Leadership Message

At Kimberly-Clark, we are committed to the sustainable use of natural resources. Designing, manufacturing, and delivering our products and operating our business in a way that promotes sustainability and protects the environment are important to protecting the value of our business and supply chain, as well as our customers, consumers and employees.

Please visit our website to learn more about our sustainability goals and recent progress.

Our focus on forests aims to address climate change, conserve terrestrial biodiversity and prevent deforestation, and ensure a resilient, healthy supply chain through innovation and responsible sourcing.

Kimberly-Clark adopted this Fiber Procurement Policy as part of this commitment. This Policy provides guidance on how we handle and address fiber procurement. If you have questions or concerns regarding this Policy or any related matters, please contact me or anyone on our Global Sustainability team.

Thank you,

Lisa Morden
Vice President, Safety, Sustainability and Occupational Health
WHY IT MATTERS

Kimberly-Clark is committed to conducting business with a sincere and proper regard for the need to sustain natural resources used in the manufacture of Kimberly-Clark’s products and packaging. Kimberly-Clark protects forests to address climate change, conserve terrestrial biodiversity, and ensure resilient, healthy supply chain. Our forestry program aims to reduce our impact on natural forests and prevent deforestation through innovation and responsible sourcing.

THE KIMBERLY-CLARK WAY

We have adopted this Fiber Procurement Policy (“policy”) to promote

- Sustainable forest management practices by Kimberly-Clark’s wood fiber suppliers that are economically viable, environmentally responsible, and socially beneficial by considering supplier performance in the selection process.

- Kimberly-Clark’s use of environmentally responsible wood fiber in its products consistent with product performance and competitive market conditions.

- Protection against deforestation through responsible sourcing, use of recycled fiber, and sustainable alternative fiber innovation to reduce our impact on natural forests. For purposes of this policy, natural forests are composed of native species that self-regenerate and contain key elements of native ecosystems, such as wildlife and biological diversity. For Kimberly-Clark, Northern Bleached Softwood Kraft (NBSK) is the primary fiber type sourced from Boreal and northern temperate forests.

- Availability of information to interested stakeholders concerning the implementation of Kimberly-Clark’s Fiber Procurement Policy and commitment to providing ongoing reports.

WHAT’S EXPECTED

Environmentally Responsible Fiber

Kimberly-Clark is committed to implementing practices that make the wood fiber it uses in its products progressively more environmentally responsible while recognizing that implementation of this policy must always take into account product performance and competitive market conditions.

For purposes of this policy, “environmentally responsible fiber” means:

- Wood pulp purchased from suppliers that have had their forestry operations or wood fiber procurement activities certified to one of the forest certification systems (as defined below in Forest Certification);
- Sustainable alternative natural fibers; and
- Recycled fiber recovered from pre-consumer or post-consumer waste paper.
Kimberly-Clark will strive to continuously improve its tissue manufacturing processes and product and packaging designs to accommodate environmentally responsible fiber and to minimize overall fiber use.

**Sustainable Forest Management**

We will emphasize to our wood fiber suppliers (and their suppliers, if applicable) the commitments Kimberly-Clark has made to sourcing environmentally responsible fiber, implementing our fiber preferences, and holding suppliers accountable for conforming to our fiber policy statement, comments, and instructions. For purposes of this policy, “wood fiber” includes woodpulp, logs and whole log chips, and sawmill residuals including woodchips and sawdust.

Kimberly-Clark will not knowingly use:

- Illegally harvested wood fiber, which, for the purposes of this policy, means wood fiber obtained in violation of applicable government forest management requirements or other applicable laws and regulations;

- Conflict wood, which, for the purposes of this policy, means wood fiber that was traded in a way that drives violent armed conflict or threatens national or regional stability;

- Wood harvested in violation of traditional and civil rights, or

- Wood fiber sourced from Special Forest Areas, which, for the purposes of this policy, means:
  - “Endangered Forests” that have been identified and mapped using recognized scientific methods as comprising native forests of high ecological value that require protection from intensive industrial use to maintain those values;

  - Naturally rare forests identified and mapped as “G1” (globally ranked critically imperiled) or “G2” (globally ranked imperiled) communities by NatureServe/Natural Heritage Network;

  - “High Conservation Value Forests” that have been identified and mapped as no harvest areas due to the outstanding or critical importance of such forests' biological, ecological, socio-economic, cultural, biodiversity, and landscape value;

  - “Primary Tropical Rainforest” mapped as natural forests that have developed under natural processes that have never been logged on a commercial scale and which are located in an area with annual mean temperatures of at least 24°C and annual rainfall exceeding 2.0 meters evenly distributed throughout the year;

  - Areas mapped in applicable forest management plans as protected areas due to their unique features, including endangered species habitat; and

  - Areas mapped by the government as a park or conservation reserve where commercial logging is prohibited.
With respect to natural forest areas that have not yet been identified and mapped under any of the processes listed above, Kimberly-Clark will support the protection of areas that have the potential to be designated as Endangered Forests or High Conservation Value Forests by working with its suppliers, governmental authorities, and nongovernmental organizations to identify and map such areas before commercial logging operations are conducted. In addition, Kimberly-Clark will require its suppliers to demonstrate that their management activities in such areas maintain or enhance the identified conservation values and that no harvest zones are strictly protected.

**Forest Certification**

- Kimberly-Clark commits to purchase 100% of its wood fiber from suppliers that have had their forestry operations or wood fiber procurement activities certified to one of the following third-party verified forest certification systems. Kimberly-Clark will give preference to wood fiber certified under Forest Stewardship Council® (FSC) standards.

  - For purposes of this policy, “forest certification systems” will mean the following schemes: Forest Stewardship Council® (FSC®); Sustainable Forest Initiative (SFI); Canadian Standards Association’s National Sustainable Forest Management Standards (CSA); and Program for the Endorsement of Forest Certification Schemes (PEFC) and any additional forest certification scheme meeting the performance based criteria set forth below.

  - Examples of performance-based criteria for an acceptable third-party verified forest certification scheme include:
    - Conformity with international legislation, agreements, and accords;
    - Compliance with national and local legislation and regulations;
    - Scientific support for forestry practices;
    - Commitment to forest regeneration and reforestation;
    - Protection of soil quality, riparian zones, and water quality;
    - Protection of ecologically and culturally unique forest areas;
    - Maintenance and conservation of biological diversity;
    - Participation by interested and affected stakeholders;
    - Continuous improvement in forestry practices; and
    - Third-party verification of forestry practices and chain of custody for wood fiber.

- Kimberly-Clark will track and report annually the amount of wood fiber it purchases from suppliers certified under each of the forest certification systems.

**Recycled Fiber**

- Kimberly-Clark regards recycled fiber as an environmentally-responsible fiber and will pursue opportunities to increase the use of recycled fiber in its products and packaging as appropriate.
• In selecting recycled fiber, Kimberly-Clark will give preference to post-consumer sources of recycled fiber.

• Kimberly-Clark will support efforts of suppliers, governmental authorities, and non-governmental organizations to increase wastepaper collection rates and improve recycled fiber quality.

Leadership and Support

• Kimberly-Clark will give preference to wood fiber certified under FSC standards.
  - Kimberly-Clark will encourage its suppliers of wood fiber (and their suppliers, if applicable) to adopt the FSC forest certification scheme and to take other actions to increase the availability of wood fiber certified to FSC standards.
  - Kimberly-Clark will participate actively in ongoing discussions concerning FSC standards, including the FSC General Assembly.
  - Kimberly-Clark will work with its suppliers and other interested stakeholders to promote the adoption of FSC throughout its supply chain.

• To the extent possible, Kimberly-Clark will participate in stakeholder groups for other major forest certification organizations to encourage the adoption of progressive and verifiable forestry standards.

• Kimberly-Clark will support the efforts of our customers, suppliers, nongovernmental organizations, and other knowledgeable stakeholders to use lifecycle assessment and other scientific means to evaluate the sustainability of forestry activities and the manufacture and use of products made from wood fiber and recycled fiber.

• Kimberly-Clark will support programs for the identification and mapping of natural forest areas that have the potential to be designated as Endangered Forests or High Conservation Value Forests.

• Kimberly-Clark has established and will periodically review appropriate global targets for our combined level of use of recycled fiber and wood fiber from FSC certified sources.

• Kimberly-Clark will support scientific work to better understand the connection between climate and forests, including the role of forests in the global carbon cycle, and will incorporate what is learned into our climate change management strategy.

Wood Fiber from Tree Plantations

• Kimberly-Clark may use wood fiber harvested from forest lands that are converted after March 15, 2007 to tree plantations only if the supplier can demonstrate, through certification by FSC or another forest certification system recognized under this policy, that the pre-existing forest lands were not Special Forest Areas and only if the use of such wood fiber meets all of the other requirements of these Instructions.
• For purposes of this policy, “tree plantations” mean forest stands established by planting seedlings, by direct seeding, or by coppicing of either native or introduced species, which are fast growing and intensively managed for wood production, including mechanical site preparation, exclusion of other species, and periodic pruning, spacing, and thinning.

**Review of Wood Fiber Supplier Practices**

• Kimberly-Clark will review the integrity of environmental and social responsibility practices and human rights in employment followed by our wood fiber suppliers and consider the supplier’s practices as part of the initial supplier selection process and when supply agreements are renewed.
  
  – The techniques to be utilized and the extent of a particular environmental and social review will be commensurate with the size and nature of the proposed business relationship between the supplier and Kimberly-Clark and the perceived risk that the supplier may not be in compliance with this policy.

  – For wood fiber suppliers operating in a region identified by a competent international organization as posing a significant risk that the harvesting or processing of wood fiber violates fundamental human rights, Kimberly-Clark will give heightened scrutiny to social issues in assessing the risk of entering or maintaining a business relationship with that supplier.

  – Where documented human rights issues are identified in such situations, Kimberly-Clark will work with its suppliers to find a constructive resolution of such issues.

• When Kimberly-Clark enters into long-term agreements with wood fiber suppliers, we will include language that enables us to enforce this policy.

• Kimberly-Clark will inspect its wood fiber suppliers periodically and require its suppliers to report regularly concerning their compliance with this policy.

  – For suppliers that have not achieved FSC certification of their forestry operations or wood fiber procurement activities, Kimberly-Clark will encourage them to supplement their forest certification system as necessary to achieve FSC controlled wood chain-of-custody certification.

**Verification and Public Reporting**

• Kimberly-Clark has implemented a verification system for our wood fiber procurement activities that is global in scope, sufficient to provide reasonable assurance that our systems and controls meet the objective of using environmentally responsible fiber and applies our stated preferences in accordance with this policy.

• As part of its verification system, Kimberly-Clark will work with suppliers and others to develop methods of effectively tracing wood fiber to its forest source.
• Kimberly-Clark will report on its activities to implement this policy at least annually to interested stakeholders through our annual Sustainability Report and/or other appropriate means.
  
  – Kimberly-Clark’s annual Sustainability Report will include an indication of our progress toward achieving our target or targets for the combined use of recycled fiber and wood fiber from FSC certified sources.

  – Kimberly-Clark will conduct periodic consultations with external stakeholders to review emerging issues related to environmentally responsible fiber, deforestation, and implementation of our Fiber Procurement Policy.

**Applicability**

• This policy applies to Kimberly-Clark Corporation, our consolidated subsidiaries, and our affiliates and is recommended for all of our equity companies subject to local laws and any applicable shareholder or joint venture agreements. To the extent an affiliate or equity company supplies wood fiber to Kimberly-Clark, it shall be subject to this policy.

• This policy also applies to tissue hard rolls or finished products containing wood fiber purchased by Kimberly-Clark from third-party suppliers and intended for sale as Kimberly-Clark products.

**When to Ask a Question or Raise a Concern**

Each of us has an obligation to ask questions or raise concerns if we suspect that misconduct has occurred, or if a Kimberly-Clark employee or third party acting on behalf of Kimberly-Clark has violated the Kimberly-Clark Code of Conduct, Kimberly-Clark policies, or laws. You do not need to be certain that a violation has occurred before speaking up.

**How to Ask a Question or Raise a Concern**

Generally, your team leader or another business leader will be in the best position to resolve a compliance question or concern.

If you are not able to resolve the question or concern with your team leader or another business leader, or if you do not feel comfortable approaching these leaders, Kimberly-Clark offers several methods for raising questions and concerns. You can speak to one of your business partners in Legal, Global Ethics & Compliance, Global Security, Finance, or Human Resources.

**K-C HelpLine**

You can also ask a question or raise a concern using the K-C HelpLine. If you contact the K-C HelpLine, please specify who was involved, who might have direct knowledge of the incident, what occurred, when it occurred, and why you think it happened. This type of specific information will allow us to conduct a thorough and fair evaluation. You may contact the K-C HelpLine anonymously (where permitted by law), but we encourage you to provide us with contact information so that we can reach you with any follow-up questions.
The K-C HelpLine is available 24 hours a day, 7 days a week, in native languages where K-C’s facilities are located. A professional company that is independent of Kimberly-Clark will take your information and then promptly report it to the Global Ethics & Compliance team for review. You may contact the K-C HelpLine directly by telephone, e-mail, or web:

- Telephone:
  - 1-844-KC-HELP1 or 1-844-524-3571 (United States)
  - For local or toll-free HelpLine numbers in other countries, see www.KCHelpLine.com
- E-mail: KCHelpLine@kcc.com
- Web: www.KCHelpLine.com

We encourage you to ask your questions and raise your concerns directly to Kimberly-Clark so we can take appropriate actions. But, nothing in this policy prevents you from reporting potential violations of law to relevant government authorities.

**Our Anti-Retaliation Commitment**

Kimberly-Clark does not tolerate retaliation against anyone who raises a concern in good faith or who cooperates in a review. Individuals engaging in this type of retaliatory conduct will be subject to discipline action. If you believe someone has retaliated against you or against someone else, raise a concern immediately. Our anti-retaliation commitment is further described in our Compliance HelpLine Reporting Policy.
1. **Environmentally-Preferred Fiber Use**

- Kimberly-Clark hereby sets the goal that by the year 2025, 90% of its fiber supply for its global tissue products will consist of Environmentally-Preferred Fiber.
- In the spirit of continuous improvement, Kimberly-Clark intends to achieve its 90% goal by targeting an increase in the quantity of Environmentally-Preferred Fiber from wood and/or alternative fiber supply at a rate of 5% every three years:

<table>
<thead>
<tr>
<th>Year</th>
<th>Environmentally-Preferred Fiber Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>70.0%</td>
</tr>
<tr>
<td>2017</td>
<td>75.0%</td>
</tr>
<tr>
<td>2020</td>
<td>80.0%</td>
</tr>
<tr>
<td>2023</td>
<td>85.0%</td>
</tr>
<tr>
<td>2025</td>
<td>90.0%</td>
</tr>
</tbody>
</table>

- Environmentally-Preferred Fiber will consist of the following sources: (i) Forest Stewardship Council® (FSC)-certified fiber; (ii) recycled fiber (RF); and (iii) sustainable alternative fiber.\(^1\)

2. **Transparent Communication of Fiber Use**

- By the third quarter of each year, Kimberly-Clark will report its progress toward achieving the two stated goals that (i) 100% of its wood fiber be certified by one of the certification systems recognized in its Fiber Procurement Policy by 2015, (ii) 90% of its global tissue products be comprised of Environmentally-Preferred Fiber by 2025.
- Kimberly-Clark has announced an aspirational goal that by 2025 it will reduce by fifty percent (50%) the quantity of wood fiber it sources from natural forests using 2011 as the base year. Kimberly-Clark expects to publicly report from time to time its emerging implementation plans for achieving this aspirational goal.
- Kimberly-Clark will use the following format to report each year on a Global basis available information concerning its actual use of certain categories of FSC-certified fiber, RF content and sustainable alternative fiber in its tissue products for the preceding year:

\(^1\) Kimberly-Clark will commission a life-cycle assessment and conduct a multi-stakeholder consultative process before designating an alternative fiber as “sustainable.”
3. **Protection of High Conservation Value Forests**

- Kimberly-Clark will support programs for the identification and mapping of potential Endangered Forests and High Conservation Value Forests to ensure that these forests are designated for appropriate protection.

4. **Ongoing Engagement**

- Kimberly-Clark will extend an invitation to Greenpeace annually to formally discuss implementation of Kimberly-Clark’s Fiber Procurement Policy and review emerging issues related to sustainable sourcing of wood and alternative fiber, water, climate and other issues of mutual interest.