365°

the evolution
that differentiates us

Kimberly-Clark
the evolution that differentiates us
the evolution that differentiates us
The ancient Egyptians originally had a 360-day year, a total of 360 degrees. From this systems of mathematics used in ancient times, we derive the modern day usage of 60 seconds in a minute and 360 degrees in a circle. Unintentionally, the Babylonians gave us 5 additional days, 5 degrees beyond circle perfection that nowadays we use at Kimberly-Clark to make the difference.

**OUR 5-DEGREE DIFFERENCE**

At Kimberly-Clark, we believe that once a cycle is finished, we do not go back to the same starting point: what we learn every single day, every degree, is capitalized to keep on growing and evolving. On our 8th Sustainability Report pages you will find some of those learning experiences, small victories and challenging steps which framed our sustainable management in 2015. You will also discover our ever-challenging way to innovate in our different products categories as well as develop programs and initiatives whereby we can positively contribute to the community and the environment.

We are convinced this sustainable transformation begins indoors and then extends outwards, making us become committed and responsible actors in terms of communities' growth.

In this report, you will find our 5 additional degrees, that extra passion and innovation we put into everything we do to create a shared and differential value.

**5 DEGREES THAT MAKE US UNIQUE AND DIFFERENT.**
The Sustainability Report 2015 has been compiled based on the Global Reporting Initiative’s (GRI) G4 Guidelines, “comprehensive” option. Published on an annual basis, this report covers the period between January 1 and December 31 2015 and is issued together with the Company annual report and balance sheet 2015.

The information contained in the Sustainability Report 2015, which has not been submitted to a process of external review, includes data regarding all company operations in Argentina, according to the information provided by the consolidated financial statements of Kimberly-Clark Argentina S.A. as of December 31st 2015.

We have not identified any significant limitation as to the scope or coverage of the Sustainability Report 2015, or any significant effect on the data restated compared to previous years. The last report issued was the Sustainability Report 2014.

Our Sustainability Committee is the point of contact to pose any query regarding the annual report content.
ISO 26000 ON CORPORATE SOCIAL RESPONSIBILITY

ISO 26000 provides us guidance on how to implement and integrate best practices relating to social responsibility in our daily management.

In 2013 we started to gradually adopt the seven core subjects identified by the ISO 26000, and in 2015 we conducted the first assessment of the degree of progress achieved in the following areas:

GRI MATERIALITY DISCLOSURES SERVICES

The annual report was submitted to the Materiality Disclosures Service and GRI confirmed that the materiality contents (G4-17 to G4-27) are appropriately located.

Kimberly-Clark Argentina recognizes ISO 26000 as a reference document providing guidance on social responsibility.
More than 100 years ago, Kimberly-Clark had a vision: enhance people’s quality of life worldwide with ESSENTIAL products for personal care and hygiene. Such vision, which remains in force until today, continues guiding our business towards our global 150th anniversary, and rules our sustainability strategy, deeply rooted in our business plan.

Guided by our Vision 2022, which focuses on communities’ improvement through our products innovation, sustainability in our manufacturing processes and improvement of people’s health and quality of life, our actions in Argentina are performed on the basis of our three main pillars: People, Planet and Products.

This new Report summarizes the main accomplishments and goals achieved in our sustainable management during 2015, at each of our manufacturing plants and operations both in San Luis and Buenos Aires province (Bernal and Pilar).

One more year we feel satisfied with the sustainable growth of our business in terms of economic, social and environmental impacts, and above all, with the commitment shown by our great team in order to achieve and exceed the goals set, providing high quality products and innovation.

Outwards, we are always trying to surprise our customers by creating high-value propositions, always responsive to new needs. Internally, we keep on growing responsibly and encouraging our more than 1300 employees to unleash all their potential.
"Our mission to enhance people’s quality of life is key to our Vision 2022: the sustainability strategy that serves us a guiding principle."

Based on such concept, in 2015 we focused on the strategic issues of our materiality matrix, mainly on issues related to the environment, Human Resources and the community. Thus, we continue conducting actions which contribute to the communities where we operate in terms of health and education. We are committed to conducting sustainable business practices which bring positive changes for people. We seek to manage our operations with respect for the environment, making improvements and adapting our processes and projects to take maximum care of natural resources. It was also a year of great novelties in our product lines, with new presentations and evolving business models.

We achieved our Vision 2015 with a high degree of compliance. Nowadays, we are looking at 2022 with new global ambitions, showing our 5 additional degrees, making a difference in everything we do.

We know that every goal achieved is not an end point but a new beginning to keep evolving.

Our responsibility is to do it by becoming transforming agents to create a good present and a better future.

Sincerely,

Pablo Latrónic
Incorporating sustainability into business strategies leads to a paradigm shift, to a new way of producing where sustainability becomes part of every process and area so as to generate economic growth for both the company and the communities around.

Sustainability at Kimberly-Clark today covers both economic growth and continuous innovation of new categories and products, or the positive impact on the community and the environment. According to our vision 2022, the sustainability report was prepared “in compliance with” the GRI G4 Guidelines - comprehensive option, and the International Guidelines on Social Responsibility - ISO 26000: 2010, in respect of which we include a brief overview of the progress made. Our Internal Sustainability Committee, made up of members from different areas, reviewed information based on these international guidelines and the Management Committee reviewed and approved its contents. Thus, after a conscious effort and teamwork, we prepared a more concise report focused on 25 relevant issues and on sustainability management.

With regard to communities and under our PEOPLE pillar, this year the corporate program known as +comUNIDAD reached more than 106,000 beneficiaries through health, education and sustainability awareness programs. Moreover, a total of 564 volunteers reinforced their commitment with the community accepting the invitations to participate in a total of 15 activities organized together with Caminando Juntos Foundation.

Focused on implementing Health prevention and education actions addressed to the family group, our Health Post in Pilar, together with the Biomedical Science School of Austral Hospital recorded 4,014 medical consultations in 2015. Furthermore, 13 workshops were offered on general hygiene, hands washing, oral health, healthy eating habits, breastfeeding and care during pregnancy, among others, with the participation of 239 people. Currently, the Health Post is not only a center for primary health care but also a place of belonging and for knowledge transmission.
“In 2015, our actions focused on the community reached more than 106,000 beneficiaries through Health, Education and Awareness Programs.”

Through our Education pillar, also related to knowledge transmission, we continued developing programs together with Conciencia (Awareness) Association. Last year, we launched the first edition of InnovaTEC contest, an initiative implemented to identify, recognize and share the innovative practices implemented by hundreds of teachers at technical schools in the province of Buenos Aires. The contest was supported by the Ministry of Education of the province of Buenos Aires and by the Organization of Ibero-American States. The initiative was implemented in more than 200 schools of the province, with two final winners.

Focused on increasing sustainability awareness, in 2015 we launched a new education campaign: Los MEDIAdores (MEDIAtors). Playfully encouraging people “to get to work” in order to bring about positive changes in their own setting, we shared tips, advice and videos on our online platform and social media to encourage the adoption of habits aimed at improving the environment, people’s well-being and life quality in general. More than 34,200 people have already begun to move forward.

Our forestry program in San Luis, jointly launched with the provincial Ministry of the Environment, involved the new planting of 8,000 seedlings covering 75 km of Highway N° 55 South which connects Villa Mercedes with Paraje La Argentina in San Luis. Since the onset of this program 5 years ago, our support has contributed to the forestry of 1,500,000 plants with an annual capture of 48,000 CH2 tons and 35,500 CO2 tons.

In 2015 we continued working to reach different goals of our PLANET pillar and developed projects which have had an impact on the reduction of our carbon footprint and energy consumption. According to the footprint assessment conducted by Ernst&Young consulting agency, energy consumption in our plants was reduced by 3% (2.9%). Regarding production in each of the plants, we reduced tons of CO2 produced in each case, even in our operations in Pilar and Bernal where production was increased. In 2015 we implemented a total of 10 new initiatives in manufacturing plants aimed at reducing the carbon footprint in the environment. Water consumption showed a slight increase in our plant in Bernal due to the incorporation
“Our achievements are not possible without the effort and dedication of our people, 1337 people who find in Kimberly-Clark a way of unleashing their potential.”

of products with raw material including a high degree of recycled paper. However, we have already outlined a plan in different stages until 2022 so as to reach our goal of **10 m3/BDMT** of water consumption every ton of manufactured paper.

Under the **PRODUCTS** pillar, we also developed initiatives which illustrate our commitment to sustainability and awareness. We launched the campaign **Abrazos de Vida** on the occasion of the Premature Babies Week, supported by Ramón Sardá Foundation and Maternity and Child Hospital, to raise awareness about the importance of skin-to-skin contact between parents and preemies. The “Incontinence Week” organized by Poise and Plenitud brands jointly with Durand Hospital raised awareness about this issue and contributed to remove long-standing taboos.

Furthermore, together with the **chain value** and through **La Salud está en tus Manos** platform, we raised awareness of natural resources protection and hygiene habits.

All these achievements could not be possible without the effort and dedication of our people, trained by KC to help them unleash all their potential. In 2015, **more than 500 employees** participated in the training sessions and exceeded **29,600 training man/hours**.

This is only part of all the information that you will find in our new Sustainability Report. I invite you to browse through it, to send us your feedback to help us continue improving and to discover such additional value in everything we do.

Sincerely,

Fernando Hofmann
we drive sustainable EVOLUTION
WE KEEP ON EVOLVING

we evolve with our MANAGEMENT

24 years in Argentina

1,337 employees

29,600 hours/man of training

4,409 million pesos

60 million dollars

1,090 active diaper manufacturers

25% of total sales nationwide

5 business units

89% of our suppliers are from Argentina

71% of our purchases to Argentine suppliers

WE INNOVATE THROUGH OUR PRODUCTS

4.409 million pesos

1.337 employees

29,600 hours/man of training

Our employees

Our sales

Our exports

24 years in Argentina

1,337 employees

29,600 hours/man of training

4,409 million pesos

60 million dollars

1,090 active diaper manufacturers

25% of total sales nationwide

5 business units

89% of our suppliers are from Argentina

71% of our purchases to Argentine suppliers
we improve PEOPLE’S LIVES

106,000 beneficiaries of our social investment programs

Nuestro comentario comentario comentario comentario

we take care of our PLANET

we reduced the total gas emission in our manufacturing plants

100% Reusable packaging

Reduced waste delivery to sanitary landfill in San Luis

50% waste

1.500,000 trees planted since 2010

8,000 trees planted in San Luis

health in our Health Post in Pilar

4,014 medical consultations since 2007

12,000 medical consultations

13 workshops

we recovered 479 of cellulose

3% gas emissions reduced

50% reusable packaging

water

75% recycled and reused

365° 36°

we improve PEOPLE’S LIVES

education new contest INNOVATEC

+200 SCHOOLS

+ comUNIDAD

we reduced 1,000 of cellulose

water

479 we recovered of cellulose

365° 36°

we improve PEOPLE’S LIVES

106,000 beneficiaries of our social investment programs

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12,000 medical consultations

13 workshops

we recovered 479 of cellulose

3% gas emissions reduced

50% reusable packaging

water

75% recycled and reused

365° 36°
**ABOUT US**

- **PRESENCE**
  - **YEARS PRESENT**
  - **24**
  - **in Argentina**

- **INFRASTRUCTURE**
  - **3 MANUFACTURING PLANTS**
  - **3 DISTRIBUTION CENTERS**

- **OUR SALES**
  - **4.409 MILLION pesos**
evolution of
OUR MANAGEMENT
365°
Everything we do at Kimberly-Clark, from contributing to communities to preserving the planet, is related to

**OUR MISSION: DELIVER ESSENTIALS FOR A BETTER LIFE.**

Throughout our global history, we have always connected long-term business growth with people’s essential social and environmental needs. Likewise, our products are focused on meeting people’s basic needs in life, since they are born until they become adults; family care and the development of safe professional environments.

On this way towards sustainability and close to our 150th global anniversary in 2022, we reaffirm our commitment to look for increasingly sustainable products and contribute to the development of the communities we touch.

Our Vision 2022 keeps focused on current progress, without losing sight and thinking of the near future. It sets metrics in Latin America and worldwide to improve the quality of life of 25 million people through sanitation and health programs, help children in need and encourage women and girls' empowerment. It also focuses on innovation to extend useful life of post-consumer products and packages by 20%.

**GLOBALLY:**

**2015**  
**today**

- **WE INVEST ON INNOVATIVE SOCIAL PROGRAMS WORLDWIDE**
  to provide those in need with the essentials to lead a better life: sanitation, health and well-being.

- **WE DEVELOP SUSTAINABLE ALTERNATIVES TO REDUCE ENVIRONMENTAL IMPACT**
  and extend our packaging and products useful life.

**2022**  
**tomorrow**

- **IMPROVE THE WELL-BEING OF 25 MILLION PEOPLE**
  who are in need through global programs focused on sanitation, childhood assistance and feminine empowerment.

- **REDUCE RAW MATERIAL FROM NATURAL WOODS BY 50%**
  Innovate in our tissue products in order to reduce raw material of natural woods by 50%.

- **EXTEND UP TO 20% OUR PRODUCTS AND PACKAGING USEFUL LIFE**
  taking into account the implications of the full life cycle.
Our work at Kimberly-Clark is based on the following pillars:

**ETHICS & COMPLIANCE**
- **PEOPLE**
  - enhance
  - sanitary conditions of more than 2.5 million people in need.
- **PLANET**
  - keep
  - reducing gas emissions in our manufacturing plants.
- **TRANSFORMATION**
  - Reduce
  - We not only promote achievements, but also recognize and reward performance, strength and outstanding results.
- **PRODUCTS**
  - divert
  - 10% of our post consumer waste from sanitary refilling and design solutions for our packagings.

**TRANSPARENCY**
 focuses on our value chain, efficiency improvement, ethics and transparency in our social and environmental programs.
We develop programs to enhance people’s lives in terms of health and education, committing ourselves with the communities and environment protection.
Our sustainability strategy is part of our DNA as a company and is traceable across all company areas. On a local level, this sustainable commitment aims at preserving the planet natural resources and promote the socioeconomic progress of the communities where we operate.

PROYECTAR is our sustainable platform in Argentina to look ahead and ensuring, through our business practices:

- **POSIT IVE CHANGES FOR PEOPLE**
  - in every community in which we operate

- **ENVIRONMENT PROTECTION**
  - growing responsibly with the planet

- **INNOVATION AND QUALITY IN OUR PRODUCTS**
  - adding value to our products to reach our consumers through excellence.

With PROYECTAR program, our transforming agenda comprises trust building through integrity and business ethics, economic growth preserving environmental balance and social development, and promotion of internal talent in work teams.

Under these pillars, we assessed progress in **10 concrete goals** (for example, from reducing water consumption to 100% compliance with corporate social regulations or reduction of packaging impact) and followed up such goals assessing the degree of compliance with these objectives through the Sustainability Committee. This Committee, made up of an interdisciplinary group of representatives of different areas such as Human Resources, Marketing, Trade, Corporate and Legal Affairs, Operations, Quality and Development, Distribution and Supply Chain, ensures sustainability strategy implementation and development.
### ABOUT US

#### PEOPLE

**EMPLOYEES**

<table>
<thead>
<tr>
<th>ACTION</th>
<th><strong>Vivir Bien</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OBJECTIVE</strong></td>
<td>Improve life quality of all employees in four pillars: Work, leisure, physical and emotional health.</td>
</tr>
<tr>
<td><strong>2015 GOALS</strong></td>
<td>• We continued working to achieve Vivir Bien program objectives as well as developing innovating practices for “A new way of working”.</td>
</tr>
<tr>
<td><strong>PROGRESS DEGREE</strong></td>
<td>• We keep on encouraging a better balance between personal and professional life through initiatives for our employees related to their well-being in terms of their work, physical and emotional health and leisure activities.</td>
</tr>
</tbody>
</table>
| **PP 2015 GOALS** | • Keep on strengthening Vivir Bien program among employees.  
• Redefine the training plan so that it reaches Austral region.  
• Consolidate a new way of working led by Human Resources, through different actions that will be implemented during the year.  
• Attract and retain talent to and in our organization |

#### PEOPLE

**COMMUNITY**

<table>
<thead>
<tr>
<th>ACTION</th>
<th>+ comUNIDAD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OBJECTIVE</strong></td>
<td>Develop social initiatives with a positive impact to improve the life of 1,235,000 people in Austral region (Argentina, Chile, Uruguay and Paraguay) through health and education programs.</td>
</tr>
</tbody>
</table>
| **2015 GOALS** | • Developed new actions in Sumando Valores.  
• Continued contributing to technical school education and extended the program scope to cover teachers. Contributed to population sustainable awareness.  
• Increased employees’ participation in our Volunteering program.  
• Contributed to health improvement through our Health Post. |
| **PROGRESS DEGREE** | • Developed two actions in Sumando Valores: promotion of reading and writing skills.  
• Presented innovaTEC, a new contest together with Asociación Conciencia.  
• Launched the new campaign called Los Mediadores (Mediators) focused on promoting sustainable habits.  
• Continued improving life quality of people in San Luis through new forestry programs.  
• Continued offering sanitary assistance and training sessions in our Health Post.  
• Continued with our Volunteering program through actions such as Invertir Vale la Pena (Investing is worthwhile) and Desde Adentro, jointly with Caminando Juntos. Further actions were conducted, such as: Celebration of Children Day and Back to School. |
| **PP 2022 GOALS** | • Extend our program together with Asociación Conciencia to more locations nationwide.  
• Keep up with our forestry program in San Luis in order to improve and implement a new program to improve the population life quality.  
• Increase employees’ participation in volunteering actions.  
• Keep on promoting our values through Sumando Valores program. |
### Environment

**Objective**
Continually improve environmental management of Kimberly-Clark manufacturing plants, encourage products and process sustainability, increase environmental performance beyond legal compliance to contribute to company reputation and competitive advantage.

**2015 Goals**
- We continued reducing greenhouse emissions in our plants.
- We aimed towards a 0% waste diversion to sanitary landfills.

**Progress Degree**
- We reduced greenhouse emissions in our operation plants by 3%.
- Diversion to sanitary landfills in our plant in San Luis reached 8%.
- Huggies Natural Care with an ecofriendly packaging was launched.

**2022 Goals**
- Strive to comply with global metrics in 2022.
- Continue looking for sustainable initiatives through our Sustainability Committee to extend the useful life of our products and post consumer packaging by 20%.
- Keep reducing pressure on natural resources through the development of sustainable alternatives.

### Integrity Project

**Objective**
Encourage suppliers/customers to develop sustainability-oriented management. Raise consumers’ awareness.

**2015 Goals**
- We developed training workshops for suppliers.

**Progress Degree**
- Two new stages of the Integrity Project were conducted: an update of the Code of Conduct and training session on marketing and sustainable communication with AMCHAM experts and Ogilvy.
- This year, diaper manufacturers were not included in Integrity Project but in Volunteering actions.

**2022 Goals**
- Keep on training our SME suppliers on issues to promote their growth and development.
- Continue contributing to consumers’ sustainable awareness.
- Develop new proposals for consumers and customers.
- Include diaper manufacturers in the Integrity Project as they are key to our value chain.
Since 1872 Kimberly-Clark has been turning great ideas into innovative products and providing millions of consumers with better life quality. Nowadays, 1 out of 4 people chooses our brands worldwide.

Today, we are more than 42,000 employees and the company is based in 63 countries, with Points of Sale in more than 150 countries. We are an innovative company ranking N° 1 or 2 in more than 80 countries, and we have created 5 of the 8 categories in which we compete.

With over 140 years of history, our vision is to be a leading company that grows sustainably in each of the markets where it is located, in economic, social and environmental terms.

Our values and principles

**Mission**
Lead the world in essentials for a better life.

**Vision**
Be a leading company which keeps growing and generating sustainable profitability. We are committed to be the best, with a winning-mind team and professionals who are proud to be part of Kimberly-Clark.

**Values**
Passion, respect, winning attitude, team work and credibility.

Kimberly-Clark in numbers
WE ARE + than 42,000 EMPLOYEES
WE HAVE CREATED 5 OUT OF THE 8 CONSUMER CATEGORIES in which we compete
PRESENT in 63 COUNTRIES
In the last 24 years, we have been part of Argentines’ lives through high quality products for personal care and hygiene.

Currently, we are 1337 employees seeking to be present in Argentines’ lives through our products, Huggies, Kotex, Scott, Kleenex, Poise, Plenitud and Kimberly-Clark Professional, contributing to the community sustainable development.

To this end, we constantly innovate, invest and renew our commitment in line with our ethics and transparency values throughout our management.

1872

The company starts selling its products abroad: in Canada.

1920

Kotex Sanitary Napkins are launched.

1925

Wypall Wipers are launched and the company becomes the leading company in the wipes market.

1928

The company becomes Kimberly-Clark Corporation.

1932

Kleenex presents the first pack of tissue paper.

1955

Investments outside North America. Aurora Paper Company is acquired (afterwards becoming Kimberly-Clark Mexico) and Kimberly-Clark Limited in Great Britain.

1968

Kimbies diapers are launched in test markets.

1975

Wypall Wipers are launched and the company becomes the leading company in the wipes market.

1978

Huggies disposable diapers with elastic leg gathers.

1980

The company launches an incontinence care product: Depend, the first commercial product easily accessible to the public.

1990

The company launches Huggies wipes and Kleenex premium toilet tissue.
The company invested 12 million dollars to modernize San Luis plant in Argentina.

KC manufacturing plant in Pilar, Argentina starts operating as a private company.

Kimberly-Clark Corporation announces merger with Scott Paper.

The Company acquires San Luis plant in Argentina.

Kimberly-Clark and Asociación Conciencia launch “Aprendiendo Juntos” program.

Poise brand arrives in Argentina

Kimberly-Clark supports the forestry program implemented by San Luis province Ministry.

The “ON” Project is implemented in Argentina, whereby the Company undertakes its own sales force at country level and for all channels.

InnovaTEC contest and Los MEDIAdores program are launched.

Kimberly-Clark publishes the company’s first Sustainability Report.

In 2015, the company launched the “ON” Project in Argentina, which involved the Company undertaking its own sales force at the country level and for all channels. The project aimed to enhance local market presence and improve customer relationships. Kimberly-Clark Corporation announced a merger with Scott Paper in 1995.


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Poise brand arrives in Argentina.

Kimberly-Clark supports the forestry program implemented by San Luis province Ministry.

The “ON” Project is implemented in Argentina, whereby the Company undertakes its own sales force at country level and for all channels.
At Kimberly-Clark, we think that company development can only be achieved by encouraging progress and development of the communities where we operate.

Therefore, in the last 24 years we have been delivering essentials for hygiene and personal care, growing steadily nationwide, both in terms of company turnover and categories’ volume, thanks to our investment capacity and sustainable management. Thus, we ended 2015 with a turnover of **4.409 million** pesos.

This long-term and innovation-related sustainable growth was accompanied by jobs creation and constant training: today we are a total of 1337 employees nationwide who endeavor to keep innovating on a daily basis.

### Our growth through innovation and sustainable management

#### Economic Performance

<table>
<thead>
<tr>
<th>ITEM</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total assets</td>
<td>3.329</td>
<td>2.163</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>2.029</td>
<td>1.230</td>
</tr>
<tr>
<td>Net worth</td>
<td>1.301</td>
<td>0.910</td>
</tr>
<tr>
<td><strong>NET INCOME</strong></td>
<td><strong>4.409</strong></td>
<td><strong>3.445</strong></td>
</tr>
</tbody>
</table>

#### Exports and Investments

<table>
<thead>
<tr>
<th>ITEM</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>EXPORTS</td>
<td>60</td>
<td>65</td>
</tr>
<tr>
<td>CAPITAL INVESTMENTS</td>
<td>14</td>
<td>17</td>
</tr>
</tbody>
</table>

71% of our purchases in 2015 were made from local suppliers, thus helping to strengthen the country’s economic structure.
we add value in every stage of the process

Direct economic value generated
Stated in million pesos

<table>
<thead>
<tr>
<th>ITEM</th>
<th>GDI</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from ordinary business activities</td>
<td>Clients</td>
<td>4,409</td>
<td>3,445</td>
</tr>
<tr>
<td>Income from financial investments</td>
<td>Others</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Sale of property, plants and equipment</td>
<td>Others</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL ECONOMIC VALUE GENERATED</strong></td>
<td></td>
<td><strong>4,409</strong></td>
<td><strong>3,445</strong></td>
</tr>
</tbody>
</table>

Direct economic value distributed
Stated in million pesos

<table>
<thead>
<tr>
<th>ITEM</th>
<th>GDI</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment to suppliers</td>
<td>Suppliers</td>
<td>1,330</td>
<td>2,438</td>
</tr>
<tr>
<td>Salaries and benefits</td>
<td>Associates</td>
<td>677</td>
<td>495</td>
</tr>
<tr>
<td>Capital suppliers</td>
<td>Shareholders</td>
<td>14</td>
<td>17</td>
</tr>
<tr>
<td>Taxes and duties paid (*)</td>
<td>Government</td>
<td>24</td>
<td>98</td>
</tr>
<tr>
<td>Social investment and donations</td>
<td>Community</td>
<td>1.1</td>
<td>0.919</td>
</tr>
<tr>
<td><strong>TOTAL ECONOMIC VALUE DISTRIBUTED</strong></td>
<td></td>
<td><strong>2,046</strong></td>
<td><strong>3,049</strong></td>
</tr>
</tbody>
</table>

(*) This item includes income tax, tax on gross income, tax on credits and debits, sweep rate lighting and cleaning, tax on security and hygiene, property tax, CABA stamp tax, effluents charges, engines and boilers charges, IGJ annual fee, taxes and export tariffs, imports rates. No significant financial aid was received from the government.
We forge close ties with our stakeholders to be aware of their own demands and expectations, and to work together in order to meet their needs through different tools as well as communication and participation channels.

We share sustainability practices and encourage dialogue to enhance our processes on a daily basis.
Furthermore, we build an active relationship with other market players. In this sense, we are not only members of chambers and business associations related to our activity, but also participate in various commissions or work committees, such as:

- Cámara Argentina de la IndustriaCosmética y Perfumería (CAPA)
- Cámara Argentina de Anunciantes (CAA)
- Consejo de Autorregulación Publicitaria (CONARP)
- Asociación de Fabricantes de Celulosa y Papel (AFCyP)
- Cámara de Comercio de los Estados Unidos en Argentina (AmCham)
- Asociación de Industrias de Marca (ADIM)
- Cámara Empresaria del Parque Industrial Pilar (CEIPP)
- Instituto Argentino de Responsabilidad Social Empresaria (IARSE)
- Instituto para el Desarrollo Empresarial de la Argentina (IDEA)
- Red de Empresas contra el Trabajo Infantil (Companies network against child labor)
- At global level, we are signatories of the United Nations Global Compact (UNGC)
Our strategic management is responsible for making comprehensive decisions at Kimberly-Clark and is made up of a Board of seven directors which constitutes the company’s supreme governing body. A set of principles guide the design, integration and operation of the Board of Directors and its supporting committees.

The Board of Directors is made up of up to seven official members and the corresponding alternate members. It is responsible for identifying and managing operations decisions and risks at country level. It is made up of the VP LAO Austral Region, the Country Manager and five regional directors.

Compensation is paid on a monthly basis and every year, the members of the Board receive a variable remuneration, estimated on the basis of the economic-financial results and sustainability performance goals. Sustainability goals are part of the objectives set by the VP Austral Region, Country Manager and several members of the Board. The Board meets on a weekly basis to review sustainable management in terms of economic, commercial, environmental and social issues, and interact on a daily basis regarding Company’s daily management to take actions related to the business and company’s sustainable performance in the short-medium and long term.

Being a subsidiary controlled by Kimberly-Clark Corporation, a company listed on the US Stock Exchange and regulated by the Securities and Exchange Commission (SEC), the information related to the Board compensation is confidential under the Regulation Fair Disclosure, which prohibits selective disclosure of material information.

Kimberly-Clark Argentina S.A. is a subsidiary controlled by Kimberly-Clark Corporation, based in the United States. Every year, Kimberly-Clark Corporation reviews the Board’s performance, as well compliance with the Global Business Plan, which includes economic, environmental and social performance indicators for our manufacturing plants and brands.

Company’s performance in terms of sustainability is evidenced through awards, distinctions and ranking positions annually received by the company, based on different community stakeholders’ votes and opinion and which, in turn, have a direct impact on Board members’ compensation.

Furthermore, the Board of Directors and Management Team send regular reports on company’s local operation. Every year, our manufacturing plants receive three visits from an assessment team, as well as an Environmental, Health and Safety internal audit. A comprehensive audit is also conducted every three years.
A set of principles guide the design, integration and operation of the Board of Directors and its supporting committees

(*) The president of Kimberly-Clark Argentina holds an executive position in the company.
COMPENSATION POLICY

Every two years, Kimberly-Clark conducts the “Input to Action” work climate survey at global, regional and local level. The survey is made up of 16 dimensions whereby feedback on the company compensation policy is requested. Based on the survey results, the leadership team works locally on different action plans focused on constant improvement.

SUPPORTING COMMITTEES

The Board is supported by six technical-professional committees, organized according to the following company areas: Human Resources, Finance, Supply Chain, Sales, Legal, Operations. They are responsible for monitoring business management and relationships with stakeholders. In addition, they define the scope of our policies and operating procedures in terms of citizenship, environmental management and sustainability.

In Argentina, the Management Committee analyzes, on a quarterly basis, the progress of the sustainability metrics designed by the Sustainability Internal Committee under "People", "Planet" and "Product" pillars.

The multidisciplinary Sustainability Committee of Austral Region ensures initiatives in the region, contributes through Company global strategies and defines the next steps in the Sustainability area at a local level. It is made up of representatives of the Human Resources, Marketing, Trade Marketing, Legal and Corporate Affairs, Operations, Quality and Development, Distribution and Supply Chain areas. The Committee, a source of motivation and commitment, focuses on global goals for 2022.

One of the main responsibilities of the Sustainability Committee is to analyze the expectations arising from the survey conducted among stakeholders, identifying and prioritize the relevant aspects and finally inform the Management Committee.

Furthermore, the Legal and Corporate Affairs Department coordinates sustainability activities within the company and is responsible for ensuring progress on the goals set, and participation of other areas for a comprehensive management.
Transparency is a core value for our business, cross-cutting to all company operations. Therefore, we comply with all legal and regulatory requirements and adhere to ethical standards to keep growing in a sustainable way.

We have a Code of Conduct applicable to employees, customers, consumers, suppliers and competitors, which deals with different company issues and focuses on three core areas: behavior towards the team, towards others and towards the Company. It includes the following topics:
The Code of Conduct sets forth guidelines that help us develop our operations with integrity and in compliance with high quality standards. Employees are given the Code when they start working for the Company, which is part of the induction training. In addition, every year the company conducts a global survey to check employees’ knowledge of the Code. In case of any doubt regarding the Code, employees may resort to the leader of their own team or of another team, to any member of the Global Security team or a member of the Legal or Human Resources Department. To report a violation of the Code, employees may contact those people or report the case anonymously through a hotline, by email or web page to that end*.

(*) No incidents of discrimination and corruption have been reported in 2015. No incidents relating to nonfulfillment of regulations on products and services’ impact on customers’ health and safety were reported.

**UNA SEMANA A PURA ÉTICA**

Every year in May, we celebrate the Week of Ethics aimed at developing a comprehensive and long-term corporate culture. During five days, we invite all our employees to participate in playful and thoughtful proposals promoting honesty and appropriate behavior.

Ethics and compliance are part of our corporate culture throughout the year.
Risk management is key to the success of good comprehensive management. Therefore, our parent company audits the Marketing, Sales, Human Resources, Supply and Finance areas on an annual basis, and assesses the control mechanisms that ensure proper functioning of business and property of our operations.

Such audit complies with the US Sarbanes-Oxley Act, whereby we can avoid fraud and corruption, adhere to the applicable rules and anti-corruption laws as well as verify financial transparency.

Moreover, the Legal Department conducts internal audits to prevent contingencies in every sector by monitoring company procedures and ensuring that deviations are duly remedied.

To promote our internal commitment to the highest ethical standards, we conduct the following initiatives:

**Training on anticorruption policies and practices** for all our employees. All our operations receive classroom or online training for key groups through assessment tests. In October 2015, 485 employees of Austral Region, Procurement and ITS LAO received training on Competition, Anti-corruption, Non-Retaliation Policy and Conflicts of Interest.

**The Management Committee received training on anticorruption issues** and discussed cases and penalties through different presentations.

**Publication of our anticorruption policy** in our internal communication channels, such as Juntos Magazine and Mi Kampus e-learning site.

We promote commitment to highest ethical standards and conduct audits and controls to ensure proper functioning of processes and best practices within our organization.
In 2015, innovative POS displays and original initiatives with our customers were also recognized.
PRIZES AND AWARDS

OUR ACHIEVEMENTS IN 2015

WORLD BRANDING FORUM
Kleenex Award as “Global Brand of the Year 2015”, out of 2600 nominated brands in 35 countries.

PREMIO CIUDADANÍA EMPRESARIA (Corporate Citizenship Award)
Corporate Citizenship Award granted by the US Chamber of Commerce (AmCham) in the Sustainability-Oriented Corporate Management category.

MERCUROIO AWARD
Award to excellence in Marketing granted by the Argentine Marketing Association in the Entertainment category. Bronze Mercurio Award for Kotex campaign Mi mundo, mis reglas (My world, my rules) and in Perfumery category for Ula ula Huggies, Campeones y Princesas case (Ula ula Huggies, Champions and Princesses).

EIKON AWARD
Blue Eikon Award in the “Financial Communication or Communication with investors’ category for its 2014 Sustainability Report and in the Relationships with consumers’ category for its campaign La salud está en tus manos (Health is in your hands).

CARREFOUR ANNUAL SUPPLIERS EVENT
Award for sustainable initiatives at company’s point of sale.

CSR AWARD 2015
Award for excellence in solidarity and communication through our InnovaTEC contest.

COMPANIES PRESTIGE RANKING by CEOP
Special distinction as one of the best three companies in terms of Sustainability.

MERCO RANKING
7th position on Merco’s list of the best companies in terms of CSR and best Corporate Governance.

SUSTAINABLE LEADERSHIP AWARD
Second prize granted by the Argentine-British Chamber of Commerce in the ‘Large Companies’ category for its environmental protection plans.

PREMIO DEL FORO ECUMÉNICO SOCIAL (Ecumenical Social Forum Award)
Award in the Environmental Protection category for our “Towards Zero Waste” project.

FIP AWARD 2015
Distinction in the best POP & Merchandising category for Huggies Active Sec; Gold distinction in the POP exhibitors and displays category and in the best shopping experience category –interactive modules by Huggies Active Sec.
OUR TEAM 1,337

EMPLOYEES 1,095 men 242 women

EMPLOYEES 564 participated in
VOLUNTEERING PROGRAMS

WE IMPLEMENTED +20 training PROGRAMS
we accompany
OUR PEOPLE
365°
we take care of

our

PEOPLE
Our everyday work is driven by challenges that encourage the people we are in contact with to grow, dream and live better.

At Kimberly-Clark we believe in a new participatory management style encouraging collaboration, work team and internal entrepreneurship. Our main strength and differential value lie in our talents, therefore, we focus our efforts on encouraging our employees, offering training and providing them with new opportunities to develop and to find a balance between work life and personal life.

Today, our more than 1,300 associates, with no distinction with regard to gender, age, education or category, can profit from a comprehensive and attractive scheme of compensations and benefits, as well as a safe and respectful workplace.

(*) This information includes only company employees. Outsourced employees, totaling 257 employees (225 men and 32 women), are not included in this data.
Our employees are mainly young people between 31 and 48 years old.
Our value proposal is based on the following pillars:

welcome
We value diversity including and designing an induction plan for people from different contexts and cultures.

dream
We drive a culture of personal success with ambitious, inspirational people willing to take risks.

share
We are strongly committed to the community and environmental protection and create spaces to strengthen such relationship.

win
We foster a winning, results-oriented culture, whereby employees should support company goals and set them as their own goals.

living well
We want our associates to find a balance between their personal and professional life and work and develop in a safe and healthy working environment.

grow
We promote new development and improvement opportunities for people willing to grow with us.
OUR CORPORATE BEHAVIOR

We encourage leadership as a key differentiating value at every level and role under six behavioral patterns:

1. Build trust
2. Make decisions
3. Improve constantly
4. Think as a customer
5. Build talent
6. WIN CONSISTENTLY

FREEDOM OF ASSOCIATION

We keep an open and constant dialogue with the trade union representatives and hold the meetings stated by the Collective Bargaining Agreement. These are agreed by the parties and held during labor hours. Salary updates are made through salary negotiations between the Businesspeople Association and Paper Association. The notice period to employees in case of organizational changes which may affect them, is a four-week period pursuant to the Bargaining Agreement.
Thanks to our talent, we can keep growing and stand out from the rest. Therefore, we encourage initiatives to promote knowledge and dialogue among professionals of different areas.

Our initiatives to discover and foster talent:

**TALENT PROFILE**

It is our employees’ cover letter on the intranet (Workday), where every employee’s career and skills are published, including their achievements, background and professional experience, education, languages, professional and personal interests, etc.

**TRP (TALENT REVIEW PROCESS)**

An annual formal review is conducted by Directors, Managers and led by the Human Resources Department to **identify and differentiate** talents within the organization, to work in development and retention plans and finally **identify** suitable candidates in every sector for succession plans.

Talents identification per area is carried out using P2Grid tool: Performance and Potential Assessment Matrix which reviews employee’s performance in the last 3 years, his/her potential to be promoted to a higher position or to take on more responsibility in his/her present position. Once the review is finished, it is analyzed with the local and subregional leadership team in order to identify the organization future leaders and work in their development.
TOP TALENT DEVELOPMENT PROGRAM

We promote the development of high-potential leaders identified in the review process to ensure a flow of the right talents and guarantee our business sustainable and profitable growth. Once leaders are identified, we develop a Development Plan focused on actions aligned with the 70-20-10 development strategy (Experience, Exposure and Education). The plan involves training programs through mentoring and experience, as well as participation in special projects, SWAP and CBD Programs (employee exchange program and specific assignments of employees to other countries in the region), role changes, Harvard Manage Mentor courses (online training for employee) and language courses.

GLOBAL PERFORMANCE & DEVELOPMENT (GPD)

We assess our employees’ performance on an annual basis, based on the goals and behavioral patterns set by our Company. It consists of four stages and is administered through our Intranet (Workday). All our administrative and professional employees are evaluated according to this methodology, whereby the payment-performance relationship is established in line with our annual salary plan.

MY PERSONAL CAREER JOURNEY

It focuses on the development of high-potential company employees, and provides self-awareness and management tools to guide them through their professional career. In 2015, 20 associates participated in this initiative.
OPERATIONS PERSONNEL ASSESSMENT (EOP)

Through this performance evaluation of 100% operations staff under collective bargaining agreements, we can identify the objectives agreed at the beginning of the year as well as our company behavioral patterns and leadership skills. It contributes to an effective and constant dialogue between operators and their leaders.

DEVELOPMENT PROGRAMS THROUGH EXPERIENCE

We encourage the exchange of professionals between countries and of best practices and operational experiences. It includes three different modes:

- **SWAPs (employees’ exchange in the region):** Employees who are members of the company’s pool of talents can access this program, whereby a person is sent to another country in the region and the company receives another employee of similar characteristics to share best practices and receive training in all our company operations. In 2015 we conducted one SWAP in Austral Region.

- **CBD (Cross Border Development):** Assignment to a specific project. These are temporary assignments (3 or 6 months) whereby an employee of the talents pool is sent to another country/region operation to work on a specific project, share best practices and/or receive training. These programs may be implemented due to a development or business need. In 2015 we sent employees to participate in 3 projects, and currently, an associate of other subsidiaries is based in Argentina.

- **Special projects:** These projects provide for the assignment of employees across different countries to meet the needs of particular or temporary business, which generally take from 3 to 12 months. In these projects, employees may return to the country on a regular basis. In 2015, 7 employees went through this experience, and an employee of another country in the region was assigned to Argentina.
MENTORING PROGRAM

We seek to create and strengthen the relationship between a much more experienced leader within the organization (a mentor), who shares his/her knowledge, insights and dreams with a talent (a mentee) to ensure business continuity. This program provides the talent with an opportunity to learn and to have a leader willing to support and accompany his/her growth and success within Kimberly-Clark.

We seek to strengthen the relationships between our employees. We promote the synergistic exchange among the most experienced leaders and new talents. Sharing experiences and learning from them leads to professional and personal growth development.

INDUCTION PROGRAM

Through this program, we seek to facilitate the induction process of new employees:

<table>
<thead>
<tr>
<th>QUICK ADAPTATION</th>
<th>SPEED UP LEARNING</th>
<th>PROVIDE INFORMATION</th>
<th>OPTIMIZE TIME</th>
<th>STANDARDIZE PERFORMANCE</th>
</tr>
</thead>
</table>

in 2015

100 new associates participated in this program
In 2015, we launched a new edition of our Young Professionals Program with different characteristics. The program focuses on attracting new talent, nurturing the Company with high potential professionals and training them to become the company future leaders both locally and internationally, with the possibility of developing their professional career abroad.

At the same time, Kimberly-Clark is developed and empowered as an employer brand, standing out from the rest in a highly competitive market.

**WHO**
Young people finishing their studies or recent graduates of Engineering, Economic Sciences, Exact Sciences or Social Sciences who are interested in working in the areas of Production, Quality, Supply Chain, Sales, Marketing, Trade Marketing and Human Resources.

**WHAT**
Young people join an area of interest where they work in two positions for 6 months. At the end of each semester, they must carry out two projects, supported and guided by a team leader who serves as a guide in their professional development. They complete their training with skills aimed at developing business acumen and management skills.
In 2015, we implemented the Annual Training Program for skills and knowledge development, made up of 5 modules:

**GENERAL DEVELOPMENT PROGRAM**

More than 200 employees participated in the program, focused on all company employees and including the following topics:

- **Introduction to Company business; Marketing for Non-Marketers, Finance for Non-Financial professionals and workshop on competency-based interviewing.**
- **A new online Social Media tool for professional and leadership skills development.**
  - 44 training modules, information, advice by the world’s most successful business leaders and Harvard Mentor library.
ANALYSTS DEVELOPMENT PROGRAM

Aimed at professionals and/or students working as Company Analysts, with high potential and outstanding performance, to help them develop complementary management and leadership skills in their roles:

1. **Fosters Competence Development in Our Professionals**
   
2. **Develops a Global Business Overview**
   
3. **Trains Them to Become Backups to Managing Positions**

Development of soft skills and business. In 2015, based on the 70-20-10 concept (70% experience, 20% exposure, 10% education), new experiential training was developed in each of the modules, designed by Human Resources and Company employees who acted as trainers. The modules had their own leader/sponsor:

- **PDA1**: Led by Pilar plant operations area. Sponsored by the Plant Operations Manager.

- **PDA2**: Led by Supply Chain at Esteban Echeverría Distribution Center. Sponsored by Kimberly-Clark Argentina Distribution Manager.

- **PDA3**: Led by the commercial area by implementing a “Shop Along” action in a supermarket chain and a “Trade Visit” to Bernal industrial plant. Sponsored by the Trade Marketing Head of national supermarket chains.
**EDUKCAR: Technical training for employees**

**IMPLEMENTATION:** 6° years in a row

**TARGET:** all plant operating personnel

**WHO:** administered by UTN (National Technical University)

**OBJETIVO:**
Develop increasingly autonomous teams by strengthening habits such as personal responsibility, proactivity, planning, etc.

**TEMÁTICAS:**
Team and business, maths, selfleadership and personal styles.

In 2015, the program focused on developing interpersonal and management skills through “The 7 Habits of Highly Effective People” by S. Covey.

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**PLANT COORDINATORS DEVELOPMENT PROGRAM**

This program creates challenges to put into practice concepts and competencies specific to the Lean Leader. It was administered on an online platform and included:

- **June:** Acumen launch activity.
- **July:** Setting of challenges and development of competence and feedback skills.
- **August:** Development of competence and coaching skills, as well as the challenges set.
- **September:** “Managing emotions” and closing activity.

34 coordinators of our plants in Bernal, Pilar, San Luis and Distribution Centers participated in the program. They worked on different skills, such as team integration, communication, coordination and task planning, adaptation to changing contexts, work-life balance, positioning (my image as a leader), feedback, coaching, empowerment, cultural management, etc.
LEADERS DEVELOPMENT PROGRAM

It promotes a comprehensive leadership style focused on taking on the responsibility to guide, develop, manage motivation and culture, give feedback, promote innovation and efficiently manage Company resources and policies.

The program is aimed at 21 Kimberly-Clark leaders who receive an annual 21-hour training divided into 3 modules.

MANAGERS DEVELOPMENT PROGRAM

- Executive Development Program: Forty five senior managers of Austral Region attended this two and a half-day course developed by Di Tella University. The purpose of the program was to create a space for integration and development by solving business cases and thus seek new opportunities for the Company.

- Corporate Vital Training: The main goal was to help people reach their maximum personal and professional potential. Proposal: that participants get to learn the foundations for full and steady performance in this field, to become aware of their comprehensive reality, learn positive habits to optimize their potential, and become responsible employees.

- Workshop On Inspiring Presentations: Focused on encouraging our participants to be fully aware of their personal style and discover the influence they may exert on the audience. Implement new resources for a more effective and conscious physical and emotional management, incorporate criteria to make their presentations and add up both linguistic and stage resources to interact with the audience while inspiring participants. 26 associates attended this workshop in 2015.
SITUATIONAL LEADERSHIP

Training given by one of the Company Vice Presidents, certified on this methodology. It is aimed at managers and focuses on reinforcing key leadership concepts, learning new methodologies and, in turn, developing essential skills of a situational leader.

In 2015, 24 company leaders participated in this 9-hour training session conducted at Kimberly-Clark Argentina offices.

UNIVERSITY AT THE COMPANY

In 2015, we worked with the Sales and Marketing areas in two projects: Global Marketing University and Experts Academy.

- **Global Marketing University (GMU):** Intended for the marketing team, this program consists of a global practice with relevant content for the Argentine team; it evaluates knowledge as a team as well as the requirements to hold company positions. In addition, it includes a Marketing Capabilities assessment developed at regional level and first piloted at Argentina. The key opportunities between the ideal and actual contexts are identified and thus, we work on the next GMU curricula.

GLOBAL MARKETING UNIVERSITY (GMU)

**GOAL:**
Encourage Marketing team members to deploy their full potential and thus achieve excellence in the execution of our Marketing plans.

**TOPICS:**
Marketing updates, face-to-face instruction, master classes, conferences, seminars and forums.

GMU is a meeting and integration point in addition to training.

Focuses on integrating all team members while sharing best practices.
Developed in Argentina, this practice is being exported to other countries, Argentina being the benchmark and pioneer of this highly innovative practice. It was developed to meet a local need, but it is included within the LAO Sales Capabilities analysis framework in Latin America. The Academy was relaunched in 2015 as a new development and training tool for the sales team to help them unleash their full potential.

EXPERTS ACADEMY

GOAL:
Train business leaders by providing tools to help them reach their full potential, and promoting the ‘Joint Value Creation’ culture.

TOPICS:
Integration, winning culture, full potential, accountability, continuous improvement.

In total, 170 members from Argentine team and 75 members from Chile, Uruguay and Paraguay teams participated in the Experts Academy.
### OUR TRAINING SESSIONS

#### ANNUAL TRAINING HOURS per employee

<table>
<thead>
<tr>
<th>PER CATEGORY</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chiefs/Managers</td>
<td>56</td>
<td>63</td>
</tr>
<tr>
<td>Analysts</td>
<td>55</td>
<td>25</td>
</tr>
<tr>
<td>Operators</td>
<td>23</td>
<td>16</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PER GENDER</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>100</td>
<td>58</td>
</tr>
<tr>
<td>Women</td>
<td>37</td>
<td>44</td>
</tr>
</tbody>
</table>

#### Stats:

- **+ than 500** participated in Lean Manufacturing training
- **+ than 29.600** training man / hours

"We believe that our employees' development help us reach further. At Kimberly-Clark, we train our employees in behavioral patterns and soft skills, contributing to their annual performance and goals achievement."

**Ana Donarelli**  
Training & Development Leader at Kimberly-Clark Austral
WE VALUE PERFORMANCE
WE GENERATE VALUE

COMPETITIVE SALARY WITH ADDITIONAL BENEFITS

By applying the Market Based Compensation methodology, we can keep a competitive position in the market, differentiate compensation based on associates’ individual performance and achieve global consistency in terms of compensation management.

- Compensation management policy based on the level of responsibility of each position and on associates’ personal contribution, regardless of their geographic location, area or sector, gender or age.

- Annual compensation survey: conducted together with an external consultant to evaluate and compare, together with 20 similar companies, our salaries and benefits competitiveness as well as our Human Resources policies and practices.

- Corporate climate survey: Monitoring of our associates’ perception and satisfaction as to our compensation management.

- Differentiated recognition of associates with an outstanding performance.

BENEFITS

Health plans for employees and their families, staff dining area, discounts on company products, reduced working hours for mothers after maternity leave, additional holidays (only for senior staff) and pension scheme for directors.

MORE BENEFITS FOR OUR EMPLOYEES
We build an increasingly more flexible workframe based on team confidence and strength to implement a new way of working.
A TRUST-BASED FRAMEWORK TO CREATE MORE
FLEXIBLE WORKING CONDITIONS

A varied group of people requires different work schemes. Therefore, we have built an increasingly flexible framework based on team confidence and strength to implement a new way of working. The benefits are agreed with every company leader in terms of sector priorities and business requirements, including:

**K-C Day:**
One day off a year for associates to use it as they wish.

**K-C birthdays:**
Possibility to leave the company at 2 p.m.

**K-C Hours:**
12 hours per year to use them for personal business, doctor visits, meetings or personal appointments.

**Carpooling:**
People who share their cars with other coworkers participate in gasoline tanks raffles.

**K-C Friday:**
Possibility to leave the company at 3 p.m. provided they have met their weekly goals and have come to an agreement with their bosses.

**Work meetings during off-peak hours:**
We suggest associates not to arrange meetings early in the morning or late in the afternoons so that they can have more flexibility when arriving at the office and when leaving the company.

**K-C clothes:**
We want our employees to work comfortably. As long as clothing does not affect their daily work tasks, they can dress as they like.

**HOME OFFICE**
Since 2015 we have added the possibility to work from home once a week. This benefit is given to those employees whose daily tasks can be performed from home, provided it is agreed with team leaders and work objectives are duly met.
WE TAKE CARE OF OUR PEOPLE

HEALTH COMES FIRST

We take care of our people.

We take care of our employees and company health. To do this, a company area coordinates occupational development programs in the workplace. In addition, we have a medical service in the workplace and a team of nurses responsible for monitoring employees’ health.

Absenteism, illnesses, occupational accidents and leaves of absence

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
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<tbody>
<tr>
<td></td>
<td>BERNAL</td>
<td>PILAR</td>
</tr>
<tr>
<td>sickness</td>
<td>1,432</td>
<td>1,934</td>
</tr>
<tr>
<td></td>
<td>683</td>
<td>1,347</td>
</tr>
<tr>
<td>occupational accidents</td>
<td>1,116</td>
<td>278</td>
</tr>
<tr>
<td></td>
<td>1,072</td>
<td>94</td>
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<tr>
<td>leaves of absence</td>
<td>138</td>
<td>303</td>
</tr>
<tr>
<td></td>
<td>218</td>
<td>267</td>
</tr>
<tr>
<td>Others</td>
<td>498</td>
<td>358</td>
</tr>
<tr>
<td></td>
<td>476</td>
<td>279</td>
</tr>
<tr>
<td>TOTAL DAYS LOST</td>
<td>3,184</td>
<td>2,873</td>
</tr>
<tr>
<td></td>
<td>2,449</td>
<td>1,987</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>BERNAL</td>
<td>PILAR</td>
</tr>
<tr>
<td>MONTHLY ABSENTEEISM RATE</td>
<td>9,30</td>
<td>8,14</td>
</tr>
<tr>
<td></td>
<td>5,71</td>
<td>4,80</td>
</tr>
<tr>
<td>TOTAL OF OCCUPATIONAL ACCIDENTS</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

We encourage a healthy vision that brings positive changes and maximizes work performance.

100% of our plant operating areas participate in Health and Safety Committees, made up of operating personnel and managers on an equal basis. Thus, 100% of employees are covered by this health program. There are no workers at higher risk of developing a serious occupational illness. We conduct annual Risk Agents Surveys and based on its results, we conduct regular annual tests.
During 5 days, the Health Week, developed by Human Resources and the Health Service, promoted a responsible attitude towards our physical and emotional health, focused on raising awareness of the importance of adopting and maintaining healthy habits. Some of the activities developed:

We seek to strengthen a comprehensive well-being culture: at work, taking care of our employees' physical and emotional health, through leisure activities which enable our employees to grow skillfully and responsibly to unleash their own potential.
Our associates’ health, welfare and performance are key values for us. Therefore, we have devised a quality of life program developed in four pillars:

1. **your work**
   - Monthly bag with company products
   - Flexible check-in time
   - Discounts on company products
   - Diapers to employees with children under 3 years old
   - Loans for emergency cases
   - Celebrations of national holidays
   - Christmas gift box
   - Awards and distinctions for company professional career
   - Graduation Gift (tertiary or university graduates)
   - Gifts and greetings for special occasions and dates.
   - An additional salary in case of marriage, even for bosses.

2. **your leisure time**
   - Additional holiday week for executive positions
   - End-of-the-year party
   - Raffle tickets for entertainment during winter holidays
   - Special celebrations

### HEALTHY ENVIRONMENT

We developed this action within “Vivir Bien” program for company dining areas and plants, focused on raising awareness of the importance of a hygienic and healthy workplace. To do this, we made some changes in the organization of the dining area, we reviewed the menu and developed a campaign with messages on hygiene and sanitation.
We create fully-equipped nice work environment for our people to work in harmony.
BUSINESS TRAVEL FOR NURSING MOTHERS

In 2015, we launched a business travel policy for nursing mothers, whereby employees who are breast-feeding their babies and should make a business trip, may choose not to travel. In case of going, the Company will bear the costs of a companion (husband, mother, sister or friend) to take the baby and do not stop breastfeeding.

ADAPTATION PROGRAM FOR NEW MOTHERS

After the maternity leave period, women can benefit from the Adaptation Program for New Mothers, whereby their working hours increase as the baby grows up, while receiving 100% of their salary. All our associates have been entitled to take a maternity or paternity leave in compliance with the Argentine applicable legislation.
WE PROMOTE EFFECTIVE COMMUNICATION AND TEAM WORK

We encourage an open-door policy. Therefore, executives, leaders and managers are always available to talk and to listen to opinions, questions, suggestions and comments from associates.

This year, we have redesigned Madero main offices to create a new workspace, with more common areas for associates, among others. The aim of these areas is to encourage flexibility and a new way of working.

- **Teamwork between associates and their leaders**: Conducted throughout the year at different times, such as during Team Building.

- **Business partner**: Every area features a business partner, whose role is to work with the area director and with his/her team members, by offering a permanent communication channel to raise concerns, questions, suggestions and personal expectations.

- **Breakfasts with the Country Manager**: Every fortnight, associates and the Country Manager have breakfast together. It is a space for professional exchange and interaction.

- **Juntos Magazine**: Published on a quarterly basis, this magazine is targeted at all associates of Austral Region. It creates an identity through news communication related to the different working areas.

- **Q Meetings**: A leaders meeting is held on a quarterly basis in which strategies of the year are disclosed the corresponding follow-up and the indicators whereby we can provide all leaders with a business update.

- **LAO Intranet**: Through this regional channel we have the opportunity to publish news about company business, actions and awards in Argentina and the rest of Latin America.

- **Kimberly-Clark News**: All sites communicate a monthly agenda of activities via mailing and a billboard to keep associates informed about new employees, promotions and news about Cross Border, SWAPS and Special Projects.
we take care of
our COMMUNITY
OUR COMMITMENT 365°
HELPING THE COMMUNITY

Our sustainable commitment starts in the search of people's well-being, especially in the communities where we operate.

Through collaborative efforts with the public, private and third sectors, our social investment platform, +comUNIDAD, develops programs to raise awareness and improve people's life quality, focused on education, acquisition and promotion of healthy habits, values, the positive impact on the environment and strengthening of the value chain.

Our annually renewable commitment to the community reaches more than 106,000 direct and indirect beneficiaries through:

+ Education: we encourage social promotion among teenagers through training sessions and reward the most innovative practices implemented in technical schools.

+ Health: we promote health by conducting actions focused on health awareness, illness prevention and education of the family group in vulnerable communities.

+ Environment: Our commitment is to exert a positive impact on the environment through reforestation and environmental education.

+ Volunteering: We encourage the integration of our associates in the communities where we operate through different annual activities aimed at strengthening the relationship with the community.

Our programs meet the specific needs and expectations of the communities we serve, mainly those around us. Before launching the programs, a survey is conducted to check the community needs, jointly with specialized civil society organizations.
At Kimberly-Clark we believe that the role of teachers in terms of motivation and encouragement is key to improve young people’s education. Therefore, in 2015, we renewed our program Aprendiendo Juntos (Learning together), developed together with Asociación Conciencia and intended as a coon tribute to teenagers’ training at technical schools.

We launched the first edition of innovaTEC, a competition to identify, recognize and share innovative practices put into practice by hundreds of technical school teachers in the province of Buenos Aires. The proposal also sought to encourage the implementation of these initiatives in other institutions.

The proposals received participated under four different categories:

1. **STRENGTHENING OF VALUES AND SCHOOL RELATIONSHIPS**
2. **USE OF INFORMATION AND COMMUNICATION TECHNOLOGY**
3. **INNOVATIVE TEACHING PRACTICES AT TECHNICAL SCHOOLS**
4. **INNOVATIVE PRACTICES TO PROMOTE ENTREPRENEURSHIP**

The competition, developed together with Asociación Conciencia (Awareness Association), was supported by the Ministry of Education of Buenos Aires Province and the Organization of Ibero-American States, and it was implemented in more than 200 schools.

To encourage participation, we designed a 365° strategy which comprised direct communication in schools, media coverage and social media. More than 120,000 people followed the contest through our social media.
INNOVATEC 2015
EXPERIENCE

LOS GANADORES DE INNOVATEC 2015

1st PRIZE
“Reducing grey streets”
de Jorge Martín Nasif
E.E.T. N° 5 Presidente Juan Domingo Perón (Moreno)

2nd PRIZE
“Robotics Club”
de Daniel Chávez
E.E.S.T. N° 2 de Ricardo Rojas (Tigre)

“REDCUCING GREY STREETS”

Grey-water waste produced in private homes in Moreno area, province of Buenos Aires, exerts a negative environmental impact. Undergraduate chemistry students at Presidente Juan Domingo Perón School N° 5 identified this problem and sought an innovative solution to solve the lack of wastewater treatment in the area by designing an easily implemented electrocoagulation system. The main achievement of the project, under the category of entrepreneurship, was to improve students’ technical, social skills and those related to environmental protection by encouraging the search for different solutions and an entrepreneurial spirit.

Furthermore, the project sought to build networks with communities through the support of Provivienda Social Foundation in the area.
What is sustainability about? How can we put it into practice?

To answer these questions and inspire people to carry out small actions, we launched Los MEDIAdores in 2015, an educational campaign to raise sustainability awareness.

Playfully encouraging employees to “pull their socks up” and move to action, we created many “socks” (the Education, Health, Volunteering and Life Quality socks) which shared tips, advice and videos on our online platform and social media to incorporate sustainability into people’s daily life.

34,200 followers have already pulled

2,452,000 points of view

814,000 points of view

104,000 views

FACEBOOK

TWITTER

YOUTUBE
+ HEALTH promoting healthy habits

Primary Health Care Centers are part of the community socio-economic development and play a key role for the proper functioning of the health care system, based on illness prevention and health promotion.

The Health Center, developed by Kimberly-Clark since 2007 together with the Biomedical Science School of Austral University and Pilar Municipality in Las Lilas and Monterrey neighborhoods, focuses on sanitary service and the implementation of illness prevention programs through specific training and workshops offering tools to acquire healthy habits.

In 2015, 4,014 medical consultations were recorded in our Health Center and 13 workshops were provided on general hygiene, hands washing, oral health, healthy eating habits, breastfeeding and care during pregnancy, among others, with the participation of 239 people.

The main goal of this Health Center is to work under ‘humanized medicine’ parameters, focused on professionals’ dedicated and affectionate care. According to an impact survey conducted in 2015, 95% of respondents emphasized professionals’ friendly treatment and 92% would recommend the Health Center to a friend or family member. They also emphasized service quality, empathy, emotional support and humane treatment received, in addition to comprehensive healthcare and knowledge transmission through empowerment-generating workshops.
Furthermore, with the help of our employees and to reward and promote health care, we prepared 120 school supply kits which were given to children in our Health Center.

Activities conducted at the Health Center:

<table>
<thead>
<tr>
<th>Medical consultations</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family medical history (1)</td>
<td>1,309</td>
<td>1,119</td>
</tr>
<tr>
<td>Consultations (1)</td>
<td>27,044</td>
<td>23,030</td>
</tr>
<tr>
<td>ANNUAL CONSULTATIONS</td>
<td>4,014</td>
<td>3,737</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Workshops</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workshops (1)</td>
<td>134</td>
<td>121</td>
</tr>
<tr>
<td>Beneficiaries (1)</td>
<td>2,288</td>
<td>2,049</td>
</tr>
<tr>
<td>ANNUAL WORKSHOPS</td>
<td>13</td>
<td>16</td>
</tr>
<tr>
<td>Participants</td>
<td>239</td>
<td>251</td>
</tr>
<tr>
<td>Obstetric consultations (monthly average)</td>
<td>20</td>
<td>20</td>
</tr>
</tbody>
</table>

(1) Data collected since Program launch (2007).

“We are aware that each individual has the right to be treated with dignity and that our actions are aimed at improving families’ quality of life, and no matter how small our actions are, they have a significant impact. I think this is what makes medicine more humane and what distinguishes our Health Center.”

Claudia Lascano MD, Health Center Coordinator
At Kimberly-Clark, we believe that every planted tree contributes not only to purify the air, but also to combat climate change. Based upon this idea and focused on preserving the environment and enhancing biodiversity, in the last five years we have supported the provincial Forest Project Protocol launched by the Ministry of the Environment in San Luis province aimed at reforesting roadsides and approach roads to cities under Primera Impresión program.

In addition to this support given to the province where our largest manufacturing plant is located, we developed equipment together with Villa Mercedes Forestry Operations Center. In 2015, we took part in the planting of 8,000 seedlings provided by such Center. The program was developed by San Luis Ministry of the Environment jointly with two forest cooperatives. We covered 75 km of Highway N° 55 South connecting Villa Mercedes with La Argentina location in San Luis.

Furthermore, several training sessions were given at Villa Mercedes Forestry Operations Center, such as branch-cutting, tree-stakes painting, pruning and seeds germination.

Since 2011, the Forestation Plan has led to the afforestation of 1,500,000 plants, representing an annual capture of 48,000 tons of carbon dioxide and 34,500 tons of O2.

In the last five years, we have undertaken a strong commitment with San Luis province by supporting the provincial Forest Project, aimed at mitigating the climate change impact through the capture of greenhouse emissions by the newly-planted trees.
In 2015 we set up a Social Committee aimed at enlarging our volunteering team, by offering a meeting point to share experiences, ideas and proposals.
**+ VOLUNTEERING our volunteers in action**

Volunteering is part of our internal commitment to company employees and of our external commitment to the community. We therefore encourage associates to contribute to social causes during working hours by joining many of the different programs developed throughout the year together with Caminando Juntos Foundation (United Way).

<table>
<thead>
<tr>
<th>Corporate Volunteering</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>VOLUNTEERS</td>
<td>564</td>
<td>554</td>
</tr>
<tr>
<td>Activities</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Average annual working hours contributed to volunteer activities</td>
<td>950</td>
<td>944</td>
</tr>
</tbody>
</table>

In 2015, **564** employees strengthened their commitment to the community by taking part in **12** volunteer activities.

**5th edition of Management Volunteering organized by Caminando Juntos Foundation (United Way):** Our managers joined the intercompany solidarity day organized by Caminando Juntos Foundation at school Nº 37 of Don Torcuato, Tigre for building improvements in classrooms, libraries, playground and multipurpose room.

**Food Classification Day:** We participated in a massive food classification day at the Fundación Banco de Alimento (Food Bank Foundation) of Buenos Aires.

**World Environment Day:** Volunteers in San Luis, together with their families, embarked on a treeplanting program in Parque de las Naciones after attending a training session on the environment.

**“La Salud está en tus manos”:** Kimberly Clark Professional experts gave a training session at our Health Center in Pilar on the benefits of proper handwashing to prevent disease transmission.
Back to school: we prepared 120 school supply kits which were given to children in our Health Center in Pilar.

Children’s Day: we participated in recreational activities organized at Mano Amiga School in Pilar to celebrate Children’s Day. In San Luis, we conducted a solidarity campaign to collect toys, which were then donated to Bienestar Foundation.

Volunteer Day: we participated in building improvement activities at School EPB Nº2, Manuel Alberti at Pilar, attended by more than 440 primary and secondary students on a daily basis. Furthermore, new furniture was built for the school and recreational activities were offered for older children.

Books for blind people: our employees in San Luis were given the opportunity to choose a book and convert it to digital format so that it could be uploaded to a digital library for blind people, which can be remotely accessed for free by all people in Latin America.

Christmas Eve for everyone: almost 300 employees from Buenos Aires, Pilar and San Luis helped to fill boxes with nonperishable goods and gifts for children. More than 40 families from Santa Clotilde Family Support Center (Tigre), 50 families from our Health center in Pilar and 25 families who attend Bienestar Foundation (San Luis) received this donation to enjoy a different Christmas Eve. This time, volunteers from the diaper distribution channel working for the Company joined the activity and made contributions to our Health Center families.
SOCIAL COMMITTEE  enlarging our volunteer network

For the first time, this year we set up a Social Committee aimed at providing Company volunteers from any location nationwide with a meeting point to share their experiences, ideas and take a look at the volunteer opportunities calendar to become ambassadors of corporate actions.

INVESTMENT IS WORTHWHILE

For many years, our associates have been offering 4-month courses (from April to June) on different issues, such as Human Resources, Administration, Communication, etc. A total of 12 classes were given to thirty 5th grade students at Fatima school, Villa Soldati. This year, 27 company employees have participated in this initiative as volunteer teachers.
For the last seven years, Sumando Valores, has focused on generating a virtuous chain of small actions, endlessly replicated with a positive impact on society and based on a specific value.

In 2015, we decided to revalue reading habits as a way of promoting education and building a better future for everyone. Thus, more than 800 people nationwide received books written by well-known Argentine authors which had been previously collected by the Company. After reading the books, they were supposed to give them to other people, thus generating an endless chain. Our employees supported the initiative by donating books they had read and enjoyed throughout their lives.

Along the same lines, on the second half of the year we focused on the value of the written word. Different people received postcards whereby they were invited to relive the magic of sharing moments through writing. #QueVuelvanlaspostales (#BackToPostcards) was the hashtag used in social media to promote handwriting.
Our commitment to human rights protection is related to the respect for others as well as with our honesty, integrity and fairness tradition.

We care about workers’ rights, labor safety and environmental responsibility associated with our products. Therefore, we work globally to build a better future for those who are part of our value chain, from our suppliers and their employees to the associates which make up the company.

**BUSINESS GUIDELINES**


The Employment Policy on human rights focuses on recognition of human rights, elimination of all forms of discrimination, freedom of association, child labor prohibition, programs maintenance and processes to ensure compliance with government requirements and corporate standards, among others. It is promoted through dissemination of the Code of Conduct and e-learning courses.

**VALUE CHAIN**

Supplier Social Compliance Standards (SSCS) are a key tool in our commitment to respect human rights throughout our value chain. These principles convey our values and expectations, as well as identify, prevent, mitigate and account for human rights violations. Standards include issues such as freedom of association; protection against child labor; prohibition of forced labor and discrimination; safe and stable workplace; working hours, salaries and benefits; environmental protection and business integrity, among others. Suppliers are requested to sign annual statements of compliance and demonstrate fulfillment of such principles. For more information, see chapter “Products”, subchapter “Integrity Project.”

**COMMUNITY**

Our programs seek to contribute to the welfare of people living in the communities where we operate. For more information, see subchapter “People”. For more information, see the activities conducted under +comUNIDAD platform.
10 initiatives to reduce carbon footprint

3% reduction on total emissions

14.6 tons of waste into hummus
Our commitment to provide the community with the essentials for a better life involves environmental conservation and protection. We find it highly necessary to contribute to maintain water and air clean, as well as promote healthy environments. It’s difficult to imagine anything more essential than clean air, clean water and a healthy environment.

This mission inspires our constant search for more sustainable ways to reduce pressure on natural resources through the development of sustainable alternatives, innovation to extend products’ useful life and packaging, and development of sustainable waste management.

This framework, based on the materiality assessment with our internal and external stakeholders and on the sustainability strategy developed every seven years (Vision 2022), shows the environmental issues of most relevance to our company: water, energy, fibers, waste and environmental compliance.

Being part of a global organization, we have access to the best environmental practices in terms of resources and risk management. In Argentina, we identify, assess and mitigate potential environmental risks so that our operations comply with local regulations and, if possible, exceeded them. Every year, an external auditor conducts an environmental audit.

We also have environmental risk coverage for all our plants.

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**OUR 2022 VISION: OUR ENVIRONMENTAL GOALS**

**WATER**
Keep complying with environmental regulations and reduce water consumption to 10m³/tn at our plant in Bernal.

**EMISSIONS**
By 2022, reduce greenhouse gases (GHG) by 5%.

**WASTE**
Stop disposing of manufacturing waste in landfills by 2022.

**FIBER**
FSC fiber 100%
Every year at Kimberly-Clark we seek to improve our metrics. In terms of water, until 2014 we managed to reduce the direct blue water footprint in our plant in Bernal by 10.6%, getting closer to our reduction goal of 25%. We keep on working to reach our goal of 10m³/t by 2022.

In terms of energy, we have been reducing consumption on a yearly basis. In 2014, energy consumption at our plants in Bernal and San Luis was reduced by 8% and 4%. In 2015, the levels of energy consumption in all our plants remained the same, compared to the ones recorded in previous years. We are about to reach our goal of reducing emissions by 5% (in 2015 we reduced emissions by nearly 3%).

As regards waste, we have extended our goal to stop sending manufacturing waste to sanitary landfills to 2022. We keep on working in our plant based in San Luis, where we have managed to reduce the average material sent to landfills (20% reduction of the total manufacturing waste by 2014 and 50% reduction by 2015). Our plants in Pilar and Bernal do not send manufacturing waste to sanitary landfills.
We aim at reducing water consumption to 10m³/tn by 2022 and maintain effluents’ quality. Our highest level of water consumption is recorded in our tissue paper plant based in Bernal, used for manufacturing purposes. Both our plants in San Luis and Pilar only use water for human consumption.

For the purpose of monitoring water consumption and be able to plan corrective actions, we conduct internal assessments of waste consumption and, on a regular basis, we hire external advisors (Ernst&Young) to assess the water footprint of our operations based on the Water Footprint Network methodology.

In 2015, our plant in Bernal increased tissue paper production and incorporated raw material with high levels of recycled paper. Thus, the company sought to reintegrate discarded paper into the production chain. In turn, this sustainable action gave rise to an increase of water consumption, required to clean the Strainer filter before reusing it in the manufacturing process.
The recycled paper incorporated in the manufacturing process has a large amount of minerals which block the Strainer filter mesh. As a consequence, equipment efficiency is reduced creating a greater need for cleaning.

Similarly, and aimed at reducing water consumption, some changes were made in cooling systems by replacing water-cooled equipment with air-cooled equipment.

Aimed at reducing water consumption at our plant in Bernal, we developed a plan divided into stages until 2022 to reach the goal of about 10m³/BDMT of water consumption per ton of paper produced, with projected savings of 17.1m³/BDMT.

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>THERMOSTAT INSTALLATION in the cooling system of the yankee hydraulic power unit to improve control automation when replenishing water pools</td>
<td>INSTALLATION OF DRY SEALS in suction press</td>
<td>INSTALLATION OF CLOSED RECIRCULATING COOLING WATER SYSTEM (cooling towers for vacuum pumps)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Direct Blue Water Footprint at Bernal Plant [m³ per year]</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>WATER EXTRACTED FOR THE PROCESS</td>
<td>546.136</td>
<td>422.440</td>
</tr>
<tr>
<td>Evaporated water</td>
<td>28.207</td>
<td>21.122</td>
</tr>
<tr>
<td>Water incorporated into the product</td>
<td>1.072</td>
<td>1.014</td>
</tr>
<tr>
<td>Lost return flow (overflow)</td>
<td>519.005</td>
<td>388.645</td>
</tr>
<tr>
<td>Other water consumption</td>
<td>15.852</td>
<td>11.659</td>
</tr>
<tr>
<td>WATER SENT TO THIRD PARTIES</td>
<td>23.245</td>
<td>60.230</td>
</tr>
<tr>
<td>Water sent to Smurfit *</td>
<td>23.245</td>
<td>60.230</td>
</tr>
<tr>
<td>BLUE</td>
<td>587.381</td>
<td>482.670</td>
</tr>
</tbody>
</table>

(*) Water Footprint Network methodology. The blue footprint measures the volume of freshwater used by water resources (well water for industrial use). Water footprint increase: 21.69%
EFFLUENT TREATMENT

We carry out monthly external laboratory analyses on quality parameters of the wastewater discharge in accordance with current legislation, in order to maintain effluent quality. To this end, controls are made under the program TicklerProgram: sending of water samples to the laboratory for the analysis of values that the corporation knows and validation in local laboratories. There have been no significant spills in any of our operations.

Effluent treatment stages:

Collection of water in a ditch and delivery to DAF (Dissolved Air Flotation). Separation of fibres in suspension and mud. The mud is directed to the ceramic brick plant (raw material).

Clarified water filtration by gravity filter: filtered water is reused in the process and the surplus is discharged to the municipal sewer as industrial effluent.

Water quality meets the legal parameters.

Of our production process in Bernal:

75% OF RECYCLED AND REUSED WATER

n relation to the water discharge in 2015:

TOTAL RECIRCULATION ••••• 711,599 m³

ACCUMULATED EFFLUENT ••••• 539,870 m³

RELATION OF RECIRCULATION •••• 1.32 m³
At Kimberly-Clark we seek to transform our financial and environmental performance by driving improvements in energy efficiency and reducing total greenhouse emissions in our operations.

### Total energy consumption in 2015

<table>
<thead>
<tr>
<th>DIRECT ENERGY CONSUMPTION (IN GJ)</th>
<th>2015 (1)</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural gas</td>
<td>145,928</td>
<td>133,989</td>
</tr>
<tr>
<td>Fuel oil</td>
<td>7,092</td>
<td>10,730</td>
</tr>
<tr>
<td>Gas oil</td>
<td>5,356</td>
<td>8,406</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td><strong>158,376</strong></td>
<td><strong>153,125</strong></td>
</tr>
<tr>
<td>INDIRECT ENERGY CONSUMPTION (IN GJ)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricidad</td>
<td>239,346</td>
<td>244,777</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td><strong>239,346</strong></td>
<td><strong>244,777</strong></td>
</tr>
<tr>
<td><strong>TOTAL ENERGY CONSUMPTION</strong></td>
<td><strong>397,722</strong></td>
<td><strong>397,902</strong></td>
</tr>
</tbody>
</table>

(1) Data includes the actual consumption until November and its projection to December of the same year.

According to the measurement of the gas footprint performed externally by Ernst&Young, in 2015 and at general level, emissions from our plants decreased by **3%** the total nominal value. Regarding the production generated in each plant, there was a reduction in the tCO₂ₑ per ton of product produced in each case, even in the plants of Bernal and Pilar, where, according to the information received, the production increased over the previous year. In addition, energy intensity was constant, associated with seasonal demands of products or plant shutdowns for maintenance, according to each plant. The lower energy consumption is not quantifiable since it depended on production cycles and market demands, not being associated with machine engineering.
Our Bernal Plant works on the greenhouse gas inventory under the Greenhouse Gas Protocol based on the guidelines of the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI).

We continue working on the implementation of improvements to our equipment, which allows us to achieve lower energy consumption. In this regard, at Bernal Plant we have reduced by 3.4% the relative energy consumption compared to the values of 2014, taking into account the amount of paper produced.

Over the past year, improvements made at the plant allowed us to maintain the level of carbon dioxide emissions released in relation to 2014, although there was an increased amount of paper produced.
### Energy consumption in Bernal Plant

#### DIRECT ENERGY CONSUMPTION (IN GJ)

<table>
<thead>
<tr>
<th>Energy Source</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural gas</td>
<td>145,198</td>
<td>133,075</td>
</tr>
<tr>
<td>Fuel oil</td>
<td>7,092</td>
<td>10,730</td>
</tr>
<tr>
<td>Gas oil</td>
<td>5,356</td>
<td>8,172</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td><strong>157,646</strong></td>
<td><strong>151,977</strong></td>
</tr>
</tbody>
</table>

#### INDIRECT ENERGY CONSUMPTION (IN GJ)

<table>
<thead>
<tr>
<th>Energy Source</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
<td>91,417</td>
<td>92,080</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td><strong>91,417</strong></td>
<td><strong>92,080</strong></td>
</tr>
</tbody>
</table>

**TOTAL ENERGY CONSUMPTION**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL ENERGY CONSUMPTION</strong></td>
<td><strong>249,063</strong></td>
<td><strong>244,058</strong></td>
</tr>
</tbody>
</table>

(1) Data includes the actual consumption until November 24 and its projection to December of the same year.

### Total emissions in Bernal Plant

<table>
<thead>
<tr>
<th>Emission Source</th>
<th>tCO2e 2015</th>
<th>tCO2e 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural gas consumption</td>
<td>8,151,89</td>
<td>7,471,24</td>
</tr>
<tr>
<td>Fuel Oil</td>
<td>493,48</td>
<td>746,62</td>
</tr>
<tr>
<td>Gas Oil consumption</td>
<td>377,37</td>
<td>607,78</td>
</tr>
<tr>
<td>Electric power consumption</td>
<td>13,407,81</td>
<td>13,607,42</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>22,430,55</strong></td>
<td><strong>22,433,07</strong></td>
</tr>
</tbody>
</table>

| Production (T)           | 21,442,90  | 20,289,39  |
| **TCO2e/T PRODUCED**     | **1,05**   | **1,11**   |
PILAR PLANT

Various initiatives were carried out in our Pilar Plant in order to reduce energy consumption (3% over 2014). These included the completion of the plan of replacement of mercury vapor lamps with LED, March 2015.

Moreover, we are working on the monitoring of compressed air leaks to detect and repair them, as well as avoiding future leaks.

### Energy consumption in Pilar Plant

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DIRECT ENERGY CONSUMPTION (IN GJ)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural gas</td>
<td>352</td>
<td>368</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td>352</td>
<td>368</td>
</tr>
<tr>
<td><strong>INDIRECT ENERGY CONSUMPTION (IN GJ)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity</td>
<td>29.823</td>
<td>28.251</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td>29.823</td>
<td>28.251</td>
</tr>
<tr>
<td><strong>TOTAL ENERGY CONSUMPTION</strong></td>
<td>30.175</td>
<td>28.850</td>
</tr>
</tbody>
</table>

(1) Data includes the actual consumption until November 24 and its projection to December of the same year.

### Total emissions in Pilar Plant

<table>
<thead>
<tr>
<th>EMISSION SOURCE</th>
<th>tCO2e</th>
<th>tCO2e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural gas consumption</td>
<td>19.73</td>
<td>20.48</td>
</tr>
<tr>
<td>Gas Oil consumption</td>
<td>-</td>
<td>17.39</td>
</tr>
<tr>
<td>Electric power consumption</td>
<td>4374.08</td>
<td>4174.94</td>
</tr>
<tr>
<td>Use of refrigerant gases</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>4393.81</strong></td>
<td><strong>4212.82</strong></td>
</tr>
</tbody>
</table>

| PRODUCTION (T) | 6.842 | 6.201 |
| TCO2e/T PRODUCED | 0.64  | 0.68  |
**SAN LUIS PLANT**

**Energy consumption in San Luis Plant**

<table>
<thead>
<tr>
<th>CONSUMO DIRECTO DE ENERGÍA (EN GJ)</th>
<th>2015 (1)</th>
<th>2014 (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural gas (1)</td>
<td>378</td>
<td>549</td>
</tr>
<tr>
<td>GLP gas (3)</td>
<td>825</td>
<td>921</td>
</tr>
<tr>
<td>Gas oil (1)(3)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td><strong>1,203</strong></td>
<td><strong>1,470</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>INDIRECT ENERGY CONSUMPTION (IN GJ)</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
<td>118106</td>
<td>124,445</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td><strong>118106</strong></td>
<td><strong>124,445</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TOTAL ENERGY CONSUMPTION (4)</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>119,309</strong></td>
<td><strong>125,915</strong></td>
<td></td>
</tr>
</tbody>
</table>

(1) Data includes the actual consumption until November the estimated consumption for December - (3) the following energies are not used for production, but for services: Natural gas (boilers), GLP (mobile equipment) and gas oil (generators and autopumps). - (4) The energy consumption in San Luis was reduced by 4% over the previous year. This data includes the actual gross energy consumption without considering the production.

<table>
<thead>
<tr>
<th>San Luis Plant</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EMISSION SOURCE</strong></td>
<td>tCO2e</td>
<td>tCO2e</td>
</tr>
<tr>
<td>Natural gas consumption</td>
<td>21,23</td>
<td>30,82</td>
</tr>
<tr>
<td>Electric power consumption</td>
<td>17,322,22</td>
<td>18,390,18</td>
</tr>
<tr>
<td>Use of refrigerant gases</td>
<td>5,61</td>
<td>31,68</td>
</tr>
<tr>
<td>Waste sent to landfill</td>
<td>359,83</td>
<td>727,12</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>17,708,89</strong></td>
<td><strong>19,179,78</strong></td>
</tr>
<tr>
<td><strong>PRODUCTION (T)</strong></td>
<td>87,989</td>
<td>88,744</td>
</tr>
<tr>
<td><strong>TCO2E/T PRODUCED</strong></td>
<td><strong>0,2</strong></td>
<td><strong>0,22</strong></td>
</tr>
</tbody>
</table>

En total, durante 2015 se implementaron 10 iniciativas diferentes en nuestras plantas encaminadas a disminuir nuestra huella de carbono al ambiente.
During 2015, San Luis Plant had an impact on energy consumption due to the improvements made in 2014, including:

**Installation of speed drives in the air compressors of the Production area:** by using these speed drives, the speed can be controlled according to the consumption or processing need, unlike the current fixed speed condition, with loading and unloading.

**Improvements of the vacuum piping in the Production area:** the circuit of vacuum pumps was modified allowing the saving of permanent energy consumption of a Bush pump (taking a utilization factor).

**Installation of speed drivers:** were installed in auxiliary service areas of the plant in vacuum fans, regulating revolutions per minute according to the current need of the facilities, leading to significant energy savings.

**Lightning control:** sensors and timers were installed in areas of occasional use (changing rooms, auxiliary services, offices).

**LED lights:** lights were changed in the Finished Product hall.

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**ENVIRONMENTAL MANAGEMENT OF OUR BUILDINGS**

All our buildings have energy saving lamps with a lifespan that is thirty times longer than conventional lamps. Therefore, we generate less heat for a longer time and prevent the transmission of about half a ton of CO2 to the atmosphere. Moreover, our air conditioners are set at 24° C. For each degree increased, we reduce the expenditure in electric power by 8%.
We incorporate sustainable management into our plants and offices. We seek to optimize resources, reducing consumption and caring for the environment.
To achieve our goal of minimizing environmental impact, generating efficient processes and specifically no longer sending manufacturing waste to sanitary landfill by 2022, we are working on several steps in each of our industrial plants in Bernal, Pilar and San Luis.

At present, each of our plants has an annual budget allocated for waste segregation and treatment, which involves a large part of human resources. Since the beginning of the process, we work on raising personnel’s awareness, as waste generators, and on the segregation of discharges. And then, at the stage of waste collection and storage, the cleaning staff is responsible for transporting the previously segregated waste to the collection and compaction areas. In this last stage, the different types of waste are prepared for their subsequent loading and transport to the transfer center, where the external supplier conducts the final recycling process of the waste. Finally, for legal purposes, we receive a manifesto stating with the final disposition given to each product.

In order to guarantee this process, audits are conducted by the Environmental, Health and Safety (EHS) area in all the circuit, both internal and external, to ensure sustainability.

WASTE MANAGEMENT PROCESS IN OUR PLANTS:

1. MINIMIZATION
2. SEGREGATION BY TYPE
3. COLLECTION AND STORAGE
4. COMPACTION AND CONDITIONING
5. TRANSFER CENTER
6. TREATMENT/RECYCLING BY SUPPLIER

OUR GOAL: ZERO MANUFACTURING WASTE SENT TO SANITARY LANDFILL BY 2022.
Thanks to this initiative, we have achieved a significant reduction in waste over the years; nowadays we keep on working to reach our corporate goal: stop sending manufacturing waste to landfills. In Pilar and Bernal plants, this goal has already been accomplished; in San Luis Plant, the average percentage of material sent to landfills in 2015 was 8% of total production waste.

On the other hand, in 2015 the Company obtained a total of $3,277,479.32 in revenue associated with waste recycling, an amount that has decreased year by year through industrial waste reduction. Expenditures exceeded revenues due to the higher costs of waste treatment services and transport costs, focused on achieving responsible waste management.

### Balance resulting from 2015 environmental management

<table>
<thead>
<tr>
<th></th>
<th>Bernal</th>
<th>Pilar</th>
<th>San Luis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues associated</td>
<td>168,254</td>
<td>442,383,22</td>
<td>2666842,1</td>
</tr>
<tr>
<td>with waste recycling</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenditures</td>
<td>1,417,000</td>
<td>765,344,52</td>
<td>3877040</td>
</tr>
<tr>
<td>associated with</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>waste treatment*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Balance</strong></td>
<td><strong>-1,248,746</strong></td>
<td><strong>-322,961,30</strong></td>
<td><strong>1,210,197,9</strong></td>
</tr>
</tbody>
</table>

*The highest balance of expenditures is due to the increased costs of waste treatment services and transport costs.

### MANAGEMENT PROCESS TO GENERATE LESS WASTE:

- **minimizing**: waste generation.
- **Recycling**: waste that can be recycled.
- **Reusing**: waste as raw materials or inputs for other production processes.
- **identifying**: containers and their content.
- **Conditioning**: and packaging manufacturing waste when required by hygiene and safety measures.
- **Separating**: incompatible waste appropriately to avoid contact in all management stages.
BERNAL PLANT

All our manufacturing waste is sent to authorized recycling companies as indicated by the Provincial Agency for Sustainable Development (OPDS) regulation, not to the CEAMSE. These recycling companies perform the corresponding segregation.

Other non-production waste, such as waste from the canteen, is sent to composting sites within the plant. The wire of virgin cellulose bundles is used to manufacture hangers and metal cages.

### Waste generation in Bernal Plant (1)

<table>
<thead>
<tr>
<th>TYPE OF WASTE</th>
<th>DESTINATION</th>
<th>2015 (t)</th>
<th>2014 (t)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sludges of primary treatment (t)</td>
<td>Reuse in brick process</td>
<td>1.996</td>
<td>868</td>
</tr>
<tr>
<td>Reused cellulose (t)</td>
<td>Re-entry into the process</td>
<td>1.459</td>
<td>881</td>
</tr>
<tr>
<td>White 2 (t) (2)</td>
<td>Process</td>
<td>2839</td>
<td>197</td>
</tr>
<tr>
<td>Metal (t)</td>
<td>Recycling</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>Corrugated cardboard (t)</td>
<td>Recycling</td>
<td>200</td>
<td>65</td>
</tr>
<tr>
<td>Other (t)</td>
<td>Sanitary landfill</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL GENERATED (T)</strong></td>
<td></td>
<td><strong>6.501</strong></td>
<td><strong>2.019</strong></td>
</tr>
</tbody>
</table>

(1) Data includes actual consumption until November and its projection to December of the same year. (2) This is a input of special recycled paper reused in the production process of pulp in Bernal Plant.
“The initiatives taken at our plants regarding manufacturing waste seek to mitigate the environmental impact exerted by burying such waste. We have provided efficient and sustainable solutions by encouraging the development of other markets through by-products manufactured by third parties with our Company waste. In this way, we provide new solutions by transferring our waste to the production of bricks, hangers, pellets and plastic lumps, agglomerated plates, stakes for viticulture, among others.”

Mariano González  EHS Manager at Kimberly-Clark Austral

PILAR PLANT

In 2015, we fostered work culture within the plant by considering waste as a key production indicator and taking concrete and immediate actions upon detecting diversion during work shifts.

At present, we maintain the same work dynamics: monitoring machines’ waste segregation and informing about the technical status of each machine in a meeting held to review general issues regarding plant order and cleanliness.

<table>
<thead>
<tr>
<th>TYPE OF WASTE</th>
<th>DESTINATION</th>
<th>2015 (t)</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cellulose (t)</td>
<td>Recycling</td>
<td>3</td>
<td>14,49</td>
</tr>
<tr>
<td>Plastic (t)</td>
<td>Recycling</td>
<td>170,9</td>
<td>135,84</td>
</tr>
<tr>
<td>Cellulose/Plastic mixed (t)</td>
<td>Recycling</td>
<td>248,6</td>
<td>157,415</td>
</tr>
<tr>
<td>Corrugated cardboard (t)</td>
<td>Recycling</td>
<td>105,5</td>
<td>55,22</td>
</tr>
<tr>
<td>Other (t)</td>
<td>Sanitary landfill</td>
<td>262,8</td>
<td>46,78</td>
</tr>
<tr>
<td><strong>TOTAL GENERATED (T)</strong></td>
<td></td>
<td><strong>790,8</strong></td>
<td><strong>409,75</strong></td>
</tr>
</tbody>
</table>

(1) Data includes actual consumption until November and its projection to December of the same year.
SAN LUIS PLANT

In 2015 the percentage of material sent to landfill averaged 8% of total production waste. Our materials are placed in ditches in places authorized by the governmental entity and subsequently covered.

In addition, we conducted training on classification, collection, final disposal and recycling for all our staff, with 449 participants. We also led 47 training workshops for these teams, and we continued with the campaign on waste sorting with the aim of reinforcing the classification of waste in situ. At the plant we continued reusing the non-woven material (recovery of coil ends): 28 tons of material was reused at the plant (*)

(*) Data from January to October and estimate of November-December.

<table>
<thead>
<tr>
<th>TYPE OF WASTE</th>
<th>DESTINATION</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cellulose (t)</td>
<td>Recycling/re-entry into the process</td>
<td>479</td>
<td>822</td>
</tr>
<tr>
<td>Plastic (t)</td>
<td>Recycling</td>
<td>1,146</td>
<td>984</td>
</tr>
<tr>
<td>Sanitary landfill (Reclaimer and household) (t)</td>
<td>Sanitary landfill</td>
<td>411</td>
<td>541,2</td>
</tr>
<tr>
<td>Cellulose/Plastic mixed (t) (2)</td>
<td>Recycling</td>
<td>430</td>
<td>3,6</td>
</tr>
<tr>
<td>Corrugated cardboard (t) (3)</td>
<td>Recycling</td>
<td>920</td>
<td>661,2</td>
</tr>
<tr>
<td>TOTAL GENERATED (T)</td>
<td></td>
<td>3,386</td>
<td>3,012</td>
</tr>
</tbody>
</table>

(1) Data includes actual consumption until October and its projection to December of the same year. - (2) This is the scrap of the reclaimer. - (3) Cardboard and cellulose plates.

Regarding liquid effluents, our discharges meet legal parameters, not affecting the habitat or biodiversity. Moreover, waste is transported exclusively within the country, complying with the legal terms for their transport: we do not import or export waste.
We value manufacturing processes which are consistent with our sustainability policy. We care for the origin of both our raw material and our suppliers.

85% of our raw material comes from domestic suppliers that provide us with cellulose virgin fibers from eucalyptus plantations. The remaining 15% of virgin fibers comes from foreign suppliers. For the manufacturing of our tissue products we also incorporate fiber from locally recycled material.

SAFE USE OF CHEMICALS

Our Company is registered at SEDRONAR (Secretariat of Planning for the Prevention of Drug Addiction and Action against Drug Trafficking) as a user of precursor chemicals, with a valid annual certificate and all purchase, storage and use movements are recorded in the national system of precursors chemicals traceability. Chemicals not included in SEDRONAR listings are handled through our corporate procedures of purchase, storage, handling and disposal..

IMPACTS ON BIODIVERSITY

Moreover, as regards our operations’ impact on biodiversity, Pilar, Bernal and San Luis plants are not located in protected areas or unprotected areas of a great value for biodiversity. Nevertheless, and aimed at promoting conservation, the environment and enhancing biodiversity, for the last five years we have supported the Provincial Forestry Protocol of the Ministry of the Environment of San Luis to reforest route margins in the territory and approach roads to communities under the program Primera Impresión (First impression).

All our products are disposable. All our packaging is 100% recyclable.
PRODUCTS

VARIETY AND QUALITY
5 business units 7 different brands

TEAM WORK
1,090 ACTIVE DIAPER manufacturers our diapers distribution channel

SUPPLIERS
89% of ARGENTINE SUPPLIERS
we innovate

OUR PRODUCTS

365°
For 24 years we have offered in Argentina high quality products for personal care, innovating in each of the categories with new presentations and proposals that seek to provide a difference. In Argentina, we currently have five business units striving for excellence in every product they make.

- **BABY CARE**
  - Disposable diapers, training pants and wipes.

- **FEMININE CARE**
  - Feminine pads, liners and tampons.

- **FAMILY CARE**
  - Toilet paper, reusable wipers, paper towels and disposable tissues.

- **ADULT CARE**
  - Diapers, pads, disposable underwear and products for incontinence.

- **OUR PROFESSIONAL LINE**
  - Higiene, seguridad y limpieza para empresas.

Innovation, investment, quality and transparent management define our way of developing high-quality products.
MORE INNOVATION, MORE QUALITY, MORE SAFETY
GIVING ALWAYS THE BEST

FAMILY CARE
The less you need, the less you use

SCOTT DOUBLE SHEET: New double sheet toilet paper, of higher quality and ultra resistant, ensuring less use of paper.

NEW SCOTT 1000 SHEETS: Simple sheet toilet paper but with more than 1,000 sheets per roll so that unit pack lasts much longer.

BABY CARE
Diapers that resist to use less of them

HUGGIES ACTIVE SEC: In 2015 we presented the new Active sec diapers with up to 12 hours of absorption, elastic waistband and leak barriers.

HUGGIES WIPES: We launched new baby wipes made from natural materials, designed for the care of the baby’s sensitive skin as they grow. They are hypoallergenic, do not contain alcohol and are the only guaranteed by FUNDASAP (Argentine Society of Pediatrics Foundation).

HUGGIES FIRST 100 DAYS: We presented Huggies Primeros 100 días (first 100 days) with a 3 times more breathable cover, soft bubbles in the interior of the diaper that protect the newborn’s sensitive skin, wetness indicator (NB size) and softer grip strips.

HUGGIES PREMATURE NEWBORN: Relanzamos el único pañal del mercado especialmente diseñado para bebés de hasta 2,2 kilos (bebés prematuros), con menor ancho del pad para reducir el riesgo de displasia de cadera.
“ABRAZOS DE VIDA”: AN INSPIRING CAMPAIGN

On the occasion of the Premature Babies Week (November 14th-20th), we launched the campaign Abrazos de vida (Life hugs) to raise awareness about the importance of skin-to-skin contact between parents and preemies with the benefits that hugs generate in both of them.

The campaign was supported by Fundación Larguía through its founder, Miguel Larguía, and the Ramón Sardá Maternity and Child Hospital through Claudio Solana, head of the neonatology unit.

In addition, during the month of November, for every purchase of any pack of Huggies Primeros 100 días one diaper was donated to Sardá Maternity and Child Hospital.

“The mother is the perfect incubator, skin to skin contact helps regulate the child’s temperature and stimulates the production of breast milk. In addition, babies breathe better, have a more stable heart rate and have their autonomic nervous system better protected.”

Miguel Larguía  Pediatrician and neonatologist - President of FunLarguía.
HUGGIES NATURAL CARE

PACK ECO-FRIENDLY

The packaging of our Huggies Natural Care is 100% recyclable and eco-friendly, made from green polyethylene from sugar cane.
NEW KOTEX EVOLUTION PADS WITH CENTER SEC TECHNOLOGY: we presented the new line of ultra-thin pads with an exclusive technology called Center Sec, with a deep core that directs the flow towards the inner layers of the pad, keeping it away from the skin.

KOTEX, MI MUNDO, MIS REGLAS (KOTEX, MY WORLD, MY RULES)

As a new way of relating to women, Kotex presented the miniseries Mi mundo, mis reglas (My world, my rules), inspired by its social network fans, and produced together with Fox network.

The importance of friendship, love, feeling protected and especially living their own rules, were part of each of the episodes where Kotex sought to strengthen the close relationship it has with its followers, echoing the issues that are relevant to them.

RENEWAL OF PLENITUD PROTECT: these diapers provide up to 10 hours of protection, for men and women with heavy urine leakage.

RELAUNCH OF PLENITUD CLASSIC WITH ALOE VERA: we renewed this diaper line incorporating aloe vera for skin care.

POISE PADS AND LINERS: we relaunched the whole line ensuring total protection with a wider adhesive band to fit underwear.
RESPONSIBLE PRODUCTS

For the first time in Argentina, Poise and Plenitud promoted the Incontinence Week in conjunction with the Durand Hospital, with the aim of contributing to educate about adult incontinence and eliminate taboos related to a matter that affects 1.5 million adults in Argentina.

From September 28th to October 4th, 230 people could be correctly diagnosed to identify the problem and find solutions that improve their quality of life.

The campaign was extended to online media and social networks with educational medical videos that were watched 180,000 times on YouTube, generated more than 15,000 interactions on Facebook and over 13,000 visits to the website www.semanadelainco.com.ar.

Moreover, and in order to continue offering tips and advice for adult women, Poise made together with Farmacity a presentation of the book by Mariana Arias Una mujer en la mitad de la vida. The book takes on the challenge of exploring the female universe and its passage through maturity.
KIMBERLY-CLARK PROFESSIONAL (KCP): Our business division is dedicated to providing integral solutions of hygiene in working areas, companies and institutions. We offer innovative high-performance products such as towels, soaps and hand sanitizers, toilet paper and cleaning wipers with Kleenex, Scott and Wypall brands, covering the needs of offices, industries, hotels, restaurants, healthcare centers and other institutions.

LA SALUD ESTÁ EN TUS MANOS

As part of the Health&Wellness Communication Plan and in the context of the corporate strategy Juntos construyamos una Argentina excepcional (Let’s build an exceptional Argentina together), we developed from Kimberly-Clark Professional the campaign La salud está en tus manos (Health is in your hands), a communication platform to promote awareness on a proper hygiene, using sustainable resources in workspaces.

Do you know the way of coughing and sneezing properly?

Cover your mouth and nose with a disposable tissue. If you don’t have one use your forearm. In this way you will prevent contaminating people or objects around you.

A proper hygiene speaks well of you

Washing your hands every time you use the toilet is part of the good habits to stay healthy.

We also participated with Makro wholesale hypermarket in the program Taller Pescar (Fishing workshop), which is carried out annually with the Foundation, with health and hygiene training in the context of the program “La salud está en tus manos”.

in 2015

163 companies clients of KCP

implemented “La Salud está en tus manos”

reaching: 42,380 people
OUR REASON FOR BEING:
QUALITY AND SAFETY

Our raw materials, plants and products have specific certifications that ensure the high standards of quality and safety with which we work.

RAW MATERIALS:

We perform the safety certification of all our raw materials and finished products through the Safety Clearance standards of the Global Quality Assurance & Compliance team of Kimberly-Clark Corporation.

PLANTS:

We conduct quality training systematically and throughout the year to ensure the quality of our plants and the entire production process, implementing the 70:20:10 training model.

OUR PRIORITIES AIM TO:

• Ensure clean and safe products with Good Manufacturing Practices (GMP), global corporate requirements and in compliance with the current legislation. 100% of our products are allowed and are subject to the information requirements and voluntary codes related to information and labeling of products and services, such as those of FUNDASAP (Argentine Society of Pediatrics Foundation).

• Ensure customer satisfaction: compliance with the specifications for finished product, according to the Run-to-Target philosophy (minimal variability in the products).

• Ensure a robust quality management system, as part of the culture of everything we do.

• Maintain the commitment to quality in all the personnel to promote quality and an adequate work environment for the proper conduct of the activities.
• **Products:** we have a policy of Product Quality and Safety: all our products are assessed on their impact on the health QMS – QMART: level of implementation of the Quality Management System. OUR MAIN INDICATORS: and safety of our consumers. In addition, the Customer Service area works together with the Quality and Development departments receiving comments and claims that are considered and investigated.

The global Quality Index indicates the level of ‘perceived quality’ at the point of sale and allows us to identify areas of improvement for our products. In this regard, in 2015 no incidents were reported in relation to breach of the regulation on impacts of health and safety products and services; and no claims were made regarding privacy or data leakage.

**QUALITY GUARANTEES**

All our operations are certified by the ANMAT (National Administration of Drugs, Foods and Medical Devices) and all our plants conform to the Corporate Quality Management System (QMS), audited internally once a year and externally once every three years to ensure compliance with the requirements and continuous improvement.

**OUR MAIN INDICATORS:**

- **QMS – QMART:** level of implementation of the Quality Management System.
- **QI** Quality Index
- **ICC INDEX** index of customer claims
- **% COMPLIANCE WITH CTQ VARIABLES**
INVESTMENT TO IMPROVE

For the development of new products, we conduct qualitative and quantitative market research to identify the preferences, characteristics and needs of our consumers. Moreover, in each plant we monitor every stage of the implementation of new projects to ensure product quality throughout the process.

Our investment in laboratory instruments to ensure the quality of our products reached in 2015 $133,000 dollars.

Analysis conducted in Pilar, San Luis, Santiago and Bernal (1)

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>MICROBIOLOGIC</th>
<th>PRIMARY IRRITATION</th>
<th>CUMULATIVE IRRITATION</th>
<th>SENSITIVITY</th>
<th>COSTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pads</td>
<td>18</td>
<td>7</td>
<td>1</td>
<td>2</td>
<td>$33,670.00</td>
</tr>
<tr>
<td>Adult Care</td>
<td>30</td>
<td>12</td>
<td>3</td>
<td>1</td>
<td>$48,664.00</td>
</tr>
<tr>
<td>Family Care</td>
<td>14</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>$5,866.00</td>
</tr>
<tr>
<td>Baby &amp; Child Care</td>
<td>96</td>
<td>38</td>
<td>17</td>
<td>20</td>
<td>$255,901.00</td>
</tr>
<tr>
<td>Wipes</td>
<td>575</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>$181,607.00</td>
</tr>
<tr>
<td>MIW</td>
<td>72</td>
<td>10</td>
<td>10</td>
<td>7</td>
<td>$109,287.00</td>
</tr>
<tr>
<td>Femenine Care</td>
<td>228</td>
<td>20</td>
<td>20</td>
<td>14</td>
<td>$253,770.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>228</strong></td>
<td><strong>20</strong></td>
<td><strong>20</strong></td>
<td><strong>14</strong></td>
<td><strong>$888,765.00</strong></td>
</tr>
</tbody>
</table>

(1) The number of analyses is given by the number of machines in each plant and the different products that are produced in each of them, remaining at a stable number from one year to the next.

EDUCATION IN SAFETY

Under the motto Cuento con vos (I’m counting on you), our Health, Safety and Environment area invited all associates of our plants to reflect on safety habits at work and at home, committing themselves to the care of the physical space and their own colleagues.

The initiatives included meetings to learn the personnel’s opinion about this subject and improve the necessary aspects, safety fairs through the Company websites with specific contents and messages.
We have implemented strategies with each of our brands for maintaining permanent contact, being close to our customers and receiving their feedback.
WITH OUR CONSUMERS

365° COMMUNICATION

LISTENING AND RESPONDING providing solutions

At our Consumer Service area we receive all questions, comments or suggestions, as well as consumer complaints about our products and their performance, to give them a quick and satisfactory response. This communication channel open 365 days a year allows us to maintain close contact and keep an active listening which is fundamental to our process of continuous improvement and innovation.

Both our corporate and brand channels are available for consumers to send us their comments.

We are available at:

- TOLL-FREE LINE 0800-333-1206
- E-MAIL cac@kimberly-clark.com
- WEB www.kimberly-clark.com.ar
- FACEBOOK /kimberlyclarkARG
- TWITTER /kimberlyclarkAR
- YOUTUBE /kimberlyclarkARG

BEING CLOSE TO PEOPLE allows us to improve

The monitoring and surveys conducted from our Customer Service Center (ICC - Interactive Contact Center) generate valuable information for the Quality and Development Departments of each of our plants, in order to work in future releases.

Moreover, our packaging is also a channel of direct communication where we communicate our values, principles, product benefits and our commitment to the environment.
At Kimberly-Clark we think and act as strategic partners of our customers to grow together in a sustainable way. Our philosophy is to share experiences and knowledge with a fluid and constant communication, and a LEAN Non-Manufacturing culture that allows us to review processes that do not add value and to improve results year after year.

**FOCUS ON OUR CUSTOMERS**

**STRATEGIC PARTNERS**

At Kimberly-Clark we think and act as strategic partners of our customers to grow together in a sustainable way. Our philosophy is to share experiences and knowledge with a fluid and constant communication, and a LEAN Non-Manufacturing culture that allows us to review processes that do not add value and to improve results year after year.

**OUR LEAN PILLARS:**

- **understanding**: Working on what adds value to the customer
- **streamlining**: Actively searching for waste materials that can be eliminated from the processes
- **visualizing**: Making problems visible
- **solving**: Strengthening skills. Taking decisions to solve problems on the basis of facts

**LA USINA  a case of success**

We understand that working in collaboration with our customers is the best way to grow. La Usina was created as a space for innovation and joint work, within our Trade Program, to plan the year with our customers taking into account the innovations of our products and the behaviors of the buyer (shopper).

The program has continued growing year after year since its creation in 2013. During 2015, we invited our customers to participate in the "Shopper Line", an original idea under which we sought that they could experience the Shopper Purchase Tour, sharing with them:

- **Stimuli**: that they experience before, during and outside the Point of Sale.
- **Trends**: Digital and Social Shopper, Teen Shopper and Future Moms, Low Income Consumer, and finally developing a Work Plan together with the customer for 2015.
Considering market changes, in 2007 we created a specialized sales format involving the owners of diaper stores and promoted their cultural development. This sales channel that includes our diapers (baby and adult) represents 25% of the total sales of our diapers in the country.

During these years, we have achieved a high level of understanding and loyalty from these customers with our brand, leveraged by the support and assistance for the development of their business.

At the same time, we continue training pharmacists on the business and development of focus categories for the business format they have: 270 pharmacists were trained throughout the country during 2015.

<table>
<thead>
<tr>
<th>38 CUSTOMERS</th>
<th>360 DIAPER SELLERS trained in sales strategy, costs and profitability in SMEs, product specifications.</th>
<th>270 PHARMACISTS trained throughout the country</th>
</tr>
</thead>
<tbody>
<tr>
<td>13 Point-of-Sale REPRESENTATIVES</td>
<td>350 monthly ENQUIRIES per month, from diaper sellers to our 0-800-CLUB HUGGIES</td>
<td></td>
</tr>
</tbody>
</table>

reaching:

| 1,334 stores | 1,090 active DIAPER STORES | 40% with HUGGIES VISIBILITY |
DIAPER SELLERS AND MEDIATORS

In 2015 we invited our diaper sellers to become part of an initiative called Los Mediadores (Mediators) to inspire and promote sustainable awareness with a volunteering action.

For the first time, we called on 60 diaper stores from Buenos Aires to join Huggies in the preparation of Christmas boxes that were donated to our Health Post.

EL RESULTADO:

51 DIAPER SELLERS + 6 RETAILERS participating = 50 Christmas boxes for families of Pilar

SUSTAINABILITY TOGETHER

During 2015, we developed various sustainable initiatives with our customers:

Makro and Kimberly-Clark, together for a solidarity cause

We presented with Makro a solidarity action by which with the purchase of a Huggies product people collaborated with the Fund for early stimulation and child malnutrition projects of Caminando Juntos Foundation. The action also included the possibility of doubling the donation with the purchase of wipes or the new Active Sec diaper, accelerating the development of the mix through the solidarity promotion.

We also participated with Kimberly-Clark Professional in a training on hygiene in the program Fundación Pescar.
Carrefour: against child malnutrition

With this initiative with Carrefour in 2015 we sought to encourage and inspire commitment to CONIN Foundation, which is focused on the eradication of child malnutrition.

The mechanics of the initiative consisted in donating a diaper to the foundation with the purchase of any HUGGIES pack. The donation was distributed by Caminando Juntos Foundation in 4 CONIN centers in different regions of the country (Neuquén, Mendoza, Rosario and Córdoba). It took place during the month of November in the HYPER-MINI HYPER formats and was nationwide.

Walmart, Earth month

With Huggies Natural Care (eco-friendly packaging made with up to 54% of green polyethylene) and Scott Rindemax, we participated in the traditional Walmart’s “Earth Month” in 32 hypermarkets of the chain. With the purchase of any of these products, people obtained ecological shopping bags.

We carried out awareness-raising actions

We participated in

13.000 DIAPERs

ECOLOGICAL PACK: GREEN POLYETHYLENE

Green polyethylene comes from ethanol, renewable source, and contributes to reduce greenhouse emissions through sugar cane, which captures CO2 from the atmosphere. In this sense, a ton of green polyethylene captures up to 2.15 tons of CO2 in its life cycle.
WITH OUR SUPPLIERS

STRENGTHENING RELATIONSHIPS

Our value chain is essential to maintain and strengthen the quality of our operations. Therefore, we strive to enhance it, optimize its management capacity, add value and align the form of action with our values of ethics, transparency and integrity.

We try to identify at which point in our value chain there are opportunities for improving and jointly developing innovative and quality products.

We transmit to our suppliers our vision, pillars, values and how we develop a sustainable management. All our suppliers should meet the Supplier Social Compliance Standards (SSCS) of the Company, ensuring that policies and practices comply at least with national and local labor, environmental, health and occupational safety laws and regulations during the manufacture and distribution of products, supplies or the delivery of services*.

We regularly conduct, through independent third parties, assessments on the degree of compliance with social compliance standards including confidential interviews with employees and contract workers working at the site.

(*) All our suppliers are assessed according to social compliance standards.

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OUR SUPPLIERS

NUMBER OF SUPPLIERS .................. 1,023
PAYMENT TO SUPPLIERS .................. $2,494,873,414

are Argentine
89%
are foreign
11%

of our 1,023 suppliers:
of our sales:
71%
29%
Our Standards:

**FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING AGREEMENTS**
Right to freedom of association, participation in protected activities or rejection of them. Respect for representation by a legally recognized union and elected representatives with reasonable access to employees to negotiate in good faith with the Company.

**PROHIBITION OF FORCED LABOR AND LABOR ABUSE**
Prohibition of physical and mental abuse of employees as a disciplinary measure, the use of any form of forced labor -including forced labor in prison- non-terminable long term contracts, easement contracts due to debts or slave labor. And also human trafficking associated with such abuses.

**NON-DISCRIMINATION**
Prohibition of discrimination and harassment in all aspects of employment, from recruitment, hiring, placement, training, compensation, treatment and promotion of employees.

**BUSINESS INTEGRITY**
Promotion of a workplace free of bribery, corruption or money laundering, in addition to the prohibition of delivering or receiving money and other valuable objects to or from any person, including governmental officials with the aim of influencing or gaining advantages.

**PROTECTION AGAINST CHILD LABOR**
Prohibition of employment of minors under the age of 15 years, child labor contracts or exploitation of children in any way.

**SAFE AND HEALTHY WORKPLACE**
In compliance with the laws, rules and regulations of occupational health and safety, and mitigating the risk of injury and exposure to health risks.

**ENVIRONMENTAL PROTECTION**
Compliance with all applicable environmental laws and regulations.

**HOURS, SALARIES AND BENEFITS**
Salaries according to the industry sector or labor market, in compliance with salary laws, with hourly pay and benefits.

**PROMOTION OF SUSTAINABLE PRACTICES**
Our Supplier Guide allows us to align actions and encourages suppliers to become familiar with our sustainability principles: selling quality products, providing good service and treating employees fairly.

In order to be a Kimberly-Clark supplier, it is necessary to complete:

- **SWORN STATEMENT**
  - it declares that all the personnel employed is registered in compliance with labor and social security laws.

- **LETTER OF COMMITMENT**

- **CONFIDENTIALITY AGREEMENT**

- **SUPPLIER CODE OF CONDUCT LETTER**
  - it establishes the minimum requirements and principles under which they operate.

- GRI: G4-DMA, G4-12, G4-HRS, G4-HR5, G4-HR6, G4-LA13, G4-S02, G4-S03, G4-S04, G4-S09, G4-S010, G4-HR9, G4-HR10
With the aim of strengthening our value chain, Kimberly-Clark developed Integrity Project, a program for SME suppliers that promotes good practices in the value chain and takes on the challenge of accompanying and guiding them to adopt quality and efficiency standards, by establishing reciprocal standards of ethics and transparency, and transmitting principles of organizational excellence.

During 2015, we conducted a training workshop on responsible marketing and social networks. The program was attended by Roberto Repetto, Head of Digital Strategy at Ogilvy Argentina, who spoke about how to be present in social networks, the dissemination of online advertisements, and Florencia Salvi, Sustainability Manager at AMCHAM. On the part of AMCHAM, the training focused on the importance of "doing" to be able to "say" or communicate in terms of sustainability, peeling away the term sustainability from philanthropy.

In addition and in order to continue offering training tools, the Company’s Leadership Guide was sent to all SME suppliers.

In order to better understand the practices of our suppliers, we conducted an annual survey within our Integrity Project (*) program among a total of 100 suppliers who were consulted on labor, social, health and safety, environmental and ethical issues, among others, 85% of them responding to the survey (**).

(*) There have been no operations with potential risk of incidents of child labor, forced labor or human rights. According to the survey of Integrity Project, no significant risks were identified in relation to incidents of this kind in the supply chain.

(**) More information on the annual survey of suppliers at www.kimberly-clark.com.ar

“Kimberly-Clark through Integrity Project is carrying out a very important task training and accompanying its suppliers. This is a way of adding value to suppliers and generating dialogue and learning for the Company. It is a model program together with the value chain.”

Florencia Salvi Sustainability Manager at AMCHAM (American Chamber of Commerce)
Our strategic materiality issues
## SUSTAINABILITY REPORT DRAFTING PROCESS

The Sustainability Committee is responsible for conducting a survey and analysis of the expectations arising from the consultation process with stakeholders, identifying and prioritizing the material aspects, preparing the sustainability report and submitting it to the Management Committee, for final approval before publication.

## IDENTIFICATION PROCESS OF MATERIAL ASPECTS AND COVERAGE

The materiality principle defines those aspects to be addressed by the Sustainability Report and that relate to issues that:

1. **REFLECT THE COMPANY ECONOMIC, ENVIRONMENTAL AND SOCIAL IMPACT**

2. **SIGNIFICANTLY INFLUENCE ON STAKEHOLDERS’ DECISIONS AND ASSESSMENTS.**

In this sense, and based on the GRI Principles to determine the content of the Annual Report, the Sustainability Committee and Management Committee have conducted a review and update of the material aspects, according to those issues regarded as strategic by both our company and stakeholders.
PRINCIPLES TO DETERMINE THE ANNUAL REPORT CONTENT

The material aspects identification process listed below was coordinated and carried out by the Sustainability Committee and the Corporate Affairs Management.

1. IDENTIFICATION OF MATERIAL ASPECTS
   - Impacts, risks and opportunities identified by Kimberly-Clark Argentina.
   - Review and validation of the issues identified by the Sustainability Committee.
   - List of aspects to be included in the report.

2. ASPECTS FOR PRIORITIZATION
   - All material aspects identified on the first step were submitted to a Test or Materiality Test.
   - List of material aspects and issues

3. VALIDATION
   - Review, validation and application of the completeness principle

4. REVIEW AND REPORT
we prioritize
OUR STRATEGIC AFFAIRS
### MATERIAL ASPECTS IDENTIFIED

<table>
<thead>
<tr>
<th>N°</th>
<th>OF MATERIAL ASPECT</th>
<th>COVERAGE OF MATERIAL ASPECT</th>
<th>INFLUENCED STAKEHOLDERS</th>
<th>AREA</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>WITHIN K-C</td>
<td>OUTSIDE K-C</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Water</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>2</td>
<td>Origin on raw material for paper manufacturing</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>3</td>
<td>Diversity and equal opportunity</td>
<td>☐</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>4</td>
<td>Effluents and waste</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>5</td>
<td>Non-Discrimination</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>6</td>
<td>Quality and product safety</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>7</td>
<td>Child Labor</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>8</td>
<td>Equal remuneration for women and men</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>9</td>
<td>Forced oor mpculsary labor</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>10</td>
<td>Packaging, products and services</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>11</td>
<td>Impact on biodiversity/reforestation</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>12</td>
<td>Promoting Company Social Responsibility in the value chain</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>13</td>
<td>Employment</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>14</td>
<td>Anticorrution</td>
<td>☑</td>
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<td>☑</td>
</tr>
<tr>
<td>15</td>
<td>Occupational health and safety</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>16</td>
<td>Assessment and customer awareness</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>17</td>
<td>Local communities</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>18</td>
<td>Labor/Management Relations</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>19</td>
<td>Energy and climate change</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>20</td>
<td>Supplier human rights assessment</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>21</td>
<td>Training and education</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>22</td>
<td>Customer service</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>23</td>
<td>Assessment of suppliers’ environmental impact</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>24</td>
<td>Company’s financial performance</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>25</td>
<td>Fair practices for suppliers’ recruitment</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
</tbody>
</table>
## INDEX OF GRI CONTENT

### BASIC GENERAL CONTENTS

#### STRATEGY AND ANALYSIS

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>PAGE</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>G4-1</td>
<td>10 y 11</td>
<td>Provide a statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and the organization’s strategy for addressing sustainability.</td>
</tr>
<tr>
<td>G4-2</td>
<td>10 a 14, 20, 21</td>
<td>Provide a description of key impacts, risks, and opportunities.</td>
</tr>
</tbody>
</table>

#### ORGANIZATIONAL PROFILE

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>PAGE</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>G4-3</td>
<td>26</td>
<td>Name of the organization.</td>
</tr>
<tr>
<td>G4-4</td>
<td>26</td>
<td>Primary brands, products, and services.</td>
</tr>
<tr>
<td>G4-5</td>
<td>26</td>
<td>Location of the organization’s headquarters.</td>
</tr>
<tr>
<td>G4-6</td>
<td>26</td>
<td>Number of countries where the organization operates.</td>
</tr>
<tr>
<td>G4-7</td>
<td>35</td>
<td>Nature of ownership and legal form.</td>
</tr>
<tr>
<td>G4-8</td>
<td>26</td>
<td>Report the markets served.</td>
</tr>
<tr>
<td>G4-9</td>
<td>31</td>
<td>Report the scale of the organization.</td>
</tr>
<tr>
<td>G4-10</td>
<td>31</td>
<td>Report the total workforce.</td>
</tr>
<tr>
<td>G4-11</td>
<td>31</td>
<td>Report the percentage of total employees covered by collective bargaining agreements.</td>
</tr>
<tr>
<td>G4-12</td>
<td>123</td>
<td>Describe the organization’s supply chain.</td>
</tr>
<tr>
<td>G4-13</td>
<td>9</td>
<td>Report any significant changes during the reporting period regarding the organization’s size, structure, ownership, among others.</td>
</tr>
<tr>
<td>G4-14</td>
<td>21, 39</td>
<td>Report whether and how the precautionary approach or principle is addressed by the organization.</td>
</tr>
<tr>
<td>G4-15</td>
<td>33</td>
<td>List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.</td>
</tr>
<tr>
<td>G4-16</td>
<td>33</td>
<td>List memberships of associations and national or international advocacy organizations in which the organization participates.</td>
</tr>
<tr>
<td>INDICATOR</td>
<td>PAGE</td>
<td>DESCRIPTION</td>
</tr>
<tr>
<td>-----------</td>
<td>------</td>
<td>-------------</td>
</tr>
<tr>
<td><strong>MATERIAL ASPECTS AND BOUNDARIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4-17</td>
<td>8</td>
<td>List all entities included in the organization’s consolidated financial statements and report whether any of such entities are not included in the organization’s annual report.</td>
</tr>
<tr>
<td>G4-18</td>
<td>126 a 128</td>
<td>Explain the process for defining the report content and the Aspect Boundaries.</td>
</tr>
<tr>
<td>G4-19</td>
<td>129</td>
<td>List all the material Aspects identified in the process for defining report content.</td>
</tr>
<tr>
<td>G4-20</td>
<td>129</td>
<td>Report the Aspect Boundary within the organization.</td>
</tr>
<tr>
<td>G4-21</td>
<td>129</td>
<td>For each material Aspect, report the Aspect Boundary outside the organization.</td>
</tr>
<tr>
<td>G4-22</td>
<td>8</td>
<td>Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.</td>
</tr>
<tr>
<td>G4-23</td>
<td>8</td>
<td>Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.</td>
</tr>
<tr>
<td><strong>STAKEHOLDER ENGAGEMENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4-24</td>
<td>33</td>
<td>Provide a list of stakeholder groups engaged by the organization.</td>
</tr>
<tr>
<td>G4-25</td>
<td>33</td>
<td>Report the basis for identification and selection of stakeholders with whom to engage.</td>
</tr>
<tr>
<td>G4-26</td>
<td>33</td>
<td>Report the organization’s approach to stakeholder engagement.</td>
</tr>
<tr>
<td>G4-27</td>
<td>33</td>
<td>Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns.</td>
</tr>
<tr>
<td><strong>REPORT PROFILE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4-28</td>
<td>9</td>
<td>Reporting period</td>
</tr>
<tr>
<td>G4-29</td>
<td>9</td>
<td>Date of most recent previous report.</td>
</tr>
<tr>
<td>G4-30</td>
<td>9</td>
<td>Reporting cycle</td>
</tr>
<tr>
<td>G4-31</td>
<td>9</td>
<td>Provide the contact point for questions regarding the report or its contents.</td>
</tr>
<tr>
<td>G4-32</td>
<td>9 y 123</td>
<td>Report the ‘in accordance’ option the organization has chosen, report the GRI Content Index for the chosen option, report the reference to the External Assurance Report, if the report has been externally assured.</td>
</tr>
<tr>
<td>G4-33</td>
<td>9</td>
<td>Report the organization’s policy and current practice with regard to seeking external assurance for the report.</td>
</tr>
<tr>
<td><strong>GOVERNANCE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4-34</td>
<td>34 a 36</td>
<td>Report the governance structure of the organization, including committees of the highest governance body.</td>
</tr>
<tr>
<td>G4-35</td>
<td>34 a 36</td>
<td>Report the process whereby the highest governance body delegates its authority to senior executives and other employees for economic, social and environmental issues.</td>
</tr>
<tr>
<td>G4-36</td>
<td>34 a 36</td>
<td>Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.</td>
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<td>Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics.</td>
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<td>Report the composition of the highest governance body and its executive or non-executive committees; independence, tenure on the governance body, significant positions and nature of the commitments, competences relating to economic, environmental and social impacts.</td>
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<td>Report whether the Chair of the highest governance body is also an executive officer.</td>
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<td>Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for such nomination.</td>
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<td>Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.</td>
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<td>Report actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics.</td>
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<td>Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. In addition, report whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities.</td>
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<td>Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.</td>
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<td>Report the highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.</td>
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<td>G4-49</td>
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<td>Report the process for communicating critical concerns to the highest governance body.</td>
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<td>Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.</td>
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<td>Report the remuneration policies for the highest governance body and senior executives. Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives.</td>
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<td>G4-52</td>
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<td>Report the process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organization.</td>
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<td>Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.</td>
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**ETHICS AND INTEGRITY**

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<td>Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.</td>
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<td><strong>MATERIAL ASPECT: ASSESSMENT OF SUPPLIERS’ SOCIAL IMPACT</strong></td>
<td></td>
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<tr>
<td>G4 - DMA</td>
<td>9, 20 a 25, 83, 123</td>
<td>Description of management approach.</td>
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<tr>
<td>G4-SO9</td>
<td>37, 123</td>
<td>Percentage of new suppliers that were screened using criteria for impacts on society.</td>
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<tr>
<td>G4-SO10</td>
<td>123</td>
<td>Significant actual and potential negative impacts on society in the supply chain and actions taken.</td>
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<tr>
<td><strong>SUBCATEGORY: PRODUCT RESPONSIBILITY</strong></td>
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<tr>
<td><strong>MATERIAL ASPECT: CUSTOMERS’ HEALTH AND SAFETY</strong></td>
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<tr>
<td>G4-PR1</td>
<td>106, 118</td>
<td>Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.</td>
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<tr>
<td>G4-PR2</td>
<td>106</td>
<td>Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.</td>
<td></td>
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<tr>
<td><strong>MATERIAL ASPECT: PRODUCTS AND SERVICES LABELING</strong></td>
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<tr>
<td>G4-PR5</td>
<td>106</td>
<td>Results of surveys measuring customer satisfaction.</td>
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</tbody>
</table>
If you want to make comments or suggestions about the contents of this Report, request additional information or ask any question about it, please feel free to contact us. Exchange of views with our stakeholders is key to identify opportunities for improvement and to add value to our work and our Sustainability Report.

**CONTACT US**

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