

A woman and a young girl are shown in a close-up, looking down at a lit diya (oil lamp) during the Diwali festival. The woman is wearing a gold sari and jewelry, and the girl is wearing a red patterned sari. The scene is warmly lit by the fire of the diya.

THIS IS SUSTAINABILITY OUR DNA

2015 REPORT: DATA AND METRICS

YOU
SUSTAINABILITY
2022

 Kimberly-Clark

AT KIMBERLY-CLARK, EVERYTHING WE DO – FROM HELPING MOMS CARE FOR THEIR FAMILIES TO CARING FOR THE PLANET – IS PART OF OUR VISION TO LEAD THE WORLD IN ESSENTIALS FOR A BETTER LIFE.

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WELCOME TO OUR 2015 SUSTAINABILITY REPORT

IN 2022 WE WILL CELEBRATE 150 YEARS AS A BUSINESS ENTERPRISE. THIS MILESTONE PRESENTS AN OPPORTUNITY TO BOTH REFLECT ON OUR PAST AND PLAN FOR OUR FUTURE.

We know that for our business to succeed, we must continue to care about the future of our communities and our planet by putting sustainability at the heart of our 2022 plan. We know our business has a significant impact on the world, and we're determined to make sure it's a positive one. With these tenets in mind, we're paving the way for another 150 years of success ahead.

You can learn more about what this anniversary means for our business, our people and the communities where we live and work by hearing a few words from our CEO, Tom Falk, SVP & Chief Supply Chain Officer, Sandra MacQuillan, and our Senior Director of Global Sustainability, Lisa Morden.

REPORTING AT KIMBERLY-CLARK

We are proud to present our 13th Sustainability Report, which provides an annual update on the progress we have made toward our overarching sustainability strategy.

This year, our reporting is comprised of two documents: This report focuses on presenting lessons learned and exploring key data and metrics; the second document [here](#) shares highlights and success stories in 2015. Our reporting timeframe covers January 1 through December 31, 2015 along with a recap of our five-year sustainability 2015 goals. We have also included an introduction to our next reporting term of sustainability goals for 2022.

We prepared this reporting (encompassing the two documents) in accordance with the Global Reporting Initiative (GRI) G4 "Core" level.

For questions regarding the content of this report, please contact us at sustainability@kcc.com.



MESSAGES FROM OUR LEADERS

GOVERNANCE

WE ARE BUILT ON A CULTURE OF FAIRNESS, HONESTY AND INTEGRITY.

And with the rapid pace of change in the world, and the endless opportunities, possibilities and questions that are emerging, this culture is more important than ever before.

Our governance structure grounds our day-to-day actions, ensuring that we keep our values at the heart of our business.

This structure comprises:

- A Board of Directors and independent Board committees that provide oversight to key governance, social and environmental issues.
- A clear reporting structure and lines of accountability.
- A global [Code of Conduct](#).
- Corporate policies and local procedures.

We provide more detail on the [Governance](#) and [Policy](#) pages of our corporate website.

BOARD OF DIRECTORS

OUR BOARD OF DIRECTORS AND ITS COMMITTEES PROVIDE OVERSIGHT AND GUIDANCE TO OUR BUSINESSES AND OUR RELATIONSHIPS WITH STAKEHOLDERS.

Our [annual proxy statement](#) contains detailed information on our Board and committee structure, the independence of the members and the responsibilities and meeting frequency of each committee.

The Board has established and approved the framework for our policies and procedures. Among these are our policies relating to environmental stewardship, fiber sourcing, product safety, charitable contributions, human rights, labor, diversity and inclusion and employment. As part of their oversight roles, the Board – and the Nominating and Corporate Governance committee in particular – receive regular reports from management on these topics, our goals and progress against these goals.

The Board also receives benchmarking reports on how our programs compare with those of other companies. Finally, the Board conducts a self-evaluation each year (as do each of its committees), to assess whether it is meeting its oversight responsibilities and to develop action plans for any opportunities identified.

BOARD OF DIRECTORS DIVERSITY OVERVIEW	2010	2011	2012	2013	2014	2015
Independent members	92.3%	92.3%	91.7%	91.7%	91.7%	90.9%
Women	23.1%	23.1%	25.0%	25.0%	25.0%	18.2%
Minority group membership	23.1%	30.8%	33.0%	33.0%	33.0%	27.3%
Total Board members ¹	13	13	12	12	12	11
Directors of age 50+	13	13	12	12	12	11

(1) John R. Alm served as a Director until his retirement on April 30, 2015. Linda Johnson Rice served as a Director until her resignation on August 17, 2015. Michael D. White joined the Board on September 1, 2015.

SUSTAINABILITY ADVISORY BOARD

Since 2007, our Sustainability Advisory Board (SAB) provides insights on sustainability issues to our Global Sustainability Team and our Global Strategic Leadership Team, which is comprised of top business and functional executives.

The SAB is composed of six external thought leaders who possess a diversity of experience and expertise and are selected based on core competencies that align with our sustainability strategy. Its members offer independent views of our sustainability programs on a regular basis, as well as insights into potential risks and opportunities for our business. SAB members may serve for three consecutive two-year terms. Each member receives an annual stipend and is reimbursed for travel expenses to attend meetings.

Members include:

Jeffrey Hollender (U.S.)
 Founder and CEO of Hollender Sustainable Brands, that developed and markets Sustain condoms; co-founder and former CEO of Seventh Generation; board member of Greenpeace U.S., Verité, a leading workers' rights organization, and Vermont Businesses for Social Responsibility.

Mark Kramer (U.S.)
 Co-founder and Managing Director of FSG; Senior Fellow in the CSR Initiative at Harvard Kennedy School of Government and a lecturer on CSR at the Harvard Business School.

Jo Mackness (U.S.)
 Chief Strategy and Operating Officer for the UC Berkeley Haas School of Business; previously served as the Executive Director of Haas' Center for Responsible Business (CRB).

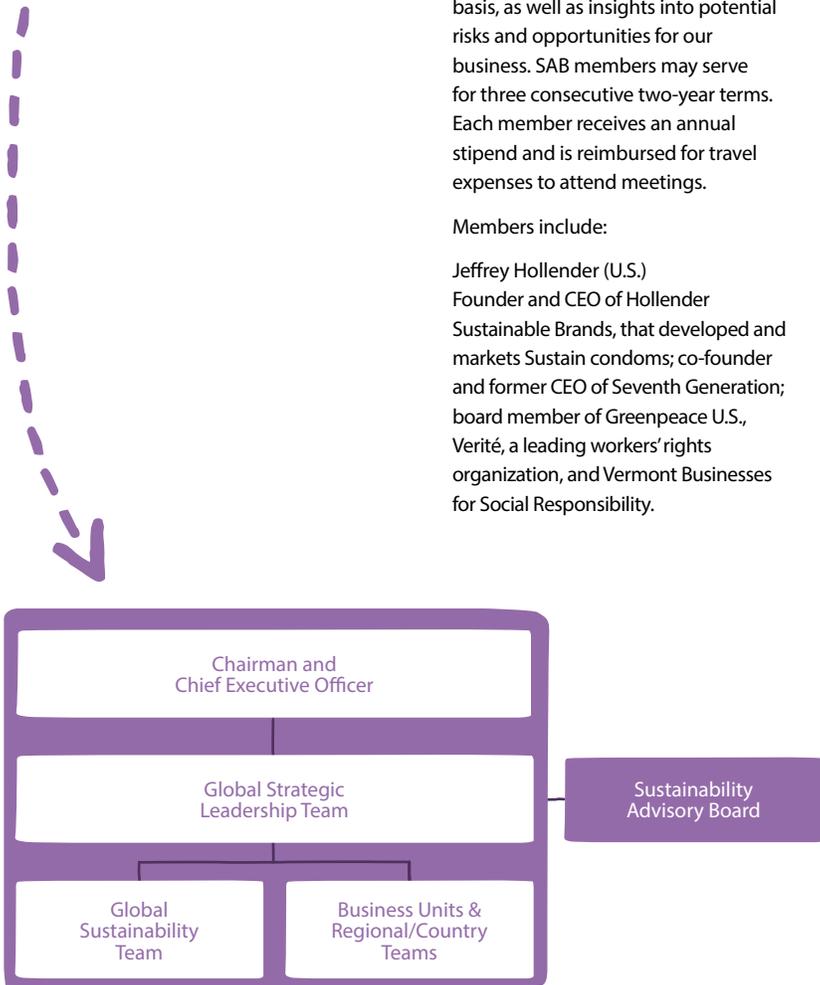
Tim Smith (U.S.)
 Director of ESG Shareowner Engagement and Senior Vice President at Walden Asset Management; Chair of the Board of Shared Interest and serves on the Board of the United Methodist Church General Board of Pensions and Health Benefits.

Sally Uren (U.K.)
 Chief Executive for Forum for the Future, a global sustainability non-profit that works with business, governments and others to catalyze interventions that move major systems toward sustainability.

Andrew Winston (U.S.)
 Author of best-sellers "Green to Gold" and "The Big Pivot"; author of the Harvard Business Review Magazine cover story, "Resilience in a Hotter World"; advisor to Fortune 500 companies on how to navigate the world's mega-challenges, such as climate change and resource constraints.

COMPLIANCE AND ETHICS

Our [Code of Conduct](#) and related policies create a framework of ethical standards within which all employees must operate. The Code and corporate policies apply worldwide. Our compliance and ethics program also includes our anti-corruption policies and procedures, which are designed to ensure compliance with global anti-corruption standards, including the United States Foreign Corrupt Practices Act and the United Kingdom Bribery Act.



BUSINESS DATA

FINANCIALS	2010	2011	2012	2013	2014	2015
Net Income (\$B) ¹	\$1.80	\$1.60	\$1.80	\$2.10	\$1.50	\$1.00
Net sales (\$B) ¹	\$18.3	\$19.3	\$19.5	\$19.6	\$19.7	\$18.6
Net sales by division (\$B) ¹						
Personal Care ¹	\$8.7	\$9.1	\$9.6	\$9.5	\$9.6	\$9.2
Consumer Tissue ¹	\$6.5	\$6.8	\$6.5	\$6.6	\$6.6	\$6.1
K-C Professional ¹	\$3.1	\$3.3	\$3.3	\$3.3	\$3.4	\$3.2
Net sales by region (\$B)						
North America ¹	\$10.7	\$10.8	\$9.4	\$9.4	\$9.4	\$9.5
Europe ¹	\$3.2	\$3.4	\$3.1	\$2.8	\$2.7	\$2.3
Asia, Latin America and Other ¹	\$6.6	\$7.5	\$7.3	\$7.6	\$8.0	\$7.2
Intergeographic (Asia, Latin America and Other) ¹	\$(0.7)	\$(0.8)	\$(0.4)	\$(0.3)	\$(0.4)	\$(0.4)
Operating costs (\$B) ¹	\$15.7	\$17.2	\$17.1	\$16.7	\$16.8	\$15.4
Cash returned to shareholders (\$B)	\$1.9	\$2.3	\$2.4	\$2.4	\$3.2	\$2.1
Taxes paid (\$B)	\$0.6	\$0.5	\$0.5	\$0.8	\$0.9	\$0.7
Total environmental expenditures (\$M) ²	\$201	\$226	\$166	\$168	\$169	\$173
Capital ²	\$26	\$32	\$22	\$30	\$38	\$61
O&M ²	\$162	\$171	\$126	\$114	\$120	\$96
Government Payments and R&D ²	\$13.0	\$23.0	\$18.0	\$24.0	\$11.0	\$16.0
Assets (\$B)	\$19.9	\$19.4	\$19.9	\$18.9	\$15.5	\$14.8
Donations and community investments (\$M)	\$20.7	\$32.1	\$33.0	\$35.0	\$35.8	\$29.0
Percentage of net income ¹	1.1%	2.0%	1.8%	1.7%	2.3%	2.9%

(1) Recast from discontinued operations.

(2) "Intergeographic" refers to inter-company sales.

(3) Total environmental expenditures were restated for 2014 to be consistent with prior years to not include equity company numbers. Totals for 2014 exclude equity companies and Health Care facilities.

KEY PERFORMANCE DATA

OVERALL PERFORMANCE

↑ EXCEEDED
\$18.5 BILLION
IN NET SALES



SOCIAL IMPACT

SOCIALLY-FOCUSED PROGRAMS EXIST IN
97% OF ALL OUR COMMUNITIES



TOTAL GLOBAL DONATIONS AND COMMUNITY INVESTMENTS:

\$29 MILLION

ACCOUNTING FOR 2.9% OF OUR NET INCOME



FORESTS & FIBER

10 YEAR
PARTNERSHIP

WITH THE FOREST STEWARDSHIP COUNCIL® (FSC®) TO END DEFORESTATION AND SAFEGUARD FOREST ECOSYSTEMS

7% TO **75%**
IN 2006 THAN IN 2015 ↑

WE'VE INCREASED THE AMOUNT OF FSC®-CERTIFIED VIRGIN FIBER IN OUR TISSUE PRODUCTS FROM 7% IN 2006 TO MORE THAN 75% IN 2015



WASTE & RECYCLING

↑ DIVERTED
95.6% OF MANUFACTURING WASTE FROM LANDFILL
AS OF DECEMBER 2015

RECOVERED PACKAGING MATERIALS ARE CONVERTED INTO QUALITY RECYCLED-PLASTIC PRODUCTS FOR SCHOOLS AND COMMUNITIES AROUND THE WORLD



ENERGY & CLIMATE



AWARDED EPA CLIMATE LEADERSHIP AWARD FOR EXCELLENCE IN GREENHOUSE GAS MANAGEMENT

REDUCED ABSOLUTE GHG EMISSIONS BY
7.2%
EXCEEDING 5% TARGET



SUPPLY CHAIN

EXCEEDED THE 25% WATER USE REDUCTION GOAL
WITH A **27%** REDUCTION RATE ↓

ZERO FATALITIES AND TOTAL REPORTABLE INCIDENT RATE (TRIR) ↓
REDUCED BY **50%**
FROM 2010-2015

MATERIALITY ASSESSMENT, REPORT DEVELOPMENT AND STAKEHOLDER ENGAGEMENT

THINKING AHEAD IS SECOND NATURE TO US.

We're not just here to provide essentials for a better life today – but to make tomorrow better too.

In late 2015, we engaged Corporate Citizenship to conduct a non-financial materiality assessment to develop a comprehensive perspective on the future of our business. This work allowed us to focus on the core economic, environmental and social topics that are integral to supporting and growing our company.

International stakeholders from seven groups (suppliers, customers, distributors, employees, investors, labor/trade organizations and NGOs) were engaged through interviews, workshops or surveys. Material aspects were validated equally by our external and internal stakeholders. We convened regional business and functional leaders, SAB members and subject matter experts around the world along with one-on-one interviews with our strategy leaders from each key business region to assess and prioritize sustainability topics most relevant to our business. Throughout the process, we used the definition of “material” from our global risk management team which takes into account the probability of occurrence and impact to our business.

The materiality assessment results inform not only sustainability strategies like our 2022 strategy and goals, but also our annual sustainability report – to ensure we provide transparent, comprehensive and accessible coverage of key topics over the next five years. The topics analyzed pertain to our business practices, the environment, operating context, people and community, products and packaging, talent attraction and retention, quality, safety and others. Stakeholders were asked how each topic would have an impact on our business in the future. Topics deemed most important to both internal and external stakeholders are addressed in detail in the report and can be viewed in our updated materiality matrix.

We recognize that sustainability isn't just good for the world around us – it's also good for our business. Embedding sustainability principles in our business creates more value in the long-term, and enables us to make the best products for our consumers.

ONGOING STAKEHOLDER ENGAGEMENT

Our ongoing engagement takes many forms – from one-way information channels to consumer and customer research and from dialogues with environmental organizations to partnerships with humanitarian organizations.

Stakeholders viewed as strategic partners are identified as those who have a significant interest in or impact on areas that are material to our company.

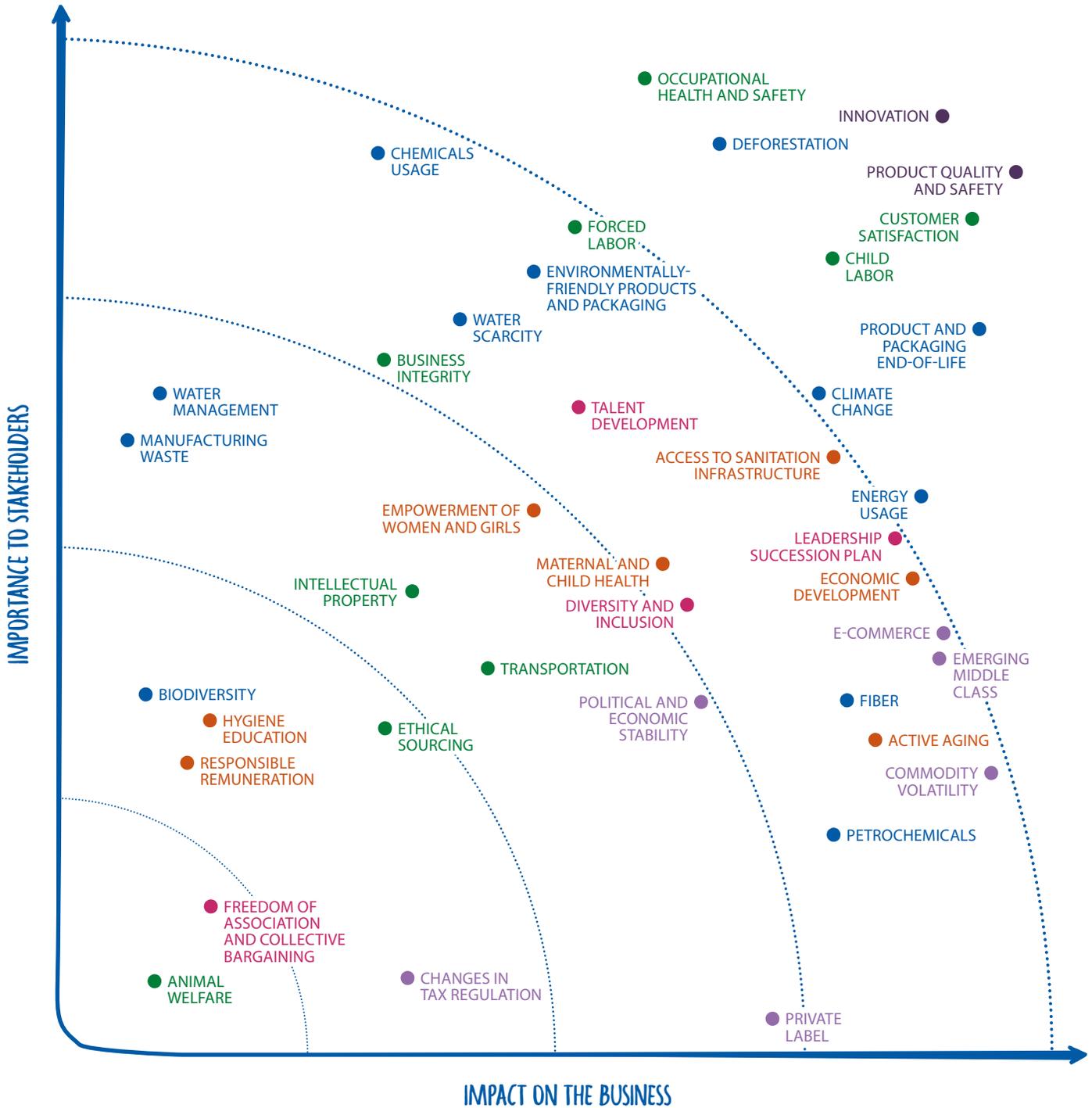
We communicate our progress to the shareholder and investment communities through our [Annual 10-K](#), on the investors section of our corporate website, in our public SEC filings, through investor and shareholder meetings, at analyst-sponsored conferences and through distribution of our sustainability reporting content.

MATERIALITY PRINCIPLE

The materiality principle states that a report should cover aspects that:

- Reflect the organization's significant economic, environmental and social impacts; or
- Substantively influence the assessments and decisions of stakeholders.

SUSTAINABILITY MATERIALITY MATRIX



The materiality assessment results inform our sustainability strategies and ensure we provide transparent, comprehensive and accessible coverage of key topics.

TOPIC CATEGORIES

- PEOPLE AND COMMUNITY
- TALENT ATTRACTION AND RETENTION
- OPERATING CONTEXT
- BUSINESS PRACTICES
- ENVIRONMENT
- PRODUCT

SUSTAINABILITY 2015 PROGRESS SUMMARY

OUR FIVE-YEAR GOALS 2010–2015

Built around the pillars of People, Planet and Products, our goals were designed to integrate social and environmental elements into our business agenda.

We are proud to report that we achieved or surpassed all but one of our goals by the end of 2015. We did not achieve 100 percent on our goal to have socially-focused programs in all of our communities, finishing 2015 at 97 percent. On this goal specifically, we were limited by the business and political climate in one country, which prevented us from achieving this milestone.

We have learned many valuable lessons throughout the process of reaching the end of our sustainability 2015 program, which helped inform our new sustainability strategy and challenged us to drive further improvements.

For example, our socially-focused programs have evolved beyond community-led initiatives. We are currently investing in social missions through our major brands and developing programs with our customers, all with clear economic and social success criteria. Engaging our brands and customers, and setting clear performance goals, helps us gather additional perspectives, reach broader audiences, and create deeper long-term value in the communities where we live and work.

Our environmentally-focused programs have developed beyond just exceeding our reduction targets in water use and maintaining quality of discharge in manufacturing, to building predictive measures and improving water efficiency in water-stressed regions where we operate. In addition, to reduce our impact on natural forests, we will continue to source 100 percent of virgin fiber from certified suppliers. Also, we are increasing the use of and investing in Environmentally-Preferred Fibers (EPF) such as recycled, sustainable non-wood alternatives and Forest Stewardship Council® (FSC®)-certified fibers. Our environmental efforts go beyond compliance to reduce the impact of our own operations, and we will continue to seek opportunities to make a net positive impact on the environments in which we operate.

We have learned from our previous zero waste-focused programs that manufacturing waste of all types can be put to beneficial uses. Our waste program will continue to encourage recycling and the elimination of the use of landfills to dispose of manufacturing waste, but we are now more deeply emphasizing efforts that

address the challenges of end-of-use waste throughout the value chain. We recognize the value of materials that go into our products and packaging. Whenever we can find ways to reduce, reuse and recycle these materials, we're keeping them in circulation – and out of the landfill. As we move forward into 2016, we're setting targets and tracking materials from all parts of the business including manufacturing, offices and distribution.

Our long-term goal for percentage of landfill avoidance for manufacturing waste is 100% as expressed in the sustainability dashboard. The 2015 target towards our long-term goal was 95%. The year average was 92.4%, but during the month of December, 2015 we diverted 95.6% and exceeded the 2015 target. We will continue to set our sights on zero waste in 2016 striving towards 100% landfill diversion of waste from operations.

We are building on these sustainability 2015 successes by applying lessons learned and continuing to innovate. Moving forward, sustainability must be at the heart of our strategy.

SUSTAINABILITY 2015 GOALS¹

FINANCIALS	2015 TARGET	2011	2012	2013	2014	2015
People						
Eliminate workplace fatalities	0	0	0	0	0	0
Socially-focused programs in K-C communities	100%	62%	89%	89%	97%	97%
Participation of key suppliers with K-C's social compliance standards	100%	99%	67%	64%	87%	100%
Planet						
Reduce water use and maintain quality of discharge in manufacturing	25%	2%	18%	26%	25%	27%
Purchases of fiber from certified suppliers	100%	100%	100%	100%	100%	100%
Reduction in absolute GHG emissions	5%	1.2%	3.6%	6.4%	6.9%	7.2%
Percentage of landfill avoidance for manufacturing waste ²	100%	75.5%	78.0%	80.8%	83.8%	92.4%
Products						
Number of new consumer touches (M)	250	N/A	110	134	283.5	379
Percentage of net sales from environmentally innovative products	25%	13%	22%	37%	52%	46%
Percent reduction in packaging environmental impact ³	20%	4%	4%	4%	N/A	N/A
Percentage of 2015 net sales shipped in environmentally innovative primary packaging ⁴	25%	N/A	N/A	26%	30%	36%

(1) Please note that some differences in historical data are the result of footprint changes. Progress toward our Sustainability 2015 goals is summarized above. In instances of restatements, a specific explanation is provided in the footnotes. We account for our data in accordance with the Greenhouse Gas (GHG) Protocol and its rules for accounting, including for footprint changes.

(2) Landfill avoidance statistics are reported in this report as a 12-month average unless otherwise clarified. The year average from January to December 2015 was 92.4%, but the month of December 2015 was a 95.6% diversion rate exceeding our 2015 target of 95%.

(3) No longer tracking and reporting. Replaced in 2013 by new packaging goal to capture additional innovation beyond material efficiency.

(4) Introduced in 2013 to include multiple factors for efficient material use in design, recyclability, and use of environmentally-preferred content such as FSC® -certified virgin fiber, recycled fiber and plastics, and alternative materials from renewable sources.

THROUGHOUT OUR HISTORY, WE CONNECT LONG-TERM BUSINESS GROWTH WITH ESSENTIAL SOCIAL AND ENVIRONMENTAL NEEDS.

In 2015, we concluded our five-year sustainability goals and introduced five priorities for the next seven years which are informed by what we do, who we serve and where we operate:

SOCIAL IMPACT

Making lives better by improving social and physical well-being in communities around the world.

Goal: Improve the well-being of 25 million people in need through social and community investments that increase access to sanitation, help children thrive and empower women and girls.

FORESTS & FIBER

Harnessing innovations in alternative fibers to reduce our impact on natural forests.

Goal: Innovate our tissue products to reduce their natural forest footprint by 50 percent, while increasing our use of environmentally-preferred fibers (EPF).

WASTE & RECYCLING

Setting our sights on zero waste.

Goal: Extend our zero waste mindset to solid waste and deliver innovation to help keep product and packaging material out of landfills.

ENERGY & CLIMATE

Committing to increase our energy efficiency and use of alternate energy sources each year.

Goal: Achieve a 20 percent reduction in absolute greenhouse gases versus 2005 baseline.

SUPPLY CHAIN

Building partnerships to create a sustainable and responsible supply chain.

Goal: Living our values through proactive environmental and social compliance programs that address material risks like water scarcity, and uphold our commitment to human rights, worker safety and anti-corruption.

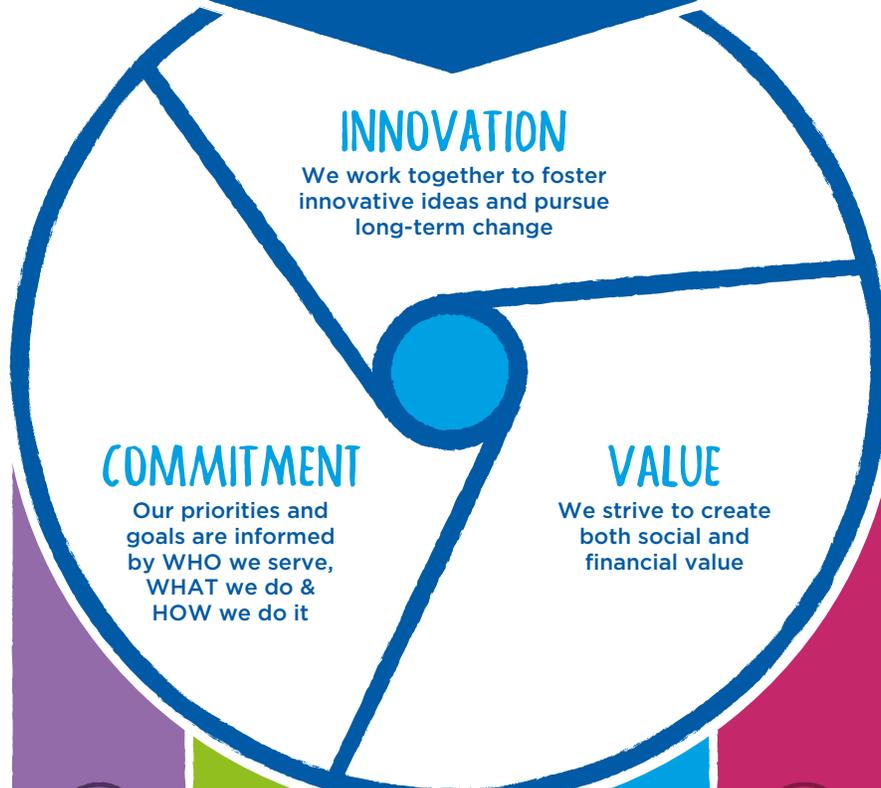
OUR SUSTAINABILITY 2022 STRATEGY WAS BUILT ON A COLLABORATIVE PROCESS INVOLVING KEY STAKEHOLDERS.

Using our materiality assessment and analysis of relevant global mega-trends as a guide, we engaged this broader group in workshops that took place throughout 2014. This process allowed us to prioritize issues based on their relevance to the business and the potential for us to make a meaningful impact. To pave the way for our 2022 targets, we engaged our business units in comprehensive goal-setting reviews in 2015 and will continue to do this annually.

SUSTAINABILITY 2022
(CONTINUED)

Our Strategy

YOU SUSTAINABILITY 2022



Our Priorities



Our 2022 Goals



OUR VISION **TO LEAD THE WORLD IN ESSENTIALS FOR A BETTER LIFE** 

SUSTAINABILITY 2022 AND MATERIALITY

OUR SUSTAINABILITY 2022 GOALS WILL CHALLENGE US TO BE OUR VERY BEST. INSPIRED BY A VISION OF A BETTER FUTURE, WE ARE ALREADY BUILDING NEW CAPABILITIES AND STRONGER PARTNERSHIPS.

Working together with our suppliers, customers and NGOs around the world we are leveraging diverse expertise to solve problems, improve lives and add value through innovation. These bold ambitions are backed by the commitment and collaboration of our 43,000 employees and our global network of trusted partners.

THE FIVE PRIORITIES OF OUR SUSTAINABILITY 2022 STRATEGY REFLECT OUR COMMITMENT TO ADDRESSING OUR MATERIAL ISSUES:

KEY PRIORITY	RELEVANT MATERIAL ISSUE*
Social Impact	Innovation, Access to Sanitation Infrastructure Customer Satisfaction
Forests & Fiber	Climate Change, Deforestation, Innovation
Waste & Recycling	Product and Packaging End of Life, Climate Change, Innovation
Energy & Climate	Climate Change, Innovation, Energy Usage
Supply Chain	Child Labor, Forced Labor, Innovation, Occupational Health and Safety, Product Quality and Safety, Customer Satisfaction, Leadership Succession Plan

*Material issues included here are those in the “high to very high” categories of “importance to stakeholders” and “impact on the business” (note that some issues fall into more than one S2022 category).



SOCIAL IMPACT

WE ARE IMPROVING SOCIAL AND PHYSICAL WELL-BEING IN COMMUNITIES AROUND THE WORLD.

Through our community and brand-led impact programs, and in partnership with the Kimberly-Clark Foundation, we help address issues related to our business, our consumers and our customers through a range of health, humanitarian, economic and environmental initiatives.

2022 GOAL(S)

IMPROVE THE WELL-BEING OF 25 MILLION PEOPLE IN NEED

through social and community investments that increase access to sanitation, help children thrive and empower women and girls.

HOW IMPACT IS MEASURED AND ACHIEVED

- Invest in the communities in which we operate through company and employee giving, volunteerism and local leadership initiatives.
- Develop and deploy social missions aligned to our brand promises to create sustainable social change, increase brand equity and lift performance at shelf.
- Incorporate KPIs into each brand-led program with impact data captured and aggregated annually to ensure all programs provide people in need with a sustainable improvement in quality of life.

(Note that we consider people in need as those living in poverty, where poverty is not only economic but also social, political and cultural).



SUPPORTING OUR BRAND'S SOCIAL MISSIONS

We aim to deliver social benefits through leading brands like Kleenex®, Huggies®, Kotex® and Depend®.

Through this combination of brand-led programming, retail execution, partnerships and Kimberly-Clark Foundation support, we seek to achieve meaningful and lasting change while leveraging the power of our brands. Additionally, we create unique opportunities for employee engagement in direct support of the identified missions.

Kleenex[®]

kotex[®]

Scott's[®]

Depend[®]

Andrex[®]

HUGGIES[®]



SOCIAL IMPACT PERFORMANCE DATA



COMMUNITY & EMPLOYEE CONTRIBUTIONS (\$ MILLION)	2010	2011	2012	2013	2014	2015
Community Partners grants to U.S. employee-supported charities	\$0.8	\$0.9	\$0.8	\$0.7	\$0.7	\$0.7
Value of matching gift contributions made by U.S. employees	\$1.3	\$1.3	\$1.5	\$1.5	\$1.7	\$1.5
Value of product donations	\$8.3	\$19.2	\$14.0	\$16.3	\$13.8	\$8.2
Global cash donations	\$12.4	\$12.9	\$19.0	\$18.7	\$22.0	\$20.7
Total global (product and cash) donations	\$20.7	\$32.1	\$33.0	\$35.0	\$35.8	\$29.0
Employee giving	\$4.2	\$3.9	\$4.2	\$4.4	\$4.9	\$4.6
U.S. employee volunteer hours	78,000	84,000	77,430	80,571	80,074	75,356

OUR PEOPLE PHILOSOPHY

All around the world, in 175 countries, we help more than a billion people live better, safer and more productive lives every day. Our employees are at the center of what we do, and we're committed to unleashing their power.

Our commitment to attracting and retaining great talent from increasingly diverse backgrounds and perspectives has been helping to build teams that are united by a passion to win and a genuine desire to make a difference.

We welcome the difference that diversity can make, and this approach reflects our deeply-held belief that when employees feel valued at work, they are empowered to perform at the highest levels – bringing forth bold thinking, unique insights, stronger debate, and breakthrough solutions.

Global programs like Inspire a World of Talent, which we implemented in 2013 and continued through December of 2015, demonstrate the powerful effect that diverse and inclusive teams have on our business results.

Increasing the representation of women (globally) and ethnic minorities (U.S.) in senior management positions (defined as Director-level and above) is part of our ongoing diversity and inclusion strategy. By embedding our core diversity and inclusion values as an integral part of our business strategy, we are able to further foster senior-level leadership engagement. In addition, we ensure all critical jobs open within the company have a diverse slate of candidates.

TALENT DEVELOPMENT

To ensure our top talent are ready for senior roles, we've implemented these programs: Leaders Teaching Leaders (LTL) and Emerging Leader Acceleration Program (ELAP), which ensure they have the necessary exposure and sponsorship to support them in their success.

Our Cross Border/Swap program is a high-impact experiential learning opportunity that matches critical business needs to top talent development. Leaders are moved to a position in another country or business for up to 90 days. This program serves as a key strategy to accelerate top talent growth, shift our best talent to support delivery of business goals, and encourage best practice sharing.



SOCIAL IMPACT DIVERSITY AND INCLUSION



FULL-TIME EMPLOYEES	2010	2011	2012	2013	2014	2015
North America ¹	21,176	21,411	22,241	21,766	14,874	15,374
% of total ¹	37%	38%	38%	38%	35%	36%
Latin America ¹	13,496	13,829	14,235	14,479	12,824	13,046
% of total ¹	24%	24%	24%	26%	30%	30%
Europe, Middle East and Africa	8,626	8,222	8,039	6,872	6,780	6,708
% of total	15%	14%	14%	12%	16%	16%
Asia/Pacific	13,973	13,789	13,825	13,631	8,139	8,005
% of total	24%	24%	24%	24%	19%	18%
Total full-time employees	57,271	57,251	58,340	56,748	42,617	43,133

(1) Restated data history to report Mexico as part of North America (instead of Latin America) for a geographical view.

TURNOVER (U.S.)	2010	2011	2012	2013	2014	2015
Total	6.4%	10.1%	9.9%	10.1%	11.0%	11.7%
Voluntary	4.3%	5.2%	5.8%	7.4%	8.0%	7.4%
Involuntary	2.1%	4.9%	4.2%	2.8%	3.0%	4.3%

FULL-TIME EMPLOYEE DIVERSITY ¹	2010	2011	2012	2013	2014	2015
Women	29.9%	30.1%	31.0%	35.6%	31.8%	32.2%
Women in management	27.3%	28.6%	29.3%	30.3%	31.1%	32.0%
Ethnic minorities (U.S.)	17.8%	17.9%	18.8%	18.7%	17.7%	18.9%
Ethnic minorities in management (U.S.)	10.9%	11.3%	11.7%	13.7%	12.2%	12.7%

(1) Through 2013, "Management" was defined as U.S. employees in EEP category 01 (executive/senior-level officials and managers, and first/middle-level officials and managers). In 2014, we revised our corporate definition for women and ethnic minorities in management to include employees identified as "Manager" in Kimberly-Clark's Workday system (previously, the term was defined as executive/senior level officials and managers as well as first/middle level officials and managers). This change enables us to report on gender representation in management globally and aligns with our internal reporting structures.



MOTHERS AGAINST MALARIA

Our Huggies® brand is helping to mobilize families in Kenya to take appropriate action and use mosquito nets and other life-saving tools to prevent, diagnose and treat malaria.

We work in collaboration with the NGO Malaria No More, to help keep moms and babies safe through medical treatments and a nationwide awareness campaign.



NURTURING A NEW GENERATION

Our employees are partnering with a local after school program in Brazil that encourages positive and healthy behaviors in the areas of environmental conservation, recycling and the arts.



Read – ‘Giving, Inspiring, Educating’ story

CLOSING THE DIAPER DIVIDE

In the United States, many families struggle to buy the essentials their babies need, like disposable diapers. We helped bring this issue to the forefront in 2010 through the Huggies Every Little Bottom study, which revealed that one in three parents were struggling to provide fresh, clean diapers for their babies. Since the program’s inception, we have donated more than 160 million diapers.



Read – ‘Closing the Diaper Divide’ story

TOILETS CHANGE LIVES

Our brands such as Andrex® and Scott® are drawing attention to the important social issue of sanitation. We play a key role in engaging employees, customers and consumers in understanding the benefits of access to sanitation and toilets.



Read – ‘Toilets Change Lives’ story



FORESTS & FIBER

AS ONE OF THE WORLD'S LARGEST BUYERS OF MARKET PULP, PROTECTING OUR FORESTS IS CRITICAL TO ADDRESSING CLIMATE CHANGE, CONSERVING TERRESTRIAL BIODIVERSITY AND ENSURING A RESILIENT, HEALTHY SUPPLY CHAIN.

We are harnessing innovations in alternative fibers to reduce our impact on natural forests.

2022 GOAL(S)

INNOVATE OUR TISSUE PRODUCTS TO REDUCE THEIR NATURAL FOREST FOOTPRINT

BY 50%

while increasing our use of environmentally-preferred fibers (EPF).

DEFINITIONS

- Natural forests are composed of native species that self-regenerate and contain key elements of native ecosystems such as wildlife and biological diversity. To us, this primarily includes boreal fibers known as northern bleached softwood kraft (NBSK).
- Environmentally-preferred fibers (EPF) include Forest Stewardship Council® (FSC®)-certified virgin fibers, recycled fibers and sustainable alternative natural fibers in tissue products.

KEY MEASUREMENTS AND METRICS WITHIN THIS GOAL INCLUDE

- Maintain 100 percent of all wood virgin fiber sourced from certified suppliers in our products.
- Reduce the use of wood fiber sourced from natural forests by 50 percent by 2025.
- Achieve 90 percent environmentally-preferred fiber (EPF) in global tissue products by 2025.
- Achieve 100 percent fiber from certified virgin, recycled or alternative fiber sources in packaging by 2022.

HOW IMPACT IS MEASURED AND ACHIEVED

- Our tissue business and corporate R&E teams together with their sustainability and procurement colleagues will develop alternative fiber innovation to reduce our use of fiber sourced from natural forests.
- Maintain 100 percent virgin fiber purchased through certified suppliers in tissue products, and expanding to work with packaging suppliers to use 100 percent virgin from certified suppliers, recycled fiber or alternative fiber content in fiber-based packaging.



FIBER USE (MILLION MT) ¹	2010	2011	2012	2013	2014	2015
Virgin Fiber	2.56	2.48	2.36	2.4	2.38	2.42
% of total	72.5%	70.3%	71.3%	71.4%	72.3%	73.5%
Recycled Fiber	0.97	1.05	0.95	0.96	0.91	0.87
% of total	27.5%	29.7%	28.7%	28.6%	27.7%	26.5%
Total fiber used (Forest Stewardship Council® virgin fiber (FSC®) and recycled fiber)	3.53	3.53	3.31	3.36	3.29	3.29

(1) As part of our 2011 global GF&TN agreement with WWF, we will report our total use of environmentally-preferred fiber for all fiber-containing products. Virgin pulp will include all K-C manufactured pulp, purchased market pulp and third-party contract-manufactured fiber-containing products. K-C began collecting fiber data from third-party contract manufactured in 2009.

FIBER SOURCING (%)	2010	2011	2012	2013	2014	2015
Virgin fiber from environmentally responsible sources ¹	98.3%	99.9%	100% ¹	100%	100%	100%
Forest Stewardship Council® (FSC®)	39.4%	47.0%	52.7%	60.5%	62.1%	64.0%
Sustainable Forest Initiative (SFI)	30.7%	30.4%	32.4%	23.7%	23.6%	23.0%
Program for the Endorsement of Forest Certification (PEFC)	8.4%	6.0%	5.0%	4.1%	3.6%	3.0%
CERFLOR (Brazil)	7.9%	3.3%	2.2%	0%	0%	0%
Canadian Standards Association (CSA)	7.2%	5.4%	5.4%	6.1%	6.8%	7.0%
Forest Stewardship Council® Controlled Wood (FSC-CW)	4.8%	7.9%	2.4%	5.6%	3.9%	3.0%
Not Certified ¹	1.7%	0.1%	0% ¹	0%	0%	0%

(1) Approximately 150 tons of fiber were not certified in 2012, due to rounding, this is not reflected.

CHLORINE FREE WOOD PULP PURCHASES (%)	2010	2011	2012	2013	2014	2015
Elemental Chlorine Free (ECF)	95%	95%	98%	98%	97%	97%
Total Chlorine Free (TCF)	5%	5%	2%	2%	3%	3%



**ENVIRONMENTALLY-PREFERABLE FIBER
(% GLOBAL)¹**

	2010	2011	2012	2013	2014	2015
Virgin Fiber						
FSC® Mix	33%	39%	44%	50%	52%	55%
FSC® Plantation ²	29%	33%	38%	42%	43%	44%
FSC® Controlled Wood	31%	26%	22%	17%	15%	14%
Recycled Fiber						
Recycled content	32%	35%	34%	33%	32%	31%
Post-consumer recycled content ³	13%	14%	14%	14%	14%	13%

(1) Data represents Kimberly-Clark and equity affiliates.

(2) FSC® Plantation is a subset of FSC® Mix.

(3) Post-consumer recycled content is a subset of Recycled content; Post-consumer recycled content reported for North America and Europe only.

**ENVIRONMENTALLY-PREFERABLE FIBER
(% NORTH AMERICA)¹**

	2010	2011	2012	2013	2014	2015
Virgin Fiber						
FSC® Mix	32%	37%	44%	51%	53%	56%
FSC® Plantation ²	26%	30%	34%	38%	39%	40%
FSC® Controlled Wood	43%	36%	27%	21%	20%	16%
Recycled Fiber						
Recycled content	25%	26%	30%	28%	28%	28%
Post-consumer recycled content ³	20%	23%	26%	23%	23%	26%

(1) Data represents Kimberly-Clark and equity affiliates.

(2) FSC® Plantation is a subset of FSC® Mix.

(3) Post-consumer recycled content is a subset of Recycled content.

NATURAL FOREST FIBER USE (MT)

	2010 ¹	2011	2012	2013	2014	2015
Virgin fiber from Natural Forest sources (Northern Softwood)	N/A	756,531	572,456	574,843	575,606	565,105

(1) Data not available for reporting in 2010.



SUPPORT FOR GLOBALLY RECOGNIZED STANDARDS

We have partnered with Forest Stewardship Council® (FSC®) for a decade, using the power of the marketplace to help end deforestation and safeguard forest ecosystems. We are committed to a 100 percent certified fiber supply.

Forests are critical because they are home to many kinds of plant and animal life, including endangered species, and also reduce greenhouse gases. Our preference for FSC®-certified fiber supply and commitment to zero deforestation; free, prior and informed consent (FPIC); and protection of high conservation value forest ecosystems, including peat lands, helps us protect forests.



STAKEHOLDER ENGAGEMENT

Major environmental groups, including Greenpeace and the World Wildlife Fund, have recognized Kimberly-Clark as a market leader for responsible fiber sourcing and forest protection. We aim to extend our leadership by reducing our impact and dependence on natural forests through the development of sustainable alternative natural fibers while increasing our use of Environmentally-Preferred Fibers (EPF) such as recycled fibers and FSC®-certified fibers.



Read – 'To Benefit Generations' story

WE ARE COMMITTED TO HELPING ACHIEVE ZERO NET DEFORESTATION BY 2020

Through our membership in the Consumer Goods Forum, a global industry network comprised of the CEOs and senior management of about 400 diverse retailers, manufacturers, service providers and other stakeholders across 70 countries, we are committed to helping achieve zero net deforestation by 2020.



WASTE & RECYCLING

OUR PRODUCTS DELIVER THE ESSENTIALS FOR A BETTER LIFE TO PEOPLE EVERY DAY, AND OUR WASTE PROGRAMS CHALLENGE US TO DESIGN PRODUCTS AND PACKAGING THAT ARE MORE ENVIRONMENTALLY-PREFERRED, EFFICIENT TO PRODUCE, AND BRING SECONDARY VALUE AFTER USE.

By thinking differently about design, manufacture and disposal, we are able to harvest value from our products and packaging even after we and our customers are finished with them.

2022 GOAL(S)

EXTEND OUR ZERO WASTE

mindset to all our solid wastes and deliver innovation to help keep product and packaging material out of landfills.

HOW IMPACT IS MEASURED AND ACHIEVED

- Adopt cradle-to-cradle design principles and drive net basis weight reduction through design-to-value and material innovation.
- Identify and deploy solutions that divert 150,000 MT of products and packaging from landfill to higher value applications.
- Seek to increase our net recycling value in our operations by 10 percent year on year.



WASTE & RECYCLING PERFORMANCE DATA



NON-HAZARDOUS MANUFACTURING WASTE (% OF TOTAL NON-HAZARDOUS WASTE)

	2010	2011	2012	2013	2014	2015
Landfilled	19.1%	24.5%	22.0%	19.2%	16.2%	7.6%
Recycled	18.5%	17.6%	20.2%	19.6%	18.3%	20.3%
Beneficial use	24.1%	22.5%	25.9%	29.2%	34.1%	40.0%
Converted to energy	20.3%	20.4%	12.4%	12.2%	12.2%	12.7%
Reused and other	12.1%	13.3%	17.8%	18.1%	17.2%	16.7%
Composted	5.0%	1.1%	0.9%	0.9%	1.2%	2.0%
Incinerated	0.8%	0.5%	0.9%	0.8%	0.7%	0.7%
Total non-hazardous waste (million MT)	1.37	1.29	1.33	1.28	1.25	1.15

HAZARDOUS MANUFACTURING WASTE (% OF TOTAL HAZARDOUS WASTE)

	2010	2011	2012	2013	2014	2015
Biological treatment	0.8%	0.0%	0.3%	0.0%	0.2%	0.5%
Recycled	50.2%	46.2%	23.9%	17.6%	17.4%	30.0%
Incineration without heat recovery	25.6%	26.2%	24.8%	38.5%	53.5%	49.7%
Chemical treatment	15.8%	15.2%	7.7%	17.5%	17.1%	9.5%
Surface impoundment	0.0%	7.8%	17.6%	0.0%	0.0%	0.0%
Thermal treatment	5.0%	1.4%	6.4%	10.7%	2.8%	1.3%
Permanent storage	0.0%	0.0%	3.0%	0.9%	0.5%	0.1%
Landfilled	1.8%	0.6%	0.4%	0.1%	0.0%	0.4%
Blended fuel	0.8%	2.5%	15.9%	14.7%	8.6%	8.6%
Deep well injection	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total hazardous waste (kg)	226,701	233,019	310,112	564,648	618,142	969,204

WASTE EFFICIENCY (MT/MT OF PRODUCTION)

	2010	2011	2012	2013	2014	2015
Waste per metric ton of production	0.27	0.27	0.28	0.27	0.25	0.23

MANUFACTURING (MILLION MT OF PRODUCTION)

	2010	2011	2012	2013	2014	2015
Total production volume	5.04	4.80	4.71	4.76	4.96	5.06
Materials used (million MT)						
Virgin fiber	2.56	2.48	2.36	2.40	2.40	2.42
Recycled fiber	0.97	1.05	0.95	0.96	0.91	0.87
Polymers	0.74	0.72	0.72	0.69	0.66	0.63
Packaging	0.52	0.50	0.52	0.52	0.53	0.53
Adhesives ¹	0.08	0.07	0.08	0.06	0.06	0.07
Polymer-based components	0.02	0.02	0.02	0.02	0.02	0.03
Packaging (MT/MT of production)	0.104	0.103	0.103	0.104	0.098	0.098



A MINDSET OF VALUE CREATION

Our Solid Waste Program Leader, John Opsteen, is leveraging global partnerships across our business units to deliver innovations such as cradle-to-cradle design principles and new materials to help keep product and packaging material out of landfills after use.

“In my opinion, there’s really no such thing as waste. We see each byproduct as a valuable resource for either our own use or the use of someone else in the marketplace. If we don’t need it, someone else does.”



INNOVATING A WORLD OF POSSIBILITIES

We participate in global programs related to recycling materials and reducing waste impact to landfills. Programs such as [REDcycle](#) in Australia and New Zealand, [On Pack Recycling Logo](#) (OPRL) in the UK, [ReciKCl](#) and [AmbientaDOS](#) in Latin America, [How2Recycle](#) in North America and our Kimberly-Clark Professional [RightCycle](#)* program facilitate the recovery of materials that are converted into quality recycled-plastic products for local schools and/or communities.



ENERGY & CLIMATE

WE SEEK TO REDUCE EMISSIONS AND TRANSFORM OUR FINANCIAL PERFORMANCE BY INCREASING OUR ENERGY EFFICIENCY, BUILDING A CULTURE OF ENERGY CONSERVATION AND SEEKING ALTERNATIVE SOURCES OF ENERGY.

We are focused on reducing the total greenhouse gas (GHG) emissions from our operations while delivering direct savings or cost avoidance.

2022 GOAL(S)

20% ↓ REDUCTION

in absolute greenhouse gases versus a 2005 baseline.

HOW IMPACT IS MEASURED AND ACHIEVED

- Energy Conservation: Reduce emissions and total delivered costs through LEAN energy deployment and energy efficiency best practice adoption projects across our operations.
- Alternative Energy: Create step change reduction in emissions and cost by switching to lower carbon emitting fuels at advantaged locations for electricity and thermal energy generation (e.g. gas, biomass and renewable energy).
- Energy Supply: Manage energy supply to optimize price and cost predictability across our operations.



TRACKING OUR PROGRESS

Our program is designed to address emissions that come from direct (or Scope 1) fuel sources, like natural gas used to heat our facilities and dry our tissue products, and indirect (or Scope 2) fuel sources, like the fuel used by our utility suppliers to make electricity. We will also begin to track the relevant emissions of our upstream and downstream supply chain (or Scope 3) during the Sustainability 2022 plan in order to understand how we might influence improvement in those emissions in the future, although no specific target has been set for Scope 3 emissions at this time.



ENERGY USE (TRILLION BTU)	2010	2011	2012	2013	2014	2015
Non-renewable energy	60.8	59.8	54.4	53.1	53.1	53.8
% of total	85%	86%	94%	93%	92.8%	93.6%
Renewable energy	10.5	9.6	3.6	4.0	4.1	3.7
% of total	14.7%	13.8%	6.2%	7.0%	7.2%	6.4%
Total Energy Use	71.3	69.3	58.0	57.1	57.2	57.5
Energy Efficiency (million Btu/MT of production)	14.2	14.7	12.3	12.0	11.5	11.4

DIRECT ENERGY USE (TRILLION BTU)	2010	2011	2012	2013	2014	2015
Natural gas	29.1	29.6	30.0	29.9	29.7	30.9
% of total	54.0%	56.8%	73.1%	74.3%	73.2%	75.4%
Purchased biomass, purchased liquor	15.5	14.1	3.6	4.0	4.1	3.7
% of total	28.9%	27.0%	8.7%	10.0%	10.9%	9.0%
Coal	7.8	7.3	6.5	5.6	5.5	5.2
% of total	14.4%	13.9%	15.8%	13.9%	13.4%	12.7%
Fuel oil	1.3	1.0	0.9	0.7	0.5	0.3
% of total	2.4%	2.0%	2.1%	1.7%	1.2%	0.7%
Other	-	-	-	-	-	-
% of total	-	-	-	-	-	-
Total Direct Energy use	53.6	52.0	40.9	40.1	40.0	41.0

INDIRECT ENERGY USE (TRILLION BTU)	2010	2011	2012	2013	2014	2015
Electricity	17.52	17.21	16.94	16.96	16.59	16.50
% of total	99.0%	99.2%	99.2%	99.4%	95.1%	94.7%
Steam	0.2	0.1	0.1	0.1	0.9	0.9
% of total	1.0%	0.8%	0.8%	0.6%	4.9%	5.3%
Total Indirect Energy use	17.7	17.4	17.1	17.1	17.4	17.4



INTERMODAL TRANSPORTATION ¹	2010	2011	2012	2013	2014	2015
Total intermodal loads	78,502	87,934	91,353	92,536	95,987	87,517
Annual change	22%	12%	4%	1%	4%	-5%
Miles traveled (millions)	109.4	117.8	119.6	120.0	122.0	112.9
Intermodal cost savings (\$M) vs. over-the-road truck costs	44.2	55.8	60.3	59.2	62.1	56.5
Estimated fuel use (million gallons of diesel)						
Intermodal	9.1	9.8	10.0	10.0	10.2	9.4
Comparable truck-only fuel use	18.2	19.6	19.9	20.0	20.3	18.8
Estimated gallons saved	9.1	9.8	10.0	10.0	10.2	9.4
Estimated GHG emissions (million pounds – Scope 3) ²						
Intermodal	204.7	220.4	223.8	224.4	228.3	211.2
Comparable truck-only fuel use	409.4	440.9	447.7	448.8	456.6	422.3
Savings	204.7	220.4	223.8	224.4	228.3	211.2

(1) All figures are estimates.

(2) Pounds of GHG emissions based on estimate of 22.45 pounds per gallon of diesel fuel burned.

Note: Drop in 2015 is result of lower diesel fuel prices (30% lower than 2014) which reduced the benefit of shipping certain loads via Intermodal.

GREENHOUSE GAS EMISSIONS (MILLION MT CO ₂ E) ¹	2010	2011	2012	2013	2014	2015
Direct (Scope 1)	2.5	2.5	2.4	2.2	2.2	2.2
Indirect (Scope 2)	2.8	2.7	2.7	2.7	2.7	2.7
Total emissions	5.3	5.2	5.1	5.0	4.9	4.9
Change from previous year (%)	N/A	-1.6%	-2.4%	-2.3%	-1.1%	-0.1%
CO ₂ e per metric ton of production (CO ₂ intensity)	1.05	1.11	1.08	1.04	0.99	0.97
Specific emissions						
Carbon dioxide (CO ₂)	5.240	5.157	5.048	4.934	4.899	4.879
Methane (CH ₄)	0.011	0.010	0.006	0.006	0.006	0.006
Nitrous Oxide (N ₂ O)	0.033	0.031	0.020	0.020	0.021	0.020

(1) The U.S. emission factors were based on the 2011 U.S. EPA eGRID2010 version 2.1, and the international emission factors used the International Energy Agency Data Services "CO₂ Emissions from Fuel Combustion (2011 Edition)", and 2010 data has been updated to reflect these new calculations.

OTHER CRITERIA POLLUTANTS (MT) ¹	2010	2011	2012	2013	2014	2015
NO _x	3,948	3,833	2,915	2,869	2,895	2,562
SO ₂	4,193	3,031	2,452	1,787	1,776	1,860

(1) 2010 through 2015 pollutant values were revised to reflect more accurate data from continuous emission monitors compared to previous report responses which were based only on emission factors.



SMART GROWTH

We are proud of our record of continuous improvement in reducing emissions of greenhouse gases and their subsequent climate impacts.

But, we recognize the need to go further and have therefore developed a robust pipeline of ideas designed to further improve our energy efficiency and provide low carbon energy alternatives to support our operations.

Through development of this pipeline of ideas and modeling our improvement projections with the Science Based Targets initiative's Sectoral Decarbonisation Approach, we have established and validated a new greenhouse gas reduction goal aligned with climate science. We will continue to pull ideas through the pipeline and deploy improvements – building on our momentum from Sustainability 2015 towards our bigger ambition for Sustainability 2022.



UNLEASHING THE POWER OF OUR PEOPLE

We have a history of achieving long-term business successes that are also good for communities and the environment. This is all possible through the expansion of innovative programs that rely on biomass, renewables and cogeneration; the adoption of the LEAN Energy Management system of conservation in more mills; and by continuing to make smart decisions about how we grow.

The LEAN Energy Management system is designed to engage mill employees in a culture of conservation, to execute process changes which optimize energy efficiency and to deploy real-time visual tools to make energy overconsumption visible and trigger corrective actions. By incorporating metering, indicators of overuse and employee-driven monitoring, mills are able to create an easy-to-understand system that can help decrease annual energy costs with no significant expenditures on new equipment.

ENGINEERING POWER

Our Beech Island Mill in South Carolina (our largest manufacturing site globally) partnered with Three Rivers Solid Waste authority to transform waste into energy.

Solid waste in landfills breaks down to create methane, a greenhouse gas that will seep out into the atmosphere. To help offset this issue, Three Rivers Solid Waste Authority collects gas at its landfill, cleans it and sends it to Beech Island Mill via a pipeline, built in 2008. The mill burns the landfill gas, along with natural gas, to generate steam for its production processes. As of 2015, the project has prevented 88,200 tons of greenhouse gas from entering the atmosphere.

AS OF 2015, THE PROJECT HAS
PREVENTED
88,200 TONS
OF GREENHOUSE GAS
FROM ENTERING THE ATMOSPHERE.



SUPPLY CHAIN

OUR PRODUCTS DELIVER THE ESSENTIALS FOR A BETTER LIFE THROUGH BABY AND CHILD CARE, ADULT CARE, FEMININE CARE, FAMILY CARE AND PROFESSIONAL PRODUCTS.

Nearly one-quarter of the world's population purchases our products every day and experiences the health, hygiene and other social benefits they offer.

2022 GOAL(S)

LIVE OUR VALUES

through proactive environmental and social programs that address material risks like water scarcity and uphold our commitment to human rights, worker safety, anti-corruption and environmental protection.

We face a range of environmental and social challenges that can be potential risks to our ongoing success.

Our programs focus on going beyond compliance while managing risks such as water supply in water-stressed regions.

Human rights, corruption and worker safety are some of our highest concerns.

SOCIAL AND ENVIRONMENTAL COMPLIANCE

- Ensure our suppliers and mills meet our robust expectations for human rights, labor rights, employee safety, anti-corruption and environmental protection.
- Execute our Environmental, Health and Safety (EHS) Management System, which includes the policy, organization, planning and implementation of initiatives to enable continuous improvement of our performance.

RESPONSIBLE SOURCING AND RISK MANAGEMENT

- Ensure that products and materials we purchase come from traceable, resilient and sustainable sources and meet relevant social and environmental standards.
- Implement comprehensive programs designed to reduce risks and engage communities increasingly at risk of water stress.
- Leverage a risk-based approach to predicting and preventing potential business disruptions while maintaining our performance standards.

SUPPLIER ENGAGEMENT

- Engage in an innovative discussion on sustainability with our supply chain partners that creates value and resiliency for us and our customers.

HOW IMPACT IS MEASURED AND ACHIEVED

- Continue to conduct EHS audits to confirm facility performance against safety and environmental standards and to check the health of our EHS Management System.
- Quantify value at risk for purchased materials and services, and deploy mitigation programs.
- Continue to deploy and improve our Corporate Social Compliance program.
- Focus investments on implementing best-in-class water treatment and recycling technologies in water-scarce regions.

SUPPLY CHAIN PERFORMANCE DATA



SUPPLIER AUDIT RESULTS	2014	2015
Number of in-scope suppliers	397	272
Facilities Audited		
Kimberly-Clark Branded Audits ¹	62	65
Customer Branded Audits ²	60	67
Facilities with Non-Conformance Findings (Requiring Confirmation of Mitigation and Corrective Actions)		
Kimberly-Clark Branded Audited Facilities	41 10.3 percent of in-scope suppliers	42 15.4 percent of in-scope suppliers
Facilities with Non-Conformance Findings:		
K-C Branded Audited Facilities	39 9.8 percent of in-scope suppliers	61 22.4 percent of in-scope suppliers
Non-Conformance Findings by Category (Kimberly-Clark Branded Audits Only):		
Health and Safety	40 facilities (73 total mandatory health and safety findings)	38 facilities (92 total mandatory health and safety findings)
Child Labor	0 facilities (0 total mandatory child labor findings)	0 facilities (0 total mandatory child labor findings)
Forced Labor	6 facilities (7 total mandatory forced labor findings)	3 facilities (3 total mandatory forced labor findings)
Freedom of Association	0 facilities (0 total mandatory freedom of association findings)	0 facilities (0 total mandatory freedom of association findings)
Discrimination	1 facility (1 total mandatory discrimination finding)	0 facilities (0 total mandatory discrimination findings)

(1) Kimberly-Clark branded audits refer to audits measured against Kimberly-Clark compliance standards.

(2) Customer branded audits refer to audits measured against customer-specific compliance standards.

SUPPLY CHAIN PERFORMANCE DATA



CORPORATE SOCIAL COMPLIANCE

Within our supply chain, sustainability-related issues could present potential risks to our business. These include human rights concerns, corruption and worker safety. In an effort to ensure more active oversight of key external suppliers, we established a [Corporate Social Compliance](#) program in 2012. By the end of 2015, 100 percent of our key suppliers signed declarations to comply with the Supplier Social Compliance Standards.

In 2015, we completed a total of 155 social compliance audits of supplier workplaces in 132 key facilities. Key suppliers are identified through a risk-based approach across 30,000 global suppliers, using a variety of factors to determine which suppliers fall within the scope of this audit program.

This approach allows us to direct auditing resources to areas with the most significant risk of human rights issues. Audits support suppliers to identify gaps and opportunities for continuous improvement in areas such as work hours and wages, eliminating discrimination, freedom of association and collective bargaining, safe workplaces and protections against child labor and forced labor. All told, since the inception in 2012, the social compliance program has driven continuous improvement in the working conditions of more than 123,000 workers in our external supply chain due to 400+ audits.

PROCESS FRESH WATER USE (MILLION CUBIC METRES)

	2010	2011	2012	2013	2014	2015
Surface	72.6	74.1	46.7	44.5	43.5	44.8
% of total	57%	59%	45%	48%	46%	49%
Municipal	36.3	33.0	39.7	31.8	28.3	27.3
% of total	29%	26%	38%	34%	30%	30%
Groundwater	17.7	18.0	18.2	17.0	21.9	20.0
% of total	14%	14%	17%	18%	23%	22%
Total Water Use	126.5	125.2	104.6	93.3	93.6	92.1
Change from previous year	N/A	-1%	-16%	-11%	0%	-2%

PROCESS EFFLUENT DISCHARGE DESTINATIONS (%)

	2010	2011	2012	2013	2014	2015
Surface	87%	88%	88%	84%	89%	90%
Municipal	13%	12%	12%	16%	11%	10%

TISSUE MANUFACTURING WATER USE EFFICIENCY (M³/MT OF PRODUCTION)

	2010	2011	2012	2013	2014	2015
Actual	44.2	46.2	41.1	35.9	35.3	35.0
Annual Target	31.3	30.5	28.7	28.7	28.6	28.6
Percent deviation	41%	51%	43%	25%	23%	22%

SUPPLY CHAIN PERFORMANCE DATA



KIMBERLY-CLARK EMPLOYEE SAFETY	2010	2011	2012	2013	2014	2015
Fatalities ¹	0	0	0	0	0	0
Permanently disabling injuries	14	8	9	2	2	5
Total Reportable Incident Rate (TRIR)	0.44	0.40	0.31	0.27	0.22	0.22
North America	0.59	0.44	0.33	0.30	0.35	0.33
Latin America	0.40	0.40	0.39	0.41	0.21	0.19
Europe (EMEA for 2015) ²	0.71	0.71	0.39	0.80	0.57	0.45
Middle East and Africa ³	1.01	0.53	0.76	0.33	0.38	N/A
Asia/Pacific	0.32	0.23	0.14	0.20	0.17	0.17
Kimberly-Clark Professional (KCP) ⁴	-	-	-	-	0.39	0.37
Lost-time Reportable Incident Rate (LTRIR)	0.30	0.27	0.19	0.17	0.15	0.17
North America	0.39	0.22	0.20	0.15	0.19	0.23
Latin America	0.31	0.36	0.21	0.25	0.18	0.17
Europe (EMEA for 2015) ²	0.45	0.59	0.29	0.40	0.42	0.32
Middle East and Africa ³	0.82	0.37	0.52	0.14	0.24	N/A
Asia/Pacific	0.21	0.14	0.08	0.13	0.11	0.12
Kimberly-Clark Professional (KCP) ⁴	-	-	-	-	0.28	0.16
Sentinel Events Reporting Rate (SERR)	1.70	1.53	1.54	1.66	2.00	4.44
Safety compliance penalties ⁵	\$110,955	\$4,800	\$23,000	\$1,000	\$25,000	\$4,500

- (1) In 2013 a motor vehicle fatality occurred in the trucking operations of Kimberly-Clark de Mexico, an unconsolidated affiliate.
 (2) In 2015, the data for Europe was combined for reporting purposes as Europe, Middle East and Africa (EMEA).
 (3) Listed as N/A for 2015 as data is rolled into EMEA reporting.
 (4) Kimberly-Clark Professional (KCP) was added to the list for 2015. Safety data is tracked separately as is a Global business operating unit versus regionally specific.
 (5) In 2013 the Kimchean Mill in South Korea received a \$1000 fine for inadequate machine guarding that has been corrected. In Jan. 2012, the Chester, PA mill was cited by OSHA as a result of an explosion involving a propane tank that occurred in Aug.2011. A monetary sanction of \$23,000 was paid and the following corrective actions undertaken: a) Discontinued refuelling of propane cylinders on the Chester site immediately following the incident, and the two propane filling stations on site were dismantled and removed, b)Propane is now delivered in cylinders by a vendor, c)The smoking policy has been clearly re-communicated and is consistently enforced.

TRIR: Work-related events that result in fatalities, temporary or permanently disabling injuries, or illnesses, per 200,000 hours worked per annum.

LTRIR: Reportable injuries/illnesses that result in time away from work or restricted work, per 200,000 hours worked per annum.

SERR: Number of Sentinel Events reported per 200,000 hours worked per annum.

GLOBAL SAFETY STRATEGY

We established a clear, simple and effective global safety strategy to engage all employees in delivering our vision of zero fatalities and zero reportable incidents. Known as REAL, this safety strategy engages employee teams in four areas:

Risk Mitigation
 EHS Management Systems
 Accountability for Safety Leadership in Safety

Engaging our employees in our safety processes is an essential element of our programming. We recognize the importance of training our leadership teams in best-in-class safety protocols and how to bring the remainder of our REAL strategy to life every day.

EMPLOYEE SAFETY

IN 2015 K-C ACHIEVED A
 ↓ 10.1% REDUCTION
 IN ITS GLOBAL TRIR

K-C'S 2010 TRIR WAS 0.44 AND
 ITS 2015 TRIR WAS 0.22 SO A

50% REDUCTION
 IN TRIR WAS
 ACHIEVED
 2010-15





SUPPLY CHAIN PERFORMANCE DATA

PRODUCT STEWARDSHIP

We care about the materials we use to create our products, and we want our consumers and customers to feel good about them too. In line with our core values of authenticity and accountability, we have created our own Product Stewardship Council, a cross-functional group consisting of colleagues from sustainability, regulatory affairs, product safety, legal, engineering, government relations, corporate communications, and our strategic business units.

Through this initiative, we ensure our products continue to meet or exceed safety, environmental, quality and sustainability requirements globally, while also meeting or exceeding consumer and customer expectations. Since its inception, the Council has made great progress on transparency, including the release of a [Product Stewardship micro-site](#) that houses detailed ingredient information for our formulated personal care products within our U.S. brand portfolio. The information presented within the micro-site is available to all our stakeholders, including government, non-profit organizations, retailers and consumers.

PROTECTING HUMAN RIGHTS

We are committed to ensuring that employees around the world – including those of our suppliers – are treated with respect and that our workplace and human rights standards are met. This commitment is formalized in our [Human Rights in Employment Policy](#) and our [Code of Conduct](#), which guides our interaction with suppliers, partners, customers and consumers worldwide.

The Audit Committee of our Board of Directors provides oversight of our efforts to ensure compliance with the Code of Conduct, other internal policies and certain legal and regulatory requirements.

UNION MEMBERSHIP

2010 2011 2012 2013 2014 2015

	2010	2011	2012	2013	2014	2015
Percentage of NA employees with union membership	27%	25%	25%	25%	26%	21% ¹

(1) The percentage of unionized workers exceeds 21 percent of our workforce in North America. However, in many countries, union membership is considered a private matter and may not be tracked for those countries. Furthermore, in some countries, employees are subject to union agreements who are not union members specifically.



PARTNERING FOR PROGRESS

We respect international social compliance and environmental principles aimed at promoting and protecting human rights and the environment.

Our policies align with the goals of several international standards, including the [International Labour Organization's Declaration on Fundamental Principles and Rights at Work](#) and those of the [UN Global Compact](#). We partner with international organizations like the Union Network International (UNI) Global Union and AIM-PROGRESS, a program for responsible sourcing, to collaborate with other corporations, governments and unions to protect the rights of workers worldwide. In addition, we now partner with The Consumer Goods Forum on forced labor eradication. In 2015, for example, we participated in an event in Shanghai, China along with AIM-PROGRESS and suppliers centered on capability building within the supply chain. Holding suppliers to high standards and engaging with leading organizations will help address systemic issues across supply chains worldwide.



ENVIRONMENTAL COMPLIANCE

Operating in compliance with environmental regulatory requirements is fundamental to managing our business. We are continuously improving our current compliance systems and initiatives, while also developing a standard for predicting and preventing environmental losses.

WATER

Our tissue mills use large amounts of water in the manufacturing process and some are located in water-stressed regions around the world. As a result, they face a high risk of physical water shortage. Therefore, we have invested significant capital to minimize our absolute water use and to support the water needs of communities in which we operate.

As part of our sustainability 2022 strategy, we will continue to improve water efficiency in identified high water stress areas.

GLOBAL COLLABORATION DRIVES EFFICIENCY

We know that achieving our sustainability goals will demand us to be our very best. While our ambitions are bold, the collaboration and commitment of our global network of employees gives us confidence. So while we're strengthening our capabilities, we're also strengthening collaboration. See how our Korea and China businesses partnered with each other to share best practices.

THIS REPORT WAS PREPARED USING
THE GLOBAL REPORTING INITIATIVE
(GRI) G4 GUIDELINES AS A REFERENCE,
AND CONTAINS STANDARD
DISCLOSURES FROM THE FRAMEWORK.

As a signatory to the United Nations Global Compact (UNGC), we annually communicate our progress in promoting the UNGC's ten principles.

The content index following cross-references the GRI disclosures and each of the ten UNGC principles with information aligned with that disclosure or principle and serves as our Communication on Progress (COP).

GRI #	DESCRIPTION	CROSS-REFERENCE/DIRECT ANSWER	UNGC
G4-1	CEO Letter	Sustainability at K-C (CEO video address)	Statement of continuing support
G4-2	Key impacts, risks and opportunities	Sustainability at K-C, including leadership videos	Principle 8
G4-3	Organization name	Kimberly-Clark Corporation	
G4-4	Primary brands, products and services	10-K (page 1)	
G4-5	Headquarters location	P.O. Box 619100, Dallas, Texas, USA	
G4-6	Where the organization operates	Our global headquarters is in Dallas, Texas, USA. We also have manufacturing facilities in 39 countries (Argentina, Australia, Bahrain, Bolivia, Brazil, Canada, Chile, China, Colombia, Costa Rica, Czech Republic, Dominican Republic, Ecuador, El Salvador, France, Germany, Honduras, India, Indonesia, Israel, Italy, Korea, Malaysia, Mexico, Nigeria, Panama, Peru, Russia, Saudi Arabia, Singapore, South Africa, Spain, Switzerland, Taiwan, Thailand, United Kingdom, United States of America, Venezuela, Vietnam).	
G4-7	Nature of ownership and legal form	10-K (page 1)	
G4-8	Markets served	10-K (page 13)	
G4-9	Scale of the organization	10-K (page 3) 43,133 total employees at year-end 2015	
G4-10	Total number of employees by type	44,757 Total Employees; 43,133 are full-time, 375 part-time and 1,249 temporary. Globally, 32.2% of all employees are women, and 42.8% of all full-time salary employees are women. 32.0% of management globally is comprised of women.	
G4-11	Collective bargaining agreements	Over 21% of our Mill workforces are covered by collective bargaining agreements.	Principle 3
G4-12	Supply chain description	Kimberly-Clark maintains an extensive global supply chain consisting of over 30,000 suppliers of production materials, packaging, finished products, manufacturing operating supplies, capital equipment and other equipment and services to supply a network of global manufacturing locations.	
G4-13	Organizational changes during the reporting period	10-K No organizational changes to report for 2015.	
G4-14	Precautionary principle	Our vision to provide the essentials for a better life includes our commitment to protect the environment. This vision inspires our search for more sustainable ways of meeting our customers' needs. We consider the precautionary principles in the processes, systems and capabilities utilized within our Product Safety, Sustainability, Regulatory and Clinical Affairs and Research and Engineering functions. We seek ways to reduce environmental impact from our operations and design products that are environmentally innovative.	Principle 7
G4-15	External charters, principles or other initiatives	External Principles and Memberships	Principles 1 & 8
G4-16	Membership associations	External Principles and Memberships	
G4-17	Entities included in financial statements	10-K (page 30)	
G4-18	Process for defining report boundaries and content	Welcome to Our 2015 Sustainability Report; Materiality Assessment, Report Development and Stakeholder Engagement	Principle 8
G4-19	Material aspects included in the report	Materiality Assessment and Report Development	

GRI #	DESCRIPTION	CROSS-REFERENCE/DIRECT ANSWER	UNGC
G4-20	Descriptions of material aspect boundaries within the organization	Materiality Assessment and Report Development	
G4-21	Descriptions of material aspect boundaries outside the organization	Materiality Assessment and Report Development	
G4-22	Restatements	Restated data history for full-time Employees to report Mexico as part of North America (instead of Latin America) for a geographical view.	
G4-23	Changes from previous reports in terms of scope and/or boundaries	In 2015, we proceeded with the closure of our Pendik Mill located in Turkey.	
G4-24	Stakeholder groups	Consumers, Customers, Employees, Suppliers, Investors, Communities, Government, NGOs (Ex. UNICEF, Water For People, Malaria No More, FSC® and WWF), Academics (Ex. UC Berkeley and Georgia Tech) and Business Partners Also see Materiality Assessment for more information.	
G4-25	How stakeholders were identified	Kimberly-Clark engages with those stakeholders that have a significant interest and/or impact on areas that are most material to our company and are identified as strategic partners.	
G4-26	Approach to stakeholder engagement	Kimberly-Clark is involved with ongoing stakeholder engagement which takes many forms – from one-way information channels to consumer and customer research, and from dialogue with environmental organizations to partnerships with humanitarian organizations. Stakeholders viewed as strategic partners are those who have a significant interest and/or impact on areas that are most material to our company. Examples of engagement include, but are not limited to – annual meetings, one-on-one interviews, engagement surveys, education or marketing campaigns, earning calls or shareholder resolutions, risk assessments and audits, volunteering programs and media relations. Reference the Materiality Assessment section for engagement undertaken specifically as part of the report preparation process.	Principle 8
G4-27	Topics raised during stakeholder engagements	Topics include, but are not limited to, within our ongoing stakeholder engagement – our business practices, the environment, operating context, people and community, products and packaging, quality, safety and health, human rights, cost reductions, pricing, organic growth and operating margins, sourcing, climate change, waste and recycling, and supply chain management. See the Materiality Assessment section for topics discussed during the latest analysis with our stakeholders.	
G4-28	Reporting period	January – December, 2015	
G4-29	Date of most recent report	July, 2015	
G4-30	Reporting cycle	Annual	
G4-31	Report contact	sustainability@kcc.com	
G4-32	"In accordance" option, GRI Index and report assurance	GRI Index	
G4-33	Policy regarding report assurance	Assurance Letter	Principle 8
G4-34	Governance structure of the organization	10-K Governance	Principle 8
G4-38	Composition of the Board and its committees	10-K Governance	
G4-39	Whether the chair of the Board is also an executive officer	Tom Falk is Chairman and CEO of Kimberly-Clark.	

GRI #	DESCRIPTION	CROSS-REFERENCE/DIRECT ANSWER	UNGC
G4-40	Nomination and selection processes for the Board and its committees	Proxy Statement	
G4-41	Board conflicts of interest	10-K (page 62) Code of Conduct	Principle 10
G4-44	Board performance with respect to governance of sustainability topics	10-K Governance	Principle 8
G4-45	Board role in the identification and management of sustainability impacts, risks and opportunities	10-K Governance	Principles 7 & 8
G4-47	Frequency of the Board's review of sustainability impacts, risks and opportunities	10-K Governance	Principles 7 & 8
G4-49	Process for communicating critical concerns to the Board	Contact the Board or email sustainability@kcc.com	
G4-56	Code of Conduct	Code of Conduct	Principles 1 & 8
G4-57	Helplines or advice lines for employees	Code of Conduct	
G4-58	Mechanisms for reporting concerns about unethical or unlawful behavior	Code of Conduct Mechanisms for raising concerns regarding unethical or unlawful behavior are communicated in our Code of Conduct on pages 6 and 33. Concerns may be raised via a variety of channels including our Code of Conduct Line which allows for anonymous reporting where permissible by law. In October 2015, K-C's Code of Conduct was revised. One of the revisions included the addition of a dedicated No Retaliation Policy (referenced on page 5 of the Code of Conduct).	
G4-DMA	Disclosures on management approach	Welcome to Our 2015 Sustainability Report; Materiality Assessment, Report Development and Stakeholder Engagement	
G4-EC1	Direct economic value generated and distributed	TABLE – Economic Performance Data	

GRI #	DESCRIPTION	CROSS-REFERENCE/DIRECT ANSWER	UNGC
G4-EC2	Climate change risks	<p>At Kimberly-Clark, the majority of our operational greenhouse gas (GHG) emissions result from energy use at our manufacturing facilities. In line with our Essentials for a Better Life vision, we strive to address issues like reducing our carbon footprint by understanding how it affects all aspects of our business – from regulatory complexity to cost implications to environmental and social concerns.</p> <p>To manage and reduce the GHG emissions from our operations, we have developed a corporate-wide GHG inventory of the three major greenhouse gases. These are Carbon Dioxide (CO₂), Methane (CH₄) and Nitrous Oxide (N₂O). Using the right Global Warming Potential Multipliers, these three types of emissions are combined and expressed into a single indicator called Carbon Dioxide equivalent (CO₂e). All the GHG emissions reported internally and externally are expressed in Metric Tons of CO₂e. Following the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) issued by the World Resources Institute (WRI). All the Scope 1 and Scope 2 GHG emissions are verified by an independent third party entity to provide limited assurance of their accuracy and completeness.</p> <p>We report progress annually based on detailed EPA protocols. As part of our Sustainability 2015 strategy, we set a goal of reducing GHG absolute emissions from manufacturing by 5% from a 2010 baseline.</p> <p>Moving forward as part of our next generation goals aligned with Sustainability 2022 strategy, Kimberly-Clark set a goal of reducing GHG absolute emissions from manufacturing by 20% from a 2005 baseline.</p>	Principle 7
G4-EC3	Benefit plan coverage	10-K (page 25)	
G4-EC4	Financial assistance from the government	Kimberly-Clark does not receive financial assistance from U.S. governments that would materially affect our position.	Principle 7
G4-EC7	Infrastructure investments	TABLE – Community Investment	
G4-EC9	% of spend assigned to local suppliers	Kimberly-Clark's global manufacturing network is served by an extensive supply chain that includes local, regional and global suppliers for purchased goods, materials, packaging and services. Our sourcing processes seek to balance responsible sourcing standards and support for local supplier options while optimizing total delivered cost inclusive of material cost and transportation. As a result, a significant amount of purchases are made with local suppliers where possible, while recognizing that some purchases must be made where suppliers are available on a global basis.	
G4-EN1	Materials by weight or volume	TABLE – Materials used	Principle 8
G4-EN2	Recycled input materials	TABLE – Materials used	Principle 8
G4-EN3	Energy consumption (Scope 1 and 2)	TABLE – Energy use	Principle 8
G4-EN5	Energy intensity	TABLE – Energy use	
G4-EN6	Energy reductions	TABLE – Energy use	Principles 8 & 9
G4-EN8	Water withdrawals by source	TABLE – Water use	Principle 8
G4-EN10	Water recycled and reused	TABLE – Water use	Principle 8
G4-EN12	Impacts on biodiversity	All of our wood fiber suppliers are certified under a forest certification scheme which assures that there is a low risk of sourcing wood fiber from protected areas or areas of high diversity outside protected areas.	Principle 8
G4-EN13	Habitats protected or restored	All of our wood fiber suppliers are certified under a forest certification scheme which assures that there is a low risk of sourcing wood fiber from protected areas or areas of high diversity outside protected areas.	Principle 8

GRI #	DESCRIPTION	CROSS-REFERENCE/DIRECT ANSWER	UNGC
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	TABLE – Greenhouse Gas Emissions	Principle 8
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	TABLE – Greenhouse Gas Emissions	Principle 8
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	TABLE – Greenhouse Gas Emissions	Principle 8
G4-EN18	GHG emissions intensity	TABLE – Greenhouse Gas Emissions	Principle 8
G4-EN19	Reduction of GHG emissions	<p>In 2015, our absolute direct and indirect (Scope 1 and 2) global GHG emissions were 5.903 million metric tons (MT) of CO₂e representing 0.5% reduction from previous year 2014. These GHG emissions represent a reduction of 7.2% from the baseline year of 2010 exceeding expectations and surpassing the GHG emissions goal of 5% established in the corporate sustainability program “Sustainability 2015 (S2015)”.</p> <ul style="list-style-type: none"> – Energy efficiency as a relevant driver of GHG emissions reduction was improved 20% between 2010 and 2015, reducing the energy intensity in our manufacturing facilities from 14.3 down to 11.4 MBTU/MT. The focus in obtaining resources to support the execution of projects, opportunities and ideas within the three major components of the energy management strategy (energy conservation projects and lean energy, energy supply management and alternative energy projects) was key to obtaining good sustainability results and financial benefits. – Great progress in GHG emissions reductions was achieved by some specific business sectors and regions, because of the impact of some structural asset changes oriented to optimize the manufacturing and supply chain efficiency and the execution of impactful energy projects and energy supply strategies. Some regions achieving significant reductions at 9% or higher such as Asia Pacific obtained 15% GHG emissions reduction between 2010 and 2015; K-C North America reported 10% and the K-C Latin America Operations achieved 9.3%. 	Principles 7, 8 & 9
G4-EN21	NO _x , SO ₂ and other significant air emissions	TABLE – Other Criteria Pollutants	Principle 8
G4-EN22	Water discharge	Since 2000, we have required all facilities and business units to certify their compliance with our biological oxygen demand (BOD) and total suspended solids (TSS) global wastewater performance standards. In 2006, we developed a program to monitor acute toxicity at our international mills on a rotating basis and introduced corrective measures at mills where acute toxicity was present. And in 2011 we formalized the standard requiring that all wastewater discharges be free of acute toxicity.	Principle 8
G4-EN23	Waste by type and disposal method	TABLE – Waste Non-hazardous	Principle 8
G4-EN24	Significant spills	No significant spills.	Principle 8
G4-EN25	Hazardous waste	TABLE – Waste Hazardous	Principle 8
G4-EN27	Mitigation of environmental impacts of products and services	Kimberly-Clark does not currently collect this data. We are assessing tracking options in order to report in the future.	Principles 8 & 9
G4-EN28	Products and packaging materials reclaimed	Kimberly-Clark does not currently collect this data. We are assessing tracking options in order to report in the future.	Principles 8 & 9
G4-EN29	Monetary value of significant fines	Environmental: \$15,630 in fines.	
G4-EN30	Transport	TABLE – Intermodal Transportation	Principles 7 & 8
G4-EN31	Environmental protection expenditures and investments	Total environmental expenditures in 2015 equaled \$171,406,000. 103 facilities reported in 2015.	

GRI #	DESCRIPTION	CROSS-REFERENCE/DIRECT ANSWER	UNGC
G4-EN32	New suppliers screened using environmental criteria	<p>Kimberly-Clark deploys a targeted approach to addressing environmental impacts in our supply chain both at the initial sourcing and ongoing category management periods. These approaches include, but are not limited to:</p> <ul style="list-style-type: none"> – New fiber suppliers must agree to Kimberly-Clark’s environmentally driven fiber sourcing policy. – Fiber-based packaging suppliers must report their ongoing use of recycled and responsibly sourced fiber. – Contract manufacturing and branded packaging suppliers must review and agree to our Corporate Social Compliance standards. – Contract manufacturers are reviewed through a thorough, multi-category due diligence process including environmental factors. 	
G4-EN33	Supply chain environmental impacts	<p>Kimberly-Clark deploys a targeted approach to addressing environmental impacts in our supply chain both at the initial sourcing and ongoing category management periods. These approaches include, but are not limited to:</p> <ul style="list-style-type: none"> – New fiber suppliers must agree to Kimberly-Clark’s environmentally driven fiber sourcing policy. – Fiber-based packaging suppliers must report their ongoing use of recycled and responsibly sourced fiber. – Contract manufacturing and branded packaging suppliers must review and agree to our Corporate Social Compliance standards. – Contract manufacturers are reviewed through a thorough, multi-category due diligence process including environmental factors. 	
G4-LA1	Rates of Employee Turnover*	<p>Global turnover totals approximately 9,100 (Hourly 5,900, Salary 3,200). U.S. turnover totals 1,600 (700 Hourly and 900 Salary). *all rounded to nearest hundred</p>	
G4-LA2	Benefits provided to full-time employees	<p>Kimberly-Clark is a global company with manufacturing facilities and offices in 66 countries. As a result of this diversity in operational locations, benefits vary between countries and significant operating locations.</p> <p>Across all locations, Kimberly-Clark strives to provide a market-competitive benefits package to employees within their specific location, which may include access to government-provided benefits where applicable.</p>	
G4-LA4	Minimum notice periods regarding operational changes, including contracted	<p>While we don’t have a global policy regarding minimum notice periods in cases of restructuring, Kimberly-Clark has demonstrated a “beyond compliance” commitment to respect workers globally through the Joint Statement we signed with UNI Global Union. UNI Global is the second-largest global union federation in the world and it represents over 20 million workers across 140 countries. The central foundation of this Joint Statement is an open line of ongoing dialogue with Kimberly-Clark executives and UNI Global’s Kimberly-Clark union network. Through this process, UNI has the opportunity to raise any workplace concerns that have not been addressed at the local level, including lack of adequate notice in cases of restructuring.</p>	
G4-LA5	Workforce represented in health and safety committees	<p>Kimberly-Clark’s Global Safety Governance Model requires the establishment of Safety Committees or Councils at the site, region, Sector, and Global levels as part of the management system standard. Safety Committees have been established at each of these levels.</p> <p>Therefore, over 95% of employees are represented by a management-employee safety committee.</p>	Principle 1
G4-LA6	Rates of injury, occupational disease, lost days, absenteeism, and work-related fatalities	TABLE – Safety	Principle 1
G4-LA7	Workers with high incidence risk of diseases	<p>Kimberly-Clark has implemented comprehensive industrial hygiene and occupational health programs that ensure that occupational exposures to hazardous materials and agents are maintained at safe levels. Therefore, there are no worker groups with a high incidence of disease under the Kimberly-Clark policies on safety and health.</p>	Principle 1

GRI #	DESCRIPTION	CROSS-REFERENCE/DIRECT ANSWER	UNGC
G4-LA8	Health and safety topics covered in agreements with trade unions	As a part of Kimberly-Clark's ongoing human rights due diligence, the company has a formal mechanism to engage with global union representatives regarding workplace and human rights concerns, including workplace safety matters.	
G4-LA12	Composition of Board and diversity breakdown/factors	TABLE – Board of Directors Diversity Overview	
G4-LA14	New suppliers that were screened using labor practices criteria	Kimberly-Clark does not currently measure this data. We are assessing tracking options in order to report in the future.	
G4-LA15	Negative impacts for labor practices in the supply chain	We completed a total of 155 social compliance audits for 132 key facilities in 2015; 74 suppliers in 2015 were identified as having potential or actual impacts for labor practices such as passport retention, discrimination, corruption, workplace safety, or working hours. Approximately 64% of those were found to have actual impacts through auditing mitigated findings within 2015. No Relationships were terminated due to non-compliances of our Suppliers Social Compliance Standards.	
G4-LA16	Grievances about labor practices	Kimberly-Clark does not currently measure this data. We are assessing tracking options in order to report in the future.	
G4-HR1	Investment agreements and contracts that include human rights clauses or underwent screening	Clauses concerning human rights are incorporated into all of our terms and conditions in supplier contracts and purchase orders. In 2013, these terms and conditions were updated to include a section that discusses our new Supplier Social Compliance standards.	Principles 1 – 6
G4-HR2	Employee training on human rights	In 2015, we provided 30 minutes of <u>Code of Conduct</u> training to all K-C employees. Team Leaders participated in 60 minutes of Code of Conduct training. The 2015 Code of Conduct training did not specifically call out Human Rights as a topic within the 2015 course; however, as part of the annual Code of Conduct training, all employees were required to certify that they had read the Code of Conduct and agreed to comply with it. The Code of Conduct specifically addresses Human Rights (page 10 of the <u>Code of Conduct</u>).	Principles 1 – 6
G4-HR3	Incidents of discrimination	0 incidences of Discrimination for K-C Audits in 2015. 2 incidences of Discrimination for Customer Required Audits in 2015 (one has been remediated while the other supplier is subject to a follow-up audit in 2016). 0 incidences of Discrimination for Internal.	Principle 6
G4-HR4	Freedom of association and collective bargaining	Suppliers – 0 Internal facilities – 0	
G4-HR5	Child Labor	0 incidences of child labor within the supply chain.	Principles 1, 2 & 5
G4-HR6	Forced or Compulsory Labor	TABLE – Corporate Social Compliance Audit Results (3 incidences of forced labor for K-C Audits in 2015).	Principles 1, 2 & 4
G4-HR7	Security personnel trained in the organization's human rights policies	Kimberly-Clark employees, including those security personnel who are Kimberly-Clark employees, receive Code of Conduct training which includes instructions on <u>Kimberly-Clark's Human Rights policies</u> .	Principles 1 & 2
G4-HR8	Incidents of violations involving rights of indigenous peoples	We know of no incidents involving rights of indigenous peoples.	Principles 1 & 2
G4-HR9	Operations that have been subject to human rights assessments	We conducted corporate social compliance audits in 24 countries in 2015.	Principles 1, 2, 4 & 5

GRI #	DESCRIPTION	CROSS-REFERENCE/DIRECT ANSWER	UNGC
G4-HR10	New suppliers screened for human rights	New contract manufacturing and branded packaging category suppliers are included in the scope for Kimberly-Clark's Corporate Social Compliance program. These suppliers are required to review and sign our social compliance declaration as well as participate in social compliance audits.	Principles 1 – 6
G4-HR11	Incidents of negative impacts in supply chain and actions taken	We completed a total of 155 social compliance audits for 132 key facilities in 2015; 74 suppliers in 2015 were identified as having potential or actual impacts for labor practices such as passport retention, discrimination, corruption, workplace safety, or working hours. Approximately 64% of those were found to have actual impacts through auditing mitigated findings within 2015. No Relationships were terminated due to non-compliances of our Suppliers Social Compliance Standards.	
G4-HR12	Grievances about human rights impacts	<p>Kimberly-Clark commits to respect all human rights by having a policy commitment to do so, engaging in ongoing human rights due diligence and having processes embedded in our business to remediate human rights impacts. A foundational component of our remediation process is the myriad of formal and informal grievance mechanisms in our business.</p> <p>Our formal grievance mechanisms include those provided via our Code of Conduct:</p> <ol style="list-style-type: none"> 1. Formal process which allows anyone around the globe to report a concern around compliance with our Code of Conduct. 2. Annual acknowledgment – Annually we ask all Kimberly-Clark employees to acknowledge they have read and understand our Code of Conduct, and they are personally unaware of non-reported violations of the Code. 3. Corporate Social Compliance Audits – We conduct over 100 audits of key suppliers annually. As a part of this activity we review a given supplier's compliance with our Corporate Social Compliance Standards and local wage, hour and payroll laws. These audits include a random sampling of supplier employee interviews. 4. Consumer Reporting – Users of products around the globe may report concerns via toll-free calls or via the internet. 5. Informally, we receive and investigate incidents of grievances from employees, suppliers and consumers around the globe. 	Principles 1, 2, 4 & 5
G4-SO1	% operations with local community programs	<p>Welcome to Our 2015 Sustainability Report; Materiality Assessment, Report Development, Stakeholder Engagement and Social Impact sections of report.</p> <p>We believe collaboration and feedback ensures that our reporting addresses the issues that are important to our business, stakeholders and customers alike. That's why, when considering what to include in this report, we engaged with internal and external stakeholders, including our Sustainability Advisory Board, customers, NGOs, peer companies and Kimberly-Clark business and functional teams.</p>	
G4-SO3	Risks related to corruption	In Kimberly-Clark's Code of Conduct , we discuss mechanisms for reporting unlawful/unethical behavior .	Principle 10
G4-SO4	Communications and training on anti-corruption	<p>In 2015, we provided 30 minutes of Code of Conduct training to all K-C employees. Team Leaders participated in 60 minutes of Code of Conduct training. The 2015 Code of Conduct training did not specifically call out Human Rights as a topic within the 2015 course; however, as part of the annual Code of Conduct training, all employees were required to certify that they had read the Code of Conduct and agreed to comply with it. The Code of Conduct specifically addresses Human Rights (page 10 of the Code of Conduct).</p> <p>It is the policy of Kimberly-Clark to conduct business in compliance with all anti-bribery and anti-corruption laws.</p>	Principle 10
G4-SO5	Confirmed incidents of corruption	We regularly assess the quality and effectiveness of our compliance and ethics program and continue to believe that our anti-corruption program is effective and that we are in compliance with applicable anti-corruption laws in all material respects.	Principle 10
G4-SO6	Political contributions	Kimberly-Clark's Anti-Corruption Policy prohibits employees and representatives from making contributions to candidates for political office or for other political campaigns.	Principle 10

GRI #	DESCRIPTION	CROSS-REFERENCE/DIRECT ANSWER	UNGC
G4-SO7	Anti-competitive behavior	0	Principle 10
G4-SO8	Fines for non-compliance with laws	Safety: \$8,707	
G4-PR1	Health and safety impact assessments of products and services	<p>Kimberly-Clark maintains a Product Safety Policy whereby all products we sell are assessed for health and safety impacts and in which feedback from assessments is incorporated into continuous improvement processes within phases of product development and commercialization:</p> <ul style="list-style-type: none"> - Development of product concept - R&D - Certification - Manufacturing and production - Marketing and promotion - Storage, distribution and supply - Use and service - Disposal, reuse or recycling 	Principle 7
G4-PR2	Non-compliance concerning the health and safety impacts of products and services	There were no incidents of non-compliance with regulations or voluntary codes.	
G4-PR4	Incidents of non-compliance with labeling requirements	Zero for Kimberly-Clark. We did not launch a product that is not in regulatory compliance within labeling requirements.	
G4-PR6	Sale of banned or disputed products	Zero for Kimberly-Clark. We have not knowingly sold banned or disputed products.	
G4-PR8	# of substantiated complaints regarding breach of customer data security	In the 2015 reporting year, we received no substantiated complaints regarding breaches of customer privacy and losses of customer data. Kimberly-Clark Corporate Policy	
G4-PR9	Fines for non-compliance with laws and regulations concerning provision and use of products and services	Zero for Kimberly-Clark.	

EXTERNAL PRINCIPLES,
MEMBERSHIPS AND AWARDS

WE SUBSCRIBE TO SEVERAL GLOBAL DECLARATIONS OF PRINCIPLES AND ARE A MEMBER OF A NUMBER OF INDUSTRY ORGANIZATIONS.

These memberships provide platforms for the company to learn and share information about sustainability and related issues.

EXTERNAL PRINCIPLES

The United Nations' 2030 Agenda for Sustainable Development includes a set of 17 Sustainable Development Goals (SDGs) to end poverty, fight inequality and injustice, and tackle climate change by 2030. We use the SDGs as a guide for the programs and initiatives we plan in support of our sustainability 2022 goals.

As a signatory to the United Nations Global Compact, we are committed to upholding the Compact's 10 Principles (per UNGC) on human rights, labor standards, the environment and anti-corruption, working within our sphere of influence to encourage their support.

MEMBERSHIPS

- AIM-PROGRESS – a forum of leading Fast Moving Consumer Goods manufacturers assembled to enable and promote responsible sourcing practices and sustainable supply chains. The forum's key objectives include building supply chain capability, effectively assuring compliance to aligned standards among members and driving continuous improvement in member supply chains.
- The Consumer Goods Forum – a global industry network comprised of the CEOs and senior management of about 400 diverse retailers, manufacturers, service providers and other stakeholders across 70 countries. In addition, our CEO and Chairman of the Board, Tom Falk, is on the board of directors.
- Corporate Eco Forum – a community of global leaders, representing 18 industries and \$3 trillion in revenues, dedicated to advancing sustainable business.
- EDANA – the international association serving non-wovens and related industries. EDANA provides global leadership to create an environment beneficial to sustainable and profitable growth of the non-wovens and engineered fabrics and related industries to best serve our customers.
- U.S. Environmental Protection Agency SmartWay Transportation Partner – together, we have increased our intermodal usage by reducing length of haul, total miles, empty miles and wait time and idling at shipping and receiving docks. Since 2006, we have more than doubled intermodal utilization, from approximately 42,000 loads in 2006 to more than 87,500 loads in 2015, resulting in savings of more than 9 million gallons of diesel fuel and reduction of CO₂ emissions by more than 210 million pounds.
- Forest Stewardship Council® (FSC®) – an independent, non-profit organization that protects forests for future generations. We are a member of FSC International and have renewed our Cooperation Agreement in 2013 as FSC's selected global partner to represent the tissue industry. For the duration of this two-year agreement, we are working with FSC to create activities that will be mutually beneficial to each organization and will seek to drive increased awareness of the FSC brand, to increase the growth of FSC-certified forest areas globally and to consider the opportunities for certification of non-wood alternative fibers. We funded FSC Canada to conduct field-tests of the FSC Guidelines on Free Prior and Informed Consent that support compliance with social requirements as part of the FSC certification process. In addition, we are a representative on the FSC National Board of Directors in the United States.
- Our Senior Vice President and Chief Supply Chain Officer, Sandra MacQuillan, is on the Board of Advisors for the Leading Executives Advancing Diversity (LEAD) network and has served on the board since its founding. The mission of the LEAD Network is to attract, retain and advance women in the retail and consumer goods industry in Europe through education, leadership and business development. Its vision includes a diverse workforce where both men and women are enabled to contribute their full potential and lead their organizations to the next level of value creation.

MEMBERSHIPS (CONTINUED)

- Charter member of the National Safety Council (NSC) in the United States – a non-profit organization with the mission to save lives by preventing injuries and deaths at work, in homes and communities, and on the road through leadership, research, education and advocacy. Working to make the world measurably safer, NSC advances this mission by engaging businesses, government agencies, elected officials and the public to help prevent the fifth-leading cause of death in the U.S. – unintentional injuries.
- Personal Care Products Council (PCPC) – a national trade association representing the global cosmetic and personal care products industry. Founded in 1894, the Council has more than 600 member companies who manufacture, distribute and supply personal care products in the United States. We participate in many of its standing committees and technical subcommittees, including the International Committee, Safety and Regulatory Committee, Quality Assurance Committee and Microbiology Committee. In addition, we participate in member-only meetings on subjects of common interest.
- Sustainable Brands – a learning, collaboration and commerce community of more than 348,000 sustainable business leaders from around the globe. The organization works to empower more brands to prosper by leading the way to a better world. As a corporate member, we leverage access to a peer-to-peer learning and networking group that supports us in meeting our sustainability goals.
- United States Council for International Business (USCIB) – promotes open markets, competitiveness, innovation, sustainable development and corporate responsibility supported by international engagement and prudent regulation. USCIB presents American business views on a wide range of issues – from environmental regulation to trade policy to labor relations – directly to U.S. policymakers, U.N. and E.U. officials and a host of governments and other groups.
- U.S. Green Building Council (USGBC) – a non-profit organization committed to a prosperous and sustainable future through cost-efficient and energy-saving green buildings. USGBC works toward its mission of market transformation through its LEED green building program, robust educational offerings, a nationwide network of chapters and affiliates, the annual Greenbuild International Conference and Expo and advocacy in support of public policy that encourages and enables green buildings and communities. As a platinum member, we provide a wide variety of products that help buildings and facilities meet the requirements of LEED certification. An organization's participation in the voluntary and technically rigorous LEED process demonstrates leadership, innovation and environmental stewardship.
- World Wildlife Fund's (WWF) Global Forest and Trade Network (GFTN) – a program to expand responsible and credibly-certified forest management which includes technical assistance throughout the certification process and enhanced marketing opportunities. GFTN participants are committed to increasing the availability of forest products from well-managed forests, helping each other benefit and profit from sustainable forest management and ending the purchase of forest products from illegal and controversial sources. We first joined GFTN in 2008 in the United Kingdom and signed a global agreement with WWF in 2011. We work with WWF to help implement the company's global fiber procurement policy, and WWF provides technical assistance and feedback as we progressively increase the amount of environmentally-preferred fiber used in making its tissue and personal care products.

2015 AWARDS

WE'RE PROUD TO HAVE BEEN NAMED A LEADER IN 2015 BY A NUMBER OF ORGANIZATIONS AROUND THE WORLD.



Named the Consumer Durables, Household and Personal Products Sector Leader on Timber in the Carbon Disclosure Project's 2015 Global Forests Report

The more advanced companies generally demonstrate several key attributes, including: a deforestation risk management strategy that is well integrated throughout the business; policy commitments to remove deforestation and forest degradation from across commodity supply chains; a detailed understanding of deforestation risks and impacts; and the implementation of actions to address these risks including the use of physically certified material, traceability, and collaborative work with the supply chain, including small holders and the wider supply chain.

2015 FTSE4Good index

Kimberly-Clark was recognized in the FTSE4Good Index Series for the 12th consecutive year. The Index recognizes companies for working toward environmental sustainability, developing positive relationships with stakeholders and upholding and supporting universal human rights.

Top 20 on "100 Best Corporate Citizens" Survey for the 7th Consecutive Year

Kimberly-Clark ranked among the 100 Best Corporate Citizens with a ranking of 13th according to Corporate Responsibility Magazine. This award was given as a result of data gathered from seven key criteria: climate change, environment, employee relations, finance, governance, human rights and philanthropy.

Manufacturing Safety Excellence Award from Rockwell Automation

The Manufacturing Safety Excellence Awards honor companies that make workplace safety a core business value by building a comprehensive program based on three key pillars: a strong safety culture, well-executed compliance procedures, and effective use of contemporary safeguarding and automation technology through capital investments.

U.S. EPA Climate Leadership Award for Excellence in Greenhouse Gas Management – Goal Achievement Award

Recognizes organizations that publicly report and verify organization-wide greenhouse gas inventories and publicly set aggressive greenhouse gas emissions reduction goals.

Kimberly-Clark set a 5 percent global absolute GHG emissions reduction goal from 2010 levels by 2015. By 2015, we achieved a 7.2 percent reduction.

U.S. EPA SmartWay® Excellence Award

Kimberly-Clark was honored for the sixth time with a SmartWay® Excellence Award from the U.S. Environmental Protection Agency for working with transportation providers to move goods in the cleanest, most energy-efficient way possible, while reducing the impacts of carbon pollution.

Honored with "Responsible Business Forum" Award for Water Management in Asia

Kimberly-Clark was praised for its efforts in water reduction and for investing significantly to support the water needs of the communities in which the firm operates.

Singapore Business Federation's Sustainability Award for Large Enterprises

The Singapore Sustainability Awards showcase the most innovative and impactful sustainable practices adopted by organizations in Singapore. Launched in 2009, the Awards aim to promote excellence in sustainability, and to recognize businesses with demonstrable implementation of best practices.

Public Affairs Asia Gold Standard Award for Corporate Citizenship

This award identifies excellence in the development of a CSR, sustainability or good governance project which enhances corporate reputation. It is open to corporations, NGOs and public bodies who can show commitment to sustainable business practices, governance values or corporate responsibility either through a single campaign, case study or broader corporate commitment to these outcomes.

2015 AWARDS (CONTINUED)

WWF “3 Trees” Award on the United Kingdom Timber Scorecard

WWF found that these companies responded well to almost all of the requests WWF has made regarding the purchasing of timber and timber products. Most have made public commitments to using FSC® and recycled timber and timber products, and to EUTR compliance, and have set up policies and control systems. They report quantities openly and accurately and have a good understanding of the source of all their timber and timber products. They are probably sourcing over 70% certified material, with high proportions of FSC® and recycled timber and timber products. These companies are showing their competitors that it is possible to act responsibly when it comes to forest trade – but even they will need to find ways to do more to fulfil their targets by 2020.

The Decentralized Autonomous Government of Pinincha, EKOS and the United Nations Program (UNDP) Award for “Responsible Consumption” and “Human Rights and Labor Practices” in Kimberly-Clark Ecuador

K-C Ecuador was recognized for its best practices in social responsibility for programs Scott® Alliance – Fundación Niños con Futuro under the subcategory “responsible consumption” and Live Well under the subcategory “Human Rights and Labor Practices”.

Monitor Empresarial de Reputación Corporativa (MERCOSUR) – Corporate Reputation Business Monitor Award

Kimberly-Clark Bolivia was recognized in first place in the field of commercial industry and third place among other companies for best reputation in the country.

Monitor Empresarial de Reputación Corporativa (MERCOSUR) – Peru’s Top 100 Business Reputation Ranking

Kimberly-Clark Peru was recognized in the top 10 as one of the most attractive places to work.

Monitor Empresarial de Reputación Corporativa (MERCOSUR) – Top 10 in CSR Reputation

Kimberly-Clark Argentina was ranked seventh amongst other companies in the country for being more responsible and having better corporate governance.

AMCHAM (American Chamber of Argentina) – Corporate Citizenship Award

K-C Argentina was recognized among the most admired companies and awarded first place in the “Corporate Citizenship” award for sustainable integrated management in the country. This recognition measures economic, environmental and social management as well as ethical action and prestige as a company.

Eikon Award

The Argentine team was honored with an Eikon Award (Blue) in the Financial Communication and Investor category for its 2014 sustainability report. Eikon awards have been managed and awarded by Imagen Magazine and a jury of experts in 21 categories since 1998.

ARL SURA Award

Cauca Mill in Colombia received the “Best Safety and Occupational Health Management” award.

The Porter Prize for Excellence – Yuhan-Kimberly

In recognition of its efforts to create business opportunities to address the country’s ageing population, Yuhan-Kimberly was awarded The Porter Prize for Excellence in CSV from The Institute for Industrial Policy Studies. Named after management guru Michael Porter, a Harvard University professor who first proposed the concept of creating shared value (CSV), the award honors companies and institutions that pursue both economic and social values.

Walmart’s Supplier of the Year – General Merchandise

K-C China was awarded “Supplier of the Year 2015 – General Merchandise” by Walmart for the fourth time in a row, outshining peers and hundreds of other suppliers in China. The award is a recognition of our year-on-year strong joint business planning that helps our customers grow their businesses through innovations.

K-C Chile also won “Supplier of the Year 2015 – General Merchandise” from Walmart.

INDEPENDENT ASSURANCE STATEMENT

Scope and Objectives

DNV GL Business Assurance USA, Inc. (DNV GL) was commissioned by Kimberly-Clark Corporation to conduct independent assurance of its 2015 Global Sustainability Report ('the Report'), as published on the company's website at <http://www.kimberly-clark.com/sustainability>

Our assurance engagement was planned and carried out in accordance with the DNV GL Protocol for Verification of Sustainability Reporting, VeriSustain™. We evaluated the report for adherence to the VeriSustain™ Principles ('the Principles') of stakeholder inclusiveness, materiality, responsiveness, completeness, neutrality, and reliability.

We evaluated the performance data using the reliability principle. It was agreed with Kimberly-Clark that the performance data in scope were: Energy, Water, and Waste as well as any applicable claims in the Report relating to that data. Data and information relating to greenhouse gas emissions are subject to a separate assurance process and are not included in the scope of our work.

We understand that the reported financial data and information are based on data from Kimberly-Clark's Annual Report and Accounts 2015, which are subject to a separate independent audit process. The review of financial data taken from the Annual Report and Accounts is not within the scope of our work.

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion. We are providing a limited level of assurance. A 'reasonable level' of assurance would have required additional work at the headquarters and site level to gain further evidence to support the basis of our assurance opinion.

We followed the procedures as outlined in the VeriSustain protocol to complete the project. We used the Global Reporting Initiative (GRI) Quality of Information Principles (Balance, Clarity, Accuracy, Reliability, Timeliness and Comparability) as criteria for evaluating performance information, together with Kimberly-Clark's data protocols for how the data are measured, recorded and reported. The verification of energy, waste generation and water use assertions were verified to a limited level of assurance and the organizational boundaries are all global sites under Kimberly-Clark's operational control. All data were verified for the period between 1 January 2015 to 31 December 2015.

Responsibilities of Kimberly-Clark Corporation and of the Assurance Providers

Kimberly-Clark has sole responsibility for preparation of the Report. DNV GL, in performing our assurance work, is responsible to Kimberly-Clark's management. Our statement, however, represents our independent opinion and is intended to inform all stakeholders including Kimberly-Clark.

DNV GL was not involved in the preparation of any part of the Report except for this Assurance Statement. This is our seventh year of providing assurance for Kimberly-Clark. We adopt a balanced approach towards all stakeholders when performing our evaluation.

DNV GL's assurance engagements are based on the assumption that the data and information provided by the client to us as part of our review have been provided in good faith. DNV GL expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement. Our team included: Tom Gosselin, Stephanie Alderson, and Kim Bach Vu.

INDEPENDENT ASSURANCE STATEMENT (CONTINUED)

Basis of our opinion

Our work was designed to gather evidence with the objective of providing assurance as defined by VeriSustain™. We undertook the following activities:

- Review of current sustainability issues that could affect Kimberly-Clark and are of interest to stakeholders;
- Review of Kimberly-Clark's approach to stakeholder engagement and recent outputs;
- Review of information provided to us by Kimberly-Clark on its reporting and management processes relating to the Principles;
- We conducted in-person and phone interviews at the corporate headquarters in Roswell, GA with a selection of senior executives and managers based in Roswell, GA; Neenah, WI; Irving, TX; Sao Paulo, Brazil; and Singapore who are responsible for areas of management and stakeholder relationships covered by the Report. The objective of these discussions was to understand top level commitment and strategy related to corporate responsibility and Kimberly-Clark's governance arrangements, stakeholder engagement activity, management priorities, and systems;
- We assessed documentation and evidence that supported and substantiated claims made in the Report;
- We interviewed internal auditors responsible for internal data verification, reviewed their work processes and approach, and discussed specific competencies related to data verification;
- We reviewed the specified data collated at the corporate level, including that gathered by other parties, and statements made in the Report. We interviewed managers responsible for internal data validation, reviewed their work processes, and undertook sample-based audits of the processes for generating, gathering, and managing the quantitative and qualitative sustainability data;
- We reviewed information systems to support reporting on energy use, waste generated and water use, including processes for collecting, processing, consolidation and report data and information; systems and processes that ensure the accuracy of data and information; design and maintenance of the information system; and systems and processes that support the information system.
- In addition, we:
 - Examined data and information to support the reported energy use, waste generate and water use assertions;
 - Evaluated whether the evidence and data are sufficient to support our opinion and Kimberly Clark's assertions.
- We provided feedback on a draft of the Report based on our assurance scope.

Opinion

On the basis of the work conducted, nothing came to our attention to suggest that the Report does not properly describe Kimberly-Clark's adherence to the Principles. In terms of reliability of the performance data, nothing came to our attention to suggest that these data have not been properly collated from information reported at the operational level, nor that the assumptions used were not appropriate.

INDEPENDENT ASSURANCE STATEMENT (CONTINUED)

Observations

Without affecting our assurance opinion, we also provide the following observations.

Stakeholder Inclusiveness: the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability.

Kimberly-Clark is active in sustainability and demonstrates commitment to driving social, environmental, and economic improvement throughout its business operations and value chain. This is evident through collaborative efforts such as participation in membership industry organizations that work to address sustainability topics associated with Kimberly-Clark's most material issues. Kimberly-Clark strives to embed a culture of stakeholder engagement at all levels of the organization and has established internal Sustainability Business Partners with the purpose of embedding sustainability into business unit goals and gaining consensus across the regions that they operate in.

In our review, we found that there were several examples of the company working with stakeholders to reduce environmental impact and to increase positive social impacts. Kimberly-Clark has increased its work with its global supply chain through its standards, supplier summits, risk assessments, and corrective actions to support continuous improvement. External stakeholders were also demonstrably involved in setting the Kimberly-Clark Sustainability 2022 science-based goals.

While Kimberly-Clark included key internal and external stakeholders in their materiality assessment, in future assessments, we recommend that the company should expand the scope of this assessment to include other stakeholders that can provide a unique perspective, such as regional social impact partners, and those that represent Kimberly-Clark's growth in emerging markets.

Materiality: identification of those issues which are necessary for stakeholders to make informed judgments concerning the organization and its impacts.

Kimberly-Clark used the most recent sustainability materiality assessment exercise conducted in 2015 to confirm the topics covered in the report. The report addresses the most material environmental and social issues of concern to its external stakeholders and their estimated impact on the company's business. External stakeholders were invited to be surveyed for the purposes of the materiality exercise, with additional external perspectives provided by the Sustainability Advisory Board.

During this process, stakeholders were asked how each material topic could impact future business. We recommend that future reports should provide examples of these business impacts, whether these are risks or opportunities, and how they can be measured. The materiality assessment could also be further enhanced by seeking clarification that identified material issues reflect the challenges, daily efforts and resources that internal stakeholders dedicated to their areas of expertise during the reporting period. Future reports would benefit from that further level of detail in order to highlight the relative importance of specific sub-issues within the identified material topics, such as 'free, prior and informed consent.'

Responsiveness: the extent to which the organization responds to stakeholder issues

Stakeholder ideas and concerns influence decision-making throughout the organization. This is particularly evident through innovative and collaborative initiatives addressing global sustainability challenges and throughout the company's value chain under the Sustainability 2022 goals.

Kimberly-Clark is driving a supply chain and sourcing strategy that considers the risks for each commodity or category and helps decision-making based on responsible sourcing, social and environmental compliance, and water scarcity. This proactive risk-based approach also informs product design, material content, fiber policy and country-specific social standards. The company's focus on supply chain is supported by the governance structure of sustainability reporting to the Board through the Chief Supply Chain Officer.

The Global Sustainability Report is intended as a consumer-facing report and is accessible to multiple stakeholder groups. With the increasing reliability and availability of internal sustainability data, we recommend that Kimberly-Clark should consider supplementing the report with enhanced online technical detail, and could increase the frequency of performance reporting beyond the annual cycle.

INDEPENDENT ASSURANCE STATEMENT (CONTINUED)

Completeness: how much of all the information that has been identified as material to the organization and its stakeholders is reported

Kimberly-Clark's reporting of performance including the disclosure of data is comprehensive. Restatements are provided to clarify deviations or clarifications and historical data is provided to allow comparability and for stakeholders to view the company's performance against its stated objectives.

Where performance measurement deviates from the usual scope, such as labor indicators that are based on a subset of the workforce, we recommend that the report should provide contextual information to inform the reader.

Neutrality: the extent to which a report provides a balanced account of the organization's performance, delivered in a neutrality tone

The tone in the Report is considered neutral with no intent to unduly influence the reader. The report equally shares successes as well as challenges. For example, the report outlines the socially-focused performance goal that Kimberly-Clark narrowly missed in the reporting year. Through our review, we found that the performance indicators are disclosed and presented in an unbiased manner without any intent to influence the reader.

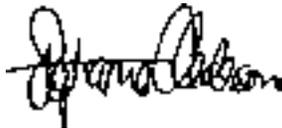
Reliability: the accuracy and comparability of information presented in the Report, as well as the quality of underlying data management systems

Sustainability 2015 goals and performance are generally presented in a clear manner. For the data within the scope of our assurance engagement, we found that minimal technical errors have been identified based on the sampling conducted by internal audit at the corporate level and reviewed by DNV GL. Kimberly-Clark has a robust data management platform that reduces the risk of data inaccuracies.

DNV GL Business Assurance U.S.A., Inc.
Oakland, California
May, 2016



Tom Gosselin
Project Director



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Jon Woodhead
Technical Reviewer

The purpose of the DNV GL group of companies is to promote safe and sustainable futures. The USA & Canada Sustainability team is part of DNV GL Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnvgl.com.

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