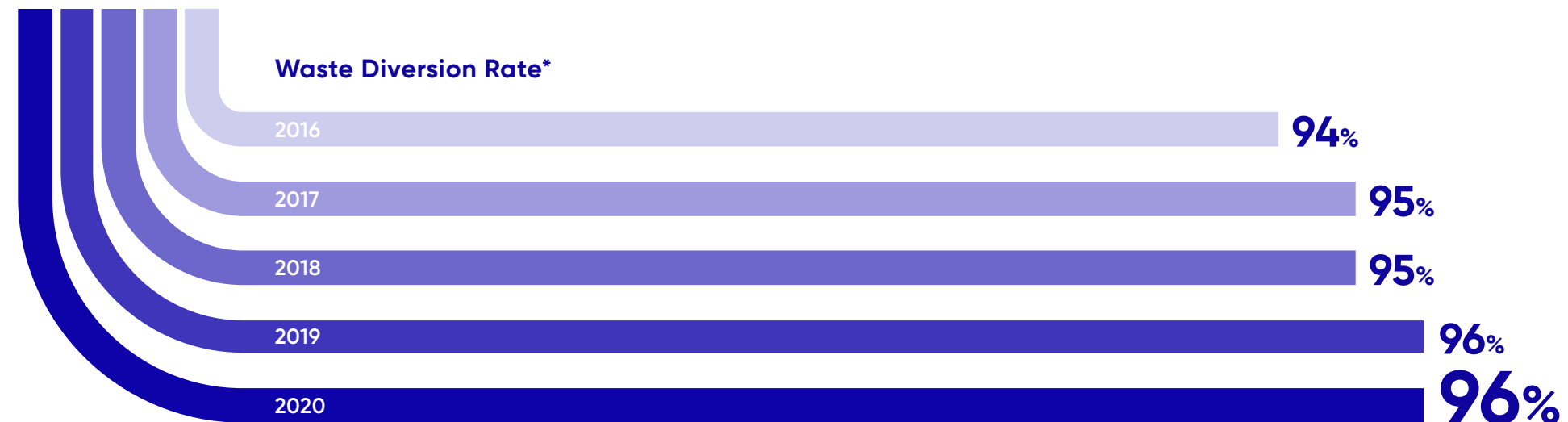
We continue to work toward our goal of achieving zero manufacturing waste to landfill by 2022 across all our operations.

We have achieved 100% landfill diversion at more than half of our manufacturing sites around the world with key contributions coming from our Asia Pacific and Latin America operations.

Seventeen of our Asia Pacific manufacturing sites are leading the way with 100% landfill diversion. Pathum Thani, Thailand and Kimcheon, South Korea achieved this milestone in 2020, while the other sites have been landfill-free since 2016.

We added five additional landfill-free sites in Latin America in 2020, bringing the total number of landfill-free sites in that region to seven. We continue to divert 96% of operational waste from landfills to higher-value alternatives.

The efforts of our local manufacturing facilities and regional and global teams are getting us closer to our ultimate goal. At our facilities, we are working to create waste inventories that catalog each waste stream's composition, quantity, consistency, and handling practices. This process helps identify opportunities for landfill diversion and prepares a glide path for hard-to-divert waste streams.



* Kimberly-Clark calculates landfill diversion using the most recent three months of data.



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In 2020, regional and local teams initiated some of Kimberly-Clark's most inventive and impactful waste-reduction efforts.

Tuas Edge Board Initiative

Our Tuas manufacturing facility in Singapore reduced packaging waste through the Edge Board Projector project, which improves packaging strength by adding a small paperboard edge to boxes. Prior to this initiative, Kimberly-Clark's packaging material had to be thick to withstand the stacking, distribution, and delivery of the company's products. With the addition of the well-designed add-on, the team is now able to use thinner packaging material.

This simple change has reduced the thickness of the packaging material for Kimberly-Clark's baby wipes by nearly 10%, allowing the mill to save approximately 500 tons of paper material per year.

Huggies 'Tiniest Footprint'

Our Huggies brand in the UK made significant progress on the plastic-reduction goals outlined in its Tiniest Footprint mission. Huggies removed 359 tonnes of plastic from its total wipes portfolio (based on annual volumes). The Huggies team also launched a new Pure Biodegradable wipe which is free of all fossil fuel-based materials.





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Plastic Packaging Reduction in the UK

Concern about unnecessary plastic packaging is growing amongst our consumers and other stakeholders in the United Kingdom and Europe, so to ensure a more resilient business, our team in the UK created two new programs, Andrex Greener Pawprint and Kleenex Every Step Counts. These programs outline commitments to reduce the brands' plastic footprint and bring to market more sustainable solutions.

We also removed the plastic baffles from all Kleenex boxes, replaced premium ranges with a paper baffle, and introduced 30% recycled plastic (PCR) on Kleenex multi-box packaging.

The projects have so far delivered a combined elimination of 133 tonnes of plastic and 622 tonnes of virgin plastic annually.

In 2020, we removed plastic handles on all wrapped packs of Andrex and introduced 30% recycled plastic (PCR) on Andrex packaging. The team also worked with the UK's largest retailer, Tesco, to remove the secondary packaging on Andrex pallets.

Sustainable Packaging for KCP Products in Latin America

In 2020, the Kimberly-Clark Professional (KCP) team in Sitio Del Nino, El Salvador, switched from virgin, fossil fuel-based plastic to 30% post-consumer recycled (PCR) content in the packaging for Scott® and

Kleenex® products in KCP's Central American and Caribbean region. These products are now labeled with the legend: "100% recyclable packaging with at least 30% of recycled plastic." This is our first tissue

paper packaging with 30% PCR in Central America. The team plans to carry this out in their whole portfolio of products in 2021.





Forest Footprint

As Kimberly-Clark works to provide the essential products our consumers need to care for themselves and their families, we are committed to doing so in a manner that cares for the world's forests and the diversity of life they support.

Kimberly-Clark remains fully committed to our existing responsible fiber sourcing ambitions, and to identifying new ways in which we can demonstrate leadership in this space.

In addition to our efforts on forest carbon and land-use emissions, biodiversity protections, and Indigenous rights support, we also plan to update our fiber procurement policy in 2021 to better reflect the challenges facing forests and people in the decade ahead.



Kimberly-Clark employees in Taiwan, China volunteered their time to maintain local forest landscapes. As Taiwan's #1 tissue, Kleenex® Brand has been spearheading environmental initiatives, such as the country's first FSC®-certified tissue product in 2009.



Forests & Climate

Forests store huge amounts of carbon and are the world's best available technology for removing CO₂ from the atmosphere. This means that the way forests are managed, as well as the kinds of products that are made from them, can impact global greenhouse gas emissions in both positive and negative ways.

Working with sustainability consultant Quantis, we are conducting a new life cycle assessment of conventional virgin wood fibers, alternative non-wood fibers, and recycled fibers used in our tissue products. We are giving special focus to evaluating both the biogenic and fossil carbon impacts of these different fiber types over a tissue product's life cycle and intend to use the results to establish Kimberly-Clark's first ever baseline of our Scope 3 land use emissions.

We intend to set a new 2030 Scope 3 land use emissions reduction target approved by the Science Based Targets initiative (SBTi). This will follow the finalization of our baseline and the future release of SBTi target-setting guidance for the forest, land, and agriculture sectors, as well as GHG Protocol Corporate Accounting Standards for land use emissions and removals.

Forest Biodiversity

Kimberly-Clark is committed to eliminating deforestation and forest degradation. To protect forest biodiversity, we are working toward two key goals.

- 1 Reduce by 50% our use of natural forest fibers, which for Kimberly-Clark are primarily fibers from northern boreal and temperate forests.**
- 2 Increase our use of environmentally preferred fibers, which include recycled fiber, sustainable alternative non-wood fibers, and virgin wood fibers that have been chain-of-custody certified by the Forest Stewardship Council (FSC®)**



Forest Communities

Kimberly-Clark is taking steps to understand how our responsible sourcing practices can support the leadership and authority of Indigenous and other marginalized forest communities within our sphere of influence, beyond our existing commitment to FSC®.



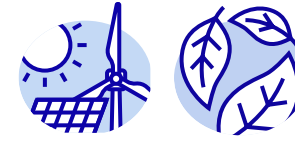
Canada's Boreal Forest

Canada's boreal forest is an ecosystem of global significance on par with the world's tropical forests for the environmental, social, cultural, and economic value it provides. The North American Boreal Forest biome, inclusive of Canada and Alaska, is estimated to contain 25% of the world's remaining intact primary forests. Intact forests are increasingly under threat, and are uniquely important in mitigating the climate and biodiversity crises.

Deforestation is not a principal threat to Canada's boreal forest given strong laws and regulations requiring post-harvest replanting on Canada's public forestlands, which account for over 90% of Canada's forests. However, a focus on legally required replanting and overall forest extent alone can obscure other important issues related to commercial forest management in Canada's boreal, including Indigenous rights, biodiversity conservation (including forest management impacts on caribou habitat), and climate change.

That's why we're committed to reducing our natural forest fiber footprint by 50% by 2025.

We remain committed to supporting broad uptake and robust implementation of the new FSC® Canada forest management standard.



Kimberly-Clark's forthcoming Task Force on Climate-related Financial Disclosures (TCFD) report will address in part the physical risks that climate change poses to our fiber supply chain in Canada's boreal and other forest regions around the world.

And we will be conducting a review of our fiber procurement policy in 2021 to identify additional ways in which our fiber sourcing can support the ecological, social, and economic resilience of Canada's boreal forest and other forests around the world.





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Goals and Performance

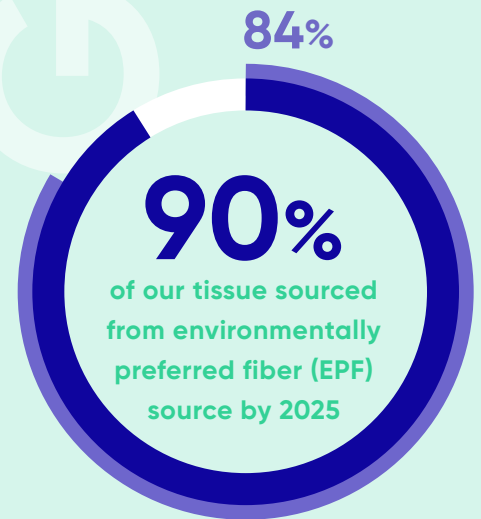
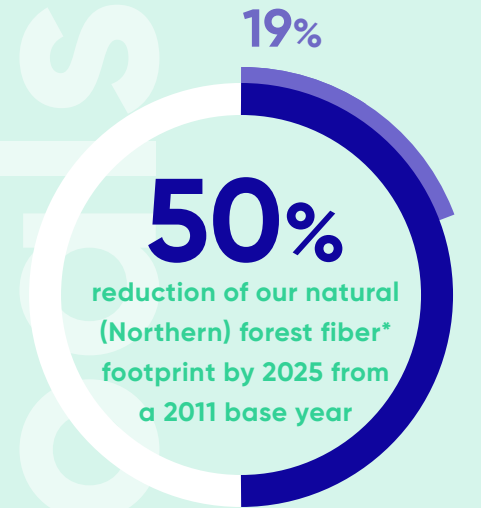
COVID-19 lockdowns, work-from-home rules, and consumer stockpiling all contributed to a large and unanticipated surge in demand for our at-home tissue products in 2020. Demand for our away-from-home Kimberly-Clark Professional products, which account for the greatest percent of our recycled fiber use, declined as people were confined to their homes.

Due in large part to these unforeseen circumstances, we ended 2020 with a 19% reduction in our use of natural forest fiber (NFF) against our goal of a 50% reduction, down from a 31% reduction in 2019. Our use of environmentally preferred tissue fiber (EPF) in 2020 was 84%.

Despite these events in 2020, Kimberly-Clark remains fully committed to our existing responsible fiber sourcing ambitions, and to identifying new ways in which we can demonstrate leadership in this space.

In addition to our efforts on forest carbon and land use emissions, biodiversity protections, and Indigenous rights support, we also plan to update our fiber procurement policy in 2021 to better reflect the challenges facing forests and people in the decade ahead.

Reduce our natural forest footprint by 50% while unlocking the power of the world's forests to help solve the climate and biodiversity crises.



*Natural forests are composed of native species that self-regenerate and contain key elements of native ecosystems such as wildlife and biological diversity. To us, this primarily includes boreal fibers known as Northern Bleached Softwood Kraft (NBSK).

Progress



Stories from Across Our Organization

Kimberly-Clark and the Forest Stewardship Council®

Our Australia team launched the Kleenex ECO toilet paper range, the first 100% FSC®-certified bamboo product. The toilet paper is made from responsibly sourced bamboo, a naturally regenerating crop that is one of the world's fastest-growing plants.

Our personal care manufacturing facility in Paris, Texas, attained FSC® chain-of-custody certification, enabling our Huggies Special Delivery diapers to be labeled as FSC®-certified.



Supporting FSC® Research on Forests as a Climate Solution

Kimberly-Clark is one of several companies supporting and advising FSC® US and FSC® Canada in their efforts to assess and quantify the potential carbon benefits of FSC®-certified management practices in North American forests.

This new research will evaluate the potential role of FSC®-certified forests as a credible climate solution beyond their current role as the gold standard in responsible forest management

Using Technology to Support Responsible Fiber Sourcing, Today and Tomorrow

In 2020, Kimberly-Clark began using publicly available spatial data and ArcGIS software to analyze and map the overlap between commercial forests in our key sourcing regions and environmental and social attributes of interest to Kimberly-Clark and our key stakeholders, such as Indigenous lands, intact forest landscapes, and species-at-risk such as woodland caribou.

This data provides our teams with a spatially explicit, science-based understanding of potential risks in our fiber supply chain and helps inform our fiber procurement strategies.



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Carbon Footprint

We know how aggressive our actions must be to reduce our carbon footprint.

Kimberly-Clark has proven we can meet ambitious GHG-reduction targets, exceeding our initial 2022 target four years ahead of schedule. Backed by that success, we aspire to do our part to put our world on a path toward effective climate solutions.

We are accelerating our efforts to help build a low-carbon economy and avert the worst impacts of climate change.





Program Ambition

Our customers, consumers, and investors expect Kimberly-Clark to respond to the climate crisis with strong, specific commitments and actions to mitigate and reduce climate impacts throughout our supply chain.

That's why we committed to aggressive GHG emissions reduction targets that are science-based, meaning they are aligned with the Paris Climate Agreement's principal goal of limiting global temperature rise to well below 2°C above pre-industrial levels.

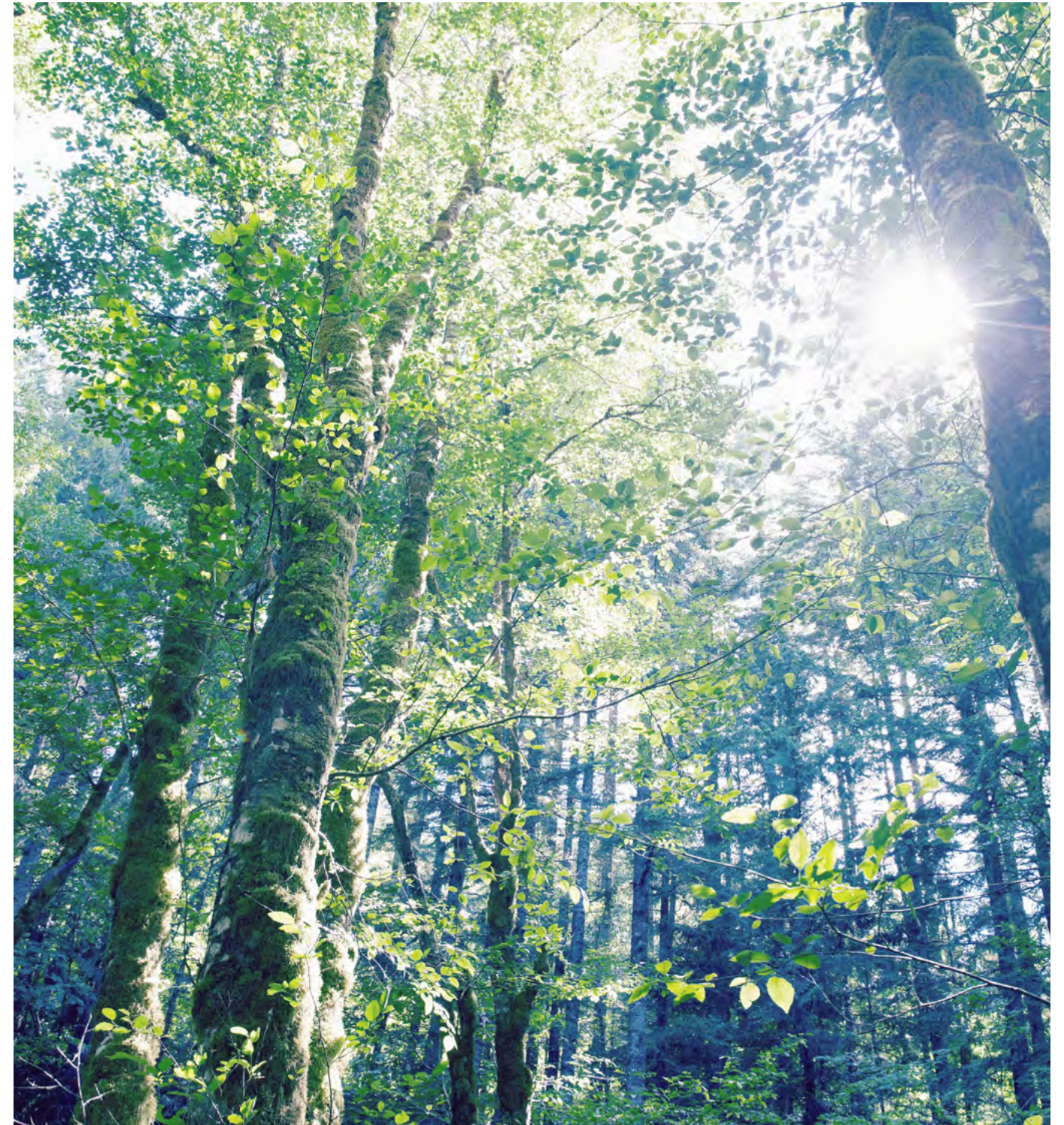
We have executed on aggressive energy and climate goals. In 2016, following completion of a successful five-year sustainability plan, we set a goal of reducing our Scope 1 and 2 GHG emissions by 20% (baseline 2005).

In 2019, we announced that we had achieved our goal four years ahead of schedule, prompting us to double our emissions-reduction target to a

40% reduction on the same timeline. In 2020, we went further, announcing our new, SBTi-approved 2030 GHG goals. The new goals call for a reduction of our absolute Scope 1 and 2 emissions by 50% (baseline 2015) and reduction of absolute Scope 3 emissions from purchased goods and services and end-of-life treatment of sold products by 20% (baseline 2015).

In a changing climate and business environment, we know we need to do more. The need to be transparent about climate impacts across the business is becoming increasingly important, so understanding and managing risks and opportunities across our value chain is no longer optional.

That's why Kimberly-Clark plans to adopt the TCFD framework. 





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Reducing the carbon footprint of our products means pursuing comprehensive climate objectives based on our four pillars.

Driving Greater Energy Efficiency Throughout Our Operations

Kimberly-Clark uses a Lean energy strategy to drive a culture of energy conservation at our manufacturing sites. An energy management system is embedded into each facility's daily accountability process, positioning energy efficiency as a priority at the same level as safety, quality, delivery, and cost. We focus on:

- **Operational systems** – process improvement and standard changes to deliver efficiencies
- **Management infrastructure** – energy meters and dashboards to aid real-time energy management
- **Mindset, behaviors, and capabilities** – improvement of trainings, awareness, and recognition

Enacting Innovative Conservation Efforts

We want to continuously improve sustainability and cost efficiency of our products, so we identify and operationalize capital projects that deliver manufacturing cost savings through improved energy efficiency and reduced consumption.

We aim to uncover new opportunities for innovation through energy assessments, workshops, best practices analyses, and benchmarking, in parallel with our Lean energy initiatives.

Embracing Tomorrow's Alternative/Renewable Energy Technologies

Our carbon footprint strategy also involves significant investment in renewable and alternative energy generation. We look for suitable conditions for installing solar at our facilities, make large-scale power purchase agreements of clean electricity to further reduce our reliance on fossil fuels, and leverage evolving decarbonization technologies to get the most out of the fossil fuels we still employ.

Nine of our manufacturing facilities employ cogeneration units that burn natural gas to generate electricity and reuse the waste heat to produce steam for use in the manufacturing process.

As part of our 2030 SBTi commitment, Kimberly-Clark will continue to pursue working with strategic partners to develop and install thermal decarbonization technologies to power our high-thermal-load facilities around the world.

Driving Emissions Reductions Across Our Full Value Chain

Our GHG reduction goals extend beyond our in-house operations to include indirect value-chain (Scope 3) emissions from our suppliers and customers.

We're aiming to reduce Scope 3 emissions from purchased goods, services, and end-of-life treatment of sold products by 20% by 2030 compared to our 2015 baseline.

Our teams collaborate closely on initiatives to reduce our plastic and fiber footprints and ensure that all business decisions take into consideration their life cycle carbon impacts. The Scope 3 emissions implications of actions taken in these areas is significant, so it's critical that we have a strong understanding of co-benefits or trade-offs that may exist.



Goals and Performance

In 2020, Kimberly-Clark achieved 32.1% reduction of GHG emissions versus our 2015 baseline, with a year-on-year reduction of 4.3% points against 2019, based on our total Scope 1+2 market-based inventory.

These percentages translate to a reduction of 213,700 MTCO₂e from 2019 to 2020, and helped us achieve a 3.7% improvement in energy intensity, from 10.7 MMBTU/BDMT* in 2019 to 10.3 in 2020.

Though COVID-19 safeguards such as restricted travel forced postponement of some energy projects in 2020, we were able to conduct virtual working sessions that kept small and medium-sized energy conservation projects on track.

Some of the GHG emissions reductions we expected to achieve in 2020 have been shifted out to 2021.

* MMBTU/BDMT = one million British thermal units / bone dry metric tons

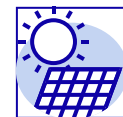
Our 2020 progress was driven by a variety of energy management actions:



120+ energy conservation projects and energy best practices adoption, representing a total GHG emissions reduction of **42,000 MTCO₂e**



40+ Lean Energy operational systems improvement activities, representing GHG emissions reduction of **17,000 MTCO₂e**

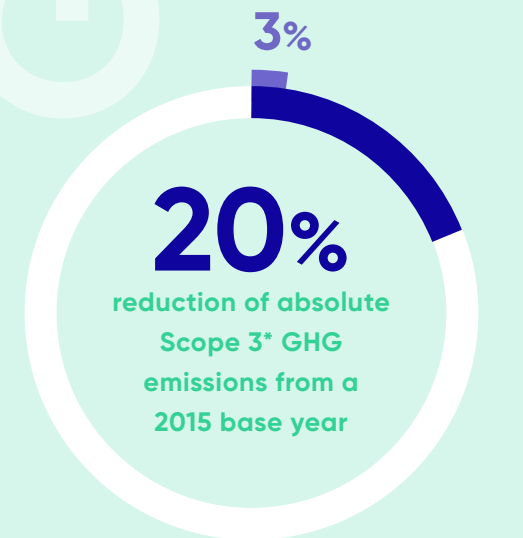
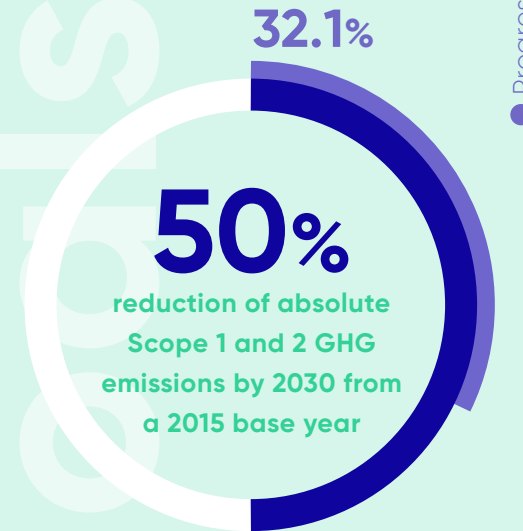


Impact of 11 alternative and renewable energy projects, providing GHG emissions reduction of **135,000 MTCO₂e**



Structural asset changes, manufacturing footprint optimization, and other non-energy and climate-related activities, representing GHG emissions reduction of **20,000 MTCO₂e**

Reduce the carbon footprint of our products and brands by reducing our direct and indirect (Scope 1 + 2) emissions by 50% and value chain (Scope 3) emissions by 20%



* Reduction target is focused on emissions from the Greenhouse Gas Protocol's Scope 3 Category 1 (Purchased Goods and Services) and Category 12 (End of Life Treatment of Sold Products).



Stories from Across Our Organization

Pursuing Energy Efficiency Initiatives

Kimberly-Clark executed more than 120 energy conservation projects last year at our global manufacturing sites, leveraging energy best practices to deliver 42,000 MTCO₂e emissions reductions. Among many other processes and building envelope efficiency improvements, our efforts included:

- **Implementation of compressed air optimization**
- **Installation of variable frequency drives in fans and process pump motors**
- **Upgrades to electrical infrastructure, tissue machine drying, and vacuum systems**
- **Recovery of waste heat**

In addition to our conservation efforts, we executed more than 40 Lean energy sustaining activities, delivering an additional 17,000 MTCO₂e in savings. These initiatives included improvements and optimizations in manufacturing processes, improvements in energy efficiency based on visual management, the use of the centerlining methodology to determine and adjust variables and ensure consistent results, and on-line containment of energy overconsumption.

Investing in Alternative Energy

In mid-2020, Kimberly-Clark's manufacturing site in Chester, Pennsylvania, fully transitioned from a mix of coal-based fuel and natural gas to a new, state-of-the-art combined heat and power (CHP) cogeneration plant. This plant is able to produce 42 megawatts of electricity and repurpose waste heat from the generating process into process steam for manufacturing.

In 2018, the Chester manufacturing facility was Kimberly-Clark's largest emitter of greenhouse gases, accounting for almost 10% of the company's total GHG emissions. Following installation of the new cogeneration system, which is fueled by cleaner burning natural gas, the facility's Scope 1 and 2 emissions fell by 40% compared to the 2018 baseline.

Our Enstra manufacturing facility in South Africa completed a similar transformation in 2020, replacing its inefficient coal boilers with a new process-steam generation plant powered by two natural gas boilers.

The upgrade reduced greenhouse gas emissions by 17,000 MTCO₂e, a 52% reduction of Scope 1 footprint. The project also eliminates some tax liability under South Africa's carbon tax system.

Together, the new Chester CHP plant and Enstra natural gas boilers are lowering Kimberly-Clark's GHG emissions by 167,000 MTCO₂ per year, equivalent to a 4% reduction of the company's total GHG emissions.



Jeff Hutter, Chester facility plant manager



Stories from Across Our Organization

Investing in Renewable Energy

Kimberly-Clark is significantly scaling up our use of solar and wind power, both through on-site installations and virtual power purchase agreements (VPPAs).

In 2019, we completed on-site photovoltaic solar installations at Kimberly-Clark manufacturing facilities and distribution sites in Tuas, Singapore; Pune, India; Cauca, Colombia; and Guatemala City, Guatemala. In 2020, those installations generated 4,900 MWh of green electricity.

We signed an agreement with the Rayos del Sol Solar Project in 2019 for a project that is currently under construction in Cameron County, Texas. This direct PPA will supply 100% of purchased electricity required by our Personal Care manufacturing facility in Paris, Texas.

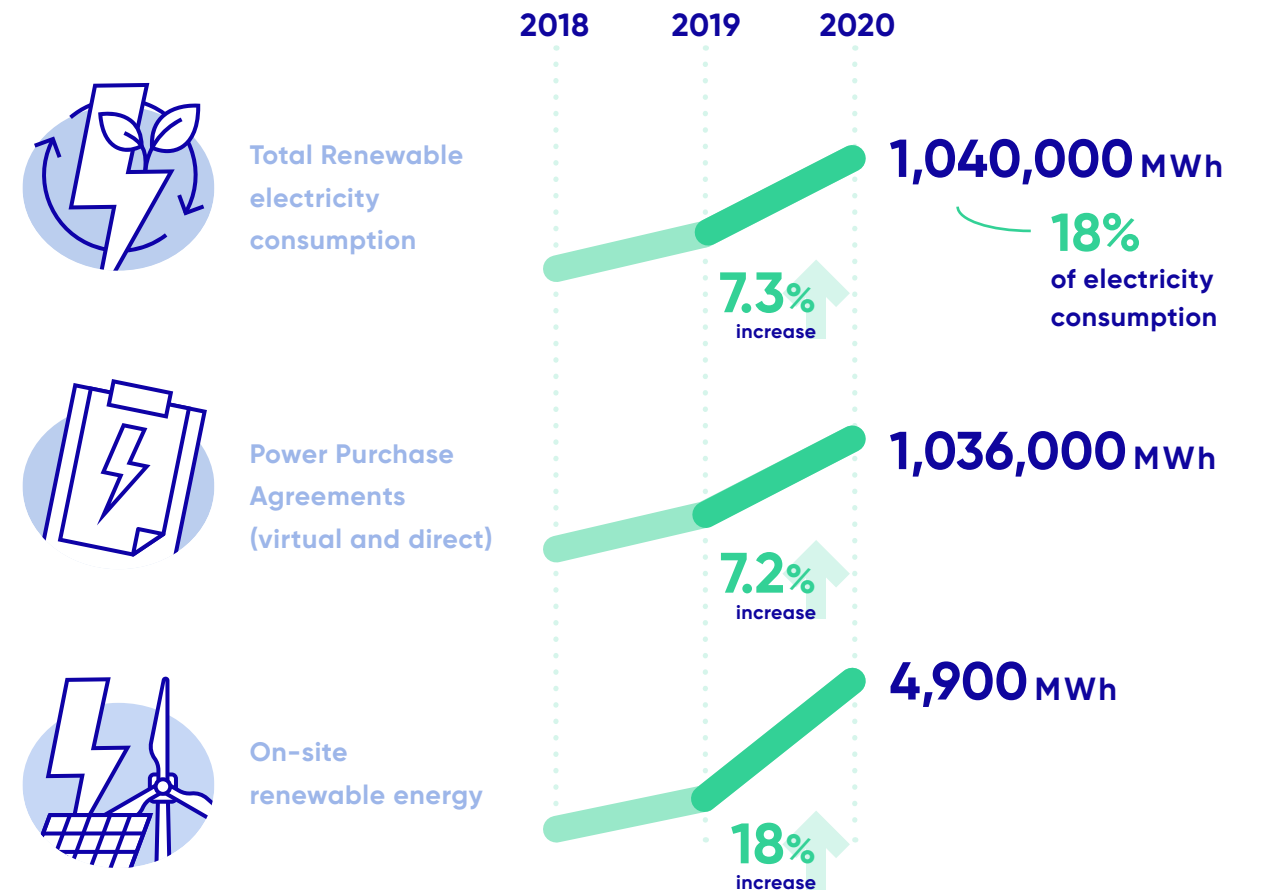
For the first phase of the contract, the utility company supplied 39% of the electricity demanded by the manufacturing facility in 2020 with renewable energy generated from another solar project in the region. The Rayos del Sol project will go online in 2022.

Our first utility-scale VPPAs for two wind power projects in Texas and Oklahoma were executed in 2017 and offset 100% of the electricity purchased by Kimberly-Clark Professional™ manufacturing sites in North America.

We followed up on this success by entering into another utility-scale VPPA with another Texas wind project, Maverick Creek, which began delivering power in December 2020. This contract will provide approximately 670,000 MWh of electricity to our North American Family Care business, covering 100% of purchased electricity needs for their manufacturing sites and accounting for an emissions reduction of 300,000 MTCO₂e.

In 2020, the total electricity from renewable sources, including virtual and direct PPAs and on-site solar generation, was 1,040,000 MWh.

This is equivalent to **18%** of the total electricity consumed by Kimberly-Clark's global operations.





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Water Footprint

Around the world water stress impacts ordinary people and local economies. At Kimberly-Clark, we feel these impacts across our value chain, from the sources of our fiber to the communities where our employees and consumers live.

We aim to reduce the impact of water use at our facilities and in the surrounding communities.

To maximize our impact, we focus our efforts on regions at the greatest risk and customize our approach and ambition for the specific needs of each water basin.



We partner with NGO Water For People to provide access to toilets, drinking water, and hygiene education.
Photo Credit: Water for People



Program Ambition and Strategic Focus

Although a global challenge, water stress is inherently a local issue. Kimberly-Clark's ambition is to enact sustainable water use programs at all our manufacturing facilities in water-stressed regions by 2030 and improve water use efficiency at all other global manufacturing facilities.

Kimberly-Clark's water strategy focuses on a series of short-term milestones that will lead to long-term improvements across our own operations, in our surrounding communities, and throughout our supply chain.

Our strategy is three-fold:

- **Total Water Management:** An integrated approach that helps mitigate water risk related to quantity, quality, and aging infrastructure and provides business benefits by increasing productivity and reducing waste and the cost of compliance.
- **Lean Water:** A culture focused on water conservation and water quality at the manufacturing level, giving ownership and responsibility to all facility employees to manage water at the same level as safety, quality, delivery, and cost.
- **Water Stewardship:** A holistic approach to water that focuses not just on our own facilities, but on creating greater water security for the entire water basin. ⊕

We will drive innovation for flushable products to be consistent with our ambition to champion a world where all can enjoy access to clean water, sanitation, and hygiene.





Goals and Performance

While our 2030 ambitions call for achieving sustainable water use at all Kimberly-Clark manufacturing facilities in water-stressed regions, we know we'll realize the greatest impact by targeting the most severely impacted regions first, as well as those aspects of our operations that are the most water-intensive.

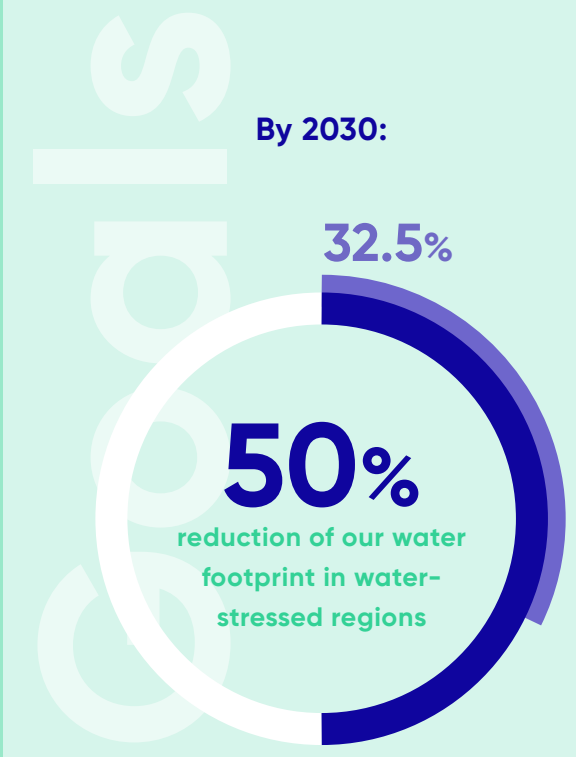
Water is an essential input to our tissue manufacturing process, so most of our initial water-responsibility efforts have focused on enacting sustainable water-use plans at the 12 Kimberly-Clark tissue facilities located in water-stressed areas.

Seven of those facilities have now met their sustainable water-use targets, achieving a 41% reduction in water use compared to the 2015 baseline, and a 18% reduction in absolute water use in 2020. Two of the facilities exceeded their targets, with our facility in Kluang, Malaysia, achieving a 66% reduction and our facility in Sitio del Niño, El Salvador, achieving a 65% reduction (both over 2015 baselines).

Our goal is for the remaining four tissue facilities to meet their targets by 2022.

We continue our work to understand what sustainable water use looks like for the remaining 18 manufacturing facilities in current or projected water-stressed regions to ensure that all facilities are able to achieve their individual 2030 sustainable water use targets.

Reduce our water footprint by 50% in water-stressed regions by creating significant improvements in our supply chain and the surrounding communities



Conduct 30 stakeholder engagements in water-stressed regions that result in improved access to fresh water



Stories from Across Our Organization

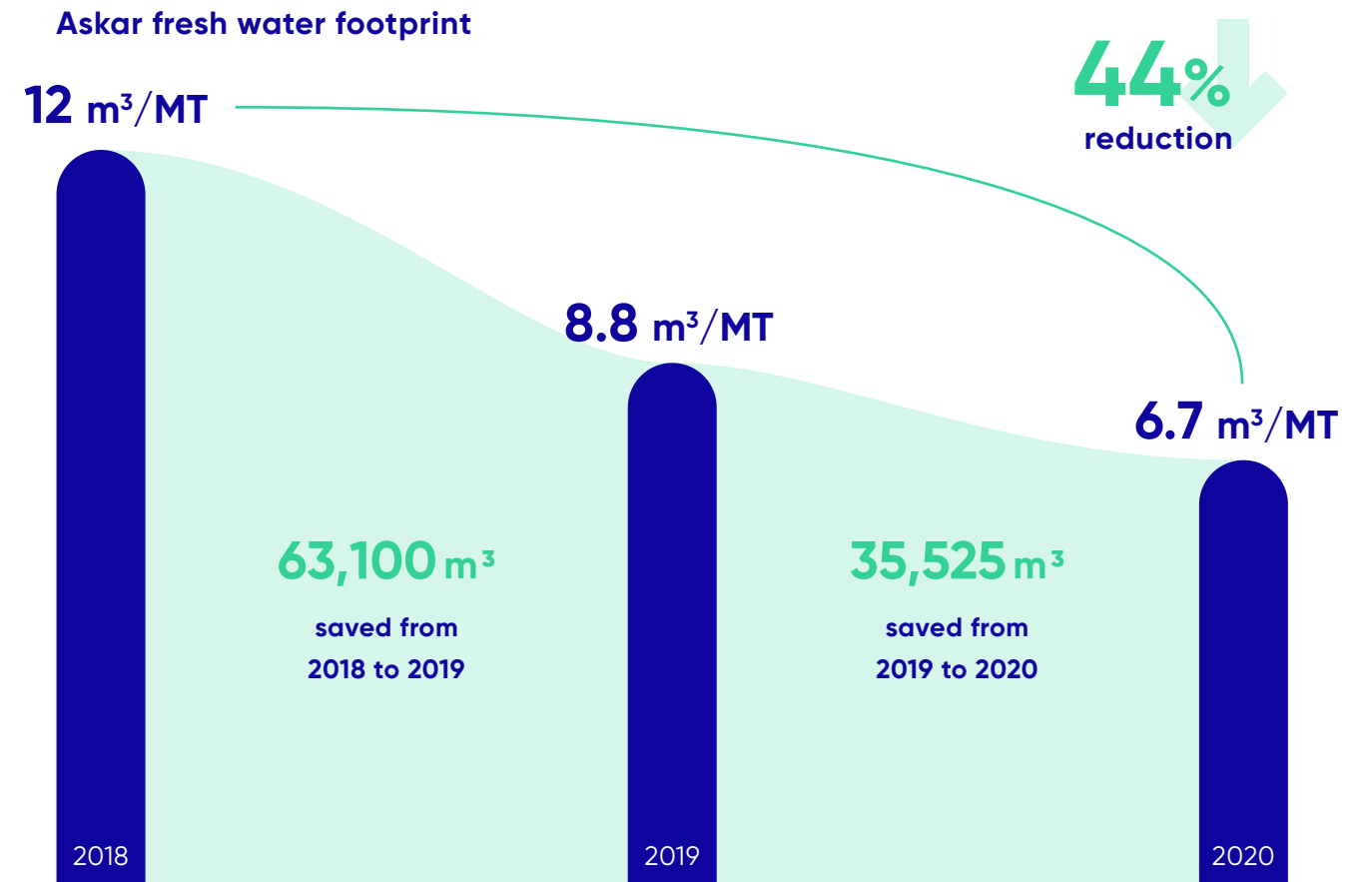
Bahrain Facility

Our Askar manufacturing facility in Bahrain is located in one of the most water-stressed regions in the world. Empowered by Kimberly-Clark's global goal to reduce our water footprint by 50% by 2030, the team at the facility was determined to figure out how to use every drop of fresh water responsibly and efficiently.

Over the last two years, Askar has posted one of the largest water reductions among all Kimberly-Clark manufacturing sites.

They collaborated with the regional team on a watershed analysis and conducted a best practices audit with other Kimberly-Clark facilities and the local government to identify opportunities. The Askar team deployed a plan to monitor, measure, and react to leaks and consulted with technology providers to implement further water-saving solutions.

Employees were also engaged in the process through workshops and trainings to crowdsource and implement ideas. These efforts enabled the facility to reduce its water footprint by 44% over the last two years. This project drove meaningful impact both internally at Kimberly-Clark and throughout the surrounding community.





Stories from Across Our Organization

Koblenz, Germany: Water Efficiency in Action

At Kimberly-Clark Professional's tissue manufacturing facility in Koblenz, Germany, we installed a new biological wastewater treatment plant that optimizes water usage and delivers multiple benefits to the business.

Dubbed "Project Camel," the system treats wastewater from the production process so it can be recycled back into the facility. The process also uses an anaerobic digester to extract organics in the wastewater and uses them to produce methane biogas.

This biogas replaces up to 10% of the traditional natural gas that powers the facility's boiler and reduces carbon emissions by 1,000 MTCO₂e annually. It also powers a de-inking plant, which converts recycled paper into pulp that is used to manufacture new tissue, towel, and wipe products.

The process of extracting resources from wastewater reduces pollutants discharged into Koblenz's municipal wastewater treatment plant by 70%. In addition, the sludge produced by the wastewater treatment unit is sold to paper manufacturers and other industries for use in their manufacturing processes.

The Project Camel team was recognized internally with a 2020 Crystal Tree Award for Team Excellence in the Water Footprint category. The project was also shortlisted for an Ethical Corporation Responsible Business Award for Circular Innovation.

We are in the process of deploying similar projects in facilities around the world.



Driving Water Stewardship

Successfully reducing water stress requires a community effort. That's why we developed a private-public methodology that engages local businesses, government, and NGOs in a water basin to review scientific assessments of the particular watershed's challenges, share best practices and approaches, and implement solutions that drive economic, social, and environmental value.

Since 2018, we have used WaterLOUPE as a platform to bring together multiple stakeholders to find solutions at a local level that drive economic, environmental, and social value.

The WaterLOUPE dashboard depicts water scarcity risks for entire watersheds due to climate change, population growth, and other factors over a 30-year time period. Local stakeholders including municipalities, communities, businesses, and NGOs use these insights to identify potential solutions to conserve freshwater supplies and reduce the risk of water shortages.

We have deployed the WaterLOUPE tool in water-stressed cities such as Cali, Colombia; Cape Town, South Africa; and Sao Paulo, Brazil, fostering collaboration with NGO partners and key stakeholders to bring more awareness to water risks and develop sustainable water management plans at the local level.

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