

Plastics Footprint

Waste has no place in business – or in tomorrow's circular economy.

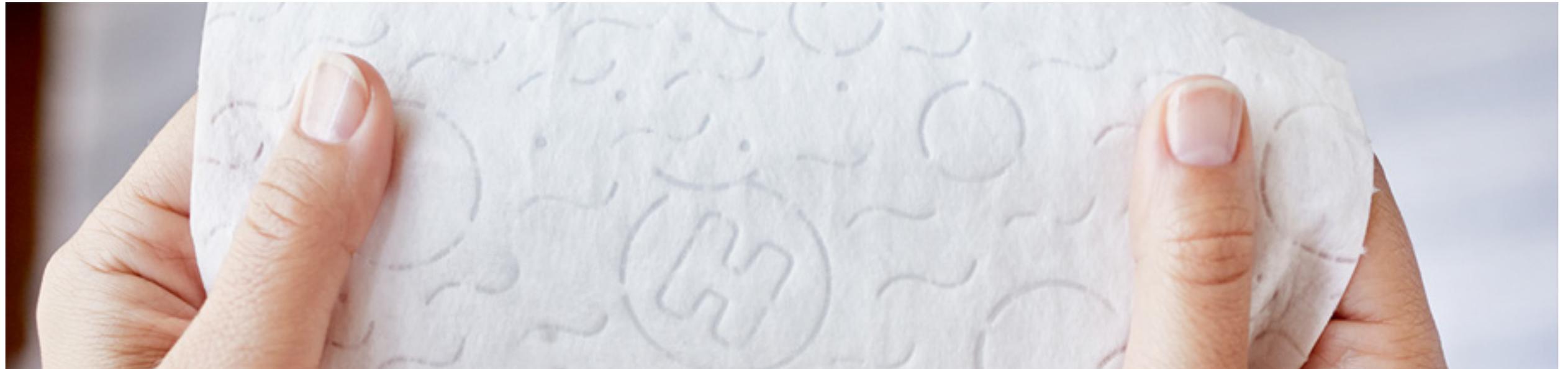
For the past two decades, we have been diverting manufacturing waste to higher value alternatives. We are taking the lessons learned from our efforts to address manufacturing waste and applying them to our plastics footprint aspiration.

We aspire to be at the forefront of the transition to a circular, reuse economy – contributing to human and ecosystem health by reducing waste, improving waste-handling systems and innovating new ways of giving consumers the products they need. We realize getting there will take game-changing innovation, and we know we're up to the challenge.

By improving resource efficiency and reducing waste, we can meaningfully contribute to the objectives of UN Sustainable Development Goal 12, Responsible Consumption and Production.

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- Carbon Footprint
- Water Footprint





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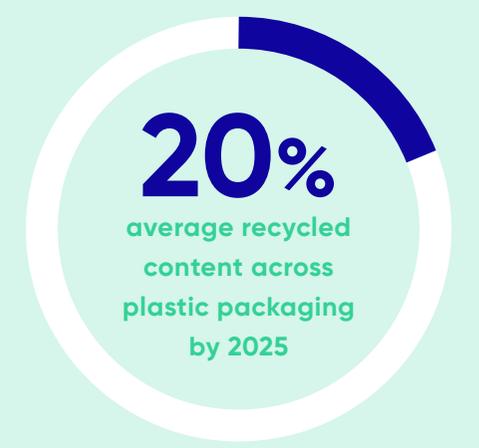
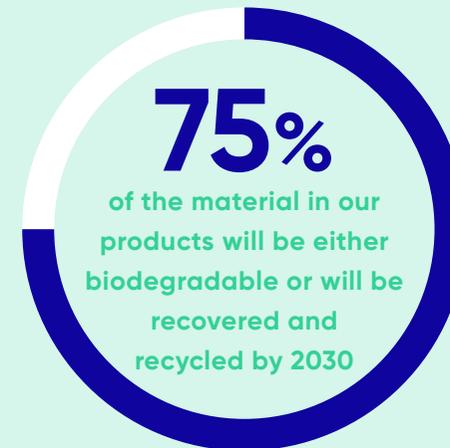
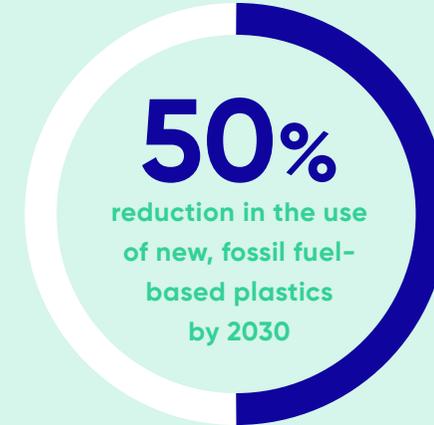
Helping People Live Their Best Lives with the Smallest Footprint

In 1995, we launched our first sustainability plan, which focused on reducing the manufacturing waste we sent to landfills. Today we are an industry leader, with a diversion rate of 96%. More recently, we turned our focus to diverting post-consumer waste (PCW) materials to higher value uses – and through 2019 we diverted 26,000 metric tons of PCW materials.

Looking ahead, we are shifting our efforts and expertise to tackle single-use plastics in our products and packaging and support innovation in waste collection and circular systems.

Our ambition to be a leader in driving innovative solutions is supported by aggressive goals for 2025 and 2030.

Reduce our plastics footprint by 50% through delivery of solutions that use more renewable materials and can be regenerated after use





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How We Will Deliver on Our Strategy

To expedite our move to more sustainable materials and processes, we're partnering with stakeholders across our value chain to drive innovation and action in three key areas.

1 Packaging

Packaging is one of the most visible sustainability challenges. In 2019, we undertook a comprehensive evaluation of our packaging and products that led to our new multi-pronged strategy of reducing new, fossil fuel-based plastic, which includes replacing hard-to-recycle components with recyclable, renewable or reusable options. Moving forward, where it makes business sense, we will explore opportunities to extend our strategy to incorporate alternative materials that are compostable.

2 Product

Our program is highly focused on the footprint of our plastic-containing materials. We are shifting to recovered or renewable materials to reduce our consumption of traditional plastics and designing products to be recyclable or biodegradable to provide secondary value to post-consumer waste. By designing products that are either technical inputs (return for recovery) in the Circular Economy or compostable or biological (return to nature), we are better serving the diverse waste management systems around the world.

3 Waste Management Systems

We will continue to nurture circular systems around the world that are necessary to recover the materials in our products and packaging when a consumer is done with them. By creating partnerships and building on existing waste management infrastructure, we develop new business models that can support management of waste from our products and packaging and be scaled in emerging or mature markets.

Moving forward, we will continue to conduct life cycle assessments (LCA) and other environmental or social impact assessments to build an innovation approach based on science.





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How We Define Our Materials



Fossil Fuel-Based

- Is** 'Traditional' plastic made from fossil fuel feedstock
- To reduce impact we will**
 - Minimize mass
 - Replace single-use with reusable components
 - Use bio-based feedstock and recycled content
 - Use compostable or biodegradable plastics

Biodegradable

- Is** Material that breaks down in soil or marine environments without creating microplastics
- Is not**
 - Oxo-degradable
 - A "license to litter"

Compostable

- Is** Material that can be broken down to biomass in industrial or home composting environments
- Is not** The same as biodegradable, where materials break down naturally in soil or marine environments

Recovered and Recycled

- Is** Material that is collected and used as feedstock for new production or as organic input to biological systems
- Is not** Material that is recyclable but ends up in landfill or the environment
- To grow impact we will**
 - Establish post-consumer waste systems for collection and recovery
 - Build partnerships throughout the value chain
 - Follow recognized industry standards for biodegradability



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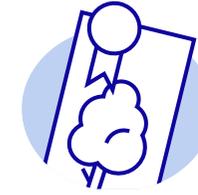
2019 Performance

Throughout 2019 we focused on refining and establishing our new waste ambition and 2030 goals, while making progress against our existing commitments.

The year also marked our first full-year participation in the UK Plastics Pact, a trailblazing, collaborative effort between industry, NGOs and the UK government to tackle the problem of plastic waste and create a circular economy. Our involvement helped inspire our 2025 commitments to utilize an average of 20% recycled content across all our plastic packaging and to make 100% of our packaging reusable, recyclable or compostable.

We made progress on our 2022 goal of sourcing only recycled fiber or virgin fiber from certified suppliers for our fiber-based packaging, achieving a 99% rate in 2019.

We were also able to divert 26,300 MT of product and packaging waste to value-adding alternatives. While we are not currently on pace to achieve our target of 150,000 MT by 2022, we believe that our new goals focused on reducing plastic and packaging waste will help us to drive more meaningful change.



99%
fiber-based packaging from virgin fiber certified suppliers or recycled fiber



26,300 MT
of product and packaging waste diverted to value-adding alternatives



Operational Waste and Zero Waste to Landfill

In 2019 we continued our strong focus on eliminating waste from our day-to-day operations and were able to divert 96% of operational waste from landfills to higher value alternatives.

By 2022, we intend to achieve zero waste to landfill across all of our operations, including manufacturing facilities, offices, warehouses and distribution centers.

We're focusing on the top ten largest waste streams we currently send to landfill each year and are supporting regional and mill teams in diverting smaller streams. At our facilities, we're creating waste inventories that document the quantities, consistency, location and visual management of each waste stream, a process that helps identify opportunities and prepare a glidepath for hard-to-divert waste streams.



* We calculate landfill diversion using the most recent three months of data.





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Brand-Driven Waste Reduction Initiatives

Some of Kimberly-Clark's most inventive and impactful waste-reduction efforts in 2019 were launched by our brands around the world.

- **Huggies Tiniest Footprint campaign:** In the United Kingdom, our Huggies brand conducted an LCA to assess the environmental impact of baby wipes. The brand announced plans to completely phase out plastic from its baby wipes line by 2025 and to make its packaging recyclable in home recycling bins. In 2019 alone, the brand removed 15 tons of plastic from Huggies Extra Care wipes and curtailed the use of inner plastic bags in its 12- and 18-pack

boxes, which saves 43 tons of plastic annually. The brand also began labeling all baby wipes with their natural fiber and plastic content ahead of regulatory requirements.

- **Huggies explores plant-based plastics:** Huggies North America introduced Huggies Special Delivery, the first diaper that incorporates plant-based materials (23% by weight) in its liner and waistband.
- **Materials reuse in Latin America:** In Latin America, Kimberly-Clark launched a partnership between its professional and consumer businesses to divert used stretch wrap film waste from our Tocancipa, Colombia mill to one of our packaging suppliers. The material is now reused as plastic film packaging for our products, replacing 30% of virgin plastic film packaging with post-consumer recycled content.
- **Inclusive recycling in Sao Paulo:** Kimberly-Clark began working with the Inclusive Waste Recycling Consortium (iWrc) to develop a socially responsible program focused on improving the lives of waste-picker cooperatives in Sao Paulo, Brazil – teaching management, networking, and technology skills to improve personal outcomes while connecting us with the socially responsible materials they're producing.
- **Renewable polyethylene packaging in Brazil:** Our Neve Tissue brand in Brazil expanded its program to replace fossil fuel-based plastic content with renewable polyethylene packaging produced from sugarcane.

